Midmarket Context: ‘Magic Quadrant for IT Service Management Tools’

Published 15 June 2021 - ID G00743395 - 14 min read

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Midsize enterprises seeking a rightsized ITSM tool will find a vast market filled with commoditized, industrialized solutions that have minimal differentiating product characteristics. This research helps MSE I&O leaders traverse the complex ITSM vendor landscape and identify best-fit solutions.

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This content is part of a larger body of research on this topic.

Magic Quadrant for IT Service Management Tools

Market Differentiators

IT service management (ITSM) tools, and the relevant vendors appearing in the Magic Quadrant for IT Service Management Tools, are designed and mostly built to meet the needs of large global enterprises. This means that midsize enterprises (MSEs) risk buying complex, costly and unneeded solutions. Most MSEs lack the resources to utilize the bundled capabilities of these ITSM solutions, nor can they afford to buy licenses in the way that many of the providers offer them. The available IT resources in a typical midsize organization can affect both product requirements and the criteria used to select potential vendors. Some MSEs have a higher level of maturity, dictating ITSM solutions with more advanced capabilities.

MSEs report an average of five to 30 IT full-time equivalents (FTEs) with requirements beginning with a few licenses. MSE I&O leaders prefer a “pay as you grow” licensing model, with most organizations not requiring more than 50 licensed users. Additionally, while there are cost implications, there is no predisposition to SaaS or on-premises deployment models.
MSE buyers require high-quality service and support as well as ease of administration and management. Niche ITSM vendors’ products are typically lower cost, requiring fewer resources to implement and maintain. While less feature-rich, these tools align more closely to MSEs’ buyer criteria. Conversely, MSE I&O leaders who focus too much on costs risk adopting a product that is ill-equipped to meet their organization’s long-term maturity goals (see Critical Capabilities for IT Service Management Tools).

Features within ITSM tools are robust and mostly standardized. But license, implementation and ongoing administration costs vary significantly from vendor to vendor. Functional requirements within MSEs remain highly fragmented. Most MSEs require enterprise-class functionality in a few key areas, such as incident, problem and knowledge management. But in others (such as change and release management), varying degrees of good-enough functionality is all that may ever be required. In certain situations, the benefits of an industry-specific approach (e.g., legal and education) could trump the specific benefits of competing products.

Looming over every midsize organization’s ITSM solution choice is the effect that automation will have when choosing the tool and its associated tools and technologies. For example, MSEs might need to consider how a chat bot tool would interface with the ITSM tool. Other areas affected could include implementation requirements, upgrades, license models, and ongoing development and governance. Some effects will be positive and some negative, making ITSM solution knowledge and close monitoring top requirements.

Considerations for Technology and Service Selection

Current Environment

Changing platforms or adopting a more robust ITSM solution will not resolve symptoms resulting from internal process and people deficiencies; in most circumstances, it will only serve to exacerbate the situation.

Action: Confirm available resource capabilities in addition to your ITSM solution selection.

Organization Maturity

Organizational maturity aspirations affect ITSM vendor selection in the MSE space. Less mature MSEs with moderate maturity goals might consider a SaaS model as the more pragmatic approach, due to shorter, less-costly deployment cycles and fewer resources required for support than on-premises solutions. More mature organizations can look to more sophisticated, complex and robust solutions.
Action: Identify your organization’s maturity both for today and future maturity goals. If current/future/actual goals are unknown, it is important to create them before selecting your tool. Otherwise, out-of-sync maturity knowledge will challenge your organization (see Critical Capabilities for IT Service Management Tools).

Implementation Process and Cost

Personal: MSEs must know the number of internal and external resources required, skill sets required and how vendors assign external resources.

Timeline: Time to implement is critical for planning purposes, including how and whether vendors can implement in the required timeline. (Note: Estimated implementation timelines are two to 15 days or 60 to 120 days — consider solution type and complexity, organization maturity and resource availability when analyzing timeline.)

Cost: Based on the above timeline, the same vendor group indicated costs from as low as $25,000 to as much as $100,000. (Note: Again, consider solution type and complexity, organization maturity and resource availability when analyzing cost.)

