ISG Provider Lens™

SAP Ecosystem

SAP S/4HANA System Transformation – Midmarket

A research report comparing provider strengths, challenges and competitive differentiators

QUADRANT REPORT | MAY 2023 | U.S.

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S/4HANA transformation is growing and has become a priority in a customer's SAP journey

SAP has a large client base in the U.S. and continues to dominate the market there. Compared to the 2021 ISG Provider Lens assessment, the SAP services market is now growing and expanding primarily due to the impact of cloud migration and the need for expertise to embrace a digital transformation journey. Global service providers lead the dynamic large account market, while midmarket enterprise clients remain inclined toward local players offering local and experienced staff resources. SAP applications that are often business-critical are migrating to cloud infrastructure.

Providers deliver services on public and private cloud-based transformations as per enterprise client demands and preferences. However, most enterprises prefer the private cloud over the public cloud for SAP applications. The expansion of the presence by public cloud providers, hyperscalers, can ensure that in most pending projects, the option of transitioning to a cloud-based operating model is being considered.

In this year's assessment, ISG observes that providers in the U.S. (and globally) remain highly focused on building specialized, intuitive and automated industry solutions for resilient value chains, data monetization, data-driven transformation and industry cloud innovations and solutions. They also aim to co-create a future digital platform for a highly interconnected enterprise led by SAP S/4HANA. **More than 500 use cases were assessed and analyzed. Most were aimed at improving operational efficiency and expanding the consulting-led approach for handling complex requirements in business model transformation and organizational change management (OCM). The analysis indicates increased interest in aligning the portfolio development strategy with the SAP product strategy.**

To differentiate themselves and secure more deals, service providers are focused on developing preconfigured industry processes and industry-specific solutions to accelerate

Improved operational efficiency continues to be the major focus area of providers and clients.

the implementation process. **Most providers considered for this year's assessment are either developing in-house tools to deliver solutions across the SAP S/4HANA program life cycle in collaboration with SAP or leveraging the SAP platform.** They are also creating industry roadmaps to help clients overcome industry-specific challenges. Over the last 12 months, there has been continuous focus on integrating automation and AI into SAP transformation and managed services tools and accelerators. Those capabilities are the starting points of discussion to begin the transformation journey. In addition to end-to-end transformation journey roadmaps, consulting-focused tools and accelerators that have matured include transformation or cloud readiness assessment tools, peer benchmark tools and OCM tools.

A complete overhaul of the enterprise system architecture and the resulting transformation through a new implementation (the greenfield implementation method), remains the leading implementation approach, with more than 57 percent of overall SAP S/4HANA transformation projects delivered. Brownfield and hybrid implementation approaches are having robust growth, and providers are enhancing their capabilities to meet clients' cost-effective assessment and conversion objectives. **Clients favoring brownfield and hybrid implementation still follow the wait-and-watch strategy. They might utilize innovation in the future or address the reimplementation of specific modules or business units.**

After numerous briefings and discussions with providers and ISG advisors, **it has been noted that clients in the U.S. have started including strong consulting capabilities as one of the primary selection criteria.** Several consulting firms are expanding their footprints in the U.S. by strategically leveraging their advisory and finance transformation expertise and providing an experienced pool of consultants to win more SAP transformation clients. Many service providers have enhanced their IT consulting capabilities to offer advisory on operating model changes, business process improvement and standardization and harmonization of processes. Their consulting is supported by consulting-led tools and frameworks. Providers with expertise and experience in OCM have been rated higher for their service portfolios.

Sustainability continues to be a significant trend, receiving strong focus and investments from enterprise clients and providers. **Providers and enterprises have prioritized their investments in sustainability offerings and operations.** Besides providing a comprehensive set of sustainability offerings spanning from strategy to operations, providers have expanded their collaboration with SAP to invest heavily in creating specific sustainability solutions such as carbon footprint analytics, track-and-trace applications plus AI and IoT integrated solutions. These solutions enable sustainable business decisions to achieve organizational goals and ensure environmental compliance. Clients in the U.S. also expect service providers to help them improve their environmental, sustainability and governance Environmental, Social and Governance (ESG) target achievements. The SAP Sustainability Control Tower (an analytics dashboard) serves as their starting point.

