

NEAT EVALUATION FOR GRAZITTI INTERACTIVE:

Salesforce Services

Market Segment: Overall

Introduction

This is a custom report for Grazitti Interactive (Grazitti) presenting the findings of the NelsonHall NEAT vendor evaluation for *Salesforce Services* in the *Overall* market segment. It contains the NEAT graph of vendor performance, a summary vendor analysis of Grazitti for Salesforce services, and the latest market analysis summary.

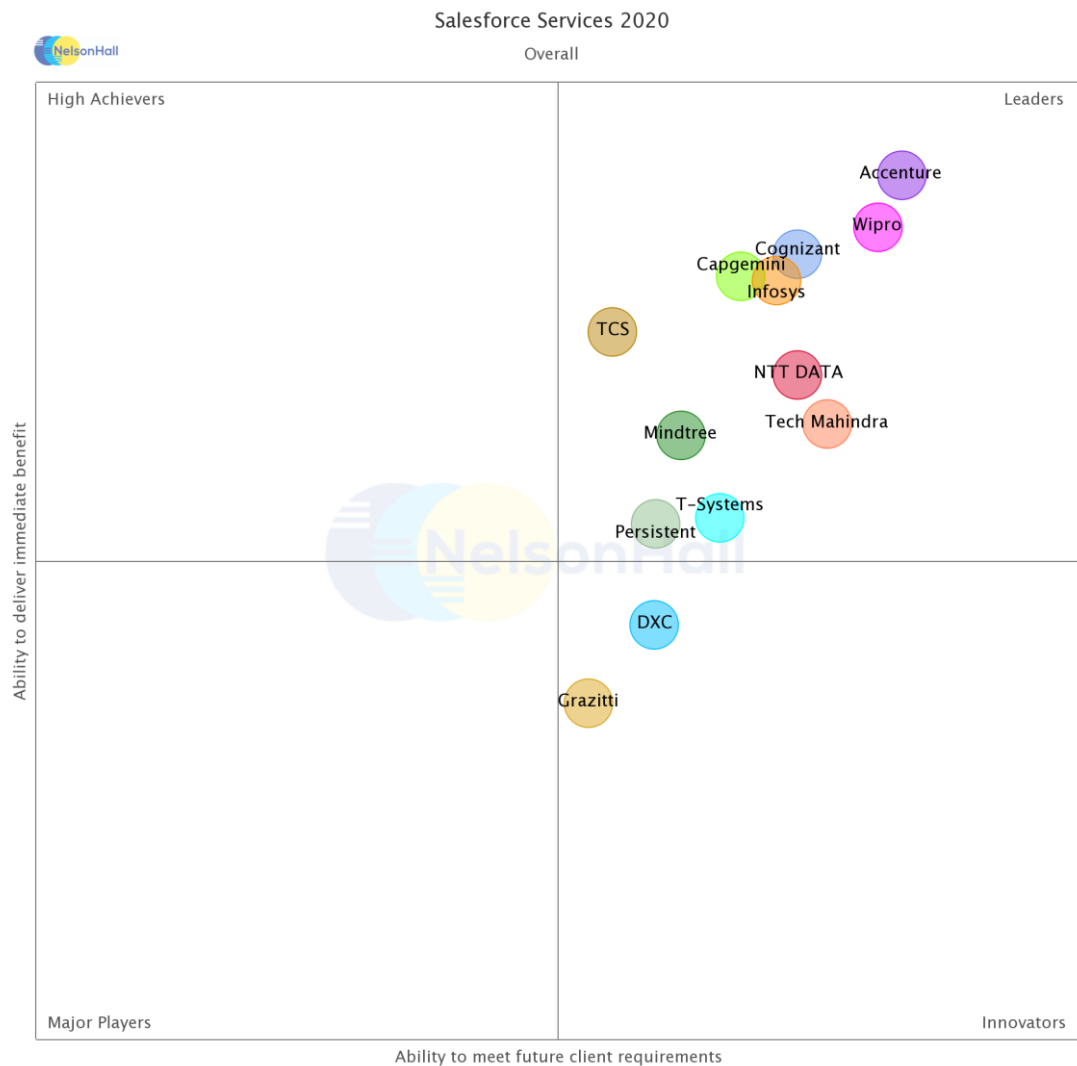
This NelsonHall Vendor Evaluation & Assessment Tool (NEAT) analyzes the performance of vendors offering Salesforce services. The NEAT tool allows strategic sourcing managers to assess the capability of vendors across a range of criteria and business situations and identify the best performing vendors overall and with specific capability in delivery excellence, digital transformation, and in North America and Europe.

