

IDC MarketScape

IDC MarketScape: Worldwide Retail, Footwear, and Apparel PLM 2024 Vendor Assessment

Jordan K. Speer

THIS EXCERPT FEATURES INFOR AS A MAJOR PLAYER

ABOUT THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Retail, Footwear, and Apparel PLM 2024 Vendor Assessment (Doc #US51795224e).

IDC OPINION

The holy grail of retail, which may be even holier for apparel and footwear than anything else — the right product, right time, right place — never changes. And yet the environment in which retail, brand, and supplier organizations operate continues to grow more complex by the day. Consumers want innovative fabrics, new styles, tried-and-true basics, exclusive “drops,” luxurious feel, perfect fit, curated product but items always available in their size and preferred colors, with just the right stretch and design, and complementary accessories to match. These products should also convey a lifestyle, be sustainably produced, with materials of Depression-era quality to make them durable enough to survive resale and ideally recyclable in a way that enables a circular economy — but still be trendy and frequently refreshed! Consumers also want online personalization; omni-channel shopping, fulfillment, and returns opportunities; and pricing to match the capabilities of their wallets, or at least not to stretch them too far.

Product life-cycle management (PLM) applications for retail, footwear, and apparel (RFA) brands continue to expand in functionality and extend their value deeper into the front and back ends of the entire concept-to-consumer supply chain to enable retailers and brands to meet consumer expectations while navigating an equally complex global sourcing and production environment, a tightening regulatory environment, supply chain disruptions, geopolitical jitters, and an inflationary economy.

Given the pressures on today's retail, footwear, and apparel organizations, PLM providers are enhancing core and extended PLM features such as design and 3D integrations, robust color and materials management, size and fit specifications, quick sampling capabilities, strong collaboration tools, automation and search capabilities, AI and analytics, and the ability to track sustainability metrics, which are critical to serving the needs of the fast-paced and visually focused fashion industry.

Furthermore, there is a focus on a single digital thread across the organization, as PLM vendors form tighter integrations with other applications, both theirs and others. Acquisition activity has been significant. On the front end, we are seeing PLM vendors acquire planning applications, and also pricing and competitive intelligence applications, to enable tighter coupling of planning and product development stages to enable better assortment planning, compressed time cycles, and better collaboration between merchandising and product development. Other vendors featured in this IDC MarketScape take a supply chain platform approach, offering PLM as part of an end-to-end offering that may include applications such as ERP, sourcing and logistics, supplier relationship management, order management, and shop floor control.

In either case, PLM reflects the same trends we see broadly of organizations seeking integrated data and a single version of the truth and vendors aligning their systems to offer a unified approach, integrating applications under a single lens to rationalize the number of systems in use and to better connect processes from end to end. These trends signal a larger focus on operational visibility, cost optimization, and sustainable growth. Relatedly, vendors continue to enrich functionality to enable expansion into adjacent markets such as general merchandise and hard lines. Several of the enterprise users we spoke with for this IDC MarketScape use more than one PLM vendor to manage different types of products and are seeking to integrate different product categories on one platform where possible.

There is a growing shift toward out-of-the-box (OOTB) solutions that streamline operations and reduce customizations and excessive configuration, with emphasis on cloud SaaS deployments that can ease the pressure on IT departments while providing greater flexibility, collaboration, and scalability to enable faster innovation, remote workforces, and better decision-making.

In the spring of 2024, we fielded an IDC MarketScape to determine the landscape of key PLM providers in the RFA brands space. Research finds that:

- RFA brand organizations are moving off premises to the cloud, and vendors have been evolving their offerings to support robust PLM functionalities in a SaaS environment.
- PLM providers are building AI-driven capabilities to boost efficiency, enhance creativity, optimize material use, mitigate assortment overlap, and automate

front-end processes. Compliance with sustainability and traceability requirements, particularly in the EMEA region, is further driving the adoption of AI as well as capabilities to enable the creation of digital product passports (DPP).