There has been a significant rise in efforts among providers to build solid and longstanding partnerships with SAP and hyperscalers. Most providers have strategically enhanced their partnerships with SAP, offered go-to-market (GTM) in line with SAP's product strategy and collaborated on numerous fronts, including the RISE with SAP program for implementation. **These efforts aim to secure mega deals and position the providers among SAP's top three partners in terms of the volume of SAP-related services offered and the level of SAP license revenues influenced.** Providers have also extended their partnerships with hyperscalers (notably AWS, Azure and GCP) and work together with them to deliver SAP services for clients. Providers are also expanding their partnerships with third- parties such as SNP Group. Some of these partnerships have also resulted in co-innovation and strategic alliances.

Players such as Accenture, Capgemini and Infosys dominate the SAP ecosystem in the U.S. They continue to adopt innovation-focused approaches to enhancing the capabilities of their services. They have strong innovation roadmaps, well-planned vision and regional strategies and robust industry-specific and process-specific tools and accelerators to support and deliver complex SAP S/4HANA transformation, hybrid cloud management and application management projects for large and global clients. Other providers, such as Cognizant, LTIMindtree, HCLTech and TCS, are working towards challenging the top three players. Companies such as Atos, Birlasoft, Hexaware, Navisite and Tech Mahindra are improving their portfolio attractiveness and supporting greenfield and brownfield implementations. This year's significant development is the merger of LTI and Mindtree into a single entity. This newly formed entity, LTIMindtree, has unified its SAP services, which, in turn, has helped leverage its complementary capabilities and delivery services in the U.S.

Talent shortage continues to cloud the SAP market's growth; client projects require many trained employees with the necessary SAP certifications. The market is now undergoing a real talent war. To tackle the issue, many providers have implemented large-scale training and certification programs in the last nine to 12 months and have prioritized staff development in their overall growth strategy. **The presence of local S/4HANA-certified professionals acts as a differentiator for providers.** This also indicates their expertise in managing complexity, delivering services and maintaining client proximity. Local and tier 2 providers have taken a major hit as several global players are managing large projects, recruiting extensively and drying up the candidate market. Other significant challenges for clients include the average cost of implementation, long project implementation duration, data privacy, complexity and uncertainty about the best possible transformation path and unpredictable technology cycle coupled with economic uncertainty.

The ISG Star of Excellence (SOE)™ 2022 program found SAP service providers have drastically increased their customer-centric service offerings, and support them by flexible SLAs and a customer-friendly pricing model. Providers have outperformed in all six SoE categories and have received above-industry benchmark scores as opposed to last year's assessment, where providers received below-industry benchmark CX scores. The categories of adapting to changes, adopting effective cybersecurity measures and understanding clients' business and industry nuances received the highest CX scores.

To conclude, service providers are approaching the market by focusing on delivering a suite of SAP, managed and sustainability solutions, SAP S/4HANA and SAP Business Technology Platform (BTP), among other offerings. This trend is expected to continue with the increased adoption of cloud-based SAP solutions.

> To differentiate themselves and secure more deals, service providers are focused on developing preconfigured industry-specific solutions in collaboration with SAP, developing in-house tools to deliver solutions across the SAP S/4HANA program life cycle and leveraging the SAP platform.

