

VENDOR SELECTION MATRIX™ INTRODUCTION

THE VENDOR SELECTION MATRIX™ METHODOLOGY

Research In Action

July 2021

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RESEARCH IN ACTION
independent research & consulting

FOREWORD

Every year, Research In Action surveys 10,000+ enterprise IT and business decision makers in order to gain insights on strategy, investments and ongoing challenges of technology innovation in the IT and Marketing Automation realm. These surveys give us access to a wealth of direct and unfiltered feedback from the buyers. It also helps us to understand how buying decisions are made in today's business environment.

The Vendor Selection Matrix™ is a primarily survey-based methodology for vendor evaluation where 63% of the evaluation is based on a survey of enterprise IT or business decision makers and 37% on the analyst's judgement. The analyst's input is fed by a combination of intensive interviews with software or services vendors and their clients, plus their informed, independent point-of-view as an analyst. All of this combines to make Research in Action Vendor Selection Matrix™ reports so unique. This approach is one of the key differentiators of Research In Action in market research.



For our Vendor Selection Matrix™ reports we interview 1,500 IT or business decision makers with budget responsibility in enterprises globally or 750 in individual countries like Germany. The vendors featured in the reports are those vendors which achieved the best evaluations scores from the buyers but we disregard those with fewer than 15 evaluations.

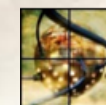
The following slides will show you the importance of competitive vendor evaluations, our survey design, the evaluation criteria we use, how we interact with vendors and finally an example Vendor Selection Matrix™ result.

To Infinity... and Beyond!

Dr. Thomas Mendel

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Germany

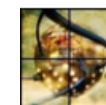
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OUR MARKET IMPACT OVER 12 MONTHS

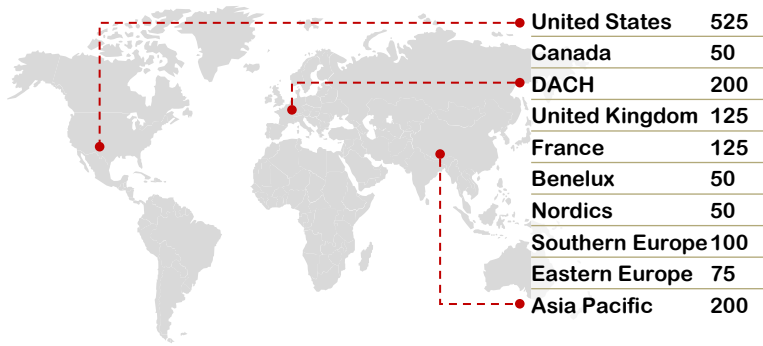


Vendor Selection Matrix™: The right mix makes all the difference
63% customer evaluations + 37% analyst's judgement = 100% success

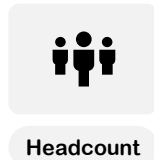
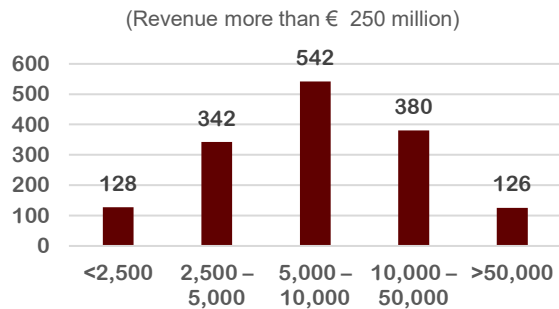


OUR SURVEY DEMOGRAPHICS: IT AUTOMATION

Country Breakdown



Company Size Breakdown



Industry Breakdown

Energy	95
Financial Services	255
Government & Non Profit	90
Life Sciences	200
Manufacturing	350
Technology, Media & Telecoms	200
Consumer Packaged Goods & Retail	110
Professional Services	100
Travel & Transportation	100
Total	1,500

Job Title Breakdown

VP IT Infrastructure	155	Chief Operations Officer	55
IT Manager	150	VP Technology	50
VP IT	135	Business Executive	40
Chief Information Officer	125	Sourcing and Vendor Management	37
IT Operations Manager	121	VP IT Financial Management	35
VP Service Desk	107	VP Enterprise Architecture	34
Chief Digital Officer	85	Project Manager	32
Chief Technology Officer	66	VP Application Development	27
Project Management Office	64	VP DevOps	25
VP IT Shared Services	62	Chief Financial Officer	20
VP Operations	60	Chief Sales Officer	15
		Total	1,500

All Research in Action surveys are gender neutral and 100% confidential.



