IDC MarketScape: Worldwide Manufacturing Service Life-Cycle Management Systems Integrators/Business Process Outsourcing 2022–2023 Vendor Assessment
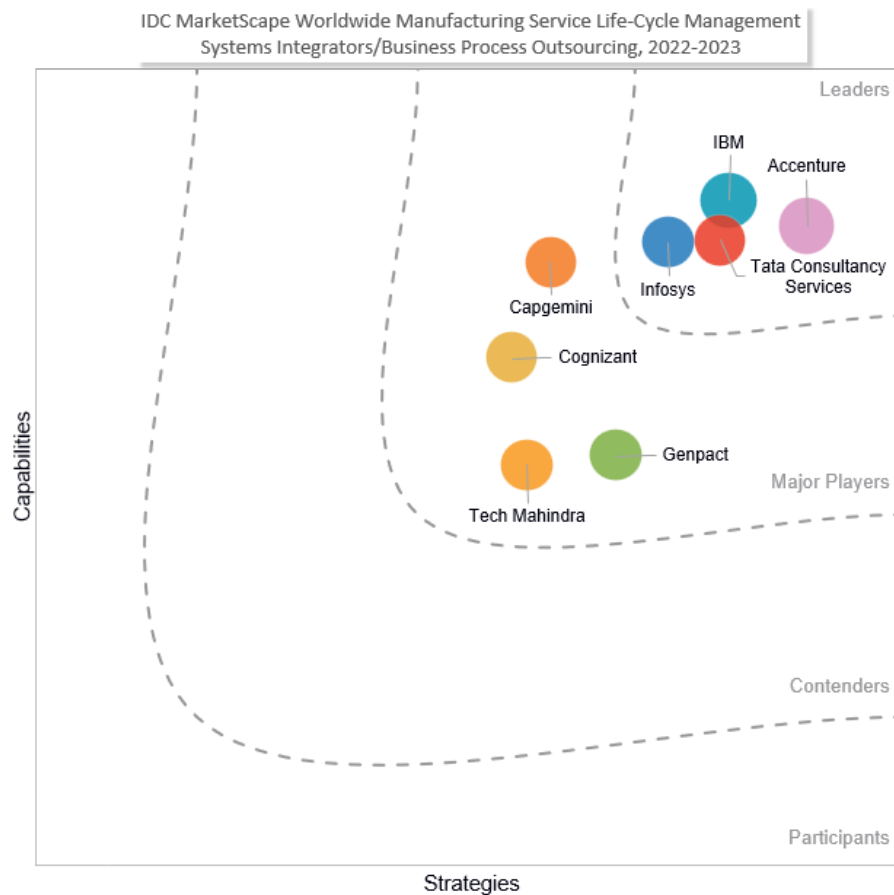
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THIS IDC MARKETSCAPE EXCERPT FEATURES: INFOSYS

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Manufacturing Service Life-Cycle Management Systems Integrators/Business Process Outsourcing Vendor Assessment

Source: IDC, 2022

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 Systems Integrators/Business Process Outsourcing 2022-2023 Vendor Assessment (Doc #US48840322e). 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

Service life-cycle management (SLM) is no longer solely an aftermarket set of activities. SLM has become a differentiator and revenue driver for manufacturers as the experience economy takes hold across a variety of subvertical industries.

Manufacturers are in the throes of a business model shift and the ability to rapidly transform the service operations to improve operational efficiency and the customer experience, and differentiation will be critical for growth and resiliency.

Key findings include the following:

- Establishing new service offerings and business models are a complex endeavor, which require a clear strategy and set of resources to be successful.
- Talent and skills within manufacturing and SLM are accelerating a need for knowledge capture and automation.
- Systems integrators (SIs) and business process outsourcers (BPOs) can play an integral role in building robust ecosystems and removing some of the risk for a manufacturer in digital transformation.

While all eight vendors included in this IDC MarketScape deliver a broad range of capabilities and offerings within the end-to-end service life-cycle management market, they offer a variety of core competencies, intellectual property (IP) assets, domain expertise, and a varied approach to respective subvertical markets within manufacturing.

