IDC MarketScape

IDC MarketScape: GCC Business and Industrial Internet of Things Consulting and Systems Integration Services 2022 Vendor Assessment

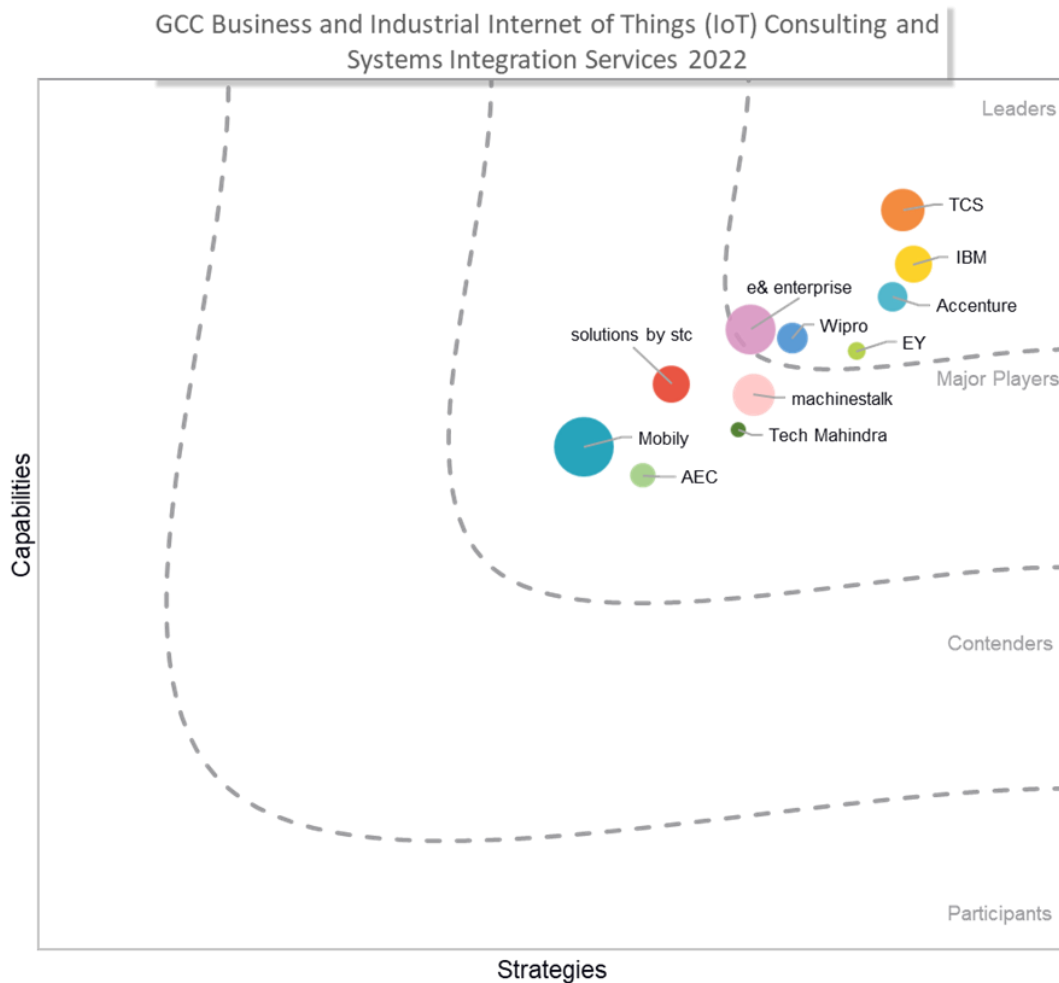Hyder Aftab   Krishna Chinta

THIS IDC MARKETSCAPE EXCERPT FEATURES E& ENTERPRISE

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape: GCC Business and Industrial Internet of Things Consulting and Systems Integration Services 2022

Source: IDC, 2022

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

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: GCC Business and Industrial Internet of Things Consulting and Systems Integration Services 2022 Vendor Assessment (Doc # META49097022). 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 and 2.

