Magic Quadrant pour les suites Source-to-Pay

29 janvier 2024 - ID G00788746 - 38 minutes de lecture

Par **et 5 de plus** Micky Keck , Naveen Mahendra ,

Les achats ont pour mission de générer des économies de coûts, d'améliorer l'efficacité et de gérer les risques et la conformité. Ce Magic Quadrant aidera les responsables des technologies d'approvisionnement à évaluer et à sélectionner le fournisseur de logiciels le plus approprié pour numériser leurs processus de sourcing et d'approvisionnement.

Définition/description du marché

Gartner définit le marché des suites source-to-pay (S2P) comme un ensemble intégré de solutions permettant de rechercher, contracter, demander, se procurer, recevoir et payer des biens et services dans une entreprise. Ces solutions sont généralement vendues sous forme de logiciels en tant que service basés sur le cloud.

Les suites Source-to-Pay permettent aux organisations de gérer toutes leurs activités de sourcing et d'approvisionnement au sein d'une seule solution intégrée. Ces solutions sont de nature modulaire permettant aux clients d'activer les fonctionnalités adaptées à leurs besoins. La nature intégrée de ces solutions permet aux données de circuler facilement tout au long du processus source-to-pay, offrant ainsi la visibilité nécessaire sur les documents en amont et en aval. Un exemple de ceci serait la possibilité de visualiser un bon de commande et de voir le contrat auquel l'achat est lié, l'événement d'approvisionnement électronique qui a conduit au contrat et les documents en aval tels que les reçus, les factures et les paiements.

Les capacités indispensables pour ce marché comprennent :

- Procure-to-pay — automatisation du processus d'approvisionnement transactionnel de bout en bout et collaboration avec les fournisseurs sur les documents créés.

- E-sourcing – création et gestion d'activités de sourcing stratégiques et tactiques.

- Gestion du cycle de vie des contrats — création et gestion des contrats de la création à l'expiration.

Les capacités standard pour ce marché comprennent :

- Capacités de gestion des fournisseurs — la capacité de gérer les informations, les performances et les risques des fournisseurs.

- Analyse des dépenses : reporting et analyse robustes des activités de dépenses sur tous les systèmes et sources de données.

- Portail et réseau des fournisseurs : permet la collaboration en matière de documents et d'informations avec les fournisseurs tout au long du processus source-to-pay.

- Accès API robuste : les suites S2P doivent s'intégrer à un certain nombre de systèmes et de sources de données adjacents tels que les ERP, et les API sont un moyen courant de permettre des intégrations en temps réel.

Les capacités optionnelles pour ce marché incluent :

- Paiements — la possibilité de payer les factures des fournisseurs par virement bancaire et/ou par carte d'achat.

- Gestion des opérations et des économies — suivi des activités d'approvisionnement et d'approvisionnement stratégiques et tactiques par utilisateur et par projet.

- Gestion des catégories — la capacité de créer et de gérer la documentation sur la stratégie de gestion des catégories et de suivre les activités requises pour exécuter cette stratégie.

- Optimisation avancée du sourcing : une forme plus avancée d'e-sourcing pour les événements très complexes qui peuvent nécessiter des milliers de points de données à prendre en compte pour créer une solution d'attribution.

Quadrant magique

Figure 1 : Quadrant magique pour les suites Source-to-Pay

Points forts et mises en garde du fournisseur

Coupé

Coupa est un leader dans ce Magic Quadrant. Son produit Coupa Business Spend Management se concentre principalement sur l'unification des processus dans les fonctions de chaîne d'approvisionnement, d'approvisionnement et de finance. Ses opérations sont géographiquement diversifiées et ses clients vont généralement de petites entreprises à faibles revenus (c'est-à-dire pharmaceutiques et technologiques) aux grandes sociétés multinationales. Les investissements de Coupa se concentrent sur les domaines des dépenses directes, de la planification des dépenses et de la gestion des catégories de nouvelle génération, de l'optimisation de la santé financière et de la facilitation du paiement de toutes les dépenses, ainsi que des expériences d'admission guidées prescriptives/interactives.

Forces

- **Vision du produit —** Coupa a une vision complète de la direction qu'elle prend avec sa solution S2P. Il existe un solide mélange d'expansion de produits, d'IA et d'IA générative, d'automatisation et d'intelligence communautaire qui offrira aux clients Coupa une expérience produit continue et solide.

- **Produit UI/UX** — Coupa est régulièrement cité lors des discussions avec les utilisateurs du service de renseignements clients de Gartner comme ayant une très bonne interface utilisateur et des flux de travail intuitifs lors de l'utilisation de la solution. Coupa étend cette fonctionnalité à toutes les tailles d'appareils, des ordinateurs de bureau aux appareils mobiles, afin que les utilisateurs puissent travailler comme et où ils le souhaitent.

- **Réseau de partenaires** — Coupa a construit un vaste réseau de partenaires du côté des intégrateurs de systèmes et des créateurs d'applications techniques tiers. Cette combinaison offre aux clients une grande variété d'options de mise en œuvre et une grande variété d'applications certifiées pour étendre les capacités dans des domaines de niche au-delà de ce qu'offre Coupa.

Précautions
- **Changement de propriétaire** — Coupa a subi un changement de propriétaire et est devenu privé en février 2023. Ces changements comprenaient un changement de PDG et une réduction des effectifs qui semblent avoir principalement impacté les ventes et le service client et non ses principaux investissements dans l'innovation.

