ISG Provider Lens®

SAP Ecosystem

Managed Cloud Services for SAP ERP

A report comparing provider strengths, challenges and competitive differentiators

Customized report courtesy of:

kyndryl

QUADRANT REPORT | APRIL 2026 | U.S.

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Executive Summary

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For U.S. clients, the mandate has shifted from *move to S/4HANA* to *modernize without disruption*, reflecting a transition from reluctance to risk aversion

This ISG Provider Lens® SAP Ecosystem study assesses the competitive landscape for providers in the U.S. in 2025 by evaluating their capabilities, market positioning and execution across advisory, implementation and managed services. The research covers five quadrants: SAP S/4HANA System Transformation — Large Accounts; SAP S/4HANA System Transformation — Midmarket; SAP Application Managed Services; SAP Business AI and Business Technology Platform (BTP) Services; and Managed Cloud Services for SAP ERP.

Market context: why the landscape is shifting

U.S. enterprises face a deadline-driven push to exit SAP ERP Central Component (ECC) while maintaining financial discipline. Boards want modernization without disruption, prompting programs to be sequenced into smaller waves with milestone-based proof of value. Cloud economics, security expectations and audit demands are steering organizations toward standardized cores with composable extensions, avoiding the upgrade drag of heavy customizations.

SAP's transformation strategy is increasingly bifurcated: large enterprises are deferring complex upgrades, while SMEs are being targeted with simpler greenfield implementations. SAP is struggling to convert its large ECC installed base to S/4HANA due to unclear incremental value, restrictive licensing and high sunk costs. As a result, SAP is pivoting to the midmarket and SME segments, where GROW with SAP enables faster deployments, lower sales friction and quicker revenue realization.

RISE with SAP is not being deprioritized technically, but it is commercially and behaviorally harder to sell, particularly for brownfield and bluefield upgrades. Many customers in nonregulated industries do not view the 2027 mainstream support deadline as urgent. Instead, they are choosing to sweat the

U.S. enterprises are **prioritizing clean core, AI first delivery models** that demonstrate business value quickly.

asset, delay decisions, and consider extended support or third-party maintenance until 2030.

From a 2026-27 strategy lens, SAP's pragmatic response is to win where it can — greenfield growth in the SME segment. Ecosystem partners are aligning around the GROW message, while upgrades remain complex, lengthy and politically difficult. The strategic implication is a two-speed SAP market: slow-moving large enterprises and fast-moving SME greenfield adoption.

Investments and risk management

Capital is available but tightly scrutinized. CFOs require clear ROI and defined payback periods, favoring selective modernization over big-bang rewrites. Decision-makers prioritize approaches that protect operations during cutover, reduce regression risk and simplify future updates.

Technology posture

AI has shifted from pilot to production. Practical gains are coming from AI-assisted code remediation, automated testing, incident triage and enterprise knowledge search. Meanwhile, BTP is becoming the default layer for integration, data, analytics and side-by-side innovation, keeping the ERP core clean and upgradeable.

Regulatory pressure and industry timing for S/4HANA migration

The urgency of SAP's 2027 mainstream support deadline varies by industry. Regulated industries, such as life sciences and utilities, face heightened pressure due to stringent compliance requirements, including FDA, EMA and HIPAA, accelerating migration timelines. In contrast, manufacturing and other less-regulated industries are more likely to sweat the asset, deferring decisions and considering extended support options through 2030.

U.S. enterprise priorities: pragmatic modernization without disruption

- **De-risk the journey to S/4HANA:** For large enterprises, the mandate is *modernize without disruption*, not simply *move to S/4HANA*. Their approach has shifted from reluctance to risk aversion. ISG anticipates a shift toward bluefield or selective transformation because environments are too complex, integrated and risk-sensitive for full greenfield replacements.
- **Prove value early and often:** Every phase must connect to business KPIs, such as period-close cycle time, days sales outstanding (DSO) and inventory turns, not just IT milestones.
- **Keep the core clean and innovate on BTP:** Minimizing custom code in ERP and building extensions side by side on BTP can enable safer, more frequent releases and easier upgrades.
- **Make AI practical:** Enterprises should prioritize AI in delivery (code, test and documentation) and operations (triage, RCA and prediction) before automating business decisions.
- **Industrialize run:** Enterprises must adopt AIOps or SRE models, outcome-based SLAs, and FinOps disciplines for cloud ERP, including RISE and public cloud variants.

