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# Magic Quadrant for Field Service Management

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**Analyst(s):** Jim Robinson, Michael Maoz, Jason Wong

## Summary

Vendors' positions in this Magic Quadrant reflect the demand to align technicians and contractors using technologies like AI, streaming video and the Internet of Things, for effectiveness in all interactions. It is more important than ever to identify vendors that can adapt new technologies for FSM.

## Strategic Planning Assumptions

By 2020, 70% of organizations will cite customer satisfaction as a primary benefit derived from implementing field service management, up from approximately 50% today.

By 2020, 10% of emergency field service work will be both triaged and scheduled by artificial intelligence.

By 2020, over 40% of field service work will be performed by technicians who are not employees of the organization that has direct contact with the customer.

By 2020, more than 75% of field service organizations with over 50 users will deploy mobile apps that go beyond simplified data collection and add capabilities that help technicians succeed.

## Market Definition/Description

*This document was revised on 29 September 2017. The document you are viewing is the corrected version. For more information, see the Corrections ([http://www.gartner.com/technology/about/policies/current\\_corrections.jsp](http://www.gartner.com/technology/about/policies/current_corrections.jsp)) page on gartner.com.*

Field service management (FSM) is a discrete market within the broader customer service and support software space. Field service operations typically dispatch technicians to customer locations to provide installation, repair or maintenance services for equipment or systems. These may be actively managed, maintained and monitored under a predefined service or maintenance contract.

FSM applications provide capabilities to:

**Manage demand** – Receipt of work requests from external sources, such as customers (through multiple channels), Internet of Things (IoT) connectivity and service brokering networks; also from internal systems, such as ticketing or maintenance, repair and operations (MRO), product life cycle management, long-cycle project management and enterprise asset management systems.

**Plan work** – Workload balancing and shift requirements forecasting, schedule optimization for short- and long-cycle work requests, SLA and cost prioritization, parts demand planning and purchasing, contracted or contingent third-party service provider enablement, geographical

information system (GIS)-based planning.

**Inform and enable technicians** — Apps on mobile and wearable devices for GPS tracking, telematics, equipment work history, service collaboration and customer communication, knowledge and work instruction management, inspections, safety forms, parts sourcing and customer quoting.

**Debrief work orders** — Online or offline mobile collection of time and parts used, tasks completed, updates to equipment records, customer recommendations, sign-offs, approvals for additional work and satisfaction surveys.

**Perform analysis and integration** — Field service performance management, predictive analytics, alerts and notifications, and APIs and connectors for ERP, CRM and GIS application integration.

For organizations that need to handle complex service use cases for mission-critical equipment, provide a hybrid of on-site and in-depot service, or have FSM-driven pricing, end-to-end FSM products should extend capabilities to:

**Manage additional operations** — Installed equipment management, maintenance agreement management, maintenance plans, warranty and claims management, reverse logistics, depot repair, equipment supersession, engineering change requests, customer pricing management and pro forma invoice preparation.

FSM products operate across multiple communication channels (websites, supply solutions, third-party service brokering solutions and analytics). FSM solutions touch software in several markets, such as CRM, ERP, enterprise asset management, IoT, workforce management, vendor management, product life cycle management and supply chain markets such as transportation management and fleet management. Although several FSM vendors have capabilities in these areas, these are not their focus.

## Magic Quadrant

**Figure 1.** Magic Quadrant for Field Service Management



Source: Gartner (September 2017)

### Vendor Strengths and Cautions

#### Accruent (Verisae)

U.S.-based Accruent (<http://www.accruent.com/>) acquired Verisae (<http://www.verisae.com/>) in September 2016. It is a Niche Player on the basis of its industry focus and support for third-party service, as well as its geographical focus on North America (it also has a small presence in EMEA and in Asia/Pacific). Our analysis focuses on the FSM products from the Verisae portfolio. Accruent's Verisae portfolio supports end-to-end field service use cases with a combination of products: vx Maintain (for contracts, planned maintenance and operations) and vx Field (for work planning and schedule optimization, technician enablement and debriefing). Accruent's industry strategy differs from Verisae's former industry strategy, but Accruent is likely to continue to focus on Verisae's traditional industries (primarily retail, utilities and telecommunications), while extending vx Field's range of targets to include organizations in other industries, such as corporate real estate, healthcare, education and government, especially in use cases where the

facility owner works with an ecosystem of vendors. The Verisae portfolio also covers field service for connected equipment with vx Field and vx Maintain, while the vx Sustain, vx Conserve and vx Observe offerings cover management for regulated substances (such as refrigerants), energy usage and equipment alarms and performance data. We estimate that Accruent has between 50,000 and 65,000 users of the FSM solutions in the Verisae portfolio.

## STRENGTHS

**Industry focus:** Accruent's Verisae portfolio addresses the needs of facility owners, their assets and their networks of third-party service resources. This helps promote transparency and efficient sharing of, for example, alarm data to improve diagnostics, work order approvals and capacity-based schedule optimization across first- and third-party resources.

**Product depth:** vx Field is a mature offering that includes deep capabilities for managing paperwork flow and communications for third-party service (which Accruent calls work order marshalling), connected equipment, parts management (including returns), workflow and schedule optimization.

**Sales strategy:** Accruent has achieved growth in recurring revenue with the vx products. Accruent sales teams have been trained to sell the Verisae portfolio to expand the sales footprint.

## CAUTIONS

**Marketing execution:** Since the acquisition, Accruent has focused on rebranding and integrating elements of the Verisae business, as well as on integrating the vx products with other parts of the Accruent portfolio. Thought leadership relating to the Verisae portfolio, such as that expressed in blogs and articles, has diminished considerably in the FSM sector, compared with when Verisae was an independent company.

**Implementation partners:** The percentage of implementations delivered by partners is among the lowest in this Magic Quadrant. Reference customers reported implementation lengths that were longer than the average for the company's closest competitors.

**Innovation:** Accruent does not have a compelling roadmap for introducing technologies such as wearables (for remote support and collaboration) or augmented reality. It introduced only a few new capabilities in its latest release.

## Astea International

U.S.-based Astea International (<http://www.astea.com/en/default.aspx>) is a Niche Player on the basis of its product breadth, product depth and strong customer retention, coupled with its focus on organizations seeking broad functionality that can reduce reliance on the ERP system, primarily in single-tenant deployments. Astea's Alliance product is one of the market's few end-to-end field service products. It also offers many supporting functions — such as customer service, invoicing, project management and opportunity management — that typically require additional CRM, ERP or other application licenses. As such, it is suitable for organizations that do not want to rely on or integrate these applications and that may or may not need deep scheduling optimization capabilities in industries such as discrete manufacturing, services, technology and telecommunications. Astea has continued to improve its use of technology and has a steady revenue stream generated by over 185,000 active FSM users.

## STRENGTHS

**Product breadth and depth:** Astea has been in the market since 1979 and continues to differentiate itself on product functionality. Examples include its template IoT widgets and new support for Microsoft Azure IoT Suite, consolidation of its multiple workflow engines, and support for drip-feeding service orders from its project management module.

**Mobile app:** Astea has rebuilt its mobile app and web UX using the Google Material Design to modernize the UX. It now also offers a configuration for simple, medium and complex mobile app versions, as well as the ability to modify, extend and add forms or logic to the built-in capability.

**Customer loyalty:** Astea has one of the highest customer retention percentages of the vendors in this Magic Quadrant. Reference customers identified its flexibility to support multiple processes in its product and its customer focus as important positives.

## CAUTIONS

**Multitenant SaaS:** Astea continues to lag behind the Leaders in terms of achieving parity and customer adoption for its multitenant SaaS solution. Although Astea has plans, its ability to take advantage of cloud capabilities such as elastic compute power and asynchronous modeling remains limited.

