Magic Quadrant for Oracle Cloud Application Services, Worldwide

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By Analysts Katie Gove, Denis Torii, Akshit Malik, Gunjan Gupta, Alan Stanley

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The pace of customers moving to Oracle Cloud Applications increased yet again, reflected by the continued growth in almost all of the Magic Quadrant vendors’ OCA businesses. Sourcing, procurement and vendor management leaders can use this research to make OCA services vendor selections.

This Magic Quadrant is related to other research:
View All Magic Quadrants and Critical Capabilities

Strategic Planning Assumptions

By year-end 2024, 75% of Oracle application services revenue will be cloud-related as enterprises accelerate their move to the cloud in response to the massive disruption of the COVID-19 pandemic.

By 2025, 85% of large organizations will have engaged external service providers to migrate applications to the cloud, up from 43% in 2019.

By 2025, the top four ERP vendors will rebrand themselves as business platform providers.

Market Definition/Description

Gartner defines Oracle Cloud Application (OCA) services as only those services associated with the products under Oracle Cloud Applications, also known as SaaS. This means consultancy, migration, implementation, application managed services, postimplementation evolution and optimization services. To qualify, each vendor project must have an “anchoring” OCA product from at least one of the solutions identified in the Oracle Cloud Excellence Implementer (CEI) Program on the Oracle PartnerNetwork website. Currently, the CEI program is version 3787137 and consists of cloud service modules that cover:

- Customer experience (CX)
- Enterprise performance management (EPM)
- Enterprise resource planning (ERP)
This Magic Quadrant evaluates the worldwide capabilities of vendors. It provides metrics at a regional level, and is grouped within North America (NA), Latin America (LATAM), Asia/Pacific (APAC) and EMEA. The vendors in this Magic Quadrant are evaluated relative to each other.

This Magic Quadrant does not cover other Oracle services, such as:

- All application services related to Oracle products outside those Oracle Cloud Applications identified previously (for example, NetSuite is not included in this analysis)
- All activities relating to business process outsourcing
- All ongoing infrastructure and hosting-only services, such as infrastructure as a service (IaaS)/platform as a service (PaaS) or or cloud infrastructure and platform services (CIPS)
- Any physical — on-premises and cloud — compute assets’ associated revenue
- Product-only activities, such as from the resale of Oracle licenses or the vendor’s third-party products

(See Note 1 for a list of industries included in this Magic Quadrant.)

A more detailed analysis of the included vendors’ capabilities, with scoring based on use cases, is available in Critical Capabilities for Oracle Cloud Application Services, Worldwide.

About the Vendor Profiles

Each vendor profile includes a summary of key characteristics of that vendor’s practice. It also reviews that provider’s strengths and cautions regarding Oracle Cloud Application services (see the Vendor Strengths and Cautions section), and emphasizes the areas where the vendors are strong and the areas that need improvement.

Gartner has chosen to include information on each vendor’s practice according to the following areas:

- **Introduction**: This outlines the genre of deals that Gartner believes are a good fit for the vendor — that is, its delivery “sweet spot.”

- **Growth**: This year, we have counted vendors’ annual revenue for the 12-month period ending 30 June 2020. The data is for a one-year period that does not necessarily represent the vendor’s fiscal-year reporting period. The vendors in this Magic Quadrant are estimated to have grown Oracle Cloud Applications revenue, as a group, 28% year over year (YoY). The ability to grow solidly provides an indication of the vendors’ investment, focus and vision in the Oracle Cloud Applications practice and ability to take advantage of opportunities.
Note that the overall Oracle practice business for this group grew by 7% while the noncloud revenue shrunk by 12%. The growth of OCA with vendors is a combination of overall growth along with a pivot from on-premises services. It is critical to understand that for this Magic Quadrant, Cloud practice growth is a strong indicator of vision, not only execution, as this market represents the need to pivot from on-premises to cloud. This pivoting can “cannibalize” existing revenue streams. Pivoting successfully clearly reflects a vendor’s ability to “do” cloud in a way that resonates with clients, which is a strong indicator of vision. Pivoting also includes a substantial focus on reskilling existing talent with cloud capabilities as well as moving a portion of them from the on-premises practice to cloud.

It’s very important to note that just being in this market does not guarantee that all vendors are moving at the same pace or even on the same trajectory. Every year, we have seen that some vendors in our Magic Quadrant move faster than others, and that growth for the same vendor can vary enormously from year to year. Although there is demonstrable growth in this market, the uneven rates of growth among the cohort mean that year-over-year positioning relative to each other should be expected to change.

- **Cloud Applications focus**: This looks at the proportion of the overall Oracle business that is dedicated to Oracle Cloud Application services for the in-scope products. NetSuite services are not included.

- **Client geography**: Breakdown of where the vendor’s revenue comes from, indicating the regions where the vendor is strongest and has the largest number of clients. It is worth noting that the majority of all of the client revenue is generated in North America and Europe. However, there has been growth in markets outside of these geographies, and this is expected to continue.

- **Industry**: Some vendors are industry-agnostic, some are laser-focused on only a few industries, and some are more focused on a set of industries but work with clients in multiple industries. This area serves as an indication of the industries that are more prominent (based on projects completed) in the vendors’ focus and the industries in which the vendors have experience. However, a focus on a particular industry does not always mean that other industries are excluded from coverage.

- **Client size**: Participating vendors were asked to provide a percentage breakdown of revenue derived from clients of different sizes by number of employees (July 2019 through June 2020). This information was used to determine the size of the organization that is the vendor’s sweet spot. The three segments are: smallest organizations, up to 999 employees; small and midsize organizations, from 1,000 to 10,000 employees; and large organizations of more than 10,000 employees.

- **Product focus**: For the purposes of this analysis, OCA consists of five application areas:
  - Customer experience (CX), as covered by Oracle CX Cloud Suite (CX Cloud)
  - Enterprise performance management (EPM), as covered by Oracle EPM Cloud
  - Enterprise resource planning (ERP), as covered by Oracle ERP Cloud
  - Human capital management (HCM), as covered by Oracle HCM Cloud
Supply chain management (SCM), as covered by Oracle SCM Cloud

Please note that additional information on suitability for specific use cases, delivery capacity, resources and capabilities, such as for technology enablement, SaaS product expertise, organizational change management and BizDevOps, can be found in Critical Capabilities for Oracle Cloud Application Services, Worldwide. It is strongly recommended that these two resources be used together to get the best understanding of vendor reach, capability and suitability.

Due to this Magic Quadrant’s inclusion criteria and methodology, many capable vendors were not assessed as part of this analysis (see the Inclusion and Exclusion Criteria section). However, they may be a better fit for specific Oracle Cloud Applications engagements, depending on the size and complexity of the engagement, geography, industry and other factors. Clients are advised to talk with a Gartner analyst to narrow down a shortlist of best-fit service providers covered in this Magic Quadrant, as well as to discuss providers not covered here. Clients should also check the referenceable customers of the vendors.

Magic Quadrant
Vendor Strengths and Cautions

Accenture

Accenture is a Leader in this Magic Quadrant. Headquartered in Dublin, it is primarily a good fit for large global enterprises engaged in multifunctional, multiservice, multiyear transformations.

- Estimated revenue growth in OCA services: 42%.
- Estimated revenue growth for entire Oracle practice: 7%.
- Oracle Cloud services represent approximately 41% of its entire Oracle services practice.
- OCA revenue split by region: NA: 66%; LATAM: 5%; EMEA: 20%; APAC: 9%.
- Top five industries by number of clients: banking, consumer products, retail, telecommunications and industrial machinery components.
Strengths

- **Popular and strongly growing service:** Accenture has the largest Oracle Cloud practice among the providers in this research, and is growing at almost 40% on a very large revenue base. It has grown its Oracle Cloud services by almost 8,000 staff and $730 million since the 2020 Magic Quadrant. This is not just a pivot of existing services, but true growth on Oracle services, which grew by $300 million.

- **Holistic approach:** Accenture restructured its organization since the last Magic Quadrant to its new growth model, allowing it to accelerate innovation intelligence and industry knowledge from across Accenture to deliver solutions and services that are business-focused. This approach is resonating well with OCA clients. Many highlight how strong the partnership has been and the end-to-end capabilities Accenture uses to deliver business outcomes throughout the client’s cloud journey.

- **Strong relationship with Oracle:** Accenture continues to invest robustly in its portfolio of cloud offerings. Through its Accenture Oracle Business Group, the company is more intricately involved with the future product offering roadmap, bringing insight and direction to both investment and talent development.

