

MGI 360 Ratings™

The CLM Top 35 Buyer's Guide

Executive Summary



OCTOBER 23, 2026



The Contract Lifecycle Management (CLM) Top 35 Buyer's Guide – Executive Summary

October 23, 2026



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Every promise an organization makes or receives is recorded in a contract. Commitments to customers, suppliers, partners and employees all live there, together with the terms that ultimately translate into value creation or value destruction. Historically, business contracts were treated as the property of the departments that drafted and negotiated them, and contract lifecycle management was bought and sold as a productivity tool for legal and occasionally for procurement. That understanding is now giving way. A growing number of organizations treat the data inside their agreements as enterprise infrastructure and push it, under proper governance, to the edge of the business, where people and systems act on it every day. The returns extend well beyond faster review. Revenue leakage alone runs to at least 3 percent of contracted revenue, and as much again on contracted spend, in organizations that cannot see and enforce their own terms. For the majority of enterprises, that situation remains the norm: contracts sit in legacy systems, shared in lightly secured folders and email, poorly organized and effectively out of reach of the people who need them most – those that are often on the front lines of daily business execution.

The perception of where value resides in contract management is shifting, and the shift is far from complete. The business case is migrating from the pre-signature phase to what happens after signature: the leakage recovered, renewals captured, obligations enforced, and contract data woven into sales, procurement, finance, and services. Processing agreements faster defined the first generation of CLM, where cycle time was the success metric. Now going faster is becoming the price of admission rather than the prize. Along that line, the market is beginning to sort itself into three kinds of supplier. **Core CLM** platforms serve as the system of record for an organization's commitments, obligations and entitlements, including the pricing rules that govern how it sells. Post-signature intelligence layers turn contracts into data the rest of the enterprise can access and use (e.g., pricing rules, terms of service). **AI-native legal assistants** draft, analyze, and negotiate language, and are adopted in days. These are not full-function CLM systems, but they also are characterized by little or no evaluation work, minimal if any implementation, and appeal mostly to legal professionals at law firms and corporate legal departments. A variation on this theme is what MGI Research calls **AI-first CLM-lite** systems – these offer more of the traditional

Ratings Takeaways

- Icertis holds the highest MGI 360 Rating™ in CLM, followed by Agiloft and Conga.
- Provakil and Malbek improved meaningfully, Pramata posted the largest point gain.
- Ironclad leads the midmarket segment.
- PandaDoc leads the SMB segment.

CLM Market Findings

- Demand is shifting to post-signature, where contract value is realized, as pre-signature capabilities (repository, workflow, authoring, e-signature) become table stakes.
- The CLM market continues to grow in the mid-to-high teens annually while highly fragmented; 2026 was a softer year, with buying committees pausing over build-versus-buy and AI uncertainty.
- Legal AI and CLM-lite tools are disrupting the SME and midsize segments, winning legal-led buyers on adoption in days rather than months and capturing a large share of investor capital, while remaining thin at enterprise scale.
- CLM suppliers continue to struggle to articulate unique, sustainable differentiation, especially for AI.
- Buyers remain cautious about long, high-risk CLM implementation cycles; still, nearly 40% of first-time buyers replace their first selection within 36 months.



CLM capabilities but generally aim to excel in one or two CLM functional pillars rather than try to address the entire set of requirements. These are often used by contract administrators, largely post-signature. Each one of the three CLM options answers a different question, the boundaries between them are still being drawn, and buying committees are frequently evaluating all three at once without recognizing that they are. In field practice, many organizations use some or all the CLM type variants – typically to address different problems.

AI is at once the most disruptive and the most enabling force the category has encountered. It is disruptive on four counts. It is commoditizing the first four stages of CLM maturity. It is compressing the visible differences between products and makes CLM vendor positioning statements indistinguishable. It is drawing the legal buyer's attention, and a remarkable share of venture capital, toward AI-first tools. And it has encouraged a widespread belief, mistaken but consequential, that a general-purpose assistant can replace a contract management system. In practice such assistants replace elements of two of the six CLM maturity stages, not the system of record.

AI is enabling for equally concrete reasons. It is at last dislodging legacy and homegrown contracting tools. It ingests years of legacy legal material in hours, days, and weeks rather than months and years, drafts contract playbooks from an organization's own executed agreements, compresses implementations that once ran eighteen months, and brings within reach the portfolio-wide post-signature analysis that was until recently cost-prohibitive. Every one of these gains rests on key conditions: clean data and a well-defined set of guidelines and guardrails. An AI assistant consulting an incomplete or outdated repository, lacking any guidelines, produces confident yet incorrect answers, and an agent acting on flawed contract data repeats the error at a scale no human team could match. Done incorrectly, AI adoption in contract management can do irreparable harm. The quality of the contract data foundation, rather than purely the sophistication of the AI layered above it, is emerging as the decisive factor in whether AI delivers ROI in contract management at all.

CLM market is in better financial health than at any point in its history, and it offers more choice than ever. The strain of transition is nonetheless visible. Median supplier growth has slowed from 30% to 16%, and only five suppliers continue to grow faster than 30%. Five of the 18 suppliers rated in this Buyer's Guide have changed ownership since mid-2024, most of them into private-equity hands, and further change is likely as investors seek to realize gains. Heavily funded entrants with extraordinary valuations must now grow into them, deliver on their roadmaps and prove potential to expand beyond legal. There are now a meaningful number of profitable CLM suppliers that lack the growth required to attract a strategic buyer. The coming year will bring more AI-based products, more new entrants, harder-negotiating buyers, and renewed pressure on margins. It will also bring consolidation, and the most substantive innovation the category has yet seen as agents mature. Buyers should expect that the core definition of what is CLM will be continuously redefined over the next 24-36 months.

This Buyer's Guide is an independent assessment of the CLM market. It gives prospective buyers, existing customers, partners, and investors the dynamics that matter, a business case anchored in post-signature value, the means of containing implementation and upgrade risk, and a clear view of where each supplier stands out or is challenged. It rates the 18 leading suppliers, defines each one's ideal customer profile and names its direct competition, drawing on original research and proprietary data to shorten evaluations and reduce the cost of a wrong choice. MGI Research's 360 Ratings™ and MarketLens™ charts provide the common ground on which organizations build internal consensus and select a solution that meets their requirements today and scales with them tomorrow.

Contract Lifecycle Management Vendors Under Coverage

These are the most significant solutions and suppliers in the market today. Analysis of thirty-five vendors is contained in this report, including MGI 360 Ratings™ of 18 suppliers, and 17 vendors receiving Honorable Mention. The vendors covered in this report serve a variety of CLM use cases and customer profiles. This is the toughest rating scale in the contract management software market. MGI 360 Ratings™ are calculated via a rigorous quantitative rating (scored 0-100). Ratings include a letter grade based on quartile rating results, as well as a qualitative Analyst Outlook (positive, neutral, or negative).



18 vendors receiving full 360 Ratings™, letter grades, and Analyst Outlooks are: [Agiloft](#), [Conga](#), [DealHub](#), [DocuSign](#), [GEP](#), [Icertis](#), [Ironclad](#), [JAGGAER](#), [Juro](#), [Leah](#), [LinkSquares](#), [Malbek](#), [PandaDoc](#), [Pramata](#), [Provakil](#), [Scribe](#), [Sirion](#), and [Workday](#).

The 17 vendors receiving Honorable Mentions are: [Aerofiler](#), [Brightleaf Solutions](#), [CobbleStone Software](#), [Concord](#), [ContractSafe](#), [Contracts365](#), [Gatekeeper](#), [Harvey](#), [IntelAgree](#), [Ivalua](#), [LegalSifter](#), [Onit](#), [RLDatix](#), [SAP Ariba](#), [Thomson Reuters](#), [Wolters Kluwer](#), and [Zycus](#). MGI Research tracks over 200 CLM vendors globally and reserves the right to publish ratings and analyses on select vendors as deemed worthy and appropriate.

A					
B+					
B					
B-					
Honorable Mention	• Aerofiler • Brightleaf Solutions • CobbleStone Software • Concord	• Contracts365 • ContractSafe • Gatekeeper	• Harvey • IntelAgree • Ivalua	• LegalSifter • Onit • RLDatix	• SAP Ariba • Thomson Reuters • Wolters Kluwer • Zycus

Figure 1 – CLM Vendors Under Coverage



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Introduction

Contract Lifecycle Management (CLM) remains one of the most misunderstood areas of enterprise software. The arrival of Gen AI has deepened the confusion. For most of its history CLM was positioned as a productivity tool for the legal department. It was equated with e-signature and document repositories and judged largely on how quickly it could move a contract from request to signature. Gen AI has challenged nearly every assumption behind that positioning, and two schools of thought now compete for the attention of buyers, suppliers, and investors. The first holds CLM, as a category, is being made obsolete by AI tools that can draft, review, summarize, and answer questions about any contract without a dedicated system behind them. The second holds CLM remains the core system of record for contracts, and that AI is simply the latest and most powerful set of capabilities to be added to it. We believe neither view is adequate. AI will not eliminate the need for a system to manage an organization's contractual commitments, but it is rapidly eroding the value of the CLM design most organizations implemented over the past decade.

The underlying problem is CLM adoption has mostly centered on productivity. Faster drafting, standardized templates, automated approval routing, electronic signature, and a searchable repository delivered real benefits, and they were the right place to start in many organizations. But productivity in the pre-signature process is not where most contract value is lost. In field practice, we consistently find the larger losses occur after signature, in rebate tiers and volume discounts that are never realized, price escalators never invoiced, autorenewals pass unnoticed, and service credits are never monitored. Leakage of this kind is rampant on both the buy and sell side, and few organizations measure it with any rigor. The most valuable deployments MGI documented in this research cycle were not workflow improvements at all. In one case, an analysis of just three large customer agreements at a medical products distributor uncovered misapplied pricing and rebate terms worth an estimated \$8M to \$12M. In another, an organization quantified roughly \$15M of tariff exposure across its supplier portfolio in a matter of days. Results of this kind change the economics of the CLM business case. They also make clear a CLM program whose success is measured only by cycle time and legal user productivity is measuring the wrong thing.

At the same time, the adoption of AI inside core CLM systems remains limited at best. Nearly every supplier has introduced AI-assisted redlining, clause extraction, natural-language search, and conversational assistants, and nearly every supplier now describes its product in the same vocabulary of contract intelligence and agentic capabilities. Yet across the installed base we see these capabilities used by a truly modest share of licensed users. The agents shipping today generally stop well short of completing an entire business process without human hand-offs. This is not because of technical limitations but due to lack of knowledge and trust. AI-first tools, by contrast, are being adopted by law firms and legal departments at a pace the CLM market has never experienced. Legal and commercial professionals are taking up AI drafting and review tools

Key Issues for CLM

- How will the CLM requirements landscape evolve? Which capabilities will differentiate a CLM solution? Which requirements are emerging and which are being absorbed by general-purpose AI tools?
- Where will disruption come from, and will it shrink the CLM market or expand it?
- Where is the CLM business case best made? Pre-signature efficiency, or post-signature outcome and value alignment?
- How do pricing leakage, missed renewals, obligation exposure, M&A diligence, and readiness for AI agents change the ROI argument, and who in the organization should own CLM spend?
- Who will be the winners and losers in the current market cycle? Which suppliers are gaining share, which are stalled, and how should buyers weigh vendor viability?
- What will it take to lead the CLM market in 2030, and which suppliers are positioned to get there?
- What are the best practices for evaluating, adopting, and implementing CLM in an era of deployment fatigue?
- What would it take to shorten implementation times by an order of magnitude?
- What is the true TCO of CLM in the age of AI?

in days and weeks rather than years, and investors are rewarding the leading AI-native legal suppliers with ultra-premium valuations. The contrast is instructive. It suggests CLM's adoption challenge was never primarily a shortage of features. It is a consequence of systems designed around forms, predefined workflows, and administrator-maintained configurations that ask a great deal of users and return comparatively little. The CLM Challengers, legal AI productivity tools and AI-first CLM-lite tools, require little or no implementation and, in most cases, do not demand heavy involvement from the IT organization or external systems integrators. To be clear, the CLM Challengers have a much thinner functional footprint than core CLM systems. MGI has extended its research into in-depth functional capability assessments (FCA) of both CLM incumbents and CLM Challengers. The comparison results clearly show the vastly greater capability range of core CLM systems.

This raises two questions framing much of the analysis in this Buyer's Guide. What will move CLM from a productivity-centric investment to an outcome-centric one, judged by revenue protected, costs avoided, margins improved, customers delighted, and risks contained? And what would it take to improve CLM adoption not incrementally, but by an order of magnitude?

