



IDC MarketScape

IDC MarketScape: Worldwide Employee Experience — Rewards, Recognition, and Markers of Success 2026 Vendor Assessment

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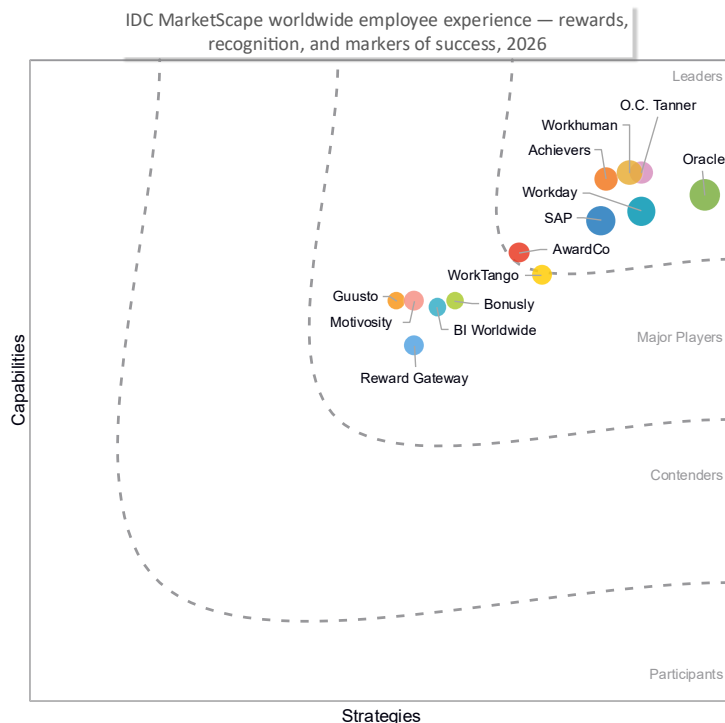
Leonardo Freitas

THIS EXCERPT FEATURES O.C. TANNER AS A LEADER

IDC MARKETScape FIGURE

FIGURE 1

IDC MarketScape worldwide employee experience — rewards, recognition, and markers of success vendor assessment



Source: IDC, 2026

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

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ABOUT THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Employee Experience — Rewards, Recognition, and Markers of Success 2026 Vendor Assessment (Doc # US54793626).

IDC OPINION

Recent IDC data shows that 46% of companies are exploring how to make better use of their data to model and surface insights hidden in the space between historical collection silos. From 4Q25 to 1Q26, HR teams grew 48% more likely to explore how AI could be used to cross-reference data sets to better contextualize performance and decision insights. In the same period, 93% of HR teams started to evaluate their data ecosystems to identify data collection silos, work with IT teams to clean up how their data is orchestrated, and to partner to build and test behavioral insights models (source: IDC's *Future Enterprise Resilience and Spending Survey Wave 1*, March 2026; n = 903).

Looking back to 4Q25, recognition systems largely operated as touch point systems that contributed data and insights into foundational data platforms either as native extensions of those platforms or through integration feeds. Early AI experimentation was less focused on native insights modeling within recognition and more on suggestive prompts, editorialized feedback, and engagement-based nudges and participation drivers.

As AI opened the door to deeper exploration of the interconnected context value of recognition insights, rewards and recognition vendors along with their buyers have started to examine how recognition data can better inform behavioral performance and competency models beyond periodic performance reporting, motivation-based flight risk, and self-reported skills and competencies.

IDC's data shows that HR leaders are 65% likely to explore AI modeling within touch point data collection tools to better automate data orchestration and extend insights as markers into performative modeling (source: IDC's *Future Enterprise Resilience and Spending Survey Wave 1*, March 2026; n = 903). Rewards and recognition insights are increasingly being paired with voice-of-the-employee (VoE) data to more efficiently benchmark markers of success and separate them from VoE indicators of problem areas and areas of misalignment between employee interests and assigned task lists and objectives.

