ISG Provider Lens™

SAP Ecosystem

A report comparing provider strengths, challenges and competitive differentiators

Customized report courtesy of:

Atos

QUADRANT REPORT | MAY 2025 | GERMANY

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Enterprises are accelerating cloud adoption amid regulatory and integration challenges

Transition to cloud

The German SAP services market continues its accelerated shift toward cloud solutions, notably SAP S/4HANA Cloud and SuccessFactors. Driven by Ambition 2025, SAP's strategic initiative, clients increasingly favor scalable and subscription-based models for cost efficiency, agility and faster deployment. SAP's cloud-first strategy has significantly reshaped the market landscape, resulting in substantial growth targets, with anticipated cloud revenue increasing by 26-28 percent in 2025. Despite strong market momentum, German enterprises still exhibit caution due to concerns about data sovereignty, GDPR compliance and the complex integration needed with legacy systems.

Hybrid cloud and multicloud solutions have become prevalent as businesses seek flexibility, resilience and scalability. Providers frequently collaborate with major hyperscalers such as AWS, Microsoft Azure and Google Cloud to deliver solutions tailored to meet German regulatory and operational requirements. SAP has responded to cost-related challenges by introducing bundled offerings such as RISE with SAP, aiming to simplify migration and reduce costs by consolidating licensing, hosting and support into a single package. However, high initial migration costs, including consulting, training, infrastructure upgrades and the redevelopment of highly customized ERP Central Component (ECC) systems, remain substantial barriers.

German midmarket companies face significant hurdles due to resource constraints, limited IT expertise and difficulty justifying the ROI for cloud migration. Many German companies have highly customized SAP ECC systems that are not easily transferable to cloud. Adapting these customizations to a cloud environment requires redevelopment, which is costly and time intensive. The strict local and EU data protection laws in Germany (e.g., GDPR) make companies hesitant to store sensitive business data on cloud, especially in the

German companies remain **cautious with cloud** migration, citing **data protection** and **costs**.

healthcare, retail and public sectors. Many fear potential breaches or non-compliance with local regulations. Although phased migrations beginning with non-critical systems are gaining popularity, skepticism regarding vendor lock-in and feature parity compared to traditional on-premises solutions remain prevalent. SAP service providers are enhancing their automation capabilities, employing preconfigured templates and advanced predictive analytics to streamline cloud adoption and mitigate project risks. Despite these innovations, migrations' complexity and cost-intensive nature continue to hinder the pace of cloud adoption.

Innovation, sustainability and digital transformation

In Germany, SAP services are significantly influenced by client demands for innovation, digital transformation and alignment with sustainability goals. Enterprises increasingly leverage the SAP Business Technology Platform (BTP) to unify applications, streamline processes and integrate diverse data sets. Digital transformation remains a critical factor driving SAP adoption, emphasizing enhanced operational efficiency, data-driven decision-making and strategic automation. Advanced technologies, including AI-driven predictive analytics, IoT and intelligent automation bots, are widely integrated to automate repetitive tasks and enable strategic workforce allocation.

Sustainability has become a priority, with SAP embedding robust sustainability measurement tools directly into its platforms, allowing companies to track, manage and reduce environmental impacts effectively. German businesses, aligning with ESG objectives, benefit from these SAP solutions to meet regulatory requirements and consumer expectations. Despite this progress, many enterprises continue to face significant challenges, especially migrating from legacy systems. The impending end of ECC support in 2027 accentuates the urgency to modernize. However, resource constraints, the reluctance to invest during slow economic growth, cultural resistance and complexities inherent in legacy migration significantly slow down the transition.

German enterprises, especially in industries such as automotive, manufacturing, healthcare and retail, increasingly demand industry-specific SAP solutions, prompting providers to develop preconfigured templates addressing unique industry challenges and compliance requirements. Given Germany's stringent regulatory landscape, local expertise remains a top priority, especially in GDPR and labor laws. This local adaptability requires SAP service providers to maintain highly specialized knowledge and ensure rigorous compliance.

Transformation approaches

As the 2027 deadline for SAP ECC maintenance discontinuation draws near, transformation approaches have evolved significantly in the German SAP services market. Initially dominated by greenfield strategies, including complete redesigns and fresh installations, enterprises are increasingly favoring brownfield and bluefield migrations, characterized by incremental and selective updates and partial reuse of existing SAP components.

Brownfield migration approaches offer enterprises a more conservative route, enabling the preservation of significant past investments, minimizing disruptions and lowering the immediate complexity and risks associated with large-scale transformations. Meanwhile, bluefield migration methods provide a balanced solution, combining the benefits of new implementations and selective reuse. This approach resonates strongly with risk-sensitive German enterprises keen on achieving a sustainable and manageable migration path.

Providers in Germany have responded robustly to this shift by strengthening their portfolios with comprehensive and tool-supported assessment services and automated readiness checks. These offerings systematically evaluate existing IT landscapes, providing enterprises with actionable insights and reducing uncertainty. Prefabricated industry-specific best practice templates have become critical assets, accelerating implementations, minimizing project risks and enhancing compliance adherence. Such tailored templates simplify transformations and resonate with German enterprises' strong preference for clear structure, detailed planning and rigorous documentation.

Providers increasingly leverage innovations such as AI-driven code and data analysis tools to streamline and automate transformation processes, significantly reducing manual interventions, lowering costs and accelerating timelines. The movement toward more pragmatic and controlled migration strategies, supported by advanced tools and industry-specific templates, continues to define Germany's SAP transformation landscape.

Clean core adoption

The adoption of SAP's clean core strategy has become essential within Germany's SAP services market. Clean core emphasizes minimal customizations, relying predominantly on standard SAP functionalities to simplify ERP maintenance, upgrades and scalability. By maintaining a standardized ERP core and leveraging side-by-side extensions through SAP BTP, German enterprises have achieved improved system agility, stability and cloud-readiness.

Clean core practices facilitate easy upgrades, reduce technical debt and minimize system downtime during updates, significantly lowering long-term maintenance costs and operational risks. This strategy notably simplifies the adoption of advanced technologies such as AI, ML and predictive analytics, fostering rapid innovation without the legacy burdens of extensive custom code. However, the transition from extensively customized legacy ERP systems to a clean core architecture presents substantial challenges. German companies must extensively reengineer their business processes, demanding significant upfront investment in training, tools and cultural changes.

Providers frequently support clients by employing phased migration strategies, gradually reducing customizations and migrating critical processes first. Leveraging tools such as SAP Integration Suite and prebuilt APIs significantly eases the transition, ensuring smoother integration with existing systems. Many German enterprises rely on certified SAP partners and specialized system integrators that provide expert guidance and ensure adherence to best practices. Successful clean core implementation necessitates comprehensive planning, clear communication regarding business value and sustained management commitment to transition from traditional customization-heavy approaches.

Influence of GenAI

GenAI is significantly influencing Germany's SAP services landscape, especially through SAP's Joule assistant, which is deeply integrated into applications such as SAP S/4HANA Cloud, SAP SuccessFactors and SAP BTP. This technology facilitates natural language interactions, automates complex workflows, enhances UX and significantly improves business decision-making capabilities through advanced predictive analytics.

SAP's investment in customizable GenAI models allows German enterprises to tailor AI functionalities to address specific industry challenges, such as predictive maintenance in manufacturing or advanced demand forecasting in retail. The introduction of new software development kits (SDKs) for languages such as ABAP, Java and JavaScript further empowers developers to embed intelligent capabilities into SAP applications seamlessly. GenAI has sparked considerable innovation, creating new service opportunities for providers to assist enterprises in integrating these advanced AI solutions into their operational processes.

However, the growing integration of GenAI requires specialized skills across various roles within finance, procurement, HR and IT, significantly transforming the SAP workforce landscape in Germany. Providers and enterprises must manage skill shortages, offering extensive training to effectively leverage GenAI benefits. Regulatory compliance remains paramount, necessitating careful consideration of data privacy, governance and transparency.

