# IDC MarketScape: Worldwide SaaS and Cloud-Enabled Large Enterprise ERP 2023–2024 Vendor Assessment
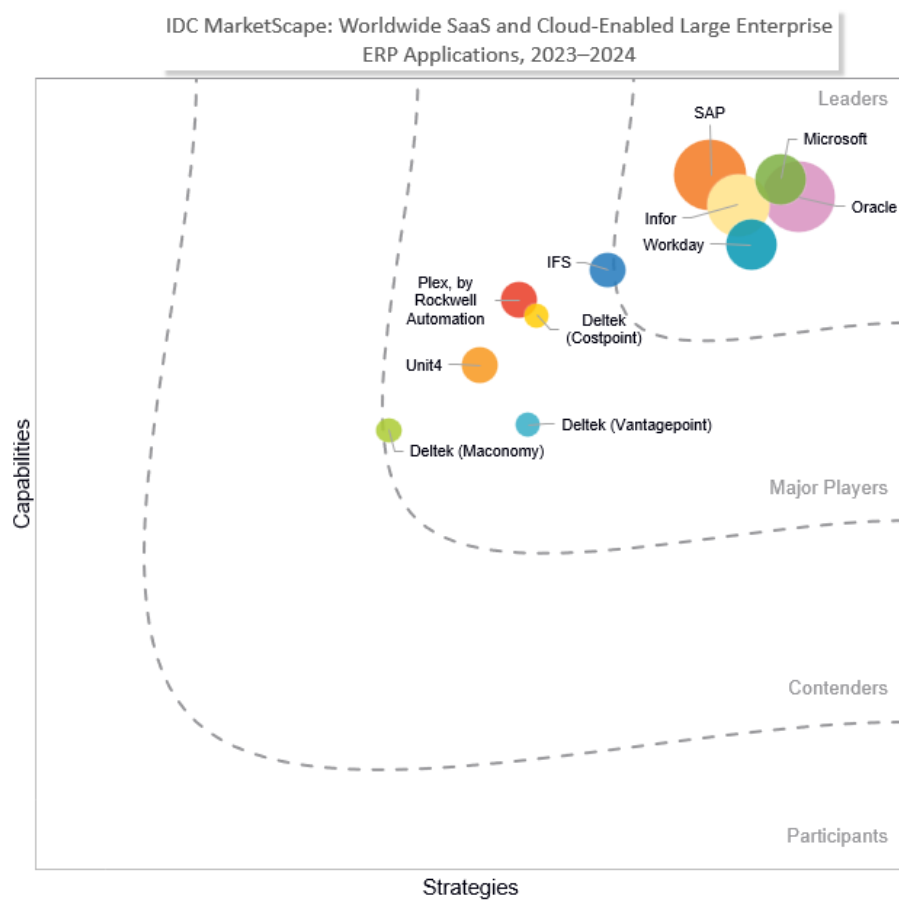
Mickey North Rizza

**THIS IDC MARKETSCAPE EXCERPT FEATURES INFOR**

## IDC MARKETSCAPE FIGURE

## FIGURE

**IDC MarketScape Worldwide SaaS and Cloud-Enabled Large Enterprise ERP Vendor Assessment**



IDC MarketScape: Worldwide SaaS and Cloud-Enabled Large Enterprise ERP Applications, 2023–2024

Source: IDC, 2023

Please see the Appendix for the detailed methodology, market definition, and scoring criteria.

## IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide SaaS and Cloud-Enabled Large Enterprise ERP 2023-2024 Vendor Assessment (Doc# US50655523). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

## IDC OPINION

With the arrival of the digital world, the speed of technology innovation continues to bring more to business than it has in the past. Although software-as-a-service (SaaS) and cloud products enable this high-paced innovation, organizations are still transforming. In IDC's March 2023 *Future Enterprise Resiliency and Spending Survey, Wave 2,* 51% of organizations said they were operating a digital business, while 49% said they were still transforming. Both facts showcase the use of technology to compete in the market and the use of automation across the entire organization. In addition, those that are digitally transforming are moving or have moved to a cloud-first strategy, leaving on-premises and legacy systems behind, whereas those that are running a digital business have already advanced to the cloud and are continuing the journey with more innovative technology to run the business better than when they first transformed.