Maturing use case frameworks for recognition insights are:

- Advancing them further to embed them within performance models and supply crowdsourced context for evaluating outcomes against expectations

- Tying recognition shout-outs into skills validation frameworks to crowdsource performative feedback that can certify the level of an employee's skills competency related to specific assignments and field-based use cases

AI in recognition now commonly ingests recognition commentary and parses it into usable insights and indicators of performance traits and outcomes characteristics:

- Employees can tap into the resulting reporting to understand how their interests manifest as celebrated performance.
- Managers can better map how to optimize teams and talent around changing objectives and key results (OKRs) manifested through XLAs.
- HR leaders can model engagement against retention and performance changes while pinpointing characteristics of success as they model job descriptions, identify motivational performance factors toward skills gap closures, and advocate for employee resources at work.

The extended value of recognition data and insights is driving companies to embed recognition as a driver of business value and output optimization beyond its initial role as a driver of employee engagement. Starting in 4Q25, executive leadership teams (ELTs) were 73% likely to be incorporating employee sentiment and recognition into their plans for considering employee experience factors within business performance and outcomes modeling (source: IDC's *Human Capital Management Survey*, August 2025; n = 1,200).

Since then, AI has driven HR leaders to partner with IT leaders to embed strategic workforce insights into operational and business performance modeling. Recognition insights have matured faster in the embedded framework than any other employee experience feature apart from learning experience management (LXM). As value exploration and mining within recognition data grows and matures, the vendor landscape is assuming additional new table stakes beyond adoption, engagement, and retention impact to also support:

- Cross modeling between recognition data and skills and performance validation
- Predictive insights into disengagement apart from disinterest in variable assignments
- Behavioral insights to map individual environmental and enablement factors of success
- Collective and aggregated mapping of what success looks like tied to tasks and objectives
- Managerial direction around performance context to focus on driving individual employees toward the tracks with the most likelihood of success for them
- Incorporation of how work gets done into business capacity for change and transformation

IDC MARKETSCOPE VENDOR INCLUSION CRITERIA

This IDC MarketScope for worldwide employee experience — rewards, recognition, and markers of success includes analysis of the rewards and recognition vendors based on the definition of the space spanning recognition, engagement, performative data collection, and insights enablement. IDC's definition of rewards and recognition extends from IDC's Software Tracker and is referenced from *IDC Market Glance: Employee Experience, 2Q26* (IDC #US54426426, April 2026) and *Generative AI Use Case Taxonomy, 2025: The Human Resources Function* (IDC #US53970225, December 2025). The collective criteria were used to clearly define the scope of the IDC MarketScope evaluation tailored to reflect core aspects of rewards, recognition, and belonging, as well as the likely aspects of business, operations, talent, and transformation to tie rewards and recognition enablement and cloud and AI transformation based on the most common model taxonomies provided by the field of IDC's client and buyer engagements.

Vendor inclusion is focused on vendor scale, cloud deployment, and functional approach, as well as functional enablement and transformative guidance within rewards, recognition, and extended use cases for rewards and recognition in broader human capital management (HCM) settings. Vendors were evaluated for thresholds for revenue and market reach into serving enterprise and small and medium-sized businesses (SMBs). In balancing scope of offerings with revenue, scale, and application across market segments, IDC can account for vendors with complete offerings, integrated service programs, and specializations serving specific components within the scope of rewards, recognition, and belonging and its extension to broader workforce performance frameworks.

IDC measured participating providers based on its own definition of what rewards, recognition, and belonging include. For more detailed information on our definition of what constitutes business consulting services, see *IDC Market Glance: Employee Experience, 2Q26* (IDC #US54426426, April 2026) and *Generative AI Use Case Taxonomy, 2025: The Human Resources Function* (IDC #US53970225, December 2025). For more information on what is included in rewards, recognition, and belonging, see the Market Definition section in the Appendix.

ADVICE FOR TECHNOLOGY BUYERS

Rewards and recognition tools and platforms are increasingly crossing borders to provide context and validation into performance and skilling management. Consequently, the value opportunity for exploring rewards and recognition still includes factors of employee engagement but is expanding to add core context around markers of individual success and achievement at work.