Our view is CLM needs to be re-thought with today's tools and capabilities in mind, rather than retrofitted with AI features. MGI's Six Stages of CLM Maturity provide a useful lens: E-Document, E-Signature, Workflow Automation, Authoring Automation, Intelligence, and Execution. The first four stages are rapidly commoditizing, and we regard this as a healthy development rather than a threat. AI-first drafting and review tools are focused squarely on the authoring and negotiation activities commoditizing the fastest, and the result will be lower costs and broader access for buyers of every size. As these capabilities become inexpensive and widely available, budgets and management attention can shift to the fifth and sixth stages, where the business value of contracts is actually realized or lost.

A CLM designed for those stages differs from the systems most organizations operate today in several important respects.

- **Continuous, Embedded AI.** AI is not a bolt-on but it is at the core of each functional CLM step. Starting with the very first use of a CLM product, users can utilize AI to load contracts, create playbooks, and analyze third-party paper through conversation, thus significantly reducing or eliminating the need for lengthy and high-risk implementation.
- **Risk.** Risk is assessed not only at the level of the contract document and its clauses but at the level of the counterparty and against the backdrop of the overall corpus of agreements. That assessment is enriched with information about the counterparty's financial condition, compliance and sanctions status, supply-chain and tariff exposure, litigation, and performance history. None of this is really that new - leading edge procurement systems have been integrating these capabilities for years and AI can only turbo charge and enrich this capability further. Moreover, with agentic AI, risk monitoring can now be continuous.
- **Workflows.** Workflows are not static sequences designed in advance. They adapt to the conditions encountered and handle exceptions no one anticipated, i.e. they can begin to behave in an agentic fashion. People are involved where judgment is required, rather than as relays between systems.
- **Playbooks.** Negotiation playbooks are generated and described in plain language by the legal, procurement, and sales professionals who own them, instead of being coded and maintained by administrators and consultants. Moreover, playbook drafts can be generated dynamically from analysis of the contract corpus.
- **Continuous operation.** The system runs continuously rather than on request, monitoring risk, obligation, and entitlement events as they occur instead of waiting for someone to run a report.
- **Data.** The Data-First principle MGI set out in 2024 extends to mean data right away and data continuously. Contract data, including the legacy portfolio, should be usable from the moment of ingestion into CLM. It should then stay

current as amendments, renewals, and external conditions change, rather than coming from a one-time batch extract that begins to age the day it is completed.

These changes reinforce, rather than weaken, the case MGI has made for years: CLM should be viewed as equally important to ERP. ERP is the system of record for an organization's financial and operating transactions. CLM is the system of record for its relationships, obligations, and entitlements, including pricing and the rules by which pricing evolves. The growing use of AI agents across sales, procurement, finance, and service makes that role more consequential, because software can act on contractual commitments only when they exist as persistent, structured, auditable, and reliable data.

In field practice, we routinely encounter organizations unable to say with confidence which agreement governs a particular customer or supplier relationship, which amendment supersedes which, or what price a customer is entitled to today. People compensate for these gaps with institutional memory and manual checking. Software agents cannot. An agent working from an incomplete or inconsistent contract record will repeat its errors at a speed and scale no human team could match. This is why we see a growing number of AI initiatives in sales, procurement, and finance stall at the point where they must rely on contract data. Organizations without a sound contract data foundation will find it increasingly difficult to compete on pricing, procurement, compliance, and the speed of their decision-making.

The path to that outcome is becoming more complex for buyers, not less, and evaluating CLM software now demands considerably more care than it did even a few years ago. The market remains fragmented and noisy, and AI has made genuine differentiation harder to see. Products demonstrate similarly, and nearly every supplier now describes comparable AI capabilities in comparable language. The attributes that matter most are the hardest to assess in a conventional evaluation:

- The quality and accuracy of the contract data a system produces
- The depth of its post-signature capability
- The supplier's implementation discipline
- The supplier's long-term viability

CLM solutions for small companies still look and sound like solutions for large companies, and systems that excel at buy-side use cases often fall short in sales operations, and vice versa. Most evaluation teams lack the training, resources, or experience to assess AI-related claims objectively, and the cost of a poor decision is high. Countless companies selected their first CLM solution to address a single pain point, only to find within 24 to 36 months that a different kind of solution was needed. Even then, it is not uncommon for an organization to be off its second or third CLM system.

For these reasons, we advise buyers to treat vendor claims, particularly claims about AI, as propositions to be tested rather than facts to be accepted. A demonstration built on the supplier's own sample contracts says little about how a system will perform on a buyer's legacy portfolio, with its scanned documents, inconsistent templates, and years of accumulated amendments. A proof of concept on the buyer's own contracts, with accuracy measured against an agreed standard, says a great deal more. Claimed outcomes, whether time saved, value recovered, or adoption achieved, should be supported by evidence from production deployments rather than pilots.

Reference conversations remain indispensable. They are most useful when the buyer has a say in which customers are contacted, and when those customers match the buyer's size, industry, and use case. Ideally, those customers have also been live long enough to judge the system after the implementation team has left. In this research cycle we observed a widening gap between suppliers that make customer evidence and references readily available and those that restrict analyst access and discourage independent reference checks. That difference is, in itself, useful information for a buyer. Finally, given the complexity of the market and the long life of a CLM decision, independent advice and validation from parties with no commercial stake in the outcome is a prudent safeguard for an investment of this consequence.

The supplier landscape adds a further layer of risk as most CLM suppliers remain privately owned with no or very limited level of financial and governance transparency. Private equity has become the leading form of ownership in the middle tier of the CLM market. The economic landscape in CLM is still decidedly mixed. MGI tracks more than 200 active CLM suppliers in a market we estimate is growing at roughly 15–20% annually, and no single supplier holds a dominant share. Customer retention is consistently one of the strongest attributes across the suppliers we rate, so the choice a buyer makes today is likely to remain in place for many years. In a market this fragmented, buyers can hold real negotiating leverage, provided they can overcome the initial perceptions of overwhelming vendor conformity and assess supplier viability with the same rigor they apply to functionality. Despite seemingly similar marketing language describing CLM products, real differences come through when MGI analyzed ideal customer profiles (ICP) of suppliers. Our research revealed some concentration in a few market segments but also broad fragmented distribution of suppliers across a range of industries, customer sizes, geographies and CLM use cases.

Among the suppliers MGI rates, nine in ten now operate at break-even or better, compared with fewer than six in ten in late 2023, while median growth has fallen from roughly 30% to 16% over the same period. While growth >30% amongst core CLM suppliers is today largely an exception, in AI-first legal assistant tools, and AI-first CLM-lite systems, growth routinely exceeds 100% per year and almost every one of these vendors is unprofitable. A majority of core CLM suppliers have seen their growth plateau and that has pulled down their overall MGI 360 Ratings. A subset of core CLM firms have previously raised capital at valuations they can no longer match. This is based on revenue growth and most of these companies are now managing toward higher profitability at the expense of product investment. At the same time, three of the suppliers rated in this cycle can be described as a "Sum of 40" businesses, and 2-3 more are within striking distance of this target.

This Buyer's Guide is intended to help current and potential users and buyers of CLM software make more intelligent, timely, and cost-effective decisions, both for new purchases and for managing relationships with in-place suppliers. It profiles the leading suppliers using the MGI 360 Rating and sets out MGI's view of how the market, and the requirements buyers should bring to it, will evolve through 2030.

AI and Innovation in CLM

Advances in AI remain a strong net positive for CLM, but the nature of their impact has changed. In the 2025 CLM Buyers Guide, we described Generative AI as at a seminal pivot point in CLM that would lead to several binary outcomes for users and suppliers. A year later, several of those outcomes are now visible. AI capabilities have spread across the market faster than anticipated. The competitive field has widened well beyond traditional CLM suppliers. And as we predicted, the financial strain among suppliers lacking the resources to keep pace has materialized. At the same time, adoption of AI by CLM users has lagged the availability of AI features by a wide margin. The gap between what is demonstrated and what is used in production remains one of the defining characteristics of this market.

From Advanced Feature to Table Stakes: Even before Gen AI entered the mainstream in 2022, CLM was one of the few areas of business software where AI was well accepted. There were numerous proof points for clause extraction, contract intelligence, and the identification of obligations and entitlements, yet adoption of these capabilities was extremely slow. Because CLM in its original form was predominantly a text-oriented discipline, we expected it to benefit disproportionately from Gen AI, and it has. Natural-language search across the repository, AI-assisted redlining, clause and metadata extraction, obligation identification, and conversational assistants are now present in virtually every product MGI evaluated this cycle, from suppliers with less than \$10M in revenue to the enterprise leaders. Capabilities that were advanced and rare three years ago have become the price of admission today.

The effect on differentiation has been profound. AI has proved to be a great averager: it has raised the floor across the market while compressing the visible differences between products. Supplier messaging has converged to the point where

positioning statements are largely interchangeable. The differences that remain are real, but they lie below the surface of a demonstration and are best reflected in the Ideal Customer Profiles (ICPs) of suppliers. They also show up in extraction accuracy on a customer's own documents, in the handling of amendment chains and contract hierarchies, in performance at the scale of a full repository, speed of the MCP server responses and in the depth of capability at Stages 5 and 6 of MGI's CLM Maturity Model (See the MGI Research Six Stage Maturity Model on pg. 17).

AI-Driven Commoditization and the AI-Native Challenge: In 2025 we forecast Gen AI would lower the entry barriers to advanced CLM capabilities and level the technological playing field. This happened. Commoditization now extends across the first four stages of the maturity model: electronic documents, e-signature, workflow automation, and authoring automation. We regard this as a healthy development for buyers, but it has also opened the door to a new class of competitors.

AI-native legal tools, built from the outset around large language models, have captured the attention of law firms, in-house legal buyers, and a striking share of investor capital. The leaders now carry valuations comparable to those of established public companies in adjacent markets trading at high multiples. Their appeal lies in making the individual professional more capable, whereas traditional CLM messaging has focused on enabling the organization – a heavier and less personal promise. The initial result was genuine confusion inside buying committees, as legal teams already using AI drafting and negotiation tools began to question whether a CLM was necessary at all.

Our field evidence suggests the confusion is beginning to resolve in favor of coexistence rather than displacement. Buyers are relearning that an AI negotiation assistant and a contract lifecycle platform address different problems, and a growing number of organizations operate both. CLM suppliers have responded in different ways, some by partnering with AI-native vendors and others by building comparable capabilities into their own platforms. For buyers, the critical issues are integration, data custody, and where the authoritative contract record resides.

Pricing and Packaging of Gen AI Capabilities: Many buyers continue to regard Gen AI capabilities as features they expect to receive and are reluctant to pay significantly more for. Suppliers, meanwhile, now carry a new and volatile cost in AI inference. Every supplier analyzed this cycle is in the middle of a transition in how AI is priced, and usage-based models are being introduced, repriced, and revised in flight. The approaches range from credit and consumption models for agent-based features, to AI actions bundled into seat licenses, to free tiers graduating into volume-based plans. The market is converging on a hybrid compromise. It centers on units buyers can understand and forecast, such as contracts negotiated or documents under management, with consumption pricing reserved for capabilities whose use genuinely scales and is protected by caps. Several suppliers abandoned token- and credit-based pricing after finding it eroded customer trust. Our view is consumption pricing remains a useful mechanism for price discovery on new capabilities. However, enterprise buyers ultimately want budget predictability and transparency and are willing to accept some clearly understandable boundaries on scale.

It is also worth noting the commoditization of AI capability has not yet reached the price list. Annual increases of 5% to 15% are routine. AI is being used to justify premium tiers, and at least one major supplier raised effective prices substantially through repackaging rather than a change to its rate card. Buyers should model the full cost trajectory over the term of an agreement, including AI add-ons, consumption overages, and plan changes. They should also negotiate price protection while competition for new customers remains intense. How a supplier manages its own inference costs, whether by passing them through transparently, absorbing them, or recovering them quietly at renewal, is a useful indicator of its engineering discipline and of the pricing behavior a customer can expect. (See the section "CLM Budget and Resources" below for specific recommendations.)

Contract Data Segregation and Custody: The concern we raised in 2025 has not gone away. Rather, it broadened. Most CLM buyers do not want proprietary contracts used to train a general-purpose model, and many treat customer and supplier agreements as trade secrets. Suppliers have largely addressed the original concern through separate data tenants,

privately hosted models, and contractual commitments agreeing not to train on customer data. These commitments and protections are becoming standard.

The question has now moved beyond the CLM supplier's own platform. Contract data increasingly flows to AI-native tools used alongside the CLM, to general-purpose AI assistants connected through open integration protocols, and to agents operating across the enterprise. Some suppliers now encourage customers to adapt and own models trained on their own legal data, which raises further questions of custody and portability. CLM buyers should seek an unambiguous statement on how a supplier segregates data within its platform. The statement should also cover what happens to contract data once it leaves the platform, which systems are permitted to access it, and how access is logged.