IDC OPINION

This IDC study represents a vendor assessment of the 2022 Gulf Cooperative Council (GCC) business and industrial Internet of Things (IoT) consulting and systems integration (B&IIoT C&SI) services market using the IDC MarketScape model. This research presents a quantitative and qualitative assessment of the characteristics that explain a vendor's success in the marketplace and can help anticipate the vendor's ascendancy.

This IDC MarketScape covers a variety of vendors participating in the B&IIoT C&SI services market across the GCC region. This evaluation is based on a comprehensive framework and a set of parameters expected to be most conducive to success in providing IoT C&SI services in both the short and long term. A significant component of this evaluation is the inclusion of services buyers' perceptions of the key characteristics and capabilities of these providers. Key findings are discussed below.

- Across all 40 of the strategies and capabilities that were assessed:
  - The top two areas for IoT consulting and systems integration services in which vendors performed well are:
    - The ability to provide onsite support when required by end customers
    - Overall business and industrial IoT consulting and systems integration delivery capabilities
  - The top two areas of improvement in terms of IoT consulting and systems integration services are:
    - Service providers' plans to retain customers as part of their long-term strategy
    - The ability to convert customers into repeat customers
- According to survey feedback from 22 of the evaluated vendors' customers, the following are among the top business priorities of highly rated vendors:
  - Building and using more efficient tools and methodologies for B&IIoT C&SI services delivery
  - Improving engagement value
- The top two service provider characteristics to ensure successful IoT consulting and systems integration services delivery are:
  - The ability to provide onsite support for B&IIoT C&SI services as required
  - The breadth, depth, and scale of relevant B&IIoT C&SI services talent available for service delivery in the GCC region

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This research includes analysis of 11 key IoT C&SI services providers that have a presence in the GCC market. IDC has designed the assessment to evaluate the characteristics of each firm, instead of only its size or the breadth of its services. The inclusion criteria dictate that the vendor should have at least one office and delivery capabilities in one of the three sub-regions within the GCC region, namely the UAE, Saudi Arabia, or "Other GCC" (which includes Oman, Qatar, Kuwait, and Bahrain). An included vendor should have reported a minimum of $2 million in revenue from these services within the region. Additionally, it is conceivable – and, in fact, the case – that specialty firms can compete with multidisciplinary firms on an equal footing. As such, this evaluation should not be considered a "final judgment" on the services providers for an IoT services project. Each enterprise should take into consideration its own objectives and requirements to determine which firms should be considered as potential candidates for an engagement.

ADVICE FOR TECHNOLOGY BUYERS

Business and industrial IoT consulting and systems integration services providers have been investing in capabilities to provide increased value to their customers. Clients are experiencing the following transformation benefits:

- Enhanced operational performance, improved value chain visibility and insights, and reduced costs
- Operational process assessment, reduced incident rate, and increased productivity
- Digital strategy road map formulation and supply chain analysis
- Real-time asset and resource monitoring to ensure high uptime, availability, reliability, and sustainability
- Superior customer experience and citizen service by connecting everything and providing relevant services
- Increased awareness and feedback

IoT C&SI services providers have developed domain-specific expertise and value discovery frameworks that enable them to build strategic IoT road maps for enterprises based on their maturity. Some vendors, specifically telecom operators, have built off-the-shelf IoT solutions and have shown interest in continuing to make such investments in the future. Once these solutions are integrated, clients see business results and returns on their investments more rapidly. Telecom operators, including some well-established consulting and systems integrators, are exploring capex-to-opex models in addition to time and material (T&M) models, subscription-based models, and outcome-based payment models to reduce the barriers to entry for their customers.

IoT C&SI services providers have partnered with global technology vendors, IoT platform providers, and OEMs to leverage their intellectual property (IP) or to co-create new IP. Co-innovation and co-creation activities are currently being undertaken by select IoT C&SI vendors with third-party innovation labs, academic institutes, and potential customers across the GCC region. Other technology services provided in conjunction with IoT include cloud, 5G, edge, analytics, augmented reality (AR) and virtual reality (VR), intelligent operations/robotics, artificial intelligence (AI) and machine learning (ML), cybersecurity, and potentially even metaverse.

