iSG Provider Lens™

2020

SAP HANA and Leonardo Ecosystem Partners 2020

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ISG (Information Services Group) (Nasdaq:III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including more than 70 of the top 100 enterprises in the world, 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 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 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.

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Definition

SAP has 13,800 licensed customers in more than 180 countries, covering all continents. With more than 100,000 employees and over 18,000 SAP partner companies, it has a significant impact on the IT market, in terms of both innovation and the global IT spending share. This research study will identify the top SAP partner companies that can provide differentiated enterprise client services and deliver the best results from S/4HANA investments. By leveraging the best partners to meet their requirements, enterprise clients can optimize their operating expenses and achieve a superior return on investments in technology.

Although SAP is continuously growing in revenue, the company faces resistance from current clients to upgrade to S/4HANA — its most modern enterprise resource planning (ERP) process. This novelty solution offers superior performance by using in-memory technology, but transformation projects could involve steep costs. Clients should thus refine their partner selection process and criteria to find the best performers that can provide higher business value at a lower cost of transformation.

To benefit clients that are new to SAP ERP or are hesitant to upgrade to S/4HANA, this study includes case studies and success stories. In 2019, ISG identified the viability of tools and frameworks for large SAP transformations and greenfield S/4HANA implementations that are delivered in record time. The perfect partner can support clients and allay fears arising from the end of support for legacy SAP ERP, which is dated for 2027.

In 2019, ISG studies identified that the major benefits of adopting S/4HANA is its innovation backbone that is offered through SAP Cloud Platform and SAP Leonardo as well as the novel ways of leveraging APIs and microservices. SAP partners have demonstrated innovations using artificial intelligence (AI), analytics, Internet of Things (IoT), mobile apps, robotic process automation (RPA) and blockchain to disrupt markets and transform businesses.

For clients that have adopted S/4HANA, this study assesses managed service providers that can contribute to superior application performance, including stability, availability and security. Cloud migrations and technology innovation are also assessed.

For support services, AI and machine learning (ML) have been incorporated into application maintenance and operations to predict incidents and automate troubleshooting, ticketing processes and provisioning, allowing for gains of scale that lower support costs. This study will identify service providers that effectively apply new technologies to support S/4HANA and HANA database.

The ISG Provider Lens™ study offers IT-decision makers:

- Transparency on the strengths and weaknesses of relevant providers

- A differentiated positioning of providers by segments

- Focus on different markets, including the U.S., the U.K., Germany, the Nordics and Brazil

ISG studies serve as an important decision-making basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients use information from these reports to evaluate their current vendor relationships and potential new engagements.

Quadrant Research

As part of this ISG Provider Lens™ quadrant study, we are introducing the following six quadrants on SAP - HANA and Leonardo Ecosystem Partners:

SAP HANA & Leonardo Ecosystem Partners 2020	
SAP S/4 HANA System Transformation – Large Accounts	SAP S/4 HANA System Transformation – Mid Market
Managed Application Services for SAP ERP	
BW/4 on HANA and BW on HANA Services	SAP Cloud Platform and SAP Leonardo Services
Managed Platform Services for SAP HANA	
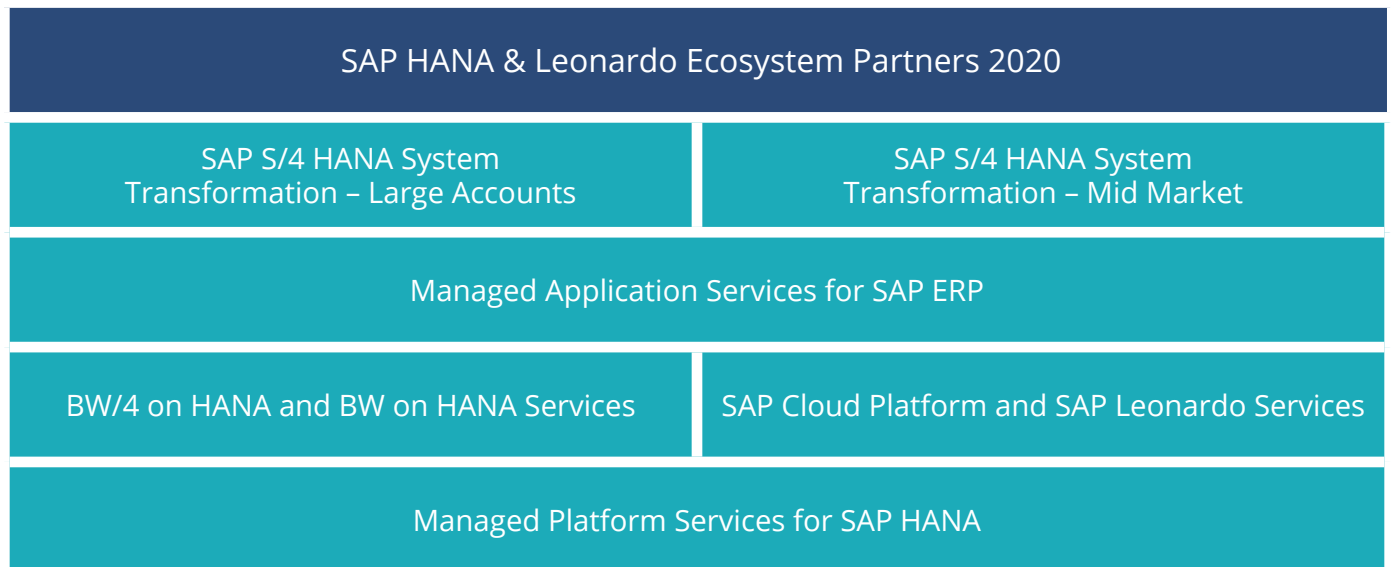
SAP S/4HANA System Transformation – Large Accounts

ISG assesses consulting and system integration service providers for developing, deploying and testing enterprise applications using SAP S/4HANA and SAP Business Suite with SAP Fiori as the user interface. The transformation includes planning, design and modeling of applications, while considering the service provider's ability to manage complexity and scale that are common characteristics across large enterprise clients. The participating companies are expected to have the frameworks, tools and accelerators to support the needs of large system transformations.

Eligibility criteria:

- Participant's service portfolio to include development, integration and testing of SAP S/4HANA with at least one implementation of S/4HANA or SAP Business Suite on HANA

- Advisory capabilities and implementation experience on greenfield or brownfield S/4HANA

- Provision to offer on-premises and cloud-based implementations

- Availability of SAP-certified consultants and practitioners across regions to support multi-country and multi-language implementations

- Ability to handle complexity and scale through optimal onshore-offshore delivery models

SAP S/4HANA System Transformation – Midmarket

This quadrant assesses providers on the ability to offer a rapid turnaround for S/4HANA implementations for clients in the midmarket (companies with less than 5,000 SAP users and have revenues of less than $1 billion). Midmarket clients have few complex requirements and project scale when compared to large enterprises. The participating service provider can deploy SAP solutions using multiple methodologies, including SAP's packaged solutions for small and medium businesses (SMBs). It should use templates for S/4HANA, including industry-specific templates, to reduce the transformation cycle while leveraging standard processes. Multi-tenant S/4HANA implementations are included but not required for participating in this quadrant assessment. SAP-qualified partner-packaged solution providers are appreciated but this certification is not required for inclusion in this quadrant.

Eligibility Criteria

- Ability to leverage SAP accelerators and templates for agile S/4HANA implementations

- Capability to deliver advisory and implementation services for mid-sized client enterprises

- Availability of ready-to-use templates or solutions for specific micro-segments

- Ability to offer on-shore or near-shore delivery for local clients; offshore delivery is welcome but not restrictive for participation in this quadrant.

Managed Application Services for SAP ERP

This assessment considers a provider's capability to offer managed services, including maintenance and support functions that comprise monitoring, remote support, centralized management of applications for SAP S/4HANA and legacy SAP Business Suites such as ECC 6.0.

Managed application services for incidents include 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 (upon client authorization). Service requests typically include user management (add, change of user profile and disablement of users' access), performance reports, database services, security (access) monitoring and license compliance. Providers that have Center of Expertise (CoE) certifications are better evaluated but these are not a requisite for participating in this quadrant.