100,000+
Data Points



1,500
Enterprise Managers



37%
Analyst's Opinion



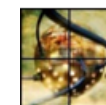
63%
Survey Results

The Vendor Selection Matrix™ Evaluation Methodology:

The basis of our competitive vendor evaluation reports is always an extensive buyer survey.

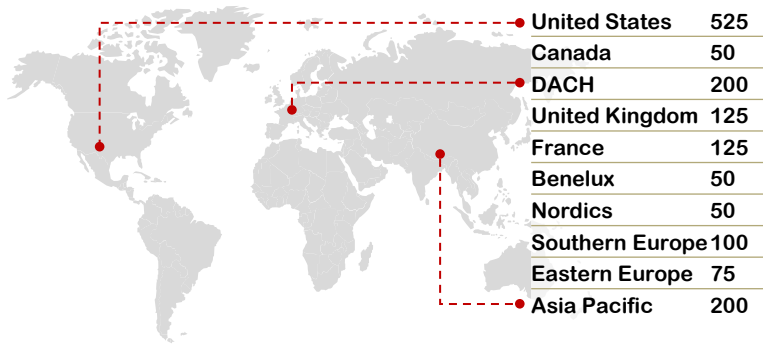
We then select those vendors which achieved the best evaluations scores from the buyers but disregard those with fewer than 15 evaluations.

The final matrix scores are a combination of the survey results, vendor input and analyst's opinion.

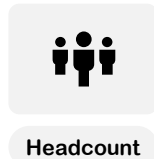
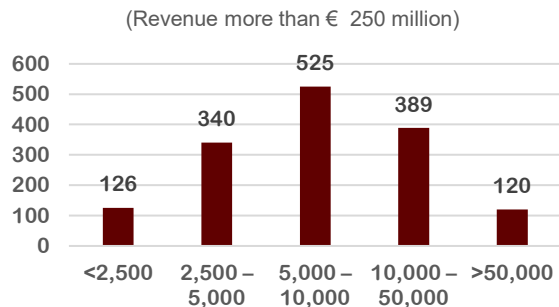


OUR SURVEY DEMOGRAPHICS: MARKETING AUTOMATION

Country Breakdown



Company Size Breakdown



Headcount

Industry Breakdown

Energy	97
Financial Services	255
Government & Non Profit	90
Life Sciences	200
Manufacturing	350
Technology, Media & Telecoms	200
Consumer Packaged Goods & Retail	110
Professional Services	100
Travel & Transportation	100
Total	1,500

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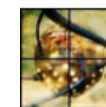
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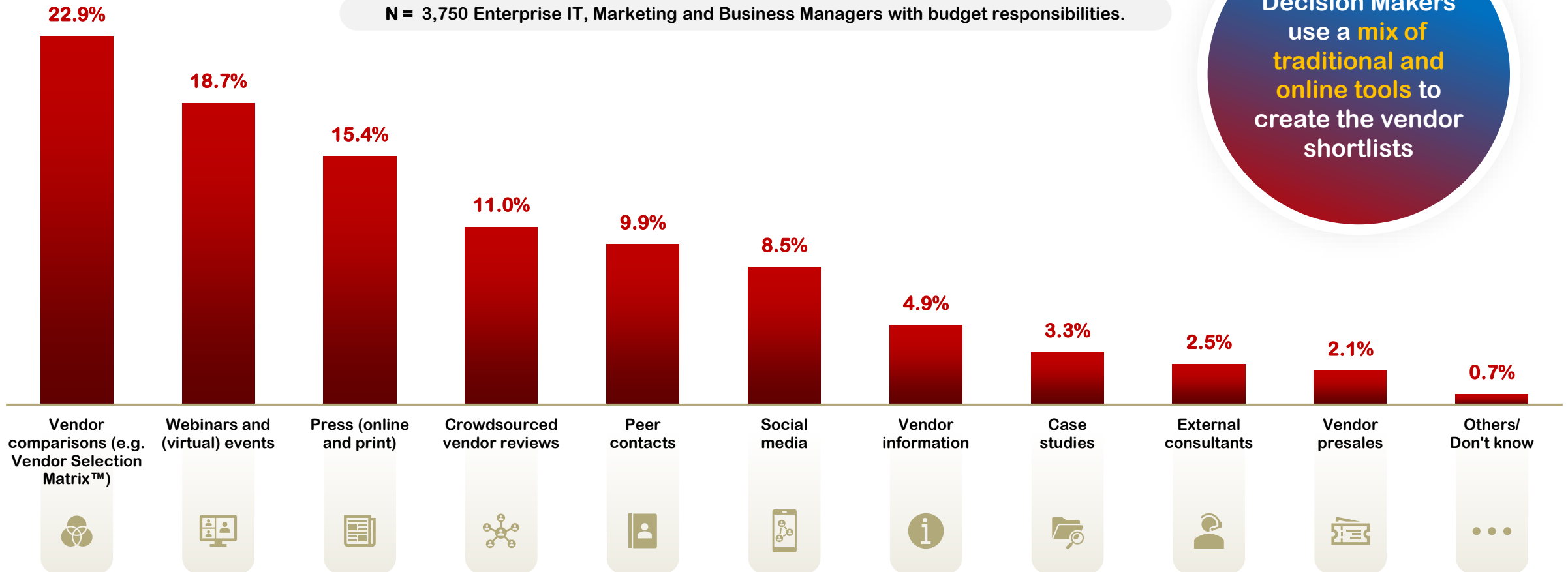
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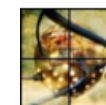


