2021 Edition

Sales Performance Management Market Study

Wisdom of Crowds® Series

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Disclaimer:

Definitions

Business Intelligence Defined

Business Intelligence (BI) is "knowledge gained through the access and analysis of business information."

Business Intelligence tools and technologies include query and reporting, OLAP (online analytical processing), data mining and advanced analytics, end-user tools for ad hoc query and analysis, and dashboards for performance monitoring.

Source: Howard Dresner, *The Performance Management Revolution: Business Results Through Insight and Action* (John Wiley & Sons, 2007)

Sales Performance Management Defined

Sales performance management (SPM) enables the sales organization to develop plans and manage and analyze performance for staffing, revenue, territories, etc. SPM includes sales planning and sales analytics.

Sales Defined

Companies study sales as a function a great deal yet has less widely accepted canonical knowledge than other functions, such as Finance, which are governed more strictly by regulations.

For our purposes, it is useful to reference a broad definition, as the respondents come from almost 40 industries.

"A holistic system required to effectively develop, manage, enable, and execute a mutually beneficial exchange of goods or services for equitable value."[A]

Sales as a function will spend over four trillion dollars globally and employ many millions of people (around 15 million[B] in the US alone and likely five times that number globally). Sales resources are among the scarcest in the OECD. Sales is a significant budget holder in many organizations, and its costs are reflected in the "Sales, General, and Administrative" part of a firm's Income Statement.

Planning Defined

At the highest level of perspective, a quote from Wikipedia works well: "Planning is the process of thinking about the activities required to achieve a desired goal."[C] In business, the goal is growth of value for shareholders through developing and implementing a business plan. Every such strategic plan requires evaluating tactical alternatives for achieving its goal(s)."

Sales Performance Management and Related Attributes

In this fourth edition of this report, the Dresner Advisory community of respondents scores sales performance management use, adoption, budgets, and overall success. We analyze these attributes by organization size, geography, and other attributes.

The community scores the importance of four main areas of sales planning:

1. Features, including aspects of forecasting and adapting to variables; customer segmentation, territory, and quota planning; and costs of sale, customer acquisition, and commission.
2. Integrations, for example, with popular productivity tools and, importantly, with other critical corporate systems such as Enterprise or Corporate Performance Management (EPM or CPM). Respondents also indicate material interest in integrations with Customer Relationship Management (CRM) systems.
3. Technologies, especially regarding dashboards and workflows. We also consider the importance of strategic technologies such as big data, GDPR, cloud options, and visualization.
4. From time to time, it is interesting to compare those that use SPM to the broader cohort, to see if SPM users rate their initiatives as more important or successful than the general scores.

Adoption by Organizational Function

The survey respondents identify that other people in their organizations use SPM to better align productivity and operations with the sales plan for an organization.

Introduction

In 2021, we mark the 14th anniversary of Dresner Advisory Services and the 4th edition of this report. Our thanks to all of you for your continued support and ongoing encouragement. Since our founding in 2007, we worked hard to set the "bar" high—challenging ourselves to innovate and lead the market—offering ever greater value with each successive year.

At the time of publication of this report, the COVID-19 pandemic continues to affect millions worldwide and impacts businesses and how they leverage data and business intelligence. As our data collection took place during Q1 and Q2 of 2021, the data and resulting analyses continue to reflect the pandemic's impact.

Through this period, we separately conducted specific COVID-19 research, which is not reflected in this report but is available on our blog at no cost. Additionally, we will continue to collect this data and will continue to publish research through the duration of the pandemic.

Sales performance management represents an area of continued interest as organizations strive to expand the value of performance management beyond traditional functional adoption (i.e., Finance).

As organizations strive to make sense of the changing market conditions and work to determine how best to proceed and invest in their businesses, we hope that this report will provide useful guidance and direction.

We hope you enjoy this report!

Howard Dresner
Chief Research Officer
Dresner Advisory Services

Contents

Benefits of the Study

This Dresner Advisory Sales Planning Market Study provides a wealth of information and analysis, offering value to both consumers and producers of sales planning or broader business intelligence technology and services.

Consumer Guide

As an objective source of industry research, readers use the Dresner Advisory Wisdom of Crowds® Sales Performance Management Market Study to understand how their peers weigh the importance of different aspects of sales planning, and then leverage and invest in sales planning and related technologies.

Using our unique survey system, industry practitioners discover key insights into sales planning, which enable:

- Comparisons of current organizational performance to industry norms
- Identification, prioritization, and selection of new initiatives
- Study program success and consider adjustment of existing programs
- Identification and selection of new vendors

Supplier Tool

Vendor licensees use the Dresner Advisory Sales Performance Management Market Study in several important ways:

External Awareness

- Build awareness for software markets and supplier brands, citing DAS Market Study trends and vendor performance
- Create lead and demand generation for supplier offerings through association with Dresner Advisory Market Study brand, findings, webinars, etc.

Internal Planning

- Refine internal product plans and align with market priorities and realities as identified in the Dresner Advisory Services Market Study
- Better understand customer priorities, concerns, and issues
- Identify competitive pressures and opportunities

About Howard Dresner and Dresner Advisory Services

The Dresner Advisory Services Sales Performance Management Market Study was conceived, designed and executed by Dresner Advisory Services, LLC—an independent advisory firm—and Howard Dresner, its President, Founder and Chief Research Officer.

Howard Dresner is one of the foremost thought leaders in business intelligence and performance management, having coined the term "Business Intelligence" in 1989. He has published two books on the subject, *The Performance Management Revolution – Business Results through Insight and Action* (John Wiley & Sons, Nov. 2007) and *Profiles in Performance – Business Intelligence Journeys and the Roadmap for Change* (John Wiley & Sons, Nov. 2009). He lectures at forums around the world and is often cited by the business and trade press.

Prior to Dresner Advisory Services, Howard served as chief strategy officer at Hyperion Solutions and was a research fellow at Gartner, where he led its business intelligence research practice for 13 years.

Howard has conducted and directed numerous in-depth primary research studies over the past two decades and is an expert in analyzing these markets.

Through the Wisdom of Crowds® Business Intelligence market research reports, we engage with a global community to redefine how research is created and shared. Other research reports include:

- Wisdom of Crowds® Flagship BI Market Study
- Analytical Data Infrastructure
- Cloud Computing and Business Intelligence
- Data Preparation
- Data Science and Machine Learning
- Embedded Business Intelligence
- Location Intelligence
- Self-Service BI

Howard (www.twitter.com/howarddresner) conducts a bi-weekly Twitter "tweetchat" on Fridays at 1:00 p.m. ET. The hashtag is #BIWisdom. During these live events the #BIWisdom community discusses a wide range of business intelligence topics.

You can find more information about Dresner Advisory Services at www.dresneradvisory.com.

About Jim Ericson

Jim Ericson is a Research Director with Dresner Advisory Services.

Jim has served as a consultant and journalist who studies end-user management practices and industry trending in the data and information management fields.

From 2004 to 2013, he was the editorial director at *Information Management* magazine (formerly *DM Review*), where he created architectures for user and industry coverage for hundreds of contributors across the breadth of the data and information management industry.

As lead writer he interviewed and profiled more than 100 CIOs, CTOs, and program directors in an annual program called "25 Top Information Managers." His related feature articles earned ASBPE national bronze and multiple Mid-Atlantic region gold and silver awards for Technical Article and for Case History feature writing.

A panelist, interviewer, blogger, community liaison, conference co-chair, and speaker in the data-management community, he also sponsored and co-hosted a weekly podcast in continuous production for more than five years.

Jim's earlier background as senior morning news producer at NBC/Mutual Radio Networks and as managing editor of MSNBC's first Washington, D.C. online news bureau cemented his understanding of fact-finding, topical reporting, and serving broad audiences.

About Chris von Simson

Chris von Simson is a Research Director with Dresner Advisory Services, joining in January 2018. He conducts research into the success of business intelligence initiatives and the value generated by those initiatives. This engenders research into those applications closest to business operations; IT analytics was the first, and sales planning is the second. More will follow.

Prior to Dresner Advisory Services, Chris was Vice President of Market Engagement at MicroStrategy, Inc., where he managed the strategy, research, development, and implementation of programs to create a bond between the software organization and its market.

Before that, he was the Director of Customer Programs where he led six customer and market intelligence programs to benefit sales enablement, product management, demand generation, and product and solution marketing. In this role, he created, among other programs, an application mapping program, an open model for capturing the business value and ROI of customer analytical applications, mapped by vertical industry and horizontal business function.

Prior to his career in software, Chris was an educator at Buckinghamshire College Group in England, where he learned about finding ways for everyone to achieve more than they thought. He is also a former documentary film producer adept at conjuring understanding and agreement.

Chris is keen to develop communities of practice and can be found at twitter.com/chrisvonsimson. He is a keen member of the #BIWisdom community and often leads discussion topics.

The Dresner Team

About Elizabeth Espinoza

Elizabeth is Research Director at Dresner Advisory and is responsible for the data preparation, analysis, and creation of charts for Dresner Advisory reports.

About Kathleen Goolsby

Kathleen is Senior Editor at Dresner Advisory ensuring the quality and consistency of all research publications.

About Danielle Guinebertiere

Danielle is the Director of Client Services at Dresner Advisory. She supports the ongoing research process through her work with executives at companies included in Dresner market reports.

About Michelle Whitson-Lorenzi

Michelle is Client Services Manager and is responsible for managing software company survey activity and our internal market research data.
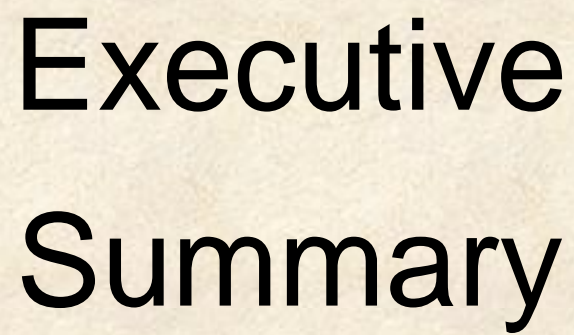
Survey Method and Data Collection

As with all our Wisdom of Crowds® Market Studies, we constructed a survey instrument to collect data and invited many respondents from prior surveys. In addition, we used social media and crowdsourcing techniques to recruit new participants.

Data Quality

We carefully scrutinized and verified all respondent entries to ensure that we included only qualified participants in the study.
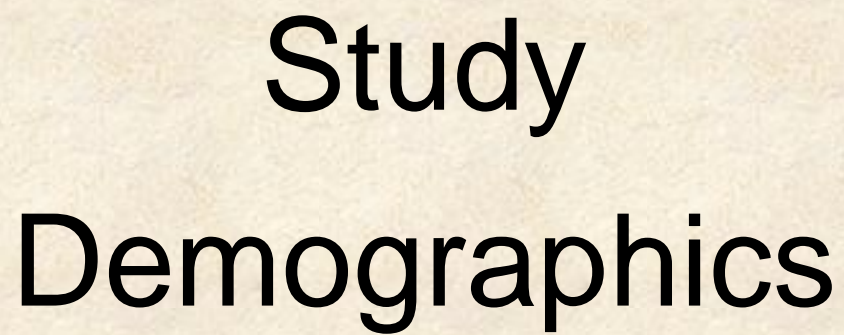
Executive Summary

Executive Summary

- SPM is a core competitive enterprise component of high relevance, especially in very large organizations. About 56 percent of all respondents say SPM is "critical" or "very important," and 85 percent say it is at least "important." Adoption of SPM correlates with success with BI (p. 23-28).
- SPM is currently in use with about 36 percent of organizations; an additional 12 percent are evaluating; 52 percent may adopt or have no plans to adopt (p. 29-34).
- Functional adoption of SPM is highest in Finance, Marketing, Operations and Customer Service, with opportunities for use stretching to even more functional users (p. 35-39).
- Respondents are interested in a wide portfolio of SPM planning features, led by forecasting, segmenting, scoring, and predefined KPIs (p. 40-45).
- Respondent interest is strong in a broad portfolio of sales execution features in SPM, led by benchmarking, objective management, and incentive/compensation management (p. 46-49).
- Respondents are interested in a wide range of integration features for SPM, led by export to Excel and PDF, followed by connections to planning applications, CRM platforms and compensation applications (p. 50-53).
- Top SPM technology feature priorities include support for reporting/dashboards, Web user interface, alerting, and mobile support (p. 54-57).
- SPM delivery preferences are broadly mixed with audiences for cloud, hosted, embedded, and on-premises options (p. 58-62).
- SPM vendor ratings are on page 63.

Study Demographics

Study Demographics

Study participants provide a cross-section of data across geographies, functions, organization sizes, and vertical industries. We believe that, unlike other industry research, this supports a more representative sample and better indicator of true market dynamics. We constructed cross-tab analyses using these demographics to identify and illustrate important industry trends.

Geography

North America, which includes the United States, Canada, and Puerto Rico, represents the largest group (about 53 percent) of respondents, followed by EMEA (31 percent). Asia Pacific and Latin America account for the balance of respondents.

Geographies Represented
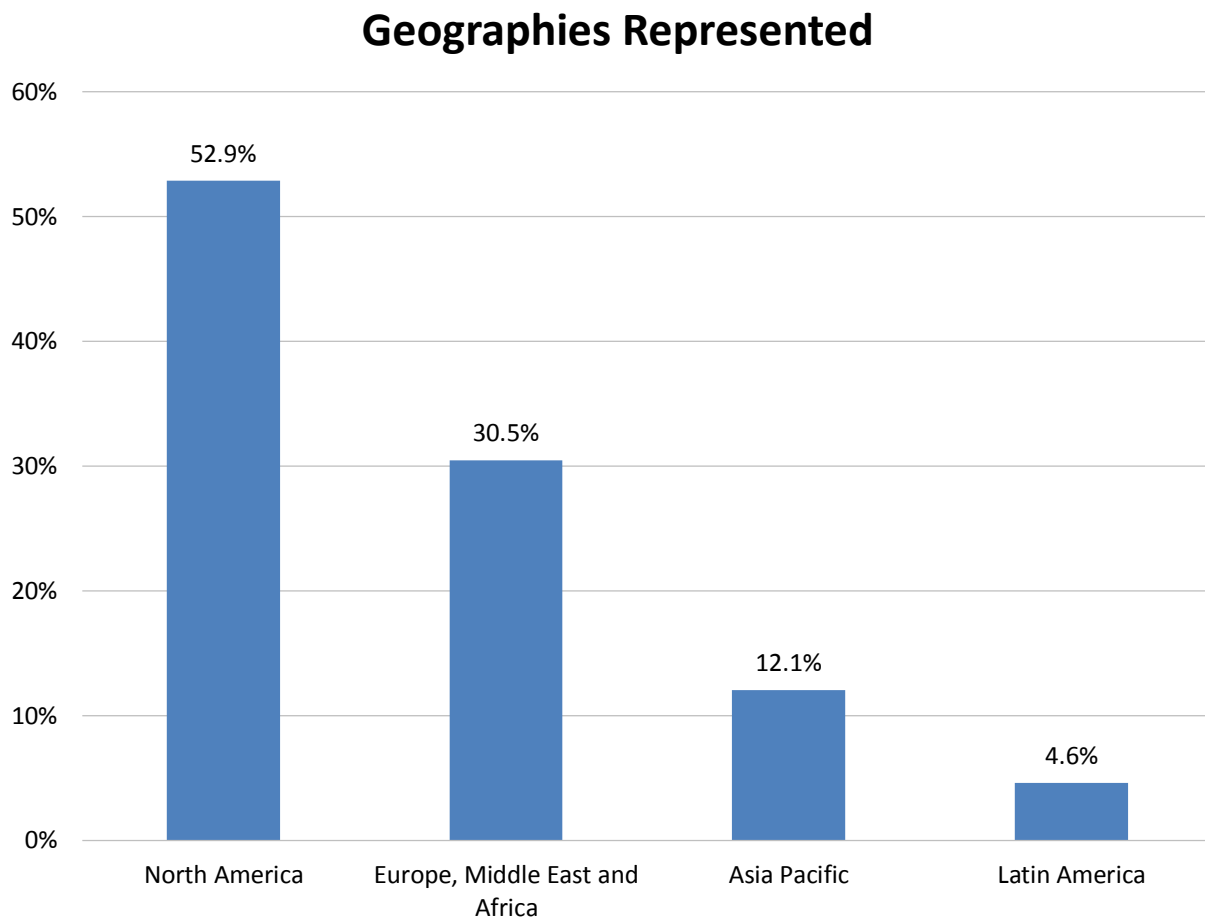
Figure 1 – Geographies represented

Business Functions Represented

In 2021, Information Technology respondents account for about one-quarter of our sample, followed by Executive Management (21 percent) and Finance (20 percent) (fig. 2). Tabulating results across functions helps us develop analyses that reflect the differences and influence of different departments within organizations.

Business Functions Represented
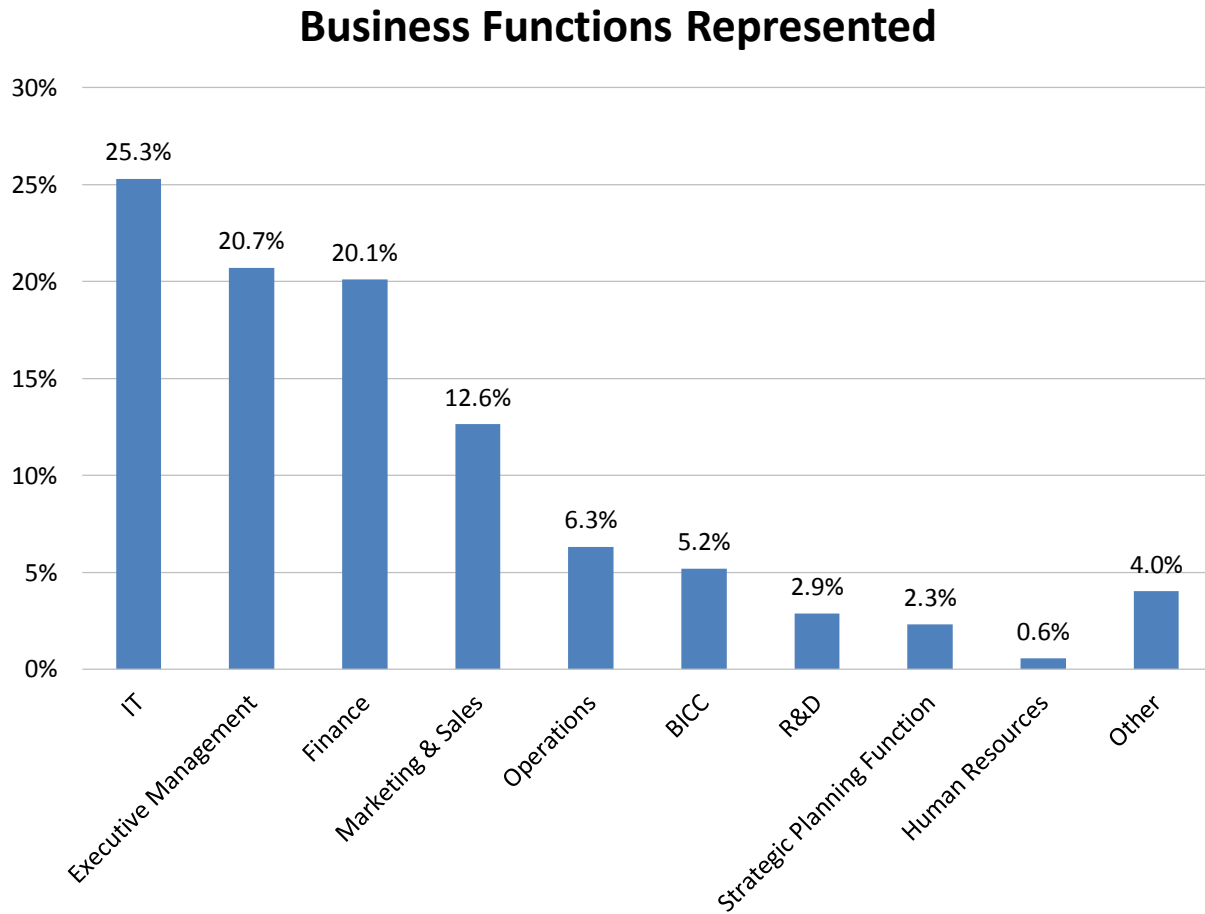
Figure 2 – Geographies represented

Vertical Industries

Viewed by vertical industry, Manufacturing (28 percent) is most represented in our 2021 sample, followed by Business Services (16 percent) and Technology (13 percent). Financial Services and Consumer Services are the next most represented.

Vertical Industries Represented
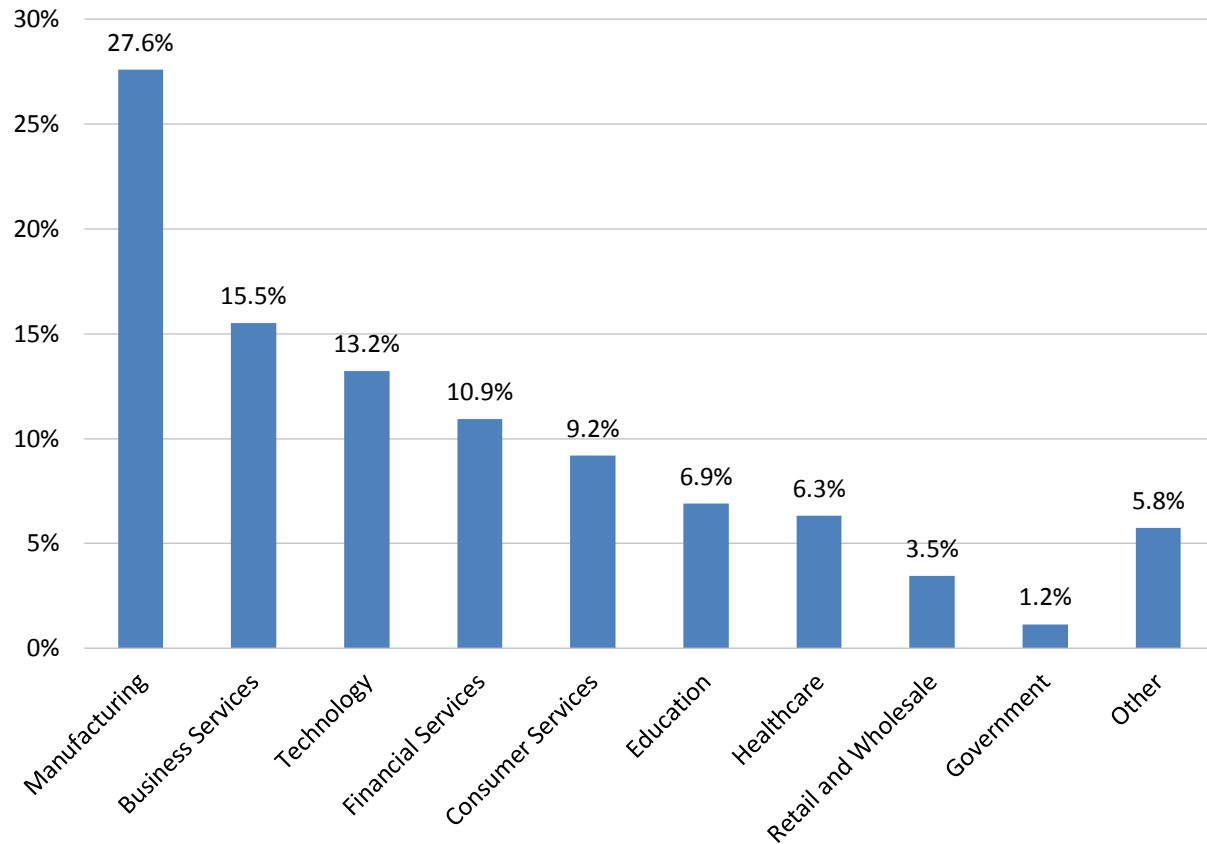
Figure 3 – Vertical industries represented

Organization Size

Our study base includes a balance of small organizations (1-100 employees), mid-sized organizations (101-1,000 employees), and larger organizations (>1,000 employees) (fig. 4). Small organizations account for about 28 percent of respondents, mid-sized make up about 36 percent, and the remaining 36 percent come from large organizations.

