

Vendor Landscape: Mid-Market ERP

Cloud ERP dominates this market.

Introduction

The mid-market is filled with innovative and vertical-focused ERP solutions.

This Research Is Designed For:

- ✓ Enterprises seeking to select a solution for financial management and efficient planning of operations.
- ✓ Their ERP use case may include:
 - Geographically distributed organizations with complex resourcing.
 - Organizations that need to quickly gain control of their resourcing.
 - Organizations with volatile resources (i.e. perishable, difficult to move).

This Research Will Help You:

- ✓ Understand what's new in the ERP market.
- ✓ Evaluate ERP vendors and products for your enterprise needs.
- ✓ Determine which products are most appropriate for particular use cases and scenarios.

Executive summary

Info-Tech evaluated ten products in the ERP market, including the following notable performers:

Champions:

- **Sage 300.** Sage provides top-notch support on a product that's intuitive and well designed.
- **NetSuite** has a wide variety of additional tools for sharing and analyzing data.
- **Sage 500** provides small IT shops with process controls that include an updated and clean UI.
- **Infor.** The ION and Infor Ming.le front-end add-ons provide unparalleled long-term flexibility and ease of use.
- **Epicor** offers a very good core offering that is highly extensible.

Value Award:

- **Epicor.** The feature set and additional tools are above average for the price point.

Trend Setter Award:

- **Infor.** The strategy to target micro-verticals with discrete products gives Infor the best user experience and focused resource planning suite.

Info-Tech Insight



1. Focus on data management tools:

ERP as a whole has stayed static in the mid-market. The real differentiator is how data can be analyzed and protected.

2. Long-term value will be in the analytics:

ERP is moving beyond traditional recording of transactional data to include analytics and workflow automation.

3. Ease of use is becoming important:

Role-based configuration is the fastest, most cost effective way to see real benefits from a new ERP system. Vendors are finally providing the tools to configure user views rather than customize processes.

Market overview

How it got here

- ERP started in the sixties as mainframe tools to automate repetitive manufacturing schedules.
- The standardization of databases by Oracle and Microsoft allowed for greater integration of enterprise modules, such as CRM and industry-specific functionality. The key to success became the capabilities of the channel partners.
- Enterprises were presented with the challenge of managing and effectively using an ever-increasing volume of data.
- The advent of web-based software offerings (SaaS) decreased the initial cost of deploying an ERP system, furthering SME market adoption. Integration and industry specialization remain a challenge.

Where it's going

- ERP has become the latest enterprise application to be available as a cloud SaaS. SaaS has eased the adoption of ERP and the extensibility of existing deployments.
- ERP is moving from merely a record of transactions to the main data repository for the organization. The incorporation of analytics and workflow management is becoming increasingly important.
- Large vendors are easing customization challenges with UI improvements and different deployment options. Their approach potentially diminishes the need for ISVs and VARs for large segments of the market.

Info-Tech Insight

As the market evolves, capabilities that were once cutting edge become default and new functionality becomes differentiating. The ability to support multiple sites has become a Table Stakes capability and should no longer be used to differentiate solutions. Instead focus on usability and data visualization to get the best fit for your requirements.

ERP vendor selection / knock-out criteria: market share, mind share, and platform coverage

- The regulatory complexity and need to increase margins in a wide set of industries has fueled a renewed interest in ERP applications. The increased functionality and ease-of-deployment for SaaS products have made ERP a realistic option for the whole mid-market.
- For this Vendor Landscape, Info-Tech focused on those vendors that offer broad capabilities across multiple platforms and that have a strong market presence and/or reputational presence among mid and large-sized enterprises.

Included in this Vendor Landscape:

- **Sage.** Provides two products for this space: 500 (formerly MAS 500) for the mid to large-sized segment, and 300 ERP (formerly ERP Accpac) for the small to mid-sized segment.
- **SAP.** The gold standard in ERP, particularly for large enterprises. Business One is SAP's mid-market offering.
- **Oracle.** Provides the database architecture for many of these vendors. JD Edwards EnterpriseOne is the elder statesman of the mid-market ERP market.
- **Microsoft.** The Dynamics line contains solutions that cover the whole of the mid-market space. Info-Tech reviewed GP and NAV for this Vendor Landscape.
- **NetSuite.** The most established SaaS offering has seen tremendous growth in the last five years.
- **Epicor.** An established vendor that primarily serves the manufacturing, distribution, and retail markets.
- **UNIT4.** An emerging vendor that is known for its post-implementation agility (i.e. the ability to respond to business change scenarios in an efficient way).
- **Infor.** Focuses on line-of-business applications with a product portfolio focused on micro-verticals.

