Magic Quadrant for Artificial Intelligence Applications in IT Service Management

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Artificial intelligence applications in IT service management are tools that use AI to augment and extend ITSM workflows to provide intelligent advice and actions for I&O leaders and their IT support teams. This Magic Quadrant evaluates 10 vendors and their AI-enabled products in this market.

Strategic Planning Assumptions

By 2027, 50% of AI projects at IT service desks will be abandoned due to unforeseen costs, risks or an inability to achieve the projected return on investment.

By 2027, generative AI (GenAI) will create more IT support and knowledge-based articles than humans will.

Market Definition/Description

Gartner defines artificial intelligence applications in IT service management as tools that augment and extend IT service management (ITSM) workflows using AI. These analyze ITSM data and metadata (primarily found in ITSM platforms) to provide intelligent advice and actions on ITSM practices and workflows, such as IT service desk and support activities. This software can either be a stand-alone product, capabilities within an ITSM platform or an add-on to an ITSM platform.

I&O leaders are challenged by rising costs of support, and declining employee engagement and productivity.

AI capabilities enable I&O teams to optimize IT support and service management processes (such as incident and problem management) through insight and automation. This can lead to tangible reduction in costs, such as labor savings by handling support issues and requests automatically, faster resolutions, and improved accuracy in triage, categorization and expert identification. In addition to addressing overheads, AI solutions can improve the employee-facing user experience and enhance IT's relationship with the business consumer. Some features, such as intelligent risk advisory, can help I&O leaders avoid disruptions and provide reliable IT services.

Generative AI capabilities are increasingly sought-after to automate content generation and improve communications. Examples include summarizing information, such as knowledge base articles or case work log updates, and generating major incident notifications.

The **Use-Case Prism: Artificial Intelligence for IT Service Desk** provides further details on the AI and generative AI opportunities that tools such as AI applications for ITSM are able to address.

Must-Have Capabilities

At a minimum, an AI application for ITSM must generate advice or actions on ITSM practices, using AI- and machine-learning-assisted analysis of ITSM data and metadata.

Standard Capabilities

The standard capabilities for this market include:

- Virtual support agent as a business-consumer-facing conversational interface.
- Simple knowledge discovery:
  - Solution and knowledge matching from one or more knowledge sources.
  - Public knowledge discovery using public large language models (LLMs).
- Agent advice via:
  - Intelligent triage, for guidance on prioritization.
  - Intelligent categorization of cases by service, configuration item or solution.

    - Intelligent escalation of cases before they hit timed service-level thresholds.
    - Intelligent risk advisory of planned changes using similar release history (clustering).
    - Intelligent swarming to identify experts and resolver groups.
- Anomaly detection powered by case clustering (with incidents, problems, changes, knowledge articles, configuration items) to provide:
    - Major incident detection when IT support teams receive incidents from end users that are very high-impact, but not already detected by monitoring or AIOps platforms.
    - Problem detection when multiple incidents are reported that may share a common problem and root cause.

Optional Capabilities

The optional capabilities that are uncommon or differentiating features for this market include:

- Extended knowledge discovery:
    - Private knowledge discovery using a custom LLM trained on proprietary knowledge only.
    - Universal knowledge discovery via either custom pretrained LLMs or retrieval-augmented generation (RAG).
- Extended agent advice:
    - Root cause analysis for problem management based on related case cluster analysis.
    - Process optimization to identify bottlenecks and waste, and optimize workflows in the ITSM platform.
    - Emotion AI to warn of poor service experiences and/or low digital employee experience (DEX) scores when business consumers contact the IT service desk.
    - Identify a potential resolution to an incident by proposing a knowledge article or runbook.
- Content generation using generative AI:

- Knowledge generation of solutions generated from case work log notes or collaborative support hub conversations.
- Automatic communications to generate and refine case updates or major incident notifications.
- Case summarization:
  - Incoming request summarization to help experts understand new incidents and requests.
  - Intelligent postcall wrap-up to refine and standardize agent shorthand case work log notes.
  - Summarization of major incidents for postincident reviews
- Natural language case extraction.

- Conversational interface for infrastructure and operations (I&O) staff to carry out actions or generate reports using natural language and LLM integration.