Business process improvements with new innovations, such as robotic process automation (RPA), AI, ML, generative AI (GenAI), natural language processing (NLP), and digital assistants/chatbots, are completely changing up the business experience. The movement of anchoring the organization to their ERP system and then extending into industry differentiation with additional capabilities is quickly becoming the norm. Further, the extension of the ERP into additional applications as part of a suite of applications is quickly reshaping an organization's, as well as the employees', usage and reliance on technology. Autonomous processes are removing the need for additional employee clicks and decision points, quickly transforming the business experience to something akin to consumer use of mobile applications. Be it the consumer or business processes, the evolution and pace of advancement are constantly evolving with fewer clicks, fewer decision points, more services, and more insights delivered in real time to the employee, partner, and customers, reducing the time to decisions and ultimately to fulfillment.

## Current Considerations in Large Enterprise ERP Systems

As organizations move into the digital world, the promise of speed, scale, and agility as well as a greater competitive advantage and expanding market share are creating a technology investment strategy that is constantly evolving. Organizations need to consider some of the following as they move toward new ERP systems:

- Moving from a legacy system can be tough, but focusing on modular systems is a plus. The modules are the building blocks of configurable applications and are composed for maximum functionality and accelerated time to value. A product with modular design is decoupled and componentized, meaning it is broken down into smaller composable independent components with singular tasks. Composable modular applications are an attractive alternative to custom-developed software products due to their minimal dependence on full-stack development talent. Composable applications have the burden of the maintenance and upgrades to the apps that the SaaS vendor selling the product handles. Modular applications provide a

component library and the ability to create new components in the application, which typically implies the API is part of the architecture composition. Modules are independent and self-contained and allow the assembly of an app with prebuilt, legacy, and/or custom modules. With modularity, a complex product, such as a physical car or sophisticated piece of software, can be divided into simpler components that are independently created and integrated (or assembled) to create the desired end product.

▪ Time to insight is critical in the digital world. Automation should be utilized everywhere, coupled with the data to make the right decisions and analytics to make it easier to comprehend. In addition, predictive capabilities can benefit an organization overall.

▪ Enterprise applications bring forward a series of activities where data and people come together to complete tasks or make decisions to improve the performance of the organization. The employee's processes are critical; when you look at the systems, remember that the more the employees' user experience conforms to their daily workflow, the better the user experience.

▪ It is critical to look at how often the ERP technology vendor updates their product. If infrequently, what does that mean to the pace of innovation your organization needs to take on to move successfully in the digital world? This is a crucial area to understand in both the short term and longer term.

▪ Product road maps that not only include the innovation but also showcase the reduction in the process highlight that faster, more fluid, and more intuitive workflows bring greater value to the employee and organization.

## Current Trends in Large Enterprise ERP Systems

Current ERP system trends include:

▪ Deployment types vary, from on premises to private cloud and public cloud. IDC finds that by early 2025, organizations still on legacy systems will need to modernize their applications immediately to survive and adapt to the digital world already surpassing them.

▪ The pace of innovation is increasing, and ERP vendors focused on AI, ML, NLP, chatbots, RPA, and GenAI are critical partners to consider for the digital future. This innovation will reset the use of ERP systems for years to come. IDC finds that by 2028, 85% of enterprises using intelligent applications will have evolved to run as autonomous organizations, redefining the technology resource usage within the business.

▪ ERP installations from on premises to legacy can take years, but the business world doesn't have the time to spare. Technology strategies are critical to selecting and implementing the right ERP systems that gain insights quickly and improve decision velocity. IDC finds that by mid-2024, 30% of global organizations will take advantage of human-like interfaces in their enterprise applications to gain more insights quickly, improving decision velocity.

▪ Embedded finance, shorter workstreams, and autonomous workflows are on the rise. This trend will continue for the foreseeable future. IDC finds that by mid-2025, 70% of global businesses will use embedded financing to collect and make payments.

▪ Competitive differentiation, such as quickly making the best decision, will become critical. IDC finds that by late 2024, 70% of the G2000 will focus on technology and the process time between the event that occurs and the point of decision-making to gain a competitive advantage.

## IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

The vendor inclusion list for this evaluation was selected to accurately depict the vendors that are most representative of any given ERP system on a buyer's selection list based on the following:

- Vendors must have a modern cloud offering such as SaaS or a cloud-enabled solution.
- The ERP system must have a general ledger as part of the system.
- Vendors must have at least 30-50% of their revenue from large enterprise organizations of 1,000 or more employees.
- Vendor inclusion also includes market presence and information the vendors provide us with and IDC's market share and forecast efforts in the enterprise resource planning (ERP) applications.

