IDC MarketScape

IDC MarketScape: Worldwide Manufacturing Service Life-Cycle Management Strategic Consulting 2022–2023 Vendor Assessment

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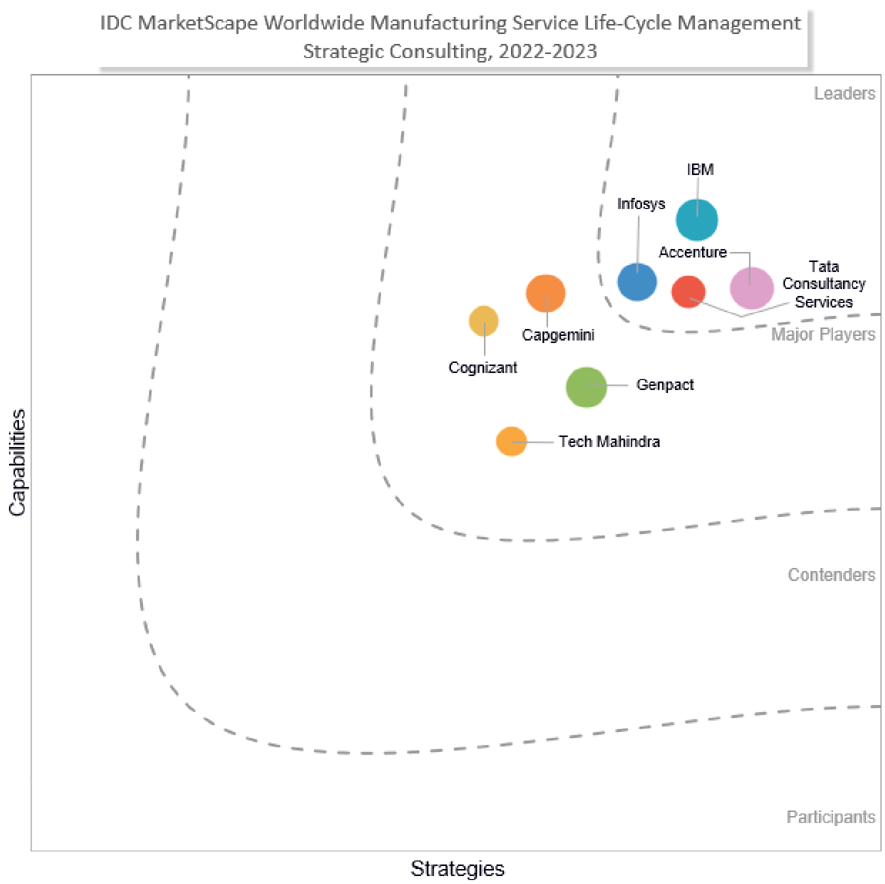
THIS IDC MARKETSCAPE EXCERPT FEATURES: INFOSYS

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Manufacturing Service Life-Cycle Management Strategic Consulting Vendor Assessment



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

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Manufacturing Service Life-Cycle Management Strategic Consulting 2022-2023 Vendor Assessment (Doc #US48840422e). 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

Manufacturers are finding increased opportunities to deliver value to customers, both internal and external, via service and maintenance operations. As products reach a point, across some industries, of commoditization or stagnant margins, service life-cycle management is an opportunity to build in growth and revenue pathways. In IDC's *Future Enterprise Resiliency and Spending Survey, Wave 5,* the top 3 business priorities for manufacturers were operational efficiency (36.2%), customer satisfaction (31.9%), and revenue (31.0%). The convergence of these priorities highlights the need for digital transformation within the service life cycle to ensure trade-offs don't turn into unhappy customers, lost revenue, and inefficient processes.

