IDC MarketScape

IDC MarketScape: Worldwide Hybrid IT Consulting and Integration Services 2023 Vendor Assessment
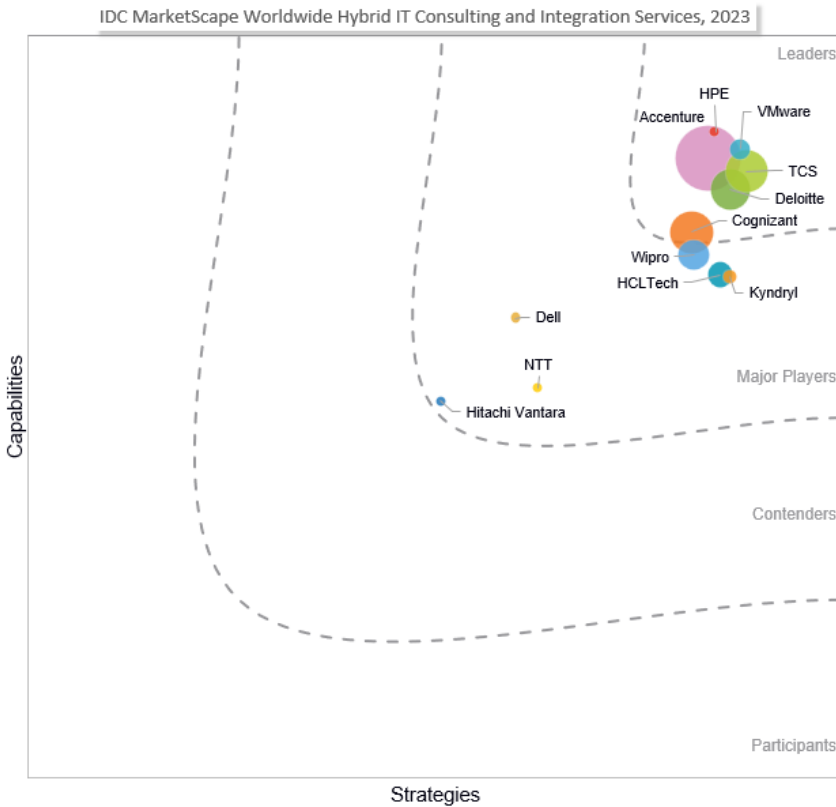
Leslie Rosenberg

THIS IDC MARKETSCAPE EXCERPT FEATURES VMWARE

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Hybrid IT Consulting and Integration Services Vendor Assessment

Source: IDC, 2023

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 Hybrid IT Consulting and Integration Services 2023 Vendor Assessment (Doc # US50498923). 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, 2 and 3.

IDC OPINION

Enterprise infrastructure strategy and design has evolved significantly over the past few years driven by the adoption of cloud as a strategic deployment model. While moving some or many applications and workloads to the public cloud has been a smart strategy, it has become very clear that is not the only strategy. As a result, enterprise infrastructure by default became hybrid, where some workloads are best suited to remain on premises and some in private clouds, and even some legacy applications will continue to operate on a mainframe. The hybrid IT deployment model provides flexibility, resiliency, and cost savings, but it can also bring increased complexity for operations, insight, and security.

IDC believes that a hybrid IT model must be distributed by design, with discipline and rigor for the model to be successful. It must encompass best practices for cost containment, risk management, and operational efficiencies and be in close alignment with business, technology, and operational objectives.

For many enterprises, devising and implementing a hybrid IT strategy will be overwhelming, given limited resources and skills coupled with tight IT budgets. This IDC MarketScape evaluates a set of consulting and integration partners that include equipment manufacturers as well as global systems integrators that have created a portfolio of professional services offerings that help enterprise customers thoughtfully design and deploy a hybrid IT strategy.

IDC conducted over 50 enterprise interviews, fielded a web-based global survey, and had extensive briefings with the participating firms. Over the course of conducting this study, a few key trends, challenges, and investment priorities emerged.

