Everest Group®

State of the Market Report | Human Resources Outsourcing, Service Optimization Technologies

Digital Adoption Platform (DAP) – State of the Market Report 2022

December 2021: Complimentary Abstract / Table of Contents

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Everest Group's DAP research is based on multiple sources of proprietary information

Proprietary database of ~20 DAP technology vendors

The database tracks the following elements for each vendor:

- Breadth and depth of the product functionalities
- Analytics, reporting, and dashboards
- Investments and innovations
- Partnerships with service providers and other technology vendors
- Support in terms of product training, maintenance, consulting, and other support services
- Availability and adoption of commercial model(s)
- Portfolio coverage in terms of industry, geography, process areas, and buyer size
- Vendor performance in terms of revenue and clients

Demonstrations and interactions with technology vendors and other industry stakeholders

- Detailed demos and interviews with DAP technology vendors for a comprehensive view of the products
- Interviews with technology vendors' reference clients
- Executive-level discussions with technology vendors as well as service providers that cover:
  - Current state of the market
  - Opportunities and challenges
  - Expected direction of movement in the industry
  - Technology vendor / service provider vision and roadmap
- Executive-level discussions with industry enablers / specialist system integrators to get the buyer perspective, and to reaffirm the findings from other sources
- On-site as well as conference meetings with enterprise DAP buyers to understand:
  - Vision and objectives
  - Buying criteria
  - Apprehensions and challenges
  - Outcomes achieved
  - Future direction

Proprietary database of RPA and AI capabilities of ~100 leading technology vendors and 50+ BPS providers complements the research

The database tracks the following capability elements for each technology/service provider:

- Clients with automation deployments, scale and scope of deployments, cost savings, and case studies
- Automation client portfolio across buyer sizes, geographies, industries, and BPS segments
- Vision and strategy, top automation solutions, their value propositions, and RPA and AI features
- Technology partnerships and collaborations with academic institutes

Vendors assessed in the PEAK Matrix® analysis[1]

Aidaxis, AppLearn, AppNavi, apty, HelpHero, Helppier, HintEd, knowmore, myGuide, NEWIRED, nScreen, pointzi, tts knowledge matters., userlane, walkme, whatfix, YesElf, Ziplyne

1 Assessments for HelpHero and Helppier exclude vendor inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, technology vendor public disclosures, and Everest Group's interactions with DAP buyers
The source of all content is Everest Group unless otherwise specified.

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information we collect that is contract specific will only be presented back to the industry in an aggregated fashion.

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Background of the research

In 2020, many companies hopped on to the bandwagon of digital transformation to tackle the pandemic and sustain their operations as COVID-19 set limitations on workforce collaboration in office and business operations in the offline mode. This further reinforced the roles that DAPs have the potential to play. Enterprises realized the need to put additional emphasis on customer and user experience as the concerned stakeholders adapted to the digital way of operating. Additionally, organizations looked for solutions that could help them realize the maximum benefit from these investments through a holistic approach to reduce the time taken for users to adopt the applications.

DAPs provide users guidance in the flow of work that helps enterprises achieve their business goals, such as boosting employee efficiency, reducing support tickets and costs, improving customer satisfaction scores, increasing trial conversion, as well as minimizing customer churn, among others. Vendors are continuously investing in enhancing their DAP capabilities and global outreach to better serve the clients. The technologies used in DAPs are evolving with several additions in offerings such as user behavior analytics without deploying walkthroughs, integrated chatbots, content management and aggregation systems, and enhanced content editing options, to cite a few examples.

In this study, we investigate the state of the DAP technology vendor market. We focus on:

- DAP market size and adoption trends
- DAP solution characteristics
- Buyer feedback, challenges, and best practices
- Key investment themes
- DAP vendor landscape
- Outlook for 2022

Scope of this report:

Geography
Global

Technology vendors
DAPs in the market that are available for independent licensing were considered for this report

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Overview and abbreviated summary of key messages

DAPs are designed to ease digital transformation for employees and customers – they drive and simplify end user support throughout the digital adoption lifecycle. This report examines the global Digital Adoption Platform market in detail. It focuses on the changing market dynamics and emerging buyer adoption trends. The study provides detailed information about market overview, buyer objectives, key investment themes, and evolving solution characteristics. The report also looks at the vendor landscape and the market shares and growths.

