

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

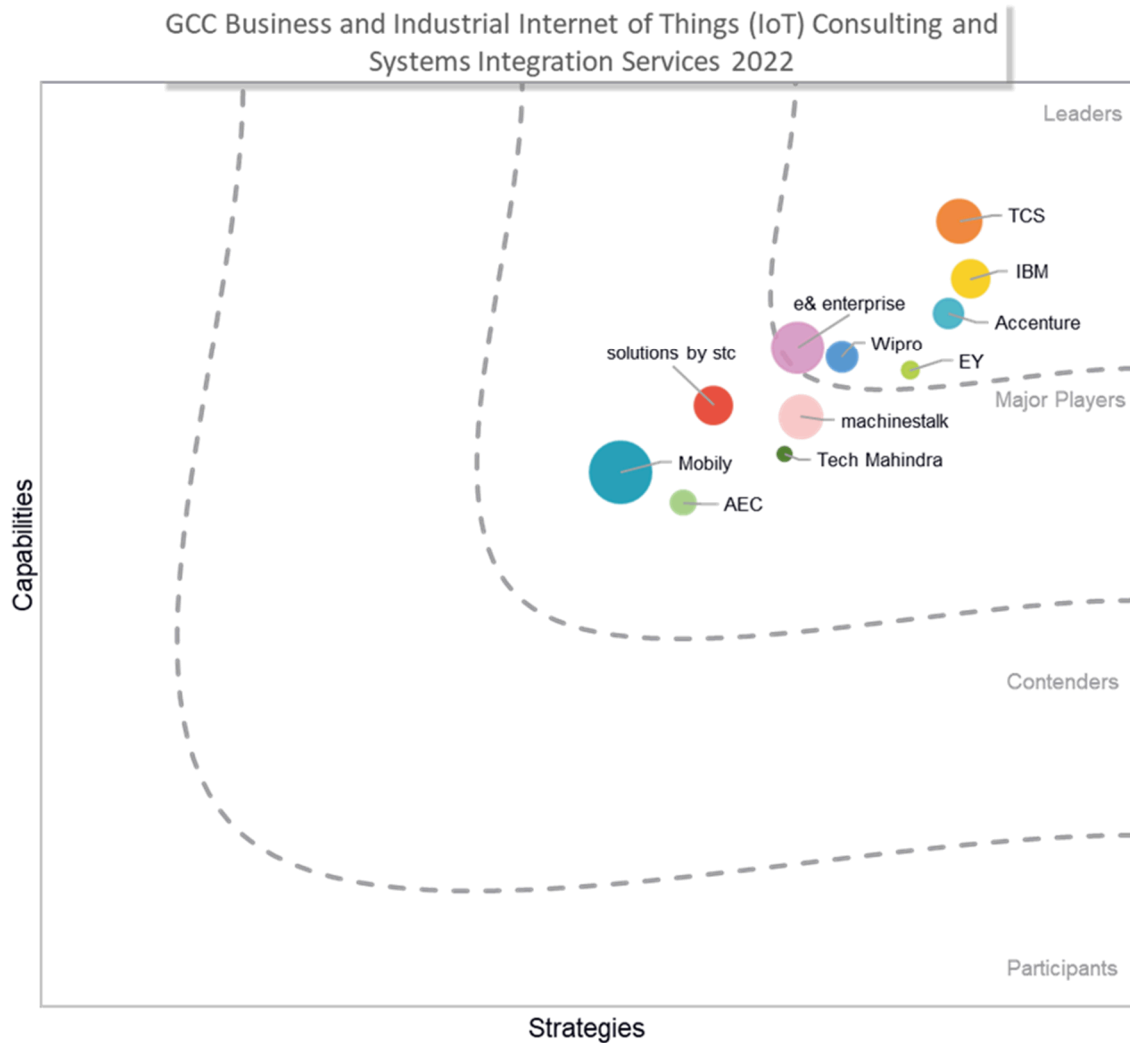
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IDC MARKETSCAPE FIGURE

FIGURE 1

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



Source: IDC, 2022

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

IDC OPINION

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

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

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

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

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

services project. Each enterprise should take into consideration its own objectives and requirements to determine which firms should be considered as potential candidates for an engagement.

ADVICE FOR TECHNOLOGY BUYERS

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

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

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

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

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

- Clearly identify your business objectives or goals in terms of your current IoT infrastructure. Ask the provider to explain how the recommended strategy or implementation fits into your overall business and aligns with what your customers expect from you. Also ask about the ROI.
- Ensure that shortlisted service providers have experience in IoT consulting and integration services within your industry. Evaluate vendor ecosystems (partnerships with technology firms and other stakeholders) and discuss relevant completed projects or ongoing relationships.
- Do not shy away from asking your provider if you need help with ROI or other tools that provide an understanding of the benefits of these implementations. This will assist you in securing new budgets or extending existing budgets. Running a real-world proof of concept (POC) or proof of value (POV) with your provider will help establish a business case for such investments.