This IDC study utilized multiple resources to collect data on the study participants as discussed in the study methodology section. Enterprise customers that were queried via the web-based survey ranked the reasons why they chose to utilize third-party resources to accelerate their hybrid IT infrastructure initiatives. Most respondents (58%) stated that they desired greater strategic alignment of their infrastructure to their business priorities. Interestingly, when IDC interviewed enterprise customers live, most stated they had limited IT skills and resources, mostly by design and felt they needed to go outside their organization to gain best practices and greater expertise. This also correlates with the web-based findings in which enterprises expressed their desire to acquire best practices (50%) (see Figure 2).

FIGURE 2

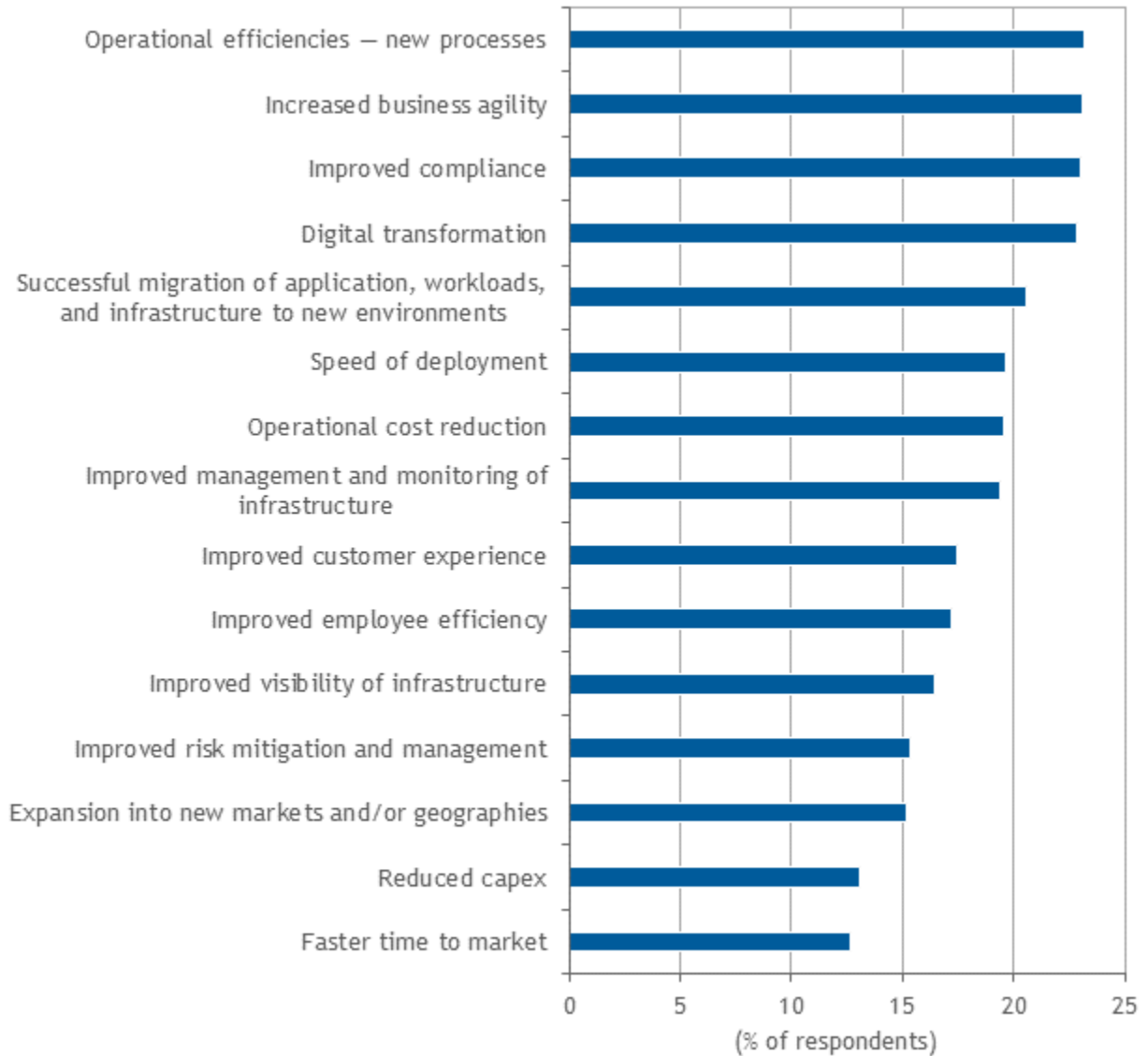**Reason for Enterprises to Use Professional Services for Hybrid IT Initiatives**