Despite the considerable potential, challenges such as user adoption, data security concerns and scaling AI solutions across diverse business units remain prominent. Providers actively address these by emphasizing robust training programs, transparent governance frameworks and close partnerships with clients to ensure effective GenAI implementation.

GenAI continues to drive substantial market transformation, fostering innovative business processes and enhancing competitive differentiation among SAP service providers.

SAP service providers actively incorporate GenAI capabilities into their service offerings, enhancing their ability to deliver tailored solutions such as automated workflows, predictive analytics and intelligent chatbots integrated directly into client operations. Providers increasingly use GenAI tools such as SAP's Joule assistant to optimize processes across finance, procurement and HR, resulting in improved accuracy, reduced manual effort and enhanced decision-making capabilities.

Over the next 12 to 24 months, providers are expected to strengthen their investments in AI training programs, expand the integration of customized AI models for specific industries and enhance their infrastructure to support sophisticated AI workloads. As AI adoption becomes mainstream, service providers will increasingly emphasize compliance frameworks and governance structures to manage ethical considerations, data security and transparency effectively.

Local presence vs. nearshore/offshore delivery

Germany's persistent skills shortage has notably shaped SAP service delivery models, prompting enterprises to balance local expertise with offshore and nearshore capabilities. Although global delivery models utilizing offshore and nearshore resources are becoming increasingly accepted due to their cost-efficiency and access to broader talent pools, German enterprises continue to strongly favor localized support.

This preference is deeply rooted in the need for cultural alignment, language proficiency and strict adherence to Germany's stringent regulatory framework, including GDPR compliance and complex labor laws. As a result, providers have significantly invested in establishing and expanding local delivery centers, actively recruiting and training certified SAP professionals within Germany. This local capability meets regulatory expectations, addresses cultural nuances and enhances direct client interactions, fostering trust and ensuring tailored services.

The pronounced scarcity of skilled SAP experts in the German market cannot be overlooked. Providers have strategically integrated nearshore and offshore resources into their delivery models to address this issue, using harmonized methodologies to ensure minimal disruption and consistent quality across regions. Eastern Europe and India have emerged as prominent locations, offering abundant skilled talent pools and cost-effective resources.

This combination of local presence and global delivery capability is increasingly crucial as German companies demand high-quality localized expertise and scalable and affordable solutions. Providers maintaining robust local teams complemented by globally distributed and certified professionals are better positioned competitively. Over the next 12 to 24 months, this hybrid approach is expected to intensify, driven by continuing skills shortages, heightened cost pressures and persistent client demand for localized and economically viable SAP service delivery.

Providers and clients must prioritize a clear GenAI strategy that addresses integration, regulatory compliance and workforce upskilling. Early adopters will benefit from enhanced decision-making, operational efficiency and significant competitive advantages in Germany's rapidly evolving SAP services market.

Provider Positioning

	SAP S/4HANA System Transformation — Large Accounts	SAP S/4HANA System Transformation — Midmarket	SAP Application Managed Services	Managed Cloud Services for SAP ERP	SAP SuccessFactors HXM Partner Services
N.N.	Not In	Product Challenger	Contender	Not In	Not In
N.N.	Not In	Not In	Not In	Not In	Contender
N.N.	Leader	Not In	Leader	Leader	Leader
N.N.	Not In	Leader	Product Challenger	Not In	Not In
N.N.	Not In	Leader	Leader	Leader	Leader
N.N.	Contender	Leader	Contender	Contender	Not In
Atos	Leader	Leader	Leader	Leader	Rising Star ★
N.N.	Contender	Not In	Not In	Not In	Not In
N.N.	Contender	Not In	Not In	Not In	Not In
N.N.	Product Challenger	Leader	Product Challenger	Not In	Product Challenger

Key focus areas for SAP Ecosystem 2025.

Simplified Illustration Source: ISG 2025

- **SAP S/4HANA System Transformation — Large Accounts**
- **SAP S/4HANA System Transformation — Midmarket**
- **SAP Application Managed Services**
- **Managed Cloud Services for SAP ERP**
- **SAP SuccessFactors HXM Partner Services**

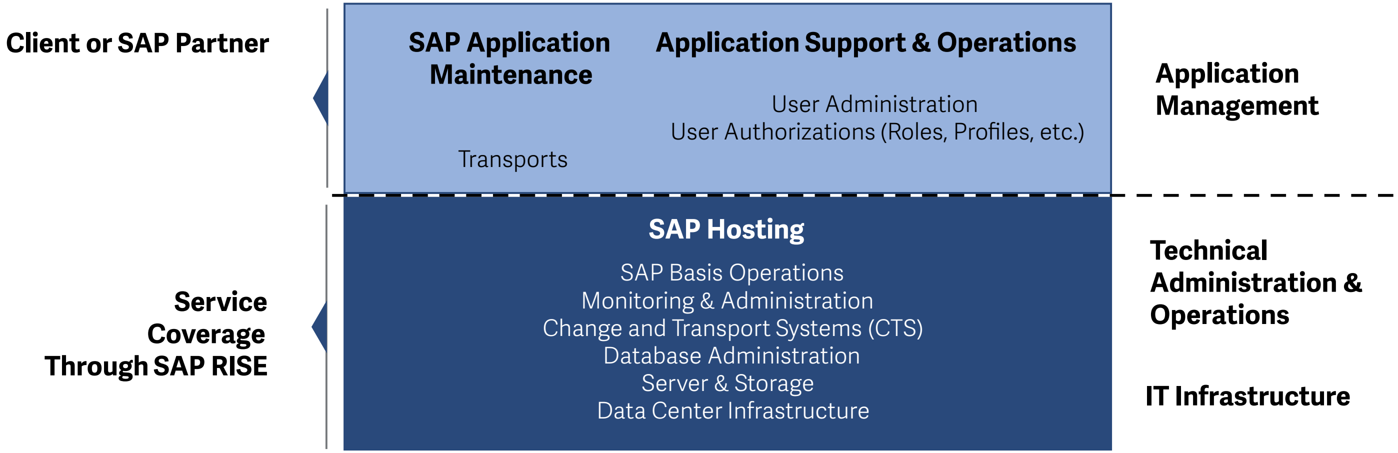
Definition

In 2024, SAP focused on improving its business AI capabilities to augment its existing portfolio. WalkMe's acquisition has underscored SAP's emphasis on driving digital transformations for its clients. With a strong focus on cloud transformation, SAP has secured multiple RISE with SAP deals. The end of life of SAP ERP Central Component (ECC) and extended support have prompted multiple clients to move to SAP S/4HANA. However, compared to the SAP install base, the percentage of these clients is relatively low. GROW with SAP is focused on the SAP S/4HANA Cloud Public Edition and targets midsize enterprise clients. With a growing focus on the cloud, SAP has built offerings that align with the varied needs of existing and new enterprises. SAP aims to keep the digital core clean by centrally using the SAP Business Technology Platform (BTP) and deploying S/4HANA on-premises or private or public clouds.

With ECC support nearing its end, SAP's early adopters and those reliant on compatibility packs are forced to undertake additional transformations, typically an upgrade, to adhere to the contractual support requirements. The RISE and GROW with SAP options have given some degree of flexibility to the firms to adopt SAP S/4HANA. However, firms with complex needs opt for on-premises versions of SAP S/4HANA transformation using greenfield, brownfield or selective data transformation approaches.

The ISG Provider Lens 2025 study focuses on these key areas of requirement for SAP and its clients. In addition to SAP S/4HANA transformation, cloud adoption, workload placement, managing cloud services and cloud economics have become important. This year's study assesses service providers' capabilities across these segments.