Cautions

- **Limited relevance for single-pillar engagements:** Accenture’s market proposition is large, multiyear, transformative Oracle Cloud implementations. While Accenture delivers effective single-pillar deals, clients seeking only cost-focused core services may not always consider Accenture the best fit for their needs.

- **Not suitable for smaller clients:** Accenture is focused on large enterprises. The small and midsize business (SMB) market segment is not a primary focus. It has no revenue from organizations with fewer than 1,000 employees and almost two-thirds is from those of over 10,000 staff.

- **Lack of pricing transparency and flexibility:** Accenture tends to have extremely good client feedback overall, but the areas of price and contracting continue to be an issue cited by some clients as needing improvement. Issues include contracting rigidity with little downstream opportunity to adjust and less clarity over junior/senior resourcing.

Capgemini

Capgemini is a Niche Player in this Magic Quadrant. Headquartered in Paris, it is primarily a good fit for large product-centric global clients seeking advisory, global Oracle cloud optimization and postimplementation evolution.

- Estimated revenue growth in OCA services: 29%.

- Estimated revenue growth for entire Oracle practice: 0%.
Oracle Cloud services represent approximately 22% of its entire Oracle services practice.

OCA revenue split by region: NA: 34%; LATAM: 1%; EMEA: 61%; APAC: 4%.

Top five industries by number of clients: consumer products, public sector, telecommunications, professional services, and utilities and energy.

Client size: small: 3%; midsize: 28%; large: 70%.

Revenue split per cloud product: ERP: 35%; HCM: 16%; SCM: 1%; EPM: 3%; CX: 30%; other: 16%.

**Strengths**

- **Tech-driven single-pillar business optimization**: Capgemini has created quick deployment assets (e.g., modern finance, modern HCM) to help customers accelerate cloud adoption with a moderate degree of business change. These assets focus on single-pillar preconfigured models focused on operational optimization, looking at gradual and continuous improvement led by technology replacement.

- **Postimplementation support**: Investment in rapid and automated testing frameworks combined with certified OCA resources and tailored support methodology position Capgemini as a relevant player in post implementation support initiatives. Some clients cite quick-value realization and system stability as features that stand out in their application management initiatives with Capgemini.

- **Complementary contracting capabilities**: Capgemini's experience in the broader service outsourcing market expands its capability to offer longer-range deals. Customers seeking a single-vendor approach, from OCA implementation to business process outsourcing (BPO) and traditional application management services (AMS), may find Capgemini to be a competitive player.

**Cautions**

- **Incomplete industry focus**: Capgemini consulting practices and assets mostly focus on business optimization in its chosen industries. While Capgemini cites SCM cloud as its targeted differentiating capability, its revenue numbers show this is still far from being a mature offering. Customers seeking full-scale digital transformation (versus business optimization and gradual transformation) or wanting depth in an SCM offering may find Capgemini a poor fit.

- **Limited geographic presence**: While Capgemini as an enterprise operates globally, its OCA capabilities and revenue are still concentrated in North America and portions of EMEA (the U.K., France and the Netherlands). Clients should ensure that track record and customer references align with their needs and expectations for local-based support.

- **Lack of support for midsize enterprises**: Capgemini focuses on large enterprise clients, particularly above the $1 billion range. This can make it less suited for small and midsize clients.

**Cognizant**
Cognizant is a Challenger in this Magic Quadrant. Headquartered in Teaneck, New Jersey, it is primarily a good fit for large clients seeking HCM and ERP cloud transformation in the North American and EMEA markets.

- Estimated revenue growth in OCA services: 31%.
- Estimated revenue growth for entire Oracle practice: 3%.
- Oracle Cloud services represent approximately 22% of its entire Oracle services practice.
- OCA revenue split by region: NA: 83%; LATAM: 0%; EMEA: 16%; APAC: 0%.
- Top five industries by number of clients: retail, banking, life sciences, utilities and energy, and high tech.
- Client size: small: 6%; midsize: 26%; large: 67%.
- Revenue split per cloud product: ERP: 37%; HCM: 42%; SCM: 7%; EPM: 8%; CX: 6%.

**Strengths**

- **Deliberate and structured approach to industry:** Cognizant’s differentiated solution development and methodology for its industry focus areas show focus and vision. Examples include Swift Cloud Franchisee Solution, Swift Cloud Railroad Framework and Healthcare Backoffice in a Box. Cognizant has dedicated product development leads for each vertical. There is considerable focus on migrating its client base in these verticals by leveraging intellectual property (IP) aligned to industry.

- **Substantial progress in pivot to cloud:** Cognizant is converting a greater number of on-premises clients to cloud than previously. The growth in cloud implementations (almost doubling based on adjusted data) shows considerable progress on this. Cognizant posts the third highest number of implementations for the cohort — a demonstrable result of the effort it has made to pivot its on-premises installed base.

- **Flexibility and client focus:** Multiple clients point to Cognizant’s flexibility and responsiveness. Examples cited include flexibility in handling the response to COVID-19 disruptions, a collaborative approach and skill in prioritizing client’s needs. Cognizant Swift Remote Delivery for project execution enables mitigation of challenges due to unforeseen circumstances. Cognizant also offers flexibility in pricing models, including managed services, subscription, outcome-based, consumption-based and credit/earn-back models.

**Cautions**

- **Limited capabilities for business and process consulting:** Cognizant has comparatively less depth of resources and capabilities for business and process consulting, which are two critical capabilities for business transformation leveraging Oracle Cloud.
Deloitte

Deloitte is a Leader in this Magic Quadrant. Headquartered in New York, it is primarily a good fit for large global clients seeking multipillar cloud-based business transformation.

- Estimated revenue growth in OCA services: 6%.
- Estimated revenue growth for entire Oracle practice: 2%.
- Oracle Cloud services represent approximately 66% of its entire Oracle services practice.
- OCA revenue split by region: NA: 62%; LATAM: 6%; EMEA: 20%; APAC: 12%.
- Top five industries by number of clients: industrial machinery components, public sector, banking, high tech and consumer products.
- Client size: small: 3%; midsize: 65%; large: 32%.
- Revenue split per cloud product: ERP: 41%; HCM: 21%; SCM: 24%; EPM: 7%; CX: 7%.

**Strengths**

- **Business-driven complex transformations**: Deloitte enables a comprehensive business value discussion associated with OCA initiatives through its multipillar application capabilities and industry-focused assets. The close relationship with Oracle product teams and focus on developing assets to extend the SaaS products through an “own-the-gap” approach helps customers close product gaps by understanding and/or influencing product roadmaps.
- **Long-term relationships**: Deloitte leverages a breadth of offerings from advisory and implementation through continuous improvement application capabilities to create long-term customer relationships. Many customers value this evolutionary and holistic approach and see Deloitte as a trusted partner to keep evolving their application portfolio.
- **Customer satisfaction**: Many clients cite Deloitte’s ability to deliver on business outcome expectations and its effectiveness in supplying high-quality skills when needed.

**Cautions**

- **Uneven organizational change management (OCM)**: Cognizant has been making investments in organizational change management capabilities, but this is still a work in progress. Some clients cited a need for a more comprehensive approach and focus on OCM in order to ensure larger transformational initiatives.
- **Offshore centric**: Cognizant’s model is a heavily offshored one, relying predominantly on resources based in India. Several clients noted obstacles related to lack of favorable time zone overlap and the resulting asynchronicity with interactions.
DXC Technology

DXC Technology (DXC) is a Niche Player in this Magic Quadrant. Headquartered in Tysons, Virginia, it is primarily a good fit for clients looking for a technology-focused provider for Oracle Cloud migration.

- Estimated revenue decline in OCA services: −40%.
- Estimated revenue decline for entire Oracle practice: −38%.
- Oracle Cloud services represent approximately 30% of its entire Oracle services practice.
- OCA revenue split by region: NA: 7%; LATAM: 5%; EMEA: 45%; APAC: 43%.
- Top five industries by number of clients: public sector, engineering, travel and transportation, aerospace and defense, and media.
- Client size: small: 7%; midsize: 68%; large: 25%.
- Revenue split per cloud product: ERP: 32%; HCM: 10%; SCM: 27%; EPM: 30%; CX: 0%.

Strengths

- Technology-led transformation: DXC provides infrastructure-led modernization with a focus on technology transformation. It helps customers on modernization journeys to the cloud by using a hybrid migration approach leveraging its technical strength in IaaS and PaaS. It also offers modernized Oracle SaaS solutions for finance and supply chain.

- Industry and process assets: DXC offers regional industry specialization solutions with a focus on banking and capital markets, insurance, manufacturing, technology and telecommunications, and healthcare. It also provides mature industry solutions for beverage, universities and manufacturing through its Red Rock services. It continues to make investments in industry-specific enhancements and in product assets such as preconfigured processes.

