

Magic Quadrant for CRM Lead Management

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Acquiring customers requires deep insight into business buyers' motivations and behaviors to drive relevance and conversion, and to deliver growth. Application leaders must work jointly with marketing and sales teams to assess the right lead management applications for their organization.

Market Definition/Description

Gartner defines CRM lead management as a cross-teams process of capturing leads, tracking their activities and behavior, qualifying them, nurturing them to make them sales-ready, and then passing them on to the sales team. Lead management facilitates a business's inbound and outbound, online and offline marketing. The outputs of lead management processes are designed primarily for B2B use cases. They may also be applicable to B2C organizations selling high-consideration products and/or with complex, indirect sales processes (B2B2C).

Lead management integrates business process and technology across customer-facing teams for data collection and analysis to close the loop between marketing and its sales channels. Key stakeholders in lead management workflows are primarily marketing and sales teams. The data assessed for the lead management process might originate also from other CRM users such as customer service and digital commerce teams.

Lead management activities involve driving higher value leads through improved demand creation and execution to convert to an opportunity. It facilitates business profitability through the acquisition of new customers and retention or cross- and upselling of existing customers.

Lead management products consists of a set of lead management capabilities, traditionally spanning the B2B marketing and sales organization. Lead management applications can be acquired as stand-alone or as part of a CRM suite, including marketing automation platform capabilities in combination with sales force automation (SFA) products (see "Magic Quadrant for Sales Force Automation").

CRM lead management is further defined in terms of providing the following core capabilities:

- **Multichannel lead management**
- **Lead aggregation**
- **Lead augmentation and deduplication**

- **Lead process management**
- **Lead nurturing**
- **Lead scoring and qualification**
- **Analytics and measurement**
- **Integration with other applications**

Magic Quadrant

Figure 1. Magic Quadrant for CRM Lead Management



Source: Gartner (August 2020)

Vendor Strengths and Cautions

Acoustic

Note: Acoustic did not respond to requests for supplemental information, or for a review of the draft contents of this research. Therefore, Gartner analysis is based on other credible and accepted public sources.

Acoustic is a Visionary in this year's Magic Quadrant; in the last iteration of this research, it was a Leader. After separating from IBM in July 2019, the company spent the past year developing the internal resources and structure to transform the business. Acoustic's Campaign product is focused on multichannel lead management capabilities, including email marketing, websites, social, direct mail, print on demand and e-commerce sites natively. Its operations are geographically diversified and clients tend to be large B2C enterprises. Acoustic's 2020 roadmap includes an AI-driven, omnipresent assistant that proactively surfaces insights and assets in context while also responding to direct requests from the user.

Strengths

- **Lead process management:** Acoustic's workflow creation includes standard out-of-the-box triggers along with unlimited customer trigger creation. Real-time behavior can be tracked, enabling marketers to build workflows that lead to next best actions, with an unlimited number of decision points and branches.
- **Compliance support:** Acoustic supports local data privacy laws, including compliance with GDPR, LGPD (the Brazilian version of GDPR) and the California Consumer Privacy Act (CCPA). These capabilities include API and UI features to provide support for erasing data and sharing data with customers when requested, along with a double opt-in consent process.
- **Integrations:** Acoustic Exchange includes more than 200 partner organizations, with all data coming into Acoustic Campaign. Gartner Peer Insights users gave Acoustic Campaign high marks for available integrations natively and through APIs.

Cautions

- **B2B marketing support:** While 15% of Acoustic Campaign customers use it for B2B, Gartner has not spoken to any customer using Acoustic for B2B lead management. B2B marketers should confirm Acoustic's ability to support their specific needs.
- **Market visibility:** Acoustic lacks brand awareness around the company name and offering. It is the least-mentioned vendor in Gartner inquiry of the vendors in this report and has very few customer reviews on Gartner Peer Insights.
- **Account-based marketing:** Acoustic does not offer a specific ABM module and is not actively engaged in partnerships with ABM providers.

Act-On

Note: Act-On did not respond to requests for supplemental information, or for a review of the draft contents of this research. Therefore, Gartner analysis is based on other credible and accepted public sources.

Act-On is a Niche Player in this Magic Quadrant; last year, it was a Visionary. Act-On focuses on product innovation by providing the SaaS architecture demanded by customers, which supports effective marketing lead management processes and long-term customer marketing. Its platform is designed to be used with a CRM/SFA application to provide lead routing, sales execution and pipeline management capabilities. Act-On covers multiple channels for B2C and B2B use cases. Its customers are primarily in financial services, manufacturing and high tech. Act-On's operations are mainly in North America and its clients tend to be SMBs. Features added after the cut-off date for the Magic Quadrant include a new UX, continued focus on vertical markets and growth marketing automation for supporting the holistic customer life cycle.

Strengths

- **Time to value:** Act-On comes with speed and ease of setting up and implementing the platform. It supports small marketing teams to quickly adopt to the platform and begin executing campaigns and managing operations. Its support services include boot camps, Act-On university, live customer support, a QuickStart program, and in-depth onboarding.
- **Pricing:** Act-On uses a competitive pricing model that bases charges on “active contacts” (those contacts that are currently part of a campaign) instead of on the size of the entire lead database, which most other vendors in this market do.
- **Go-to-market industry focus:** Act-On focuses on specific industries of technology, financial services, manufacturing and insurance. Within these markets, it has developed sales playbooks, content and prebuilt programs to go to market with dedicated PR and events for each industry.

Cautions

- **Limited application of AI:** Act-On's lead management component only makes very limited use of artificial intelligence (AI) and machine learning (ML). Third-party AI-based scoring and routing models cannot be integrated very easily, which means users must rely on CRM and SFA integration for these functionalities.
- **Scalability and sophistication:** Several reference customers complained about lack of functionality and scalability, and that Act-On lags some of the competition in these areas. Reference customers also mentioned issues with customizations and the integration capabilities that are provided.
- **Lack of application ecosystem:** Act-On does not provide ISV partner-built applications, or extensions, or add-ons. It does not provide a marketplace to its customers. However, integrations with third parties are available through Zapier.

Adobe

Adobe is a Leader in this Magic Quadrant; in the last iteration of this research, it was also a Leader. Adobe's Marketo Engage solution focuses on multichannel lead management and ABM, with a growing array of AI-enabled capabilities to support content selection and personalization recommendations. Adobe also supports marketing analytics and attribution through its Bizible application. Adobe's customers are concentrated in North America, but its operations extend globally. Clients are diversified across a range of marketing use cases, including B2B, B2B2C, and combined B2B and B2C scenarios. On the roadmap for 2020, Adobe plans tighter integrations between Marketo Engage and the larger Adobe Experience Cloud portfolio.

Strengths

- **Robust platform:** Marketo Engage offers a very complete lead management solution, which presents a range of functional options for every campaign stage. Areas of differentiation for Adobe include Predictive Audiences, powered by Adobe Sensei, and Predictive AI, which helps marketers understand content consumption habits, perform cohort analysis and determine likelihood to engage with a specific piece of content.
- **Positive overall experience:** Adobe reference customers evaluated Marketo Engage favorably on Gartner Peer Insights for their overall experience with the solution. They cited the platform's flexibility and their ability to customize it to their needs as strengths, along with its broad array of available third-party integrations that augment Marketo Engage's native capabilities.
- **Marketing and sales strategy:** Marketo Engage customers benefit from Adobe's global footprint, including a significant number of channel partners to augment the company's direct sales capabilities, and an array of implementation partners. Adobe plans to increase its focus on midmarket customers in 2020.