Some of the findings in this report, among others, are:

Market overview and adoption trends

- The DAP market is expected to experience a steady growth for the next few years, as more enterprises adopt DAP to address multiple pain points
- North America remains the top adopter and has the highest revenue contribution; whereas Continental Europe is on a growth trajectory
- Banking, financial services, and insurance industry continues to capture the highest market share followed by hi-tech and manufacturing
- The majority of enterprises adopting DAP solutions were small- or mid-sized enterprises, while large enterprises had a relatively low contribution
- While the majority of DAP deployments have been for browser-based applications, it is expected to increase for other platforms as well

DAP solution characteristics

- The talent demand for the DAP market has seen an upward growth with sales and marketing leading the split. The market also experienced a more balanced geographical distribution of the FTEs
- DAP vendors are strengthening their service partner ecosystem to expand product outreach and to meet the demand for training and consulting/implementation
- Cloud deployments, especially on public cloud, are expected to gain further momentum due to the inherent benefits such as ease of deployment and cost reduction
- Greater flexibility to scale deployments and low upfront investments are major factors in driving the adoption of commercial models

Buyer feedback, challenges, and best practices

- Pricing as a selection criteria experienced a significant jump due to increased vendor evaluations by enterprises. Functionalities, PoCs, customer support, and ease of implementation are the other top selection criteria
- Buyers continue to be satisfied with the overall performance of DAP vendors as well as most of their offerings. However, there is still a gap in reporting and analytics feature that vendors need to bridge

Key investment themes

- As the DAP market matures, the vendors seek out opportunities to enhance their technological capabilities to gain a competitive advantage over their peers
- DAP vendors are making investments to provide better professional and consulting services, more trainings and certifications, and round-the-clock customer support to their clients

DAP technology vendor landscape

- WalkMe had the highest DAP market share in 2020; Whatfix, tts GmbH, MyGuide by EdCast, Userlane, AppLearn, and Apty have reasonable market shares
- WalkMe continues to serve the majority of the DAP clients in the market, followed by Whatfix, tts GmbH, Userlane, MyGuide by EdCast, Apty, and AppLearn

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This study offers multiple chapters providing a deep dive into key aspects of the DAP market; below are four charts to illustrate the depth of the report

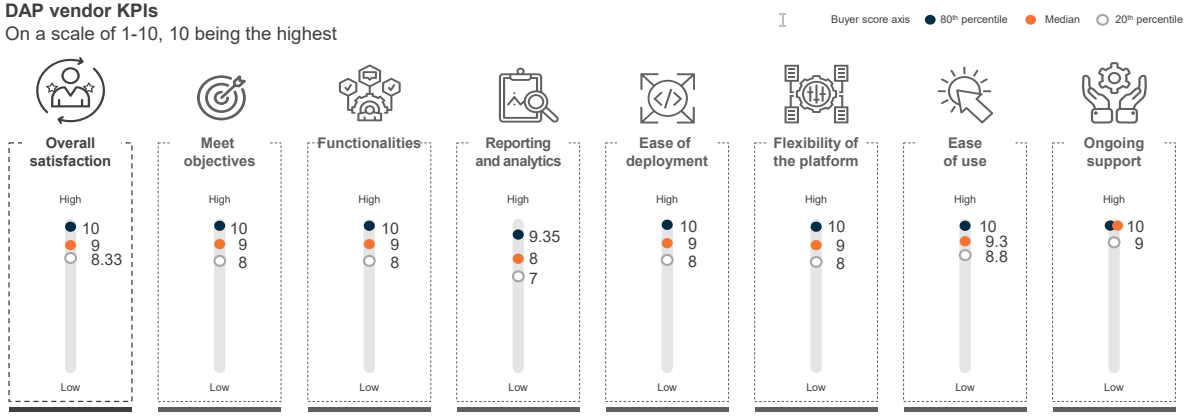
DAP solution characteristics

DAP solution characteristics

- Talent
- Partner ecosystem
- Deployment and hosting model
- Commercial model

Buyer feedback, challenges, and best practices

DAP vendor KPIs
On a scale of 1-10, 10 being the highest



Key investment themes

Emerging technological investments by DAP vendors

- AI/ML
- Automation
- Process mining
- Reporting and analytics

Services-related investments by DAP vendors

- Professional and consulting services
- Training and certifications
- Customer support