Eligibility Criteria

- Ability to offer application optimization, application support and testing

- Offer enhancements and changes pertaining to applications; apply SAP Service Pack Stacks (SPS) if required and predict the business impact of such updates

- Capability to stabilize applications and offer SAP BASIS support

- Possess expertise in incident management, variety of ticket system tools, SAP Solution Manager and additional application documentation solutions

Managed Platform Services for SAP HANA

The initial technical barriers and client resistance to moving ERP to the cloud are gradually disappearing, forcing clients to decide among inhouse hosting, traditional outsourcing, cloud IaaS and PaaS. The hosting decision follows the hardware obsolescence lifecycle and HANA in-memory imposes a new dynamic to hardware choices, operations and tooling. This quadrant assesses providers of infrastructure services comprising hardware installs and maintenance routines, hybrid cloud management, access security, monitoring, system availability, interface performance, disaster recovery management, backup, restore, data-compliance (retention and access), data breach protective measures at the data center level, job scheduling, batch processing, file transfers, archiving, and all infrastructure and operations services that are required to run SAP ERP or SAP HANA applications. This quadrant privileges providers that demonstrate expertise in maintaining smooth S/4HANA operations, which requires deep knowledge about the underlying in-memory database technology. Furthermore, strong capabilities in optimizing this type of applications including data volume management are preferred assets. However, the provider should retain the capacity to support SAP HANA and legacy SAP ERP versions for clients that have old instances running simultaneously with S/4HANA.

Eligibility Criteria

- Ability of participant to offer Tier III level data center facilities (certified or not) to host S/4HANA or is a certified hyperscale cloud partner that specializes in S/4HANA

- Should be an experienced managed data center service provider

- Demonstrate the capacity to migrate SAP ERP and large databases from one data center to another, including the cloud

- Minimum accreditations include ISO27001 (security), incident management ITIL and HANA certified staff

SAP Cloud Platform and SAP Leonardo Services

This segment examines the capabilities of providers to design, develop, modify, integrate and support applications for enterprise systems on SAP Cloud Platform and deliver services for digital transformation using SAP Leonardo. SAP Cloud Platform services include platform-as-a-service and application development platform-as-a-service for data-based mobile-enabled services, analytics, application development and deployment across multi-cloud platforms. SAP Leonardo services comprise AI, ML, blockchain and IoT technologies, packaged as a platform-as-a-service that is integrated in the HANA database.

Eligibility criteria:

- Demonstrate cases of delivering projects pertaining to AI, ML, blockchain or IoT using SAP Leonardo and SAP Cloud Platform (or as a standalone platform)

- Exhibit PoCs that leverage SAP Leonardo

- Capability to deliver consulting and implementation services for SAP Cloud Platform or SAP Leonardo

SAP BW/4 on HANA and BW on HANA Services

The quadrant assesses service providers on their ability to strategize, develop, modify and implement real-time analytics using the SAP HANA platform through public, on-premise, or hybrid cloud models. The consulting services are assessed across data management strategy, process optimization, resulting in strategic benefits such as cost optimization, improved customer/user experience and integration services, including the ability to extract and process data to/from other platforms.

Eligibility criteria:

- Possess industry knowledge, innovation and the ability to operationalize applications using BW/4HANA

- Deep knowledge of business intelligence and the respective implementation using in-memory technology

- Strong knowledge of UX design using SAP Business Objects or additional third-party products

- Ability to realize the analytical functionalities required by clients by properly combining the capabilities of HANA-based transactional systems for operational reporting with the capabilities of BW for more complex analytics

Quadrants by Region

Quadrants	Global	US	UK	Nordics	Germany	Brazil
SAP S/4 HANA System Transformation – Large Accounts	Overview	√	√	√	√	√
SAP S/4 HANA System Transformation – Mid Market	Overview	√	√		√	√
Managed Application Services for SAP ERP	Overview	√	√	√	√	√
Managed Platform Services for SAP HANA	Overview	√	√	√	√	√
SAP Cloud Platform and SAP Leonardo Services	Overview	√	√	√	√	√
SAP BW/4 on HANA and BW on HANA Services	Overview				√	

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 work identified by the 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 to 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.

