ISG Provider Lens™

Multi Public Cloud Services

A research report comparing provider strengths, challenges and competitive differentiators

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unisys

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Multicloud strategy and FinOps are foundational elements for migrating to public cloud environments

The widespread adoption of cloud technology in the U.S. is fueling innovation and improving CX. It has pushed enterprises to make significant investments in migrating to public cloud infrastructure. In the last four quarters, ISG has observed a steady demand for cloud computing in the region, mainly due to the increasing digitalization of business operations and the growing need for high-performance computing solutions for business-critical workloads. This demand is primarily driven by the rapid expansion and evolution of various technological segments, with application modernization and AI and ML technologies leading the charge. Enterprises in the U.S. are also looking to reengineer their legacy software applications to align them with current business needs and next-generation cloud infrastructure.

This process often necessitates substantial expertise in transformation capabilities and computational power due to the complexity of these applications. The AI and ML technologies, which form the backbone of many modern digital services and solutions, are known for their intensive consumption of compute resources. The resource-intensive nature of these technologies is a testament to their complexity and sophistication as they involve complex algorithms and processes requiring substantial computational power to function effectively. ML models, for instance, often need to process vast amounts of data in real-time, which requires robust and efficient computing resources. The high demand for these compute resource-intensive technologies underscores the critical role of cloud computing in today's digital landscape. By providing scalable and efficient computing resources on demand, multicloud computing platforms enable businesses and developers to leverage advanced technologies without substantial upfront investment in IT infrastructure.

Multicloud is becoming the norm and complements **business needs** to achieve **optimum results**.

ISG's choice of Multi Public Cloud Services for the name of this study results from the prominence of multicloud environments in the IT industry. It also corroborates our research, where it was observed that around one-third of all enterprises use at least one public cloud, with the remaining using two public clouds and three cloud providers, respectively, and a small percentage using four or more public clouds. This multicloud environment has created an additional layer of complexity in managing the cloud infrastructure, leading the enterprise community to opt for an external service provider instead of managing complex environments by themselves. However, the skill shortages have made procuring the right resources for these requirements challenging. An individual with exposure and qualifications across multiple clouds is considered more valuable as they can enable effective hybrid cloud implementations and operations across most organizations. Multiple certifications also help ensure alignment and requirement fulfillment for future engagements with multiple clouds. Therefore, organizations are encouraged to leverage service providers to get the necessary skills and technologies to grow their business and get the most value from the latest advanced technologies to drive innovation and competitive advantage.

Based on ISG's estimates, we have observed that the overall cloud services market has grown by approximately 50 percent in the U.S. since last year. However, when we looked at the global geography, the growth was more than 100 percent during the period. This shows that although the U.S. is one of the major markets in the world, its growth rate is half when compared to the global cloud services growth rate. In the ISG Index™ call for the Americas market, we reported that the combined market (managed services and XaaS) witnessed a seven percent decline in the first nine months of 2023, with the annual contract value (ACV) reaching $35.4 billion. ISG observed slowing demand for XaaS, with year-to-date spending declining at 16 percent. However, managed services gained traction and grew by six percent, with ACV reaching $15.7 billion. ISG also observed that a total of 1,090 managed services contracts were signed in the first nine months of 2023. Within Managed Services, the ITO market grew by 21 percent to $11.6 billion, while the BPO market slid by 20.5 percent to reach an ACV of $4.2 billion.

Recently, ISG rolled out the Star of Excellence™ program, which is based on the voice of the customer concept. Here, providers are rated on six parameters, namely Service Delivery, Governance and Compliance, Collaboration and Transparency, Innovation and Thought Leadership, People and Culture Fit, and Business Continuity. The scores and data come from the Star of Excellence™ study that measures CX with providers based on direct client feedback. ISG found that the average provider CX score for the public cloud domain in North America was 79.9 in 2022. Cognizant, Computacenter, DXC Technology, HCLTech, HPE and Infosys are the top six providers with above-average CX scores. Infosys won the overall global public cloud Star of Excellence™ award for 2022.

ISG also conducted an individual research study on Cloud Buyer behavior in 2022. The findings helped several enterprises make better purchasing decisions around choosing cloud providers and managed services partners. Below is a snapshot of what traits enterprises look for in an MSP to support cloud adoption.

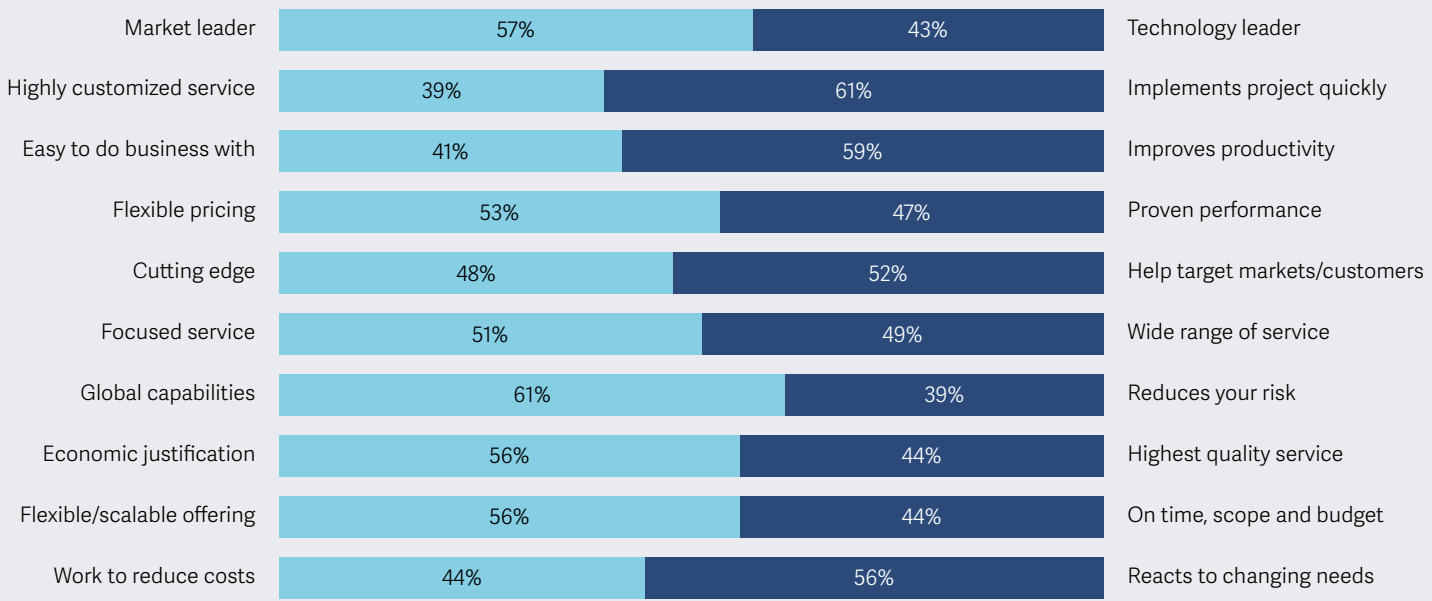
Per the findings, preferred MSP traits varied greatly between organizations that have rapidly adopted the cloud versus those that are more conservative. Organizations that are slowest in migration are more likely to prefer flexibility, scalability and market leaders that can demonstrate financial justification, compared to mature organizations and cloud pioneers who focus on performance, technology expertise and quality.

Some of the trends observed over the last year are as follows:

- **Cloud-native focused approach:** For many enterprises in the U.S., migrating their workloads to public cloud environments by leveraging cloud-native technologies has become a priority. While lift-and-shift can be a quick way to move applications to the cloud, it does not fully leverage the capabilities of cloud-native technologies and can lead to inefficiencies and limitations in the long run. Cloud-native technologies are designed to take full advantage of the cloud environment, and this involves breaking down monolithic applications into smaller, independent microservices that can be developed, deployed and scaled independently. Packaging these microservices into containers provides a

consistent and isolated runtime environment across different cloud platforms. The process includes containerization, microservices, serverless computing and orchestration tools like Kubernetes that enable highly scalable, resilient and agile applications, which are key attributes in today's fast-paced digital economy. Service providers are expanding their cloud-native practices to support this transformation. They are helping U.S.-based organizations develop strategies for adopting containerization and microservices, guiding best practices and offering tools and services to facilitate the transition. By doing so, the providers are playing a crucial role in helping enterprises unlock the full potential of the cloud.

- **Mature AIOps offerings:** With the increase in enterprise demand for automated migration and operations, there is a rise in the improvement of intelligent automation capabilities by leveraging AI and ML technologies. As these technologies mature, AIOps solutions will become more powerful and sophisticated. The solutions will be able to identify real problems and provide



Source: 2022 ISG Cloud Survey Research

meaningful insights from large volumes of structured and unstructured data, false positives and false negatives. MSPs are increasing the use of AIOps capabilities and are offering a 30 to 50 percent reduction in their operational activities, depending on their toolset and AI maturity. These AIOps solutions analyze large volumes of data, identify meaningful patterns and provide insights that support proactive responses. Over the years, AIOps solutions have matured to become prescriptive and self-heal some issues in an automated manner.

- **FinOps has become table stakes:** Enterprises have been experiencing a surge in cloud consumption, making managing and optimizing cloud expenses a top priority for many businesses. FinOps has helped several clients eliminate cloud waste and bring financial accountability to the variable spend model of the cloud, enabling teams to make business trade-offs between speed, cost and quality. As a result of these benefits, FinOps has grown increasingly popular. This growth is driven by the increasing need for businesses to gain better visibility into their cloud costs and usage and align their cloud investments with business outcomes. ISG has observed that no single FinOps tool offers all functionalities; therefore, clients can choose service providers that integrate FinOps tools to provide comprehensive cost management dashboards.

The **Consulting and Transformation Services for Large Accounts** quadrant for the U.S. geography continued the growth momentum in the last four quarters. Some key reasons include enterprises understanding the true business value of moving to the public cloud, which has led to increased adoption of cloud technology. It has also made the enterprise community realize that leveraging multiple cloud technologies will enable them to use the best technologies, leading to improved CX and increased revenues. However, enterprises have been cautious about what workloads to move to the public cloud, pausing some future migration projects and focusing on optimizing the workloads on existing cloud environments. There is an increased focus on integrating AI and ML technologies to automate processes, resulting in cost savings and process improvements. Large global U.S.-based enterprises are looking at service providers with industry-specific solutions, cloud-native transformation capabilities, automation-focused migrations and expertise in hybrid cloud integrations. In that vein, service providers in the U.S. are focusing on a business-value-driven strategy to aid enterprises in efficiently assessing workload migration to ideal landing zones, including multiple public cloud infrastructures (which could be a part of a hybrid cloud strategy). The providers are also growing their cloud-native practice and helping clients with their container and microservices strategy. As enterprise customers realize that the lift-and-shift method of migrating to the cloud will not benefit them in the long term, workloads must be rearchitected by leveraging cloud-native technologies.

In offering **Consulting and Transformation Services for Midmarket** on public cloud infrastructure, providers continue to focus on targeting their sweet spot, SMEs, as the large global service providers fail to give attention to these enterprise segments. The midmarket providers have been nimble and accommodating to go above and beyond to satisfy clients' requirements. This attribute has enabled the providers to bring out innovative solutions, with automation being a key element in the engagements. Several midmarket providers also leverage proprietary and third-party automation platforms to automate most of the manual tasks in any transformation engagements, such as application discovery, migration readiness assessment, roadmap creation, application severity mapping, migrating to the decided landing zones and much more.

With U.S.-based SMEs at a nascent stage of cloud technology adoption compared to mature global enterprises, most migration engagements continue using the lift-and-shift methodology to accelerate the migration process. The SMEs also have comparatively less experience moving to the cloud, with their apprehensions toward securing their data on the cloud covered by the service providers' secure transformation expertise and capabilities. ISG has observed that enterprises are engaging at an increased capacity with the midmarket providers as they offer far better flexibility and agility toward any requirements than large service providers. Enterprises are happy with the outcomes and awarding more contracts to these midmarket providers.

In the U.S., the public cloud **Managed Services for Large Accounts** market has been growing steadily and has the highest share compared to other markets. Per last year's individual research conducted by ISG, we observed that most large global organizations have already started to use two or more hyperscalers (2.4 clouds on average) for different applications, and we believe this trend will scale up considerably. This multicloud ecosystem has created an additional layer of complexity. ISG also saw providers investing significantly in developing next-generation AI- and ML-led automation solutions by leveraging large learning models (LLMs) to predict and identify bottlenecks, improve the accuracy of budgeting and forecasts and enhance the overall operational efficiency. GenAI has been one of the hot topics, and providers have developed several solutions and use cases around this to help clients improve their CX. Based on this research, ISG additionally noted that almost all providers offered FinOps services, which have become table stakes and are increasingly challenging for the service providers to find new ways of optimizing cloud resources and reducing cloud bills.

Apart from the traditional managed services, providers have been developing comprehensive offerings that include automated provisioning and orchestration, service scheduling, cost controls, container management, workflow automation, cloud resource optimization, and more to differentiate the managed public cloud service offerings. Service providers have also started curating industry-specific solutions using their vast experience catering to clients in those industries. This expertise enables them to create customized managed services aligned to particular industry vertical regulations and compliance requirements.

In the U.S., the public cloud **Managed Services for Midmarket** has been growing rapidly. Due to relatively less exposure and experience with cloud technology, SMEs often need service providers to support them in decisions around cloud configuration, security, data lakes and analytics, DevOps automation and cost optimization. Midmarket clients show increasing interest in cloud-native application development frameworks as well. Enterprise clients who find cloud platforms challenging to understand and those who do not have the time to undergo extensive training and certification will most likely find the midmarket service providers as ideal partners to accelerate their agile development toward a cloud-native app development organization. Enterprises continue to demand service providers' support for DevOps automation to enable CI/CD pipeline automation, which prompts the need to support container utilization. Cost management and cloud resource consumption control have also been prominent in several deals.