- **Modèle de vente** — Coupa est régulièrement cité lors des discussions avec les utilisateurs du service de renseignements clients de Gartner comme étant difficile à négocier et nécessitant plus de temps et d'efforts pour parvenir à un accord final. Cela inclut les renouvellements de licence pour lesquels les droits doivent être ajustés pour correspondre aux changements survenus dans l'activité du client.

- **Support client** — Coupa utilise une approche d'équipe pour le support client, mais malgré cela, les clients Coupa ont noté une baisse du support par rapport aux années précédentes.

ebidtopay

ebidtopay est un acteur de niche dans ce Magic Quadrant. Son produit ebidtopay est une solution d'achat polyvalente pour les secteurs privé et public qui couvre aussi bien les dépenses directes qu'indirectes. Ses opérations sont principalement situées en Europe et elle a tendance à servir des clients avec un chiffre d'affaires compris entre 100 millions et 3 milliards de dollars. Les investissements d'ebidtopay se concentrent sur les domaines du contenu préemballé de plus de 4 500 catalogues consultables, sur la création d'une base de données mutualisée de données sur les fournisseurs et d'idées d'économies intelligentes, ainsi que sur l'extension de ses composants d'IA et de systèmes basés sur la connaissance.

Forces
- **Modèle de tarification** — ebidtopay dispose d'un modèle de tarification convivial qui permet aux clients disposant de petits budgets d'accéder à leurs solutions sans perdre de fonctionnalités. Les clients du marché intermédiaire profitent particulièrement du rapport coût/capacité élevé par rapport aux autres options du marché.

- **Stratégie de vente et de support** — ebidtopay dispose d'un réseau de revendeurs et de distributeurs qui vendent sa solution aux utilisateurs finaux. Dans certains cas, les revendeurs

fournissent également une assistance de niveau 1 aux clients, ce qui permet des ventes et une assistance très localisées. Ces options lui donnent la possibilité de se développer dans de nouvelles régions où cela ne serait pas possible autrement du point de vue du personnel.

- **Compréhension du marché** — le leadership d'ebidtopay est présent sur le marché S2P depuis des décennies. La société a créé une solution qui répond à tous les types de dépenses et prend en charge un large éventail de cas d'utilisation. ebidtopay a une vision pratique de ce que les clients recherchent dans un S2P et a construit sa stratégie de mise sur le marché autour de la satisfaction des besoins des clients.

Précautions

- **Couverture géographique** — la principale clientèle et l'organisation de support d'ebidtopay sont situées et concentrées sur l'Europe. Les clients potentiels en Asie et en Amérique latine devraient évaluer attentivement la capacité d'ebidtopay à mettre en œuvre et à prendre en charge dans leurs régions.

- **Ressources opérationnelles** — ebidtopay dispose d'une équipe de développement plus petite que la plupart des autres sociétés de ce Magic Quadrant. Les clients potentiels doivent évaluer dans quelle mesure la feuille de route à court terme d'ebidtopay correspond à leurs attentes.

- **Visibilité de la marque** — ebidtopay n'est pas bien connu en dehors de son siège européen. Les clients souhaitant acheter ebidtopay peuvent avoir plus de mal à obtenir l'adhésion des dirigeants étant donné le manque de force de la marque.

Esker

Esker est un acteur de niche dans ce Magic Quadrant. Son produit Esker Source-to-Pay, qui inclut une partie de l'acquisition de Market Dojo en juin 2022, se concentre sur la rationalisation des processus d'approvisionnement, l'amélioration de la conformité aux politiques et l'amélioration de la gestion des fournisseurs pour permettre aux responsables des achats et des finances de supprimer les silos fonctionnels. Ses opérations sont géographiquement diversifiées et ses clients sont généralement des moyennes et grandes entreprises internationales dont le chiffre d'affaires est compris entre 1 et 10 milliards de dollars. Esker investit dans des technologies telles que l'IA pour rendre les processus plus efficaces, améliorer la prise de décision et aider ses clients à anticiper les risques.

Forces

- **Midmarket Focus** — Market Dojo, la société acquise par Esker en 2022 pour ses capacités de sourcing, ciblait spécifiquement les clients midmarket. La solution P2P d'Esker s'adresse aux PME et aux grandes entreprises. En association avec les capacités de Market Dojo, Esker propose une suite rentable pour les organisations en croissance, sans avoir à payer un prix élevé.

- **Finance Focus** — La longue expérience d'Esker sur les marchés de l'automatisation des factures fournisseurs (APIA) et de la commande à la trésorerie lui confère une base solide pour les clients cherchant à répondre de manière significative à leurs besoins financiers, mais également à aborder les processus source-commande.

- **Viabilité financière** — Esker affiche à la fois une trésorerie positive et rentable, et ce, au fil du temps. En tant que société cotée en bourse, les clients ont accès à des états financiers entièrement audités pour suivre directement la santé financière d'Esker.

Précautions
- **Stratégie verticale** — Esker est une solution généraliste sans stratégie spécifique verticale. Les clients ayant des exigences spécifiques à leur secteur peuvent constater qu'Esker ne prend pas entièrement en charge certains cas d'utilisation requis.

- **Maturité des produits Source-to-Pay** — Esker est relativement nouveau sur le marché de la suite S2P complète. Bien qu'elle ait des éléments de sous-traitance et de gestion des fournisseurs pour accompagner son offre P2P, l'acquisition de Market Dojo en juin 2022 a complété son offre. L'intégration de tous les éléments est toujours en cours, donc on ne sait pas dans quelle mesure la suite S2P finale, entièrement intégrée, fonctionnera ensemble.

- **Innovation** — La feuille de route S2P à court terme d'Esker consiste principalement en une amélioration fonctionnelle, une automatisation et une intégration de l'IA, car elle est sur le marché depuis moins longtemps avec un produit intégré.