- Do not look at IoT in isolation; instead, look at it as a key enabling technology together with edge, cloud, AI services, AR/VR, and autonomous systems. Explore the technologies based on the end outcomes. Build a road map in consultation with your service provider to implement relevant technologies and make use of systems integration and managed services.
- Identify areas of your operation where security can never be compromised and ensure your IoT service provider has the experience and competency to consult and integrate secure operations and infrastructure.
- Wherever applicable, explore any recommendations the provider makes regarding your current situation or aspirations for combined IT and operational technology (OT) infrastructure.
- Gauge the service provider's ability to provide flexible pricing models that will support you in securing budget approvals from management. In addition to traditional project-oriented pricing models, pricing options should include transaction-based/outcome-based, subscription, and opex models.

VENDOR SUMMARY PROFILES

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

TCS

TCS is positioned in the "Leaders" category of this GCC IDC MarketScape for business and industrial IoT consulting and systems integration services vendor analysis, 2022.

TCS is part of the Tata Group, one of India's multinational business groups. The company offers business and industrial IoT consulting and systems integration services, and it has a notable presence across the GCC region in industries such as manufacturing, telecommunications, consumer packaged goods, energy and resources, transportation, logistics, utilities, government and public services, retail, healthcare, and hi-tech.

TCS's IoT solutions are aligned to drive business and operations transformation for customers, with an emphasis on enabling change across distinct functions of organizations. The company guides customers strategically through value-discovery consulting workshops to understand their enterprise-wide business objectives and challenges and to chart a technology road map to meet these objectives. TCS then helps its customers on their business and operations transformation journey to achieve greater visibility, efficiency, and decision-making capability by deploying solutions such as connected assets, connected products, smart manufacturing, connected supply chain, connected workers, and Smart Cities.

To help enterprises plan, build, run, and scale their IoT services, TCS has launched an IoT business framework called "Bringing Life to Things", which consists of use cases that deliver business value and build predictive, self-aware systems that can transform an organization with the help of its ecosystem partners. The company offers these capabilities and delivers results using a variety of pricing and delivery models. To deliver business results through a partnered solution model, TCS has established global partnerships with Microsoft, AWS, Siemens, Intel, Here Technologies, PTC, Cisco, Airtel, and GE. Additionally, it has partnered with key global communications, device, and sensor vendors. The company has undertaken co-innovation or co-development initiatives with end-user organizations within the engineering, transportation, and utilities industries in the GCC region. Using its global innovation centers, research and development (R&D) labs, and customer excellence centers, TCS supports customers in

demonstrating the business value of IoT project investments by means of POCs, POVs, and ROI analysis. TCS's global centers of excellence (COE) on edge computing, AR/VR, industrial analytics, platforms, robotic automation, and cybersecurity help it to solve customers' digital transformation problems and enable end-to-end IoT implementation. This approach ensures IoT scalability and positive business value across companies within the GCC region.

Strengths

Buyers rated TCS highly in terms of its business and industrial IoT consulting and systems integration services, the company's delivery capabilities, its ability to offer flexible pricing options, and the perceived value for money, innovation capabilities, and communication. These factors have encouraged buyers to spend more with the vendor. TCS also rated highly in terms of its ability to provide support at customers' operation locations. IDC considers TCS's strengths to be its portfolio enhancement strategy, R&D efforts, customer engagement, and service delivery.

Challenges

TCS should invest in enhancing its delivery automation tools and further growing non-labor-based revenues in the GCC region. Additionally, TCS should intensify its sales efforts in the region to gain more market share. It could also continue expanding its delivery teams in the region and retain top talent in the market. This would increase customer confidence and ensure quality in IoT project delivery.

IBM

IBM is positioned in the "Leaders" category of this GCC IDC MarketScope for business and industrial IoT consulting and systems integration services vendor analysis, 2022.

The company has organized IoT, AI, and data services into a single unit, the Cognitive Business Decision Support consulting practice, to deliver holistic, platform-agnostic solutions. IBM has an established presence in manufacturing, supply chain and inventory optimization, and smart buildings; it has also invested in IoT assets and services for the energy and utilities, oil and gas, travel and transportation, and government sectors in the GCC region. The company is planning to further strengthen its partnership network in the GCC region to develop joint delivery capabilities for IoT-enabled asset optimization, Industry 4.0, and smart building solutions by combining its delivery capabilities for AI, edge analytics, and blockchain.