Action: Establish vendor implementation costs, timeline and resources required to achieve a successful implementation with minimal disruption.

After Implementation Support

The smaller infrastructure and application portfolios of midsize organizations makes each application disproportionately critical. MSEs will more likely utilize APIs between the various tools and data sources, which is more flexible than custom connectors. But there is an overhead with maintaining those over time. Validate each vendor’s capabilities to integrate their ITSM solution to existing infrastructure and data sources.

Action: Use marketplace data, including reference checking, to evaluate the vendor’s ability to provide implementation support and high-quality ongoing service and support, particularly if these skills are absent or lacking internally.

Other Considerations

It is important to realize that SaaS is not always the least expensive option (see 6 Smart Steps for ITSM Tool Selection Success).
**Action:** Completely understand the delivery model, pricing, licensing and maintenance costs, making sure that all attributes make sense for your organization before agreeing to a deal.

### Notable Vendors

*Vendors included in this Magic Quadrant Perspective have customers that are successfully using their products and services. Selections are based on analyst opinion and references that validate IT provider claims; however, this is not an exhaustive list or analysis of vendors in this market. Use this perspective as a resource for evaluations, but explore the market further to gauge the ability of each vendor to address your unique business problems and technical concerns. Consider this research as part of your due diligence and in conjunction with discussions with Gartner analysts and other resources.*

*Midsize clients, via inquiry and other activities, have most frequently referenced the vendors listed below as having ITSM solutions specifically for midsize enterprises.*

**Atlassian**

Atlassian has been providing software products and solutions for over 15 years. Today it has a staff of over 3,000 to support its products and solutions. Through its subsidiaries, Atlassian provides these various software products worldwide, including an IT service management solution (ITSM). Atlassian’s Jira Service Management (formerly Jira Service Desk) incorporates a number of recent acquisitions including Mindville, Halp and Opsgenie in its solution. Its solution can be hosted in your data center or their cloud and can be supported by Atlassian and its partner network.

**Geographic coverage:** Atlassian has global coverage through its website, which is generally limited.

**Free or time-limited demo versions:** Yes.

**Industry coverage:** Atlassian does not identify an industry focus but has customer examples in multiple industries.

**Midmarket focus:** While providing solutions to all sized organizations, Atlassian’s ITSM solution has a focus on midsize organizations. Midsize clients state that Atlassian’s standardized MSE solution is easy to implement.
**Pricing model:** Atlassian's transparent named-per-license pricing with a subscription model makes it a good fit for midmarket clients who do not want to pay higher, fixed-based fees and/or who must know their budget. (Note: Atlassian makes its pricing available on its website, including volume discounting, if applicable.)

**Implementation:** Gartner estimates that a typical implementation of the Jira suite takes up to two FTEs and approximately 40 days to complete.

**EasyVista**

EasyVista is a global company providing many solutions, including ITSM with more than 1,200 customers around the world. It is headquartered in Paris and New York with offices throughout Europe and North America. With more than 20 years of ITSM solution experience, EasyVista’s ITSM solution is delivered through its EV Service Manager toolset. EasyVista leverages its 2017 acquisition of Knowesia to extend its self-service and knowledge-management capabilities.

**Geographic coverage:** EasyVista has global coverage focused through its website plus sales and support personnel located throughout the globe with both local sales and support teams.

**Industry coverage:** EasyVista provides solutions to all industries with a focus on higher education, insurance, healthcare, manufacturing and public sector.

**Free or time-limited demo versions:** No.

**Midmarket focus:** EasyVista provides solutions to all sized organizations, with midsize organizations comprising close to 40% of its ITSM revenue. Midsize clients have indicated that EasyVista's standardized solution is relatively easy to implement.

**Pricing model:** EasyVista's EV Service Manager provides a concurrent licensing model that makes it a good fit for the midmarket client who can take advantage of having shared licenses across a pool of users (e.g., shift workers).

**Implementation:** Gartner estimates that a typical implementation of the EV Service Manager solution takes up to three FTEs and approximately 40 to 50 days to complete.