GEP

GEP est un Challenger dans ce Magic Quadrant. Son produit GEP SMART est principalement axé sur les opérations d'approvisionnement et de supply chain. Ses opérations sont géographiquement diversifiées et se concentrent sur l'Amérique du Nord, l'Europe, le Moyen-Orient, l'Afrique et la région Asie/Pacifique. Ses clients sont généralement des organisations d'approvisionnement et de chaîne d'approvisionnement dont le chiffre d'affaires s'élève à 1 milliard de dollars ou plus. Ses domaines d'intérêt futur incluent le développement de l'IA et de l'analyse pour générer des informations intelligentes et une automatisation plus approfondie, ainsi que l'amélioration de l'expérience utilisateur pour la facilité d'utilisation, la personnalisation et la personnalisation des flux de travail.

Forces
- **Expertise en approvisionnement** — GEP, en plus d'offrir ses services logiciels avec GEP SMART, offre des capacités d'approvisionnement étendues grâce à des services de stratégie, de conseil et d'externalisation. Cela peut aider à gérer des scénarios d'approvisionnement complexes en raison de la profonde expertise que GEP possède en matière d'approvisionnement.

- **Exécution industrielle complexe** — GEP SMART prend en charge de manière étendue les exigences spécifiques à l'industrie. Des configurations spécifiques à l'industrie sont fournies en tant que variantes d'exploitation de sa plate-forme principale multi-tenant pour des secteurs clés tels que le pétrole et le gaz ; banque, services financiers et assurances (BFSI) ; fabrication; et sciences de la vie.

- **Offre de produits** — GEP offre une plate-forme unifiée unique pour l'ensemble du processus S2P qui peut aider à effectuer une transition en douceur entre les processus. Le produit comprend certaines fonctions d'approvisionnement et de gestion des catégories qui sortent du

cadre évalué de cette recherche. GEP fournit également une plate-forme étendue pour gérer les capacités de la chaîne d'approvisionnement à travers l'écosystème via ses services GEP NEXXE et son middleware GEP CLICK.

Précautions

- **UI/Expérience utilisateur (UX)** — Bien que la plateforme semble conviviale, les clients peuvent avoir du mal à naviguer dans leur flux de travail et peuvent avoir besoin d'une assistance supplémentaire car la plateforme manque d'intuitivité.

- **Notoriété de la marque** — GEP a une bonne présence dans les régions d'Europe et d'Amérique du Nord, mais sa présence sur d'autres marchés est encore mineure et présente une marge d'amélioration. Elle se concentre sur l'expansion des marchés au Moyen-Orient, dans les territoires émergents d'Asie/Pacifique et en Amérique latine.

- **Feuille de route de l'innovation** — Les investissements futurs se concentrent sur les capacités d'IA générant des recommandations et l'automatisation. Mais par rapport à d'autres fournisseurs du secteur, les fonctionnalités de différenciation peuvent être limitées.

Ivalua

Ivalua est leader dans ce Magic Quadrant. Son produit Ivalua Source-to-Pay est une base de code, un modèle de données et une interface utilisateur uniques pour une expérience de gestion des dépenses unifiée. Ses opérations sont géographiquement diversifiées. Ses clients sont généralement des entreprises dont le chiffre d'affaires dépasse le milliard de dollars et qui couvrent tous les secteurs. Les domaines d'intervention futurs d'Ivalua couvrent plusieurs thèmes stratégiques : CLM basé sur l'IA ; intégration, risque et conformité des fournisseurs ; sourcing avancé et direct ; des achats efficaces et intelligents ; conformité de la facturation mondiale et automatisation des paiements ; et des analyses exploitables/prédictives.

Forces

- **Configurabilité** — La plateforme de cloud privé d'Ivalua offre une capacité unique à configurer et à étendre de manière significative les capacités de ses produits grâce à des extensions low-code/no-code. Cela permet un soutien solide de l'industrie grâce à des configurations préemballées et à une agilité permettant d'adapter les processus métier. Les clients matures choisissent souvent Ivalua en remplacement d'une solution qu'ils n'ont pas pu configurer pour répondre à leurs besoins professionnels.

- **Environmental, Social and Governance (ESG)** — Ivalua launched its Environmental Impact Center in 2023 to help customers measure and manage Scope 3 emissions. It is one of the few S2P vendors offering this capability. As regulatory requirements rise, procurement organizations will be tasked with ensuring adherence to regulations and support of ESG goals.

- **Product Capabilities** — Ivalua has strong product capabilities across the source-to-pay spectrum for all types of spend. Its roadmap is well-balanced with plans for both direct and indirect spend enhancements.

- **Sales Execution** — Ivalua added fewer S2P customers in 2022, and its total customer base is smaller than many of the other vendors evaluated. Its sales channels are primarily direct, limiting growth opportunities in markets where partner-driven sales are prevalent.

- **Supplier Network** — Ivalua's supplier network is private, which prevents it from offering benefits seen with public networks, such as aggregated benchmarking and transaction insights, reduction of redundant data entry across customers for suppliers, and native supplier discovery.

- **Upgrades** — Ivalua releases two major updates annually. Customers choose when to upgrade, and most are two to four versions behind the current release. Customers who choose Ivalua will need to plan for the internal resources to manage these upgrades, if they choose to heavily configure their instance.

JAGGAER

JAGGAER is a Visionary in this Magic Quadrant. Its JAGGAER ONE product is mainly focused on providing organizations with AI-powered source-to-pay solutions. Its operations are geographically diversified, and its clients tend to be predominantly large organizations spanning across all business verticals. Its area of investment is focused on its Autonomous Commerce strategy, which includes a concentration on AI throughout the S2P platform. It also includes an expansion of its technology partner ecosystem, its SI partner ecosystem and its partnerships with providers such as Workato.