**Integration:** Although much less integration is required for customers that adopt all of Astea's available capabilities, reference customers indicated below-average satisfaction with its integrators, tools and support for integration with other systems.

**Revenue growth:** Astea has steadily added customers and increased user counts in existing deployments, but the resulting license and maintenance revenue growth was flat in the 12 months ending in March 2017, compared with the 12 months ending in March 2016. Reference customers reported higher-than-average costs, compared with other end-to-end FSM solutions.

## ClickSoftware

U.S.-based ClickSoftware (<https://www.clicksoftware.com/>), a Francisco Partners company, is a Leader on the basis of its deep schedule optimization, extensible mobile apps, technology enablement, development partnerships and sales channels. Its schedule optimization is suitable for use cases where providers must respond to urgent demands and volume fluctuations (such as leaks and outages in the case of utilities, telecom providers and manufacturers), while avoiding appointment cancelations (especially in home services and healthcare). ClickSoftware does well in large deployments where the number of technicians can justify longer initial implementation durations.

ClickSoftware still sells both its on-premises Service Optimization Suite (SO Suite) and its newer multitenant Click Field Service Edge (CFSE, released in 2016). Most new customers adopt the CFSE product, and some existing customers have migrated successfully to CFSE. There are over 725,000 users on CFSE and SO Suite, plus another 80,000 on StreetSmart, ClickSoftware's solution for small and midsize businesses (SMBs).

## STRENGTHS

**Product ecosystem:** ClickSoftware offers advanced functionality through OEMs and partnerships, such as predicted traffic for scheduling (Google), remote support and augmented reality (Fieldbit) and packaged IoT integration (IBM [Bluemix], ThingSpeak). Its functionality is also sold as part of other vendors' solutions, such as those of Salesforce (Field Service

Lightning), SAP (which recently added CFSE to a solution extension partner agreement that it already had for SO Suite) and ServiceBench (a reseller agreement), as well as through system integrators (SIs).

**Product depth and mobile platform:** Business analysts can use ClickSoftware's Mobility Studio to extend and modify its hybrid HTML5 and native application, and/or employ developers to build new applications, logic and flows.

**Innovation:** ClickSoftware's outcome-based Optimize to Goals dashboards enable users to perform simulations using slider bars to change weightings for competing outcomes such as cost of service, SLA and customer satisfaction. Future versions will employ artificial intelligence (AI) and parallel simulations to help prioritize the hundreds of configurations that support each outcome.

**Market responsiveness:** ClickSoftware's approximately 700 employees and long market tenure help it react well to market shifts. Recent introductions by ClickSoftware, such as chatbots, an AI dispatcher (which proactively prevents predicted SLA breaches) and "soft" service area boundaries, are helping it to lead the market.

## CAUTIONS

**Implementation:** Reference customers indicated longer-than-average implementation times and training ROI. To help address this issue, ClickSoftware has recently enhanced its industry templates for processes, policies, terminology and functionality.

**Product breadth:** ClickSoftware's offerings often have to be integrated with an ERP and/or other FSM solution(s) that provide critical capabilities such as management of customer-installed equipment, maintenance plans, agreement entitlements, warranties, reverse logistics and depot repair.

**Implementation and SI partnerships:** Reference customers rated the quality and availability of ClickSoftware's SI and implementation partners among the lowest of the vendors in this Magic Quadrant. The percentage of ClickSoftware implementations supported by partners is smaller than for the company's closest competitors.

**Product transition:** Although it has some capabilities not available in SO Suite, CFSE is still missing some features that are available in SO Suite. Also, reference customers reported some small (and now resolved) reliability issues attributable to the vendor's relative inexperience with managing a multitenant product.

## Comarch

Poland-based Comarch (<http://www.comarch.com/>) is a Niche Player on the basis of its focus on telecom and insurance requirements, including schedule optimization, regulatory compliance and standards, as well as on organizations with IoT-driven use cases, such as equipment service providers. Comarch is a large software vendor with a variety of products in its portfolio, including ERP, telecom systems and financial systems. It sells its Comarch Field Service Management solution on a stand-alone basis, as part of its ERP suite, as part of its IoT offering, and as part of its operations support system for telecoms. It is offered for all deployment models, but its very stable customer base is single-tenant and primarily based in Europe. It also has sales traction in the Middle East and Russia, along with a few large customers in Asia/Pacific and North America. Comarch claims to have doubled its FSM user base in the 12 months ending in March 2017, to almost 30,000 users, most of whom are part of deployments for over 1,000 users.

## STRENGTHS

**Product depth:** Comarch offers a strong labor capacity forecasting ability, with multiple options for filters, scope and choice of algorithms to complement its schedule optimization. It has worked with customers to deploy IoT solutions in production environments and offers an API to connect to ERP applications besides its own, such as those of IFS, NAF and SAP.

**Industry strategy:** Comarch has tailored processes, implementation templates and support for several standards that meet the regulatory needs of organizations in the telecom sector. It also simplifies integration and workflow definition, based on its experience in this sector. Through its experience in the financial services and insurance sector and proofs of concept (POCs) with customers, it has designed capabilities that can make it suitable for service-driven and asset-driven field service organizations.

**Customer loyalty and cost:** Comarch achieved a 100% customer retention rate (based on annual contract value and customer logos), in the 12 months ending in March 2017. In addition, over three-quarters of its customers are on the current version of its product, even though most have deployed it on-premises. Comarch's license costs are among the lowest of any vendor we reviewed, and reference customers scored its cost of ownership positively.

## CAUTIONS

**Mobile app:** Comarch's mobile app support for customers that need proprietary digital mobile forms and workflows is limited, and enabling technologies such as a built-in knowledge base and remote support are lacking. Reference customers indicated challenges with usability and stability.

**Marketing execution and R&D:** Comarch's marketing and thought leadership specific to FSM are minimal, especially outside EMEA. Comarch releases bug fixes and minor enhancements quarterly, and only releases major upgrades once every three years. Its FSM product is offered as a SaaS solution, but Comarch has not built a solution that uses cloud computing power and storage capacity well enough to convince its existing customers to migrate to the cloud.

**Product breadth and partners:** Despite adding new strategic partners in multiple countries in 2016 and 2017, Comarch performs most of its implementations itself, and most of its customers use Comarch ERP or other ERP systems. Customers using partners or other ERP systems will need to identify resources with the knowledge to identify, and integrate, functionality such as agreement management and pricing management, that are not available in Comarch's stand-alone FSM offering.

## Coresystems

Switzerland-based Coresystems (<https://www.coresystems.net/>) is a Niche Player on the basis of its focus on enabling badged and third-party technicians in both SMBs and large enterprises. It has seen significant growth in sales and recurring revenue over the past two years. It has gained broader functionality and vision in areas ranging from support for IoT-connected equipment to AI POCs. Its customer base shows that it has deep presence among discrete manufacturers, and utilities, oil and gas, technology and telecom companies in both small enterprises and an increasing percentage of large ones. We estimate that Coresystems has over 180,000 users on its FSM offering (including active subcontractors), primarily in EMEA but also with consistent implementations in North America, Asia/Pacific and Latin America. It has raised \$42 million over three rounds of funding.

## STRENGTHS

**Innovation:** Coresystems' vision is to help service providers deliver higher asset uptime and Net Promoter Score through innovations such as its Now product (which lets end customers initiate a traceable service request by scanning a QR code), POCs for chatbots and AI to predict needed parts or knowledge. This is in addition to its work with partners on outcome-based service provided through the IoT.

**Integration:** Reference customers gave Coresystems' APIs among the highest scores in this Magic Quadrant. Coresystems has now certified its integrations with SAP ERP Central Component (ECC) and Business One Hana, and Microsoft Dynamics AX and Dynamics NAV. It also has live integrations with other vendors' offerings, such as Salesforce Service Cloud and Oracle Field Service Cloud.

