A research report comparing provider strengths, challenges and competitive differentiators
ISG Provider Lens™ Quadrant Report | June 2019

About this Report

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The research and analysis presented in this report includes research from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that was current as of February 25, 2019 – March 25, 2019. ISG recognizes that many mergers and acquisitions have taken place since that time but those changes are not reflected in this report.

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The key trends are summarized below.

- **Increased uptake of on-premises S/4HANA solutions among large enterprises:** Customers that are looking for core process transformation, and face complexity in geographic scale and application customization are preferring on-premises deployment models compared to cloud hosting, which is finding traction among relatively smaller sized enterprises with limited scale.

- **Increasing use of frameworks for efficient S/4HANA services delivery:** Providers are using proprietary frameworks with standardized templates and methods to address different technical and process related areas of the value chain in S/4HANA and other SAP services implementations.

- **Industry-specific solutions for accelerated transformation:** Providers are building industry-specific solutions and accelerators for S/4HANA and SAP Leonardo for the manufacturing, retail, consumer packaged goods (CPG) and utilities industries to help enterprise customers that seek implementation expertise and business agility. Enterprises are looking for such solutions in the provider’s offering portfolio as a differentiator to help them in their journey to becoming an intelligent enterprise and achieve faster time-to-market.

SAP’s S/4HANA portfolio continues to march ahead on its progression path and gain confidence of enterprises in the U.S. This shift in momentum is evidenced in the company’s S/4HANA customer base, which has grown close to 30 percent in 2019 annually. From an offering perspective, S/4HANA now forms a large and essential part of the core SAP offering, and the company is looking at S/4HANA to strike a chord with enterprise customers looking for efficiencies and automation by automating their business processes and reducing complexity in their ERP landscape.

We observe that enterprises are taking a customized, thoroughly evaluated, and business need-driven adoption approach towards S/4HANA adoption. Drivers range from landscape transformation to conversions (using the greenfield, brownfield or bluefield approach) based on the complexity of the existing SAP ERP architectures. There has also been a gradual change in the posture and outlook of enterprise customers towards S/4HANA, and the initial inertia toward this portfolio of SAP is being replaced with optimism and positivity.

SAP has been introducing regular version updates to S/4HANA incorporating features to keep pace with changing requirements of enterprise clients and go beyond remaining relevant to becoming an integral stakeholder in its customers’ enterprise ERP growth story. Service providers are increasing their base of certified architects and professionals on SAP services. They are doing this with an eye on increasing their business resource footprint in the U.S. and improving their preparedness to meet the 2025 deadline of support sunset for certain SAP services including Business Suite.
Application of bots to automate processes and reduce resolution time in managed services: Service providers are using or planning to use bots in AMS services to respond to basic queries such as logging the ticket, providing the status of the ticket, reduce the time to resolution and prevent possible delays in resolution. Providers also are further automating services related to L1/L2 support, project reporting and have realigned the workforce to reassign staff that were working on these services to higher value and complex functions.

AI/ML-based tools and accelerators to provide SAP services: Providers are building tools and accelerators leveraging emerging technologies such as automation, artificial intelligence and machine learning to aid customers in their transformation. Some of the tools and accelerators built by the service providers are certified by SAP and available in the App Center, while some companies provide these services integrated with the contract. Most of these tools and accelerators help assess the existing IT landscape, strategize transformation roadmaps, improve code management and automate support services.

Providers are enabling SAP Leonardo adoption by building proof of concepts: There is an ambiguity in the enterprises’ mindset about implementing SAP Leonardo for their IT infrastructure, which has slowed SAP Leonardo adoption. In response, service providers are using the SAP Leonardo to build proof-of-concepts (PoC) to help address a specific industry issues or empower enterprises with emerging technologies.
Introduction

Definition

SAP is well known for its enterprise resource planning (ERP), data management products and digital focused offerings. This report compares SAP service providers and their capabilities to implement, migrate, host or manage SAP S/4HANA & Business Suite on HANA and SAP Leonardo services.
Definition (cont.)

Scope of the Report

The SAP HANA & Leonardo Ecosystem Partners 2019 report is a comprehensive, objective analysis and evaluation of the service providers. The report focuses on trends associated with SAP HANA and its market. As part of this U.S report, ISG classified 23 providers for SAP study as either leaders, market challengers, product challengers and contenders in six areas of specialization: SAP S/4HANA & Business Suite on HANA Transformation, SAP S/4HANA & Business Suite on HANA Managed Services, SAP BW/4 on HANA and BW on HANA Transformation & Operations, SAP Leonardo Transformation.