Strengths

- **Direct Procurement** — JAGGAER has a number of capabilities that complement the direct procurement process, including sourcing, supply chain collaboration and connectivity with other key platforms. For example, JAGGAER has integrations with PLM suites so specs or recipe details can be loaded into an RFQ directly from the PLM.

- **AI-Based Innovations** — JAGGAER has a large AI/ML team that is in line with the wider roadmap for the future of JAGGAER ONE. Recent innovations around AI include AI-based smart PO matching that matches invoices without a PO number to their respective purchase orders, and Contracts AI, which performs contract risk analysis.

- **Industry-Specific Extensions** — JAGGAER provides industry-specific add-ons, configurations and capabilities for some specific industries that have additional requirements from their S2P tool. For example, in the last year, JAGGAER has released new configurations and features specific to public sector procurement in its sourcing and supplier management tools and configurations for manufacturing and life sciences/pharmaceuticals.

Cautions

- **Presence in APAC** — JAGGAER has fewer sales in the APAC region by comparison to other vendors in this report, and has a limited number of employees based in the region. While it has

implementation partners in mature Asia/Pacific, it has no implementation partners in emerging Asia/Pacific, Japan and China.

- **S2P Adoption** — New Jaggaer customers are more likely to buy less than full S2P, rather than full S2P, on their initial buy. This may be indicative of customers looking to pair Jaggaer capabilities in some areas, while supplementing with third-party point solutions, or executing a grow-over-time strategy.

- **Codebase** — While JAGGAER does have a single data model for all of the data flowing through the S2P suite, it does not have a single unified codebase on which all of its modules sit.

Mercado Eletronico

Mercado Eletronico is a Niche Player in this Magic Quadrant. Its e-Procurement product is broadly focused on providing a comprehensive B2B procurement management platform. Its operations are geographically diversified, and its clients are large and enterprise companies in various sectors. Current areas of investment focus on enhancing automation, UI/UX and integration capabilities, as well as seamless process and integration with the ecosystem. The company is also examining an expansion of its intelligence and marketplace content to make it suitable for companies of all sizes.

Strengths

- **Marketplace** — Mercado Eletronico's key strength is building a solution that connects buyers and suppliers in a mutually beneficial marketplace. This is very useful for customers who are looking to get sourcing and buying quickly with suppliers that are engaged.

- **Pricing Model** — Mercado Eletronico has the only model in this report with the option to be fully supplier funded, bringing the cost to the customer down to zero, or even making procurement into a profit center. This is unusual in a space where charging suppliers for participation is usually considered a source of friction to the supplier rather than a value-add.

- **Revenue Base** — Mercado Eletronico's pricing model also leads to its financial success because it has multiple revenue streams outside of the standard software license. These additional revenue streams also tend to grow with customer growth and success, so there is more direct correlation between customer usage and Mercado profitability.

Cautions

- **Experience Outside Latin America** — Although Mercado Eletronico is well-known in South America and Latin America, Mercado Eletronico is still expanding outside those areas. Customer growth in North America and Europe is there, but still should be reviewed by customers in those regions to ensure Mercado Eletronico can support their operations.

- **S2P Vision** — Mercado Eletronico has a marketplace first vision, which includes S2P functional components, but that can be different from the typical S2P vision customers might expect. Customers should expect that Mercado Eletronico will talk about the S2P space and its value proposition differently than other vendors in the space, which may cause buy-in issues with internal stakeholders who hold the traditional view of the market.

- **Support Organization** — Mercado Eletronico language support is more heavily geared toward South America, North America and Iberia customers. Customers with global operations should confirm that Mercado Eletronico can meet their support expectations.

Oracle

Oracle is a Challenger in this Magic Quadrant. Its Oracle Fusion Cloud Applications are broadly focused on delivering to procurement and finance organizations the tools for spend and policy governance across the source-to-pay process. Its operations are geographically diversified, and its clients tend to be companies making from $100 million through $10 billion or more across industries. Areas of future focus include modernizing the user experience, continuing to deliver embedded AI and improving insight/analytics, including ESG reporting.

Strengths
- **Integrated Solution** — When used with Oracle Fusion Cloud ERP, Oracle can offer a level of total system integration that would be very difficult for other solutions to match. Even when used with non-Oracle Fusion ERP systems, Oracle offers a very tightly integrated end-to-end suite with a highly consistent data model and UI.

- **Vertical Expertise** — Oracle offers vertical solutions that go beyond just the software. Since they also can control the hardware, database and hyperscaler layer, customers can get deeper support for niche requirements beyond what other solutions offer. Food and beverage, hospitality and healthcare are examples of stronger vertical support.

- **UI/UX** — Oracle's Redwood UI is a significant upgrade over previous Oracle Cloud Procurement UIs. It is consistent across device types and should make user adoption easier to achieve and retain.

Cautions
- **Innovation Roadmap** — Oracle Cloud Procurement's roadmap is heavy with functional iterations versus true innovations. This can be partially attributed to Oracle Cloud Procurement's relatively shorter time on the market compared to market peers. Potential customers should confirm that their specific future technology goals match Oracle's plans during the evaluation process.

- **Non-Oracle Fusion ERPs** — While Oracle can, and does, integrate with other ERPs, customers may run into depth of function differences. This would be most evident with customers in a mixed Fusion ERP and other ERP environment, where Cloud Procurement operates at maximum capability with Fusion ERP, but has slightly degraded capability in the identical functional area.