DAP technology vendor landscape

Vendors' DAP market share by annual realized license revenue; 2020
(Vendors are listed in alphabetical order within each category)

>45%	walkme
5-10%	whatfix
1-5%	AppLearn, apty, myGuide, tts, userlane
<1%	Aidaxis, AppNavi, HelpHero, Helppier, HintEd, knowmore, NEWRED, nScreen, pointzi, YesElf, Ziplyne

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Research calendar

Human Resources Outsourcing (HRO)

Published | Planned | Current release

Flagship reports	Release date
Learning Services PEAK Matrix® Assessment with Service Provider Landscape 2021	June 2021
Digital Adoption Platform (DAP) Products PEAK Matrix® Assessment with Technology Vendor Landscape 2021	August 2021
Learning Services Provider Profile Compendium 2021	October 2021
Multi-country Payroll (MCP) Solutions PEAK Matrix® Assessment 2021	October 2021
Digital Adoption Platform (DAP) Products Provider Profile Compendium 2021	October 2021
Learning Services State of the Market Report – Reimagining Learning in the New Reality	November 2021
Multi-country Payroll (MCP) Solutions Service Provider Profile Compendium 2022	November 2021
Digital Adoption Platform (DAP) – State of the Market Report 2022	**December 2021**
Multi-country Payroll (MCP) Solutions State of the Market Report 2022	Q1 2022
Employee Experience Management (EXM) Platforms PEAK Matrix® Assessment 2022	Q1 2022
Employee Experience Management (EXM) Platforms Technology Vendor Profile Compendium 2022	Q2 2022
Employee Experience Management (EXM) Platforms State of the Market Report 2022	Q2 2022

Thematic reports	Release date
Employee Experience Management (EXM) Platforms	June 2021
Payroll 4.0: A New Era for Global Payroll	July 2021
Human Resource Outsourcing (HRO) 4.0: Reinventing the HR Function	October 2021
Learning Experience Platform (LXP) viewpoint	Q1 2022

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Research calendar

Service Optimization Technologies (SOT)

Published | Planned | Current release

Flagship reports	Release date
Intelligent Document Processing (IDP) – Technology Vendor Compendium 2021	June 2021
Intelligent Document Processing (IDP) State of the Market Report 2021 – Key to unlocking value in documents	June 2021
Intelligent Process Automation (IPA) – State of the Market Report 2021	June 2021
Conversational AI – Technology Vendor Landscape with Products PEAK Matrix® Assessment 2021	August 2021
Digital Adoption Platform (DAP) Products PEAK Matrix® Assessment with Technology Vendor Landscape 2021	August 2021
Conversational AI – State of the Market Report 2021	October 2021
Digital Adoption Platform (DAP) Products Provider Profile Compendium 2022	October 2021
Robotic Process Automation (RPA) Technology Provider Compendium 2022	November 2021
Digital Adoption Platform (DAP) – State of the Market Report 2022	**December 2021**
Robotic Process Automation (RPA) State of the Market Report 2022	Q4 2021

Thematic reports	Release date
Intelligent Document Processing (IDP) Playbook 2021	June 2021
Process Mining Playbook 2021	June 2021
Scaling Up Intelligent Automation – What Can We Learn from the Best?	August 2021
Intelligent Document Processing (IDP) in P&C Insurance	September 2021
Intelligent Document Processing (IDP) for Unstructured Documents	October 2021
Intelligent Document Processing (IDP) in Healthcare	November 2021

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