n = 1,022

Source: IDC's *Worldwide Hybrid IT Infrastructure Consulting and Integration End User Survey,* 2023

Taking that query one step further, IDC asked customers what were their most pressing business, technology, and operational objectives that they felt professional services expertise helped them achieve. Operational efficiencies and new processes, improved business agility, improved compliance, and digital transformation rated highest (see Figure 3). Customers stated they wanted to work with professional services firms that could demonstrate excellence with these capabilities.

FIGURE 3

Most Important Business, Technology, and Operational Objectives That Require Professional Services for Hybrid IT Infrastructure Success

n = 1,022

Source: IDC's *Worldwide Hybrid IT Infrastructure Consulting and Integration End User Survey*, 2023

The study participants have created offerings to address these concerns and challenges. This study aims to provide insight into these offers and provide guidance to enterprise customers looking to engage with a third party to help drive their hybrid IT ambitions in alignment with business objectives.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

IDC collected and analyzed data on 12 vendors and IT services providers (SPs) for this IDC MarketScape for worldwide hybrid IT consulting and integration services assessment. To determine the group of participants for analysis in the IDC MarketScape, IDC utilized the following set of inclusion criteria:

- **Global scale**: Three of four geographies (North America, Latin America, EMEA, APAC)
- **Revenue**: $40 million
- **Hybrid IT infrastructure consulting and integration services offering:**
    - Full suite of consulting and integration offerings
    - Technologies covered in the solution (not an exhaustive list as others maybe included in the solution):
        - Compute
        - Storage hardware/software
        - Virtualization/containers
        - Control planes
    - Deployment models supported:
        - Traditional
        - Dedicated cloud on premises
        - Dedicated cloud off premises
        - IaaS
    - Life-cycle services activities, examples, but not limited to the following:
        - **Consulting/advisory:** Strategy, planning, assessment, design, adoption, and optimization
        - **Integration:** Project management, integration, implementation, test/debug, configuration, migration, and test/validate
- **Exclusions:**
    - *Not* included in this study: support services, network consulting and integration services, workload refactoring, modernization, platform as a service (PaaS), and software as a service (SaaS)
    - Networking a critical component of hybrid IT but not evaluated in this study (for more information, see *IDC MarketScape: Worldwide Network Consulting Services 2021 Vendor Assessment,* IDC #US48076121, August 2021)

ADVICE FOR TECHNOLOGY BUYERS

- **Assess skills, resources, and operational readiness for successful hybrid IT deployment models.** An essential first step of any hybrid IT/multicloud initiative is to take a comprehensive assessment. All participants in this study were able to demonstrate proficiency and defined offers for assessment services that included a combination of automated and traditional tools delivered either remotely or onsite and coupled with technology experts and consultants. Assessment of existing infrastructures, applications, workloads as well as operational processes, skills, and readiness are all critical components of any assessment process.

Having the ability to utilize benchmarking services as well as maturity models will only help provide a clearer picture of what good looks like. IDC recommends to fully utilize all services that a partner offers across all dimensions to have a holistic and realistic understanding of the *as is* and the new *to be* environment.

