

# Digital Adoption Platforms (DAP) – State of the Market 2023

December 2022: Complimentary Abstract / Table of Contents



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## Introduction

Everest Group defines Digital Adoption Platforms (DAPs) as overlay solutions that are primarily designed to facilitate seamless adoption and learning of the underlying applications. DAP is a key enabler for any organization which is going digital and embracing new technologies to gain a competitive advantage. More enterprises are now looking at solutions such as DAP to navigate new technologies to provide impeccable customer and employee experiences. This is well-reflected in the growth the DAP market has experienced over the last few years. Enterprises seek a DAP to have the intended RoI from their digital transformation and impact their bottom line. In addition to the product being leveraged for traditional use cases such as learning and training users in the flow of work, DAP is now catering to complex ones such as handling enterprise-wide change management, offering personalized experiences to new vs. tenured employees, bringing in all the existing enterprise knowledge at one place, and providing seamless support throughout an entire process irrespective of where the user is.

In the last few years, the product has stepped up to fulfill buyers' needs through technological advances such as better authoring and end-user experience, advanced analytics and dashboards, integrations with knowledge bases, automation, and other tools to offer a seamless experience to users. This has led to high overall buyer satisfaction with DAPs. The product is continuously evolving with investments by providers in next-generation technologies such as AI/ML and predictive analytics as well as continuous innovation to broaden DAPs' usage. As the DAP market continues to mature, providers are going for more partnerships, mergers, and acquisitions to expand their capabilities and client outreach.

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

- Key highlights of the DAP market 2021-22
- DAP market size and adoption trends
- DAP solution characteristics
- Buyer feedback, challenges, and best practices
- DAP investment themes
- DAP provider landscape

### Scope of this report:



**Geography**  
Global



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

## Overview and abbreviated summary of key messages

DAPs are overlay solutions that are designed to facilitate seamless adoption and learning of the underlying applications. 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 key highlights of the DAP market, detailed information about the 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 has grown almost four-fold in the last few years and the annual spend on DAP is expected to cross a billion dollars by 2025
- North America dominates DAP adoption with more than 65% market share, while the LATAM and UK markets are growing rapidly
- Hi-tech, BFSI, and professional services sectors are the leading contributors to DAP providers' revenue, accounting for more than 50%
- Midsize enterprises account for the highest revenue share for DAP providers

### DAP solution characteristics

- DAP providers are fast expanding their teams to enhance their offerings and spread DAP market awareness; providers are also leveraging partner resources to serve their clients better
- DAP providers are strengthening their service partner ecosystem to expand product outreach and to meet the demand for training and consulting/implementation services
- DAP providers offer pre-built templates to enable faster deployments for SaaS applications such as Salesforce, SAP, Oracle, and Microsoft Dynamics

### Buyer feedback, challenges, and best practices

- Pricing and ease of use are the top criteria for DAP selection. Proof of concept and proactiveness of the provider to offer good customer support along with product features play a vital role
- While buyers appreciated the ongoing support and proactiveness, they mentioned some scope for improvement in reporting & analytics and flexibility of the platform

### Key investment themes

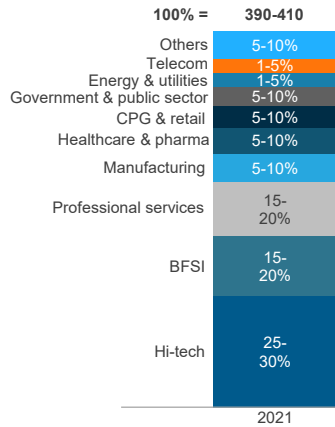
- DAP providers are constantly investing to improve their product capabilities to offer an enterprise-grade software
- As the DAP market matures, providers seek out opportunities to enhance their technological capabilities in order to gain a competitive advantage over their peers by investing in next-generation technologies

### DAP technology vendor landscape

- Pendo, WalkMe, and Whatfix have significant presence across all the top five industries; AppLearn, MyGuide by EdCast, and Userlane have a reasonable presence in some of these industries
- Pendo and WalkMe serve more than half of the DAP clients in the market; Whatfix has a sizable client base

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

## DAP market size and adoption trends

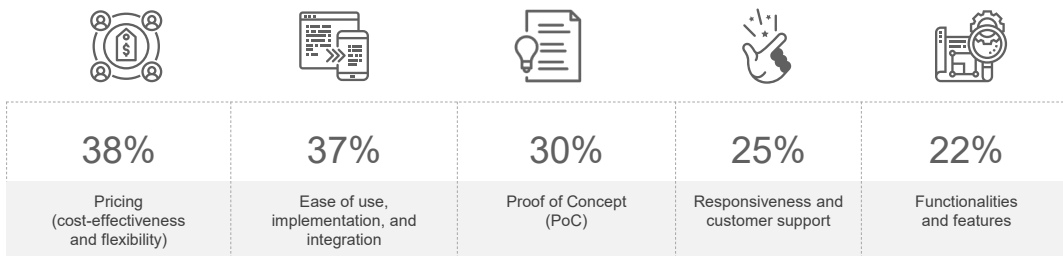


- BFSI and hi-tech have been at the forefront of digital transformation. Apart from support to their own employees, these industries are also leveraging DAPs to elevate the customer experience through easier navigation, quicker turnaround time for issue resolution, and smoother self-service
- Traditional industries such as manufacturing and CPG & retail are undergoing digital disruption, which has led to the emergence of many applications (third party and in-house custom) in different domains such as procurement, monitoring, supply chain, and sales. Enterprises are relying on DAP as an enabler to help employees operate these applications smoothly
- Buyers from BPO, talent acquisition providers, wellness providers, and other professional services firms are adopting DAP to offer fast onboarding and training of their own employees, boost self-service, and support their customers to handle high volume demand

## DAP solution characteristics



## Buyer feedback, challenges, and best practices



## DAP provider landscape





# Research calendar

## Human Resources Outsourcing (HRO)

Published Planned Current release

| Reports title  | Release date         |
|--|----------------------|
| Multi-Process Human Resources Outsourcing (MPHRO) Services PEAK Matrix® Assessment 2022                | March 2022           |
| Navigating Change with Technology for Better Rol   | May 2022             |
| 360-degree Digital Adoption  | June 2022            |
| The Payroll Transformation Journey   | June 2022            |
| Employee Experience Management (EXM) Platforms – Technology Vendor Compendium 2022                     | June 2022            |
| Multi-process Human Resources Outsourcing (MPHRO) Services – Service Provider Compendium 2022          | June 2022            |
| Digital Adoption Platform (DAP) Products PEAK Matrix® Assessment with Technology Vendor Landscape 2022 | August 2022          |
| Learning Experience Platforms (LXP) – Technology Vendor Landscape with PEAK Matrix® Assessment 2023    | September 2022       |
| Multi-country Payroll (MCP) Solutions PEAK Matrix® Assessment with Service Provider Landscape 2023     | September 2022       |
| Employer of Record (EOR) – Solutions Provider Landscape with PEAK Matrix® Assessment 2023              | September 2022       |
| Employee Experience Management (EXM) State of the Market Report 2023                                   | October 2022         |
| Digital Adoption Platform (DAP) Products Compendium 2023   | October 2022         |
| Multi-country Payroll Solutions (MCPS) – Solutions Provider Compendium 2023                            | November 2022        |
| <b>Digital Adoption Platform (DAP) – State of the Market 2023</b>                                      | <b>December 2022</b> |
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