- **Feature Codevelopment** — Due to Oracle's size and large customer base, any individual customer may find it challenging to get unique customer-specific enhancements in the product roadmap and will likely need to use PaaS extensions in those situations. Buyers with a desire to heavily influence product development for their unique requirements should consider evaluating other smaller S2P suite providers along with Oracle.

SAP

SAP is a Challenger in this Magic Quadrant. Its SAP procurement solutions are mainly focused on providing a full suite of enterprise-level functionality spanning procure-to-pay, sourcing, supplier network, supplier-relationship management, contract management, spend analytics and sustainability. Its operations are geographically diversified, and its clients tend to be large enterprises across all sectors and types of spend. SAP's areas of future focus include spend analytics, category management, user experience, platform consistency, an OpenAPI ecosystem framework and workforce management, through enhancements often powered by AI.

Strengths
- **Global Scope** — SAP has a proven track record of having the ability to deploy and support an S2P solution that can meet global requirements and high transaction volumes. Integration options support many back-end ERPs with the potential to span a network of suppliers in 190 countries.

- **Brand Equity** — SAP is a well-known, financially stable solution in the S2P space. Executives and other stakeholders are more likely to know of SAP's product line, mature support network and history compared to most other available options.

- **Sales Execution** — SAP's ability to cross-sell with its larger ERP portfolio gives it additional sales levers to use to close business. Discussions with users of Gartner's client inquiry service routinely state that SAP is typically considered in their initial list of S2P vendors to evaluate when they have SAP ERP either planned or currently in their technology landscape.

Cautions
- **Ecosystem** — SAP has shifted to an S2P approach that relies on partnerships (e.g., with Icertis and Scoutbee) to deliver depth of functionality and innovation in certain areas across the suite. Customers may need to buy additional licenses from third-party vendors for extended functionality and should consider this focus if any alternative specialized applications may need to integrate with SAP's core S2P suite.

- **Intuitiveness** — Discussions with users of Gartner's client inquiry service consistently report that SAP lags other solutions in ease of use and user experience, which can lead to increased training and change management to get the adoption levels that customers hope to achieve.

- **Roadmap Innovation** — SAP has a roadmap balanced with product modernization, innovation, and the larger vision of the S/4 HANA ERP platform. These competing goals limit the amount of cutting-edge capabilities that are planned versus incremental enhancement of existing features.

Zycus

Zycus is a Visionary in this Magic Quadrant. Its Zycus Source-to-Pay Suite is mainly focused on providing large enterprises that are engaging in complex, multigeography operations with an AI-powered, value-driven source-to-pay suite. Its operations are geographically diversified, and its

clients tend to be 20% midsize companies and 80% large enterprises. Its areas of future focus include expanding its Merlin AI application; intake management; ESG management and Scope 3 carbon emissions reporting; and AppXtend for composability and extensibility leveraging the company's more than 1,100 APIs.

Strengths

- **Investments in AI Technology** — Zycus' Merlin AI product line is unique in that Zycus develops these AI functional modules outside of the normal product codebase. This allows Zycus to quickly iterate on AI functionality without creating tech debt in its main product codebase when ideas do not result in useful functionality.

- **Sales Strategy** — Discussions with users of Gartner's client inquiry service routinely mention Zycus as having an effective direct-to-customer sales strategy that has increased the overall awareness of Zycus products and has led to the exploration of technology that clients were otherwise not considering.

- **Financial Stability** — Zycus is both cash flow positive and profitable, having maintained this status for a number of years. In addition, it is debt free. This allows Zycus to focus more on long-term growth without concern for fundraising or public market sentiment.

Cautions

- **Feature Enhancement Methodology** — Discussions with users of Gartner's client inquiry service reported that enhancing product features in a reasonable time can be challenging due to enhancements requiring enough votes from the customer base. New Zycus customers should ensure critical end-to-end processes execute to their specifications by providing Zycus demo scripts or obtain feature enhancements via Zycus' recently launched AppXtend.

- **Global Coverage** — Zycus is still building out support and functional requirements for Latin American countries. Customers with outsized operations in that region should ensure that Zycus is capable of meeting their support and product expectations.

- **Integration** — Some Zycus customers who are still on Zycus' legacy integration framework zDoc have reported that integration and data synchronization has been a persistent issue. Customers should confirm that Zycus' current iSaaS product is fit for their use cases.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

As this is a new Magic Quadrant, no vendors were added.

Dropped

As this is a new Magic Quadrant, no vendors were dropped.

Inclusion and Exclusion Criteria

To qualify for inclusion in this Magic Quadrant, each vendor must:

- Own the source code, market and sell all of the required source-to-pay modules as a single, stand-alone, integrated solution including:

  - E-sourcing

  - Contract life cycle management (CLM)

  - Procure-to-pay (defined as e-procurement and APIA)

- Include at least one of the two standard capability modules:

  - Spend analytics

  - Supplier management (defined as supplier information management, supplier performance management and supplier risk management)

- Have all products generally available and sold as part of the integrated suite since 1 January 2021.

- Have S2P modules that must natively integrate together, with no additional integration work for the customer.

- Have at least 40 customers (logos) with $500 million in revenue or operating budget (or more) live in production that run the defined required modules and at least one of the standard modules.

- Have added 12 or more new customer (logos) with $500 million in revenue or operating budget (or more) signed in calendar year 2022 that bought the defined required modules and at least one of the standard modules.

- Have generated at least 20% of revenue from clients headquartered in different regions from the vendor's home region and proof of winning clients in at least two regions. (Regions include North America, Latin America, Europe, Middle East and Africa, Asia/Pacific and Japan.)