The cloud financial management practice has rapidly grown in the last four quarters, and **FinOps Services and Cloud Optimization** are becoming increasingly important for businesses of all sizes. Enterprises often require service providers' assistance to assess options to reduce rising cloud bills. With FinOps services and tools in their managed service offering, midmarket service providers can enable clients to check their multicloud spending, optimize consumption and cloud resources, and reduce cloud waste and bills. As the complexity of managing cloud costs increases, many organizations choose to outsource their FinOps functions to MSPs, with almost all their conversations with clients around FinOps and improving efficiencies. Enterprises also realize the importance of incorporating FinOps practices early in their cloud migration projects for better management and cost optimization. With businesses becoming more accountable for their cloud costs using FinOps, using cloud resources is more efficient, resulting in better financial outcomes. As a result, the FinOps domain continues to grow with an increasing demand for FinOps practitioners with solid technical skills. This leads to a greater emphasis on training and upskilling within the industry. Based on the recent survey by the FinOps Foundation, the average FinOps team size has grown by 75 percent in the last 12 months, and it is expected to grow by another 50 percent in the coming year. Enterprises are also starting to link their sustainability goals with their FinOps practices, as companies can reduce their environmental impact by optimizing their cloud usage. These trends indicate that FinOps is critical to a successful cloud management strategy. With more businesses migrating to the cloud, the demand for FinOps Managed Services is expected to continue growing.

The **Hyperscale Infrastructure and Platform Services** market continues to be very competitive. Providers such as Amazon Web Services (AWS), Microsoft Azure and Google Cloud dominate the U.S. market, leveraging their extensive infrastructure, advanced technology offerings and wide range of services to maintain their leading positions. These major players have continued to invest heavily in expanding their global data center footprint and enhancing their service offerings to meet the growing demand for cloud-based solutions. There has also been a continued focus on improving energy efficiency and sustainability in data center operations. This is primarily driven by increasing awareness of the environmental impact of data centers and the need to comply with stricter regulations on energy use and carbon emissions. One of the market's major trends in 2023 is increasing investments into GenAI capabilities, where hyperscalers have developed several services and showcased use cases around GenAI so that users start preferring their cloud infrastructure over others. With cloud providers continuing to distinguish their offerings in 2023, enterprises will have the opportunity to make informed decisions about placing their workloads in the future. With a multicloud strategy, applications can access the best-of-breed services available for their use case, whether an industry-specific cloud solution, a specialized database or an AI and ML service. Despite these ongoing trends, the IaaS and PaaS market landscape has not seen significant shifts or disruptions over the past year ¬— the same key players continue to lead the market, and the demand for hyperscale services remains strong across various industry sectors. However, with the rapid pace of technological advancement and the ever-evolving needs of businesses, ISG predicts that the market will continue to evolve and grow.

With the recent increase in demand for migrating mission-critical workloads to cloud environments, more enterprises are experimenting with various combinations of cloud and taking significant risks to become more agile. ISG observes enterprises wanting to rapidly move their SAP applications and workloads to the public cloud. Enterprises must also check partner credentials and migration automation tools while choosing their cloud platform to achieve the desired results.

The **SAP HANA Infrastructure Services** provides numerous advancements, especially pertaining to hyperscalers. The top hyperscalers in this space offer automated tools to accelerate RISE with SAP migrations, providing a safe path for hesitating customers and anything that can help seamlessly migrate SAP workloads to their environments. SAP continues to push the RISE with SAP initiative, accelerating cloud migrations. However, typical SAP clients have more than SAP S/4HANA. They simultaneously use legacy ERPs, analytics tools, data warehouses, sales and service automation, CRM, e-commerce, HCM and other SAP or competitors' products. The U.S. market in this domain remains a battle between AWS and Microsoft Azure. Google Cloud took a price-competitive approach but had limited success. The overall SAP HANA Infrastructure Services will almost certainly continue to grow even further in the coming years, where enterprises will slowly move all their large instances and workloads with complex environments to the public cloud environments.

The cloud infrastructure underpins most new technological disruptions. To mitigate the increasing costs and complexity of managing services on major public clouds such as AWS, Azure and Google Cloud, enterprises outsource their transformational and operational activities through the service provider community. They leverage advanced technologies and AI- and ML-led automation to efficiently migrate and manage workloads on the public cloud.

Provider Positioning

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	Consulting and Transformation Services for Large Accounts	Consulting and Transformation Services for Midmarket	Managed Services for Large Accounts	Managed Services for Midmarket	FinOps Services and Cloud Optimization	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
2nd Watch	Contender	Not In	Contender	Not In	Not In	Not In	Not In
Accenture	Leader	Not In	Leader	Not In	Leader	Not In	Not In
Alibaba	Not In	Not In	Not In	Not In	Not In	Contender	Contender
Apexon	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In
Atos	Not In	Not In	Product Challenger	Not In	Not In	Not In	Not In
AWS	Not In	Not In	Not In	Not In	Not In	Leader	Leader
Birlasoft	Not In	Contender	Not In	Contender	Not In	Not In	Not In
Capgemini	Leader	Not In	Leader	Not In	Rising Star ★	Not In	Not In
CGI	Contender	Not In	Contender	Not In	Not In	Not In	Not In
Coforge	Not In	Product Challenger	Not In	Product Challenger	Not In	Not In	Not In

Provider Positioning

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	Consulting and Transformation Services for Large Accounts	Consulting and Transformation Services for Midmarket	Managed Services for Large Accounts	Managed Services for Midmarket	FinOps Services and Cloud Optimization	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
Cognizant	Leader	Not In	Product Challenger	Not In	Product Challenger	Not In	Not In
Deloitte	Leader	Not In	Market Challenger	Not In	Leader	Not In	Not In
DigitalOcean	Not In	Not In	Not In	Not In	Not In	Contender	Not In
DXC Technology	Leader	Not In	Leader	Not In	Product Challenger	Not In	Not In
Ensono	Not In	Product Challenger	Not In	Product Challenger	Not In	Not In	Not In
Eviden	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In
EY	Contender	Not In	Not In	Not In	Not In	Not In	Not In
Fujitsu	Not In	Product Challenger	Not In	Contender	Not In	Not In	Not In
GlobalLogic	Not In	Product Challenger	Not In	Product Challenger	Not In	Not In	Not In
Google	Not In	Not In	Not In	Not In	Not In	Leader	Leader

Provider Positioning

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	Consulting and Transformation Services for Large Accounts	Consulting and Transformation Services for Midmarket	Managed Services for Large Accounts	Managed Services for Midmarket	FinOps Services and Cloud Optimization	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
HCLTech	Leader	Not In	Leader	Not In	Leader	Not In	Not In
Hexaware	Not In	Leader	Not In	Leader	Product Challenger	Not In	Not In
Hitachi Digital Services	Product Challenger	Not In	Contender	Not In	Not In	Not In	Not In
IBM	Leader	Not In	Not In	Not In	Not In	Product Challenger	Product Challenger
Infosys	Leader	Not In	Leader	Not In	Product Challenger	Not In	Not In
KPMG	Contender	Not In	Not In	Not In	Not In	Not In	Not In
Kyndryl	Product Challenger	Not In	Leader	Not In	Leader	Not In	Not In
Logicalis	Not In	Contender	Not In	Contender	Not In	Not In	Not In
LTIMindtree	Product Challenger	Not In	Product Challenger	Not In	Not In	Not In	Not In
Lumen Technologies	Not In	Contender	Not In	Contender	Not In	Not In	Not In

Provider Positioning

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	Consulting and Transformation Services for Large Accounts	Consulting and Transformation Services for Midmarket	Managed Services for Large Accounts	Managed Services for Midmarket	FinOps Services and Cloud Optimization	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
Marlabs	Not In	Contender	Not In	Contender	Contender	Not In	Not In
Microland	Not In	Product Challenger	Not In	Rising Star ★	Not In	Not In	Not In
Microsoft	Not In	Not In	Not In	Not In	Not In	Leader	Leader
Mphasis	Product Challenger	Leader	Not In	Leader	Product Challenger	Not In	Not In
MSRcosmos	Not In	Contender	Not In	Not In	Not In	Not In	Not In
Navisite	Not In	Leader	Not In	Leader	Product Challenger	Not In	Not In
N-iX	Not In	Contender	Not In	Not In	Not In	Not In	Not In
NTT DATA	Product Challenger	Not In	Product Challenger	Not In	Not In	Not In	Not In
Oracle	Not In	Not In	Not In	Not In	Not In	Product Challenger	Not In
OVHcloud	Not In	Not In	Not In	Not In	Not In	Contender	Contender

Provider Positioning

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	Consulting and Transformation Services for Large Accounts	Consulting and Transformation Services for Midmarket	Managed Services for Large Accounts	Managed Services for Midmarket	FinOps Services and Cloud Optimization	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
Persistent Systems	Not In	Rising Star ★	Not In	Product Challenger	Not In	Not In	Not In
PwC	Product Challenger	Not In	Contender	Not In	Not In	Not In	Not In
Rackspace Technology	Not In	Leader	Product Challenger	Leader	Leader	Not In	Not In
Randstad Digital	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In
SAP	Not In	Not In	Not In	Not In	Not In	Not In	Product Challenger
TCS	Leader	Not In	Leader	Not In	Product Challenger	Not In	Not In
Tech Mahindra	Product Challenger	Leader	Product Challenger	Leader	Product Challenger	Not In	Not In
TO THE NEW	Not In	Contender	Not In	Contender	Contender	Not In	Not In
Trianz	Not In	Product Challenger	Not In	Contender	Contender	Not In	Not In
T-Systems	Not In	Product Challenger	Not In	Not In	Not In	Not In	Contender

Provider Positioning

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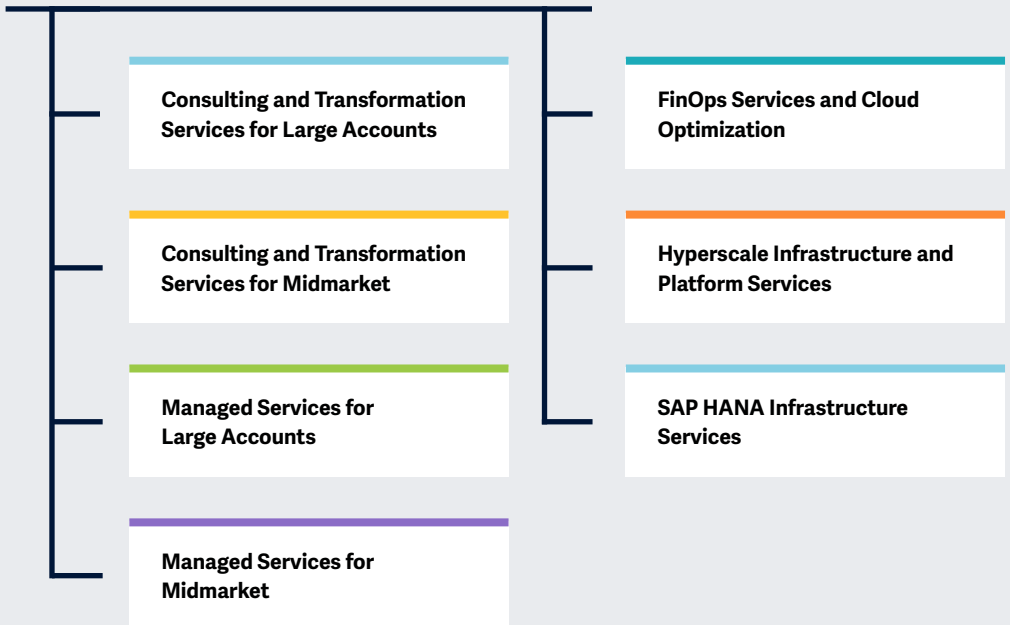
	Consulting and Transformation Services for Large Accounts	Consulting and Transformation Services for Midmarket	Managed Services for Large Accounts	Managed Services for Midmarket	FinOps Services and Cloud Optimization	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
Unisys	Product Challenger	Leader	Product Challenger	Leader	Product Challenger	Not In	Not In
UST	Not In	Leader	Not In	Product Challenger	Contender	Not In	Not In
Virtusa	Not In	Product Challenger	Not In	Product Challenger	Not In	Not In	Not In
Virtustream	Not In	Not In	Not In	Not In	Not In	Not In	Product Challenger
Wipro	Leader	Not In	Leader	Not In	Leader	Not In	Not In
Zensar Technologies	Not In	Product Challenger	Not In	Product Challenger	Product Challenger	Not In	Not In
Zones	Not In	Contender	Not In	Product Challenger	Not In	Not In	Not In

This study focuses on what ISG perceives as most critical in 2023 for **Multi Public Cloud Services.**

Simplified Illustration Source: ISG 2023



Definition

This study assesses providers offering public cloud services, including consulting and transformation, managed services, public cloud infrastructure, FinOps and other services. Providers in scope leverage automation tools to effectively manage, secure and optimize public cloud infrastructure.

In recent years, there has been rapid growth in public cloud adoption as part of digital transformation engagements. The many benefits of the public cloud surpass on-premises infrastructure in several ways, making it the preferred choice for greenfield infrastructure operations and application development in most cases. Other key reasons for this preference stem from a heightened focus on cybersecurity, a greater push toward IT cost optimization and operational efficiency, and the increased deployment of automation tools for efficient data management, along with driving sustainability initiatives by leveraging cloud infrastructure. Enterprises continue to seek strategic providers that facilitate cloud transformation engagements on major hyperscalers such as AWS, Microsoft Azure and Google Cloud.

The service providers will not only continue to manage the workloads on an ongoing basis but also assist enterprises in controlling, optimizing and managing cloud expenses through FinOps strategies.

With enterprises realizing that the lift and shift migration strategy does not provide the benefits expected from public cloud, they are on the lookout for providers that can help accrue the complete potential of cloud technology. With this, we will be seeing an increased demand for re-architecting workloads and leveraging cloud-native technologies for their migration engagements. Also, in the coming years, enterprises are likely to take a conservative approach to spending on public cloud infrastructure. The increasing adoption of the FinOps strategy will support this approach and enable the optimization of cloud resources and, consequently, reduce cloud consumption and bills.