**Implementation:** Coresystems undertakes R&D to identify other vendors that could fill gaps in its product capabilities. It promotes those that are most complementary, so that customers need not conduct as much R&D themselves. Examples are SightCall, Slack and Twilio.

## CAUTIONS

**Product depth:** Reference customers indicated that some capabilities that are crucial to support Coresystems' product vision are not quite complete. Some indicated longer-than-expected turnarounds for fixes for perceived bugs.

**Product breadth:** Coresystems is addressing some product breadth issues with its new schedule optimization capabilities, released in the latest version, but these are unproven. Most customers rely on partners or Coresystems support to retrieve data from the system, and on an external analytics tool to build reports. Organizations with heavy requirements for schedule optimization or self-led report development may face challenges in these areas.

**Implementation partners:** Although Coresystems' product innovation, market understanding and vision resonate well with the market, Coresystems partners primarily with small organizations for implementation. It does not have formalized partner relationships with SIs and implementation organizations that have a large global presence.

## FieldAware

U.S.-based FieldAware (<https://www.fieldaware.com/>) is a Niche Player owing to its focus on midsize and large enterprises seeking a multitenant SaaS solution that is easy both to implement and to integrate with existing systems. It focuses on service use cases without heavy scheduling optimization requirements across several industries. Its primary customers are heavy equipment service providers and manufacturers that want to enable technicians in the field but still utilize their existing ERP and CRM systems. FieldAware has approximately 14,000 users on its FSM offering, primarily in North America but also in English-speaking parts of EMEA and Asia/Pacific. It has raised \$60 million over four rounds of venture capital funding.

## STRENGTHS

**Implementation:** FieldAware's offering is among the fastest to implement of any system we reviewed, and implementations are typically performed with minimal consulting. FieldAware uses videos and templates to simplify implementation and has APIs that inherit configuration settings from NetSuite ERP or Salesforce Service Cloud.

**Integration:** FieldAware has certified integrations with NetSuite ERP and Salesforce Service Cloud. It is also partnering with middleware providers (of integration platform as a service [iPaaS] products, for example) to add connectivity between its mobile app and additional systems that contain internal organization and external supplier data.

**Development partnerships:** FieldAware has recently entered into several product partnerships to augment its core capabilities. Key areas include technician remote support, ERP integration, mobile forms extensibility and workflow, and advanced analytics.

## CAUTIONS

**Growth:** Although FieldAware's recognized revenue from licenses, maintenance and support grew in the 12 months ending in March 2017, its sales execution suffered a clear downturn from the year to March 2016. FieldAware underwent a restructuring, while also moving its go-to-market strategy away from SMBs, and it attributes the lower sales to longer sales cycles for larger deals. FieldAware also faces increased competition in its NetSuite and Salesforce channels.

**Product breadth:** Customers should plan to rely on ERP, CRM or other system capabilities to handle operational functions, such as managing equipment maintenance agreements, plans and entitlements, technician parts sourcing and remote support. For schedule optimization, FieldAware has embedded initial capabilities from a new OEM partner (OptimoRoute).

**Implementation services:** FieldAware has the smallest internal professional services organization of any vendor we reviewed, and it performs more than three-quarters of its implementations using that organization. Although a partner network is also available for implementation, customers should develop contingency plans, in case FieldAware's resources become constrained.

## Geoconcept

France-based Geoconcept (<http://www.geoconcept.com/>) makes its debut in this Magic Quadrant as a Niche Player. It does so on the basis of its schedule optimization, embedded GIS features and engagement with customers; the fact that most of its revenue comes from customers in EMEA; and its lack of product breadth in terms of operations functionality, such as installed-base management. Geoconcept's Opti-Time and Opti-Time Mobile products are offered as cloud or on-premises solutions. They are aimed at field service and field sales use cases where it is important to simulate long-term schedules and react quickly to emergency requests, such as those arising in the home healthcare and utility sectors. Although considerably smaller than its largest competitors, Geoconcept has large deployments in EMEA, Asia/Pacific and Latin America, solid customer retention rates and over 150,000 FSM users.

## STRENGTHS

**Product portfolio:** Geoconcept pursues a geographical information-based strategy for its product, as shown by its GIS geomarketing and geo-optimization products. These complement its FSM features for organizations with field resources that are geography-driven, rather than address-driven, such as emergency response agencies and utilities.

**Innovation:** Geoconcept has a long-term planning module that can create multiple simulations to help align capacity with demand, integrate with Microsoft Power BI, and connect with other analytics tools.

**Deployment modes:** Geoconcept is one of the few vendors that offer customers a choice of deployment modes (on-premises, single-tenant cloud and multitenant cloud, as well as web service). Customers or other software providers can also utilize its optimization via API. In cloud deployment mode, it uses available processing power to produce short-term and long-term scheduling and forecasting calculations that perform well in head-to-head benchmarking comparisons.

## CAUTIONS

**Product breadth:** Customers with end-to-end field service requirements need to complement Geoconcept's capability with an additional product in areas such as maintenance planning and installed-base management. Geoconcept's mobile app has little extensibility and low adoption.

**Implementation and support:** Reference customers scored Geoconcept's implementation and support processes below those of its closest competitors.

**Geographical presence:** Geoconcept has made progress in this area (in India and China, for example), and is evaluating opportunities in North America, but the vast majority of its customers are in EMEA.

## IFS

Sweden-based IFS (<http://www.ifsworld.com/us/>) is now part of EQT, a European private-equity company, which aims the IFS portfolio at organizations with heavy requirements relating to projects, services and assets, manufacturing and supply chains. IFS is a Leader on the basis of its FSM products' depth, growth and technical support. IFS has two FSM products: Enterprise Service Management (part of its single-tenant ERP offering) and Field Service Management (offered on a single- or multitenant basis and typically integrated with offerings from ERP providers like SAP and Microsoft). Both products suit complex end-to-end service and installed-equipment management use cases, such as are found in the manufacturing and oil and gas industries; they can also handle the high work order volumes and technician schedule volatility found in the utility, telecom and residential service sectors, when used with IFS's Planning & Scheduling Optimization (PSO) module. IFS has an estimated 260,000 to 280,000 users across both products.

(IFS acquired mplsystems, an integrated multichannel customer engagement and FSM provider, on 1 August 2017, which was after the 30 June 2017 cut-off date for evaluation in this Magic Quadrant.)

## STRENGTHS

**Investment and growth:** Heavy investment by IFS in global resources, product innovation (IFS Labs) and mobile extensibility has fueled a demonstrated top-line revenue growth rate that is among the highest of the vendors we reviewed. With the acquisition by EQT, IFS will be able to make additional investments in products and marketing.

**Reporting:** In addition to standard reports, IFS provides Lobbies, which are dashboards that enable customers to drill down into an associated workflow. Customers can purchase a tool to build and modify these dashboards. IFS also provides prepackaged, denormalized views of data intended to shorten the learning curve for integration with other processes and analytics packages.

**Price:** IFS's products are generally less expensive to acquire and run than those of its multitenant cloud-only competitors. Reference customers considered IFS among the best for several cost factors, including total cost of ownership.

**Product ecosystem:** IFS has added and certified major implementation and SI partners. It indicates that 60% of its implementations are now supported by partners. This allows IFS resources to focus on special cases and avoids implementation delays due to backlogs.

## CAUTIONS

**Adoption of multitenant option:** Although IFS is one of the few vendors that offer customers a choice of deployment modes (on-premises, single-tenant cloud and multitenant cloud), adoption of its relatively new multitenant option is low. IFS has adopted a "cloud and mobile first" strategy using Microsoft Azure, but it will need to continue to invest in product architecture to exploit the power of cloud computing.

**Implementation:** Despite its efforts to educate partners, the ratio of IFS implementation costs to license costs is very high, even compared with other end-to-end FSM providers. IFS provides "templates" to help customers create integrations, but does not provide packaged components supported by R&D.

