



Analyst Assessments

What's in it for me?

Suppliers speak candidly about the rewards, shortcomings, and what's made the difference with their assessments.



The Skills Connection
Analyst Assessment
Survey 2016

Introduction

Does your enterprise want to be recognized for its strategy/completeness of vision - or its ability to execute/current offering when providing new technology products or services? If so, then it's likely you are seeking a strong showing in a Gartner Magic Quadrant, or Forrester Wave™, for your particular marketplace.

But just how important are these assessments? What impact do they have on your brand reputation and sales? How much effort should you put into the assessment process? And will anything make the difference to your final dot position?

Who we asked

We surveyed over 100 suppliers across multiple sectors in Q1 2016.

Companies were split almost evenly between smaller companies with an annual turnover of under \$50 million, and larger ones at \$50 million-plus.

Of these larger firms, the vast majority have a turnover of more than \$100 million.

Those providing answers tended to be from Marketing, Product Marketing, and Product Management.

Most enterprises did business with analyst firms - and often more than one firm: 86% were clients of Gartner, 54% of Forrester, 32% of IDC, and 36% of other firms. Only nine per cent of those surveyed had no relationship at all with analysts.

We found out the answers.

In 2016, 110 suppliers responded to our survey to share their first-hand experiences of Gartner assessments and their outcomes. We focused on Gartner as they are the largest — and most high profile — analyst firm in the market. **The findings, however, are not necessarily exclusive to Gartner or their assessment model.**

Companies were candid in their responses, freely offering insights into what they get from the process, what doesn't work for them, the potential rewards, and what makes the difference.

In this report, we summarize the key findings. These will be of interest to C-suite executives, marketers, analyst relations specialists, PR professionals, and product managers.

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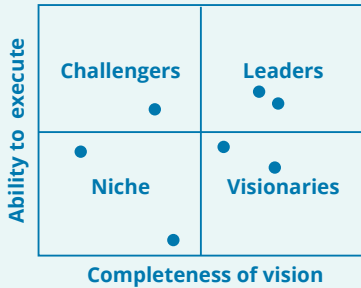
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Section 1:

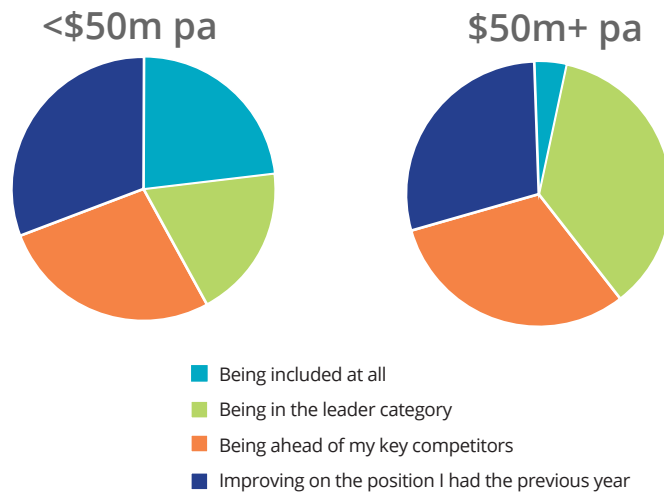
What benefits can you achieve from inclusion in an assessment?

Gartner believes the marketplace will refer to its Magic Quadrants to make technology and services investment choices. But will a good dot position deliver business results for you?

In our survey, 37% of companies were classed as Leaders in a Magic Quadrant, 23% as Visionaries, 33% as Challengers and 36% as Niche players. Around 14% had received an honorable mention, while nine percent had not been positioned at all. Some said they appeared in more than one Gartner Magic Quadrant.



What is MOST important to you about being in a Magic Quadrant?



Virtually every company sees value in being in a Magic Quadrant - and the importance of improving your dot position each year is acknowledged. In particular, respondents noted that crossing quadrant boundaries had the highest level of impact.

Being included at all is a significant achievement for some smaller companies. However, larger companies, with annual turnover of \$50 million-plus, identified themselves as being particularly focused on attaining or retaining a position in the Leader quadrant (36%) and being ahead of key competitors (31%).

Section 1:

What benefits can you achieve from inclusion in an assessment?

