

Magic Quadrant for IT Service Management Tools

Published 30 August 2021 - ID G00738191 - 36 min read

By Rich Doheny, Keith Andes, [and 1 more](#)

IT service management tools are vital for infrastructure and operations organizations to deliver business value in the services they provide. This research profiles vendors in the enterprise ITSM tool market to help I&O leaders align them with their current and future IT roadmaps.

Market Definition/Description

Gartner defines the IT service management (ITSM) tool market as follows:

ITSM tools help infrastructure and operations (I&O) organizations manage the consumption of IT services, the infrastructure that supports the IT services and the IT organization's responsibility in delivering business value with these services. These are most heavily used by IT service desks and IT service delivery functions to support the tasks and workflows for processes including incident, request, problem, change, knowledge and configuration management.

ITSM tools are classified based on the ability to meet customer ITSM practice requirements and integration needs with other IT operations management (ITOM) and external solutions, and include:

- Basic ITSM tools that have core ITSM capabilities such as incident, request and change management, and limited integration with ITOM solutions.
- Intermediate ITSM tools that have broad ITSM capabilities such as configuration, problem and service-level management, and provide some basic ITOM functions or integrate with intermediate third-party ITOM solutions.
- Advanced ITSM tools that have a full range of ITSM capabilities, provide advanced workflow support, and, increasingly, AITSM (that is, the optimization of ITSM practices to enable the application of artificial intelligence [AI], automation and analytics) and collaboration capabilities. They also provide broad integrated advanced ITOM functionality natively or integrate with advanced third-party ITOM solutions.

In response to digital disruption, ITSM tools are beginning to address integration requirements with the DevOps toolchain and support for agile workflows across ITSM processes.

Vendors are increasingly concentrating product development on non-I&O use cases as market saturation of ITSM tools continues. The adaptation of enterprise service management capabilities outside of ITSM functionality (such as for HR case management or facilities management) are not evaluated in this research.

Magic Quadrant

Figure 1: Magic Quadrant for IT Service Management Tools





Source: Gartner (August 2021)

Vendor Strengths and Cautions

Atlassian

Atlassian is a Visionary in this Magic Quadrant.

Its Jira Service Management product strategy is focused on the convergence of digital experiences for development, operational and business teams. Its operations are geographically diversified, and its clients tend to be small to large organizations. Atlassian's ITSM tools roadmap includes further investments into ITOM capabilities and low-code workflows. Recent acquisitions include Halp (for chatbot), Chartio (for reporting), ThinkTilt (for form design) and Mindville (for service asset and configuration management [SACM]).

Strengths

- **Agile ITSM:** Atlassian leverages its Jira issue-tracking product roots to deliver a differentiated approach to ITSM that centers around DevOps and agile support. Gartner's analysis of social media conversations identified interest around Atlassian's DevOps automation for ITSM to reduce multistep processes and address workflow gaps.
- **Transparent Pricing:** Customers can configure and price Jira Service Management through Atlassian's portal, including discounts for specific license volumes, without going through a complex sales engagement process. This pricing transparency along with a free licensing tier for three or fewer agents make it easy for prospective customers to test the product and budget before purchase.
- **New Customer Growth:** Jira Service Management is the fastest growing product by new customer count in 2020 among the vendors within this evaluation, with customers spanning small businesses to those with more than 1,000 licensed users.

Cautions

- **Disjointed Product:** While Atlassian has acquired a number of its partners to improve its product's functionality, it has yet to fully unify the platform into a single cohesive offering. As a result, customers will need to tie in multiple Atlassian products for features including advanced reporting, knowledge management and enhanced workflow design.
- **Limited Emerging Market SaaS Infrastructure Presence:** Atlassian has limited local office presence and SaaS data center infrastructure in emerging markets, in particular Latin America and the Middle East.
- **End of On-Premises Server Offering Support:** Atlassian's announcement to end sale of and support for its Jira Service Management on-premises server offerings will require that customers migrate to the cloud or use the Data Center offering. This

removes a competitive advantage when selling to existing Atlassian customers that leverage existing server investments to save money.

Axios Systems

Axios Systems, an IFS Company, is a Niche Player in this Magic Quadrant.

Its assyst product strategy is focused on extending ITSM across multiple engagement channels, augmented by a broader set of ITOM and IT business management (ITBM) extensions. Its operations are geographically diverse and its clients tend to be midsize to large-size organizations. Axios Systems was acquired by IFS in June 2021. Its ITSM tools roadmap includes AI-enabled chatbot capabilities and convergence of application services between Axios and IFS.