This 2022-2023 IDC MarketScape for manufacturing service life-cycle management (SLM) strategic consulting analyzes business and technology consulting firms that support SLM from vendor request for information (RFI), briefings and materials, and customer reference calls. This study is a qualitative and quantitative assessment of the characteristics and capabilities that affect a vendor's success in enabling a manufacturer along a digital journey with the service life cycle. A number of common trends were unearthed during this analysis, and the information technology (IT) strategic consultant vendor market has the opportunity to address:

- Change management barriers delaying technology adoption, return on investment, and business value
- Talent and skills gaps negatively impacting the customer experience and service productivity
- Legacy IT systems or homegrown solutions in place to manage service processes stifling innovation and new business models

To manage these challenges, manufacturers should expect and require the following from strategic consulting firms:

- Have detailed impact metrics for stakeholders across the service team
- Meet the unique needs of industries across the manufacturer market spectrum
- Have the ability to detail both a short-term set of strategies and a long-term path to sustained innovation and digital transformation
- Highlight a robust and growing technology and platform vendor ecosystem
- Have a willingness to listen and co-innovate

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

The market in strategic consulting consists of many vendors — some that provide niche offerings and some more notable players that have broad capabilities to address the needs of enterprise or larger organizations. The vendor inclusion criteria of this study were chosen to address the latter, representing vendors that support the end-to-end service life cycle within the manufacturing market. This assessment is meant to be one data point within a broader selection and evaluation process, highlighting specifically the strategies and capabilities that are most likely to aid manufacturers in a successful digital transformation within service life-cycle management.

For the purpose of this study, we have focused on those business and technology consulting organizations that currently focus on strategic consulting that we deem to be notable because of the following characteristics:

- IT consulting vendors must have a global presence, with engagements in at least three major geographic regions.
- IT consulting vendors must have customers in at least five manufacturing subvertical industry segments.
- IT consulting vendors must have served the service life-cycle management market for at least 10 years.
- IT consulting vendors must have capabilities to support end-to-end service life-cycle management activities and processes.
- IT consulting vendors must have a demonstrable track record of innovation within their service life-cycle management offerings.

Each of the consulting vendors included in this study meets the aforementioned requirements. There are vendors that provide consulting services for a subset of service life-cycle management or support adjacent processes that are notable but not included because they do not meet the "end to end" requirement or offer specific manufacturing vertical offerings. This may change in the future, and future publications of this study will have additional inclusions.

ADVICE FOR TECHNOLOGY BUYERS

Technology investments are not all successful. Implementing a technology and having that investment play a critical role in a long-range digital strategy can be difficult. Manufacturers are at a precipice where the value and impact of technology are clear, but the path from pilot or proof of concept to production is still allusive. According to IDC's 2021 *Industry IT and Communications Survey,* only 17.6% of discrete manufacturers and 13.1% of process manufacturers had an enterprise strategy to use digital to transform markets and customers by creating new business models and products/services. This highlights the disconnect still present between digital transformation and service transformation even as customers yearn for additional value and enhanced experiences.

For manufacturers and service organizations navigating their respective digital journeys, IDC recommends the following guidance in relation with partnering with IT strategic consulting firms:

- **Be realistic in assessing your organization's readiness for digital transformation.** Technology can't fix poor processes and organizational structure. Manufacturers need to evaluate their current processes and approach digital investments after the foundation for success has been laid.

- **Think big and explore markets outside of your industry.** Too often, manufacturers focus on incremental change. This doesn't mean that organizations should be unrealistic or too futuristic with their investments. But transformation requires manufacturers to think outside of their comfort zone or risk profile.
- **Engage the front line in buying decision and digital initiatives.** The service team has needs for data and insights that can be more complex than their back-office counterparts who work in environments with robust connectivity and large screen real estate. If a technology or application doesn't work the first time a service worker tries it, they will move on to solve a customer issue with a nondigital workaround. Technology needs to enable field execution and not a hinderance.
- **Work with partners to identify the right metrics to evaluate progress along a digital journey.** Doing more work or closing more jobs isn't always the best metric for automation. As manufacturers strive to be more customer centric and deliver new business models, the KPI that foretell success will also need to evolve.
- **Have tough conversations with your IT partners and ecosystem.** Partnerships need to be built on trust and shared outcomes. However, in a client relationship, sometimes the vendor will just deliver to your specifications or stated needs. Be willing to accept critical feedback on your enterprise and the path necessary to improve.
- **Know your customers.** Shifts into servitization models sound lucrative for the manufacturer but can be an unknown for the end customer who is used to buying equipment and products. Manufacturers need to be mindful that this shift takes education and buy-in from the customer too.

