IDC MarketScape

IDC MarketScape: Worldwide Microsoft Implementation Services 2019 Vendor Assessment

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THIS IDC MARKETSCAPE EXCERPT FEATURES IBM

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Microsoft Implementation Services Vendor Assessment

Source: IDC, 2019

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

The content for this excerpt was taken directly IDC MarketScape: Worldwide Microsoft Implementation Services 2019 Vendor Assessment (Doc # US45034818). 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 2019 Microsoft implementation services 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 ascendancy. This IDC MarketScape covers a variety of vendors participating in the worldwide Microsoft implementation services market. This evaluation is based on a comprehensive framework and a set of parameters expected to be most conducive to the success in providing Microsoft implementation services in both the short term and the long term. A component of this evaluation is the inclusion of Microsoft implementation services buyers' perception of both the key characteristics and the capabilities of these providers. Buyers were surveyed across all three of IDC's macroregions. Key findings from the evaluation include the following:

- Across all 34 strategies and capabilities assessed, the three strategies rated most highly on average across all Microsoft implementation service providers were "portfolio strategy," "growth strategy," and "functionality or offering strategy." Likewise, the three capabilities rated most highly on average were "functionality/offering delivered," "cost competitiveness," and "customer service delivery."

- Based on survey feedback from 62 of the evaluated vendors' customers, the most critical business priority for them was to "improve operational efficiency" while the most critical vendor attribute for successful Microsoft implementation services was being "able to achieve desired business outcomes."

- IT remains the dominant sponsors of Microsoft implementation services projects with 61.7% of projects being sponsored by IT buyers. IT directors/managers are the largest key sponsor for Microsoft implementation services with 33% share. The most common services bundled with Microsoft implementations were custom application development and managed services. More than a quarter, 29%, of respondents said they will take on both custom application development and managed services on most projects when they pursue Microsoft implementation services.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This research includes analysis of 10 Microsoft 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, Leidos has been excluded — even though it is among the top 5 systems integrators based on worldwide revenue — because the firm typically receives over 80% of its revenue from the U.S. government. The inclusion criteria also dictate at least $125 million of revenue coming from a vendor's Microsoft implementation services practice at a worldwide level as well as a minimum of 1,000 Microsoft implementation-associated global resources. Furthermore, at least 10% of revenue and 10% of head count need to be located in each macroregion. Also, 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 as a "final judgment" on the firms to consider for a 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.

ADVICE FOR TECHNOLOGY BUYERS

- **Cloud solutions.** Adopt cloud solutions across the entire stack of Microsoft solutions from application to infrastructure layer. Given that Microsoft is rapidly moving its business application solutions to the cloud model, adopting cloud-enabled applications, supporting development and deployment platforms, and putting underlying infrastructure together provide better integrated Microsoft-based solutions for your enterprise needs.

- **New technologies.** Consider evaluating and utilizing new technologies and offerings from Microsoft as part of your Microsoft-based solutions. In particular, as Microsoft increasingly embeds cognitive and machine learning across its key products, including Office 365 and Dynamics, it would be advantageous to harness the benefits of artificial intelligence (AI) on your business, customer, application, and systems data to drive more data-driven and actionable decisions.

- **Vendor selection.** Use this IDC MarketScape in contract negotiations and as a tool to not only short-list vendors for Microsoft 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, whether technical, industry based, or otherwise.

VENDOR SUMMARY PROFILE

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 and challenges.

**IBM**

According to IDC analysis and buyer perception, IBM is a Leader in this IDC MarketScape for Microsoft implementation services worldwide.

IBM's Microsoft services practice is part of its business application practice with cloud services being the core of Microsoft offerings. IBM's Microsoft practice offers end-to-end capability of consulting and implementation services for a range of both Microsoft business applications and custom extensions or complete custom application. IBM's value proposition for its Microsoft practice is to enable digital transformation for its clients by embedding cloud across all solutions, delivering industry-focused solutions and analytics, focusing on customer experience, and changing the way services are delivered and consumed. IBM's Microsoft practice offers a variety of industry-specific solutions to tailor to client needs. In addition, the practice leverages IBM Watson's cognitive capabilities to develop specific solutions to broaden its Microsoft solution offerings such as IBM Watson for Dynamics.
**Strengths**

Buyers rate IBM highly for providing functional insights and competency and for applying proven methodologies/tools (horizontal- and vertical-specific integration accelerators and templates). Similarly, IDC views IBM highly in terms its Microsoft services portfolio and its delivery model strategy.

**Challenges**

IDC believes IBM's innovation/R&D strategy could be improved by setting up formal joint codevelopment teams with Microsoft that are colocated and by collaborating with academia to bolster the innovation it does internally. Also, IBM would benefit from making its Microsoft practice more prominent on the corporate website.

**Consider IBM When**

Organizations should consider IBM when they looking for fast resolution of problems/issues related to customer service. IBM should also be on the short list when users are looking for strong collaboration between services and product partners on their projects.

**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**

The Microsoft implementation services market covers the design, build, and integrate functions of the design-build-run function chain. The design phase includes both IT and business consulting. For a detailed definition of the services markets, see *IDC’s Worldwide Services Taxonomy, 2019* (IDC #US44916019, March 2019).

**Related Research**


**Synopsis**

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

"Enterprises consuming Microsoft implementation services are shifting from utilizing Microsoft solutions for handling compliance and regulations to improving operational efficiency and increasing innovation across their organization. At the same time, enhancing customer experience remains a key driver for consuming Microsoft solutions. Enterprises are also investing in developing custom solutions on Microsoft business platforms, such as Azure and .NET, in addition to continuing investment in adopting key Microsoft business application solutions." — Ali Zaidi, research director, IT Consulting and Systems Integration Business Strategies at IDC
About IDC

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