Cautions

- **Pricing and contracting:** Gartner clients have noted rising costs for Marketo Engage, and in the past year have indicated transparency challenges with Marketo Engage contracts that can complicate the sales process.
- **Solution complexity:** Marketo Engage's rich feature set requires a high level of skills from marketing end users to fully leverage the platform's capabilities. Marketers buying Marketo Engage should allow ramp-up time and support, along with ongoing commitment to its resources and staff, to achieve business value from the platform.
- **Lagging user experience:** Some Gartner Peer Insights users described Marketo Engage's UI as outdated, compounding some of the challenges noted around the solution's complexity. Customers should consider waiting for the planned UI refresh, expected later in 2020, which will make Marketo Engage more consistent with other Adobe Experience Cloud applications.

Creatio

Creatio (formerly bpm'online) is a Leader in this Magic Quadrant; in the last iteration of this research, it was also a Leader. Its Marketing Creatio product is mainly focused on enabling customers to leverage its marketing, sales and service CRM technologies, all of which integrate on a single platform. The majority of Creatio's customers are based in Europe and its clients are mostly midsize and larger (100 to 1,000 users) B2B sales organizations in financial services and manufacturing, but also professional services, high tech and IT. Creatio has plans to expand social network integration and enhance its email marketing, landing pages and form designers.

Strengths

- **Reporting and analytics:** Creatio offers marketers prebuilt, out-of-the-box reports and the ability to easily create custom reports and dashboards using its no-code interface. Data can be displayed as charts, tables, drill down or KPIs, and all charts are readily available in a mobile-friendly interface.
- **Scoring and attribution:** Creatio's expansive single- and multitouch attribution models can be set up through lead scoring. They include W-curve, U-curve, time decay linear and full path models. In addition, ML expands lead scoring capabilities. Marketers that leverage ML are able to use data from custom objects and custom fields to impact lead scoring models. Marketers can use a number of parameters based on specific prospect events within scoring models.
- **Account-based marketing:** Creatio has significantly improved its ABM capabilities since last year's Magic Quadrant. The solution offers capabilities to create audiences based on any intent data, engagement data or CRM data, and enables marketers to leverage ML in building account-level customer journeys.

Cautions

- **Implementation services:** Creatio provides implementation and consulting services directly to only a limited number of strategic accounts. Customers in need of direct consulting services should investigate which Creatio partner would provide these services.
- **Multichannel lead management:** Support for managing multichannel marketing is provided via third-party integrations, rather than natively. Customers with sophisticated multichannel strategies should evaluate the vendor's roadmap to determine fit.
- **Geographic strategy:** While its customer base spans 110 countries, 58% of Creatio's customers are currently based in Europe, and less than 20% are based in North America. Compared with other vendors in this Magic Quadrant, Creatio continues to be less well-known in other regions and not frequently mentioned in Gartner inquiry.

CRMNEXT

CRMNEXT is a Niche Player in this Magic Quadrant; in the last iteration of this research, it was also a Niche Player. The CRMNEXT product is focused on providing a complete suite of CRM solutions,

including lead management for complex and large B2C use cases. Its operations are mostly focused in APAC and its clients are mostly large financial institutions. Its product extends beyond base CRM and well into the operations of banks, especially those with large retail operations. CRMNEXT has many features on its roadmap, though few relate directly to lead management. Most relevant is its master data management (MDM) capabilities, which allow users to manage business-critical data through a secure and intuitive interface.

Strengths

- **Financial institutions functionalities:** CRMNEXT is known for its ability to handle large, complex lead management tasks in large financial institutions, including support of some of the biggest branch networks and banking processes worldwide. In this vertical, its sweet spot is to provide best-in-class solutions and it enjoys extremely high retention rates among clients.
- **Strong delivery and roadmap:** CRMNEXT is a functionally rich product, fully integrated with a comprehensive CRM suite to orchestrate customer engagement. The vendor has delivered multiple updates in the past year, including the BOTNEXT framework. CRMNEXT has a full roadmap planned, and the most relevant item for lead management is improved MDM.
- **Lead scoring:** CRMNEXT's lead scoring capabilities stood out among vendors in this Magic Quadrant. It has a wide range of heuristic rule-based scoring approaches that can also be combined with multiple sophisticated and configurable predictive models, subject to having the necessary skills.

Cautions

- **Integration with other CRM systems:** Most CRMNEXT implementations include lead management as part of the wider suite offering, so its integration is best with itself. Limited capability exists to integrate with other CRM systems.
- **Ecosystem:** CRMNEXT does not have an ecosystem of partners, other than a few system integrators (SIs). Its customers are largely reliant on the vendor and training up their own staff. CRMNEXT is a comprehensive solution and structured training will be required for the implementation team to fully utilize the product.
- **Usability:** CRMNEXT users report struggling with its many deep, rich and complex functionalities. Customers assessing this vendor should consider setting apart enough time for getting trained on the usage of the applications provided by CRMNEXT.

Freshworks

Freshworks debuts in this Magic Quadrant as a Niche Player. Its Freshsales product, part of a larger suite of products, is aimed at SMBs and midsize organizations with a set of lead management requirements focused on B2B use cases. Freshsales includes lead scoring, lead nurturing and lead routing capabilities. Freshworks' operations are geographically diversified and its clients are mostly in high tech/SaaS, business services and real estate. Freshworks plans to introduce smart lead scoring based on AI/ML and lead assignment based on score/threshold. It is also planning

integration with web conferencing services such as Zoom, as well as adding data enrichment source ZoomInfo.

Strengths

- **Simple and effective:** Compared with other offerings in this Magic Quadrant, Freshsales comes with a smaller and easier set of native lead management capabilities, thus making it suitable for smaller businesses with straightforward requirements and a low volume of contacts.
- **Distributed geographic coverage:** SMBs and midsize organizations with a direct and/or indirect global presence will find Freshworks attractive for its international presence. Even though the vendor is relatively new to the CRM market, it has attracted many new customers globally in the past 12 months.
- **Product features:** Freshsales is powered by AI capabilities to guide sales teams with next best actions and provide recommendations on the right leads to pursue with predictive scoring models. Other capabilities include permissions and access control, localization and advanced customizations. Reports and dashboards allow for accessing customer insights, and also come with visuals for sales team performance.

Cautions

- **Limited capabilities:** Compared with other vendor products evaluated, Freshsales and Freshmarketer scored low in terms of technology and capabilities provided. Noticeable was a lack of application for profile matching and identity management, as well as missing integrations with third-party ABM platform providers.
- **Basic lead nurturing:** Freshworks received lower scores than other vendors evaluated for lead nurturing functionality, provided by its Freshmarketer and Freshsales solutions. Triggers and nurture flows are possible, but require users to navigate different functions within the platform in less-intuitive ways. Triggers can only listen to social media through web hooks and third-party tools.
- **Limited integrations:** Freshsales mainly integrates with Freshdesk and Freshmarketer. Integrations with CRM sales technologies (SFA), multichannel marketing systems and third-party webinar providers are available only as non-native integrations, and in a limited way.