ERP criteria & weighting factors

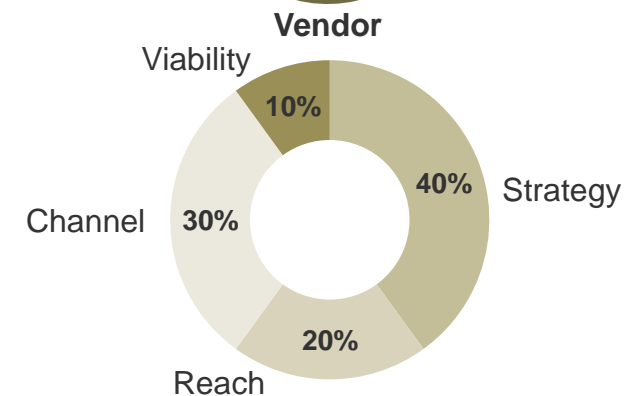
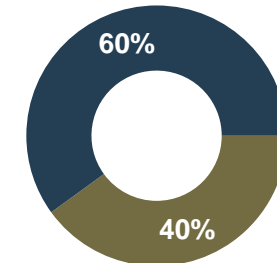
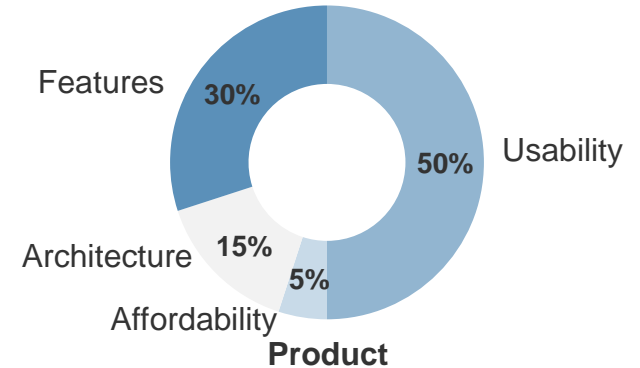
Product Evaluation Criteria

Features	The solution provides basic and advanced feature/functionality.
Usability	The end-user and administrative interfaces are intuitive and offer streamlined workflow.
Affordability	Implementing and operating the solution is affordable given the technology.
Architecture	Multiple deployment options and extensive integration capabilities are available.

Vendor Evaluation Criteria

Viability	Vendor is profitable, knowledgeable, and will be around for the long term.
Strategy	Vendor is committed to the space and has a future product and portfolio roadmap.
Reach	Vendor offers global coverage and is able to sell and provide post-sales support.
Channel	Vendor channel strategy is appropriate and the channels themselves are strong.

Criteria Weighting



The Info-Tech ERP Vendor Landscape

The zones of the Landscape

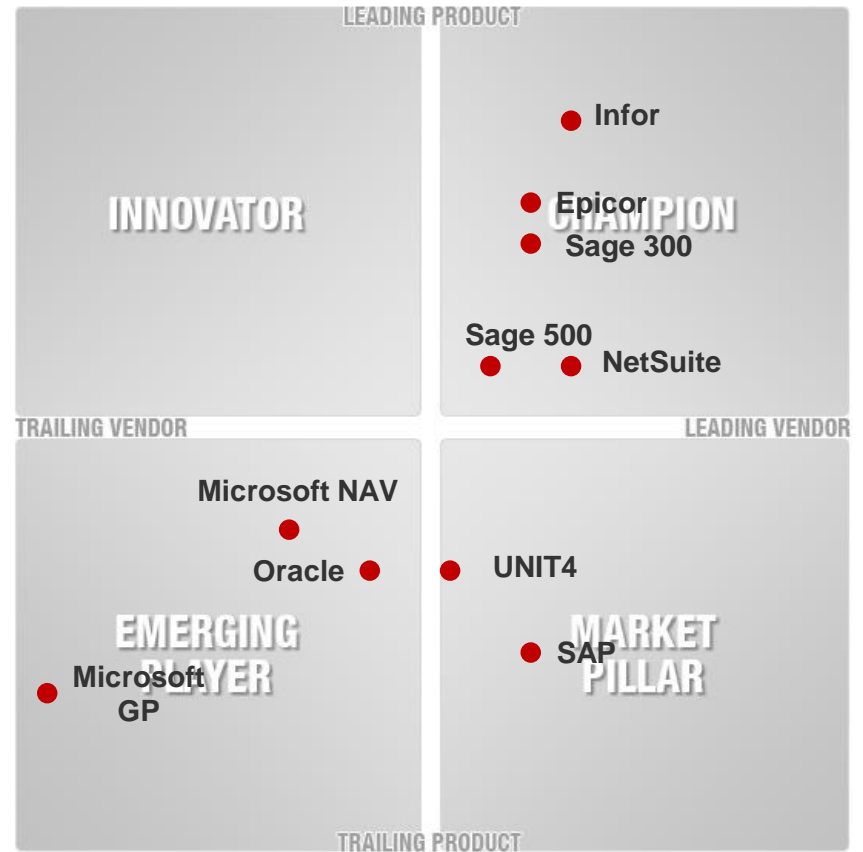
Champions receive high scores for most evaluation criteria and offer excellent value. They have a strong market presence and are usually the trend setters for the industry.