SAP Operational Services Stack



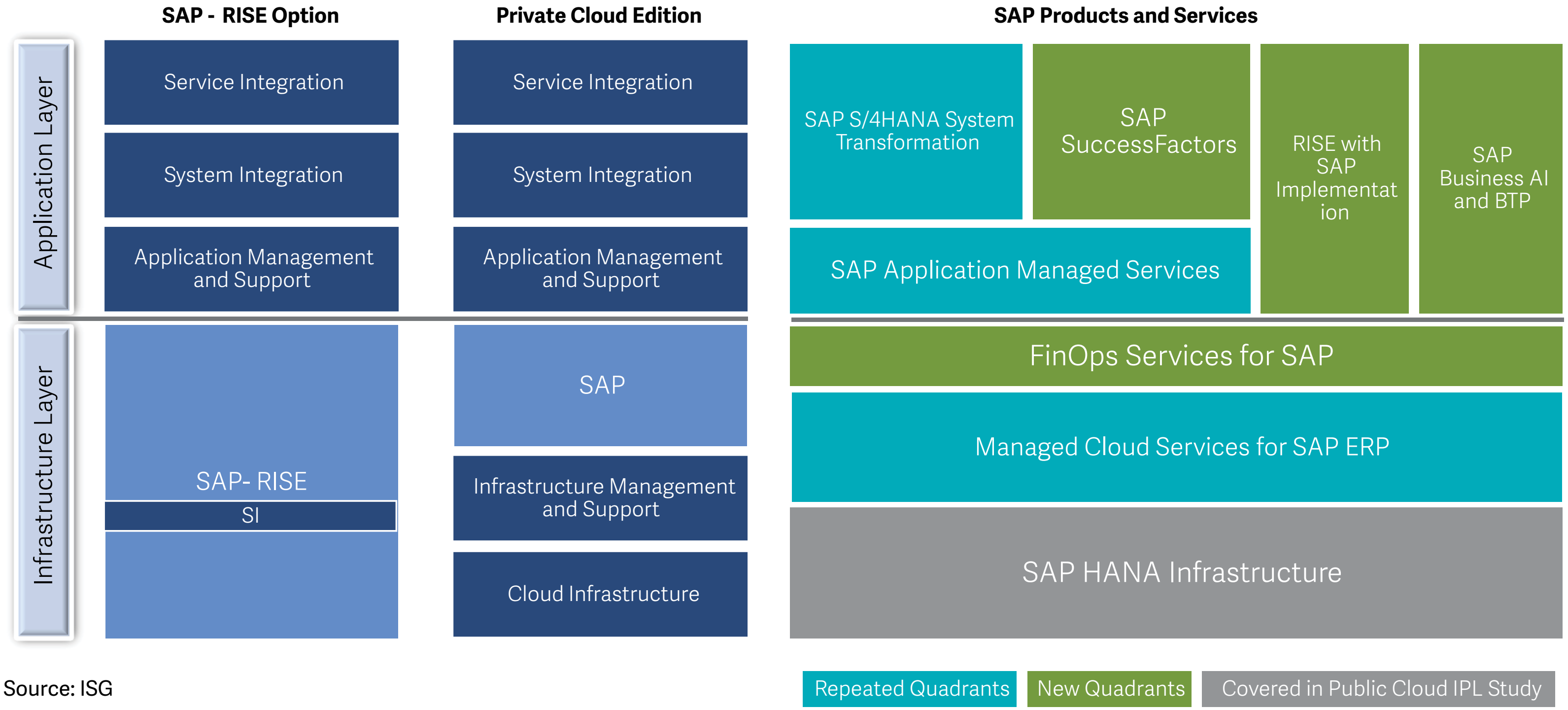
In addition to technical platform operation, pricing includes the rental licenses for one of the following options:

A. RISE with SAP S/4HANA Cloud — also includes the subscription for Business Technology Platform (BTP), Business Process Intelligence (BPI) and Business Network (BN).

B. S/4HANA Cloud, Private Edition — without the bundle, if the BTP and BN are already in use.

Source: ISG

SAP Deployment Options mapped to SAP IPL Quadrants



Source: ISG

	RISE and GROW propositions by SAP		
Cloud ERP family name	**SAP S/4HANA Cloud**		
	Cloud ERP for every business need		
Differentiated cloud journeys	**GROW with SAP**		**RISE with SAP**
	Net-new midsize customers		Installed base customers migrating to cloud
Implementation methods	**SAP S/4HANA Cloud Public Edition**	**SAP S/4HANA Cloud Private Edition**	**SAP S/4HANA Cloud Public Edition**
	Greenfield	Greenfield or brownfield	2-tier EPR scenarios

Source: SAP

Scope of the Report

This ISG Provider Lens™ quadrant report covers the following five quadrants for services/solutions: SAP S/4HANA System Transformation — Large Accounts, SAP S/4HANA System Transformation — Midmarket, SAP Application Managed Services, Managed Cloud Services for SAP ERP and SAP SuccessFactors HXM Partner Services.

The ISG Provider Lens™ SAP Ecosystem 2025 offers the following to business and IT decision-makers:

- Transparency on the strengths and weaknesses of relevant providers.
- A differentiated positioning of providers by segments on their competitive strengths and portfolio attractiveness.
- Focus on different markets, including the APAC, U.S., U.K., Brazil, Germany and global.

Our study serves as an important decisionmaking basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential engagements.

Provider Classifications

The provider position reflects the suitability of providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the service requirements from enterprise customers differ and the spectrum of providers operating in the local market is sufficiently wide, a further differentiation of the providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between $20 million and $999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above $1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product & Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens™ quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

- **Number of providers in each quadrant:** ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).

Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/services and follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

SAP S/4HANA System Transformation — Large Accounts

Who Should Read This Section

This report is valuable for service providers offering SAP S/4HANA system transformation services in Germany to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers and examines how each addresses key regional challenges. Providers in this quadrant develop, deploy and test enterprise applications using SAP S/4HANA.

Marketing and sales professionals

Should read this report to gain insights into service providers' relative positioning and capabilities to effectively harness S/4HANA services.

Technology professionals

Should read this report to understand how service providers integrate the latest technologies into their S/4HANA offerings to gain a competitive edge in the market.

Line-of-business, industry and finance leaders

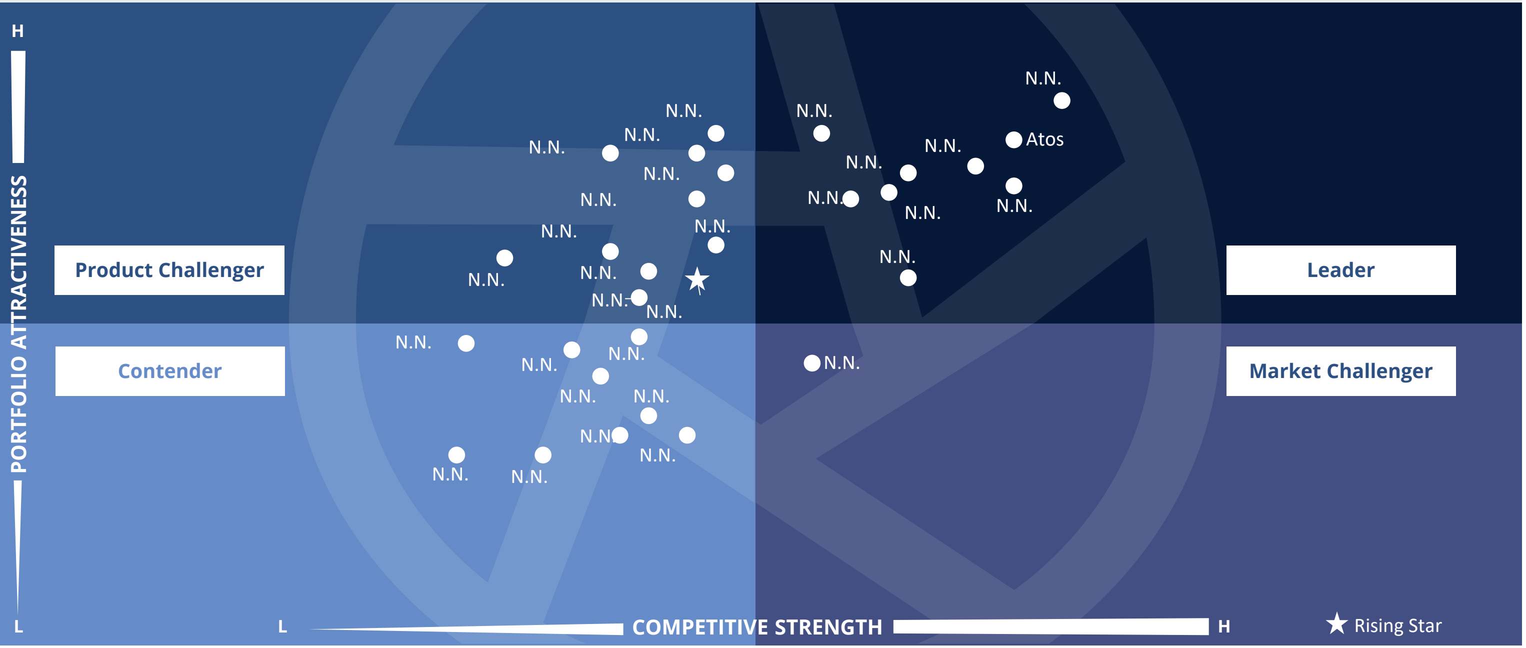
Should read this report to understand providers' relative positioning to effectively procure S/4HANA services and ensure ROI.

