IDC MarketScape

IDC MarketScape: Worldwide Order Orchestration and Fulfillment for Manufacturing 2023 Vendor Assessment

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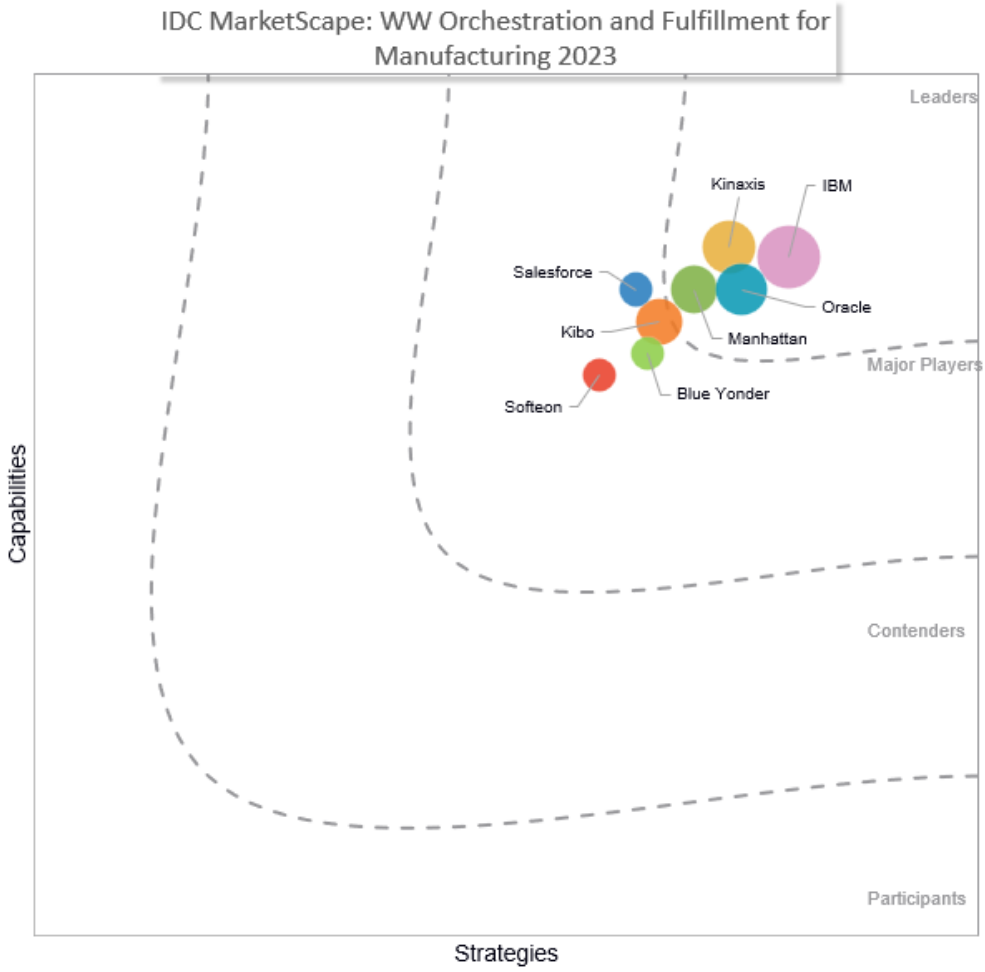
IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Order Orchestration and Fulfillment for Manufacturing Vendor Assessment



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Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IDC OPINION

The current state of the order management market for manufacturing is marked by a profound transformation driven by technological advancements and changing consumer expectations. Manufacturers are increasingly adopting sophisticated order management systems (OMSs) to streamline their operations and enhance customer satisfaction. One notable trend is the widespread adoption of cloud-based order management solutions. These cloud systems provide manufacturers with scalability, flexibility, and real-time data access, enabling them to efficiently manage orders from multiple channels and locations. Furthermore, cloud-based solutions facilitate better collaboration with suppliers and distributors, creating a more responsive and interconnected supply chain. As a result, manufacturers can optimize their inventory levels, reduce lead times, and ultimately enhance their competitiveness in a dynamic marketplace.

In addition to cloud-based systems, manufacturers are leveraging the power of data analytics and artificial intelligence (AI) in order management. Advanced analytics can provide valuable insights into customer demand patterns, helping manufacturers make data-driven decisions for inventory management and demand forecasting. AI, on the other hand, is being used to automate routine order processing tasks, reducing errors and operational costs. Furthermore, AI-driven chatbots and virtual assistants are being deployed to enhance customer interactions and support, thereby improving order accuracy and the overall customer experience.