The "short list" as provided by this IDC MarketScape highlights the unique capabilities and future strategies of each IT services provider that enable a service organization or technology buyer to more effectively identify the appropriate partner to support their respective digital journey and initiatives to improve the service operations. To meet the needs of the moment, service organizations and manufacturers must focus on their strengths and tap into a partner ecosystem that can aid in rapid transformation and business excellence through digital technologies and process improvements.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

There are a number of IT services vendors providing support for service life-cycle management within the manufacturing industry. The vendor inclusion criteria for this study were determined to provide a dividing line to accurately delineate vendors that are most able to meet the broad needs of a given service life-cycle management digital journey to aid in the partner selection process. This should only

be used as one data point within that process. The intent with this IDC MarketScape is to focus on those IT services vendors that meet the criteria and focus on a broad set of offerings and capabilities to support service life-cycle management.

For the purpose of this study, we have focused on those IT services vendors that currently focus on systems integrations, application development, maintenance, and/or business process outsourcing that we deem to be notable because of the following characteristics:

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

Each of the eight services vendors included in this study meet the aforementioned requirements. There are vendors that provide services or capabilities 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

The service life cycle and aftermarket are becoming a critical interaction point with customers, operators, and maintenance teams. Across process and discrete manufacturing environments, the ability to leverage digital capabilities to automate, improve, and evolve service processes is imperative to business success. Historical notions of incremental improvements or solely focusing on operational efficiencies has given way to a desire to improve experiences, engagement, collaboration, and data-driven decision making in service. This shift requires a new perspective on the digital tools and partnerships necessary to transform quickly while also being mindful of the long term. Disruptive forces have changed the urgency of digital transformation for manufacturers within the service life cycle and require a new focus on the customer, the service employee, and the value being created from service products.

For manufacturers and service organizations beginning or continuing along their digital service transformation path, IDC offers the following guidance:

- **Think about your future business while solving the problems of today.** Manufacturers need to make sure to not just solve the problems in front of them without an eye to future disruptions and customer needs. Each investment and initiative should build upon each other to avoid

siloed projects. Being successful in the long term requires a mindset of linked achievement and investments.

- **Advocate for the service experience to lead the enterprise forward.** Service data should inform other functions and decisions. But if tools used by the service team are not integrated with other enterprise applications, the rest of the organization will not have a window into service/maintenance experiences and customer interactions. Service data must inform decisions around product quality, new product design, sales opportunities, supply chain decisions, or marketing strategies.

- **Evaluate IT maturity across the enterprise and how service technologies fit into a broader view of transformation.** Service technologies, whether for the purpose of individual process improvement or wide-ranging transformation, should be incorporated into broader enterprise digital road map. With the emergence of platforms and ecosystems, service technologies should be deployed with a mindset to integration, closed loop, and shared benefit. An individual service process like scheduling, claims processes, or maintenance inspection has value across the digital thread of the organization but will go unutilized if systems aren't integrated.

- **Prioritize the service employee experience as part of your digital transformation.** Too often, the frontline worker is neglected when making technology-buying decisions, resulting in low levels of adoption, delayed return on investment, and employee disengagement. The battle for talent is real within service and manufacturing, making each service worker critical to success. Technology should help the service team deliver better quality outcomes, not more work. Rote tasks and administrative work hinder the service team's ability to deliver valuable engagement with customers. Digital tools and automation can help the service team do what it enjoys, helping customers resolve issues. The service team, being a broad set of resources, doesn't have to be a bottleneck to technology investments, but they must be considered as without their buy-in, projects will fail.

- **Consider adjacent industries that can provide a lens into potential innovations and new business opportunities.** Risk aversion is a real thing. Manufacturing at times can be a laggard vertical with regard to rapid innovations and new ways of doing business. However, disruption is here, and manufacturers need to think big to avoid being left behind. Just doing what the direct competition is doing will lead to small, incremental gains or a step back.

- **Explore servitization or new engagement models with customers and users.** As-a-service business models shift the relationship between the manufacturer and operators, dealers, and customers. As the risk of owning machines or equipment evolves to a shared partnership around output and outcomes, manufacturers can focus on creation of value. This does require real-time data exchanges and customer or operator buy-in to share data and potential intellectual property. To deliver enhanced service offerings, only a subset of data is needed, avoiding customer IP or security risks.

Service life-cycle management is no longer an after-sales or solely aftermarket activity that happens as a result of a sale or installation of equipment. The interactions that happen in the field, over a support interaction, or in the operator's facility have the opportunity to deliver value and build the brand. The service team is often the face of the brand to the customer and must be equipped with the tools and support to deliver valuable outcomes and experiences each time. To do this, manufacturers need to build a robust ecosystem of partners, which starts with systems integrators and BPO providers, both to explore digital investments and to process opportunities to continuously evolve.

