

***ISG** Provider Lens™

Salesforce Ecosystem Partners

Managed Application Services

U.S. 2020

Quadrant Report

A research report
comparing provider
strengths, challenges
and competitive
differentiators.

April 2020

Customized report courtesy of:

Infosys®

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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 ISG believes to be current as of February 2020 for providers who actively participated as well as for providers who did not. 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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For more information about our studies, please email ISGLens@isg-one.com, call +49 (0) 561-50697537, or visit ISG Provider Lens™ under [ISG Provider Lens™](#).



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EXECUTIVE SUMMARY

The Salesforce Ecosystem and Its Structure

Since the company was founded in 1999, Salesforce has shown significant growth and is currently the world's leading provider of cloud-based customer relationship management (CRM) functionality as a service (SaaS). From the outset, the company has been focused on agile implementation and a high level of standardization, which, in turn, compels it to issue frequent application updates. Furthermore, this helps clients complete rapid implementations that can start with limited functional scope and be enhanced over time. Meanwhile, the continuous updates on the software has led to a variety of products being offered. Starting with Sales Cloud and Service Cloud, that are undoubtedly the most mature products, the Salesforce portfolio encompasses numerous other products. Some of these products, such as Community Cloud or the Commerce Cloud, are focused on specific functionalities, while others, such as Financial Services Cloud or the Health Cloud, are focused on particular industries.

For the implementation and operation of Salesforce-based applications, most companies have to solicit the capabilities of service providers because they often do not have sufficient in-house knowledge or capacity. While selecting an appropriate provider, it's important to consider that the complexity of the underlying application system landscape tends to increase with the size of the company. An additional dimension to this complexity appears when real global system design and rollout are required. Hence, in most cases, large enterprise customers prefer providers that have strong integration capabilities and are working on a global scale, using, for example, major system integrators. Frequently this goes alongside the need to consolidate multiple isolated Salesforce instances that have already been growing over a period of time, primarily driven by the businesses themselves

without the involvement of respective IT divisions. And finally, providers in this field need to offer appropriate capabilities in other common software packages. All of this leads, in contrast to the pure agile approaches that were applied in most early Salesforce projects, to an implementation methodology that is a combination of agile elements for the implementation phases with phase-oriented elements in terms of strategy, design and rollout. The common term for this approach is hybrid agile.

The pure agile approaches are suitable for small and midsize companies with limited global presence or for those cases where an implementation is required within a global company's subsidiaries that have limited scope. For this segment, integration and consolidation is not as important as for the large companies with a global presence and that require major system integrators. In this case, midsize service providers that focus on Salesforce only and on agile implementations have an important share of the market. These providers are often referred to as boutique providers.

Within this report, the two main categories of providers explained above are to a large extent associated with different quadrants (see the description in the introduction section below).

Another important trend in the Salesforce ecosystem, in the recent years, is ongoing consolidation. This is primarily reflected in the various acquisitions that took place with large system integrators in the U.S. market acquiring boutique providers. One important reason for this trend is the need among system integrators for fast growth of their own workforce to meet the increasing demand for a myriad of services. In addition, the

system integrators enrich their methodologies by bringing in the agile mindset that is characteristic of most boutique providers. However, it is a challenge to merge the two different cultures within one organization, which is indicated by the fact that, in many cases, the acquired companies continue to operate under their own labels and are not integrated into the acquirer's company.

For all providers, irrespective of them being system integrators or boutique providers, a strong network of partnerships with independent software vendors (ISVs) within the Salesforce ecosystem is highly important. The primary reason for this is that industry-specific requirements or extended requirements for particular functions, such as configure-price-quote (CPQ), quite often, go beyond the standardized scope of Salesforce products alone. Hence, if services providers want to cover these bases by implementing reusable solutions, instead of individual products, they need to utilize the offerings of the ISVs. These solutions are usually offered as independent products with separate licensing models that need to be considered when assessing the potential costs of a Salesforce-based application. Salesforce runs a specific web-based store for these solutions, called AppExchange Store, that provides comprehensive information about ISVs and their products (usually called apps). Salesforce ensures that the apps meet basic software quality measures, maintenance cycles and compatibility with Salesforce products, among other requirements.