IBM's research labs and design studios in the region encourage co-creation and co-innovation. The company adopts flexible pricing models such as opex models, as-a-service models, T&M models, and outcome-based models for IoT consulting and systems integration services projects. The company plans to intensify its sales and marketing efforts to enhance its market position in the GCC region. Its marketing strategy includes publishing thought leadership material, participating in regional industry events such as ADIPEC and GPCA, and hosting branded events such as IBM Think to spread awareness of its IoT delivery capabilities. Due to its limited customer pool, IBM is focused on retaining existing customers and generating additional revenue through continuous engagement. IBM demonstrates its value proposition by running POCs with minimal or even zero initial investments and by driving incremental revenue opportunities from existing customers.

Strengths

Buyers lauded IBM for its ability to provide superior engagement value and use more efficient tools and methodologies for delivering IoT consulting and systems integration services, as well as for its delivery automation. Customers also recognized IBM's communication on IoT-specific insights, service innovation capabilities, and the breadth, depth, and scale of relevant services talent. They rated IBM highly for its ability to provide onsite support and manage staff turnover during the life cycle of an IoT services project.

Challenges

IBM should focus on strengthening its sales capabilities in the GCC region with a dedicated workforce to sell IoT services. It should also look to enhance its growth execution strategy by expanding its partnership ecosystem and joint sales activities. Furthermore, the company needs to improve its value-for-money proposition when compared with some of its direct competition in the GCC region.

Accenture

Accenture is positioned in the "Leaders" category of this GCC IDC MarketScape for business and industrial IoT consulting and systems integration services vendor analysis, 2022.

Industry X is Accenture's approach to leveraging digital technologies such as IoT, analytics, AI, robotics, 3D printing, and digital twin to reinvent clients' businesses. It provides an end-to-end framework and a cross-functional set of capabilities and resources to operationalize digital innovation across clients' businesses at every stage of product and service development. Accenture also offers over 40 solutions and accelerators in areas such as engineering, manufacturing system deployments, production and operations from digital plant, digital worker, AI/ML-driven use cases to drive production improvements requiring connectivity, and new smart products and solutions with embedded features to deliver data-driven insights.

Accenture is focusing on its IoT services for industries such as communications, media, technology, energy, utilities, oil and gas, manufacturing (including automotive), consumer goods, healthcare, government, and financial services. The company guides customers strategically using an innovation-led approach, in which it combines the capabilities of its research, ventures, labs, innovation centers, and delivery centers to help end users imagine their future IoT solutions. Accenture's Industry X Innovation Network is used to rapidly develop and test solutions. The company then helps its customers on their business and operations transformation journey through its IIoT strategy and consulting services and IoT systems integration services. In addition to making targeted company acquisitions, Accenture has forged strategic partnerships with IoT platform vendors such as Microsoft, AWS, Google, SAP, PTC, Siemens, Rockwell, and GE for technology development and implementations. Additionally, it continues to allocate dedicated IoT R&D budgets and expand its R&D and innovation centers in the GCC region.

Strengths

Buyers identified several strengths for Accenture across many different capabilities, including its portfolio of services, range of pricing models, and innovation capabilities in the GCC region. IDC recognizes Accenture for its plans to address customers' business and technology priorities, for its frameworks, and for the breadth and depth of IoT services it offers. The company's participation in prestigious projects such as Expo 2020 in Dubai and the ongoing Red Sea project in Saudi Arabia will enhance its visibility within the enterprise and government sectors of the GCC region.

Challenges

IDC believes Accenture should strengthen its market position in the region by investing in its sales and delivery teams. The company should also enhance its offering strategy by increasing pricing and engagement options to improve customer stickiness and encourage customers to spend more with the vendor. Accenture could also explore more joint sales opportunities specific to the GCC region to increase its visibility and expand its market share in the region. Additionally, the company should focus on hosting and participating in more IoT-specific technology or industry events, creating awareness of its delivery capabilities, and demonstrating enhanced delivery efficiency.

EY

EY is positioned in the "Leaders" category of this GCC IDC MarketScape for business and industrial IoT consulting and systems integration services vendor analysis, 2022.

EY positions itself as a firm that creates long-term value for customers by being client-centric, attracting exceptional talent, and transforming businesses using data and technology. The company's consulting organization is structured across three pillars, namely business consulting, technology consulting, and people consulting. The company's IoT offerings are segmented by industry and accelerator solutions, which support clients in innovating, as well as in adopting and deploying IoT. Components within each of the solutions include technology consulting, systems integration services, and managed services. EY's IoT offering strategy is driven by the company's global IoT network of excellence, a dedicated network to grow the ecosystem of clients, partners, and start-ups and bring sophisticated end-to-end IoT business solutions to the market. The company has an IoT footprint in sectors such as power and utilities, oil and gas, consumer products and retail, technology, media, and telecommunications, life sciences and healthcare, financial services, automotive, and government and public services. EY is also pursuing IoT-enabled cross-sector solutions.