Magic Quadrant

Figure 1: Magic Quadrant for Artificial Intelligence Applications in IT Service Management

Vendor Strengths and Cautions

Aisera

Aisera is a Leader in this Magic Quadrant. Launched in 2017, Aisera's AI application in ITSM is composed of several products including AI Service Desk, AiseraGPT, AI Copilot, AI Search, Aisera Agent Assist, and AIOps. These products are designed to work alongside third-party ITSM platforms as well as Aisera's own ITSM platform, Next-Gen ITSM. Aisera's operations are mostly focused in North America.

For GenAI, Aisera utilizes its own Llama-based LLM, or customers can bring their own model with integration into OpenAI GPT, Mixtral, Google Gemini and other LLMs. Recent product

enhancements include adding language support for Farsi and Hebrew, and additional third-party live chat agent support such as Sinch, Freshchat and Amazon Connect. Future product development plans include AI SecOps features, AI avatars and expanding multimodal capabilities with voice, video and text.

Strengths

- **Comprehensive use-case support:** Aisera addresses a wide set of AI applications in ITSM use cases within its offering. Customers can leverage Aisera's proprietary LLM or bring their own models and use the LLM Studio to tune them with their own knowledge and ITSM data.
- **Early mover:** Aisera is an early mover within this market, with many features introduced prior to 2023. Aisera maintains a monthly release cadence along with multiple channels to communicate release plans to its customers.
- **Trust-oriented messaging:** To address customer security and privacy concerns, Aisera's TRAPS (Trusted, Responsible, Auditable, Private, Secure) framework provides a balanced set of guiding principles to offer customers visibility into their approach to designing and deploying GenAI apps.

Cautions

- **High cost:** Pricing of Aisera's AI application in ITSM, plus the add-ons required to provide the full set of available features, is beyond the affordability of some potential customers who are also paying for an ITSM platform.
- **Small sales team:** Aisera's sales force is small and relies on third-party resellers for the majority of its sales. However, Aisera does not currently have enough partners to maintain the growth of its customer base and facilitate sales support activities.
- **Limited global presence:** Aisera has a limited presence outside of North America and has no implementation services or partners in Latin America, Africa or the Middle East.

BMC

BMC is a Niche Player in this Magic Quadrant. Launched in 2018, BMC's AI application in ITSM is composed of AI features in its ITSM platform, specifically BMC Helix IT Service Management Advanced, including BMC HelixGPT. It is designed to work alongside its own ITSM platform. BMC's operations are geographically diversified.

For GenAI, BMC customers must provide their own LLM with integration into either Microsoft Azure OpenAI or OpenAI GPT. Recent product enhancements include the introduction of the HelixGPT gateway service and subclustering of common incident resolution descriptions in BMC's Proactive Problem Management offering. Future product development plans include deeper integration of the vendor's AIOps offerings into its AI application in ITSM, AI-enabled knowledge management and natural-language-driven report generation.

Strengths

- **Practice lead enablement:** BMC's product is well-suited to ITSM practice leads through its case clustering capability, which provides major incident and problem managers with real-time incident correlation.
- **Robust business model:** BMC maintains a large number of IT operations management (ITOM) customers with a broad offering of related products. BMC's AI application in ITSM gives those customers a platform expansion opportunity with integrated ITOM features.
- **Sales reach:** BMC has both a large internal sales force and extensive partner network that provide the capacity to reach a broad range of customers and prospects.

Cautions

- **Lack of market focus:** The way that BMC communicates its understanding of this market frequently focuses on its existing ITOM software, such as monitoring and observability tools, rather than on the requirements and capabilities of AI applications in ITSM. This demonstrates a limited awareness of competitors and the emerging potential of AI applications in ITSM.
- **Slow release cadence:** BMC's annual major release cadence is slower than its competitors. This puts its customers at risk of falling behind in a very dynamic market.
- **Limited awareness:** BMC has run few marketing campaigns promoting its AI capabilities in ITSM. This has resulted in limited customer awareness and low adoption rates of these features.