HubSpot

HubSpot is a Challenger in this Magic Quadrant; last year, it was also a Challenger. HubSpot's comprehensive SaaS-based platform includes a marketing automation module and free-to-use CRM/SFA and customer success tools. Since 2019, HubSpot has provided multitouch revenue attribution and comes with ABM capabilities. A stand-alone content management system helps businesses host their websites and accompanying digital assets. HubSpot's customers are concentrated in North America and Western Europe, with a small number in APAC. Over three quarters of its customers use the platform to satisfy B2B use cases, with high tech/telecom and professional services/consulting the leading supported verticals. On the roadmap for 2020,

HubSpot plans enhancements to improve the end-to-end sales process, including more granular deal flow management and reporting.

Strengths

- **Overall usability:** Ease of use remains a differentiating attribute of the HubSpot platform, making it a solid choice for smaller marketing teams. Gartner Peer Insights users noted a favorable balance between the platform's functionality, flexibility and extensibility.
- **Marketing execution:** HubSpot demonstrates a clear understanding of the CRM lead management market backed by its strong marketing execution and clear roadmap that align with the company's core audience of small and midsize B2B organizations.
- **Customer value:** HubSpot's pricing model and solution packaging readily align with business value. It uses a freemium model for its marketing and sales applications that contributes to a low cost of entry. Gartner clients routinely express satisfaction with the company's contracting and negotiation processes.

Cautions

- **Sales strategy:** HubSpot's sales strategy is geared toward attracting business decision makers in SMBs. Larger enterprises will find that HubSpot lacks focus for selling to IT leaders who are typically strong stakeholders in marketing automation initiatives.
- **Support for account-based marketing:** HubSpot added ABM functionality in 2019, including company reporting, target account tracking, account-based advertising and company scoring, but ABM remains one of the platform's less robust set of capabilities. Larger enterprises considering HubSpot should determine whether the available functionality will be able to satisfy their needs.
- **Reporting functionality:** Many Gartner Peer Insights users continue to describe reporting and analytics as one of HubSpot's weaker capabilities.

Microsoft

Microsoft debuts as a Niche Player in this Magic Quadrant. The Microsoft Dynamics 365 Marketing product provides marketing automation and support for lead management. It works closely with Dynamics 365 Sales (the company's SFA solution) and Dynamics 365 Customer Insights (Microsoft's new customer data platform). Together, they align marketing and sales with unified data and connected business processes. Microsoft's operations are global, with a notable footprint in EMEA. It tends to focus on satisfying B2B use cases, which constitute approximately two-thirds of the customer base for Microsoft Dynamics 365 Marketing. On its 2021 roadmap, Microsoft says it aims to unveil connected inbound and outbound customer journeys to select customers, leveraging AI to assist marketers in targeting the right segments.

Strengths

- **Market understanding:** Microsoft views Dynamics 365 Marketing as a linchpin in unifying often disparate marketing and sales processes. Its approach to connected data, enabling a consolidated view of customers across organizational functions, aligns with the core objectives of B2B marketers.
- **Customer focus:** The installed base of Dynamics 365 Sales gives Microsoft experience selling to IT buyers who typically partner with business decision makers on CRM lead management investments. Customers also benefit from Microsoft's extensive SI partner and reseller relationships across multiple business segments and geographies, which extend the reach of the company's direct sales force.
- **Overall experience:** Gartner Peer Insights users gave Microsoft positive scores for their overall experience working with the vendor. They noted the general ease of integrating Microsoft Dynamics 365 Marketing with other applications and pointed to the benefits their respective organizations achieved through orchestration of customer communications.

Cautions

- **Market awareness:** Awareness of the Dynamics 365 Marketing solution remains low among Gartner clients, particularly among those in marketing organizations. Microsoft does not often appear on CRM lead management shortlists or longlists seen by Gartner.
- **Usability challenges:** Dynamics 365 Marketing presents a more complicated interface than competing tools in this research, requiring users to move back and forth between areas of the platform that feature substantially different UI mechanics and interaction elements. Several Gartner Peer Insights users noted that the tool's complexity hampers usability.
- **Product execution gaps:** Microsoft's product vision for Dynamics 365 Marketing isn't always matched by uniform execution. Functions such as ABM and reporting are less mature than those supporting lead aggregation and lead scoring. Marketers should seek clarity on functions best supported by the Microsoft Dynamics 365 Customer Insights CDP.

Oracle

Oracle is a Leader in this Magic Quadrant; was also a Leader last year. The Oracle Eloqua product is mainly focused on complex B2B use cases. It provides deep lead management functionality and is integrated with leading CRM systems, and with the rest of Oracle's products. Oracle also provides the DataFox data-as-a-service component. Oracle is known for its ability to handle large, complex lead management tasks. Its operations are geographically diversified and its clients tend to be midsize and large enterprises across all sectors and industries. For the second year running, Oracle has on its roadmap the development of predictive lead scoring, an account profiler and account scoring, and real-time scoring of leads. Newly added to Oracle's roadmap is an AI-driven fatigue analysis to identify how fatigued customers are and to reduce message frequency.

Strengths

- **Functionality:** Oracle Eloqua is one of the strongest lead management products, particularly for B2B enterprise customers. Deep and sophisticated functionalities, connected data, strong integration with CRM systems, and enterprise scalability come with the platform, as well as a global go-to-market presence.
- **Lead aggregation:** Oracle Eloqua provides one of the best lead cleansing, deduplication and enrichment set of capabilities, partly as a result of having the B2B data source, DataFox, within the offering. As well as providing native access to large quantities of B2B data, Eloqua provides comprehensive audience management capabilities and is able to filter on data such as intent in DataFox, CRM, web and third-party sources. These capabilities also align well with its ABM offerings.
- **Vertical focus:** Oracle improves its attraction to enterprise by providing a wide range of deep industry solutions in multiple verticals, including banking, high tech, automotive, retail and consumer goods.

Cautions

- **Implementation partners:** Oracle has fewer strategic partners than other vendors in this Magic Quadrant for implementing its lead management product. This is an important consideration and potential concern for companies of global reach with many subsidiaries.
- **AI-based scoring and nurturing:** Oracle does not provide native predictive lead scoring capability within Eloqua. This capability is left to third-party applications.
- **Learning complexity:** Several reference customers mentioned to Gartner a steep learning curve. Eloqua comes with complex navigation, and users get confused by the multiple ways available of achieving the same outcome. Extensive training is required for analyst-level users to fully leverage the system, which requires additional investment.

Pega

Pega is a Visionary in this Magic Quadrant; it was also a Visionary last year. Pega Marketing is part of the vendor's CRM product suite, called Pega Infinity, which provides CRM marketing technology. Pega also provides SFA, has a unified customer data repository and a decisioning tool called Pega Customer Decision Hub. It includes additional modules for customer service and field service. Pega sells to large organizations mainly in the vertical industries of communications, insurance and financial services. Its roadmap includes AI enhancements such as bias testing, opportunity finder, AI outcome visualizations, customer visit planning route capabilities, relationship intelligence and account planning support.