Consulting-led discovery as a starting point

Enterprises expect a consulting led discovery that links process baselines, data quality and the target operating model to a credible business case. They want a clear lane choice (greenfield, brownfield or selective data transformation [SDT]), a value office to track benefits, and an organizational change plan that prepares users for new processes, roles and UIs.

Industry-specific priorities and accelerators

U.S. clients want industry-ready accelerators, including process templates, compliance packs and reference architectures, to shorten time-to-value and reduce design churn. Manufacturers prioritize shop-floor/warehouse execution and OEE; consumer and retail organizations focus on margin, replenishment and returns; and services-led firms seek project-to-profit visibility and strong experience layers. Sustainability and ESG appear more often in RFPs, typically starting with analytics-led reporting before full-module adoption.

Pragmatic AI adoption and orchestration

Interest in AI-enabled solutions is increasing, but the adoption of SAP's Joule remains cautious due to questions about maturity, data safety/governance and measurable business outcomes. This is not a rejection; enterprises want credible AI orchestration, often backed by hyperscalers and integrated with ERP rather than relying solely on ERP vendor point features.

Provider dynamics: how the supply side is adapting

Consulting-first front end, factory-backed execution

Leading providers frontload consulting-led work, including value diagnostics, process intelligence and benefit modeling, to set lane choices and rollout plans. They then execute through repeatable factories for migration, conversion, testing and data, ensuring consistent outcomes across waves. Weaker approaches still depend on ad hoc and manual testing, which U.S. enterprises view as higher risk.

Operationalizing the clean core

Leaders operationalize clean core by design, not just in principle. They use BTP-based extension catalogs, maintain a keep/retire/refactor backlog for custom code, enforce white-listed APIs, apply LCNC patterns (SAP Build), and integrate DevOps/ALM for versioning and traceability. The defining measure is the environment's ability to take quarterly updates without disruption.

AI first delivery and operations

The differentiator is no longer *we use AI*, but *where and how AI is embedded:*

- In delivery: ABAP deconstruction and remediation, automated test case generation and documentation assistants
- In operations: ticket clustering, knowledge bots grounded in client artifacts, proactive anomaly detection, and self-healing runbooks with human approval

Providers that combine these capabilities with explainability and rollback plans will scale faster in compliance intensive environments.

Outcome-oriented SLAs for AI-enabled operations

SLA focus is shifting from activity metrics, such as response time, to business-aligned outcomes, such as order cycle time, period-close variance and fulfillment accuracy. Contracts increasingly incorporate automation-rate thresholds, first-time-right targets and continuous value sprints that convert prioritized backlogs into measurable benefits.

Quadrant-specific insights: how providers are delivering and adapting for U.S. clients

SAP S/4HANA System Transformation

Leading providers simplify the S/4HANA journey by offering well-defined transformation paths — greenfield, brownfield or SDT — aligned to client risk appetite, data quality and change readiness. They front-load a consulting-led discovery to align business outcomes, process gaps and data issues before design/build. Execution is supported by conversion and migration factories, prebuilt process templates, and automation for code remediation, testing and data migration. This approach shortens timelines and reduces dependency on large on-site teams while improving predictability and quality.

Proof points for enterprises

- A clear transformation lane recommendation with pros and cons, costs and timelines
- A data quality and harmonization plan detailing how master data will be cleaned, standardized and migrated
- A custom code assessment outlining what will be kept, retired or rebuilt on BTP
- Evidence of automated regression testing to reduce go-live and post-go-live risk
- Demonstrations of minimized downtime, especially for 24/7 operations

Frequent provider risks and gaps to monitor

- One size fits all recommendations instead of a tailored transformation lane
- Over customization that defeats the purpose of a clean core
- Polished presentations but weak data remediation capabilities, causing late-stage delays and defects

- Inadequate change management and training, leaving users unprepared for new processes and UIs

SAP Application Managed Services

Modern application managed services (AMS) providers have moved beyond traditional ticket handling, applying AIOps, automation and predictive monitoring to prevent issues before they occur. They are shifting to business-aligned SLAs, such as order cycle time and period-close timeliness, instead of legacy metrics like ticket-closure time. They incorporate continuous value sprints to deliver prioritized improvements on a regular cadence rather than in frequent releases.