Headless CLM: The CLM user experience is evolving from structured forms and dashboards to conversational interfaces layered over the repository, and toward experiences in which the system initiates and completes work. The more significant shift, however, is architectural. Demand for CLM is shifting toward a headless experience. Nearly every supplier MGI briefed this cycle has shipped or is shipping support for the Model Context Protocol (MCP), an open standard that allows AI assistants and agents to work directly with an application's data and functions. The consensus among suppliers is contract capability will increasingly be consumed where people already work (e.g., in productivity suites, collaboration tools, CRM and procurement systems, and general-purpose AI assistants), rather than inside the CLM's own interface. Several large enterprises already use their CLM primarily through programmatic interfaces embedded in their own workflows.

This development favors adoption and will lead to wider use of CLM across the organization. It removes one of the most persistent barriers to CLM use, i.e., the requirement for occasional users to learn and log into yet another application. It also changes what buyers need to evaluate. The depth and governance of a supplier's interfaces, and its integration with the AI tools an organization has already chosen, are becoming at least as important as the quality of its native user interface.

AI Agent Governance: Gen AI capabilities are increasingly delivered through AI agents. An agent is software capable of assessing its environment, making decisions, and taking actions toward a goal with limited human intervention. Unlike traditional workflow automation, it does not have to follow a pre-programmed formula based on a finite number of states. It can adapt to changing conditions while still pursuing its objective. Workflow automation, the routing of contract review and approval based on a complex set of conditions, has long been a basis for supplier differentiation, and most suppliers are now moving this capability from rules to agents. Progress is real but it's still the early days. Agents shipping today generally stop a few steps short of completing an entire sub-process without a human hand-off, and several suppliers acknowledged to MGI that fully capable agents remain at least a year away.

Governance has become the central issue. Organizations will want human involvement in decisions on important contracts, and no organization will be comfortable with a black-box approach to contracting. Building an agent is not difficult. What is hard is building a full governance model in which everything an agent does can be tracked, explained, stopped, reversed, and documented, and in which customization, data storage, and cybersecurity due diligence are properly addressed.

A further question is emerging as agents proliferate across the enterprise. Something must govern what those agents are permitted to do. Several CLM suppliers are positioning their platforms as that governing layer, on the logic that contracts hold the rules under which the business operates. The argument has merit, but it raises the bar on the quality of the contract data beneath it. Buyers contemplating agent-based CLM capabilities need full transparency on these issues and should treat governance and auditability as primary selection criteria.

Data Hygiene: Gen AI amplifies data errors and can produce confident but misguided conclusions, whether data is stored in structured or unstructured form. In 2025 we argued successful adoption of Gen AI in CLM would be gated, but not stopped, by the ability of organizations to clean up their data. This remains true, and the consequences have grown. A person working from an inconsistent contract record compensates with institutional knowledge and manual checks. An agent working from the same record will repeat its errors at a speed and scale no human team can match.

Dirty data remains a leading cause of CLM project delays and missed business objectives. The encouraging news is AI has made the remedy more practical. Suppliers have industrialized the ingestion, classification, and extraction of legacy contract portfolios, and work that once required years of manual abstraction can now be completed in weeks. The standard has risen accordingly. Contract data needs to be available right away and maintained continuously, rather than produced by a one-time batch extract that begins to age the day it is completed. Organizations with a clear understanding of where their contract data resides, the shape it is in, and a realistic plan to keep it current consistently outperform those that do not take data hygiene seriously.

CLM Supplier Impact: In 2025 we expected the pressure to invest in Gen AI to prove a seminal point in the evolution of the CLM market, and we expected unprofitable suppliers to struggle to keep pace. Both expectations have been borne out. The financial profile of the suppliers MGI rates has changed markedly. In late 2023, fewer than six in ten operated at break-even or better. In the 2026 ratings, nine in ten do. Over the same period, median revenue growth among these suppliers fell from 30 percent to 16 percent, and only five are still growing at 30 percent or more. The market has, in effect, traded growth for profitability, although margins at most suppliers remain thin.

Beneath the averages, the divergence is sharp. A meaningful cohort of suppliers raised capital at 2021 and 2022 valuations they have not grown into, have not raised since, and are now managing toward break-even at the expense of the product investment the AI transition demands. As private equity has become the dominant owner of CLM firms in the middle tier of the market, sponsors generally prioritize profitability over growth and, in many cases, leverage the balance sheets of portfolio CLM companies to improve IRR results (this also puts pressure on MGI 360 Ratings™ results). Forced sales have already occurred, and we expect consolidation to accelerate. An acquisition is not necessarily bad news for customers, since several transactions in this cycle placed good products on stronger balance sheets, but it does change the terms of the relationship. In this context, we continue to advise buyers to favor suppliers with stable operating models that are at or near profitability, with steady growth and strong balance sheets. Buyers should also protect themselves contractually through price protection, roadmap commitments, and data portability rights. The good news when it comes to impact of Gen AI is many suppliers are benefiting from AI cost savings through significantly higher R&D productivity, structural changes to product management and marketing, and faster go-to-market cycles.

Key Market Trends

- **AI in CLM is table stakes, and a great averager.** AI capability in CLM is now an expectation, not a differentiated capability. Natural-language search, AI redlining, extraction, obligation tracking and assistants appear in virtually every product MGI evaluated this cycle. Vendor messaging has converged just as completely, with vendors' positioning statements largely interchangeable. AI raised the floor across the market while compressing the visible differences between products. Feature checklists and demos no longer satisfy prospect evaluations. Run proofs-of-concept on your own contracts instead.
- **AI-native legal tools are reshaping the buying conversation.** The sharpest competitive pressure on CLM comes from adjacent the category. AI-native tools such as Harvey, Legora, Spellbook, and Ivo have captured the legal buyer's attention, and they have reached dizzying valuations. Field research reveals coexistence, not displacement: these tools persist alongside a larger CLM. Suppliers are adapting by partnering with the AI-natives (DocuSign, Conga) or building equivalents in-product (Malbek). Plan for a stack where both coexist, and press both sides on integration and where the authoritative record lives.
- **Pricing is in transition: consumption arrives, predictability wins.** Every supplier MGI researched is mid-transition on AI monetization. The market is converging for now on hybrid pricing anchored on units buyers can forecast. Several leaders abandoned token and credit pricing after it eroded trust. Consumption works for price discovery,

but buyers ultimately demand budget certainty. Outcome-based pricing still contends with difficulty defining what a valuable "outcome" is. Meanwhile effective prices are rising: 5–15% renewal increases are routine, and one major supplier repriced its installed base through repackaging. Users need to model the all-in cost over a full term and negotiate price protection now.

- **CLM goes headless: MCP, agents and the trust layer.** Nearly every supplier has shipped or is shipping an MCP server. Contract capability will increasingly be consumed where people work (i.e., AI assistants/LLMs, Word, email) rather than the CLM's own interface. Shipped agents are real but primitive, typically a few steps short of completing a sub-process unaided. Suppliers are also bidding to be the trust layer that governs what enterprise agents may do. Treat MCP/API depth, agent governance and data-foundation quality as first-order selection criteria.
- **The buying center has moved beyond legal, and procurement is the whitespace.** Most of the people who rely on contract data sit in procurement, finance, and sales operations, and many of the people who negotiate contracts are not lawyers. Budgets roll up to the CFO. CIOs, CISOs and revenue leaders now weigh in on selections (in addition to procurement, legal, and contract administrators). Suppliers report larger deals and better retention when procurement and other business functions join the deal. Procurement is the standout whitespace: little genuine CLM innovation has occurred in most procurement platforms in a decade, yet it is among the most measurable return in contracting. A CLM selection process scoped only to legal serves a minority of the system's eventual users.
- **One enterprise-wide CLM no longer fits the whole market.** Needs diverge too sharply across legal, buy-side and sell-side use cases, verticals, and complexity tiers for one deployment to serve all. Multi-CLM customers are now common, and suppliers such as Pramata position explicitly as the intelligence layer over existing systems for enterprises. For many organizations the right architecture is plural: fit-for-purpose front ends over one authoritative contract data layer. Consolidating systems does not need to be forced. For those running multiple systems, decide deliberately which system holds the record.
- **AI is finally dislodging legacy and homegrown contracting tools.** A modern system can ingest a legacy repository, structure it, and answer questions immediately – a visibly different outcome from what it replaces. Legacy and homegrown tooling remain the most displaced "vendor" in MGI's data, and AI converts deferred replacements into funded projects. The caution: legacy migration is the least automated implementation stage and where time-to-value claims most often fail. Demand migration proof on your own backfile, not a sample.
- **Implementation is where suppliers still differ, and where AI is now being pointed.** Suppliers concede the top failure mode is adoption, not capability, and deployment fatigue impacts demand. Options needing little or no implementation get approved, while transformation projects face a higher bar than the software itself. Supplier responses span fixed-scope packages, configuration intelligence, outcome-tiered partner programs, and AI aimed at implementation itself. Claims that "the 18-month implementation is gone" coexist with three-year rollouts still not yet live. Treat time-to-value as a testable hypothesis and reference-check on time-to-first-value.
- **Market math: 15–20% growth, fragmentation rather than saturation, and a soft 2026.** MGI estimates the CLM market grows roughly 15–20% a year. Mid-teens growers are treading water while the 30%+ growers (this cycle, mid-market specialists and SMB platform players) are taking share. MGI tracks well over 200 active suppliers, and we find the market is still heavily fragmented. Regarding depressed growth, demand in 2026 was soft. The industry effectively missed 1-2 quarters of growth amid the "SaaSocalypse" and build-versus-buy pause. That debate now leans heavily toward buying, and hungry suppliers mean strong negotiating leverage for buyers.
- **Consolidation pressure: underwater unicorns and private-equity playbooks.** A meaningful cohort of CLM vendors raised money at super premium valuations in 2021–22. They have not raised since, and are challenged to exceed the prior-round's valuation. Forced sales have begun, and executives expect the pace to accelerate. Business

durability is now a core selection criterion: profitability, ownership, headcount trajectory, and release cadence are notable factors. Buyers should assume an acquisition scenario in any new contract, and prioritize price protection, roadmap commitments, data egress, and continuity provisions.

- **Durable value is migrating post-signature.** As pre-signature functionality commoditizes, the durable value in CLM moves to what happens after signature. This cycle's highest-return use cases were all post-signature data problems: eight-figure rebate recoveries, data-rights repricing, leakage capture, and tariff-exposure analysis. Obligation management remains the most under-attended capability relative to its value delivered. Post-signature depth binds external signals like tariffs, commodities, and regulation to the contract terms they affect and the business actions requiring attention. Data-first messaging runs ahead of delivery, so buyers should test post-signature claims on their own portfolio.
- **Supplier transparency is diverging, and it compounds through AI-mediated evaluation.** The best-evidenced suppliers systematically publish customer stories, named references, and verifiable outcomes. Others declined briefings, restricted access to executives, and discouraged independent reference checks. MGI finds that vendor opacity correlates with underperformance in this cycle. Evaluation by prospects is becoming increasingly AI-mediated, so a supplier's public record now shapes its visibility where most shortlists form. Some suppliers flood channels with recycled collateral to game that process. Buyers should favor distinct, named, dated evidence and insist on unbrokeed reference calls.
- **Platform gravity versus the simplicity dividend.** Suites bundle CLM into quote-to-cash, source-to-pay and ERP platforms, sometimes at prices standalone suppliers cannot answer. But platform sales reps are paid to sell the platform, and CLM inside a mega-vendor is routinely a rounding error. Lighter, narrower products consistently outscored heavier competitors on customer satisfaction in this cycle. Confusing multi-product architectures lose deals outright. Buyers should match a tool's weight to a business problem's weight.
- **The financial bar has risen: Rule of 40 is dead.** The premier tier of vendors now sits at Rule of 50 to 70, and the best-run suppliers are already there. The split between capital-efficient operators (such as Malbek) and subsidized growth stories is a clear dividing line in the category. AI inference is a new, volatile cost: gross margins now move with token consumption. Suppliers that cannot self-fund AI re-platforming are falling behind those that can. Margin structure, access to capital, and cost discipline now predict product trajectory.
- **What is driving CLM growth in 2026 and beyond.** The strongest catalyst is the agentic enterprise: AI agents need clean, structured contract data, promoting the repository to enterprise infrastructure. External shocks including tariffs, regulation, and supply-chain disruption route executive exposure questions straight into the contract portfolio. The AI-triggered replacement cycle and the buying center's expansion beyond legal increase demand further. Implementation friction and slow agent adoption remain roadblocks for growth. MGI expects mid-to-high-teens growth, with share shifting to suppliers that collapse time-to-value and prove post-signature return. MGI Research expects to publish the 2027-2031 MGI Forecasts for CLM in early 2027.