This IDC MarketScape highlights a notable list of vendors, a "short list," with the unique capabilities and future strategies of each IT strategic consulting firm that enable a senior IT buyer to more effectively identify the appropriate partner to support their respective digital journey and initiatives to improve the service operations. While all vendors included in this IDC MarketScape deliver a broad range of capabilities and offerings with the end-to-end service life-cycle market, each offers a different perspective and focus to address the needs of the manufacturer. To navigate current and future disruptions, service organizations and manufacturers need to sharpen their strengths and leverage a partner network that incorporates strategic consultants to mitigate risk and accelerate transformations.

Manufacturers must begin or continue their journey to prioritize the service operation within their digital strategy as it plays a crucial role in delivering value to customers, operators, partners, and the enterprise. A connected organization that can empower teams across the business to value the service operation will be well positioned to differentiate from its peers — build customer loyalty and brand equity.

VENDOR SUMMARY PROFILES

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.

Infosys

Infosys is positioned in the Leaders category in this 2022–2023 IDC MarketScape for worldwide manufacturing service life-cycle management strategic consulting.

Infosys (NYSE: INFY) is a global IT services and strategic consulting partner, which delivers consulting services for service life-cycle management in the manufacturing industry headquartered in Bengaluru, India. Infosys, founded in 1981, has delivered service offerings for the service life-cycle management industry for 25 years, with approximately 81,000 employees globally dedicated to the manufacturing industry. Infosys has service life-cycle management clients globally primarily in North America and Europe, with some engagements in Asia/Pacific, Latin America, and Africa. Infosys has formal strategic partnerships within service life-cycle management with Adobe, Amazon Web Services, Configit, Doppelio, IFS, IBM Maximo, Microsoft, Oracle, Pegasystems, PTC, Salesforce, SAP, ServiceMax, ServiceNow, Siemens, Tagbox, Trifacta, and Zuora.

Infosys provides strategic consulting services to the service life-cycle management market within manufacturing verticals such as aerospace and defense; automotive; chemicals; consumer products and food and beverage; farm, construction, and industrial machinery; life sciences; metals; and pulp and paper. Infosys has offerings for the end-to-end service life cycle with capabilities to support customer experience, dealer/channel optimization, customer/contract lifetime value analysis, service contract management, service parts planning and management, field service optimization, connected products for service, servitization strategy, digital transformation for service, warranty management, enterprise mobility for customer support, cloud technology, knowledge/content management for service, aftermarket services data management, and aftermarket services analytics. Infosys has over 100 delivery centers, with the majority in North America, Western Europe, and Asia/Pacific. Infosys has also established over 40 centers of excellence and "Living Labs" for service life-cycle management and service innovations focused on connected products, analytics, IoT, 5G connectivity, augmented service, security, product support, and emerging technologies like blockchain, augmented reality/virtual reality, and open source. Infosys is structured to support the end-to-end service life-cycle management to support three core areas: maintenance engineering; maintenance, repair, and overhaul digitization; and parts and process support.

Strengths

Infosys, with its 25+ years of experience in strategic consulting for the manufacturing industry, has shown the ability to help organizations transform their service businesses into revenue drivers and operationally efficient operations. Infosys has invested heavily in organic and inorganic ways to enable capabilities that specifically support the aftermarket. The company has recognized that manufacturers are attempting to evolve their business models to include as-a-service or servitization offerings to deliver increased value to the end customer, consumer, or operator. Infosys is able to leverage lessons learned across the subvertical industries it supports to accelerate time to market for service products, increasing the prospects of a successful launch.

Infosys' strategic consulting operations brings intellectual property specific to the aftermarket and an innovation ecosystem and process and has a combined competency of engineering, business process, and digital transformation. Manufacturers, both discrete and process, are in the midst of a major digital reckoning where they are establishing themselves as digital businesses. The ability to assess maturity and execute on digital initiatives that drive business transformation in service is becoming more critical to success. No longer are proof of concepts and pilots the end goal, manufacturers need value.