ISG Provider Lens™

Source: ISG RESEARCH

SAP Ecosystem
SAP S/4HANA System Transformation — Large Accounts

Germany 2025



This quadrant evaluates service providers with expertise in **large S/4HANA transformation projects.** These providers offer a broad range of consulting services, methodologies, best practice templates and **local resources**.

Oliver Nickels

Definition

This quadrant assesses large account consulting and system integration service providers that develop, deploy and test enterprise applications using SAP S/4HANA. Providers partner with SAP to train their consultants on SAP's implementation methodology, product functionality and configuration requirements. Typical transformations include project planning, solution design, business process modeling, user training, product installation and configuration, testing and other services. These transformations could involve a new implementation, moving existing ECC to S/4HANA or workloads to the cloud. Providers must understand a client's business and technology landscape and leverage solutions to ensure delivery efficiency and effective operation of the migrated solutions. Service providers' ability to manage the complexity of large accounts that operate multiple SAP instances, require strict compliance and have multinational operations and public company governance is key.

Eligibility Criteria

1. **SAP certifications** to deploy SAP S/4HANA and support clients for SAP products
2. On-premises and cloud-based implementations and **SAP S/4HANA migrations**
3. Service portfolios that include SAP S/4HANA **development, integration, and testing**, with at least one implementation of S/4HANA in the last 12 months
4. A track record of S/4HANA **advisory capabilities and implementation experience** in greenfield or brownfield deployments
5. **Strong understanding of the RISE with SAP proposition** and ability to help clients navigate the solution paradigm based on their IT landscape
6. **Tools and accelerators** to deliver at reduced time to market
7. **SAP-certified consultants** and practitioners engagement across regions to support multicountry and multilanguage implementations
8. Ability to handle complexity and scale through optimal onshore and offshore delivery models; concurrently, the providers should demonstrate local delivery **capacity in the local language**
9. Ability to offer **frameworks, tools, and accelerators** to support enterprise demand for fast transformations
10. **Experience in delivering transformations specific** to central finance, supply chain, business model transformation and modernization, and industry-related solutions

Atos

Leader

"Atos delivers end-to-end SAP S/4HANA transformation services, combining industry expertise, automation and sustainability integration. Its cloud agility and strong European presence make it a trusted partner to modernize SAP environments."

Oliver Nickels

Overview

Atos Group is headquartered in Bezons, France. It has more than 78,000 employees in 68 countries. In FY24, the company generated €9.58 billion in revenue, with Digital Services as its largest segment. It has a significant presence in Germany, with offices in Munich, Berlin and Düsseldorf. The company specializes in SAP S/4HANA system transformation services for large accounts, offering end-to-end solutions that facilitate seamless transitions to SAP's latest ERP platform. Atos 's extensive experience and comprehensive SAP services position it as a key player in the German market.

Strengths

Industry specialization and European focus: Atos has a strong foothold in the German market, leveraging extensive industry expertise in the manufacturing, healthcare and public sectors. Its preconfigured best practice templates and dedicated SAP Innovation Center enable tailored solutions that align with industry-specific needs. As a recognized leader in SAP S/4HANA transformation across Europe, it combines localized knowledge with global best practices to deliver scalable and compliant ERP transformations.

Comprehensive SAP S/4HANA transformation capabilities: Atos provides an end-to-end transformation framework with tools such as Vision4Future, advanced preconfigured solutions and Smart Guide to support business modernization and clean core ERP strategies. Its approach integrates RISE with SAP and SAP BTP to enhance digital workflow, compliance and cost efficiency while ensuring long-term scalability.

Cloud agility and sustainability integration: Atos emphasizes composable cloud architectures, enabling hybrid cloud and multicloud deployments tailored for complex enterprise environments. It supports SAP transformation initiatives with security-driven solutions and a strong sustainability focus, helping clients integrate circular economy principles into their business models.

Caution

Atos has a strong presence in the manufacturing and public sectors. However, it should further expand its capabilities to sectors such as finance and life sciences to enhance its market reach in Germany.

SAP S/4HANA System Transformation – Midmarket

Who Should Read This Section

This report is valuable for service providers offering SAP S/4HANA system transformation services in Germany to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers based on the depth of their service offerings and market presence.

Marketing and sales professionals

Should read this report to understand service providers' relative positioning and capabilities to effectively harness S/4HANA services in the midmarket.

Technology professionals

Should read this report to understand how service providers integrate the latest technologies into their S/4HANA offerings to gain a competitive edge in the midmarket.

Line-of-business, industry and finance leaders

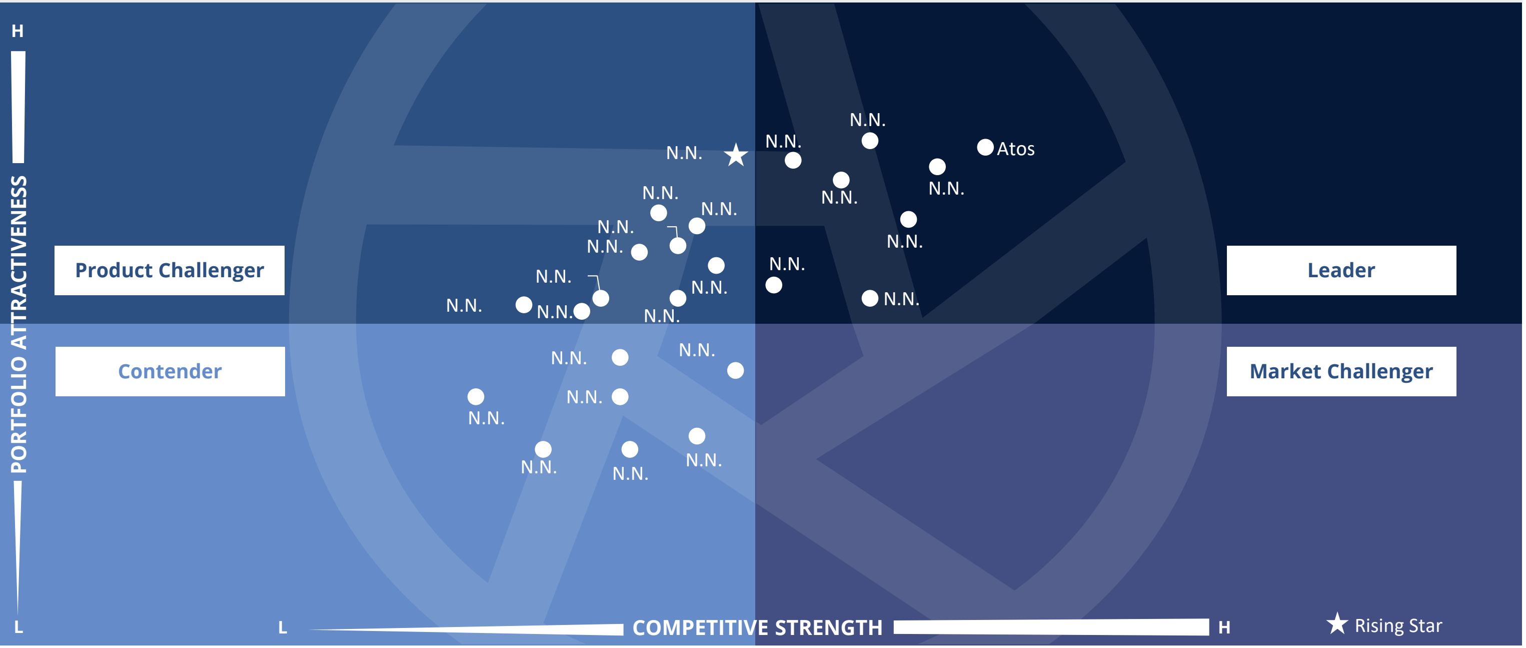
Should read this report to understand the S/4HANA market and the service provider landscape to distinguish players based on their needs.