Strengths

- **New Ownership:** IFS's acquisition of Axios provides Axios with greater cross-sell and integration opportunities across IFS's broad portfolio of enterprise resource planning, enterprise asset management and field service management products.
- **Emerging Markets:** Axios has a growing presence in emerging markets, including Latin America and the Middle East, with a broad distribution of revenue across the major geographies.
- **Customer Engagement:** Axios has maintained strong relationships with its customers by leveraging numerous customer communication channels to foster user communities and build advocacy, leading to high retention and product upgrade rates.

Cautions

- **Lack of Differentiation:** Axios' messaging largely focuses on functional components and its combined platform and lacks strong differentiation compared to many of its close competitors.
- **Low Advanced Feature Adoption:** While Gartner regularly receives calls from clients about virtual support agents and AITSM, relatively few assyst customers have implemented these newer features on their product.
- **Churn Risk:** While IFS has the opportunity to sell assyst into its broader installed base of both midmarket and enterprise customers, Axios' current strategy of focusing on a smaller number of enterprise customers, rather than on the midmarket, exposes it to higher risk in the case of renewal challenges with these customers.

BMC

BMC is a Leader in this Magic Quadrant.

It offers four ITSM products (BMC Helix ITSM, BMC Helix Remedyforce, FootPrints and Track-It!). Its flagship BMC Helix ITSM product strategy is focused on core ITSM capabilities enriched by integrations with other BMC ITOM solutions and AITSM. The other ITSM products are broadly focused on smaller, basic to intermediate I&O maturity customers. Its operations are geographically diversified and its clients tend to be large-size organizations. The BMC Helix ITSM roadmap includes the convergence of service management and operations management capabilities and increased investment in AI. Recent acquisitions include Alderstone (implementation consulting) and ComAround (knowledge management).

Strengths

- **Advanced ITSM:** The BMC Helix ITSM product is an advanced ITSM solution that supports the needs of highly mature I&O organizations with strong ITSM process enablement and a robust configuration management database (CMDB).
- **Deployment Flexibility:** BMC is one of just a few ITSM tool vendors that provide container-based infrastructure, enabling diverse implementation options both on-premises and in the cloud.
- **Long-Term Roadmap:** BMC has a robust long-term product roadmap for Helix, which includes further addition of AI to support its ITSM processes, enhanced product integration, expanded digital workplace capabilities and improved collaboration.

Cautions

- **Product Complexity:** Despite the acquisition of Alderstone to support customer implementation and migration initiatives, customers still find the product to be complex, requiring substantial resources to support the platform and slowing down the enablement of new features.
- **Confusing Marketing Strategy:** BMC does not consistently drive a simple and compelling outcome-based message in its marketing, instead providing long and sometimes technical lists of product features. As a result, some prospects struggle to understand the value that can be achieved through BMC's solution.

- **FootPrints and Track-It! Deprioritization:** BMC has reduced investment in its ITSM products other than BMC Helix ITSM, but is still offering them to customers. This is hurting its brand image in the eyes of those legacy customers.

EasyVista

EasyVista is a Niche Player in this Magic Quadrant.

Its EasyVista Service Manager product strategy is focused on making it simple to set up and obtain value quickly in IT service support and delivery through intuitive user experience, knowledge management and self-help. Its operations are mostly focused in France, Southern Europe and North America, and its clients tend to be midsize organizations. EasyVista's ITSM tools roadmap includes predictive features, self-healing, collaboration and sustainable green IT. It received further funding from Eurazeo in 2020, delisted from the French stock market in January 2021, and acquired Goverlan (remote management) in July 2021.

Strengths

- **Ease of Use:** EasyVista provides tools to support customer growth on its product, including wizards and customer success teams. Customers on Gartner Peer Insights have referenced the tool as being easy to use and manage.
- **Total Cost of Ownership (TCO):** EasyVista Service Manager is competitively priced against other intermediate ITSM products, offering both concurrent licensing and bundled asset management.
- **Active Marketing:** EasyVista demonstrated commitment in the ITSM market by running frequent targeted marketing campaigns in 2020 to drive awareness of its solution in the market and adoption among existing customers.

Cautions

- **Lacking Emerging Features:** EasyVista lags behind competitors in the integration and adoption of machine learning technologies to augment IT staff and integration into common DevOps tools, as well as the use of live collaboration to enable new support models.
- **Limited Global Presence:** EasyVista's market presence and partner network are much weaker outside of its target regions of France, Southern Europe and North America.
- **Lower Customer Retention:** Despite modestly growing its overall ITSM revenue, EasyVista had an increase in customer defections and fewer major product upgrades by customers in 2020 compared to 2019.

