Gartner

Research

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Magic Quadrant for Sales Force Automation, 2007

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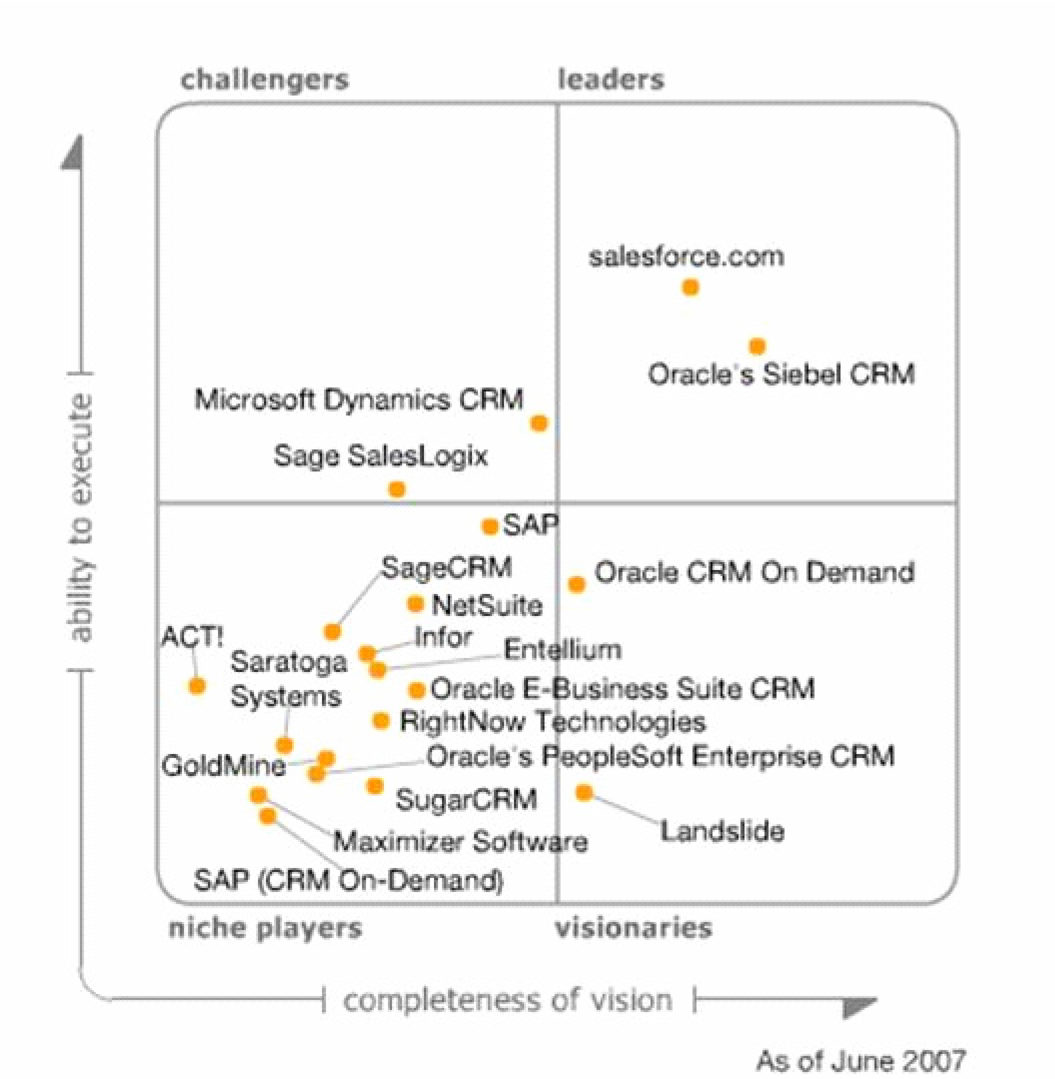
Salesforce.com joins Siebel as a leader, while Sage SalesLogix and Microsoft Dynamics CRM emerge as challengers on the Magic Quadrant for Sales Force Automation, 2007. The SFA market remains diverse; we review 20 products that target sales organizations of different sizes and scope.