Evaluation Criteria

Ability to Execute

Gartner evaluates a S2P suite vendor's Ability to Execute by assessing its products, services, sales, marketing execution and overall operations. We evaluate how these criteria enable the

vendor to be competitive and effective in the market. We also evaluate the vendor's ability to retain and satisfy customers, create positive perception and respond to market changes.

The ability to provide a product and a customer experience that delight clients is what drives value and motivates buyers to choose one solution over another, and as a result, product or service carries the highest weighting in this report.

Overall viability, along with sales execution/pricing, is important because customers buying S2P suites are making a major, potentially long-term commitment with high switching costs. Vendors flagging sales and/or in a risky financial situation become trapped in a negative cycle of customers not willing to buy from declining vendors, which then reduces product investments. making them even more unattractive to new customers.

Operations are important, as it impacts the vendor's ability to deliver on its stated roadmap and effectively run the business. Issues in either of these areas directly impact a customer's ability to drive additional value from its S2P investments.

Marketing execution and customer experience are weighted low because driving potential customer awareness is important for a viable sales pipeline and is therefore a component of the vendor's long-term health. Customer experience relates to the quality of customer support and other customer-facing areas such as user groups, conferences and cross-customer engagement opportunities. Although these are important, these are also directly impacted by the quality of the product itself and the vendor's ability to deliver.

Market responsiveness/record was not rated because we have found that this is highly correlated with the operations and sales execution/pricing elements. Given the size of an S2P suite, only minor changes can be made to the codebase on short timelines. However, the ability to adjust factors like pricing, terms and operational execution are strong indicators of quickly adjusting to changing customer demands.

Table 1: Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product or Service	High
Overall Viability	Medium
Sales Execution/Pricing	Medium
Market Responsiveness/Record	NotRated

Evaluation Criteria ↓	Weighting ↓	æ
Marketing Execution	Low	
Customer Experience	Low	
Operations	Medium	

Source: Gartner (January 2024)

Completeness of Vision

Gartner evaluates an S2P vendor's Completeness of Vision by assessing multiple criteria that show its ability to understand current market trends, influence the future state of the market and respond to customer needs and competitive forces.

In a rapidly evolving market, product strategy and innovation are key differentiators between vendors and their ability to anticipate and respond to future customer requirements. Market understanding and geographic strategy both convey a vendor's ability to understand customer demands and deliver value to organizations of different sizes across the globe. These criteria are split, as many vendors have effective visions for the future market, but they are without a strategy to deliver to customers no matter their location due to a large part of the market that may be inaccessible to them.

A vendor's Completeness of Vision is also judged on sales and vertical/industry strategies, although at a lower weighting. There are differences in these strategies, especially in the difference between how industry-specific functionality is delivered. However, since this research is meant to cover all industries, these strategies are given a lower weighting.

Marketing strategy and business model were not rated in this research. The S2P market is one with long sales cycles, and the methods of marketing to potential customers is fairly standardized across the space, so differentiation is not highly valued by customers. Business models in this space are also highly standardized around software licensing, and there is no clear better or worse business model that would materially impact buying decisions.

Table 2: Completeness of Vision Evaluation Criteria

Evaluation Criteria ↓	Weighting ↓	
Market Understanding	Medium	
Marketing Strategy	NotRated	
Sales Strategy	Low	
Offering (Product) Strategy	High	
Business Model	NotRated	
Vertical/Industry Strategy	Low	
Innovation	High	
Geographic Strategy	Medium	

Source: Gartner (January 2024)

Quadrant Descriptions

Leaders

Leaders are in the strongest position to influence the market's growth and direction. They demonstrate a market-defining vision of how S2P technology can help procurement leaders achieve business objectives for managing compliance and controlling external spend. Leaders have the ability to execute against that vision, through products and services, and they have demonstrated business results in the form of revenue and earnings. They excel in their combination of market understanding, innovation, product features and functions, and overall viability.

While maintaining a well-established base of long-term customers, Leaders show a consistent ability to win new deals and deliver successful implementations. Their customers are deployed in

the most geographic regions, and they cover a wide variety of industry verticals and sizes of organization.

Leaders are often the vendors that other providers measure themselves against. They are also the most likely vendors in this Magic Quadrant to still be in the S2P suite business five years from now. Leaders are suitable vendors for most organizations to evaluate when seeking an S2P suite. However, they should not be the only vendors evaluated.

Challengers

Challengers have established presence, credibility and viability, and have demonstrated the ability to meet customers' expectations in terms of functionality and customer experience. Challengers tend to have a good technology vision in terms of architecture and other IT considerations, but may not have fully won over procurement and IT executives.

Challengers are well-placed to succeed in this market. However, they may not demonstrate thought leadership or innovation to the same degree as Leaders. They may be a good choice for organizations that value execution and a broader integrated product suite over vision.

Visionaries

Visionaries are ahead of most potential competitors in delivering innovative products and/or delivery models. These vendors embody trends that are shaping, or will shape, the P2P market. There may be some lack of awareness of these vendors in the market and some concerns about their ability to execute effectively. Visionaries have a strong vision and roadmap, which brings innovation and strong functionality to their platforms.

Visionaries may be a good choice for organizations that want innovation without a big brand or a high price. These vendors may also give customers an opportunity to skip a generation of technology. They may offer a competitive advantage or offer a chance to influence their product roadmap. They might be acquired or face a challenge to increase their market share. However, as these vendors mature and prove their ability to execute, they may become Leaders.