Organization Sizes Represented
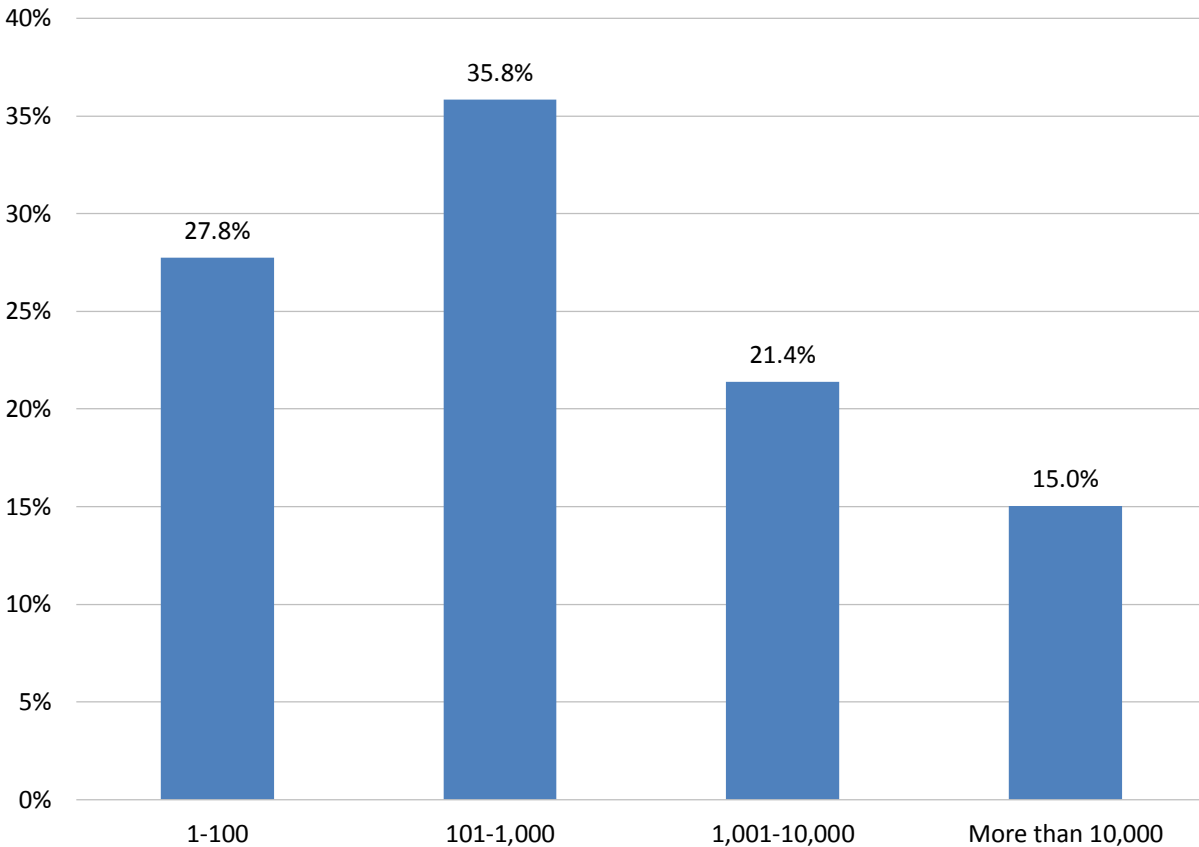
Figure 4 – Organization sizes represented

Analysis and Trends

The Importance of Sales Performance Management

Sales performance management (SPM), as we broadly define it, includes "a holistic system required to effectively develop, manage, enable, and execute a mutually beneficial exchange of goods or services for equitable value," wherein planning, ". . . is the process of thinking about the activities required to achieve a desired goal." Our study finds SPM is a core competitive enterprise component of high importance in enterprises (fig. 5). In 2021, about 56 percent of respondents say SPM is either "critical" or "very important," and about 85 percent of all respondents believe it is, at minimum, "important." Only about 14 percent say SPM is only "somewhat important" or "not important."

Importance of Sales Performance Management
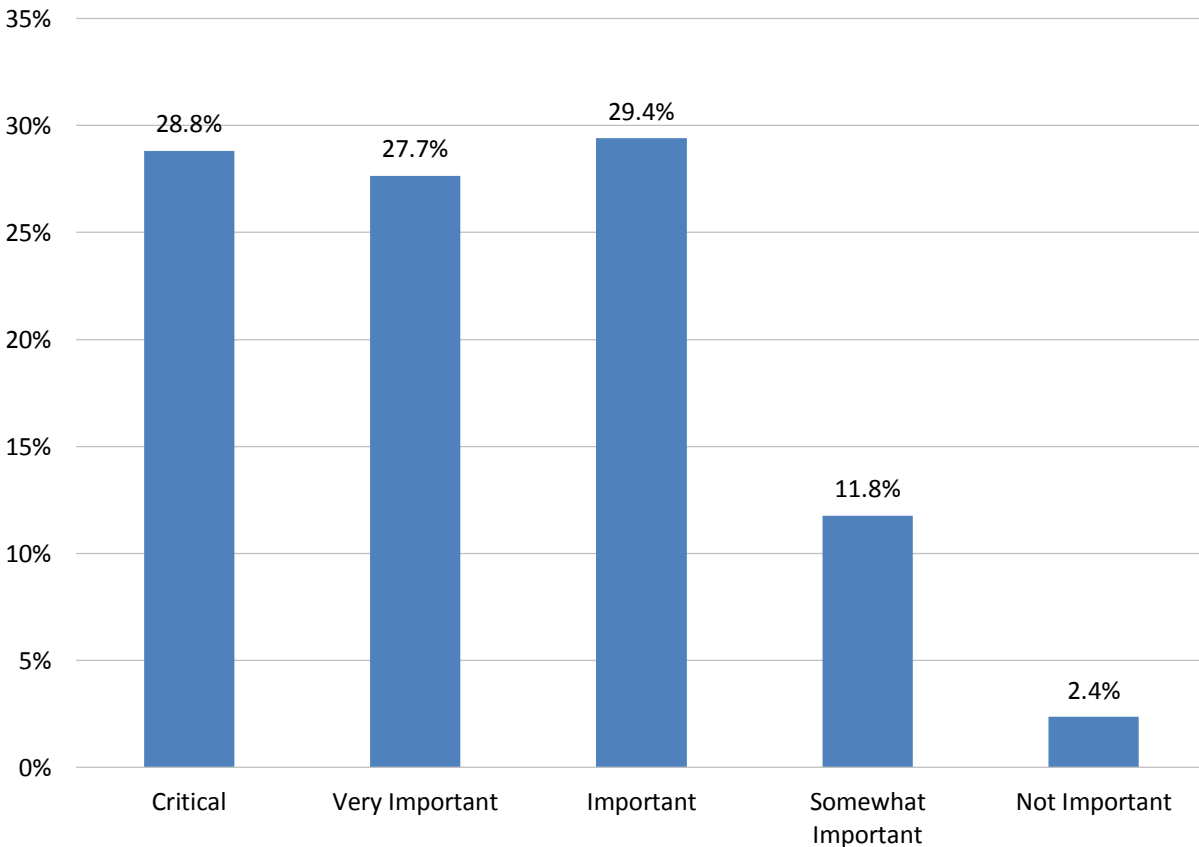
Figure 5 – Importance of Sales Performance Management

Sales Performance Management Importance by Organization Size

In our 2021 study, the importance of sales performance management is highest by far in very large organizations (> 10,000 employees) (fig 6). This is most immediately visible in weighted mean, which, at 4.0 ("very important") is noticeably higher than in all other organization sizes. Also, combined "critical" and "very important" scores account for three-quarters of respondents at very large organizations, compared to 47-57 percent at all other organizations. Very large organizations report no "not important" scores and are far less likely than other organizations to say SPM is only "somewhat important."

Importance of Sales Performance Management by Organization Size

Figure 6 – Importance of sales performance management by organization size

Sales Performance Management Importance by Geography

The importance of SPM varies by geographic region (fig. 7). In our 2021 study, sentiment by weighted mean is highest in Latin America (4.1), followed by EMEA (3.8), Asia Pacific (3.8), and North America (3.6). Thus, all regions assign criticality of well higher than "important" to "very important" for SPM.

Importance of Sales Performance Management by Geography
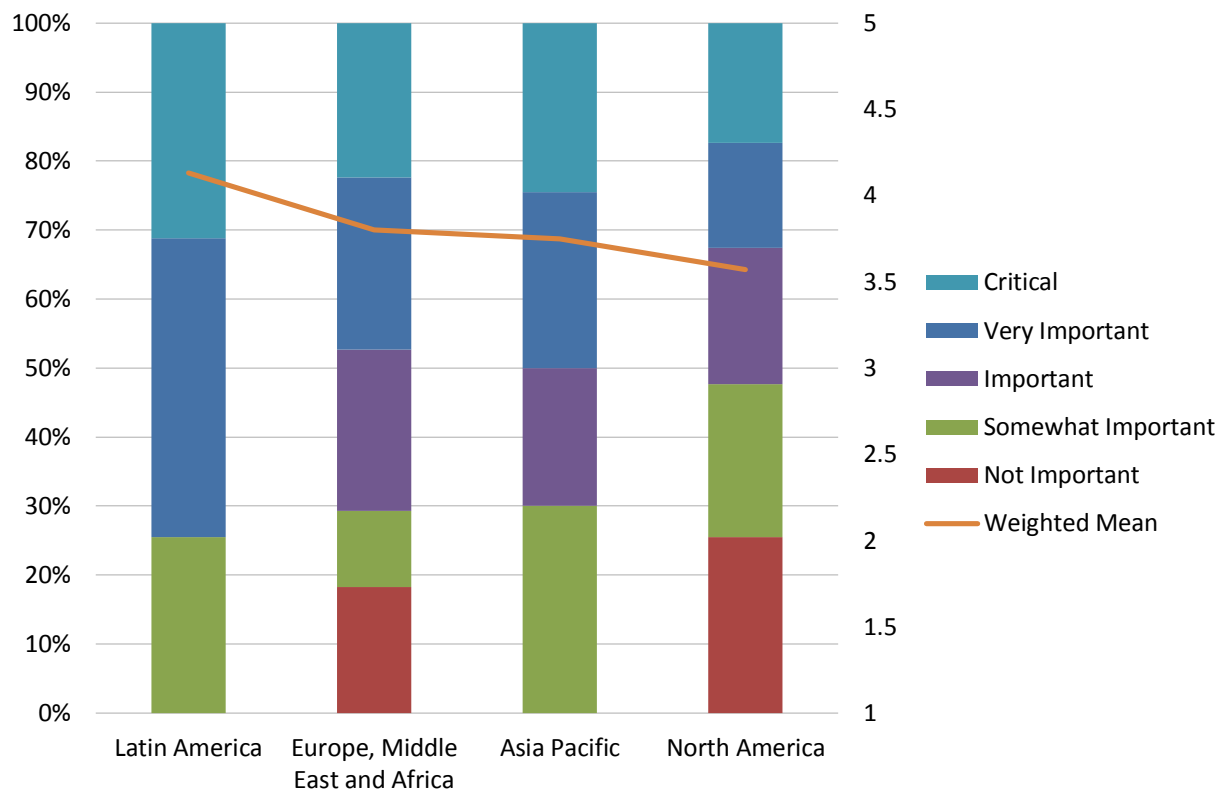
Figure 7 – Importance of sales performance management by geography

Sales Performance Management Importance by Function

Interest in SPM is uniformly high across functions with some variations by department (fig. 8). In our 2021 sample, importance is slightly highest by weighted mean in the BI Competency Center (BICC) (3.9 or close to "very important") and drifts no lower than 3.7 in all other functions measured. Even so, higher scores of "critical" stand out among pockets of respondents in Finance as well as Sales and Marketing, even as sentiment is also more widely distributed across those same roles. In contrast, BICC and Operations respondents are broadly aware of SPM and universally likely to consider SPM, at minimum, "important."

Importance of Sales Performance Management by Function
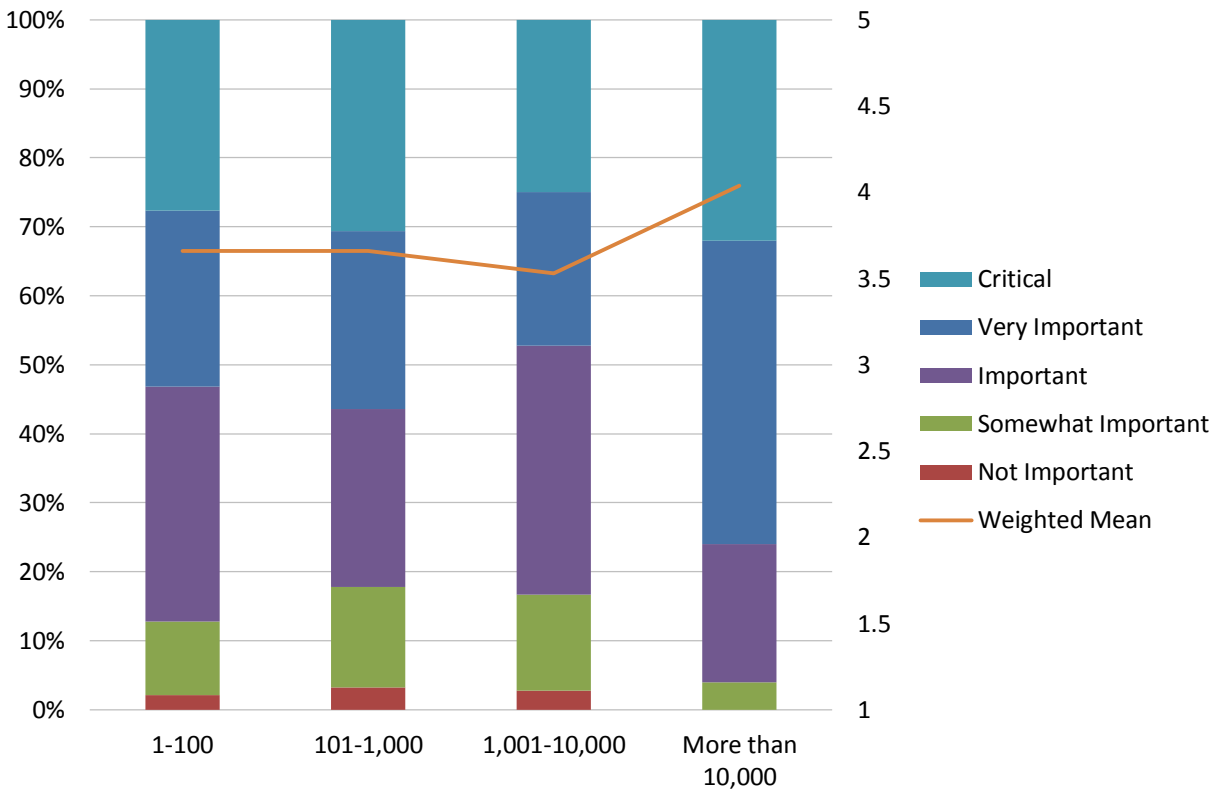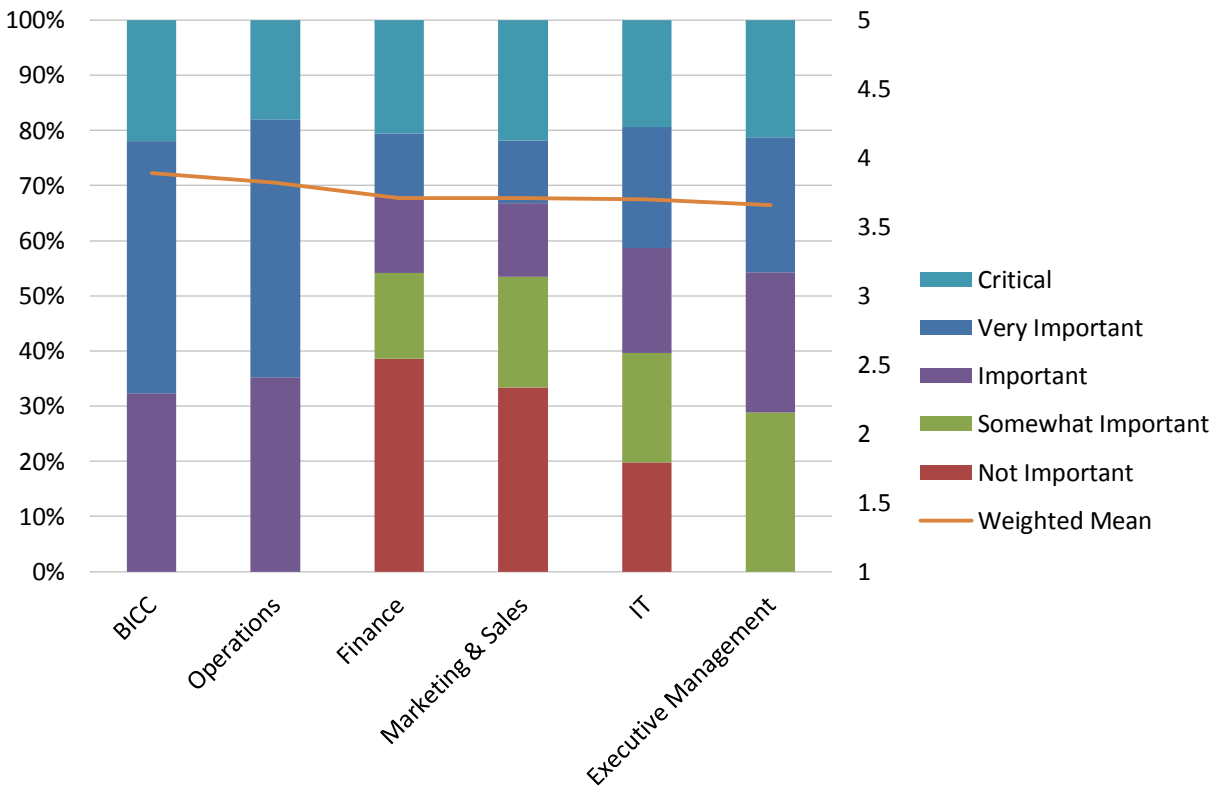

Figure 8 - Importance of sales performance management by function

Sales Performance Management Importance by Vertical Industry

The importance of sales performance management varies noticeably by industry in 2021 (fig. 9). This year, weighted mean sentiment is highest in Healthcare (4.0) and Manufacturing (4.0); it is lowest in Education (3.2) and Financial Services (3.3). Between these bookends, sentiment across all verticals is well above the range of 3.0 or "important." Though stronger-reporting industries might broadly reflect higher investment in SPM, other factors such as operating margins might be more influential on the need for SPM. We note that relatively weak sentiment in the form of low "critical" and higher "not important" or "somewhat important" in Financial Services is somewhat surprising.

Importance of Sales Performance Management by Vertical Industry
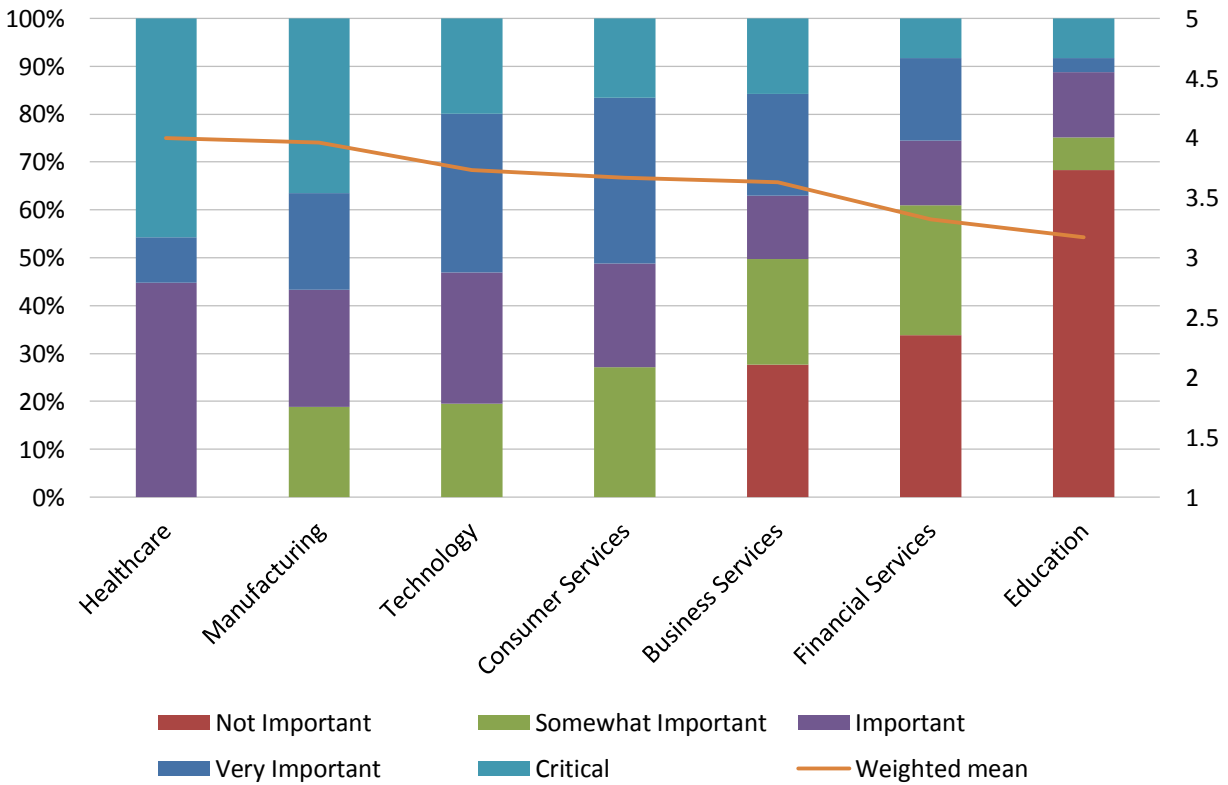
Figure 9 – Importance of sales performance management by vertical industry

Success with BI by Importance of Sales Performance Management

Success with business intelligence correlates directly to the importance of sales performance management in 2021 (fig. 10). In 2021, organizations that are "completely successful" with business intelligence are most likely, by weighted mean value (3.9, near "very important"), to highly value sales performance management. We also observe the same effect in higher combined "critical" and "very important" scores. Organizations that are "somewhat successful" with BI are the next most likely to value SPM by weighted mean (3.7), followed by 3.3 in "somewhat unsuccessful" and "unsuccessful" BI organizations. This latter group is more likely to say SPM is "not important" or only "somewhat important." This makes sense in that organizations that are successful with BI are also more likely to be data-driven, data literate and strategic users of information.