- **SAP S/4HANA & Business Suite on HANA Transformation**: ISG assesses consulting and system integration provider services for developing, deploying and testing enterprise applications, using SAP S/4HANA and SAP Business Suite on HANA with SAP Fiori as the user interface.

- **SAP S/4HANA & Business Suite on HANA Managed Services**: This quadrant assesses a providers’ capability to deliver managed services for maintenance, operations and support functions comprising monitoring, remote support and centralized management of applications across SAP S/4HANA and SAP Business Suite.

- **SAP BW/4 on HANA and BW on HANA Transformation & Operations**: This quadrant assesses a service provider’s ability to strategize, develop, modify and implement analytics on SAP Business Warehouse (SAP BW) on HANA (BW on HANA) using SAP HANA platform using public, on-premise or hybrid cloud models.

- **SAP Leonardo Transformation**: An assessment of providers on services for digital transformation using SAP Leonardo to build intelligent business functionalities leveraging HANA database which includes suite of artificial intelligence (AI), machine learning (ML), blockchain and IoT technologies, packaged as platform-as-a-service (PaaS) deployed on HANA database and utilizing SAP Cloud Platform.
Provider Classifications

The ISG Provider Lens™ quadrants were created using an evaluation matrix containing four segments, where the providers are positioned accordingly.

**Leader**
The “leaders” among the vendors/providers have a highly attractive product and service offering and a very strong market and competitive position; they fulfill all requirements for successful market cultivation. They can be regarded as opinion leaders, providing strategic impulses to the market. They also ensure innovative strength and stability.

**Product Challenger**
The “product challengers” offer a product and service portfolio that provides an above-average coverage of corporate requirements, but are not able to provide the same resources and strengths as the leaders regarding the individual market cultivation categories. Often, this is due to the respective vendor’s size or their weak footprint within the respective target segment.

**Market Challenger**
“Market challengers” are also very competitive, but there is still significant portfolio potential and they clearly lag behind the “leaders.” Often, the market challengers are established vendors that are somewhat slow to address new trends, due to their size and company structure, and have therefore still some potential to optimize their portfolio and increase their attractiveness.

**Contender**
“Contenders” are still lacking mature products and services or sufficient depth and breadth of their offering, while also showing some strengths and improvement potentials in their market cultivation efforts. These vendors are often generalists or niche players.
Rising Star

Rising stars are mostly product challengers with high future potential. When receiving the “rising stars” award, such companies have a promising portfolio, including the required roadmap and an adequate focus on key market trends and customer requirements. Also, the “rising stars” has an excellent management and understanding of the local market. This award is only given to vendors or service providers that have made extreme progress towards their goals within the last 12 months and are on a good way to reach the leader quadrant within the next 12-24 months, due to their above-average impact and innovative strength.

Not In

This service provider or vendor was not included in this quadrant as ISG could not obtain enough information to position them. This omission does not imply that the service provider or vendor does not provide this service.
## SAP HANA and Leonardo Ecosystem Partners - Quadrant Provider Listing 1 of 2

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SAP HANA and Leonardo Ecosystem Partners Quadrants
SAP S/4HANA & BUSINESS SUITE ON HANA TRANSFORMATION

Definition

ISG assesses consulting and system integration provider services for developing, deploying and testing enterprise applications using SAP S/4HANA and SAP Business Suite with SAP Fiori as the user interface. The providers abilities in planning, design and modelling applications across the enterprises’ operating model are also assessed.
Eligibility Criteria

The minimum eligibility criteria for assessment in this quadrant is providing ERP services development, integration and testing using SAP S/4HANA with the HANA in-memory computing platform for at least one implementation of S/4HANA or SAP Business Suite by the service provider.

Observations

- Accenture, with its workforce of more than 11,000 SAP FTEs, frameworks and platforms such as myConcerto and strong partnership with SAP, is a leader in the S/4HANA domain.

- A combination of methodologies and frameworks such as iCaptivate, industry-focused, preconfigured template solutions that can be integrated with SAP Model Company and a network of delivery centers make Capgemini a leader in SAP S/4HANA services.

- Deloitte's leadership position results from its unique combination of extensive consulting capabilities along with rich industry expertise it has translated into focused offerings for a variety of industries.

