



# Digital Transformation Services for Mid-Market Enterprises

November 2024: Complimentary Abstract / Table of Contents

State of the Market Report  
Digital Services



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- ▶ Insurance Technology (InsurTech)
- ▶ Insurance Third-Party Administration (TPA) Services
- ▶ Intelligent Document Processing
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- ▶ Payer and Provider Business Process
- ▶ Payer and Provider Information Technology
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- ▶ Price Genius – AMS Solution and Pricing Tool
- ▶ Pricing Analytics as a Service
- ▶ Process Intelligence
- ▶ Process Orchestration
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- ▶ Recruitment
- ▶ Retail and CPG
- ▶ Retirement Technologies
- ▶ Revenue Cycle Management
- ▶ Rewards and Recognition
- ▶ SAP Services
- ▶ Service Optimization Technologies
- ▶ Software Product Engineering Services
- ▶ Supply Chain Management (SCM) Services
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# Introduction

In the current economic landscape, which is surrounded by uncertainty, mid-market enterprises are increasingly turning to digital transformations to remain agile and resilient. They are counting on IT outsourcing to adopt the latest technologies and solutions to drive operational efficiency and build exceptional Customer Experiences (CX), to stay ahead in the market.

Service providers play a pivotal role in these transformations, offering expertise in technology themes such as cloud, data analytics, AI, automation, and next-generation technologies, helping enterprises undergo complex transformations. Mid-market enterprises are seeking providers that prioritize strong relationships, cost-efficiency, and agility, and provide domain expertise in their industry supported by a strong partner network.

In this report, we investigate the state of the digital transformation services for mid-market enterprises and focus on:

- Overview of digital transformation
- Mid-market overview and digital transformation adoption trends
- Buyer insights
- Solution characteristics
- Outlook for 2025

## Scope of this report

**Geography:** Global

**Industry:** All industries

**Services:** Digital transformation services

# Overview and abbreviated summary of key messages

This report explores digital transformation for mid-market enterprises, focusing on adoption trends, buyer needs, and solution characteristics. Mid-market companies prioritize flexibility, scalability, and cost-effective solutions to stay competitive. The outlook for 2025 indicates continued growth in digital adoption, driven by the need for enhanced efficiency and adaptability.

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

### Digital transformation is accelerating growth and innovation within mid-market enterprises

- The shift toward digital solutions is enabling mid-market enterprises to improve efficiency, customer experience, and competitiveness
- Core advantages include enhanced agility, data-driven insights, and the ability to rapidly respond to shifting demands and industry trends

### Unique digital transformation patterns are emerging within the mid-market segment, driven by regional dynamics and industry specific needs

- North America leads in digital transformation adoption, while APAC shows the fastest growth, highlighting distinct regional approaches to digital maturity
- This growth is fueled by strategic investments and a commitment to leveraging technology as a means of differentiation and resilience

### Key buyer insights underscore critical motivations, strengths, and areas for advancement in digital transformation

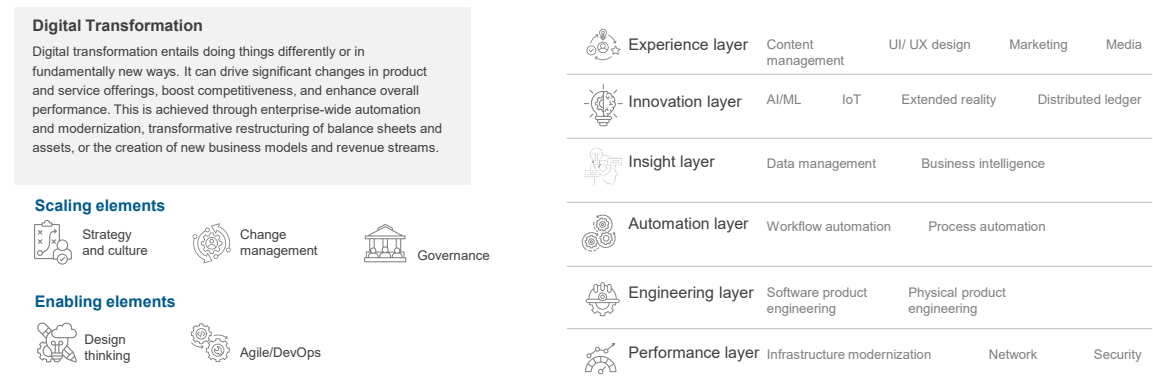
- Top drivers include operational efficiency, cost optimization, and superior customer engagement, underscoring the value placed on tangible outcomes
- Buyers value service provider flexibility and highlight the importance of accelerating delivery and expanding service support as areas of enhancement

### Solutions tailored to mid-market enterprises emphasize specialized expertise, partnerships, and strategic investment

- Intellectual property, specialized talent, and a collaborative partner ecosystem are vital for delivering solutions that address the unique needs of these enterprises
- Service providers are actively investing in R&D and industry thought leadership to maintain a competitive edge and offer forward-thinking solutions