Market Pillars are established players with very strong vendor credentials, but with more average product scores.

Innovators have demonstrated innovative product strengths that act as their competitive advantage in appealing to niche segments of the market.

Emerging Players are comparatively newer vendors who are starting to gain a foothold in the marketplace. They balance product and vendor attributes, though score lower relative to market Champions.

The Info-Tech ERP Vendor Landscape



Balance individual strengths to find the best fit for your enterprise

	Product					Vendor				
	Overall	Features	Usability	Afford.	Arch.	Overall	Viability	Strategy	Reach	Channel
Epicor										
Infor*										
Microsoft (GP)										
Microsoft (NAV)										
NetSuite										
Oracle*										
Sage (300)										
Sage (500)										
SAP*										
UNIT4*										

*The vendor declined to provide pricing and publicly available pricing could not be found.

The Info-Tech ERP Value Index

What is a Value Score?

The Value Score indexes each vendor's product offering and business strength **relative to its price point**. It **does not** indicate vendor ranking.

Vendors that score high offer more **bang-for-the-buck** (e.g. features, usability, stability, etc.) than the average vendor, while the inverse is true for those that score lower.

Price-conscious enterprises may wish to give the Value Score more consideration than those who are more focused on specific vendor/product attributes.

*The vendor declined to provide pricing and publicly available pricing could not be found.