Introduction

Simplified illustration



Source: ISG 2020

Definition

The Salesforce Ecosystem study examines various offerings around the Salesforce platform. It analyzes providers that act as implementation partners for Salesforce and design, configure and implement solutions for clients using this platform. Within this group, a distinction has been made between providers that, apart from Salesforce-related knowledge, are also capable of integrating Salesforce-based solutions into major system landscapes (system integrators) and the providers that specialize in the implementation of Salesforce. Furthermore, the study analyzes providers that offer services to support customers in the operation of the implemented Salesforce solutions (managed application services).

Definition (cont.)

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

- Transparency in the strengths and weaknesses of relevant providers
- A clear picture of the differentiated positioning of providers by segments
- A focus on different markets, including the U.S., Germany and Brazil.

Our study serves as the foundation for important decision-making based on positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also leverage information from these reports to evaluate current vendor relationships and potential engagements.

Scope of the Report

This study examines various offerings around the Salesforce platform for the U.S. market. It covers four distinct market segments evaluating the most significant service providers and primary Salesforce partners registered in the Salesforce AppExchange portal.

The Implementation and Integration Services quadrant addresses the providers offering implementation services for Salesforce applications as well as the integration of these applications with major standard software solutions that are usually a part of the sophisticated system landscape of large enterprise customers operating globally. These services include consulting, configuration and implementation of respective applications for a client, integration within a customer's system landscape, data migration and go-live support.

Definition (cont.)

The Implementation Services for Core Clouds quadrant encompasses providers that are highly specialized in Salesforce sales, service and commerce cloud and take an agile approach for implementation. An important aspect of the service provided revolves around consulting on the redesign of processes while using Salesforce applications. These providers are best suited for projects that do not have major integration needs, and typically involve medium-size and small customers.

The Implementation Services for Marketing Cloud quadrant includes providers that are highly specialized in this specific Salesforce product. In addition, the providers included in this quadrant possess deep knowledge of marketing-specific aspects such as the use of media and multi-channel approaches for information gathering, customer experience and digital customer journey optimization. In this specific context of marketing, the need for real-time integration into a sophisticated system landscape is limited.

The Managed Application Services quadrant covers providers with the capability to offer managed services for maintenance and support functions that include monitoring, remote support, centralized management of Salesforce applications, data quality management, data security and compliance-related aspects.

The following evaluation criteria apply to all the segments:

- Technology competency
- Delivery capabilities
- Use cases
- Unique differentiators
- Economic stability
- Market position

The three implementation-oriented segments are additionally based on the following criteria:

- Predefined solutions, accelerators and templates
- Partnerships

The following additional criteria are applicable for the operational support services segment:

- Maturity of delivery and contract models
- Experience with support for Salesforce-based applications
- Broad customer base

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.

Provider Classifications (cont.)

Each ISG Provider Lens™ quadrant may include a service provider(s) who ISG believes has a strong potential to move into the leader's quadrant.

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.

Salesforce Ecosystem Partners - Quadrant Provider Listing 1 of 3

	Implementation and Integration Services	Implementation Services for Core Clouds	Implementation Services for Marketing Cloud	Managed Application Services
7Summits	● Not In	● Product Challenger	● Not In	● Not In
Accenture	● Leader	● Not In	● Not In	● Leader
Acumen Solutions	● Not In	● Leader	● Leader	● Not In
Appirio	● Market Challenger	● Leader	● Market Challenger	● Leader
Atos	● Contender	● Not In	● Not In	● Product Challenger
Birlasoft	● Product Challenger	● Rising Star	● Not In	● Product Challenger
Bluewolf	● Product Challenger	● Leader	● Leader	● Not In
Capgemini	● Leader	● Not In	● Not In	● Leader
CGI	● Contender	● Not In	● Not In	● Contender
Cloudity	● Not In	● Contender	● Not In	● Not In
Coastal Cloud	● Not In	● Product Challenger	● Product Challenger	● Not In
Cognizant	● Leader	● Not In	● Not In	● Leader