Scope of the Report

This ISG Provider Lens™ quadrant report covers the following seven quadrants for services/solutions: Consulting and Transformation Services for Large Accounts, Consulting and Transformation Services for Midmarket, Managed Services for Large Accounts, Managed Services for Midmarket, FinOps Services and Cloud Optimization, Hyperscale Infrastructure and Platform Services, and SAP HANA Infrastructure Services.

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

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments (quadrants)
- Focus on the regional market

Our study serves as the basis for important decision-making by covering providers' positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing vendor relationships and potential engagements.

Provider Classifications

The provider position reflects the suitability of IT providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the IT service requirements from enterprise customers differ and the spectrum of IT providers operating in the local market is sufficiently wide, a further differentiation of the IT providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions IT providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between $20 million and $999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above $1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product Challenger, Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens™ quadrant may include service providers that ISG believes have strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

Number of providers in each quadrant: ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).

Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/ services and a follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

Consulting and Transformation Services for Large Accounts

Who Should Read This Section

This quadrant is relevant to large enterprises in the U.S. evaluating service providers that offer public cloud consulting and transformation services. In this quadrant, ISG highlights the current market positioning of these providers and shows how they can address key challenges in migrating to the multi public cloud environment.

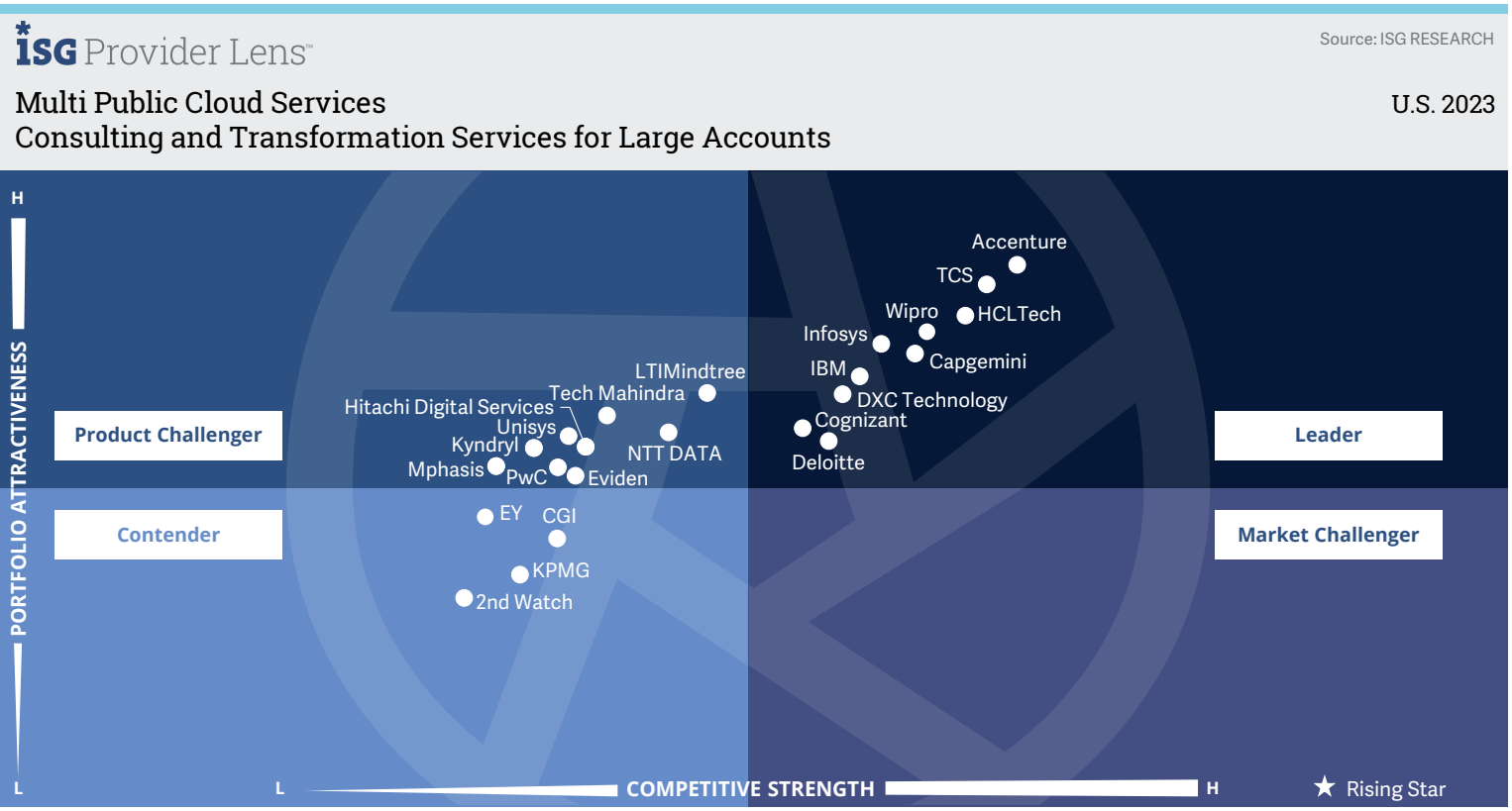
U.S. businesses actively seek service providers to support them in achieving concrete business results and facilitating the modernization of their fundamental operational processes, including optimizing their operations and transitioning to flexible approaches such as DevSecOps and FinOps. The region has an ongoing trend of migrating workloads to multicloud environments through fully automated deployment methods, focusing on predictability, immutability and swift cloud implementations. Enterprises are choosing to collaborate with providers who possess extensive knowledge of maximizing the potential of platforms such as AWS, Microsoft Azure and Google Cloud. These providers are particularly skilled in offering advisory services for enterprise workload migration, reimagining legacy applications and integrating automation into their systems.

In 2023, enterprises strongly emphasized adopting agile, eco-friendly and secure cloud services, focusing on industry-specific knowledge to effectively manage resilient multicloud or hybrid cloud environments. Service providers with a talented pool of developers and software architects fostered an ecosystem centered around innovation and made substantial investments in enhancing accelerators and tools. They are anticipated to gain a competitive advantage in the U.S. market.

IT leaders should read this report to understand the relative strengths and weaknesses of consulting and transformation service providers, helping them lead the drive toward enterprise digital transformation.

Software development and technology leaders should read this report to understand consulting service providers' positioning and the impact of their offerings on ongoing enterprise transformations.

Sourcing, procurement and vendor management professionals should read this report to better understand the current landscape of consulting and transformation service providers in the U.S. market.



The quadrant evaluates service providers that offer consulting services for **migrating applications** on **public cloud** infrastructure and **modernizing infrastructure** to public cloud environments, enabling large enterprises with their digital strategy.

Shashank Rajmane

Definition

This quadrant assesses service providers that offer public cloud consulting and transformation services. These service providers partner with multiple public cloud infrastructure providers to offer multicloud strategy and industry cloud solutions and manage customer-specific complexities in adopting and deploying public cloud solutions. These providers have highly skilled developers and software architects who use design thinking and short work cycles to meet customer demands. This quadrant evaluates providers that help enterprises modernize, optimize and transform their IT operations to enhance efficiency, agility and security. Provider services typically comprise:

- **Consulting services** include business case design for multicloud environments and workload migration assessments. Service providers offer transformation roadmaps addressing security tools, networking and connectivity, data services, analytics, computing performance and guidance on application modernization for migration to public clouds.
- **Transformation services** include cloud architects and engineers designing, building and configuring multicloud environments. They also support migrating and integrating applications to harness cloud computing security. They introduce AIOps and FinOps to enable an advanced infrastructure that facilitates cloud-native application development and operations.
- **Compliance services** include environmental, sustainability and governance (ESG) and security requirements. Providers use best practices and frameworks to design cloud policies, processes and functions, ensuring healthy, sustainable, secure and compliant environments regardless of location. From a CXO perspective, ESG has become a mainstream requirement, making it an integral part of every transformation engagement.

Eligibility Criteria

1. Capable of **assessing and designing application modernization** strategies to adopt cloud-native services and API libraries for service integration, including **DevOps automation, AIOps** and infrastructure as code **(IaC)** deployments, and cross-cloud integration
2. **Methods and frameworks** to analyze clients' IT landscape, optimize IT spending and prevent additional technical debts
3. Experience in **planning** and **implementing multicloud** services for major industry verticals
4. Experience in **application migration** (templates, automation engines and other techniques) and cloud-native application development
5. **Certified competence** in at least two hyperscalers (preferably AWS, Azure and Google Cloud)
6. **Ability to address ESG** in large transformation programs, helping clients in drafting carbon-neutral strategies and understanding the benefits of adopting a green strategy

Observations

The Consulting and **Transformation Services for Large Accounts** quadrant for the U.S. geography continued the growth momentum in the last four quarters. Some key reasons include enterprises understanding the true business value of moving to the public cloud, which has led to increased adoption of cloud technology. It has also made the enterprise community realize that leveraging multiple cloud technologies will enable them to use the best technologies, leading to improved CX and increased revenues. However, enterprises have been cautious about what workloads to move to the public cloud, pausing some future migration projects and focusing on optimizing the workloads on existing cloud environments. There is an increased focus on integrating AI and ML technologies to automate processes, resulting in cost savings and process improvements. Large global U.S.-based enterprises are looking at service providers with industry-specific solutions, cloud-native transformation capabilities, automation-focused migrations and expertise in hybrid cloud integrations. In that vein, service providers in the U.S. are focusing on a business-value-driven strategy to aid enterprises in efficiently assessing workload migration to ideal landing zones, including multiple public cloud infrastructures (which could be a part of a hybrid cloud strategy). The providers are also growing their cloud-native practice and helping clients with their container and microservices strategy. As enterprise customers realize that the lift-and-shift method of migrating to the cloud will not benefit them in the long term, workloads must be rearchitected by leveraging cloud-native technologies.

From the 57 companies assessed for this study, 23 have qualified for this quadrant, with 10 being Leaders.

accenture

Accenture's cloud-first approach and industry-specialized public cloud offerings help clients leverage modern technologies and maximize enterprise-wide transformation at speed and scale. It expands cloud capabilities through acquisitions (for example, Nextira) in the U.S.

Capgemini

Capgemini heavily invests in enhancing its cloud-native services, delivering robust site reliability engineering and data-driven operations. It continues to build innovation-centric partner ecosystems and invests in enriching its industry-leading tools and accelerators.

cognizant

Cognizant invests in enhancing cloud management, governance and automation platforms to provide extensive application transformation and migration services. It expands its capabilities via acquisitions (for example, AustinCSI) to assist clients with robust advisory services.

Deloitte

Deloitte delivers industry-specific cloud transformation services for clients to migrate workloads via their proprietary automated tools and frameworks. Its 360-degree partnership approach and outcome-driven engagements enable clients to improve business outcomes.

DXC Technology

DXC Technology's Platform X enables a seamless cloud acceleration journey, leveraging AI and ML technologies. DXC has developed robust cloud-native migration capabilities and supports Google Anthos, AWS EKS and Azure AKS platforms.

HCLTech has developed robust capabilities in modernizing client infrastructure and has invested in strengthening partner ecosystems with AWS, Azure and Google Cloud. The provider focuses on delivering industry-aligned multi public cloud services in the U.S.

IBM offers proprietary tools and accelerators with pre-built blueprints and has developed strong hyperscaler partner ecosystems with the highest competencies. It has expanded its cloud transformation capabilities in the U.S. by acquiring Octo, Taos, Nordcloud and Apptio.

Infosys continues to enhance its Cobalt solution with a strong focus on delivering cloud-accelerated transformation. It provides extensive capabilities around industry-specific cloud offerings and has been infusing GenAI within all its public cloud solutions.

TCS has bolstered its cloud migration capabilities and is solidifying partnerships with the leading hyperscalers to offer industry-driven public cloud services. It has developed expertise to migrate workloads via its proprietary automated tools and framework.

Wipro continues to enrich its cloud platforms by including containerization and microservices structure elements. It has been investing significantly to strengthen hyperscaler partnerships, focusing on accelerating enterprise journeys toward digitalization.

Product Challenger

"Unisys continues to develop extensive capabilities in modernizing clients' infrastructure and supporting their transformation journey. The firm has extensive expertise in migration and support platforms such as AWS, Azure and Google Cloud."

Shashank Rajmane

Unisys

Overview

Unisys is headquartered in Pennsylvania, U.S. and operates in 28 countries. It has more than 16,200 employees across 71 global offices. In FY22 the company generated $2.0 billion in revenue, with Enterprise Computing Solutions as its largest segment. It provides an extensive range of cloud advisory services tailored for large-market clients in the U.S. and offers robust multicloud transformation capabilities on public cloud environments. The company is increasingly investing to enhance the delivery of industry-specific advisory services and fortifying its partner network with Google Cloud, Azure, AWS and Oracle.

Strengths

Cloud-native offerings: Unisys delivers cloud-native Kubernetes as a Service to assist U.S.-based enterprises in achieving scalable and resilient application deployment and development. The company containerizes components and orchestrates them using Amazon Elastic Kubernetes Service (EKS) and Azure Kubernetes Service (AKS), enabling U.S. customers to address scalability issues and implement automatic scaling tailored to their specific requirements.

Modern advisory portfolio: Unisys utilizes advanced technologies such as serverless computing and infrastructure as code to deliver automated transformation engagements to its clients in the U.S. The company uses application-centric impact assessments with well-defined objectives to facilitate cloud adoption. Its certified pool of experts assists customers in efficiently speeding up their cloud migration journeys.

Strong modernization capabilities: Unisys has developed extensive capabilities for modernizing and migrating applications and data to public cloud environments. The company has been instrumental in assisting clients to modernize their legacy workloads for optimal performance on hyperscalers such as AWS and Azure infrastructure. Unisys employs built-in intellectual properties, tailored frameworks and tools to assist U.S.-based customers in shaping effective cloud transformation strategies.