- **Understand all costs holistically.** While many business cases and cost rationalization models are built using ROI and TCO tools, IDC believes that is just the tip of the iceberg. The "easy" button of the public cloud had many enterprises feeling optimistic about reducing costs when moving to the cloud but found costs escalating because of unforeseen consumption patterns and behaviors. Embarking on a digital transformation journey and adopting hybrid IT/multicloud deployment models requires a more holistic examination of all costs holistically across deployment models: people (cost of reskilling, cost of acquiring appropriate new talent), infrastructure (capex and opex), applications, code (refactoring, modernization), workloads, cloud and cloud commits, VMs, containers, migrations, operations, optimization, and even retirement and sustainable asset disposition. Look for a provider that can articulate their capabilities and investments in tools and processes for evaluating spending and costs. The emergence of FinOps, which are management and cultural practices for bringing together finance, business, and technology for accountability in adopting cloud models, is an important part of this process. Surprisingly, IDC found that end-user respondents rated this capability as a lower priority, but all participants in this study had formalized practices, tools, and offerings ready to help customers define cost-effective fiscal strategies in alignment with their hybrid IT infrastructure models (refer back to Figure 3).

- **Take advantage of adoption and optimization services to maximize the value of investments.** Taking advantage of adoption and optimization services offered by a services provider ensures that enterprises can utilize all features and functions across the technology stack in alignment with business, technology, and operational objectives. Enterprises can find themselves dissatisfied with their technology purchases (regardless of deployment model) if they cannot fully utilize and operationalize the technology to its fullest. This can potentially expose the enterprise to risk or limited innovation potential. IDC found that end-user respondents rated adoption services as a relatively low priority. IDC believes that is leaving money and innovation potential on the table. Participants in the study all had a full suite of adoption services including self-service, on demand, and live in-person experts to help customers extract maximum value from their technology purchases. IDC recommends that readers of this study take advantage of these offerings to help accelerate success for hybrid IT infrastructure initiatives.

- **Establish communication, culture, and process that matter.** No transformation initiative or hybrid IT migration plan will be successful without consistent and clear communication across all stakeholders, both internally and with a provider. Establish clear lines of communication including a regular cadence schedule for project progress, strategy realignment, budgetary concerns, team changes, and other check-ins. Understand your providers team, how they work, what are their levels of expertise, and how they will integrate and work with your IT team and other stakeholders. Be cognizant of cultural differences, language barriers, and time zone limitations as all of these elements may impact the successful communication. Gain insight into the processes of your provider and how they plan to move the project through its life cycle and align teams accordingly. All participants in this study have appropriate life-cycle services and team members to support this process. Having a clear understanding of each other's capabilities, processes, and communication styles allows for more successful deployments and ability to achieve business, technology, and operational outcomes.

- **Use this evaluation in your vendor selection process.** Use this IDC MarketScape as a tool not only to short list vendors for hybrid IT consulting and integration service bids but also to evaluate vendors' proposals and oral presentations. For example, ask any of the vendors profiled how they are building on the strengths identified, and likewise, how they are addressing their challenges. Make sure you understand where these players are truly differentiated, and take advantage of their expertise, industry based or otherwise. Tips about when to consider each provider are included in the Vendor Summary Profiles section.

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.

The vendor summary profiles in this study contain customer feedback about their core capabilities that were obtained through interviews with participants' customer references and IDC's *Worldwide Hybrid IT Consulting and Integration Services End User Survey,* 2022.

VMware

According to IDC analysis and buyer perception, VMware is positioned in the Leaders category in this 2023 IDC MarketScape for worldwide hybrid IT consulting and integration services.

VMware understands that its customers are challenged with building, deploying, and managing complex hybrid and multicloud architectures in support of their digital journeys. It has developed its Multi-Cloud Adoption Framework that helps enterprises plan, build, and deploy applications and workloads across public, private, collocated, and traditional IT infrastructure.

