

# Sales Performance Management Buyers Guide

Software Provider and Product Assessment

EXECUTIVE  
SUMMARY



**\*ISG** Research



# Sales Performance Management

For almost 20 years, the annual planning exercise at most enterprises has included planning for how the sales organization will address the following year's territories, quotas and incentive compensation plans. This collectively is referred to as Sales Performance Management. If not using a homegrown system or spreadsheets, enterprises can acquire and use specialist applications developed to address territory planning, incentive compensation planning and administration, including crediting and payouts or both. Typical users are in sales operations and finance, and sometimes HR.

To achieve these aims, leadership and planning are key. Unlike in years past, modern sales planning processes are dynamic and need to be open to continual adjustment and revision as



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events on the ground unfold. Sales reps change roles or leave. Competitors introduce new products or run aggressive price discounts and other promotions. For many enterprises, new digital products and services afford the ability to rapidly innovate or introduce new bundles requiring reworking of quotas, compensation and territories. To support this more dynamic approach, changes in the approach of strategic leadership and in the planning, monitoring and real-time adjustments via sales operation teams are essential. Sales-driven organizations must manage operations with performance demands in mind and ensure consistent results every quarter, month in and month out. Sales leaders need to implement processes that support overall strategy and growth, and also optimize both sales professional talent and the selling experience needed to achieve expectations.

ISG Research defines sales performance management (SPM) as a coordinated set of sales-generating and related activities, processes and systems that enable enterprises to plan, execute, monitor and adjust in real time to achieve customer, product and sales targets.

The need to maximize sales and revenue outcomes from sales teams creates challenges for many organizations. Key revenue responsibilities across departments that generate new business and client relationships and expand sales to existing customers are all about setting up sales efforts in an effective manner. This includes territories that are balanced, quota and incentive compensation plans that are coupled with sales resource capacity, and the development of reliable sales and revenue forecasts that work in concert to achieve overall sales goals and outcomes.



New initiatives from technology providers that apply artificial intelligence (AI) and machine learning (ML) to historic data can create new insights to inform both management and sales-focused professionals. The use of AI can be applied in a variety of different ways, from individual deal-scoring to overall pipeline health and identifying upsell and cross-sell opportunities for existing customers, as well as next-best-action recommendations. All this information can be used to inform sales forecasts with a greater degree of accuracy and predictability than traditional bottom-up judgement forecasting on its own. And in response to the increased pressure to retain sales talent, it can be used both to improve individual and team success and to highlight those at risk of leaving.



**Ensuring that all buying and selling channels and departments contribute as fully as possible to the success of the organization—to retention, growth, profitability and the overall customer experience—requires not only dedication but effective strategy and planning.**

For many enterprises, revenue is primarily derived from existing customers, so using extensive first-party customer data from all internal sources, including ERP, accounting, billing and support systems with third-party data, can help inform total customer lifetime value and be part of a more targeted territory, account and quota planning process. Ensuring that all buying and selling channels and departments contribute as fully as possible to the success of the organization—to retention, growth, profitability and the overall customer experience—requires not only dedication but effective strategy and planning. A well-developed strategy to utilize current and future talent for sales efforts is essential for the best possible performance. To carry out this mission, enterprises need a set of coordinated sales-related activities, processes and systems that enable the sales teams, from leadership and operations to the manager and sellers, to operate in a coordinated and collaborative manner.

Sales teams are designed to deliver the most effective return on an enterprise's products and services across customers or consumers and must ensure that selling is done efficiently and intelligently. Sales channels and departments are typically complex entities, often with cultures and historical approaches that can inadvertently sabotage their performance. And many in

leadership believe that sales teams can adapt and change their behavior without seeking out and using best practices.

In our view, effective management across sales operations requires well-designed and continuously optimized territories and accounts aligned with quotas that are designed to achieve an enterprise's full potential. Territories can be based not only on geography but on a variety of alternate drivers, leading to virtual territories more aligned with current needs.



Quotas need to be linked to both overall organization objectives and product and service category targets. With the advent of self-service and digital channels, and as customers can engage across multiple channels for a single purchase, both quotas and territories must ensure sales individuals are not penalized or disincentivized. To remain flexible and responsive to market conditions, enterprises should employ the concept of continuous sales performance monitoring and adjust territories, quotas and incentives based on data-driven insights and forecasts rather than a whim and gut feeling.

