ISG Provider Lens™

SAP Ecosystem

A report summarizing the global and regional trends of SAP ecosystem partners

Customized report courtesy of:

NTT DATA

GLOBAL SUMMARY | APRIL 2024

Table of Contents

Increased focus on end-to-end capabilities

Service providers globally are focusing on delivering holistic services to enterprises, modernizing their ERP systems and offering managed application services and cloud services. As part of these end-to-end services, providers are utilizing their technology-driven proprietary platforms, frameworks, and preconfigured industry templates and solutions to standardize complex processes, ensure smoother implementation and accelerate time to market.

Cloud gaining traction among enterprises

Enterprises are increasingly considering a cloud-first strategy to adopt SAP on cloud solutions. They are exploring hybrid and multicloud strategies globally to gain resilience and optimization for their SAP landscapes. Service providers are developing industry cloud solutions and industry-specific cloud extensions to support enterprises in the cloud journey. They are also increasing the number of their cloud-certified resources to cater to the increasing demand for cloud services. The cloud-based deployment model offers greater flexibility, scalability and cost-effectiveness to enterprises, making it an attractive option.

Building strong partnerships with SAP and hyperscalers

Service providers are strengthening their partnerships with SAP and hyperscalers to co-innovate and co-develop solutions. Most of these providers are actively engaging in joint go-to-market (GTM) activities with SAP to penetrate all the industries and are aligned with SAP's product strategy. Service providers continue to use hyperscalers for cloud hosting and conduct joint GTM programs with them.

Globally, the adoption of RISE with SAP is increasing and hence, the management of workloads on cloud will be of utmost importance.

Akhila Harinarayan – Lead Analyst, Global, U.K. and Nordics

Increased focus on ROI for S/4HANA implementation in the U.S.

Enterprises in the U.S. are focusing on quicker ROI and the benefits they will get through the S/4HANA transformation. They are partnering with service providers with robust consulting and advisory services to get advice on the right adoption strategy and ensure end-to-end implementation support while accelerating their transformation to S/4HANA. Service providers are focusing on enhancing enterprises' industry-specific solutions and investing in accelerators and frameworks to help them realize quicker ROI on their S/4HANA implementations by reducing time to market.

Providers in the U.S. remain focused on building specialized frameworks, intuitive and automated industry solutions for resilient value chains, data-driven transformation and reducing implementation duration.

Tarun Vaid – Lead Analyst, U.S.

Cloud migration continuing in Germany but with more caution

The movement toward cloud adoption remains strong, yet enterprises in this region approach it more cautiously than elsewhere. They prefer hybrid or multicloud setups for their SAP landscape. In Germany, most service providers partner with hyperscalers for cloud services and complement their offerings with diverse sovereign cloud options, whether in-house or through third-party platforms. Sectors such as the public domain especially value these solutions, considering regulatory adherence and cost-effectiveness as important aspects.

In Germany, providers are well positioned to offer customers a variety of transformation approaches and solution options.

Markus Bunk – Lead Analyst, Germany

Emphasis on cloud adoption and modernization of SAP landscape in the U.K.

Enterprises are focusing on transitioning from legacy systems to SAP S/4HANA, predominantly using cloud-based solutions. They recognize the benefits of cloud, which include enhanced agility, scalability and innovation potential. The increasing uptake of SAP Business Technology Platform (BTP) and collaborations with hyperscalers highlight the rising significance of cloud-based solutions in advancing digital transformation efforts. Enterprises are also actively evaluating the RISE with SAP proposition, which presents a holistic range of solutions for streamlining technical migration and managing costs effectively.

SAP partners in the UK helping enterprises in deciding on their cloud journey for SAP S/4HANA transformations by being their cloud partner for SAP.

Akhila Harinarayan – Lead Author, U.K.

Cloud migration and SAP S/4HANA adoption driving growth in the Nordics

In the Nordics, the shift toward cloud and increased adoption of SAP S/4HANA are pushing enterprises toward service providers, and they are supporting them in terms of implementation, integration, managed services and managed cloud services, among others. The region sees demand for services on both private and public clouds, with the latter witnessing traction.
As a developing market, the demand for greenfield projects will soon be high in the Nordics.

The cloud's ascent and SAP S/4HANA adoption propel enterprises towards service providers, fostering innovation and sustainability.