Proof points for enterprises

- Clear breakdown of automation versus manual effort, especially for L1/L2 incidents
- Business aligned KPIs in addition to IT SLAs
- A cost-reduction roadmap leveraging self-healing scripts, AI-powered analysis and proactive monitoring
- Evidence of FinOps practices for cloud ERP, including consumption visibility and cost optimization recommendations
- Real examples demonstrating incident reduction and measurable process outcome improvements

Frequent provider risks and gaps to monitor

- AIOps claims with predominantly manual triage and remediation
- SLAs focused on internal IT efficiency rather than business results
- Insufficient root cause elimination — temporary incident reduction followed by recurrent spikes
- No defined operating model for continuous value realization after go live

SAP Business AI and Business Technology Platform (BTP) Services

Leading providers position BTP as the innovation and integration layer, keeping ERP core clean while delivering modular extensions, analytics, data orchestration and AI agents. They develop upgrade-safe, side-by-side solutions, with structured governance for prompts, models and data. They also deploy AI to assist — not replace — business processes, with clear boundaries and human approval where needed.

Proof points for enterprises

- Catalog of BTP-based extensions with governance models and evidence of upgrade safety
- Demonstrations of AI use cases, for example, code remediation, test automation, ticket triage and decision support
- Data architecture showing secure, traceable data flows between SAP and non-SAP systems
- Approaches to accelerate analytics using Datasphere/SAC with reusable data models
- AI safety plan covering explainability, prompt governance and rollback procedures

Frequent provider risks and gaps to monitor

- AI or BTP capabilities that look good in demonstrations but lack lifecycle integration (DevOps, ALM and testing)
- Extensions built in ways that are not upgrade-safe and break during quarterly releases
- Over dependence on generic LLM behavior without grounding in enterprise data
- No defined governance for AI model/prompt changes

Managed Cloud Services for SAP ERP

Leading providers assume end-to-end responsibility for runtime resilience and security across hybrid, private cloud and RISE with SAP landscapes. They implement policy-as-code, automated compliance checks and routinely tested HA/DR playbooks. They standardize platforms and configurations to streamline upgrades, patching and incident management across multi-system SAP estates.

Proof points for enterprises

- Documented HA/DR drills with actual recovery times achieved versus targets
- Transparency into the provider's security posture, including automated compliance checks
- Evidence of end-to-end observability correlating issues across infrastructure, integrations and SAP applications
- A defined model for cloud cost visibility and optimization, especially on hyperscalers

- Runbooks demonstrating automation for provisioning, scaling, refreshes and patching

Frequent provider risks and gaps to monitor

- Fragmented accountability across infrastructure, applications and integrations
- Limited transparency into cloud consumption with unexpected cost spikes
- Inadequate disaster recovery readiness, for example, plans untested under realistic failure scenarios
- Over reliance on manual monitoring that cannot scale to hybrid environments

Outlook for U.S. enterprises (12-24 months)

U.S. enterprises will keep favoring standardized routes to S/4HANA with measurable value checkpoints and provable clean-core controls. AI will become a platform norm, establishing automated test baselines, ABAP modernization copilots and L1-to-L2 triage — expanding only where audit trails and rollback are in place. GROW with SAP will proliferate across subsidiaries and carveouts, while RISE with SAP will underpin complex estates seeking cloud economics without losing risk control. Sustainability and regulatory reporting will progress through analytics-first approaches before broader module rollouts.

Recommended actions for enterprises

- **Select the transformation lane and secure industrialized delivery capabilities:** Choose greenfield, brownfield or SDT based on data quality and risk appetite, and contract for conversion, testing and data factories that make execution repeatable across waves.
- **Embed value realization into the contract:** Tie acceptance to KPI improvements, not just go-live, and ensure automated regression testing and extension guardrails.
- **Scale AI safely:** Start with delivery and run assistants under human approval, and expand autonomy only where explainability, data controls and rollback mechanisms are proven.