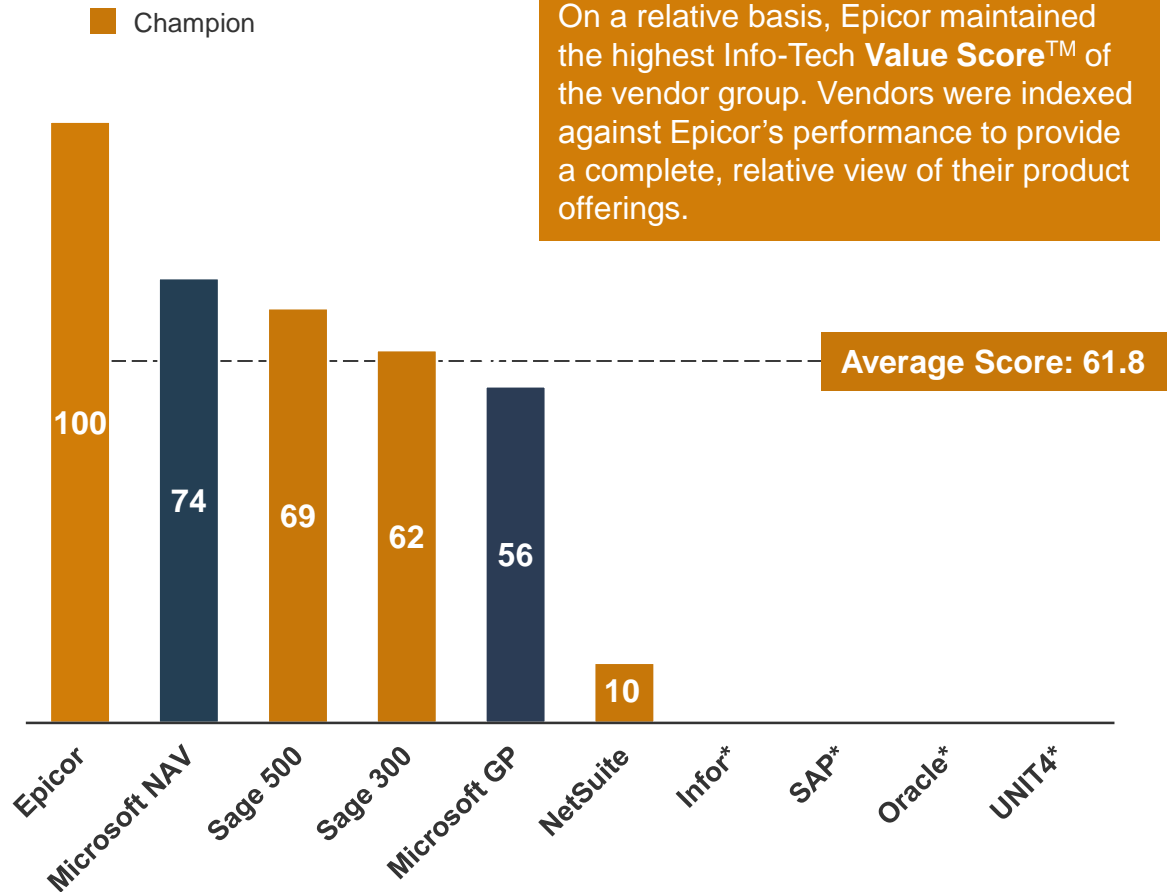


Table Stakes represent the minimum standard; without these, a product doesn't even get reviewed

The Table Stakes

Feature	Description
Reconcile-to-Report	Financial management (general ledger, PO reconciliation, tax rationalization).
Order-to-Cash	Basic CRM and order management.
Procure-to-Pay	Basic asset management and accounts payable.
Hire-to-Retire (HR)	Basic human resources information and management.
Technical Architecture	A technical architecture that supports add-ons and integration with common reporting tools.

What Does This Mean?

The products assessed in this Vendor Landscape™ meet, at the very least, the requirements outlined as Table Stakes.

Many of the vendors go above and beyond the outlined Table Stakes, some even do so in multiple categories. This section aims to highlight the products' capabilities **in excess** of the criteria listed here.

Info-Tech Insight

If Table Stakes are all you need from your ERP solution, the only true differentiator for the organization is price. Otherwise, extend your search to find the best price and value for your needs.

Advanced Features are the capabilities that allow for granular market differentiation

Scoring Methodology

Info-Tech scored each vendor's features offering as a summation of its individual scores across the listed advanced features. Vendors were given one point for each feature the product inherently provided. Some categories were scored on a more granular scale with vendors receiving half points.

Advanced Features

Feature	What we looked for:
Analytics and reporting	In-application statistics and data visualization for reporting to internal and external stakeholders.
Mobile applications	Mobile-specific application that is functional on a tablet or HTML5/responsive design browser.
Multi-site ERP functionality	Rationalization of the financial statements and budgeting needs across multiple locations.
Integration with end-user tools	Connectors to support productivity in a regulated manner within the corporate environment.
Exception management	The mechanisms for managing exceptions to normal processes.

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Advanced Features

Feature	What we looked for:
Industry-specific modules	The number of industries out of these ten large categories: pharmaceuticals, insurance, healthcare, manufacturing, retail, distribution, communication, real estate, government, higher education, that have specific modules across all ERP uses.
Horizontal support	Support for typical ERP centric activities such as accounts payable, HR, supplier management, customer orders (SKUs, POS, etc.), and partner payments.
BPM support	Support for more expansive business processes that require additional application or information sources other than only the ERP system.
Document management	Documents related to a ERP process are stored, accessed, and integrated into processes.
Application Dev. Platform	Platform for customizing branding and business critical unique processes.