Maharshi Pandya – Research Specialist, Nordics

SAP partners driving efficiency and innovation in Brazil

In the Brazilian SAP market, companies are prioritizing resource optimization and cost reduction through automation and accelerators. To address these needs, SAP partners are actively developing solutions tailored to various industries and making them available through the SAP store. Additionally, there is a focus on process optimization during SAP migration projects, facilitated by techniques such as process mining, aiming to enhance efficiency and minimize disruption.

SAP partners in Brazil drive efficiency and innovation by prioritizing resource optimization, cost reduction and process optimization through tailored solutions and techniques such as process mining.

Gabriel Sobanski – Research Specialist, Brazil

The 2024 SAP ecosystem study assessed 121 service providers across eight quadrants and five regions. Among the 121 providers evaluated, 39 were identified as Leaders and 19 as Rising Stars for multiple quadrants across regions.

Strengths of Leaders

- **Focus on innovation and collaboration:** Leaders emphasize innovation through dedicated labs, co-creation spaces and frameworks for continuous improvement. They collaborate with enterprises to drive innovation using technologies such as AI, design thinking workshops and industry-specific expertise.
- **Industry-specific solutions:** Leading SAP service providers provide industry-specific expertise and offer customized solutions to meet the unique needs of enterprises across various sectors.
- **Holistic transformation approach:** Service providers offer end-to-end services, covering assessment, implementation and ongoing support, ensuring a comprehensive approach to transformation.
- **AI and automation focus:** Leading service providers strongly emphasize integrating AI and automation into their SAP offerings. This includes using AI-driven platforms for incident resolution, proactive monitoring, self-healing capabilities and ML for automation and optimization.
- **Partnership with SAP and hyperscalers:** Highlighting strong alliances with SAP underscores the importance of collaboration and co-innovation in delivering cutting-edge solutions to enterprises. Service providers continue to strengthen partnerships with hyperscalers for cloud hosting.

Common Leaders Identified Across Geographies for SAP Ecosystem 2024

Service Provider	SAP S/4HANA System Transformation for Large Accounts	SAP S/4HANA System Transformation for Midmarket	SAP S/4HANA System Transformation	SAP Application Managed Services	Managed Cloud Services for SAP ERP	SAP SuccessFactors HXM Partner Services	RISE with SAP Implementation Partners	SAP Business AI and Business Technology Platform (BTP) Services	Cloud Economics and FinOps Services for SAP
Accenture	Brazil, Germany, U.S.		Nordics, U.K.	Brazil, Germany, Nordics, U.K., U.S.	Brazil, Germany, Nordics, U.K., U.S.	Brazil, Germany, U.K., U.S.		Global	
All for One Group		Germany		Germany	Germany	Germany			
Arvato Systems		Germany							
Atos	Brazil			Brazil	Brazil	Brazil			
BCI Consulting		Brazil							
Birlasoft		U.S.							
CANCOM					Germany				
Capgemini	Brazil, Germany, U.S.		Nordics, U.K.	Brazil, Germany, Nordics, U.K., U.S.	Brazil, Germany, Nordics, U.K., U.S.	Brazil, Germany, U.K., U.S.	Global	Global	Global

Brazil Germany Global Nordics U.K. U.S.

Common Leaders Identified Across Geographies for SAP Ecosystem 2024

Service Provider	SAP S/4HANA System Transformation for Large Accounts	SAP S/4HANA System Transformation for Midmarket	SAP S/4HANA System Transformation	SAP Application Managed Services	Managed Cloud Services for SAP ERP	SAP SuccessFactors HXM Partner Services	RISE with SAP Implementation Partners	SAP Business AI and Business Technology Platform (BTP) Services	Cloud Economics and FinOps Services for SAP
Cognizant	Germany, U.S.		Nordics, U.K.	Germany, Nordics, U.K., U.S.	U.S.	U.K.	Global		Global
DATAGROUP		Germany							
Deloitte	U.S.		U.K.	U.K., U.S.		Brazil, Germany, U.K., U.S.	Global		
EPI-USE						Brazil			
Essence		Brazil							
Eviden (an Atos Business)	Germany	Germany, U.S.	Nordics	Germany, Nordics, U.K.	Germany, Nordics, U.K.	U.K.	Global	Global	
Exed	Brazil								
EY	U.S.		U.K.	U.K.		U.K., U.S.			

Brazil Germany Global Nordics U.K. U.S.