Espressive

Espressive is a Niche Player in this Magic Quadrant. Launched in 2017, Espressive's AI application in ITSM is composed of its Barista and Agent Co-Pilot offerings. These products are designed to work alongside third-party ITSM platforms, as well as Espressive's own case

management solution, Barista Case Management. Espressive's operations are mostly focused in North America.

For GenAI, Espressive utilizes multiple LLMs, including OpenAI GPT and Claude. Recent product enhancements include adding NICE CXone integration for managed service provider (MSP) call center support, and enhanced enterprise search. Future product development plans include virtual support agent enhancements with deeper learning capabilities, visual knowledge graphs and automation to simplify service catalog integration.

Strengths

- **Frequent release cadence:** Espressive maintains a frequent release cadence, with monthly major and minor releases, as well as weekly updates to its language model. Its customers automatically inherit the latest releases as their tenants are automatically upgraded.
- **Voice support enhancements:** Espressive's partnerships with contact center as a service (CCaaS) providers demonstrate an understanding of growing demand for integrated voice support from buyers focused on the end-user self-service use case.
- **Fully managed:** Espressive offers its product as a fully managed solution, which reduces the implementation and configuration overhead for its customers.

Cautions

- **Narrow focus:** Espressive's product strategy skews heavily toward conversational AI, leaving open gaps in the product such as change, problem and major incident support. This will limit its future appeal beyond the end-user self-service use case.
- **Lack of brand awareness:** Espressive's focus on partnering with MSPs rather than end-user organizations has resulted in reduced awareness of its product among I&O leaders.
- **Limited sales capacity:** Espressive maintains a small direct sales force and a limited number of partners that sell its product. This will limit its ability to facilitate sales support activities and has resulted in reduced customer growth via direct channels.

Freshworks

Freshworks is a Niche Player in this Magic Quadrant. Launched in 2023, Freshworks' AI application in ITSM is composed of its Freddy AI offerings. These products are designed to

work alongside its own ITSM platform, Freshservice. Freshworks' operations are geographically diversified.

For GenAI, Freshworks utilizes Microsoft Azure OpenAI and Mixtral. Recent product enhancements include updated reporting for Freddy Copilot, as well as adding GenAI for automated resolution note creation. Future product development plans include expanded knowledge federation for the virtual support agent, knowledge gap identification and intelligent risk assessment for change management.

Strengths

- **Comprehensive product roadmap:** Freshworks maintains a well-rounded, 24-month product roadmap with enhancements across end-user support, agent enablement and practice manager insights.
- **Low management overhead:** The simplicity of the product offers customers the opportunity to reduce administration effort to achieve results with the features that are currently provided.
- **Flexible licensing:** Freddy Copilot can be purchased for a subset of the ITSM platform agents, which can help Freshworks customers manage their spend.

Cautions

- **Lack of market focus:** Freshworks' perspective on the AI applications in ITSM market is centered on its existing ITSM platform, resulting in a lack of a comprehensive understanding of competitors. This puts Freshworks at risk of misalignment with market trends and at a competitive disadvantage.
- **Inconsistent support experiences:** Freshworks does not commit to any defined resolution targets in its service-level agreement. Some customers report difficulty getting support issues resolved in a timely manner by the provider.
- **Slow time to commercial market:** Some features, including Freddy Insights, are still in open beta, leaving customers without a clear understanding of future costing impacts if and when they become chargeable.

Halo Service Solutions

Halo is a Niche Player in this Magic Quadrant. Launched in 2023, Halo's AI application in ITSM is composed of AI features in its ITSM platform, specifically HaloITSM. It is designed to

work alongside its own ITSM platform. Halo's operations are mostly focused in Europe and North America.

For GenAI, Halo has integration into both Microsoft Azure OpenAI and OpenAI GPT. Recent product enhancements include adding knowledge creation based on case wrap-up notes and natural language recognition of when email replies require further action, such as reopening a case or not. Future product development plans include integration into other LLMs, change optimization and AI for configuration management database (CMDB) maintenance.