WHAT YOU NEED TO KNOW

The vendors shown on the Magic Quadrant for Sales Force Automation (SFA), 2007, have customers that are successfully using their products and services. The Magic Quadrant is not exhaustive. There are other regional and/or vertical-industry SFA specialists that do not meet our inclusion criteria. The Magic Quadrant encompasses a wide cross-section of vendors, including those that offer different delivery models — such as on premise, hosted and software as a service (SaaS) — and differing levels of complexity and functional footprint. No matter what vendor you consider, always come back to the question: "Will this vendor help my sales organization sell more effectively?" Use the Magic Quadrant as a reference for evaluations, but explore further to qualify the capacity of each vendor to satisfy unique business problems and technical concerns. Depending on the complexity and scale of your requirements, your shortlist will be unique. *Gartner's Magic Quadrant for Sales Force Automation, 2007, like all Magic Quadrants, is not intended as the sole tool for creating a vendor shortlist. Use it as part of your due diligence and in conjunction with discussions with Gartner analysts.*

MAGIC QUADRANT

Figure 1. Magic Quadrant for Sales Force Automation, 2007



Source: Gartner (June 2007)

Market Overview

SFA applications are built around a core set of functional capabilities for accounts, contacts, opportunities, selling processes and sales operations. SFA requirements are unique for each business-to-business (B2B) sales organization, based on the maturity and culture of the organization in its use of technology, individual degrees of sales complexity and anticipated return on investment. Key trends during the past year are the continued growth of SaaS — that is, on-demand SFA — as a viable delivery model for small and large companies. Gartner predicts that within three years the majority of new SFA deployments will be based on SaaS. Other trends are less deployments on disconnected laptop deployments, unless the user is a classic "road warrior"

— an individual who spends the majority of his or her time in multiple disparate geographic locations.

Saleforce.com has continued its strong growth for new subscribers, while Microsoft gained market momentum for its Microsoft Dynamics CRM 3.0 offering. With less choice for on-premise software due to the Oracle acquisitions of Siebel and PeopleSoft, vendors such as Sage SalesLogix have gained more attention as plausible on-premise alternatives. Finally, we see a focus on simplicity as a theme to improve adoption among salespeople. Specifically, limiting required input data fields and user interface screens enables salespeople to navigate using the SFA application.

Market Definition/Description

SFA applications enable B2B organizations to automate sales activities, processes and administrative responsibilities for the sales professional. Core functionality includes account, contact and opportunity management; sales solution functionality (such as sales configuration and content management); and sales operations support (including incentive compensation and territory management).

Inclusion and Exclusion Criteria

To be included in the 2007 SFA Magic Quadrant, a vendor must demonstrate that it:

- Has at least 10 customers that have deployed opportunity management systems into live production during the past 12 months
- Has at least 15 new named customers that were actively deploying opportunity management functionality during the past 12 months
- Is actively selling or marketing SFA applications to multiple industries and geographies
- Has proved that it can be deployed in sales organizations of more than 75 users
- Has a vision and commitment to the SFA market for the next three to five years

Added

With a greater emphasis placed on opportunity management this year, the following vendors were added to our Magic Quadrant: Landslide, SugarCRM, Maximizer Software and GoldMine.

Dropped

- Pivotal has moved to a niche vertical strategy and should no longer be considered for best-in-class, cross-industry SFA deployments.
- JD Edwards does not meet the inclusion criteria for deploying new customers during the past 12 months.

Evaluation Criteria

Ability to Execute

Product/Service: An SFA application will include capabilities for opportunity management, solution management (for example, sales configuration, quotation management and content management) and operations management, including incentive compensation (see "Sales Force Automation Functional Building Blocks Vary in Importance"). Different sales organizations require different levels of depth and complexity of capabilities. Vendors that support a wide range of complexity have greater market potential and are rated accordingly.

In many cases, an SFA application will combine several functional components, some that will require third-party vendors. The implication is that a key evaluation criterion is the existence of a service-oriented architecture (SOA) and current architecture standards, such as Java Platform, Enterprise Edition (Java EE, formerly known as J2EE) and .NET. An SOA based on Web services standards will simplify integration with other applications (for example, Microsoft Outlook). Integration is measured primarily on the number and complexity of data and application integrations as proven in live customer deployments.

Key evaluation criteria will also include salesperson technology access: Internet browser-based, a disconnected laptop (see "Use Sales Force Role Requirements to Choose Mobile Devices and Connectivity") and a personal mobile device (see "IT Must Factor Sales Culture Into Mobile SFA Device Selection").