**Marketing execution:** Gartner's inquiry call data indicates lower awareness of IFS outside EMEA than of its close competitors (IFS is headquartered in Sweden, but has offices worldwide). IFS does not generally hold regional IFS-sponsored FSM conferences and has attracted only a limited number of independent software vendors as partners.

**Scalability:** Although IFS has clients with many thousands of technicians and no known technical limitations, it does not have any clients with over 10,000 active users.

## Microsoft

U.S.-based Microsoft (<http://www.microsoft.com/>) is a Visionary on the basis of the breadth of capabilities it offers on a single platform, its sales traction, and its introduction of new hardware and software technologies into field service use cases. Its Dynamics 365 for Field Service product is best-suited to use cases where there is a blend of long-cycle and short-cycle service, parts management requirements, and remote support and triage needs for both connected equipment and inexperienced technicians. Its strongest areas in terms of sales execution are service sectors such as HVAC and construction, but it also has traction in retail, manufacturing and healthcare. We estimate that Microsoft has between 75,000 and 95,000 active FSM users, mainly in North America and EMEA.

## STRENGTHS

**Sales execution:** Microsoft has been able to make continued investments in customer and partner programs, as well as an aggressive product development roadmap, as a result of significant growth in license sales and active users.

**Product breadth:** Dynamics 365 for Field Service covers end-to-end service, including capabilities not found in many competing solutions, such as predictive equipment maintenance management and contract, depot repair and inventory management.

**Platform:** Microsoft's screen extensibility and workflow modification tools are automatically available to Dynamics 365 for Field Service users and to users of its new first-party mobile app. Reference customers indicated that the configurability of the Dynamics 365 (formerly xRM)

platform on which Dynamics 365 for Field Service is built enables an agile approach that drives project success.

**Innovation:** Microsoft has made major investments in its connected field service "story" (Azure IoT integration with customer service "cases" and field service "work orders"), technician remote support, augmented reality (native app integration with Microsoft HoloLens) and schedule optimization (long-cycle and short-cycle service).

## CAUTIONS

**Implementation execution:** Microsoft has completed its refactoring and rebranding of the product it acquired in 2015 from FieldOne Systems and that it released as Dynamics 365 for Field Service in November 2016. However, reference customers scored Microsoft's deployment, cost of training and implementation (which is provided primarily by partners) among the lowest of the vendors in this Magic Quadrant. Microsoft indicates that it has increased its partner enablement and certification programs to improve its execution.

**Product depth:** Organizations with high-volume and high-volatility work order scheduling environments may need to consider products from vendors that offer more advanced schedule optimization. Also, although a Power BI solution template is now available, Dynamics 365 for Field Service lacks maturity in terms of built-in dashboards.

**Mobile app transition:** Microsoft has released a first-party mobile app on its own platform that will ultimately replace the previous version, which used a third-party platform. However, key capabilities, such as availability of functionality while offline and simplified deployment and configuration, have yet to be released for the new app, although they are on the short-term roadmap. Microsoft is currently offering customers a choice of which app to deploy.

**Integration:** Microsoft does not currently offer packaged integration to third-party ERP applications, such as those of SAP or Oracle, or to GIS solutions. Instead, it relies on SIs to sell or build these capabilities.

## Oracle

U.S.-based Oracle (<http://www.oracle.com/>) is a Leader on the basis of its scalability, depth of schedule optimization capabilities and broad geographical coverage, both directly and through partners. Our product evaluation focuses on Oracle Field Service Cloud (OFSC) – an offering derived from the acquisition of TOA Technologies in 2014 – but Oracle also often offers integration cloud services and portions of its ERP and CRM solutions (not part of OFSC) for functions such as asset management, preventative and predictive maintenance planning, knowledge management and quoting. The telecom and cable industries in North America and EMEA have the largest share of the OFSC customer base, but the percentages held by utilities and high-tech B2B manufacturers, and by Latin America and Asia/Pacific, are growing. We estimate that Oracle has 230,000 to 260,000 active OFSC users.

## STRENGTHS

**Product depth and usability:** OFSC's ability to predict travel and work durations has resulted in on-time arrivals in excess of 95% for many customers (according to Oracle). Reference customers reported that it is simple to implement and understand the core functionality of OFSC.

**R&D:** Oracle has continued to make significant investments in core OFSC product development. In addition, Oracle works closely with its customer advisory board to incorporate its members' feedback into efforts to improve product usability.

**Geographic and industry coverage:** With its large base of customers and both sales and implementation partners worldwide, Oracle has been able to expand OFSC's availability to countries such as India, China and Japan. It has also penetrated deeper into industries such as the utilities and high-tech B2B sectors, especially in organizations that require strong adherence to appointment windows and customer service levels. OFSC's overall user base has grown significantly, with little attrition.

**Scalability:** Oracle has very large OFSC deployments, with tens of thousands of users on a single corporate instance, and these deployments are growing. It rolls out small changes weekly to all customers and issues major releases regularly. This release cadence can facilitate fast issue resolution.

## CAUTIONS

**Product breadth:** OFSC is not an end-to-end field service product, and there are no "out of the box" integrations with the other Oracle products needed to obtain end-to-end coverage. Oracle offers APIs and packaged connectors for owners of its Oracle Integration Cloud Service middleware and works with non-Oracle product vendors to reduce the effort needed to integrate with their products, but integration work still accounts for much of the implementation period.

**Mobile app:** Although Oracle has found ways to enable offline operation of most of its HTML5-based app's functions (despite it being a mobile web app), the user experience may not seem as rich. Also, native device functions may not be as readily accessible as those of apps that its competitors offer in a "native" or "hybrid-native" model.

**Extensibility and upgrades:** Reference customers and Gartner clients have indicated that OFSC is less extensible than expected, compared with some other cloud products. They have also indicated that upgrade quality has caused business disruption on multiple occasions.

**Deployment model and pricing:** Oracle offers only a multitenant cloud, so it is not suitable for organizations that need a single-tenant or on-premises solution. In addition, although it offers flexibility, Oracle's pricing of OFSC is more complex than that of its competitors. Also, individual module prices can result in a higher-than-average licensing cost.

## OverIT

Italy-based OverIT (<http://www.overit.it/en/>) is a Niche Player on the basis of its offer of packaged solutions for areas such as augmented reality, built-in GIS and schedule optimization, and its traction among transport and distribution utilities, oil and gas organizations and manufacturing organizations, primarily in EMEA and Latin America. As an alternative to its own GIS, OverIT has an alliance partnership with Esri and offers integration with Esri's ArcGIS product suite. OverIT's Geocall Work Force Management (WFM) application, which is often integrated with SAP systems, covers end-to-end service, with particular depth in schedule optimization. It also includes mobile and wearable components that can be deployed in the cloud or on-premises. We estimate that OverIT has 55,000 FSM users overall, with about 10,000 of those running the current version of its application.

## STRENGTHS

**Innovation:** OverIT has continued to build on its track record of being early to market when technological innovations present fresh opportunities to equip FSM organizations. It has worked with several of its customers to develop solutions in areas such as augmented reality, support via glasses (such as Microsoft HoloLens) and other wearables, and in-memory databases to enable more robust scheduling techniques.

**Market understanding:** Reference customers generally indicated that they have a good relationship with OverIT and that it understands their organizations and industry requirements. OverIT has built domain expertise and functionality specifically for the industries it targets.

**Growth and pricing:** OverIT has grown for several years, and it continued this trend in the 12 months ending in March 2017. It has tailored its pricing and developed partnerships specifically for emerging FSM markets, such as Latin America, West Asia and the Middle East, mainly through the Esri partner network.

## CAUTIONS

**Geographical coverage and ecosystem:** OverIT's customers are mainly located in EMEA and Latin America. OverIT does have established partners in Asia/Pacific and a new entity to support existing partners in North America, but it did not win any significant business with branded companies in North America or Asia/Pacific during the 12 months ending in March 2017.