Conflicts when serving as auditor: Legally, Deloitte must recuse itself from financial transformation projects at any public organization where serving as auditor. This may limit the range of relevant customer references that may be available in certain industries and regions to validate track record and delivery consistency for your intended initiative.

Premium pricing: Deloitte is increasingly offering alternative pricing models to customers, but is viewed as a provider in the upper range of price across the competition. While current clients recognize there may be good reasons for a premium price, such as business expertise and track record in transformation initiatives, they still list this as a point for improvement.

Not the best fit for simple technical migration: Customers seeking smaller-scale transformation and scope with considerable amount of lift-and-shift of existing processes and/or system customization may not realize the value of Deloitte's approach and assets. Other vendors may be able to offer better fit-for-purpose approaches when strong industry or business transformation guidance is not required.
Cautions

- **Drop in Oracle growth:** DXC is the only vendor in this Magic Quadrant that experienced negative growth on Oracle Cloud Application services. There is also a considerable drop in the number of Oracle Cloud full-time equivalents (FTEs), while all other providers increased their Oracle cloud resources in different geographies. The decline is not just limited to Oracle Cloud practice; overall revenue for Oracle practice also declined substantially.

- **Lack of business-value focus:** DXC has limited focus on business transformation and is mostly focused on technology transformation. This is also reflected in its focus on delivering cost optimization to clients instead of helping them drive business value. Given these limitations, DXC might not be a good fit for C-level executives prioritizing business transformation.

- **Limited proactive collaboration:** Some DXC clients have noted challenges in delivery, change management and transition. Some clients cite a desire for increased collaboration and relationship building with more emphasis on early planning.

**Evosys**

Evosys is a Niche Player in this Magic Quadrant. Headquartered in Ahmedabad, India, it is primarily a good fit for midsize enterprises looking for an innovative approach to transitioning from on-premises to a range of cloud applications within key focus industries.

- Estimated revenue growth in OCA services: 50%.
- Estimated revenue growth for entire Oracle practice: 31%.
- Oracle Cloud services represent approximately 79% of its entire Oracle services practice.
- OCA revenue split by region: NA: 25%; LATAM: 0%; EMEA: 66%; APAC: 9%.
- Top five industries by number of clients: professional services, utilities and energy, healthcare providers, engineering, and public sector.
- Client size: small: 29%; midsize: 47%; large: 24%.
- Revenue split per cloud product: ERP: 21%; HCM: 41%; SCM: 15%; EPM: 17%; CX: 4%; other: 2%.

**Strengths**

- **Focus on continuous measurable value:** Evosys will engage in contracts with fees at risk, which reportedly drives up to three times ROI and is evidenced by delivery of services based on business outcomes. Twenty percent of Evosys’ OCA services business uses this type of contract.
Cautions

- **Limited range for global transformation projects:** Evosys has limited business consultancy compared to others in the cohort. It does not do pure business consulting but will work on technology roadmaps that have a business outcome focus. Also, there are gaps in geographic coverage. Clients looking for global business-led transformation may not find a fit.

- **Nascent OCM:** Evosys has created an internal OCM practice over the past year or two, but the capability is still limited. Clients should consider engaging OCM consultancy or using their own OCM capabilities alongside Evosys for large projects using Oracle SaaS products.

- **Uneven industry coverage:** Evosys has varying degrees of industry vertical expertise. While well-represented in engineering and construction, public sector, healthcare, retail and hospitality, this degree of representation isn’t consistent across all industries that Evosys serves. Clients should validate that industry coverage and depth is in line with needs.

EY

EY is a Niche Player in this Magic Quadrant. Headquartered in London, it is primarily a good fit for large and midsize clients seeking multipillar cloud transformation.

- Estimated revenue growth in OCA services: 31%.

- Estimated revenue growth for entire Oracle practice: 11%.

- Oracle Cloud services represent approximately 60% of its entire Oracle services practice.

- OCA revenue split by region: NA: 73%; LATAM: 1%; EMEA: 21%; APAC: 4%.

- Top five industries by number of clients: consumer products, healthcare, insurance, energy and utilities, and banking.

- Client size: small: 4%; midsize: 78%; large: 17%.

- Revenue split per cloud product: ERP: 47%; HCML 5%; SCML 28%; EPML 12%; CX: 8%.
Strengths

- **Focus on business value:** EY continues to invest to grow and scale its consulting practice focused on Oracle Cloud by investing in tools, solutions and accelerators to build technology consulting capabilities. Its focus on helping clients with business transformation is further supported by investing in building innovation infrastructure (“nearshore” and global delivery centers) and enabling talent through certifications and acquisitions. EY has 50 wavespace (center of excellence focused on digital capabilities) locations globally and five nearshore centers focused on testing, automation, data and analytics, and risk and program management.

- **Domain and OCM resources:** EY leverages its deep industry and domain resources and organizational change management to deliver cloud transformations. It has also leveraged its risk transformation practice to provide comprehensive cloud solutions, including risk transformation and role-based security. These skills provide a clear differentiator for EY services related to Oracle Cloud products to help clients with business transformation.

- **Flexible and adaptive provider:** EY clients appreciated its ability to work as a flexible provider, noting that the organization brought strong domain and consulting resources even in areas outside the formal scope of the engagement.

Cautions

- **Sluggish scaling of certified resources:** EY has approximately 273 individual OCA product certifications spread across 4,400 FTEs engaged in OCA projects. EY’s cloud FTEs grew by 8% since the last Magic Quadrant, but its number of certified resources is at a lower density compared to its peers. This may be a challenge for clients looking for experienced and certified technical staff for delivery.

- **Lack of geographic balance:** EY generates 73% of its Oracle Cloud revenue from North America, and its business in EMEA is small by comparison. Sixty-five percent of its cloud delivery FTEs are based out of North America, with a proportionally smaller offshore team compared with competitors. This may be a challenge for clients looking for global Oracle Cloud engagements and needing “boots on the ground” in other geographies.

- **Challenges with resource planning:** Some clients noted that EY could have done better resource planning and provided more senior support in its Oracle Cloud engagements.

Huron

Huron is a Niche Player in this Magic Quadrant. Headquartered in Chicago, it is primarily a good fit for small and midsize clients seeking multipillar cloud transformation.

- Estimated revenue growth in OCA services: 28%.

- Estimated revenue growth for entire Oracle practice: 22%.

- Oracle Cloud services represent approximately 53% of its entire Oracle services practice.
OCA revenue split by region: NA: 98%; LATAM: 0%; EMEA: 0%; APAC: 2%.

Top five industries by number of clients: banking, higher education, industrial machinery, energy and utilities, and professional services.

Client size: small: 47%; midsize: 39%; large: 14%.

Revenue split per cloud product: ERP: 40%; HCM: 11%; SCM: 0%; EPM: 44%; CX: 0%; Other: 5%.

**Strengths**

- **EPM and ERP capability**: Huron has strong expertise in EPM and ERP implementations, which together make up to 84% of its overall Oracle Cloud revenue. Huron has leveraged its experience and knowledge of these capabilities to create proprietary accelerators and best practices, which demonstrates its dedication to deliver on its clients' implementation goals.

- **Strong North American presence**: More than 81% of Huron's resources reside in North America, providing clients with strong local client support and delivery. Around 98% of Huron's revenue originates in North America, highlighting its origins and strength in this region.

- **Project management and commitment**: Many clients have noted the commitment, flexibility and quality that Huron brought to their engagement. Huron's project management capacities facilitate collaboration between stakeholders to simplify processes and optimize business value. Its broad knowledge of the higher education and banking industries provided the industry-specific project management expertise that clients specifically called out as a strength of this vendor.

**Cautions**

- **Limited focus on industries**: Huron's tight focus on a few key industries, such as banking and higher education, means limited reach, and can restrict it toward SCM and CX projects where the importance of multi-industry and multigeography implementations cannot be ruled out.

- **Limited geographic presence**: The vast majority of Huron's clients and delivery capability are in North America. With only a small percentage (19%) of resources residing in APAC, end users with business needs outside of North America may find a better fit with other vendors. Also, future growth and scale will be dependent upon also expanding its delivery capabilities in cost-efficient supply locations.

- **Limited ability to scale**: Although Huron can deliver to larger global enterprises, especially if the focus is banking and higher education, the small scale of just over 600 FTEs on cloud engagements will prevent it from taking on multiple large engagements concurrently.