Each vendor offers a different feature set; concentrate on what your organization needs

Evaluated Features										
	Analytics and reporting	Mobile applications	Multi-site ERP functionality	Integration with end-user tools	Exception mgmt.	Industry specific modules	Horizontal support	BPM support	Doc. mgmt.	App. Dev. platform
Epicor	●	●	●	●	●	●	●	●	●	●
Infor	●	●	●	●	●	●	●	●	●	●
Microsoft (GP)	●	●	●	●	●	●	●	●	●	●
Microsoft (NAV)	●	●	●	●	●	●	●	●	●	●
NetSuite	●	●	●	●	●	●	●	●	●	●
Oracle	●	●	●	●	●	●	●	●	●	●
Sage (300)	●	●	●	●	●	●	●	●	●	●
Sage (500)	●	●	●	●	●	●	●	●	●	●
SAP	●	●	●	●	●	●	●	●	●	●
UNIT4	●	●	●	●	●	●	●	●	●	●

Legend ● =Feature fully present ● =Feature partially present/pending ● =Feature absent

Mid-sized organizations with multiple locations still require visibility into the processes and financials of each site

All vendors can manage financial consolidation; organizations centrally managing resourcing need deeper tools.

1 Distributed resourcing

2

3

Why Scenarios?

In reviewing the products included in each Vendor Landscape™, certain use cases come to the forefront. Whether those use cases are defined by applicability in certain locations, relevance for certain industries, or as strengths in delivering a specific capability, Info-Tech recognizes those use cases as Scenarios, and calls attention to them where they exist.

Best suited for professional services

UNIT4
BUSINESS SOFTWARE

sage
300

Microsoft
Dynamics
GP



NETSUITE

Best suited for distributors

Microsoft
Dynamics
NAV

EPICOR.

Best suited for manufacturers

infor

sage
500 ERP

EPICOR.

Enterprise-wide budgeting and revenue forecasting requires clear analytics and information presentation

Move away from Excel for managing the long-term growth and planning exercises with an ERP system that provides clear data visualization tools.

1

2 Budgeting and forecasting

3

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Best suited for professional services



Best suited for volatile industries



Best suited for HCM-focused organizations



Large enterprise players in niche verticals need systems that understand their needs

All products in this landscape can handle the financial and general resourcing planning. The differentiator will be in the add-on modules.

1

2

3 Complex niche markets

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Best suited for higher education

UNIT4
BUSINESS SOFTWARE

Best suited for pharmaceutical

ORACLE
JD EDWARDS ENTERPRISEONE

Best suited for mining, oil, and gas

SAP

sage
300

EPICOR

Sage maintains strong partner relationships across all of its products

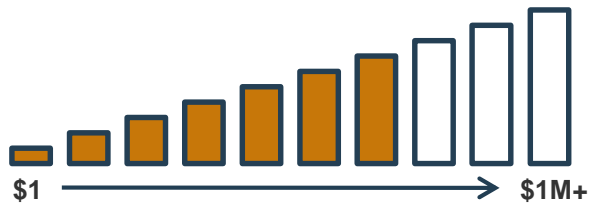


Champion

Product: Sage 300
Employees: 13,600
Headquarters: Newcastle, UK
Website: Sage.com
Founded: 1981
Presence: LSE: SGE



5 year TCO for this solution falls into pricing tier 7, between \$100,000 and \$250,000



Pricing provided by vendor

Overview

- Sage 300 ERP is widely deployed across geographies and industries.

