

Magic Quadrant for Cloud ERP for Service- Centric Enterprises

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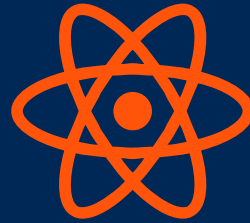


How Do You Pick the Best One When There Are So Many Choices?

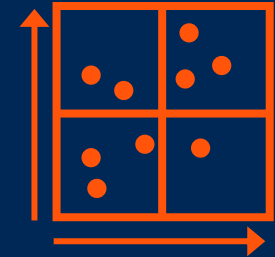
Roadmap



**Establish Business
Readiness +
Requirements**



**Align With
Technology
Principles**



**Analyze Vendor
Landscape**

ERP Initiatives Readiness — Expectations vs. Reality

Expectations



One of the biggest ERP
initiative failure drivers ...
... more than “wrong
vendor selection.”

Reality



Technology Principles Are Guardrails on the Journey

For Inclusion in this Magic Quadrant



Service-Centric
Product Capabilities



500+ Customers With
\$75M Transactions (at Least
Three Core Capabilities)



25%+ of Cloud Revenue
Outside of Home Region



Single Nonmodifiable Code
Line for All Customers



At Least Two Major
Upgrades per Year



Cloud Contracting Model

What Sets Service-Centric Cloud ERP Offerings Apart From Product-Centric?

