SALES MANAGEMENT ASSOCIATION RESEARCH REPORT

Survey of SPM Solution Providers

June 2023

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Author

Robert J. Kelly
Chairman
Sales Management Association

First published June 2023.
Sales Management Association
1440 Dutch Valley Place NE
Suite 990
Atlanta, Georgia 30324 USA
+1 (404) 963-7992
www.salesmanagement.org

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Research Report: Survey of SPM Solution Providers, 2023 Edition

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INTRODUCTION

This study examines technology platforms commercially marketed as solutions for "Sales Performance Management," or SPM. It builds upon previous SPM provider research published by the Sales Management Association in 2022 and 2021.

When originally offered more than a decade ago, some of today's best known SPM platforms were marketed as "Incentive Compensation Management" (ICM) solutions. Expanding from their original focus in sales compensation program management, these vendors have grown their feature sets to address a broader array of sales management challenges, using the "SPM" moniker to signal these aspirations. These newer capabilities include quota planning and management, more extensive performance reporting, and territory planning and assignment, in addition to core incentive compensation administration capabilities.

These enhancements notwithstanding, SPM's center of gravity remains fixed in incentive compensation administration, judging by the value derived by most users of most SPM systems included in this research. Users report high levels of satisfaction from these systems' sales compensation administration capabilities, but seem to use, benefit from, or prioritize as important the broader performance management capabilities. This year's report details this and other aspects of how SPM platform user benefits, as well as satisfaction with SPM systems' promoted capabilities.

Our study includes a broad range of participants, which vary in size as well as in their approach to solving sales performance management (lower case) challenges in their firms. A sizable fraction – 30% – do so without a purpose-built SPM (upper case) application. These firms offer useful comparison as a control group for better understanding how SPM platforms are affecting management capabilities in the firms where they are used.

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IMPORTANT CONSIDERATIONS, DISCLOSURES, AND GUIDANCE FOR INTERPRETING THESE FINDINGS

Our survey findings come with several limitations readers should keep in mind.

First, our sample size is relatively small. We have taken care to indicate sample size for all questions in order to provide context for this potential limitation. Because of our sample size's limitations, the vendor market share data included in this report may inaccurately reflect true market conditions.

The Sales Management Association received no compensation from any SPM/ICM vendor related to this research, nor at any time during the research's development, launch, and administration. Notably, many vendors named in the study have underwritten the association or sponsored its events in the past and may do so again in the future. Any future versions of this report will disclose any current financial relationships that exist between the Sales Management Association and firms addressed in our research.

The research was made possible in part through underwriting support from OpenSymmetry, a firm that implements SPM/ICM solutions from multiple vendors as a third-party integrator. Our underwriters (https://salesmanagement.org/underwriters/) provide the association with annual financial support and may suggest research topics and encourage participation in or otherwise promote research initiatives. Underwriters are not involved with research administration, data collection, analysis, interpretation, or editorial oversight, nor do they pay a research-specific fee or directly commission research initiatives, unless explicitly noted in the reports. Underwriters are not given access to individual respondents' data, nor is individual survey response data shared with anyone outside the Sales Management Association.

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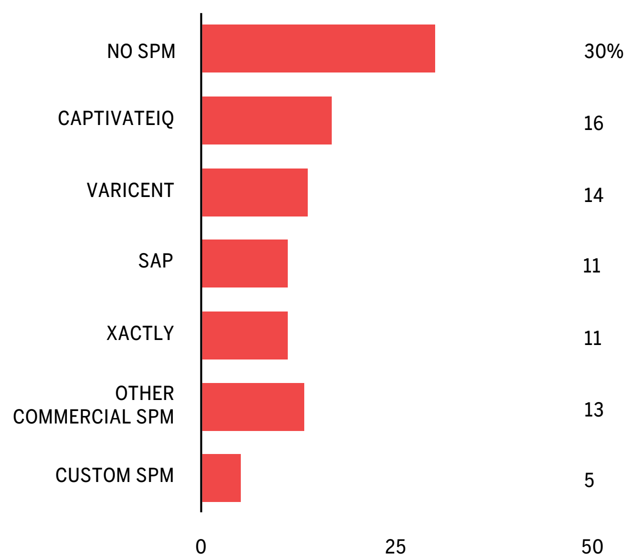
SPM PROVIDERS IN OUR STUDY[1]

Among the SPM vendors we focus on in this year's study are four providers each comprising 10% or more market share among survey respondents, and whose combined share is 52%. Commercial SPM platforms with less than 10% of the total survey population are combined into a single category, "Other Commercial SPM," and this category represents 13% of total respondents.[2]

The remaining firms in our study use proprietary solutions developed in-house (in the case of five percent of respondents) or use general database and spreadsheet applications. We classify this latter group as "Non-SPM Users." Fig. 1.

FIG. 1. RESPONDENTS' SPM PLATFORM USAGE

PERCENTAGE DISTRIBUTION OF FIRMS



N= 150 FIRMS

All users of commercially provided SPM platforms represent 65% of research participants; in our previous research (published in early 2022), commercial SPM platform users were 66% of participants. Also consistent with our previous research, we find no single provider with a dominant share of users. Xactly users were 16% of the previous study, and 11% of this year's. Oracle SPM users were 11% of the previous sample but are substantially less than the 10% of current sample but are substantially less than 10% of current study respondents; Oracle's results are therefore not reported separately in this study. CaptivateIQ, a newer entrant with a

[1]Throughout this report we use uppercase "SPM" to refer to the commercial software category and its constituent vendors, and we use lower case "spm" to refer to the generic capabilities of incentive compensation administration, territory organization and assignment, quota management, and sales performance reporting.

[2]Other commercial providers in this category include Anaplan, Foima.ai, Insperity, Optymyze, Performio, and Oracle.

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current focus on smaller implementations, had the highest share of this year's respondents (16%), though did not garner more than 10% of respondents in our prior research.

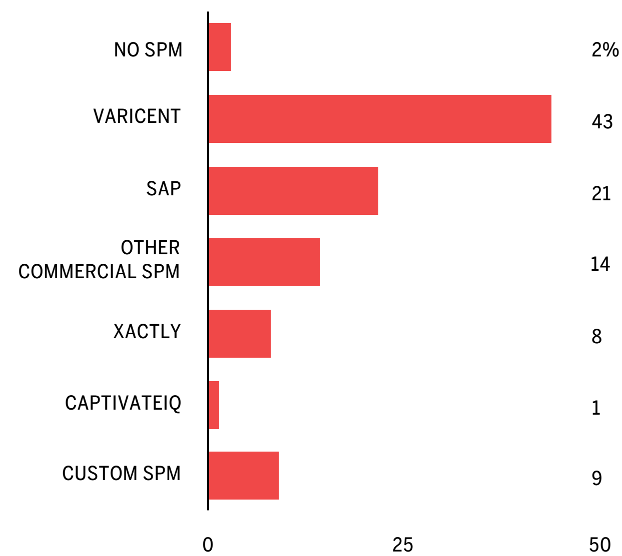
Given the survey's relatively small sample size and modest distribution, these shifts in vendor share among survey respondents are unlikely to accurately reflect true market share.