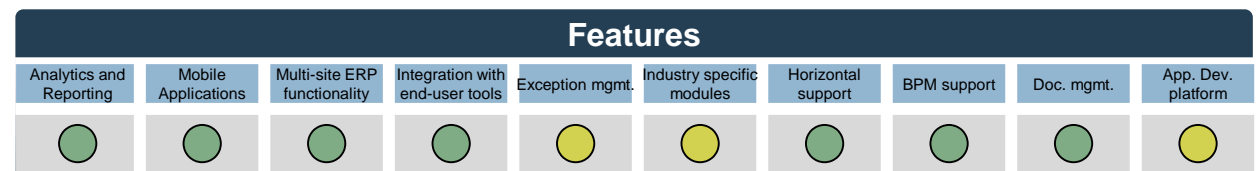
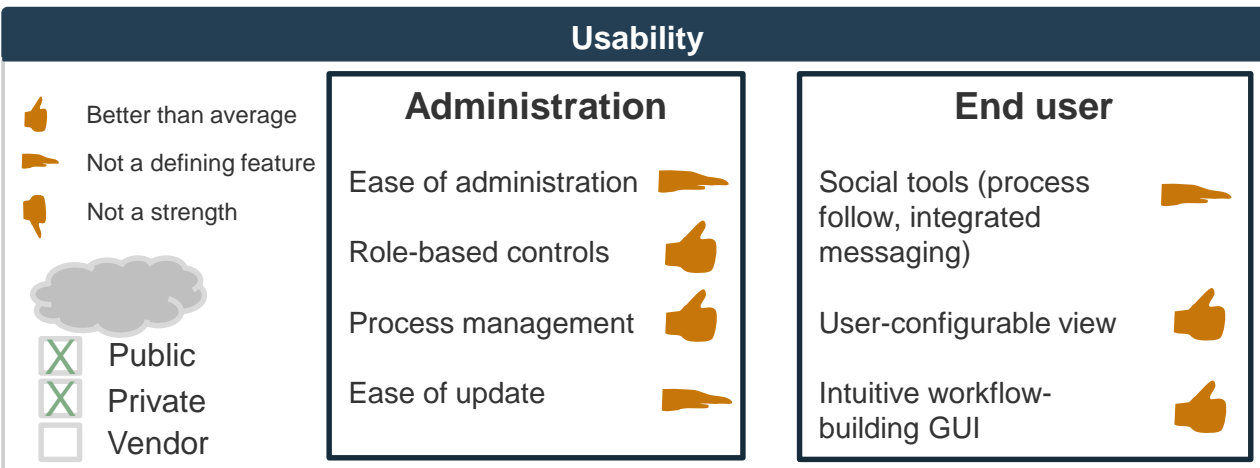
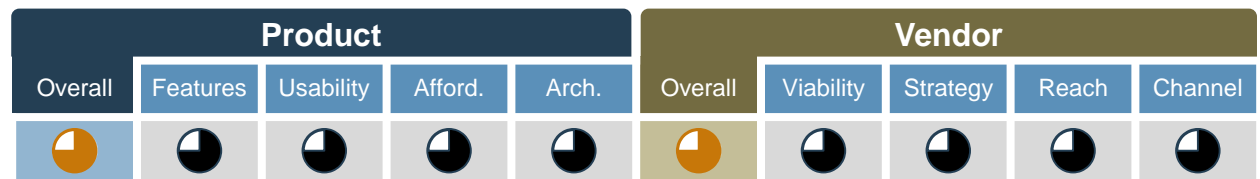
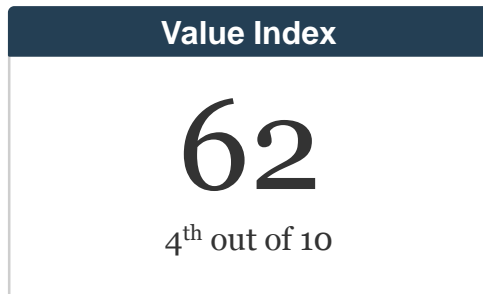
Strengths

- Sage has focused on providing partners with better data to ensure that customers are maximizing their Sage investment. This initiative will also provide Sage with a one-of-a-kind best practices and KPI network to empower clients and partners.
- The UI of both the desktop and web client are intuitive and flexible enough for all potential users from C-suite to front-line users.

Challenges

- Sage has introduced dashboarding and analytics capabilities more slowly than many competitors in this space. Expect a robust experience in the next round of updates.
- Many social and extended features are only available through Sage CRM and Microsoft.

Sage 300 will require strong relationships with the implementer to assure long-term value



Info-Tech Recommends:

Sage 300 provides a robust, customizable product for the mid-market.

Strong solution for organizations that need to automate complex processes

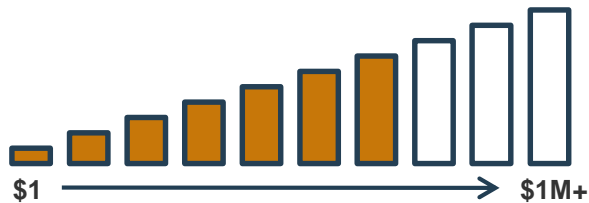


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Pricing provided by vendor

Overview

- Sage 500 ERP is an open platform focused on the mid-large market for the service and manufacturing verticals.