Recommended actions for providers

- **Measurable clean-core governance:** Publish extension catalogs, code decommissioning/refactoring roadmaps, and upgrade-safe regression suites validated against quarterly releases.
- **Industrialize AI:** Embed AI across the SDLC and operations with human-in-the-loop controls and observable pipelines, and move beyond pilots.
- **End-to-end accountability with financial transparency:** Present one accountable operating model across advise/build/run, with clear FinOps and resilience metrics for business sponsors.

> Clean core has become a governance system — code decommissioning/refactoring, side by side extensions on BTP, automated regression test baselines and auditable change management — to safely absorb quarterly updates.

Provider Positioning

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	SAP S/4HANA System Transformation — Large Accounts	SAP S/4HANA System Transformation — Midmarket	SAP Application Managed Services	SAP Business AI and Business Technology Platform (BTP) Services	Managed Cloud Services for SAP ERP
Accenture	Leader	Not In	Leader	Leader	Leader
Applexus	Not In	Contender	Not In	Not In	Not In
Atos	Not In	Leader	Product Challenger	Rising Star ★	Product Challenger
Birlasoft	Not In	Leader	Product Challenger	Product Challenger	Product Challenger
Bristlecone	Product Challenger	Product Challenger	Contender	Contender	Product Challenger
Capgemini	Leader	Not In	Leader	Leader	Leader
Clarkston Consulting	Not In	Contender	Not In	Not In	Not In
Coforge	Contender	Not In	Contender	Product Challenger	Contender
Cognitus	Product Challenger	Leader	Product Challenger	Not In	Not In
Cognizant	Leader	Not In	Leader	Leader	Leader

Provider Positioning

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	SAP S/4HANA System Transformation — Large Accounts	SAP S/4HANA System Transformation — Midmarket	SAP Application Managed Services	SAP Business AI and Business Technology Platform (BTP) Services	Managed Cloud Services for SAP ERP
Delaware	Not In	Product Challenger	Not In	Not In	Not In
Deloitte	Leader	Not In	Leader	Leader	Not In
DXC Technology	Rising Star ★	Not In	Leader	Product Challenger	Leader
EY	Leader	Not In	Leader	Leader	Not In
Genpact	Contender	Market Challenger	Contender	Contender	Contender
Globant	Not In	Product Challenger	Not In	Not In	Not In
HCLTech	Leader	Not In	Leader	Leader	Leader
Hexaware	Not In	Leader	Product Challenger	Product Challenger	Product Challenger
Hitachi Digital Services	Product Challenger	Leader	Rising Star ★	Contender	Contender
IBM	Leader	Not In	Leader	Leader	Product Challenger

Provider Positioning

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	SAP S/4HANA System Transformation — Large Accounts	SAP S/4HANA System Transformation — Midmarket	SAP Application Managed Services	SAP Business AI and Business Technology Platform (BTP) Services	Managed Cloud Services for SAP ERP
Infosys	Leader	Not In	Leader	Leader	Leader
KaarTech	Not In	Rising Star ★	Product Challenger	Product Challenger	Contender
KPMG	Market Challenger	Not In	Not In	Not In	Not In
Kyndryl	Product Challenger	Not In	Product Challenger	Product Challenger	Leader
Lemongrass Consulting	Not In	Not In	Not In	Not In	Product Challenger
LTM	Leader	Not In	Leader	Leader	Product Challenger
Mindset Consulting	Not In	Contender	Not In	Not In	Not In
Mphasis	Contender	Contender	Not In	Contender	Not In
NTT DATA	Product Challenger	Leader	Rising Star ★	Product Challenger	Product Challenger
PwC	Product Challenger	Not In	Market Challenger	Not In	Not In

Provider Positioning

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	SAP S/4HANA System Transformation — Large Accounts	SAP S/4HANA System Transformation — Midmarket	SAP Application Managed Services	SAP Business AI and Business Technology Platform (BTP) Services	Managed Cloud Services for SAP ERP
Softtek	Contender	Product Challenger	Contender	Contender	Contender
Stefanini	Contender	Product Challenger	Not In	Contender	Contender
Strada	Not In	Not In	Product Challenger	Not In	Contender
Sutherland	Not In	Contender	Contender	Not In	Not In
Syntax	Not In	Leader	Product Challenger	Contender	Rising Star ★
TCS	Leader	Not In	Leader	Leader	Leader
Tech Mahindra	Product Challenger	Not In	Leader	Leader	Product Challenger
TechWave	Not In	Contender	Not In	Not In	Not In
The Silicon Partners	Not In	Market Challenger	Not In	Contender	Not In