A distribution of incentive compensation payees by SPM platform yields a distinctly different view – one in which Varicent and SAP garner a combined 64% of total payees. Fig. 2.

Fig. 3 shows the distribution of firm revenue by SPM platform. It shows more than 90% of Varicent users with

FIG. 2. SPM PLATFORM USE BY INCENTIVE COMPENSATION PAYEES

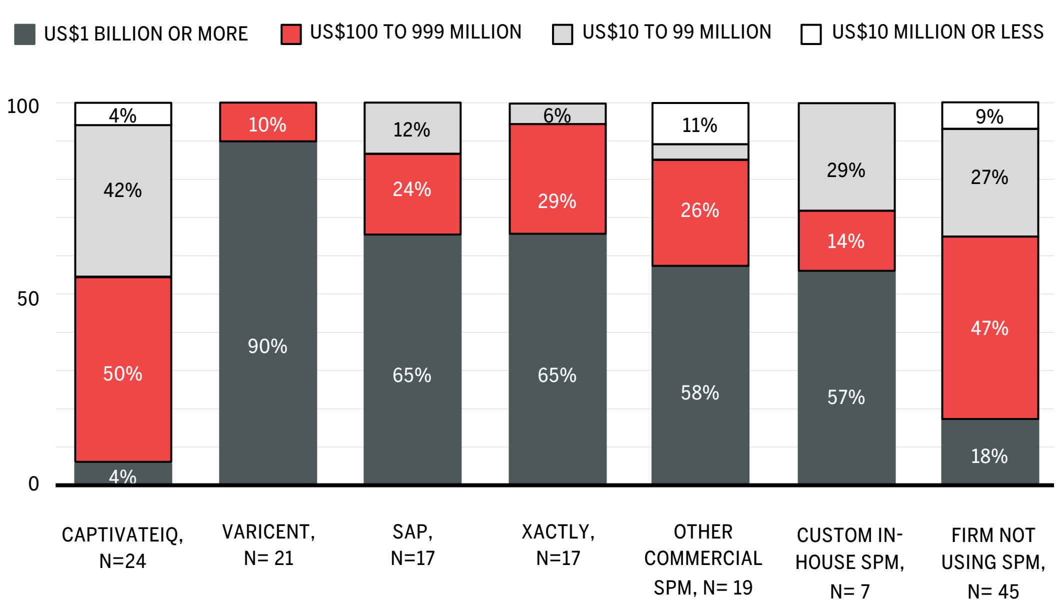
PERCENTAGE DISTRIBUTION OF INCENTIVE COMPENSATION PAYEES



N= 269,575 INCENTIVE COMPENSATION PAYEES

FIG. 3. RESPONDENT FIRM REVENUE BY SPM PLATFORM

PERCENTAGE DISTRIBUTION OF FIRMS



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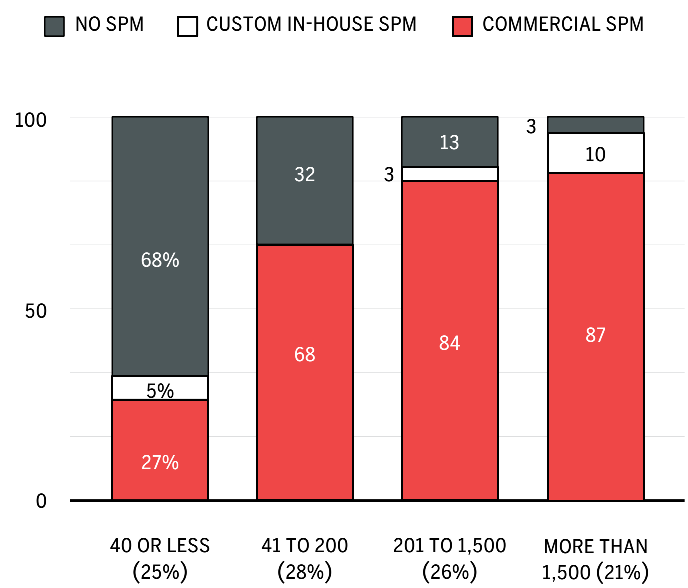
CRITERIA FOR SPM PLATFORM SELECTION

annual revenues greater than US$1 billion, while just 4% of CaptivateIQ's users do. ([See also Appendix Fig. A.1.)

As firms' sales organizations grow in size and complexity, they become more likely to implement SPM, our research shows. Among firms with 40 or fewer incentive compensation payees, two-thirds (68%) do not use an SPM platform; whereas firms with 41 or more payees are much more likely to use an SPM platform – 68% do. Among the largest firm, those with more than 1,5000 incentive compensation payees, 97% utilize an SPM platform, whether from a commercial provider (in the case of 87%, or a custom one developed in-house (10%). Fig. 4.

FIG. 4. RESPONDENT FIRM REVENUE BY SPM PLATFORM

PERCENTAGE DISTRIBUTION OF FIRMS



N= 150 FIRMS

Aside from matters of scale – that is, the capability of SPM platforms to accommodate larger numbers of payees – firms value a broad set of additional capabilities in

SPM platforms. These include two broad capability categories: those directly associated with administering incentive compensation programs, and those associated with planning decisions applicable to broader sales management functions often aligned with incentive compensation program management. These

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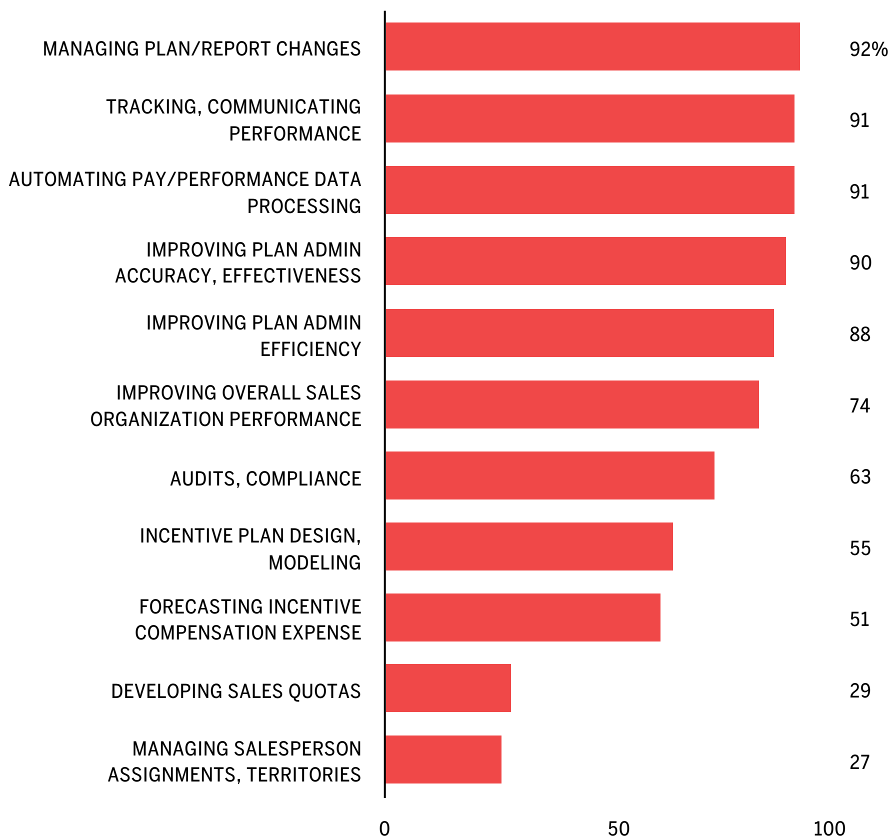
latter planning functions include sales compensation plan design and modeling, incentive cost forecasting, quota allocations, and salesperson assignments and territory design.