State of the CLM Market – Core CLM, AI Assistants, and AI-First CLM-Lites

The CLM market enters 2027 in better health than much of the commentary around it would suggest. MGI estimates the market is growing at roughly 15–20% annually, two to three times the rate of enterprise software overall. That growth premium survived a difficult 2026. In our estimation the industry effectively lost a quarter of sales this year, as buyers paused to weigh build-versus-buy options and the direction of supplier AI roadmaps before resolving, in most cases, in favor of buying. The market remains highly fragmented, with more than 200 active suppliers and no single supplier holding a dominant share.

What has changed most is the financial profile of the suppliers themselves. As noted above, among the suppliers MGI rates, nine in ten now operate at break-even or better, compared with fewer than six in ten in late 2023. Over the same period, median revenue growth among those suppliers declined from roughly 30 percent to 16 percent. The market has, in effect, traded growth for durability. For buyers, that means a market safer to buy in but also one in which lack of true differentiation clouds the selection process and slows down the buying cycles.

The MGI 360 Rating category averages tell the same story from a different angle. The average MGI 360 rating across the 18 CLM suppliers in our 2026 group rose to 52.9, from 51.4 in 2025 and 49.3 in late 2023, and 14 of the 18 suppliers improved or held their scores. Average scores on the 20-point scale for each of the five rating categories were:

- Management: 11.6 out of 20
- Strategy: 11.4 out of 20
- Product: 10.8 out of 20
- Channel: 9.6 out of 20
- Finance: 9.5 out of 20

The ranking of the categories has been stable for three cycles: management teams and strategies lead, and distribution and financial health trail. The movement beneath that ranking is instructive. Channel and Finance improved the most over two cycles, rising from 8.5 to 9.6 and from 8.1 to 9.5 respectively, as suppliers invested in delivery capacity and moved toward profitability. Product, by contrast, barely moved, from 10.6 to 10.8, despite the most intense period of product investment in the history of the category. That is consistent with our view that AI has raised the floor across the market while compressing the visible differences between products.

CLM suppliers tend to retain their customers, secure workable terms, and increasingly hold prices, but few have achieved scale, meaningful margins, or genuinely global reach. The gap between the five highest-rated and five lowest-rated suppliers is roughly 12 points, and it narrowed this cycle as the middle of the field advanced while several leaders gave back ground.

The relatively flat Product average masks considerable variation in what suppliers can actually do. MGI's Functional Capability Assessment (FCA) currently evaluates 25 suppliers across 77 functional criteria, from intake and authoring through negotiation, repository, obligation management, analytics, and integration. Core CLM platforms lead with an average overall score of 3.48/5 – 0.36 points above AI-First CLM Lite (3.12/5) and 0.66 above legal AI Assistants (2.82/5) – and top vendors in all 11 capability categories. Where legal AI Assistants and AI-First CLM-Lite threaten to overtake Core CLM is in Intelligence and Negotiation, where Core CLM's lead is now razor thin. The FCA data confirms what our other research suggested. AI-assisted capabilities are now present across nearly the entire field, while Core CLM solutions remain champion in depth of product and robust capability.

Three Solution Types

The most important structural development in the market is that CLM suppliers no longer compete only with one another. Buyers now encounter three distinct types of solution, often in the same evaluation. They overlap at the edges but solve different problems, and much of the current confusion in buying committees comes from treating them as interchangeable.

Core CLM suppliers, including Icertis, Conga, Agiloft, Sirion, Ironclad, Workday, and most of the suppliers rated in this Buyer's Guide, provide the governed system of record for an organization's contracts. Their strength lies in breadth and control:

- Full lifecycle coverage from intake to renewal
- Configurable workflow and approvals
- Obligation and entitlement management
- Granular permissions and audit trails
- Integration with ERP, CRM, procurement, and billing systems
- Support for buy-side, sell-side, and corporate contracting at enterprise scale

Core CLM is the right fit where contracting spans several functions, where volumes and complexity are high, where regulatory or audit requirements demand a defensible record, and where the value of contract data depends on its connection to other enterprise systems. It is a weaker fit for small legal teams that need value in weeks rather than quarters. It is also a weaker fit for organizations without the capacity to own and administer a platform, and for buyers whose primary need is help with the review and negotiation of individual agreements. The category's persistent weaknesses are the ones discussed throughout this report: implementation burden, adoption beyond the legal department, and AI capabilities that are widely available but modestly used across the installed base. Core CLM suppliers represent the Incumbents in this market.

AI Assistants such as Harvey and Legora are general-purpose legal AI platforms. They are built to make individual lawyers more capable across research, drafting, review, and analysis, with contracts as one important use case among many. They have achieved adoption and capital formation at a pace the CLM market has never experienced, and their leaders now carry valuations that rival established public software companies in adjacent markets. They are moving deliberately toward in-house contracting. Harvey introduced a dedicated contract intelligence offering for in-house teams in 2026 and announced a partnership with an e-signature incumbent for execution workflows.

AI Assistants fit law firms and in-house legal departments that want to raise the productivity and quality of legal work, including first-pass review, redlining against playbooks, and analysis of individual agreements. They are not a contract system of record. They lack the approval workflows, obligation and renewal management, enterprise integration, and governance controls that core CLM provides. They are also built for lawyers, which leaves out the procurement, sales, and finance professionals who make up most of the people who rely on contract data. Pricing is typically premium and negotiated, and seat minimums place them beyond the reach of smaller teams. AI Assistants are part of the Challengers in CLM.

AI-First CLM-Lite suppliers, such as Ivo, SpotDraft, and Agiloft's Astra (built on its Screens acquisition), occupy the space between the other two. Their approach is to deliver the most frequently used CLM capabilities with AI at the center and with minimal implementation effort:

- AI review and redlining inside Microsoft Word
- A repository that can read contracts where they already reside, without migration or manual tagging
- An increasing layer of intake, routing, and approval workflow

Time to value is measured in days or weeks, and the user experience is designed for the legal professional rather than the system administrator. These solutions fit in-house legal teams, from the mid-market to large enterprises, that want AI-assisted review and portfolio visibility without committing to a CLM program. They are also a pragmatic first step for organizations whose contracts still live in shared drives.

They are a weaker fit where buy-side procurement or sell-side quote-to-contract processes are central, or where document assembly, obligation and renewal management, counterparty collaboration, or native execution are required. They are also a weaker fit where the buyer needs a governed system of record across functions. Several are early-stage companies, so supplier viability deserves the same scrutiny we recommend for any multi-year commitment. The presence of an established core CLM supplier in this category, with a free entry tier, is a clear signal that incumbents regard it as strategically important rather than as a niche. AI-first CLM-Light solutions are part of the Challengers in CLM.

Converging, but Not Yet Interchangeable

The boundaries between the three solution types are moving, and all three are moving toward one another:

- AI Assistants are adding contract-specific workflows and execution partnerships.
- CLM-light suppliers are adding intake, approvals, and lifecycle tracking.
- Core CLM suppliers are building their own assistants or partnering openly with AI-native vendors. Some acknowledge, with notable candor, that the AI-natives are currently innovating faster than they are. Some are beginning to re-build their core products from the ground up with AI.

By 2030 we expect the distinctions to be considerably less sharp than they are today. For now, however, our field evidence points to coexistence rather than displacement. A growing number of organizations run an AI assistant or AI-first review tool alongside a core CLM, and buyers are relearning that an AI negotiation assistant and a contract lifecycle platform address a different set of problems.

The most useful questions for a buyer are therefore not which category will prevail, but which jobs the organization needs done, by whom, and at what scale. The answers determine where the authoritative contract record will reside, how contract data will move between tools, and who will own its quality. An organization that settles those questions early can combine solution types with confidence. One that does not risks creating a new generation of disconnected contract data, this time with AI on top of it.

The Six Stages of CLM Maturity

MGI Research identifies six key stages of CLM capabilities. The majority of vendors in this report have Stage 3-4 capabilities with a few elite vendors meeting the Stage 5-6 requirements. The six stages are defined as:

Stage 1: E-Document: The ability to convert from paper to electronic copies of documents allowing remote access and sharing.

Stage 2: E-Signature: The capability to sign contracts remotely by all parties, and signature certificates provided in secure electronic form.

Stage 3: Workflow Automation: This ensures the contract review processes can match organizational requirements, and that contract processing can be monitored for completeness, timing, and compliance.

Stage 4: Authoring Automation: These tools automate and accelerate the contract creation and maintenance process by allowing the use of pre-defined contract and clause templates, document variables, and external data elements.

Stage 5: Contract Intelligence: This provides analysis tools for comparing document and clause versions, identifying document patterns and clauses, highlighting non-standard and non-compliant language not only at a single document level but in the context of entire contract libraries. This includes AI tools.

Stage 6: Contract Execution: This creates data elements that are addressable programmatically from other parts of the enterprise. Stage 6 supports automated contract execution that initiates review, provides alerts, and recommends/enforces enforcement action (e.g., penalty clauses, minimum payments).



Figure 2 – Six Stages of CLM Maturity Model

Finding the Right Vendor for Your Use Case

Where most industry reports stop at feature lists and one static visualization, MGI goes further. Our research integrates both quantitative scoring and independent, contextual analysis to show market leaders, technological laggards, and ideal customer profiles for each featured vendor. **MGI MarketLenses™** help buyers identify vendors whose strengths align with specific business requirements and billing scenarios, ensuring that “top-rated” doesn’t automatically mean “best fit.” This clarity is increasingly important in CLM as contracting and contract intelligence requirements evolve within and across industries.

MGI MarketLenses™ include several distinct perspectives:

MGI MarketLens - Overall MGI 360 Ratings™ Focused	
Go-to-Market Strength vs. Solution Strength: How does a supplier's functional breadth and depth compare to its ability to bring the product to market, scale up its adoption, and successfully grow its customer base?	
MGI MarketLens™ - Product Focused	
Agility vs. Complexity: How does a product's agility compare to its ability to handle complex contracting use cases? Volume vs. Agility: How does a product's ability to handle large volumes of contracts and contract data compare to its agility? Complexity vs. Volume: How does a product's ability to handle complex contracting use cases compare to its ability to handle large volumes of contracts and contract data?	

Figure 3 – MarketLens™ Perspectives in CLM

Recent pressure to use AI models when conducting solution and vendor evaluations so far has not produced high quality or even lower cost results. AI models excel at averaging out and re-formatting what is already public on the internet, often just repeating supplier marketing and placed content. In this context, access to an independent advisor with proprietary information can generate differentiated, high-value outcomes. MGI Research maintains a Functional Capabilities Assessment (FCA) on all MGI 360 Rated™ CLM vendors as well as prominent AI-native solutions for legal use cases. FCA compares vendors across the Six Stages of CLM Maturity to show where products excel and show functional gaps. Organizations looking for additional support in conducting a shorter, higher-resolution and lower-risk evaluation strategy from an independent assessment of suppliers should contact insights@mgiresearch.com.

CLM Solution Evaluation Strategies & Best Practices

Start With a Vision and Use Cases, not a Feature List

Begin by documenting where the business is going and the use cases that will get it there: current needs, edge cases that make the business distinctive, and the changes ahead, such as an enterprise sales-led company adding a product-led or channel-led motion. Write down the key processes and workflows and describe how they would have to change if the business doubled while headcount stayed flat. Documented use cases and scripted scenarios make it possible to test a supplier's capabilities accurately. Asking a supplier to respond to a requirements list, or asking an AI assistant to compare features, has little value: both measure what is written about a product rather than what it does.

Set an internal baseline for the metrics that matter: contract volumes, cycle times, touchpoints and effort, template use, renewal volume, ingestion times, data cleanliness, obligation tracking, and compliance obligations such as regulatory reporting, transparency requirements and external audits. Then model the future against that baseline, assuming a significant increase in volume, in requests for contract data, and in compliance demands, with revenue growing while headcount does not.

Try Everything, Trust Nothing, Avoid Long-Term Commitments

Nearly every CLM supplier now markets AI, which makes AI itself a poor differentiator. Most of the AI features introduced in the past twelve months will be commodities within the next twelve, if they are not already. Buyers should look past polished demonstrations and ask whether the AI delivers measurable operational value, and whether the supplier can point to real customers using the capability and seeing an effect on the business. Incremental productivity does not merit incremental spend; it belongs in the ongoing innovation a subscription already pays for. The right posture for buyers is experimentation with a tight grip on the purse: trial broadly, commit narrowly, and keep terms short enough that a better answer next year is still affordable.

Talk to References, and Source Your Own

Average organizations speak with references at the end of an evaluation. Elite organizations connect with customers and reference accounts at the start. Early conversations with real users save time and money and reduce risk because customers know what the supplier's materials omit: how the implementation actually went, where the product falls short, and what it is like to work with the supplier when something breaks. Online review sites provide little of this. Interview real customers, some supplied by the supplier and some sourced independently, and treat the supplier's willingness to be verified as data in its own right.