Freshworks

Freshworks is a Challenger in this Magic Quadrant.

Its Freshservice product strategy is focused on providing a modern employee experience and digital operations via new ITOM capabilities. Its operations are geographically diversified and its clients tend to be small to midsize organizations. Freshworks' ITSM tools roadmap includes service mapping, cloud discovery and contextual collaboration features. Recent acquisitions include Flint (orchestration) and AnsweriQ (AI self-service).

Strengths

- **High Revenue Growth:** Freshworks is the fastest growing vendor within this evaluation by revenue percentage growth rate both for its ITSM product and as a company overall for 2020.
- **Increased Product Maturity:** Freshworks has been developing its ITSM product at a rapid pace, taking it from a basic ITSM tool at launch in 2014 to an upper-intermediate ITSM tool in less than a decade. Its ongoing roadmap suggests that the product will continue to evolve quickly, which is driving a high number of new customer wins.
- **Strong Mind Share:** Freshworks has established strong mind share among midsize organizations along with growing visibility among enterprise customers. This is reflected in both client inquiry and Gartner's analysis of social media conversations.

Cautions

- **Limited SaaS Presence:** Available only as a SaaS product, Freshservice has limited global data center presence composed of data centers in its three major markets of the U.S., Europe (Germany), and Asia/Pacific (India and Australia).
- **Upmarket Aspirations:** Freshworks' expansion into larger enterprise customers risks increasing the cost and complexity of its product beyond its predominantly small and midsize business (SMB) and midmarket customers' ability to maintain, as it devotes support and development resources to go after the more advanced needs of the enterprise.

- **Limited Partners:** A significant portion of Freshservice sales is direct rather than through partner channels, and it lacks a network of major global reseller and implementation partners for this product. This limits its ability to sell to customers who want to leverage existing partner relationships.

Ivanti

Ivanti is a Leader in this Magic Quadrant.

Its Ivanti Neurons for ITSM product was recently rebranded from Ivanti Service Management, and its product strategy is focused on providing deeper edge support through the combined capabilities of its Neurons platform along with self-service experiences for the end users. Its operations are geographically diversified and its clients tend to be medium to large organizations. Ivanti's ITSM tools roadmap includes automating ticket handling and enhanced employee experiences. Recent acquisitions include Cherwell for its line-of-business capabilities (previously a Challenger on this Magic Quadrant), Pulse Secure (security) and MobileIron (endpoint management).

Strengths

- **Differentiated Product Roadmap:** Ivanti's roadmap highlights differentiating features that leverage its experience with endpoint management to offer AITSM features that will provide a more proactive support experience for business consumers.
- **Good Market Fit:** Neurons for ITSM has several advanced features but remains suitably priced for the midmarket, which is well matched for the majority of Ivanti's customers who are running smaller implementations.
- **Acquisitions:** Ivanti's aggressive acquisition strategy over the past 12 months included major acquisitions in each of its focus areas (security, endpoint and service management). This will provide Ivanti with new cross-selling opportunities as well as additional integration points for ITSM, with new use cases for automation.

Cautions

- **Limited Emerging Market Presence:** Ivanti has a lesser presence in emerging markets, such as those countries with emerging market economies in the Asia/Pacific region, Latin America and the Middle East, challenging its growth ambitions in those regions.
- **Competing Products:** Ivanti has acquired many customers who originally purchased Cherwell Service Management (CSM) as an ITSM tool. While Ivanti has stated that Neurons for ITSM will be its primary ITSM product moving forward, it is still selling CSM as an ITSM tool. CSM customers and prospects have expressed uncertainty around the long-term support of Cherwell's product for the ITSM use case, along with the impacts of the convergence roadmap between products.
- **Confusing Rebranding:** Rebranding the ITSM tool as "Neurons for ITSM" and the decision to brand several other products and component features also as "Neurons" can confuse customers.

ManageEngine

ManageEngine is a Niche Player in this Magic Quadrant.

Its ServiceDesk Plus product strategy is focused on a low-overhead ITSM tool alongside its broader suite of products to provide an integrated experience across business functions. Its operations are geographically diversified and its clients tend to be small to midsize organizations. ManageEngine's ITSM tools roadmap includes developing a module-agnostic graphical workflow builder and a marketplace for integrations. The company is a division of Zoho.