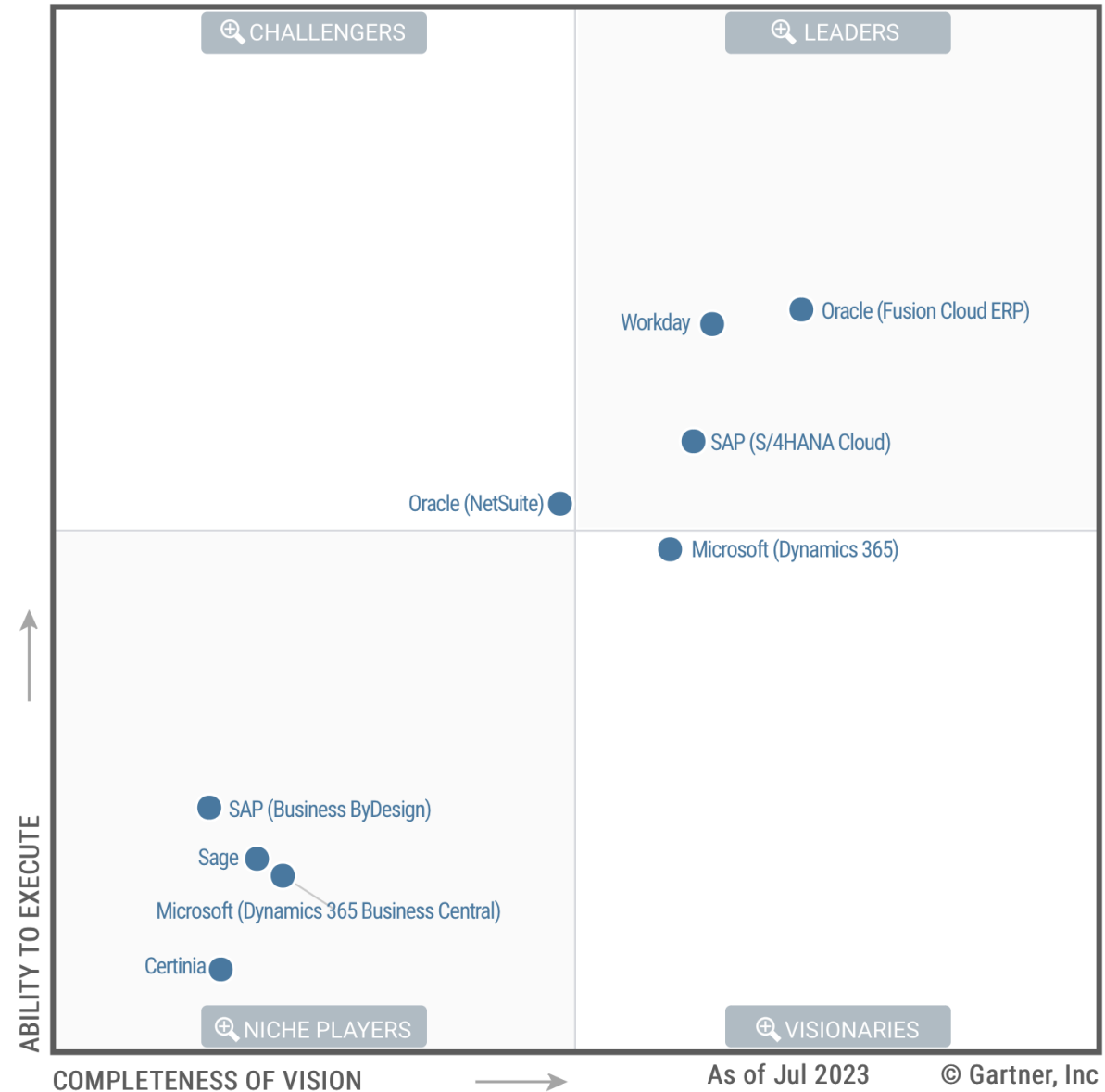


Service-Centric Cloud ERP Offerings Must Have 3 of the Following:

- **Financial management. (Required capability).**
- **Order-to-cash from CPQ to cash collection.**
- **Procure-to-pay including e-purchasing and AP invoice automation.**
- **Human capital management including administrative HR and HR data management.**
- **Other administrative ERP capabilities, such as project management or extended planning and analysis.**

CPQ = Configure, Price and Quote

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Source: [Magic Quadrant for Cloud ERP for Service-Centric Enterprises](#), 28 August 2023 (G00776107)

Niche Players Quadrant

- Niche Players offer service-centric ERP capabilities but are limited in both their Completeness of Vision and Ability to Execute and may not have the full footprint of capabilities. Instead of a strong cloud technology vision, some may offer narrower cloud platform capabilities or industry focus.
- A Niche Player may suit your requirements, and all Niche Players in this Magic Quadrant should be considered viable contenders. If you like what a Niche Player offers, your evaluation should assess how well-aligned that vendor is with the market's direction and your potential business strategic direction. A Niche Player may be a risky choice if this assessment shows it is not following the trends of your specific industry or market.



Visionaries Players Quadrant

- Visionaries understand how the organization is changing as they are moving to a cloud service-centric ERP system. They have a good vision for technology and functionality but are limited in terms of their Ability to Execute or a demonstrable track record. Their solutions attract enterprises that want to move service-centric capabilities aggressively to the cloud, and they may have some differentiating functional capability.
- Visionaries are typically limited in terms of market presence, geographic presence outside their home region, and the market's awareness of them and their products.
- Visionaries may become Challengers or Leaders, depending on how they strengthen their go-to-market capabilities and whether they can develop partnerships that complement their strengths.