Historically, overcoming sunk-cost perceptions about rewards and recognition tools and platforms required stakeholders to consider and model the impact of employee engagement on achievement and business outcomes. As recognition platforms modernize, AI and data extensibility are leveraging conferred recognition as context to validate employee performance as well as reported or learned skill sets as a matter of practice. Peer-to-peer and manager-given recognition ties commentary and acknowledgement to achievements and events when they take place. As recognition is conferred, reinforced, and commented on, AI tools are becoming table stakes to ingest the commentary and tagging and transform them into usable insights attached to the employee record. Further:

- Insights help reduce manager bias in performance evaluations while keeping them focused more on what is working and what employees are motivated to contribute without trying to drive workers to be better in areas lacking in their interest.
- Collective insights help HR leaders understand what success looks like toward roles, teams, and outcomes, building a fuller picture of what the workforce can accomplish under different orchestration and resourcing strategies.
- Mapped links between recognition for achievements, contributions, and milestones help performatively validate employee skill sets based on a cross section of who experienced each employee's contributions while working with them on projects, tasks, and teams.
- Markers of individual success help identify what drives employees to participate at work, enabling managers and HR teams and/or AI tools better optimize career paths and journeys.

Recognition insights close significant data gaps for always-on validation of employee performance and skills contributions. While frontline use cases continue to leverage rewards as a value exchange for participation through achievement, the back-end data environment for recognition systems is growing more integral to the business' understanding of how to optimize workforce orchestration. Insights extensibility and the emergence of AI value frameworks can drive greater value returns for recognition programs, making them easier to justify inside the organization and helping model and prove the value of humans at work alongside AI rather than in spite of it.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

O.C. Tanner

After a thorough evaluation of O.C. Tanner's strategies and capabilities, IDC has positioned the company in the Leaders category in this 2026 IDC MarketScape for worldwide employee experience — rewards, recognition, and markers of success.

O.C. Tanner positions itself as an architect of appreciation and corporate culture with a partnership model built on its Culture by Design framework. O.C. Tanner's Culture by Design framework goes beyond software to provide a global and research-based ecosystem via its Culture Cloud platform:

- **Rewards, recognition, and compensation:** O.C. Tanner's philosophy is rooted in symbolic victory, which is the idea that a reward should serve as a lasting symbol of achievement:
 - **The global collection** is a wide-breadth, curated marketplace of high-end brands and experiences that provides a premium presentation with localized rewards fulfillment available in 180+ countries. O.C. Tanner supports a points exchange model in recognition as well as formal physical and financial rewards, with physical rewards designed, manufactured, and fulfilled in-house at its United States-based onsite facilities.
 - **Yearbook and milestones** advanced O.C. Tanner's strength in service awards by providing a digital yearbook experience that allows peers and leadership teams to contribute photos and comments for a curated, permanent, and printable tribute to an employee's career and achievements.
 - **Variable incentive compensation** is supported through O.C. Tanner's incentives module that helps clients link recognition to specific business key performance indicators (KPIs) for automated, points-based compensation when goals are met or exceeded.
- **Generative AI via the Culture Cloud Assistant:** O.C. Tanner uses generative AI to solve the quality gap in recognition and ensure that every moment is personalized rather than automated or pro forma:
 - **Recognition Writer** leverages O.C. Tanner's AI assistant to help craft personal, impactful, and specific recognition. The assistant analyzes the context of the awarded reward or recognition and suggests language that aligns with the company's specific culture drivers to ensure that the message's meaning matches the impact of the gift.
 - **Boost** enables colleagues to add extra points to a recognition moment and elevate the acknowledgement of great work, while likes and upvotes support community elevation of conferred recognition in social feeds. Peers and managers can also provide additional commentary to original recognition posts to augment summaries, yearbook entries, performance context, and shout-outs.

