

SAP Ecosystem

A research report comparing provider strengths, challenges and competitive differentiators to assist decision makers in sourcing services



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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.

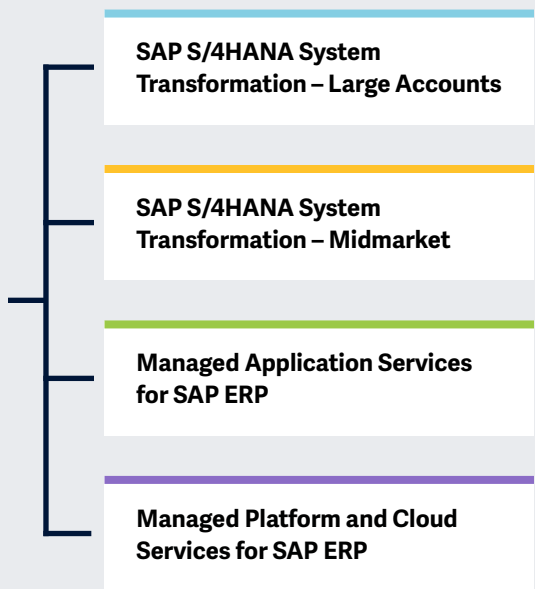
SAP has expanded its cloud approach to SAP Business Technology Platform (BTP) to offer clients more options on integration with cloud-native applications. This is a part of a larger digital journey to integrate applications using BTP platform and SAP applications.

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.



Key focus areas for SAP Ecosystem 2023

Simplified Illustration Source: ISG 2022



The ISG Provider Lens™ SAP Ecosystem Partners 2023 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 on their competitive strengths and portfolio attractiveness.
- Focus on different markets, including the U.S., U.K., Germany, France, Brazil, and Germany.

ISG studies serve 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.



SAP S/4HANA System Transformation – Large Accounts

Definition

This quadrant assesses consulting and system integration service providers, developing, deploying, and testing enterprise applications using SAP S/4HANA. Providers have partnerships with SAP for training their consultants on SAP's implementation methodology, product functionality, and configuration requirements. Certified partners can support customers in understanding and using SAP products.

Typical transformations include project planning, solution design, business process modeling, user training, product installation and configuration, testing, and other services to enable clients/users to proficiently use SAP S/4HANA. These transformations could involve a new implementation, move existing ECC to S/4HANA or move workloads to the cloud. The providers also need to have the expertise to understand the business and technology landscape of a client and leverage solutions to ensure

delivery efficiency and operate the migrated solutions effectively. They also need to have an understanding of the RISE with SAP proposition and help clients to navigate the solution paradigm, based on their IT landscape.

This quadrant considers service providers' ability to manage the complexity of large accounts that operate multiple SAP instances and require strict compliance and is characteristic of large enterprises with multinational operations and public company governance. The service providers are expected to offer frameworks, tools, and accelerators to support enterprise demand for fast and safe transformations.

Eligibility Criteria

1. Have all **SAP certifications** required to deploy SAP S/4HANA and support clients in using SAP products
2. Offer on-premises and cloud-based implementations
3. Offer cloud-based solutions for **S/4HANA migrations**
4. Have service portfolios that include **SAP S/4HANA development, integration, and testing**, with at least one implementation of S/4HANA in the last 12 months
5. Have a track record of **S/4HANA advisory capabilities and implementation experience**
6. Leverage **tools and accelerators** to deliver at reduced time to market
7. Have partnerships to deploy RISE with SAP, but this is not a condition for participation
8. Engage with **SAP-certified consultants** and practitioners across regions to support multi-country and multilanguage implementations
9. Ability to handle complexity and scale through optimal onshore-offshore delivery models. Concurrently, the provider should demonstrate local delivery **capacity in local language**



SAP S/4HANA System Transformation – Midmarket

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



Managed Application Services for SAP ERP

Definition

This quadrant assesses service providers for their ability to offer managed services, including enhancements, maintenance, and support functions. The other parameters for assessing providers include application monitoring, remote support, and centralized management of applications for SAP S/4HANA and legacy SAP Business Suites such as ECC 6.0.

Managed application services for incidents encompass troubleshooting, level 2 and level 3 application support, user support, ticket lifecycle management, incident resolution, problem management, root-cause analysis, and interface with SAP product support in accordance with client requirements. Providers that have the center of expertise certification are rated highly, but the certification is not a prerequisite for participating in this quadrant.

This assessment considers the maturity of providers' service delivery process and their ability to offer the automation of service request and IT-related processes, such as incident management, change request and release management, version control, application and changes documentation, configuration and SAP solution manager operation, root-cause analysis and problem elimination, quality improvement, and testing. It also considers providers' ability to automate tasks and use AI/machine learning in the tools leveraged to deliver services for its clients. The quadrant also assesses providers' ability to handle complex solutions while delivering application managed services for SAP ERP.

Eligibility Criteria

1. Ability to offer application **optimization**, application **support**, and **testing** for SAP ERP solutions
2. Services should include **user management** (adding and disabling user access), user profile management, **performance** reports, **database** services, security (access), and license compliance
3. Ability to offer **enhancements and changes** pertaining to applications, apply SAP Service Pack Stacks (SPS) if required, and predict the business impact of such updates
4. Capability to stabilize applications and offer **SAP Basis** support
5. Expertise in incident management, variety of ticket system tools, **SAP Solution Manager** and additional application documentation solutions



Managed Platform and Cloud Services for SAP ERP

Definition

This quadrant assesses service providers that manage hybrid cloud environments, security access, infrastructure monitoring, system availability, interface performance, disaster recovery, backup, restoration, data compliance, and other infrastructure and cloud operations.