**IBM**

IBM is a Leader in this Magic Quadrant. Headquartered in Armonk, New York, it is primarily a good fit for midsize and large global clients seeking multipillar, multigeography cloud transformation centered around industry differentiation and platforms.
Strengths

- **Platform and cognitive capabilities**: IBM positions its Cognitive Enterprise for Oracle Cloud offerings as differentiators that leverage new technologies, such as automation, machine learning and Internet of Things (IoT) to improve clients’ functional processes. This “assetized” offering is distinctive among the cohort and is persuasive as a strength in the face of disruption — notably, the pandemic. For this approach, IBM has developed industry-specific intelligent workflows, proprietary artificial intelligence (AI), IoT, assets and industry-specific benchmarking wizard functionality to define and track key performance indicators (KPIs) and benchmarks.

- **Garage methodology**: IBM’s Garage facilitates faster moves to the cloud. It is both a methodology and a platform. With emphasis on collaboration and business value, the Garage methodology reduces design and development time while accelerating time to market. IBM Garage enables responsiveness and evolution according to how the market is changing.

- **Operational excellence**: IBM’s hybrid cloud offering includes microservices and DevOps platforms that leverage more than 5,000 delivery-accelerating assets. IBM is continually adding new offerings, particularly in the area of security. Key to IBM’s capabilities are dynamic and contactless delivery. IBM’s 47 go-lives during the 12 months of this research were all delivered virtually. Additionally, four of these were net new clients that made it to go-live without ever having met in person. IBM prioritizes machine-first to more effectively focus resources.

Cautions

- **Overly technical focus of the IBM brand**: IBM’s brand is clearly heavily oriented toward technical excellence. This can obscure its business and process capabilities. Clients will sometimes need to push past the “tech” to be able to see the business value offering.

- **Not suitable for small clients**: IBM does 73% of its Oracle Cloud work with midsize companies and 23% of its Oracle Cloud work with clients with over 10,000 FTEs. Small clients might not find IBM a good fit.
Infosys

Infosys is a Leader in this Magic Quadrant. Headquartered in Bengaluru, India, it is primarily a good fit for large global companies looking for a cloud engagement partner to bundle, deliver and execute all the Oracle tech-powered solutions.

- **Estimated revenue growth in OCA services:** 15%.
- **Estimated revenue growth for entire Oracle practice:** 5%.
- **Oracle Cloud services represent approximately 41% of its entire Oracle services practice.**
- **OCA revenue split by region:** NA: 74%; LATAM: 0%; EMEA: 15%; APAC: 11%.
- **Top five industries by number of clients:** automotive, banking, high tech, industrial machinery components and retail.
- **Client size:** small: 5%; midsize: 33%; large: 61%.
- **Revenue split per cloud product:** ERP: 23%; HCM: 25%; SCM: 17%; EPM: 11%; CX: 24%.

**Strengths**

- **Client-friendly engagement model:** Infosys uses flexible pricing and outcome-based models. The outcomes are relevant technical and operational outcomes typically structured around milestones. A solution-based consulting model via bundling (services and Oracle software) is a growing portion of its offering. Infosys is willing to share risk through a portion of its fees on some transformation programs and plans to increase the use of IP and assets by 50% in 2021.

- **Strong support for existing clients on their cloud journey:** Some clients have remarked that Infosys will go the extra mile in supporting current clients on their legacy transformation and move to the cloud with Infosys Cobalt. Existing Infosys clients should talk to Infosys as a first step to see what creative options and accelerators it has to offer.

- **Quality resources:** Clients fairly consistently cite the quality of the individuals and teams that Infosys provides for engagements. Many specifically note Infosys' proactive, knowledgeable and technically competent staff.

**Cautions**

- **Limited focus on business outcomes:** Infosys continues to grow as a solid OCA partner, but still has to make headway on business consultancy capabilities. Its offering is still based on evolving the platform for its incumbents using technical and operational outcomes rather than business outcomes.
Inspirage is a Niche Player in this Magic Quadrant. Headquartered in Bellevue, Washington, it is primarily a good fit for multipillar cloud transformations for midsize clients, and for larger clients seeking SCM cloud transformations.

- Estimated revenue growth in OCA services: 25%.
- Estimated revenue growth for entire Oracle practice: 4%.
- Oracle Cloud services represent approximately 82% of its entire Oracle services practice.
- OCA revenue split by region: NA: 71%; LATAM: 2%; EMEA: 23%; APAC: 5%.
- Top five industries by number of clients: industrial machinery, high tech, consumer products, life sciences and retail.
- Client size: small: 8%; midsize: 67%; large: 25%.
- Revenue split per cloud product: ERP: 32%; HCM: 3%; SCM: 40%; EPM: 15%; CX: 9%.

**Strengths**

- **Cloud focus:** Inspirage is an exclusively Oracle-specialized partner that drives its strength from rapid pivoting to Oracle Cloud. Inspirage also acquired the Vertical Edge Consulting Group, which enhanced its business leadership on OCA Projects. There is a good momentum and focus on YoY pivoting to Oracle Cloud. Hence, 82% of its total Oracle revenue is from cloud engagements, with over 94% FTEs aligned for Oracle Cloud only.

- **High SCM capabilities:** Inspirage gets a big chunk of its revenue from SCM and ERP engagements. It mostly does full ERP transformations with a strong supply chain focus. Inspirage has deep expertise in SCM, which clients can leverage for their cloud transformations. In the SCM product area, it is a global leader and has earned several Oracle Partner of the Year awards. Also, it received awards for its ERP services in Sweden and Saudi Arabia in 2020.
- **Midsize product-company focus**: Inspirage is a good fit for midsize companies looking for a specialized, dedicated vendor partner to deliver end-to-end Oracle cloud services of relatively smaller scale to clients. Large product manufacturing companies can also leverage Inspirage's Oracle capabilities if their focus is single-pillar supply chain transformation.

**Cautions**

- **Limited ability to scale**: Although Inspirage can deliver to larger global enterprises, especially if the focus is supply chain, the small scale of just over 550 FTEs on cloud engagements will prevent it from taking on multiple large engagements concurrently. Clients with a need for greater scale may find a better fit with other vendors.

- **Narrow pillar approach**: For clients looking to go beyond ERP and SCM, Inspirage may not have the full range to deliver. Its strength is likewise in product-based companies; thus, it may not be a good fit for insurance, banking and other industries without supply chains.

- **Restricted geographic coverage**: Although the Vertical Edge acquisition in March 2020 increased its North American delivery locations, the global footprint is restricted when compared to other vendors in the cohort. There's still a gap in the Australia/New Zealand (ANZ) and LATAM markets. Clients with delivery needs in those markets may find a better fit with other vendors.

**KPMG**

KPMG is a Visionary in this Magic Quadrant. Headquartered in Amstelveen, Netherlands, it is a good fit for larger clients, primarily in North America, looking to transform their back and middle office by leveraging Oracle Cloud.

- Estimated revenue growth in OCA services: 48%.

- Estimated revenue growth for entire Oracle practice: 40%.

- Oracle Cloud services represents approximately 74% of its entire Oracle services practice.

- OCA revenue split by region: NA: 73%; LATAM: 5%; EMEA: 19%; APAC: 3%.

- Top five industries by number of clients: retail, industrial machinery, healthcare, media and consumer goods.

- Client size: small: 6%; midsize: 25%; large: 69%.

- Revenue split per cloud product: ERP: 43%; HCM: 17%; SCM: 14%; EPM: 20%; CX: 6%.

**Strengths**

- **Strong growth and focus**: KPMG has shown strong growth in its Oracle Cloud business. It leverages its functional and process consulting expertise to deliver large transformation projects. It has
expanded its transformation capabilities by including audit, tax, risk management and cyber expertise in client engagements.

- **Assets and tools**: KPMG has made significant investments in building powered assets including diagnostics, maturity assessments, blueprints, dashboards and PaaS extensions to enable faster delivery. Clients specifically mentioned that its Connected Enterprise approach reduced implementation timelines, allowing them to focus on unique aspects of their business processes.

- **Agile execution**: KPMG clients highlighted the expertise it brings to implementation, utilizing its assets and methodologies. They cited time-bound implementation plans, agile execution and change management expertise as its key strengths.

### Cautions

- **Lack of global services**: KPMG has 65% of its workforce located in North America and 73% of its revenue is from clients in North America. It has a much smaller offshore team as compared to other providers in this Magic Quadrant. This can limit its ability to leverage relevant and competitively priced resources.