Caution

Unisys conducts its cloud transformation projects using a conventional pricing structure, primarily relying on asset-based and fixed fees. The company should prioritize transitioning toward an outcome-based model, wherein clients remunerate the provider based on predefined commitments tied to specific business results.

Consulting and Transformation Services for Midmarket

Who Should Read This Section

This quadrant is relevant to midsize enterprises in the U.S. evaluating consulting and transformation service providers. In this quadrant, ISG highlights the current market positioning of these providers and shows how they can address key challenges in migrating to the multi public cloud environment.

In the U.S., midsize businesses increasingly shift their workloads to multi public cloud environments. As a result, they seek strategic partnerships with cloud service providers to address issues related to change management and uncertainties of integrating their infrastructure. These midmarket enterprises strongly emphasize working with providers who have the expertise and local capabilities to efficiently transform their infrastructure while enhancing the overall CX. Their primary focus is engaging with service providers with specialized guidance for workload migration, legacy applications modernization, automation capabilities incorporation and cloud governance optimization. Enterprises also look for providers committed to establishing CoEs and investing in training and upskilling their workforce to deliver automation-enabled cloud services.

In 2023, service providers focused on enhancing their partner networks with hyperscaler and technology vendors to provide valuable business propositions to enterprises and effectively assist them with premigration assessments, architectural advice and migration plans. Those providers offering AI-powered tools and accelerators are anticipated to gain a competitive advantage in the U.S. market.

IT leaders should read this report to better understand the relative strengths and weaknesses of consulting and transformation service providers, helping them drive enterprise digital transformation.

Sourcing, procurement, and vendor management professionals should read this report to better understand the current landscape of consulting and transformation service providers in the U.S.

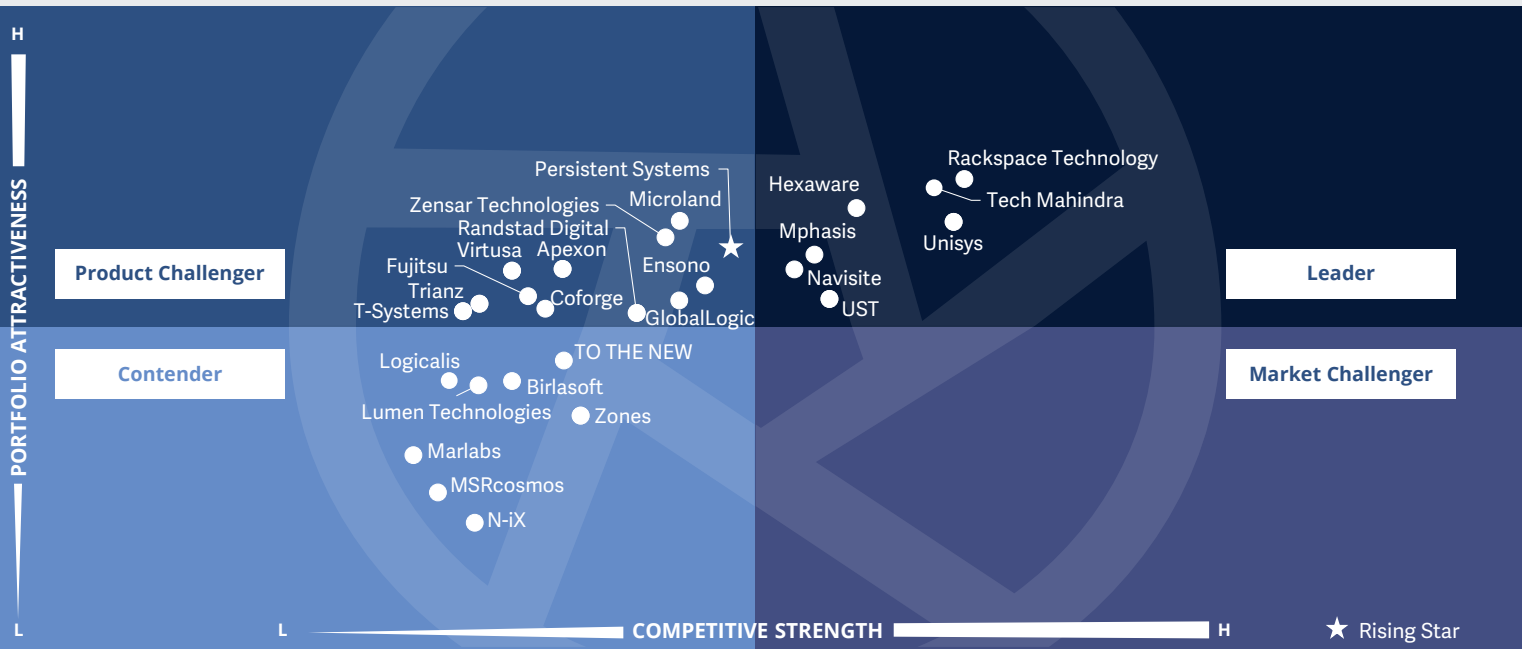
Software development and technology leaders should read this report to understand the positioning and offerings of consulting and transformation service providers and the benefits of moving to the cloud.

ISG Provider Lens™

Source: ISG RESEARCH

Multi Public Cloud Services
Consulting and Transformation Services for Midmarket

U.S. 2023



The quadrant evaluates service providers that offer consulting services for **migrating applications** on **public cloud** infrastructure and **modernizing infrastructure** to public cloud environments, enabling SMEs with their digital strategy.

Shashank Rajmane

Definition

This quadrant assesses service providers that offer public cloud consulting and transformation services. These service providers partner with multiple public cloud infrastructure providers to offer multicloud strategy and industry cloud solutions and manage customer-specific complexities in adopting and deploying public cloud solutions. These providers have highly skilled developers and software architects who use design thinking and short work cycles to meet customer demands. This quadrant evaluates providers that help enterprises modernize, optimize and transform their IT operations to enhance efficiency, agility and security. Provider services typically comprise:

- **Consulting services** include business case design for multicloud environments and workload migration assessments. Service providers offer transformation roadmaps addressing security tools, networking and connectivity, data services, analytics, computing performance and guidance on application modernization for migration to public clouds.
- **Transformation services** include cloud architects and engineers designing, building and configuring multicloud environments. They also support migrating and integrating applications to harness cloud computing security. They introduce AIOps and FinOps to enable an advanced infrastructure that facilitates cloud-native application development and operations.
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Eligibility Criteria

1. Capable of **assessing and designing application modernization** strategies to adopt cloud-native services and API libraries for service integration, including **DevOps automation, AIOps** and infrastructure as code **(IaC)** deployments, and cross-cloud integration
2. **Methods and frameworks** to analyze clients' IT landscape, optimize IT spending and prevent additional technical debts
3. Experience in **planning** and **implementing multicloud** services for major industry verticals
4. Experience in **application migration** (templates, automation engines and other techniques) and cloud-native application development
5. **Certified competence** in at least two hyperscalers (preferably AWS, Azure and Google Cloud)
6. **Ability to address ESG** in large transformation programs, helping clients in drafting carbon-neutral strategies and understanding the benefits of adopting a green strategy

Observations

In offering **Consulting and Transformation Services for Midmarket** on public cloud infrastructure, providers continue to focus on targeting their sweet spot, SMEs, as the large global service providers fail to give attention to these enterprise segments. The midmarket providers have been nimble and accommodating to go above and beyond to satisfy clients' requirements. This attribute has enabled the providers to bring out innovative solutions, with automation being a key element in the engagements. Several midmarket providers also leverage proprietary and third-party automation platforms to automate most of the manual tasks in any transformation engagements, such as application discovery, migration readiness assessment, roadmap creation, application severity mapping, migrating to the decided landing zones and much more.

With U.S.-based SMEs at a nascent stage of cloud technology adoption compared to mature global enterprises, most migration engagements continue using the lift-and-shift methodology to accelerate the migration process. The SMEs also have comparatively less experience moving to the cloud, with their apprehensions toward securing their data on the cloud covered by the service providers' secure transformation expertise and capabilities. ISG has observed that enterprises are engaging at an increased capacity with the midmarket providers as they offer far better flexibility and agility toward any requirements than large service providers. Enterprises are happy with the outcomes and awarding more contracts to these midmarket providers.

From the 57 companies assessed for this study, 27 have qualified for this quadrant, seven being Leaders and one a Rising Star.

HEXAWARE

Hexaware follows an automation-centric strategy to facilitate mid-size U.S. businesses with cloud transformation capabilities. Its Amaze® platform aligns well with the clients migrating their large and complex mission-critical applications to the multi-cloud environments.

Mphasis

Mphasis offers customized solution-level SLAs, assisting clients with increased flexibility to track performance and quickly realize business value. Its Mphasis Krypton platform facilitates faster application migration, empowering clients with multicloud adoption.

Navisite

Navisite has been investing significantly in building strategic partnerships with hyperscalers and technology vendors. It delivers robust end-to-end migration services and full-cycle application transformation for platforms such as SAP.

rackspace technology

Rackspace Technology leverages a vast library of toolsets to accelerate the cloud migration journey for clients in the U.S. The provider stands out for its dedicated cloud security offerings and well-defined frameworks, delivering better outcomes and process consistency.

TECH mahindra

Tech Mahindra's platform-centric approach assists clients in cost-effective cloud migration and transformation. The provider has invested in developing vertical-specific solutions and expertise across various sectors such as healthcare, retail and manufacturing.

unisys

Unisys enhances its cloud capabilities with a strong emphasis on public cloud transformation services. The provider is distinct for its cloud expertise, assisting clients in shaping their multicloud strategies with public, private or hybrid cloud environments.

U ▪
S T

UST embraces a platform-agnostic approach and has strengthened hyperscaler collaborations to enhance platforms and application modernization services, focusing on reduced time to value and deployment.

Persistent Systems

Persistent Systems (Rising Star) has strengthened cloud capabilities in the U.S. via acquisitions such as the Data Glove to support clients in their digital transformation journey.

Leader

"Unisys offers robust end-to-end cloud transformation services, from assessments to migrations, leveraging its secure-by-design approach with a team of experienced professionals."

Shashank Rajmane

Unisys

Overview

Unisys is headquartered in Pennsylvania, U.S. and operates in 28 countries. It has more than 16,200 employees across 71 global offices. In FY22 the company generated $2.0 billion in revenue, with Enterprise Computing Solutions as its largest segment. Unisys is strengthening its partner ecosystem through co-innovation and joint asset utilization strategies with leading hyperscalers. In the U.S., the company has been enhancing its digital transformation capabilities to deliver client-specific public cloud services across sectors such as commercial and business services, public sector and financial services.

Strengths

Expertise in hybrid cloud services: Unisys offers highly secure end-to-end hybrid cloud services, with a proven ability to integrate across on-premises and cloud (private and public) environments at scale. The company helps its U.S.-based clients modernize and migrate to any public cloud environment of their choice, with full portability through third-party platforms, reducing complexity and time to market.

Cloud governance for regulated industries: Unisys supports private and public companies and state and local government organizations with an understanding of client objectives, performance, regulations and compliance requirements. The company has a strong IT cloud governance function to protect clients from technology obsolescence and vendor lock-in and drive business performance. With its security-by-design approach, Unisys addresses clients' obligations to protect critical personal and commercial data.

Secure transformation capabilities: Unisys leverages its strong secure-by-design principles, proprietary tools and a talented team of cloud security professionals to offer end-to-end cloud security services for migrating and managing workloads to the public cloud. The services include assessment, design, deployment, integration and operations. It also provides architecture and workload configuration assessment, continuous security assessment and remediation services.

Caution

Although Unisys has collaborated with top hyperscalers, its partnerships lack the depth seen compared to its competitors. The company should work with hyperscalers to co-innovate and develop solutions and have a joint GTM strategy.

Managed Services for Large Accounts

Who Should Read This Section

This quadrant is relevant to large enterprises in the U.S. evaluating public cloud MSPs. In this quadrant, ISG highlights the current market positioning of these providers and shows how they can address key challenges in infrastructure management in the public cloud environment. These providers manage client workloads on third-party, public cloud and hyperscale environments, enabling enterprises to focus on other tasks.

Businesses in the U.S. are actively embracing cloud-native and cloud-first strategies, emphasizing utilizing AIOps and FinOps tools for automating tasks and enhancing transparency regarding cloud resources, capacity utilization and expenditures. They prioritize partnerships with service providers that offer hybrid cloud, multicloud, and edge and distributed cloud solutions, focusing on use cases driven by business needs, particularly in data, AI and ML at scale.