**Freshworks**
Founded in India in 2010 with the launch of its cloud-based customer service software, Freshdesk, in 2011, Freshworks develops software solutions for its customers who, according to Freshworks, are approaching 50,000. Among those tools is Freshservice, its ITSM solution. Freshworks has since acquired AnswerIQ and Flint in 2020 to add optional AI, orchestration and SaaS management capabilities to some of its Freshservice licensing tiers.

**Geographic coverage:** Freshworks has global coverage focused through its website plus sales and support personnel located throughout the globe with both local sales and support teams.

**Industry coverage:** Freshworks has identified customers in technology, business services and education as key industries.

**Free or time-limited demo versions:** Yes.

**Midmarket focus:** Freshworks provides solutions focusing on small and midsize organizations, with close to 67% of its ITSM revenue from midsize companies.

**Pricing model:** Freshservice offers named user licensing for users across different tiers of product functionality that enables midmarket organizations to grow on the solution as their needs evolve. Freshservice shares its pricing on its website.

**Implementation:** Gartner estimates that a typical Freshservice implementation requires one or two FTEs and about 50 to 60 days to complete. Midsize clients state that the standardized Freshservice solution is relatively easy to implement.

**ManageEngine**

ManageEngine — a division of Zoho Corp. since 2003 — provides ITSM solutions with ServiceDesk Plus that includes Standard, Professional and Enterprise level options. While ManageEngine sells to companies of all sizes, it has a focus on midsize enterprises with its ServiceDesk Plus product. ManageEngine has a number of products in adjacent markets, such as unified endpoint management and monitoring, that integrate with ServiceDesk Plus.

**Geographic coverage:** ManageEngine has global coverage based on its website plus sales and support personnel located throughout the globe with both local sales and support teams.
Industry coverage: ManageEngine has identified customers in travel, entertainment, hospitals and government as key industries.

Free or time-limited demo versions: Yes.

Midmarket focus: ManageEngine provides solutions focusing on small and midsize organizations, with close to 90% of its ITSM revenue from midsize companies.

Pricing model: ManageEngine's ServiceDesk Plus offers named user licensing for users across different tiers of product functionality that enables midmarket organizations to grow on the solution as their needs evolve. ManageEngine shares its pricing on its website.

Implementation: Gartner estimates that a typical ManageEngine implementation requires two FTEs and takes about 30 days to complete. Some midsize clients have commented on ManageEngine's solutions’ flexibility and ease of implementation and use.

SolarWinds
SolarWinds ITSM solution, SolarWinds Service Desk, is an ITIL-compliant multitenant cloud-based SaaS platform supporting on-premises, public or private cloud, or in a hybrid IT infrastructure-based model. SolarWinds acquired Samanage in 2Q19, adding Samanage's products to SolarWinds' IT Operations Management portfolio. Its ITSM solution is one of many application products in its portfolio. Headquartered in Austin, Texas, SolarWinds has a global footprint with multiple office locations in both the APAC and EMEA regions.

Geographic coverage: SolarWinds provides its solutions globally, enabling the ability to monitor and manage IT environments deployed on-premises, in the cloud or in hybrid models.

Industry coverage: SolarWinds has not identified specific industries, stating that it covers all industry channels.

Free or time-limited demo versions: A free 30-day fully functional Service Desk trial is available.

Midmarket focus: SolarWinds provides solutions focusing on small and midsize organizations, with close to 90% of its ITSM revenue from midsize companies.
Pricing model: SolarWinds Service Desk offers seat-based licensing per named technician. Additionally, IT Asset Management is offered on a per-device cost basis.

Implementation: Gartner estimates that a typical SolarWinds Service Desk implementation requires two FTEs and takes about 30 to 35 days to complete.

SunView Software

SunView Software provides ITSM software that helps companies support their IT service environments. Its ChangeGear Service Manager supports both on-premises and cloud-based solutions. SunView Software extends its ITSM solution with its Willow AI and machine learning platform.

Geographic coverage: SunView Software provides its solutions globally with the option of an on-premises or cloud-based solution. Its solution is delivered via public or private cloud with SaaS data centers in North America and Europe, or in a hybrid IT infrastructure-based model.

Industry coverage: SunView Software has a specific focus on midsize enterprises across most industries.

Free or time-limited demo versions: No.

