IDC MarketScape

IDC MarketScape: Worldwide Data Modernization Services 2024 Vendor Assessment
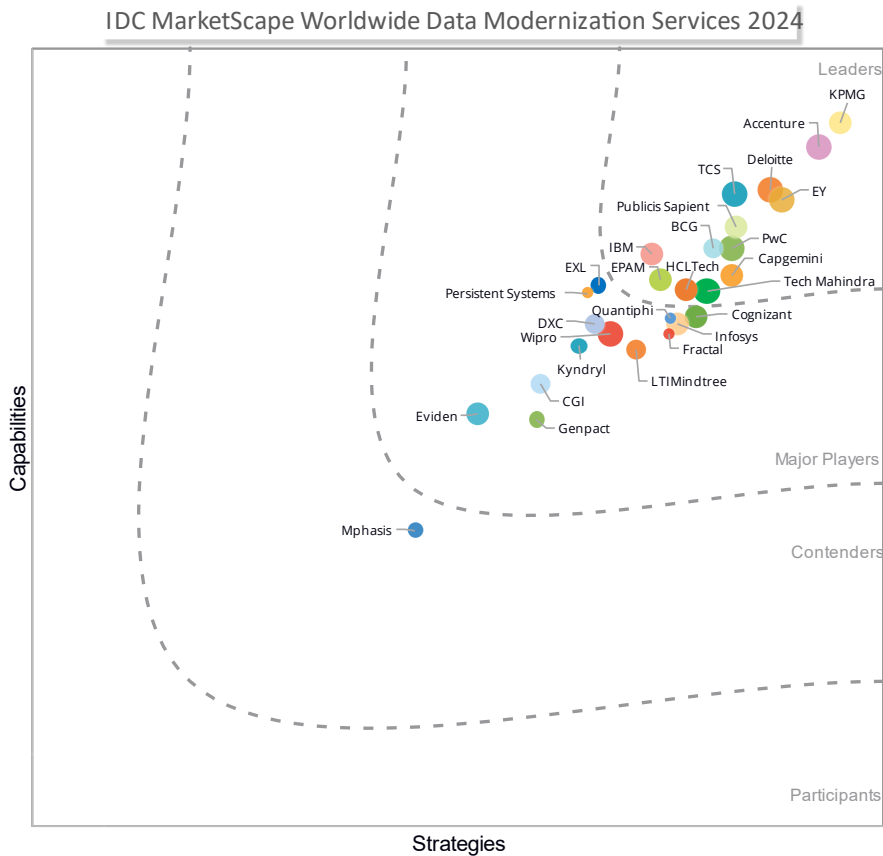
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THIS IDC MARKETSCAPE EXCERPT FEATURES EY

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Data Modernization Services Vendor Assessment

IDC MarketScape Worldwide Data Modernization Services 2024

Source: IDC, 2024

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

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Data Modernization Services 2024 Vendor Assessment (Doc # US51234424). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included are Figure 1, Figure 2 and Figure 3.

IDC OPINION

This IDC study represents a vendor assessment of the 2024 data modernization services market through the IDC MarketScape model. This is the first time IDC has assessed this market. Vendors demonstrate success in the market by both clearly articulating their strategies for enabling clients' data modernization initiatives and readily demonstrating their current capabilities and proof points through existing client engagements.

As organizations look to become data-driven enterprises, they will need comprehensive enterprise intelligence strategies and architectures to ensure data becomes an asset that delivers business value. In *Four Planes of Enterprise Intelligence Architecture: A Conceptual View into the Data Plane, Data Control Plane, Data Analysis Plane, and Decisioning Plane* (IDC #US50793023, June 2023), IDC recommended that organizations focus their enterprise intelligence strategies to be top down from the decisioning plane to the data plane, as we have observed many organizations doing the opposite and ending up with projects resulting in great data management technology solutions that are disconnected from the ultimate goal of improving decision velocity. However, each plane depends on the performance of the planes below it.

IDC research across worldwide buyers of external enterprise intelligence services indicates that organizations are most challenged by capabilities related to the data control plane (e.g., data security and governance, data quality and access), which are particularly critical to the success of overall enterprise intelligence efforts. Foundational technologies such as data management, data infrastructure (including cloud, on premises, and/or hybrid), and data governance and control are focus areas for investment in the next 18 months. As capabilities in these areas mature, organizations are better positioned to move past foundational technology elements and invest in artificial intelligence (AI) to detect changes and identify long-term patterns from large data sets and event data streams, forge connections among disparate data stores, surface recommendations and actions to end users, and automate business processes.