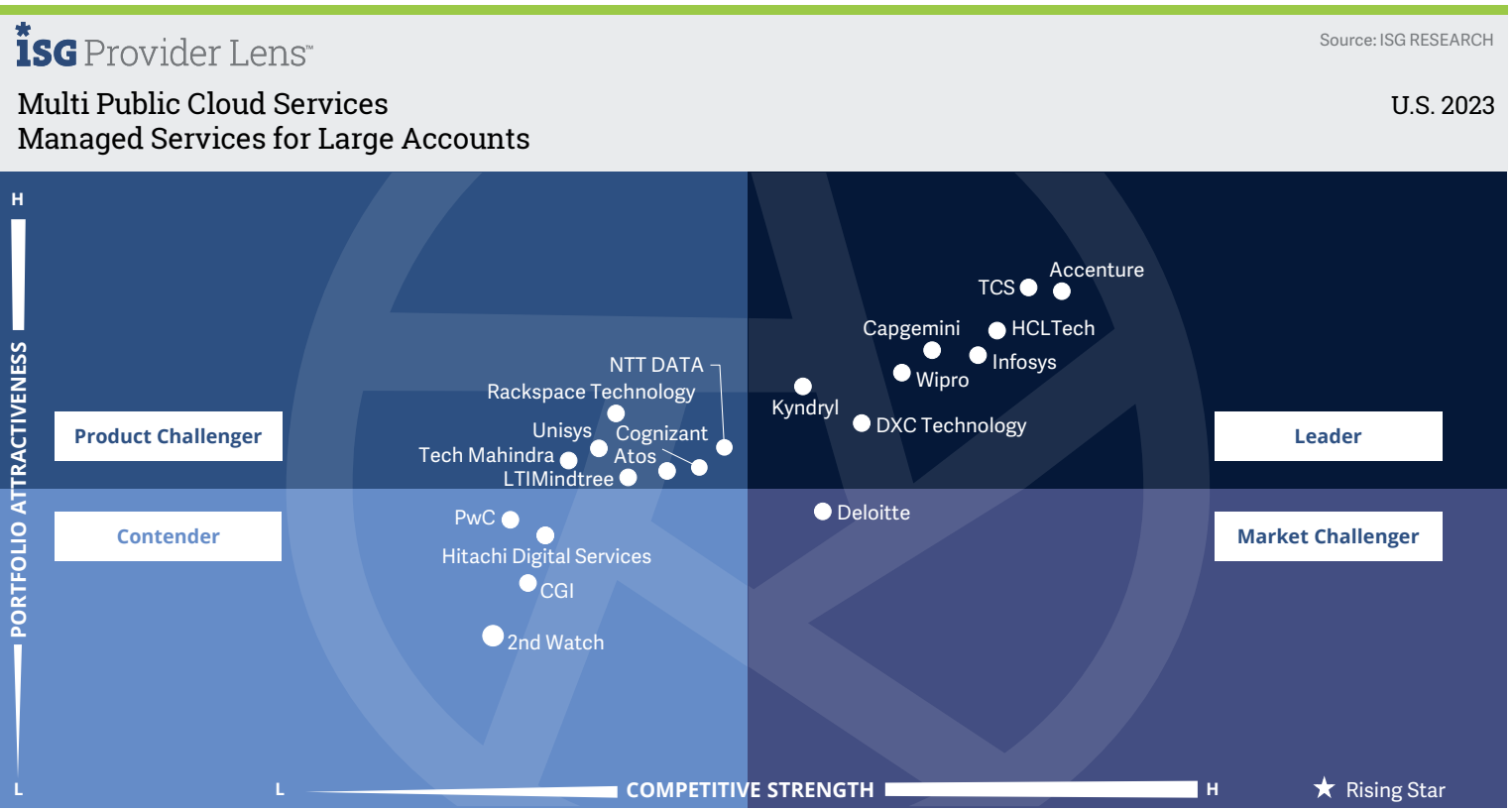
Enterprises seek providers who offer lift-and-shift migration services, hold expertise in adopting a DevOps-centered approach to support robust CI/CD pipelines and possess strong container management capabilities.

In 2023, service providers enhanced their industry-specific solutions tailored to specific verticals. They focused on specialized offerings for multicloud environments, including AWS, Microsoft Azure, Google Cloud and other major cloud providers. They aimed to expedite enterprises' digital transformation efforts using automated cloud operations platforms and ready-made cloud-native solutions. The providers also strongly focused on delivering ongoing services related to workload security, cloud governance practices and sustainability to drive their growth.

IT leaders should read this report to understand MSPs' relative strengths and weaknesses and how their market approaches impact enterprise public cloud strategies, improve business agility and reduce TCO.

Software development and technology leaders should read this report to understand the positioning of MSPs and determine how their offerings can impact the ongoing development of an enterprise's software.

Sourcing, procurement and vendor management professionals should read this report to better understand the current landscape of MSPs in the U.S. market.



The quadrant evaluates **managed services providers' (MSPs)** ability to support the complexities, security and compliance requirements of **managing** and **orchestrating** multiple **public cloud** environments.

Shashank Rajmane

Definition

This quadrant assesses managed service providers specializing in multicloud environments, comprising AWS, Microsoft Azure, Google Cloud and other hyperscalers. These providers adopt a DevOps-centric approach to support robust CI/CD pipelines with strong container management capabilities. They also offer expertise in site reliability engineering (SRE) and business resiliency.

Typical managed services offered by these providers include cloud infrastructure lifecycle management and real-time multicloud monitoring with predictive analytics to maximize performance, reduce costs and ensure compliance and security. Service providers use AIOps and FinOps tools to automate processes and provide transparency on cloud resources, capacity utilization and costs. Typical service platforms include service catalogs, approval workflows, self-service and self-heal capabilities. Provider services comprise:

- Management and monitoring of virtual machine CPU utilization, memory, database performance, storage, microservices, containers, logs and service agents
- Upgrade services for the operating system, middleware and applications on public cloud infrastructure
- Multicloud management, including patching and upgrading for the operating system, middleware and applications, plus security patching, access control and identity management
- ITSM, including incident management, problem management, release management and configuration management database (CMDB) management
- FinOps monitoring and reporting, covering resource utilization, multicloud billing aggregation, invoice management, chargeback and showback
- ML and predictive analytics to improve performance and security.
- Self-service catalogs that automate provisioning, container management, service on/off scheduling, IaC and DevOps automation
- Governance and compliance management, along with a robust cybersecurity framework to safeguard client data in multiple geographic locations

Eligibility Criteria

1. **Operational excellence** and well-defined professional services
2. Experience in building and **managing public and multicloud** environments
3. Expertise in managing **platform configuration, integration,** systems and **containers**
4. Financial dashboards and cost analysis tools for enhanced **visibility of variable costs** associated with cloud providers through the FinOps ecosystem
5. Support for software code development and **cloud-native and legacy system integration** by leveraging DevOps, API-enabled automation and cloud analytics services
6. Robust **security posture and cloud governance** services
7. **Partnerships with leading public cloud providers** and relevant managed service provider certificates for AWS, Microsoft Azure, Google Cloud, and others
8. Industry-specific solutions and **practice knowledge** for managing workloads on public cloud infrastructure

Observations

In the U.S., the public cloud Managed Services for Large Accounts market has been growing steadily and has the highest share compared to other markets. Per last year's individual research conducted by ISG, we observed that most large global organizations have already started to use two or more hyperscalers (2.4 clouds on average) for different applications, and we believe this trend will scale up considerably. This multicloud ecosystem has created an additional layer of complexity. ISG also saw providers investing significantly in developing next-generation AI- and ML-led automation solutions by leveraging large learning models (LLMs) to predict and identify bottlenecks, improve the accuracy of budgeting and forecasts and enhance the overall operational efficiency. GenAI has been one of the hot topics, and providers have developed several solutions and use cases around this to help clients improve their CX. Based on this research, ISG additionally noted that almost all providers offered FinOps services, which have become table stakes and are increasingly challenging for the service providers to find new ways of optimizing cloud resources and reducing cloud bills.

Apart from the traditional managed services, providers have been developing comprehensive offerings that include automated provisioning and orchestration, service scheduling, cost controls, container management, workflow automation, cloud resource optimization, and more to differentiate the managed public cloud service offerings. Service providers have also started curating industry-specific solutions using their vast experience catering to clients in those industries. This expertise enables them to create customized managed services aligned to particular industry vertical regulations and compliance requirements.

From the 57 companies assessed for this study, 20 have qualified for this quadrant, with eight being Leaders.

accenture

Accenture's myWizard® platform delivers extensive cloud transformation services with benefits such as business agility and improved cost efficiencies. The provider has been enhancing its cloud FinOps practice and is one of the few members of the FinOps Foundation.

Capgemini

Capgemini's global network of CoEs and automation-enabled cloud services help U.S. clients with high operational efficiencies. The provider offers industry-specific multicloud services embedded with self-service and self-healing capabilities.

DXC Technology

DXC Technology offers an extensive portfolio of multicloud managed services, including cloud-native services built with a high degree of automation. It can create customized vertical-specific solutions, enabling clients to migrate and operate in any cloud environment.

HCLTech

HCLTech strengthens its capabilities by gaining industry-specific hyperscaler competencies and developing vertical-specific cloud solutions to offer benefits like automated provisioning, cost controls, and resource optimization to U.S. clients.

Infosys

Infosys invests heavily to enhance its Cobalt and Topaz platforms and leverages a cloud experts pool to deliver cost-efficient multicloud services. It distinguishes itself through vertical specialized offerings and a robust partner network with top hyperscalers.

Kyndryl

Kyndryl's CloudOps team effectively manages cloud resources by leveraging infrastructure as code (IaC) and CI/CD pipelines. The provider has significant experience delivering automation-enabled, industry-specific managed services to large U.S. enterprises.

TCS offers fully integrated in-house tools and platforms to help enterprises transform and manage their cloud environments. The company stands out for its automation capabilities and experienced workforce assisting clients in the U.S. to deploy automated CI/CD pipelines.

Wipro provides industry-leading multicloud managed services and continues to enhance its portfolio by offering AI-enabled platforms. Its capability to rearchitect legacy workloads into single manageable components using microservices architecture stands out.

Product Challenger

"Unisys offers strong managed services for multicloud infrastructure management for enterprise clients. The company is investing consistently in developing AI-enabled cloud management platforms and stands out for its dedicated cloud security offerings."

Shashank Rajmane

Unisys

Overview

Unisys is headquartered in Pennsylvania, U.S. and operates in 28 countries. It has more than 16,200 employees across 71 global offices. In FY22 the company generated $2.0 billion in revenue, with Enterprise Computing Solutions as its largest segment. The provider supports a global clientele based out of the U.S. with an industry-level emphasis, particularly in the financial and business services sectors. It provides an extensive range of managed cloud services and aids clients in effectively implementing and overseeing multicloud environments. Unisys is recognized as an MSP by Azure and holds an advanced consulting partner status with AWS.

Strengths

Unified cloud management with AI: Unisys implements an integrated, SaaS-based AI cloud management platform driven by Unisys AI frameworks. The platform includes foundational platforms for AI, data and secure cloud, along with AI capability platforms for frameworks, Generative AI and foundational models. Unisys CloudForte and ecosystem partner tools enhance capabilities for continuous delivery and advanced analytics for large enterprise clients in multicloud environments.

Streamlined cloud operations: Unisys utilizes infrastructure as code practice for automated cloud operations, employing tools such as Terraform, Ansible and Cloud Foundry. This approach simplifies and automates cloud environment configurations for U.S.-based clients, fostering self-service operations. This enables clients to implement cloud advisory, DevSecOps and application modernization with governance.

Integrated security solutions: Unisys employs disciplined GRC models and converged protection services to strengthen enterprise security. This approach includes risk assessments, zero trust frameworks and embedded DevSecOps processes, ensuring governed resources with compliance measures. Unisys ESG Orchestration Manager solution provides comprehensive reporting solutions for security operations, that have enabled clients to implement robust security measures in their cloud assets.

Caution

Given its extensive ability to manage multi-public cloud infrastructure, Unisys should improve its relationship with the top hyperscalers. It needs to create strategic alliances with them and develop custom go-to-market strategies to jointly target customers, especially in the large enterprise segment in the U.S.

Managed Services for Midmarket

Who Should Read This Section

This quadrant is relevant to midsize enterprises in the U.S. evaluating public cloud MSPs. In this quadrant, ISG highlights the current market positioning of these providers and shows how they can address key challenges in infrastructure management for midsize enterprises in the public cloud. These providers manage client workloads on third-party, public cloud and hyperscale environments, enabling enterprises to focus on other tasks.

U.S. enterprises are giving significant importance to automation-driven managed services and the integration of cutting-edge technologies such as AI and ML, cloud-native solutions, DevOps and IoT to bolster their IT infrastructure. As many of these companies are relatively new to outsourcing or in their second generation, their primary objective is to achieve potential cost reductions. They evaluate service providers' expertise in specific industries and their ability to modernize applications, optimize costs, facilitate DevOps practices, embark on cloud-native transformations, ensure compliance and manage SecOps effectively. The enterprises actively collaborate with providers investing in expanding their ecosystems with major cloud service providers and FinOps tooling partners.

In 2023, service providers made significant investments to improve their capabilities in cloud cost optimization, site reliability engineering (SRE) and DevOps. They aimed to provide proactive support to their clients and develop unique IPs and automation tools for more efficient infrastructure management. There was also a growing focus on cloud governance practices, compliance, workforce reskilling and enhancing service portfolios with offerings such as edge services and automation.

IT leaders should read this report to understand MSPs' relative strengths and weaknesses and how their market approaches impact enterprise public cloud strategies, improve business agility and reduce TCO.

Software development and technology leaders should read this report to understand the positioning of MSPs and learn how their offerings can impact the ongoing development of an enterprise's software.