EY's more than 50 global innovation centers, known as "EY wavespace" and including a center in Dubai, are a network of makers' environments that combine business strategy, design thinking, and the necessary digital and technological expertise to rapidly prototype and bring innovative client ideas to life. They provide a platform to co-innovate and co-develop, leveraging EY's ecosystem and local start-ups. The company serves large multinational organizations and medium-sized companies. The company has also formed alliances and ecosystem relationships with organizations such as Adobe, BlackLine, Blue Prism, Cisco, Dell EMC, Infosys, IBM, ServiceNow, SAP, and Microsoft. This enables EY and its clients to tap into the collective innovation and capabilities of these organizations.

Strengths

According to buyers, EY's overall IoT consulting and systems integration delivery competency is strong. They also liked EY's breadth and depth of services and the competency of the delivery team. Furthermore, they highly rated EY's communication and engagement capabilities, flexible pricing models and perceived value for money charged, innovation capabilities, and the company's talent management measures.

Challenges

EY should focus on strengthening its presence in the region, both in terms of sales and delivery capacity. The company should consider enhancing its partner ecosystem and joint sales opportunities within the GCC region. It should offer decision-making tools and ROI models to help customers make a stronger case for IoT services spending with internal stakeholders.

Wipro

Wipro is positioned in the "Leaders" category of this GCC IDC MarketScape for business and industrial IoT consulting and systems integration services vendor analysis, 2022.

Wipro's IoT vision is to transform enterprise businesses, services, and processes while enhancing customer experience. The company's IoT engineering services and solutions span all the major industry segments, including manufacturing, energy and utilities, healthcare, and life sciences, which are supported by on-the-ground delivery teams to provide business and industrial IoT strategy and consulting services, engineering services, and managed services.

Wipro's IoT-led digital transformation approach is focused on bringing together end-to-end capabilities and solutions for customers and assisting them in all aspects of IT-OT integration through product engineering. This includes edge IoT engineering services, hardware services, IoT platforms, applications development, advanced data analytics and artificial intelligence, enterprise systems integration, IoT security services, and remote command center operations. Wipro has built a partnership ecosystem with Microsoft, AWS, GE, PTC, PWC, IBM, Google, and more in the IoT value chain to deliver solutions in line with evolving customer needs and technological advancements.

Globally, including in the GCC region, Wipro uses a five-step consulting framework, the cEffectus end-to-end services development framework, and the cSculptor service delivery framework to standardize its IoT service delivery. In addition to other delivery models, Wipro claims it can provide co-invest/co-build models for its clients. Additionally, Wipro demonstrates business value for its IoT project investments, with approximately 15 R&D labs, the Thinkspace IIoT incubation center with PTC, COEs, and Industry 4.0 solutions teams globally. While its R&D activities continue, Wipro aims to run rapid real-world POCs and POVs to demonstrate its value proposition. With over 35 years of engineering DNA combined with broad service delivery capabilities, Wipro promises innovative IT/OT solutions and delivers enhanced value to customers.

Strengths

Clients rated Wipro highly in terms of the breadth, depth, and scale of relevant IoT consulting and systems integration services talent, its overall delivery capabilities, its ability to provide onsite support within the GCC region, its flexible pricing models, and value for price charged. As a result, buyers expressed plans to increase their spending with Wipro.

Challenges

Wipro should focus on improving its sales capacity in the GCC region and support clients in securing additional budget from their management for IoT projects. Wipro should re-evaluate its billing rates and identify opportunities to increase its rates to match those of its direct competition in the GCC region. Additionally, the company needs to intensify its marketing, R&D, sales, and distribution activities in the GCC region.

e& enterprise

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

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

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

e& enterprise has created the necessary tools to automate some of its delivery processes, along with methodologies and frameworks to deliver end-to-end IoT projects. It is implementing a plan to significantly increase its capabilities around data analytics and AI, and to improve its user interface

development and delivery capabilities. Additionally, the company plans to venture into new markets through both organic and inorganic means to deepen its capabilities and increase its footprint across the wider MEA region. The company has an IoT partner program to bring new partners into its ecosystem to co-create IoT solutions and explore joint sales opportunities. e& enterprise has opened innovation centers and co-creation labs in Dubai and Abu Dhabi to showcase its digital services delivery capabilities and co-create IoT solutions with its customers.