Salesforce Ecosystem Partners - Quadrant Provider Listing 2 of 3

	Implementation and Integration Services	Implementation Services for Core Clouds	Implementation Services for Marketing Cloud	Managed Application Services
DEG, an Isobar Company	● Not In	● Not In	● Leader	● Not In
Deloitte	● Leader	● Not In	● Not In	● Not In
EPAM	● Contender	● Market Challenger	● Not In	● Contender
Fujitsu	● Market Challenger	● Not In	● Not In	● Not In
Globant	● Contender	● Not In	● Not In	● Not In
HCL	● Product Challenger	● Not In	● Not In	● Leader
Hexaware	● Not In	● Rising Star	● Not In	● Product Challenger
Huron	● Not In	● Contender	● Contender	● Contender
Infosys	● Leader	● Not In	● Not In	● Leader
LTI	● Product Challenger	● Not In	● Not In	● Rising Star
Magnet360	● Product Challenger	● Leader	● Leader	● Leader
NTT DATA	● Leader	● Not In	● Not In	● Leader

Salesforce Ecosystem Partners - Quadrant Provider Listing 3 of 3

	Implementation and Integration Services	Implementation Services for Core Clouds	Implementation Services for Marketing Cloud	Managed Application Services
OSF Digital	● Not In	● Not In	● Product Challenger	● Not In
Perficient	● Contender	● Product Challenger	● Not In	● Not In
Persistent	● Not In	● Leader	● Product Challenger	● Product Challenger
Polsource	● Not In	● Product Challenger	● Product Challenger	● Product Challenger
PwC	● Leader	● Not In	● Not In	● Not In
Relation Edge	● Not In	● Contender	● Not In	● Not In
Silverline	● Not In	● Product Challenger	● Contender	● Not In
Slalom	● Product Challenger	● Leader	● Leader	● Not In
TCS	● Leader	● Not In	● Not In	● Leader
Tech Mahindra	● Product Challenger	● Not In	● Not In	● Market Challenger
Traction on Demand	● Not In	● Leader	● Product Challenger	● Product Challenger
Zensar	● Not In	● Product Challenger	● Not In	● Product Challenger



Salesforce Ecosystem Partners Quadrants



SALESFORCE MANAGED APPLICATION SERVICES

This report is relevant to enterprises across all industries in the U.S. and evaluates service providers of Salesforce Managed Application Services.

In this quadrant report, ISG defines the current market positions of providers of Salesforce Managed Application Services in the U.S. Traditional managed services primarily cover outsourcing activities such as onsite or remote support, or application monitoring. This study covers providers offering additional services, including administration assistance, accelerators for development and utilization, development services, proactive monitoring and advisory services.

The service providers in the U.S. support large, medium, and small enterprises that run Salesforce applications. ISG notes that proximity to enterprise workforce is an important factor determining the strong market position of providers, since several aspects of managed application services, such as user training and resolution of issues by workaround, require direct and immediate interaction with the user. Large enterprises headquartered in the U.S., that have global operations, can leverage global providers to support U.S. deployments and deployments in other parts of the world. Enterprises seeking onshore

managed services can also opt for qualified mid-sized service providers. All service providers must aim for high levels of user satisfaction to sustain or encourage the use of Salesforce applications and justify the investments in Salesforce managed services.

Marketing, sales, and field services leaders should read this report to understand the relative positioning and capabilities of service partners that can help to implement Salesforce managed application services effectively. The report also highlights the advanced managed services capabilities of service providers, including administration assistance, development and use of accelerators, Salesforce Lightning services, proactive monitoring and advisory services.

IT and technology leaders should read this report to understand the relative positioning and capabilities of service providers of managed services. The report also compares the technical capabilities of these providers in areas such as remote and onsite monitoring, technology accelerators, incident response, automation and development methodologies.

Security and data professionals should read this report to understand how the providers comply with data privacy and security requirements in the U.S. in their Salesforce managed application service practices.

Procurement professionals should read this report to understand how the providers differ in their approach to Salesforce managed application services in the U.S. The report covers differences in experience in terms of Salesforce applications, nature of customer base and industry relations.