Quotes from the survey

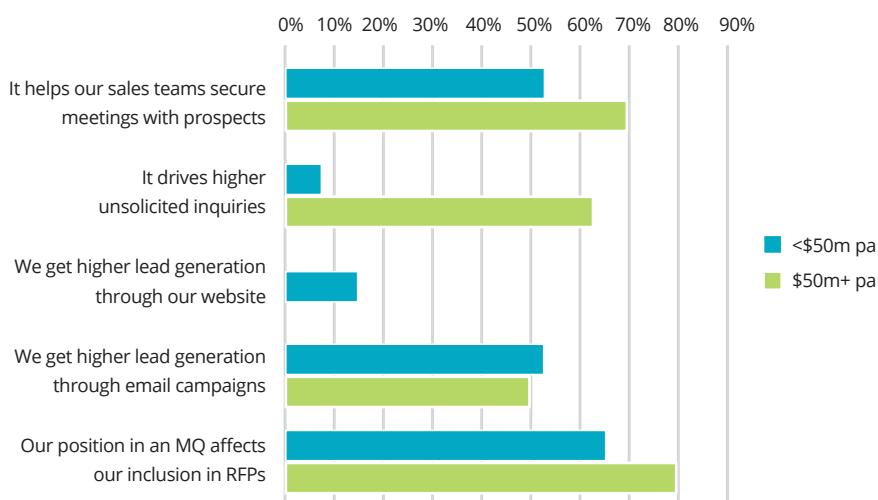
"It adds great value for companies like us, as we are mainly into product development."

"Based on website tracking data, the MQ is the driver of lead generation and additions to the marketing database."

How does your POSITION in a Magic Quadrant impact your business results?

Almost everyone values inclusion. Only two percent said being in a Magic Quadrant made no difference at all. What really stood out was that half of companies believe that a positive move between quadrant categories has an increasing impact on their business. This was particularly evident for companies positioned in the Niche quadrant – some 60% of these respondents indicated positive movement as being a driver of improved business results.

In WHAT WAYS does inclusion in a Magic Quadrant impact your business?



The vast majority of companies report that Magic Quadrant inclusion has a major marketing and sales benefit, leading to more business opportunities through inquiries, leads, campaigns, and emails. In most instances, the bigger you are, the more you benefit.

Larger companies are particularly aware of being included in request for proposals (79%) and their sales teams being able to secure meetings with prospects (69%), thanks to their Magic Quadrant inclusion.

Intriguingly, inclusion only made a modest difference to the number of inbound unsolicited inquiries for small companies (6%) but for larger companies that leapt ten-fold (63%).

The implication overall is that larger companies are either better at promoting their Magic Quadrant inclusion, or their positioning coupled with their brand recognition has an extra impact.

In addition, larger vendors are more likely to have year-round assessment engagement programs — so it would naturally follow that they are more focused on exploiting a positive outcome.

Section 2:

What resources should you put into your assessment?

Gartner doesn't specify how companies should respond in terms of people, time, and money in supporting their Magic Quadrant assessment. So what's normal?

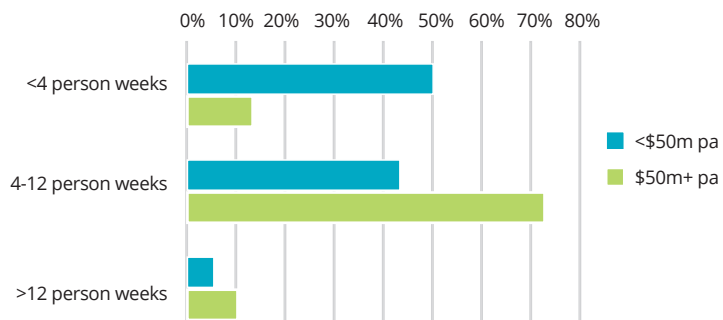
Does Gartner's definition fit your business?

While Gartner's market definition is a perfect match for about one third of companies, more than half have trouble aligning with their closest Magic Quadrant. They have some capabilities - but not others - because no market is completely uniform. This implies the need for care and extra work in the crafting of the content and messaging of a response to ensure best results.

Which PEOPLE are involved in a response?

Our survey found that Analyst Relations, Marketing, and Product Management are the three departments most heavily involved (i.e. spending over 40 hours working on a response). Larger companies, not surprisingly, are more likely to have dedicated Analyst Relations specialists leading the project. Other departments, such as Finance and PR/Communications, tend to have light involvement.

How much TIME do you spend responding to a submission?