The order management market for manufacturing is witnessing a dynamic evolution driven by technology, data-driven decision making, and the imperative to meet the demands of a rapidly changing consumer landscape. Manufacturers that embrace these trends are better positioned to thrive in an increasingly competitive environment and meet the growing expectations of their customers.

When queried in IDC's 2023 *Supply Chain Survey* about the specific operational hurdles impeding companies' progress:

- Over 58% of companies pointed out the challenge of lack of supply chain visibility and agility to see necessary changes in time to react to them effectively. This has broad implications to not only supply chain but also order management and orchestration specifically.
- Collaboration remains a challenge for manufacturers, with 56% of survey respondents citing a lack of sufficient collaboration with external suppliers and/or customers.
- 24% indicated they are taking mitigating steps such as better integration of supply chain application as they hope this would reduce their reliance on utilizing multiple systems that are disparate. The concern of manual processes and communication upstream with suppliers and downstream with customers further contributes to what can be labeled as a persistence of paper-based thinking.
- Notably, 32% of suppliers intend to focus on order management applications both within the next 12 months and over the next 3 years as they consider order management a significant hurdle/hindrance in the supply chain.

This IDC MarketScape examines the prominent vendors offering worldwide order orchestration and fulfillment solutions for the manufacturing sector. Our assessment of these vendors hinges on a comprehensive set of criteria carefully curated to enhance their ability to deliver robust tools for

streamlining order orchestration, managing fulfillment processes, and optimizing manufacturing operations. The evaluation framework places significant emphasis on key capabilities and strategic initiatives, including advanced automation techniques, precise identification of order components, and tailored workflow design. IDC anticipates that the pivotal determinants of success for order orchestration and fulfillment solutions will encompass the following factors:

- Automated order processing and fulfillment capabilities, reducing manual interventions and lead times typically associated with these functions
- Adaptive order management solutions that seamlessly integrate into an organization's infrastructure, extending beyond traditional order processing boundaries
- Comprehensive library of manufacturing regulations and compliance standards to monitor and adapt to the evolving regulatory landscape spanning various global jurisdictions
- Advanced artificial intelligence and machine learning (ML) capabilities to analyze and enhance decision-making processes, providing added value to clients throughout their manufacturing and fulfillment operations
- A global presence to ensure compliance with regional manufacturing and data sovereignty requirements, addressing the intricacies of international regulations
- Strong focus on cybersecurity measures to safeguard critical manufacturing data and intellectual property

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

The IDC MarketScape uses a standard methodology to evaluate vendors in a market based on their strategies and capabilities. This study is both a quantitative and qualitative assessment of the characteristics that explain a vendor's success in the marketplace. This proposed study will assess a number of technology vendors participating in the order orchestration and fulfillment marketplace. This evaluation will be based on a comprehensive framework and a set of parameters that assess vendors relative to one another and on those factors expected to be most conducive to success in a given market during the short and the long term. Analysts select from a range of criteria to evaluate the strategy and capabilities of each vendor. Analysts adjust the importance of these criteria based on market relevance. The final result is a graphical representation of all the vendors on a two-dimensional chart, plotting relative strategy and capability scores for each vendor.

The goal of this IDC MarketScape is to assess vendors with notable capability in the order orchestration and fulfillment marketplace with the following criteria to guide inclusion:

- Vendors must have engagements with at least 10 referenceable clients of the order orchestration and fulfillment solution in manufacturing.
- Vendors must have core capabilities of order orchestration and fulfillment as part of their solution, including capabilities of managing the order, distributing the order to specific locations within an organization's fulfillment network, and fulfilling the order.
- Order orchestration and fulfillment must be able to be purchased separately from other applications in a vendor's portfolio; they cannot be inseparable from other applications such as ecommerce or ERP.
- Vendors must have been offering their order orchestration and fulfillment application for at least three years.

ADVICE FOR TECHNOLOGY BUYERS

In the contemporary landscape, modern supply chains are expected to possess the capability to transport goods from their source to any destination without temporal constraints. The efficiency of this operation greatly depends on how seamlessly information is integrated with a broad range of business processes. A well-integrated supply chain expedites the identification of necessary goods, aligns the goods with demand, and facilitates timely fulfillment. In this rapidly evolving business environment, companies that are unable to streamline their operations into a unified flow risk being a laggard compared to their competitors. This significance is magnified in a world where ecommerce and direct-to-consumer models unequivocally represent the future.

IDC expects that, for the foreseeable future, companies that invest in modern, digital tools/competencies in their supply chains will outperform those that do not. Supply chains are constantly dealing with an array of challenges, and the impact of those challenges can reverberate for years. We have been seeing and continue to foresee a general modernization and refurbishment of traditional supply chain approaches, and technology is the linchpin to successful transformation.