When selecting an SPM platform, a significantly higher percentage of client firms value this first set of capabilities – those related to incentive compensation plan administration – than value those planning capabilities applicable to broader sales management concerns. The most frequently cited SPM platform selection criteria (deemed important by more than nine of 10 firms) are: managing plan changes; tracking and communicating sales performance; automating compensation and performance data processing; and improving plan calculation accuracy. Managing salesperson assignments (territories) and developing salesperson quotas are capabilities considered important by the least number of firms; 27% and 29%, respectively, when selecting an SPM platform. Figs. 5 and 6.

FIG. 5. IMPORTANCE OF SPM PLATFORM SELECTION DECISION CRITERIA

PERC. OF SPM PLATFORM USERS CITING CRITERION IMPORTANT TO SPM SELECTION DECISION



N=92 FIRMS

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FIG. 6. SPM PLATFORM SELECTION DECISION CRITERIA RANKED BY RATED IMPORTANCE, BY FIRMS' SPM SOLUTION

DECISION CRITERION RANKED BY IMPORTANCE RATING

MANAGEMENT ACTIVITY	CAPTIVATE IQ	VARICENT	SAP	XACTLY	OTHER COMM. SPM	ALL COMM. SPM
MANAGE PLAN/REPORT CHANGES	1	3	1	4	1	1
AUTOMATE PAY/PERFORMANCE DATA	4	1	2	1	5	2
IMPROVE ADMIN ACCURACY, EFFECTIVENESS	2	2	4	2	4	3
TRACK, COMMUNICATE PERFORMANCE	5	5	2	2	3	4
IMPROVE PLAN ADMIN EFFICIENCY	3	4	5	5	6	5
IMPROVE OVERALL SALES PERFORMANCE	8	7	6	6	1	6
AUDITS, COMPLIANCE	7	6	7	7	7	7
INCENTIVE PLAN DESIGN, MODELING	6	8	9	8	9	8
FORECAST INCENTIVE COMP. EXPENSE	9	9	8	9	11	9
DEVELOP SALES QUOTAS	10	11	10	10	8	10
MANAGE ASSIGNMENTS, TERRITORIES	11	10	11	11	10	11
N	23	20	17	14	18	92

A few aspects of these results merit additional commentary. We consider them a reflection of SPM's origins in incentive compensation program management. Although SPM's established vendors have added broader planning features such as territory and quota design, their solutions address the issue considered most acute by a core set of buyers – managers responsible for incentive compensation program execution. This core group of buyers and users may in fact be only tangentially involved in broader sales performance management (lower case) planning disciplines, especially in larger firms most likely to employ specialized compensation managers.

As we've learned from Sales Management Association research in sales planning related topics, in most firms planning related to sales resource allocation is less well organized (or even understood) in comparison with incentive compensation. Incentive compensation program management is more visible by dint of its direct connection to the sales force's largest single expense, compensation, allowing matters of quota or territory planning to be more easily overlooked.

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SPM PLATFORM USER SATISFACTION

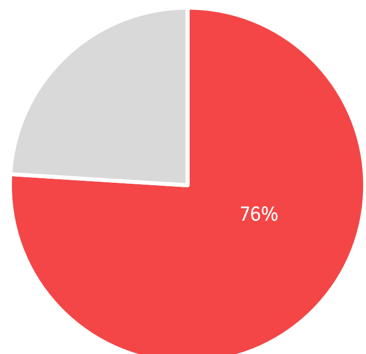
SPM platforms garner favorable satisfaction ratings from most users based on platform implementation, return on investment (ROI), and meeting overall organization objectives.

Satisfaction with Implementation

Seventy-six percent of commercial SPM platform users are satisfied with their platform's implementation. Vendor-specific ratings are led by CaptivateIQ and Varicent, whose users are satisfied with their implementations 96% and 76% of the time, respectively. We surmise that implementation satisfaction is highly correlated with payee count and project complexity and emphasize the wide range of client environments embodied in our survey data. We note with interest the wide disparity in implementation satisfaction is highly correlated with payee count and project complexity and emphasize the wide range of client environments embodied in our survey data. We note with interest the wide disparity in implementation satisfaction among commercial SPM platform users and firms implementing a custom in-house SPM solution, just 14% of whom are satisfied with their platform's implementation. Figs. 7 and 8

FIG. 7. SPM IMPLEMENTATION SATISFACTION AMONG USERS OF COMMERCIAL SPM TECH PLATFORMS

PERCENTAGE OF FIRMS



N= 93 FIRMS

FIG. 8. SPM PLATFORM IMPLEMENTATION SATISFACTION
PERC. OF FIRMS SATISFIED WITH SPM IMPLEMENTATION

SPM PLATFORM	PERC. SATISFIED	N
CAPTIVATEIQ	96%	23
VARICENT	76	21
SAP	65	17
XACTLY	63	16
OTHER COMMERCIAL SPM	100	19
TOTAL COMMERCIAL SPM	76%	96
CUSTOM IN-HOUSE SPM	14%	7
TOTAL	68%	103

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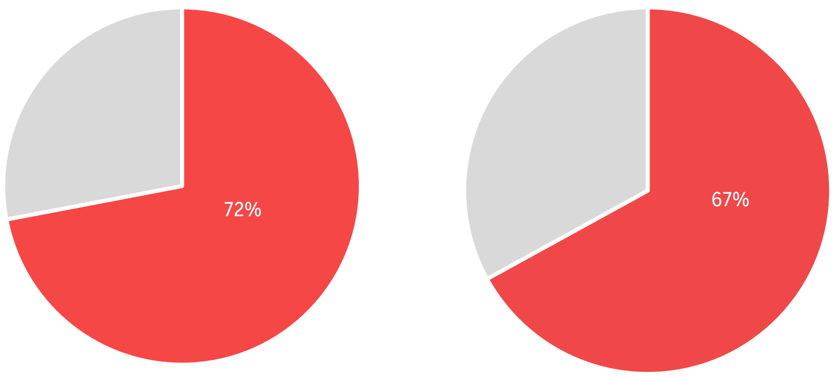
FIG. 9. FIRM SATISFACTION WITH SPM AMONG USERS OF COMMERCIAL SPM TECH PLATFORMS

PERCENTAGE OF FIRMS



SPM SOLUTION MET ORGANIZATION'S EXPECTATIONS

SPM MET ROI EXPECTATIONS

N= 93 FIRMS

ROI and Overall Satisfaction

Commercial SPM platform users are also likely to rate their SPM system favorably for meeting overall organization objectives and ROI expectations. Seventy-two percent say their SPM platform meets overall objectives, and 67% indicate their SPM investment meets or exceeds their firm's ROI expectations. Fig. 9.