The overall vendor product/service functionality rating is developed by evaluating specific SFA functionality: opportunity management, solution management, operations management, access and architecture (for example, openness, flexibility, usability and workflow) and sales reporting and analytics. Opportunity management capabilities are weighted more heavily than other salesforce application building blocks. This is reflective of market demand of SFA functionality by sales organizations. The vendor must have a stable product development team for each product module it sells.

Overall Viability (Business Unit, Financial, Strategy, Organization): Key aspects of this criterion are the vendor's ability to ensure continued vitality of a product, including support of current and future releases, as well as a clear road map the product will follow during the next 36 months. The vendor must have the cash on hand and consistent revenue growth during four quarters to fund current and future employee burn rates and to generate profits. The vendor is also measured on its commitment and ability to generate revenue and profits, specifically in the SFA market.

Sales Execution: The vendor's ability to provide global sales and distribution coverage that aligns with marketing messages is a critical component to measuring its sales execution. The vendor must also have specific experience and success selling SFA applications to the sales buying center (that is, the vice president of sales or sales operations).

Market Responsiveness and Track Record: This refers to 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 provider's history of responsiveness.

Marketing Execution: This criterion examines 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 sales buying center. This "mind share" can be driven by a combination of publicity, promotions, thought leadership, word-of-mouth and sales activities.

Customer Experience: 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 inquiries and other customer-facing interactions, such as Gartner conferences. Customer experiences are rated based on the vendor's ability to help customers achieve positive business value, as well as sustained user adoption, and quality implementation and ongoing support.

Operations: The last criterion we evaluate in this section is the ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure — skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Table 1. Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product/Service	high
Overall Viability (Business Unit, Financial, Strategy, Organization)	standard
Sales Execution/Pricing	high
Market Responsiveness and Track Record	high
Marketing Execution	low
Customer Experience	high
Operations	standard

Source: Gartner

Completeness of Vision

Market Understanding: The vendor needs to demonstrate a strategic understanding of SFA opportunities, such as new application functionality, evolving sales models, delivery models (for example, SaaS) and architectural trends (for example, SOA).

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

Sales Strategy: Does the strategy for selling the SFA product use 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: A vision for new application functionality across the breadth and depth of product capabilities is critical to meeting the needs of a maturing market. Subcriteria include the vendor's vision for opportunity management; solutions management (for example, sales configuration, quote management and content management); operations management (including incentive compensation); access and architecture (such as openness, flexibility, usability and workflow); and sales reporting and analytics. Product strategy can be a combination of organic development, acquisition and/or ecosystem. However, in the case of ecosystems, there will be close attention paid to the quality and support of any third-party partner.

Business Model: Vendors need to have clear business plans on how they will be successful in the SFA market. These business plans should include appropriate levels of investment to achieve profitability and healthy revenue growth during a three-to-five-year period.

Geographic Strategy: We examine the vendor's strategy to direct resources, skills and offerings to meet the specific needs of regions outside the corporate headquarters' location, directly or through partners, channels and subsidiaries, as appropriate for that geography and market.

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	standard
Marketing Strategy	low
Sales Strategy	high
Offering (Product) Strategy	high
Business Model	standard
Vertical/Industry Strategy	no rating
Innovation	no rating
Geographic Strategy	standard

Source: Gartner

Leaders

Leaders demonstrate market-defining vision and the ability to execute against that vision through products, services, demonstrable sales figures and solid new references for multiple geographies and vertical industries. A characteristic of a leader is that most competitive vendors will tend to measure their own success against the success of leading vendors.

Challengers

The vendors in the Challengers quadrant are often larger than the majority of vendors in the niche area (but not all) and demonstrate a higher volume of new sales for SFA, where the sales buying center has had input in the selection decision. They understand their clients' evolving needs, yet may not lead customers into new functional areas with their strong vision and technology leadership.

Visionaries

Visionaries are ahead of potential competitors in delivering innovative products and/or models. They anticipate emerging/changing sales needs and move the market ahead in areas where it has not been yet. They have a strong potential to influence the direction of the SFA market, but they are limited in execution or demonstrated track record. The vendor does not have to be small to be a visionary.

Niche Players

Niche players all offer products for SFA functionality but may be missing some functional components. They may offer complete portfolios but demonstrate weaknesses in one or more important areas, such as distribution or understanding the needs of the sales buying center. They may have an inconsistent implementation track record or have not shown the ability to support large enterprise requirements.

Vendor Strengths and Cautions

ACT!