- Seamless and robust supplier collaboration and sourcing capabilities from PLM applications remain critical for users that want to eliminate all outside-the-app communications, such as emails.
- Users are seeking tighter coupling of product life-cycle management with capabilities such as planning and costing, and vendors are evolving their offerings to meet demand.
- Significant progress in modernizing user interfaces (UI) has enabled users to learn them quickly and navigate easily. In addition, vendors are evolving their applications to enable greater automation, eliminating redundant and time-intensive work that is particularly onerous for the complex size-color-style SKU nature of apparel and footwear. Users want to be able to make changes to one item and, when desired, have those changes automatically propagate throughout the line or colorway or size range, for example. Likewise, they want to be able to easily aggregate data or automate tasks such as bill of materials (BOM) creation.
- Track and trace capabilities within PLM or in adjacent supply chain platform applications are growing increasingly important as regulatory environments move from voluntary to required and as consumers put pressure on retailers to be sustainable. Vendors are evolving PLM to better manage this data by monitoring material usage, identifying opportunities for sustainable design choices, assessing environmental impacts at each stage, and ensuring compliance with sustainability standards. Vendors are also partnering and integrating with vendors in areas of Scope 3 data collection, impact measurement, and decarbonization solutions for the fashion industry.
- RFA brands want smooth integrations between 3D tools and PLM, whether natively or through connectors, and ultimately would like to see 3D capabilities evolve to enable seamless workflows from design through production to unlock the value of 3D and digital product creation across the entire value chain. While this is generally still in the early stages, the coming years are likely to see significant advancements that could redefine design and production processes.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

To be included in this IDC vendor assessment, an IT supplier must have a full-suite PLM offering that supports the following: early-stage ideation/storyboarding, research and development (R&D), line and merchandise planning, BOM management, supplier collaboration and sourcing (or integration with), testing and sampling, tech pack

management and collaboration, and integration to and collaboration with production/manufacturing.

Note that for the purposes of this IDC MarketScape, we are focusing on PLM software providers for retail, footwear, and apparel brands. It does not include capabilities for products that require ingredients, formulation, and/or recipe management, such as those in the food, grocery, pharmaceutical, and chemical industries.

ADVICE FOR TECHNOLOGY BUYERS

PLM customers are confronted with the overall challenge of balancing quality, sustainability, and cost while accelerating design-to-market processes.

When it comes to technology, PLM vendors have significantly evolved their offerings in recent years, especially in areas of 3D connectivity, sustainability tracking and compliance, and AI, as well as overall improved user experience. Retailers and brands looking for PLM systems should:

- Explore the potential of 3D tools and AI-driven capabilities within PLM to optimize material usage, reduce assortment overlap, enhance product development efficiency, and enable faster decision-making, ensuring alignment with market trends and consumer demands.
- Integrate traceability and digital product passports into PLM systems to ensure transparency and compliance with evolving regulations, particularly in EMEA.
- Consider adopting OOTB solutions to minimize customizations, streamline processes, and improve systems integrations. While each organization is unique, many are stuck following legacy processes that should be revisited as part of a search for new technology. All the vendors in this IDC MarketScape offer solutions that can improve product life-cycle management, but they cannot fix bad processes. Many of the vendors in this IDC MarketScape frequently ascribed challenges to overcomplicating their systems to match poor processes or simply not thinking through their processes well enough from the start, and then winding up with configurations that did not match the desired workflows.
- Take time to know your vendor and understand the breadth and depth of their offerings in technology capabilities, implementation, change management support, service offerings, partner ecosystem, and company culture.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While IDC evaluated every vendor against the criteria outlined in the Appendix, the description summarizes each vendor's strengths and challenges.

Infor

Infor is positioned in the Major Players category in this 2024 IDC MarketScape for worldwide retail, footwear, and apparel PLM vendor assessment.