Niche Players

Niche Players offer compelling S2P suite portfolios, but their solutions may also be limited in terms of cross-industry adoption. They may also lack some functional components, the ability to handle deployments consistently across multiple geographies or strong business execution in the market. Niche Players may have an inconsistent implementation track record and may lack the ability to support large enterprise requirements or complex global deployments.

Niche Players can often offer the best solutions to meet the needs of particular procurement organizations, considering the price-to-value ratio of their solutions. These vendors may win deals in specific regions or industries, but they are not consistently winning new business across multiple regions or industries at the same pace as vendors in the other quadrants.

Some Niche Players demonstrate a degree of vision that suggests they might become Visionaries, but they may struggle to make this vision compelling. They may also struggle to develop a track

record of continual innovation. Other Niche Players may have the opportunity to become Challengers if they continue to develop their products with a view of improving their overall execution.

Context

S2P suites help organizations automate entire end-to-end sourcing and procurement processes in a single integrated solution. Most vendors in the S2P market started smaller solutions in categories such as e-procurement, e-sourcing, spend analytics or APIA, and expanded their product either organically or through acquisition to eventually address the entire functional space. As a result, vendors may not have market-leading capabilities across the full suite. The S2P market is relatively mature, but the breadth of functionality and use cases that any one customer might require means that compromises or supplemental solutions may be required.

Procurement technology leaders should:

- **Use expected outcomes to determine primary use cases**. These are typically driven by expected outcomes (e.g., provide end-to-end process visibility, reduce the source to contract cycle time, consolidate supplier collaboration into a single solution).

- **Understand global requirements**. E-invoicing and tax regulations vary by country and change regularly. Learn where it's necessary to process fully compliant invoices and compare against the vendor's capabilities.

- **Examine industry-specific requirements and experience**. Many industries will require unique sourcing, contracting, supplier management and purchasing practices (e.g., manufacturing, healthcare, hospitality, public sector and education).

- **Compare vendor-led and partner-led implementation models by level of experience, best practices, time frames and costs**. Support for implementation may vary by region as a result of local resources or lack thereof. Vendor-led implementation models are typically strong with software configuration and often have better hand-off to long-term support when the project is complete. Partner-led models are typically stronger with business process changes and overall organizational change management.

- **Review supplier-facing capabilities such as networks, features, onboarding practices and UX**. Although supplier adoption is critical to the successful implementation of a S2P suite and large supplier networks are generally beneficial to supplier adoption, supplier adoption is not necessarily easy.

- **Compare on-premises versus cloud delivery models**. Few S2P vendors may still offer an on-premises option, but all vendors included in this research have a preferred cloud delivery model, most of which are exclusively cloud.

- **Examine differentiating features and vendor roadmaps**. Prioritize UI improvements, analytics and automation in your evaluation. Ensure that the selected vendor is focused on growth and development that tracks with market expectations and trends to futureproof your investment.

- **E**xplore integration and extension capabilities. Extending and enriching the S2P process can bring more long-term value to your investment. Open APIs for simplified integration are common, but may not cover the entire data model and/or functionality. Third-party app stores may be available for on-click buying and activation of custom-made capability extensions.

- **Ensure user experience matches user expectations**. UX expectations are constantly changing and drive an organization's ability to gain adoption by internal end users. Furthermore, the capabilities across the market are evolving from digitization of processes to more automation driven by AI and machine learning, and can also impact user adoption. These elements, along with cost, will impact the business case.

- **Ensure understanding and alignment with the post go-live service model**. There are various service delivery models (e.g., local and remote support, multiple languages supported, and premium levels of support). Ensure that any specific needs can be met, and be aware of any additional associated costs.

Market Overview

Source-to-pay (S2P) suites have a broad appeal for organizations across all industries and geographies. Key differentiators in the market include:

- **Depth of support for multiple spend types** (see Note 1) across sourcing, supplier management and procurement activities.

- **Unified supplier networks** that provide a single location for all supplier-facing collaboration.

- **Tight integration across the S2P process** so that actions and data are linked and visible to upstream and downstream activities.

- **Actionable analytics and intelligence** that guides users to opportunities to improve their process automation or where additional savings, quality, and policy compliance could be obtained.

- **Ease of use for internal users and external suppliers** as implementation fees continue to grow, making successful user and supplier adoption critical.

- **Global support, supplier onboarding and configurable industry capabilities**. Gartner expects increased process automation, prescriptive analytics insights and turnkey integrations to heavily influence vendor selection in coming years.

Customers have a wide variety of options to choose from: ERP vendor-integrated S2P, stand-alone cloud-based and on-premises options. The biggest challenge customers have is that no solution is perfect across every dimension, although the options available are quite comprehensive. In-depth evaluation is required as differentiations between solutions are often not obvious and hinge on how exactly they address specific requirements. This fact keeps the market evolving to meet new customer demands and backfill incomplete functionality.

Interest in S2P suites remains high among sourcing and procurement applications as buyers continue to look for cost savings, process automation and risk reduction in their daily procurement activities. S2P implementations and support are a significant long-term investment for an organization, highlighting the critical need to closely match requirements with the solution. Gartner estimates that the S2P technology market will experience a five-year CAGR of 17.99%, resulting in an annual spend of approximately $17.2 billion on S2P software in 2027. [1]

Market Trends

Embedded Intelligent Analytics

Buyers are increasingly looking for S2P solutions to provide value beyond process automation. They are looking for smart systems that will inform them where improvements should be made, how they benchmark against their peers and where unearthed opportunities exist. The trend is to expose this information where users are working, and not relegated to a separate spend analytics module.