Order management is a critical component of supply chain operations, and it plays a dual role in reaching the front end of the supply chain and facilitating business-to-business (B2B) transactions. This process involves the seamless handling of orders from a business or a customer, from the point of order placement to the final delivery of the products or services. It's important to note that the order management requirements can vary significantly between the retail and manufacturing sectors due to their distinct processes, customer demands, and operational intricacies. IDC strongly recommends technology buyers should consider factors that align with their unique requirements when seeking an order management application:

- **Expertise and reputation.** The vendor should have a history of successful technology implementations. This includes being able to deliver projects on time as well as meeting customer expectations. Vendors should have deep expertise in the industry and also have customers of the same size and complexity that matches your company's needs. The objective is not to embrace technology blindly but to leverage it as a means to address supply chain challenges or seize emerging opportunities, and having the correct technology vendor makes this task less daunting.
- **Innovation and future-looking road map.** Solving today's challenges and complexities is often found in what is known. However, value additionally lies in the unseen or unknown circumstance. Companies that are seeking an order management application should ensure vendor's road map is innovative and future looking and provides clarity to challenges and complexity both in the short and long term.
- **Experience and resources.** Implementation projects can expect to encounter issues due to the ever-evolving technology. The right technology partner should have the experience and resources to overcome those by developing a product that is scalable and adaptable and provides support and resources during both the implementation and post-implementation phases.
- **Allegiance to success.** While a range of factors can prompt the decision to update systems and applications, a primary objective should stand out: ensuring the delivery of value. Each technological investment should enhance advantages for manufacturers, be it through improved experiences, elevated product quality, or operational efficiencies that result in cost reductions and increased value and, ultimately, success of the operation.

VENDOR SUMMARY PROFILES

This section summarizes IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Blue Yonder

Blue Yonder is positioned in the Major Players category in this 2023 IDC MarketScape for order orchestration and fulfillment for manufacturing.

Blue Yonder Inc., a subsidiary of Panasonic Holdings Corporation, specializes in providing a wide range of supply chain solutions. These offerings encompass supply chain planning, supply chain execution, omni-channel commerce, and network design solutions. In addition, the company provides services such as discovery services, education services, enablement services, customer success, and expansion services. Blue Yonder's solutions are applied across various industries, including process manufacturing, third-party logistics (3PL), retail hardlines, retail, high-tech and semiconductor, automotive and industrial, discrete manufacturing, grocery, wholesale and distribution, restaurants and food service, and consumer packaged goods. Furthermore, the company offers microservices, analytics, insights, data management, IoT, and AI and machine learning.

Quick facts about Blue Yonder include:

- **Employees:** 5,001–10,000 employees
- **Market coverage:** North America and Europe
- **Industry focus:** Manufacturing, retail, commerce, logistics, and consumer goods
- **Manufacturing subindustry focus:** Discreet and process manufacturing, 3PL, and high-tech
- **Ideal customer size:** Midsize to large market
- **Product evaluated:** Blue Yonder Adaptive Fulfillment and Warehousing
- **Deployment:** SaaS and subscription

Strengths

In the context of order orchestration and fulfillment, Blue Yonder brings notable strengths to the space:

- Blue Yonder's microservices can be deployed as a single global instance covering multiple regions, enabling configuration for multiple entities (participant modeling) and supporting geographical regions and/or brands. Microservices allow the resulting hierarchies to operate independently or inherit each other's configurations and rules.
- Blue Yonder delivers cloud-native solutions that provide modern architecture. This is in terms of allowing customers and clients delivery model flexibility, scalability, and cost effectiveness, whether it's hosted or private cloud.
- Blue Yonder's microservices support out-of-the-box UX/UIs to support the various personas/roles within a business to enable the configuration and management of master data settings, company configurations, business and sourcing rules, capacity settings, and so forth. These are also supported by a commerce insights and analytics suite that includes the auditing of decisions, simulation, and overall health metrics and AI/ML-supported insights.

Challenges

- The order orchestration space, particularly, has been one that many manufacturers have chosen to use either homegrown tools or very simple, spreadsheet-based approaches. The challenge for Blue Yonder, and indeed for all vendors in the OMS space, is fighting against the decision to "do nothing." Blue Yonder order management solution lacks the ability to place continuity orders, recurring orders, blanket order/call-offs, and call-off contracts with specific location and delivery terms.

Consider Blue Yonder When

Blue Yonder has extensive experience in discrete manufacturing, particularly with notable customers in consumer packaging goods, third-party logistics, and high-tech electronics. Supply chains looking for a set of supply chain applications with microservices that are designed to be augmentative and scalable should consider Blue Yonder.