Center the Business Case on Post-Signature Benefits

Faster legal and procurement review and shorter sales cycles are welcome, and every business case will include them. But the material value of contract management is found after signature. Reducing revenue leakage, enforcing supplier compliance and service levels, capturing rebates and price adjustments, and eliminating spend outside the agreement are results that uncover millions in revenue and lift margins. A strong CLM business case rests on top-line growth and bottom-line profitability, not on hours saved. Productivity is a pleasant byproduct. Recovered revenue, avoided cost, and earning the customer-satisfaction improvements that follow are what move a valuation.

Build the Evaluation Around Scripted Scenarios

Successful evaluations prove that a platform can run the buyer's actual commercial operations rather than tick a checklist. Develop six to ten scripted proof-of-concept scenarios drawn from the use cases above, covering both the common processes and the contracting edge cases that differentiate the business, and run them on the buyer's own contracts,

including the ugliest. Well-defined scenarios expose implementation complexity, reveal product limitations before they are discovered in production, and separate capabilities shown in marketing material from capabilities proven in the field.

Look Beyond Feature Lists to Platform Architecture

CLM products look alike in a demonstration. Architectural differences become decisive as volume, complexity, and the number of consuming systems grow. The contract data model, the handling of amendment chains and contract hierarchies, extraction accuracy on the buyer's own document types, the permissions model, workflow extensibility, and performance at the scale of a full repository all determine how the system behaves in year three. None of them is visible in a scripted demo. Many organizations underestimate the long-term cost of getting this wrong, and AI-assisted comparison does not help. An AI assistant measures what has been published about a product and cannot distinguish product reality from marketing claims.

Buyers should evaluate how each platform supports change rather than whether a feature exists today: new contract types and clause libraries, multi-entity and multi-language operation, policy changes that re-route work, high-volume ingestion, and the integration of agents and other AI tools. A well-architected CLM extends its data model without a consultant, exposes every function and every contract data element through standard APIs and an MCP server, lets the business describe workflows and playbooks in plain language, and keeps a complete audit trail of what people and agents did. Those are the marks of a system built for change, and they matter more than any single capability on the roadmap.

Evaluate the Supplier's Strategy and Financial Durability with a Lender's Rigor

The CLM market is evolving quickly, and ownership is changing. Roughly a quarter of the 18 rated suppliers have changed hands in the past 24 months. AI capability is being introduced and commoditized within the same cycle. The lower end of the market faces intense competitive pressure and the weakest retention in the category. In this environment, first confirm that a supplier has the financial resources to keep investing in innovation. Then examine its financial health with the scrutiny a bank lender would apply, taking the conservative view. A mountain of venture capital raised at a peak valuation funds sales, marketing, and product, but it also obliges the company to grow into that valuation or face a down round. The conservatively managed, profitable, and growing suppliers that depend less on venture financing tend to have more durability and more options.

Company size and funding alone are poor indicators of viability. Some heavily funded suppliers with levered balance sheets still prioritize growth over profit, while founder-led and privately held companies with clean balance sheets have built sustainable businesses on disciplined investment. Strategic focus matters as much: a CLM product inside a large application suite may receive limited executive attention compared with a supplier whose entire business depends on contract management. Evaluate ownership structure, financial health, management stability and product investment with equal rigor, and look at where the supplier intends to invest over the next 24 to 36 months, not only where the product stands today. Talk to the supplier's technology leaders and ask not only about the roadmap but about internal AI adoption, lessons learned, successes and failures, talent, and customer proof points. CLM is a large and durable market; buyers need an equally long view to contain supplier risk.

Choose the Right Supplier for Your Organization, Not the Biggest or the Highest Rated

Selecting a CLM supplier is not a popularity contest. Large suppliers are often perceived as safe choices and smaller specialists as risks. The research says reality is more nuanced. Large platform suppliers frequently offer stronger ecosystem integration, while independent specialists often deliver more product innovation and more responsiveness. Customer feedback on implementations and on willingness to act on customer input consistently favors small and midsize suppliers, which are quicker to remove implementation blockers and more likely to invest in customer success after go-live. Larger suppliers tend to run longer implementations, partly because escalating a blocker to the executive level takes longer and

involves more parties, including systems integrators. A smaller supplier with a lower MGI 360 Rating™ may therefore be the better fit for a small or midsize buyer that wants a true partner.

M&A in the category has accelerated in the past 12 months, and many smaller suppliers will become targets. A milestone transaction can give a smaller supplier the capital to thrive, but it also brings disruption and uncertainty about commitments and direction. In new agreements and renewals alike, include clauses that address a potential acquisition: price protection, roadmap commitments, data egress rights, and continuity provisions where the supplier's position warrants them. The optimal selection depends on the organization's priorities. Choose the supplier that best fits your complexity, implementation resources, and long-term contracting strategy rather than assuming market leadership guarantees project success.

The Ideal Customer Profile Assesses Fit, Not Just Score

A supplier rating such as the MGI 360 Rating™ measures risk: the higher the rating, the lower the risk. Ratings are important, but organizations need a CLM that fits their profile, which is why every MGI 360 Rating™ in this Guide is accompanied by an Ideal Customer Profile (ICP). An ICP is more than a capability fit. It describes the industry, size, geography, contracting scenarios and technology stack in which a supplier's customers actually succeed. CLM is not a uniform market; it is a set of fragmented segments defined largely by the kinds of customers each supplier serves, and a supplier's true ICP can differ sharply from how it sees and positions itself. The ICPs in this Guide describe not every use case a supplier can support, but the most common and frictionless ones as evidenced by customer deployments in the field.

Evaluate Systems Integrators and Consultants with the Same Care

Many organizations spend months and significant budget choosing a CLM supplier, then two hours to two days choosing the integrator. Assessment of a supplier's services ecosystem is part of the MGI 360 Ratings™ process and it should be part of every CLM evaluation. In most enterprise cases, first-year integration spend meets or exceeds product spend, which makes evaluating integrators a financial imperative rather than a courtesy. Some suppliers implement themselves and some recommend a third-party provider. In every case, agree on a concrete estimate and a change-management process before signing. Integrators, like suppliers, have an ideal customer profile. Ask them to demonstrate experience with organizations like yours, and to furnish references you can call.

CLM Success vs. Failure

A CLM program that succeeds and one that fails often look remarkably similar on the day the system goes live. Both have a configured platform, a set of templates, approval workflows, and a repository populated with at least some of the organization's contracts. The difference emerges over the following 12 to 24 months. In our research, the outcome is rarely determined by the software alone or even the actions of the systems integration partners. Far more often it is determined by how the program was framed, whether or not it also included an attempt at legal transformation, what it was expected to achieve, the investment in change management, and whether the contract data at its center was treated as a strategic asset or as a by-product of the implementation.

A failed CLM program is usually not a dramatic collapse, but a slow loss of relevance. Its slow, creeping nature is potentially more dangerous than an outright failure.

The repository exists, but the business does not have any visibility into it. The legacy portfolio was never fully migrated. The metadata that was extracted is incomplete or inconsistent. Amendments are not linked to the agreements they modify.

System usage settles into a narrow band of users in the legal department, while sales, procurement, and finance revert to email, shared drives, and spreadsheets. When an executive asks which contracts are exposed to a tariff change, a supplier failure, or a change of control, the answer still requires a team of people and several weeks of manual review.

Over time the platform accumulates customizations, making each upgrade more expensive than the last. The organization concludes it bought the wrong system. Countless companies reach this point within 24 to 36 months of the CLM purchase and begin a replacement project. They are frequently justified, but they are just as frequently at risk of repeating the errors and fostering the conditions that produced the first failure.

The roots of failure are consistent across the programs we have observed:

- The system was selected to solve a single pain point, typically in one function, with little consideration of how broadly contract data would serve the rest of the organization.
- Success was defined as go-live rather than as a business outcome, so the program had no way to demonstrate value once the implementation team departed.
- Data hygiene was underestimated or postponed.
- The scope was set too broadly for a single deployment, producing a multi-year, big-bang program that lost executive attention long before it delivered results.
- Responsibility for the system after implementation was left undefined.

None of these causes is primarily technical, and none is solved by choosing a different supplier.

A successful CLM program looks different from its first weeks. It begins with a defined business problem and a measurable outcome, such as faster sales cycles, recovered pricing and rebate terms, reduced exposure and higher compliance in supplier agreements, or diligence that can be completed in days. It is delivered in phases, each of which produces value the business can see.

The legacy portfolio is ingested, structured, and validated early, because the organization understands every downstream use of the system depends on the quality of that data. The system's users extend well beyond the legal department. Contract terms flow into CRM, procurement, billing, and revenue systems rather than remaining locked in documents, and many occasional users interact with contract data without ever logging into the CLM itself.

Most importantly, the program continues to deliver after signature. Obligations are monitored, renewals are managed before becoming surprises, and entitlements are enforced rather than forgotten.

The clearest test is a simple one. In a successful program, a senior executive can ask a material question about the contract portfolio and receive a reliable answer in minutes. In a failed program, the same question starts a project.

The organizations achieving this outcome share a small number of characteristics:

- An executive sponsor whose interest extends beyond the legal function.
- A clear owner of the system and its data after implementation.
- A realistic scope.
- Metrics that measure the business result rather than the activity.
- An implementation partner with direct experience of the use case.
- A supplier with the financial capacity to keep investing in the product over the life of the relationship.

The choice of software matters, and a poorly matched platform can undermine even a well-run program. But the difference between success and failure in CLM is determined less by what an organization buys than by what it expects the system to do. Expect a document repository with workflow, and that is usually what you get. Expect a reliable, continuously maintained record of what the business has promised, and the program is far more likely to deliver it.



Figure 4 – CLM Success Benchmarks vs. Failure Warning Signs

CLM Budget & Resource Guidelines

CLM costs vary far more than most buyers expect, and the software subscription is rarely the largest cost over the life of a program. A realistic budget covers four elements: the subscription itself, various add-ons including AI and consumption-based fees, implementation and integration services, and the internal time needed to administer the system and drive adoption. Organizations that budget only for the first element are the ones most often disappointed.

Profile	Typical scope	Annual software spend	Implementation services (first year)	Administration
Small organization or single department	One or two use cases, few users, standard templates	\$2,000–\$25,000	Nominal; mostly internal staff time	Part of an existing contract administrator's role
Midsize organization	Several use cases, moderate volumes	\$25,000–\$150,000	1x–2.5x the annual software cost	An existing contract administrator, part-time
Upper-midsize to large enterprise	Multiple departments and geographies; CRM, ERP, and procurement integration	\$150,000–\$500,000	1x–2.5x	An existing contract administrator, substantially or fully dedicated
Large, complex, or highly regulated	Global, high-volume, multi-entity deployments	\$500,000 to several million	1x–2.5x	A dedicated, full-time administrator

Table 1 – Budget and Resource Expectations by Company Profile

Ranges are indicative. Where an organization falls depends on use cases, users, volumes, and geographies, and spend near tier boundaries is common.

Where an organization falls within these ranges depends on how its supplier prices the product, and pricing units vary considerably across the market. The common units are:

- Named users, often split between full users and lower-cost approvers or occasional users
- Contract volume or documents under management
- Platform editions that bundle modules
- Add-on modules such as obligation management or analytics
- Additional legal entities, regions, or languages
- AI credits or actions

Buyers should identify the unit that will grow fastest in their own organization and negotiate hardest on it. A program that starts in legal and expands to procurement and sales will grow in users. A program built around a large legacy repository will grow in contract volume. Occasional users deserve particular attention: with contract capability increasingly reached from inside other applications, many participants never need a full seat, and agreements should reflect that.

At the low end, organizations should plan on spending from under \$200 to about \$2,000 per month, with implementation measured mainly in internal time and effort. For midsize and larger projects, first-year professional services and consulting fees typically run one to two-and-a-half times the annual software cost, and they vary widely with the use cases in scope, the number of geographies, the complexity of integrations, and the condition of legacy contract data. A \$150,000 subscription can therefore carry \$150,000 to \$375,000 in first-year services, and first-year spend commonly reaches two to three and a half times the subscription price. Buyers should plan for this from the outset. Organizations that expect implementation to be included in the deal are often the most disappointed with the results, because “included” services are usually either priced elsewhere in the agreement or scoped too narrowly to succeed.



Because CLM decisions typically stay in place for many years, budgets should be built on a multi-year view rather than first-year cost. The following illustration is for a midsize program.