As with implementation success, the scale and complexity of client environments often contributes to overall satisfaction and ROI. Eight of 10 users with 40 or less incentive compensation payees are satisfied with their SPM platform's overall effectiveness and ROI, while the same is true of just 56% of firms with more than 1,500 incentive compensation payees. Fig. 10.

Small client-focused CaptivateIQ leads all reported vendors in both overall satisfaction and ROI, while Varicent's ratings for overall satisfaction and ROI are substantially higher than vendors serving predominately larger clients (namely Xactly and SAP). Figs. 11 and 12. (See also Appendix A.7, A.8, and A.9.)

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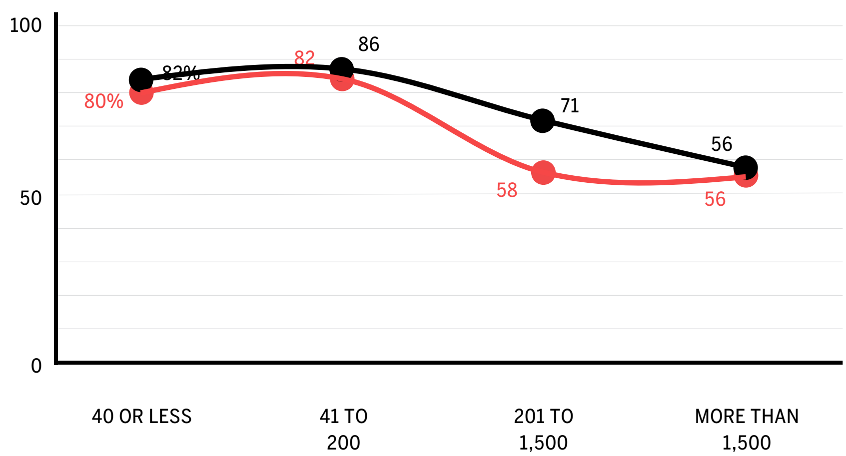
FIG. 10. COMMERCIAL SPM PLATFORM USERS' OVERALL FIRM SATISFACTION AND ROI, BY NUMBER OF INCENTIVE COMPENSATION PAYEES

PERCENTAGE OF COMMERCIAL SPM PLATFORM USERS



NUMBER OF INCENTIVE COMPENSATION PAYEES

N= 146 FIRMS

FIG. 11. SPM TECH PLATFORMS' SUCCESS IN METING OVERALL OBJECTIVES

PERCENTAGE OF FIRMS WHERE SPM MEETS OVERALL OBJECTIVES

SPM PLATFORM	PERC. SATISFIED	N
CAPTIVATEIQ	100%	24
VARICENT	71	21
SAP	53	17
XACTLY	53	15
OTHER COMMERCIAL SPM	75	18
TOTAL COMMERCIAL SPM	73%	95
CUSTOM IN-HOUSE SPM	14%	7
TOTAL	69%	102

FIG. 12. SPM TECH PLATFORMS' SUCCESS IN MEETING USERS' ROI EXPECTATIONS

PERCENTAGE OF FIRMS INDICATING SPM TECH PLATFORM ACHIEVED ROI

SPM PLATFORM	PERC. FIRMS WITH POSITIVE ROI	N
CAPTIVATEIQ	92%	24
VARICENT	71	21
SAP	47	17
XACTLY	44	16
OTHER COMMERCIAL SPM	75	18
TOTAL COMMERCIAL SPM	67%	96
CUSTOM IN-HOUSE SPM	17%	6
TOTAL	64%	102

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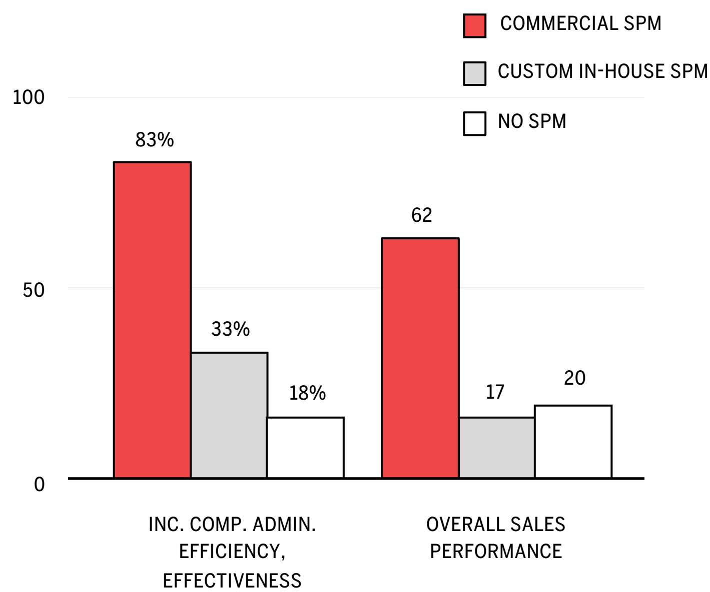
SPM PLATFORMS' BUSINESS IMPACT

Our research explored SPM platforms' business impact in specific areas. Commercial SPM platform users rate their systems' impact favorably based on its improvement of overall incentive compensation administration efficiency and effectiveness (83% cite a favorable impact), and on overall sales organization performance (62% cite a favorable impact). Fig. 13.

FIG. 13. SPM'S BUSINESS IMPACT

PERCENTAGE OF FIRMS REPORTING POSITIVE IMPACT FROM SPM, BY SPM PLATFORM TYPE



IMPACT AREA

N= 143 FIRMS

User sentiment related to these two impact areas is decidedly less enthusiastic among respondents with a custom in-house SPM. Just 33% cite a favorable impact on incentive compensation plan administration effectiveness and efficiency, and just 17% a favorable impact on overall sales organization performance.