ISG Provider Lens

Source: ISG RESEARCH

SAP Ecosystem
SAP S/4HANA System Transformation – Midmarket

Germany 2025



This quadrant evaluates providers of transformation services for SMEs in the German market. These service providers have **strong regulatory knowledge**, offer **industry-specific solutions** and have a **stable partnership network**.

Oliver Nickels

Definition

This quadrant assesses consulting and system integration service providers offering a rapid turnaround for SAP S/4HANA implementations for midmarket clients with projects that are less complex and smaller in scale than those of large enterprises. These clients operate within a country or region and need providers to enhance business operations. Service providers should be able to deploy SAP solutions using multiple methodologies, including packaged solutions for SMBs. They must use templates for SAP S/4HANA, including industry-specific templates, to reduce the transformation cycle while using standard processes. Multitenant SAP S/4HANA implementations are considered but not mandatory. Providers should be able to deliver cloud transformations and services through RISE with SAP for clients in the midmarket segment. Typically, providers accelerate the time to market using solutions and accelerators specific to a client's business needs. SAP-certified partner-packaged solution providers are preferred.

Eligibility Criteria

1. **SAP certifications** to deploy SAP S/4HANA and support clients in using SAP products
2. Service portfolios that include SAP S/4HANA **development, integration, and testing**, with at least one implementation of S/4HANA in the last 12 months
3. A track record of S/4HANA **advisory capabilities and implementation experience** in greenfield, brownfield, or cloud deployments
4. Ability to leverage SAP **accelerators and templates** for agile SAP S/4HANA implementations
5. Capability to deliver **advisory and implementation services** for midsize enterprise clients
6. **Ready-to-use templates** or solutions for specific microsegments
7. Ability to offer **onshore or nearshore delivery** for local clients; offshore delivery is considered but not a requirement for participation in this quadrant
8. **Expertise and experience** in helping clients **strategize transformation agendas** depending on business requirements and the complexity of their IT landscape
9. SAP partnerships that offer access to **accelerators and can simplify SAP deployments for midsize enterprises**

Leader

> "Atos offers industry-specific SAP S/4HANA transformation services with automation, security and compliance expertise. Its midmarket-focused frameworks, such as RISE++ and GROW with SAP, enable efficient and scalable ERP transformations."
>
> *Oliver Nickels*

Atos

Overview

Atos Group is headquartered in Bezons, France. It has more than 78,000 employees in 68 countries. In FY24, the company generated €9.58 billion in revenue, with Digital Services as its largest segment. In the midmarket segment, Atos provides tailored SAP S/4HANA transformation services designed to meet the specific needs of midmarket enterprises. Its approach ensures midmarket clients can efficiently adopt SAP S/4HANA, leveraging industry best practices and scalable solutions. This focus enables midmarket companies in Germany to achieve their digital transformation goals effectively.

Strengths

Industry-specific approach: Atos maintains a strong industry-aligned strategy for the German midmarket, offering preconfigured solutions and accelerators tailored to key industries such as manufacturing, public services and energy. With its Vision4Future assessment and industry-specific templates, the company enables faster and low-risk SAP S/4HANA transformations.

Comprehensive transformation capabilities: Atos's SAP S/4HANA offerings span assessment, migration and operational support, combining RISE with SAP and GROW with SAP frameworks. It supports clients with structured methodologies that include digital modernization, clean core strategies and integration with SAP BTP.

Security and compliance leadership: Atos embeds security at every stage of the transformation lifecycle, integrating SAP ETD solutions and its Vulnerability Lab for SAP. This approach provides threat detection and secure migration paths, ensuring compliance with stringent German and EU regulations.

Regional expertise: With more than 1,000 SAP professionals in Germany and strong technology partnerships, Atos combines local expertise with scalable delivery capabilities. Its flexible service model accommodates diverse customer needs, addressing localized and cloud-based SAP deployments through private data centers and hyperscaler platform integrations.

Caution

Atos has extensive SAP transformation capabilities. However, it would benefit from increased business development efforts and local marketing activities to further strengthen its midmarket positioning.

SAP Application Managed Services

Who Should Read This Section

This report is valuable for service providers offering SAP application managed services in Germany to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers based on the depth of their service offerings and market presence.

Technology professionals

Should read this report to understand the strengths and weaknesses of providers offering SAP application managed services and their competency in application management tools.

Procurement professionals

Should read this report to understand the SAP application managed services provider ecosystem and compare various providers.

CIOs

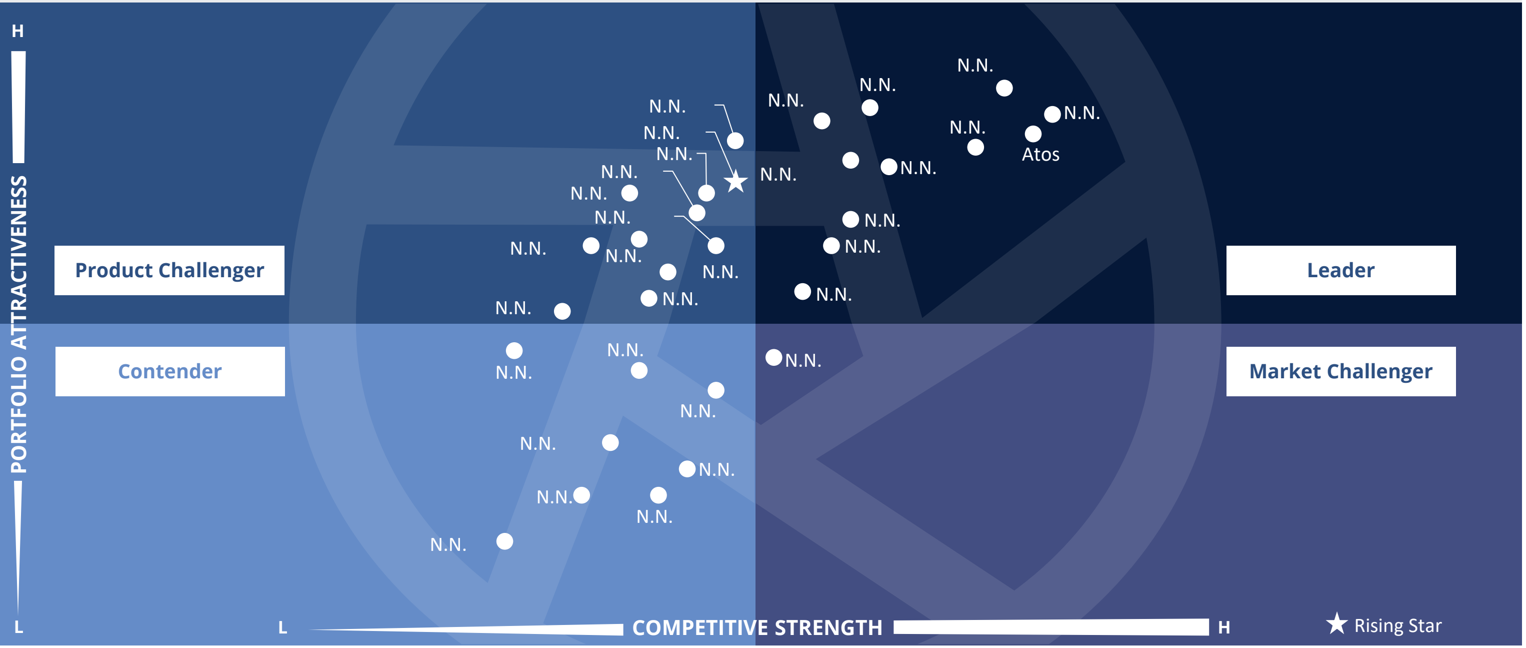
Should read this report to clearly understand the provider ecosystem for SAP application managed services and compare the various providers.