Common Leaders Identified Across Geographies for SAP Ecosystem 2024

Service Provider	SAP S/4HANA System Transformation for Large Accounts	SAP S/4HANA System Transformation for Midmarket	SAP S/4HANA System Transformation	SAP Application Managed Services	Managed Cloud Services for SAP ERP	SAP SuccessFactors HXM Partner Services	RISE with SAP Implementation Partners	SAP Business AI and Business Technology Platform (BTP) Services	Cloud Economics and FinOps Services for SAP
HCLTech	U.S.		Nordics, U.K.	Germany, Nordics, U.K., U.S.	Nordics, U.K., U.S.		Global	Global	Global
Hexaware		U.S.				U.K.			
IBM	U.S.		Nordics, U.K.	Nordics, U.S.		U.S.			
Infosys	Brazil, Germany, U.S.		Nordics, U.K.	Brazil, Germany, U.K., U.S.	Germany, U.K., U.S.	Germany, U.K., U.S.	Global	Global	
Intelligenza						Brazil			
Kyndryl					Brazil, Germany, Nordics, U.K., U.S.		Global		
LTIMindtree	U.S.		U.K.						
Megawork		Brazil							

Brazil Germany Global Nordics U.K. U.S.

Leader Board

Common Leaders Identified Across Geographies for SAP Ecosystem 2024

Service Provider	SAP S/4HANA System Transformation for Large Accounts	SAP S/4HANA System Transformation for Midmarket	SAP S/4HANA System Transformation	SAP Application Managed Services	Managed Cloud Services for SAP ERP	SAP SuccessFactors HXM Partner Services	RISE with SAP Implementation Partners	SAP Business AI and Business Technology Platform (BTP) Services	Cloud Economics and FinOps Services for SAP
Meta		Brazil							
MIGNOW		Brazil							
Navisite		U.S.							
NTT DATA	Brazil	Brazil, Germany, U.S.		Brazil, Germany	Germany				
Pentos						Germany			
PwC			Nordics, U.K.	Nordics, U.K.		U.K.			
Softtek				Brazil					
Stefanini				Brazil					

Brazil Germany Global Nordics U.K. U.S.

Common Leaders Identified Across Geographies for SAP Ecosystem 2024

Service Provider	SAP S/4HANA System Transformation for Large Accounts	SAP S/4HANA System Transformation for Midmarket	SAP S/4HANA System Transformation	SAP Application Managed Services	Managed Cloud Services for SAP ERP	SAP SuccessFactors HXM Partner Services	RISE with SAP Implementation Partners	SAP Business AI and Business Technology Platform (BTP) Services	Cloud Economics and FinOps Services for SAP
Syntax		Germany							
TCS	Germany, U.S.		Nordics, U.K.	Germany, Nordics, U.K., U.S.	Nordics, U.K., U.S.				
Tech Mahindra		Brazil	Nordics	Brazil, Nordics, U.K., U.S.			Global	Global	
Tietoevry			Nordics	Nordics	Nordics				
TIVIT					Brazil				
T-Systems	Brazil, Germany	Brazil		Brazil, Germany	Brazil, Germany, Nordics, U.K.	Brazil			
Wipro	Brazil, U.S.		U.K.	Brazil, Germany, U.K., U.S.	Brazil, Germany, Nordics, U.K., U.S.	Germany, U.K., U.S.	Global	Global	Global

Brazil Germany Global Nordics U.K. U.S.

Rising Stars Across Geographies for SAP Ecosystem 2024

Quadrants	Brazil	Germany	Global	Nordics	U.K.	U.S.
SAP S/4HANA System Transformation for Large Accounts	Numen	Tech Mahindra				Tech Mahindra, Kyndryl
SAP S/4HANA System Transformation for Midmarket	EPI-USE	Birlasoft, cbs				UST, Hitachi Digital Services
SAP S/4HANA System Transformation				Wipro	Eviden (an Atos Business), Kyndryl	
SAP Application Managed Services	TIVIT	Tech Mahindra		Wipro	Hexaware, Kyndryl	Hexaware, Kyndryl
Managed Cloud Services for SAP ERP	Stefanini	Syntax		DXC Technology	DXC Technology	Syntax
SAP SuccessFactors HXM Partner Services	HRST	EPI-USE			Alight	Alight, Hexaware
RISE with SAP Implementation Partners			PwC			
SAP Business AI and Business Technology Platform (BTP) Services			LTIMindtree			
Cloud Economics and FinOps Services for SAP			UST			

Who Should Read This

This report is relevant to marketing, sales, technology, procurement and business operations professionals responsible for designing, implementing and maintaining SAP ERP and other applications in their respective organizations or changing existing partnerships with service providers. Readers should look into the transformation of SAP solutions and service partners to evaluate how enterprises can best use these changes. This report is of value to enterprises of all sizes across all industries globally, including Brazil, Germany, the Nordics, the U.K. and the U.S.