IDC recommends that buyers of B&IIoT C&SI services take the following steps when evaluating vendors:

- Clearly identify your business objectives or goals in terms of your current IoT infrastructure. Ask the provider to explain how the recommended strategy or

implementation fits into your overall business and aligns with what your customers expect from you. Also ask about the ROI.

- Ensure that shortlisted service providers have experience in IoT consulting and integration services within your industry. Evaluate vendor ecosystems (partnerships with technology firms and other stakeholders) and discuss relevant completed projects or ongoing relationships.

- Do not shy away from asking your provider if you need help with ROI or other tools that provide an understanding of the benefits of these implementations. This will assist you in securing new budgets or extending existing budgets. Running a real-world proof of concept (POC) or proof of value (POV) with your provider will help establish a business case for such investments.

- Do not look at IoT in isolation; instead, look at it as a key enabling technology together with edge, cloud, AI services, AR/VR, and autonomous systems. Explore the technologies based on the end outcomes. Build a road map in consultation with your service provider to implement relevant technologies and make use of systems integration and managed services.

- Identify areas of your operation where security can never be compromised and ensure your IoT service provider has the experience and competency to consult and integrate secure operations and infrastructure.

- Wherever applicable, explore any recommendations the provider makes regarding your current situation or aspirations for combined IT and operational technology (OT) infrastructure.

- Gauge the service provider's ability to provide flexible pricing models that will support you in securing budget approvals from management. In addition to traditional project-oriented pricing models, pricing options should include transaction-based/outcome-based, subscription, and opex models.

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.

e& enterprise

e& enterprise is positioned in the "Leaders" category of this GCC IDC MarketScape for business and industrial IoT consulting and systems integration services vendor analysis, 2022. e& enterprise (formerly known as Etisalat Digital) is the business pillar of e& (formerly known as Etisalat Group) in the Middle East and Africa (MEA) region.

In terms of its capabilities, the company is on par with some of the global consulting and systems integration services providers with a presence in the region.

e& enterprise's approach is to deliver IoT consulting and systems integration services and solutions to enterprises and government customers by bringing 5G connectivity and IoT/AI capabilities to offer end-to-end solutions. While e& enterprise pursues project-based IoT services opportunities, it is equally focused on launching off-the-shelf IoT solutions using as-a-service models. The company's IoT solutions include connected assets, surveillance, smart and sustainable cities, retail and payments, smart and safe home, Industry 4.0, and digital health solutions with a variety of pricing models.

e& enterprise has created the necessary tools to automate some of its delivery processes, along with methodologies and frameworks to deliver end-to-end IoT projects. It is implementing a plan to significantly increase its capabilities around data analytics and AI, and to improve its user interface development and delivery capabilities. Additionally, the company plans to venture into new markets through both organic and inorganic means to deepen its capabilities and increase its footprint across the wider MEA region. The company has an IoT partner program to bring new partners into its ecosystem to co-create IoT solutions and explore joint sales opportunities. e& enterprise has opened innovation centers and co-creation labs in Dubai and Abu Dhabi to showcase its digital services delivery capabilities and co-create IoT solutions with its customers.

Strengths

The company is differentiating itself by offering a variety of pricing models, including opex models and joint-investment models with customers, to increase its chances of winning contracts for large-scale implementation projects in the GCC region. Buyers cited several areas of strength for e& enterprise, including its headcount, sales and delivery staff, and co-creation labs within the GCC region. The company is also rated highly in terms of its ability to support clients in securing additional budget from their management through value demonstration and in terms of converting existing customers to repeat clients. A number of end users plan to increase their IoT services spending with the company.