ISG Provider Lens™

Source: ISG RESEARCH

SAP Ecosystem
SAP Application Managed Services

Germany 2025



This quadrant evaluates providers that can oversee the operation of SAP systems, including associated **integrations and LoB solutions.** These providers specializes in **automating and simplifying operations** with intelligent and **AI-based solutions**.

Oliver Nickels

Definition

This quadrant assesses service providers' ability to offer managed services, including application optimization, application support and testing for SAP applications. Providers offer expertise, tools and accelerators to manage applications and align with the client's IT and business objectives. Managed application services for incidents encompass troubleshooting, level 1 (AI-driven), level 2 and level 3 application support, user support, ticket lifecycle management, incident resolution, problem management, root-cause analysis and interface with SAP product support per client requirements. Providers with the SAP Partner Center of Expertise certification are rated highly. The maturity of providers' service delivery processes and their ability to offer automation and analytics for service requests and IT-related processes, such as incident management, change request and release management, version control, application and change documentation, SAP solution manager operation, root cause analysis, quality improvement and testing, are also considered.

Eligibility Criteria

1. Ability to offer application **optimization**, application **support** and **testing** for SAP solutions
2. Inclusion of **user management** (adding and disabling user access), user profile management, **performance** reports, **database** services, security (access), and license compliance in the services
3. Ability to offer **enhancements and changes** pertaining to applications, apply SAP Service Pack Stacks (SPS) if required and predict the business impact of such updates
4. Capability in stabilizing applications and offering **SAP Basis** support
5. Expertise in incident management, a variety of ticket system tools, **SAP Solution Manager** and additional application documentation solutions
6. **Use of AI** for quality improvement and enhancing DevOps automation
7. **Required resources and skillsets to solve clients' challenges, improve application performance** and offer optimization, innovation, point-in-time metrics, support, and SLAs
8. **Ability to automate tasks and use AI and ML** in the tools leveraged to deliver client services and showcase referenceable use cases for the same
9. Experience and ability to **handle complex and large solutions** while delivering managed services for SAP applications

Leader

"Atos offers a modern SAP AMS framework integrating AI-driven automation, security and sustainability. Its DevSecOps model and intelligent automation tools streamline SAP operations, providing high efficiency and resilience to enterprises."

Oliver Nickels

Atos

Overview

Atos Group is headquartered in Bezons, France. It has more than 78,000 employees in 68 countries. In FY24, the company generated €9.58 billion in revenue, with Digital Services as its largest segment. Atos Group offers robust SAP AMS, ensuring optimal performance and continuous improvement of clients' SAP environments. Its managed cloud services for SAP ERP provide secure, scalable and compliant cloud solutions, supporting businesses in their journey to cloud. These services underscore Atos Group's commitment to delivering comprehensive SAP solutions to the German market.

Strengths

Modern AMS with Agile and DevSecOps approaches: Atos has transitioned from traditional ITSM to a modernized SAP application management model based on DevSecOps and Agile approaches. Its NextGen SAP Service Transformation Framework ensures continuous innovation, aligning AMS tools with SAP updates.

Knowledge management for seamless transition: Atos's IntelliTransfer transition methodology and Knowledge Acquisition and Retention Process (KARP) enable structured knowledge capture. It ensures smooth transitions for SAP AMS clients through business process recording, ticket analytics and inventory/code analysis.

Security and sustainability: Atos integrates SAP ETD for threat detection and secure operations, ensuring compliance with German data protection regulations. Its AMS framework incorporates sustainability objectives, optimizing IT operations to reduce energy consumption and carbon footprint.

High-level automation and AI-driven efficiencies: Atos integrates AI, ML and RPA into AMS operations, reducing manual effort and improving response times. Its BlueBox toolset, ServiceNow automation and AI-driven ticketing enable zero-touch operations. Its digital performance management further enhances SAP system efficiency by monitoring business processes in real time and identifying automation opportunities.

Caution

Atos has solid regional expertise. However, it should extend its AMS offerings to a broader range of midmarket companies, including those with low IT maturity, to drive growth in Germany.

Managed Cloud Services for SAP ERP

Who Should Read This Section

This report is valuable for service providers offering managed cloud services for SAP ERP in Germany to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers based on the depth of their service offerings and market presence. These providers focus on helping enterprise clients migrate and maintain applications on the cloud effectively.

IT and infrastructure leaders

Should read this report to understand the strengths and weaknesses of managed cloud service providers and discover how their approaches impact enterprise cloud strategy.

Marketing, sales and field services leaders

Should read this report to understand providers' relative positioning and capabilities to procure managed cloud services.

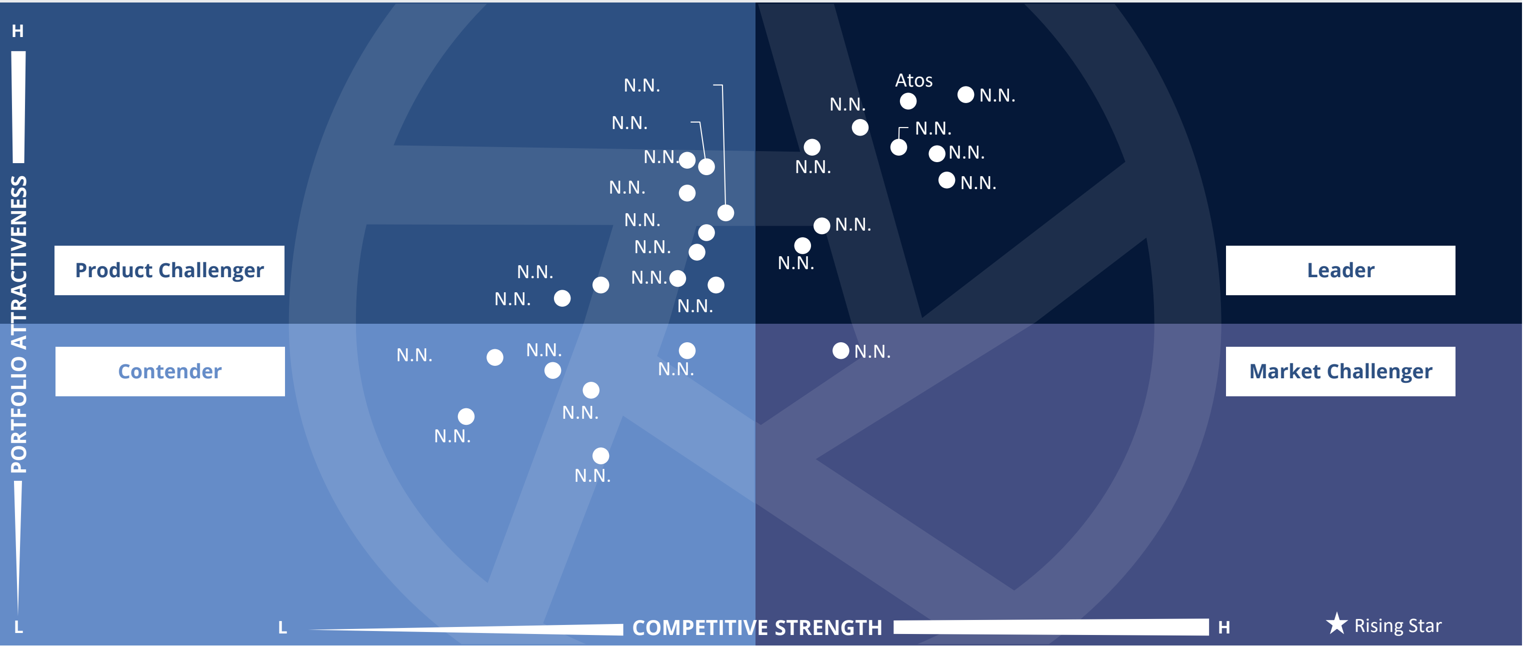
Sourcing and procurement professionals

Should read this report to better understand the current landscape of managed cloud service providers.