Marketing and sales professionals

Using SAP solutions for daily analysis and dashboarding should read this report to better understand the latest practices that service providers follow to support the process and integrity of applications.

IT and technology leaders

Should read this report to understand the strengths and weaknesses of service providers and how they integrate the latest technologies and capabilities into their offerings. The report provides a detailed analysis of all service providers to help IT and other technology leaders differentiate providers based on the technologies used and their unique capabilities.

Line-of-business (LOB), industry and finance leaders

Should read this report to understand the relative positioning of the partners that can help them procure services for their business and industry.

Sourcing and procurement professionals

Should read this report to understand the service provider ecosystem for SAP ERP managed services and to compare various providers.

Product managers

Should read this report to understand how and which providers can address the challenges faced by the enterprises while looking at both ROI and CapEx/OpEx.

Research and innovation professionals

Should read this report to understand providers' capability to innovate with the help of new technologies, such as AI, ML and IoT.

Further Reading

Further Reading

U.S.

SAP S/4HANA System Transformation – Large Accounts

SAP S/4HANA System Transformation – Midmarket

SAP Application Managed Services

Managed Cloud Services for SAP ERP

SAP SuccessFactors HXM Partner Services

U.K.

SAP S/4HANA System Transformation

SAP Application Managed Services

Managed Cloud Services for SAP ERP

SAP SuccessFactors HXM Partner Services

Germany

SAP S/4HANA System Transformation – Large Accounts

SAP S/4HANA System Transformation – Midmarket

SAP Application Managed Services

Managed Cloud Services for SAP ERP

SAP SuccessFactors HXM Partner Services

Brazil

SAP S/4HANA System Transformation – Large Accounts

SAP S/4HANA System Transformation – Midmarket

SAP Application Managed Services

Managed Cloud Services for SAP ERP

SAP SuccessFactors HXM Partner Services

Nordics

SAP S/4HANA System Transformation

SAP Application Managed Services

Managed Cloud Services for SAP ERP

Global

RISE with SAP Implementation Partners

SAP Business AI and Business Technology Platform (BTP) Services

Cloud Economics and FinOps Services for SAP

Further Reading

For more information about this and other ISG Provider Lens studies

ISGLens@isg-one.com

+1.203.454.3900

ISG Provider Lens

Author

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.

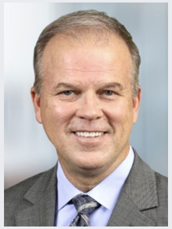
Vartika started her current role in June 2022. Before this role, she worked on secondary research, competitive intelligence, market trends and newsletter analysis.

Author

Maharshi Pandya

Research Specialist

Maharshi Pandya is a Research Specialist at ISG and is responsible for supporting and co-authoring ISG Provider Lens™ studies on SAP Ecosystem and Next-Gen ADM Solutions & Services. He supports lead analysts in the research process and authors the global summary report. Maharshi also develops content from an enterprise perspective and collaborates with advisors and enterprise clients on ad-hoc research assignments. Prior to this role, he has been associated with several syndicated and custom market research firms, in which he has worked on both secondary and primary interaction-centric research projects around market sizing and forecasting, competitive benchmarking, pricing analysis, vendor profiles and market share analysis for several industry verticals such as information and communication technology, media and information services and automotive. His expertise includes analytics, application development and maintenance and enterprise resource planning.



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.

About Our Company & Research

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.

ISG Research™

ISG Research™ provides subscription research, advisory consulting and executive event services focused on market trends and disruptive technologies driving change in business computing. ISG Research™ delivers guidance that helps businesses accelerate growth and create more value.

For more information about ISG Research™ subscriptions, please email contact@isg-one.com, call +1.203.454.3900, or visit research.isg-one.com.

ISG

ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 900 clients, including more than 75 of the world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including AI and automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis.

Founded in 2006, and based in Stamford, Conn., ISG employs 1,600 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.

For more information, visit isg-one.com.

ISG Provider Lens™

APRIL, 2024

GLOBAL SUMMARY: SAP ECOSYSTEM