Use of analytics and data from operations and planning can assist in sales-related compensation plans that utilize commissions and incentives to influence and align behavior and priorities. To optimize sales performance, enterprises must be able to design and apply incentives that motivate those supporting sales generation to reach their targets. To evaluate whether compensation plans and incentives are effective, sales leadership, operations and finance needs tools to help assess the relationship between plans, targets and actual performance. Comparing compensation and incentive plans among all sales personnel, and with other parts of the enterprise, for example, can help managers determine whether what they provide is appropriate. Goals and objectives must be defined, established, tracked and then linked to incentives and rewards to help guide sales performance. Moreover, enterprises need to know whether their compensation is competitive in their market. Using benchmarks to compare compensation to that of others in the industry can provide this information.

**Revenue Performance Management**  
Market Assertion

Through 2026, software providers will be utilizing AI to provide plan templates and optimization to both speed time-to-value and help enterprises deploy performance plans using best practices.

**Stephen Hurrell**  
Director of Research, Office of Revenue

**ISG** Research

The increasing complexity of omnichannel engagement is challenging enterprises to develop plans that will achieve balanced revenue performance supporting overall objectives. Emerging AI-based optimization increasingly will offer more sophisticated guidance and aid in territory, account and quota alignment as well as help to design incentive plans that reflect omnichannel buyer engagement. In fact, we assert that through 2026, software providers will be utilizing AI to provide plan templates and optimization to both speed time-to-value and help enterprises deploy performance plans using best practices.

The traditional use of spreadsheets to manage sales operations and performance is ineffective and can be problematic when trying to achieve optimal outcomes. Spreadsheets are not designed for managing the data needed across multiple sales channels or the varying types of buying and selling channels that must be measured toward goals and targets. Spreadsheets also cannot scale as a company grows. The use of multiple spreadsheets, often stored on users' local drives, is a factor in producing scattered information, which the majority



of enterprises cite as a major impediment to managing sales performance. A dedicated approach to SPM can provide a better method to achieve an enterprise's goals.



**Backward-looking reports can't provide timely guidance on the current state of quotas and incentives for sales professionals and are not flexible enough to provide information on, or credit, others involved in deals.**

Even sales-related applications such as sales force automation (SFA) and customer relationship management (CRM) that are designed to capture data about accounts, contacts and opportunities cannot deliver optimal visibility into overall sales performance in the way that a dedicated SPM system can.

Dashboards and reports from SFA systems typically look only at historical performance, but backward-looking reports can't provide timely guidance on the current state of quotas and incentives for sales professionals and are not flexible enough to provide information on, or credit, others involved in deals.

The next generation of sales leaders will embrace the need to focus on creating processes that generate and project predictable revenues. Sales performance management systems should deliver functionality and support that enables enterprises to plan for and optimize revenue growth across all relevant teams and channels. And in today's fast-paced and dynamic business environment, the ability to react to changes on the ground with revised territories, one-off SPIFFs and adjustments to incentives requires applications to be

responsive to non-IT admins and subject matter experts. Finally, the importance of aligning marketing, sales, operations, finance and HR means that SPM applications need to easily integrate and communicate with other core systems such as ERP, accounting, HR and CRM systems.

Our comprehensive evaluation of providers takes into consideration all the preceding characteristics needed for a sales performance approach. Our Buyers Guide report will be of relevance to those organizations that have decided to adopt a sales performance approach or are investigating it.

The ISG Buyers Guide™ for Sales Performance Management evaluates products based on sales resource capacity, territory and quota planning, incentive compensation planning and execution, sales and revenue forecasting, and the use of data and analytics to identify process improvements. The evaluation identifies capabilities that enable enterprises to plan for and execute against objectives by aligning and incentivizing all those involved in supporting sales and to identify ways to continually improve.



This research evaluates the following software providers that offer products that address key elements of sales performance management as we define it: Akeron, Anaplan, Board, Forma.ai, Jedox, Oracle, Pigment, Salesforce, SAP, Varicent and Xactly.





