

| ENTERPRISE FEEDBACK MANAGEMENT | REPUTATION FOR CUSTOMER SATISFACTION |   |   |   |   | REPUTATION FOR DEPTH OF FUNCTIONALITY |   |   |   |   | REPUTATION FOR COMPANY DIRECTION |   |   |   |   | TOP 3 VERTICALS                                     |
|--------------------------------|--------------------------------------|---|---|---|---|---------------------------------------|---|---|---|---|----------------------------------|---|---|---|---|-----------------------------------------------------|
|                                | 1                                    | 2 | 3 | 4 | 5 | 1                                     | 2 | 3 | 4 | 5 | 1                                | 2 | 3 | 4 | 5 |                                                     |
| Allegiance                     | ■                                    | ■ | ■ | ■ | ■ | ■                                     | ■ | ■ | ■ | ■ | ■                                | ■ | ■ | ■ | ■ | BANKING, HEALTHCARE, RETAIL                         |
| MarketTools (CustomerSat)      | ■                                    | ■ | ■ | ■ | ■ | ■                                     | ■ | ■ | ■ | ■ | ■                                | ■ | ■ | ■ | ■ | TECHNOLOGY, FINANCIAL SERVICES, HEALTHCARE & PHARMA |
| RightNow Technologies          | ■                                    | ■ | ■ | ■ | ■ | ■                                     | ■ | ■ | ■ | ■ | ■                                | ■ | ■ | ■ | ■ | GOVERNMENT, HIGHER EDUCATION, RETAIL                |

**THE MARKET**

Making its Service Leader debut, enterprise feedback management (EFM) has caught some buzz, but compared to the more-established customer service markets, the space still has some growing up to do, says Gartner Research Director Jim Davies, who calls EFM “young, immature, and evolving.” With few megavendors interested, niche players have emerged to snag a piece of the pie—in fact, by Davies’ estimate, as many as 50 vendors are hawking “pure” EFM.

With so many players clamoring for attention, Davies says it’s difficult to identify the few with solid offerings. “What I’m tending to see is vendors doing the basics well,” he says. “You need a broad solution that supports a number of channels and has good integration capabilities and good analytics.” Many key EFM players, he says, evolved from market research or survey tools, and are now penetrating the enterprise to provide departments with customer insight—albeit through phone or email surveys, community forums, or other social media channels such as Twitter. “As things evolve, a vendor [will] have to be able to say that they do feedback on every source that’s out there and they consolidate it,” says Ted Lubowsky, an analyst with DMG Consulting. The challenge companies face is not how to get the feedback but how to make it actionable. Davies says that the incorporation of analytics in EFM shows organizations what customers need and how a company should act upon it.

Despite the recession, EFM is prospering—up 21 percent in 2008, according to DMG Consulting, and projected to rise 15 percent more this year. Davies and Lubowsky both credit the industry’s unrelenting focus on listening to the customer. “[EFM] is critical to customer experience and customer loyalty and to any customer-centric enterprise,” Lubowsky says. “Those things are really important during a downturn

# Enterprise Feedback Management

because you don’t want to lose customers—you want to keep [them].”

**THE LEADERS**

**MarketTools**, a provider of online market-research solutions, gobbled up EFM player CustomerSat in April 2008, but it’s the latter name that seems to be enduring. CustomerSat has a solid reputation, and the reach of its brand may exceed that of MarketTools, one analyst says: “CustomerSat is a strong company [with] strong

offerings and a strong product.” Depth-of-functionality scores are particularly substantial, thanks to MarketTools’ diversified-yet-comprehensive package of feedback tools.

**RightNow Technologies**, a well-regarded CRM vendor, has dabbled in the feedback space for years now. Although RightNow’s EFM solution is an add-on product to its CRM offering, analysts note that customers like and are satisfied with the product, leading to a near-5.0 score in customer satisfaction. The EFM offering reveals an interest in integrating CRM with surveys and feedback management. “CRM vendors are going to be getting into this market much more aggressively over the next few years,” Davies predicts. He notes, however, that—despite a nice user interface for surveys and an overall noteworthy solution—RightNow’s core competence is CRM. As the market evolves, best-of-breed EFM vendors may swoop in and push RightNow off this leaderboard.

**THE WINNER**

The first winner for this category is a testament to the market’s youth—and a reminder that best-of-breed players currently rule the roost. **Allegiance**, a pure EFM company formed in 2005, may not yet be a household name, but may soon become one by sticking to its strengths—competencies in analytics, reporting, phone and Web integration, and surveying make for a well-rounded solution. “Allegiance is a young company and has a lot of good stuff and good vision,” an analyst says, adding that proving itself a viable long-term option will hinge on its execution over the next few years. Davies agrees that Allegiance is a solid pure-play EFM vendor, adding that he’d recommend the company based on its flexibility in working with customers. Allegiance attributes its success not only to listening to customers but consulting a team of loyalty and engagement experts, including Ph.D.s, statisticians, and customer experience gurus. The listening might be paying off—ratings for satisfaction were very high—but it was the score for company direction (4.4) that really knocked out the other contenders. —*Lauren McKay*

SERVICE LEADERS



With an impressive list of Global 5000 clients, and what Gartner’s Davies calls an obvious dedication to research and development, **Confirmit** stands out. One of the larger EFM players, the company seems to be doing a lot in the area of analytics, and a commitment to developing new tools may push Confirmit onto the leaderboard.

**Satmetrix** may be “just” a feedback company, as one analyst says, but it’s also the codeveloper of Net Promoter, a scoring mechanism that aids organizations in becoming more customer-centric. Having scored high in both company direction and depth of functionality, Satmetrix is definitely a company to keep an eye on, analysts say.