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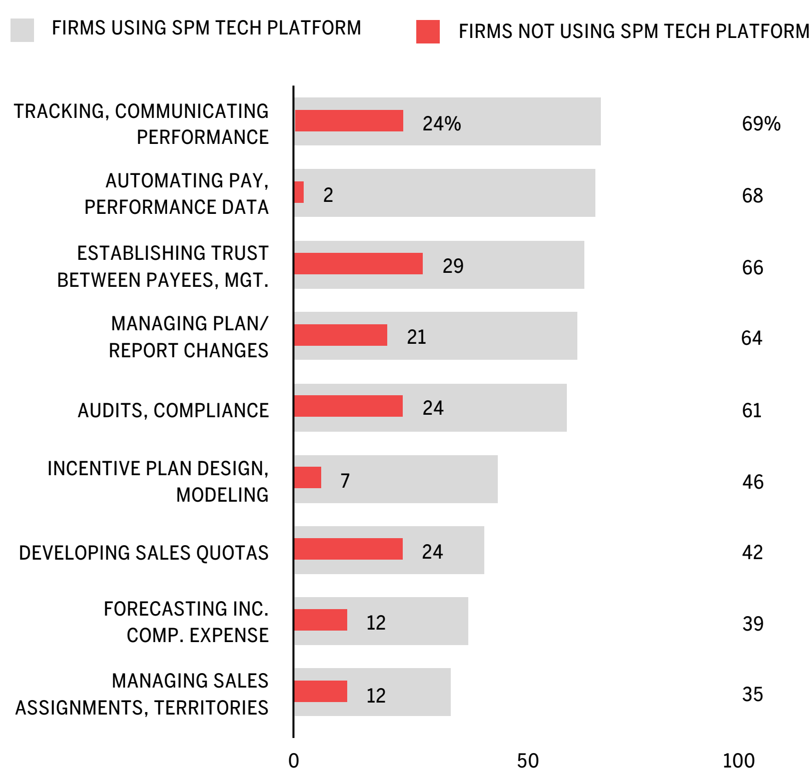
Improves Users' Sales Performance Related Capabilities

On a more detailed level, commercial SPM users appear to enjoy substantial advantages in management effectiveness across a range of spm-related capabilities. We reach this finding by comparing effectiveness ratings in nine sales performance relevant capabilities across two groups: firms using a purpose-built SPM platform, and those not (i.e., firms that use spreadsheets or general-purpose database platforms to execute spm functions).

The percentage of SPM platform users effective in the nine management capabilities researched range from 35% ("managing salesperson assignments and territories") to 69% ("tracking and communicating salesperson performance"), as shown in **Fig. 14**. Far fewer non-SPM platform users are effective in these sales performance-relevant capabilities – they lag SPM platform users in every one. Non-SPM users' performance disadvantages are most pronounced in "automating pay and performance data;" just 2% in the non-SPM platform user group are effective, compared with 68% of SPM platform users.

FIG. 14. FIRMS' CURRENT EFFECTIVENESS IN SPM-RELATED FUNCTIONS

PERCENTAGE OF FIRMS EFFECTIVE



N= 98 FIRMS

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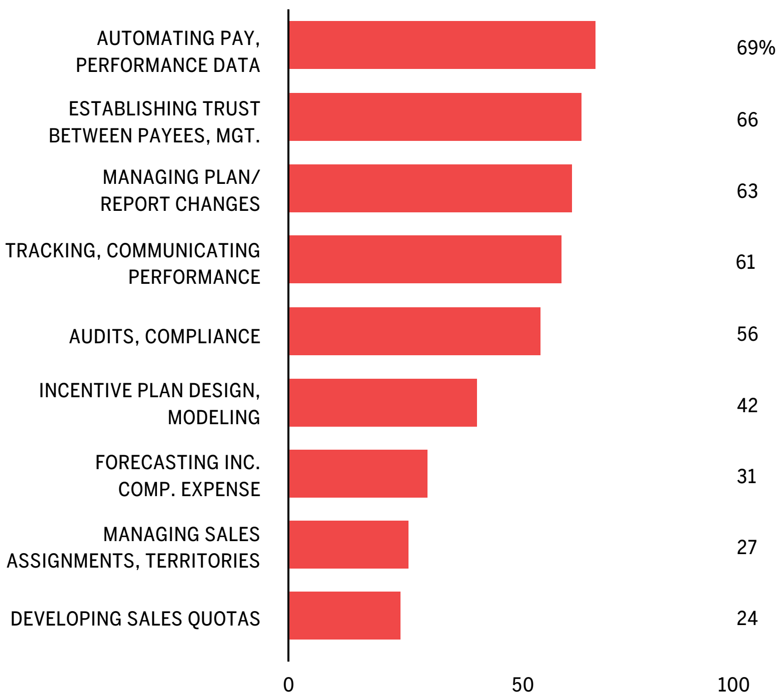
Users' Attribution of Capability Improvements to SPM Platforms

Commercial SPM platform users attribute improvement in their firms' performance management related capabilities to their use of an SPM platform. Most users cite capabilities improved through SPM platform use. These are automating pay and performance data, improving management/payee trust, managing changes in plans and reports, tracking and communicating performance, and audit and compliance capabilities. Fig. 15.

FIG. 15. FIRMS' SPM PLATFORM-INFLUENCED IMPROVEMENT

PERCENTAGE OF FIRMS REPORTING SPM TECH PLATFORM-BASED IMPROVEMENT IN MANAGEMENT EFFECTIVENESS, BY IMPROVEMENT AREA



N= 98 FIRMS

Other capability categories are less likely to have improvement attributed to SPM platform usage. Forecasting incentive compensation expense, managing salesperson assignments and territories, and developing sales quotas are three capabilities least cited as improved as the result of SPM platform usage; cited by just 31%, 27%, and 24% of users, respectively.

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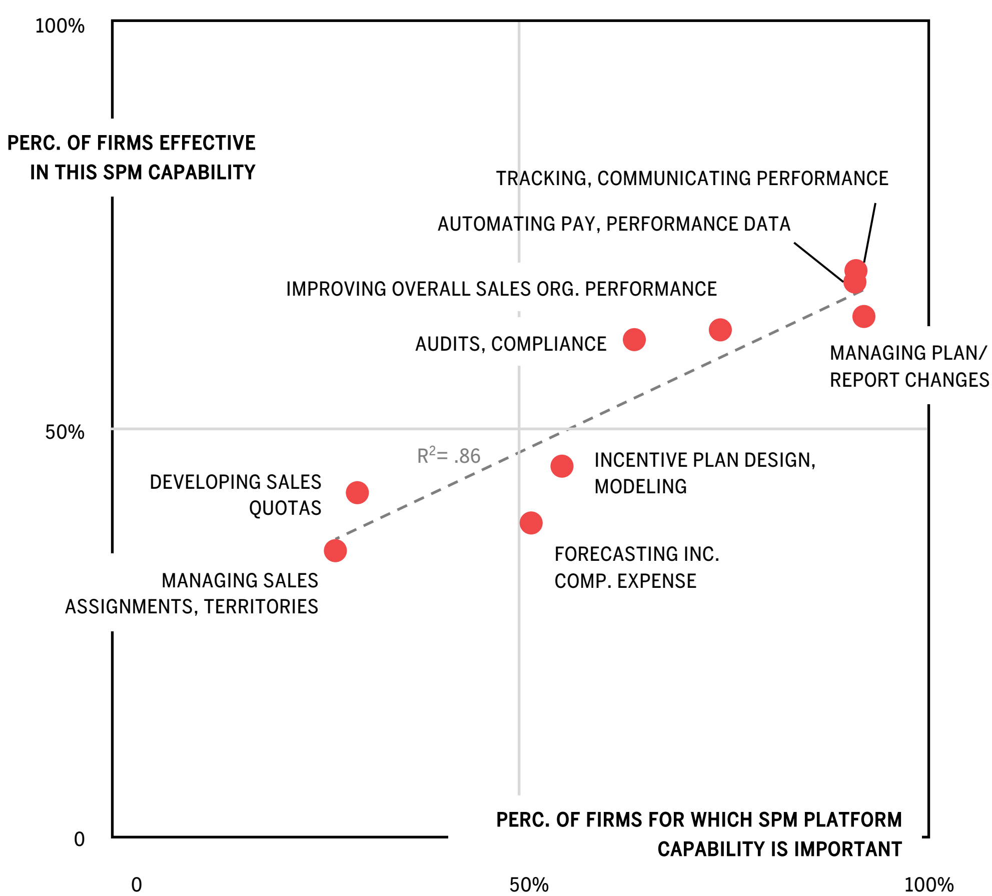
Aligned Platform Capabilities and User Priorities