Strengths

- **Affordable pricing:** While customers may opt to bring their own LLM, they do not require any additional licensing for AI features on top of the cost of Halo's ITSM platform. This makes Halo an attractive option for clients who already have the use of a compatible LLM.
- **Low management overhead:** The simplicity of the product offers customers the opportunity to reduce administration effort to achieve results for the features that are currently provided.
- **Global coverage:** Halo is able to extend its global reach beyond core coverage of Europe and North America, leveraging a network of implementation and reseller partners in all major regions.

Cautions

- **Muted AI messaging:** Halo's marketing has focused on its ITSM platform with little mention of AI. This has significantly hampered awareness of its AI capabilities beyond its existing customers, restricting Halo's growth in this market.
- **Low product innovation:** Halo has a dependence on pretrained open-source and proprietary LLMs, without a strong emphasis on pioneering research or development.
- **Functional gaps:** Halo's product lags more advanced tools in several features, such as operations assistant and AI support for change management. These gaps will limit the vendor's ability to stand out against competing AI applications in ITSM solutions for more mature customers.

Moveworks

Since the initial publication of this Magic Quadrant (09 October 2024), Moveworks was a party in the following significant corporate transaction(s). For Key Background and Considerations for Technology and Service Selection, see:

- ***"Announced Corporate Transaction Notification: Moveworks, Magic Quadrant for Artificial Intelligence Applications in IT Service Management" (28 April 2025)***

Analysis within this Magic Quadrant remains as originally published.

Moveworks is a Challenger in this Magic Quadrant. Launched in 2016, Moveworks' AI application in ITSM is composed of Moveworks Copilot, Creator Studio, Employee Experience Insights (EXI) and Knowledge Studio. It is designed to work alongside third-party ITSM platforms. Moveworks' operations are mostly focused in North America.

For GenAI, Moveworks utilizes its own LLM (based on multiple LLMs including OpenAI GPT and Llama), or customers can bring their own model with integration into OpenAI GPT. Recent product enhancements include adding case cluster analysis for knowledge gap identification and GPT-4o support. Future product development plans include virtual support agent improvements, including UI enhancements, support for calendar management and additional integrations.

Strengths

- **Early mover:** Moveworks has been addressing needs for AI in ITSM since 2017. To keep up with the dynamic nature of this market, it has monthly major releases with almost daily feature updates published.
- **Customer awareness:** Moveworks' AI-centric advertising and compelling website content has established good awareness in the AI-driven IT support sector.
- **Focus on enterprise search:** Moveworks focuses strategically on extending its natural language technologies and enterprise search functionality to provide a solution that aligns with evolving conversational AI needs in ITSM.

Cautions

- **Focus outside of IT:** Moveworks' strategy to develop its product for non-IT use cases demonstrates a lack of focus on the AI applications in ITSM market for future developments.

- **Narrow marketing strategy:** Moveworks lacks effective messaging to ITSM buyers beyond the conversational AI use case. This puts Moveworks at risk of losing brand awareness among buyers with broader needs as the market evolves.
- **High cost:** Pricing of Moveworks' AI application in ITSM, plus the add-ons required to provide the full set of available features, is beyond the affordability of some potential customers who are also paying for an ITSM platform.

OpenText

OpenText is a Niche Player in this Magic Quadrant. Launched in 2017, OpenText's AI application in ITSM is composed of AI features in its ITSM platform, specifically Service Management Automation X (SMAX) and OpenText IT Operations Aviator. It is designed to work alongside its own ITSM platform. OpenText's operations are geographically diversified.

For GenAI support, OpenText utilizes its own Llama-based LLM, or customers can bring their own model with integration into OpenAI GPT. Recent product enhancements include adding mobile app support for its Aviator virtual support agent and broader language support. Future product development plans include extending its retrieval-augmented generation (RAG) to additional IT case and event records, AI-based change risk assessments and increased multilingual support.

Strengths

- **Affordable pricing:** OpenText's model of including some AI features within its ITSM platform means that existing customers can upgrade to GenAI features affordably, particularly for the entry-level use case of AI for end-user self-service.
- **Broad enterprise portfolio:** OpenText maintains strong cross-selling opportunities to offer its customers options that leverage its enterprise search and content services technology to extend AI across ITSM.
- **Wide geographic reach:** OpenText has a broad spread of offices and partners around the world, giving it a diverse customer base, especially in some regions like the Middle East where many of its competitors have no market presence.