Provider Positioning

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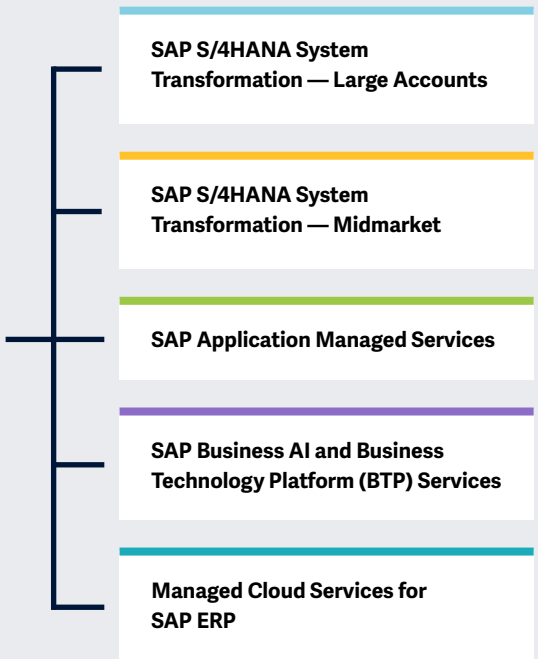
	SAP S/4HANA System Transformation — Large Accounts	SAP S/4HANA System Transformation — Midmarket	SAP Application Managed Services	SAP Business AI and Business Technology Platform (BTP) Services	Managed Cloud Services for SAP ERP
T-Systems	Product Challenger	Not In	Product Challenger	Not In	Product Challenger
UST	Product Challenger	Product Challenger	Not In	Not In	Not In
Wipro	Leader	Not In	Leader	Leader	Leader
YASH Technologies	Contender	Product Challenger	Product Challenger	Contender	Contender
Zensar Technologies	Not In	Product Challenger	Not In	Not In	Not In

Key focus areas for **SAP Ecosystem** 2026 study.

Simplified Illustration Source: ISG 2026



Definition

In 2025, SAP sharpened its focus on guiding enterprises through digital transformation by enhancing core ERP, cloud, HXM and AI capabilities. As SAP ERP Central Component (ECC) nears the end of mainstream support in 2027 and Compatibility Scope rights expire in 2025, enterprises are accelerating the shift to SAP S/4HANA. SAP supports this transition through RISE with SAP for orchestrated cloud transformations and GROW with SAP for midsize firms adopting S/4HANA Cloud Public Edition. These programs offer tailored pathways, on-premises, private or public cloud, anchored by SAP Business Technology Platform (BTP) to maintain a clean digital core and enable scalable innovation. Enterprises are leveraging SAP SuccessFactors to modernize HR with AI-powered talent management and workforce intelligence. The 2025 releases introduced Joule Agents for HR scenarios, enhancing personalization and skill-based development. Across business functions, SAP Business AI, embedded in over 400 scenarios, boosts automation and decision-making. Joule Studio and SAP Business Data Cloud enable enterprises to create custom agents and unify their data. With AI governance certified to ISO 42001, SAP ensures the secure, ethical deployment of AI. The evolution of SAP ecosystem reflects its commitment to enterprise agility, resilience and future readiness. The ISG Provider Lens® 2026 study focuses on these key areas of requirement for SAP and its clients. In addition to the SAP S/4HANA transformation, this year's study assesses service providers' capabilities across application management, SuccessFactors HCM, SAP Business AI, BTP and managed cloud services.

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; SAP Business AI and Business Technology Platform (BTP) Services and Managed Cloud Services for SAP ERP.

This ISG Provider Lens® study offers IT decision-makers:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments (quadrants) on their competitive strengths and portfolio attractiveness
- Focus on the U.S. market

Our study serves as the basis for important decision-making by covering providers' positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing 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.

Managed Cloud Services for SAP ERP

Who Should Read This Section

This report is valuable for providers offering **managed cloud services for SAP ERP** in the **U.S.** 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.