Strengths

- **Broad Product Portfolio:** ManageEngine offers a broad portfolio of complementary products, including endpoint management, network monitoring, application monitoring, low-code development and Active Directory management solutions that integrate into ServiceDesk Plus and provide cross-selling opportunities.
- **High Revenue Share:** ManageEngine's focus on targeting midmarket customers at lower maturity levels continues to generate impressive revenue for the company at high volume, placing the vendor into the top five for ITSM tool revenue market share.
- **Customer Awareness:** ManageEngine ran a high number of targeted marketing campaigns in 2020 aimed at IT practitioners and SMBs, which have generated good awareness for the brand at those levels. This is reflected in both client inquiry and Gartner's analysis of social media conversations.

Cautions

- **Lack of Innovation:** Innovation has lagged behind the competition targeting similar customers. Many of the newer enhancements continue to require integration with other Zoho stand-alone tools (ManageEngine is a division of Zoho).
- **Lower Maturity:** While ManageEngine has improved capabilities, it still lacks advanced support in several areas such as change management, knowledge management and AITSM. This inhibits it from positioning its product for customers with more complex environments.
- **Lacks Feature Parity:** ManageEngine lacks feature parity between the SaaS and on-premises versions of its ITSM product. For example, on-premises customers do not have access to release management support and have limited knowledge management features; and not all out-of-the-box integrations are available across both on-premises and SaaS offerings.

Micro Focus

Micro Focus is a Niche Player in this Magic Quadrant.

Its Service Management Automation X (SMAX) product strategy is focused on delivering an extensible service management platform with simple and fit-for-purpose ITSM and IT asset management (ITAM) content, expanding to enterprise service management. Its operations are geographically diverse and its clients tend to be midsize to large organizations. Micro Focus' ITSM tools roadmap includes enhanced ITSM content, expanded integration and interaction mechanisms, and expanded integration with Microsoft Teams.

Strengths

- **Pricing Flexibility:** Micro Focus makes it easy for its SMAX customers to switch between named and concurrent licensing midcontract with a flexible unit-based model. Micro Focus also added a limited number of Operations Orchestration, Software Asset Management, and Universal Discovery licenses at no cost.
- **Codeless Configuration:** Micro Focus has designed its product around a codeless workflow configuration. This addresses a key challenge of buyers to reduce implementation and upgrade time and ongoing administrative resource requirements.
- **Global Support:** Native support for 19 languages and a free toolkit for creating other translations, along with broad global sales and partner presence, position Micro Focus well for global customers.

Cautions

- **Decreased Revenue:** While SMAX as a new product is gaining customers, both Micro Focus and its overall ITSM portfolio had decreased revenue from 2019 to 2020.
- **Limited AI/Machine Learning (ML) Development:** While Micro Focus has AI and ML embedded within its SMAX product, its recent development of new AITSM features has lagged others in the market. This puts Micro Focus at risk of falling behind where its competitors are more heavily investing in areas such as self-healing or change risk identification.
- **Few Marketing Campaigns:** Micro Focus ran only one global targeted marketing campaign for its SMAX product in 2020. While that campaign was extensive, this was the lowest number of targeted campaigns of the vendors in this evaluation and limits Micro Focus' ability to raise awareness of its SMAX product to both new customers and customers on its legacy ITSM products.

ServiceNow

ServiceNow is a Leader in this Magic Quadrant.

Its IT Service Management product strategy is focused on providing a single platform connecting ITSM and non-IT digital workflows supported by native ITOM and AI capabilities. Its operations are geographically diversified and its clients tend to be midsize to large-size organizations. ServiceNow's ITSM tool roadmap includes AITSM improvements and ITOM decentralization driven by its Site Reliability Operations product and artificial intelligence for IT operations (AIOps). Recent acquisitions include Element AI (AI), Sweagle (SACM), Intellibot (automation) and Lightstep (observability).

Strengths

- **Broad Geographic Presence:** ServiceNow has global reach with local sales and support organizations, and strong brand recognition. It dominates customer shortlists and it has maintained an ITSM tool revenue market share that is more than four times that of its closest competitor.
- **Investments in AI/ML:** ServiceNow's acquisition of several AI- and ML-focused companies provides it with not only native IP to engineer into its platform, but also in-house expertise to innovate these features over time. ServiceNow was also the first vendor in this Magic Quadrant to introduce native process mining (available via ITSM Enterprise licensing) into its ITSM offering.

- **High Platform Adoption:** ServiceNow effectively markets and sells across its broader platform and extended ITSM capabilities to its customers. Gartner saw a strong increase in ITSM Professional license purchases in 2020, and ServiceNow reported having more than 1,000 customers as of the end of 2020, with more than \$1 million in annual contract value.