Commercial SPM platforms' capabilities appear aligned with their users' priorities. In fact, we find surprising the degree to which SPM platform users' effectiveness in sales performance relevant capabilities correlate with the capabilities they rate as important SPM platform selection criteria.

This suggests there are not large gaps between SPM platform capabilities and current users' expectations. Otherwise, Fig. 15 would reveal more items in the lower right-most corner – that is, capabilities highly valued but poorly executed by platform users.

FIG. 15. IMPORTANCE AND FIRM EFFECTIVENESS BY SPM CAPABILITY

PERCENTAGE OF COMMERCIAL SPM PLATFORM USERS



N= 98 FIRMS

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Two capabilities are present in this quadrant in Fig. 15 - incentive plan design and modeling capabilities, and forecasting incentive compensation plan related expenses. These capabilities are considered important by a majority of SPM platform users (55% and 51%, respectively), though fewer than half execute these capabilities effectively (46% and 39% do, respectively). As such, these might be considered the most important capability improvement areas for SPM platform vendors.

RESPONDENT DEMOGRAPHICS

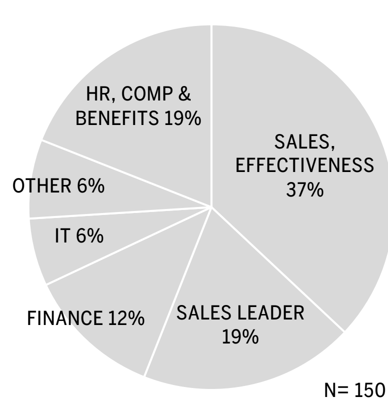
This research report incorporates data from 150 survey respondents. Respondents include firms of varied size and industry makeup. The largest industry segment represented is software, which makes up 39% of the survey sample, followed by manufacturing (15%) and pharmaceutical, medical, and healthcare (9%).

Job Role

Respondents are predominately sales effectiveness leaders in their firms. Sales operations, effectiveness, and related sales support roles represent 37% of respondents. Eleven percent of respondents are sales leaders (from first-line to senior-most management). An additional 19% are human resources or compensation and benefits managers. The balance of respondents work as managers in finance (12%), IT (6%), or other corporate functions. Fig. 16.

FIG. 16. RESPONDENTS' JOB ROLE

PERCENTAGE DISTRIBUTION OF RESPONDENTS



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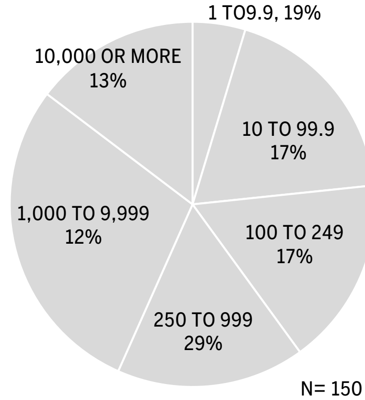
Firm Size

Participating firms ranged in size from small to very large, though skewed toward larger firms. Seventy two percent of respondents' firms have annual revenue in excess of US$100 million; 25% are firms with annual revenues in excess of US$1 billion. Fig. 17.

Respondent firms' number of incentive compensation payees averages 1,797per firm (firm median is 200). The study's 150 participating firms have a total of 269,575 incentive compensation payees. Fig. 18.

FIG. 17. RESPONDENTS' FIRM REVENUE, US$MILLIONS

PERCENTAGE DISTRIBUTION OF RESPONDENTS



N= 150 FIRMS

Firm Performance

Eighty percent of participating firms met or exceeded firm sales objectives in the preceding 12 month. Thirty-two percent met objectives, 49% exceed objectives, and 19% fell short of objectives. Fig. 19.

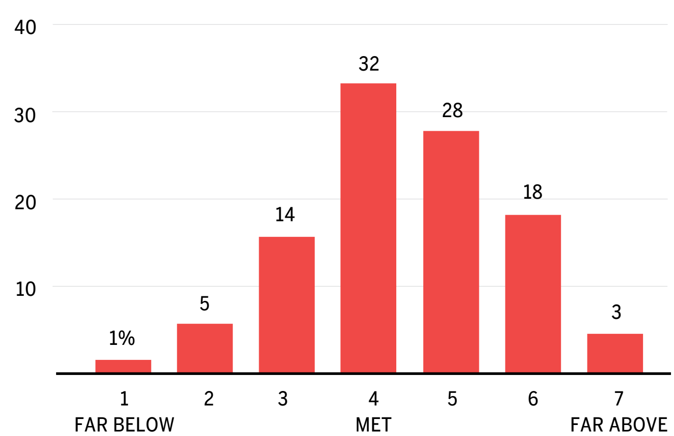
FIG. 18. RESPONDENTS' TOTAL NO. OF INCENTIVE COMPENSATION PAYEES

MIN	1
10TH PERC.	10
25TH PERC.	40
MEDIAN	200
75TH PERC.	1,100
90TH PERC.	3,210
MAX	50,000
AVERAGE	1,797
TOTAL	269,575

N= 150 FIRMS

FIG. 19. RESPONDENTS' FIRM SALES OBJECTIVE ACHIEVEMENT, PRIOR 12 MONTHS

PERCENTAGE DISTRIBUTION OF RESPONSES



FIRM PERFORMANCE

N= 148 FIRMS

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COMMENT FROM RESEARCH UNDERWRITER OPENSYMMETRY

Michael Noto, Sr. Director Strategic Services at OpenSymmetry

SPM solutions vary by vendor, and not all vendors' SPM features fit any one organization's needs. This helps explain what we see in this report – that satisfaction among SPM users can vary significantly. SPM user satisfaction depends on an at times complicated interplay of vendor capabilities, features implemented, and user needs.

Among our own clients, we often see strong levels of user satisfaction in SPM's core functions – those related to sales compensation administration – and less satisfaction with more advanced features. For the typical SPM buyer, these advanced features are less familiar; they can more easily be overlooked and under supported during deployment. They include items such as territory management, quota setting, forecasting, workflow, and analytics.

In hindsight, organizations unhappy with these features acknowledge that more training upfront, before and during implementation, would have made all the difference in higher satisfaction and better outcomes. This is one of many reasons to use a third-party integration partner when implementing SPM. A capable partner can help anticipate the organization's needs and develop a roadmap for timing and navigating feature introduction for optimal use.