Strengths

- Large installed base for basic opportunity and contact management

- Conservative vision on adding deep functional features for handling complexity will help it maintain its ease of use at the low end of the market
- Low software cost for on-premise software
- Contact management with extensibility continues to be a "sweet spot"
- Large company backing with Sage Software
- Ease of use

Cautions

- Limited functional footprint or partnerships in the areas of solution or performance management
- New enhancements to support managing multiple sales opportunities by enabling users to associate multiple contacts to opportunities needs proof in the marketplace
- Not for companies with complex integration, process flows or deep functional requirements
- Lack of SaaS offering will limit reach for small and midsize businesses (SMBs) where SaaS is gaining momentum

Entellium

Strengths

- Continuous focus on improving system usability (for example, higher interactive "gamer design," which attempts to bring consumer-oriented user interface paradigms to business applications)
- Lower-cost subscription rates compared with other SaaS providers
- Flexibility in service-level agreements (that is, month-to-month contracts)
- Bundled add-on services at no additional fee for each customer, including 24/7 support and deployment consulting
- Focus on SMBs

Cautions

- Needs to improve execution on its channel distribution model to augment direct sales efforts
- Limited market awareness relative to other SaaS providers
- Large, complex enterprise implementations are not Entellium's target focus

GoldMine

Strengths

- Ease of customization and configurability
- Lower-cost software for companies looking for on-premise SFA software

- Long history of supporting SMBs

Cautions

- Customers cited needing better Microsoft Outlook integration
- User interface needs to be more intuitive
- Limited experience implementing large enterprise, complex deployments; only two customers on GoldMine Enterprise Edition (released in February 2007)

Infor

Strengths

- Despite numerous acquisitions during the past few years, Infor has begun to grow its SFA business over the last few quarters
- Integration with marketing functionality and analytics, particularly when automating a lead management process
- Increased focus and R&D investment in SFA offering
- Vision for adding more functionality, such as sales configuration

Cautions

- Having added some new reference deployments during the past 12 months, it must convert new sales momentum to new customer deployments.
- Frequent acquisitions during the past few years diluted the focus on the sales domain and produced a level of uncertainty; however, Infor has placed a renewed focus on CRM.
- Customers cited the need for better support for mobile users, specifically for devices such as the BlackBerry; Infor does support a full laptop version with data synchronization, and requires Apache/JBoss Web server on the client.

Landslide

Strengths

- Visionary concepts of integrating and measuring the effectiveness of aligning buying and selling processes
- Strong focus on salesperson, including VIP service for updating data in the system
- Customer-facing portal tools for salespeople to foster better customer relationships

Cautions

- No presence outside North America
- Small vendor (new to market in past 18 months)
- Gaps in functional footprint for solutions management, such as price management, sales configuration, and so on

Maximizer Software

Strengths

- Product simplicity attractive for SMBs
- Ease of doing business and customer responsiveness
- Low-cost solution for companies looking for on-premise SFA software

Cautions

- Implementing larger complex implementations
- Majority of customers based in North America
- Limited marketing awareness prohibits greater company growth
- Limited functionality and/or partnerships for solution and performance management
- Limited professional service organization
- References that Gartner checked felt the user interface could be more intuitive

Microsoft Dynamics CRM

Strengths

- Large vendor business viability
- Microsoft Outlook integration
- Strong leverage of .NET and Microsoft infrastructure for clients committed to Microsoft
- Microsoft Dynamics CRM 3.0 is an improvement over Microsoft CRM 1.2 in quality and functionality
- New customer business momentum in new customer business and deployments
- One of few SFA on-premise systems to be considered for large enterprises (Gartner has validated references of more than 1,500 seats)
- Lower license cost (less than $700 per user, on average — Gartner estimate) alternative for large enterprises with on-premise requirements

Cautions

- Limited footprint focused on opportunity management, lacking best-of-breed functionality or partnerships for solutions and performance management (for example, incentive compensation and sales configuration)
- More proof points needed for integrating with large enterprise ERP systems, such as SAP and Oracle ERP
- Few partners have implementations of more than 750 users

NetSuite

Strengths

- Broad functional footprint to support end-to-end processes is appealing for SMBs, but not deep in areas such as solutions and performance management for large enterprise organizations
- Competitive base price for SaaS
- Gartner estimates NetSuite has maintained double-digit revenue growth ($75 million in revenue in 2006 — Gartner estimate)