Figure 10 – Importance of sales performance management by success with BI

Use of Sales Performance Management

Overall Adoption and Use of Sales Performance Management

In 2021, sales performance management software and/or services are currently in use with about 36 percent of respondents (fig. 11). An additional 12 percent are evaluating SPM software, which indicates both an active market and considerable headroom for adoption. Currently, 21 percent of respondents say they have no plans to adopt SPM software. As we will detail, organization size, industry, and region affect the uptake of SPM, as do variables of culture and leadership.

Sales Performance Management Use
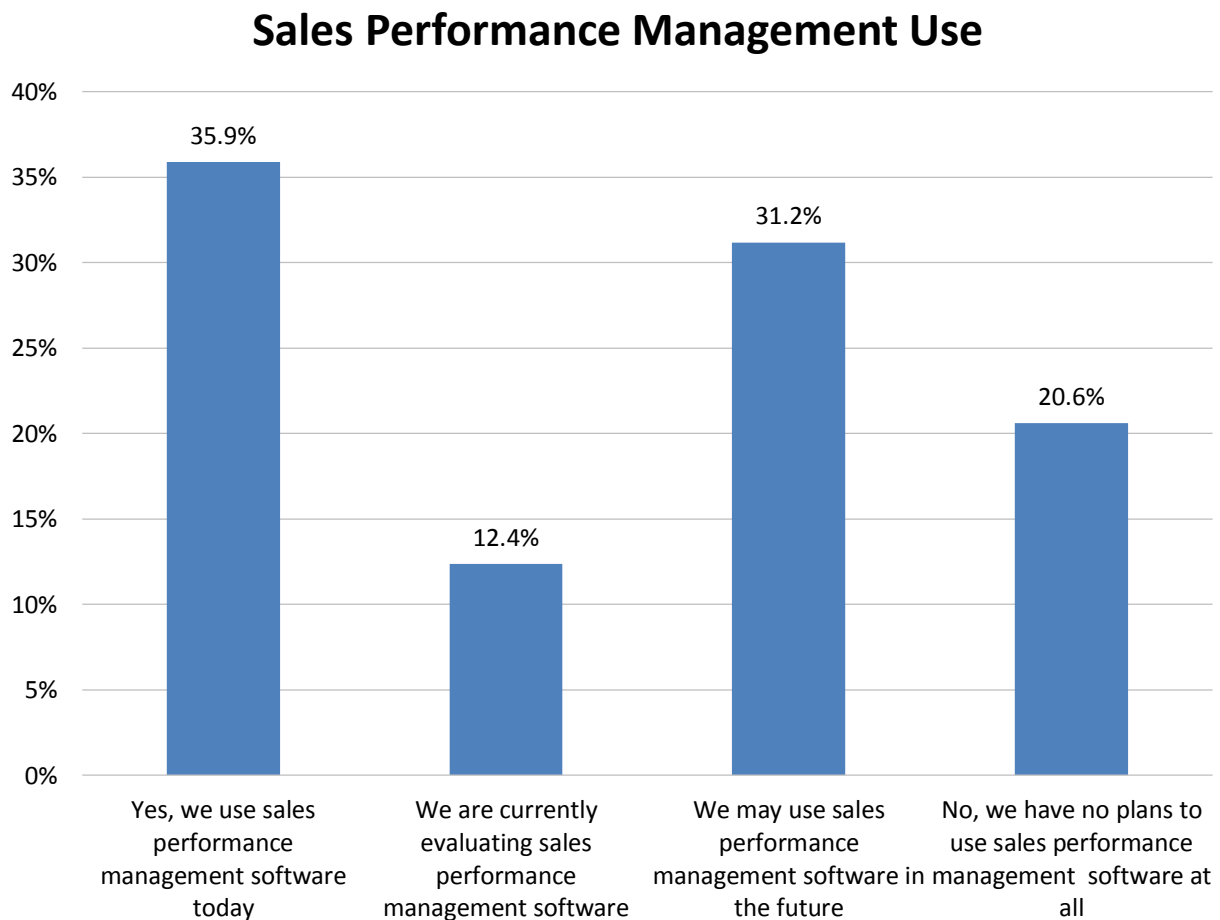
Figure 11 – Sales performance management use

Sales Performance Management Use 2019-2021

Our 2021 study finds that levels of "current" users of sales planning software remained at a consistent 35-36 percent for the last three years (fig 12). The number that are currently evaluating SPM improved slightly, from 9 to 12 percent since 2019. Most telling is the shift between audiences that "may use" SPM and those with "no plans," which essentially swapped sentiment and now lean more in favor of possible future use.

Sales Performance Management Use 2019-2021
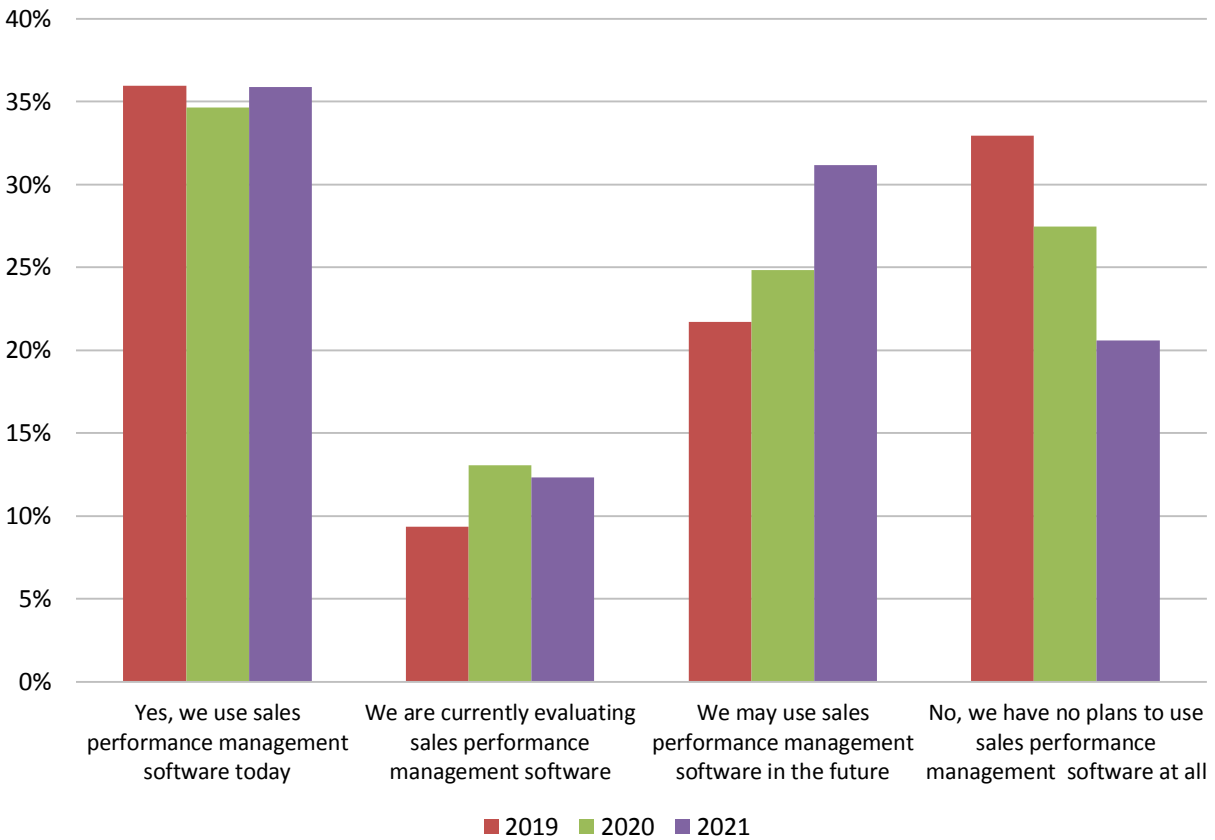
Figure 12 - Sales performance management use 2019-2021

Sales Performance Management Use by Organization Size

In 2021, current use of sales planning software correlates positively with increasing global headcount (fig. 13). This is visible in weighted-mean scores but more clearly in relative levels of "current" use. By this measure, we find current use is highest in very large organizations (> 10,000 employees), at 50 percent, followed by 38 percent at large organizations (1,001-10,000 employees), 36 percent in mid-sized organizations (101-1,000 employees), and 26 percent at small (1-100 employees) organizations. Of interest to the vendor community, "currently evaluating" scores are highest in mid-sized organizations (19 percent). Also, while all organization size groups report levels of "evaluating" or "may use," very large organizations and small organizations are most likely to currently have "no plans" for SPM.
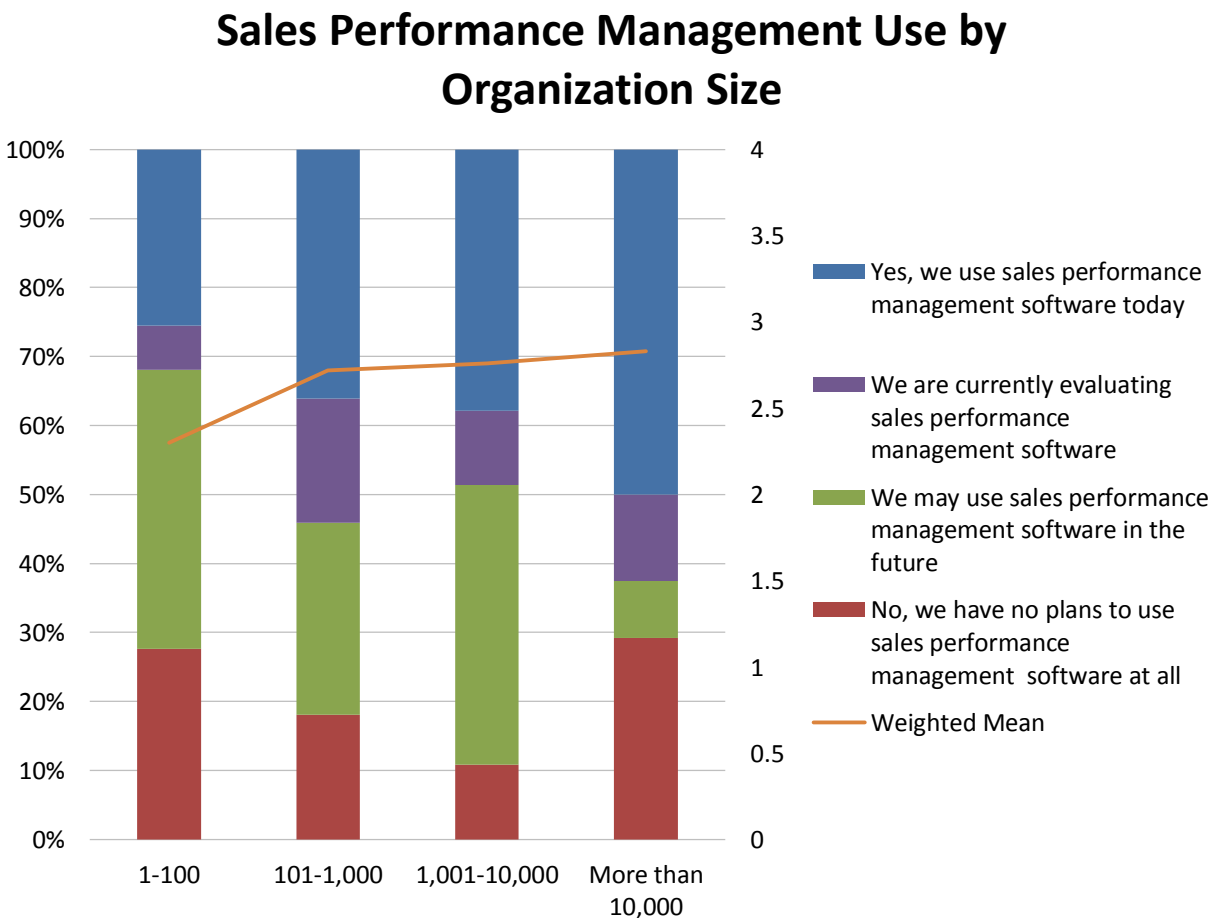
Figure 13 – Sales performance management use by organization size

Sales Performance Management Use by Geography

The use and prospect for use of sales performance management software varies by geography in 2021 (fig. 14). This year, about half of Latin American respondents currently use SPM, compared to 39 percent in Asia Pacific and about 35 percent in North America and EMEA. All regions except EMEA are about 50 percent likely to be either current users or evaluators. EMEA respondents are nonetheless more likely to say they "may use" SPM in the future and are no more likely than other regions to have "no plans."

Sales Performance Management Use by Geography
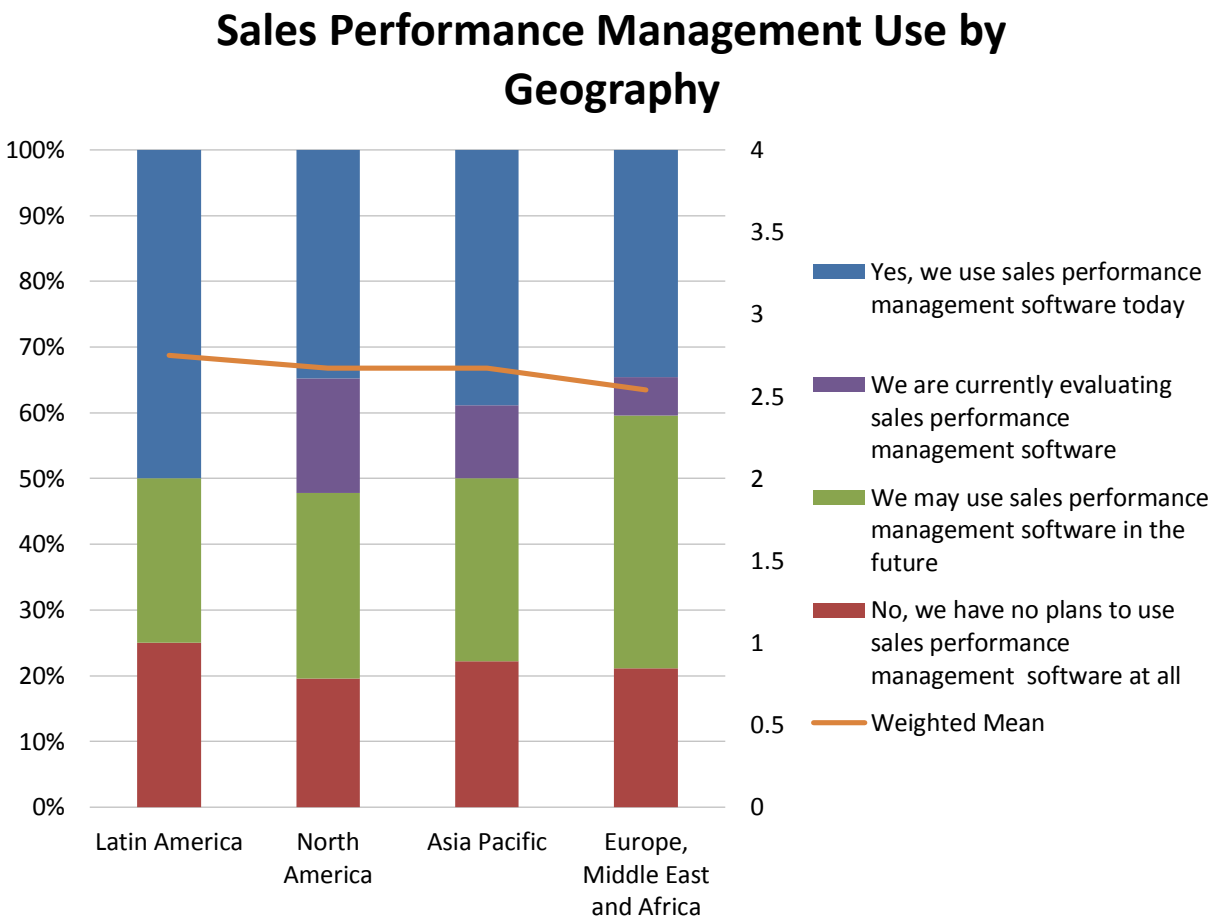
Figure 14 – Sales performance management use by geography

Sales Performance Management Use by Vertical Industry

In our 2021 sample, the use of sales performance management software varies widely by industry (fig. 15). This year, the percentage of current users is highest in Manufacturing (53 percent), followed by Technology (43 percent) and Financial Services (40 percent). When we combine current users with current evaluators, we observe stronger momentum toward increased SPM use in Healthcare and Business Services. We see the least interest ("no plans to use") for SPM in Education and, more surprisingly, Financial Services and Consumer Services. This may indicate that some organizations addressed their needs with homegrown solutions and are not willing or prepared to migrate to commercially available SPM solutions.
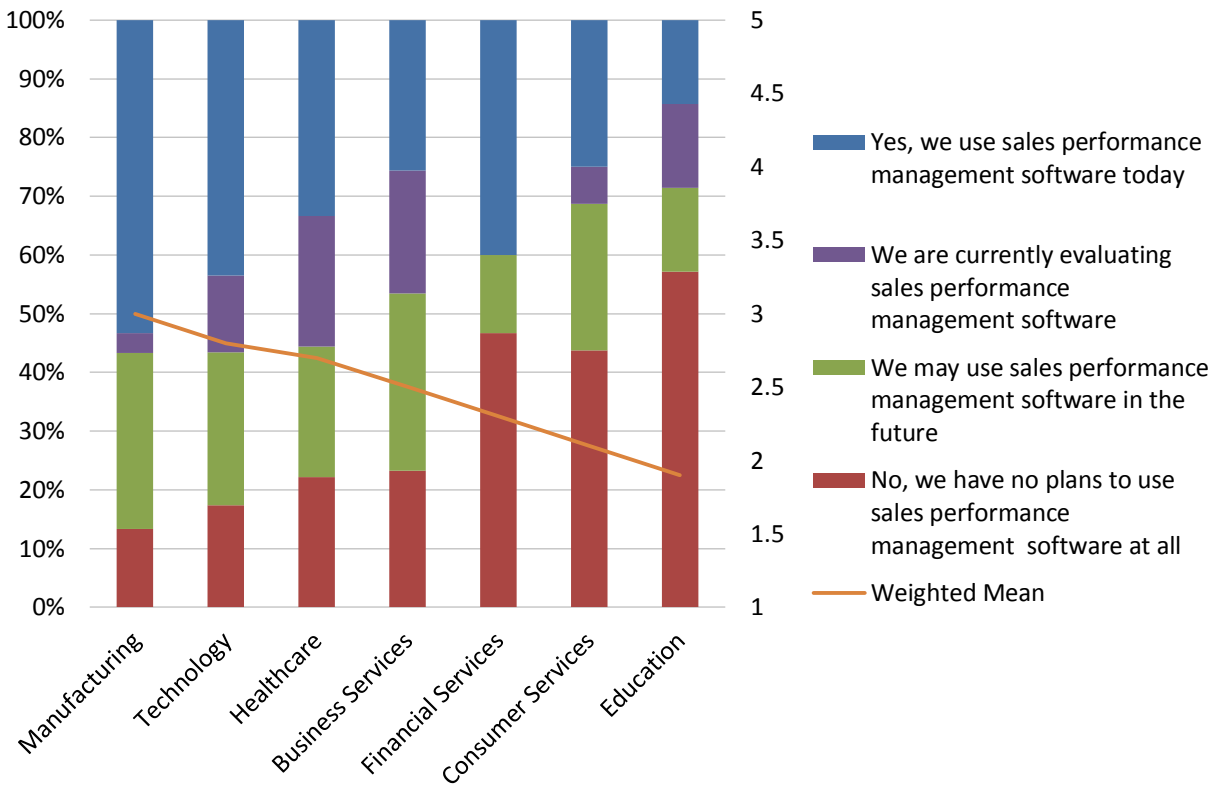
Figure 15 – Sales performance management use by vertical industry

Sales Performance Management Use by Success with BI

The use of SPM software correlates positively to success with business intelligence initiatives (fig. 16). We see this finding dramatically in weighted mean and also in respondents currently using SPM. In this latter group, 39 percent of "completely successful" organizations currently use SPM, compared to about 22 percent in "somewhat successful" BI organizations and 20 percent in "somewhat unsuccessful" and "unsuccessful" organizations. The best- and worst-performing organizations are most likely currently evaluating SPM, which may indicate that BI vision is not a barrier to recognizing investment opportunities in SPM. Even so, the most unsuccessful BI organizations are somewhat more likely than all others to have "no plans" for future SPM use.
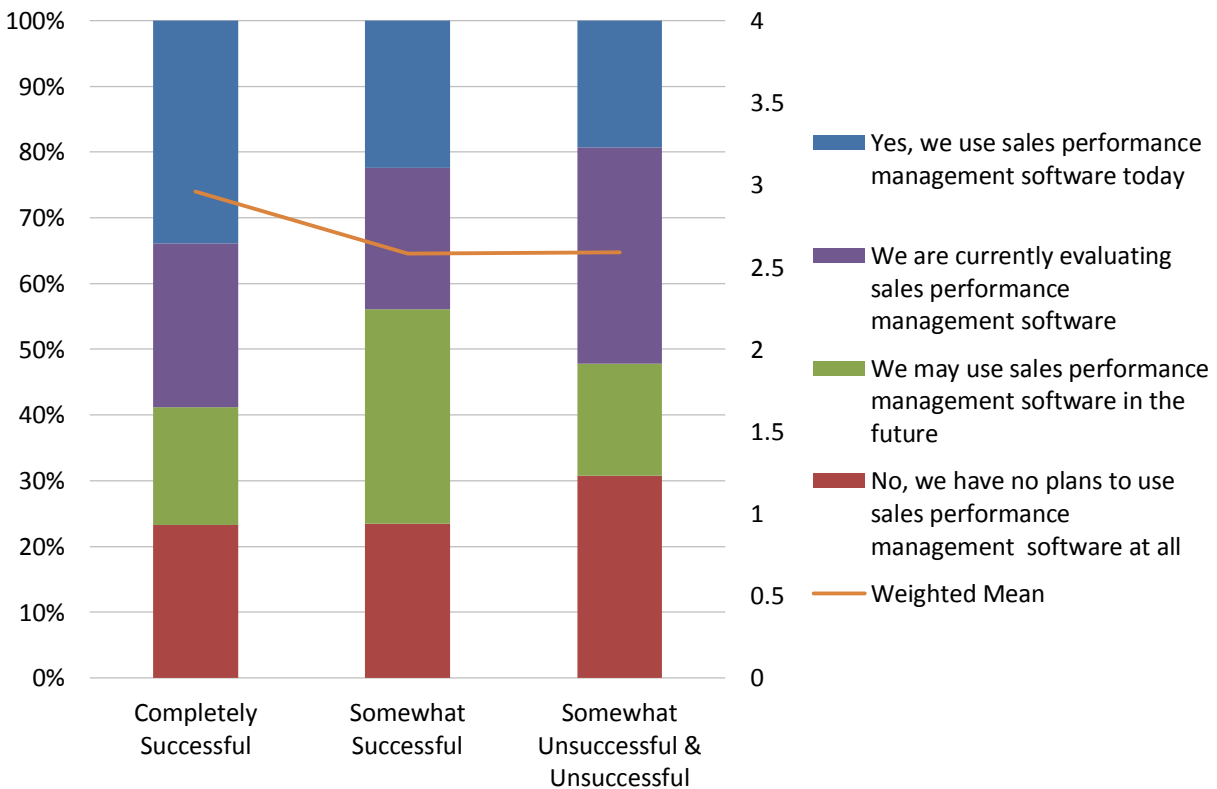
Figure 16 – Sales performance management use by success with BI

Functional Adoption of Sales Performance Management Software

We asked respondents, "Which functions use or will use sales planning software?" The findings reflect both organizational alignment around sales and the use of SPM in conjunction with separate resources and data dedicated to planning, quality, support, and myriad other purposes. In a wider sense, fig. 17 shows that SPM touches functions and opportunities beyond Sales, most often in Finance, Marketing, Operations, and Customer Service. We see current user penetration at statistically comparable levels stretching to IT. The "will use in the future" segment indicates a runway for SPM as a broad departmental component of enterprise performance management in a feedback loop of awareness and responsiveness to multiple systems, objectives, and performance indicators.