Source: ISG RESEARCH

SAP Ecosystem
Managed Cloud Services for SAP ERP

Germany 2025



This quadrant evaluates providers that **offer, manage and operate SAP ERP** in **complex hybrid cloud and multicloud environments** and provide effective **tools for managing services** and automating routine tasks.

Oliver Nickels

Definition

This quadrant evaluates service providers that manage hybrid cloud environments, focusing on security access, infrastructure monitoring, system availability, disaster recovery and data compliance. These providers help clients overcome technical barriers to migrating ERP systems to the cloud, facilitating transitions from private to public cloud or from on-premises setups. Expertise in maintaining SAP operations, especially with S/4HANA and its in-memory database, is crucial. Providers must demonstrate strong capabilities in data volume, application code management and cloud cost optimization. Typically, these service providers hold SAP and cloud certifications, ensuring the secure operation of S/4HANA in hybrid environments. They offer the required managed services for on-premises operations. Leading providers use advanced technologies and automation tools to optimize post-migration operations, delivering significant benefits to clients by effectively meeting their infrastructure needs.

Eligibility Criteria

1. Ability to provide, manage and **operate SAP** in the cloud, including, but not limited to, hyperscalers such as AWS, Microsoft Azure and Google Cloud
2. Capacity to **support clients in their on-premises and hybrid cloud** implementations of SAP systems and databases, providing minimum infrastructure design support
3. Certified platform management or cloud partners with **SAP S/4HANA specialization**
4. Certifications in security, data privacy and IT processes; **minimum accreditations** include ISO 27001 (security) and IT Infrastructure Library (ITIL) incident management
5. **SAP- and cloud-certified** staff to support SAP technologies
6. Ability to **offer business value** services such as impact assessment, SAP S/4HANA adoption strategy and road map, and business case creation
7. Tools to **automate and support** specific post-migration environment operations

Atos

Leader

"Atos combines extensive SAP expertise with robust hybrid cloud solutions, leveraging automation, security and sustainability to deliver high-performance managed cloud services for German enterprises."

Oliver Nickels

Overview

Atos Group is headquartered in Bezons, France. It has more than 78,000 employees in 68 countries. In FY24, the company generated €9.58 billion in revenue, with Digital Services as its largest segment. Atos Group has a strong presence in Germany, with offices in key locations such as Munich, Berlin, and Düsseldorf. It provides managed cloud services for SAP ERP, offering secure, scalable, and compliant cloud solutions. With expertise in public, private, and hybrid cloud models, Atos Group supports German enterprises in optimizing their SAP landscapes while ensuring regulatory compliance and operational efficiency.

Strengths

Focus on sustainability: Atos supports ESG-aligned cloud solutions by integrating energy-efficient technologies into its hybrid cloud infrastructure.

Hybrid cloud leadership: Atos's Orchestrated Hybrid Cloud for SAP (OHC4SAP) enables businesses to manage SAP workloads seamlessly across private and public clouds. It includes prebuilt automation tools that optimize cloud orchestration, enhance agility and simplify hybrid cloud operations.

Advanced security and compliance standards: With OneCloud Sovereign Shield, Atos ensures data sovereignty and secure cloud management, complying with Gaia-X and ENISA standards. The Digital Security Assessment (DSA) framework continuously evaluates security risks, offering GDPR-compliant solutions.

Strong SAP and hyperscaler partnerships: Atos is a preferred RISE with SAP partner and maintains strategic alliances with Microsoft Azure, AWS and Google Cloud. The company's BullSequana S servers, used by hyperscalers, enable private cloud flexibility alongside SAP-certified infrastructure solutions.

Automation-driven managed cloud services: With Blue Box and other automation frameworks, Atos automates SAP Basis operations, security management and service requests. AI-driven auto-detection and self-healing capabilities ensure system stability while reducing operational costs.

Caution

Atos's OHC4SAP and OneCloud solutions should be prominently featured with localized case studies to reinforce its position as a Leader in this quadrant.

SAP SuccessFactors HXM Partner Services

Who Should Read This Section

This report is valuable for service providers offering SAP SuccessFactors HXM partner services in Germany to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers and examines how each addresses key regional challenges. In addition to technical skills, SAP partners in this quadrant can transform talent management and customize HR services to meet local needs.

Technology professionals

Should read this report to understand how service providers manage and integrate the latest technologies into their SAP HXM offerings.

Sourcing and procurement professionals

Should read this report to understand the SAP HXM service provider ecosystem and how these providers compare with each other.

Human resources professionals

Should read this report to understand the ability of SAP HXM service providers to digitally transform HR operations and processes.

CHRO executives

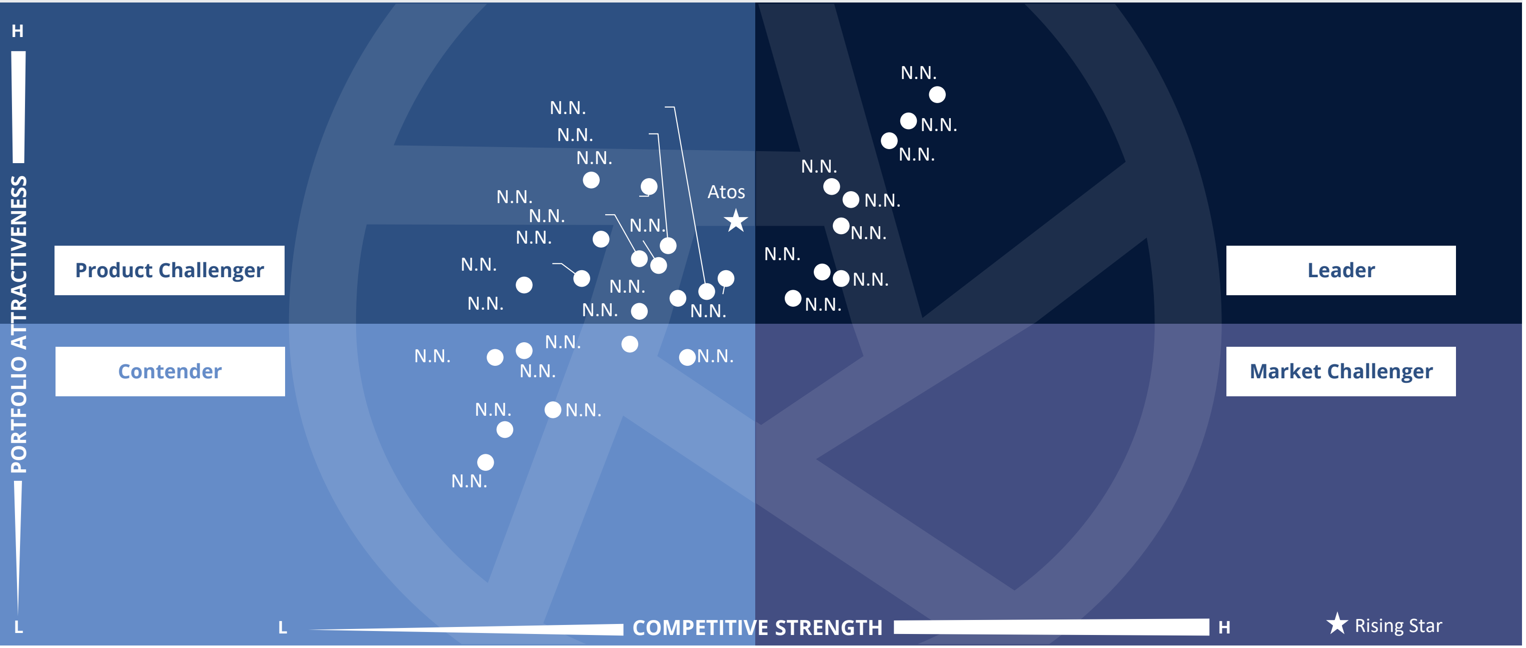
Should read this report to understand how SAP partners can digitally transform HR and understand the strategic benefits generated for the company.