Strengths

- **Platform:** Pega provides natively unified lead and customer data across sales, marketing and customer service through its Customer Decision Hub and Customer Engagement Hub. Through

AI-driven, always-on analytics, Pega supports guided marketing across many channels such as chat, social, web and voice.

- **Use of AI:** Through its AI technologies, Pega provides robust support for healthcare insurance organizations, as the industry has seen a double-digit rise in customer interactions globally since March 2020. Pega's email bot analyzes email text in real time and suggests tasks and responses. It prioritizes next best actions for every interaction and provides sentiment insights based on natural language processing capabilities.
- **Pricing scheme:** Pega offers one pricing scheme across its CRM products, including its Pega Marketing product. Its pricing scheme is based on subscriptions — per user, per month — independently of the quantity of contacts processed.

Cautions

- **Learning curve:** In the past 12 months, customers have frequently reported difficulties in getting started with Pega. Its metadata platform has been perceived as difficult to understand.
- **Technical support:** Pega-certified partners are needed for data integration that is not supported with native connectors. Its data integration flexibility comes at higher costs for finding experts, as resources are scarce.
- **Business case:** Pega Marketing is not meant to be a stand-alone marketing automation platform, as its associated benefits partially lie in its seamless integration with the Pega CRM suite. Pega's go-to-market strategy is focused on providing a seamless experience across all the vendor's products, and not to sell in parts.

Resulticks

Resulticks debuts as a Niche Player in this Magic Quadrant. Its rCloud solution features a comprehensive MDM module with an integrated CDP and extensive real-time multichannel lead management functionality. Resulticks has a developed customer base in APAC, an expanding footprint in North America and plans to increase coverage in Japan, South Africa and Europe. Its customers are diversified across a range of marketing use cases, including B2C, B2B and B2B2C scenarios. The majority of its customers are large, complex enterprises managing lead databases with more than one million contacts. Resulticks bolstered its next best management capabilities in 2019, enabling dynamic lead engagement at each buying journey stage. It plans to expand this functionality in 2020, along with enhanced integrations with SFA systems that will continuously synchronize lead profiles.

Strengths

- **Intuitive UI:** Resulticks rCloud has a clear, easy-to-use UI that can enable marketers to easily build and modify complex lead journeys. The platform also provides AI-driven journey flow and content recommendations based on selected audience attributes.

- **Data management:** Resulticks possesses the technology and flexibility to support complex customer data unification and management at scale, reflecting its experience working with large enterprises. The MDM module within rCloud displays overall profile completeness, and AI models suggest recommendations to augment existing leads.
- **Product focus:** Resulticks maintains an ambitious product roadmap and its agile development approach enables the company to launch quarterly major releases. It plans to give customers the ability to market to complex, multibusiness-unit customers through granular, multilevel account hierarchies, and the ability to connect multiple CRM instances to one instance of Resulticks.

Cautions

- **Completeness of vision:** Resulticks is still rounding out pieces of its marketing and sales strategy to effectively reach business and IT decision makers, depending on partners such as Microsoft to reach CIOs and CTOs. The depth of Resulticks' third-party application marketplace, including the number of authorized ISVs and marketing-specific applications, lags that of other vendors in this research.
- **Market presence:** Resulticks' footprint in the CRM lead management market is smaller than other vendors in this Magic Quadrant, with approximately 50 customers live at the time of writing. Its ecosystem of implementation partners is likewise smaller than many of its competitors, although Resulticks' SI partners have a global reach.
- **Functional gaps:** Resulticks rCloud lacks certain native functionalities that enable marketing and sales collaboration, such as the ability to match leads to an account or allocate leads to salespeople, relying instead on pushing data back to an integrated SFA system.

Salesforce

Salesforce is a Leader in this Magic Quadrant; it was also a Leader last year. Its Pardot product focuses on aligning marketing and sales teams through personalized lead management and multichannel engagement. Salesforce Pardot serves customers in every region. Customers overwhelmingly use Pardot for B2B use cases in large organizations managing lead databases with enterprise scale. In 2020, Salesforce added Einstein Attribution, an ML-based model, to help marketers better allocate campaign touchpoints. On the roadmap for 2020, Salesforce plans to enhance the ability of large, complex organizations to view consolidated engagement insights for customers of multiple business units. It also plans to add native integration with Salesforce CMS and bolster account-based personalization with new analytics applications.

Strengths

- **Marketing strategy and execution:** Salesforce targets a wide range of roles within organizations, conveying its understanding of how technology can align often competing marketing, sales and IT team goals. It effectively communicates Pardot's appeal to companies across multiple verticals, including industry-specific solutions for financial services, healthcare and life sciences, manufacturing and media.

- **Pragmatic AI:** Pardot Einstein predictive models infuse Pardot's feature set, powering lead and behavioral scoring, as well as delivering real-time engagement insights to help marketing and sales optimize campaigns.
- **Workflow capabilities:** Engagement Studio, Pardot's journey design tool, facilitates the creation of customer communications through an intuitive UI. Einstein AI-driven insights can help marketers make dynamic changes to in-progress journeys.

Cautions

- **Service and support:** Gartner clients and Peer Insights users reported inconsistencies in terms of customer success, both pre- and postimplementation. In particular, they were critical of the quality of technical support and the timeliness of the vendor's response.
- **Reporting capabilities:** Gartner Peer Insights users and Gartner clients noted challenges with Salesforce Pardot's reporting and analytics functionality, pointing to hurdles they experienced around flexibility, dashboard customization and overall usability.
- **Sales execution/pricing:** Salesforce Pardot offers three-tiered, edition-based pricing, each starting with 10,000 database contacts. As with other vendors, purchasing additional contacts significantly drives up the cost of large implementations, particularly among the enterprises with sizable databases that Salesforce targets.

SAP

SAP is a Visionary in this Magic Quadrant; last year, it was also a Visionary. Its lead management capabilities are offered through its SAP Marketing Cloud product. SAP is a full-suite CRM provider and also offers SAP Sales Cloud, SAP Service Cloud, SAP Commerce Cloud and SAP Customer Data Cloud. It manages B2B and B2C use cases and is present across multiple industries such as manufacturing, business and consumer services, and retail. SAP has a strong footprint across EMEA, but is available globally. Its roadmap includes enhancements to its sales enablement capabilities, focusing on inbound digital engagement and improved alignment of marketing and sales teams at its customer organizations.

Strengths

- **Single view:** SAP Marketing Cloud natively allows for the one view into customer profiles, available at all stages, from anonymous to prospect to customer, across marketers and sales reps, as well as across its different SAP CRM products. Profiles exist on both the contact and account level. Profiles are enriched from internal and external data sources, and front and back office across multiple channels.
- **Scoring:** SAP's scoring schemes allow for multiple lead scoring schemes to be run in parallel, available out of the box or tweaked or built by its marketers. This allows for more personalization and individualization across different channels.

- **Segmentation:** SAP Marketing Cloud offers a segmentation module that can filter audiences based on ML-based propensity and channel affinity scores. It also provides insights into relevant account data such as firmographics, data quality, pipeline and engagement behavior — features that are relevant for ABM campaigns.