Functional Adoption of Sales Performance Management Software
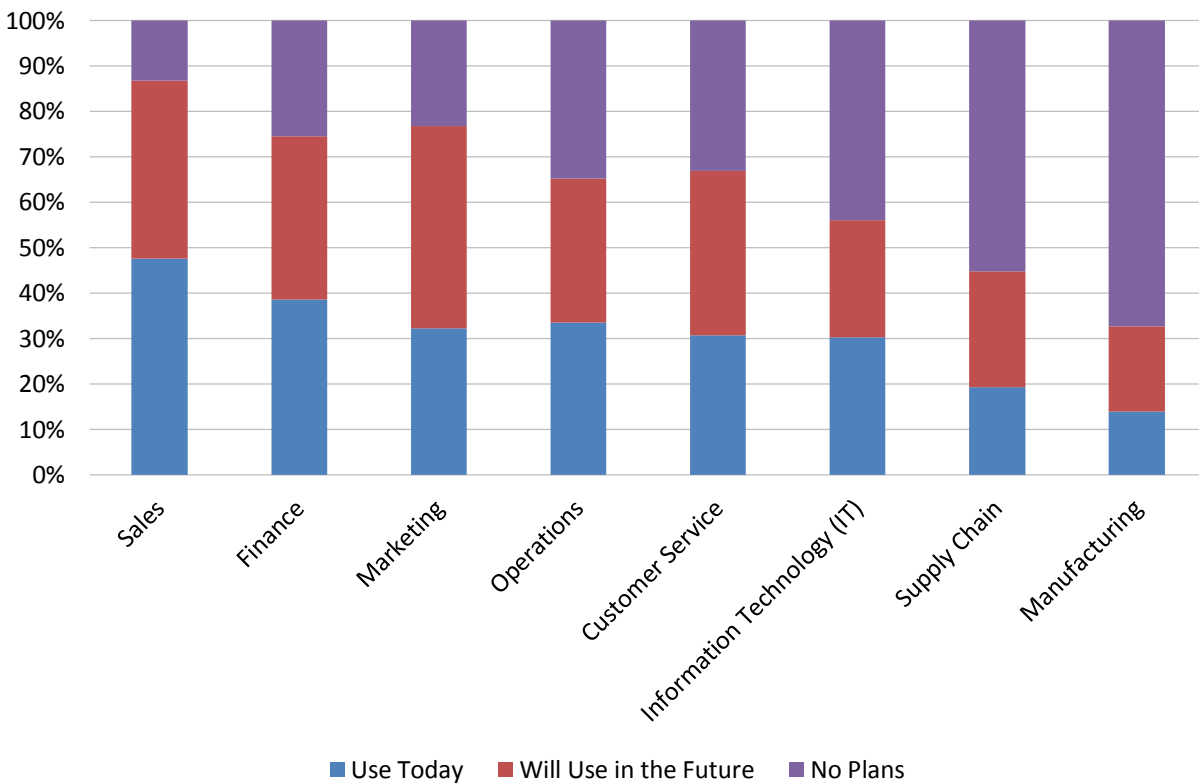
Figure 17 – Functional adoption of sales performance management software

Functional Adoption of Sales Performance Management Software 2018-2021

Viewed across four years of data, we see functional adoption ("currently use" plus "will use in the future") of sales performance management software on a long-term upswing (fig. 18). Early study in 2018 initially saw high interest in Sales and in Finance, a phenomenon that resumed and spread over time to multiple roles with interest in SPM. Interestingly, while current-year leadership is already documented in the previous chart (fig. 17), year-over-year adoption grew most among respondents in IT. Two-year adoption increases are also in Operations, Customer Service and, to a lesser degree, Supply Chain.

Functional Adoption of Sales Performance Management Software 2018-2021
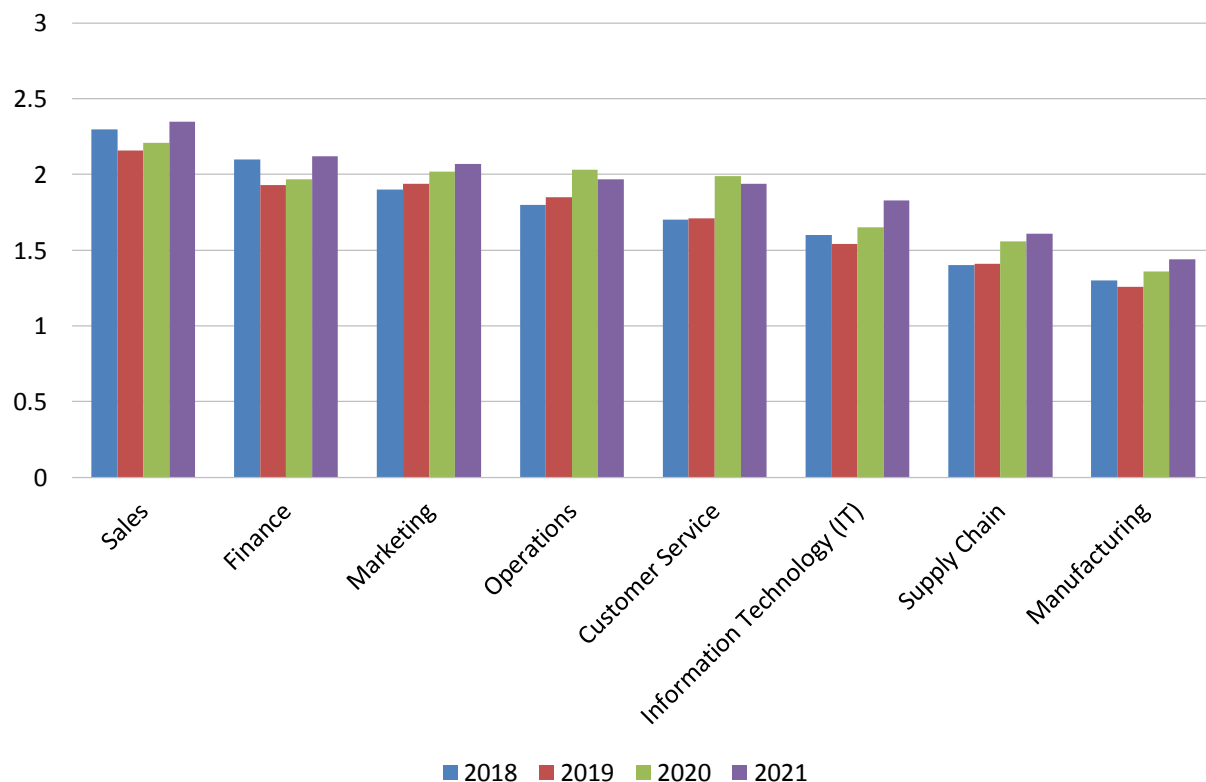
Figure 18 – Functional adoption of sales performance management software 2018-2021

Functional Adoption of Sales Performance Management Software by Organization Size

Organization size correlates positively to functional adoption of sales performance management software in 2021. Fig. 19 compares "currently use" plus "will use in the future" by role across small, mid-sized, large, and very large organizations. With just one exception, SPM adoption is lowest in small organizations (1-100 employees), and highest at very large (> 10,000 employees) organizations, often by wide margins. The lone outlier is in Operations, where mid-sized organizations (101-1,000 employees) lead all others in 2021 adoption as described. Findings are mixed across roles in mid-sized organizations and large organizations (1,001-10,000 employees). Large organizations show relative adoption strength in overall leaders Sales and Finance, while mid-sized organizations show more selective interest in areas including Operations and Customer Service.

Functional Adoption of Sales Performance Management Software by Organization Size
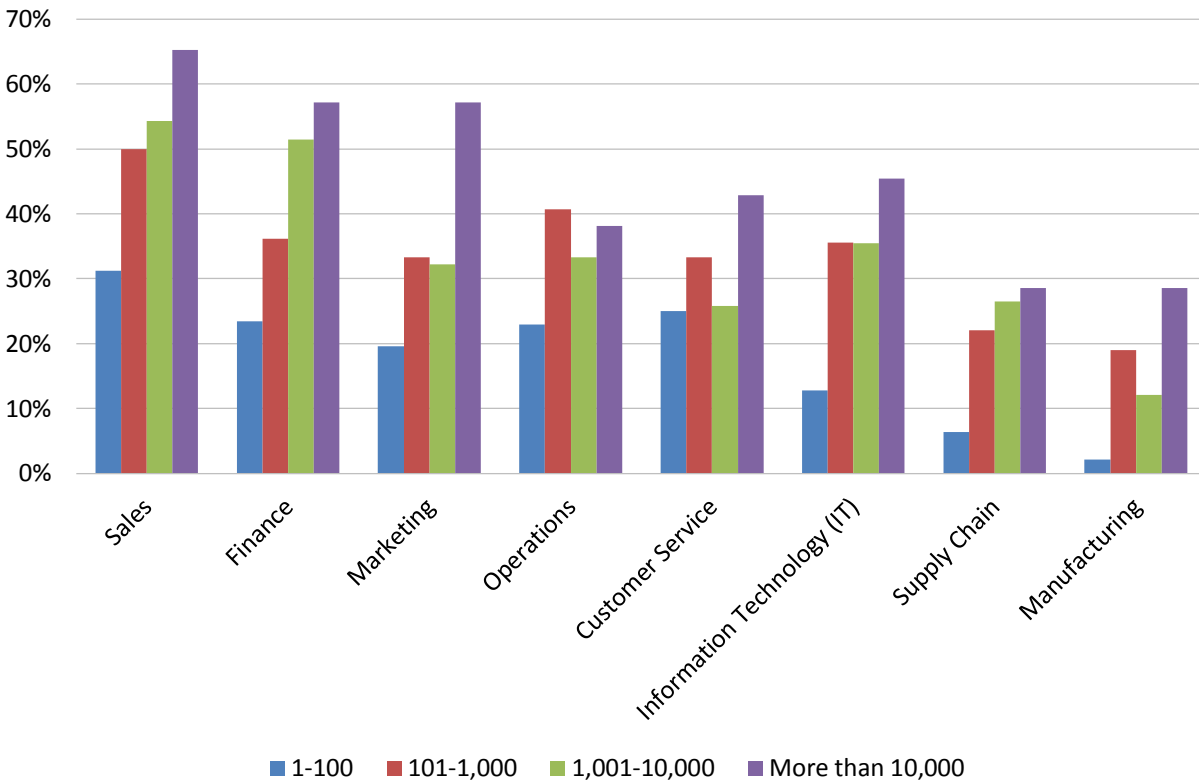
Figure 19 – Functional adoption of sales performance management software by organization size

Functional Adoption of Sales Performance Management Software by Geography

The adoption of sales performance management software in 2021 varies noticeably by geography (fig. 20). Quite obviously, respondents in Latin America report disproportionately high positive sentiment toward SPM in Sales, Marketing, Operations, and Customer Service, areas we would agree could be hotbeds of activity. Excluding Latin America, we find responses are somewhat more comparable by region, though they still show disparity. Among notable findings, Asia-Pacific respondents in Finance have lower regard for SPM than seen in other regions; Operations, IT, and Supply Chain also score low in the region. North America and EMEA respondents report similar scores across many functions, though EMEA sentiment dips below average in areas of Customer Service and IT.

Functional Adoption of Sales Performance Management Software by Geography
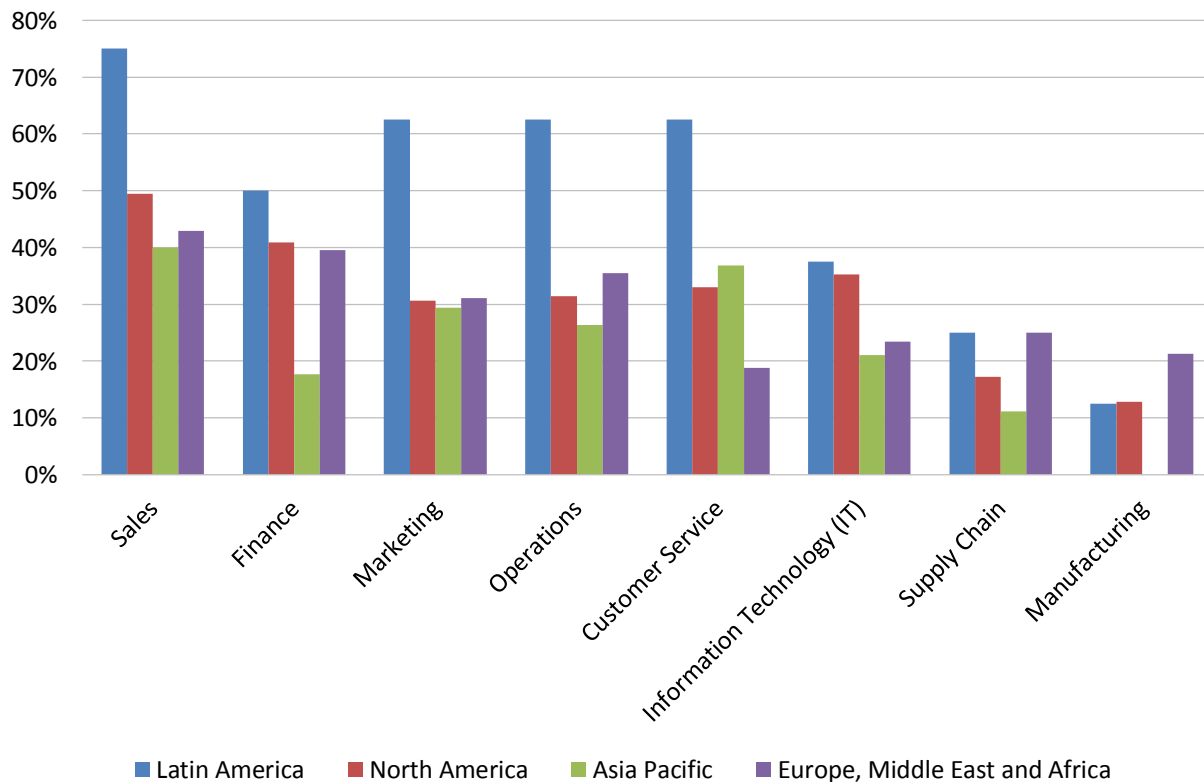
Figure 20 – Functional adoption of sales performance management software by geography

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Functional Adoption of Sales Performance Management Software by Industry

The adoption of sales performance management software also varies noticeably by industry in 2021 (fig. 21). Among several interesting findings, Healthcare respondents show outsized adoption of SPM in Finance. Healthcare also leads industries in IT adoption. Manufacturing respondents show leading or above-average use of SPM across several functions including Sales, Finance, Operations, Supply Chain and, predictably, Manufacturing. Respondents in Consumer Services report the highest use of any industry in Sales, but it is well below average use by other functions. The findings are another indicator of selective uptake of SPM across business models and use cases.

Functional Adoption of Sales Performance Management Software by Industry
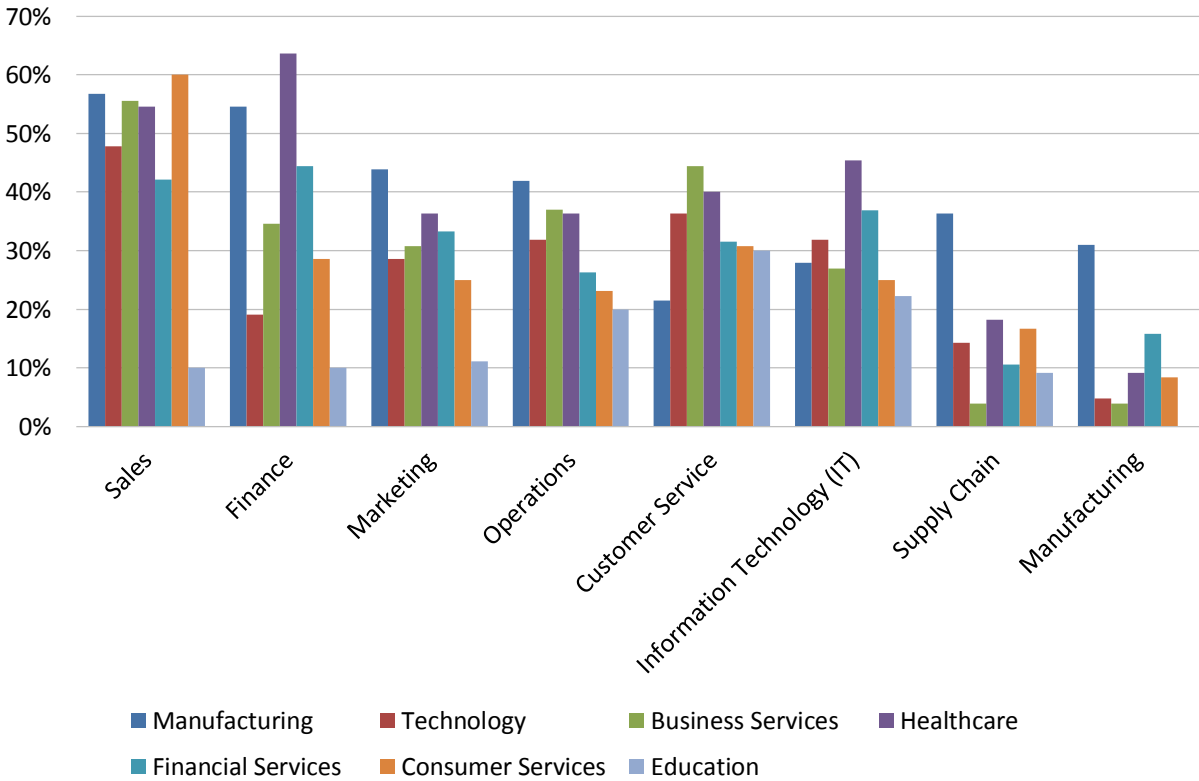
Figure 21 – Functional adoption of sales performance management software by industry

Sales Planning Features

Sales Planning Feature Priorities

We asked respondents to describe their interest in 18 sales planning feature priorities in sales performance management software (fig. 22). Across this broad portfolio, we found sentiment is strongly positive toward many features. For example, half or far more respondents consider all but one of the 18 feature priorities at minimum "important." In 2021, the top sales planning feature priorities are "sales forecasting and pipeline management," "rolling sales forecasts," and "year-end projections and forecasting." These three feature priorities are either "critical" or "very important" to between 62-67 percent of all respondents and at least "important" to almost 90 percent. Slightly less important are "account segmentation" and "library of KPIs." The least important planning features include traditional practices including multi-currency support" and "territory optimization."