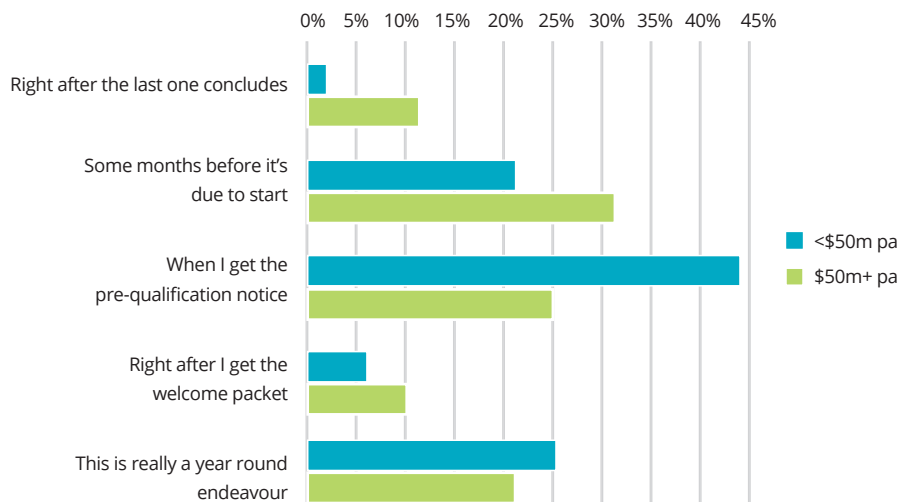
Larger companies spend roughly 50% more time on their response, around 7.9 person weeks, as opposed to 5.4 weeks for smaller companies. Of companies who have achieved leadership status, 75% spend between 4-12 weeks in their response compared to around 45% for companies who are not Leaders. The percentage of companies that spend over 12 weeks is double that for Leaders versus companies represented in other parts of the quadrant. The average time spent overall is 6.5 person weeks. This reflects an attitude by many companies that the assessment RFI process is a nuisance that needs to be addressed as an issue of time versus quality (i.e. get it off my plate as quickly as possible). This typical time spent figure is a serious under-investment, given the significant payback acknowledged in Marketing and Sales - and raises the question: What other investment would deliver such a return?

Section 2: What resources should you put into your assessment?

“The process is difficult for a one-man AR dept. Gartner deadlines are stringent.”

“We see strong returns in our inclusion in MQs; the effort and time we invest into responding is well worth it.”

WHEN do you begin working in earnest on a Magic Quadrant evaluation?



Despite the major influence that MQ results demonstrate, on average less than 40% of companies treat assessments as a year-round process versus a tactical response. Over 40% do not even start before Gartner has invited them to participate – often with only three or four weeks in total to complete every part of the response process. Over 60% of smaller companies take this approach, putting them at a serious disadvantage when it comes to ensuring the assessment response sets out the best possible case and evidence set to ensure the right rating. In many cases, the perception is that rating quality is biased to larger firms, and/or Gartner clients, but the evidence here re-iterates that it is frequently down to the amount of time you choose to invest.

Section 3:

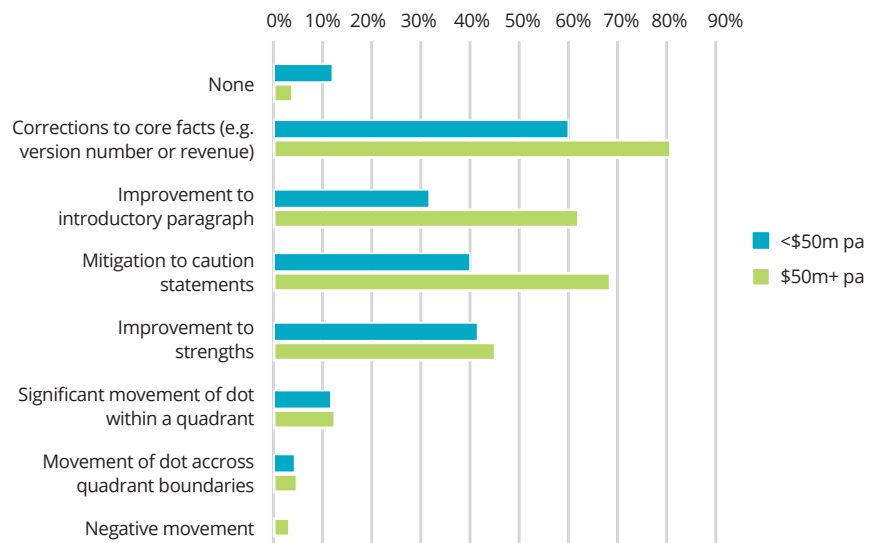
What impact can you make on the final result?

Having a client relationship continues to be perceived as being significant in improving an MQ's end result.

"We have used this process to help us define our market more clearly and work with the analysts to improve our offerings and gain more visibility."

Only 8% of respondents believed that client status had no relationship to the final dot position and coverage. Indeed, nearly 30% believe that there is a direct relationship between pure client status (i.e. spending money with Gartner) and the end result, irrespective of the level of actual analyst interaction and engagement. For the majority, customer status is about the ability to build better relationships more easily than non-clients. This is certainly true, but becoming a client is a very expensive method of building the type of relationship needed.