## Buyers Guide Overview

For over two decades, ISG Research has conducted market research in a spectrum of areas across business applications, tools and technologies. We have designed the Buyers Guide to provide a balanced perspective of software providers and products that is rooted in an understanding of the business requirements in any enterprise. Utilization of our research



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methodology and decades of experience enables our Buyers Guide to be an effective method to assess and select software providers and products. The findings of this research undertaking contribute to our comprehensive approach to rating software providers in a manner that is based on the assessments completed by an enterprise.

The ISG Buyers Guide™ for Sales Performance Management is the distillation of over a year of market and product research efforts. It is an assessment of how well software providers' offerings address enterprises' requirements for sales performance management software. The index is structured to support a request for information (RFI) that could be used in the request for proposal (RFP) process by incorporating all criteria needed to evaluate, select, utilize and maintain relationships with software providers. An effective product and customer experience with a provider can ensure the best long-term relationship and value achieved from a resource and financial investment.

In this Buyers Guide, ISG Research evaluates the software in seven key categories that are weighted to reflect buyers' needs based on our expertise and research. Five are product-experience related: Adaptability, Capability, Manageability, Reliability, and Usability. In addition, we consider two customer-experience categories: Validation, and Total Cost of Ownership/Return on Investment (TCO/ROI). To assess functionality, one of the components of Capability, we applied the ISG Research Value Index methodology and blueprint, which links the personas and processes for sales performance management to an enterprise's requirements.

The structure of the research reflects our understanding that the effective evaluation of software providers and products involves far more than just examining product features, potential revenue or customers generated from a provider's marketing and sales efforts. We believe it is important to take a comprehensive, research-based approach, since making the wrong choice of sales performance management technology can raise the total cost of ownership, lower the return on investment and hamper an enterprise's ability to reach its full performance potential. In addition, this approach can reduce the project's development and



deployment time and eliminate the risk of relying on a short list of software providers that does not represent a best fit for your enterprise.

ISG Research believes that an objective review of software providers and products is a critical business strategy for the adoption and implementation of sales performance management software and applications. An enterprise's review should include a thorough analysis of both what is possible and what is relevant. We urge enterprises to do a thorough job of evaluating sales performance management systems and tools and offer this Buyers Guide as both the results of our in-depth analysis of these providers and as an evaluation methodology.





# How To Use This Buyers Guide

## Evaluating Software Providers: The Process

We recommend using the Buyers Guide to assess and evaluate new or existing software providers for your enterprise. The market research can be used as an evaluation framework to establish a formal request for information from providers on products and customer experience and will shorten the cycle time when creating an RFI. The steps listed below provide a process that can facilitate best possible outcomes.

1. Define the business case and goals.  
Define the mission and business case for investment and the expected outcomes from your organizational and technological efforts.
2. Specify the business needs.  
Defining the business requirements helps identify what specific capabilities are required with respect to people, processes, information and technology.
3. Assess the required roles and responsibilities.  
Identify the individuals required for success at every level of the enterprise from executives to frontline workers and determine the needs of each.
4. Outline the project's critical path.  
What needs to be done, in what order and who will do it? This outline should make clear the prior dependencies at each step of the project plan.
5. Ascertain the technology approach.  
Determine the business and technology approach that most closely aligns to your enterprise's requirements.
6. Establish software provider evaluation criteria.  
Utilize the product experience: Adaptability, Capability, Manageability, Reliability and Usability, and the customer experience in TCO/ROI and Validation.
7. Evaluate and select the technology properly.  
Weight the categories in the technology evaluation criteria to reflect your enterprise's priorities to determine the short list of software providers and products.
8. Establish the business initiative team to start the project.  
Identify who will lead the project and the members of the team needed to plan and execute it with timelines, priorities and resources.



## The Findings

All of the products we evaluated are feature-rich, but not all the capabilities offered by a software provider are equally valuable to types of workers or support everything needed to manage products on a continuous basis. Moreover, the existence of too many capabilities may be a negative factor for an enterprise if it introduces unnecessary complexity. Nonetheless, you may decide that a larger number of features in the product is a plus, especially if some of them match your enterprise's established practices or support an initiative that is driving the purchase of new software.

Factors beyond features and functions or software provider assessments may become a deciding factor. For example, an enterprise may face budget constraints such that the TCO evaluation can tip the balance to one provider or another. This is where the Value Index methodology and the appropriate category weighting can be applied to determine the best fit of software providers and products to your specific needs.