Sales Planning Feature Priorities
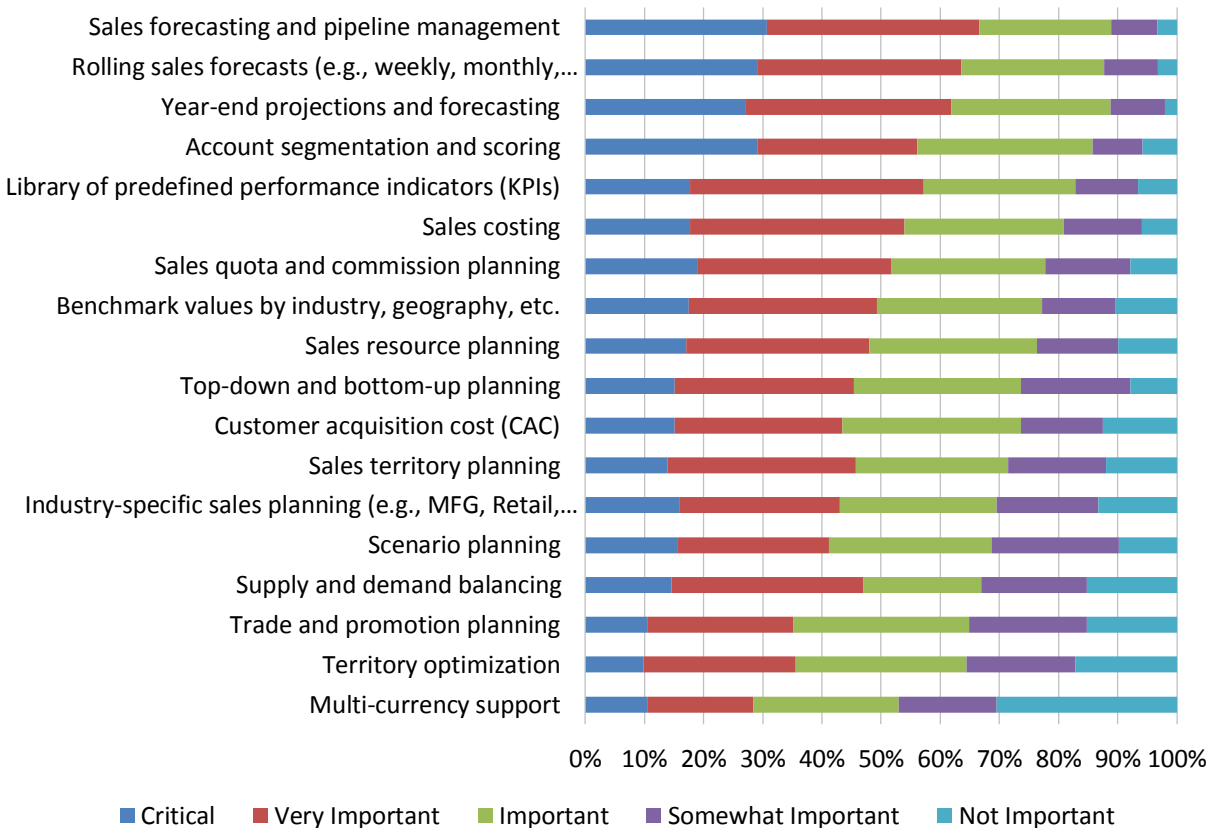
Figure 22 – Sales planning feature priorities

Sales Planning Feature Priorities 2018-2021

Across four years of data, we see only minor rotation of interest in sales planning feature priority rankings in SPM software, though many features show strong year-over-year gains (fig. 23). Interest in the top features is consistent, though "year-end projections and forecasting" in 2021 edged past "rolling sales forecasts" into second place. Interest in both "sales forecasting and pipeline management" and "year-end projections" remains above 3.5 (midway between "important" and "very important"), throughout the history of our survey. Lower-ranked and often subordinate features that show strong sentiment improvement in 2021 include "library of predefined performance indicators," "sales resource planning," "sales quota and commission planning," and several more. This almost universal downstream strength likely reflects greater awareness and demand for nuanced features in SPM.

Sales Planning Feature Priorities 2018-2021
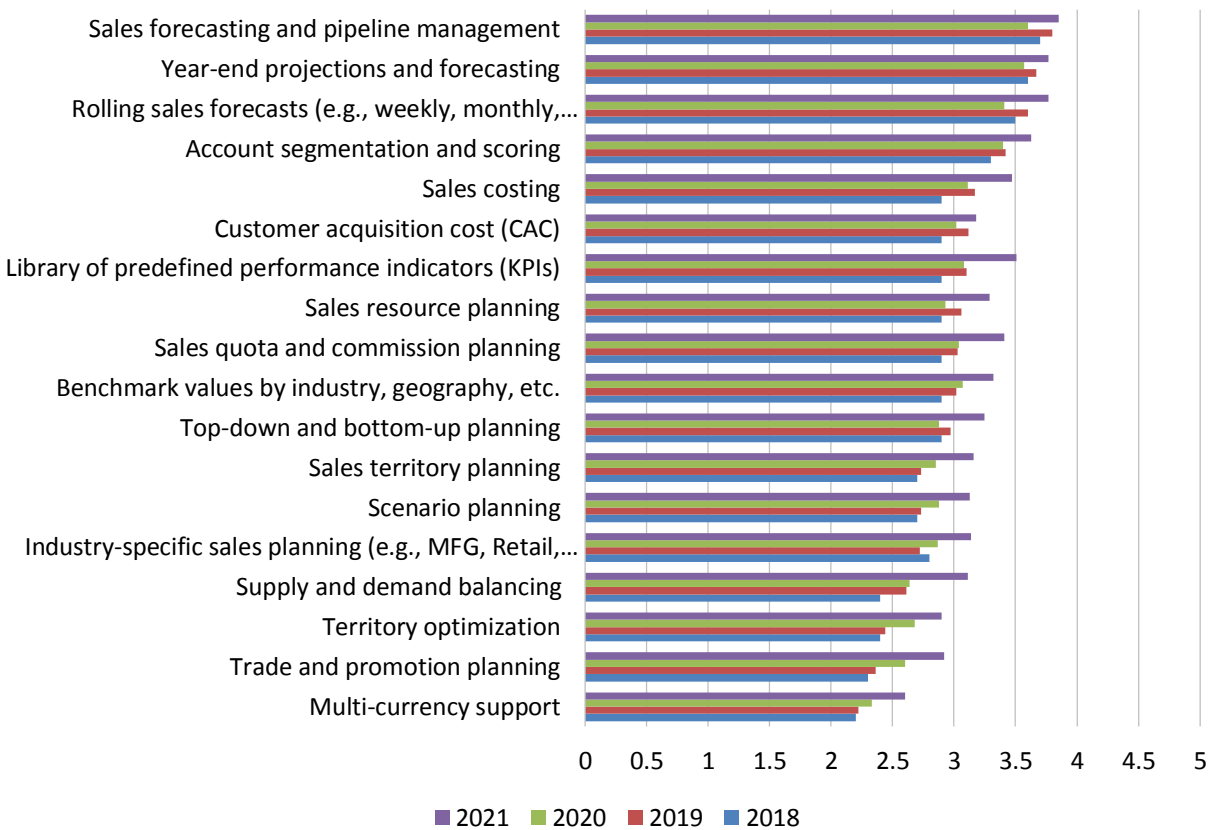
Figure 23 – Sales planning feature priorities 2018-2021

Sales Planning Feature Set Priorities by Organization Size

Sales planning feature priorities in SPM software are strongly and positively correlated to organization headcount (fig. 24). In 2021, every feature priority resonates most strongly with very large organizations (>10,000 employees), sometimes by a wide margin. In many or most cases, feature importance decreases in linear fashion to smaller and smaller organizations. Features where importance is most clustered (and more likely to be considered "must-haves" in all user organizations) include "rolling sales forecasts" and "sales costing." Of the top 10 feature priorities, respondents consider all at least "important" to all organizations of any size.
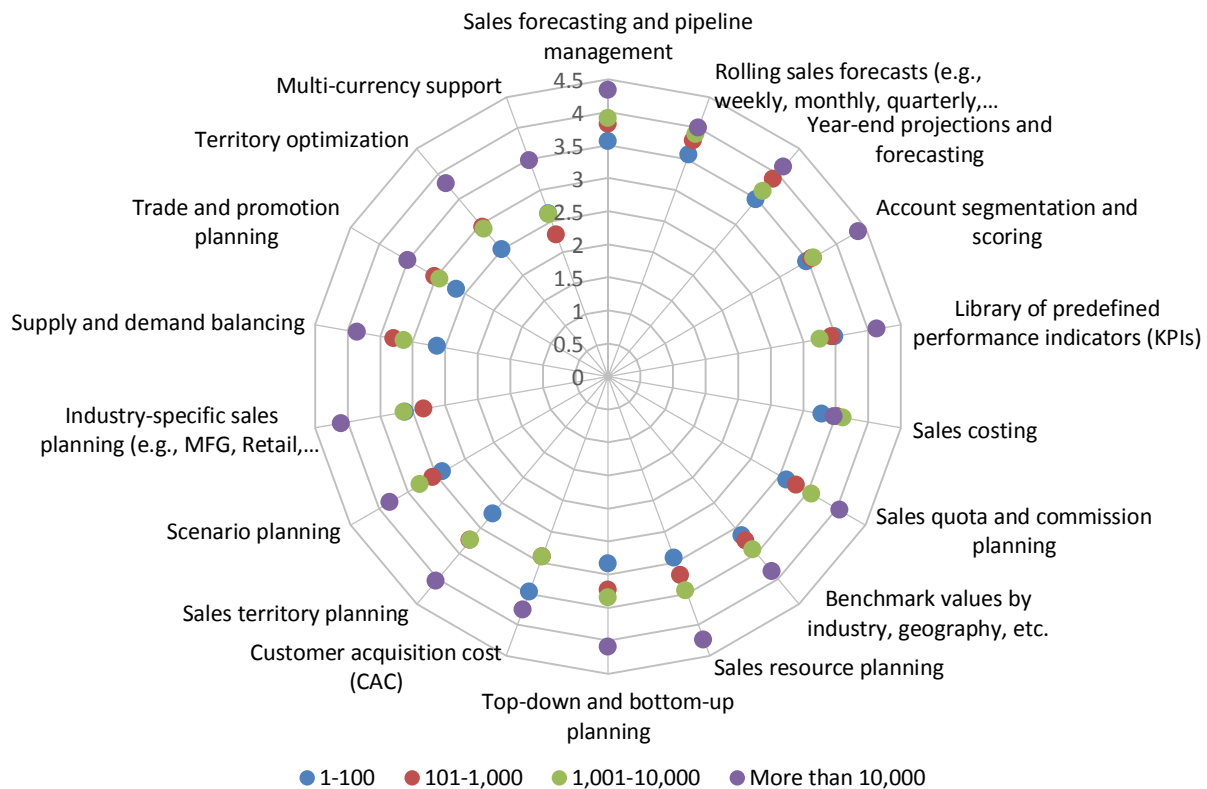
Figure 24 – Sales planning feature priorities by organization size

Sales Planning Feature Set Priorities by Geography

Sales planning feature priorities in sales planning features in SPM software also vary when viewed by geographic region (fig. 25). In our 2021 study, respondents in Latin America lead in 10 of 18 feature choices. Exceptions to this finding include North American respondents, who lead interest in features including "sales quota and commission planning" and "benchmark values by industry." Asia-Pacific respondents give top importance scores to features including ""rolling sales forecasts," "customer acquisition cost," "trade and promotion planning," and "territory optimization." EMEA respondents lead interest in no specific features and reserve their highest scores for the top overall features.

Sales Planning Feature Priorities by Geography
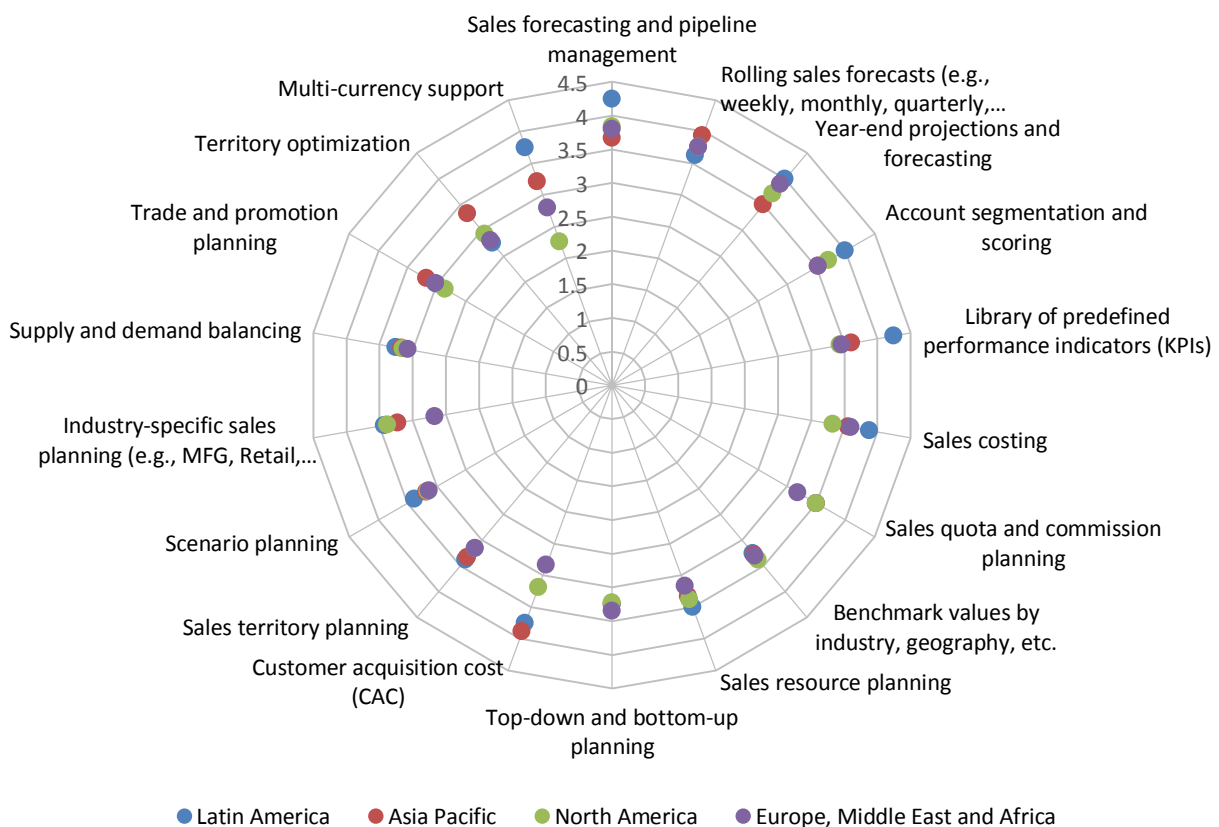
Figure 25 – Sales planning feature priorities by geography

Sales Planning Feature Set Priorities by Function

In our 2021 sample, sales planning feature interest in SPM software varies across specific audiences of respondents in sales, marketing, and executive management (fig. 26). As we would expect, sales plays strongly into this mix but is often not the leading feature proponent. For example, "rolling sales forecasts," "year-end projections," and "library of predefined performance indicators" are among many features most highly prioritized by operations respondents. IT respondents also post above-average interest in several priorities, as do BICC respondents. Executive management respondents are most likely to post the lowest or below-average scores for nearly all feature priorities.

Sales Planning Feature Priorities by Function

Figure 26 – Sales planning feature priorities by function

Sales Planning Feature Set Priorities by Industry

In our 2021 sample, sales planning feature interest in SPM software varies fairly widely across industries (fig. 27). Top-three feature priority interest falls most strongly to respondents in Consumer Services and Manufacturing. "Account segmentation," "library of predefined performance indicators," and "sales resource planning" are among multiple features that get the highest scores from respondents in Business Services. Healthcare respondents most often name "sales quota and commission planning" and "industry-specific sales planning." Financial Services respondents give near-top overall scores to "customer acquisition cost" but below average scores for nearly all other features.

Sales Planning Feature Priorities by Industry
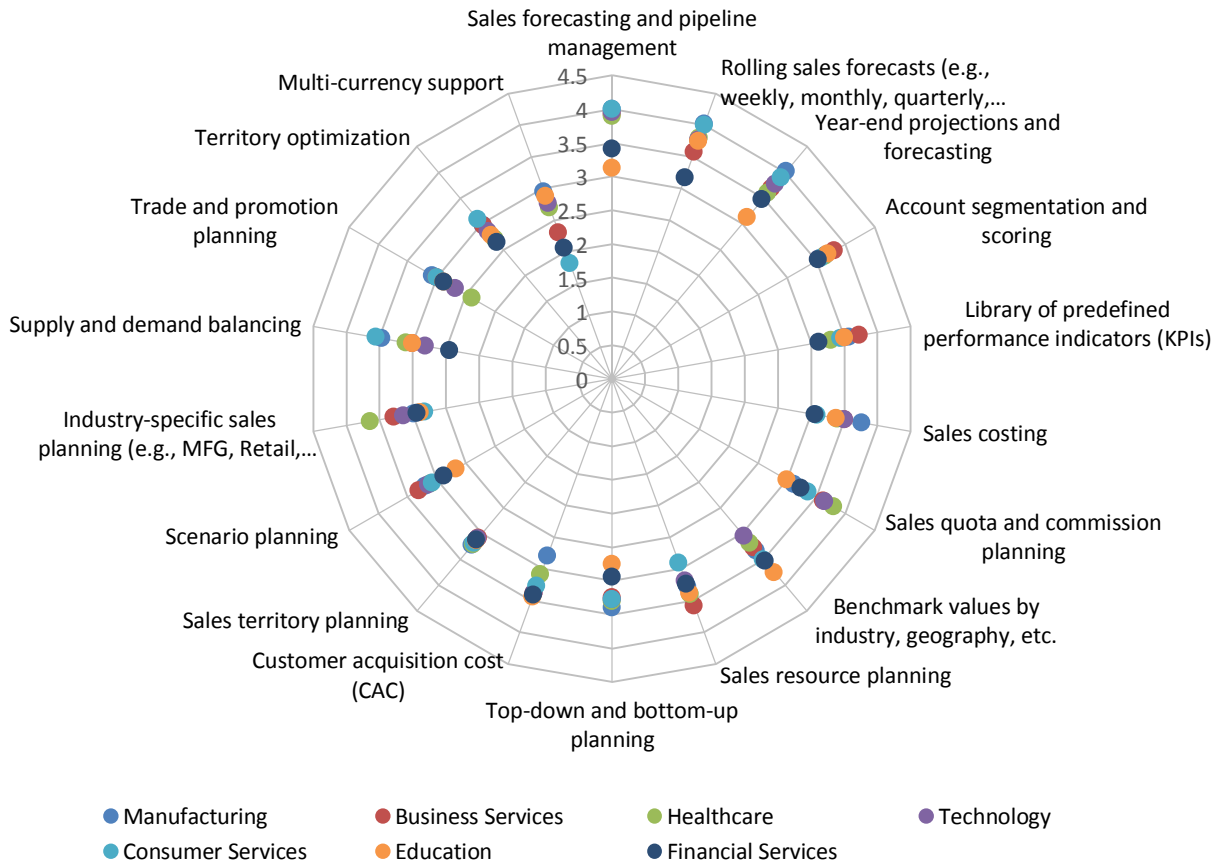
Figure 27 – Sales planning feature prioritization by industry

Sales Execution Features

We asked respondents to describe their interest in nine sales execution feature priorities in SPM software (fig. 28). While pockets of interest vary, we might best describe overall sentiment as "strong" across a collection of features. This year, the three most important sales execution features are "sales performance benchmarking," "sales objective management," and "incentive & compensation management," which are either "critical" or "very important" to half or more of all respondents. All features down to the lowest-ranked "gamification" requirement are, at minimum, "important" to about 55 percent or far more respondents. Naturally, we would expect sentiment to vary widely across individual organizations due to differences in industry, product breadth, organization size, culture, and other factors.

Sales Execution Feature Priorities
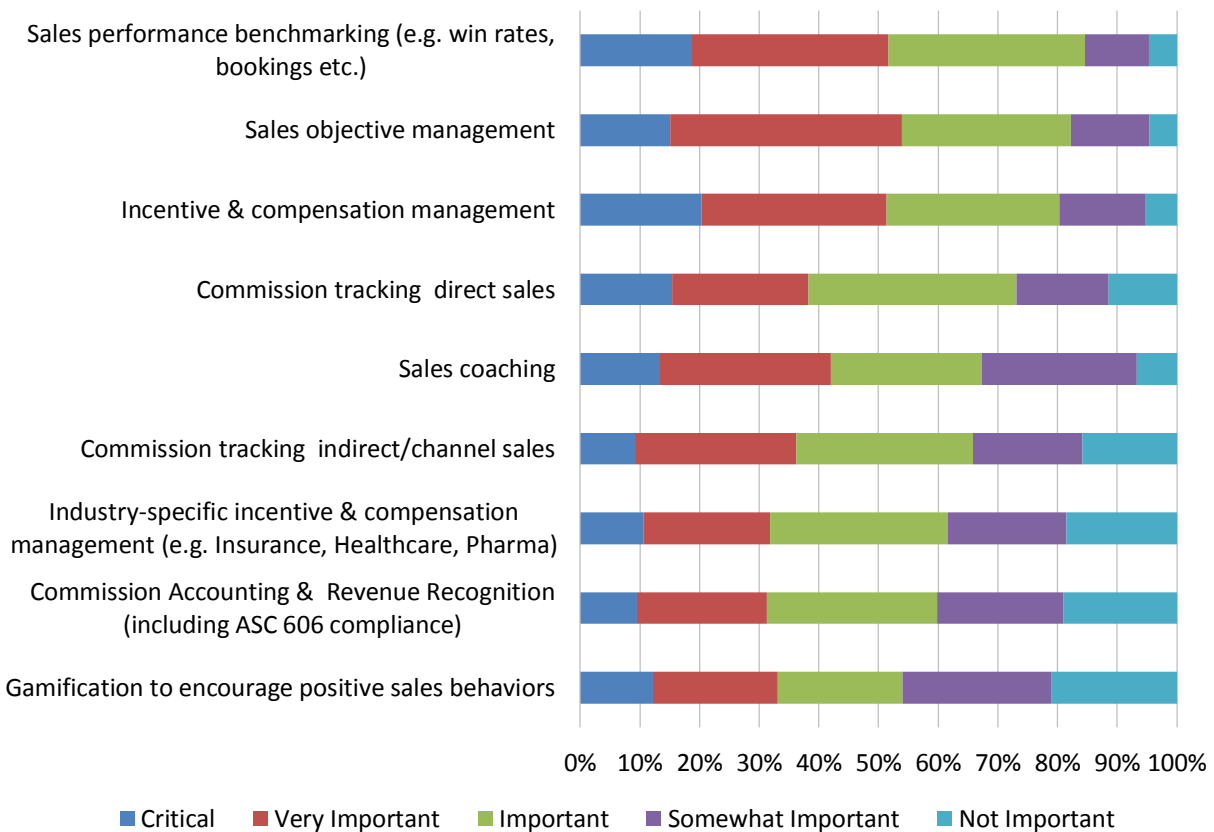
Figure 28 – Sales execution feature priorities

Sales Execution by Organization Size

As seen in some other findings, sales execution feature priority sentiment is by far strongest in very large organizations (> 10,000 employees) (fig. 29). Indeed, very large organizations give top scores to all sales execution features, including "very important" 4.0 or higher scores (5.0 scale) for three top features: "sales performance benchmarking," "incentive & compensation management," and "sales objective management." Feature interest thereafter skews more unevenly, with rankings spread across large (1,001-10,000 employees), mid-sized (101-1,000 employees) and small organizations (1-100 employees). The top four features are, at minimum, "important" to all organizations of any size.