Provider Positioning

	SAP S/4HANA System Transformation – Large Accounts	SAP S/4HANA System Transformation – Mid Market	Managed Application Services for SAP ERP	Managed Platform and Cloud Services for SAP ERP
Accenture	Leader	Not In	Leader	Leader
Applexus	Product Challenger	Product Challenger	Contender	Contender
Birlasoft	Not In	Leader	Product Challenger	Product Challenger
Capgemini	Leader	Not In	Leader	Leader
Clarkston Consulting	Not In	Contender	Not In	Not In
Cognizant	Leader	Not In	Leader	Leader
Delaware	Not In	Contender	Not In	Not In
Deloitte	Leader	Not In	Not In	Not In
DXC Technology	Product Challenger	Not In	Leader	Contender
EPI-USE	Not In	Product Challenger	Not In	Not In

Provider Positioning

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	SAP S/4HANA System Transformation – Large Accounts	SAP S/4HANA System Transformation – Mid Market	Managed Application Services for SAP ERP	Managed Platform and Cloud Services for SAP ERP
Eviden (Atos)	Product Challenger	Leader	Rising Star ★	Product Challenger
EY	Market Challenger	Not In	Not In	Not In
Genpact	Market Challenger	Not In	Not In	Not In
Globant	Product Challenger	Product Challenger	Product Challenger	Not In
GyanSys	Not In	Market Challenger	Not In	Not In
HCLTech	Leader	Not In	Leader	Leader
Hexaware	Not In	Leader	Product Challenger	Product Challenger
Hitachi Vantara	Not In	Product Challenger	Product Challenger	Product Challenger
IBM	Leader	Not In	Leader	Not In
Infosys	Leader	Not In	Leader	Leader
Kellton	Contender	Product Challenger	Not In	Not In

Provider Positioning

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	SAP S/4HANA System Transformation – Large Accounts	SAP S/4HANA System Transformation – Mid Market	Managed Application Services for SAP ERP	Managed Platform and Cloud Services for SAP ERP
Kyndryl	Product Challenger	Not In	Product Challenger	Leader
LTIMindtree	Leader	Not In	Product Challenger	Product Challenger
Lumen	Product Challenger	Not In	Market Challenger	Product Challenger
Mindset Consulting	Not In	Contender	Not In	Not In
Mphasis	Contender	Product Challenger	Contender	Contender
Navisite	Not In	Leader	Product Challenger	Product Challenger
NTT DATA	Product Challenger	Leader	Product Challenger	Product Challenger
Numen	Contender	Not In	Not In	Not In
PwC	Product Challenger	Not In	Not In	Not In
Resolve Tech Solutions	Not In	Not In	Contender	Product Challenger
Softtek	Product Challenger	Rising Star ★	Product Challenger	Contender

Provider Positioning

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	SAP S/4HANA System Transformation – Large Accounts	SAP S/4HANA System Transformation – Mid Market	Managed Application Services for SAP ERP	Managed Platform and Cloud Services for SAP ERP
Stefanini	Contender	Product Challenger	Product Challenger	Contender
Suneratech	Not In	Product Challenger	Contender	Not In
Syntax Systems	Not In	Not In	Not In	Product Challenger
TCS	Leader	Not In	Leader	Leader
Tech Mahindra	Rising Star ★	Product Challenger	Leader	Rising Star ★
T-Systems	Product Challenger	Ranked in Large Accounts	Product Challenger	Product Challenger
UST	Not In	Rising Star ★	Product Challenger	Contender
Wipro	Leader	Not In	Leader	Leader
Yash Technologies	Not In	Contender	Contender	Not In
Zensar	Not In	Product Challenger	Product Challenger	Not In

This study focuses on **consulting and system integration** service providers for **SAP S/4HANA and SAP ERP.**

- **SAP S/4HANA System Transformation – Large Accounts**
- **SAP S/4HANA System Transformation – Midmarket**
- **Managed Application Services for SAP ERP**
- **Managed Platform and Cloud Services for SAP ERP**

Simplified Illustration Source: ISG 2023

Definition

With thousands of SAP environments awaiting transition to S/4HANA before 2027, the transformation market is fiercely competitive for both SAP clients and SAP partners. This study identifies top SAP partners that offer tailored and differentiated services to enterprise clients.

SAP S/4HANA transformation projects require detailed planning and business participation. Clients often need to refine their selection criteria to find the right partner that delivers high business value at low costs for their transformation initiatives. For clients planning a system transformation, this study will help the reader to understand the possibilities for a brownfield SAP S/4HANA transformation and the accelerators specific for business functions. The right partner can support accelerating modernization goals and allay fears arising from the end of support for legacy SAP ERP, which is due in 2027.