WHAT TOOLS DO YOU USE TO CREATE THE VENDOR SHORTLIST?

N = 3,750 Enterprise IT, Marketing and Business Managers with budget responsibilities.













Decision Makers use a mix of traditional and online tools to create the vendor shortlists



VENDOR SELECTION MATRIX™:

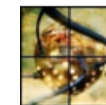
EVALUATION CRITERIA

STRATEGY 		
 Vision And Go-To-Market	30%	<ul style="list-style-type: none"> › Does the company have a coherent vision in line with the most probable future market scenarios? › Does the go-to-market and sales strategy fit the target market and customers?
 Innovation And Differentiation	30%	<ul style="list-style-type: none"> › How innovative is the company in this market? › Does the solution have a unique selling proposition and clear market differentiators?
 Viability And Execution Capabilities	15%	<ul style="list-style-type: none"> › How likely is the long-term survival of the company in this market? › Does the company have the necessary resources to execute the strategy?
 Recommendation Index	25%	<ul style="list-style-type: none"> › Would customers recommend this vendor in this market to their peers?

EXECUTION 		
 Breadth And Depth Of Solution Offering	30%	<ul style="list-style-type: none"> › Does the solution cover all necessary capabilities expected by customers?
 Market Share And Growth	15%	<ul style="list-style-type: none"> › How big is the company's market share and is it growing above the market rate?
 Customer Satisfaction	25%	<ul style="list-style-type: none"> › How satisfied are customers with the solution and the vendor today?
 Price Versus Value Ratio	30%	<ul style="list-style-type: none"> › How do customers rate the relationship between the price and perceived value of the solution?

NOTES:

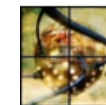
- 63% of the evaluation is based on the survey results, 37% is based on the analysts' assessment.
 - 40% of the evaluation is based on the survey results: (1) Recommendation Index, (2) Customer Satisfaction, (3) Price Versus Value.
 - 15% of the evaluation is based on the analysts' assessment: (1) Viability And Execution Capabilities, (2) Market Share And Growth.
 - 45% of the evaluation is based on a combination of survey results and analysts' assessment: (1) Vision And Go-To-Market (2) Innovation And Differentiation (3) Breadth And Depth Of Solution Offering.
- The Research In Action Recommendation Index (RI) is collected and calculated by asking the survey participants: "Would you recommend this vendor in this market to your peers - Yes or No?".



VENDOR SELECTION MATRIX™

RULES OF ENGAGEMENT

- The Vendor Selection Matrix™ is a primarily survey-based methodology for vendor evaluation where 63 % of the evaluation is based on a survey of enterprise IT or business decision makers.
- The remaining 37 % consist of the analyst's input fed by a combination of intensive interviews with software or services vendors and their clients, plus their informed, independent point-of-view as an analyst.
- We interview 1,500 IT or business decision makers with budget responsibility in enterprises globally or 750 in individual countries like Germany. We select those vendors which achieved the best evaluations scores from the buyers, unprompted, during our global survey are contacted and invited to brief us. We disregard those with fewer than 15 evaluations.
- Every effort is made to establish contact (Email, Contact forms, telephone call).
- We would prefer two contacts per vendor to avoid issues caused by personnel changes during the process.
- Research in Action understands if a vendor declines to respond to our approaches (though only a one-hour briefing is required of a vendor in terms of time investment).
- If a vendor does not respond, Research in Action may decide that the vendor is not important to the report and omit them. This would apply if their number of mentions was in the lowest 25% of the top 20.
- If that is not the case, Research in Action will complete its scoring assessment based on analyst experience and desk research. This will be noted as such in the report. The vendor's products and quick facts will be documented in the report, though a vendor scorecard (profile) will not be written.
- Research in Action will continue to send draft and courtesy copies of the report to all included vendors.
- All Trademarks will be acknowledged.