**Business model scalability:** Most of OverIT's customers have not upgraded to the latest release and have deployed its software on-premises. Some reference customers indicated issues with the upgrade process. Many of OverIT's customers choose it for its willingness to add customized functionality, particularly in support of local regulatory requirements, but it needs to work with partners to simplify the upgrade effort in order to scale up.

**Partner certification:** Reference customers generally indicated that implementations – although worth the effort – are difficult. Despite OverIT's certification process, some reference customers identified deficiencies in consultants' product knowledge and expertise. Customers should check with OverIT whether the specific individuals assigned to their projects hold a current certification.

## Praxedo

France-based Praxedo (<https://en.praxedo.com/>) is a Niche Player. It addresses both large enterprises and SMBs by first creating relationships with large enterprises and then working to connect the subcontractors in their ecosystems. Praxedo started out in the telecom industry, but now has customers in many industries. It has expanded its target markets for its FSM solution to include service providers and utilities, among others. It is best-suited to organizations heavily reliant on subcontractors that want a simple-to-implement system which all their subcontractors can use cost-effectively. Praxedo has almost 20,000 FSM users, nearly all of which are in organizations in EMEA; there are only a few exceptions, all in North America. Praxedo is 100% self-funded at the time of writing.

## STRENGTHS

**Implementation:** Reference customers for Praxedo indicated the shortest implementation times of any vendor in this Magic Quadrant, despite most implementations being self-led. Their scores and comments also show that the process was easy, and that training and

communications were extensive. Praxedo reported an average software-to-services ratio of 95% to 5%.

**Market responsiveness:** Praxedo has shown strong ability to incorporate improvements and new features in response to customer feedback. Customers gave it among the highest scores for vendor relationship, response timeliness and completeness, and business understanding.

**Innovation:** Praxedo's unique synchronization capabilities and ability to share appropriate data between organizations (while keeping other data separate), along with a pricing model that enables both SMBs and large enterprises to justify the cost of the software, helps large enterprises avoid shouldering the cost of all users. This is crucial in industries that Praxedo serves, such as telecom, energy and utilities, facilities management, retail, public works and equipment service provision.

## CAUTIONS

**Geographical coverage:** Almost all of Praxedo's customers are in EMEA, many of them in France, Germany, Austria and Switzerland. It has recently secured partners, but most implementations are currently supported directly by a small team of Praxedo staff. All of Praxedo's support is provided from its three offices (in Paris, France, Munich, Germany and Montreal, Canada) and only during local business hours.

**Product breadth:** Praxedo does not provide maintenance contract entitlement management, installed-base coverage management or pricing rule management. In some organizations, set-up values, contract terms or equipment coverage agreements influence how technicians interact with customers and the scope of services they provide. These organizations must integrate Praxedo with ERP systems that offer these capabilities in order to deliver information on these topics to technicians.

**Analytics:** Praxedo has introduced a new tool, Cockpit, that includes some built-in dashboards and filtering capabilities, but users cannot create new objects or easily export data to another system. These abilities are, however, on Praxedo's roadmap.

## Salesforce

U.S.-based Salesforce (<http://www.salesforce.com/>) makes its debut in this Magic Quadrant as a Challenger on the basis of its Field Service Lightning (FSL) product's sales traction and intuitive design and the highly extensible platform it inherits from being built on the Salesforce Lightning Platform. FSL also offers scheduling optimization capabilities provided through an OEM agreement with ClickSoftware. FSL includes a purpose-built native iOS mobile app, and, until a native version is available, a Salesforce1 app for Android. Salesforce has a few large FSM customers with implementations underway that will manage complex field service requirements. Most of its live customers, however, are small or midsize organizations with field service use cases that rely on scheduling and subcontracted labor, and that are using Salesforce Service Cloud (included in some packaged user-licensing options) in other areas. We estimate that FSL had between 15,000 and 20,000 active users as of June 2017.

## STRENGTHS

**Sales traction:** Salesforce indicates that FSL has grown faster than any new product in the company's history. Inquiries from Gartner clients reflect curiosity among potential customers. Salesforce has won large FSM deals, one of which it expects will have over 22,000 users.

**Platform:** Salesforce's screen extensibility, workflow modification tools and Salesforce Chatter (social network and collaboration functionality) are automatically available to FSL users. A mobile app inherits these functions and can be "deep-linked" to custom-built apps (in other words, it can automatically navigate to a place in a secondary app without requiring log-in). This helps organizations add capability without sacrificing the user experience.

**Innovation:** Salesforce has started to implement its Einstein Analytics AI, such as in Einstein Vision. With enough training of an AI model using sample images, this service could determine the part number for a part by recognizing the part in a picture received from a technician. Einstein Analytics also includes key performance indicator dashboards for field service (formerly part of Wave Analytics) and Salesforce Knowledge (available both online and offline in mobile) for FSL.

**Implementation partnerships and enablement:** With its Trailhead training and certification processes, Salesforce is already ahead of some of its competitors in terms of educating partners. Salesforce also supports its partners with systems and tools. Reference customers indicated that SIs and third-party resources for FSL perform better than the average.

## CAUTIONS

**Product maturity:** FSL was released only recently (in March 2016). Reference customers found the API documentation and some features to be incomplete or immature. They also identified gaps in the industry knowledge of Salesforce partners. This, however, is usual for the early years of a modern FSM product's life cycle, and we are seeing investments in these areas by Salesforce.

**Price:** Although Salesforce Service Cloud users can benefit from the inclusion of Salesforce Service Cloud in the FSL license, organizations not planning to use Service Cloud will find the FSL license to be priced higher than competing products from other vendors. Consequently, Salesforce has occasionally offered limited-use licenses that are less expensive, but these limit functionality contractually.

**Integration:** Salesforce does not offer packaged integrations to any ERP systems, so customers will need to rely on SIs and iPaaS vendors to help build these. Also, Salesforce does not currently offer a packaged integration to its own IoT cloud.

**Product depth:** Salesforce has an aggressive roadmap, which includes end-to-end service in coming releases, but it currently lacks depth in operational elements such as equipment maintenance plans and entitlements. It also lacks scalability for some scheduling use cases.

## SAP

Germany-based SAP (<http://www.sap.com/>) is a Challenger on the basis of its product breadth, integration of its FSM product with other SAP offerings and support for development partners. The SAP Hybris Service Cloud (or simply, Service Cloud) contains field service capabilities that target equipment-centric service environments found in industrial machinery and high-tech industries, as well as SAP's existing utilities customers. SAP covers scheduling through either a drag-and-drop screen for manual scheduling or its automated SAP Multiresource Scheduling (MRS) product. MRS is available as an add-on to either of SAP's ERP offerings (S/4HANA and ECC). To provide alternatives to MRS, SAP also has reseller agreements with ClickSoftware for SAP Workforce Scheduling and Optimization by ClickSoftware (WSO, on-premises) and SAP Scheduling and Resource Management by ClickSoftware (multitenant cloud).

We estimate that Service Cloud has between 60,000 and 75,000 users of mobile field service capabilities, mainly in EMEA and North America, and that MRS has over 80,000 FSM users across all regions. SAP also continues to sell another product set, SAP CRM Service, which includes the SAP Service Manager mobile component, to users of its on-premises SAP CRM product.

## STRENGTHS

**Product breadth:** SAP Service Cloud is an integrated end-to-end FSM solution with options to manage equipment and predictive maintenance contracts either using its own capabilities or via packaged SAP Cloud Platform Integration-based template integrations to the digital core (which includes ERP, scheduling, supply chain and logistics).

**Market responsiveness:** SAP's Predictive Maintenance and Service module, which enables triage and workflow to integrate IoT-generated demand into Service Cloud, is now part its Leonardo initiative, along with the IoT and machine learning. SAP has released video collaboration and 3D visualization in SAP Service Cloud's mobile app and third-party service brokering. Some reference customers indicated that they have a collaborative relationship with SAP product teams.