Cautions

- **Modest roadmap:** OpenText's long-term roadmap focuses on virtual support agents and exploiting its existing technology (such as expanding access to Aviator within additional

ITSM and ITOM workflows). This roadmap focus will make it difficult for the provider to keep up with the needs of more ambitious I&O leaders.

- **Product investment:** Despite a companywide AI research program, OpenText invests a smaller portion of its financial and human resources into research and development of AI applications in ITSM, compared with its competitors in this market.
- **Product administrative overhead:** Several features within OpenText's AI for ITSM product require configuration of business rules. This may mean a greater reliance on professional services and/or business analysis skills within customer organizations.

Serviceaide

Serviceaide is a Niche Player in this Magic Quadrant. Launched in 2017, Serviceaide's AI application in ITSM is composed of its AI features in its ITSM platform, specifically ChangeGear and its Luma AI offerings. While its virtual support agent, Luma AI, is designed to work alongside both Serviceaide's and third-party ITSM platforms, broader applications of AI are provided as part of its own ITSM platform. Serviceaide's operations are geographically diversified.

For GenAI, Serviceaide utilizes OpenAI GPT and Google Gemini. Recent product enhancements include adding knowledge article generation and natural language queries for accessing ITSM data. Future product development plans include image recognition, data masking and AI-driven skills gap detection.

Strengths

- **Midmarket fit:** The entry-level pricing for the end-user self-service use case featuring virtual support agent includes LLM costs and is affordable for midmarket buyers.
- **Answer accuracy:** Serviceaide's Luma AI virtual support agent is well-suited for end-user self-service because of its ability to use a knowledge graph to optimize responses and minimize hallucinations.
- **Multiproduct strategy:** Serviceaide's two-pronged approach of offering an AI solution that centers on its ITSM platform, and a stand-alone virtual support agent that can be integrated with competing ITSM platforms, has helped it adapt to changes in the market.

Cautions

- **Limited capacity for innovation:** Serviceaide's roadmap does not provide sufficient detail on how it will meet the evolving needs of AI in ITSM. Relative to its competitors, Serviceaide has limited capacity in R&D to allocate to new solutions, and this constraint risks it falling behind in this market.
- **Modest sales capacity:** Serviceaide maintains a small sales force and a relatively small number of partners that sell its product, which has resulted in limited impact and penetration in this market.
- **Immature product support:** Serviceaide does not provide standard service levels and offers limited training on GenAI, which places a greater burden on its customers to support the product.

ServiceNow

Since the initial publication of this Magic Quadrant (09 October 2024), ServiceNow was a party in the following significant corporate transaction(s). For Key Background and Considerations for Technology and Service Selection, see:

- ***"Announced Corporate Transaction Notification: ServiceNow, Magic Quadrant for Artificial Intelligence Applications in IT Service Management" (28 April 2025)***

Analysis within this Magic Quadrant remains as originally published.

ServiceNow is a Leader in this Magic Quadrant. Launched in 2018, ServiceNow's AI application in ITSM is composed of AI features in its ITSM platform, specifically ServiceNow IT Service Management Professional and Professional Plus. It is designed to work alongside its own ITSM platform. ServiceNow's operations are geographically diversified.

For GenAI, ServiceNow utilizes its own Now LLM (based on Mixtral and other LLMs), or customers can bring their own model with integrations into Microsoft Azure OpenAI, OpenAI GPT, Google Gemini and IBM watsonx. Recent product enhancements include adding automated knowledge article generation and chat summarization for its virtual support agent. Future product development plans include enhancing incident cluster summarization, expanding AI search with additional knowledge sources, and text-to-playbooks for common agent task automation.

Strengths

- **Customer reach:** ServiceNow's dominant market presence in ITSM platforms gives it an incumbent advantage to position its platform-native AI to a significant number of customers via numerous targeted marketing campaigns.
- **Well-rounded product roadmap:** ServiceNow maintains a 36-month product roadmap for the AI applications in ITSM market, which addresses a wide range of functional areas with its planned enhancements.
- **Ample research and development:** Through a series of AI-related acquisitions and organic growth, ServiceNow has a large R&D headcount, providing it with the resources to deliver future capabilities within this market.