### Overall Scoring of Software Providers Across Categories

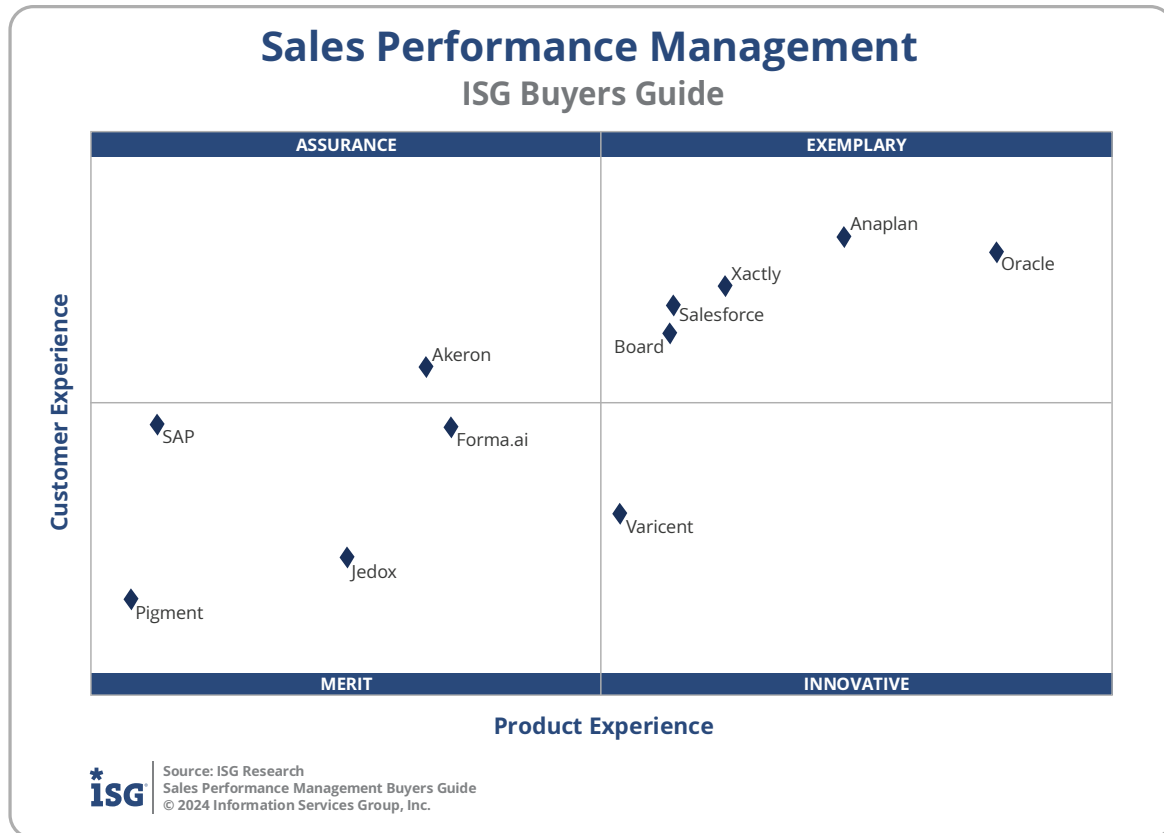
The research finds Oracle atop the list, followed by Anaplan and Xactly. Companies that place in the top three of a category earn the designation of Leader. Oracle has done so in seven categories; Anaplan in six; Salesforce in four; Xactly in two; and Board and Forma.ai in one category.

The overall representation of the research below places the rating of the Product Experience and Customer Experience on the x and y axes, respectively, to provide a visual representation and classification of the software providers. Those providers whose Product Experience have a higher weighted performance to the axis in aggregate of the five product categories place farther to the right, while the performance and weighting for the two Customer Experience categories determines placement on the vertical axis. In short, software providers that place closer to the upper-right on this chart performed better than those closer to the lower-left.

The research places software providers into one of four overall categories: Assurance, Exemplary, Merit or Innovative. This representation classifies providers' overall weighted performance.