Evaluating vendors on both their 'ability to deliver immediate benefit' and their 'ability to meet client future requirements', vendors are identified in one of four categories: Leaders, High Achievers, Innovators, and Major Players.

Vendors evaluated for this NEAT are: Accenture, Capgemini, Cognizant, DXC Technology, Grazitti Interactive, Infosys, Mindtree, NTT DATA, Persistent, TCS, Tech Mahindra, T-Systems, and Wipro.

Further explanation of the NEAT methodology is included at the end of the report.

NEAT Evaluation: Salesforce Services (Overall)



Source: NelsonHall 2020

NelsonHall has identified Grazitti as an Innovator in the *Overall* market segment, as shown in the NEAT graph. This market segment reflects Grazitti's overall ability to meet future client requirements as well as delivering immediate benefits to its Salesforce services clients.

Innovators are vendors that exhibit a high capability relative to their peers to meet client future requirements but have scope to enhance their ability to deliver immediate benefit.

Buy-side organizations can access the *Salesforce Services* NEAT tool (*Overall*) [here](#).



Vendor Analysis Summary for Grazitti

Overview

Grazitti Interactive is a privately-held digital agency headquartered in Panchkula, Haryana, in India.

The company provides a range of services around the creation of portals and websites, and in particular, for the support/customer services organization of its clients, working with several partners, including Adobe, Alteryx, AWS, Khoros, Salesforce, ServiceNow, Shopify, and Zendesk. It also has B2B marketing experience with Salesforce marketing Cloud/Pardot and Adobe Marketo (acquired in 2018).

Grazitti has several practices:

- CRM: Salesforces and Microsoft Dynamics 365
- Online Communities
- Marketing Automation
- Digital Marketing
- Web Development
- Design and Content
- Analytics.

The company has put India at the center of its delivery model. However, it has some delivery presence in the U.S, Australia, and Canada, along with a sales office in Singapore and in Sydney. Grazitti has a headcount of 650.

Grazitti's Salesforce practice shares the company's background in servicing the support/customer service units of its clients; this is mostly for technology clients, who are primarily ISVs. It therefore has its strengths in Sales, Service, and Community Clouds. Also, Grazitti has developed expertise in CPQ.

The practice has, over time, expanded its portfolio to the broader Salesforce set of products, with a focus on technical development and systems integration, along with business process reengineering. Grazitti complements its technology services profile in its Salesforce practice by the UX/UI/design thinking capabilities of its other units and analytics, along with digital marketing.

Grazitti's Salesforce practice serves ~100 clients. In total, the company has ~250 experts working with Salesforce, MuleSoft, and Tableau Software expertise. The company has one Salesforce practice that includes MuleSoft expertise. It also has Tableau capabilities in its Analytics practice.

The Salesforce practice has expanded its capabilities to the majority of the Salesforce portfolio, including:

- Sales Cloud
- Services Cloud
- Commerce Cloud



- Community Cloud
- Marketing Cloud and Pardot (B2B)
- Einstein Analytics
- Tableau
- MuleSoft.

To date, most of Grazitti's Salesforce activity is around Sales, Service, Community, and to a lesser extent, Marketing Cloud.

The Salesforce practice has mostly focused on creating technical IP in the form of products (sold with a license), utilities (a solution/semi-packaged or reusable lines of code), and accelerators (point solutions). Grazitti has refrained from creating industry solutions to date.

Grazitti's two products related to Salesforce are:

- *Sinergify*: an integration point for connecting Salesforce and JIRA at the object level:
 - With Sinergify, Grazitti is targeting clients that want to integrate Community, Sales, or Service Cloud with JIRA for their customer services or IT service desk needs
 - An example client is a professional services firm that uses JIRA for its project management needs and integrated it with Sales Cloud for creating projects, and with Community Cloud for tracking tickets
 - Grazitti sells Sinergify on AppExchange
- *Email to Case Advance*, a product that automates the creation of cases in Salesforce from emails. Email to Case Advance relies on a rule engine for managing emails, e.g., if a customer reopens a ticket, the product will check the email recipient in Salesforce. It is available on AppExchange.

Financials

NelsonHall estimates that the revenues of Grazitti's Salesforce practice were ~\$14m in calendar 2019 and will be \$17m in calendar 2020.

Strengths

- *Overall*: Grazitti is a niche digital agency with strengths in the Service and Community space, initially targeting customer service transformation projects. The company is gradually expanding its Salesforce capabilities and has a specialization in CPQ and increasingly in Marketing and Commerce Cloud. Its Salesforce sweet spot is ISVs and other technology firms
- *Salesforce service portfolio*: Grazitti provides both business process and systems integration services that are backed by a delivery network that is India-centric to provide a cost-sensitive service
- *IP and accelerators*: Grazitti has developed a wealth of IP in the form of products, solutions, and accelerators. This IP is technical and complements the capabilities of Salesforce



- *Adjacent skills:* Grazitti complements its technology service profile in its Salesforce practice by the UX/UI/design thinking capabilities of its other units and analytics, along with digital marketing and marketing automation.