Cautions

- Limited presence in Europe, the Middle East and Africa (EMEA), outside of the U.K.
- More focus on selling to sales buying centers where a broad end-to-end business suite does not have as much appeal
- Customers cited the need for NetSuite to grow its professional service organizations; this is especially important when implementations become more complex for larger organizations
- More-meaningful partnerships in functional areas where its offering is deemed not complete enough, such as incentive compensation and sales configuration

Oracle's PeopleSoft Enterprise CRM

Strengths

- "Application Unlimited" strategy promises further development in the product, with new releases focused on tactical customer-driven enhancement requests and integration with Oracle Fusion Middleware technology
- Leverages PeopleTools for PeopleSoft customers who have experience with PeopleTools and other PeopleSoft applications

Cautions

- Limited functional innovation and footprint compared with other Oracle CRM products, such as Siebel
- Users felt release quality could be improved, based on most-recent versions
- Only for PeopleSoft customers or organizations deploying other PeopleSoft applications as an overall suite strategy
- Limited new references that have deployed PeopleSoft CRM for B2B SFA

Oracle's Siebel CRM

Strengths

- Large vendor business viability

- Siebel 7.8 and 8.0 have high product viability, deep industry knowledge, demonstrated scalability and are supported by strong Web services
- Siebel will serve as the basis of the majority of Oracle Fusion Sales functionality in B2B environments
- Integrated Oracle technology stack (for example, Oracle Fusion Middleware and Oracle Database)
- Broadest functional footprint across all areas of SFA, including opportunity management, solutions management, performance management and analytics

Cautions

- Oracle has had one customer reference migrate to Siebel 8.0; Oracle states that more than 15 customers plan to, or are in the process of, upgrading to Siebel 8.0 during the next two years.
- Unlike lower-end solutions, Siebel's broad functional footprint and focus on automating complex business processes place high demands on IT or require consulting partners.
- Customers that base their Siebel deployments on Microsoft or IBM infrastructure (for example, application servers and databases) should continually validate Oracle support for these platforms.
- When end-to-end process design and significant customization are required, a strong commitment to training dedicated resources must be made by IT and the business.

Oracle CRM On Demand

Strengths

- Revamped architecture on complete Oracle technology infrastructure (for example, Oracle Fusion Middleware, Oracle database) running in Oracle data centers provide greater control of execution and provisioning; however, entire installed based will not be migrated until 4Q07
- Stronger than most SaaS offerings for analytics and reporting
- Strong vision for integration with other Oracle on-premise software assets (for example, accessing Oracle Sales Configurator from Oracle CRM On Demand)
- Large vendor business viability
- Price competitive ($70 per user per month)

Cautions

- Limited to three custom objects will impact customization flexibility
- Has seen recent increase in sales but must be proven during the next few quarters to validate renewed sales and marketing investment
- "Private" database option attractive for users that want a physically separated data source but comes at a $75 per-user per-month premium

Oracle E-Business Suite CRM

Strengths

- Integrated functionality for order-management-related processes
- Ability to support end-to-end processes, such as order to cash, in one application environment
- Common data model with other E-Business Suite applications
- Large vendor business viability
- Application Unlimited strategy promises further development in the product, with new releases focused on tactical customer-driven enhancement requests

Cautions

- Customers cite usability as a concern (for example, too many clicks to update basic information)
- Only for e-business customers or organizations deploying other E-Business Suite applications
- Siebel product will be the basis of any new SFA product developed by Oracle; however, elements of E-Business Suite, such as Sales Configurator, will be the basis of an eventual new offering

RightNow Technologies

Strengths

- Focused on selling environments where there is more of a consumer model
- RightNow customer service clients will benefit from having a consistent customer view across departments

Cautions

- Lacks team selling for B2B environments
- Limited business growth for SFA (Gartner estimates more than 85% of RightNow's business is related to customer service functionality)
- Limited solutions and performance management footprint

salesforce.com

Strengths

- High new customer and revenue growth (greater than 50% year-over-year)
- Good system usability for salespeople
- Thought leader on leveraging SaaS model (for example, the salesforce.com platform including Apex Code)

- Strong relationship focus on the sales business buyer (for example, head of sales or head of sales operations)