IBM

IBM is positioned in the Leaders category in this 2023 IDC MarketScape for order orchestration and fulfillment for manufacturing.

IBM is a multinational corporation headquartered in Armonk, New York. The company operates in various segments, including cloud and cognitive software, global business services, global technology services, systems, and global financing. IBM's diverse portfolio serves clients across industries, from government agencies and financial institutions to healthcare providers and retail companies.

IBM's journey has been marked by numerous milestones in technology and business. Some notable moments in IBM's history are the invention of the IBM 1401, the first mass-produced computer, and the development of the IBM System/360, which revolutionized computing in the 1960s.

Quick facts about IBM include:

- **Employees:** 10,000+ employees
- **Market coverage:** North America, LATAM, Europe, MEA, and APAC
- **Industry focus:** Automotive, banking and financial, consumer goods, defense, energy, federal, government, healthcare, insurance, life sciences, manufacturing, metal and mining, oil and gas, retail, space, telecommunication, and transportation
- **Manufacturing subindustry focus:** Food and beverage, apparel, leather and allied, wood, paper, petroleum, chemicals, plastics and rubber, nonmetallic minerals, fabricated metals, machinery, computer and electronics, furniture, and miscellaneous manufacturing
- **Ideal customer size:** Midsize to large market
- **Product evaluated:** Sterling Order Management
- **Deployment:** SaaS and Subscription

Strengths

In the context of order orchestration and fulfillment, IBM brings notable strengths to the space:

- IBM Sterling Order Management is designed to handle multinational, multicurrency, and multi-enterprise fulfillment and returns. It supports complex sourcing rules that allow customers to optimize fulfilment based on specialized routing rules to account for transit delays and economical shipping options considering custom duties, import taxes, surcharges, and so forth

specifically built for cross-border fulfilment scenarios for global solutions. Sterling Fulfilment Optimizer also enables advanced AI to allow cross-border fulfilment across borders, taking currencies and non-U.S. postal codes into account.

- IBM Sterling Order Management is highly customizable. Customers can adjust business logic across modules in several functionalities such as workflows, milestone notifications, and fulfillment algorithms through the UI. These configurations persist within the solution, separated from transactional data.
- IBM represents a large global presence and industry footprint in manufacturing, providing its order management solution in 57 countries and all 5 regions.

Challenges

- IBM lacks a planning system to guide upstream decision making. This can be a concern as it may lead to inconsistent decision making and decisions made impulsively or reactively that can lead to inefficiencies, ineffectiveness, and missed opportunities.

Consider IBM When

Consider IBM when your organization is looking for the flexibility to drive complex business strategies. IBM has extensive experience in the manufacturing sector with 20+ years in the order orchestration and fulfillment market.

Kibo

Kibo is positioned in the Major Players category in this 2023 IDC MarketScape for order orchestration and fulfillment for manufacturing.

Kibo Commerce provides a unified commerce platform that integrates various channels, such as online marketplaces, brick-and-mortar stores, and mobile commerce. This enables businesses to deliver consistent and personalized experiences across all touch points.

The company's ecommerce software offers solutions to businesses looking to establish or enhance their online presence. These solutions encompass features like content management, product catalog management, and order processing, helping businesses create attractive and efficient online storefronts.

The company's analytics and reporting capabilities provide businesses with insights into customer behavior, sales performance, and inventory management. This data-driven approach helps businesses make informed decisions and improve their overall operations.

Quick facts about Kibo include:

- **Employees:** 201–500 employees
- **Market coverage:** LATAM, Europe, and MEA
- **Industry focus:** Manufacturing, retail, and commerce
- **Manufacturing subindustry focus:** Sporting goods, toys, crafts and hobbies, automotive, apparel, electronics, and hardware
- **Ideal customer size:** Midsize to large market
- **Product evaluated:** Kibo Order Management
- **Deployment:** SaaS and subscription

Strengths

In the context of order orchestration and fulfillment, Kibo brings notable strengths to the space:

- Kibo's fulfillment steps are built on top of a configurable Business Process Management (BPM) engine. This enables configurable workflows defined by the BPM. The BPM allows orders to follow a client's own process for fulfillment of orders. If a client desires a new fulfillment flow or a modification of an already existing flow, this can be accomplished by modifying Kibo's workflow engine.
- Kibo provides order orchestration/intelligent order routing that can be managed by business users without support from IT or development resources out of the box. Kibo's order routing engine includes order orchestration rules for special order types, labor, location-specific capacity limitations, and so forth. The configurable Order Routing tool allows clients to design order-specific assignment and visibility logic for routes. The tool facilitates the creation of groups containing fulfillment locations for order routes, and clients can apply filters and rankings to locations, as well as apply failover actions. Business users can modify workflows through the Order Routing UI without requiring development resources, although the platform supports custom routing logic for complex routing requirements.
- Kibo's reporting platform will make available for reports any data captured by Kibo, including the standard data model attributes as well as any customer-defined custom attributes. Kibo comes with a robust set of nearly 100 out-of-the-box reports, including revenue, orders, shipping, tax, paid orders, fulfilled orders, inventory, time-in-order state, order status, inventory status, discounts, promotions, purchase orders, different order statuses, payment statuses, product performance, fill rate, rejection rate, and time to fulfill. All of this is available with a configurable time-and-date range for the user. Reporting can also be on a site-by-site basis.