VENDOR SELECTION MATRIX™

ENTERPRISE SERVICE MANAGEMENT



	STRATEGY	EXECUTION	TOTAL	
1.	VENDOR	4.73	4.73	9.45
2.	VENDOR	4.64	4.79	9.43
3.	VENDOR	4.58	4.83	9.40
4.	VENDOR	4.60	4.76	9.36
5.	VENDOR	4.59	4.69	9.28
6.	VENDOR	4.41	4.56	8.98
7.	VENDOR	4.41	4.49	8.90
8.	VENDOR	4.29	4.51	8.80
9.	VENDOR	4.21	4.33	8.54
10.	VENDOR	4.21	4.25	8.46
11.	VENDOR	4.15	4.30	8.45
12.	VENDOR	3.93	4.11	8.04
13.	VENDOR	3.85	4.04	7.89
14.	VENDOR	3.79	4.01	7.80
15.	VENDOR	3.63	3.73	7.35
16.	VENDOR	3.63	3.33	3.33
17.	VENDOR	3.63	3.33	3.33
18.	VENDOR	3.33	3.33	3.33
19.	VENDOR	3.33	3.33	3.33
20.	VENDOR	3.33	3.33	3.33

Notes:
 • Scale Explanation: 1 (Low) To 5 (High).
 • Potential numerical deviations due to rounding.

VENDOR SELECTION MATRIX™

ENTERPRISE SERVICE MANAGEMENT

Vendor X is a market leader for Hybrid Cloud Service Management tools and fully embraces the convergence of Hybrid Cloud and Enterprise Service Management

STRATEGY	RESULT	EXECUTION	RESULT
Vision And Go-To-Market	4.50	Breadth And Depth Of Solution Offering	4.75
Innovation And Differentiation	4.50	Market Share And Growth	4.50
Viability And Execution Capabilities	4.50	Customer Satisfaction	4.75
Recommendation Index	4.75	Price Versus Value Ratio	4.75
	4.56		4.71

GENERAL:

Vendor X as a company is driving significant growth with its all-in-one platform powered by its products. The software intelligence platform has been augmented with a AI engine since 2018. Vendor X's own Y product captures large sets of data plus data from other sources in real-time. A key differentiator is its capability to integrate with process oriented tools to see where process steps are misaligned which is often the issue with large global IT teams. Recent integrations with A, B and C further enhancing its solution to deliver precise answers in the context of a variety of stakeholders.

STRATEGY:

The company stresses its vision of self-healing and proactive automation. Its intelligent engine sits at the core of its platform and understands anomalies, dependencies, event sequences and expert knowledge to find the root cause in context of the data. It is a deterministic engine which does not require learning but rather leverages traces to provide immediate root cause determination. This year the company also introduced a free of charge developer program for partner or SaaS-subscribed users which shares best practices, white papers and information on integrations and development capabilities for the Vendor X software intelligence platform.

EXECUTION:

Continues growth on all fronts such as acquiring enterprise customers or extending its partner network or attracting developers and service providers have brought Vendor X to a large player in the Z market. The Vendor X Title Europe event attracted more than 2,500 attendees. Customers and partners are extremely happy with the breadth and depth of the company's solution and eager to continue on the self-healing and proactive automation journey with Vendor X. It enjoys great customer satisfaction and customers feel a sense of community.

BOTTOM LINE:

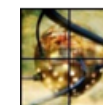
The company which put Z on the radar of many IT enterprise is aggressively pushing its self-healing and proactive automation platform ahead with its Y product. For organizations any size, Vendor X and its intelligent platform is a valid option bringing better visibility, speed and agility into today's digital operations.

EXAMPLE



Notes:

- Scale Explanation: 1 (Low) To 5 (High).
- Potential numerical deviations due to rounding.



RESEARCH IN ACTION
vendor selection matrix®

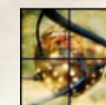
THE RESEARCH IN ACTION GMBH VENDOR SELECTION MATRIX™ METHODOLOGY

Vendor Selection Matrix™ Disclaimer:

The Vendor Selection Matrix™ is a primarily survey-based methodology for comparative vendor evaluation. Research In Action GmbH does not endorse any vendor, product or service depicted in our research publications, and does not advise technology users to select only those vendors with the highest ratings. The information contained in this research has been obtained from both enterprise as well as vendor sources believed to be reliable. Research In Action GmbH's research publications consist of the analysts' opinions and should not be considered as statements of fact. The opinions expressed are subject to change without further notice. Research In Action GmbH disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose. All trademarks are recognized as the property of the respective companies.

About:

Research In Action GmbH is a leading independent information and communications technology research and consulting company. The company provides both forward-looking as well as practical advice to enterprise as well as vendor clients.



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