



IDC MarketScape

IDC MarketScape: Worldwide Microsoft Enterprise Applications Implementation Services Ecosystem 2015 Vendor Assessment

Ali Zaidi

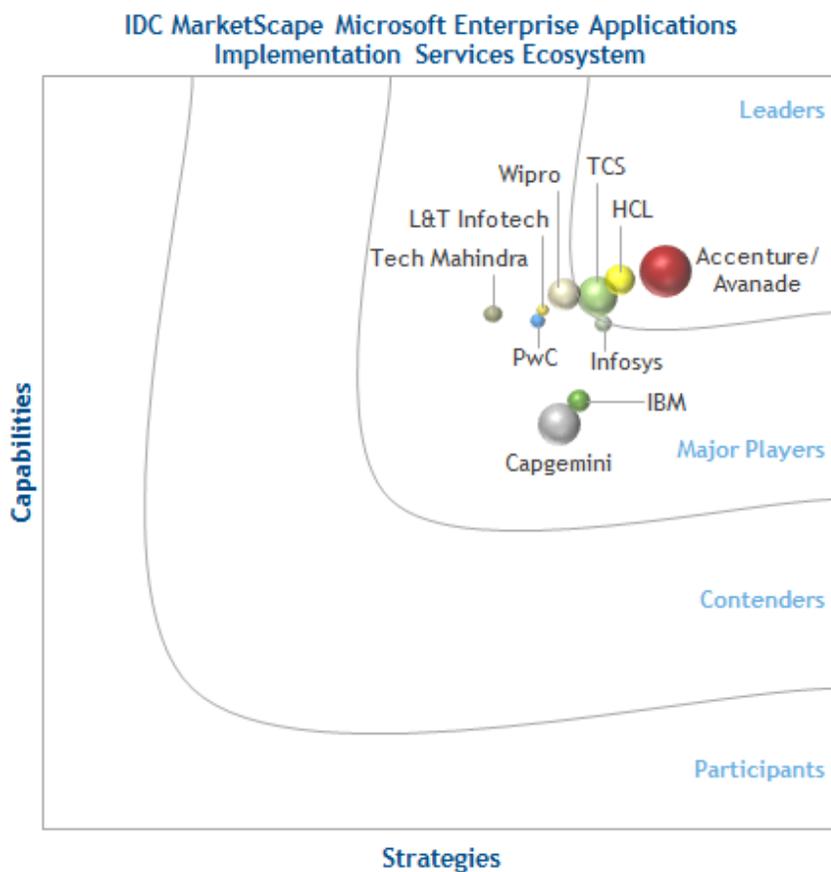
Gard Little

THIS IDC MARKETSCAPE EXCERPT FEATURES: AVANADE

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Microsoft Enterprise Applications Implementation Services Ecosystem Vendor Assessment



Source: IDC, 2015

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Microsoft Enterprise Applications Implementation Services Ecosystem 2015 Vendor Assessment (Doc #US40150215). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

This IDC study represents a vendor assessment of the 2015 Microsoft enterprise applications implementation services market through the IDC MarketScape model. This research is a quantitative and qualitative assessment of the characteristics that explain a vendor's success in the marketplace and help anticipate the vendor's ascendancy. This IDC MarketScape covers a variety of vendors participating in the worldwide Microsoft enterprise applications implementation services market. This evaluation is based on a comprehensive framework and a set of parameters expected to be most conducive to success in providing implementation services around Microsoft solutions during both the short term and the long term. A significant component of this evaluation is the inclusion of buyers' perceptions of both the key characteristics and the capabilities of these providers. Key findings include:

- Across all 27 capabilities assessed, the categories of "future offering and capability road map" and "future customer service strategy" were rated most highly on average by customers across all services providers. The category of "future cost management strategy" received the lowest mean scores ratings overall.
- Based on feedback from 70 customers of the vendors that were evaluated, the attribute of "integrate project team with client's company" received the highest mean rating of any of the 22 attributes rated. The lowest mean rating for any attribute was "provide industry insights and competence."
- When buyers were asked what characteristics were required for a Microsoft enterprise applications implementation services project to be successful, at a worldwide level, the primary characteristic was the "ability to achieve desired business outcomes."