**Partnerships:** SAP runs multiple programs to support independent software vendors, and, in select cases, SAP resells some of their products as "solution extensions" – with SAP providing a single contract and the first line of support. For FSM customers, examples include the ClickSoftware products and SAP Knowledge Central by MindTouch for knowledge management.

**Growth:** In the past year, SAP has achieved extremely rapid growth in its base of FSM-specific Service Cloud customers. Growth in the number of users SAP has sold to was well above the average for vendors in this Magic Quadrant.

## CAUTIONS

**Product vision:** Although SAP Service Cloud's FSM functionality has been available since 2014, reference customers indicated that key functions, particularly for resource scheduling, mobile and complex or depot service, were immature or missing. They also indicated that SAP's product roadmaps do not clearly commit to timelines to address these shortcomings.

**Product depth strategy:** SAP has not invested heavily in cloud-based scheduling optimization for high-volume, high-schedule-volatility use cases. Instead, it relies on ClickSoftware because MRS is more suited to internal plant scheduling than B2B service scheduling. SAP also uses MindTouch for knowledge management and content management. Customers may decide to work with these vendors directly, in addition to SAP, to drive product direction.

**Marketing strategy:** SAP does not aim Service Cloud's FSM functionality at organizations that are not already using or planning to use SAP ERP or SAP CRM. Organizations not using SAP's ERP software may have to build custom integrations to their back-end systems.

**Large deployments:** Large enterprises with complex service requirements may struggle to identify live reference customers with similar needs, because many of the large customers SAP has sold to have yet to deploy its FSM software fully. Most live customers for SAP's FSM are midsize organizations or have relatively uncomplicated field service use cases.

## ServiceMax

U.S.-based ServiceMax (<https://www.servicemax.com/>) , which was acquired by GE Digital in January 2017, is a Leader on the basis of its innovation, configurable workflows, platform and mobile extensibility, product breadth, and active user base. ServiceMax has shifted its marketing strategy for its FSM product to focus on large enterprises with complex equipment-centric use cases and hundreds or thousands of users. It has significantly increased its active customer base – we estimate 270,000 to 300,000 such users (up from an estimated 140,000 to 180,000 in the previous Magic Quadrant).

## STRENGTHS

**Product breadth:** Founded in 2007 on the Salesforce App Cloud, ServiceMax has a broad base of mature functionality and domain expertise. It recently enhanced its basic schedule optimization by adding long-cycle service and crew support, and has multiple layers of support for equipment maintenance plans, pricing and coverage. ServiceMax has demonstrated continued commitment to its mobile app across platforms, and to IoT enablement on platforms from partners such as PTC and its own GE Predix team.

**Extensibility:** ServiceMax inherited many core capabilities from Salesforce, such as Lightning Knowledge, object extensibility, Chatter and case management. In addition, it has its own hybrid mobile platform, mobile synchronization and workflow engine that enable customers to build additional fields, screens, logic and data integration. There is also data-driven screen configuration that can, for example, present the user with a different screen layout, based on the type of work order.

**Sales execution and ecosystem:** ServiceMax has grown its average deal size by well over 10 times in the past year and continues to extend its reach within its large-enterprise customers. Over 50% of its new deals are supported by partners.

**Thought leadership:** ServiceMax continues to publish blogs, videos, best practices, implementation guidance and e-books that explore how to be successful in field service.

## CAUTIONS

**Industry focus:** An increased focus on sectors where other GE entities have a presence (such as oil and gas, energy and transportation), together with continued commitment to the industrial manufacturing, medical device, construction and high-tech sectors, may draw ServiceMax's attention away from industries where high work order volumes and high schedule volatility are common (such as telecommunications and home healthcare).

**Integration:** ServiceMax offers some connectivity to iPaaS offerings, but largely relies on its SI ecosystem for integration to ERP systems and GISs. Most of its largest competitors offer packaged integration and implementation templates to their implementation partners.

**Technician enablement:** ServiceMax relies on Salesforce and many other product partners to provide innovations that use technologies such as AI, remote support with augmented reality and telematics.

**Marketing execution:** Some Gartner clients have expressed skepticism about ServiceMax's independence from GE's operating divisions and its interest in serving the FSM market as a whole. This is despite assurances from GE Digital that it plans to add the necessary resources to accelerate ServiceMax's growth. ServiceMax has shown continued sales and deployment traction among entities unrelated to GE.

## ServicePower

U.S.-based ServicePower (<https://www.servicepower.com/>) is a Visionary, partly because of its market understanding, relationships with customers and product breadth. In addition, its products provide significant depth for schedule optimization, warranty and service entitlement and outsourced service use cases. However, some of its newer features, such as installed equipment maintenance plans and maintenance agreements, and its latest mobile app version, are in the early stages of adoption.

ServicePower has over 400,000 users, but the majority of these are third-party contractors that receive work from job providers through ServicePower's Contractor and Warranty Claims Management solution (formerly ServiceOperations). Additionally, ServicePower's suite covers end-to-end service, with Enterprise Mobility for employee and third-party technicians; a new Service and Maintenance Contract Management application for maintenance agreements and plans covering installed equipment; and Schedule Optimization for automated intraday scheduling. It also has its own IoT connectors, analytics and a connector to enable other applications to use its scheduling optimization via RESTful web services. There is also a Salesforce app.

## STRENGTHS

**Third-party service:** In addition to optimized employee scheduling capabilities, ServicePower has deep capabilities for managing subcontractors and warranty claims. These cover scheduling and managing contractors, dispatching, and paying warranty claims through contractor networks. ServicePower also offers a managed service for organizations wanting to fully outsource contractor recruiting, management, dispatch and payments to ServicePower.

**Improved viability:** ServicePower has been taken into private ownership through a combination of debt and equity financing by Diversis Capital. This will enable it to accelerate product and much-needed marketing investments.

**Customer experience:** ServicePower's customer experience scores from reference customers were higher than those of its close competitors. Reference customers identified flexibility, relationship with the vendor and customer support as key strengths.

## CAUTIONS

**Product transition:** ServicePower is rearchitecting Schedule Optimization to support multitenant deployment, but all of its current customers have deployed it on-premises or in single-tenant hosted deployments. It also has a separate solution called Contractor Management for third-party service dispatch. Organizations with hybrid workforces may need both products. ServicePower has customers using a wrapper component called Smart Scheduling Broker to simplify the use of both products together.

**Growth:** Recognized annual recurring revenue and bookings were flat for the year to March 2017, compared with the prior year. Total revenue grew only slightly.

**Market penetration:** Most of ServicePower's customers use its back-office applications to support third-party service, although ServicePower indicates that the percentage of customers using its technology to schedule employees or a hybrid workforce is growing. There have been POCs of the latest version of Enterprise Mobility in large environments. Some organizations — primarily SMBs, but also a couple of larger organizations — have used this version in production environments, but only a very small percentage of ServicePower's overall customer base has adopted it.

## 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

Geoconcept.

Salesforce.

In addition, Verisae now appears as Accruent (Verisae).

### Dropped

Retriever Communications, which did not meet the increased minimum revenue requirement.

## Inclusion and Exclusion Criteria

Inclusion criteria were used to determine which vendors appear in this Magic Quadrant.

### Market Presence and Momentum

Factors that affected our evaluation were the presence that a vendor has in the FSM market, and the observed momentum of its growth, given that prospective buyers should be concerned about any vendors with stagnant sales or an ineffectual marketing organization.

Gartner's inclusion criteria specify that each vendor must:

Identify new reference customers as follows (including the dates on which the customers went live, where, with what functionality, for how many technicians and for how many office personnel):

Five new FSM customers during the four fiscal quarters that ended closest to the end of March 2017 in at least two of the following markets: North America, Latin America, EMEA, Asia/Pacific.