Cautions

- **Low Value Realization:** Given financial pressures caused by COVID-19, in 2020 there was an increase of interactions with Gartner clients that have not yet achieved high levels of I&O maturity and that struggled to demonstrate substantial value from their ServiceNow investments. Without further investment into value realization and ROI, particularly for low-maturity customers using ServiceNow's base product, there is a higher risk of churn to lower-cost alternatives.
- **Product Packaging Challenges:** ServiceNow lacks the license model and product packaging flexibility of many of its closest competitors. Customers with large numbers of occasional users struggle to justify purchasing its role-based named-user licensing model, and Gartner has observed low adoption of its all-user licensing model alternative because it often comes at a cost premium rather than a savings.
- **Renewal Leverage Concerns:** Some Gartner clients are concerned that ServiceNow's market position is hurting their ability to negotiate their contract or reduce their footprint without heavy impacts to their current discount.

SysAid

SysAid is a Niche Player in this Magic Quadrant.

Its SysAid product strategy is focused on providing core ITSM capabilities on a low-code platform with rapid time to value. Its operations are geographically diversified and its clients tend to be small organizations. SysAid's ITSM tool roadmap is focused on advanced analytics via planned features (such as a smart ticket queue) and adding out-of-the-box automation scripts called "Abots" to improve its Automate Joe orchestration platform.

Strengths

- **Midmarket Focus:** SysAid has a clear focus on the midmarket where it can best position its low overhead, ease of configuration, and features such as basic patch management and remote desktop support.
- **Low Cost:** SysAid has one of the lowest licensing costs of the products evaluated and includes bundled admin training assistance for new customers.
- **Creative Marketing:** SysAid utilizes a broad marketing approach including raffles and music videos across multiple campaigns to raise brand awareness and build relationships with its largely midmarket user community.

Cautions

- **Lacks Advanced Capabilities:** While SysAid positions itself as an ITSM tool for all maturities, it lacks support for advanced capabilities in several areas such as change management, configuration management and AITSM. This limits the appeal of SysAid to customers with lower I&O maturity.
- **Small Vendor:** SysAid has the smallest market share of the vendors in this Magic Quadrant, and growth in customer numbers and revenue has lagged behind the company's midmarket-focused competitors.
- **Limited Sales Channels:** A significant portion of SysAid's sales are direct rather than through partner channels. This, combined with having local offices in the U.S. and Israel, will limit its global outreach, particularly outside its core markets of North America and EMEA.

USU

USU is a Niche Player in this Magic Quadrant.

Its USU ITSM product strategy is focused on providing a one-stop solution for everything that an IT organization needs to deliver IT services to the business. Its operations are mostly focused in Germany, and its clients tend to be medium to large organizations. USU's ITSM tools roadmap includes cloud management, AIOps, extended collaboration support and improving the UX for better accessibility. Its ITSM tool product was previously branded as Valuemation.

Strengths

- **Broad Product Portfolio:** USU offers a broad portfolio of complementary products, including software asset management, monitoring and cloud management solutions that integrate into USU ITSM and provide cross-selling opportunities.

- **Deep Customer Relations:** USU's deep regional focus has led to high customer retention rates in 2020. It also offers regular maturity checks and a user community for its customers.
- **Customer-Driven Roadmap:** USU has a very collaborative approach to its product roadmap that is developed in cooperation with its customers. It solicits input through a number of channels including its conference and direct conversations with product management.

Cautions

- **Limited Global Presence:** Outside its local market, USU primarily markets and sells ITAM and knowledge management tools rather than its ITSM product. Outside the region of Germany, Austria and Switzerland (DACH), USU has very few customers, partners and local offices.
- **Nontraditional Pricing:** USU's standard pricing model requires that all users, including business users and IT users, have a license for its product, rather than the more traditional approach that only licenses for the IT users. This pricing model will be less appealing to some buyers as it requires them to pay a license fee for business users who may have limited use of the tool.
- **Product Gaps:** While USU positions its ITSM tool for advanced I&O maturity, it lacks some support for advanced capabilities in several areas such as change management and AITSM. Some Gartner Peer Insights customers have also noted that the product can be difficult to maintain. These limitations will be inhibitors as USU positions itself for customers with more complex environments.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

- Atlassian meets the inclusion criteria for this Magic Quadrant this year.
- SysAid meets the inclusion criteria for this Magic Quadrant this year.
- USU meets the inclusion criteria for this Magic Quadrant this year.