- **Year founded:** 2002
- **Headquarters:** New York, the United States
- **Employees:** 17,000+
- **Customer globalization:** Offices in 43 countries, primarily in Europe, the United States, Asia, and Latin America, with plans to expand to India
- **Customer size:** Primarily enterprise
- **Delivery:** 100% cloud-native SaaS platform with an adaptive technology strategy

Infor PLM distinguishes itself as a cloud-native, multitenant, purpose-built, always-updated SaaS solution for the fashion and apparel industry. A core strength of Infor PLM is its native connection to its powerful and agile Infor OS platform, Infor Birst (analytics), and Infor AI; enablers of easy integration; workflow; AI/ML capabilities; GenAI; and data and analytics. Our research shows that Infor is also notable for the depth of its material, trim, and bill of materials management functionality, including bill of operations (BoO) (reflecting its strengths in manufacturing), and for its easy-to-navigate UI with drag-and-drop design capabilities.

In 2017, Koch Industries invested in Infor and fully acquired it in 2020, providing a solid financial backbone for continued innovation. During that period, Infor doubled down on developing industry-vertical CloudSuites, including for fashion and apparel, and it is focused on addressing the specific needs of each vertical. Infor PLM integrates with Infor CloudSuite Fashion/ERP out of the box and can be deployed with Infor OS to easily interface with any ERP system.

Infor's PLM solution spans the core range of capabilities in design, development, line/collection planning, BOM, material trim details, RFX, costing, sampling, supplier portal, tracking, workflows, compliance, document management, and reporting (through Flex query). It offers integration capabilities for 3D and design applications, including Adobe Illustrator and CLO.

With its ability to define, store, and track a vast array of information and attributes on materials, raw materials, finished goods, and vendor information, it enables sustainable

design, circularity, and traceability uses. Integration to Made2Flow supports product impact measurement and Scope 3 reporting. Relatedly, a widget that will access information necessary to satisfy phase 1 of the EU's digital product passport requirements is on the immediate road map.

In addition, the ability to track each item at a serialized level when needed to uniquely identify activities for a product enables CloudSuite Fashion ERP and PLM users to manage repair, resale, recycling, and light manufacturing services.

Strengths

- Infor PLM is a true cloud-native, multitenant, and scalable SaaS solution that requires no upgrades. Its updates are instantly available to all customers, which is a significant differentiator. One customer commented that a new release is available every two months "without disruptions or problems" and that Infor usually incorporates the enhancement requests it has filed with the vendor.
- Infor PLM operates on the Infor OS platform, providing strong integration capabilities, AI and ML, configurability, document management, and data management through Data Fabric (a data lake). In addition, it offers back as a service (BaaS), a dedicated API life-cycle platform for building standalone, serverless, cloud-native microservices. Infor OS offers a portal with workspaces and widgets, a security officer, an API gateway, external entity management, and an app designer. Infor is focused on leveraging these built-in capabilities across its offerings.
- Infor OS' wide range of offerings are especially valuable when PLM is consumed along with other applications. As part of Infor CloudSuite Fashion, Infor PLM provides access to pre-integrated components that add value to clients using the broader platform, such as seamlessly generating POs from the platform and updating their logistics status through the supplier portal. Infor PLM also includes a mobile app for uploading pictures for inspiration and its Ming.Ie collaboration platform for in-app chatting and messaging.
- Infor has a great opportunity to distinguish itself in the marketplace by creating a unified PLM-Nexus offering, which would create a true end-to-end offering from design and product development through supply chain collaboration, tracking, global trade, and financial management, including sustainability-focused financing. Nexus connects more than 85,000 brands, retailers, manufacturers, suppliers, logistics providers, and banks on a single digital supply chain network, optimizing operations and cash flow across the ecosystem.