Sales Execution Feature Priorities by Organization Size
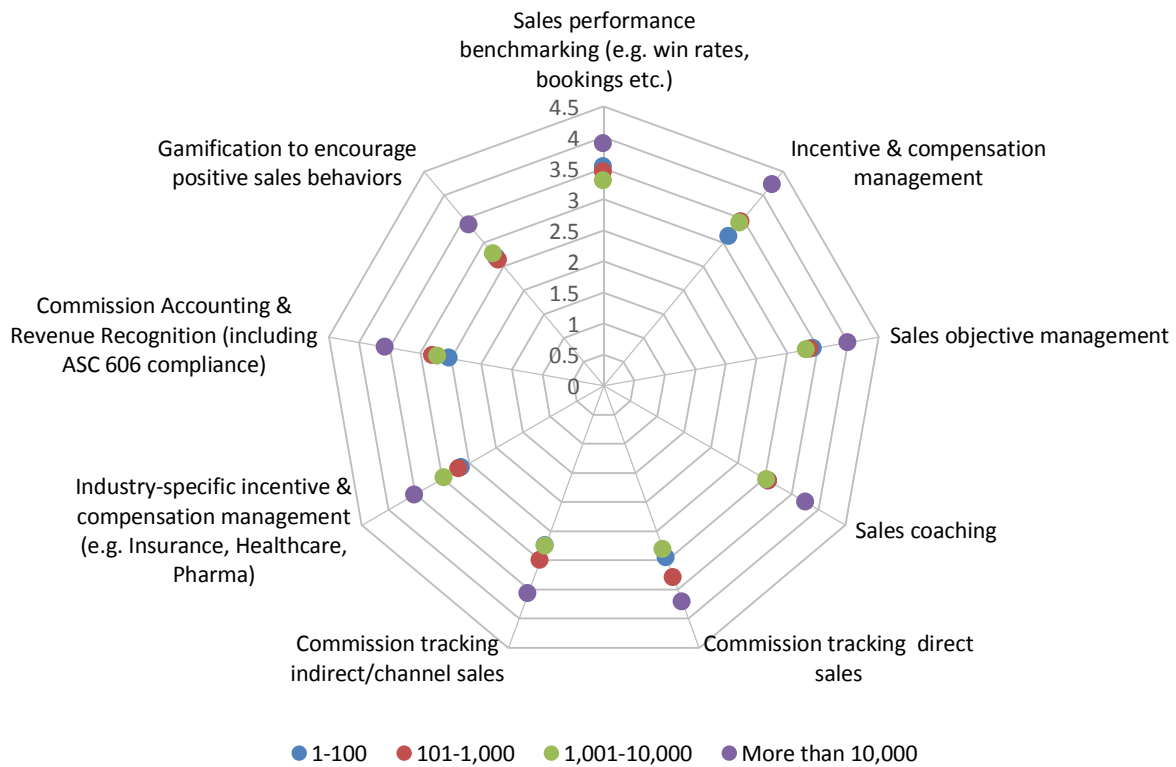
Figure 29 – Sales execution feature priorities by organization size

Sales Execution by Geography

In our 2021 sample, sentiment toward sales execution feature priorities in SPM software varies by geography (fig. 30). Regional interest is most often highest in Latin America, followed by North America or Asia Pacific. This feature interest excitement corresponds to current use of SPM software, which is likewise highest in Latin America (fig. 14, p. 32). Where top feature priority interest nears or reaches "very important," (weighted mean = 4.0 or greater), North American and Asia-Pacific respondents more often deliver scores of "important" (3.0) or somewhat higher, while EMEA respondents post the most below average scores for feature priorities.

Sales Execution Feature Priorities by Geography
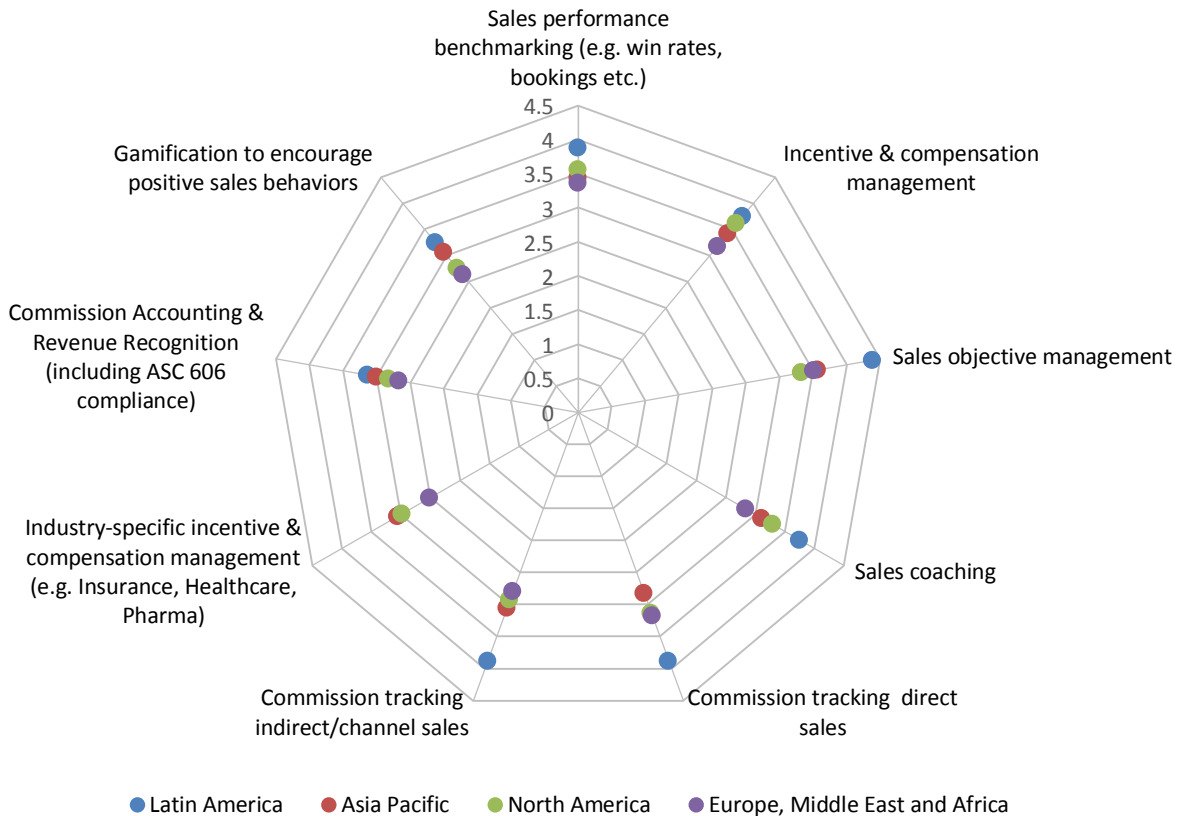
Figure 30 – Sales execution feature priorities by geography

Sales Execution by Industry

Rankings for sales execution feature priorities in sales performance management software vary only somewhat by industry in our 2021 study (fig. 31). This year, Healthcare respondents lead interest in seven of nine feature priorities, and this industry far leads others in features including "industry-specific incentive & compensation management," "incentive & compensation management," and "commission tracking direct sales." Business Services respondents report the second highest interest in four top features: "sales performance benchmarking," "incentive & compensation management," "sales objective management," and "commission tracking." Other industries selectively prioritize features. Manufacturing and Education respondents tend to post the lowest scores for many but not all features.

Sales Execution Feature Priorities by Industry
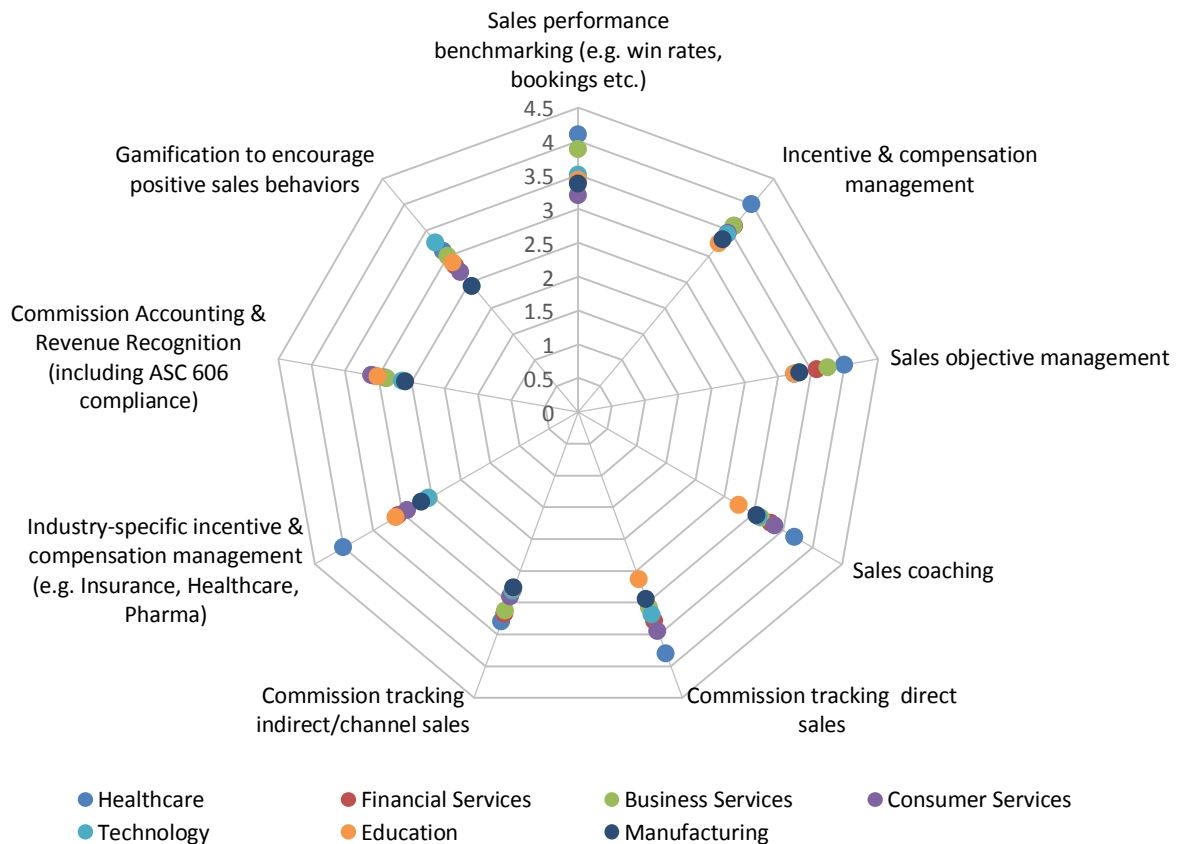
Figure 31 – Sales execution feature priorities by industry

Integration Feature Set Priorities in Sales Performance Management

We asked respondents to describe their interest in nine integration feature priorities in sales performance management software (fig. 32). This year (like last year), the top choice is also the most traditional and commonplace: "export data to Excel, PDF." This feature is "critical" or "very important" to 73 percent of respondents and, at minimum, "important" to 93 percent. In the next tier of interest, "integration with financial planning and budgeting" and "ability to integrate data from other leading CRM systems" are "critical" or "very important" to 76-83 percent of respondents. In contrast, at the low end of priorities, social collaboration is "critical" or "very important" to only about 30 percent of respondents, and Salesforce.com interface integration in only slightly more important. As always, these priorities will revolve around industries and use cases with varying "sweet spots" of attention within certain organizations.

Integration Feature Priorities
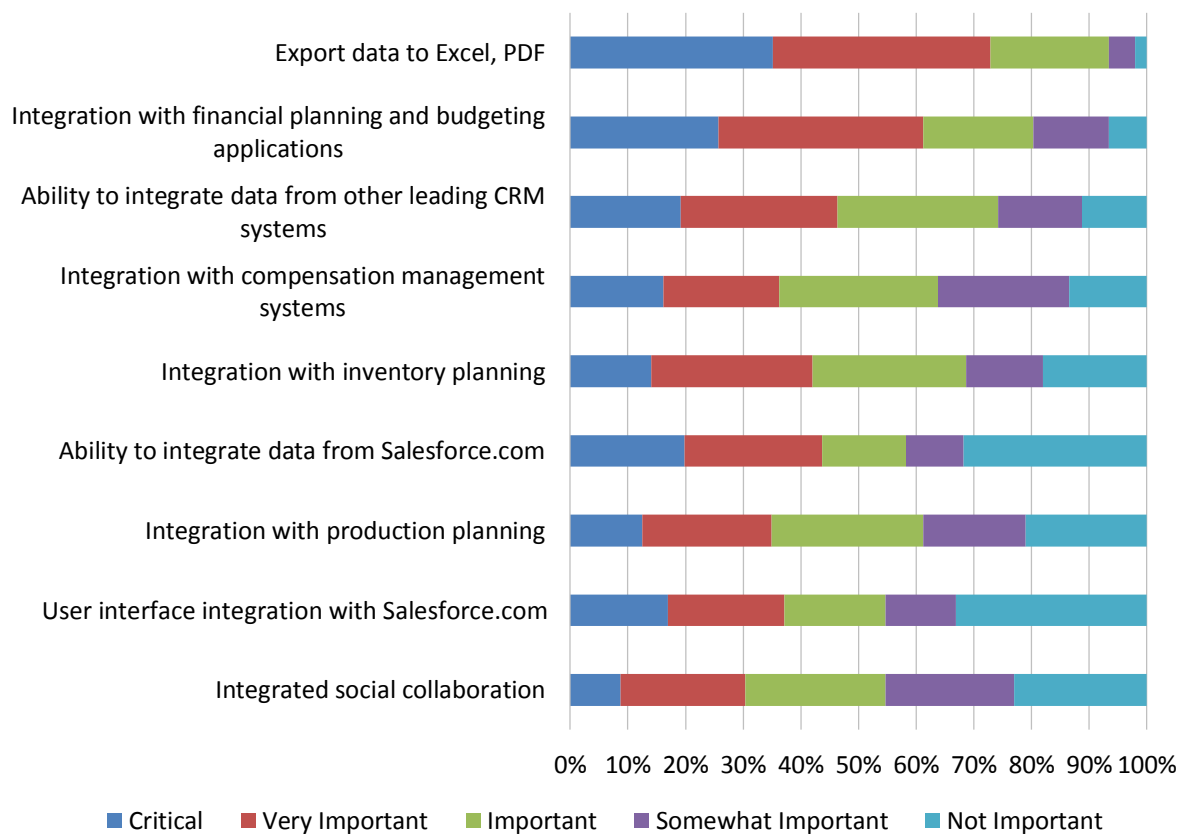
Figure 32 – Integration feature priorities

Integration Feature Priorities 2018-2021

Across four years of data, respondent interest in integration features for sales performance management software ebbs and flows but sees many large year-over-year gainers in our 2021 study (fig. 33). The top feature priority, "export data to Excel, PDF," rose about 6 percent compared to 2020 levels. Still bigger year-over-year gains are in lower-ranked feature priorities including "integration with inventory planning" (20 percent), "interface integration with Salesforce.com" (14 percent), "integration with financial planning" (12 percent), "integration with compensation management" (12 percent), and integration with production planning (11 percent). (Also see "Functional Adoption of SPM ," fig. 18, p. 36.)

Integration Feature Priorities 2018-2021
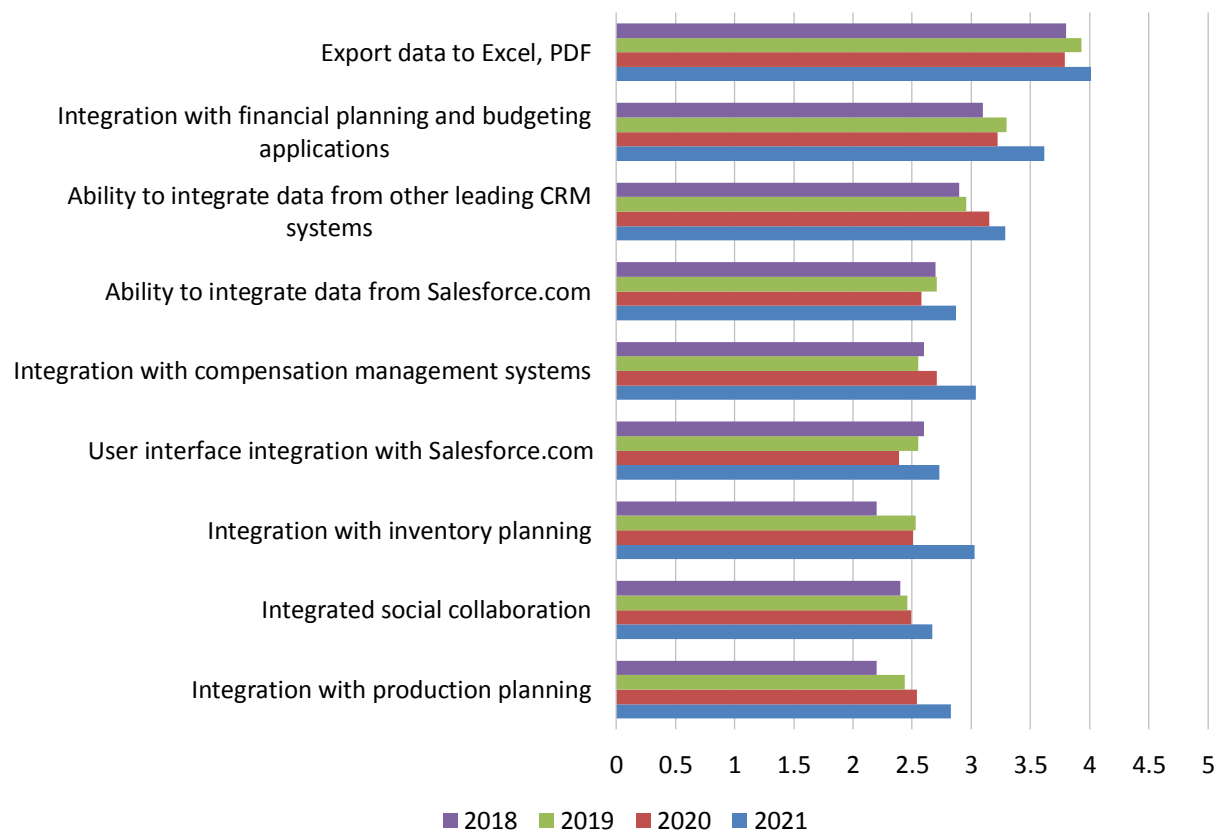
Figure 33 – Integration feature priorities 2018-2021

Integration Feature Priorities by Organization Size

Respondent interest in integration features for sales performance management software is mostly a phenomenon of the biggest enterprises by headcount (fig. 34). Every feature gets its highest score from either very large organizations (> 10,000 employees) or large organizations (1,001-10,000 employees). We entirely expect that larger organizations typically have more systems to integrate and more resources to implement such integration. There are several feature areas where large-organization interest particularly stands out compared to smaller peers, including "interface integration with Salesforce.com," "integration with compensation management systems," and "integration with financial planning systems." We also observe that, of all features, "export data to Excel, PDF" is the only feature that is tightly clustered and of universal interest regardless of global headcount.

Integration Feature Priorities by Organization Size
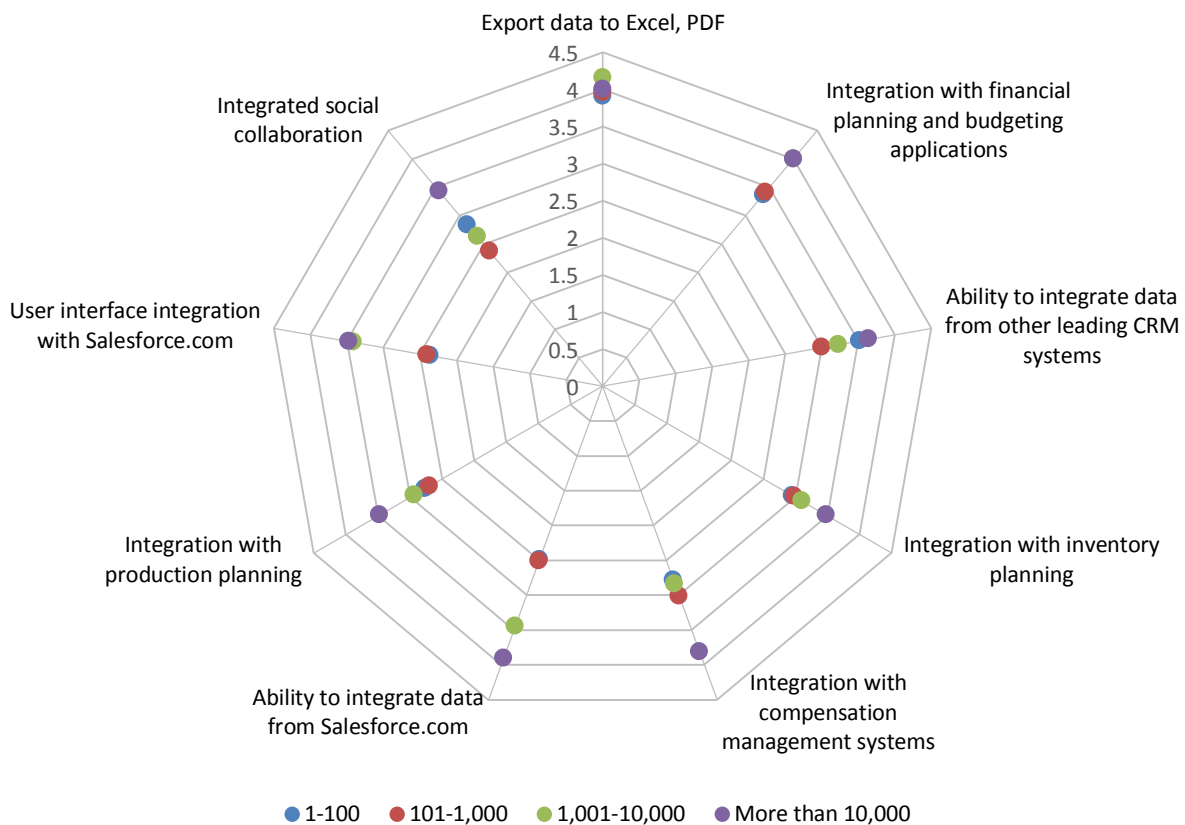
Figure 34 – Integration feature priorities by organization size

Integration Feature Priorities by Function

Respondent interest in integration features for sales performance management software varies by function, with some areas of consistently high attention (fig. 35). For example, respondents in operations give the highest scores to top integration features "export data to Excel, PDF" and "integration with financial planning," as well as "integration with compensation management" and "integrated social collaboration." Respondents in marketing and sales give the highest scores to ""ability to integrate data from other leading CRM systems," "ability to integrate with Salesforce.com," and "user interface integration with Salesforce.com." IT most prioritizes "integration with inventory planning." Despite these preferences, multiple functions report higher than "important" scores for most integration features.