Challenges

- Kibo is exclusively multitenant SaaS. For clients that want to "build anything and everything" in and on the OMS for unique hyper-enterprise needs, multitenant SaaS is usually not the right path. But for those that seek a multitenant application with frequent updates without upgrades and cloud infrastructure, Kibo would be a good fit.

Consider Kibo When

Companies should consider Kibo when seeking high levels of extensibility built into routing and fulfillment engines. This functionality empowers the clients to model/create their own unique use cases and needs and the ability to modify those ongoing in a future-proof and agile fashion. Kibo services include robust business user UI tooling, exposing all tools to business users, where most other platforms provide some but not all routing rule configurations in a UI of this nature.

Kinaxis

Kinaxis is positioned in the Leaders category in this 2023 IDC MarketScape for order orchestration and fulfillment for manufacturing.

Kinaxis, headquartered in Boston and launched in 1984, has offices in Hyderabad, India, and Tokyo, Japan. It acquired MPO, which was incorporated 20 years ago in Rotterdam, the Netherlands. The MPO platform has been on the market since 2010.

Kinaxis specializes in multi-enterprise demand and supply chain orchestration. With a strong focus on advanced technology and data-driven solutions, Kinaxis MPO empowers organizations to enhance their supply chain visibility, agility, and overall efficiency. It is dedicated to helping companies

transform their supply chains into strategic assets, enabling them to navigate complex and dynamic market landscapes.

Kinaxis offers a suite of solutions designed to optimize end-to-end supply chain operations. Its platform enables real-time collaboration, forecasting accuracy, and efficient demand and supply planning.

The company leverages analytics to provide actionable insights, enabling businesses to make informed decisions. Its analytics capabilities include predictive analytics, prescriptive analytics, and what-if scenario planning.

Quick facts about Kinaxis include:

- **Employees:** 1,001-5,000 employees
- **Market coverage:** North America, LATAM, Europe, MEA, and APAC
- **Industry focus:** Aerospace and defense, automotive, consumer products, electronics, industrial, life sciences, and retail
- **Manufacturing subindustry focus:** Discrete manufacturing, process manufacturing, electronics, life sciences, and medical devices
- **Ideal customer size:** Midsize to large market
- **Product evaluated:** MPO — Multi-Party Orchestration
- **Deployment:** SaaS and subscription

Strengths

In the context of order orchestration and fulfillment, Kinaxis brings notable strengths to the space:

- The MPO platform creates orders with configurable capabilities: control tower, supply chain visibility, order management, efulfillment, transportation management, returns management, and after-market services.
- MPO's Control Tower platform solution uniquely enables the convergence of planning and execution onto a unified platform.
- MPO's solution capabilities, coupled with service/rate agreements and configurability structures, are differentiated in the market for cost controls by capturing all types of costs including transport, warehouse, customs, duties, and so forth.

Challenges

- While Kinaxis offers a multitude of third-party integrations, it doesn't directly provide integrations to two of the more important integrations: store systems and point of sale (POS). However, Kinaxis has the capability to connect to POS if required through other channels.

Consider Kinaxis When

Kinaxis has extensive experience in multiple manufacturing industry subverticals — automotive, industrial, life sciences, high-tech electronics, chemicals, oil and gas industries, with users across 35+ countries globally. Companies should consider Kinaxis as they are enterprises seeking a service provider that can provide a cross-organizational support especially when designing and implementing a single application or multiple supply chain applications across the enterprise.

Manhattan

Manhattan is positioned in the Leaders category in this 2023 IDC MarketScape for order orchestration and fulfillment for manufacturing.

Manhattan Associates was founded in 1990 and has since grown significantly in the supply chain and commerce technology space. Headquartered in Atlanta, Georgia, the company operates globally, serving customers across a wide range of industries, including retail, wholesale distribution, manufacturing, transportation, and logistics.

Manhattan Associates specializes in providing software solutions. The company is dedicated to creating, implementing, servicing, and sustaining software solutions that effectively oversee the operations of supply chains, inventories, and omni-channel platforms. Its comprehensive portfolio encompasses software applications, professional services, and hardware components. These innovative offerings facilitate the seamless exchange of data and orchestration of activities and communication among various participants within supply chain ecosystems.