Challenges

IDC believes e& enterprise's partnership strategy should be reviewed and expanded by extending the company's partnership program to pursue more joint sales opportunities. Overall, this would increase its IoT sales potential. Additionally, e& enterprise should enhance its delivery tools, frameworks, and methodologies to achieve high levels of delivery automation. The company should also intensify its market communication and engagement activities by providing industry-specific IoT insights.

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 represent the relative market shares for the year 2020 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 to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

The Internet of Things (IoT) is a network of sensors (or devices) that constantly monitor the state of the machine, systems, or infrastructure they connect with. These devices monitor and collect data related to various attributes of the machine and enable businesses to get better insight into their manufacturing operations, personal health, or the environment they live/operate in. This IDC MarketScape focuses on IoT services provided in a B2B or business-to-business-to-consumer (B2B2C) context only.

IoT categories include the following:

- **Connected and intelligent assets:** Includes sensors and controllers (power and communications hardware/links)
- **IoT gateway (can be communications hardware or software program):** Connects controllers with the cloud infrastructure and sensors
- **Cloud infrastructure:** Stores raw and analyzed data
- **Application software:** Transfers/transmits raw data to on-premises or off-premises infrastructure
- **Analytics software:** Includes business intelligence
- **Secure edge infrastructure:** Processes large data volumes on the manufacturing shop floor before sending to the cloud

Examples of IoT strategy and consulting services offerings include:

- Business consulting, industry, business processing, operations consulting, and others related to IoT-readiness status
- IoT road map and ROI strategy
- IoT security strategy
- IoT technology partner recommendations
- Recommendations to use existing infrastructure or rip and replace with new infrastructure guidance

Examples of IoT systems integration services offerings include:

- Install (commissioning/provisioning), integrate, and connect sensors and edge infrastructure to networks and applications
- Provide user interface design and product design and deploy platforms/solutions (client developed, vendor owned or third party) and custom application development services
- Customize and test platforms for integration

Related Research

- *IDC FutureScape: Worldwide Managed IoT Connectivity Services 2022 Vendor Assessment* (IDC #US48061522, February 2022)
- *IDC MarketScape: Worldwide Industrial IoT Platforms and Applications in Energy 2021 Vendor Assessment* (IDC #US47956121, June 2021)
- *IDC MarketScape: Worldwide Industrial IoT Platforms and Applications in Manufacturing 2021 Vendor Assessment* (IDC #US47956021, June 2021)
- *IDC MarketScape: Worldwide Unified Endpoint Management Software for Ruggedized/Internet of Things Deployment 2021 Vendor Assessment* (IDC #US46957920, January 2021)
- *IDC MarketScape: Worldwide Business and Industrial IoT Consulting and Systems Integration Services 2020 Vendor Assessment* (IDC #US46120820, March 2020)
- *IDC MarketScape: Worldwide Business and Industrial IoT Engineering and Managed Services 2020 Vendor Assessment* (IDC #US46121220, March 2020)
- *IDC MarketScape: Worldwide IoT Applications Platforms for Smart Cities 2019-2020 Vendor Assessment* (IDC #US43580918, January 2020)

Synopsis

This IDC study represents a vendor assessment of the 2022 GCC business and industrial IoT consulting and systems integration services market using the IDC MarketScape model. This research presents a quantitative and qualitative assessment of the characteristics that explain a vendor's success in the marketplace and can help anticipate the vendor's ascendancy. This GCC IDC MarketScape study covers 11 vendors, and the evaluation is based on a comprehensive framework and set of parameters expected to be most conducive to success in providing IoT consulting and systems integration services in both the short and long term.

"Enterprises should not shy away from asking their provider for help with ROI or other tools that provide an understanding of the benefits of these implementations. This will assist them in securing new budgets or extending existing ones. Running a real-world proof of concept or proof of value with the provider will help establish a business case for such investments. Enterprises should not look at IoT in isolation; instead, they should consider it a key enabling technology together with edge, cloud, AI services, AR/VR, and autonomous systems. Explore the technologies based on the end outcomes." – Program Manager Krishna Chinta, Telecoms and IoT Research, IDC Middle East and Africa

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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