Those companies that make use of an integration partner have more successful SPM implementations and are significantly happier with their outcomes. Their projects are more likely to be completed on time, their levels of overall satisfaction are higher, and their willingness to recommend their implementation approach is significantly higher than other firms'. Third-party implementers spend more time understanding their clients needs and can better adapt implementation projects to meet them.

Over the next several years we will see vendors expand their feature sets and functionality. For SPM's customers and prospects, it will be important to adjust to these changes to ensure SPM's continued impact. We think our firm is uniquely positioned to help firms understand and best leverage these changes. As we have by underwriting the Sales Management Association's research, OpenSymmetry will continue to support efforts to broaden the marketplace's understanding of SPM's potential.

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APPENDIX

FIG. A.1. DISTRIBUTION OF RESPONDENT FIRM INCENTIVE COMPENSATION PAYEE COUNT BY SPM PLATFORM

NUMBER OF INCENTIVE COMPENSATION PAYEES

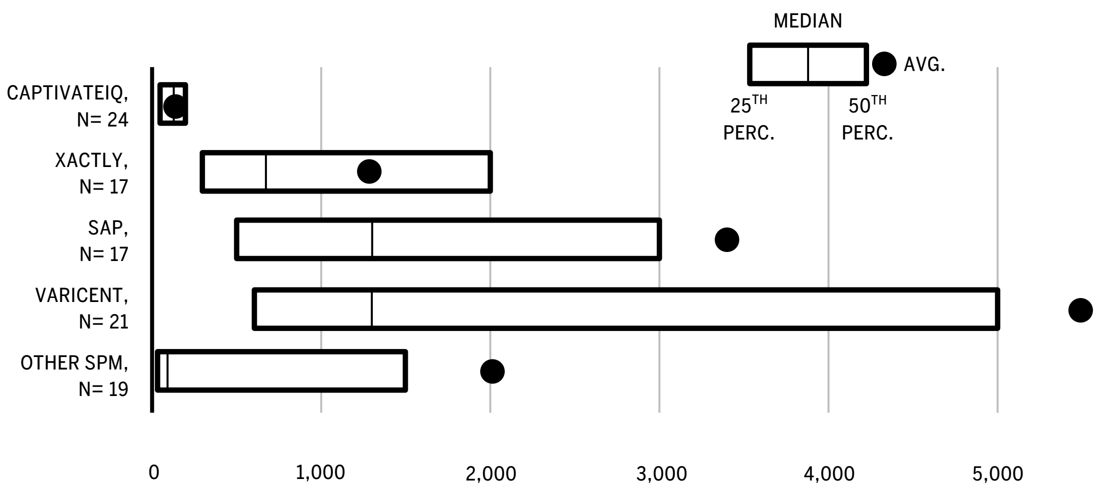

FIG. A.2 DISTRIBUTION OF RESPONDENT FIRM INCENTIVE COMPENSATION PAYEE COUNT BY SPM PLATFORM

NUMBER OF INCENTIVE COMPENSATION PAYEES

	SPM PLATFORM						
	CAPTIVATEIQ	VARICENT	SAP	XACTLY	OTHER SPM	CUSTOM IN-HOUSE SPM	NO SPM
MIN	10	100	20	19	1	5	2
10TH PERCENTILE	14	400	86	190	8	7	5
25TH PERCENTILE	54	600	500	300	45	255	12
MEDIAN	130	1,300	1,300	680	103	1,500	28
75TH PERCENTILE	196	5,000	3,000	2,000	1,500	2,600	100
90TH PERCENTILE	271	10,000	7,980	2,760	3,450	9,120	270
MAX	450	50,000	21,000	5,700	24,000	18,000	3,000
AVERAGE	146	5,557	3,358	1,275	2,044	3,602	143
N	24	21	17	17	19	7	45

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FIG. A.3 FIRM SALES PERFORMANCE AND NO. SALESPEOPLE AT QUOTA ,
BY SPM PLATFORM TYPE

PERCENTAGE OF FIRMS/INCENTIVIZED PAYEES ACHIEVING QUOTA, PRIOR 12 MONTHS

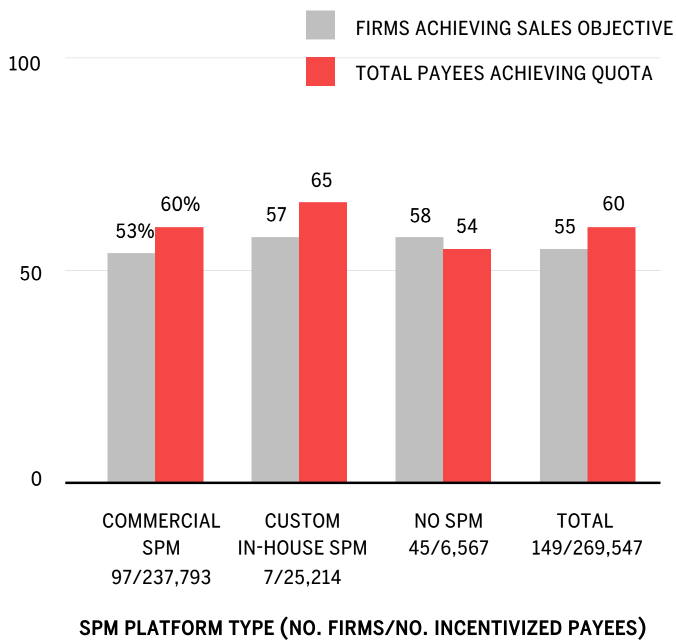

FIG. A.4. FIRM AND SALESPERSON QUOTAS PERFORMANCE

PRECEDING 12-MONTH PERFORMANCE

SPM PLATFORM	NO. FIRMS	PERC. FIRMS AT QUOTA	NO. PAYEES	PERC. PAYEES AT QUOTA
CAPTIVATEIQ	24	50%	3,495	46%
VARICENT	21	59	116,704	63
SAP	17	56	57,085	52
XACTLY	17	48	9,597	44
OTHER COMMERCIAL SPM	18	52	28,148	72
TOTAL COMMERCIAL SPM	97	53	142,243	60
CUSTOM IN-HOUSE SPM	7	57	16,389	57
NO SPM	45	60	3,592	60

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FIG. A.5. IMPORTANCE OF SPM PLATFORM SELECTION DECISION CRITERIA, BY FIRMS' SPM SOLUTION

