

Microsoft Cloud Ecosystem

A report comparing provider capabilities to help
decision-makers in sourcing services



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Microsoft is one of the most established technology providers in the world. It has a network of thousands of partners, which augments its capabilities to aid enterprises in adopting its technologies. This network has been through a series of shifts in the past five years, as Microsoft changed itself as part of a massive cloud transformation. In the same period, digital transformation has become a priority in the enterprise technology landscape, requiring a new generation of software and services from Microsoft and its partners.

To address these needs, Microsoft has honed its focus on several core areas: The Azure cloud platform; the Microsoft 365 suite of productivity offerings encompassing Windows 10 and 11 and Office 365; and business, automation and AI applications provided through Dynamics 365, Power Platform and Microsoft Copilot. To succeed, service providers must offer enterprises a robust set of services that are complemented by forward-thinking capabilities

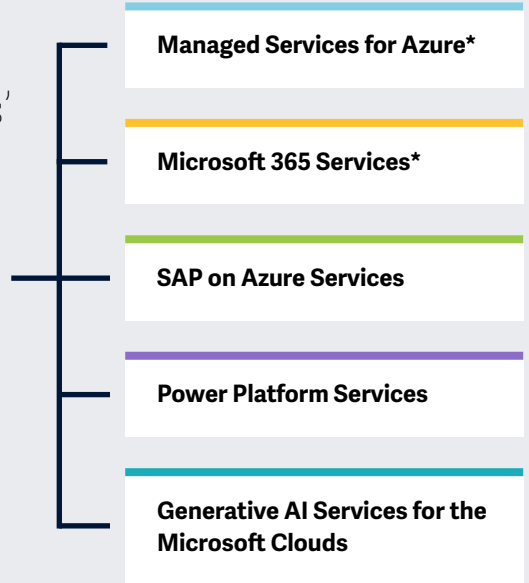
and backed by a strong relationship with Microsoft. Providers should also demonstrate a keen awareness of future developments in the Microsoft clouds and show the ability to drive innovations.

ISG's analysis will focus on how providers in Australia, Brazil, Germany, Mexico, Singapore & Malaysia, the U.K., and the U.S. are positioned based on the strength of their portfolios and their competitiveness in the respective markets. While there are thousands of providers delivering services for Microsoft products in each of these regions, this report will solely focus on the leading competitors within each of the quadrants studied, encompassing both global and local providers, for each specific region.



This study evaluates providers' capabilities based on their product portfolio and competitiveness around the **Microsoft Cloud Ecosystem**.

Simplified Illustration Source: ISG 2023



The ISG Provider Lens™ Microsoft Cloud Ecosystem offers the following to business and IT decision-makers:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments, highlighting their competitive strengths and portfolio attractiveness
- Focus on different regional markets, including Australia, Brazil, Germany, Singapore & Malaysia, Mexico, the U.K., and the U.S.

For providers, our study serves as an important decision-making basis for positioning, key relationships, and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential engagements.

**For some regions, this quadrant may be split into two: one covering large accounts and another for local specialists as applicable in the respective regions.*



Managed Services for Azure

Definition

This quadrant assesses managed public cloud service providers that offer professional and managed services that augment Azure's built-in capabilities, including IaaS and PaaS. These services include provisioning, real-time and predictive analysis, and the monitoring and operational management of a client's public cloud and multicloud environments. The aim is to maximize the performance of enterprises' cloud workloads, reduce costs, and ensure compliance and security.

Providers within this quadrant are evaluated according to their regional capabilities in terms of services, delivery and sales, which may be complemented by both nearshore and offshore delivery options. Going well beyond the lift and shift of single workloads, service providers offer comprehensive tools, services and solutions to support clients' business-critical demands using the Azure cloud.