## ADVICE FOR TECHNOLOGY BUYERS

The ERP market is shifting quickly to technology that enables an organization to compete and succeed in the digital world. These areas are focal points of consideration as your organization moves forward.

- **Look internally and think about your current processes.** Ask yourselves these questions:
  - What are some issues we must resolve with a new system? Are they technology related?
  - What are the current internal resources and capabilities? How might this change in the future with our investment plans?
  - How do we define a successful implementation?
  - What internal stakeholders should we include in the process?
  - How will the new system change my organization?
  - Are there industry aspects we could tie in better from the front end to the fulfillment of our products and services?
- **Select the right partners.** The first step to implementing an ERP system is to develop the right strategy and plan for implementation. Second, select the right services partners that can assist you with your choice of technology partner. Ask yourself these questions:
  - Does the vendor have the type of product, service, and company size we need?
  - Can the vendor show me a hands-on experience demo with my organization's live and real data to show the benefits to the business?
  - Does the vendor understand the regulations that will impact my business? How are these regulations reflected in my current product, and how will they change the future?
  - What is the vendor's strategic investment outlook for the next three to five years? Why and how will it enhance my business?
- **Consider the foundation.** There are many varieties of software architectural approaches. Ask your software vendors these questions:
  - What is the data flow design in the current solution?
  - What kind of APIs are available from this vendor? RESTful? SOAP? GraphQL?
  - What kind of developer tools does this vendor provide (e.g., sandbox, dedicated portal, low-code/no-code tools, database management tools)?

- **Own the implementation.** The best results require an active role in implementation. The digital world brings greater reliance on technology than ever before, and getting it right the first time is a requirement. Ask yourselves these questions:
    - What levels of support are available, and are they geographically available for my business?
    - How should we set up the service-level agreement before signing any of the contracts?
    - Can the system integrate with my company's other IT systems and partners?
    - Which IT system needs to be integrated and to what degree?
    - How are you set up to deal with frequent updates? And how do we consume them faster and let the business learn as it goes?
- **Change management is critical.** Ask yourselves these questions as you get into the project so you can run efficiently and smoothly and move into the digital world quickly:
    - Do we have the right strategy to encourage rapid adoption with employees?
    - Do we have the right amount of training for employees to master the new features within the system?
    - Are we communicating the purpose and benefits of the system change to the relevant employees?
    - Have we aligned existing policies and procedures to enable the adoption of new workflows?

This IDC MarketScape assists in answering the aforementioned questions along with many others that may arise.

## VENDOR SUMMARY PROFILE

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

### Infor

After a thorough evaluation of Infor's strategies and capabilities, IDC has positioned the company in the Leaders category within this 2023-2024 IDC MarketScape for worldwide SaaS and cloud-enabled large enterprise ERP applications.

Infor's cloud ERP solutions deliver industry-specific capabilities without extensive customizations or integrations by combining the Infor cloud platform built on Amazon Web Services (AWS) and Infor OS innovation services. By subscribing to Infor's cloud-native service for business applications, organizations experience regular updates that deliver the latest advances in enterprise functionality.

Infor's industry-specific ERP solutions have been meeting the needs of enterprise-level and small- and medium-sized businesses (SMBs) for 30+ years. Infor's CloudSuite is cloud-native and securely delivered through Amazon Web Services (AWS), allowing a business to scale, spend less time managing infrastructure, and focus more on strategic initiatives.

Quick facts about Infor include:

- **Employees:** 17,000+

- **Total number of clients:** 60,000+ customers
- **Globalization:** Infor CloudSuite is a global solution that supports approximately 80 countries representing well over 90% of the world's global GDP. Infor is in 10 regions and 27 availability zones from AWS. Infor customers include large enterprise brands that use cross-region and thus multifarm and multitenant deployments.
- **Industry focus:** Primarily for discrete manufacturing (industrial manufacturing, automotive, and aerospace and defense contractors), process manufacturing and distribution (food and beverage, fashion, and distribution companies), healthcare, and public sector
- **Ideal customer size:** Infor's focus spans from expanding SMBs with revenues less than $30 million to over $30 billion.
- **Average implementation time:** Implementation time is highly dependent on the scope of the customer implementation (simple may take three to four months while larger, multisite enterprise deployments may take longer to complete). A good average would be six to nine months to initially go live.
- **SaaS and cloud:** Infor has multitenant architecture on the infrastructure, database, and application layers.
- **Partner ecosystem:** 2,000+