Integration Feature Priorities by Function
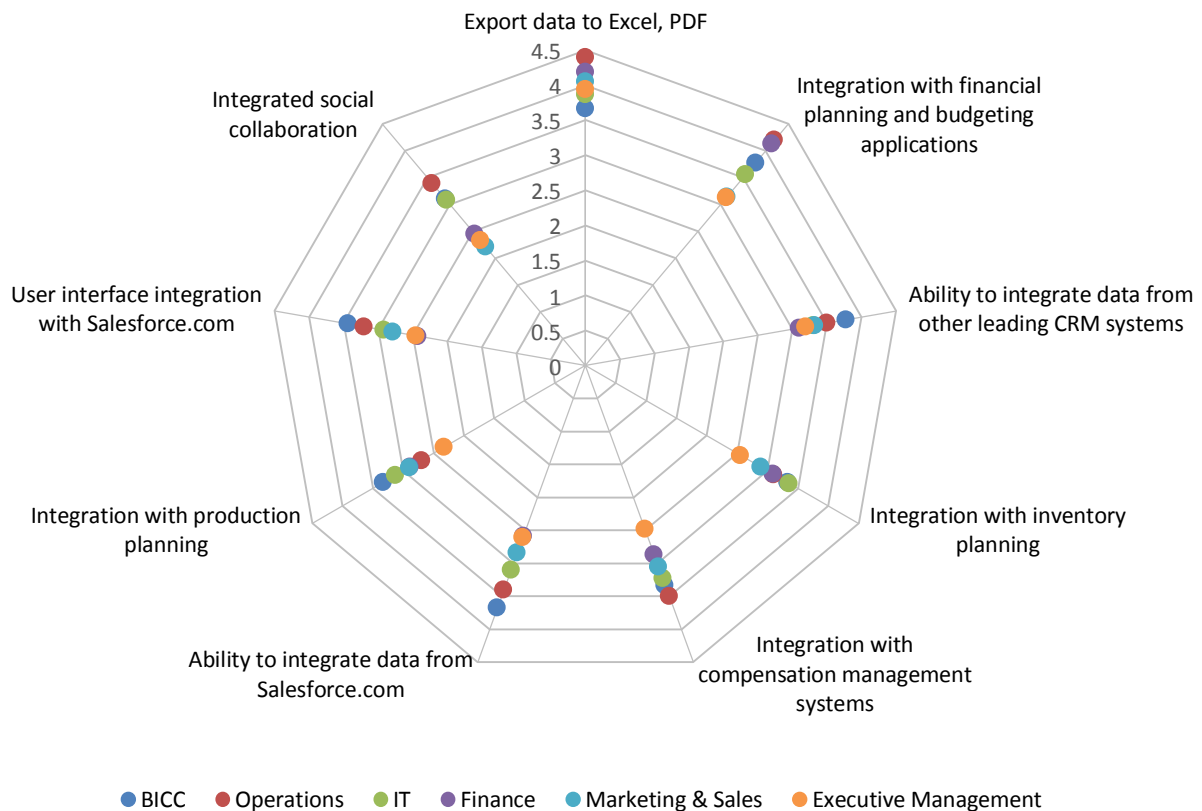
Figure 35 – Integration feature priorities by function

Technology Feature Priorities

Sales Performance Management Technology Features Overall

We asked respondents to describe their interest in 10 technology feature priorities in sales performance management software (fig. 36). In 2021, the two top choices are core components of traditional BI: "support for reporting/dashboards" and "Web user interface," which are either "critical" or "very important" to 73 percent and 62 percent of respondents respectively. The third and fourth choices, "automated alerts and notifications" and "mobile support," are slightly less important features that we would expect to be in demand by front-line workers that more often work away from an office. Excel-based entry and workflow are also useful feature priorities for sales teams. Some lower priorities in 2021 include AI / machine learning and offline support.

Technology Feature Priorities
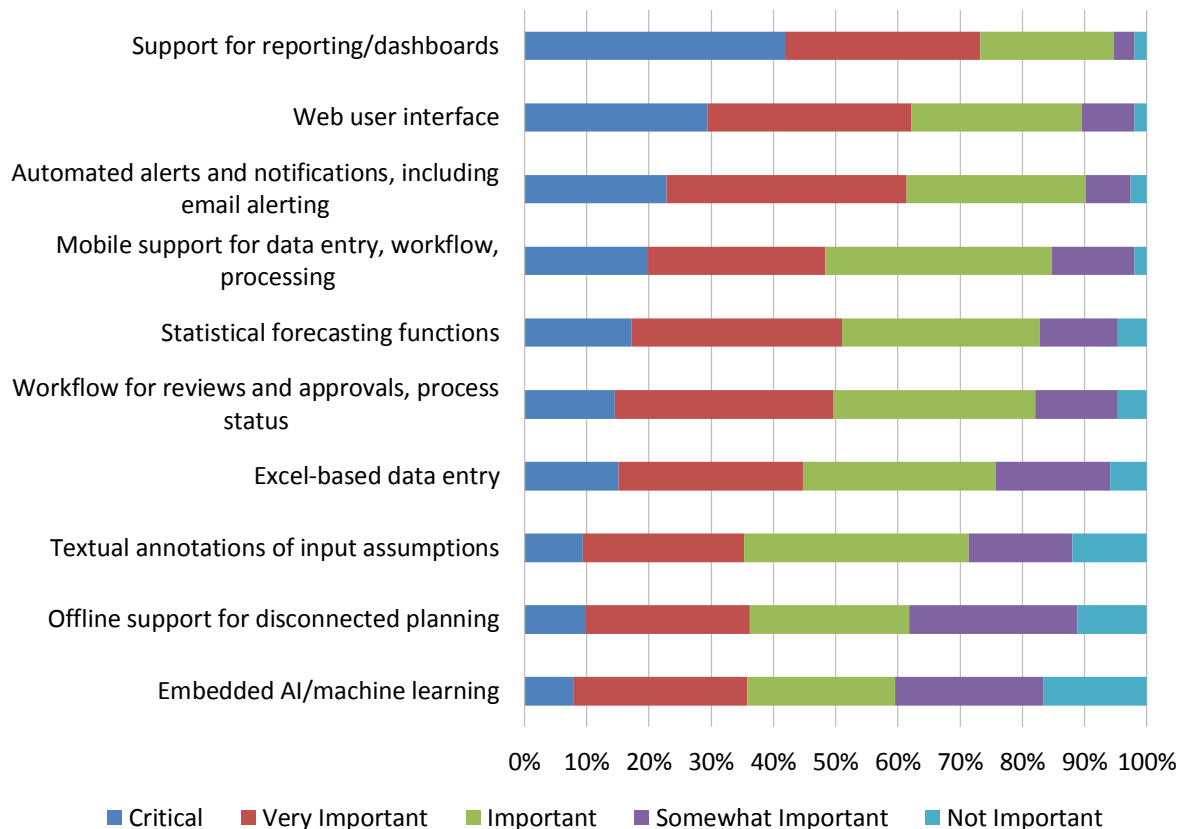
Figure 36 – Technology feature priorities

Technology Feature Priorities 2018-2021

Across four years of data, respondent interest in technology feature priorities in SPM software remains in a fairly narrow range of sentiment that nonetheless rose universally to all-time highs in our 2021 study (fig. 37). "Support for reporting/dashboards" is the only feature to score above 4.0 or "very important" in 2021. Sentiment toward this feature increased 5 percent year over year. The greatest sentiment improvement in 2021 is for "statistical forecasting functions," which rose by about 10 percent. "Workflow for reviews and approvals," and "automated alerts" also have notable improvements in sentiment compared to 2020.

Technology Feature Priorities 2018-2021
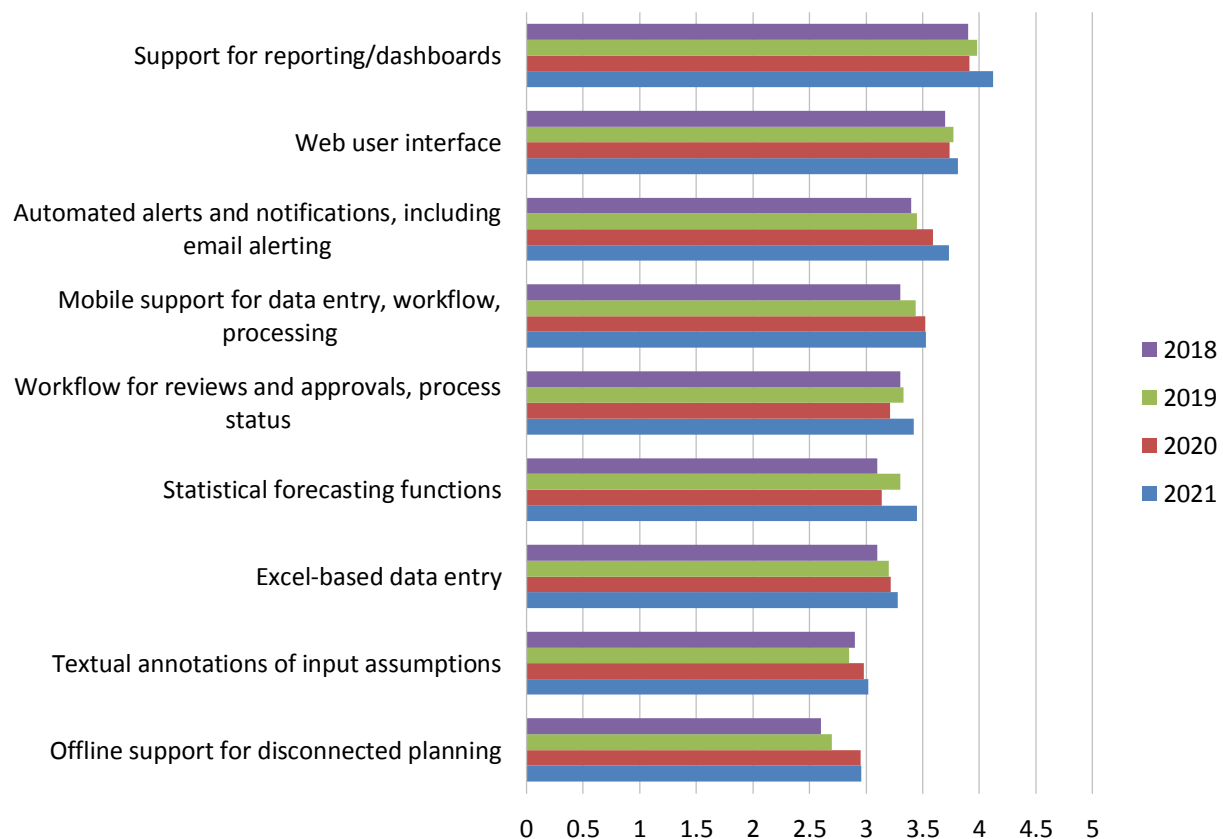
Figure 37 – Technology feature priorities 2018-2021

Technology Feature Priorities by Organization Size

Respondent interest in technology features in sales performance management software is uneven within organizations of different size (fig. 38). For example, very large organizations (> 10,000 employees) are most likely to highly rate "support for reporting/dashboards," "automated alerts," "mobile support," and other features. Mid-sized organizations (101-1,000 employees) most embrace "web user interface" and "Excel-based data entry." Small organizations (1-100 employees) are most likely to prioritize "embedded AI / machine learning." Large organizations (1,001-10,000 employees) give the highest scores to remaining technology feature priorities.

**Technology Feature Priorities
by Organization Size**
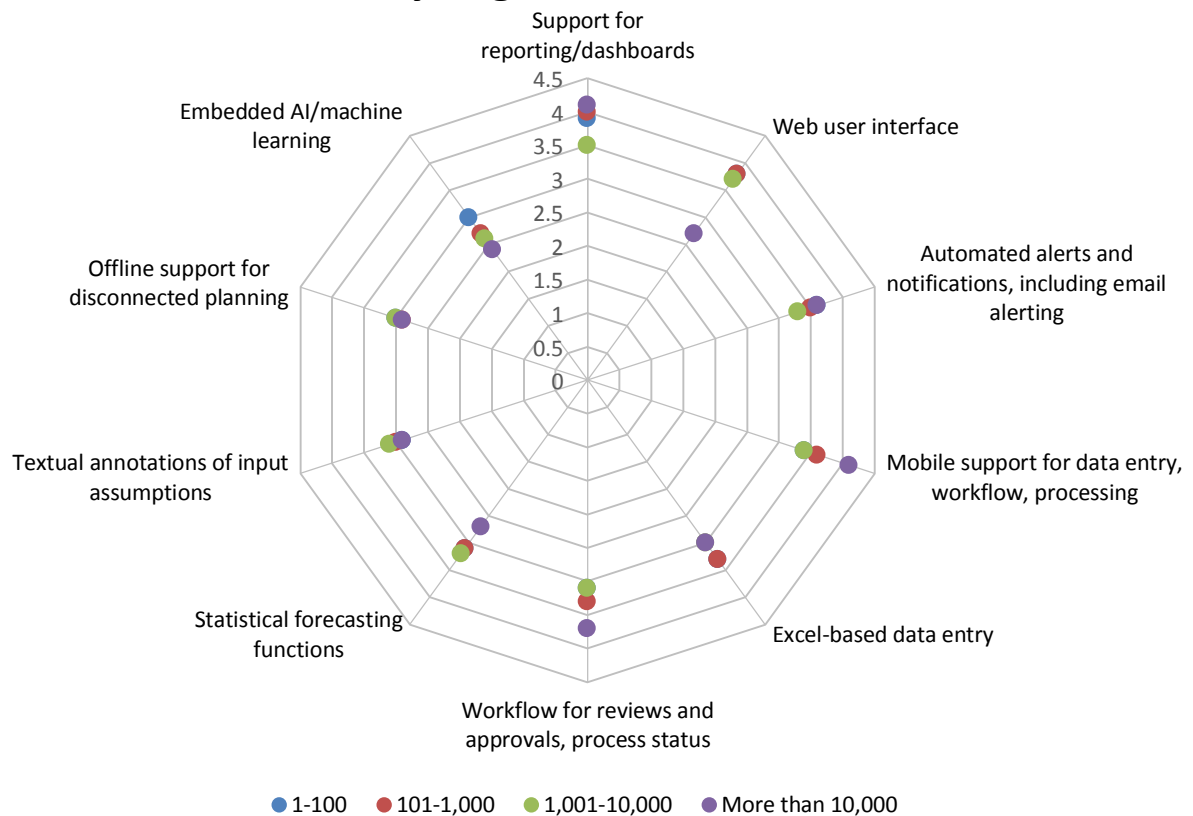
Figure 38 – Technology feature priorities by organization size

Technology Feature Priorities by Function

Respondent interest in technology features in sales performance management software varies by function, often led by respondents in operations (fig. 39). Features most often embraced by operations include "web user interface," "automated alerts," "statistical forecasting," "Excel-based entry," "offline support," and "embedded AI / machine learning." Executive management is most interested in "mobile support." Finance gives top scores to "workflow for reviews and approvals," while IT is most likely to require "textual annotations of input assumptions."

Technology Feature Priorities by Function
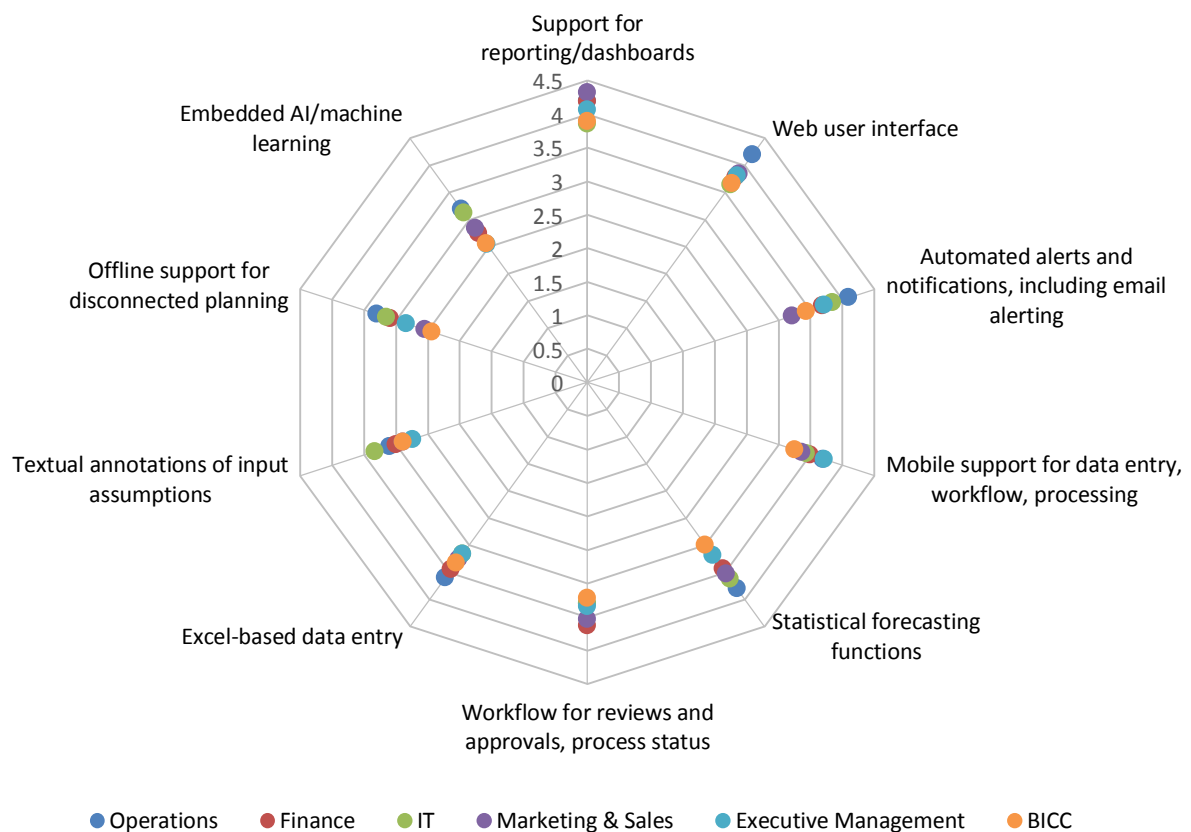
Figure 39 – Technology feature priorities by function

Sales Performance Management Delivery

We asked respondents to describe their preferred delivery and hosting model for sales performance management software (fig. 40). In our 2021 study, preferences are rather mixed between cloud, hosted, embedded, and on-premises options. "Hosted private cloud" gets the most combined "critical" and "very important" scores (43 percent), followed by "public cloud" (37 percent), "part of a broader CRM system" (31 percent), "on-premises" (30 percent), and "part of a broader EPM solution" (24 percent). Scores of, at minimum, "important" are highest for "part of a broader CRM solution," and more balanced across other options. Thus, where requirements, industry, compliance, and other factors play into SPM delivery, we find multiple viable choices for organizations are available and employed in different strategies.

Sales Performance Management Delivery
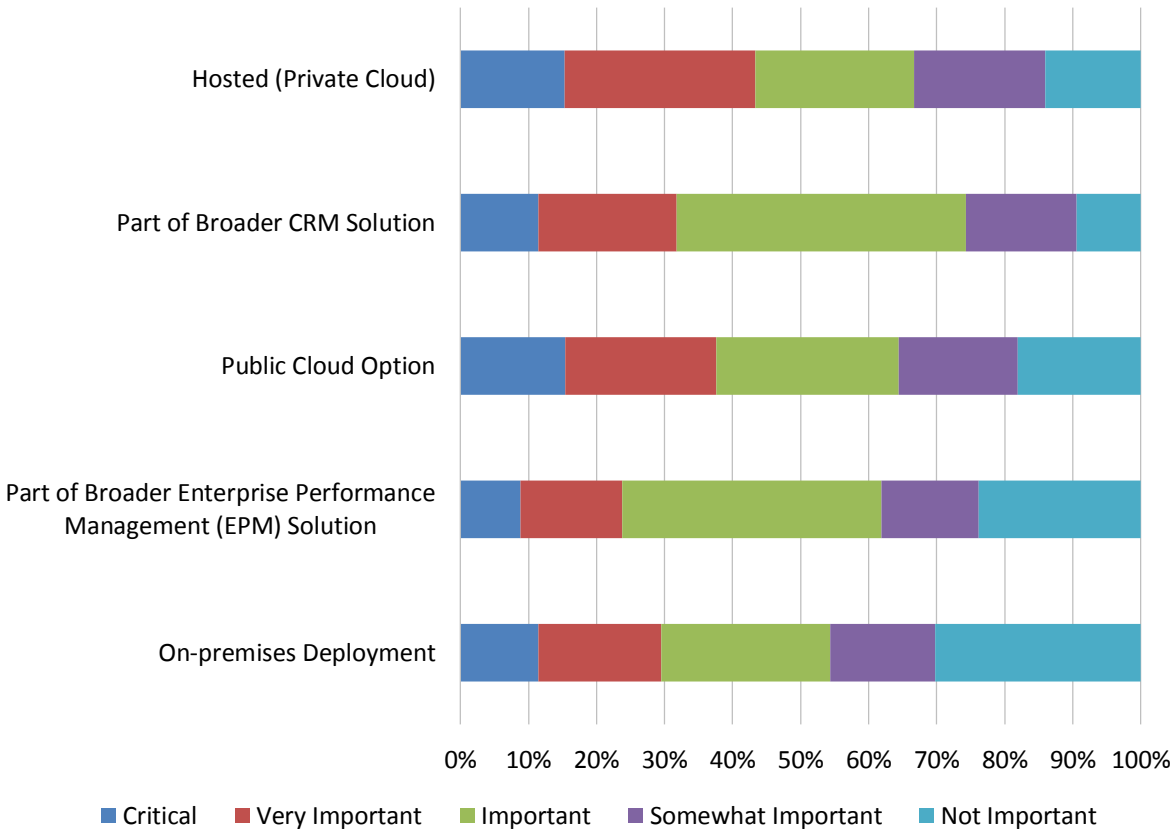
Figure 40 – Sales performance management delivery

Sales Performance Management Delivery 2018-2021

Viewed across four years of data, we see some shifting sentiment among sales performance management delivery options (fig. 41). One notable finding in our 2021 study is growing interest in SPM that is "part of a broader EPM solution, where sentiment grew by 18 percent compared to our 2020 study. Sentiment toward "part of a broader CRM solution" also grew by 9 percent in 2021. "On-premises deployment" also gained sentiment (10 percent). Also interesting is a slight decrease (5 percent) in "public cloud" SPM offerings compared to the previous year. "Hosted private cloud sentiment is close to flat year over year. Again, as strategy requires, multiple viable varieties of SPM delivery are available to organizations in 2021.