Cautions

- **High cost:** ServiceNow's GenAI capabilities are available only through an upgrade to its Professional Plus tier. This represents a potentially significant additional cost compared with the standard subscription before implementation and management overheads are considered.
- **Complex configuration:** To achieve good AI search results, customers may need to create synonyms and results improvement rules using low-code configurations. This can be complex for I&O teams without additional training or assistance.
- **GenAI feature gaps:** ServiceNow has lagged some competitors in optimizing its LLMs across a wide set of needs, such as through an agent-facing operations assistant or generating on-demand communications.

SymphonyAI

SymphonyAI is a Niche Player in this Magic Quadrant. Launched in 2019, SymphonyAI's AI application in ITSM is composed of SymphonyAI Apex Enterprise IT Copilot and SymphonyAI Digital Agent. It is designed to work alongside its own ITSM platform, SymphonyAI IT Service Management, and third-party ITSM platforms. SymphonyAI's operations are geographically diversified.

For GenAI, SymphonyAI utilizes Microsoft Azure OpenAI. Recent product enhancements include conversational AI reporting and additional third-party chat agent support, including Google Chat, Slack and Microsoft Teams. Future product development plans include

enhancing its GenAI security, multimodal input support and custom-trained LLMs for industry-specific needs.

Strengths

- **Scalable pricing:** SymphonyAI provides a flat product pricing model that is based on the number of users. This makes its costs more predictable for buyers that expect to scale up their use.
- **AI platform synergy:** SymphonyAI has a broad investment of R&D in a multipurpose GenAI platform. This provides it with opportunities to scale investments and quickly develop enhancements to its AI application for ITSM product.
- **Vertical fit:** SymphonyAI's broad portfolio of adjacent industry-specific products and balanced customer presence shows its adaptability and ability to appeal to a broad set of clients across industries.

Cautions

- **Limited market understanding:** SymphonyAI views this market more as the ITSM platform market with automation opportunities. It has demonstrated a comparatively limited understanding of the AI applications in ITSM market.
- **Undifferentiated roadmap:** SymphonyAI's future AI roadmap for AI applications in ITSM is largely composed of enhancements to existing functionality, rather than introducing net new features. As a result, it risks falling behind in this market.
- **Inadequate documentation:** Outside of SymphonyAI's virtual support agent, nearly all AI features were released during or after November 2023. Given the recent release, many new features were found to be lacking support documentation.

Inclusion and Exclusion Criteria

To qualify for inclusion, providers must meet all of the following criteria:

- The AI application for ITSM product must generate advice or actions on ITSM practices (including at least incident management, service request management, problem management and change management) using AI- and machine-learning-assisted analysis of ITSM data and metadata. The product must use ITSM case data and ITSM metadata.

- The AI application for ITSM product must include at least five of the nine standard features of this market (virtual support agent, public knowledge discovery, intelligent escalation, intelligent risk advisory, intelligent triage, intelligent categorization, intelligent swarming, major incident detection and problem detection). Each of these features must:
  - Be generally available to customers as of 1 January 2024
  - Be fully supported by the AI application for ITSM vendor, even when third-party technology is used to deliver the functionality
  - Be in active production use by at least 10 customers
- The AI application for ITSM product must have been commercially available and marketed since 1 January 2024.
- For the period 1 January 2023 through 1 April 2024, the provider must have at least 10 active paying customers that are using the product in a production environment. Each of these customers must either:
  - Spend $100,000 annually and explicitly on AI for ITSM features, or
  - Have 100 IT workers actively using agent advisory features (intelligent escalation, intelligent risk advisory, intelligent triage, intelligent categorization and/or intelligent swarming).
- All features applicable to this inclusion criteria and evaluated in this Magic Quadrant and Critical Capabilities research must be generally available as of 1 January 2024 to all customers and fully documented. Custom development for specific customers will not qualify.

Evaluation Criteria

Ability to Execute

Product or Service

This part of the evaluation primarily examines the provider's ability to meet the critical capabilities of AI applications in ITSM. Also evaluated is the product's user experience, ease

of use, security/privacy features and integrations to other related products (such as ITSM platforms).