Strengths

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

Challenges

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

machinestalk

machinestalk is positioned in the "Major Players" category of this GCC IDC MarketScape for business and industrial IoT consulting and systems integration services vendor analysis, 2022.

The company boasts an IoT platform, IoT consulting and systems integration service capabilities, and strong technical support capabilities. machinestalk is a pioneer of IoT services in Saudi Arabia and has been developing its platform and solutions delivery capabilities over the past 15 years. The company has developed both business-to-business (B2B) and business-to-consumer (B2C) solutions. It offers over 18 IoT solutions for organizations in industries such as logistics and transportation, oil and gas, manufacturing, smart buildings, communities, and Smart Cities.

The company has in-house capabilities to develop IoT and analytics applications on its open-source platform. It also possesses the necessary skills to provide IoT consulting and on-premises implementation projects. It has over 35 partnerships with OEMs, satellite communication providers, and third-party platform and application providers. This includes strong partnerships with third-party platform vendors such as Microsoft and Google, DeLorme for tracking solutions, and satellite communication services providers such as Orbcomm and Inmarsat. It has also forged partnerships to implement large-scale connected car solutions in Saudi Arabia by 2022. machinestalk believes in showcasing the value of IoT solutions by carrying out POCs, demonstrating in-house R&D skills, and using custom solution development skills to meet specific customer requirements.

Strengths

Clients lauded machinestalk for the quality of its IoT services. Customers have also rated the company highly in terms of its breadth, depth, and scale of relevant IoT consulting and systems integration services talent and its ability to provide onsite support. The company's LoRa Alliance membership has helped it to win a prestigious project with the Red Sea Development Company to roll out a LoRaWAN network and to deliver staff identification solutions.

Challenges

machinestalk should explore additional joint marketing and sales projects with partners to grow its market share in Saudi Arabia. The company should further enhance its marketing and communication activities to spread awareness of IoT solutions and position itself strongly in the local market. It also needs to implement more measured initiatives to attract and retain the top talent in the market.

solutions by stc

solutions by stc is positioned in the "Major Players" category of this GCC IDC MarketScope for business and industrial IoT consulting and systems integration services vendor analysis, 2022. solutions by stc is the systems integration and digital services arm of the stc group and went to an IPO in 2021.

solutions by stc has partnerships with OEMs, other systems integrators, and cybersecurity providers, both locally and globally. It operates across the IoT value chain, including strategy, consulting, design, deployment, and systems integration and management services in sectors including oil and gas, telecommunications, banking, government, education, healthcare, and real estate. Over time, the company has expanded its delivery capabilities by adding skilled manpower, partnering with technology vendors, developing off-the-shelf IoT solutions, and intensifying its sales and marketing efforts. The company's off-the-shelf IoT products include fleet management, video surveillance services, mobile point of sales, digital signage, asset management, and staff identification.

The company's R&D team has been focusing on developing platforms and analytics software. solutions by stc also highlights its abilities in terms of solution prototyping, implementation, the integration of big data and AI/ML applications, and security solutions as part of its broader IoT portfolio. The company takes a consultative sales approach to understanding clients' business requirements, designing and developing customized solutions to meet requirements. The company also highlights its ability to co-create IoT solutions to meet specific business requirements. Its off-the-shelf IoT solutions are scalable and available under different payment models, including subscription models.

Strengths

As part of the stc group, solutions by stc has access to the large customer base and the connectivity services offered by stc in Saudi Arabia. Buyers rated the company highly for its capabilities in terms of portfolio and delivery, delivery automation, pricing models, marketing and communication, growth execution, innovation and R&D, and talent and talent management.

Challenges

solutions by stc should further intensify its IoT growth strategy. It should start creating proprietary tools and methodologies to encourage customer adoption. The company should also start targeting small and medium-sized businesses (SMBs) in addition to the enterprise and government segments, with a wider selection of industrial IoT solutions and intensified sales and joint sales efforts. Furthermore, it should focus on developing an IoT-specific customer engagement and retention strategy.

Tech Mahindra

Tech Mahindra is positioned in the "Major Players" category of this GCC IDC MarketScope for business and industrial IoT consulting and systems integration services vendor analysis, 2022.

Tech Mahindra offers IoT consulting and systems integration services across the GCC region. The company has a comprehensive portfolio of verticalized solutions classified under a wide range of industry verticals. Its consulting services include maturity assessment, marketing benchmarking, partner selection, ROI analysis, project charter and road mapping, security assessment, user experience design, use case identification, process assessment, and change management.