PERC. OF FIRMS CITING CRITERION IMPORTANT TO SELECTION DECISION

MANAGEMENT ACTIVITY	CAPTIVATE IQ	VARICENT	SAP	XACTLY	OTHER COMM. SPM	ALL COMM. SPM
MANAGING PLAN/REPORT CHANGES	100%	95%	88%	86%	89%	92%
TRACKING, COMMUNICATING PERFORMANCE	91	90	94	100	83	91
AUTOMATING PAY/PERFORMANCE DATA	91	100	82	93	89	91
IMPROVING PLAN ADMIN ACCURACY, EFFECTIVENESS	91	100	82	93	83	90
IMPROVING PLAN ADMIN EFFICIENCY	91	95	76	93	83	88
IMPROVING OVERALL SALES PERFORMANCE	65	75	65	86	83	74
AUDITS, COMPLIANCE	61	60	65	79	56	63
INCENTIVE PLAN DESIGN, MODELING	70	60	47	57	39	55
FORECASTING INCENTIVE COMPENSATION EXPENSE	52	55	53	64	33	51
DEVELOPING SALES QUOTAS	13	20	41	36	44	29
MANAGING ASSIGNMENTS, TERRITORIES	0	25	47	29	44	27
N	23	20	17	14	18	92

FIG. A.6. USER EFFECTIVENESS IN SPM-RELATED FUNCTIONS, BY FIRMS' SPM SOLUTION

PERCENTAGE OF FIRMS EFFECTIVE

MANAGEMENT ACTIVITY	CAPTIVATE IQ	SAP	VARICENT	XACTLY	OTHER COMM. SPM	ALL COMM. SPM	CUSTOM IN-HOUSE SPM	NO SPM
TRACK, COMMUNICATE PERFORMANCE	86%	63%	71%	73%	67%	69%	29%	24%
AUTOMATE PAY/PERFORMANCE DATA	86	63	81	60	56	68	43	2
ESTABLISH PAYEE/MGT. TRUST	86	56	67	60	67	66	43	29
MANAGE PLAN/REPORT CHANGES	90	63	71	47	56	64	29	21
AUDITS, COMPLIANCE	71	63	67	60	44	61	57	24
INCENTIVE PLAN DESIGN, MODELING	62	38	62	33	39	46	14	7
DEVELOP SALES QUOTAS	67	31	33	33	39	42	43	24
FORECAST INCENTIVE COMP. EXPENSE	52	31	57	27	28	39	14	12
MANAGE ASSIGNMENTS, TERRITORIES	38	31	33	27	44	35	29	12
N	21	16	21	15	18	98	7	42

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FIG. A.7. SPM TECH PLATFORM ROI PERFORMANCE OVER TIME, BY VENDOR AND SPM TYPE

YEARS SINCE SPM IMPLEMENTED

SPM PLATFORM	LESS THAN ONE YEAR	ONE TO TWO YEARS	TWO TO FIVE YEARS	SIX OR MORE YEARS	ALL	N
CAPTIVATEIQ	100%	100%	78%		92%	24
VARICENT	0%	75%	78%	71%	71%	21
SAP	100%	100%	17%	43%	47%	17
XACTLY		100%	33%	44%	44%	16
OTHER COMMERCIAL SPM		33%	89%	50%	61%	18
TOTAL COMMERCIAL SPM	88%	85%	64%	52%	66%	96
N	8	20	39	29	96	
CUSTOM IN-HOUSE SPM		100%	0%	0%	17%	
N		1	3	2	6	
TOTAL	86%	86%	60%	48%	63%	
N	8	21	42	31	102	

FIG. A.8. SPM TECH PLATFORM ROI BY VENDOR AND NUMBER OF INCENTIVE COMP. PAYEES

PERCENTAGE OF FIRMS REPORTING POSITIVE SPM PLATFORM ROI

SPM PLATFORM	NUMBER OF INCENTIVE COMPENSATION PAYEES				ALL
	40 OR LESS	41 TO 200	201 TO 1,500	MORE THAN 1,500	
CAPTIVATEIQ	100%	87%	100%		92%
VARICENT		50	71	75	71
SAP	0	100	33	40	47
XACTLY	100	0	38	50	44
OTHER COMMERCIAL SPM	75	86	0	50	67
TOTAL COMMERCIAL SPM	80	82	58	56	67
CUSTOM IN-HOUSE SPM	0			25	17
TOTAL	67	82	58	53	64
SAMPLE SIZE (FIRMS)					
CAPTIVATEIQ	4	15	5		24
VARICENT		2	7	12	21
SAP	1	3	3	10	17
XACTLY	1	1	8	6	16
OTHER COMMERCIAL SPM	4	7	1	6	18
TOTAL COMMERCIAL SPM	10	28	24	34	96
CUSTOM IN-HOUSE SPM	2			4	6
TOTAL	12	28	24	38	102

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FIG. A.9. SPM TECH PLATFORM OVERALL USER SATISFACTION BY VENDOR AND NUMBER OF INCENTIVE COMPENSATION PAYEES

PERCENTAGE OF FIRMS REPORTING OVERALL SATISFACTION WITH SPM PLATFORM

SPM PLATFORM	NUMBER OF INCENTIVE COMPENSATION PAYEES				ALL
	40 OR LESS	41 TO 200	201 TO 1,500	MORE THAN 1,500	
CAPTIVATEIQ	100%	100%	100%		100%
VARICENT		50	80	67	71
SAP	0	100	60	38	53
XACTLY	100	0	38	80	53
OTHER COMMERCIAL SPM	80	71	100	33	72
TOTAL COMMERCIAL SPM	82	86	71	56	73
CUSTOM IN-HOUSE SPM	0			33	14
TOTAL	69	86	67	54	69
SAMPLE SIZE (FIRMS)					
CAPTIVATEIQ	4	15	5	0	24
VARICENT	0	2	10	9	21
SAP	1	3	5	8	17
XACTLY	1	1	8	5	15
OTHER COMMERCIAL SPM	5	7	3	3	18
TOTAL COMMERCIAL SPM	9	24	22	14	95
CUSTOM IN-HOUSE SPM	2	0	2	3	7
TOTAL	13	28	33	28	102

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FIG. A. 10. FIRMS' SPM PLATFORM-INFLUENCED IMPROVEMENT, BY FIRMS' SPM SOLUTION

PERCENTAGE OF FIRMS THAT ATTRIBUTE IMPROVEMENT IN FUNCTION TO THEIR SPM PLATFORM

MANAGEMENT ACTIVITY	CAPTIVATE IQ	SAP	VARICENT	XACTLY	OTHER COMM. SPM	ALL COMM. SPM	CUSTOM IN-HOUSE SPM	NO SPM
AUTOMATE PAY/PERFORMANCE DATA	95%	63%	76%	67%	61%	69%	14%	7%
ESTABLISH PAYEE/MGT. TRUST	90	56	81	47	61	66	29	12
MANAGE PLAN/REPORT CHANGES	95	63	71	47	50	63	14	17
TRACK, COMMUNICATE PERFORMANCE	90	50	67	47	61	61	14	19
AUDITS, COMPLIANCE	71	50	62	53	50	56	29	12
INCENTIVE PLAN DESIGN, MODELING	67	31	48	20	44	42	14	12
FORECAST INCENTIVE COMP. EXPENSE	52	19	48	7	22	31	14	10
MANAGE ASSIGNMENTS, TERRITORIES	24	25	24	20	39	27	29	12
DEVELOP SALES QUOTAS	29	25	24	13	28	24	29	19
N	21	16	21	15	18	98	7	42

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