In this assessment, IDC evaluated data modernization services vendors across scoring criteria and collected feedback from customers on their perception of the key characteristics and the capabilities of these vendors. Key findings include:

- The most critical vendor attribute for successful data modernization services engagements, according to IDC's *Data Modernization Services Buyer Perception Survey,* was "achievement of desired business outcomes." The perceived priority of this attribute over all others is consistent with other vendor evaluations IDC has completed in adjacent markets such as AI services, intelligent automation services, and business analytics services. As such, a critical aspect of this assessment involved evaluation of vendors' case studies and examples of business outcomes delivered to their data modernization services clients.

- When customers were asked about the primary business objective driving their engagement of their data modernization services vendor, at a worldwide level, the most frequent responses were "increased operational efficiency," "improved business agility," and "revenue growth." One-quarter of the customers we surveyed said they achieved 30% or greater improvement in measurable KPIs from their data modernization services engagement.

- The top-rated vendor attribute by customers, in aggregate, was the ability to "provide data engineering (movement, replication, matching, transformation, federation, and cleansing)," followed by the ability to "provide solutions using our preferred technology providers." This aligns with IDC's evaluation of offering strategies around data plane and data control plane as top areas of strength on average across data modernization services vendors.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This research includes analysis of data modernization services providers with global scale and broad portfolios spanning IDC's research coverage. This assessment is designed to evaluate the characteristics of each firm — as opposed to its size or the breadth of its services. In determining the group of vendors for analysis in this IDC MarketScape, IDC considered the following set of inclusion criteria:

- Worldwide data modernization services revenue of at least $100 million over the last calendar year, with revenue generated in each major geographic region (i.e., Americas, EMEA, and Asia/Pacific)
- Offerings across the life cycle of data modernization services (e.g., project-based, managed, support, and training)
- Offers its own software (e.g., tools, platforms, or other proprietary assets) as part of data modernization services portfolio
- Go-to-market alliances with a range of data management software providers

ADVICE FOR TECHNOLOGY BUYERS

- **Maturity and business case assessment.** Expect services firms to assess your organization's data maturity and meet you where you are on your data modernization journey. Whether your current focus happens to be legacy data migration and rationalization, implementing new practices for data governance and DataOps, building data products for internal or external use, or bolstering your data foundation for AI or GenAI adoption, a good services partner will help you focus on what business outcomes you could achieve through better decisions, then work backward to determine the right data plane and data control plane investments to support better decision intelligence. Look for consulting frameworks and ROI models that focus on achieving your specific business objectives in the short term — efficiently and cost effectively — while preparing for the next stage of enterprise intelligence transformation. But beyond frameworks, be sure your provider truly understands your organization's business context and technology landscape and that its vision and approach align with your objectives in terms of speed, cost, and resource requirements. Ask providers to share examples of data modernization work they have done with organizations like yours, and then evaluate both the quality of the outcomes delivered and the provider's understanding of your organizations' data modernization needs.

- **Modern data architecture, delivery tools, and platforms.** Seek providers that demonstrate an understanding of how to modernize your data environment while leveraging your existing technology investments, create architectures that connect the various technology components, and address common services needs across planes of the enterprise intelligence architecture. IDC's extensive research has not yet identified a single technology vendor that delivers all necessary technology components of the enterprise intelligence architecture, nor do we believe these components must be contained within a single platform. That said, our research shows that many buyers of external services for enterprise intelligence initiatives seek preconfigured technology stacks to minimize technical complexity. Seek a provider that has invested in platforms, workbenches, and other IP assets that accelerate the implementation process and deliver additional value. These can include API connectors for partner software solutions; simplified provisioning, monitoring, and management of system resources; security, integration, and governance across diverse data sources; support for knowledge management and collaboration among different data stakeholders; automated workflows; and FinOps capabilities. Also take note of how providers use AI and GenAI to accelerate and improve their delivery of data modernization services.

- **Stakeholder alignment.** According to IDC's *Data Modernization Services Buyer Perception Survey,* the most common project sponsors for data modernization services were CIOs/CTOs, information technology (IT) directors and managers, and chief analytics/data officers, who, combined, made up nearly 60% of responses. However, customers also rated "functional insights and competency" as one of the top 10 most critical attributes for data modernization services engagement success. Choose a vendor that can work across IT, business, and data teams to address key data modernization pain points, such as breaking unnecessary data silos, standardizing business processes, implementing data governance policies, and improving data quality and availability. Seek out vendors that not only speak with budget holders but also communicate effectively with engineering teams and end users, who need to consume high-quality data at speed and scale for business decision-making, through interviews, workshops, and change management programs.

- **Expertise and working relationship.** A common theme across the buyer interviews and surveys IDC conducted for this assessment was the importance of vendors' demonstration of expertise in domain, data, and technology in selecting their data modernization services partners. Another common theme was that having enough skilled resources to meet aggressive project timelines or to address unique expertise needs can be a challenge. Look for vendors that can provide the delivery scale you need, as well as the flexibility to adjust as project needs change while maintaining continuity and transferring knowledge to your internal teams.