The company is adopting IP-led growth and an agile delivery approach in the areas of digital twin, connected supply chain, asset performance management, engineering and analytics, smart infrastructure, and Industry 4.0 solutions to strengthen its position in the GCC region. It uses automated zero-touch provisioning services for IoT devices, device testing tools, and proprietary IoT tools and platforms. It promotes COE engagement models for minimum viable product (MVP) creation, piloting, hypothesis testing, and scaling of IoT deployment projects.

Tech Mahindra believes in leveraging its frameworks, platforms, labs, and other targeted investments to fulfill the business needs of organizations amid changing market conditions. It has also implemented an internal transformation project known as DAVID (short for Digital, Automation, Verticalization, Innovation, Disrupt) to achieve greater delivery excellence. Additionally, the company has go-to-market partnerships with global technology vendors such as PTC, Microsoft, AWS, Siemens, Software AG, IBM, Intel, and Cisco. Tech Mahindra's R&D centers and COEs are mostly located in India. However, the company leverages these facilities centrally for R&D requirements in other regions, including the GCC region. It is also planning to leverage these facilities to develop innovative solutions for the healthcare, telecommunications, oil and gas, energy and utilities, travel, transport and logistics, ports, government, and retail sectors across the region.

Strengths

Buyers rated Tech Mahindra highly for the strength of its IoT consulting and systems integration delivery competency and its ability to provide onsite support. Additionally, customers highly rated Tech Mahindra's flexible pricing models and perceived value for money charged. Most importantly, customers' increased spending indicates their interest in continuing to work with Tech Mahindra.

Challenges

Tech Mahindra should focus on strengthening its presence in the region, in terms of both sales and delivery capacity. The company should consider increasing its overall sales efforts and partnership network to grow its market share in the GCC region. Tech Mahindra should also increase its marketing and communication activities to create awareness of the delivery and innovation capabilities and the breadth, depth, and scale of relevant IoT consulting and systems integration services talent available in the GCC region.

AEC

AEC is positioned in the "Major Players" category of this GCC IDC MarketScape for business and industrial IoT consulting and systems integration services vendor analysis, 2022.

In 2021, AEC was acquired by Saudi Arabian Military Industries, which is a wholly owned subsidiary of the Public Investment Fund. AEC primarily caters to the electronics, ICT, and security needs of organizations in the Saudi defense, aerospace, and energy industries. Its primary functions include the research and development, designing, manufacturing, assembling, and testing of various types of electronics equipment, circuit boards, and implementation services.

AEC is continually developing its portfolio of offerings in the IoT domain through R&D activities. Its IoT-specific solution is primarily focused on advanced metering infrastructure, asset tracking solutions, and environmental monitoring solutions. The company has partnered with over 40 local

and global OEMs and software and platform providers. Together with its partners, it assesses emerging market needs and aligns its sales, delivery, and strategy with those needs. Thus, AEC aspires to be at the forefront of innovation. The company assists clients with customized solutions based on open architecture, integrating these solutions with legacy systems to automate business processes, drive process efficiencies, and reduce costs. The company is working on a strategy for more attractive payment models, including subscription-based IoT delivery models. Given the nature of the strategic projects in which it is involved, AEC is focused on developing its delivery capabilities in-house to cater to clients' requirements.

The company intends to move away from being a licensed infrastructure services provider to being a digital transformation partner by embracing automated processes. It has marketed its IoT, managed security, and automation solutions at regional events such as GITEX, Government Congress, DX Saudi Arabia, and the International Defense Exhibition and Conference.

Strengths

IDC recognizes AEC's strong portfolio and delivery capabilities, growth execution capabilities, and Saudization initiatives that have strengthened its brand image. Buyers feel that AEC has some good overall IoT consulting and systems integration services capabilities. The company was rated highly for its breadth, depth, and scale of relevant IoT consulting and SI services talent, as well as its ability to provide onsite support. As such, end users have shown high levels of interest in increasing their spending with AEC.

Challenges

AEC should focus on further improving its product innovation and services delivery automation capabilities. It should also develop its sales and distribution strategy, a strategy for offering flexible pricing models, and an employee retention strategy. Furthermore, AEC should start demonstrating its capabilities across all major industry verticals, as it appears that awareness of the brand is currently limited to certain industries.

Mobily

Mobily is positioned in the "Major Players" category of this GCC IDC MarketScope for business and industrial IoT consulting and systems integration services vendor analysis, 2022.