- **Uneven quality of scaling of certified resources**: KPMG has increased its Oracle Cloud practice headcount by 64% since the last Magic Quadrant. That was not just converting on-premises FTEs to cloud services; it added 2,000 new resources to the Oracle practice. KPMG is focused on hiring experienced OCA practitioners and increasing certifications, but clients should ensure they are getting experienced and certified technical staff for delivery.

- **Project team turnover**: Some KPMG clients mentioned challenges with project team turnover. Several also noted that they were looking for more support to configure features to meet client specific requirements.

### LTI

LTI is a Niche Player in this Magic Quadrant. Headquartered in Mumbai, India, it is primarily a good fit for midsize clients seeking multipillar cloud transformation.

- Estimated revenue growth in OCA services: 88%.

- Estimated revenue growth for entire Oracle practice: 8%.

- Oracle Cloud services represent approximately 37% of its entire Oracle services practice.

- OCA revenue split by region: NA: 64%; LATAM: 2%; EMEA: 23%; APAC: 10%.

- Top five industries by number of clients: industrial machinery, banking, insurance, life science, and public sector.

- Client size: small: 15%; midsize: 51%; large: 34%.
Revenue split per cloud product: ERP: 30%; HCM: 12%; SCM: 10%; EPM: 19%; CX: 12%; other: 17%.

**Strengths**

- **Technology solutions**: LTI offers OCA services across all five products and focuses on technology migration. It uses accelerators such as Cloud Experience Center with prebuilt SaaS and PaaS extensions as well as new acquisitions for AI and intelligent insights to deliver cloud services. It has invested in building a repository of prebuilt test cases, a one-click migration tool for data migration and a cloud assessment tool.

- **Regional expansion**: LTI has built strategic partnerships with regional players such as Injazat in the Middle East and established delivery centers in geographies such as Poland to expand its regional offerings. It is further expanding its presence in Africa, the Middle East and ANZ by hiring locally. It is also hiring resources with multilingual skills to aid requirement gathering and training.

- **Technical skills**: LTI clients appreciate the technical expertise provided by its resources as well as the flexibility it brings to the engagement. They noted that LTI ramped up services very quickly, handled ambiguity in requirements and focused on improving customer experience.

**Cautions**

- **Lack of business transformation focus**: LTI’s limited business consulting skills and emphasis on technology might not be a good fit for C-level executives prioritizing business transformation. LTI’s model for services delivered primarily from offshore locations emphasizes that its offering is a technology transformation play.

- **Limited OCM capabilities**: Although LTI is actively investing in growing its organizational change management capability, LTI cannot provide extensive organization change management along with the technical implementation services. Clients should consider engaging an OCM consultancy or provide it in-house due to LTI’s lack of OCM services.

- **Lack of focus on user experience**: LTI clients noted that more focus on end-user experience was needed, rather than a heavy focus on technology partnership. Some clients cited customizations that took longer than expected due to internal and external dependencies.

**Oracle**

Oracle is a Niche Player in this Magic Quadrant. Headquartered in Austin, Texas, its Oracle Consulting (OC) practice is primarily a good fit for midsize and large global clients seeking multipillar cloud transformation.

- Estimated revenue growth in OCA services: 80%.
- Estimated revenue growth for entire Oracle practice: 5%.
- Oracle Cloud services represent approximately 33% of its entire Oracle Consulting services practice.
- OCA revenue split by region: NA: 46%; LATAM: 6%; EMEA: 33%; APAC: 15%.

- Top five industries by number of clients: High tech, banking, professional services, higher education and research, and public sector.

- Client size: small: 23%; midsize: 38%; large: 39%.

- Revenue split per cloud product: ERP: 36%; HCM: 15%; SCM: 10%; EPM: 7%; CX: 26%; other: 6%.

**Strengths**

- **The “One Oracle” experience:** OC successfully targets what it terms “the big middle” of the SaaS implementation market, which represents the majority of customer requirements. Clients wanting One Oracle expertise and accountability, solutions requiring both SaaS and PaaS, capabilities in all Oracle Cloud modules, and cross-pillar, integrated solutions can all be well-served. For OC, this is further defined according to priority industries. Clients consistently cite OC’s industry abilities as a differentiator.

- **100% certified delivery resources:** As the consulting arm of Oracle, OC has the highest density of certifications in the cohort. It also has the Oracle Consulting Cloud Institute, which takes a holistic approach to training and has an educational curriculum focused on talent development, supporting its customers and developing its ecosystem.

- **Connection to product development:** Oracle Consulting has a direct connection and works cooperatively with Oracle’s Product Development. While it doesn’t control product development, the tight integration can provide direct product input to its engagements; for example, it can advise on product changes that could enhance savings opportunities. This is supported by highly active communities of consultants across 60 countries.

**Cautions**

- **Lack of business transformation capability:** OC has limited range for business consulting and will partner with a system integrator (SI) for both business transformation and BPO capabilities as relevant. Clients wanting all of this in an SI might find a better fit elsewhere.

- **Patchy program management:** While OC has been building capability in program management, it’s still a work in progress. Some clients note this as a challenge. Clients needing comprehensive program management, particularly for large transformations, may need to supplement these capabilities or work with Oracle to evaluate the need to consider other alternatives.

- **Challenging contracting practices:** Some clients refer to hurdles in contracting. Some cite friction in handover from sales to solutions, and others note a contracting process that can be lengthy, complex and hard to understand.

PwC
PwC is a Leader in this Magic Quadrant. Headquartered in London, it is primarily a good fit for midsize and large global clients seeking multipillar cloud business-led transformation.

- Estimated revenue growth in OCA services: 16%.
- Estimated revenue growth for entire Oracle practice: 1%.
- Oracle Cloud services represent approximately 72% of its entire Oracle services practice.
- OCA revenue split by region: NA: 75%; LATAM: 1%; EMEA: 15%; APAC: 9%.
- Top five industries by number of clients: banking, healthcare (providers), insurance, high tech, and utilities and energy.
- Client size: small: 10%; midsize: 48%; large: 42%.
- Revenue split per cloud product: ERP: 47%; HCM: 22%; SCM: 14%; EPM: 14%; CX: 3%.

**Strengths**

- **Midsize enterprise approach:** PwC has developed offerings to help midsize enterprises leverage OCA apps through a bundled delivery model designed for specific micro vertical industries (such as gaming or fintech). This brings predictability and last-mile solution fitness through PaaS assets, which convincingly combines their industry expertise with Oracle Cloud. Clients located within those segments and aligned with PwC's industry view may benefit from a best-practice model that can help them replace old back-office capabilities.

- **Strong advisory based on client's context:** PwC’s approach to assessment and advisory is designed to help clients gain a clear understanding of their environment and the investment needed both in time and money to migrate to cloud. Clients in the industries where PwC focuses, seeking a partner that can help them envision transformation possibilities within OCA capabilities, may find this to be a compelling vendor.

- **Customer satisfaction:** Many clients cite PwC's strengths for most of its delivery capabilities, from contract shaping to project delivery and application support services.

**Cautions**

- **Slower growth:** Although starting from a comparatively larger base, PwC's growth rate is moderate compared to other competitors in the OCA space, suggesting concentration in specific segments or regions. Customers need to understand whether PwC’s track record in their region, industry or a combination of both is aligned to their specific initiative.

- **Gaps in the global footprint:** PwC's revenue and delivery track record shows heavy concentration in North America and EMEA. Japan and Latin America are still big resource gaps to be covered. Customers with global delivery needs need to ensure that lack of local technical resources won't be an issue to support their local operation needs.
**Not a good fit for pure technical migration:** While customers appreciate technical skills provided by PwC delivery teams, stand-alone technical migration (lift-and-shift) from on-premises Oracle to OCA is not a best fit for PwC’s capabilities. Other vendors may be able to offer better fit-for-purpose approaches when strong industry or business transformation guidance is not required.

**TCS**

TCS (Tata Consultancy Services) is a Challenger in this Magic Quadrant. Headquartered in Mumbai, India, it is primarily a good fit for large global clients in service-centric industries seeking for cloud transformation.

- Estimated revenue growth in OCA services: 41%.
- Estimated revenue growth for entire Oracle practice: 8%.
- Oracle Cloud services represent approximately 42% of its entire Oracle services practice.
- OCA revenue split by region: NA: 48%; LATAM: 0%; EMEA: 51%; APAC: 1%.
- Top five industries by number of clients: telecommunications, engineering, construction and operations, insurance, retail, and utilities and energy.
- Client size: small: 3%; midsize: 20%; large: 77%.
- Revenue split per cloud product: ERP: 26%; HCM: 25%; SCM: 15%; EPM: 6%; CX: 25%; other: 3%.