The typical services offered include:

- Professional services for managing and monitoring CPU, memory, databases and operating systems, either independently or as microservices (virtual machine or container services)
- Update and patching services for operating systems, middleware and applications
- Service portal for cost management (chargeback and showback), identity management and IT service management
- Governance and compliance management
- Supporting services such as incident management, configuration, security services and automation setup
- Services and solutions developed atop the Azure cloud to help clients meet their net-zero goals and other environmental, social and governance (ESG) targets

Eligibility Criteria

1. Experience in **designing, building and managing** public cloud and multicloud environments, with a focus on Microsoft Azure
2. Support in the development of software code and **cloud-native and legacy system integration**
3. Experience in implementing both **Agile and DevOps**, as well as integrating with enterprise clients' existing processes
4. Experience in **API automation and cloud analytics**
5. Well-developed **security** practices and capabilities
6. Strong **partnership with Microsoft**, measured by the number and category of relevant certifications, duration of the association with Microsoft, and evidence of strategic cooperation between the provider and Microsoft around Azure



Microsoft 365 Services

Definition

This quadrant evaluates service providers that aid enterprises with the adoption, integration and ongoing operation of Microsoft 365, Microsoft's SaaS-based productivity suite.

These services go beyond provisioning and migrating to Microsoft 365; they focus on offering a quick, device-independent, high-quality productivity suite that enables seamless teamwork, irrespective of location. These services are also adaptable to the role of the user. From clients' viewpoint, Microsoft 365 revolves around fostering collaboration and seamlessly integrating geographically dispersed teams on a global scale. To enable this, integration and implementation services are necessary. This quadrant also evaluates providers on the support they offer for Windows as a part of their overall Microsoft 365 service portfolio.

Implementing SaaS-based workplace environments is a challenge for every enterprise client. ISG notes a plethora of challenges around collaboration, unified communication, file storage, performance, license costs,

provisioning procedures and maintenance plans. There are also challenges in data integration, process integration, application integration, and other processes. Providers operating in this domain must extend their capabilities beyond the basic implementation of Microsoft 365 to proactively address the associated challenges.

Providers considered in this quadrant are expected to offer assessment, consulting services, and solutions to assist clients in their digital transformation journeys. This necessitates clear and transparent-communication within the specific region and unique selling propositions that extend beyond the provision of workplace environments relying on Microsoft's desktop and collaboration solutions.

Eligibility Criteria

1. Service portfolio covering **technical consulting, licenses, and Microsoft 365 module integration, implementation and operation**
2. Innovative offerings that integrate with Microsoft 365 to create modern workplaces, such as **HoloLens** and **Teams**
3. Microsoft Office **API management** for appropriate use and enhanced productivity
4. Ability to **migrate** workplaces to modern cloud environments and offer **workspace-as-a-service models**
5. Provisioning of Microsoft 365–based **unified endpoint suites** integrated with state-of-the-art IAM technology and mobile device management (Intune or others)
6. Strong **partnership with Microsoft**, measured by the number and category of certifications (including Office 365, Intune, Windows and Azure), duration of association with Microsoft, and evidence of strategic modern workplace cooperation between the provider and Microsoft



SAP on Azure Services

Definition

This quadrant evaluates service providers that offer capabilities associated with the adoption, management and utilization of Microsoft's dedicated SAP on Azure suite of cloud solutions.

These companies typically offer services encompassing architecture consulting, analysis of application landscape requirements, technical design, configuration, deployment, escalation management, change and fault management, support, optimization and reporting. Providers considered in this quadrant are expected to help their clients migrate SAP workloads to Azure and optimize, design and develop new processes and business flows. This should be included as an integral aspect of platform management, achieved through a combination of the provider's proprietary services, SAP services and Microsoft Azure services.

Running SAP on Azure necessitates a provider capable of offering comprehensive support throughout the entire journey and possessing the necessary resources for successful delivery.

Since SAP has committed solution support to 2040 and beyond, providers considered in this quadrant should provide a well-defined road map that spans the next two decades.

Service providers in this category require both Microsoft and SAP certifications and need to have active and productive partnerships with both companies. They must also be well-versed in how the relevant underlying technology offerings are evolving. Consequently, they should be able to articulate how product and platform changes would impact enterprises using this solution — from technical architecture considerations to business impacts.