Risk and ESG

Organizations often deploy an S2P suite as a system of record, creating the ideal place to enforce ESG policies and mitigate supplier risk. The ability to seamlessly guide end users to suppliers and products that support ESG and other internal policies allows procurement to impact spend before it happens. The desire to quickly reduce or shut off new purchases from high-risk suppliers is also growing, leading to more scrutiny on how well supplier information and risk management is integrated into S2P solutions. Country-level legislation around ESG topics is also forcing organizations to enable visibility and controls earlier in the S2P process.

AI

Smart automation is in high-demand, even if buyers are not specifically calling out AI in their selection criteria. Common desired capabilities include:

- Supplier recommendations when setting up a sourcing event or raising a purchase request

- Chatbot for checking status of activities

- Intelligent digitization of contracts with extraction of metadata and clauses

- Automated supplier risk identification from public news sites and social media

- Automated execution of sourcing events for spot buys

- Intelligent invoice digitization, matching and coding

Deep Integrations

Customers are demanding fully internally integrated solutions that enable users to access accurate data and information related to what action they are taking from anywhere in the

solution. Deep integrations reduce errors and magnify the value of the single integrated S2P suite. Examples of deep integrations include:

- Integration of supplier risk ratings into sourcing events

- Contract pricing that can be converted to a shoppable catalog in one click

- Purchase requisitions that can be flipped to a sourcing event with the results automatically populating back to the purchase requisition

- Contracts available for matching against invoices

- Negotiated terms in a sourcing event automatically that are included in the final contract

- Updating supplier data based on supplier responses to sourcing events and contract negotiations

Evidence

Information used to create the inclusion criteria, market definition and vendor evaluations in this Magic Quadrant came from many sources:

- Interactions of Gartner analysts with hundreds of end-user clients regarding their procurement and sourcing initiatives in 2022 and 2023.

- Interactions with procurement and sourcing vendors in 2022 and 2023.

- Verified customer feedback posted on Gartner Peer Insights in 2022 and 2023.

- A series of briefings, video demonstrations and questionnaire responses by the vendors included in this Magic Quadrant.

- Financial data from the S&P Capital IQ platform for the public companies and financial data from the vendors for the private companies. This information was determined using Gartner's financial model (see Understanding the Methodology Behind Gartner's Financial Statement Scorecard for Public Companies).

[1] Forecast: Enterprise Application Software, Worldwide, 2021-2027, 4Q23 Update

Note 1: Gartner Spend Type and Source-to-Pay Definitions

Spend Types:

- **Indirect goods** — Purchases of tangible items consumed by the organization that are not directly related to the manufacturing or sales of products. These goods are typically needed to operate.

- **Direct goods** — Purchases of tangible items directly related to the manufacturing of a company's products. Examples include raw materials, component parts and hardware.

- **Services** — Transactions of intangible deliverables purchased by the organization, typically defined by a statement of work.

Source-to-Pay: A suite of applications that address spend analysis, e-sourcing, contract life cycle management, supplier management and procure-to-pay.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen

to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Stratégie marketing : un ensemble de messages clairs et différenciés, communiqués de manière cohérente dans toute l'organisation et externalisés via le site Web, la publicité, les programmes clients et les déclarations de positionnement.

Stratégie de vente : stratégie de vente de produits qui utilise le réseau approprié de filiales de vente directe et indirecte, de marketing, de service et de communication qui étendent la portée et la profondeur de la portée du marché, des compétences, de l'expertise, des technologies, des services et de la clientèle.

Stratégie d'offre (produit) : approche du fournisseur en matière de développement et de livraison de produits qui met l'accent sur la différenciation, les fonctionnalités, la méthodologie et les ensembles de fonctionnalités en fonction des exigences actuelles et futures.

Modèle commercial : la solidité et la logique de la proposition commerciale sous-jacente du fournisseur.

Stratégie verticale/industrielle : stratégie du fournisseur visant à orienter les ressources, les compétences et les offres pour répondre aux besoins spécifiques de segments de marché individuels, y compris les marchés verticaux.

Innovation : Agencements directs, connexes, complémentaires et synergiques de ressources, d'expertise ou de capital à des fins d'investissement, de consolidation, défensives ou préventives.

Stratégie géographique : stratégie du fournisseur visant à orienter les ressources, les compétences et les offres pour répondre aux besoins spécifiques des zones géographiques en dehors du « domicile » ou de la zone géographique d'origine, soit directement, soit par l'intermédiaire de partenaires, de canaux et de filiales, en fonction de cette zone géographique et de ce marché.

soit sans l'autorisation écrite préalable de Gartner. Il s'agit des opinions de l'organisme de recherche Gartner, qui ne doivent pas être interprétées comme des déclarations de fait. Bien que les informations contenues dans cette publication proviennent de sources considérées comme fiables, Gartner décline toute garantie quant à l'exactitude, l'exhaustivité ou l'adéquation de ces informations. Bien que les recherches de Gartner puissent aborder des questions juridiques et financières, Gartner ne fournit pas de conseils juridiques ou d'investissement et ses recherches ne doivent pas être interprétées ou utilisées comme telles. Votre accès et votre utilisation de cette publication sont régis par la politique d'utilisation de Gartner . Gartner est fier de sa réputation d'indépendance et d'objectivité. Ses recherches sont produites de manière indépendante par son organisme de recherche, sans contribution ni influence de tiers. Pour plus d'informations, voir « Principes directeurs sur l'indépendance et l'objectivité ». Les recherches de Gartner ne peuvent pas être utilisées comme contribution à ou pour la formation ou le développement de l'intelligence artificielle générative, de l'apprentissage automatique, des algorithmes, des logiciels ou des technologies associées.