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

The inclusion criteria for this IDC MarketScape consisted of two dimensions. First, vendors were required to serve a broad range of industries; therefore, vendors with the bulk of their revenue from the U.S. government, such as Lockheed Martin, were excluded. Second, vendors had to have at least 10% of revenue for their Microsoft implementation services practice from two of three IDC-defined macroregions (the Americas, EMEA, and Asia/Pacific). The following Microsoft enterprise applications, as well as any related industry-specific solutions, were in scope for this analysis when calculating implementation services revenue:

- Microsoft Dynamics
- Microsoft Power BI
- Microsoft System Center
- Visual Studio

- Microsoft Azure
- Microsoft Social Engagement
- Office 365
- Microsoft Intune
- Exchange Server
- Skype for Business
- SharePoint

Please note that Deloitte could not be evaluated in the same manner as other vendors because of its audit relationship with Microsoft. A list of 21 vendor candidates was generated based on these criteria. In total, 10 vendors have been evaluated.

ESSENTIAL BUYER GUIDANCE

- **Prevent project expectation mismatches.** Respondents indicated the primary business driver for Microsoft enterprise applications implementation services projects was to "create a more effective business"; however, IT managers or CIOs/CTOs are the project sponsors two-thirds of the time. Likewise, respondents indicated the primary characteristic for project success was the "ability to achieve desired business outcomes," but less than 15% of respondents indicated that most of these implementation projects also bundled in business consulting or business process-related services. Moreover, respondents' lowest mean rating for any vendor attribute was to "provide industry insights and competence." So make sure your business and IT goals are aligned for these projects and that they are scoped and staffed in a way to deliver on expectations.
- **Look at vendors' R&D or innovation skills for differentiation.** Obviously, this only applies if innovation or R&D matters for your implementation, but increasingly, this matters to most buyers. IDC observed that this characteristic had the widest variation in evaluating vendors. Vendor resources colocated with Microsoft's research labs, or vendor innovation teams that leverage Microsoft IP across both its own organization, and more importantly yours, are some of the key attributes to evaluate.
- **Use this IDC MarketScape to aid vendor selection.** Use this IDC MarketScape in contract negotiations and as a tool to not only short list vendors for Microsoft implementation service bids but also evaluate vendors' proposals and oral presentations. Because this analysis shows that the breadth and depth of services offered are strong for the majority of systems integrators, make sure you understand where these players are truly differentiated and take advantage of their expertise.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths, challenges, and opportunities. The vendors are listed in alphabetical order.

Accenture/Avanade

According to IDC analysis and buyer perception, Accenture/Avanade is an IDC MarketScape Microsoft Enterprise Applications Implementation Services Leader worldwide. Accenture and Avanade were evaluated as a single entity for this IDC MarketScape because their strategies, including go to market, and capabilities for Microsoft services are tightly integrated.

Strengths

Buyers rate Accenture/Avanade highly for its ability to integrate project teams with those of its clients; it was rated highly for its ability to "provide functional insights and competence" and for buyers' willingness to recommend. IDC rates Accenture/Avanade highly in this IDC MarketScape in terms of both current capabilities and future strategies. IDC rates Accenture/Avanade equally strong across three areas: future offering, future go-to-market, and future overall business strategy.

Challenges

IDC believes Accenture/Avanade's future growth strategy could be enhanced further by acquisitions, particularly firms with IP specific to Microsoft's enterprise applications business. Likewise, Accenture/Avanade's future sales and distribution strategy could be augmented by developing digital sales channels.