MANAGED APPLICATION SERVICES

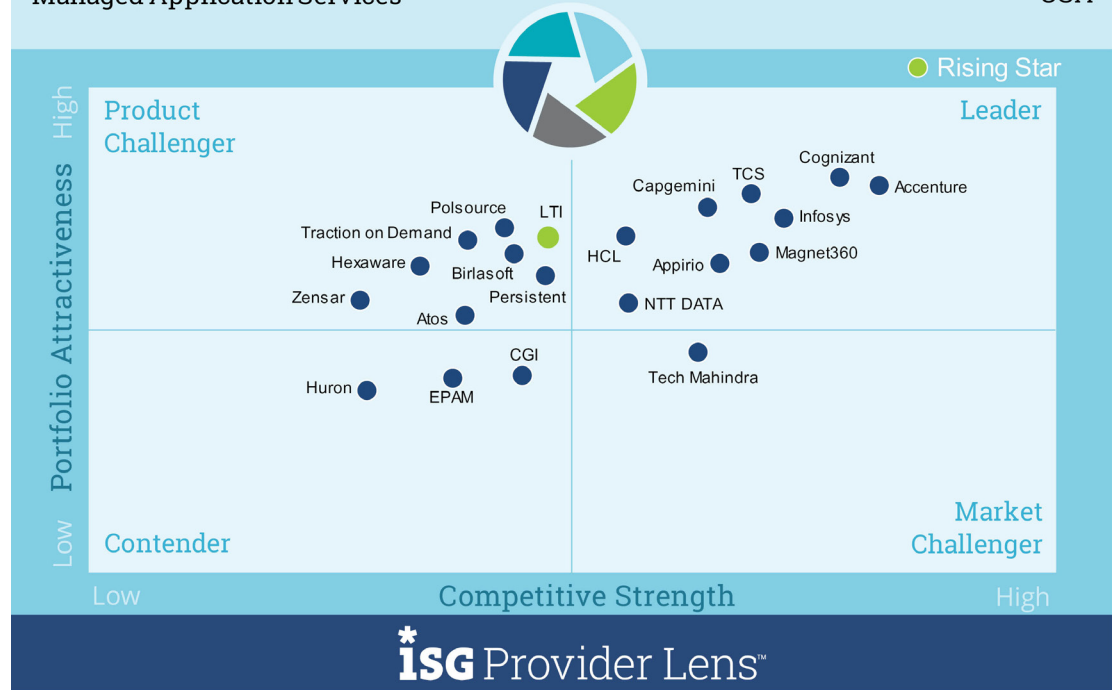
Definition

This chapter evaluates providers that specialize in Salesforce managed services. Traditional managed services include outsourcing activities like onsite or remotely support in different levels or application monitoring, but in this study ISG covers other related topics such as administration assistance, development and utilization of accelerators, lightning services, proactive monitoring and advisory services.

As for all enterprise-level applications service providers must primarily ensure stable and reliable operation of the respective solution, continuously high performance and rapid reactions and resolutions to any incidents that might occur.

Salesforce Ecosystem Partners 2020
Managed Application Services

2020
USA



Source: ISG Research 2020

MANAGED APPLICATION SERVICES

Eligibility Criteria

- Methodical and procedural concepts
- Degree of framework automation and service reliability
- Managed service portfolio attractiveness
- Maturity of delivery and contract models
- Experience with support for Salesforce-based applications
- Broad customer base
- IT outsourcing transition knowledge (compliance)
- Industry relations and partnerships
- Use cases

Observations

Managed application services have also become, in the area of cloud-based applications, an important component of provider portfolios. Companies tend to focus their resources and deep knowledge of processes primarily on projects (the change business) instead of supporting only the ongoing operations (the run business). Therefore, they often rely on service providers to manage this part..

- Operational stability and incident management, that are in the scope of managed application services, have to take not only the respective application into consideration but also connection to other systems. This usually requires additional knowledge about the connected systems, which give the large system integrators a competitive advantage in this segment over providers that focus primarily or even only on Salesforce. Another key characteristic of managed application services is the high cost consciousness among clients availing the services. The common global delivery models are another advantage for system integrators. Consequently, most leaders in this segment belong to this category, although midsize providers with basically onshore capabilities also offer qualified managed services.

MANAGED APPLICATION SERVICES

Observations (cont.)

- Proximity to the client remains an important factor determining a strong market position since several aspects of the managed application services, like user training and resolution of issues by workarounds, require interaction with the respective user. Therefore, leaders in this segment usually also have a notable onshore presence.
- Another important success factor for a cost-efficient provisioning of managed application services is the capability to automate functions such as monitoring, user support and performance optimization.

The following providers have been identified as Leaders in this segment: Accenture, Appirio (a Wipro company), Capgemini, Cognizant, HCL, Infosys, Magnet360 (a Mindtree company), NTT Data and Tata Consultancy Services (TCS).