Two FSM customers with more than 100 technicians in production for over six months that use the latest major version of the software with integration to system(s) of record.

Provide evidence of at least \$6,500,000 in FSM software license, maintenance and support revenue (excluding professional services), per GAAP or IFRS, during the four fiscal quarters that ended closest to the end of March 2017. The following must be well represented and supported:

Large or midsize businesses (average deal size above 100 mobile technicians).

Two major geographical markets (out of North America, Latin America, EMEA, Asia/Pacific).

Two industries (examples being utilities, telecommunications, high tech, oil and gas, manufacturing, aerospace and defense, automotive, financial services and insurance, chemicals, medical devices, healthcare).

Provide at least four of the five capabilities described in the Market Definition/Description, and have a packaged partner relationship that provides the other capability (if applicable).

Be recognized by the market, as evidenced by regular appearances on client shortlists, by appearances at tradeshow and by references as a competitor by other vendors.

Provide thought leadership, which is adopted by customers in live operations, through webinars, market-related white papers, blog articles and user communities.

### **Short-Term Viability**

Each vendor must:

Have sufficient cash to fund 12 months of operations at the current burn rate.

Have sufficient professional services to fulfill customer demands during the next 12 months.

Have a practice and ecosystem with sufficient third-party consulting and integration firms to grow at a double-digit pace for two years.

Demonstrate a pipeline of prospective customers and an adequate sales team to drive growth in new business.

Provide evidence that results for the upcoming four quarters (from 1 April 2017) will exceed the previous four quarters' results.

## **Evaluation Criteria**

### **Ability to Execute**

In addition to evaluating the standard FSM capabilities, the following product capabilities received emphasis as differentiators within the "Product or Service" criterion:

Mobile app extensibility

Mobile scheduling and forecasting

Third-party service provider enablement

Remote technician support, knowledge management and wearables

Customer-facing functionality

Integration with CRM sales (opportunities and offers, for example) and service (such as case management)

Predictive analytics and AI

IoT platform integration

Field service supply chain for replacement parts

Multitenant SaaS

GIS integration

For additional details, see the Evaluation Criteria Definitions section.

**Table 1.** Ability to Execute Evaluation Criteria

<b>Evaluation Criteria</b>
----------------------------

<b>Product or Service</b>	
Weighting	High
<b>Overall Viability</b>	
Weighting	Medium
<b>Sales Execution/Pricing</b>	
Weighting	High
<b>Market Responsiveness/Record</b>	
Weighting	Medium
<b>Marketing Execution</b>	
Weighting	High
<b>Customer Experience</b>	
Weighting	High
<b>Operations</b>	
Weighting	Medium

Source: Gartner (September 2017)

### **Completeness of Vision**

The following elements of the Completeness of Vision evaluation criteria were emphasized:

- Thought leadership and marketing presentations
- Customer adoption of best practices
- Ability to attract partners and develop programs
- Ability to demonstrate benefits from alliances and partnerships
- Overall product breadth and depth
- Ability to articulate trends, user needs and product capabilities
- Ability to translate perceived opportunities into business

For additional details, see the Evaluation Criteria Definitions section.

**Table 2.** Completeness of Vision Evaluation Criteria

<b>Evaluation Criteria</b>	
<b>Market Understanding</b>	
Weighting	High
<b>Marketing Strategy</b>	
Weighting	Medium
<b>Sales Strategy</b>	
Weighting	Medium
<b>Offering (Product) Strategy</b>	
Weighting	High
<b>Business Model</b>	
Weighting	Medium
<b>Vertical/Industry Strategy</b>	
Weighting	Medium
<b>Innovation</b>	
Weighting	High
<b>Geographic Strategy</b>	
Weighting	Low

Source: Gartner (September 2017)

## Quadrant Descriptions

### Leaders

Leaders demonstrate a market-defining vision of how technology can help service professionals achieve business objectives. Leaders have the ability to fulfill their vision through products, services, ecosystems and solid business results in the form of revenue and earnings. They also have solid new references from multiple geographies and industries.

Leaders have significant, successful customer deployments in North America, EMEA and Asia/Pacific in a wide variety of industries, with multiple proof points above 2,000 users. They have a robust native scheduling engine that is scalable to thousands of technicians, strong and innovative technology-based service enablers (such as IoT enablement, social collaboration, machine learning and chatbots); coverage, either directly or through certified partners, of all six categories of FSM; many successful integrations to multiple systems of record (especially ERP and CRM systems) from multiple providers; and multiple deployments in multitenant deployment models.

Other providers measure themselves against the Leaders and emulate their strategies and tactics. Leaders demonstrate market strength, based on installed-base depth, and they affect market trends in terms of all the criteria by which they are evaluated. Leaders' software users often consider that they are gaining a competitive advantage over others in their industry.

## Challengers

Challengers are often larger than Niche Players, and demonstrate a high volume of business, especially with existing customers. Challengers have the size to compete worldwide and an existing base of customers to sell to.

Challengers understand the evolving needs of a service organization, yet lack the ability to lead customers into new functional areas with their functional vision, product breadth, innovation or enhancement velocity. Challengers tend to have a good technology vision for architecture and other IT organizational considerations, but they may not have a strong influence on the direction of the FSM market. They may lack native scheduling optimization, robust mobile apps, proven integration to multiple ERP providers, or proven coverage of both high-volume and high-complexity use cases.

Challengers have a strong market presence in other application areas (such as parts and asset management, salesforce automation, customer engagement center support, finance and order management). But they either have not demonstrated a clear understanding of the FSM market's direction (which is more end-to-end process-based) or are not well-positioned to capitalize on emerging trends, due to incomplete product breadth or the nature of their delivery model.

## Visionaries

Visionaries lead many competitors in terms of technology, functionality or business model innovation. They influence, or have strong potential to influence, the direction of the FSM market. Visionaries typically are limited in terms of execution or demonstrated track record. In general, their products and market presence are not complete or established enough to challenge the Leaders.

Like Leaders, Visionaries have a robust scheduling engine that is scalable, strong and innovative; technology-based service enablers; and coverage, either directly or through certified partners, of all six categories of FSM. They have single-tenant and multitenant offerings with proven

scalability and adoption, and are introducing new ways of utilizing cloud processing power or deeper support for underserved field service business models, such as outsourced field service and connected outcome-based field service (packaged IoT).

Although Visionaries have many of the same product capabilities as Leaders, these are not as deep or as fully proven through repeatable deployments at scale. In addition, Visionaries' reference customers or partners may point to gaps in service or functionality execution. Visionaries may not yet have the alliances and partnership maturity necessary to execute globally and to deliver the innovation and flexibility enhancements expected by the market. As they mature in execution, Visionaries could become Leaders, Challengers or Niche Players, depending on their pace of innovation and how their vision evolves.

## Niche Players

Niche Players offer strong FSM products, but they may lack some functional components, may not show the ability to consistently handle deployments of more than 1,000 field technicians across multiple geographies, or may lack strong business execution.

Niche Players may offer complete portfolios for a specific industry or use case, but they face challenges in one or more important areas in terms of supporting cross-industry requirements, such as complex forecasting or translation of SaaS's cloud computing power into functionality. They may have an inconsistent implementation track record, inconsistent references, or lack the ability to support large-enterprise requirements.

Despite the issues described, Niche Players can often offer the best solutions for the needs of particular service organizations, given the price-to-value ratio of those solutions.

## Context

Vendors included in this Magic Quadrant have demonstrated an ability to provide multitenant SaaS and, in many cases, single-tenant hosted or on-premises deployable products that support FSM for midsize and large enterprises in a range of industries. Some provide narrow, but deep, field service scheduling optimization or mobile apps. Others provide broad service suites.

It is common for large enterprises to use more than one field service application, depending on the industry, nature of service and regional makeup of its user base.