- Cognizant's strong network of SAP professionals, network of delivery centers and intelligent c-iERP framework makes the company a leader in the SAP S/4HANA segment.
HCL has a focused go-to-market strategy along with BASE90 industry-facing solutions. The company has made focused investments in DRYICE for DevOps tooling and established several Centers of Excellence.

IBM is a leader that has new product-related enhancements in Rapid Move for S4/HANA and its new BLUEFIELD™ approach for implementation.

Infosys offers a combination of frameworks, methodologies, focused go to market and training initiatives for S/4HANA, making the company stand out from others in the market.

NTT DATA, with its massive resource base, proprietary Playback approach and Accelerate tool, steady inorganic growth and proprietary tools has emerged as a leader in S/4HANA.

Tech Mahindra’s value added services for business transformation, proprietary tools such as Epselon and robust road map for S/4HANA migration makes it a rising star.
Definition

The assessment of this quadrant includes a providers’ capability to deliver managed services (operations) for maintenance and support functions comprising monitoring, remote support and centralized management for applications across SAP S/4HANA and SAP Business Suite. The qualified participants demonstrate maintenance and support services specifically for SAP HANA and related platforms across applications, data or security.

Typical SAP managed services providers can support multiple clients remotely, from delivery centers that leverage resource sharing and apply advanced tools to automate support processes. These providers have robust ITIL processes and possibly ISO20000 accreditation on incident management, problem management and release management. Application lifecycle management is necessary expertise for requirement management, version control and quality assurance. CMMI accreditation is expected, however it is not mandatory. Leaders typically have robust application change management, governance and change approval processes.
A client solution documentation is typically updated in SAP Solution Manager (SM). Leading providers have SM-certified staff and advanced integration to ticketing platforms such as ServiceNow and Atlassian Jira, although other tools can also be integrated.

- Participants offer maintenance and support services with SAP HANA and related platforms specialization and/or certification.
- The managed services for SAP HANA applications include data and security.
SAP S/4 HANA & BUSINESS SUITE ON HANA MANAGED SERVICES

Observations

- Accenture is a leader in managed services owing to its deep application management experience, large network of delivery centers and array of tools and proprietary IP for SAP migration and cloud management.

- Capgemini’s continuous improvement program based on the ITIL v3 framework, its proprietary ADMnext framework and a large base of more than 18,000 SAP resources make the company a leader in the managed services market.

- DXC is a leading player based on its SAP Basis professionals, Value Framework for AMS (which includes automation and self-healing capabilities) and strong partnership with SAP.

- HCL provides a rounded portfolio with an SAP Basis support team, proprietary Digital AMS framework and chatbots for process automation, making the company a managed services leader.

- IBM’s market leadership results from its strong industry expertise, domain leadership and large skilled workforce.

- Wipro’s standards-based Service NXT framework, series of dedicated centers of excellence (CoEs) and strong SAP Basis competency helps the company differentiate itself from others in managed services.
Definition

The quadrant assesses the service provider capabilities on their ability to strategize, develop, modify and implement real-time analytics using SAP HANA platform using public, on-premise or hybrid cloud models. The consulting services are assessed across data management strategy and 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 from other platforms. The assessment also includes provider’s industry knowledge, innovation and the ability to operationalize applications using BW/4HANA.
Eligibility Criteria

The providers that develop, migrate, integrate and test SAP BW platform using multi-cloud models for data warehousing are considered in this quadrant.

Observations

- Accenture is a leading player in the BW market due to its strong SAP partnership, robust BW HANA practice with dedicated team in its Delivery Network Centers, and industry leadership in financial services.

- Capgemini takes a domain-focused approach to BW through initiatives such as SAP Digital Control Room, industry-focused solutions and a network of centers of excellence (CoEs) that makes it a leader in the BW market.

- HCL has developed a host of core business analytic services, has focused efforts to reskilling its talent since 2017, has accelerated BW adoption for its customers using proprietary frameworks and became a leader in the BW market.

- IBM’s has a strong SAP BW practice, which focuses on BW modernization and a unique migration approach to BW/4HANA, puts the company in a leading position in the BW market.
Infosys offers a combination of a strong multi-dimensional team, acquisitions in emerging domains and a reskilled workforce, which makes the company stand apart from competition.

Tech Mahindra's innovation-led approach, strategic investments in reskilling associates and a well-defined RaaS framework make it a leader in this segment.

Wipro extends data science and machine learning (ML) capabilities BW/HANA, leverages its strong SAP partnership and has a good catalog of more than 120 data science solutions.