Quick facts about Manhattan Associates include:

- **Employees:** 1,001–5,000 employees
- **Market coverage:** North America, Europe, MEA, and APAC
- **Industry focus:** Consumer goods, food and beverage, grocery, manufacturing, medical and pharmaceutical, retail, trucking/carrier management, wholesale, and 3PL
- **Manufacturing subindustry focus:** Distributors and wholesalers
- **Ideal customer size:** Small to large market
- **Product evaluated:** Manhattan Active Order Management
- **Deployment:** SaaS and subscription

Strengths

In the context of order orchestration and fulfillment, Manhattan Associates brings notable strengths to the space:

- Manhattan Associates continually invests in research and development of technology trends, ensuring its solutions are equipped to address evolving industry challenges.
- Manhattan Associates allows for marketplace connectors that facilitate easy and fast integration to major marketplaces.
- Manhattan Active uses Enterprise Inventory (EI) for a real-time view of perpetual inventory across the entire network of fulfillment nodes. This includes in-transit, on-order, and third party-owned/fulfilled inventory with configurable dispositions (returns, damages, quality hold, etc.) to view and promise against all on-hand and future inventory.

Challenges

- Manhattan Associates has not implemented autonomous inventory placement. This can be a challenge for companies that are seeking to utilize this application. Autonomous inventory placement requires using AI/ML and enables automatic optimal inventory placement to align with expected purchase patterns based on analytics of customer or other data, what-if simulations, overarching strategic goals, and so forth.

Consider Manhattan When

Manhattan Associates has extensive experience in the manufacturing industry and a complete understanding of industry challenges. Manufacturers often need to adhere to specific industry regulations and standards. Manhattan Associates possesses the features to help ensure compliance in the order management process. Companies seeking quality control of raw materials and capacity restraints should consider Manhattan Associates.

Oracle

Oracle is positioned in the Leaders category in this 2023 IDC MarketScape for order orchestration and fulfillment for manufacturing.

Oracle is a software, hardware, and services provider with headquarters in Austin, Texas. Founded in 1977, Oracle has a global presence with offices and datacenters around the world, serving a wide range of industries, including finance, healthcare, retail, and manufacturing. It also offers integrated cloud solutions, including infrastructure as a service (IaaS) and software as a service (SaaS).

Quick facts about Oracle include:

- **Employees:** 10,000+ employees
- **Market coverage:** North America, LATAM, Europe, MEA, and APAC
- **Industry focus:** Automotive, communications, construction and engineering, consumer packaged goods, education, energy and water, financial services, food and beverage, government, health, high-tech, hospitality, industrial manufacturing, life sciences, media and entertainment, oil and gas, professional services, public safety, retail, travel and transportation, and wholesale distribution
- **Manufacturing subindustry focus:** Industrial manufacturing, consumer goods, life sciences, high-tech, automotive, natural resources, and chemicals
- **Ideal customer size:** Small to large market
- **Product evaluated:** Oracle Fusion Cloud Order Management
- **Deployment:** SaaS and subscription

Strengths

In the context of order orchestration and fulfillment, Oracle brings notable strengths to the space:

- Oracle Fusion Cloud Order Management allows business users to author rules that affect various stages of order fulfillment such as selection of orchestration process, fulfillment steps, enriching the orders, and so forth.
- Oracle's Product Data Management is integrated with Oracle Fusion Cloud Order Management to fetch items/products defined in Product Master Data Management. Product Data Management provides the foundation for enterprise business transformation by delivering a single source of accurate product data required for sales, marketing, supply chain, and ERP processes.
- Oracle Cloud Financials supports different payment types and options using APIs for various providers. Process payments occur in real time, anywhere, and at scale with Oracle's digital payments solution — a unified payments hub built on the ISO 20022 framework. Oracle Cloud Financials also provides out-of-the-box integration with select payment gateways as well as an

extensible framework to integrate with credit card gateways of choice to achieve PCI-DSS compliance.

Challenges

- Oracle order management application does not enable optimization of fulfillment location using AI capabilities. This might lead to inefficient fulfillment and inventory management challenges.

Consider Oracle When

Oracle has extensive experience in industrial manufacturing, particularly with notable customers in consumer goods, industrial equipment, high-tech, and automotive. Companies looking for a comprehensive software solution that integrates with other applications such as order management should consider Oracle.

Salesforce

Salesforce is positioned in the Major Players category in this 2023 IDC MarketScape for order orchestration and fulfillment for manufacturing.

