

Enterprise Resource Planning for Tier 3 SMBs

FIVE YEAR MARKET ANALYSIS AND TECHNOLOGY FORECAST THROUGH 2011

ALL SUPPLIERS TO PLAY IN THE TIER 3 SMB ERP MARKET

This study focuses on the suppliers of Enterprise Resource Planning (ERP) solutions to small and medium businesses (SMBs), companies with under \$250 million in revenue.

The overall ERP market has consolidated, and the gap is increasing between the three largest suppliers and the rest. For most suppliers, the Tier 1 and Tier 2 ERP market is not that interesting.

The Tier 3 SMB ERP market will eventually consolidate, but in the shorter term, the market will remain fragmented and full of opportunity, targeted by over 55 suppliers. Within the ERP market, there remain many profitable niches. Forecast to grow at a rate of 11% through 2011, there is room for many suppliers to grow revenues and gain market share.

Long term, there will be global winners who adopt the right product development strategies, and target appropriate regions, countries, and verticals.

This study segments the ERP suppliers into four groups, based on their focus and vertical specialization. ARC then describes how each group has adopted different strategies for success.

The study also explains the decision making processes of manufacturers buying ERP solutions. User's selection criteria have moved far beyond feature and functionality assessments. Although often more complex, final decisions sometimes come down to simple criteria, driven by the company's culture and beliefs.

For more information, please visit us at www.arcweb.com/res/study.

STRATEGIC ISSUES

This study provides the detailed data on which to base key marketing and product development decisions.

- Many Tier 3 ERP solutions are "me-too" type products. What is the best way to differentiate your solution?
- If the right features and functionality are no longer enough to guarantee success, then what product development strategies are required to ensure you win?
- Given the expected growth in the market, how much should be invested in product and market development?
- Should you acquire, and if so, who should you look at? How can you find ERP suppliers who could add real value to your current portfolio, instead of just acquiring distressed suppliers in an auction?

STUDY CONTENTS

EXECUTIVE SUMMARY

Scope
Market Size and Forecast
Strategies & Recommendations for Success

SCOPE

MARKET SHARES LIST OF FIGURES

Market Shares of the Leading Enterprise Application Suppliers
Market Shares of the Leading ERP Suppliers

Market Shares by Revenue Type

New Software License
Services
Maintenance
Transaction

Market Shares by Worldwide Region

North America
Europe, Middle East, Africa
China
Asia
Latin America

Market Shares by European Region

Market Shares by Industry Sector

Manufacturing
Retail
Banking/Finance
Government

Wholesale/Distribution
Education/Administration
Telecommunications

Market Shares by Vertical Manufacturing
Market Shares by Sales Channel

MARKET FORECAST LIST OF FIGURES

Total Enterprise Application Business
Total ERP Business
Shipments by Revenue Type
Shipments by Worldwide Region

Shipments by European Region
Shipments by Industry Sector
Shipments by Discrete Verticals
Shipments by Process Verticals
Shipments by Sales Channel

SUPPLIER PROFILES

Profiles of 55 major suppliers servicing this market are included. Each profile reviews the company's ERP business, products, and services.

Worldwide Enterprise Resource Planning Market for Tier 3 SMBs (Millions of Dollars)