Opportunities

According to IDC's 2015 *Global Microsoft Enterprise Applications Implementation Services Buyer Perception Survey*, Accenture/Avanade can further enhance its position in future related IDC MarketScape evaluations by improving its client perception in the following areas:

- Ability to provide industry insights and competence
- Offering more flexible pricing models to meet client needs for Microsoft implementation services
- Project value delivered for fee paid

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

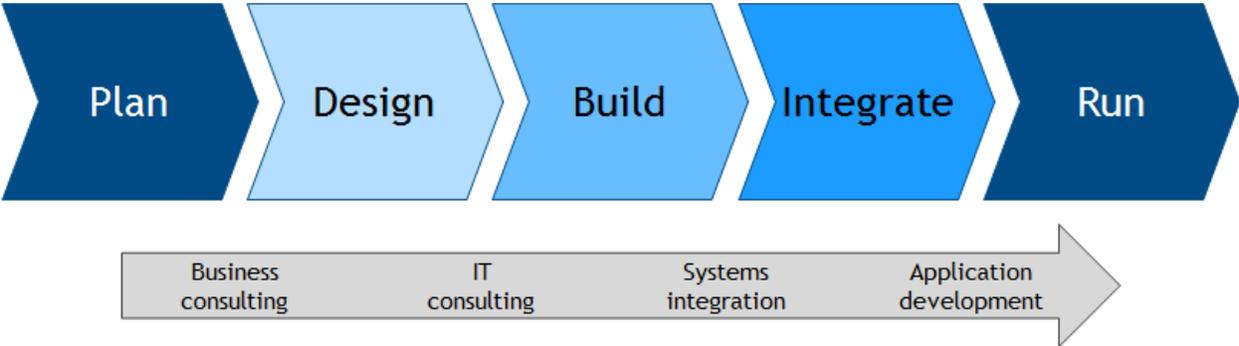
IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of a review board of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

The Microsoft enterprise applications implementation services market covers the design, build, and integrate functions of the plan-design-build-run function chain (see Figure 2). For the list of enterprise applications in scope for this analysis, see the IDC MarketScape Vendor Inclusion Criteria section. For a detailed definition of the services markets illustrated in Figure 2, see *IDC's Worldwide Services Taxonomy, 2015* (IDC #254824, March 2015).

FIGURE 2

IDC's Plan-Design-Build-Integrate-Run Function Chain



Source: IDC, 2015

LEARN MORE

Related Research

- *Worldwide and U.S. IT Consulting 2015-2019 Forecast* (IDC #255748, May 2015)
- *Worldwide and U.S. Systems Integration Services 2015-2019 Forecast* (IDC #255759, April 2015)
- *IDC MarketScape: Worldwide Salesforce.com Implementation Ecosystem 2015 Vendor Assessment* (IDC #255142, April 2015)
- *IDC's Worldwide Services Taxonomy, 2015* (IDC #254824, March 2015)
- *A Profile of the Microsoft Partner Network* (IDC #254029, January 2015)

Synopsis

This IDC study represents a vendor assessment of the Microsoft enterprise applications implementation ecosystem through the IDC MarketScape model. This assessment discusses both quantitative and qualitative characteristics that explain success in the ecosystem. This IDC MarketScape covers a variety of vendors participating in the Microsoft enterprise applications implementation services space. The evaluation is based on a comprehensive and rigorous framework that assesses vendors relative to the criteria and one another and highlights the factors expected to be the most influential for success in the market during both the short term and the long term.

"This is IDC's first ever evaluation of the Microsoft enterprise applications implementation services ecosystem, and it will help IT buyers evaluate which service providers to consider," says Ali Zaidi, research manager, IT Consulting and Systems Integration Business Strategies at IDC. "Interestingly, vendors' R&D and innovation skills showed the greatest rating differentiation during our evaluation," added Gard Little, research director, IT Consulting and Systems Integration Business Strategies at IDC. "Increasingly, innovation matters to more buyers, so vendor resources colocated with Microsoft's research labs and vendor innovation teams that leverage Microsoft IP are some of the key attributes we evaluated."

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