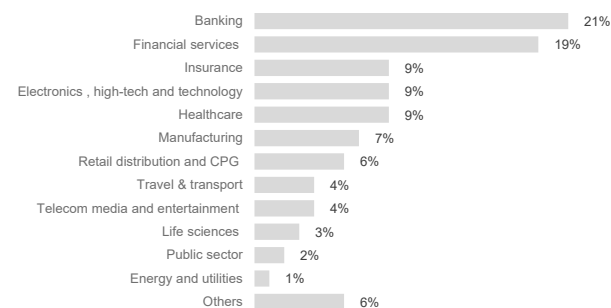
# This study offers distinct chapters providing a deep dive into key aspects of digital transformation services in mid-market; below are four charts to illustrate the depth of the report

## Understanding digital transformation



The banking and financial services sectors lead in the digital transformation, while energy and utilities and public sector are lagging in its adoption

**Digital transformation services adoption by buyer industry**  
License revenue in percentage; US\$ million



Many service providers are strategically **diversifying their portfolios** across multiple industries to mitigate risks and seize growth opportunities

Few service providers are honing their expertise in **specific industries**, allowing them to offer highly tailored solutions and build deep domain knowledge

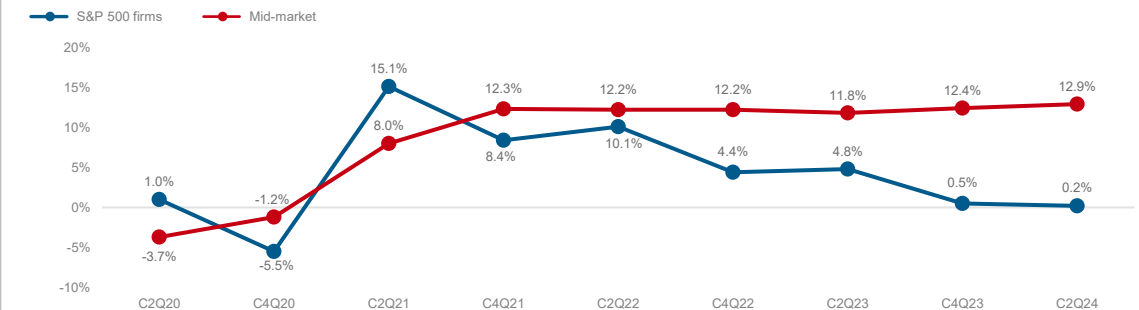
The **BFSI industry** emerge as major revenue contributor for many providers, indicating a strong demand for IT services

A significant revenue from the **insurance sector** suggests a growing emphasis on **advanced analytics and enhanced customer experience solutions**

The anticipated growth in the **Telecom, media, and entertainment industry** is fueled by the surge in digital content consumption and the rollout of 5G technology

Four out of five companies are growing, driving the year-over-year rate of growth to a new all-time high

**Mid-market enterprises' YoY revenue growth in constant currency terms in North America**  
Revenue in US\$ billion



## Buyer satisfaction | drivers of digital transformation adoption

**Key factors driving digital transformation adoption in mid-market**  
On a scale of 1 to 8

Key factors	Rating	Subdimensions	Service providers performance score (2023)
<b>Organizational capabilities</b>	6.9	Technical expertise	7
		Domain expertise	6.7
		Talent management	6.9
		Commercials/Pricing	6.8
		Client management	7.3
<b>IP capabilities and coverage</b>	5.5	Depth of assets	6
		Industry coverage	5.1
		Next-generation coverage	5.4
<b>Partnerships</b>	5.2	Cloud platform partnership	5.6
		Niche partnership	5.4
		Co-innovation rating	4.6



The enhancement of organizational capabilities is a key driver for digital transformation. Buyers prioritize providers that have strong technical capabilities, domain expertise, and talent management, alongside effective pricing, client management, and strategic partnerships. **Overall, focus on organizational capabilities has become crucial for decision-making this year.**



Buyers have shown their **interest** in providers that are proficient in areas such as **organizational capabilities and productivity, IP capabilities and coverage, and identifying partnerships.**

# Research calendar

## Digital Services

	Published	Current release	Planned
Reports title	Release date		
Exponential Technology Radar 2023 – Navigating the Future with Blockchain, Metaverse, and Digital Twin			September 2023
Digital Twin Services – Provider Compendium 2023			October 2023
Impact Sourcing for Sustainable Development and a Brighter Future: Impact Sourcing State of the Market 2023			December 2023
Enterprise Immersive Experience Services PEAK Matrix® Assessment 2024			April 2024
Exponential Technology Radar 2024: Filtering Through the Noise			April 2024
Enterprise Immersive Experience Services – Provider Compendium 2024			July 2024
Mid-Market Digital Transformation: Insights and Outlook for 2025			August 2024
Digital Transformation Consulting PEAK Matrix® Assessment 2024 – North America			September 2024
Digital Transformation Services for Mid-market Enterprises PEAK Matrix® Assessment 2024			September 2024
Digital Transformation Services for Mid-market Enterprises – Provider Compendium 2024			September 2024
Digital Transformation Consulting PEAK Matrix® Assessment 2024 – Europe			October 2024
<a href="#">Digital Transformation Services for Mid-market Enterprises State of the Market 2024</a>			November 2024
Change Management Services PEAK Matrix® Assessment 2024			Q4 2024
Blockchain Tech Providers PEAK Matrix® Assessment 2024			Q4 2024
Enterprise Blockchain Services PEAK Matrix® Assessment 2024			Q2 2025

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