Archetype Report

In this report, we identify and classify the typical buyers within SAP HANA and Leonardo Ecosystem Services. We have identified five major segments of buyers as follows:

- **Transactional users:** In this buying scenario, clients have SAP ERP Central Component (ECC) as an existing ERP solution and are seeking services to manage those applications. They are reluctant to move to a different ERP primarily due to complexity, lack of investments, inability to manage the complex SAP environments and lack of skillsets.

- **Technical transitioners:** In this buying scenario, clients intend to implement SAP S/4HANA and have SAP ERP Central Component (ECC) as their existing ERP offering. They want to implement SAP S/4HANA through Suites on HANA (SoH) or conversions (brownfield implementation) for both on-premises and cloud and in the process achieve stability in their business process and IT application landscape.

- **Landscape transformers:** In this buying scenario, clients want to realize the benefits of S/4HANA and are ready to invest in an integrated ERP system as soon as possible. The enterprise leadership is prepared for an organizational process change and want to work towards a new ERP system to realize the benefits of responsive applications and a rich user interface.

- **Cloud adopters:** In this buying scenario, clients are willing to move to a SaaS version of S/4HANA through S/4HANA Cloud, which offers them quicker innovation through speedier updates, processes automation and smooth integration with existing SAP applications through real-time access and visibility to data. These clients seek simple execution through a readymade template-based implementation approach.

- **Digital futurists:** In this buying scenario, clients wants to bring in digital transformation using SAP S/4HANA and emerging technologies such as ML, AI and blockchain. They intend to move from the existing application architecture and leverage the power of these emerging technologies to provide value to their customers.

Schedule

The research phase falls in the period between **February and May 2020,** during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in **July 2020.**

Milestones	Beginning	End
Launch	February 17, 2020	
Survey Phase	February 17, 2020	March 06, 2020
Sneak Preview	June 8, 2020	
Press release	July 2020	

Please refer to this [link to view/download](#) the ISG Provider Lens™ 2020 research agenda.

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Do you need any further information?

If you have any questions, please do not hesitate to contact us at isglens@isg-one.com.

Partial list of companies being invited for the survey

Are you in the list or do you see your company as a relevant provider that is missing here? Then feel free to contact us to ensure your active participation in the research phase.

2BM	CGI	GISA GmbH
Abaco Consultores	Clarkson consulting	Grupo Meta
abat	Cognizant	Gyansys
Abosft	Computacenter	HCL
Accenture	Crescense	Hexaware
All for One Steeb	CubeServ	Hitachi
Allgeier	DATAGROUP	IBM
Applexus Technologies	Delaware	Implema
Approyo	Deloitte	Implement Consulting
Arvato	Deutsche Telekom /	Infopulse
AssuranceIT Consultoria em Tecnologia da Informação Ltda	T-Systems	Infosys
Atos	Devoteam | Alegri	Innovabee
Avantum	Dickinson + associates	Invokers
Axians	DXC	ITC Infotech
Basis Technologies	EdenHouse Solutions	iTelligence
BCI Consulting	Engineering do Brasil (EngDB)	ITS Group
BE one solutions AG	Ensono	Keytree
BearingPoint	EPAM	KMD
Birlasoft	Ernst & Young (EY)	Knack System
Bristlecone	Esri	LTI
BRQ	ess	Megawork
Camelot ITLab	essence IT	Mendix
Cancom (Pironet)	FH Consultoria Empresarial Ltda	metafinanz
Capgemini	FIS	MHP
CAST GROUP Pelissari	Fujitsu	Mindtree
cbs	GA GRUPO ASSA	Mphasis
Centiq	Genpact	MSG global
Century Link	GEO SYSTEM INFORMATICA LTDA.	NEORIS

Nimbl

NNIT

Nordcloud

NTT Communication

NTT Data

Numen IT

Panaya

Pearl Consulting

PWC

QSC

Reply

Resource

Riministreet

ROFF

SAP Consulting

SCG

Scheer

Seidor

Servent

SNP

Sofigate

Softtek

SONDA

Sopra Steria

Spinnakersupport

SPREAD

SPRO

Star IT

Stefanini IT Solutions

Sungard AS

TietoEvry

Syncronic

Syntax (formerly FIT)

SYSTEMA

TCS

Tech Mahindra

Techwave

Thoughtfocus

TIVIT

Velocity

Virtusa

Virtustream

Wipro

Yash Technologies