Salesforce as a company started in 1999. Its Order Management application was acquired by Demandware in 2014. Shift to 2020 and 2021, Salesforce adds order management, inventory, and distributed order management as well as order management for B2B. In 2022, Salesforce adds commerce for contact centers and store fulfillment applications. Salesforce offers a cloud-based platform to businesses in the management of their sales, customer service, marketing, and various essential operational aspects.

Quick facts about Salesforce include:

- **Employees:** 10,000+ employees
- **Market coverage:** North America, LATAM, Europe, MEA, and APAC
- **Industry focus:** Automotive, communications, consumer packaged goods, education, energy and utilities, financial services, government, health and life sciences, manufacturing, media, nonprofit, professional services, retail, technology, travel and transportation, and hospitality
- **Manufacturing subindustry focus:** Discrete manufacturing, process manufacturing, and chemicals
- **Ideal customer size:** Small to large market
- **Product evaluated:** Salesforce Order Management
- **Deployment:** SaaS and subscription

Strengths

In the context of order orchestration and fulfillment, Salesforce brings notable strengths to the space:

- Salesforce's Lightning Platform provides the foundation for Salesforce Order Management. The solution provides standard tools and customization options for configuring the platform to business needs. The Lightning Flow visual presents the workflow automation tool, with clicks and not code. This allows customers to go live faster with their Order Management implementation.
- Salesforce's order management supports setting and leveraging capacity at fulfillment locations. Within routing engine, the allocation logic takes the capacity into account when

determining the optimal fulfillment locations and will automatically exclude a location if the capacity limitation has been met.

- Salesforce allows users and admins with no-code and low-code tools. These approaches can be used together to maximize IT teams' ability to respond quickly to evolving business needs.

Challenges

- While Salesforce Order Management is built API first, it is not delivered using typical microservices architecture. Microservices architecture is designed to be highly scalable, allowing customers to independently scale different components of their application based on their specific resource needs. Without a microservices approach, customers might face difficulties in scaling different parts of their system efficiently.

Consider Salesforce When

Salesforce has extensive experience in discrete and process manufacturing, particularly with notable customers in the chemical subindustry. Salesforce is primarily known for its CRM capabilities; this capability is valuable if companies are looking to integrate order management with customer data and interactions.

Softeon

Softeon is positioned in the Major Players category in this 2023 IDC MarketScape for order orchestration and fulfillment for manufacturing.

Softeon is a global supply chain software company known for its innovative solutions in the field of warehouse management, order management, and transportation management. Founded in 1999, the company has steadily grown in the supply chain and logistics software industry. The company's headquarters is located in Reston, Virginia, with a global presence and a strong customer base that spans various industries. Softeon's software offerings cover a wide range of supply chain management needs, including order management, transportation management, labor management, and warehouse execution.

Quick facts about Softeon include:

- **Employees:** 201–500 employees
- **Market coverage:** North America and Europe
- **Industry focus:** Consumer goods, food and beverage, healthcare/pharmaceutical, electronics, manufacturing, retail/omni-channel, and third-party logistics
- **Manufacturing subindustry focus:** Manufacturing, consumer goods, healthcare, and electronics
- **Ideal customer size:** Small to large market
- **Product evaluated:** Softeon Distributed Order Management (DOM)
- **Deployment:** Subscription

Strengths

In the context of order orchestration and fulfillment, Softeon brings notable strengths to the space:

- Softeon Distributed Order Management technology provides a rules-based orchestration that can be defined for things such as safety stock or fulfillment location for particular merchandise.
- Softeon technology presents split orders/flexibility, and this allows orders or events to be sourced independently to appropriate systems or resources.

- Softeon applications enable order prioritization that can be valuable for rules-based customer prioritizing when resources/capacity/time is limited.

Challenges

- Softeon must explore additional partnerships with systems integrators as a lack of partner/network offering seems to be a challenge. Softeon should also focus on continued communication to ensure prospective customers are aware of its capabilities in the order management space, particularly in manufacturing.

Consider Softeon When

Softeon has extensive experience in the 3PL and manufacturing sectors. Softeon's main solution is Distributed Order Management, but it also supports complementary, traditional Order Management and other supply chain applications. Customers seeking a complete set of supply chain applications should consider Softeon.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

Order management applications are designed to improve order efficiency and visibility for a wide range of industries and order types. Order management functions include order validation, quoting, planning, life-cycle management, fulfillment, and settlement.

Order placement is the prerequisite of an order management application, followed by the issuance of receipts, advanced shipping notices, and payment processing functions. With an order management system in place, order and product configurations, pricing options, shipping preference verification, and credit checking can be combined to form an integrated order management application regardless of the sales channels. Functions of order management applications often integrate with billing, subscription management, CRM, and digital commerce applications depending on the kinds of products and services being provided.

