IDC MarketScape

IDC MarketScape: Worldwide SAP Implementation Services Ecosystem 2016 Vendor Assessment

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THIS IDC MARKETSCAPE EXCERPT FEATURES: ACCENTURE

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide SAP Implementation Services Ecosystem Vendor Assessment

Source: IDC, 2016

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

The content for this excerpt was taken directly from IDC MarketScape: Worldwide SAP Implementation Services Ecosystem 2016 Vendor Assessment (Doc #US40150416). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

This IDC study represents a vendor assessment of the 2016 SAP implementation services ecosystem market through the IDC MarketScape model. This research is a quantitative and qualitative assessment of the characteristics that explain a vendor’s success in the marketplace and help anticipate its ascendency. This IDC MarketScape covers a variety of vendors participating in the worldwide SAP implementation services ecosystem market. This evaluation is based on a comprehensive framework and set of parameters expected to be most conducive to success in providing SAP implementation services in both the short term and the long term. A significant component of this evaluation is the inclusion of the perception of SAP implementation services buyers of both the key characteristics and the capabilities of these providers. Buyers were surveyed across all three of IDC’s macroregions. Key findings include:

- Across all 23 strategies and capabilities assessed, the three subcriteria most highly rated on average across all SAP implementation service providers were "functionality/offering road map," "portfolio strategy," and "financial/funding model." The strategy that received the lowest mean score overall was "growth strategy."
- Based on the survey feedback from 95 customers of the evaluated vendors, the subcategories "delivery model appropriateness and execution" and "portfolio benefits delivered" received the highest aggregate scores. The lowest aggregate score for any subcategory was for "employee management."
- When buyers were asked what characteristics were required for a SAP implementation services project to be successful at a worldwide level, the top 2 characteristics were "provide functional insights and competence" and "provide industry insights and competence."

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This research includes analysis of the 13 largest SAP applications systems integrators (SIs) with broad portfolios spanning IDC's research coverage and with global scale. This assessment is designed to evaluate the characteristics of each firm – as opposed to its size or the breadth of its services. Given this approach, Lockheed Martin has been excluded, even though it is among the top 5 systems integrators based on the worldwide revenue, because the firm typically receives 84% of its revenue from the U.S. government. The inclusion criteria also dictates at least $250 million revenue coming from a vendor's SAP implementation services practice at a worldwide level as well as a minimum of 2,750 SAP implementation-associated global resources; furthermore, at least 10% of revenue and 10% of head count need to be located in each macroregion. In addition, it is conceivable, and in fact the case, that specialty firms can compete with multidisciplinary firms on an equal footing. As such, this evaluation should not be considered a "final judgment" on the firms to consider for a particular project. An enterprise's specific objectives and requirements will play a significant role in determining which firms should be considered as potential candidates for an engagement.
ESSENTIAL BUYER GUIDANCE

- **Vendor selection.** Use this IDC MarketScape in contract negotiations and as a tool to not only short-list vendors for SAP implementation services bids but also evaluate vendors' proposals and oral presentations. Make sure you understand where these players are truly differentiated and take advantage of their expertise, industry based or otherwise.

- **Delivery model appropriateness and portfolio (range of services).** Include vendor performance on these factors among your highest selection criteria. These were the top 2 criteria in terms of importance for project success as rated by customers that were surveyed for this IDC MarketScape.

- **Functional and industry expertise.** Select services partners for your SAP implementation engagements that have strong functional knowledge and business acumen within your industry. Successful organizations carried out SAP implementation engagements by partnering with SAP systems integrators and consultants with strong functional insights and competence. While it's important to value industry-specific SAP implementation qualifications and professional staff higher from prospective vendors, do not automatically rule out prospective service providers that lack experience in your industry. For each scope of work, consider how critical industry experience is for each set of business processes relative to the SAP implementation work proposed. There are still a lot of commonalities across industries for certain business processes, so make sure to match a vendor's deep industry experience with your business processes or operations where it will matter the most.

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 in this section provides a summary of the vendor's strengths, challenges, and opportunities.

**Accenture**

According to IDC analysis and buyer perception, Accenture is an IDC MarketScape Leader for SAP implementation services ecosystem worldwide.

Accenture is one of largest SIs in the SAP implementation services ecosystem, in terms of both revenue and resources dedicated to the practice. Accenture offers the full range of services, from advisory and process consulting to fully integrated and full-stack as-a-service solutions. Accenture has clients spanning multiple lines of business (LOBs), and it offers a broad set of solutions across both the traditional and emerging technology areas such as S/4HANA, analytics, mobility, and cloud. Accenture's "high velocity enterprise" approach and industry digital road maps guide continuous investments in innovation, capability, and assets development to help its clients move at speed to capture the transformational power of digital and S/4HANA in their industry and across multiple areas of their business.

**Strengths**

Buyers rate Accenture highly for leveraging resources globally, providing technical insights and competence, and meeting the project timeline. IDC rates Accenture highly in terms of its customer service strategy, marketing strategy, and cost management strategy.
**Challenges**

IDC believes Accenture's growth strategy could be enhanced by targeting more companies in the upper midmarket as well as by further SAP-specific acquisitions. The company's next-generation tools and methods could be enhanced with more data-based applied research. And Accenture could consider global financing as part of its pricing model.

**Opportunities**

According to IDC's 2016 *Global SAP Implementation Services Buyer Perception Survey*, Accenture can further enhance its position in future related IDC MarketScape evaluations by improving its client perception in the following areas:

- Minimizing client's administrative cost for vendor management
- Providing industry insights and competence
- Managing vendor staff turnover during a project's lifetime

**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 a review board 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.

*Note: All numbers in this document may not be exact due to rounding.*
Market Definition

The SAP implementation services ecosystem market covers the design, build, and integrate functions of the design-build-run function chain (see Figure 2). The design phase includes both IT and business consulting. For a detailed definition of the services markets illustrated in Figure 2, see IDC’s Worldwide Services Taxonomy, 2015 (IDC #254824, March 2015).

FIGURE 2

IDC’s Design-Build-Run Function Chain

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Related Research


Synopsis

This IDC study represents a vendor assessment of the SAP-based systems integration services ecosystem through the IDC MarketScape model. This assessment discusses both quantitative and qualitative characteristics that explain success in the SAP implementation services ecosystem. This IDC MarketScape covers a variety of vendors participating in the SAP implementation services ecosystem space. The evaluation is based on a comprehensive and rigorous framework that assesses
vendors relative to the criteria and one another and highlights the factors expected to be the most influential for success in the market in both the short term and the long term.

"The SAP implementation services ecosystem market has evolved in three critical areas since our last evaluation in 2014, namely, the development of the S4/HANA platform, simple finance and simple logistics, and a renewed focus on business networks for procurement and sourcing with Ariba, travel and expense with Concur, and contingent labor and services with Fieldglass," says Ali Zaidi, research manager, IT Consulting and Systems Integration Services at IDC. "When buyers were asked what characteristics were required for a SAP implementation services project to be successful at a worldwide level, the top 2 characteristics were "provide functional insights and competence" and "provide industry insights and competence," both decidedly nontechnical factors," says Gard Little, research director, IT Consulting and Systems Integration research at IDC.
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