Dropped

- Broadcom did not meet the inclusion criteria for this Magic Quadrant.
- IBM did not meet the inclusion criteria for this Magic Quadrant.
- Cherwell was acquired by Ivanti.

Inclusion and Exclusion Criteria

To qualify for inclusion, providers need to meet the following:

- Actively sell and market an ITSM product that includes native functionality for:
 - IT incident management
 - Problem management
 - Change management
 - Configuration management
 - Release governance

- IT user self-service (for knowledge and request management)
- IT knowledge management
- IT service support analytics and reporting
- SLA management with regard to incident and service requests

Also, a graphical process designer must be used to modify at least one-third of the above workflows.

- Must have run at least one marketing campaign for the product in 2020. The marketing campaign must have defined objectives, target audience, content and channels.
- Have demonstrated ongoing development of the product with at least one major update/release (not including security updates and minor feature update) over the past 12 months (since 1 April 2020).
- Have at least 35% of customers using versions of software across the ITSM product portfolio that are less than 18 months old (released after 1 October 2019).
- Have at least \$40 million in annual revenue derived from ITSM products during the calendar year of 2020; or at least \$30 million in annual revenue derived from ITSM products during the calendar year of 2020, with at least 20% year-over-year growth when compared to 2019:
 - All ITSM revenue counted for this must be derived outside of bundled outsourced and managed workplace service agreements.
 - All ITSM revenue counted for this must be solely derived from sale of a stand-alone ITSM product.
- Have at least six new customers added during 2020 with either a contract value of \$250,000 for purchase of perpetually licensed ITSM tool software or an annual contract value of \$125,000 for subscription to ITSM tool software.
- Have a sales presence or partner network that includes at least two offices (regional office or reseller partner) and new customers in 2020 in each of three or more of the following regions:
 - North America
 - Latin America
 - Europe (Western, Eastern and Eurasia)
 - Middle East and North Africa (including Sub-Saharan Africa)
 - Asia/Pacific (mature, emerging, Greater China and Japan)

The product versions considered as part of this evaluation must have been generally available by 1 April 2021.

Vendors may have multiple products in the ITSM solution market. In these cases, each vendor was evaluated as a whole for this Magic Quadrant and for the subsequent Critical Capabilities for ITSM; only its enterprise-focused product(s) that individually meet(s) the above functionality, support, sales, revenue and marketing criteria are evaluated. The products are described separately in the companion Critical Capabilities research.

Evaluation Criteria

Ability to Execute

Product/Service: This refers to core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The criterion assesses the vendor’s capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: This refers to a vendor’s ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor’s history of responsiveness.

Marketing Execution: This criterion assesses the clarity, quality, creativity and efficacy of programs designed to deliver the organization’s message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This “mind share” can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Table 1: Ability to Execute Evaluation Criteria

Evaluation Criteria ↓	Weighting ↓
Product or Service	High
Overall Viability	Medium
Sales Execution/Pricing	High
Market Responsiveness/Record	Medium
Marketing Execution	High
Customer Experience	Medium
Operations	NotRated

Source: Gartner (August 2021)

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers’ wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers’ wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor’s approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor’s underlying business proposition.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or preemptive purposes.

Geographic Strategy: The vendor’s strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the “home” or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

Table 2: Completeness of Vision Evaluation Criteria

Evaluation Criteria ↓	Weighting ↓
Market Understanding	High
Marketing Strategy	High
Sales Strategy	High
Offering (Product) Strategy	High
Business Model	Medium
Vertical/Industry Strategy	NotRated
Innovation	High
Geographic Strategy	Medium

Source: Gartner (August 2021)

Quadrant Descriptions

Leaders

Leaders have executed well with broad market reach, strong customer awareness of their participation in this market, and adoption (as evidenced by Gartner client interaction data, as well as their growth and market presence). The Leaders in this Magic Quadrant jointly account for more than 65% of the market share for 2020. These vendors have a clear vision that addresses relevant challenges for I&O teams. These vendors exhibit the levels of product, marketing and sales capabilities required to drive market acceptance.

Challengers

Challengers have executed well, growing market revenue, retaining good customer awareness and improving their ITSM product and overall viability levels enough to participate in the general-purpose market with competitive products. In general, however, Challengers are not seen as driving the market as strongly as Leaders or Visionaries.

Visionaries

Visionaries deliver an innovative approach to the market that addresses operationally important I&O organizational challenges such as optimizing operational efficiency and creating more agile ITSM processes, but have yet to execute as well as Challengers or Leaders. Visionaries have a differentiated message and product strategy that resonates with developing buyer needs.