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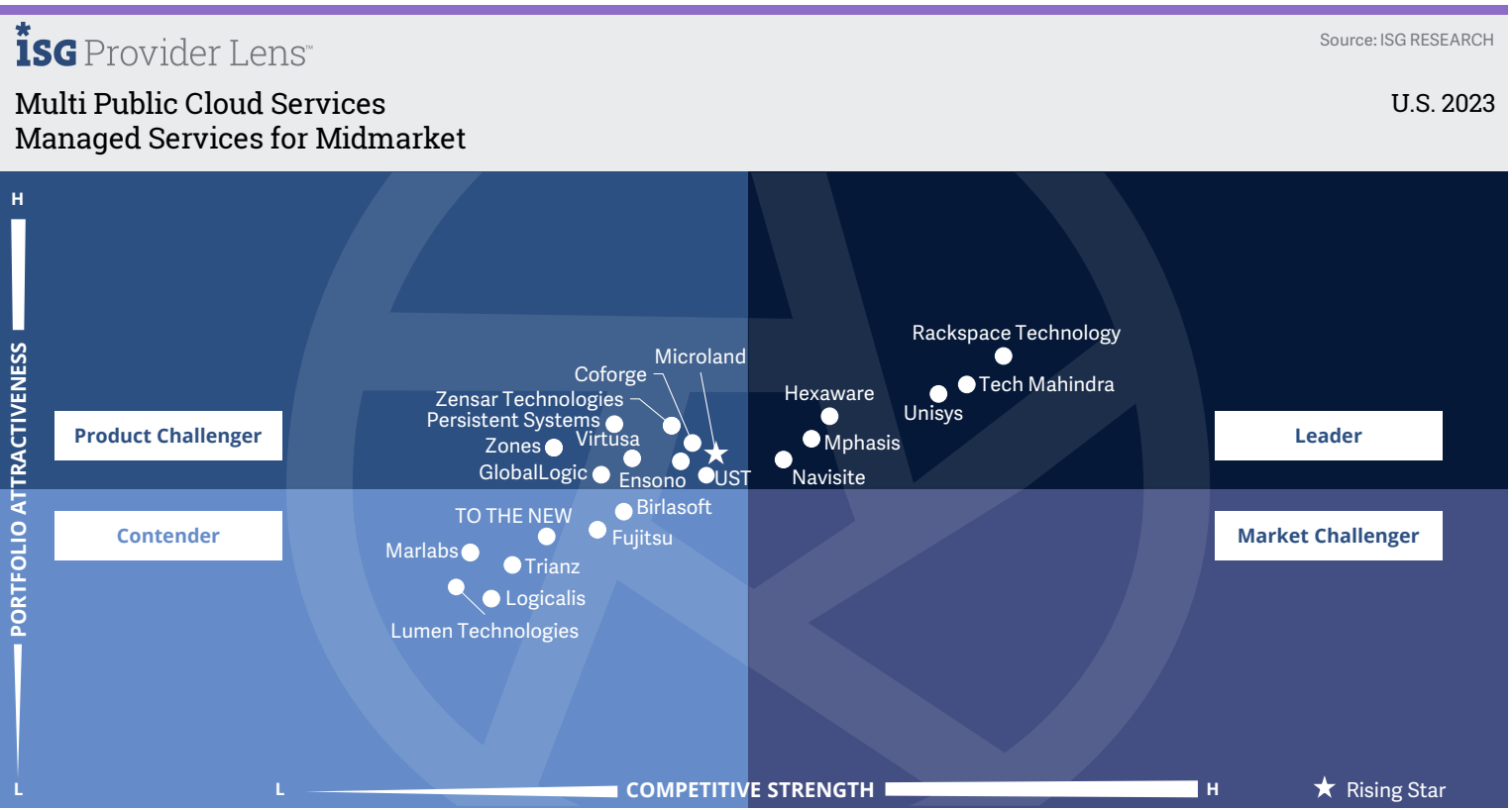

The quadrant evaluates **managed services providers' (MSPs')** ability to support the complexities, security and compliance requirements of managing and orchestrating multiple public cloud environments for **SME clients**.

Shashank Rajmane

Definition

This quadrant assesses managed service providers specializing in multicloud environments, comprising AWS, Microsoft Azure, Google Cloud and other hyperscalers. These providers adopt a DevOps-centric approach to support robust CI/CD pipelines with strong container management capabilities. They also offer expertise in site reliability engineering (SRE) and business resiliency.

Typical managed services offered by these providers include cloud infrastructure lifecycle management and real-time multicloud monitoring with predictive analytics to maximize performance, reduce costs and ensure compliance and security. Service providers use AIOps and FinOps tools to automate processes and provide transparency on cloud resources, capacity utilization and costs. Typical service platforms include service catalogs, approval workflows, self-service and self-heal capabilities. Provider services comprise:

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- ML and predictive analytics to improve performance and security.
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5. Support for software code development and **cloud-native and legacy system integration** by leveraging DevOps, API-enabled automation and cloud analytics services
6. Robust **security posture and cloud governance** services
7. **Partnerships with leading public cloud providers** and relevant managed service provider certificates for AWS, Microsoft Azure, Google Cloud, and others
8. Industry-specific solutions and **practice knowledge** for managing workloads on public cloud infrastructure

Observations

In the U.S., the public cloud **Managed Services for Midmarket** has been growing rapidly. Due to relatively less exposure and experience with cloud technology, SMEs often need service providers to support them in decisions around cloud configuration, security, data lakes and analytics, DevOps automation and cost optimization. Midmarket clients show increasing interest in cloud-native application development frameworks as well. Enterprise clients who find cloud platforms challenging to understand and those who do not have the time to undergo extensive training and certification will most likely find the midmarket service providers as ideal partners to accelerate their agile development toward a cloud-native app development organization. Enterprises continue to demand service providers' support for DevOps automation to enable CI/CD pipeline automation, which prompts the need to support container utilization. Cost management and cloud resource consumption control have also been prominent in several deals.

From the 57 companies assessed for this study, 22 have qualified for this quadrant, with six being Leaders and one a Rising Star.

HEXAWARE

Hexaware leverages its in-house developed suites, such as Tensai, to deliver agile and efficient managed services across multicloud environments. The provider has expertise in deploying the latest technologies and offering flexible cloud consumption models to U.S. clients.

Mphasis

Mphasis adopts a vendor-agnostic and automated infrastructure provisioning approach in managing multicloud environments. It has invested heavily in enhancing the InfraGenie platform to help clients achieve operational efficiencies and reduce service challenges.

Navisite

Navisite has a clear midmarket focus and enhances multicloud capabilities by solidifying partner networks with hyperscalers, including AWS, Azure and Oracle. It stands out in delivering cloud and related infrastructure services under a single umbrella in the U.S. market.

rackspace technology.

Rackspace Technology has been investing heavily in container and CI/CD pipeline automation for U.S. midmarket clients. It offers automation-enabled cloud solutions and focuses on developing FinOps services to help clients achieve their cost targets.

TECH mahindra

Tech Mahindra enhances its cloud security portfolio by partnering with leading security vendors such as IBM Security. It aids clients in achieving automated operations and optimized multicloud infrastructure through intelligent Cloud Subscription and Operations Services.

unisys

Unisys specializes in comprehensive hybrid cloud services and builds strong expertise in managed security services, catering to highly regulated markets. Its services assist clients in optimizing their cloud resources and streamlining operations by minimizing manual errors.

Microland

Microland (Rising Star) enhances its managed services solutions tailored to specific industries. The provider continuously invests in improving its Intelligeni™ HCP platform, offering real-time cloud monitoring and automatic issue resolution.

Leader

"Unisys leverages the best practices, native tools, automation and platform integrators through DevOps, SecOps and FinOps models to deliver cost-effective and secure managed cloud services to its clients."

Shashank Rajmane

Unisys

Overview

Unisys is headquartered in Pennsylvania, U.S. and operates in 28 countries. It has more than 16,200 employees across 71 global offices. In FY22 the company generated $2.0 billion in revenue, with Enterprise Computing Solutions as its largest segment. The provider assists U.S.-based enterprises in automating and managing multicloud environments, focusing on controlling costs and upholding compliance. Unisys collaborates with major hyperscalers to deliver business-focused services across verticals such as financial services, travel and transportation and government organizations.

Strengths

Expertise in cloud security: Unisys has a robust managed security services portfolio that covers on-premises, public, private and multicloud environments. It offers a unified and standardized cloud security process, leveraging its global security assessment capabilities, solutions and operations centers. The company uses its Stealth® security solution to provide strong security and compliance services for data residing in the cloud.

Robust FinOps services: Unisys has helped U.S.-based clients design and optimize their cloud resources and automate operations to reduce manual errors, costs and time to deliver through consulting and cloud cost management techniques. It uses VMware's CloudHealth solution and other ecosystem partners to provide clients with financial dashboards and cost optimization insights for cloud infrastructure rightsizing.

Strong hybrid cloud managed services: Unisys provides consistent managed services across all major public and private clouds. Its flexible service architecture uses site reliability engineering (SRE) and DevSecOps principles, supplemented with integrated and intuitive automation. The company leverages a vast API library enabling integration with VMware, OpenStack, public cloud tools and all ITSM and SIEM tools, offering clients a unified management platform through its CloudForte solution.

Caution

Compared to its peers, Unisys has a moderate hyperscaler-certified workforce in the U.S. It must increase its skilled engineer headcount to cater to the growing demand for managing workloads on public cloud infrastructure. It must also acquire more competency certifications from AWS, Azure and Google Cloud to create a differentiation.

FinOps Services and Cloud Optimization

Who Should Read This Section

This quadrant is relevant to enterprises of all sizes evaluating cloud FinOps service providers. In this quadrant, ISG highlights the current market positioning of FinOps service providers and shows how they address the key challenges enterprises face.

Enterprises in the U.S. pursue cloud cost optimization as a primary strategy for effectively managing their multi public cloud environments. Their objective is to achieve greater visibility, control and predictability of cloud expenditures, allowing them to fully harness the advantages of cloud technology. Enterprises seek providers to perform workload assessments and help reduce cloud-related expenses. There is a growing emphasis on establishing robust financial oversight, complete transparency regarding cloud resources and the ability to allocate costs across different business units.

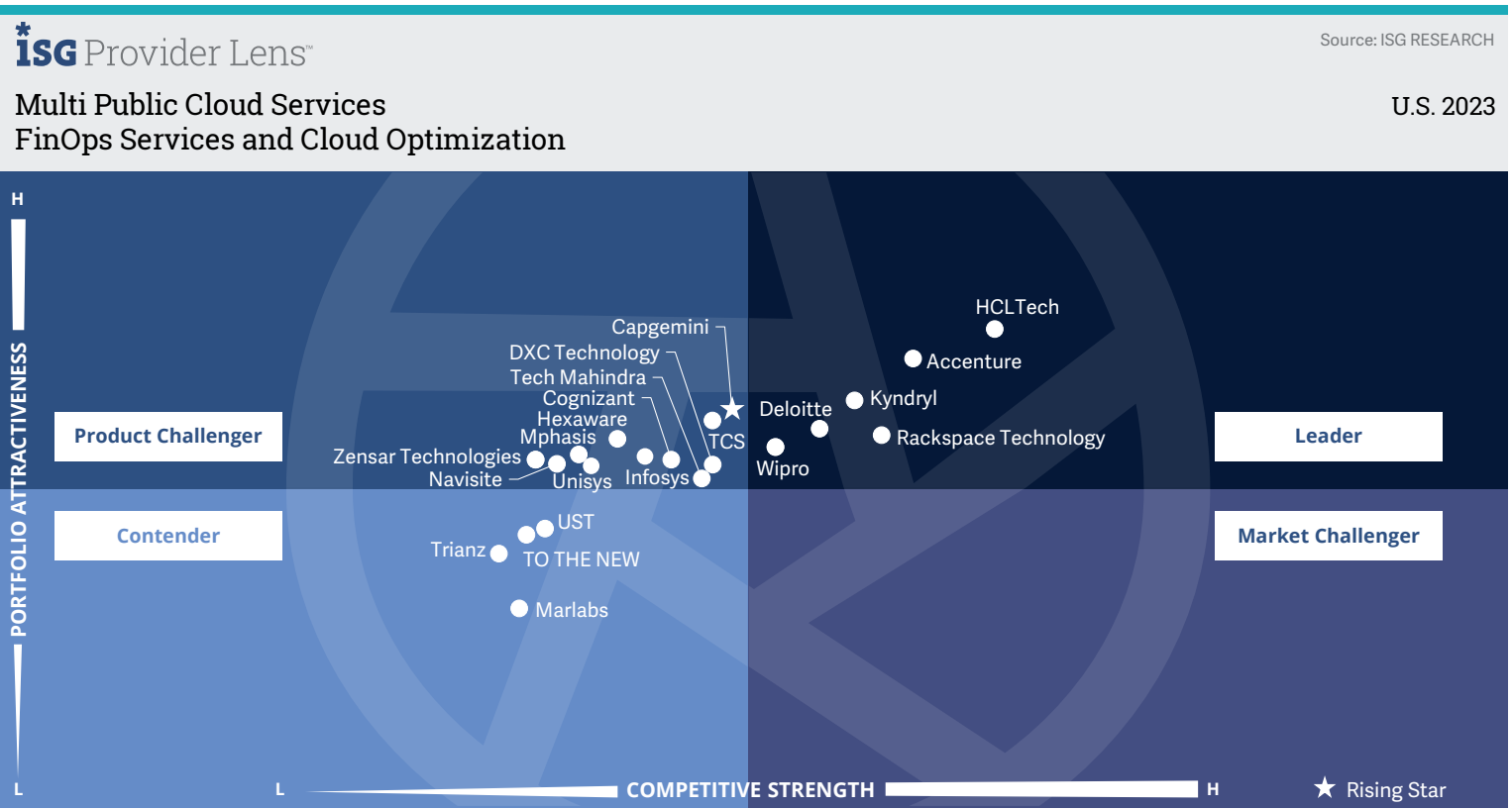
Enterprises actively collaborate with providers specializing in FinOps offerings tailored to specific industries. They look for service providers with FinOps as a bundled offering (embedded in the managed services portfolio) and help them optimize operating costs along with offering capabilities around spend predictability, governance and automated remediation of tagging.

In 2023, service providers increasingly focused on building stronger partnerships with tool providers such as Cloudability, CloudChecker and CloudHealth. Their goal is to deliver customized reports and dashboards to offer a comprehensive view of cost expenditure and allocation across various lines of business.

IT leaders should read this report to understand the relative strengths and weaknesses of FinOps service providers and how their market approaches influence enterprises' adoption of cloud-native technologies.

Sourcing, procurement and vendor management professionals should read this report to develop a better understanding of the current landscape of FinOps service providers.

Software development and technology leaders should read this report to understand the positioning of cloud FinOps service providers and how their offerings influence the creation of cloud usage dashboards.



The quadrant evaluates providers' ability to offer **consulting** and **managed services** around **FinOps services**, enabling enterprises to **optimize** their **cloud costs** on multiple cloud environments, **maximize cloud resource utilization** and **reduce waste**.

Shashank Rajmane

Definition

This quadrant assesses service providers that offer consulting and managed services around multicloud architecture with a best-of-breed approach for cloud infrastructure cost optimization for AWS, Microsoft Azure, Google Cloud and other cloud platforms. These providers undertake projects that include workload assessments to analyze and reduce cloud expenses and maximize cost efficiency.