Challenges

- *Functional domain expertise:* Grazitti has, unlike most of its peers, refrained from creating industry solutions or semi-reusable lines of code. The company has a background in providing technology services. However, over time, we think the company would profit from a more functional profile backed by a few select solutions, in its core market (technology) or growth markets (real estate, electronics, or higher education)
- *Onshore presence:* consistent with a more consulting-led approach for marketing its services, Grazitti would also benefit from a robust onshore presence with local hires. Grazitti highlights that it has started building its onshore presence and has teams working from client locations.

Strategic Direction

Grazitti is shifting its service portfolio and sales activity from its core in Sales, Service, and Community Cloud to Commerce and Marketing. As a result, it is investing in account planning, marketing collateral creation, and reskilling.

From a sector perspective, Grazitti wants to expand from its technology home market to other verticals. A priority is the higher education market. The company is training its personnel on the Education Cloud, targeting North American opportunities.

Outlook

Grazitti has a significant presence in the Salesforce ecosystem without being a tier-one partner. We expect the company to invest further in the certification of its employees, to gain a new Salesforce status and gain further expertise in the product. In the next two years, Grazitti will gain Gold Partner status that will provide more visibility to the firm.



Salesforce Services Market Summary

Overview

The Salesforce services market is dynamic. Salesforce has emerged from a niche vendor (sales force automation) and become the leader in front-office software (including CRM, commerce, contact center, and marketing applications) and a platform on which clients are creating their software.

The market continues to grow fast despite the COVID-19 pandemic, with clients continuing to invest in their front-office programs, despite budget constraints. While specific sectors such as retail, travel & transportation, and manufacturing have put their spending on hold, other sectors have accelerated. Also, Salesforce's focus on verticalizing its products is driving acceptance among clients.

Buy-Side Dynamics

Three client segments dominate the market:

- *Standalone Adopters*, i.e., organizations focused on rejuvenating their CRM and call center applications. They select Salesforce as a partner that brings digital functionality and an improved UX
- *Multi-Cloud Adopters*, i.e., organizations that need to refresh their aging applications and select Salesforce's Cloud as a starting point for developing their front-end applications
- *IT-Focused Organizations*, i.e., organizations considering their Salesforce investment as an IT project, simplifying and rationalizing their IT and lowering operating costs.

Market Size & Growth

Salesforce intends to double its size between 2019 and 2023 organically. Services will also double during the same period, reaching ~\$21.8bn , by 2024.

The U.S. is the largest market, and Salesforce is focusing on international expansion to sustain its growth. Service spending is increasing abroad, even though the U.S. remains the largest geo. If Salesforce makes further significant acquisitions as NelsonHall expects, these M&As will strengthen the service opportunity in the U.S. The U.S. market, therefore, is critical.

Sales and Service Clouds are the largest markets and have kept growing in 2020, despite their maturity. Service Cloud has been driven by clients investing in contact centers during the pandemic. New products (e.g., Community, Marketing, Commerce, MuleSoft, quote-to-cash, Lightning Field Services, and the vertical Clouds) will drive adoption.

BFSI, Communications, and Healthcare & Life Sciences are the largest Salesforce services markets. These three sectors have done well during the pandemic and maintained their investments. Healthcare & Life Sciences will become the largest spender, followed by BFSI and Communications. Retail & CPG and Manufacturing will resume spending once they absorb the disruption brought by the pandemic.



Success Factors

By client segment, success factors are:

- *Standalone Adopters*: successful vendors go beyond a traditional ERP implementation. They rely on agile methodologies, and bring additional capabilities such as UX and design thinking to maximize end-user buy-in
- *Multi-Cloud Adopters*: successful vendors need to nurture their existing contracts into client relations and grow their expertise from the core Sales and Service Clouds to most Salesforce products
- *IT-Focused Organizations*: successful vendors need to demonstrate the benefits of Salesforce, e.g.,
 - On the IT infrastructure side: simplifying IT (e.g., hosting operations, including the deployment of new releases) and reducing costs
 - At the application level: minimizing customization and lowering maintenance costs.