	Year 1	Year 2	Year 3	3-year total
Subscription	\$100,000	\$107,000	\$114,490	\$321,490
Various add-ons, including AI (20% of subscription)	\$20,000	\$21,400	\$22,898	\$64,298
Implementation and ongoing services	\$200,000	\$100,000	\$50,000	\$350,000
Total	\$320,000	\$228,400	\$187,388	\$735,788

Table 2 – Sample 3-Year Cost Expectations Across Subscription Lifecycle

Assumes 7% annual increases on subscription and add-ons. Services are phased over three years and shown for illustration only; actual services vary widely with use cases, geographies, and complexity. Excludes internal staff time and premium support.

A budget built on the subscription price alone would show \$300,000 over three years; the full cost is nearly \$736,000, almost two and a half times as much. Services account for nearly half of that total, and they do not end at go-live: phased rollouts, integrations added in later waves, and ongoing optimization carry meaningful services expense into the second and third years. Renewal terms move the total as well. At 15% annual increases, three-year cost rises to about \$767,000. With increases capped at 3%, it falls to about \$721,000. On a program of this size, the renewal cap negotiated at signature is worth roughly \$46,000 over three years, more than many buyers secure through the initial discount.

CLM rarely requires a new hire. In most organizations, one of the existing contract administrators takes on administration of the system, part-time in smaller deployments and full-time in the largest. What matters is that the role is named and its time protected. An administrator who manages templates, workflows, and user questions only when other work allows quickly becomes the bottleneck, and adoption stalls. During implementation, buyers should also plan for time from IT for integrations and from business owners for workflow design.

Two further costs deserve their own budget lines:

- **Data migration and cleanup.** This is the single largest source of implementation risk MGI observed in 2026, particularly for older, heavily amended agreements.
- **Renewal increases.** Annual increases of 5% to 15% have become routine, so caps should be negotiated before signature rather than at the first renewal.

Buyers should also confirm before signature whether the following are included or priced separately, since each regularly surfaces as an unplanned cost:

- Connectors to CRM, ERP, and procurement systems
- Sandbox or test environments
- Storage and e-signature volume overages
- Additional languages, legal entities, or regions

- Premium support, often priced as a percentage of the subscription
- Fees or effort to export contract data at the end of the term

MGI encourages customers to buy the highest level of support on offer, at least through the first full year in production. Customers should also take an active role with their supplier as reference accounts and customer advisors, which brings influence over the roadmap and earlier access to product teams. The organizations that work most closely with their CLM providers consistently achieve the best business outcomes.

Cost is only half of the budget discussion, and the weaker half for securing approval. The strongest CLM business cases rest on value realized after signature: rebates collected, price escalators invoiced, renewals managed, and obligations enforced. Examples such as the \$8-12M in misapplied pricing and rebate terms at a medical products distributor highlight this point. Recoveries of that order dwarf the costs described above, and buyers who quantify leakage in their own agreements before seeking approval find the budget far easier to defend.

That case is also broader than the legal department, and so is the budget. CLM spending increasingly rolls up to the CFO. Procurement, finance, and sales operations rely on contract data at least as heavily as legal does, and procurement in particular remains the largest untapped user group. Programs funded jointly across these functions tend to win larger budgets and broader adoption than those carried by legal alone, and joint funding also settles early which systems hold the authoritative contract record.

MGI MarketLens™ Charts and Definitions

Breadth of use cases and depth of capability vary widely across industries for CLM solutions, making selection difficult. MGI MarketLens™ charts shed light on the variations among solutions in each market by plotting and comparing a group of suppliers using a pair of key coordinates. This helps prospective buyers, investors, and partners see where products align relative to core requirements. MGI Research defines agility, complexity, and volume in CLM as follows:

Agility CLM Agility describes the flexibility to quickly deploy a new CLM and associated capabilities and introduce changes as dictated by business needs and competitive pressures. Lack of agility results in long launch cycles, difficulty, or inability to introduce new analysis tools within a window of opportunity and often translates into loss of market share and significant competitive disadvantage. • Business Agility: describes factors such as abstraction of business models, rules, processes, and corporate hierarchies. The most agile systems tend to have a well-defined, object-oriented infrastructure, an extensible data model, and configurable user interfaces and workflows facilitating change. • IT Agility: can be measured by evaluating the time, cost, and resources needed to enable IT activities such as implementation, customization, configuration, testing, deployment, monitoring, ongoing maintenance and/or upgrades, and market roll out. • Product Agility: refers to the speed with which a given solution can respond to technology changes and configuration changes – such as user experience, mobility, cloud, AI/ML, big data, and protection from expensive upgrade cycles and unforeseen costs. Product agility can be measured by evaluating factors such as frequency of product enhancements, ability to quickly adapt to new business requirements, percent of users on latest release, product spread, customization percentage, integration capabilities, and deployment model. Product agility takes into consideration how easily a system can be changed, updated and improved. For example, how easily can workflows be changed, what kind of resources are necessary to generate a new report, what resources are needed to update a clause library, what is required to apply changes across multiple geographies, divisions, regulatory jurisdictions, etc.
Complexity CLM Complexity describes suppliers' ability to handle contract management complexity. It does not measure the complexity of a CLM solution itself – rather, it describes the complexity of the CLM use case. Some factors that impact CLM Complexity include, but are not limited to: • Contract Complexity: how many clauses, parties, dependencies, hierarchies, standard vs. custom, etc. • Contract Process Complexity: how complex a typical contract management process and associated workflows are • Contract Use Case Complexity: specific challenges related to the use case, e.g., buy-side vs. sell-side, enterprise, legal ops, procurement, etc. • Contract Approval Complexity: typical approval requirements in workflows and contracting processes • Internal Organizational Complexity: organization scale, complexity, velocity, and volume of change • Internal Product/Offering Complexity: the complexity of products, supply chains, sales processes, channels, etc. • Integration Complexity: how many systems integrate to contract systems, how many hold contract data • Typical Counterparty Complexity: number of different types of counterparties, and the complexity of their processes • Regulatory Complexity: scope, volume, and change velocity of applicable regulatory mandates, inspection, audit and reporting requirements
Volume MGI measures CLM Volume in terms of the typical number of contracts handled per year cumulatively (i.e., the size of an organization's contract repository and the number of contracts added to it annually). We take into consideration the contract types – active vs expired, masters vs. amendments, etc. A company that handles a few hundred contracts per year that are each very long and heavily negotiated with many contingent clauses and performance obligations would be classified as a low-volume, high-complexity requirement. We classify CLM Volume in terms of four major categories of contract volume: • HyperScale: >1M contracts per year cumulatively • Enterprise: 100K to 1M contracts per year cumulatively • MidMarket: 2K to 100K contracts per year cumulatively • SmallBiz: <2K contracts per year cumulatively While many CLM suppliers can provide examples of Enterprise customer references, evaluators should look at the size of the companies that make up the bulk of the customer base. Overall, determining volume and agility requirements can be relatively straightforward. Complexity may require more thought, as most organizations have a range of complexity requirements from very simple to very complex.

Figure 5 – Agility, Complexity, Volume Definitions in CLM

MGI MarketLens™: Go-to-Market Strength vs. Solution Strength

This MarketLens™ measures **go-to-market strength** (a composite of the management, channel, strategy, and finance scores) against **solution strength** (product score). Please see the individual pillar scores on pgs. 33-37.

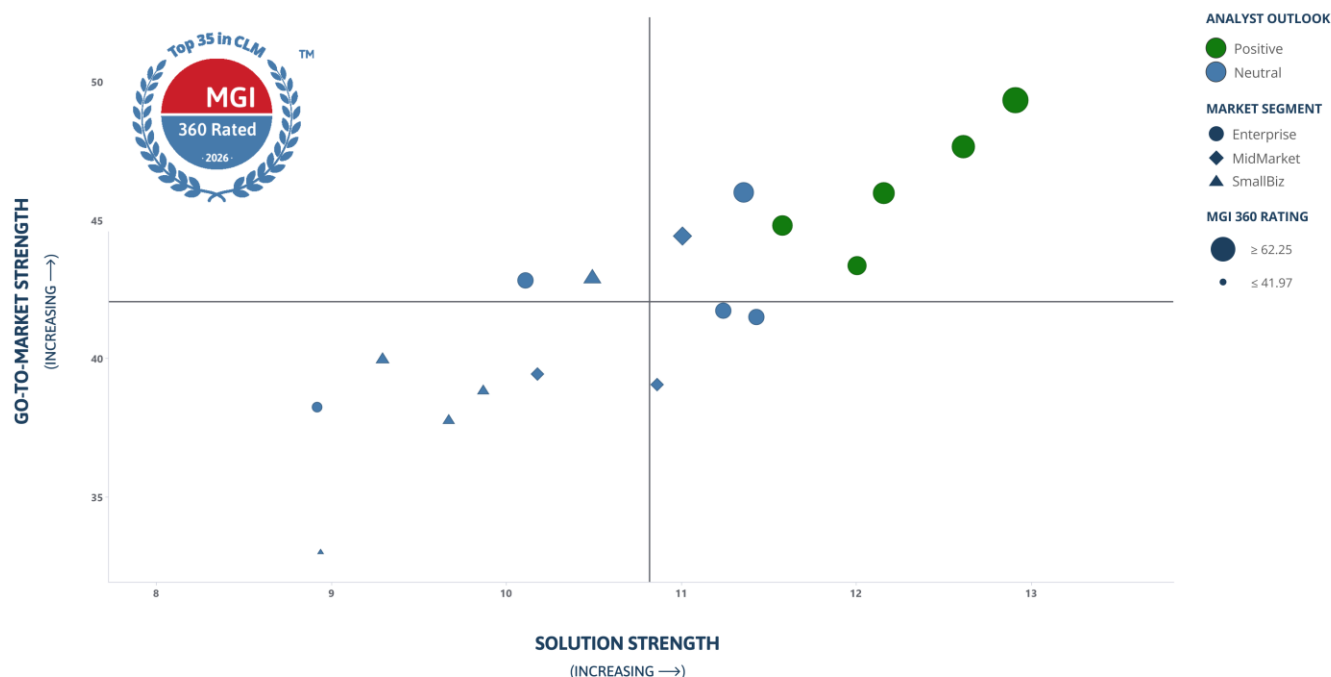


Figure 6 – Go-to-Market Strength vs. Solution Strength in CLM

KEY TAKEAWAYS

- **Icertis, Agiloft, and Workday** score the Top 3 in Go-to-Market Strength
- **Icertis, Agiloft, and Conga** score the Top 3 in Solution Strength

Get the full report to find fully labeled MarketLens™ charts plotting all 18 MGI 360 Rated™ vendors.

MGI MarketLens™: Agility vs. Complexity

A two-dimensional chart measuring a CLM solution's **agility** (y-axis) against its ability to handle **complexity** (x-axis) can be helpful when selecting a solution:

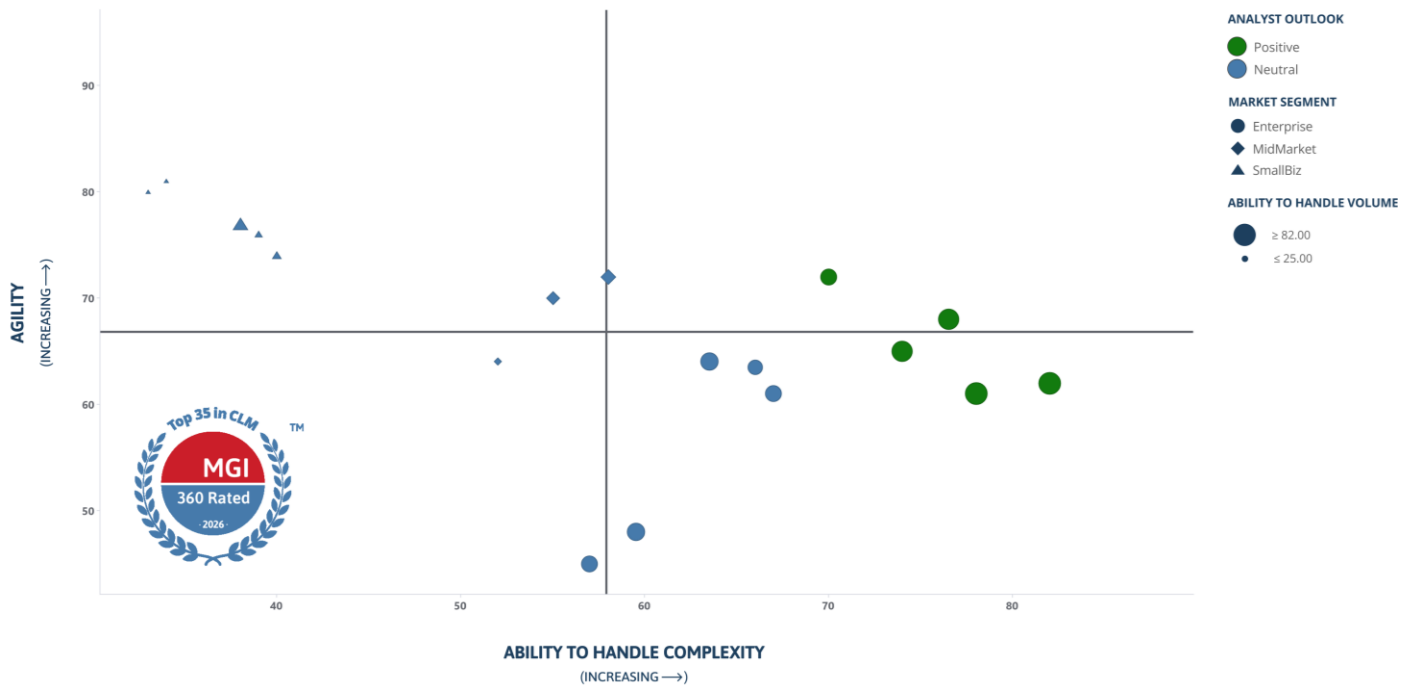


Figure 7 – CLM Agility vs. Complexity

Get the full report to find fully labeled MarketLens™ charts plotting all 18 MGI 360 Rated™ vendors.