- **Accenture** benefits, in this segment, from its extraordinarily large workforce combined with a sophisticated global delivery model. Furthermore, the broad functional and industry expertise of the company enable it to offer the capability to manage Salesforce applications in the context of the complex system landscapes of large enterprise customers.

- **Appirio** offers a variety of powerful tools supporting the management of applications. In combination with the sophisticated and rather flexible support model, Thrive, the company qualifies as a highly capable provider of managed application services.
- With **ADMNext** as its powerful application management solution, Capgemini has a compelling base for comprehensive services in this segment. This is supplemented by various business-related services that are offered as business-process-as-a-service (BPaaS).
- **Cognizant** has long-time association with Salesforce in the provisioning of application services on all levels of the user community. Furthermore, the company's portfolio includes a variety of powerful application management tools that enable it to deliver highly competitive services.
- In the area of Salesforce, **HCL** offers a comprehensive set of highly scalable and flexible services, accompanied by a scalable agile methodology. The strong focus on data quality as the reliable base for efficient system operation is also noteworthy.
- Based on a comprehensive suite of application management tools and a powerful global delivery model, **Infosys** offers a strong portfolio of managed application services for Salesforce that meets the needs of large enterprise clients.

MANAGED APPLICATION SERVICES

Observations (cont.)

- **Magnet360** offers a balanced delivery model that, in combination with attention on appropriate governance structures and data quality, is the strong foundation for its the portfolio of managed application services.
- **NTT Data** has a sophisticated delivery model with a high share of nearshore resources. Strong support models and powerful tools constitute its managed service offerings.
- In addition to its strong global delivery model, **TCS** pays much attention to client proximity and is focused on continuously increasing its onshore presence. The company has a broad portfolio of application management tools and automation solutions that support cost-efficient delivery of managed services.

L&T Infotech (LTI) has achieved the Rising Star status in the market.

- **LTI** has long-time experience with addressing the needs of large enterprise clients as its focus group. Besides functional requirements, LTI shows a deep knowledge of regulatory aspects and pays high attention to data quality. Hence LTI has the potential for acquiring a leading position in this segment in the future.

INFOSYS

Overview

Infosys provides consulting and technology services globally. The company's services include architecture definition, agile implementations, global rollout execution, ecosystem integration, platform-based application modernization and support services. It was founded in 1981 and is headquartered in Bengaluru, India. Infosys has Salesforce deployment experience across industry verticals and has additional expertise with numerous ISV solution offerings based on the Salesforce platform. The company is the Platinum Partner of Salesforce and has more than 3,900 Salesforce-dedicated resources, of which more than 1,880 are certified.

Strengths

Delivery model formula: Infosys operates as a global delivery organization with several delivery centers in the U.S. that offer a mix of onshore and offshore resources contributing to cost-efficient project execution. In the recent years, Infosys has achieved strong growth in Salesforce-related market segments.

Powerful application management tools: The company's portfolio includes a variety of tools to support efficient application management. For instance, the Infosys Agile Pro-Smart Development Platform provides a comprehensive implementation environment with several automated steps (health check, continuous deployment and others) that help to increase efficiency and speed in Salesforce implementation activities. Similarly, the Code Coverage Manager is a tool that helps to monitor the code utilization of Salesforce implementations across a client organization. Another example is the Infosys Sandbox Manager that helps to manage non-production instances of Salesforce in one place and to keep them updated.

Mature contract model: The company's share of fixed-price or outcome-based projects in the U.S. is high and indicates its willingness to take co-responsibility for engagement results.

Caution

The company's global delivery model is ideal for large companies, while a higher onshore presence may be required for medium-size companies, however the company is trying to bridge this gap with acquisitions (SIMPLUS and FLUIDO).



2020 ISG Provider Lens™ Leader

Infosys is a capable provider of Salesforce-related services offering powerful application management solutions and productivity tools that are supported by a global delivery model.



Methodology

METHODOLOGY

The research study “ISG Provider Lens™ 2020 – Salesforce Ecosystem Partners” analyzes the relevant software vendors/service providers in the US 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 Salesforce Ecosystem Partners market
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

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On behalf of ISG he conducts studies within the framework of ISG Provider Lens and takes on client projects with definition of IT strategy and the resulting sourcing decisions.

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