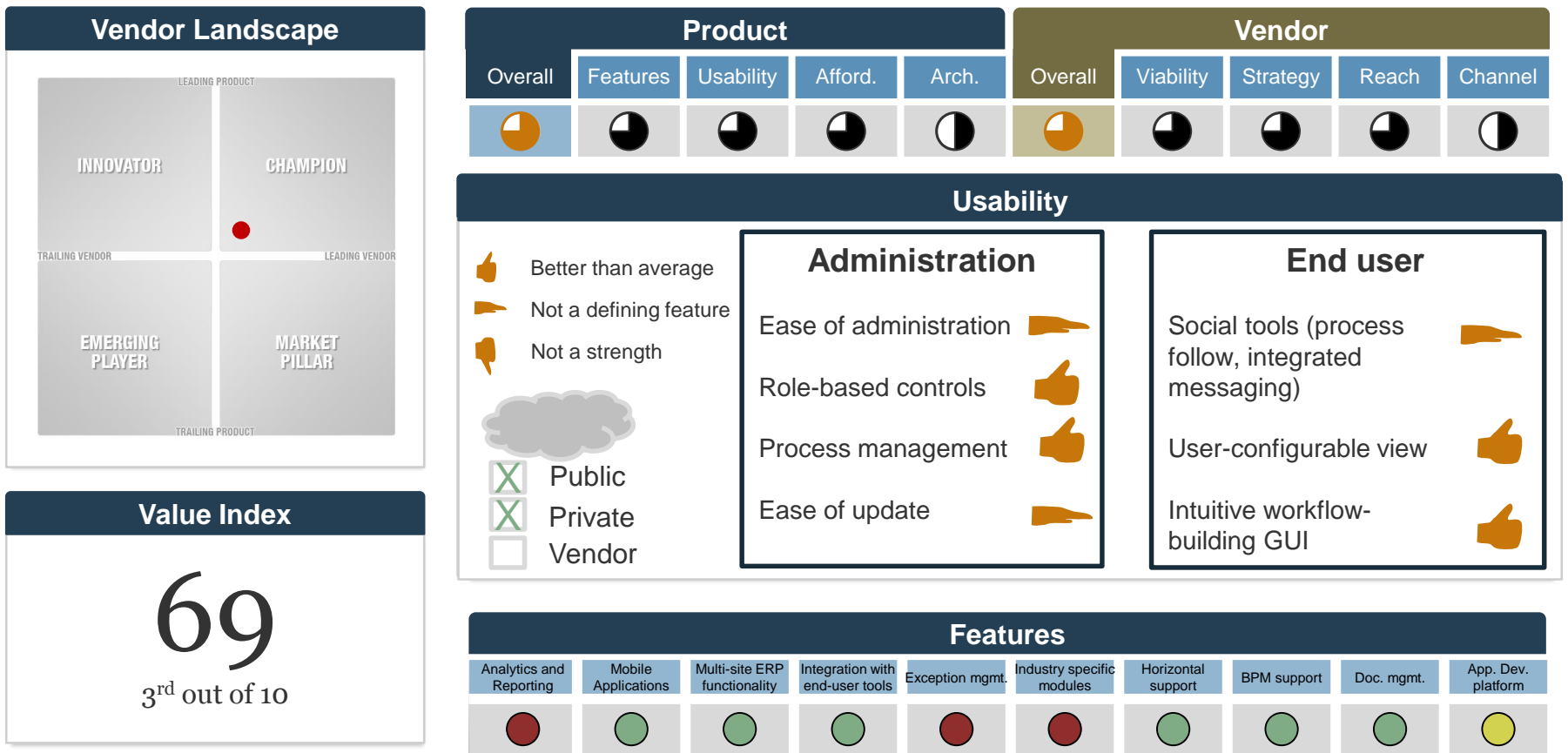
Strengths

- The visual process UI is easy, clear, and directive. Organizations with high turnover in front-line process workers will find significant value in Sage 500 ERP.
- Very intelligent mobile app can be directly linked into mapping functions for iOS (Android is coming) allowing for both routing information and sales analytics for mid-market organizations.
- The use of hover text and logical icons provide a very easy user experience for both administrators and end users.

Challenges

- Very step heavy. Most processes will require a high level of user intervention. The Office connector will ease some of the process issues.
- The speed at which Sage has updated 500 is slow compared to many of its competitors when it comes to mobile and cloud.

Easy, straightforward process mapping will ease Sage 500 implementation and maintenance



Info-Tech Recommends:

Service and manufacturing organizations should look at Sage 500 as a key ERP system.