The company is aiming to be a major digital transformation service provider in Saudi Arabia by targeting opportunities across the transportation, healthcare, education, government, military, and banking and financial services sectors, as well as the resources industry. The company's participation in prestigious projects such as Saudi Electricity Company's smart metering project, the Riyadh Metro project, and the Makkah bus project is expected to elevate its visibility in the IoT value chain. Mobily is strengthening its portfolio through partnerships with platform players such as Cisco for the Jasper platform and PTC for the ThingWorx platform. The company has also developed a proprietary IoT platform called Milestone. Mobily's marketing and communication strategy includes participation in digital media and workshops, thought leadership over virtual platforms, reseller- or partner-hosted events, seminars, expos, and sponsorships. Mobily has participated in events such as LEAP, Saudi IoT, Fintech Saudi, and the DX Saudi Arabia Government Congress. Although the company has dedicated IoT R&D staff, it is aiming to further intensify R&D activity through global technology partnerships.

Mobily is targeting opportunities presented by the Saudi Vision 2030 agenda and tapping into the growth prospects emerging from the SMB, large, and government segments. Its approach is to leverage technologies such as IoT, AR/VR, and AI to support the digital transformation initiatives of the business and industrial sectors in terms of improving operational efficiency and effectiveness, driving business growth and technology adoption, enhancing delivery capabilities, improving

customer experience and loyalty, and automating the real-time diagnostics and control capabilities of businesses using IoT solutions. Mobily is driving industry efficiency through solutions such as fleet management, weight monitoring, video surveillance and analytics, smart city, smart metering, and connected cars, catering to multiple industries. The company is planning to strengthen its offerings by developing specialized IoT platforms, forging partnerships with global technology companies, and enhancing delivery processes and mechanisms.

Strengths

IDC recognized Mobily for the growth of its IoT business, the capacity of its delivery team, and the rate of repeat customers. End users rated it highly for its depth and scale of relevant IoT consulting and systems integration services talent. Customers also rated Mobily highly in terms of its plans to enhance internal sales capabilities and for its efforts to retain customers. As a result, end users have expressed a willingness to increase their spending with Mobily. Additionally, a large-scale smart metering project that the company delivered for Saudi Electric Company (SEC) helped it to gain a higher market share for the year 2020.

Challenges

Mobily should focus on further enhancing its internal IoT delivery capabilities instead of banking on the delivery capabilities of its sub-contracting partners. The company should develop its innovation capabilities by launching R&D centers, co-creation/co-innovation labs, and centers of excellence within the domestic market. Additionally, the company should focus on using advanced tools to automate its IoT services delivery efforts. Customers also suggested that Mobily should continue intensifying its sales and distribution and marketing and communication efforts.

APPENDIX

Reading an IDC MarketScape Graph

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

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

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

The size of the individual vendor markers in the IDC MarketScape represent the relative market shares for the year 2020 of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base

individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

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

IoT categories include the following:

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

Examples of IoT strategy and consulting services offerings include:

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

Examples of IoT systems integration services offerings include:

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

Strategies and Capabilities Criteria

This section includes an introduction of market-specific weighting definitions and weighting values. IDC believes IoT consulting and systems integration services vendors must exhibit the characteristics shown in Tables 1 and 2, respectively, to be completely successful when crafting a future IoT services strategy and leveraging existing capabilities to their advantage. The factors were weighted because IDC believes that some factors are more important than others in maximizing market opportunity and realizing market success. The current capabilities and future

strategy scores were arrived at based on written response to the RFI from providers in context of the previously mentioned definitions. This was followed up by subsequent presentations and discussions regarding the providers' capabilities and strategies for these services and online and phone meetings that obtained feedback from client references for all the attributes provided in Tables 1 and 2.

TABLE 1

Key Strategy Measures for Success: GCC Business and Industrial Internet of Things (IoT) Consulting and Systems Integration Services

Strategies Criteria	Strategies Scoring Element	Weights (%)
Delivery Strategy	Plans to refine/build new competencies to support customers' business	14
	Plans to develop new-generation tools, frameworks, and methodologies to deliver B&IIoT services	
	End users' rating of vendor's strategy to build/utilize more efficient tools and methodologies for B&IIoT C&SI services delivery	
Portfolio Strategy	List of IoT life cycle services (strategy/consulting services, workshops, partner collaboration, look for other buyer, account planning, thought leadership, co-innovate with customer, build new IP, build scale, acquisition) that vendor plans to offer	10
Pricing Strategy	Plans to offer additional/new pricing models	12
	End users' rating of vendor's ability to deliver superior engagement value for B&IIoT C&SI services	
Sales/Distribution Strategy	Strategy to enhance internal sales capabilities to sell B&IIoT C&SI services	14
	Partnership strategy to pursue joint sales of B&IIoT C&SI services	
Marketing Strategy	Plans to improve/enhance current B&IIoT C&SI services marketing campaigns	8
Customer Engagement Strategy	Strategy to retain B&IIoT C&SI services customers as a long-term company strategy	12
	Customer likelihood of recommending B&IIoT C&SI services vendors to other customers	
Growth Strategy	How does the vendor plan to grow its B&IIoT C&SI business (organic/ inorganic) in the GCC region?	12
	List of specific B&IIoT C&SI services that the vendor plans to grow in next 1–3 years	
	Plans to grow B&IIoT C&SI services revenue/employees in the next three years	
	Proprietary frameworks/tools planned to increase customer adoption	