Chief information officers

Should read this report to assess providers' ability to securely operate SAP ERP in managed cloud environments with predictable performance and cost control. The report highlights partners with SAP and hyperscaler certifications, robust SLAs and governance models that reduce operational risk. It helps CIOs select providers that balance resilience (availability and disaster recovery) with modernization opportunities (S/4HANA readiness and cost optimization).

Transformation leads

Should read this report to evaluate providers' managed cloud operating models for SAP ERP across private, public and hybrid setups. The report highlights capabilities in migration support, cutover readiness and post-migration stabilization, covering monitoring, incident and problem management, and change control. These insights help directors align roadmaps and SLAs with business outcomes while ensuring smooth day-two operations.

Procurement teams

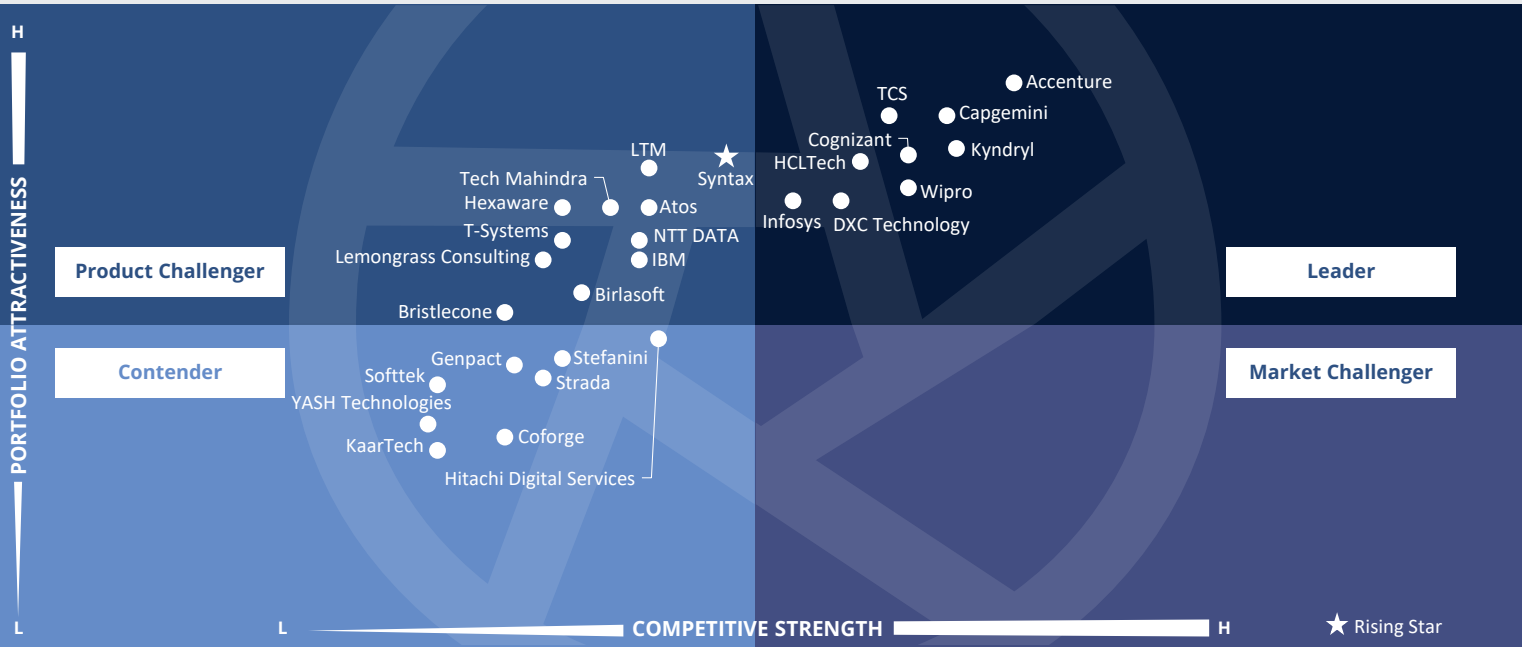
Should use this report to benchmark providers' certifications, delivery maturity and managed services scope for SAP ERP. The report enables a standardized comparison of incident processes, automation toolsets, cost models and SLA frameworks aligned to ITIL and ISO standards. With these insights, vendor managers can shortlist partners that meet compliance needs and negotiate value-based contracts for enterprise-grade support.