Prospective customers should first narrow their lists of potential suppliers on the basis of the nature of the service required. At the highest level, most organizations fall into one or both of the following categories:

**High-volume of work orders per technician per day and high schedule volatility:** Technicians in these organizations perform many work orders per day (more than eight) and many of the technicians' planned schedules change dramatically throughout the day, due to emergency or other unplanned work and customer cancelations. For these organizations, we often advise about products capable of real-time intraday schedule optimization (as opposed to batch optimization), such as those of ClickSoftware, Oracle and ServicePower.

**Complex service, or both complex and high-volume service:** Dispatchers in these organizations must carefully analyze each work order to identify the most appropriately skilled technician. There are often special parts, tools and helpers that must be coordinated ahead of the visit. Vendors such as Microsoft, SAP, ServiceMax, and Verisae specialize in complex

service, but also provide basic schedule optimization. There are also vendors like Astea International, Comarch and IFS that add capabilities such as customer management or invoicing traditionally found only in ERP applications.

Second, organizations should look for vendors that serve specialized needs, such as for:

**Native GIS capabilities:** Several vendors, especially those that work with gas or electrical transmission utilities have integrations to GISs. Data from a GIS is useful to enable visualization of hidden infrastructure (such as transmission pipelines beneath a street) or determine the GPS locations of assets that do not have an address (such as cell towers and telephone poles). Vendors such as Geoconcept and OverIT offer native capabilities, in addition to integrations.

**Outsourced field service:** Organizations that make heavy use of external service providers, brokers, talent agencies or freelancers look for software that can help align vetted vendors, onboard new vendors, and assign work to other organizations in a way that integrates with internal scheduling (see "Eight Components of Successful Outsourced Field Service Management" ). Organizations such as Coresystems, Praxedo and ServicePower specialize in connecting external providers with the primary organization. Several others integrate with companies like Field Nation and WorkMarket to provide this functionality.

**Asset-centricity and connectivity:** Organizations that manage equipment with heavy reliance on integration to IoT platforms could prosper with almost every vendor in this Magic Quadrant. However, some vendors, such as Comarch, Microsoft, SAP, ServiceMax and Verisae, have special strengths or more proof points in this area.

**Ease of implementation:** For organizations that are seeking an easy-to-learn solution with a short implementation time and the ability to easily create new screens, checklists and forms in a mobile app, products from vendors such as FieldAware and Salesforce are often suitable.

Other needs, such as the requirement to support complex custom mobile forms, depot repairs and returns, warranty, predictive maintenance contracts, maintenance plans and workforce attributes (including experience level and existing digital tools), can also be defining factors that help identify the most suitable products (see "Three Tips on How to Select Field Service Management Vendors" ). The systems of record to be integrated and the effort required to integrate them may also have a big impact. In many cases, a service organization must evaluate not only a vendor's suite of product offerings, but also the ecosystem of providers that can fill in any functional gaps in the main vendor's offering.

This Magic Quadrant evaluates key FSM vendors, but is not intended to be an exhaustive list of all FSM vendors, solutions and products. It is intended to be a valuable tool with which to assess and compare vendors; however, clients are encouraged to develop a clear understanding of their own objectives and requirements, and to use the Magic Quadrant in conjunction with inquiries with Gartner analysts.

## Market Overview

Gartner estimates that revenue from packaged FSM software applications – including maintenance and service revenue – amounted to \$2.07 billion during the 12 months ending in March 2017 (up approximately 21% from 2016). Drivers of this growth include a recognition by the leaders of field service organizations of opportunities to increase revenue by enabling better-

informed technicians to initiate "upsells," and of the cost and customer experience improvement opportunities provided by mobile apps and workflow and schedule optimization capabilities. Despite some consolidation and some acquisitions by large vendors, the market for FSM tools remains fragmented, with new entrants appearing regularly.

Outcome-based service business models, especially in industries such as industrial manufacturing and aerospace, along with a renewed, marketwide focus on the customer experience, are disrupting approaches to field service delivery that have been largely stable for decades. More customers are holding field service providers accountable to stricter SLAs and equipment uptime/performance standards. These providers are seeking better ways to support and enable technicians, especially third-party technicians, in an effort to improve the customer experience, profitability and brand loyalty.

FSM software vendors are steadily building new technologies into their packaged solutions. Some examples:

**Integration:** FSM products have completed their transition from being built as part of ERP solutions to being built as either part of CRM applications or as stand-alone products. Integrations to ERP, CRM and other systems, such as iPaaS middleware, GIS, ticketing and IoT platforms, often must be built as custom solutions. Packaged integrations that are certified and tested are more common but not yet pervasive, so integration still accounts for a large part of the cost of an FSM implementation.

**Remote video support/augmented reality:** Most vendors have introduced either an integrated partnership or native capabilities to support technicians remotely through chat and video. Several have augmented-reality capabilities that help on-site technicians and subcontractors collaborate with remote experts by annotating pictures or providing context-specific instructions, based on the on-site technician's field of view.

**AI:** Schedule optimization vendors in particular are developing their own AI to increase the accuracy of estimates for things like task duration and parts needed. The transformation is toward using AI to analyze more factors in historical data in order to identify the things that have the greatest impact on actual results. The future promises scheduling engines that learn to use work order attributes (such as time of day and equipment age) or environmental attributes (such as the weather and traffic status) that they were not explicitly programmed to evaluate for the purposes of prediction.

Below are some insights from our analysis of the survey responses elicited from the vendors' reference customers (see the Evidence section).

**Decrease in on-premises deployment:** Fewer than one in three deployments (31%) were on-premises; this is down from 41% in 2016, but many rely on single-tenant hosting by the FSM vendor or a third-party (34% and 11% respectively), with the remaining 24% deployed in a multitenant environment. Reference customers indicated that the ability to pay for extra computing power only when needed for resource-intensive scheduling optimization or analytics processing activities encouraged them not to opt for multitenant environments with fixed costs per user.

**Scheduling:** Organizations whose technicians perform a high volume of work orders per day, or that face volatility in schedules due to cancelations and unplanned work, tend to benefit most from scheduling optimization tools in FSM products. Organizations with multifaceted prework

planning requirements, such as the need to drop-ship parts or tools, ensure multiple resources arrive at appropriate times, or coordinate approvals with subcontractors, need more complex workflow capabilities. Two-thirds of the reference customers indicated that they have high-volume/high-volatility schedules; 59% indicated that they undertake multifaceted planning; and 29% indicated that they make heavy use of subcontractors.

**Packaged IoT enablement:** Approximately 29% of the reference customers indicated that they had evaluated their vendor's solution for IoT enablement. Of those customers, approximately 89% indicated that the solution was "good," "excellent" or "outstanding"; the remainder indicated that the solution was "fair" or "poor."

**ROI:** Of the reference customers that performed a formal ROI analysis, 64% indicated they had already achieved a return, with the as top contributors to ROI being improved technician utilization and dispatcher efficiency (63% of these customers), improved customer satisfaction (53%), improved SLA achievement (48%) and cost tracking (48%). The average time to achieve ROI was approximately 10 months.

**Implementation duration:** Average implementation durations ranged from one to 13 months for the rollout of the initial site, team or region, and from three months to more than 24 months for the entire rollout.

## Evidence

At the start of research process for this Magic Quadrant, all invited vendors were asked to identify a minimum of five to seven new reference customers that generally represented the requirements of the inclusion criteria. This contact information was used to invite the reference customers to complete a 20- to 30-minute online survey.

A total of 95 reference customers from 18 vendors completed the survey in June and July 2017. A subset of these customers also participated in telephone interviews.

## Note 1

### Research Cutoff Date

A Magic Quadrant analysis represents conditions at a specific point in time. To be consistent and complete in its analysis, Gartner stops all data collection after a cutoff date. The cutoff date for this Magic Quadrant was June 2017.

## 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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