## Strengths

- **Automated integrated industry expertise:** Organizations we spoke to loved Infor for its exceptional industry expertise as it goes across and deep across their product set. References noted the reason they considered Infor was the company's strong industry expertise.
- **Integrated future-proof aspects:** Infor CloudSuite is architected to drive innovation. Every customer runs on the same version and benefits from regular updates and enhancements. Continuous cloud innovation and extensibility allow customers to adopt their specific needs within their business. Advanced cloud capabilities include Infor's Data Lake, RPA, AI/ML, and Amazon Bedrock to ensure the organization remains competitive and future proofs its business through Infor OS.
- **Prebuilt reports and dashboard:** From the basics to financial information, customers can extend what they receive within the analytics to bring more in-depth financial planning and management.

## Challenges

- **UI/navigation:** Respondents love the Infor solution, but they believe Infor needs to be more thoughtful in the UI and overall navigation. Two examples were given: first to reduce the number of clicks for the user and second to bring more information forward faster. Moving toward more intuitive areas on the screen would help end users in the field complete tasks faster. In late 2023, Infor introduced a new Portal experience, bringing in new configurable role-based Workspaces that reduce clicks and bring more insights into action.
- **Industry excellence but micro-vertical differentiators need "beefing up":** We saw the company's industry knowledge and heard it from references, but some microvertical-specific areas felt the next level of industry differentiation needed additional elements. Two references noted that some quality aspects of what is important to their industry layered with more regulatory and compliance processes would bring Infor even more differentiating value.
- **Analytics/business intelligence:** The information brought forward is great. References told us that navigating the system and its current performance level make it seem dated. They believed an updated version could really make it more appealing.

## Consider Infor When

Consider Infor if your organization needs an industry Cloud ERP solution to enable a future of innovation that changes up the workforce to bring more digital world capabilities both now and in the future.

## 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

ERP is a packaged integrated suite of technology business applications with common data and process models that digitally support the administrative, financial, and operational business processes across different industries. These processes manage resources, including some or all of the following: people, finances, capital, materials, suppliers, manufacturing, supply chains, customers, products, projects, contracts, orders, and facilities.

Further, ERP suites and the associated applications are utilized to run the business and typically start with finance and include procurement and inventory/asset management and may also include HCM, order management, manufacturing, distribution, services, engineering, PLM, and supply chain. The software can be specific to an industry or designed to be more broadly applied to a group of industries.

Typically, ERP solutions are architected with an integrated set of business rules and metadata, accessing a common data set (logical or physical) from a single, consistent user interface. ERP solutions are available as on-premises, hybrid, and cloud SaaS deployments.

## LEARN MORE

### Related Research

- *Enterprise Application Evolution: Changes, Changes, & More Changes* (forthcoming)
- *IDC FutureScape: Worldwide Intelligent ERP 2024 Predictions* (IDC #US51300923, October 2023)
- *Market Analysis Perspective: Worldwide Enterprise Applications Software, 2023* (IDC #US50268923, September 2023)
- *Worldwide Enterprise Applications Market Shares, 2022: Cloud is the Digital World Foundational Choice* (IDC #US51040223, July 2023)
- *Worldwide Enterprise Applications Software Forecast, 2023-2027: Digital Era Brings Opportunity* (IDC #US51040323, July 2023)
- *June 2023: Enterprise Applications Spending Continues for the Foreseeable Future* (IDC #US50665223, May 2023)

### Synopsis

This IDC study provides a thorough assessment of market-leading SaaS and cloud-enabled large enterprise ERP applications and discusses the criteria that are most important for companies to consider when selecting a solution.

"Organizations embracing the digital world are focused on speed, scale, agility, market share, and competitive advantage. This requires adapting new ERP technologies such that the technology enhances the employee's decisions and business performance. ERP technology in the digital world must enable speed and scale by reducing process steps and clicks, automating every workflow possible, embedding finance to collect and make payments, and helping improve overall decision velocity," said Mickey North Rizza, IDC Group VP, Enterprise Software.

## 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.).

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