Challenges

Infor serves clients that use PLM as a standalone application to manage their core fashion product life-cycle management needs, but the application's power is truly activated when used in concert with the larger Fashion CloudSuite, enabling easy integration of functionalities that reach deeper into the supply chain, as well as greater benefits from the InforOS on which the platform runs. Infor does not offer a planning application for fashion, but adding one to its offerings is a key focus on the road map. Infor has room to expand its functionality to serve the specific commercialization needs of omni-channel brands and retailers. Customers are interested in bringing Infor's AI capabilities more deeply into the fashion platform, such as assisting with design creation use cases.

Consider Infor When

Consider Infor if you are a retailer or brand seeking a cloud-native, multitenant PLM solution on an integrated platform that includes ERP and supply chain functionality, is purpose built for the fashion and apparel industry, and has no need to upgrade.

Consider Infor for integrations, workflow capabilities, and offerings to support sustainable design and development. Customers commented on the level of customer support they have been receiving from Infor, an area where the company has shown marked improvement. Relatedly, the company's recently launched initiative, Carefor, is designed to help customers maximize the value they obtain from their Infor investment.

APPENDIX

Reading an IDC MarketScape Graph

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

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

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

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

IDC MarketScape Methodology

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

Market Definition

Increasingly, apparel, footwear, and retail brands are taking an extended view of product life-cycle management (PLM), integrating PLM to complementary enterprise systems inside and outside their companies to enable digital, remote collaboration with internal and external constituents. They are also rapidly moving to cloud infrastructure and SaaS single-tenant and multitenant applications.

General product life-cycle management includes the following capabilities:

- Innovation management/ideation
- Product portfolio management
- Collaborative product data management
- Collaborative product design
- Direct materials sourcing/SRM
- CAD/CAM/CAE — not technically part of PLM, is a fundamental adjunct

PLM for the apparel, footwear, and retail brands market has fundamentally similar capabilities, with different naming conventions, workflow, integrations, and focus points. This includes:

- Innovation management/ideation/storyboarding
- Integration to CAD
- Line planning (akin to product portfolio management)
- Merchandise planning (or integration with)

- Calendar/critical path management
- Supplier collaboration and sourcing (or integration with)
- Testing and sample management
- BOM management
- Tech pack management and collaboration
- Integration to and collaboration with production/manufacturing

LEARN MORE

Related Research

- *IDC's Worldwide Digital Transformation Use Case Taxonomy, 2024: Experiential Retail* (IDC #US52544124, September 2024)
- *PTC LiveWorx 2023: Bringing Speed to Market, Efficiency, and Sustainability to Retail* (IDC #US51118123, September 2023)
- *Aptean: Expanding in Europe, Focusing on Industry Specialists in Manufacturing and Distribution* (IDC #EUR150900323, June 2023)
- *Infor: An Enterprise Applications Giant Quietly Innovating and Moving to SaaS* (IDC #EUR149768722, October 2022)
- *IDC MarketScape: Worldwide SaaS and Cloud-Enabled Operational ERP Applications 2022 Vendor Assessment* (IDC #US46733721, May 2022)

Synopsis

This IDC study represents a vendor assessment of the 2024 worldwide retail, footwear, and apparel PLM market through the IDC MarketScape model.

Beyond handling core PLM basics such as product development, technical specifications, sampling, and sourcing management, PLM continues to act as a centralized platform that serves as a hub for greater multidirectional interactivity between retailers and their partners.

"As more users connect to a unified platform, with one version of data that can be used to harness the benefits of AI, there is a multiplier effect on the ability to innovate, collaborate, speed product to market, and produce sustainably, enabling retailers, brands, and manufacturers to better plan and execute strategies that focus on pleasing the consumer rather than chasing data," said Jordan K. Speer, research director, Worldwide Retail Product Sourcing, Fulfillment, and Sustainability Strategies at IDC.

ABOUT IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

Global Headquarters

140 Kendrick Street
Building B
Needham, MA 02494
USA
508.872.8200
Twitter: @IDC
blogs.idc.com
www.idc.com

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