SAP has sharpened its focus on migrating clients to the cloud. The RISE with SAP program has been in place for more than a year, offering client incentives to shorten their decision cycle. However, many enterprises are exploring the right opportunity in terms of cost, effort, timing and scope of transformation to the cloud.

SAP has expanded its cloud approach to BTP to offer clients more options to integrate with cloud-native applications. This is a part of a larger digital journey to integrate applications using the BTP platform and SAP applications.

This study also assesses managed service providers that can contribute to superior application performance, including higher stability, availability and security, through application services and cloud operations.

Scope of the Report

In this ISG Provider Lens™ quadrant report, ISG covers the following four quadrants for services/solutions: SAP S/4HANA System Transformation – Large Accounts, SAP S/4HANA System Transformation – Midmarket, Managed Application Services for SAP ERP, and Managed Platform and Cloud Services for SAP ERP

- This ISG Provider Lens™ study offers IT decision-makers the following:
- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments (quadrants)
- Focus on the regional market

Our study serves as the basis for important decision-making in terms of positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing vendor relationships and potential engagements.

Provider Classifications

The provider position reflects the suitability of IT providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the IT service requirements from enterprise customers differ and the spectrum of IT providers operating in the local market is sufficiently wide, a further differentiation of the IT providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions IT providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between $20 million and $999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above $1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product Challenger, Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens quadrant may include service providers that ISG believes have strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

- **Number of providers in each quadrant:** ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).

Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/ services and a follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

SAP S/4HANA System Transformation – Midmarket

Who Should Read This Section

This report is relevant to midmarket enterprises across industries in the U.S. that are evaluating S/4HANA consulting and implementation service providers. ISG defines midmarket enterprises as those with less than 5,000 SAP users and $1 billion in revenue. In this quadrant, ISG highlights the current market positioning of SAP S/4HANA consulting and implementation service providers for midmarket clients in the U.S. based on the depth of their service offerings and market presence.