ISG Provider Lens™

Source: ISG RESEARCH

SAP Ecosystem
SAP SuccessFactors HXM Partner Services

Germany 2025



This quadrant evaluates leading providers that **implement and manage** all SAP SuccessFactors HXM suite modules **on premises or on cloud** and support upcoming **transformation** with suitable **tools and service** offerings.

Oliver Nickels

Definition

This quadrant assesses service providers that implement and manage all SAP SuccessFactors HXM Suite modules on-premises or on the cloud. These providers have business experience in transforming HR talent management and HR services customized to meet local and country-specific needs. Providers have dedicated talent and HR management practices, with skilled personnel for deploying and managing SAP SuccessFactors. They are proficient in cloud and on-premises deployments, including data migration to SAP SuccessFactors. The providers' SAP HXM suite offers AI-powered solutions to meet individual needs and drive organizational agility at scale. They have expertise in data migration, customization, integration, change management, testing and support, with a strong focus on data governance, security and compliance with local and regional data regulations. The impacts delivered include reduced implementation timelines, simplified upgrades, lower costs and improved performance in HR, unified core HR and payroll functions.

Eligibility Criteria

1. **SAP certifications** in cloud and on-premises deployments of SAP SuccessFactors
2. Ability to **integrate** with other applications in the IT landscape
3. Tools and accelerators for **deployment and maintenance**
4. Employee base of **certified professionals** in SAP SuccessFactors
5. **Deployment** of more than one module for clients across regions over the last 12 months
6. **Assets and tools** to accelerate transformations and deliver significant benefits in strategy, implementation and management of SAP HXM solutions
7. **Portfolio of referenceable case studies** integrating AI, analytics and automation to streamline all HR functions
8. **Demonstrated business improvement for clients**, including unified core HR process, focus on enhancing employee experience-focused solutions and adaptability to current and changing business needs
9. **Strong vision to grow the SuccessFactors HXM practice** and offer end-to-end services coupled with tools, accelerators and strong consulting capabilities

Atos

Rising Star

"Atos delivers localized HR expertise, strong SAP SuccessFactors integration and DevOps-driven HR service management, making it a leading HXM provider for German enterprises transitioning to cloud-based HR systems."

Oliver Nickels

Overview

Atos Group is headquartered in Bezons, France. It has more than 78,000 employees in 68 countries. In FY24, the company generated €9.58 billion in revenue, with Digital Services as its largest segment. Atos has a strong presence in Germany, leveraging its expertise in digital transformation and cloud services. Its SAP SuccessFactors HXM services focus on integrating HR transformation strategies with cloud-based HR solutions. These include end-to-end implementations, compliance-driven HR processes and AI-enhanced workforce management, catering to enterprises seeking scalable and intelligent HXM solutions.

Strengths

Comprehensive EX solutions: Atos's enterprise EX provides a prebuilt, best-practice SAP SuccessFactors solution with strong integration into Microsoft Teams, Viva, Power Apps, ServiceNow and SAP Workzone. Kore.AI for HR help desks and leave management ensures a seamless HR workflow for enterprises.

Localized HR expertise and compliance: Atos is a trusted SAP SuccessFactors partner in Germany due to its strong understanding of local labor laws, HR regulations and compliance needs. It ensures secure HR system migrations and meets stringent industry and governmental security requirements.

Industry-specific HXM expertise: Atos specializes in manufacturing and public and financial services, offering preconfigured HR templates that accelerate cloud adoption. Work2Success, its human resources information system (HRIS) migration framework, ensures secure and compliant data migration for German enterprises.

Innovative HR service delivery with DevOps: Atos stands out by applying DevOps methodologies to SAP SuccessFactors implementations, moving away from reactive HR service models. Smart Guide 2.0 and Atos Change Management Toolbox enhance SAP Activate, providing structured project governance and digital transformation support.

Caution

Although Atos has robust offerings in regulated industries, it should expand its SuccessFactors offerings to the retail, healthcare and logistics sectors to reach a broader midmarket audience. Expanding SuccessFactors' delivery capabilities beyond Europe could also help attract multinational clients.

Appendix

The ISG Provider Lens 2025 – SAP Ecosystem study analyzes the relevant software vendors/ service providers in the Germany market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

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The research and analysis presented in this study will include data from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with service providers and analysis of publicly available market information from multiple sources. ISG recognizes the time lapse and possible market developments between research and publishing, in terms of mergers and acquisitions, and acknowledges that those changes will not reflect in the reports for this study.

All revenue references are in U.S. dollars ($US) unless noted.

The study was divided into the following steps:

1. Definition of SAP Ecosystem market
2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
   * Strategy & vision
   * Tech Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * CX and Recommendation

Lead Author

Oliver Nickels
Principal Analyst and Executive Advisor

Oliver Nickels has in-depth technical and business knowledge and more than 25 years of experience as management consultant, IT-analyst, marketing manager, and start-up entrepreneur to contribute to ISG customer projects. His focus areas are Organizational Change through digital & AI-based technologies, AI-driven ADM, Mainframe Modernization and the Digital Customer Journey.

Oliver works as free-lance consultant to help ISG customers with all issues related to the digital customer journey and digital marketing. Before, Oliver worked many years in various national and international roles for a leading global IT company, from which he worked eight years in its International SAP Competence Center, and in his last position as digital marketing manager with responsibility for the digital customer communications of a business unit and as advisor for the management board.

Oliver holds a degree in computer sciences of the University of Bremen.

Research Analyst

Vartika Rai
Senior Research Analyst

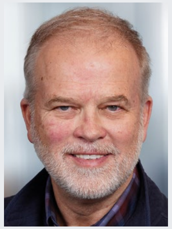
Vartika Rai is a senior research analyst at ISG and is responsible for supporting and co-authoring Provider Lens™ studies on Analytics – Services and Platforms, and SAP Ecosystem. She supports the lead analysts in the research process and authors the global summary report. Vartika also develops content from an enterprise perspective and collaborates with advisors and enterprise clients on ad-hoc research assignments. Vartika started her current role in June 2022. Before this role, she worked on secondary research, competitive intelligence, market trends, and newsletter analysis.

Study Sponsor

Aman Munglani

Director: Hyperscalers, Digital Innovator Series and Custom Research

Aman Munglani leads the ecosystems and custom research practice for ISG. He brings over twenty years of expertise in emerging technologies and industry trends. His career is marked by significant contributions in guiding top executives from Global 2000 companies, offering strategic advice on digital transformation, start-up partnerships, driving innovation, and shaping technology strategies. In his tenure exceeding twelve years at Gartner, Aman focused on providing CIOs and IT executives across Asia Pacific and Europe with insights on the practical implementation and advancement of new technologies, the evolution of infrastructure, and detailed vendor assessments.



IPL Product Owner

Jan Erik Aase

Partner and Global Head – ISG Provider Lens™

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor. Now as a research director, principal analyst and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

ISG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens™ research, please visit this webpage.

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ISG

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The firm, founded in 2006, is known for its proprietary market data, in-depth knowledge of provider ecosystems, and the expertise of its 1,600 professionals worldwide working together to help clients maximize the value of their technology investments.

For more information, visit isg-one.com.

ISG Provider Lens™

MAY, 2025

REPORT: SAP ECOSYSTEM