Eligibility Criteria

1. **Scope and depth** of the **service portfolio** with regard to migrating SAP workloads to SAP on Azure and SAP application and services implementation customization, provisioning and support
2. Ability and willingness to support **hybrid cloud and hybrid provider environments**
3. Strong **partnerships with SAP and Microsoft**, measured by the number and category of relevant certifications, duration of association with both SAP and Microsoft, and evidence of strategic cooperation between the provider and Microsoft around SAP on Azure
4. Support for **multiple pricing models**, including pay-as-you-go
5. Robustness of the provider's process for **implementation**, including the use of **Agile and DevOps** methodologies and relevant automation for service delivery and quality



Power Platform Services

Definition

This quadrant assesses providers that offer services for the enterprise-wide implementation of Microsoft Power Platform, support services and related advanced training. Enterprise clients utilize the services offered by providers to create new and sophisticated software applications for digital transformation, obtain new insights into business operations and optimize business processes in a sophisticated manner. The services offered by these providers not only leverage the capabilities of Power Platform but also educate enterprises on the best practices for developing low-code applications and solutions. Providers in this quadrant ace the integration of Power Platform with a variety of Microsoft apps and other business apps, such as Office 365, Dynamics 365 and Azure, along with advanced concepts such as DevOps, DataOps or MLOps.

The trending concept of citizen development is resulting in huge demand for service and support to govern and embed apps created by users using low-code and no-code development tools within and/or on Power Platform. The ability to integrate or migrate third-party tools is also important. The providers evaluated in this quadrant should also support Power Platform's analytics, process management, IT management and process automation capabilities.

The providers in this quadrant understand clients' specific objectives and use their data literacy and skills to provide the necessary guidance. With an eye for detail, these providers also take a holistic approach to driving clients' business performance.

Eligibility Criteria

1. Services that support enterprises' adoption of all Power Platform solutions – **Power BI, Power Apps, Power Automate and Power Virtual Agent**
2. Structured offerings and **IP** that enable easy adoption of Power Platform solutions and streamline the **ongoing operation** of the software
3. **Technical support capabilities** that assist enterprises with the adoption and management of Power Platform solutions
4. Clear **business benefits** tied to the use of Power Platform solutions



Generative AI Services for the Microsoft Clouds

Definition

This quadrant assesses providers that offer services and solutions for the enterprise-wide development and application of generative AI on the three Microsoft clouds (Azure, Microsoft 365 and Dynamics 365). This quadrant covers providers that develop or offer services that augment the generative AI features already offered via the Microsoft clouds, such as Microsoft 365 Copilot, Sales Copilot, and Microsoft Security Copilot. The quadrant also covers providers offering services to help enterprises build generative AI models and applications using the native functionality and platforms offered by Microsoft, such as Azure OpenAI Service, Azure AI Services, Azure Machine Learning and Azure AI Infrastructure. Providers in this quadrant also offer related generative AI services, such as Azure data architectures for AI, security, governance, change management, responsible AI frameworks, training and citizen enablement.

Given the emergent nature of generative AI, providers in this quadrant will be assessed largely on their strategic vision, investments and pipelines of development work for Microsoft- and OpenAI-related services and solutions, including solutions and services that are still in beta or preview stages. Providers in this quadrant should be able to articulate a compelling view of how generative AI on the Microsoft clouds can spur innovation in employee, consumer and user experiences and ultimately translate into real improvements in business outcomes.