MGI MarketLens™: Volume vs. Agility

A two-dimensional chart measuring a CLM solution's ability to handle **volume** (y-axis) against its **agility** (x-axis) can be helpful when selecting a solution:

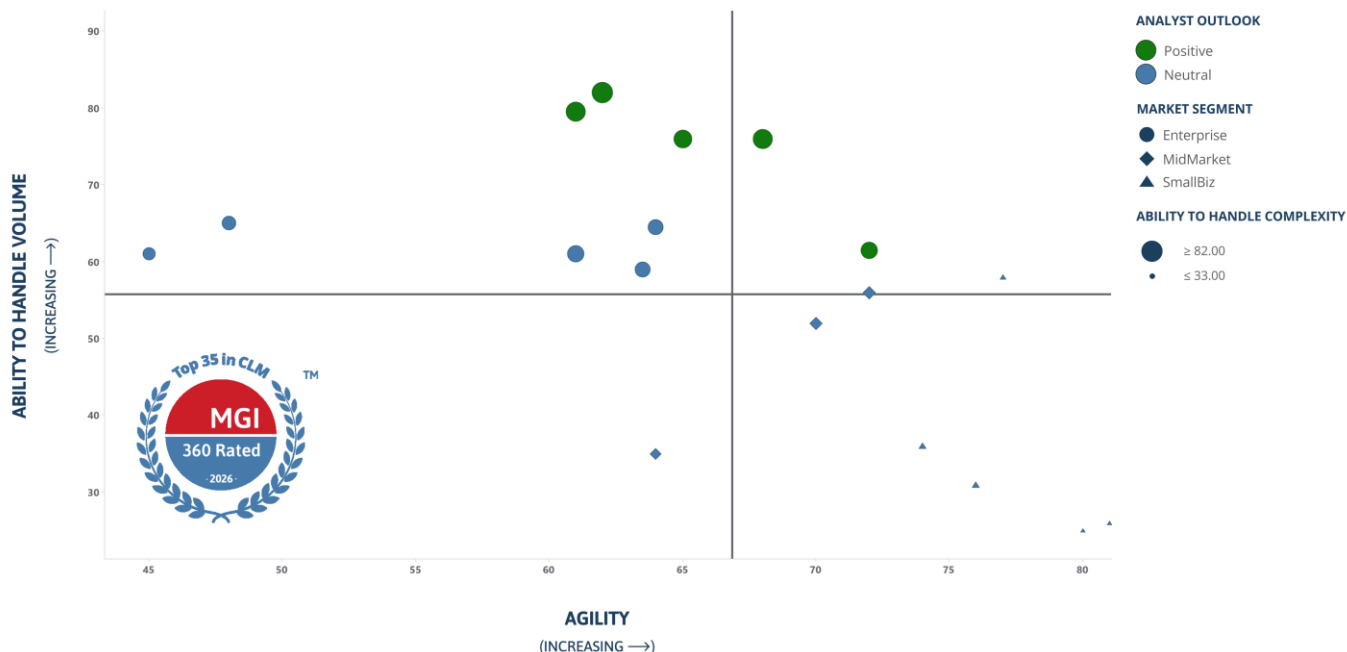


Figure 8 – CLM Volume vs. Agility

Get the full report to find fully labeled MarketLens™ charts plotting all 18 MGI 360 Rated™ vendors.

MGI MarketLens™: Complexity vs. Volume

A two-dimensional chart measuring a CLM solution's ability to handle **complexity** (y-axis) against its ability to handle **volume** (x-axis) can be helpful when selecting a solution:

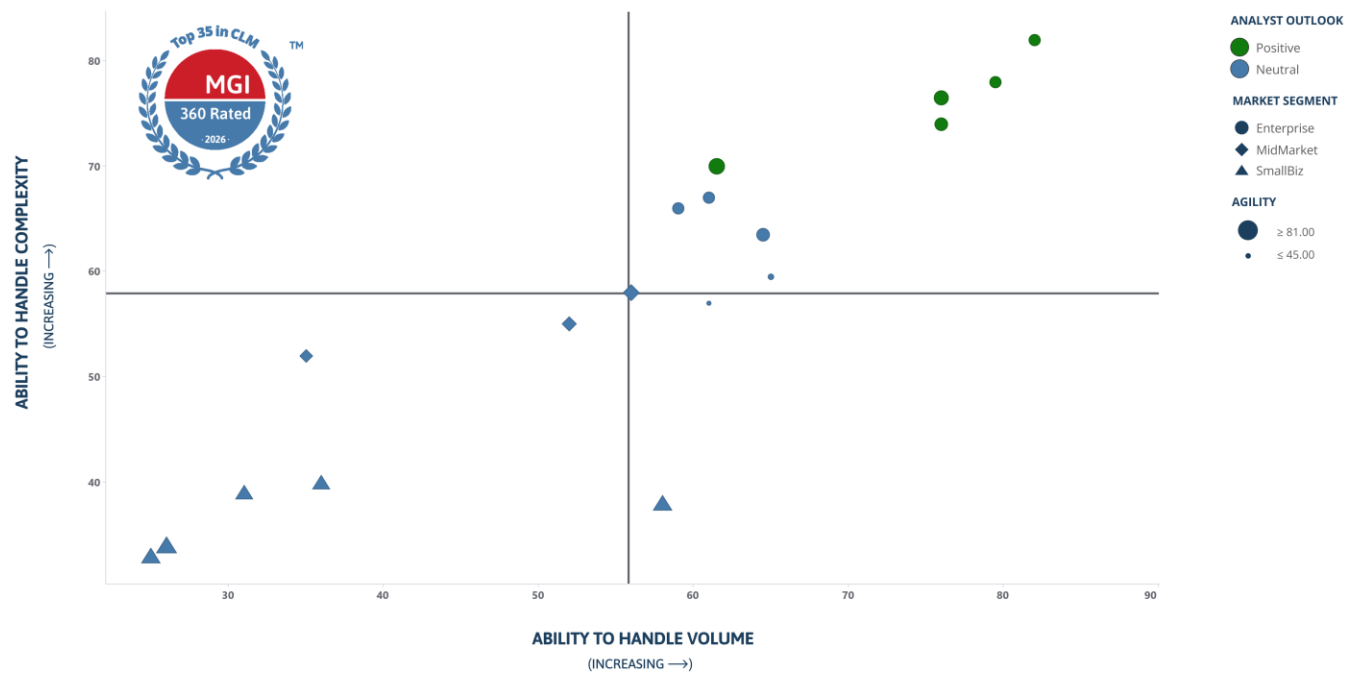


Figure 9 – CLM Complexity vs. Volume

Get the full report to find fully labeled MarketLens™ charts plotting all 18 MGI 360 Rated™ vendors.

Overall MGI 360 Ratings™ for CLM

The 18 MGI 360 Rated™ CLM suppliers are listed below from highest to lowest **Overall** score (a composite of the product, management, channel, strategy and finance pillar scores) on a scale of 1 to 100. Please see pgs. 33-37 of the full report for a breakdown of each pillar along with Key Takeaways.

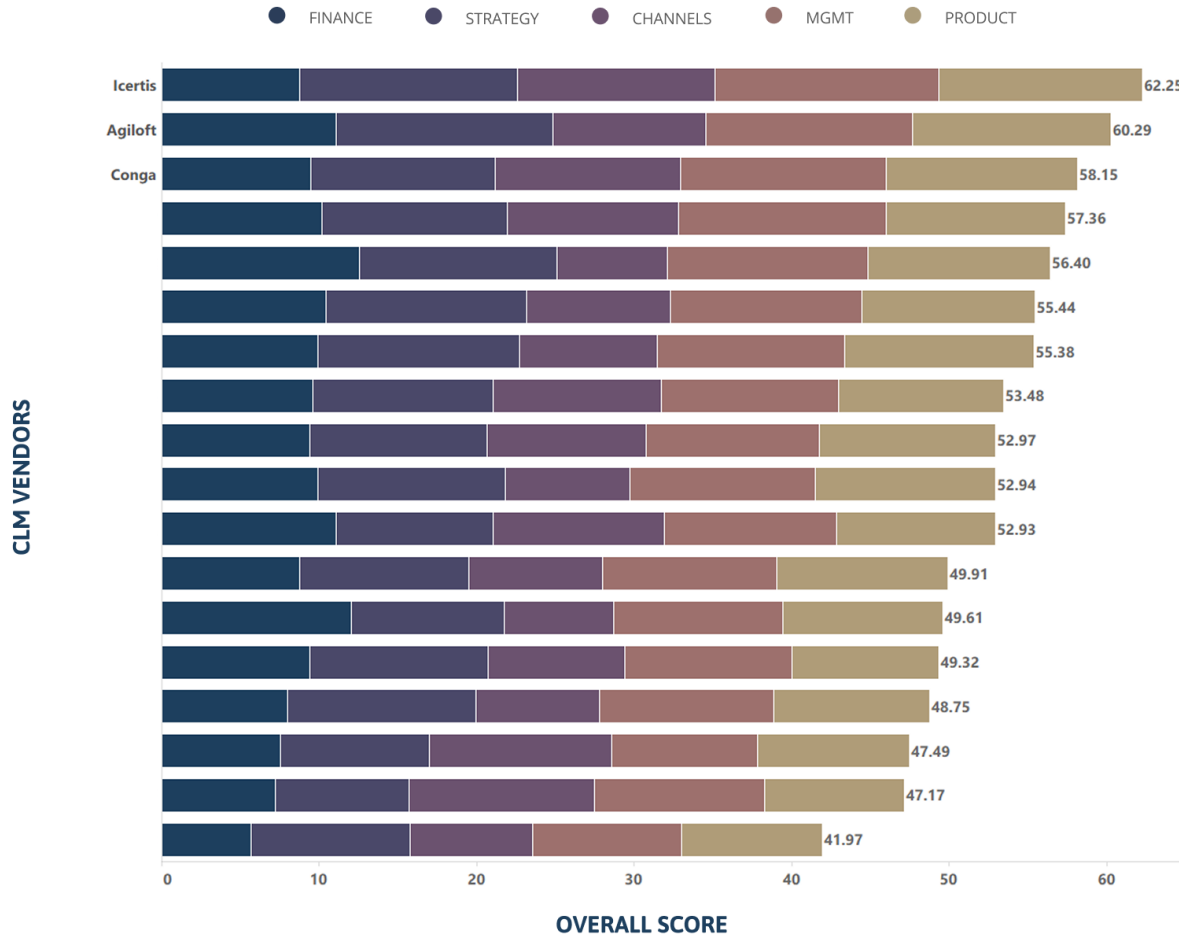


Figure 10 – MGI 360 Overall Scores for CLM Vendors

KEY TAKEAWAYS

- The Top 3 Overall CLM vendors are: **Icertis**, **Agiloft**, and **Conga**

APPENDIX A – Glossary

AGILE MONETIZATION PLATFORM: MGI Research is credited with having created the concept of an Agile Monetization Platform. This concept is comprised of processes, tools, and human resources and describes the business enablement of monetization. Monetization is defined as how market demand is created and then translated into revenues, profits, and business differentiation. A core process that is supported by the AMP concept is P2D – Prospect to Disclosure. Historically, the Quote-to-Cash process was viewed as the essential element of monetization. Today, the serial notion of Quote-to-Cash no longer accurately captures the continuous and multi-faceted nature of how an enterprise monetizes. Within AMP, there are thirteen areas that are commonly supported by business applications. CLM is one of these product areas. As packaged solutions mature, it is expected that software vendors will evolve towards offering more comprehensive packages that encompass more than one AMP product discipline, a trend that has already begun.

Outlined below in *Figure 16* are thirteen critical modules with distinct functions that enable monetization excellence when orchestrated together.