Challenges

The primary challenge for Infosys with regard to service life-cycle management is the need for manufacturers to move quickly to avoid disruption with a finite set of resources of typical manufacturing enterprises. Infosys is well positioned with its COEs and innovation labs to develop a road map for manufacturers to evolve, but the sheer magnitude of this shift can be daunting. Infosys needs to show both tactical plans and innovative horizon three (i.e., 5–10 years out) strategic initiatives to manufacturers to ensure the vision is clear. Historically, manufacturers are bit relatively risk averse to rapid change, and Infosys needs to lead this industry to pathways of innovation that can bring tangible near- and long-term value.

Consider Infosys When

Manufacturers and service organizations in industries such as aerospace and defense; automotive; chemicals; consumer products and food and beverage; farm, construction, and industrial machinery; life sciences; metals; and pulp and paper should consider Infosys when they are looking for a strategic consulting organization that has built IP and co-innovative offerings that enable service transformation for the current market and the future enterprise. Disruption will not skip any industry, and manufacturing in particular is vulnerable to a massive shift over the coming decade. Manufacturers need to begin their digital journey but also accelerate their offerings to deliver more value from the service operation, which demands a robust partner ecosystem.

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.

The eight IT strategic consulting firms evaluated in this IDC MarketScape provide strategic vision and support through a broad range of capabilities to aid the service life-cycle management market within the manufacturing industry vertical. All vendors in this study were assessed in the Leaders or Major Players categories as a result of their respective ability to deliver across the variety of functional areas needed to execute service and the aftermarket within a range of manufacturing use cases.

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

This study assesses the capability and business strategy of many notable IT consulting vendors in the service life-cycle management market.

Please keep the following definitions in mind:

- Service life-cycle management in manufacturing, defined by IDC Manufacturing Insights as the set of processes in servicing a product through its lifetime, includes customer support, service request, service planning, service execution and field service, spare parts management, warranty management, and recalls.
- Strategic consulting in manufacturing, defined by IDC Manufacturing Insights as professional services activities around information technology, is the delivery of advice to customers aimed at managing their IT organization and at improving an organization's IT performance, infrastructure including IT security, and related processes. IT strategy consulting assists an organization with designing an IT vision and goals for the entire organization and then aligning resources accordingly. This includes IT strategic planning (including human resources, facilities, and financial planning), IT needs assessment, IT operations assessment, development of enterprise architectures, IT road map design, IT governance (including definition of IT processes), and IT strategies related to systems, enterprise applications, capacity planning, maintenance planning, and infrastructure.

Included in this IDC MarketScape are services providers with offerings for manufacturing, which includes product- and asset-centric organizations across four distinct value chains:

- **Asset-oriented value chain (AOVC):** Industries include chemicals, metals, and pulp and paper.
- **Brand-oriented value chain (BOVC):** Industries include consumer packaged goods, food and beverage (F&B), and life sciences.
- **Engineering-oriented value chain (EOVC):** Industries include automotive, aerospace and defense (A&D), and industrial machinery.
- **Technology-oriented value chain (TOVC):** Industries include electronics and semiconductors (high tech).

LEARN MORE

Related Research

- *IDC FutureScape: Worldwide Manufacturing Product and Service Innovation 2023 Predictions* (IDC #US48627622, October 2022)
- *IDC FutureScape: Worldwide Manufacturing 2023 Predictions* (IDC #US48630122, October 2022)
- *IDC FutureScape: Worldwide Future of Customer Experience 2023 Predictions* (IDC #US48543222, October 2022)
- *IDC Market Glance: Service Life-Cycle Management (SLM), 4Q22* (IDC #US49750522, October 2022)

- *IDC's Worldwide Digital Transformation Use Case Taxonomy, 2022: Asset-Oriented Value Chains in the Manufacturing Industry* (IDC #US49323522, September 2022)
- *IDC's Worldwide Digital Transformation Use Case Taxonomy, 2022: Technology-Oriented Value Chains in the Manufacturing Industry* (IDC #US48629822, July 2022)

Synopsis

This IDC study uses the IDC MarketScape model to provide an assessment of vendors participating in strategic consulting services for the service life-cycle management market in manufacturing industries.

"Manufacturers dealing with disruptive forces must focus on delivering value to customers across each interaction and touch point," says Aly Pinder, program director, Service Innovation and Connected Products Strategies, IDC Manufacturing Insights. "The service experience is more than required activity post sales, it should be an opportunity to differentiate, deliver value, and cement a relationship with a customer."

About IDC

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