Cautions

- **Implementation:** SAP Marketing Cloud customers frequently report implementation issues caused by complexity and time needed to complete. In particular, customers are advised that the implementation process needs deep SAP experience, which comes with higher costs.
- **Native integrations:** SAP Marketing Cloud doesn't come with native integrations or add-ons for most third-party ABM platform providers. It integrates only with Facebook, Google and LinkedIn. Customers in use of third-party ABM platforms need to assess efforts for integrating with SAP Marketing Cloud.
- **Overall experience:** Reference customers gave SAP relatively low scores for their overall experience with the vendor. They also scored it relatively low for evaluation and contract negotiation, and for the service and support provided for SAP Marketing Cloud.

SugarCRM

SugarCRM is a Niche Player in this Magic Quadrant; last year, it was also a Niche Player. Its Sugar Market solution is based on the acquisition of Salesfusion, which SugarCRM completed in early 2019, and is broadly focused on enabling marketers to quickly develop, execute and refine campaigns. Sugar Market's operations are focused in North America, as are the majority of its customers. It tends to attract B2B customers — SMBs and midsize organizations in the high-tech, manufacturing and professional services sectors. The company plans to add support for Sugar Market into its cloud-based integration platform, Sugar Integrate, to expand its ecosystem and enable marketers to leverage a greater number of marketing channels. In addition, its roadmap includes launching multitouch lead attribution.

Strengths

- **Lead scoring:** Multiple scoring models can be run simultaneously with a view at the record level of each score. Sugar Discover combines predictive and traditional scoring for lead and opportunity predictive scoring. Marketers can use any field to drill down to predictive scoring.
- **Customer satisfaction:** Gartner Peer Insights users gave SugarCRM high scores for overall satisfaction, starting with contract negotiations, through to integration and implementation.
- **Support:** SugarCRM offers all customers support at all levels of escalation. Its support team is entirely in-house, with email, phone and in-app support provided globally.

Cautions

- **Account-based marketing:** ABM features are limited and require manual intervention to shift focus from individual lead to account level. ABM reporting includes basic reporting on key accounts, but engagement level reports are not readily available out of the box.
- **Lead analytics:** While multisource attribution is on the roadmap, currently revenue contribution can be measured by single-source attribution only. Marketers with sophisticated attribution models should ensure clarity and timeliness of this roadmap functionality.
- **Market presence:** With 94% of its Sugar Market customers in the Americas, SugarCRM's presence in EMEA and APAC is limited. Marketers in these regions should evaluate needs against regional presence and support provided.

Zoho

Zoho is a Visionary in this Magic Quadrant; in the last iteration of this research, it was a Niche Player. Zoho offers more than 45 applications spanning CRM and ERP capabilities, five platforms and comes with a proprietary operating system. Its Zoho CRM products are broadly focused on offering a lead management solution with a unified data model to enable sales and marketing collaboration. Its operations are geographically diversified and its clients tend to be B2B, the majority of which have less than 250,000 lead records. Zoho's roadmap includes AI technologies to enable marketers to improve their personalized marketing campaign strategies.

Strengths

- **Lead workflows:** Marketers can assign leads based on geographic, round robin or skills criteria, in addition to online status or shift time. Zia — Zoho's AI assistant — also suggests user assignments based on success of user with specific lead types, including industry and/or communication channel preference.
- **Reporting and analytics:** Reporting capabilities include attribution metrics across all the channels. Sales, marketing and third-party data analytics can be combined and used in out-of-the box reports, such as distribution of lead by stage, lead sources based on stage and waterfall reports — with drill-down capabilities for each.
- **Market vision:** Zoho has a strong go-to-market strategy, a robust ecosystem of implementation partners and a comprehensive roadmap for 2020. Roadmap plans include AI capabilities to recommend products based on previous purchase patterns and a prediction builder to predict lead conversion.

Cautions

- **Account-based marketing:** Zoho does not natively support the ability to view and nurture at the account level; this is delivered via third-party integrations. Account-based reporting is limited and viewed at the lead level, rather than rolling up to the account level.

- **Lead scoring:** Marketers can run campaign-specific scoring manually, but cannot run multiple scoring models simultaneously out of the box. Creation and execution of multiple lead scoring models is delivered via third parties. Customers should evaluate the vendor's roadmap for support of sophisticated scoring models.
- **Solution complexity:** For Zoho to offer sophisticated lead management capabilities, it requires multiple solutions, unlike other vendors in this Magic Quadrant. This adds complexity for data flow as well as potentially increasing costs for full-fledged lead management efforts.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

Freshworks

Microsoft

Resulticks

Dropped

The following vendors were dropped from this year's Magic Quadrant based on a combination of factors. These included shifts in evaluation criteria that made some vendors' solutions less relevant to the market, shifts in vendor focus or strategy, and lack of consideration of certain solutions among competitive offerings:

- Acquia (Mautic)
- Impartner
- X2Engine

Inclusion and Exclusion Criteria

For inclusion in the 2020 Magic Quadrant for CRM Lead Management, Gartner focused on vendors that offer the most relevant and compelling lead management solutions. As of 30 April 2020, each vendor needed to demonstrate that it had the following:

- Proven ability to deliver lead management application functionality as defined in the Technology section below.
- Revenue from lead management software of at least \$25 million during the calendar year 2019.

- A minimum of **10 new customers (not new contracts sold to an existing client)** that had deployed its lead management application in a production implementation in the past 12 months (vendors were asked to list these 10 on the vendor survey)
- The ability to satisfy two out of the three most common sales methodologies (for definition details, please refer to Note 1):
 - B2B (business to account) — Each vendor is asked to list three customers in the vendor survey.
 - B2C (business to consumer, long sales cycle) — Each vendor is asked to list three customers in the vendor survey.
 - B2B2C indirect sales (business to resell partner to end customer) — Each vendor is asked to list three customers in the vendor survey.
- A sales and customer support presence in a minimum of three of the following regions: North America, Latin America, EMEA, Asia/Pacific.
- An ecosystem of partners (minimum 30) that can provide technology extensions or services such as system integration (SI) services, third-party applications, digital agency services, or consulting and implementation services
- Demonstrable vendor business viability; for example, through several years of revenue growth, or outside funding such as venture capital, private equity or other sources of investment.

Technology

The criteria below needed to be a standard part of the vendor's GA application **(as of 30 April 2020)**. Vendors could not depend on applications or functionality provided by partners, or on custom development or services (such as custom application development provided by the vendor's professional services organization or a system integrator).

Vendors needed to provide lead management functionality for both inbound and outbound marketing initiatives. This included, at a minimum:

- **Multichannel lead management**
- **Lead aggregation**
- **Lead augmentation and deduplication**
- **Lead process management**
- **Lead nurturing**
- **Lead scoring and qualification**
- **Analytics and measurement**
- **Integration with other applications**

Honorable Mentions

Several vendors in the CRM lead management market provide relevant capabilities but did not meet the inclusion criteria for this Magic Quadrant. The following may be worth considering:

- Acquia (Mautic)
- Infor
- Insightly
- Pipedrive

Evaluation Criteria

Ability to Execute

The evaluation criteria for Ability to Execute (vertical axis on the Magic Quadrant graphic) that are specific to CRM lead management are explained in the list below. (Broader explanations for all Gartner Magic Quadrants are in the Evaluation Criteria Definitions section.)