Overall Viability

This part of the evaluation primarily examines the provider's product revenue and other funding to support the growth and continued investment of AI applications in ITSM. Also evaluated is the amount of dedicated staff reserved for product development.

Sales Execution/Pricing

This part of the evaluation primarily examines product bundling and pricing approaches, the ability to extend deals with bundled and/or additional professional services, and the overall effectiveness of the sales channel. Also evaluated is the comparative cost of the product against comparable offerings from competitors and how this is perceived by customers.

Market Responsiveness/Record

This part of the evaluation primarily examines the speed and cadence of product releases, and the provider's ability to get features specific to AI applications for ITSM to market. Also evaluated is the success rate of getting customers to actively use these features.

Marketing Execution

This part of the evaluation primarily examines the impact of product marketing campaigns over a variety of channels, and their relevance to customer needs. Also evaluated are the resources that the provider has dedicated to marketing the product.

Customer Experience

This part of the evaluation primarily examines the assistance and guidance provided to customers, as well as the flexibility of LLM training and migration. Also evaluated is the general onboarding and offboarding experience and implementation effort. Customer feedback from sources including — but not limited to — Gartner Peer Insights and client/expert interactions are taken into consideration.

Operations

This part of the evaluation primarily examines the ability of the provider to support and maintain the product along with its infrastructure. Also evaluated is the ability of the provider to maintain the performance of the system as it grows.

Ability to Execute Evaluation Criteria

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

Source: Gartner (October 2024)

Completeness of Vision

Market Understanding

This part of the evaluation examines the ability of the provider to address present and future customer priorities for the use cases of AI for end-user self-service, AI for ITSM practitioners and AI for ITSM practice leads. Also evaluated is the provider's understanding of this market and which customers they need to target to be most successful with their product.

Marketing Strategy

This part of the evaluation examines the ability of the provider to reach targeted buyers with differentiated

messaging. Also evaluated is the ability to message effectively to the use cases of AI for end-user self-service, AI for ITSM practitioners and AI for ITSM practice leads.

Sales Strategy

This part of the evaluation examines the provider's ability to gain customers with its sales force and partners, and how it directs prospects to the optimal sales channel for the customer type and location. Also evaluated is how the provider identifies opportunities to drive future growth.

Offering (Product) Strategy

This part of the evaluation examines the ability of the provider's product roadmap to address both the short- and long-term needs of customers. The length and content of the roadmap is evaluated, including its relevance to product enhancement requests.

Business Model

This part of the evaluation primarily examines the provider's growth strategy, value proposition, and synergies across adjacent products and services.

Vertical/Industry Strategy

This part of the evaluation primarily examines the provider's ability to enable customers in specific industry segments to meet necessary compliance. The ability to provide vertical-specific messaging that targets those buyers and buying plans or discounts for sectors such as public sector or not-for-profit customers. Also evaluated is the focus on end-user organizations versus other high-tech and managed service provider (MSP) organizations.

Innovation

This part of the evaluation examines the ability of the provider's R&D division to sufficiently focus on the AI applications for ITSM market and adequately resource its development. Also evaluated is the focus on internal innovation (including patents to protect native IP) versus partnering with other tech providers.

Geographic Strategy

This part of the evaluation primarily examines the provider's global resources, including offices, partners, data centers and language support. Also evaluated is the provider's customer presence in each region.

Completeness of Vision Evaluation Criteria

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

Source: Gartner (October 2024)

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). Leaders have a clear vision in roadmaps that exploit relevant opportunities and address challenges of using AI and generative AI in ITSM across multiple use cases. Leaders exhibit the levels of product, marketing and sales capabilities required to drive market acceptance.

Challengers

Challengers have executed well, growing market revenue and driving sufficient customer awareness to participate with competitive providers. In general, however, Challengers are

not seen as driving market innovation as strongly as Leaders or Visionaries. This is typically a result of the provider prioritizing in their roadmaps adjacent markets, such as conversational AI solutions or ITSM platforms.