These providers offer cloud governance advisory services for various activities such as user rights, service approval workflows, audit tracking (setting of logs/agents/reports) and defining compliance check methods, configuration policies, data access policies and service reporting configurations that include tagging, chargeback, and show back functionalities.

Leaders in this quadrant demonstrate the ability to predict clients' consumption patterns and cloud price changes using AI- and ML-based analytics. They use FinOps frameworks, comprising proprietary and third-party tools, to analyze and forecast usage, pricing and financial impacts. Providers also use data analytics to identify underutilized resources and optimization opportunities.

Clients expect providers to actively manage FinOps tools to maximize cloud resource utilization and improve automation and autoscaling capabilities. Contractual terms enable providers to operate on behalf of clients to facilitate activities such as buying and selling reserved instances, upscaling and downscaling resources and enabling dynamic cost allocation changes. Alternatively, streamlined approval workflows enable fast decision-making to optimize infrastructure costs and maintain budget adherence.

Eligibility Criteria

1. **FinOps-certified FTEs** in **at least three hyperscalers** among the popular ones like AWS, Microsoft Azure, Google Cloud or Oracle Cloud (FinOps-certified staff improves ratings, but it is not a prerequisite)
2. To offer **FinOps framework strategy and implementation** roadmap within the client's organization, including the three major FinOps framework elements – inform, optimize and operate
3. FinOps services must be regulated by **cost-saving targets** centered on **budget control** SLAs
4. **Enable clients** to develop their internal FinOps teams from various organizations within the enterprise
5. Empower clients with organizational change management (OCM) for **sustainable FinOps** practices
6. **Demonstrate optimization expertise**. FinOps reporting is not enough for qualification

Observations

The cloud financial management practice has rapidly grown in the last four quarters, and **FinOps Services and Cloud Optimization** are becoming increasingly important for businesses of all sizes. Enterprises often require service providers' assistance to assess options to reduce rising cloud bills. With FinOps services and tools in their managed service offering, midmarket service providers can enable clients to check their multicloud spending, optimize consumption and cloud resources, and reduce cloud waste and bills. As the complexity of managing cloud costs increases, many organizations choose to outsource their FinOps functions to MSPs, with almost all their conversations with clients around FinOps and improving efficiencies. Enterprises also realize the importance of incorporating FinOps practices early in their cloud migration projects for better management and cost optimization. With businesses becoming more accountable for their cloud costs using FinOps, using cloud resources is more efficient, resulting in better financial outcomes. As a result, the FinOps domain continues to grow with an increasing demand for FinOps practitioners with solid technical skills. This leads to a greater emphasis on training and upskilling within the industry. Based on the recent survey by the FinOps Foundation, the average FinOps team size has grown by 75 percent in the last 12 months, and it is expected to grow by another 50 percent in the coming year. Enterprises are also starting to link their sustainability goals with their FinOps practices, as companies can reduce their environmental impact by optimizing their cloud usage. These trends indicate that FinOps is critical to a successful cloud management strategy. With more businesses migrating to the cloud, the demand for FinOps Managed Services is expected to continue growing.

From the 57 companies assessed for this study, 21 have qualified for this quadrant, with six being Leaders and one a Rising Star.

accenture

Accenture offers well-defined roadmaps to enhance cloud cost efficiency for U.S. enterprises. The provider stands out for its extensive expertise in optimizing public cloud resources and its large pool of professionals accredited by the FinOps Foundation.

Deloitte

Deloitte's CloudBilling 360™ solution offers high-level customization and financial transparency to maximize the cloud value. Its significant governance experience and adherence to compliance requirements for FinOps frameworks align closely with the client's data assets.

HCLTech

HCLTech continues investing in its DRYiCE MyXalytics platform, optimizing cloud resources and enabling clients with real-time decision-making. It excels in establishing a cohesive data science unit, promoting financial responsibility and a cost-conscious culture.

Kyndryl

Kyndryl significantly invests in enhancing its FinOps practices by delivering real-time and accurate cost visibility across the cloud adoption journey. Its large pool of FinOps-certified practitioners helps enterprises strategically plan future cloud costs efficiently.

Rackspace Technology delivers FinOps services for enterprises of all sizes, correlating with the client's budget needs. Its automation frameworks enable real-time monitoring and usage reporting features to get tailored cost optimization recommendations.

Wipro's FinOps approach, led by specialized professionals, identifies cost-saving opportunities and facilitates data-driven business choices. It stands out in offering tailored reporting and dashboards, aligning with its cloud expenditure optimization and governance.

Capgemini (Rising Star) tailors its FinOps services to fulfill industry-specific client needs and aims to enhance cloud cost efficiency. It seamlessly integrates with various ITSM tools, enhancing operational workflow monitoring and resource utilization visibility.

Product Challenger

"Unisys enables enterprises to effectively manage multicloud environments and optimize cloud resources through automation frameworks, for real-time monitoring and customized optimization based on IT configurations, making them a dependable partner for FinOps services."

Shashank Rajmane

Unisys

Overview

Unisys is headquartered in Pennsylvania, U.S. and operates in 28 countries. It has more than 16,200 employees across 71 global offices. In FY22 the company generated $2.0 billion in revenue, with Enterprise Computing Solutions as its largest segment. It delivers FinOps solutions that offer optimization suggestions and remedies to clients of varying sizes, spanning sectors such as government, financial services, healthcare, travel and transportation in the U.S. Unisys's FinOps offerings ensure comprehensive visibility and integrations across major hyperscalers, including AWS, Azure, Google Cloud and Oracle.

Strengths

Efficient collaboration for optimal results: Unisys specializes in partnering strategically with clients, emphasizing cloud-native application modernization, infrastructure migration and operational ROI. Unisys ensures operational efficiency and proactive alignment with business objectives, which enable clients to become proficient in budget reporting, spend tracking and cost reduction, including reserved instance management.

Strategic FinOps support: Unisys offers a robust support mechanism to its clients in the U.S. for optimizing their cloud spends. This includes assistance from initial maturity assessment to ongoing management. The company aids customers in establishing and reinforcing FinOps discipline with pre-configured templates, streamlining optimization and governance during public cloud transformation engagements, and has been successful in helping clients reduce cloud bills.

Integrated FinOps analytics: Unisys provides analytics related to FinOps through proprietary and third-party solutions for visibility and governance. Through R&D, the company integrates FinOps features for various client scenarios and delivers analytics for factors such as AIOps, DevSecOps and containerization. Commercial teams focus on assessing cost factors, emphasizing visibility, benchmarking, real-time decisions and capacity planning for optimal outcomes.

Caution

Unisys has a team of certified experts that actively supports leading hyperscalers such as AWS and Azure. The provider should also invest in improvising its resource pool of FinOps-certified professionals to cater clients FinOps requirements for public cloud environments.

Hyperscale Infrastructure and Platform Services

Who Should Read This Section

This quadrant is relevant to enterprises across industries in the U.S. evaluating providers of hyperscale infrastructure and platform services. In this quadrant, ISG highlights the current market positioning of the U.S. providers and their capabilities in addressing key challenges enterprise clients face.

Enterprises in diverse sectors emphasize evaluating the advantages of cloud integration and implementing cost-efficient cloud management approaches. They embrace third-party multi public cloud services to streamline workload migration and enhance operational efficiency. Enterprises actively explore ways to utilize the capabilities of hyperscale providers within virtual or containerized software-defined environments. They focus on harnessing computing resources and middleware, combining them with infrastructure as code (IaC) and serverless computing while automating provisioning processes.

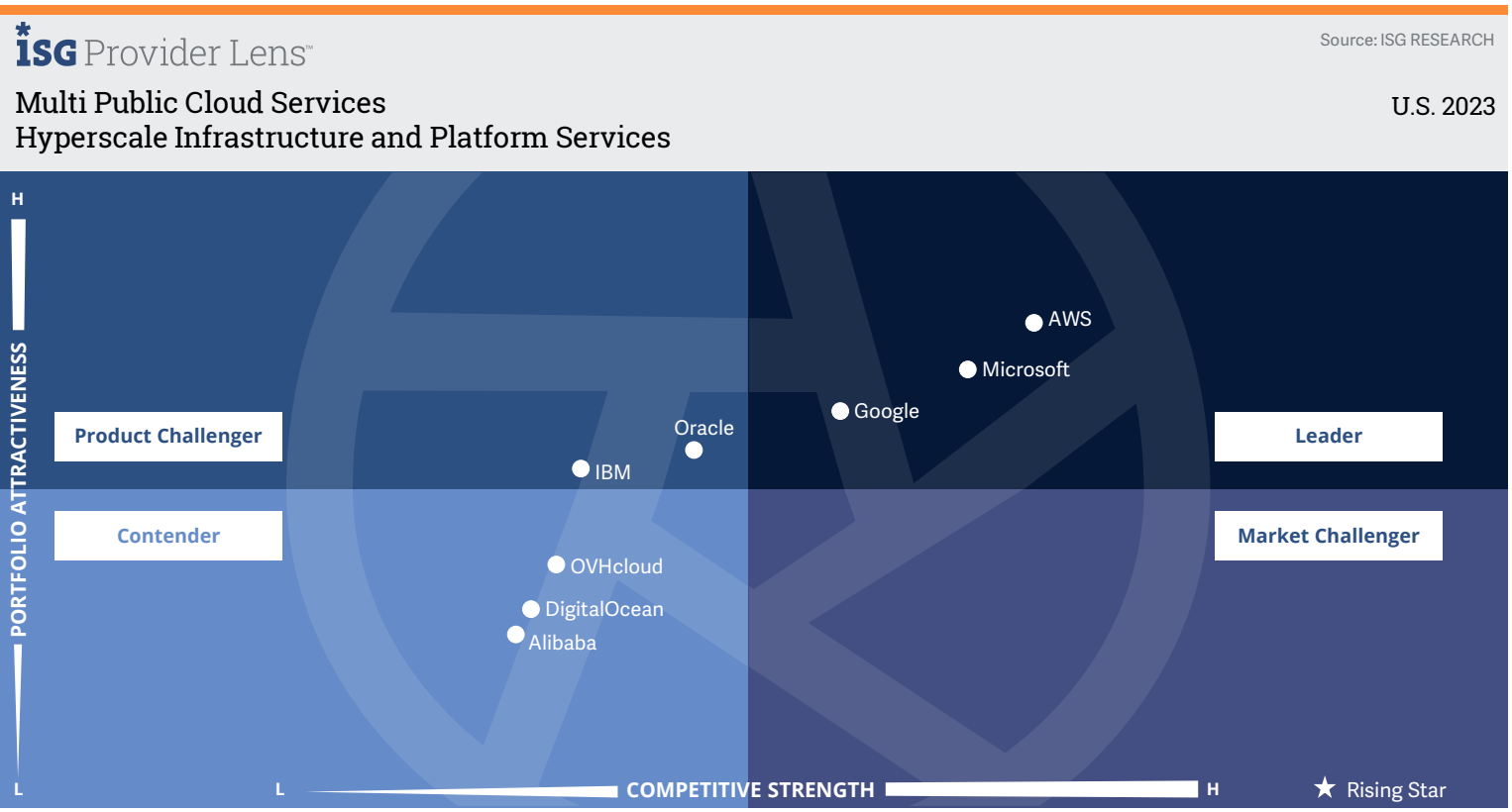
They also strongly emphasize adopting a PaaS model that delivers uninterrupted access to resources and supports various functions related to business process management, collaboration networks, databases, analytics, and ML capabilities.

In 2023, service providers invested significantly to bolster their service offerings by enhancing data security and implementing AI and ML technology — these efforts aimed to enhance CX and ensure consistent operations within public cloud environments.

IT leaders should read this report to understand the relative strengths and weaknesses of hyperscale infrastructure and platform service providers and how their market approaches impact enterprise public cloud strategies, reduce TCO and improve business agility, scalability and flexibility.

Sourcing, procurement and vendor management professionals should read this report to better understand the current landscape of hyperscale infrastructure and platform service providers in the U.S. market.

Software development and technology leaders should read this report to understand the relative positioning and capabilities of hyperscalers, helping them procure infrastructure and platform services to migrate their workloads to public cloud platforms.



The quadrant evaluates **hyperscale public cloud** infrastructure and **platform** providers that offer a **pay-as-you-go** model and support numerous clients on **shared infrastructure** with **on-demand** and **web-centric** services.

Shashank Rajmane

Definition

This quadrant assesses suppliers that provide virtual compute resources, middleware and software in a highly scalable public cloud environment. Clients consume infrastructure and platform functionality as on-demand and web-centric services. Typical services in the IaaS segment are compute services, storage and network resources, where all are provided as virtual or containerized software-defined offerings and complemented by serverless architectures. The hyperscaler PaaS segment offers multiple microservices and runtime engines for predefined cloud-based application development that typically addresses the complete lifecycle needs of developers building or modernizing applications. Offerings include middleware, business process management, collaboration networks, databases, analytics and ML capabilities. Internal and external (third-party) services are accessible through marketplaces. In addition, IaaS or PaaS vendors support and manage ISVs in their go-to-market activities.

Eligibility Criteria

1. Infrastructure portfolio with **computing power,** memory, storage, network, backup and container management functions. The self-service catalog includes high performance computing **(HPC)** and **ML instances**
2. **Price transparency** with consumption-based and reserved billing models
3. Recognized **quality standards** and **service certifications,** including data center and facilities certification
4. Support for **data location** according to local regulations for sovereignty, data access control, encryption and privacy. Strong focus on **data protection** and sophisticated **cybersecurity solutions**
5. Support for IaC and **serverless computing** in combination with **automated provisioning,** event triggering and failover
6. APIs to **connect multiple clouds,** SaaS and web services
7. **Partner program** with a vast partner ecosystem

Observations

The **Hyperscale Infrastructure and Platform Services** market continues to be very competitive. Providers such as Amazon Web Services (AWS), Microsoft Azure and Google Cloud dominate the U.S. market, leveraging their extensive infrastructure, advanced technology offerings and wide range of services to maintain their leading positions. These major players have continued to invest heavily in expanding their global data center footprint and enhancing their service offerings to meet the growing demand for cloud-based solutions. There has also been a continued focus on improving energy efficiency and sustainability in data center operations. This is primarily driven by increasing awareness of the environmental impact of data centers and the need to comply with stricter regulations on energy use and carbon emissions. One of the market's major trends in 2023 is increasing investments into GenAI capabilities, where hyperscalers have developed several services and showcased use cases around GenAI so that users start preferring their cloud infrastructure over others.