Sales Performance Management Delivery 2018-2021
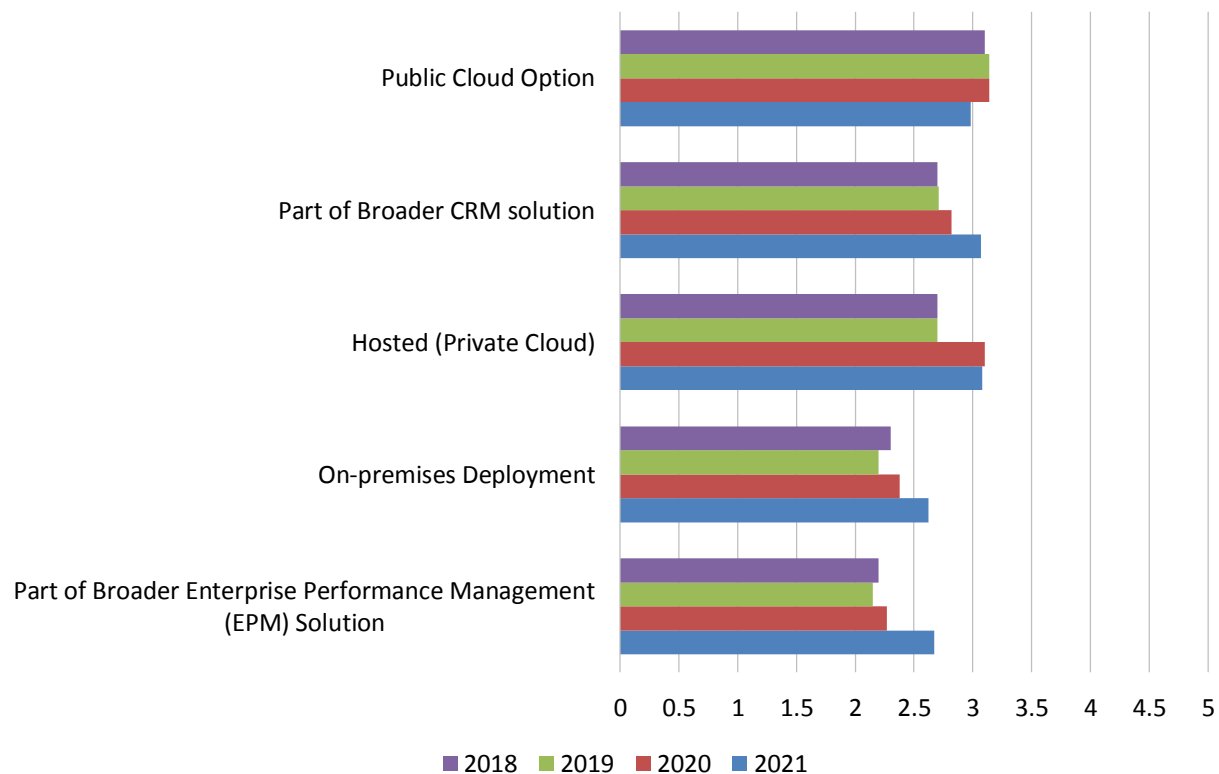
Figure 41 – Sales performance management delivery 2018-2021

Sales Performance Management Delivery by Organization Size

We examined respondents' preferred sales performance management delivery method according to organization size (fig. 42). In 2021, the results of this tab are somewhat predictable. Very large organizations (> 10,000 employees) most exclusively embrace SPM through "hosted private cloud," in models for "part of a broader CRM solution," and (perhaps more interesting) through "public cloud." In relative terms, small organizations (1-100 employees), are the next most likely to use public cloud. Large organizations (1,001-10,000 employees), give the highest preferences to delivery via "part of a broader EPM solution" and "on-premises deployment." Elsewhere, small and mid-sized organizations (101-1,000 employees) most often trail larger peers in SPM delivery models.

Sales Performance Management Delivery by Organization Size
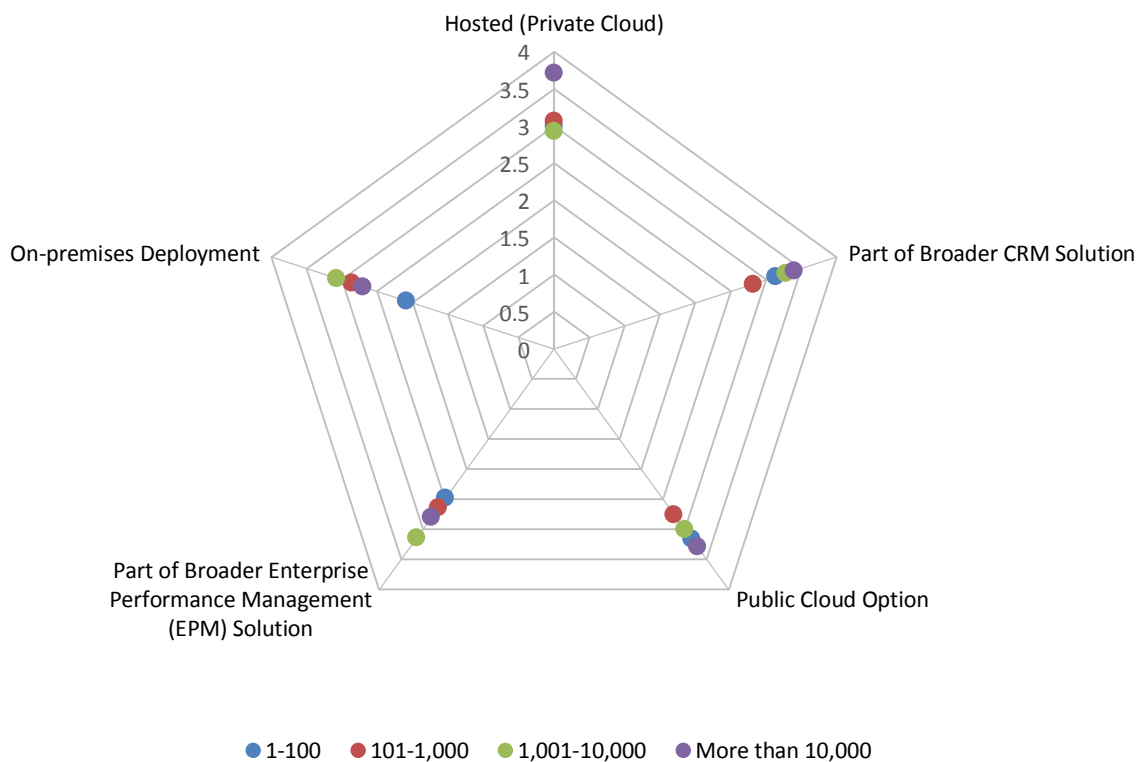
Figure 42 – Sales performance management delivery by organization size

Sales Performance Management Delivery by Function

We examined respondents' preferred sales performance management delivery method according to function and found varied (and often predictable) preferences (fig. 43). In 2021, operations most prefers "hosted private cloud." IT is most likely to choose "on-premises deployment" and "part of a broader EPM solution." Marketing and sales most prefers "part of a broader CRM solution." BICC respondents prioritize SPM as a "public cloud option." Executive management is least opinionated in preferences for SPM delivery.

Sales Performance Management Delivery by Function
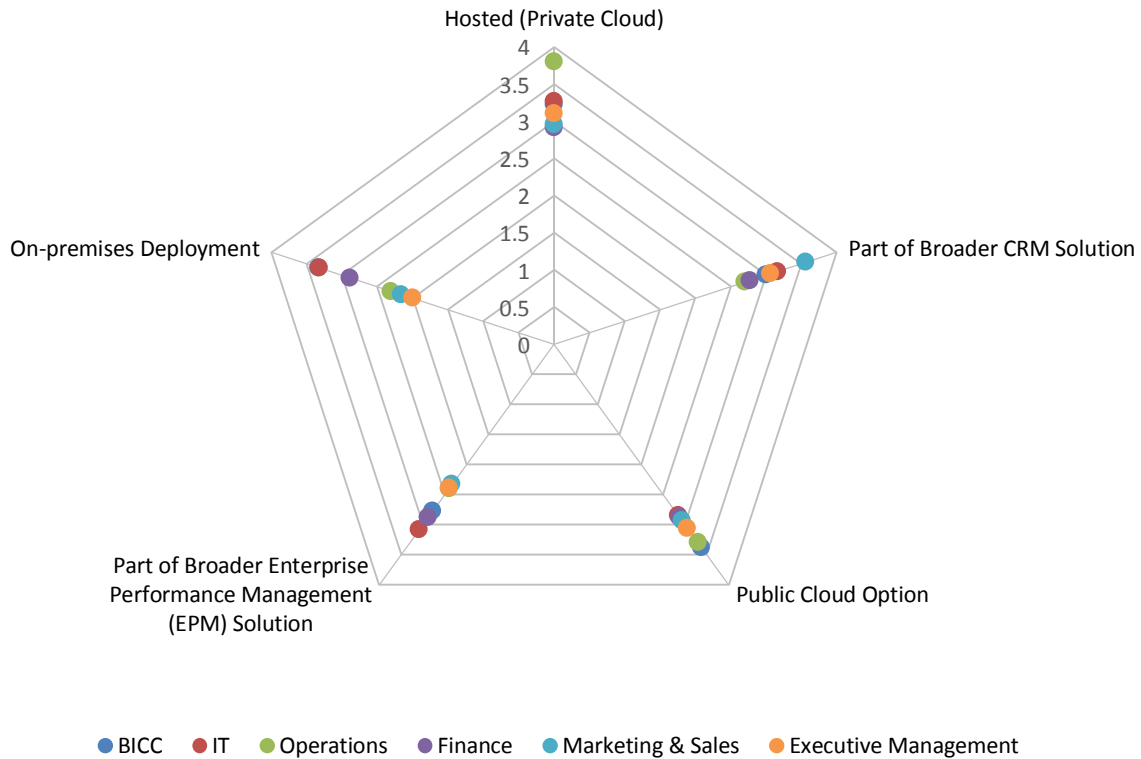
Figure 43 – Sales performance management delivery by function

Sales Performance Management Delivery by industry

We examined respondents' preferred sales performance management delivery method according to industry and find multiple points of compartmentalized interest (fig. 44). For example, in 2021, Manufacturing and Technology industry respondents give high marks to "hosted private cloud," but low or below-average scores to other delivery models. Healthcare responses are more balanced with top marks for "part of a broader CRM solution," "public cloud option," and "part of a broader EMP solution." Education, Finance, and Manufacturing are among industries that most prefer "on-premises deployment."

Sales Performance Management Delivery by Industry
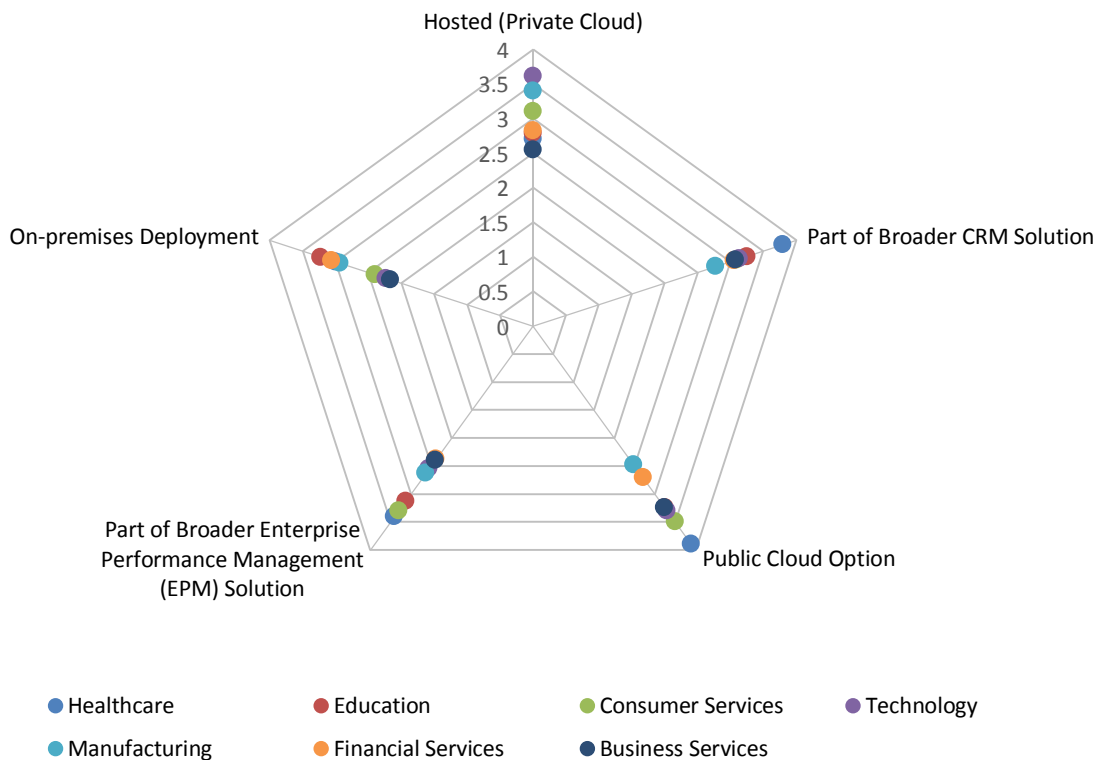
Figure 44 – Sales performance management delivery by industry

Sales Performance Management Software Vendors

Software companies with a sales performance management solution engaged with this report. We asked them to indicate support for a variety of SPM capabilities.

The results indicate a diverse set of companies and a variety of approaches to the market. Some vendors target fewer capabilities but do so in more depth. Others have a broader solution yet may not have a deep set of functionalities for every capability.

Of further note, there are significant overlaps with vendors that offer the solution as part of a broader CRM or EPM offering, which is important to some parts of the market and not to others. Careful consideration of use cases, integrated ecosystems, and multiple sources of information should be considered when evaluating.

Top vendors include Anaplan (1st), Jedox (1st), Wolters Kluwer (2nd), Board (3rd) and Planful (3rd).

Figure 45 – Sales performance management vendor ratings

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Appendix: Sales Performance Management Survey Instrument

Please enter your contact information below

First Name*: _____

Last Name*: _____

Title: _____

Company Name*: _____

Street Address: _____

City: _____

State: _____

Zip: _____

Country: _____

Email Address*: _____

Phone Number: _____

URL: _____

May we contact you to discuss your responses and for additional information?

( ) Yes

( ) No

What major geography do you reside in?*

( ) North America

( ) Europe, Middle East and Africa

( ) Latin America

( ) Asia Pacific

Please identify your primary industry*
( ) Advertising
( ) Aerospace
( ) Agriculture
( ) Apparel & Accessories
( ) Automotive
( ) Aviation
( ) Biotechnology
( ) Broadcasting
( ) Business Services
( ) Chemical
( ) Construction
( ) Consulting
( ) Consumer Products
( ) Defense
( ) Distribution & Logistics
( ) Education (Higher Ed)
( ) Education (K-12)
( ) Energy
( ) Entertainment and Leisure
( ) Executive search
( ) Federal Government
( ) Financial Services
( ) Food, Beverage and Tobacco
( ) Healthcare
( ) Hospitality
( ) Insurance
( ) Legal
( ) Manufacturing
( ) Mining
( ) Motion Picture and Video
( ) Not for Profit
( ) Pharmaceuticals
( ) Publishing
( ) Real estate
( ) Retail and Wholesale
( ) Sports
( ) State and Local Government
( ) Technology
( ) Telecommunications
( ) Transportation
( ) Utilities
( ) Other - Please specify below

How many employees does your company employ worldwide?
( ) 1-100
( ) 101-1,000
( ) 1,001-2,000
( ) 2,001-5,000
( ) 5,001-10,000
( ) More than 10,000

What function do you report into?
( ) Business Intelligence Competency Center
( ) Executive Management
( ) Finance
( ) Human Resources
( ) Information Technology (IT)
( ) Marketing
( ) Operations (e.g., Manufacturing, Supply Chain, Services)
( ) Research and Development (R&D)
( ) Sales
( ) Strategic Planning Function
( ) Other - Write In

How important is a broad sales performance management (SPM) to your organization?

An SPM solution provides sales execution capabilities (e.g., incentive & compensation management, commission tracking and accounting) in addition to sales planning capabilities.

( ) Critical - SPM is key to delivering one or more of our strategic objectives.

( ) Very Important - SPM will optimize the way the sales function operates.

( ) Important - we need both sales planning and sales execution capabilities.

( ) Somewhat Important - a broad SPM solution might be a future deployment option.

( ) Not Important - our focus is sales planning.

Does your organization use or intend to use sales performance management software?

( ) Yes, we use sales performance management software today

( ) No, we have no plans to use sales performance management software at all

( ) We are currently evaluating sales performance management software

( ) We may use sales performance management software in the future

Which functions use or will use sales performance management software?

	Use Today	Will Use in the Future	No Plans
Sales	( )	( )	( )
Finance	( )	( )	( )
Information Technology (IT)	( )	( )	( )
Manufacturing	( )	( )	( )
Marketing	( )	( )	( )
Operations	( )	( )	( )
Supply Chain	( )	( )	( )
Customer Service	( )	( )	( )

Please prioritize the following sales planning features.

	Critical	Very Important	Important	Somewhat Important	Not Important
Account segmentation and scoring	( )	( )	( )	( )	( )
Benchmark values by industry, geography, etc.	( )	( )	( )	( )	( )

Customer acquisition cost (CAC)	( )	( )	( )	( )	( )
Industry-specific sales planning (e.g., MFG, Retail, Healthcare, Pharma, CPG)	( )	( )	( )	( )	( )
Library of predefined performance indicators (KPIs)	( )	( )	( )	( )	( )
Multi-currency support	( )	( )	( )	( )	( )
Rolling sales forecasts (e.g., weekly, monthly, quarterly, annual)	( )	( )	( )	( )	( )
Sales costing	( )	( )	( )	( )	( )
Sales forecasting and pipeline management	( )	( )	( )	( )	( )
Sales quota and commission planning	( )	( )	( )	( )	( )
Sales	( )	( )	( )	( )	( )

resource planning					
Sales territory planning	( )	( )	( )	( )	( )
Scenario planning	( )	( )	( )	( )	( )
Supply and demand balancing	( )	( )	( )	( )	( )
Territory optimization	( )	( )	( )	( )	( )
Top-down and bottom-up planning	( )	( )	( )	( )	( )
Trade and promotion planning	( )	( )	( )	( )	( )
Year-end projections and forecasting	( )	( )	( )	( )	( )

Please prioritize the following sales execution features.

	Critical	Very Important	Important	Somewhat Important	Not Important
Incentive & compensation management	( )	( )	( )	( )	( )
Industry-specific incentive & compensation management (e.g. Insurance, Healthcare, Pharma)	( )	( )	( )	( )	( )
Commission tracking direct sales	( )	( )	( )	( )	( )
Commission tracking indirect/channel sales	( )	( )	( )	( )	( )
Commission Accounting & Revenue Recognition (including ASC 606 compliance)	( )	( )	( )	( )	( )
Sales objective management	( )	( )	( )	( )	( )
Sales performance benchmarking (e.g. win rates,	( )	( )	( )	( )	( )

bookings etc.)					
Sales coaching	( )	( )	( )	( )	( )
Gamification to encourage positive sales behaviors	( )	( )	( )	( )	( )

Please prioritize the following integration features for a sales performance management solution.

	Critical	Very Important	Important	Somewhat Important	Not Important
Ability to integrate data from Salesforce.com	( )	( )	( )	( )	( )
Ability to integrate data from other leading CRM systems	( )	( )	( )	( )	( )
User interface integration with Salesforce.com	( )	( )	( )	( )	( )
Export data to Excel, PDF	( )	( )	( )	( )	( )
Integration with compensation management systems	( )	( )	( )	( )	( )
Integration with financial	( )	( )	( )	( )	( )

planning and budgeting applications					
Integration with inventory planning	( )	( )	( )	( )	( )
Integration with production planning	( )	( )	( )	( )	( )
Integrated social collaboration	( )	( )	( )	( )	( )

Please prioritize the following technology features for a sales performance management solution.

	Critical	Very Important	Important	Somewhat Important	Not Important
Automated alerts and notifications, including email alerting	( )	( )	( )	( )	( )
Excel-based data entry	( )	( )	( )	( )	( )
Support for reporting/dashboards	( )	( )	( )	( )	( )
Mobile support for data entry, workflow, processing	( )	( )	( )	( )	( )

Offline support for disconnected planning	( )	( )	( )	( )	( )
Statistical forecasting functions	( )	( )	( )	( )	( )
Textual annotations of input assumptions	( )	( )	( )	( )	( )
Web user interface	( )	( )	( )	( )	( )
Workflow for reviews and approvals, process status	( )	( )	( )	( )	( )
Embedded AI/machine learning	( )	( )	( )	( )	( )

How should sales performance management be delivered to your organization?

	Critical	Very Important	Important	Somewhat Important	Not Important
Public Cloud Option	( )	( )	( )	( )	( )
Hosted (Private Cloud)	( )	( )	( )	( )	( )
On-premises Deployment	( )	( )	( )	( )	( )
Part of Broader	( )	( )	( )	( )	( )

Enterprise Performance Management (EPM) Solution					
Part of Broader CRM Solution	( )	( )	( )	( )	( )

A This quote is originally from the American Society for Training and Development, from a document authored in 2008. In the ten years that followed, many things have changed, including the Society itself which now has a global reach and is known as the Association for Talent Development. I have edited the quote slightly to remove "business" as the Dresner audience includes many people from non-profit and government organizations; secondly, I removed "interpersonal", since so many sales interactions are now non-personal: digital sales, or donations are now commonplace in many industries.
B Source is the United States Bureau of Labor and Statistics data on Occupational Employment Statistics. The most recent data at the time of writing is from May 2018, and the Group is 41-0000 "Sales and Related Occupations", which is classified as a Major Group. The total US National estimated employment for this group is 14.54M. Link: https://www.bls.gov/oes/current/oes410000.htm To this should be added Sales Managers, group 11-2022. The total US National estimated employment for this group is 0.38M. Link https://www.bls.gov/oes/current/oes112022.htm.
C The Wikipedia Planning article quickly defers to much material on Neurology rather than business. https://en.wikipedia.org/wiki/Planning.