**Strengths**

- **Technology-led business optimization:** TCS focuses its initiatives in modernization of the IT landscape that results in BPO. Oracle Cloud Application adoption along with PaaS-enabled automation components are used to create cost reduction and increased process compliance. Customers looking to leverage OCA initiatives focused on cost and business process optimization should see TCS as a good partner of choice.

- **Growing conversion of on-premises clients to cloud:** TCS has shown consistent growth in its Oracle Cloud business. TCS’ expansion of OCA business among its installed base of Oracle EBS workloads wishing to migrate into OCA is listed as one the main reasons for that. The focus on OneTCS, a consulting-led model leveraging business and technology knowledge, has contributed to this more holistic profile and focus on end-to-end cycles, which includes the journey to the cloud.

- **Flexibility and partnership:** Many clients describe their relationship with TCS as flexible and accommodating. It offers a catalog of services, which contributes to its effort to be transparent and offer clients choices.

**Cautions**
Resource gaps in global footprint: TCS’s revenue and delivery track records show heavy concentration in North America and EMEA. Japan, China, ANZ and Latin America are still big resource gaps to be covered for its Oracle practice. Customers with delivery needs outside of North America and EMEA need to ensure that lack of local technical resources won’t be an issue to support their local operation needs.

Limited vision for postimplementation support model: TCS’ vision for application support is based on a cost optimization view, with lots of tools designed to cover “keeping lights on” with minimal effort and cost. This vision may be misaligned to clients needing continuous improvement life cycle management, including proactive business impact assessment.

Delivery and contracting issues: Some clients noted delivery issues that could have been better anticipated from a customer perspective. While internal operational excellence seems to be a goal for TCS, clients should check customer references to validate ways of working and project issue management.

Tech Mahindra

Tech Mahindra is a Niche Player in this Magic Quadrant. Headquartered in Pune, India, it is primarily a good fit for midsize and larger clients seeking a technology-led process optimization or cloud lift-and-shift.

- Estimated revenue growth in OCA services: 188%.
- Estimated revenue growth for entire Oracle practice: 2%.
- Oracle Cloud services represent approximately 38% of its entire Oracle services practice.
- OCA revenue split by region: NA: 56%; LATAM: 3%; EMEA: 26%; APAC: 15%.
- Top five industries by number of clients: telecommunications, banking, utilities and energy, high tech, oil and gas, retail, and travel and transportation.
- Client size: small: 6%; midsize: 58%; large: 35%.
- Revenue split per cloud product: ERP: 25%; HCM: 16%; SCM: 22%; EPM: 13%; CX: 15%; other: 8%.

Strengths

- Tech-driven migration: Tech Mahindra has created assets that would help customers trying to lift-and-shift existing Oracle workloads into OCA. Customers looking into less transformative cloud migration and an approach that is less demanding on business standardization may benefit from the several tech delivery accelerators created by Tech Mahindra.

- Cost reduction: Tech Mahindra’s application management focuses on optimizing and reducing cost through time, through a fixed-price approach. Customers seeking a more traditional application
management approach, with tactical handling of update management, may see this as an attractive model.

- **Midsize enterprise engagements**: Tech Mahindra’s acquisition of TransSys Solutions has improved its capability to deliver midsize-grade OCA engagements, especially for those customers not looking into deep business transformation.

**Cautions**

- **Lack of business transformation support**: Tech Mahindra lacks a strong business advisory offering, which limits its capability to be positioned as a strong business transformation advisor. Most of the assets that are showcased as accelerators address tactical issues, such as automated testing or technical fitness, with less focus on organizational impacts or business value proposition.

- **Limited OCM capabilities**: Tech Mahindra’s approach to organizational change management focuses on the tactical outcomes of technology enablement. Customers seeking help on strategic change management facing a lot of change resistance from the business areas may feel those capabilities are less than ideal.

- **Overly tech-driven approach suitable in selected markets**: Tech Mahindra’s “sweet spot” is still on English-speaking operations, where it can serve the market with a broader set of resources. The tech-driven approach also hampers broader global business value discussions, with the exception of industries where it already has a good installed base (for example, travel and transportation) with non-OCA workloads.

**Wipro**

Wipro is a Challenger in this Magic Quadrant. Headquartered in Bengaluru, India, it is primarily a good fit for larger global clients seeking multipillar cloud transformation.

- Estimated revenue growth in OCA services: 46%.
- Estimated revenue growth/decline for entire Oracle practice: −3%.
- Oracle Cloud services represent approximately 26% of its entire Oracle services practice.
- OCA revenue split by region: NA: 60%; LATAM: 6%; EMEA: 28%; APAC: 7%.
- Top five industries by number of clients: High tech, utilities and energy, retail, industrial machinery components, and banking.
- Client size: small: 7%; midsize: 32%; large: 61%.
- Revenue split per cloud product: ERP: 40%; HCM: 19%; SCM: 14%; EPM: 7%; CX: 20%.

**Strengths**
Willingness to share some risk: Wipro offers multiple types of shared risk pricing models, which puts the onus on Wipro for delivering results. Among the options are bundled pricing, support as a service, milestone-based pricing, outcome-based pricing based on KPIs, zero-cost cloud migration, and full or partial investments in POCs that deliver minimum viable product (MVP) as a service. Some clients note a flexible approach and appreciate the variety of commercial models. More than a few use the term “partner” to describe Wipro’s relationship with them.

Expanded global operations: Wipro has invested and grown its global operations. The company has more than 15 Oracle Centers of Excellence, more than 40 digital studios and over 2,900 Oracle certifications. It has made delivery center acquisitions in the U.S., Brazil and Romania, strengthening its global footprint. Multiple clients cite Wipro’s product and operational capabilities as strengths.

Strong leveraging of Oracle BxT (Business, Experience, Technology): Wipro has a heavy focus on combining Oracle Global Business Unit solutions with OC pillars, PaaS, and Oracle Analytics Cloud and Autonomous technologies. They couple this with investments in Wipro’s HOLMES for AI/human machine interface, among others. Wipro’s heritage in technology enablement and engineering provides a clear foundation for this work.

Cautions

- Gaps in industry coverage: Wipro’s Oracle Cloud practice has some gaps in industry coverage for a vendor of this size and who serves the largest clients. This can be an issue for clients in those industries. Also, although there are multiple industry assets and citations, there is limited evidence on business outcomes produced by them.

- Not positioned for small enterprises: Sixty-one percent of Wipro’s clients have over 10,000 FTEs, and 32% have between 1,000 and 10,000 FTEs. The company isn’t geared toward smaller businesses. Clients in this category might find a better fit with another vendor.

- No pure-play business strategy consulting: Wipro doesn’t do advisory work separate from implementation, although Wipro offers and conducts a range of cloud assessments. Clients with a need for more extensive consulting and advisory services may find a better fit with other vendors.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor’s appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

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opinion of that vendor. It may reflect a change in the market and, therefore, changed evaluation criteria, or a change of focus by that vendor.

**Added**
The following vendors have been added to this Magic Quadrant:

- Huron
- LTI

**Dropped**
The following vendors were dropped from the Magic Quadrant:

- Birlasoft (did not meet inclusion criteria)
- IT Convergence (did not meet inclusion criteria)
- TransSys Solutions (acquired by Tech Mahindra)

**Inclusion and Exclusion Criteria**
The criteria for inclusion of service vendors for this Magic Quadrant are based on a combination of quantitative and qualitative measures.

The inclusion criteria represent the specific attributes that analysts believe are necessary for inclusion in this research.

**Quantitative Criteria**
Service vendors included in this Magic Quadrant must satisfy all three of the following quantitative criteria:

- A minimum of 10 implementation projects started since 1 July 2019 in each of at least two Oracle Cloud Applications products.
- A minimum of two of five geographies (North America, EMEA, APAC, Japan and Latin America) with new implementation customers.
- A minimum of $40 million annual worldwide revenue during the period of 1 July 2019 through 30 June 2020 for Oracle Cloud Application services.

**Qualitative Criteria**
Honorable Mentions

The criteria for inclusion of service vendors for this Magic Quadrant are based on a combination of quantitative and qualitative measures, as noted above. Some vendors were included last year, but were unable to satisfy all requirements for this Magic Quadrant. However, the exclusion of a vendor due to annual revenue or other criteria does not mean that the vendor and its products lack viability. Below are several noteworthy vendors that did not meet all inclusion criteria but could be appropriate for clients, contingent on requirements. The following is a nonexhaustive list:

Birlasoft

Birlasoft was a Niche Player in the previous Magic Quadrant. It is primarily a good fit for companies in the Americas, Middle East or Asia looking for SCM or ERP implementations. It continues to focus on supply chain, finance and HR with domain-specific solutions, platforms and services.