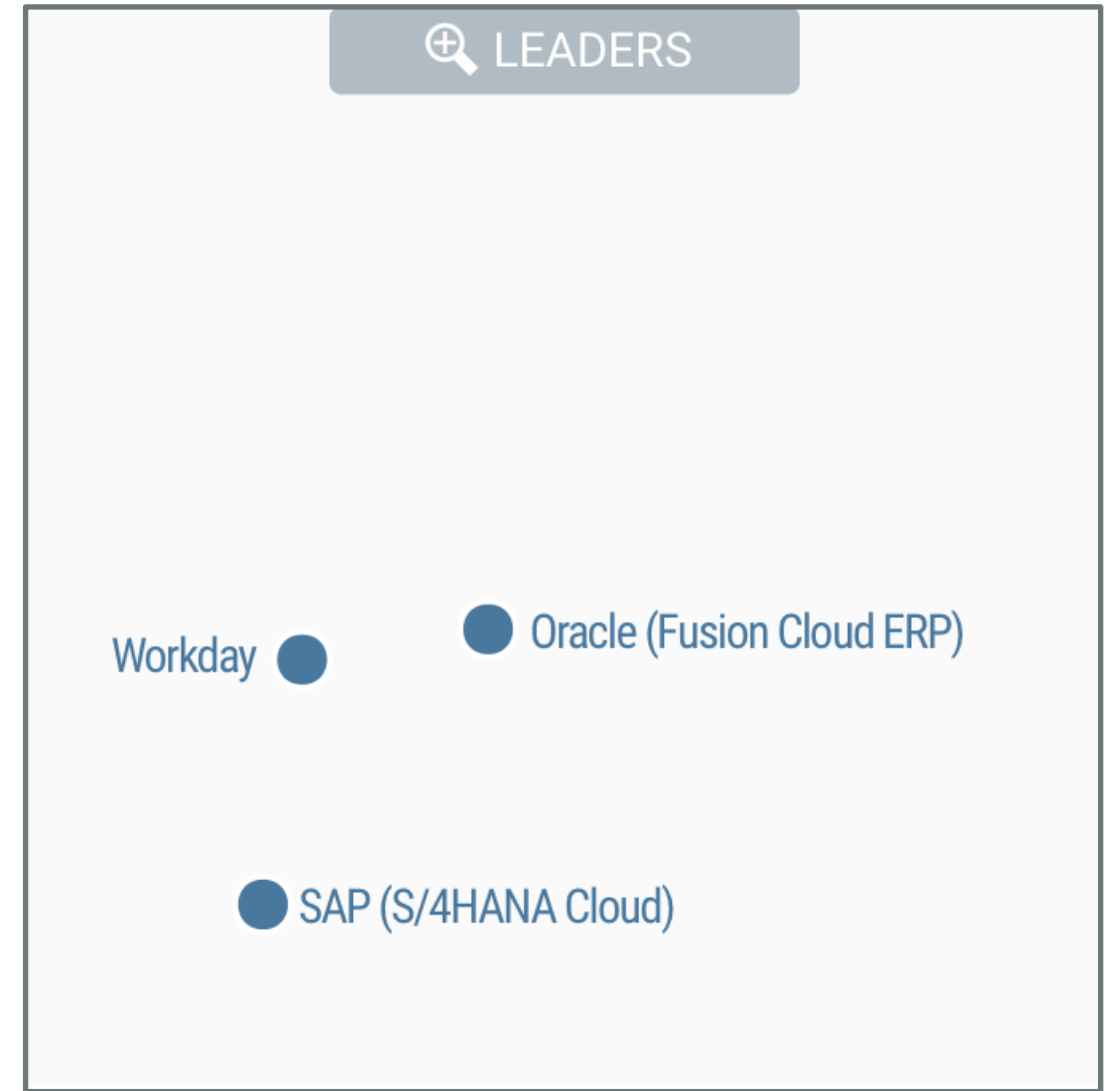
Challengers Quadrant

- Challengers have greater market presence than Niche Players and Visionaries. They may have developed a substantial presence in one area of the market, but they lack a sufficiently broad vision to execute consistently more widely in the market. They tend to have a viable and proven cloud service, but they focus on a specific size of enterprise or selection of industries.
- Challengers can become Leaders if they develop their vision for, and focus on, this market. Over time, large companies may move between the Challengers and Leaders quadrants as their product cycles shift and market needs change.










Leaders Quadrant

- Leaders demonstrate a market-defining vision of how service-centric ERP systems and processes can be supported and improved by moving them to the cloud. They couple this with a clear Ability to Execute this vision through products, services and go-to-market strategies. They have a strong presence in the market and are growing their revenue and market share. In this market, Leaders show a consistent ability to secure deals with enterprises of different sizes and have a good depth of functionality across all areas of core financial management.
- Leaders typically address a wide market audience by supporting broad market requirements. However, they may fail to meet the specific needs of vertical markets or other, more specialized segments, which might be better addressed by Niche Players, in particular.



Vendor/Product Differentiation

-  Platform capabilities to enable composable ERP strategies and automation.
-  Vendor-led industry support and implementation accelerators.
-  Business technologist enablement features.
-  Effort and costs associated with integration deployment.
-  Availability and costs of support and implementation service resources.
-  Imbedded automation driven by artificial intelligence.
-  Pricing models.



Selection

Your competitor's choice should not necessarily be your choice.

**Your strategy,
your requirements,
your expected outcomes
should lead to**

**your ideal
selection.**

Recommended Gartner Research

- 🔍 [6 Steps to Choose the Best-Fit Cloud ERP Solution for Your Organization](#)
Robert Anderson
- 🔍 [Two-Tier ERP: A Useful, Composable ERP Strategy for Complex Organizations](#)
Denis Torii and Dixie John
- 🔍 [Magic Quadrant for Cloud ERP for Product-Centric Enterprises](#)
Greg Leiter, Dixie John, Robert Anderson and Tim Faith
- 🔍 [Critical Capabilities for Cloud ERP for Product-Centric Enterprises](#)
Dixie John, Tim Faith, Robert Anderson and Greg Leiter