Cautions

- Subscription rate for some editions is higher than other SaaS providers — Enterprise Edition is $125 per user per month, and Unlimited Edition (at an estimated $195 before discounts) is significantly more expensive
- Limited out-of-the-box functional footprint focused on opportunity management
- AppExchange ecosystem needs to demonstrate more viable best-of-breed vendors that can support large enterprise requirements
- Needs to improve relationships with IT organizations
- Salesforce.com does not support custom tabs for a full laptop version with data synchronization, although the object data shows up in related lists
- Customers cite reporting and analytics should have more customization and configurability

Sage SalesLogix

Strengths

- Large company vendor viability as part of Sage Software
- Support for customized business processes is a key technical differentiation among other Sage CRM offerings
- Regained market momentum for large enterprise on-premise business; significant number of new customers — more than 400 users during the past 12 months
- Currently, one of the few on-premise SFA vendors for large enterprise applications

Cautions

- Managing differentiation with Sage's two other CRM offerings — ACT! and SageCRM
- Limited footprint focused on opportunity management, lacking best-of-breed functionality or partnerships for solutions and performance management (for example, incentive compensation and sales configuration)
- SalesLogix 7.2's configuration and customization environment is enhanced but not proven with customer references

SageCRM

Strengths

- Large company vendor viability as part of Sage Software
- Fairly intuitive user interface for salespeople
- Most customers stated deployments were straightforward
- SOA-based product

Cautions

- Hybrid deployment model (on premise, SaaS) difficult to sustain long term
- Most customers located in North America and the U.K.; launched in Germany and France in 2005
- Some users cited the need for improved help desk support, specifically more-complete advice and better response times
- Limited functional footprint and partnerships for functionality outside of opportunity management and reporting
- Maintain differentiation from ACT! and SalesLogix, which are Sage Software's other two SFA products

Saratoga Systems

Strengths

- CDC Software planned acquisition will provide more financial stability and investment R&D opportunity
- Currently one of the few on-premise SFA vendors for large enterprise applications

Cautions

- Last CDC acquisition (Pivotal) was dropped from the 2007 SFA Magic Quadrant
- Despite longevity, Saratoga Systems has not been able to increase market awareness of its offering
- Currently no SaaS offering, and migration from its current on-premise offering to an eventual SaaS offering will be challenging

SAP (CRM On-Demand)

Strengths

- Large vendor business viability
- User interface more intuitive than traditional SAP products

Cautions

- Hybrid SaaS model difficult to maintain in the long term
- Customers cited quality and timeliness issues for new releases
- Offline use limited to wireless access still needs to be proven in market
- Despite being available for more than a year, has not gained traction in the market due to insufficient functionality and quality issues

SAP

Strengths

- Ability to support complex, end-to-end, industry-specific business processes, such as order to cash on an integrated platform
- Large vendor business viability
- Improved user interface for SAP's 2006s version
- Broad functional footprint (that is, quote management and sales configuration)
- SOA with NetWeaver enables third-party integration of best-of-breed products

Cautions

- Different user interface paradigms for laptop disconnected and connected versions
- Although customer response to the new user interface has been very positive, shipment of the 2006s release has been limited to a select group of strategic customers and remains unavailable to most SAP CRM customers; therefore, it is unproven in the market
- Large-enterprise-class footprint with many technical dependencies to other SAP products, such as SAP Business Information Warehouse (BW), will require extensive IT resources to implement
- Strong connection to IT buyer; has not been able to build relationships with sales buying center, causing significant shelfware of SFA software

SugarCRM

Strengths

- Open-source model and community enables collaborative customer-driven enhancements
- Relatively lower price point compared with the competition
- Ease of system configurability cited by multiple customers as an advantage

Cautions

- Needs to get closer to the business buyer; open source does not mean anything to a head of sales
- Hybrid model (on premise, hosted, SaaS) generally difficult to sustain; however, pure open-source infrastructure focus will help
- Customers cited usability as an area for potential improvement
- Lack of custom objects limits the level of complexity the product will handle

RECOMMENDED READING

"Magic Quadrants and MarketScopes: How Gartner Evaluates Vendors Within a Market"

Vendors Added or Dropped

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

Evaluation Criteria Definitions

Ability to Execute

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

Overall Viability (Business Unit, Financial, Strategy, Organization): 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 pre-sales activities and the structure that supports them. This includes deal management, pricing and negotiation, pre-sales support and the overall effectiveness of the sales channel.

Market Responsiveness and Track 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 Web site, 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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