- **Intelligent summaries** use AI to synthesize a year's worth of social recognition into a high-level summary to provide managers with a comprehensive view of an employee's contributions for performance context.
- **Content moderation** ensures psychological safety by leveraging AI to proactively monitor the public recognition feed to flag language that may be exclusionary or inconsistent with company standards and cultural values.
- **Say Thanks** allows external users, customers, and stakeholders to recognize internal employees with whom they have interacted, tracking external recognition into snapshots, performance context, and social feeds for visibility.
- **Performance guidance and success commentary:** O.C. Tanner's platform transforms recognition into a continuous performance and performance context engine:
 - **Employee success commentary** provides a public social feed where peers and managers can amplify recognition with added commentary, elevated points, and recognition allocations. When employee recognition is augmented by added commentary, the platform captures the commentary as part of the employee's success history.
 - **Nudges and manager coaching** tap into behavioral data to provide managers with actionable insights that nudge them to recognize employees who are showing signs of high performance, but that are sustaining low visibility.
 - **Performance integrations** extend beyond the storage of recognition to incorporate its export to third-party performance management tools to ground reviews in real-time data through recognition snapshots.
- **Insights management and analytics:** O.C. Tanner's analytics suite is designed for culture diagnostics that help teams, managers, and organizational leaders continuously connect into the fabric of the workforce:
 - **The Culture Index** provided by O.C. Tanner delivers a proprietary Culture Score on six essential elements, including purpose, opportunity, success, appreciation, well-being, and modern leadership. The index guides leadership teams to understand how their recognition program spend is improving engagement, activation, workforce performance, and business outcomes. O.C. Tanner is exploring use cases for the Culture Index that include deeper connections to the employer brand and brand recognition.
 - **Bias detection** uses AI to analyze recognition patterns across different demographics, including gender, tenure, and location, to help HR leaders and managers identify and correct for conscious and unconscious recognition inequity.
 - **Predictive retention** analyzes appreciation gaps to predict which departments are at the highest risk of engagement-based turnover before risk becomes reality.

- **Integrations and Workday Select Partnership:** O.C. Tanner maintains a highly technical, enterprise-grade integration strategy:
 - **Workday Select Partnership** lists O.C. Tanner as a partner for bidirectional integration with Workday, where recognition data can be displayed directly on the Workday Worker Profile and where Workday announcements can trigger automated recognition events in Culture Cloud.
 - **Flow of work** prioritizes a seamless and undifferentiated experience across access portals through embedded applications in Microsoft Teams, Slack, and Outlook. Employees can recognize, comment, and redeem rewards without leaving their email or communications windows.
- **Client partnership and global reach:** The O.C. Tanner partnership is characterized by an advisory partner approach:
 - **The O.C. Tanner Institute** gives clients access to O.C. Tanner's team of researchers and sociologists who design recognition strategies based on the latest global workplace studies conducted in-house through proprietary research and publications.
 - **Global supply chain** reach is supported through O.C. Tanner's in-house manufacturing and regional distribution centers that allow O.C. Tanner to provide a level of brand control and custom award craftsmanship that software-only firms outsource. O.C. Tanner's global reach is augmented by the company's localized platform availability in the Americas, EMEA, and APAC/APJ.

Strengths

O.C. Tanner customers note that the vendor's platform maps employee achievements and moments that matter into landmark-style celebratory events that can be personalized or broadcast to groups and the organization. Stakeholders note that the vendor's focus on cultural alignment, employee inclusion, and celebratory recognition is reflected in the capabilities offered through its Culture Cloud. Users highlight the availability of diverse channels to incorporate recognition into all aspects of work including the ability for peers to confer and boost recognition, contribute to comment threads, and review markers of team-recognized success across tasks.

Administrators find that the platform natively translates commentary, recognition, metadata, and more into performative insights that can be seamlessly integrated into broader organizational performance frameworks to contextualize organizational, team, and individual outcomes. O.C. Tanner supports complex, multitier hierarchies that administrators highlight as helping them balance recognition budgets against unified corporate financial oversight. Within the people organization, HR leaders and administrators note that O.C. Tanner enables them to map collaboration networks by analyzing who recognizes who across teams and divisions, and that the platform enables real-time identification of links between

recognition and attrition. An added source of best practice insights stems from O.C. Tanner's legacy expertise in the fields of rewards and recognition channeled into the O.C. Tanner Institute that publishes the annual Global Culture Report while providing consultative onboarding unique to each client.