Visionaries

There are currently no visionaries in this market. Visionaries deliver an innovative approach to the market that addresses differentiated and/or future opportunities for exploiting AI in ITSM, such as natural language case extraction or knowledge generation. However, they have yet to execute as well as Challengers or Leaders. Visionaries have a differentiated message and product strategy that resonates with buyers' developing needs.

Niche Players

Niche Players in this market have strengths in particular areas of AI in ITSM and often offer solid capabilities 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. Established providers in this quadrant may treat AI applications for ITSM as an add-on or exploratory expansion to their established markets, such as conversational AI solutions or ITSM platforms. The Niche Players in this Magic Quadrant are in the process of ramping up go-to-market efforts and have yet to develop the vision to break out.

Context

The goal of any Magic Quadrant is to provide a level view of comparable vendors (size, capability and corporate structure) to address the demands of a wide variety of buyers. Not every company's requirements are identical. We encourage clients to review the accompanying **Critical Capabilities for Artificial Intelligence Applications in IT Service Management** research for use case and functionality requirements, and this Magic Quadrant research to align industry expertise, vision, technology and cost requirements with the right vendor, regardless of the vendor's quadrant. Buyers should evaluate providers against specific outcome-driven requirements rather than expecting a fully capable end-to-end solution.

Gartner provides context to help buyers understand features in relation to potential business outcomes in **Use-Case Prism: Artificial Intelligence for IT Service Desk**.

Market Overview

I&O leaders seek the benefits of AI to maximize the value of their ITSM, but are not replacing ITSM platforms to obtain AI capabilities. Instead, they choose between incumbent platform capabilities and third-party, specialist AI solutions. Commoditization and lack of differentiation in the ITSM platforms market triggered the retirement of the Magic Quadrant for IT Service Management Platforms. This was replaced in 2023 by **Market Guide for IT Service Management Platforms**. Rather than use AI capabilities to artificially extend the life cycle of the ITSM platforms market, a new market was required to better align with the marketplace and buying patterns.

This resulted in the AI applications for ITSM market, which incorporates a broad range of vendors and their AI-enabled products. This new market is evolving rapidly (see **Hype Cycle for ITSM, 2024**) alongside developments in generative AI and large language models (LLMs).

The approaches to LLMs vary among vendors in this market, with some providing heavily customized models and others simply offering gateways into public models. While proprietary models offer potential for fine-tuning and specialization, public LLMs offer comparable results for common actions, such as public knowledge discovery and case summarization.

I&O leaders commonly go after end-user self-service for applying AI applications without exploring broader opportunities to strategically address gaps within their ITSM roadmaps. This risks missed potential of applying AI to optimize practices, drive greater efficiency, reduce costs and improve agility within I&O.

AI and GenAI solutions are emerging in many other markets, and several of those can be used for the benefit of ITSM, as well as many other workflows and situations. The differentiating aspect of AI applications is that ITSM data and metadata are the primary sources that these solutions require to operate. AI applications for ITSM use ITSM data and metadata as the primary data source. There are several other solutions from overlapping and adjacent markets that offer AI capabilities that can be used for these use cases, but they have other primary data sources and are not dependent on ITSM workflows. The other overlapping and adjacent markets are event intelligence solutions (also known as AIOps platforms), conversational AI solutions, digital employee experience (DEX) tools, and security information and event management (SIEM) solutions.

This is a new Magic Quadrant, which replaces **Market Guide for Artificial Intelligence Applications in IT Service Management**.

Acronym Key and Glossary Terms

cluster analysis	Cluster analysis, also known as clustering, is the process of categorizing a collection of data objects into distinct groups, referred to as clusters. The primary objective is to ensure that objects within the same cluster are more alike to each other than to those in other clusters.
generative AI (GenAI)	Generative AI techniques learn from representations of data and model artifacts to generate new artifacts.
large language model (LLM)	Large language models are AI foundational models that have been trained on vast amounts of unlabeled textual data. Applications can use LLMs to accomplish a wide range of tasks, including question answering, content generation, content summarization, retrieval-augmented generation (RAG), code generation, language translation and conversational chat.

⊕ Evaluation Criteria Definitions

research may not be used as input into or for the training or development of generative artificial intelligence, machine learning, algorithms, software, or related technologies.