ISG Provider Lens®

Source: ISG RESEARCH

SAP Ecosystem
Managed Cloud Services for SAP ERP

U.S. 2026



This quadrant assesses providers' ability to operate SAP ERP on the cloud, emphasizing **secure, compliant, cost efficient hosting** and the capability to **optimize, monitor and scale** SAP environments without business disruption.

Tarun Vaid

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 management, 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, road map and business case creation
7. Tools to **automate and support** specific post-migration environment operations

Observations

Enterprises are steadily migrating SAP ERP landscapes from traditional data centers to cloud environments to improve reliability, scalability and cost control. Providers focus on stabilizing and securing operations throughout this shift, delivering end-to-end services that encompass migration, day-to-day operations, disaster recovery, monitoring, security and continuous updates. This integrated model reduces infrastructure burden and enables enterprises to concentrate resources on business priorities, while maintaining consistent performance and governance.

A common theme is simplifying operations through automation. Providers use monitoring tools, automated remediation, predictive insights and standardized cloud operating procedures to reduce manual effort, prevent outages and improve system availability. Security and regulatory compliance remain central, with a strong focus on identity and access management, data protection, audit readiness and secure access controls. As enterprises adopt cloud based ERP, disciplined cost management — usage tracking, optimization dashboards and pay as you use models — helps avoid overspending. Persistent challenges include data cleanup, integrating SAP with non SAP systems, minimizing migration downtime and upskilling teams for cloud operating models. Nonetheless, reported outcomes are consistent: lower operating costs, higher uptime, faster scaling and a modernized foundation for future innovation.

From the 45 companies assessed for this study, 28 qualified for this quadrant, with nine being Leaders and one a Rising Star.

accenture

Accenture leads with cloud-first migration playbooks, strong automation for resilient SAP Ops and a lifecycle model that stabilizes, optimizes and continuously improves ERP environments, delivering predictable modernization and sustained operational value.

Capgemini

Capgemini combines industrialized SAP Ops, AI-first automation and deep hyperscaler partnerships to deliver stable, compliant and outcome-driven cloud operations. Its standardized run model and integrated toolchains improve reliability, acceleration and modernization impact.

cognizant

Cognizant differentiates through strong multicloud alliances, its cCAT framework for structured ERP cloud journeys and certified SAP Ops capabilities that elevate it from executor to orchestrator, providing governed, resilient and future-ready SAP cloud operations.

DXC TECHNOLOGY

DXC Technology's unified Complete for SAP model, embedded AIOps/FinOps automation and deep hyperscaler engineering deliver predictable, multi-region SAP operations. Standardized controls and self-healing workflows strengthen reliability and reduce migration and run risk.

HCLTech

HCLTech advances SAP Cloud Ops with AIForce.SAP automation, HyRISE hybrid deployment for regulated clients and industrialized migration to run tools. These accelerators enhance stability, compliance, cloud economics and confidence in complex ERP modernization.

Infosys

Infosys unifies hyperscaler-aligned cloud engineering, automation-first operations and modernization accelerators to deliver resilient, cost-efficient SAP estates. Its AIOps, containerization and self-healing fabric enhance uptime, acceleration and predictable run performance.

kyndryl

Kyndryl blends strong multicloud delivery with an integrated model spanning Consult, Bridge and Vital. Its platform-agnostic designs, deep hyperscaler alliances and SAP-certified governance drive resilient operations, rapid value capture and consistent modernization.

TCS drives autonomous SAP cloud operations with its AI-first run model, full-stack observability and hyperscaler partnerships. Investments in U.S. delivery, cloud-native tooling and ignio-led service intelligence strengthen stability, risk reduction and run predictability.

Wipro combines hyperscaler-aligned SAP migration accelerators with integrated FinOps and AI-led operations. Tools such as Safe Passage, SLICE and WINGS reduce migration effort, optimize cost, unify observability and deliver predictable, self-healing SAP cloud environments.

Syntax (Rising Star) delivers disciplined hybrid cloud architectures with strong HA/DR patterns and automation-led control. Its GenAI accelerators and migration toolchain streamline remediation, reduce volatility and enable rapid, low-risk SAP modernization across cloud environments.