Midmarket focus: SunView Software provides solutions focusing on midsize and large organizations, with close to 90% of its ITSM revenue from midsize companies. Its website provides case study examples from midsize clients.

Pricing model: SunView Software offers both named and concurrent subscription licensing options for both on-premises and SaaS customers.

Implementation: Gartner estimates that a typical ChangeGear implementation requires between one and two FTEs and takes about 20 to 30 days to complete.

SysAid

SysAid is a global company founded in 2002 that provides help desk, IT service desk and ITSM software via cloud-based or on-premises solutions and comes in SysAid Basic and SysAid Full, with optional add-ons available. SysAid provides a wide range of ITSM support services and training. It defines its customer base as beginners through advanced.
**Geographic coverage:** SysAid solutions are delivered globally via SaaS solutions. It is remote and on-premises, in a public or private cloud, or in a hybrid IT infrastructure-based model.

**Industry coverage:** While SysAid covers all vertical industries, the largest segments of its customer base come from education, healthcare and manufacturing verticals.

**Free or time-limited demo versions:** Yes.

**Midmarket focus:** SysAid provides SysAid Basic and SysAid Full to varying sized companies, with a focus on the midmarket. It includes 18 case studies based on midsize companies and higher education institutions.

**Pricing model:** SysAid offers a named user option and two tiers of product functionality that allow customers to grow as their needs evolve.

**Implementation:** SysAid provides free implementation. Gartner estimates that a typical SysAid implementation requires 1.5 FTEs and takes about 10 to 40 days to complete. An out-of-the-box implementation could take a matter of hours.

**TeamDynamix**

Founded in 2001, TeamDynamix provides web-based no-code, enterprise service management (ESM), ITSM, and project portfolio management (PPM) solutions as well as integration platform as a service (iPaaS).

**Geographic coverage:** TeamDynamix provides its solutions mostly in North America through both SaaS and on-premises solutions.

**Industry coverage:** TeamDynamix has its roots in the higher education industry; however, today it provides solutions to other industries including public sector, healthcare, manufacturing, utilities and financial services.

**Free or time-limited demo versions:** Yes.

**Midmarket focus:** TeamDynamix's initial focus was on the higher education industry, which is why almost all of its revenue is from midsize companies or organizations. Of its 50-plus case studies on its website, three were midsize healthcare companies, one was a midsize bank and the remainder were higher education institutions.
Pricing model: TeamDynamix offers both named and concurrent user licensing options along with a lower-usage “student technician” tier. Pricing models with packages make it a flexible option for midmarket clients seeking to control costs.

Implementation: Gartner estimates that a typical TeamDynamix ITSM solution implementation would require one or two FTEs and would take approximately 30 to 45 days to complete, with clients indicating that it was a simple implementation.

TOPdesk

TOPdesk, based in the Netherlands, offers ITSM as either an on-premises or SaaS solution. TOPdesk has three distinct packages: Essential, Engaged and Excellent. These packages are based on named users (agents).

Geographic coverage: TOPdesk provides its solutions globally, has remote global coverage through its website solutions and is delivered via on-premises, in a public or private cloud, or in a hybrid IT infrastructure-based model.

Industry coverage: TOPdesk has not identified specific industries and states that it covers all industry channels.

Free or time-limited demo versions: Yes.

Midmarket focus: TOPdesk receives a significant part of its revenue from midsize companies. MSEs comment on TOPdesk’s solution as being simple to implement and an easy-to-use ongoing support model.

Pricing model: TOPdesk offers three packages based on named users (agents). These packages are designed to allow customers to grow with the product as their needs evolve. Pricing models with packages make it a flexible option for midmarket clients seeking to control costs.

Implementation: Gartner estimates that a typical TOPdesk implementation would require one or two FTEs and take up to three months to complete on average.

Other Vendors
While not as frequently identified by the various midmarket sources, other vendors focused on providing ITSM solutions to midsize enterprises include Alemba, BMC (Helix Remedyforce), Ivanti, OTRS Group, Proactivanet (only to Spanish-speaking companies and in Spain and Latin America), Spiceworks and Symphony SummitAI. Clients mentioned each of these vendors at least once.