Niche Players

Niche Players have strengths in particular areas of ITSM and often offer solid products for a specific use case, but generally have not invested in satisfying all the requirements to demonstrate Completeness of Vision and the Ability to Execute. The Niche Players in this Magic Quadrant focus on a small segment or are in the process of ramping up go-to-market efforts and have yet to develop the vision to break out; or they are scaling down their offerings by retiring products.

Context

The Magic Quadrant for ITSM tools assesses the viability of vendors and their competitive strength in the ITSM tool marketplace. It is important to note that this is not a direct evaluation of the ITSM products that these vendors offer. This analysis is complemented by the [Critical Capabilities for IT Service Management Tools](#), which analyzes 13 key capabilities that differentiate these products weighted into three I&O-maturity-related use cases and one use case for supporting heavy agile and DevOps environments. The use-case filter helps prioritize the capabilities that will have the greatest beneficial impact from ITSM products offered by these vendors.

Gartner strongly recommends that organizations use this research in conjunction with the Critical Capabilities companion research, the selection best practices included in [6 Smart Steps for ITSM Tool Selection Success](#), inquiries with analysts, Gartner Peer Insights and other Gartner research to define their requirements and select solutions that match their needs.

While the core features within these tools are typically well defined, emerging market needs are driving further vendor differentiation including:

- Higher focus on employee experience management with embedded sentiment analysis, satisfaction surveys and experience-level agreements (XLAs).
- DevOps initiatives that require a deeper integration into the DevOps toolchain.
- Product teams that are driving the need to federate ITSM process execution and allow I&O visibility and governance across these new service providers.
- Enablement of more flexible and agile IT service management processes.
- Broader AITSM support with investments into artificial intelligence and machine learning to drive the application of context, advice, actions and interfaces of AI, automation and big data.
- Omnichannel and multiexperience support that create more consistent and engaging experiences across different support channels (for example, walk-up, roaming or peer-to-peer [P2P] support) and interfaces (for example, mobile and web).
- Support for highly collaborative support models (for example, swarming).
- Expansion into other business workflows, capabilities for processing workflows such as HR, facilities, and project management (see [The Reality of ITSM Tools as Enterprise Service Management Tools](#)).

Gartner recommends that you plan to select a vendor that you believe will be in a position to support your organization's needs for at least five years, and that demonstrates its commitment to invest in developing the tool capabilities to remain viable in the ITSM market.

Market Overview

The \$6.9 billion market for ITSM tools continues to evolve, with both new vendors and vendor consolidation over the past year. It is a highly competitive market and the top three vendors by ITSM revenue – BMC, Ivanti (acquiring Cherwell in 2021) and ServiceNow – combined, had more than 65% of the market share in 2020.

The ITSM tool market is mature and is composed of hundreds of products that, at minimum, claim to provide IT organizations with the ability to track and resolve issues affecting the IT production environment. Full ITSM solutions will offer broader features to manage operational processes such as change and problem management with deep insights into an organization's services, assets and knowledge.

The majority of vendors in this market offer basic or intermediate ITSM tools that focus on IT service desk and ticketing functions targeted at lower-maturity I&O organizations. Vendors focused on basic- to intermediate-maturity use cases can be expected to emphasize core ITSM competencies (for example, incident management, change management, request management, etc.). They will find novel ways to leverage emerging technologies and selectively pursue non-ITSM use cases to differentiate themselves in an already crowded landscape. I&O organizations with these limited requirements should consider basic and intermediate tools to avoid overspending on license and deployment costs, as well as to avoid increased demand on resources to successfully manage these tools.

I&O organizations intent on achieving higher levels of maturity within 18 months should consider advanced ITSM tools to gain value from solutions focused on a broader, end-to-end context of IT service support and delivery. Vendors focused on advanced-maturity use cases can be expected to develop and execute platform strategies to distinguish themselves from simple SaaS applications, providing more flexibility and product capabilities. These vendors also tend to invest more heavily in innovative features like AI and

ML, as their customers can leverage their scale and data quality to achieve higher results than less mature organizations. Given the increases in capability and complexity, advanced ITSM tools will be more costly and require more resources for deployment than an intermediate or a basic tool.