Eligibility Criteria

1. Services and solutions that support enterprises' **adoption, integration and use of Microsoft's generative AI-enabled copilots** –Microsoft 365 Copilot, Microsoft Sales Copilot, Microsoft Security Copilot and GitHub Copilot
2. Services and solutions that support the **building, testing, deployment and optimization** of generative AI models and applications using the Microsoft clouds and related AI platforms
3. Knowledge of LLM models (including OpenAI GPT-4/5) and experience in developing **industry and functional use cases**
4. Understanding of **regional regulatory and policy compliance** differences in the use of data and generative AI models
5. **Certifications and training programs in AI and generative AI**, including emergent disciplines such as prompt engineering
6. **Strong partnership with Microsoft and OpenAI**, as well as with relevant third-party ISVs and service providers



Quadrants by Region

As part of this ISG Provider Lens™ quadrant study, we are evaluating the following five quadrants on the Microsoft Cloud Ecosystem:

Quadrant	U.S.	U.K.	Germany	Brazil	Mexico	Australia	Singapore & Malaysia
Managed Services for Azure	✓	✓	✓	✓	✓	✓	✓
Microsoft 365 Services	✓	✓	✓	✓	✓	✓	✓
SAP on Azure Services	✓	✓	✓	✓	✓	✓	✓
Power Platform Services	✓	✓	✓	✓	✓	✓	✓
Generative AI Services for the Microsoft Clouds	✓	✓	✓	✓	✓	✓	✓



The research phase falls in the period between November 2023 and December 2023, during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in March 2024.

Milestones	Beginning	End
Survey Launch	November 8, 2023	
Survey Phase	November 8, 2023	December 22, 2023
Sneak Previews	February 2024	March 2024
Press Release & Publication	March 2024	

Please refer to the [link](#) to view/download the ISG Provider Lens™ 2023 research agenda.

Access to Online Portal

You can view/download the questionnaire from [here](#) using the credentials you have already created or refer to instructions provided in the invitation email to generate a new password. We look forward to your participation!

Research Production Disclaimer:

ISG collects data for the purposes of writing research and creating provider/vendor profiles. The profiles and supporting data are used by ISG advisors to make recommendations and inform their clients of the experience and qualifications of any applicable provider/vendor for outsourcing the work identified by clients. This data is collected as part of the ISG FutureSource™ process and the Candidate Provider Qualification (CPQ) process. ISG may choose to only utilize this collected data pertaining to certain countries or regions for the education and purposes of its advisors and not produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of the information received directly from providers/vendors and the availability of experienced analysts for those countries or regions. Submitted information may also be used for individual research projects or for briefing notes that will be written by the lead analysts.



ISG Star of Excellence™ – Call for nominations

The Star of Excellence™ is an independent recognition of excellent service delivery based on the concept of “Voice of the Customer.”

The Star of Excellence™ is a program, designed by ISG, to collect client feedback about service providers’ success in demonstrating the highest standards of client service excellence and customer centricity.

The global survey is all about services that are associated with IPL studies. In consequence, all ISG Analysts will be continuously provided with information on the customer experience of all relevant service providers. This information comes on top of existing first-hand advisor feedback that IPL leverages in context of its practitioner-led consulting approach.

Providers are invited to [nominate](#) their clients to participate. Once the nomination has been submitted, ISG sends out a mail confirmation to both sides. It is self-evident that ISG anonymizes all customer data and does not share it with third parties.

It is our vision that the Star of Excellence™ will be recognized as the leading industry recognition for client service excellence and serve as the benchmark for measuring client sentiments.

To ensure your selected clients complete the feedback for your nominated engagement please use the Client nomination section on the Star of Excellence™ [website](#).

We have set up an email where you can direct any questions or provide comments. This email will be checked daily, please allow up to 24 hours for a reply.

Here is the email address:
ISG.star@isg-one.com



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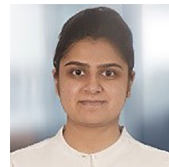
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Data Analyst



ISG Provider Lens™ Advisors Involvement Program

ISG Provider Lens™ offers market assessments incorporating practitioner insights, reflecting regional focus and independent research. ISG ensures advisor involvement in each study to cover the appropriate market details aligned to the respective service lines/technology trends, service provider presence and enterprise context.