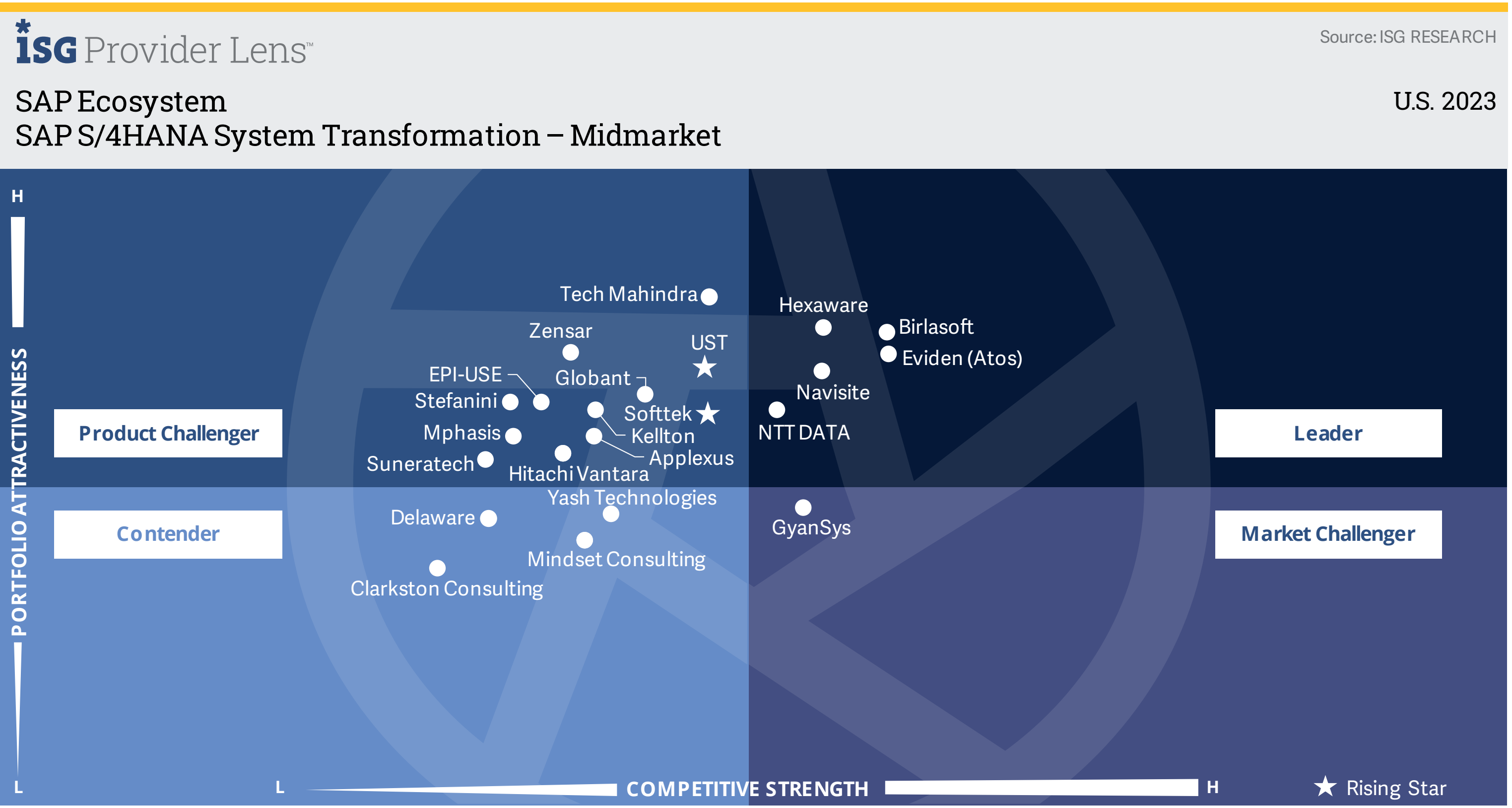
Midsize and smaller enterprises in the U.S. are mostly adopting the Rise with SAP offering for their S4/HANA transformation, implying an increase in greenfield implementations. Enterprises are facing challenges in operational costs, legacy systems and performance. They are looking for industry-focused solutions, minimal migration cost to achieve maximum business value, and want consulting partners that will help them outline their migration strategy and accelerate the migration process without premium costs. Midmarket enterprises with small-scale projects prefer providers with strong onshore and nearshore delivery capabilities and high integration capabilities.

Enterprises prefer service providers with industry expertise and the right pricing model. Tools and technologies based on new technologies such as AI, ML and automation that reduce costs and accelerate work are gaining traction among enterprises. Due to budget constraints, enterprises need partners with pre-built templates and fit-to-standard approaches. They prefer RISE with SAP and are seeking providers with a strong focus on S/4HANA cloud implementations.

Marketing and sales professionals should read this report for insight on service partners' relative positioning and capabilities to effectively harness S/4HANA services.

Line-of-business, industry and finance leaders should read this report to understand the S/4HANA market and the service provider landscape to distinguish players based on their needs.

Technology professionals should read this report to understand how service providers integrate the latest technologies into their S/4HANA offerings to gain a competitive edge in the market.



This quadrant assesses consulting and system integration capabilities of service providers, developing, deploying, and testing enterprise applications using **SAP S/4HANA for midmarket**. This includes **certified partners** who support customers for SAP.

Tarun Vaid

Definition

This quadrant assesses consulting and system integration service providers, offering a rapid turnaround for SAP S/4HANA implementations for clients in the midmarket. Midmarket clients have fewer complex requirements and smaller project scale compared with large enterprises. They operate within a country or region and require providers that can contribute for improved business operations.

The participating service providers should be able to deploy SAP solutions using multiple methodologies, including packaged solutions for small and midsized businesses (SMBs). They should use templates for SAP S/4HANA, including industry-specific templates, to reduce the transformation cycle while leveraging standard processes. Multitenant SAP S/4HANA implementations are included but not required for participating in this quadrant assessment. The providers should be able to deliver cloud transformations for clients in the midmarket segment and deliver services through RISE with SAP. They should also have the capability to help clients in strategizing transformation agendas, depending on business requirements and the complexity of their IT landscape.