Leader

"Kyndryl's legacy in infrastructure managed services, automation-driven SAP cloud operations, strong hyperscaler alliances and platform-agnostic model, help enterprises modernize and maintain resilient, high-performance SAP environments."

Tarun Vaid

Kyndryl

Overview

Kyndryl is headquartered in New York, U.S. It has more than 73,000 employees across over 60 countries. In FY25, the company generated $15.1 billion in revenue. Kyndryl supports enterprise-scale SAP estates across hybrid, hyperscaler and private cloud environments, bringing deep operational expertise and automation to optimize performance, resilience and cost. Its cloud-agnostic approach, combined with strong hyperscaler alliances and AIOps-led operations, helps clients secure, modernize and continuously improve SAP workloads. It continues to invest in upskilling its workforce, with over 40,000 certified professionals across AWS, Microsoft Azure and Google Cloud.

Strengths

Leading multicloud delivery expertise: Kyndryl supports SAP on AWS, Azure, Google Cloud, private cloud and on-premises environments with platform-agnostic designs that emphasize workload portability, security and cost optimization. Its hybrid cloud frameworks and SAP-aligned architectures help clients modernize infrastructure while reducing risk during migration and operations.

Leading and robust approach: Kyndryl combines Consult's advisory and architecture leadership with Bridge's operational intelligence and Vital's human-centered design to shape transformations anchored in real-world performance. This integrated model aligns strategy, people and technology, enabling rapid value realization, continuous optimization and more resilient cloud and SAP outcomes.

Strong and integrated partnership approach: Kyndryl maintains strong alliances with hyperscalers and SAP. It leverages jointly developed reference architectures, migration patterns and cloud-native capabilities to support seamless SAP transformations. Customers benefit from consistent governance, improved resilience and multicloud operability backed by SAP-certified expertise.

Caution

Kyndryl's visibility in the U.S. cloud managed SAP market trails competitors with a larger advisory presence. To strengthen its competitive position against key competitors, Kyndryl must expand industry-aligned cloud offerings and accelerate commercial momentum across key accounts.

Appendix

Methodology & Team

The ISG Provider Lens® 2026 – SAP Ecosystem study analyzes the relevant software vendors/ service providers in the U.S. market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

Study Sponsor:
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The research and analysis presented in this report includes research 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. The data collected for this report represent information that ISG believes to be current as of Month 2026 for providers that actively participated and for providers that did not. ISG recognizes that many mergers and acquisitions may have occurred since then, but this report does not reflect these changes.

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

The study was conducted in 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 and use cases
4. Leverage ISG's internal databases and advisor knowledge & experience (wherever applicable)
5. Detailed analysis and evaluation of services and service documentation based on the facts & figures received from providers and other sources.
6. Use of the following key evaluation criteria:
   * Strategy and vision
   * Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * Technology advancements

Lead Author

Tarun Vaid

Manager and Principal Analyst

Tarun has over 12 years of extensive research experience across the ICT domain, including report writing, drafting thought leadership, analyzing IT spending, consulting clients on latest trends and business use cases. Additionally, he has been responsible for delivering end-to-end research projects, working with internal stakeholders in delivering various consulting projects on digital transformation, supply chain transformation, understanding customer feedback and interviewing providers.

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

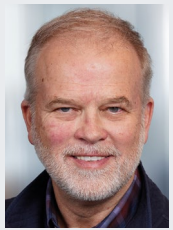
Heiko Henkes

Director & Principal Analyst, Global IPL Content Lead

Heiko Henkes serves as Director and Principal Analyst at ISG, overseeing the Global ISG Provider Lens® (IPL) Program for all IT Outsourcing (ITO) studies alongside his pivotal role in the global IPL division as a strategic program manager and thought leader for IPL lead analysts.

Henkes heads Star of Excellence, ISG's global customer experience initiative, steering program design and its integration with IPL and ISG's sourcing practice. His expertise lies in guiding companies through IT-based business model transformations, leveraging his deep understanding of continuous transformation, IT competencies, sustainable business strategies and change management in a cloud-AI-driven business landscape. Henkes is known for his contributions as a keynote speaker on digital innovation, sharing insights on using technology for business growth and transformation.

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.
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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