While this is a crowded market, vendors are making enhancements to their products to seek differentiation including:

- **Virtual Support Agents:** While adoption of these is still generally immature, providers are increasing natural language processing capabilities and adding out-of-the-box intents to improve time to value and user adoption.
- **Remote Collaboration:** Given the impact of COVID-19 in supporting a distributed environment of both IT and the business consumers, vendors are enhancing collaboration capabilities to include both native channels (e.g., live chat, forums, wikis) as well as integration into common platforms like Microsoft Teams and Slack.
- **Swarming:** Interest in breaking from the traditional tiered support models is driving more collaborative support. ITSM vendors are investing in better capabilities to identify and connect the right subject matter experts into a live collaborative channel with deep integration into their ITSM solution.
- **Experience Management:** As I&O organizations increase focus around experience management, ITSM tool vendors have been challenged to evolve their solutions to meet this change. This includes not only providing enhanced experiences delivered by the platform itself to both the business and IT users who access it, but also providing better ways of measuring and improving the customer sentiment around the experiences.
- **DevOps Support:** As I&O leaders increasingly adopt agile and DevOps practices, ITSM vendors are providing bidirectional visibility and integration between native and third-party development and ITSM tools.
- **AITSM:** Several ITSM vendors are partnering with AIOps platforms and investing in developing or acquiring native machine learning and big data analytics technologies to provide I&O leaders and practitioners with greater insights around their environments.
- **Containerized Deployments:** SaaS is still the most commonly desired model for ITSM vendors, but some larger vendors have adopted containerized deployment approaches over public cloud infrastructure to provide additional flexibility and more choices for their customers.
- **Line-of-Business Support:** A growing number of vendors are developing, marketing and, in some cases, rebranding their products to support enterprise workflows such as HR and facilities management. This potentially creates stagnation in their ITSM roadmaps as these companies spend limited R&D and marketing budgets outside of their core market.
- **Product Adoption and I&O Maturity:** As customers look for a product to grow and mature their ITSM process on, some vendors are implementing functionality and services such as implementation wizards, customer success teams, improved graphical design capabilities and process mining.

Acronym Key and Glossary Terms

AITSM	AITSM is not an initialism. It is a term that refers to the application of context, assistance, actions and interfaces of AI, automation and big data on ITSM tools and practices to improve the overall effectiveness, efficiency and error reduction for I&O staff. AITSM is important for intermediate and advanced use cases to automate and support complex environments.
-------	--

Evidence

Market Share: [Enterprise Infrastructure Software, Worldwide, 2020](#) analyzes market share data for ITSM vendors as part of overall IT operations software revenue. This market has grown from an estimated \$1.3 billion in 2010 to \$6.9 billion in 2020.

Gartner's community of more than 1,200 analysts engages in more than 250,000 one-on-one client interactions each year. Conclusions are based on data from Gartner interactions with Gartner clients purchasing ITSM tools collected during the past 18 months (as of 1 July 2021).

Gartner collects ITSM tool statistics from anonymized client inquiries detailing ITSM tools in use, scheduled for replacement and on shortlists for selection.

Listly's [Helpdesk Tools for ITIL & Service Management](#), as of July 2021, shows 449 products. Although some are duplicates, Gartner has encountered products that are missing from that list.

Source of Social Media Analytics Data: Gartner conducts social listening analysis leveraging third-party data tools to complement or supplement the other fact bases presented in this research. Due to its qualitative and organic nature, the results should not be used separately from the rest of this research. No conclusions should be drawn from this data alone. Social media data in reference is from 1 September 2018 to 31 June 2021 in all geographies (except China) and recognized languages.

The SMA Team: Ritesh Srivastava and Ayush Saxena.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that

geography and market.

Learn how Gartner can help you succeed

[Become a Client](#)

© 2022 Gartner, Inc. and/or its affiliates. All rights reserved. Gartner is a registered trademark of Gartner, Inc. and its affiliates. This publication may not be reproduced or distributed in any form without Gartner's prior written permission. It consists of the opinions of Gartner's research organization, which should not be construed as statements of fact. While the information contained in this publication has been obtained from sources believed to be reliable, Gartner disclaims all warranties as to the accuracy, completeness or adequacy of such information. Although Gartner research may address legal and financial issues, Gartner does not provide legal or investment advice and its research should not be construed or used as such. Your access and use of this publication are governed by [Gartner's Usage Policy](#). Gartner prides itself on its reputation for independence and objectivity. Its research is produced independently by its research organization without input or influence from any third party. For further information, see "[Guiding Principles on Independence and Objectivity](#)."

[About](#) [Careers](#) [Newsroom](#) [Policies](#) [Site Index](#) [IT Glossary](#) [Gartner Blog Network](#) [Contact](#) [Send Feedback](#) 

© 2022 Gartner, Inc. and/or its Affiliates. All Rights Reserved.