This quadrant considers SAP partners that offer accelerators and can simplify SAP deployments for midsize enterprises. The providers typically achieve rapid time to market using solutions and accelerators specific to a client's business need. Providers of SAP-certified partner packaged solutions are preferred.

Eligibility Criteria

1. Have all **SAP certifications** required to deploy SAP S/4HANA and support clients in using SAP products
2. Service portfolio must include SAP S/4HANA **development, integration, and testing**, with at least one implementation of S/4HANA in the last 12 months
3. Have a track record of S/4HANA **advisory capabilities and implementation experience** in greenfield or brownfield deployments or cloud deployments
4. Ability to leverage SAP **accelerators and templates** for agile SAP S/4HANA implementations
5. Capability to deliver advisory and **implementation services** for midsize enterprise clients
6. Have **ready-to-use templates or solutions** for specific microsegments
7. Ability to offer **onshore or nearshore delivery** for local clients; offshore delivery is welcome but is not a condition for participation in this quadrant

Observations

ISG observes significant traction in this market, with greenfield and brownfield implementation projects seeing the highest growth rates in the U.S. In 2022, the average number of SAP S/4HANA full-time equivalents for providers in this segment increased by more than 25 percent to reach 400. The most FTEs reported by a provider was 1,450 for U.S. operations. Their average number of clients stood near 35, with the highest reported by a provider exceeding 110. The total number of greenfield and brownfield SAP S/4HANA transformation services midmarket implementations has increased by more than 50 percent.

Automating standard processes, simplifying their IT portfolios, centralizing business functions and shared services, and redefining user experience were some of the major use cases on which providers assisted midmarket clients in the U.S. Midmarket clients have benefited the most from the RISE with SAP program. With the increase in cloud adoption, these enterprises could adopt SAP solutions and realize business benefits. These clients want SAP S/4HANA services to modernize their systems on the cloud and integrate cloud-native applications.

Most providers are investing in expanding their industry-specific capabilities and building tools that can specifically help midmarket clients adopt SAP S/4HANA applications. The ability to offer niche capabilities for industry and client requirements is the required differentiation to compete in this growing segment. Leaders in this quadrant have a dedicated vision and strategy for their clients and are highly focused on enhancing their greenfield and brownfield implementation capabilities.

From the 40 companies assessed for this study, 23 have qualified for this quadrant with five being Leaders and two Rising Star.

birlasoft

Birlasoft is well-positioned to meet the SAP S/4HANA requirements of midmarket clients in the U.S. It offers in-house solutions, a combination of proprietary tools, accelerators and an industry-led approach. It focuses on providing innovative solutions.

EVIDEN

Eviden (Atos) provides preconfigured SAP S/4HANA solutions enriched with additional processes and functionalities based on SAP best practices. Its robust service capabilities, consulting-led approach and portfolio of tools and accelerators make it a strong leader.

HEXAWARE

Hexaware leads with its ability to deliver on large-scale and complex projects, result-oriented proprietary tools and expertise in providing superior transition experience to clients in the U.S. It has one of the most loyal customer bases in the U.S. for SAP services.

NAVISITE

Navisite is a new Leader, demonstrating significant growth. It leads with a strategic focus on meeting the requirements of mid and upper-mid clients and offering SAP-qualified solutions aligned with SAP's go-to-market (GTM).

NTT DATA

NTT DATA offers a comprehensive portfolio for implementing SAP applications at all levels. It uses a reliable delivery model with a large pool of nearshore and onshore staff.

Softtek

Softtek's (Rising Star) SAP S4/HANA portfolio includes business planning, digital transition strategies and cloud migration and implementation to support enterprises' current and future business needs. It continues to innovate its offerings to deliver seamless transformation.