Mindtree is a Rising Star with a good mix of tools to support BW/4 on HANA in a variety of environments.
RISING STAR: MINDTREE

Overview
Mindtree offers BW services that can work either independently or with SAP Business Warehouse and Business Intelligence solutions. The company’s BW services range from defined data model implementation and data optimization to migration. The company has in-house capabilities and delivers BW/4HANA and BW on HANA services through 250 SAP BI professionals worldwide.

Strengths

Comprehensive mix framework, tools and SAP offerings: Mindtree offers a good mix of in-house proprietary frameworks and other assets, including MOTIF to support shipping operations in the CPG industry, advanced analytics capability to initiate, incubate and install solutions, SAP Analytics Strategy Assessment to obtain a birds-eye view of analytics within organizations and SAP and non-SAP data quality services for both migration processes and ongoing operations.

Strong data warehouse use case support: Mindtree provides different SAP products for operational reports, dashboards and analytics, data warehouse and data mart operations, big data, real-time operational intelligence, decision support and predictive analytics to help its customers achieve business efficiency.

Broad implementation base and industry focus: The company has implemented BW/4HANA in several different ways across greenfield and brownfield projects. The company has good strength in this domain in the retail, fast-moving consumer goods (FMCG), insurance and automotive industries.

Caution
Mindtree should consider extending its U.S. partner network beyond SAP and model it on its global partnership network.
The quadrant assesses providers on services for digital transformation using SAP Leonardo to build intelligent business functionalities leveraging HANA database. SAP Leonardo includes a suite of artificial intelligence (AI), machine learning (ML), blockchain and IoT technologies, packaged as platform-as-a-service deployed on HANA database and utilizing SAP Cloud Platform for development. The assessed capabilities also include business transition, industry-specific implementations and deployment on public, hybrid and on-premise cloud.
The providers should have delivered projects either AI, machine learning, blockchain or IoT using SAP Leonardo as a standalone platform or included design thinking in the offering.

**Observations**

- Accenture's SAP Leonardo practice is built on the pillars of strong innovation and research-led focus, which coupled with its large network of delivery centers and strong SAP partnership, makes the company a pioneer in the SAP Leonardo market.
- Capgemini offers a network of innovation labs, dedicated centers of excellence (CoEs) and industry-based accelerators for manufacturing and supply chain which make the company stand out in the SAP Leonardo market.
- HCL offers four preconfigured accelerators and has made heavy investments in technical readiness for its professionals through focused training. These initiatives help make the company a market leader.
- Wipro's market leadership comes from its preconfigured accelerators, training initiatives and strong synergies with SAP.
- Cognizant, the Rising Star, offers Digital Collaboratories, 28 preconfigured solutions and an operations-focused network to provide efficiency and cost-effective SAP operations to its customers.
Methodology
METHODOLOGY

The ISG Provider Lens™ 2019 – "SAP HANA and Leonardo Ecosystem Partners" research study analyses the relevant software vendors and service providers in the USA market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

The study was divided into the following steps:

1. Definition of SAP HANA and Leonardo Ecosystem Partners
2. Use of questionnaire-based surveys of service providers/vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
6. Use of the following key evaluation criteria:
   - Strategy & vision
   - Innovation
   - Brand awareness and presence in the market
   - Sales and partner landscape
   - Breadth and depth of portfolio of services offered
   - Technology advancements
Authors and Editors

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Lead Analyst

Kartik Subramaniam is the Lead Analyst for SAP HANA and Application Development and Maintenance (ADM). He brings in close to 10 years of experience in primary as well as Secondary Research, Advisory and Consulting experience from leading IT companies such as Accenture, IBM, IDC and TNS. Kartik has worked on many Research and Advisory assignments in the areas of offering in application development and maintenance, multi layered/pace layered IT/applications, cybersecurity and infrastructure services. Apart from research, Kartik also worked closely with the strategy and sales teams providing insights on strategic planning for offerings and creating seller enablement deliverable through analytics at Accenture and IBM respectively.

Jan Erik Aase, Editor
Director

Jan Erik Aase is a director and principal analyst for ISG. He has more than 35 years of collective experience as an enterprise client, a services provider, an ISG advisor and analyst. Jan Erik has overall accountability for the ISG Provider Lens™ reports, including both the buyer-centric archetype reports and the worldwide quadrant reports focused on provider strengths and portfolio attractiveness. He sets the research agenda and ensures the quality and consistency of the Provider Lens™ team.