- **Product/Service:** We evaluate core goods and services that compete in and/or serve the defined market. This includes native current product and service capabilities, quality, feature sets and skills.
 - Vendors will be evaluated on the quality of their native capabilities, including both the critical capabilities and extensions.
 - Vendors will also be evaluated on technical considerations like ease of use and administrative functions.
 - Gartner will include information provided from the Magic Quadrant reference survey, from the Critical Capabilities assessment, and from observations collected from Gartner inquiries.
- **Overall Viability (Business Unit, Financial, Strategy, Organization): Financials:** This includes an assessment of the organization's overall financial health, as well as the financial and practical success of the business unit. We evaluate the likelihood of the organization to continue to offer and invest in the product and the product position in the current portfolio.
 - Vendors are evaluated on additional factors, such as customer retention rate, and the ability to generate revenue specifically in the lead management market.
- **Sales Execution/Pricing:** We evaluate the organization's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support and the overall effectiveness of the sales channel.

- Among the many factors in this category, Gartner evaluates the number of new customers acquired, growth in revenue, average deal size, average contract duration and customer retention.
- Gartner also evaluates clients' satisfaction with contracting and negotiation processes.
- **Market Responsiveness and Track Record:** We evaluate a vendor's ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness to changing market demands.
 - Gartner evaluates the quality and depth of the vendor's releases, and the ability to release functions requested by clients.
- **Marketing Execution:** We evaluate the clarity, quality, creativity and efficacy of programs designed to deliver the organization's message in order to influence the market, promote the brand, increase awareness of products and establish a positive identification in the minds of customers. This "mind share" can be driven by a combination of publicity, promotional, thought leadership, social media, referrals and sales activities.
 - Gartner measures the frequency and quality of the vendor's marketing techniques, including, but not limited to, use of publicity promotions, and thought leadership in social channels or print publications.
 - Gartner also evaluates the vendor's presence on the shortlists of Gartner's clients and scope of available third-party solutions.
- **Customer Experience:** We evaluate products and services and/or programs that enable customers to achieve anticipated results. Specifically, this includes quality supplier/buyer interactions, technical support or account support. It may also include ancillary tools, customer support programs, availability of user groups, service-level agreements, etc.
 - Feedback from active customers on generally available releases during the past 12 to 18 months is an important consideration. Sources of feedback include vendor-supplied references, Gartner client inquiries and other customer-facing interactions such as Gartner conferences.
 - Customers' experiences are evaluated based on the vendor's ability to help customers achieve positive business value, as well as sustained user adoption, quality implementation and ongoing support.
- **Operations:** We evaluate the ability of the organization to meet goals and commitments. Factors include quality of the organizational structure, skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently.
 - Criteria include assessments of product upgrade processes and quality of peer user community.

Table 1. Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product or Service	High
Overall Viability	Medium
Sales Execution/Pricing	Medium
Market Responsiveness/Record	High
Marketing Execution	High
Customer Experience	High
Operations	Medium

Source: Gartner (August 2020)

Completeness of Vision

The evaluation criteria for Completeness of Vision (horizontal axis on the Magic Quadrant graphic) specific to CRM lead management are explained in the list below. (Broader explanations for all Gartner Magic Quadrants are in the Evaluation Criteria Definitions section.)

- **Market Understanding:** We evaluate vendors' ability to understand customer needs and translate them into products and services. Vendors that show a clear vision of their market — those that listen to and understand customer demands — can shape or enhance market changes.
 - Vendors need to define how their lead management capabilities are supporting process execution, as well as supporting effectiveness objectives.
 - Vendors need to define their competitive differentiators and value proposition.
 - Vendors need to demonstrate alignment with customer experience expectations, digital business and execution optimization objectives.
- **Marketing Strategy:** This criterion looks for clear, differentiated messaging consistently communicated internally, externalized through social media, advertising, customer programs and positioning statements.
 - Vendors are evaluated on their segmentation strategy and how their solution appeals to customers in multiple verticals.
 - Vendors need to demonstrate their understanding of how their product is relevant to small-, midsize and enterprise-size organizations.
 - Vendors are evaluated on their relevance to B2B, B2C and relationship/indirect selling use cases.

- Vendors are evaluated on their customer retention strategy, if they have a significant percentage of revenue from recurring revenue-based products.
- **Sales Strategy:** We look for a sound strategy for selling that uses the appropriate networks, including direct and indirect sales, marketing, service and communication. Vendors need to have partners that extend the scope and depth of market reach, expertise, technologies, services and their customer base.
 - Vendors are evaluated on their vision to sell to both business and IT stakeholders.
 - Vendors are evaluated on their ability to sell to the segments defined in the Marketing Strategy.
- **Offering (Product) Strategy:** This criterion focuses on an approach to product development and delivery that emphasizes market differentiation, functionality, methodology and features as they map to current and future requirements.
 - Vendors should demonstrate a product vision that accounts for lead management functionality (as defined by the critical capabilities).
 - Vendors should offer new application functionality across the breadth and depth of product capabilities.
 - Vendors are evaluated on the scope of capabilities that are natively developed on their platform, as well as extensions offered by third-party partners.
- **Business Model:** This criterion focuses on the design, logic and execution of the organization's business proposition to achieve continued success.
 - Vendors need to have clear business plans for how they will be successful in the lead management market.
 - Business plans should include appropriate levels of investment to achieve profitability and healthy revenue growth during a three- to five-year period.
 - Sales channels and partnership strategies are important components.
- **Vertical/Industry Strategy:** This criterion looks at the strategy to direct resources (sales, product, development), skills and products to meet the specific needs of individual market segments, including verticals.
 - Vendors are evaluated on the scope of native-built applications that automate industry-specific sales processes in verticals such as financial services and life sciences.
 - Vendors are also evaluated on the scope of third-party partnerships with independent software vendors (ISVs) that offer industry-specific capabilities.
- **Innovation:** This criterion focuses on direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or preemptive purposes.
 - Vendors are evaluated on the quality of their enhancements and product releases.

- Vendors must show continued investment in improving core lead management capabilities. They must also have growth in new areas, such as improving marketing-sales execution, analytics, account-based marketing (ABM), digital optimization, or new technology directions such as artificial intelligence (AI).
- **Geographic Strategy:** This criterion looks at the vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries, as appropriate for that geography and market.
- Vendors are evaluated on the percentage of employees allocated to the regions, as well as the depth and scope of partners available in those regions.