In each region, ISG has expert thought leaders and respected advisors who know the provider portfolios and offerings as well as enterprise requirements and market trends. On average, three advisors participate as part of each study's quality and consistency review team (QCRT). The QCRT ensures each study reflects ISG advisors' experience in the field, which complements the primary and secondary research the analysts conduct. ISG advisors participate in each study as part of the QCRT group and contribute at different levels depending on their availability and expertise.

The QCRT advisors:

- Help define and validate quadrants and questionnaires,
- Advise on service provider inclusion, participate in briefing calls,
- Give their perspectives on service provider ratings and review report drafts.

ISG Advisors to this study



Bill
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Platforms and Solutions**



Bernie
Hoecker

**Partner, Enterprise Cloud
Transformation Lead**



Anay
Nawathe

**Director, Infrastructure
& Cloud Transformation**



Susanta
Dey

**Principal Consultant,
Technology
Modernization**



Aman
Munglani

**Director and
Principal Analyst**



Invited Companies

If your company is listed on this page or you feel your company should be listed, please contact ISG to ensure we have the correct contact person(s) to actively participate in this research.

4MSTech	Avepoint	Bytes Software	Data#3
AC3	Axians	CANCOM	Datacom
Accenture & Avanade	Baggenstos	Capgemini	Dedalus
Adaquest	Barhead Solutions	Capita	Deutsche Telekom
Adesso	Bechtle	Claranet	Devoteam M Cloud
Agilisys	Best.Projects	Cloud Target	Dicker Data
AlfaPeople	Birlasoft	Cloudreach	DIGITALL
All for One Group	BitHawk	Cognizant	DXC Technology
Allgeier	Bizapp	Communardo	Econis
Ambit Gruppe	BlueShift	Computacenter	ELCA
ANS	Brasoftware	Content + Cloud	Embratel
AppSphere	Brillio	COSMO Consult	Enfrasys
Arvato Systems	BS-Team	Crayon	Engage Squared
Atos	BT	Customer Capital Consulting	Espire Infolabs
Aveniq	BTC	Data One	EveryWare



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Eviden/Atos	Hexaware	ITCore	LTIMindtree
EY	Hitachi Solutions	Itesys	Macquarie Cloud Services
FCamara	Hitachi Vantara	Joker IT	Mastek
Fênix Sistemas	HPE	Konica Minolta	MIG X
FiveP Australia	HSO	KPMG	Mphasis
Fujitsu	IBM	KUMAVISION	MSRCosmos
Fusion5	Impeto	Kumulus	NCS
G&P	Infogain	Kyndryl	Net at Work
Generation-E	Infosys	L3	NetApp
Genpact	Ingram Micro	LAB3	Nexer
glueckkanja-gab	Insight	Lanlink	novaCapta
GRVPPE	intellecom	Lattine	NTT DATA
Hanu Software	IOZ AG	Layer 2	Objektkultur
HCLTech	IPI	Logicalis	ORBIT
Henson Group	isolutions	Logicworks	Oxya



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PCG	Seidor	SOU.cloud	Unisys
Pentare	SGA	Swisscom	V8.Tech
Persistent Systems	Skaylink	Sycor	Velrada
Phoenix Software	SLK Software	Synoptek	Venha Pra Nuvem
Processor	Smart Consulting	Syntax Systems	Veritec
Protiviti	SmartIT	TCS	Vistasys
Publicis Sapient	SMX	Tech Mahindra	Vivo
PwC	Softcat	Telstra	Wipro
q.beyond	Softline	Teltec	Wolkenwerft
Qualiserve	Softtek	TIVIT	Xerox
Rackspace Technology	SoftwareONE	trans4mation	
Reply	Solo Network	Transparity	
Rhipe	Somnitec	Trianz	
Risual	Sonata Software	T-Systems	
Scheer GmbH	Sopra Steria	UMB	



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™

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Founded in 2006, and based in Stamford, Conn., ISG employs more than 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.





NOVEMBER, 2023

REPORT: MICROSOFT CLOUD ECOSYSTEM