Sales Performance Mgmt.			
Overall			
Providers	Grade	Performance	
Oracle	A-	<b>Leader</b>	86.3%
Anaplan	A-	<b>Leader</b>	84.6%
Xactly	B++	<b>Leader</b>	79.9%
Salesforce	B++		79.8%
Board	B++		79.5%
Varicent	B+		73.1%
Akeron	B+		72.4%
Forma.ai	B+		72.2%
Jedox	B		68.7%
SAP	B		67.9%
Pigment	B		63.4%

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**Exemplary:** The categorization and placement of software providers in Exemplary (upper right) represent those that performed the best in meeting the overall Product and Customer Experience requirements. The providers rated Exemplary are: Anaplan, Board, Oracle, Salesforce and Xactly.

**Innovative:** The categorization and placement of software providers in Innovative (lower right) represent those that performed the best in meeting the overall Product Experience requirements but did not achieve the highest levels of requirements in Customer Experience. The provider rated Innovative is: Varicent.

**Assurance:** The categorization and placement of software providers in Assurance (upper left) represent those that achieved the highest levels in the overall Customer Experience requirements but did not achieve the highest levels of Product Experience. The provider rated Assurance is: Akeron.

**Merit:** The categorization of software providers in Merit (lower left) represents those that did not exceed the median of performance in Customer or Product Experience or surpass the threshold for the other three categories. The providers rated Merit are: Formai, Jedox, Pigment and SAP.

We warn that close provider placement proximity should not be taken to imply that the packages evaluated are functionally identical or equally well suited for use by every enterprise



or for a specific process. Although there is a high degree of commonality in how enterprises handle sales performance management, there are many idiosyncrasies and differences in how they do these functions that can make one software provider's offering a better fit than another's for a particular enterprise's needs.

We advise enterprises to assess and evaluate software providers based on organizational requirements and use this research as a supplement to internal evaluation of a provider and products.



## Product Experience

The process of researching products to address an enterprise’s needs should be comprehensive. Our Value Index methodology examines Product Experience and how it aligns with an enterprise’s life cycle of onboarding, configuration, operations, usage and maintenance. Too often, software providers are not evaluated for the entirety of the product; instead, they are evaluated on market execution and vision of the future, which are flawed since they do not represent an enterprise’s requirements but how the provider operates. As more software providers orient to a complete product experience, evaluations will be more robust.

The research results in Product Experience are ranked at 80%, or four-fifths, of the overall rating using the specific underlying weighted category performance. Importance was placed on the categories as follows: Usability (15%), Capability (30%), Reliability (10%), Adaptability (15%) and Manageability (10%). This weighting impacted the resulting overall ratings in this research. Oracle, Anaplan and Xactly were designated Product Experience Leaders.

**Sales Performance Mgmt.**  
Product Experience

Providers	Grade	Performance
Oracle	A-	<b>Leader</b> 68.7%
Anaplan	A-	<b>Leader</b> 65.3%
Xactly	B++	<b>Leader</b> 62.6%
Salesforce	B++	61.4%
Board	B++	61.4%
Varicent	B++	60.3%
Forma.ai	B+	56.4%
Akeron	B+	55.9%
Jedox	B	54.2%
SAP	B-	49.8%
Pigment	B-	49.3%

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## Customer Experience

The importance of a customer relationship with a software provider is essential to the actual success of the products and technology. The advancement of the Customer Experience and the entire life cycle an enterprise has with its software provider is critical for ensuring satisfaction in working with that provider. Technology providers that have chief customer officers are more likely to have greater investments in the customer relationship and focus more on their success. These leaders also need to take responsibility for ensuring this commitment is made abundantly clear on the website and in the buying process and customer journey.

The research results in Customer Experience are ranked at 20%, or one-fifth, using the specific underlying weighted category performance as it relates to the framework of commitment and value to the software provider-customer relationship. The two evaluation categories are Validation (10%) and TCO/ROI (10%), which are weighted to represent their importance to the overall research.