What level of CHANGE have you affected after reviewing the draft Magic Quadrant?



Getting involved at draft stage is an overwhelmingly positive opportunity to improve your outcome, according to the survey. Very few companies had no impact or a negative experience.

Larger companies were particularly active and successful in this regard. The majority of them were able to make corrections, improvements and adjustments. Some even saw significant dot movement as a result.

Gartner clients were also much more successful at effecting positive change after reviewing the first draft. While this may be perceived again as being a commercial bias, our experience indicates that the reason larger companies and clients get better change results at the draft stage is down to experience and confidence. Every company can achieve this level of change – but many do not believe it or realize how it can be accomplished.

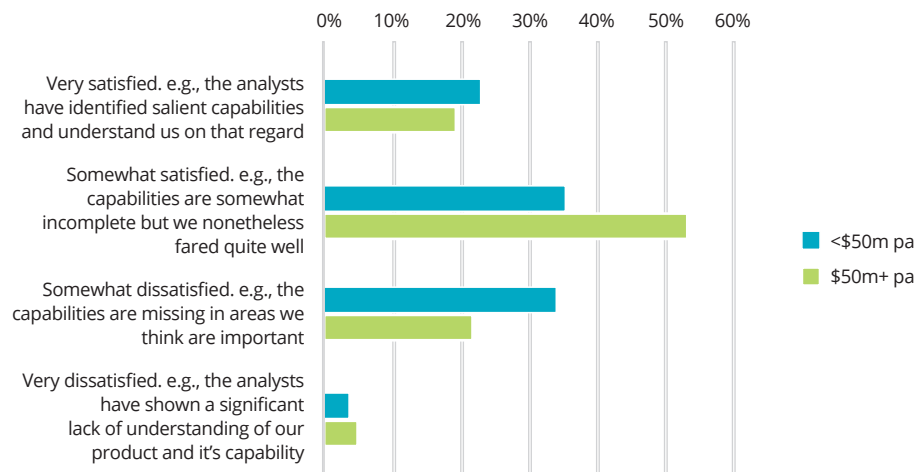
Section 4:

What's your experience of Critical Capabilities?

Gartner Critical Capabilities is a companion note to the Magic Quadrant. It's viewed as a way of judging the quality and performance of a company's current offerings. For companies being evaluated, the experience and outcome can be very different to that of the Magic Quadrant.

"This is an important piece for our marketing and sales efforts ... it gives us instant credibility with our prospects."

How satisfied are you overall with the CRITICAL CAPABILITIES evaluation process?



Larger companies generally have slightly higher satisfaction levels. But few find the process entirely satisfactory. It's a common complaint that capability areas are incomplete or missing.

Because Critical Capabilities are more specific and relatively new, this may help to explain why apparent shortcomings and misunderstandings exist. But this again underlines the need for companies to embark on early interaction with analysts. This can help to clear up any misconceptions and fully explain what a company's propositions actually offer. It's also the chance to influence what are considered to be the critical capabilities for a category and how they might best be measured.

Conclusions

When you face an assessment, what really matters?

Five major points stand out from the report and can be applied to all assessments

— not just Gartner:

1: Assessment results matter significantly:

Doing well has a positive impact, especially on lead generation.

2: Year-round engagement matters:

For the best outcome, companies need to work year round to influence what's assessed and measured. Smaller companies need to stop treating assessments as a last-minute 'fire drill'. All companies should note that Leaders invest significantly more in their assessment responses.

3: Client status matters:

Most companies believe that having a contractual analyst relationship significantly improves outcomes. More specifically, it's about building better relationships with analysts.

4: The draft stage matters:

Companies shouldn't give up when they see the draft assessment. With the right approach, significant changes can be made during the draft review.

5: Investment matters — and delivers rewards:

The level of investment devoted to supporting an assessment is surprisingly low at just 6.5 person weeks on average. Even the most simple return-on-investment calculation would suggest that many companies could be missing an opportunity to alter their outcome - if they started earlier, invested more resources, and engaged more closely with the analysts.

Get the expertise you need

The Skills Connection can help you to optimize your analyst assessment results (e.g. Gartner Magic Quadrant, Forrester Wave). Our team is comprised solely of former senior Gartner analysts with first-hand experience of the assessment process. We help our clients to provide the right messages, references and content to get the best outcomes, time and again.

Access free resources now. Go to www.theskillsconnection.com

Register for our Knowledge Bank - a free resources area with videos, guides, insights, and expert help for managing the assessment response process.



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