U ▪
S T

UST (Rising Star) has a strong presence in the U.S. and is highly focused on innovations. It continues to invest in building S/4HANA migration tools and accelerators to speed S/4HANA migration.

Kellton Tech Solutions Inc

Product Challenger

"Kellton Tech Solutions (Kellton) has seen great success with RISE With SAP and offers seasoned experts with strong SAP landscape understanding for selecting the best approach for SAP S/4HANA implementation with innovations to improve business performance."

Tarun Vaid

Overview

Kellton Tech Solutions Inc, headquartered in Hyderabad, India is an authorized partner for RISE With SAP S/4HANA Private Cloud, with RISE-certified experts and a consistent SAP PCoE (Partner Center of Expertise) certified partner. The company offers a complete suite of SAP S/4HANA migration and implementation services to modernize the customer's business core and accelerate their journey to an intelligent enterprise. It is focused on extending SAP Advisory Consulting to mid-market clients and is enhancing its implementation methodology by leveraging SAP Activate and SAP Best Practices.

Strengths

Expertise in RISE with SAP: Kellton engages with the customer to provide a strategic approach for their transformation and plan and perform the S/4HANA technical and application architecture design, licensing analysis, impact analysis, and cloud ALM for implementation and operations. Its SAP experts design and perform the data migration from source systems for greenfield implementation with relevant ETL tools. Subsequently, it offers new implementation or system conversion for RISE S/4HANA private cloud.

Strong expertise serving mid-market clients: Kellton implements Midmarket enterprises-focused SAP S/4HANA solutions by offering leading technical capabilities surrounding end-to-end SAP S/4HANA implementation services that can make SAP implementation journey smooth, quick and future-proof. It utilizes SAP tools to identify the business process scope and innovation potential and demonstrate important ready-to-run business processes with SAP Fiori Apps.

Varied benefits delivered: For an industrial products client, a U.S.-based manufacturer, Kellton delivered optimized processes for each product line through greenfield implementation, enabling superior agility and scalability, and flexibility through the cloud. It led to a 30 percent quarterly increase in revenue and production and 99 percent increase in on-time shipping.

Caution

Kellton must build industry-specific best practices, tools, accelerators and IPs for seamless delivery to thrive in this highly competitive service line. Furthermore, a more focused marketing initiative is required to establish a presence in the U.S.

Appendix

The ISG Provider Lens™ 2023 – SAP Ecosystem report analyzes the relevant software vendors/service providers in the U.S. market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

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The research and analysis presented in this report includes research from the ISG Provider Lens program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of February 2023, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars ($US) unless noted.

The study was divided into the following steps:

1. Definition of SAP Ecosystem market
2. Use of questionnaire-based surveys of service providers/vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
   * Strategy & vision
   * Tech Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * CX and Recommendation

Lead Author

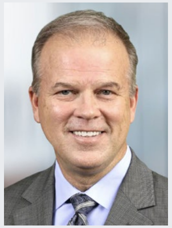
Tarun Vaid
Lead Analyst

Tarun has over 12 years of extensive research experience across the ICT domain, including report writing, drafting thought leadership, analyzing IT spending, consulting clients on latest trends and business use cases. Additionally, he has been responsible for delivering end-to-end research projects, working with internal stakeholders in delivering various consulting projects on digital transformation, supply chain transformation, understanding customer feedback and interviewing providers.

Enterprise Context and Global Summary Analyst

Vartika Rai
Research Analyst

Vartika Rai is a research analyst at ISG and is responsible for supporting and co-authoring Provider Lens™ studies on Analytics – Services and Platforms, and SAP Ecosystem. She supports the lead analysts in the research process and authors the global summary report. Vartika also develops content from an enterprise perspective and collaborates with advisors and enterprise clients on ad-hoc research assignments. Vartika started her current role in June 2022. Before this role, she worked on secondary research, competitive intelligence, market trends, and newsletter analysis.



IPL Product Owner

Jan Erik Aase

Partner and Global Head – ISG Provider Lens™

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a research director, principal analyst and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

ISG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens™ research, please visit this webpage.

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MAY, 2023

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