Distributed order management systems provide added functionality for retailers and B2B organizations that need to optimize order fulfillment across a complex network of warehouses, brick-and-mortar stores, fulfillment centers, and partner locations. Distributed order management systems require integration with real-time inventory management systems to deliver products to consumers from the most efficient location while utilizing stores to improve and shorten the fulfillment experience.

Strategies and Capabilities Criteria

Tables 1 and 2 provide key strategy and capability measures, respectively, for the success related to order orchestration and fulfillment for manufacturing.

TABLE 1

Key Strategy Measures for Success: Worldwide Order Orchestration and Fulfillment for Manufacturing

Strategies Criteria	Definition	Weight (%)
Delivery	▪ Customer and partner feedback on how well product map met the organization's needs and communication of what is coming; new innovations and ease of customizations/APIs to future proof the system; and AI/ML strategy and cloud application having the ability to scale and agility to handle multicloud scenarios across geographical regions	15.00
Financial/funding	▪ Vendor with consistent growth or increase in market share	10.00
Functionality or offering strategy	▪ Company and product vision that addresses key business trends ▪ The vendor demonstrating its ability to offer implementation capabilities that enable deploying the solution with appropriate timing and quality (This criterion also evaluates the vendor's ability to provide either directly or through partners all the services needed to go live with the solution and the availability of flexible delivery models including cloud. Thus the score will be based on analyst and customer assessment of ease of integration/implementation, rollout, and quality of delivery services.) ▪ Years company served the order orchestration and fulfillment market ▪ Resources allocated for R&D	45.00
Growth	▪ Geographical local teams and partners for sales and support	5.00
Innovation	▪ Analyst assessment of vendor's R&D and innovation strategy (This is also based on customer assessment of vendor's innovation, as reported through customers' interviews.)	10.00
R&D pace/productivity	▪ Road map innovation that addresses AI/ML improvements, new content types (e.g., IoT, devices), automation, voice assistants, chat-based tools, and content or workflow AI-assisted generation	15.00
Total		100.00

Source: IDC, 2023

TABLE 2

Key Capability Measures for Success: Worldwide Order Orchestration and Fulfillment for Manufacturing

Capabilities Criteria	Definition	Weight (%)
Customer satisfaction	▪ The vendor with strong customer references and a substantial customer base ▪ Customer references, industry reputation, and issue resolution ▪ How well the value of the system met an organization's expectations; ease for administrators to create and manage sites, user accounts, infrastructure security, product performance, and scalability met organization's needs to support complex interactions or large volumes of transactions; and solves customer service issues in a timely manner	20.00
Customer service delivery	▪ The vendor showcasing an ambitious customer service growth strategy encompassing tiered approaches, self-service options, direct local support, and utilization of partners for indirect support across various regions ▪ Partner/network offerings — vendor has a robust network of partners to meet customer needs	10.00
Customer service offering	▪ Service solution team that has extensive expertise and adequate years of experience	10.00
Functionality or offering	▪ The vendor demonstrating its ability to evolve its solution functionalities to address evolving customer needs ▪ Based on analysts' assessment of short-term and medium-term product road maps. ▪ Vendor offering full range of services that are flexible and relevant ▪ Ability to maintain customer-specific fulfillment rules, finished goods/inventory visibility and inventory allocation (determination of likely best spot to fulfill from and commitment of inventory) ▪ Methods used to deploy the order orchestration solution, including how the software is delivered to customers, implementation time, and customer support	35.00
Portfolio benefits	▪ The vendor with a vertical-specific version of order orchestration application	5.00
Pricing model or structure of product/offering	▪ Vendor pricing — fair for the product; pricing — transparent	5.00
Other	▪ Worldwide number of order orchestration and fulfillment clients; software-focused employees for manufacturing	15.00
Total		100.00

Source: IDC, 2023

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- *IDC Market Glance: Warehouse Applications, 1Q22* (IDC #US48473422, March 2022)
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Synopsis

This IDC study uses the IDC MarketScape model to provide an assessment of a number of providers participating in the worldwide order orchestration and fulfillment for manufacturing market. The IDC MarketScape is an evaluation based on a comprehensive framework and a set of parameters that assesses providers relative to one another and to those factors expected to be most conducive to success in a given market during both the short term and the long term.

"Efficient order management stands as a crucial function in bolstering the resilience of a supply chain. Constructing a reliable strategy on the supply side to meet anticipated demand plays a pivotal role in overseeing a proficient and successful supply chain operation. This factor can determine whether a company succeeds in satisfying customer service and quality expectations," says Roderick Gaines, research director, Warehousing, Inventory, and Order Management at IDC.

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

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