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	High
Marketing Strategy	Medium
Sales Strategy	Medium
Offering (Product) Strategy	High
Business Model	Medium
Vertical/Industry Strategy	Not rated
Innovation	Medium
Geographic Strategy	Medium

Source: Gartner (August 2020)

Quadrant Descriptions

Leaders

Leaders provide functionality that supports B2B, B2B2C and B2C lead management processes across multiple channels. These vendors demonstrate market awareness and agility in their ability to develop and deploy support for new market and user requirements, either natively in their platforms or through preintegrated partner solutions. Leaders have developed an ecosystem of technology partners and provide deep integration, including formal and documented technical support and customer support with key applications. Examples include robust integration options for commonly integrated systems, such as CRM, SFA, DIS or other marketing systems, and for third-party applications that enhance the lead management processes of marketing and sales organizations. These third-party applications could include:

- Lead augmentation sources
- Predictive lead scoring and analytics solutions
- BI tools
- Social channels
- Online meeting and event solutions
- WCM applications
- In-person trade event systems
- Print-on-demand capabilities
- Third-party customer or list data

Leaders have the ability to provide in-depth professional services and consulting through their own service organization and partnerships with leading solution providers, managed service providers or consulting organizations. They have demonstrated an ability to sell to and support enterprise-scale customers and deployments on a global basis, and have shown their viability through revenue growth, organizational growth, financial stability and either profitability or the ability to attract outside investment.

Leaders sell successfully into more than one industry, and their customers report high levels of satisfaction and success with their implementations.

Challengers

Challengers offer breadth of functionality but lack the depth of functionality of Leaders. They often provide CRM lead management functionality that is dependent on, or integrated with, another product from the same vendor, so that the lead management functionality cannot be realized without implementing a broader set of application functionalities.

Challengers' lead management capabilities are not "best of breed," but these vendors have a highly visible market presence and provide adjacent applications or integration with some, but not all, of the applications and solutions mentioned in the Leaders section. They are often slower to react to changes in the market than Leaders are, and lag behind them. Challengers often depend on sales to their existing customers.

Visionaries

Visionaries have a strong vision for a set of technologies that include CRM lead management, but they either do not yet provide best-of-breed lead management that is both broad and functionally deep, or do not yet have significant reference customers using their technology. They may look to capitalize on the market's momentum by emphasizing their role in the ecosystem as they invest in research and development, or in acquisitions to increase their market presence and potentially become Challengers or Leaders.

Visionaries are thought leaders and innovators that have yet to achieve broad market penetration for CRM lead management applications and adoption. They often have a strong presence in a small number of industries or a limited geographic region. Visionaries may come from an adjacent market sector and be looking to expand their total addressable market by moving into CRM lead management. They may have a strong vision and roadmap for technology, but they lack the Ability to Execute that is demonstrated by Leaders.

Niche Players

Niche Players provide a basic set of CRM lead management features to a narrow segment of the market. Their target markets are often defined by their industry expertise or the dependency of their lead management capability on their core product — for example, a CRM suite with an integrated lead management capability that cannot be accessed without implementing that suite.

Niche Players may attempt to extend their functionality and win customers through extensive professional service engagements. They may be limited in their geographic reach, partner relationships and the scalability of their solution.

Niche Players appeal to customers with limited budgets or constrained technology resources, or those that do not require the depth of functionality provided by Leaders or Challengers.

How Should You Use This Magic Quadrant?

The relative positioning of vendors in this Magic Quadrant is based on inclusion criteria and key criteria for evaluating their Ability to Execute and Completeness of Vision. Consulting and solution implementation projects require a blend of business, industry, technology, and project and program management skills that must align with your objectives, institutional and business culture, and employees.

Do not simply select service providers in the Leaders quadrant. All selection processes are enterprise-specific — vendors in the Challengers, Visionaries or Niche Players quadrants may prove to be more appropriate for your requirements. Further, many other CRM providers not covered in this Magic Quadrant may be appropriate for certain needs — for example, on region-specific projects.

Context

What Is CRM Lead Management?

Lead management integrates business process and technology across customer-facing teams for data collection and analysis to close the loop between marketing and its sales channels. Key stakeholders in lead management workflows are primarily marketing and sales teams. The data assessed for the lead management process might also originate from other CRM users, and not only from marketing or sales teams. Examples include the data generated by customer service teams.

Lead management activities involve driving higher-value opportunities through improved demand creation, execution and opportunity management. Lead management facilitates business profitability through the acquisition of new customers and retention or cross- and upselling of existing customers.

A lead management product consists of a set of lead management capabilities that are part of a wider customer relationship management (CRM) solution and its generated customer data. Functionalities in CRM lead management applications include support for customer journey mapping, inside sales and account-based marketing (ABM) features. Lead generation applications include predictive capabilities powered by AI technologies and machine learning (ML) to increase the effectiveness of lead management processes and analytics.

Market Overview

In many organizations, the lead management process is initiated, invested in and monitored by the marketing team. But the sales team also plays a significant role in the process, which in most cases needs a seamless orchestration of several CRM applications and technologies.

All lead management processes rely on high data quality on individuals and accounts and as many data points as possible — across the involved business units, resources and alongside the lead conversion process. This is why lead management applications are coming to market with more and more AI technologies, which support the working of comprehensive data in real time. Today, lead management applications include predictive capabilities powered by AI and machine learning to increase the effectiveness of lead management processes and analytics. In order to automate standard processes, these applications unveil correlations and insights that help facilitate the seamless workflow.

Based on data availability, marketing and sales teams are using data analytics to unveil and further predict lead and customer behavior. Data analytics track and support finding prospects, uncover preferences, and disclose purchase history and consumption patterns. Chatbots are popular as tools that combine messaging, text and voice capabilities for directly communicating with clients. New technologies are emerging to complement the lead management process, accelerated by the 2020 pandemic, which has influenced the way organizations acquire customers.

COVID-19 Impact

B2B marketers were caught flat-footed in the early months of 2020. Unable to rely on in-person events and face-to-face sales meetings to drive customer engagements, B2B organizations have been forced to use digital channels in response to COVID-19, which continues to catalyze the shift to digital that buyers have been making for years.

In particular, they have had to deal with the shift from offline selling to digital commerce buying. With more customers shopping online than ever before, digital marketers must ensure their customers are met with an intuitive and personalized digital experience that guides them to make

informed buying decisions. But not only digital commerce applications are on the rise; other technologies look promising.

Virtual Reality

What if your leads can experience the product before purchasing it, while they have a virtual demo at their home? Brands like Audi are using virtual reality (VR) selling already, where customers can drive cars in a virtual sandbox before making the buying decision. With VR as a marketing tool, brands don't have to bother about logistics or setting up the product. Even though Gartner has not yet seen it integrated into the lead management process, VR will be an effective and innovative marketing mode for brands.

Voice Search

The Internet of Things (IoT) is nothing new, and it is defined as a network of connected devices. Amazon Alexa and Apple's Siri are very popular, and some statistics are telling us that one-third of 3.5 million daily searches on Google are voice searches. If your organization is digital, your prospects and customers will find you through voice search. Adjusting content to voice search applications to make it more conversational and useful is a natural consequence.

The key is understanding what prospects need and want, and how your organization can meet their demands efficiently through these new technologies. Going forward, it will be crucial for marketers to take a much broader view of their leads. This means gaining insights from beyond their industries and beyond their shores. New attitudes and behaviors might first appear in China or Iran. New buying behaviors and habits might solidify in categories that have undergone the most significant change during the COVID-19 crisis.

How Is the Market Evolving?