The participating providers are capable of resolving and eliminating clients' initial technical barriers and resistance to moving enterprise resource planning to the cloud, supporting clients in planning and migrating from private cloud to public cloud infrastructures, or from on-premises to cloud infrastructures.

This quadrant evaluates providers that demonstrate expertise in maintaining smooth SAP operations that require deep knowledge about SAP S/4HANA and the underlying in-memory database technology. Strong capabilities to optimize

this type of application also include data volume management, application code management, and cloud cost optimization.

Typical service providers in this quadrant have both SAP and public cloud certifications to operate and configure secure SAP S/4HANA operation on-premises and in the cloud. At the same time, they have proven managed service expertise to handle on-premises operations if required by clients operating in hybrid environments. The leading providers in this quadrant should have advanced technologies to deliver on client infrastructure requirements along with the ability to deliver optimal services, thereby providing significant benefits to clients.

Eligibility Criteria

1. Ability to provide, manage and **operate SAP** in the cloud, including, but not limited to, hyperscalers such as AWS, Azure, and Google
2. Capacity to **support clients in their on-premises and hybrid cloud** implementations of SAP systems and databases, providing infrastructure design support at a minimum
3. Have certified platform management or cloud partners with **SAP S/4HANA specialization**
4. Have certifications on security, data privacy and IT processes; **minimum accreditations** include ISO 27001 (security) and IT Infrastructure Library (ITIL) incident management
5. Have **SAP-certified and cloud-certified** staff to support SAP technologies



Quadrants By Region

As part of this ISG Provider Lens™ quadrant study, we are introducing the following four quadrants on SAP Ecosystem Partners 2023

Quadrant	Global	Brazil	Germany	Nordics	U.K.	U.S.
SAP S/4HANA System Transformation – Large Accounts	Overview	✓	✓	✓*	✓	✓
SAP S/4HANA System Transformation – Midmarket	Overview	✓	✓		✓	✓
Managed Application Services for SAP ERP	Overview	✓	✓	✓	✓	✓
Managed Platform and Cloud Services for SAP	Overview	✓	✓	✓	✓	✓

*Large Accounts and Midmarket quadrants are consolidated into a single SAP S/4HANA System Transformation quadrant in the Nordics report.

Note: France report not included in 2023.



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

Milestones

	Beginning	End
Survey Launch	December 6, 2022	
Survey Phase	December 6, 2022	January 9, 2023
Sneak Preview	March 2023	April 2023
Press Release & Publication	May 2023	

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 that 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



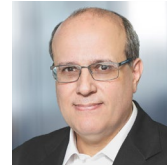
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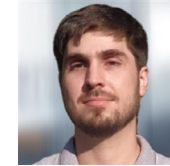
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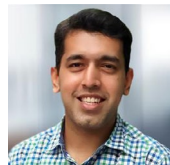
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**Research Analyst –
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Sobanski**
**Research Analyst –
Brazil**



Anusha R
Data Analyst



Kiran B
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).

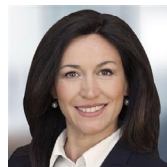
The QCRT ensures that each study reflects ISG advisors' experience in the field, which complements the primary and secondary research the analysts conduct. ISG

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



Anna Medkouri
Partner



Alexandra Classen
Partner



Thomas Wenzel
Principal Consultant



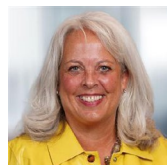
Yadu Singh
Director



Jon Foster
Director



Yatin Dhruva
Consulting Manager



Tammie Pinkston
Partner



Anoop Chawla
Director



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.

Abaco	BearingPoint	Cognizant	Fujitsu
abat	Bilat	DATAGROUP	GISA
Absoft	Birlasoft	Delaware	GyanSys
Accenture	BtC	Deloitte	HCLTech
Adesso	Camelot ITLab	Deloitte Digital	Hexaware
AdopTI	CANCOM	Devoteam	IBM
All For One Group	Capgemini	DXC Technology	Inetum
Applexus	Cast	ENFO Group	Infosys
Arvato	cbs	Engineering	Innovabee
Ativy	Centiq	EPI-USE	ITS
Atos	CGI	essence	Kellton Tech
Augusta Reeves	Claranet	Evox	KMD
Axians	Clarkston Consulting	EY	Knack Systems
BCI	CODiLOG	FIS	KPMG



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KPS	msg	Scheer	TeamWork
Kyndryl	Nagarro	Seidor	Tech Mahindra
LTI	Navisite	Softtek	Tietoevry
Lumen	Neomore Consulting	Sonda	TIVIT
Megawork	Neoris	Sopra Steria	T-Systems
Meta	NNIT	SPRO	TVH Consulting
metafinanz	NTT DATA	Stefanini	UST
MHP	Numen	Suneratech	VISEO
Mignow	Orange Business Services	Sycor	Wipro
Mindset Consulting	oXya	Syntax	Yash Technologies
Mindtree	PASàPAS	Synvance	Zensar
Minsait	PwC	Syskoplan Reply	
Mphasis	Qintess	TCS	



*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.

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*ISG

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Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,300 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 www.isg-one.com.



DECEMBER, 2022

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