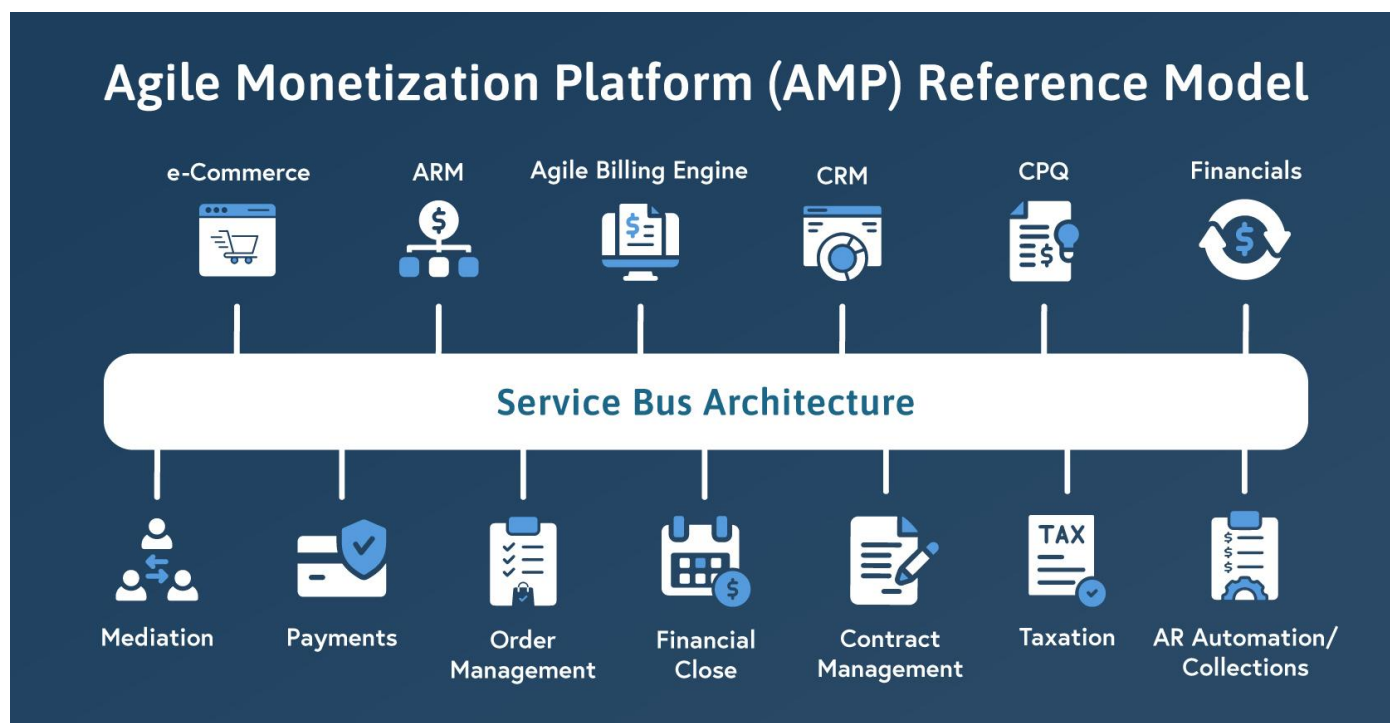


Figure 11 – Agile Monetization Platform (AMP) Service Bus Diagram

The initial version of the model included nine key disciplines: agile billing, automated revenue management (ARM), configure-price-quote (CPQ), e-commerce platforms, customer service, order management, financials/general ledger, mediation, and contract lifecycle management (CLM). The AMP Reference Model has since been updated to include four additional modules: accounts receivable (AR) automation & collections, taxation, payments management, and financial close.

The AMP reference architecture is designed to promote peer-to-peer collaboration between monetization modules depicted above. Through this collaboration, vendors equip themselves with efficient internal processes leading to smooth experiences. Brand trust, notability, and loyalty among customers grows as a result of this internal effort. Readers can find the full definition update of MGI's [Agile Monetization Platform \(AMP\) Reference Model](#) on our website.



CONTRACT LIFECYCLE MANAGEMENT: Contract Lifecycle Management (CLM) is the comprehensive process of strategically managing the entire lifespan of a legally binding agreement between two or more parties within a business context. It encompasses the stages or phases that a contract goes through from its creation to its conclusion, while applying effective planning, organizing, coordination, and control techniques to achieve specific goals and objectives. CLM involves the systematic handling of contracts, ensuring that they are effectively managed and administered throughout their lifecycle. It encompasses activities such as contract creation, negotiation, execution, monitoring, renewal, and closure. During the contract lifecycle, the rights, obligations, and terms of the commercial relationship between the involved parties are carefully governed and enforced. MGI believes the data within contracts are the single most important data type in an enterprise, and that the expansion of CLM capabilities into post-signature "contract intelligence" is the key development path for the category. The ability to access and act upon contract intelligence with agility across teams, departments, and software tools is the most impactful aspect of CLM in an Agile Monetization Platform.

GICS®: Global Industry Classification Standard: an industry taxonomy created by MSCI and S&P; it organizes all major public companies into 11 sectors, 24 industry groups, 69 industries and 158 sub-industries; this is one of the four taxonomies MGI Research uses in its TAM and market sizing research.

APPENDIX B – About MGI Research

MGI Research is a vendor agnostic research and advisory firm serving business, finance, and IT executives, technology leaders, and institutional investors. The firm was founded in 2008 by a group of senior analysts and executives from Gartner, Soundview, and Morgan Stanley. MGI Research analysts bring with them over 25 years of tech industry experience as IT and/or supplier executives, Wall Street professionals, management consultants, or academics. Through its research, ratings, advisory engagements, industry studies, and conferences, MGI Research helps clients make informed and timely strategy choices, optimize core business processes, manage supplier evaluations, and improve monetization capabilities.

MGI Research pioneered the concept of an Agile Monetization Platform (AMP)™ and hosts the Monetize forums and Monetize conferences. MGI also leads Best Practices groups for finance, business, and IT executives.

MGI Research emphasizes application of highly quantitative and structured methods in creating decision-support frameworks for its clients. MGI produces a number of proprietary industry metrics, benchmarks, and indices such as the [MGI MarketLens™](#), [MGI Use Case Notes™](#), [MGI Cloud30 Index™](#), Functional Capabilities Assessment (FCA), and [MGI 360 Ratings™](#). MGI Research also maintains a proprietary market forecasting analytics model and publishes bottom-up [Total Addressable Market \(TAM\) Forecasts](#).

MGI MarketLens™ reports dissect a given universe of suppliers and plot how a select group of suppliers compare using a pair of key coordinates. They shed light on the variations among solutions in a given market, and help prospective buyers, investors, and partners see where products align relative to core requirements.

The **MGI Use Case Note™** describes the ideal customer profile for a given solution. It helps prospective buyers understand the best fit for a product or service. The aim is to help prospective buyers quickly and confidently narrow the list of suppliers that could meet a particular use case.

MGI 360 Ratings™ are comprehensive, quantitative analysis of a vendor/solution. Using a scale of 0-100, suppliers and solutions are assessed in five areas – Product, Management, Channels, Strategy, and Finance – and assigned an analyst outlook (Positive, Neutral, or Negative).

For additional information, call +1 888 801-3644 or visit www.mgiresearch.com.

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APPENDIX C – About MGI 360 Ratings™

MGI 360 Ratings™ is a comprehensive company evaluation and rating methodology that scores companies on a scale of 1 to 100 (100=Best) in a specific market. Additionally, an Analyst Outlook is assigned for each company:

- Positive - we expect company prospects to improve
- Negative - we expect company prospects to decline
- Neutral - we expect company prospects to remain unchanged
- Under Review – no opinion is formed as of yet

MGI Research assigns a letter grade of A, B+, B, or B- to all 360 Rated™ suppliers. Letter grades are assigned by dividing the firms receiving 360 Rating™ scores into four quartiles. The top-performing quartile receives an A grade, the second-highest rated quartile receives a B+, the third quartile receives a B, and the lowest-rated quartile of CLM suppliers receive a B-.

MGI 360 Ratings™ and analyst outlook are compiled for a specific market. When we rate a sufficient number of companies in a given market, we publish a Market Rating Report to reflect peer group average scores.

MGI 360 Ratings™ impose the same evaluation standard on each rated company – public or private, large or small; all are held to the same exact standard. Although ratings are comparable across markets to an extent, the numerical scores provided by MGI 360 are the most applicable within a given market. The overall score is comprised of five equally weighted major categories that account for up to 20 points in the following areas:

- **Product** – Product Breadth and Depth / Implementation / Support
- **Management** – Management Team / Board of Directors / Overall Company Talent
- **Strategy** – Strategy and Marketing
- **Channel** – Sales and Distribution Channels
- **Finance** – Financial Health

A company with a high score in each category will be a firm whose products are positioned to dominate its sector, whose management has the relevant experience and track record for success, whose strategy is scalable and realistic, that has the sales channels with the right focus and size to generate success in the marketplace, and which is sufficiently healthy financially to support its customers, invest into products, and withstand economic adversity.

Each of five major categories is divided into five to seven subcategories and then into three to ten inputs. In total, over 149 unique data points comprise the overall MGI 360 Rating™ score. In addition to referencing the overall rating, users should consider the individual category ratings as well. For example, users making a tactical purchase may be less concerned with the Finance score and more interested in comparing Product scores. Conversely, for a strategic purchase in which considerable internal resources will be dedicated, users may place more emphasis on the financial viability and management team with the understanding that the user will be working collaboratively with the supplier to craft a unique solution, thereby rendering the current product rating less meaningful to the decision criteria.



Figure 12 – Dimensions of MGI 360 Ratings™

The ratings process is highly structured and curated by MGI Research senior analysts. The MGI 360 Rating™ team typically interviews supplier company management and, in some cases, reaches board members and/or key investors as part of the process. During these interviews, MGI analysts follow a highly structured set of standard questions, with the answers then translated into specific scores in each evaluation area. The ratings team also interviews customers and partners and solicits input from a variety of industry sources not provided by the supplier. The MGI 360 Ratings™ teams are comprised of highly-trained analysts with deep experience in technology business and typically with a prior track record of at least 20+ years as an IT practitioner, industry analyst, or an IT executive.

The 360 Ratings™ process is continuous, and we update the results on an ongoing basis as new information about a supplier company becomes available. A company that operates in several markets is likely to have individual ratings for each market covered by MGI Research. Companies can have multiple scores – one for each market, as well as a history of scores.

MGI 360 Ratings™ help organizations make more informed purchasing and strategy decisions for new and existing technology suppliers, minimize risks, save money, and save time. MGI 360 provides concrete scores that clearly demonstrate differences among suppliers.

MGI 360 Rating™ system is comprehensive but is not meant to be a predictor of company solvency, liquidity, absence of accounting fraud, or stock performance. It is not under any circumstances a recommendation or an offering to buy any securities of any supplier reviewed, nor is it an endorsement. Rating research includes but is not limited to interviews with company executives, customers, investors, partners, competitors, product demos, site visits, etc. All MGI 360 Ratings™ undergo highly critical internal peer reviews.

APPENDIX D – CLM Top 35: Why These Companies?

Amid the rapidly evolving customer requirements of today's software market, these vendors are, in our view, among the most consequential CLM suppliers meriting the attention of buyers, partners, and investors. The MGI 360 Rating™ methodology is quantitative in nature with a tough, non-linear grading scale. Any vendor among the 18 MGI 360 Rated™ suppliers is important and impactful, regardless of the absolute score. The criteria for coverage include one or more of the following:

- **Market visibility:** The company has one or more of these characteristics: achieves above-average growth, is often included in longlists and shortlists of buyer evaluations, possesses large installed base, has demonstrated material disruption, and/or most MGI clients express interest in the company or mention them in analyst calls.
- **Innovation:** The product has unique capabilities and the potential to disrupt the market – buyers should be aware of this product/company, even if it is not a fit today.
- **Solution strength:** Breadth and depth of solution, support for various business models and use cases, and the supplier's ability to help customers implement and gain value from the solution.
- **Demonstrated success:** Most, but not all, vendors covered are able to provide MGI with referenceable customers and partners to interview. Independent of the provision (or lack thereof) of vendor references, MGI conducts its own interviews and field research on customers, partners, and investors.

There are hundreds of contract lifecycle management software providers around the world offering products. Vendors are not excluded uniquely based on size (e.g., revenue or customer count below any threshold) or willingness to participate in the research process.

Inclusion in the 2026 Contract Lifecycle Management (CLM) Top 35 Buyer's Guide does not represent an endorsement or an outright recommendation to purchase a product. Conversely, exclusion of a supplier from this report is not a recommendation to exempt it from consideration. Organizations should evaluate potential suppliers on merits and on their fit to specific use cases.