TABLE 1**Key Strategy Measures for Success: GCC Business and Industrial Internet of Things (IoT) Consulting and Systems Integration Services**

Strategies Criteria	Strategies Scoring Element	Weights (%)
R&D Strategy	R&D strategy to create new B&IIoT C&SI IP, platforms, and solutions	10
Employee Retention Strategy	Strategy to hire and retain top B&IIoT C&SI services talent	8
Total		100

Source: IDC, 2022

TABLE 2**Key Capability Measures for Success: GCC Business and Industrial Internet of Things (IoT) Consulting and Systems Integration Services**

Capabilities Criteria	Capabilities Scoring Element	Weights (%)
Portfolio & Delivery	List of all B&IIoT C&SI services offered by the vendor in the GCC region	11
	Number of focus verticals for B&IIoT C&SI services in the GCC region	
	Customer business benefits delivered by means of B&IIoT C&SI services	
	End users' rating of vendor's overall B&IIoT C&SI services delivery capabilities	
Delivery Automation	% of B&IIoT C&SI services delivery effort that is currently automated (non-labor based)	11
	End users' rating of vendor in terms of its B&IIoT C&SI services delivery automation	
Costing	Average bill rate estimates of B&IIoT C&SI services in the GCC region	11
	End users' rating of vendor in terms of its ability to deliver value for the price charged	
Pricing Models	Types of pricing models currently offered by B&IIoT C&SI services in the GCC region	11
	End users' rating of vendor in terms of its ability to provide flexible pricing models	
Marketing and Communication	Marketing channels used for promoting vendor's B&IIoT C&SI services	11
	End users' rating of vendor in terms of its communication/engagement for information on IoT-specific insights	
Sales Capability	Number of sales staff selling B&IIoT strategy/consulting/SI services in the GCC	11

TABLE 2

Key Capability Measures for Success: GCC Business and Industrial Internet of Things (IoT) Consulting and Systems Integration Services

Capabilities Criteria	Capabilities Scoring Element	Weights (%)
	Percentage of repeat clients reported by vendor for B&IIoT C&SI services due to better sales engagement	
	What are the steps that you adopt (for value demonstration) to secure additional/new budgets for your clients from their management?	
Growth Execution	YoY growth rate of B&IIoT C&SI service revenues in 2020	11
	End users' plans to increase spending with vendors of B&IIoT C&SI services	
Innovation/ R&D	R&D labs and/or innovation centers across the GCC region to develop B&IIoT C&SI services	11
	End users' rating of vendor in terms of its B&IIoT C&SI innovation capabilities	
Talent & Talent Management	Number of IoT strategy, consulting, and SI engineers/delivery team members in the GCC in 2020	12
	End users' rating of vendor in terms of the breadth, depth, and scale of relevant B&IIoT C&SI services talent	
	End users' rating of vendor in terms of its ability to provide onsite support for B&IIoT C&SI services when required	
	End users' rating of vendor in terms of its ability to manage staff turnover during a B&IIoT C&SI services project life cycle	
Total		100

Source: IDC, 2022

LEARN MORE

Related Research

- *IDC FutureScape: Worldwide Managed IoT Connectivity Services 2022 Vendor Assessment* (IDC #US48061522, February 2022)
- *IDC MarketScape: Worldwide Industrial IoT Platforms and Applications in Energy 2021 Vendor Assessment* (IDC #US47956121, June 2021)
- *IDC MarketScape: Worldwide Industrial IoT Platforms and Applications in Manufacturing 2021 Vendor Assessment* (IDC #US47956021, June 2021)
- *IDC MarketScape: Worldwide Unified Endpoint Management Software for Ruggedized/Internet of Things Deployment 2021 Vendor Assessment* (IDC #US46957920, January 2021)

- *IDC MarketScape: Worldwide Business and Industrial IoT Consulting and Systems Integration Services 2020 Vendor Assessment* (IDC #US46120820, March 2020)
- *IDC MarketScape: Worldwide Business and Industrial IoT Engineering and Managed Services 2020 Vendor Assessment* (IDC #US46121220, March 2020)
- *IDC MarketScape: Worldwide IoT Applications Platforms for Smart Cities 2019-2020 Vendor Assessment* (IDC #US43580918, January 2020)

Synopsis

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

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

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