With cloud providers continuing to distinguish their offerings in 2023, enterprises will have the opportunity to make informed decisions about placing their workloads in the future. With a multicloud strategy, applications can access the best-of-breed services available for their use case, whether an industry-specific cloud solution, a specialized database or an AI and ML service. Despite these ongoing trends, the IaaS and PaaS market landscape has not seen significant shifts or disruptions over the past year ¬— the same key players continue to lead the market, and the demand for hyperscale services remains strong across various industry sectors. However, with the rapid pace of technological advancement and the ever-evolving needs of businesses, ISG predicts that the market will continue to evolve and grow.

From the 57 companies assessed for this study, eight have qualified for this quadrant, with three being Leaders.

AWS

AWS continues to be the leader in the U.S. due to its large investments in expanding public cloud service offerings, including data governance. The company has made substantial investments in AI and ML technology, unveiling several related services to improve CX.

Google

Google's acquisitions, such as Mandiant, have helped it to transform security operations and incident response for clients. Its Anthos platform is gaining traction and has capabilities to deliver operational consistency across hybrid and public cloud environments.

Microsoft

Microsoft's recent partnership with OpenAI has boosted its capabilities to offer better CX. The provider's user-friendly interface, AI-driven analytics and seamless integration capability improve users' performance by leveraging Microsoft Azure services.

SAP HANA Infrastructure Services

Who Should Read This Section

This report is relevant to enterprises across industries in the U.S. evaluating providers of SAP HANA infrastructure services for SAP S/4HANA workloads and large-scale HANA databases. In this quadrant, ISG highlights the current market positioning of these U.S. providers based on the depth of their service offerings and market presence.

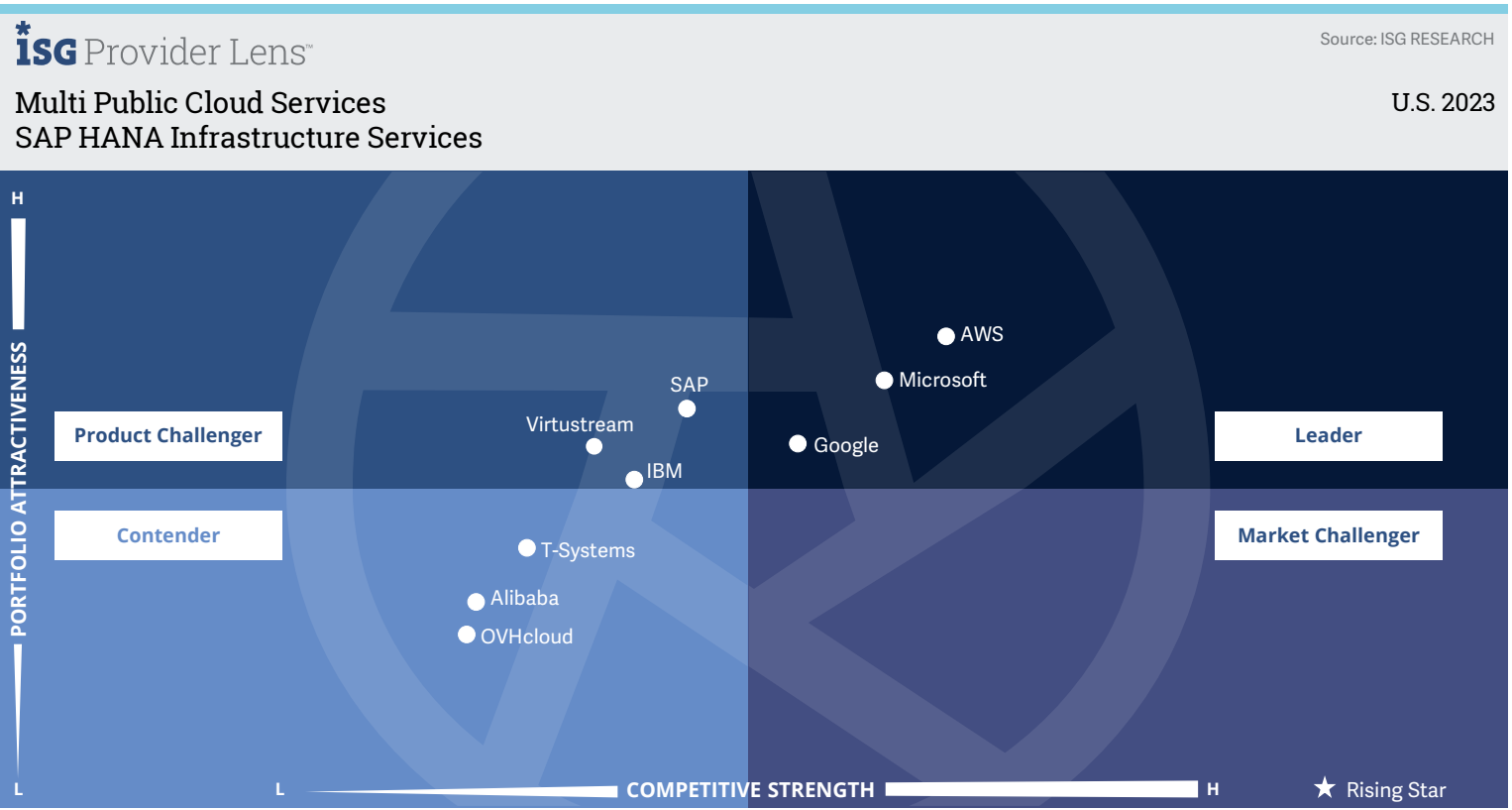
Businesses are becoming more assured in adopting public cloud infrastructure, primarily due to improved data security and cost-efficiency. Enterprises encounter difficulties in managing vital workloads, particularly those associated with the SAP product line, due to challenges related to data handling, change management and a shortage of skilled personnel. Consequently, there is an increasing reliance on third-party applications that can be seamlessly integrated with SAP S/4 HANA. The expanding wave of digital transformation initiatives prompts enterprises to emphasize cost reduction, agility, security and industry-specific solutions when migrating SAP workloads.

In 2023, it is noteworthy that providers dedicated resources toward establishing an infrastructure platform that boasts exceptional security, reliability and performance. There has been a growing emphasis on providing tools and services to facilitate the smooth migration of enterprise SAP workloads to cloud platforms. Integrating cutting-edge technologies such as AI and ML into their services enables providers to assist clients in modernizing their SAP applications and enhancing their overall business value.

IT leaders should read this report to better understand SAP HANA infrastructure service providers' relative strengths and weaknesses and learn how their market approaches impact enterprise public cloud strategies.

Software development and technology leaders should read this report to understand the relative positioning and capabilities of SAP HANA infrastructure providers, helping them procure infrastructure and services to migrate their workloads to public cloud platforms.

Sourcing, procurement and vendor management professionals should read this report to better understand the current landscape of SAP HANA infrastructure service providers in the U.S. market.



The quadrant evaluates service providers offering **SAP product** hosting, particularly SAP S/4HANA, within public cloud shared environments, utilizing **SAP-certified infrastructure** and standard services.

Shashank Rajmane

SAP HANA Infrastructure Services

Definition

This quadrant assesses cloud infrastructures best suited to host SAP's software portfolio, emphasizing SAP S/4HANA workloads and large-scale HANA databases. Participating providers offer IaaS, including infrastructure operations, facilities, provisioning and scaling capacity for SAP workloads.

Key criteria for assessment include the IaaS providers' offering of data migration tools, technical support, system imaging, backup and restore capabilities, disaster recovery solutions, resource usage monitoring and dashboard management solutions. These tools required can be a part of the standard IaaS offerings or provided by partners in a marketplace.

Infrastructure providers that participate in the RISE with SAP program receive a higher rating. However, RISE participation is not a mandatory requirement for inclusion in this quadrant. Ideally, the infrastructure provider should have a broad ecosystem, including SAP partners, enabling them to support clients in automating and operating their SAP instances in the cloud.

The cloud infrastructure provider should also offer pre-sales support to help clients with migration planning, cloud architecture design, sizing and performance optimization, licensing considerations, system and database configuration, virtual private network configuration and third-party vendor solutions (toolsets). The support analysis focuses on the vendor's service partner ecosystem and their expertise in conducting related migrations and operations.

Eligibility Criteria

1. IaaS to include **SAP-certified servers** with storage and connectivity for SAP products. Availability of SAP HANA instances in multiple memory sizes, enabling **on-demand upscaling** to accommodate instance growth and upgrades with minimum service interruptions
2. Memory capacity exceeding **6 TBs per virtual machine**
3. Easy access, **transparent prices**, consumption-based, reserved instance and dedicated instance billing models
4. Recognized **quality standards** and **service certifications**, with a strong focus on **data protection** and cybersecurity
5. **Low-cost storage** for backups and archiving
6. **Multi-region** disaster recovery capabilities
7. Automated **backup and restore functionality** (platform-based, proprietary or partner solutions)
8. Frameworks and **tools for application** and **data migration**
9. An ecosystem of **certified partners** with SAP specialization

Observations

There has been an increase in demand for migrating mission critical workloads to cloud environments. More enterprises are experimenting with various combinations of cloud, and taking greater risks to become more agile. We are observing that enterprises are wanting to rapidly move their SAP applications and workloads to the public cloud. When choosing their cloud platform, enterprises should check partner credentials and migration automation tools to achieve the desired results. The SAP HANA Infrastructure services has had lot of advancements especially from the hyperscalers side. The top hyperscalers in this space are offering automated tools to accelerate RISE with SAP migrations, providing a safe path for hesitating customers, and anything that can help the migration of SAP workloads to their environments as seamless as possible. SAP continues to push their RISE with SAP initiative, accelerating cloud migrations. However, typical SAP clients have more than SAP S/4HANA, and are simultaneously using legacy ERPs, analytics tools, data warehouses, sales and service automation, customer relationship management (CRM), e-commerce, human capital management (HCM) and other SAP or competitors' products. The U.S. market in this domain continued to be a battle between AWS and Microsoft Azure. Google Cloud took a price-competitive approach, but had limited success. The overall SAP HANA Infrastructure services continues to grow and will continue to grow even further in the coming years, where enterprises will slowly move all their large instances and workloads with complex environments to the public cloud environments.

From the 57 companies assessed for this study, nine have qualified for this quadrant, with three being Leaders.

AWS

AWS offers extensive services for hosting SAP workloads to U.S. clients. Its Launch Wizard for SAP empowers clients to automate S/4HANA deployment efficiently, and the ProServe for SAP offering enables seamless migration to the public cloud with reduced operational costs.

Google

Google excels in delivering virtualized architecture and aiding clients in optimizing their SAP landscape, enhancing infrastructure performance and enabling real-time insights through its strong analytics features.

Microsoft

Microsoft has strengthened its partnership with SAP and focuses on delivering automated migration and operation of SAP workloads on Azure. The provider has significantly enhanced its offerings by integrating GenAI capabilities.

Appendix

The ISG Provider Lens™ 2023 – Multi Public Cloud Services study report analyzes the relevant software vendors/service providers in the U.S. market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research™ methodology.

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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 November 2023, 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.

All revenue references are in U.S. dollars ($US) unless noted.

The study was divided into the following steps:

1. Definition of Multi Public Cloud Services 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. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
   * Strategy & vision
   * Tech Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * CX and Recommendation

Author

Shashank Rajmane

Manager and Principal Analyst

Shashank Rajmane has more than a decade of extensive experience in research and works as a Principal Analyst at ISG. He leads the efforts for ISG Provider Lens™ studies — Public Cloud Services & Solutions and Private/Hybrid Cloud & Data Center Outsourcing Services. He also authors the U.S. and Global reports. Apart from these, Shashank has been part of many consulting engagements and helping ISG's enterprise clients with their cloud strategy, along with selecting the right service providers/vendors based on their IT-related buying requirements. He has authored several white papers, thought leadership articles, briefing notes, blogs and service provider intelligence reports, especially in the next-generation hybrid cloud and infrastructure services domain. Shashank has also delivered several workshops, webinars and podcasts and has been quoted in IT journals.

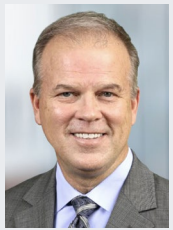
Enterprise Context and Overview Analyst

Chandra Shekhar Sharma

Research Specialist

Chandra Shekhar Sharma is a Research Specialist at ISG and is responsible for supporting ISG Provider Lens™ studies on Public Cloud and Private Hybrid Cloud Data Center Solutions and Services. He supports the lead analysts of multiple regions in the research process and authors the global summary report. Shekhar is responsible for delivering the enterprise's perspective for IPL and collaborates with analysts, advisors, and enterprise clients on various ad-hoc research requests. He comes with over nine years of research and consulting experience in the IT industry. Prior to this role, he has been associated with several custom market and procurement research firms, in which he has delivered actionable insights and recommendations around market sizing & forecasting, industry-level trends and drivers, procurement best practices, sourcing models and strategy, competitive benchmarking, market share analysis and vendor landscape for industry verticals such as IT hardware, IT services, transportation and warehousing.

IPL Product Owner



Jan Erik Aase

Partner and Global Head – ISG Provider Lens™

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a research director, principal analyst and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

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™

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Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,600 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 isg-one.com.

ISG Provider Lens™

DECEMBER, 2023

REPORT: MULTI PUBLIC CLOUD SERVICES