We have seen new trends evolve during the past 12 months:

- **More CRM suites with lead management functionality** — There has been a significant shift toward lead management functionality being part of a larger CRM or marketing solution. For example, Creatio, CRMNEXT, Freshworks, HubSpot, Microsoft, Oracle, Pega, Salesforce, SAP, SugarCRM, Zoho have all invested in lead management functionality. Another group of vendors offer stand-alone lead management applications that are sold separately (e.g., Acoustic, Act-On, Adobe, Resulticks).
- **More embedded AI/advanced analytics for lead scoring** — Both vendors and clients are looking after AI technologies to facilitate lead management processes. While broadly used, lead management use cases for AI are becoming available in many applications, such as for lead scoring.
- **Demand for account-based marketing** — Clients are placing more emphasis on ABM, which involves evaluating leads (making scoring and workflow decisions, for example) at an account level instead of an individual level. This is often a critical component of lead management within B2B environments, but not as compelling for considered purchases in a B2C environment. It is an important development because it represents a new method of lead acquisition and lead

segmentation — using firmographic and technographic datasets — not previously available from lead management vendors.

- **The rise in use of web-based data to personalize B2B experiences** — The more that web-based data is used to personalize the B2C shopping market, the more the technology and concepts influence the B2B market. Consumers are becoming accustomed to seeing their browsing data used by vendors to create a customized online sales experience. As a result, the concept of using customer web-based data for tailoring sales experiences has become more commonplace in companies that sell in a B2B capacity.
- **Increased interest in sales acceleration solutions** — These are tools for outbound marketing to prospects by sales development representatives (SDRs). Sales acceleration tools improve the productivity of SDRs by automating the engagement across email, voice and social channels. They also provide marketing scripts and email templates to ensure that SDRs are saying the right things, in the right order or cadence. Although these tools are not yet available from lead management vendors, Gartner expects that they will be soon.
- **A renewed interest in scalable data ingestion/storage** — Vendors have a renewed emphasis on scalable architecture and the data ingestion and storage capabilities that allow them to consume the massive amount of data generated during lead management processes. This is commonly web session data, which is being considered more frequently in the lead management process, but these capabilities are also important for the use of data from the IoT — sensors embedded in products, for example.

Several trends we have noticed in the past few years have continued in the most recent 12 months, such as:

- **A strong focus on integration** capabilities, especially integration of lead management to content marketing platforms, SFA, digital/e-commerce, PRM applications and retail execution solutions, for the seamless flow and collection of customer data.
- Continued **focus on ease of use** and redesigned UIs.
- **Continued maturing of predictive lead scoring** solutions, often from third-party vendors that have formed partnerships with the vendors evaluated in this Magic Quadrant.
- **Emphasis on increasing collaboration** between marketing and sales departments, fostered by functionality within CRM lead management products.

Acronym Key and Glossary Terms

ABM	account-based marketing
AI	artificial intelligence
B2B	business to business
B2C	business to consumer
BI	business intelligence
BPM	business process modelling
CDP	customer data platform
CRM	customer relationship management
CX	customer experience
GDPR	General Data Protection Regulation
IoT	Internet of Things
ISV	independent software vendor
KPI	key performance indicator
ML	machine learning
MQL	marketing-qualified lead
PRM	partner relationship management
SDR	sales development representative
SFA	sales force automation
SI	system integrator
SMB	small and midsize business
UI	user interface
VAR	value-added reseller
WCM	web content management

Gartner Recommended Reading

Some documents may not be available as part of your current Gartner subscription.

“How Markets and Vendors Are Evaluated in Gartner Magic Quadrants”

“Critical Capabilities for CRM Lead Management”

“What Application Leaders Should Know About CRM Lead Management Applications”

“Early Pipeline and Lead Management Metrics”

“Why Marketers Choose B2B Marketing Automation Platforms”

“Use Outbound Sales Development Representatives to Supplement Other Lead Generation Approaches”

“Critical Capabilities for Sales Force Automation”

Evidence

This Magic Quadrant draws on several sources of information, including primary research conducted by Gartner:

- We used data drawn from the Gartner Peer Insights portal — a service for technology buyers that gives them access to moderated reviews on technology products that come directly from their peers. It includes reviews of several vendors mentioned in this Magic Quadrant.
- We drew on information gathered during the past seven years from users of Gartner’s client inquiry service who were evaluating, implementing or using CRM lead management technologies.
- We used publicly available sources of information.

Note 1 Difference Between B2C and B2B Lead Management

B2B lead generation caters to business enterprises and corporations; B2C lead generation caters to individual consumers. Though many people might think that enterprises are also consumers — because they are, in essence, made up of individual people who make the decisions — these types of lead generation approaches differ wildly in their tactics. As customers, both have slightly different requirements when it comes to building a relationship with brands.

Key differences between marketing automation/B2C and lead management/B2B include:

- **The sales cycle length** — Investments made in B2B lead generation are often more elaborate because contracts with businesses are usually much larger than contracts made with consumers.

- **Unique content** — B2B customers are usually more knowledgeable because they tend to do a lot more research before making a purchase than B2C customers. This means that they typically require more valuable content, including free case studies, infographics and white papers, to nudge them along the sales funnel.
- **Audience scope** — B2C lead generation initiatives often cater to a broad audience. Unlike in B2B, where the decision rests with top management, everyone is a customer with purchasing power in B2C.
- **Social media** — B2B marketers can leverage LinkedIn to reach decision makers and influencers in the business realm. As for B2C, their audience is everywhere on social media, so it makes sense to be highly visible in the top-three platforms: Facebook, Twitter and YouTube.
- **Main challenge** — While both B2B and B2C lead generation aim to result in a sale, their main goals are quite different. B2C tries to attract customer attention in the middle of a highly saturated market. A good B2B lead generation campaign attempts to build a personal relationship with prospects based on trust, so that when they are ready to make a purchase decision, your brand is the first thing that comes to mind.
- **How products are sold** — B2B clients often make purchases from people they know personally or from individuals with whom they've built a professional relationship. B2C products and services make sales through price perception and quality.
- **Customers' reactions upon receiving unsolicited calls** — Professional calls, even when unsolicited, are often expected during business hours in B2B. These calls often include requests for presentations or a casual drop-in at the office to deliver some materials for future reference. These are all part of the job. However, for B2C clients, unsolicited calls are often viewed as an invasion of their privacy. This is why B2C marketers rely more on permission marketing techniques to reach out to their audiences.
- **Price** — When B2B clients respond, they often have the intention of making a purchase within an allocated budget. In B2B, lowest price guarantee is an expectation, not a bonus. As for B2C clients, getting the lowest price guarantee is crucial as they are, in essence, spending their own money (not to mention the fact that there are probably many other competitive offers available).
- **Product knowledge** — B2B marketers deal directly with decisions makers who might have follow-up questions or concerns that need to be addressed right away. As for B2C marketers, product knowledge is also necessary. However, piquing the customer's interest is usually enough to get the ball rolling.
- **Interaction** — B2C deals with individuals who make the purchase decisions. On the other hand, B2B marketers often face teams within a company, and this involves meeting the demands and specific needs of multiple groups of people that may influence the decision-making process.
- **Bottom line** — While B2B and B2C share the same goal of improving the sourcing of new customers, the approaches required to address a prospect's needs are different.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest

degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

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