Although this vendor was included in the previous Magic Quadrant, it did not satisfy the minimum $40 million annual worldwide revenue criteria. An inclusion criteria for the previous Magic Quadrant was a minimum annual worldwide revenue of $20 million.

CherryRoad

CherryRoad's focus is the public sector and commercial markets, with over 500 successful engagements. It is a good fit for public sector clients in North America for single- and/or multiple-pillar cloud implementations.

Although this vendor did meet the revenue criteria, it only reported revenue in North America and did not satisfy the minimum geographies needed for this Magic Quadrant.

Hitachi Vantara

Hitachi Consulting and Hitachi Vantara came together to form Hitachi Vantara in 2020. Its Oracle Cloud consulting and implementation service has customers in North America, Europe and Asia/Pacific. It is a good fit for minimum viable product technology migrations, particularly in manufacturing and asset-intensive industries.
Although this vendor has significant projects related to OCA, it did not satisfy the minimum annual worldwide revenue criteria.

**IT Convergence**

IT Convergence was a Niche Player in the previous Magic Quadrant. It is primarily a good fit for midsize organizations in the U.S. and multinationals with Latin America and Asia/Pacific operations that are looking to technically migrate their ERP to Oracle Cloud in a cost-effective way.

Although this vendor was included in the previous Magic Quadrant, it did not satisfy the minimum $40 million annual worldwide revenue criteria. An inclusion criteria for the previous Magic Quadrant was a minimum annual worldwide revenue of $20 million.

**Evaluation Criteria**

Gartner evaluates service vendors on their Ability to Execute and their Completeness of Vision — as per the definitions below. When the two sets of criteria are evaluated together, the resulting analysis provides a view of how well the vendor performs a spectrum of services compared with its peers and how well it is positioned for the future.

For more information on Gartner's Magic Quadrant research methodology, refer to our [Research Methodologies](#) on the Gartner website.

**Ability to Execute**

Gartner analysts evaluate vendors on the quality and efficacy of the processes, systems, methods or procedures that enable vendor performance to be competitive, efficient and effective, and to positively impact revenue, retention and reputation. Ultimately, vendors are judged on their ability in capitalizing on their vision.

**Product or Service:** This criterion involves core services offered by the vendor for the defined market. This includes current service offerings, as defined in the market definition and expressed by growth, capacity, market penetration, skills availability, and breadth and depth of offering.

**Overall Viability:** Financial viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood of the individual business unit continuing to invest in the service and continuing to offer the service. It also includes advancing the state of the art within the organization's portfolio of services, especially new, emerging solutions.

**Sales Execution/Pricing:** This criterion assesses the vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.
Market Responsiveness/Record: This is the ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, client needs evolve and market dynamics change. This criterion also considers the vendor’s history of responsiveness and ability to quickly address changing requirements.

Customer Experience: This criterion considers:

- Specific client feedback on the experience of working with the vendor
- Demonstrated ability to deliver on key metrics that drive the overall client experience

Operations: This is the vendor’s ability to achieve its goals and meet its commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other aspects that enable the organization to operate effectively and efficiently.

### Table 1: Ability to Execute Evaluation Criteria

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product or Service</td>
<td>High</td>
</tr>
<tr>
<td>Overall Viability</td>
<td>Low</td>
</tr>
<tr>
<td>Sales Execution/Pricing</td>
<td>Medium</td>
</tr>
<tr>
<td>Market Responsiveness/Record</td>
<td>High</td>
</tr>
<tr>
<td>Marketing Execution</td>
<td>NotRated</td>
</tr>
<tr>
<td>Customer Experience</td>
<td>High</td>
</tr>
<tr>
<td>Operations</td>
<td>High</td>
</tr>
</tbody>
</table>

Source: Gartner (May 2021)

Completeness of Vision

Gartner analysts evaluate vendors on their ability to convincingly articulate logical statements about current and future market direction, innovation, client needs, and competitive forces and how well they...
map to the Gartner position. Ultimately, vendors are evaluated on their understanding of how market forces can be exploited to create opportunity for the vendor.

**Market Understanding:** This is the vendor’s ability to understand buyers’ needs and to translate that understanding into products and services. Vendors that show the highest degree of vision listen to and understand buyers’ wants and needs, and can shape or enhance those wants and needs with their added vision.

**Marketing Strategy:** This assesses the vendor’s delivery of a clear, differentiated set of messages that are consistently communicated throughout the organization and externalized through the website, advertising, client programs and positioning statements.

**Sales Strategy:** This criterion assesses the strategy for selling services, which uses the appropriate network of direct and indirect sales, marketing, service, and communications affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and client base.

**Offering Strategy:** This is the vendor’s approach to solutions offering development and delivery, with an emphasis on differentiation, functionality, methodology and features in relation to current and future requirements.

**Vertical/Industry Strategy:** This is the vendor’s strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

**Innovation:** This criterion assesses direct, related, complementary, and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or preemptive purposes.

**Geographic Strategy:** This criterion assesses the vendor’s strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the “home” or native geography. This may be done either directly or through partners, channels and subsidiaries, as appropriate for that geography and market.
Table 2: Completeness of Vision Evaluation Criteria

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Understanding</td>
<td>High</td>
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<tr>
<td>Marketing Strategy</td>
<td>Low</td>
</tr>
<tr>
<td>Sales Strategy</td>
<td>Medium</td>
</tr>
<tr>
<td>Offering (Product) Strategy</td>
<td>High</td>
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<tr>
<td>Business Model</td>
<td>NotRated</td>
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<tr>
<td>Vertical/Industry Strategy</td>
<td>High</td>
</tr>
<tr>
<td>Innovation</td>
<td>High</td>
</tr>
<tr>
<td>Geographic Strategy</td>
<td>Medium</td>
</tr>
</tbody>
</table>

Source: Gartner (May 2021)

Quadrant Descriptions

Leaders
Leaders are performing well today, gaining traction and mind share in the market; they have a clear vision of market direction and are actively building competencies to sustain their leadership position in the market.

Challengers
Challengers execute well today for the portfolio of work selected, but they have a less well-defined view of the market's direction than Leaders do. Consequently, they may be tomorrow's Leaders, or they may not be aggressive and proactive enough in preparing for the future.

Visionaries
Visionaries articulate important market trends and directions. However, they may not be in a position to fully deliver and consistently execute on that vision. They may need to improve their service delivery.
Niche Players

Niche Players focus on a particular segment of the market, such as a particular industry, size of client, functional area (for example, human capital management or supply chain) or geography. Their abilities to execute are limited to those areas of focus. Their abilities to innovate may be affected by their narrow focus.

Many of the vendors in this segment received endorsements for customer satisfaction, and many can be considered to be leading players within their niche market focus.

Context

This Magic Quadrant addresses the worldwide Oracle Cloud Application service capabilities of vendors that meet Gartner's criteria for inclusion. This Magic Quadrant is a point-in-time analysis, with all the vendor profiles reflecting the status as of March 2021. Quantitative data collected was for a 12-month period ending on 30 June 2020. This Magic Quadrant cohort has 18 vendors. As part of this research, the analyst team generated 1,520 separate data points that collectively determined the placement of the dots on the Magic Quadrant.

When considering Oracle implementation partners, clients are advised not to simply select service vendors in the Leaders quadrant. A vendor may appear in a particular quadrant based on Gartner's extensive analysis across the full-service life cycle in many industries and other criteria. However, for any given deal, a client company's selection criteria will be narrower and more specific. Consequently, vendors in the Challengers, Visionaries or Niche Players quadrants may prove to be more appropriate for the engagement. A more detailed analysis of the service vendors' capabilities, with scoring based on use cases, is available in Critical Capabilities for Oracle Cloud Application Services, Worldwide.

Additionally, because the inclusion criteria in the Magic Quadrant result in the analysis of the largest vendors in the Oracle Cloud Application services market, clients should not disqualify any potential competitors simply because they do not appear in this research. Other IT service vendors not evaluated in this Magic Quadrant may present better alternatives for your business requirements. Consider using a deal sweet-spot analysis to ensure you have an optimum basis and evaluation criteria to down-select the most suitable vendors. A Gartner analyst can help with a shortlist of the most suitable candidates based on client requirements.