Outlook

- New Salesforce products will drive the growth, e.g., Commerce, Marketing, and Community Cloud and Customer 360 and more specialized offerings, e.g., MuleSoft, Field Services Lightning, Quote-to-cash, and Work.com. Other products such as Tableau and Einstein Analytics, IoT, blockchain will still drive traction in services
- Multi-cloud implementations are increasing the complexity of engagements. They require their vendors to expand their capabilities while mitigating implementation risks. Along with multi-cloud, clients are turning to industry solutions, most of the time in the form of blueprints, reference architectures, or pre-configured templates, to accelerate and de-risk implementations
- A significant share of the client base of Salesforce is the mid-market. It requires more packaged offerings such as health checks and assessments, and vanilla template implementation in less than three months. While large clients require custom services, packaged services, especially during the consulting phase, are reassuring to clients
- SaaS implementations bring post-implementation opportunities to help clients re-engineering their processes, improve their UX and adopt new features brought by Salesforce
- BPaaS offerings will take time to become mainstream. While several vendors have launched BPaaS offerings, their commercial success will take time to materialize.



NEAT Methodology for Salesforce Services

NelsonHall's (vendor) Evaluation & Assessment Tool (NEAT) is a method by which strategic sourcing managers can evaluate outsourcing vendors and is part of NelsonHall's *Speed-to-Source* initiative. The NEAT tool sits at the front-end of the vendor screening process and consists of a two-axis model: assessing vendors against their 'ability to deliver immediate benefit' to buy-side organizations and their 'ability to meet client future requirements'. The latter axis is a pragmatic assessment of the vendor's ability to take clients on an innovation journey over the lifetime of their next contract.

The 'ability to deliver immediate benefit' assessment is based on the criteria shown in Exhibit 1, typically reflecting the current maturity of the vendor's offerings, delivery capability, benefits achievement on behalf of clients, and customer presence.

The 'ability to meet client future requirements' assessment is based on the criteria shown in Exhibit 2, and provides a measure of the extent to which the supplier is well-positioned to support the customer journey over the life of a contract. This includes criteria such as the level of partnership established with clients, the mechanisms in place to drive innovation, the level of investment in the service, and the financial stability of the vendor.

The vendors covered in NelsonHall NEAT projects are typically the leaders in their fields. However, within this context, the categorization of vendors within NelsonHall NEAT projects is as follows:

- **Leaders:** vendors that exhibit both a high ability relative to their peers to deliver immediate benefit and a high capability relative to their peers to meet client future requirements
- **High Achievers:** vendors that exhibit a high ability relative to their peers to deliver immediate benefit but have scope to enhance their ability to meet client future requirements
- **Innovators:** vendors that exhibit a high capability relative to their peers to meet client future requirements but have scope to enhance their ability to deliver immediate benefit
- **Major Players:** other significant vendors for this service type.

The scoring of the vendors is based on a combination of analyst assessment, principally around measurements of the ability to deliver immediate benefit; and feedback from interviewing of vendor clients, principally in support of measurements of levels of partnership and ability to meet future client requirements.

Note that, to ensure maximum value to buy-side users (typically strategic sourcing managers), vendor participation in NelsonHall NEAT evaluations is free of charge and all key vendors are invited to participate at the outset of the project.



Exhibit 1

'Ability to deliver immediate benefit': Assessment criteria

Assessment Category	Assessment Criteria
Offerings	<ul style="list-style-type: none"> Advisory and consulting services Implementation services Specialized services Industry solutions MuleSoft Analytics and Tableau Post-implementation services
Delivery	<ul style="list-style-type: none"> Global U.S. U.K. Continental Europe Offshore capabilities Certifications Methodologies and accelerators Salesforce MuleSoft Tableau
Presence	<ul style="list-style-type: none"> Customer presence in NA Customer presence in EMEA Customer presence in RoW Customer presence globally
Benefits Achieved	<ul style="list-style-type: none"> Level of cost savings achieved Timely implementation Benefits from the implementation Improved access to next-gen SF capabilities Increased speed to market increase in end-user/business satisfaction Reduced turnaround time for customers/operations Correlation in vendor fees to objective achievement Perception of value for money



Exhibit 2

‘Ability to meet client future requirements’: Assessment criteria

Assessment Category	Assessment Criteria
Service Innovation Culture	Mechanisms in place to deliver client innovation Extent to which client perceives that innovation has been delivered Suitability of vendor to meet future needs of clients Strength of partnership
Investment in Salesforce Services	Advisory services Packaged offerings Community Cloud Commerce Cloud Marketing Cloud MuleSoft Tableau Quote-to-cash SFL Post implementation services Work.com BPS Acquisitions
Other	Market momentum Financial security

For more information on other NelsonHall NEAT evaluations, please contact the NelsonHall relationship manager listed below.



research.nelson-hall.com

Sales Enquiries

NelsonHall will be pleased to discuss how we can bring benefit to your organization. You can contact us via the following relationship manager:

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