Leveraging best practices and defined methodologies, VMware helps customers develop and execute a hybrid IT strategy while considering business, technology, and operational requirements and outcomes. The framework examines a customer's capabilities and weaknesses across multiple dimensions and helps customers solve for specific gaps that may inhibit success as well as highlight tools and processes to accelerate the journey. These dimensions include people, tools, and enablement; leadership, governance, and processes; infrastructure, data and platforms, applications, and developer capabilities; and security controls, operations, and compliance. Once assessments are conducted, and analysis is completed, a series of consulting workshops help define a strategy and execution plan with measurable KPIs and milestones along the way.

VMware continues to evolve its portfolio of offerings to help customers have less frictionless experiences and seamless adoption of hybrid and multicloud infrastructures. In addition to project-based services for complex environments, VMware develops and refines services that customers can easily consume and utilize in subscription and metered usage models. These services include self-service and on-demand resources that include access to knowledgebases, training and education modules, and 1:1 engagement with subject matter experts. These resources are offered across the full life cycle to accelerate activation, migrations, adoption, and optimization of all deployment models.

Strengths

Study respondents felt positively about VMware's consulting and integration capabilities; specifically, its ability to help them improve business agility through the adoption of a hybrid IT/multicloud

deployment model. In addition, they felt VMware helped improve management and monitoring as well as visibility across their hybrid IT infrastructure. A VMware customer stated, "They have capabilities that helped us to improve processes; they were professional and solved problems that arose throughout the project."

Challenges

While customer perceptions for VMware was positive, they would like to see VMware improve its ability to help them with compliance as well as its ability to reduce capex spending.

Consider VMware When

You require a partner with strong technical expertise involving very complex operational environments.

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.

While the 12 vendors evaluated represent a majority share of spending for hybrid IT consulting and integration services, some other vendors participating in this market and are worth considering based on your needs are: Huawei, Lenovo, Cisco, Red Hat, Orange Business Services, BT Global Services, Telstra Purple, DXC, Tech Mahindra, Logicalis, Computacenter, and WWT.

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

IDC defines hybrid IT infrastructure services as the consulting and integration services for compute and storage infrastructure across traditional IT, private on-premises, private off-premises, and public cloud deployments. This market includes the enterprise spend on professional services provided by either an infrastructure vendor, a systems integrator, and/or a cloud service provider or telco. The service engagements may be purchased discretely or as part of a larger IT contract. They do not include managed services but may lead to a managed service contract.

LEARN MORE

Related Research

- *IDC's Worldwide Services Taxonomy, 2022* (IDC #US47769222, July 2022)
- *Worldwide Hybrid IT Infrastructure Consulting and Integration Services Forecast, 2022-2026* (IDC #US49333822, July 2022)
- *IDC MarketScape: Worldwide Datacenter Transformation Consulting and Integration Services for Infrastructure 2020 Vendor Assessment* (IDC #US46184020, May 2020)

Synopsis

This IDC study represents a vendor assessment of the 2023 worldwide hybrid IT consulting and integration services market through the IDC MarketScape model. This research is a quantitative and qualitative assessment of the characteristics that explain a vendor's success in the marketplace and its future strategic direction. This IDC MarketScape covers a variety of vendors participating in the worldwide hybrid IT consulting and integration services market, including equipment manufacturers and global systems integrators that each have their own point of view on how to help their customers succeed. This evaluation is based on a comprehensive framework and set of parameters expected to be most conducive to success in providing hybrid IT consulting and integrations services in both the short term and the long term. A component of this evaluation is the inclusion of the perception of hybrid IT consulting and integration services buyers of both the key characteristics and the capabilities of the provider evaluated. Buyers were surveyed via web-based surveys and live interviews across all four of IDC's regions for the vendors participating.

"Hybrid IT operating models are inherently complex due to the nature of a customer's IT estate, business objectives, and its own culture and capabilities," states Leslie Rosenberg, research vice president, Network Life Cycle and Infrastructure Services at IDC. "Professional services firms with defined methodologies, best-of-breed tools, and highly skilled resources help enterprises make sense of the complexity, increase the speed to success for adopting hybrid IT infrastructures, and allow for more cost-effective operating models."

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. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

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