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 systems integrators/business process outsourcing.

Infosys (NYSE: INFY) is a global IT services provider, which delivers capabilities 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 systems integration and business process outsourcing 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 support/contact center, CRM, dealer/channel management, contract management systems, advanced service planning and scheduling management, service spare parts management, field service management, warranty transaction management, enterprise mobility for service, cloud technology services, connected products services, and analytics for service optimization.

Infosys has over 100 delivery centers, with the majority in North America, Western Europe, and Asia/Pacific. Infosys has also established over 40 innovation hubs 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 (AR/VR), 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 has been serving the aftermarket for more over 25 years and has built a track record of innovation and service business model transformation for clients in the manufacturing industry. Through its innovation hubs, Infosys has been able to work closely with its manufacturing clients to improve processes and explore industry-specific digital capabilities for service transformation. Also, acquisitions have helped Infosys infuse innovation across its organization to help accelerate new offerings to the market for the manufacturing industry.

Infosys has also built a robust partner ecosystem to deliver industry-focused innovations. Infosys' partner ecosystem is broken up into four key areas: servitization and advanced services, service execution, service data management, and niche capability partners. This approach allows Infosys to meet clients at the point within their digital transformation journey with specific domain expertise while still providing a road map to go beyond an initial use case.

Challenges

The primary challenge for Infosys respective to the service life-cycle management market is the talent and skills gap in manufacturing. Over the past few years, Infosys has invested heavily in centers of excellence (COEs) and delivery centers in local markets across the globe to mitigate talent shortages. But across subverticals within manufacturing, the ability to identify, hire, retain, and engage skilled workers is becoming a constraint on growth. Infosys will need to continue to aid manufacturers on a sustainable response to talent gaps and the retiring workforce both through technology and process automation.

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 an IT services organization that has established a robust ecosystem of platform and technology partners while also leveraging COEs to deliver practical offerings to improve business processes. Manufacturers need to not only solve short-term problems but also work with IT partners to craft a plan for long-term digital transformation. Infosys has provided the service life-cycle management market IP offerings and partnered experiences, which help manufacturers navigate disruptions and achieve growth in both revenue and customer outcomes.

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.

Each of the eight services vendors evaluated in this IDC MarketScape have the ability to support the broad range of capabilities necessary for end-to-end service life-cycle management within the manufacturing industry vertical and its ecosystem of suppliers, dealers, distributors, retailers, and

technology partners. All vendors in this study ended up in the Leaders or Major Players categories because of the ability to deliver across the variety of functional areas needed to execute service and support within a diverse set of manufacturing service 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.

This study represents the vendor assessment model called IDC MarketScape in SLM, both a quantitative and qualitative assessment of the characteristics that highlight a vendor's ability to aid in improving service life-cycle management and aftermarket activities within the manufacturing industry. This study assesses the capabilities and business strategies of eight notable vendors with broad capabilities in SLM based on a rigorous framework and set of data points that aid in determining the potential for a successful transformation in SLM processes and improved operations.

Market Definition

IDC Manufacturing Insights defines service life-cycle management in manufacturing as the set of processes in the servicing of a product through its lifetime. This includes customer support, service request, service planning, service execution and field service, spare parts management, warranty management, and recalls. IDC Manufacturing Insights defines business process outsourcing (BPO) as the transfer of management and execution of one or more complete business activities, business processes, or entire business functions by a customer to an external (third-party) services provider or an outsourcer. The BPO vendor is part of the decision-making structure surrounding the outsourced process or functional area, and performance metrics are primarily tied to customer service and strategic business value. IDC Manufacturing Insights defines systems integrators (SIs) as organizations that aid in processes that include the planning, design, implementation, and project management of a technical solution that addresses an organization's specific technical or business needs. SI projects typically involve different platforms and technologies. The intent of this IDC MarketScape is to highlight the notable services vendors that focus on the varied offerings, capabilities, and set of processes associated with service life-cycle management.

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 systems integration and business process outsourcing services for the service life-cycle management market in manufacturing industries.

"The ability for manufacturers and their service partners to resolve customer issues efficiently has become a critical differentiator and not solely an after-sales activity," says Aly Pinder, program director, Service Innovation and Connected Products Strategies, IDC Manufacturing Insights. "But in order to deliver the next level of enhanced experiences, manufacturers need to ensure they have an ecosystem of partners that can aid in digital transformation necessary to accelerate innovations and unearth data-driven insights at scale."

About IDC

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