Challenges

HR and recognition program leaders note that O.C. Tanner presents some disparities in global rewards options. While the company handles international logistics and provisions in-house custom rewards, users find that there are geographic discrepancies in non-customized and lower-tier redemptions. A common issue raised by users is that selections outside the United States feel restricted, with fewer gift card options and merchant choices. Across all users, feedback indicates that gift cards can suffer from delayed delivery or unexpected expiration rules. At the same time, while O.C. Tanner's in-house production and fulfillment support a higher degree of quality, branding, and customization, back orders can pose challenges, especially when real-time tracking visibility is not immediately made available.

Within the O.C. Tanner Culture Cloud platform, administrators find that while the platform is designed to handle intricate corporate hierarchies, the configured user experience can be initially overwhelming. Users can face a steeper learning curve to onboard with the platform, and navigating the menus to set up multitier peer approvals and track specific budgeting settings can be cumbersome. In the back end, administrators also find that O.C. Tanner's layered advancements in the company's analytics suite can render the analytics experience as being somewhat separated from the overall platform use case.

Consider O.C. Tanner when

O.C. Tanner provides an enterprise-scale rewards, recognition, and culture management platform that organizations should consider when their top priority is to drive cultural improvement and alignment through celebrating employee milestones, longevity, and achievement. O.C. Tanner goes beyond the provision of the Culture Cloud platform and in-house rewards fulfillment to act as a research-driven partner that helps optimize recognition programs as a driver of engagement and retention.

O.C. Tanner supports crowdsourced narratives to drive insights into individual connectedness at work benchmarked to cultural indicators aggregated across the organization. The vendor partners with clients through its platform to drive culture change rooted in its understanding of best practices and curated client insights. As part of the vendor partnership, O.C. Tanner incorporates client feedback to evolve its offerings and insights, enabling clients to directly impact development pipelines and innovate to extend employee tenures. While the Culture Cloud platform can present a more complex implementation than for core recognition solutions, companies can benefit from embedding

it in their HCM technology stack to drive a culture of workforce recognition backed by a diverse set of AI-enabled rewards and recognition touch points and insights.

APPENDIX

Reading an IDC MarketScape graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market definition

Rewards and recognition enable employees and managers to acknowledge achievements, collaboration, and innovation toward objectives and key results (OKRs). Recognition integrates into communications and performance metrics, strengthening inclusion, team optimization, and employee resource groups (ERGs). Rewards and recognition complement voice-of-the-employee (VoE) data by highlighting performance successes and fostering shared belonging across teams and roles.

Related research

- *IDC Market Glance: Employee Experience, 2Q26* (IDC #US54426426, April 2026)
- *EX Buyer Transformation Maturity, 1Q26: The HR-IT Partnership Becomes a Deeper Remit for AI Personalization* (IDC #US54420726, March 2026)
- *Generative AI Use Case Taxonomy, 2025: The Human Resources Function* (IDC #US53970225, December 2025)

Synopsis

This IDC study evaluates rewards and recognition vendors for their capabilities and future outlook spanning recognition, engagement, and performative data collection and insights enablement. Recognition insights are maturing faster in embedded performance frameworks than any other employee experience feature apart from learning experience management. As value exploration and mining within recognition data matures and grows, the vendor landscape is assuming additional new table stakes beyond adoption, engagement, and retention impact to also support use cases ranging from cross-modeling into skills and performance validation to behavioral insights that map individual environmental and enablement factors of success.

“Rewards and recognition data sets are taking on new performative meaning for client organizations,” says Zachary Chertok, senior research manager for HCM Applications and Agents at IDC. “Rewards and recognition started out as drivers of organizational culture change and engagement enablement. While both solution markets are continuing to support their original mission, use cases for the data and insights they generate are evolving to provide crowdsourced, performative context and validation for individual employee skills, interests, motivation factors, and collaboration and leadership potential. Consequently, the modern use cases for rewards and recognition are embedding deeply into the future potential of AI transformation and how agents performatively augment humans at work.”

ABOUT IDC

International Data Corporation (IDC) is the premier global market intelligence, data, and events provider for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. IDC's analysis and insight help IT professionals, business executives, and the investment community make fact-based technology decisions and achieve their key business objectives.

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