- **Vendor selection.** Use this IDC MarketScape in contract negotiations and as a tool to not only short list vendors for data modernization services bids but also evaluate vendors' proposals and oral presentations. Make sure you understand where these players are truly differentiated and take advantage of their expertise, technical, industry base, or otherwise.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

EY

After a thorough evaluation of EY's strategies and capabilities, IDC has positioned the company in the Leaders category in this 2024 IDC MarketScape for worldwide data modernization services.

EY's Data and AI Transformation practice applies expertise in sectors and domains, data and knowledge management, and technology innovations to assist organizations in implementing modern data environments. EY's approach to data modernization has evolved from the firm's 2019 vision of the transformational value of ontologies and semantics to now focusing on creating AI-ready data, which integrates domain knowledge, rich metadata, context, and governance, enhanced by technology capabilities such as data agents, data security and architecture, and data storage and management made relevant to specific sectors and domains. The firm uses its foundational global technology acceleration platform, EY Fabric, to provide a suite of proprietary assets, including platforms such as EY Cloud Data Studio and Intelligent Semantic Engine, sector- and domain-specific solutions such as EY Nexus for Banking and EY DEEP: Digital Energy Enablement Platform, and data modernization life-cycle enablers such as Data Migration Factory and EY Raptor Data Validation. EY has also created AI agents within the firm's EY.ai EYQ ecosystem of GenAI capabilities to enable its practitioners to deliver data modernization services more quickly, assisting with tasks such as synthetic data creation and data cleansing and mapping.

Strengths

IDC considers EY's strategies around offerings, client adoption, portfolio, go-to-market alliances, and innovation and R&D as key strengths. EY also showcased strengths in achieving business outcomes for clients with data modernization services through case studies across a variety of industries and business functions. Customers highly regard the company's ability to integrate EY's project team with their internal team, provide data engineering, and deliver across the life cycle of data modernization services.

Challenges

IDC believes EY's marketing strategy, though strong overall, could be improved further by addressing a broader range of themes and organization levels (including managers and end users) in the company's data modernization services market messaging. EY could also benefit from increasing the share of data modernization services clients that are consuming the company's IP-based tools and assets.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category

focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.
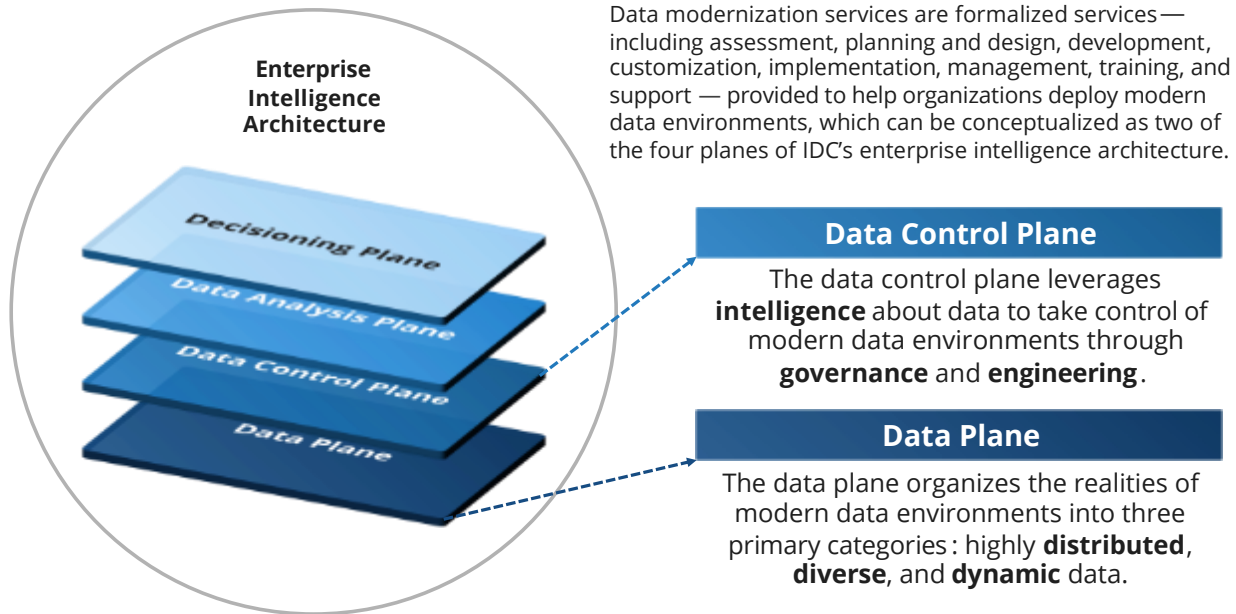
Market Definition

IDC defines data modernization services as formalized services — including assessment, planning and design, development, customization, implementation, management, training, and support — provided to help organizations deploy modern data environments.