Providers	Grade	Performance
Anaplan	A	<b>Leader</b> 18.1%
Oracle	A	<b>Leader</b> 17.7%
Xactly	A-	<b>Leader</b> 17.1%
Salesforce	A-	16.7%
Board	A-	16.3%
Akeron	B++	15.8%
SAP	B+	15.0%
Forma.ai	B+	14.7%
Varicent	B	13.5%
Jedox	B	12.7%
Pigment	B-	11.9%

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The software providers that evaluated the highest overall in the aggregated and weighted Customer Experience categories are Anaplan, Oracle and Xactly. These category Leaders best communicate commitment and dedication to customer needs.

Software providers that did not perform well in this category were unable to provide sufficient customer case studies to demonstrate success or articulate their commitment to customer experience and an enterprise’s journey. The selection of a software provider means a continuous investment by the enterprise, so a holistic evaluation must include examination of how they support their customer experience.



## Appendix: Software Provider Inclusion

For inclusion in the ISG Buyers Guide™ for Sales Performance Management in 2024, a software provider must be in good standing financially and ethically; have at least \$10 million in annual or projected revenue, verified using independent sources; sell products and provide support on at least two continents; and have at least 50 customers. The principal source of the relevant business unit's revenue must be software-related, and there must have been at least one major software release in the last 12 months.

The provider must offer products that support sales performance management for sales processes and are inclusive of at least four of the following functional areas:

- a. Support for Sales Operations
- b. Sales Performance Planning, covering territory, quota, incentive and variable compensation and resource capacity
- c. Sales Performance Execution, covering adjustments to plans, incentive compensation crediting, payments and dispute resolution, opportunity pipeline management
- d. Sales Forecasting
- e. Sales Insight and Analytics

The research is designed to be independent of the specifics of software provider packaging and pricing. To represent the real-world environment in which businesses operate, we include providers that offer suites or packages of products that may include relevant individual modules or applications. If a software provider is actively marketing, selling and developing a product for the general market and it is reflected on the provider's website that the product is within the scope of the research, that provider is automatically evaluated for inclusion.

All software providers that offer relevant sales performance management products and meet the inclusion requirements were invited to participate in the evaluation process at no cost to them.

Software providers that meet our inclusion criteria but did not completely participate in our Buyers Guide were assessed solely on publicly available information. As this could have a significant impact on classification and ratings, we recommend additional scrutiny when evaluating those providers.





## Products Evaluated

<b>Provider</b>	<b>Product Names</b>	<b>Version</b>	<b>Release Month/Year</b>
Akeron	Vulki	N/A	August 2024
Anaplan	Anaplan	August 2024	August 2024
Board	Board	14.1	August 2024
Forma.ai	Forma.ai	8.0.2	August 2024
Jedox	Jedox Sales Performance Management Solution	2024.2	August 2024
Oracle	Oracle Incentive Compensation, Oracle Fusion Sales	24C	July 2024
Pigment	Pigment AI	N/A	August 2024
Salesforce	Salesforce Sales Cloud, Sales Planning, Incentive Compensation	Summer '24	August 2024
SAP	SAP Sales Cloud, SuccessFactors Incentive Management, Territory and Quota	2, 1H 2024	August 2024
Varicent	Varicent Incentives, Sales Planning, Revenue Intelligence, Seller Insights	2024.1	July 2024
Xactly	Xactly Intelligent Revenue Platform	Aug '24	August 2024



### Providers of Promise

We did not include software providers that, as a result of our research and analysis, did not satisfy the criteria for inclusion in this Buyers Guide. These are listed below as “Providers of Promise.”

<b>Provider</b>	<b>Product</b>	<b>Revenue</b>	<b>Customers</b>	<b>Geography</b>	<b>Capability</b>
CaptivateIQ	CaptivateIQ Planning,	No	Yes	Yes	No
Infinity	Onestream Infinity	No	No	Yes	Yes



## About ISG Software Research

ISG Software Research provides expert market insights on vertical industries, business, AI and IT through comprehensive consulting, advisory and research services with world-class industry analysts and client experience. Our ISG Buyers Guides offer comprehensive ratings and insights into technology providers and products. Explore our research at [www.isg-research.net](http://www.isg-research.net).

## About ISG Research

ISG Research provides subscription research, advisory consulting and executive event services focused on market trends and disruptive technologies driving change in business computing. ISG Research delivers guidance that helps businesses accelerate growth and create more value. For more information about ISG Research subscriptions, please email [contact@isg-one.com](mailto:contact@isg-one.com).

## About ISG

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