Market Overview

No overview of any market in 2020 would be complete without addressing the impact of the COVID-19 pandemic. The impact of the pandemic is still being felt and this research offers partial insight into its effect on the Oracle Cloud Application services segment. The quantitative data collected for this research is specifically from July 2019 through July 2020. However, all vendors in this cohort briefed the Gartner analyst team in January 2021, enabling further elaboration on the impact of the pandemic beyond the midyear data. It's clear that the onset of the pandemic didn't stop projects already in flight. The doubling of the minimum revenue level for inclusion in this research confirms this.
There is anecdotal evidence that some clients may have deferred some portion of engagements, such as simplifying the scope. However, one finding that became quite clear via the vendor briefings in early 2021 is that the cohort has pivoted quickly to remote delivery. We have multiple cases of remote client engagement and successful delivery that involved zero in-person activity. The ability to capitalize and deliver on remote delivery favors those that already have substantial delivery operations and robust investments in assets, including IP, automation and platforms to accelerate migration to the cloud as well as to manage updates.

There is already ample evidence of an acceleration of cloud and digital investment due to the pandemic. The 2020 Gartner Digital Business Acceleration Survey, conducted in November 2020, showed that 51% of respondents increased their investment and focus on digital business in 2020. Thirty-six percent continued at the same level as 2019. Only 6% scaled back investment on digital business in 2020 (see Adopt New Acceleration Patterns to Maintain Digital Business Momentum, Figure 1). Due to the midyear cadence of this Magic Quadrant’s data harvest, the expectation is that next year’s data will more accurately reflect any impact from the pandemic on revenue, whether negative or positive.

Oracle has a “cloud first” product development strategy and is no longer actively selling new installations of on-premises application software. However, despite this strategy for enterprise applications, it continues to support the on-premises versions, such as Oracle E-Business Suite, Hyperion, PeopleSoft and Siebel, and JD Edwards EnterpriseOne, through the Applications Unlimited support program, which has been extended to 2031. While clearly accommodating a portion of the market and their installed base, this continued support does impact the trajectory of the Oracle SaaS market and the services in it.

Oracle was expecting 60% to 70% of its on-premises customers to have moved some portion of their current Oracle applications to Oracle Cloud Applications by the end of 2023.

The revenue from Oracle Cloud Application services for the 18 vendors featured here was $12.5 billion, up from $9.8 billion. All vendors are increasingly focusing on OCA engagements; for the vendors in this analysis, 45% (up from 37%) of their total Oracle revenue is from OCA engagements.

All the vendors are aligning their services toward evolution and optimization, creating new delivery models based on centers of excellence with nondedicated staff providing services. Technology excellence is required and the most successful service vendors couple that with not only domain and industry expertise, but also the ability to lead the client through business process and organizational change required in both implementation and postimplementation. This is challenging for many large vendors that have built their reputations on broad technical excellence alone. However, it is a great opportunity for the consulting firms that can provide this “three in the box” (specifically, technology, domain and industry capabilities) and for the boutique vendors that provide all three in a very focused and particular industry or domain area.

The best vendors firmly see the cloud journey as a business transformation with a focus on innovation. Value is based on not only reducing the technology delivery cost, but also creating new customers or revenue streams or gaining business operational efficiencies. Done correctly, the postimplementation
state is no longer merely managed services with a purpose of "keeping the lights on." Instead, it is all about driving yet more business value through the incorporation and use of continuous updates, supported by continuous OCM and BizDevOps.

This postimplementation evolution is potentially the largest value-add, and leading vendors’ offerings are vastly different from previous generations. There are substantial differences in these offerings; it’s worth taking the time to focus on this particular use case in the Critical Capabilities for Oracle Cloud Application Services, Worldwide. For some vendors and end users, unfortunately, postimplementation is still an afterthought. For others, it’s transformative, propulsive and differentiating. Platforms that are leading the way enable rapid testing and update management coupled with ongoing process and function consulting to leverage the evolving SaaS product. Of particular note are the vendors that are leveraging cognitive capabilities in their platforms to enable the evolution, such as by process mining and optimization.

The shift to cloud represents a big disruption, not only to end-user clients, but also to vendors. Vendor resources need to be trained on new technology platforms and be certified on Oracle Cloud to meet client demand. For the 18 providers analyzed here, there are almost 270,000 staff engaged in Oracle services, of which approximately 100,000 (up from 75,000) are engaged in projects on the five OCA products that this research focuses on. Approximately half of the overall practice staff are engaged in long-term managed service engagements. This support will have a long tail as Oracle supports the older software into the 2030s, and some organizations will “lift and shift” their on-premises licensed software to cloud rather than go to true SaaS. The necessary OCA skilled implementation resources will need to at least double through 2023. In total, these 18 vendors have almost 34,000 individual accredited certifications in these products (CX, 13%; EPM, 7%; ERP, 36%; HCM, 23%; and SCM, 21%).

This Magic Quadrant assesses the relative positioning of the vendors in delivering the full life cycle of Oracle Cloud Application services. In the companion Critical Capabilities research, specific use cases have been identified so that the performance in each area can be judged. The five use cases are:

- Global Business-Led Transformation
- Technical Migration
- Midsize Enterprise Transformation
- Advisory
- Postimplementation Evolution

(See Critical Capabilities for Oracle Cloud Application Services, Worldwide.)
Increasingly, organizations are looking for a vendor that can support them throughout their cloud journey, rather than engaging separate organizations to design the transformation, implement the solution and then provide ongoing technical support for their heavily customized environments. This demands excellent abilities to understand the client’s business and to collaborate in an ongoing way. Vendors that can do both of these in addition to demonstrating excellence in technology enablement are those that are most successful in this market.

Evidence
Evaluation in this Magic Quadrant is informed by:

- Gartner client interactions — Gartner inquiries between user organization clients and sourcing, procurement and vendor management analysts on service vendors relating to Oracle services and products and Oracle implementations over the 13 months (January 2020 through January 2021).

- Gartner client interactions — In the same period, more than 40% of Gartner's inquiries discussing cloud ERP were considering Oracle.

- Primary research — Feedback from 180 Peer Insight submissions.

- Primary research — A 60-minute vendor briefing from each participating service vendor addressing capability proof points of each evaluation criterion in the Magic Quadrant.

- Primary research — A detailed vendor survey covering revenue, staffing, geographic capabilities, investments and other relevant information, totaling more than 1,000 data points for each vendor in the cohort and over 19,000 data points for the entire cohort.

- Secondary research — Press releases and publicly available information, including company websites and financial reports.

- Other Gartner analysts — Peer review by eight Gartner analysts. Their views and comments were considered. In addition, this research was reviewed at internal research community sessions.

- Gartner Peer Insights and inquiries — Gartner’s analysis in this Magic Quadrant is also based on customer responses. Gartner Peer Insights reviews (at the time of writing) and inquiry interactions. We considered reviews from Gartner Peer Insights Oracle Cloud Application Services, Worldwide posted from February 2020 through January 2021.

1 The 2020 Gartner Digital Business Acceleration Survey was conducted online from 6 November through 19 November 2020 with 119 participants from CIO and ITL Gartner Research Circle — a Gartner-managed panel.

The survey was developed collaboratively by a team of Gartner analysts and was reviewed, tested and administered by Gartner’s Research Data and Analytics team.
This data reflects only the 18 vendors in this year’s Magic Quadrant cohort. YoY comparisons with last year’s Magic Quadrant can vary because there was a different cohort.

**Note 1: Industries**

This Magic Quadrant addresses the capabilities of the included vendors in the following 27 industries:

- Aerospace and Defense
- Agriculture
- Automotive
- Banking
- Chemicals
- Consumer Products
- Defense and Security
- Engineering, Construction and Operations
- Healthcare (Providers)
- High Tech
- Higher Education and Research
- Industrial Machinery and Components
- Insurance
- Life Sciences
- Media
- Mill Products
- Mining
- Not for Profit
- Oil and Gas
- Professional Services
- Public Sector
- Retail
Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.
Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers’ wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers’ wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor’s approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor’s underlying business proposition.

Vertical/Industry Strategy: The vendor’s strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor’s strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

Document Revision History

Magic Quadrant for Oracle Cloud Applications Services, Worldwide - 5 May 2020
Magic Quadrant for Oracle Cloud Applications Services, Worldwide - 2 May 2019

Recommended by the Authors

How Markets and Vendors Are Evaluated in Gartner Magic Quadrants
Critical Capabilities for Oracle Cloud Application Services, Worldwide
Validate Vendor Implementation Proposals for Oracle Cloud Applications
Vendor Rating: Oracle
<table>
<thead>
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<th>Evaluation Criteria</th>
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<tr>
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<td>Medium</td>
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<tr>
<td>Market Responsiveness/Record</td>
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<tr>
<td>Marketing Execution</td>
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Source: Gartner (May 2021)
### Table 2: Completeness of Vision Evaluation Criteria

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