IDC conceptualizes the enterprise intelligence architecture as having four planes: the data plane, the data control plane, the data analysis plane, and the decisioning plane. For more information, see *Four Planes of Enterprise Intelligence Architecture: A Conceptual View into the Data Plane, Data Control Plane, Data Analysis Plane, and Decisioning Plane* (IDC #US50793023, June 2023). This assessment focuses on services around two of the four planes of the enterprise intelligence architecture (see Figure 2).

FIGURE 2

Data Modernization Services

Data modernization services are formalized services — including assessment, planning and design, development, customization, implementation, management, training, and support — provided to help organizations deploy modern data environments, which can be conceptualized as two of the four planes of IDC's enterprise intelligence architecture.

Enterprise Intelligence Architecture

Decisioning Plane
Data Analysis Plane
Data Control Plane
Data Plane

Data Control Plane

The data control plane leverages **intelligence** about data to take control of modern data environments through **governance** and **engineering**.

Data Plane

The data plane organizes the realities of modern data environments into three primary categories: highly **distributed**, **diverse**, and **dynamic** data.

Source: IDC, 2024

Detailed definitions of the data management software tools and platforms that are relevant for Data Modernization Services engagements are available in *IDC's Worldwide Software Taxonomy, 2024* (IDC #US52000924, April 2024). This assessment does not cover services related to deployment of BI/analytics, AI, or intelligent automation software.

Customer Perceptions of Data Modernization Services Vendors

A significant and unique component of this evaluation is the inclusion of the perceptions of data modernization services buyers of both the key characteristics and the capabilities of the vendors evaluated. The buyers participating in IDC's *Data Modernization Services Buyer Perception Survey* have partnered with at least one of the participating vendors directly on a data modernization services engagement within their company. The survey findings highlight key areas where buyers expect data modernization services providers to showcase a range of capabilities. The buyers consider these capabilities a must-have for data modernization services to be able to fulfill the requirements of many business and IT issues that challenge the buyers.

Figure 3 illustrates the order of factors important for a successful data modernization services engagement for the data modernization services customers surveyed in 2024. Survey findings suggest that the ability to achieve desired business outcomes by the

consulting and delivery teams working on a data modernization services engagement is the most critical factor for the successful completion of the engagement. Customers also indicated a vendor's ability to provide security, privacy, governance, and regulatory compliance; provide quality skills in and knowledge of data modernization; provide availability of timely data and insight for decision-making; and provide technical insights and competency to be among the most critical attributes for an engagement's success.

FIGURE 3

Top 10 Factors for Successful Data Modernization Services Engagements, 2024

Q.   For a data modernization services engagement to be successful, please indicate the importance of each of the following characteristics.

n = 69

Note: Mean scores are based on a scale of 1–5, where 1 is highly detrimental to success and 5 is essential to success.

Source: IDC's *Data Modernization Services Buyer Perception Survey*, 2024

Related Research

- *Worldwide Enterprise Intelligence Services Forecast, 2024–2028* (IDC #US51423624, July 2024)
- *The Professional Services Opportunity in Enterprise Intelligence Architecture* (IDC #US50755424, June 2024)
- *Data Management Services Findings from Enterprise Intelligence Services Survey, 2023* (IDC #US50755224, January 2024)
- *IDC FutureScape: Worldwide Services 2024 Predictions* (IDC #US51284223, October 2023)
- *IDC FutureScape: Worldwide Future of Enterprise Intelligence 2024 Predictions* (IDC #US51293423, October 2023)
- *Market Analysis Perspective: Worldwide Enterprise Intelligence Services, 2023* (IDC #US50081723, September 2023)
- *IDC Market Glance: Enterprise Intelligence Services, 3Q23* (IDC #US50754823, August 2023)
- *Four Planes of Enterprise Intelligence Architecture: A Conceptual View into the Data Plane, Data Control Plane, Data Analysis Plane, and Decisioning Plane* (IDC #US50793023, June 2023)

Synopsis

This IDC study represents a vendor assessment of the data modernization services market through the IDC MarketScape model. This assessment discusses both quantitative and qualitative characteristics that explain success in the data modernization services market. This IDC MarketScape covers a variety of vendors participating in the data modernization services space. The evaluation is based on a comprehensive and rigorous framework that assesses vendors relative to the criteria and to one another and highlights the factors expected to be the most influential for success in the market in both the short term and the long term.

"Whether driven by AI adoption or not, data modernization services are a critical component of organizations' strategies to become more efficient, agile, and growth-oriented businesses," says Jennifer Hamel, senior research director, Enterprise Intelligence Services at IDC. "This study spotlights 27 vendors that have established themselves as trusted partners for navigating the complexities of data modernization and continue to expand and evolve their portfolios to meet organizations' future needs across the enterprise intelligence architecture."