



# Technology Services Report

Q2 2023



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# Executive Summary

**W**ith the halfway point of the year crossed, now is a good time to take stock of M&A activity in the technology services sector, which though short of last year's highs has demonstrated impressive resilience in the face of disruption on multiple fronts. Overall deal flow may have slowed, but underlying megatrends such as the need for digital transformation continue to push buyers to make acquisitions, with many now turning to interesting mid-market opportunities in place of pursuing more expensive acquisitions.

The dealmaking environment continues to pose challenges with interest rates still high and debt still expensive, but our analysis of the market, our knowledge of buyer behaviors, and our discussions with client partners indicate that many are gearing up for a more active second half of the year.

Likewise, the impact of wider market disruption seems to have predominantly impacted the highest of valuations, and sellers operating in resilient spaces such as data analytics and digital engineering - especially within the healthcare and financial services markets - can expect to see very healthy multiples as a result of increasing demand and scarcity premiums.

As both Strategic and Private Equity buyers pursue smaller, more tactical acquisitions to either bolster niche capabilities, or roll-up the in-demand skills of tomorrow, there are plenty of reasons to feel optimistic about M&A activity in both the tech services space as well as wider Knowledge Economy going into the third and fourth quarter.

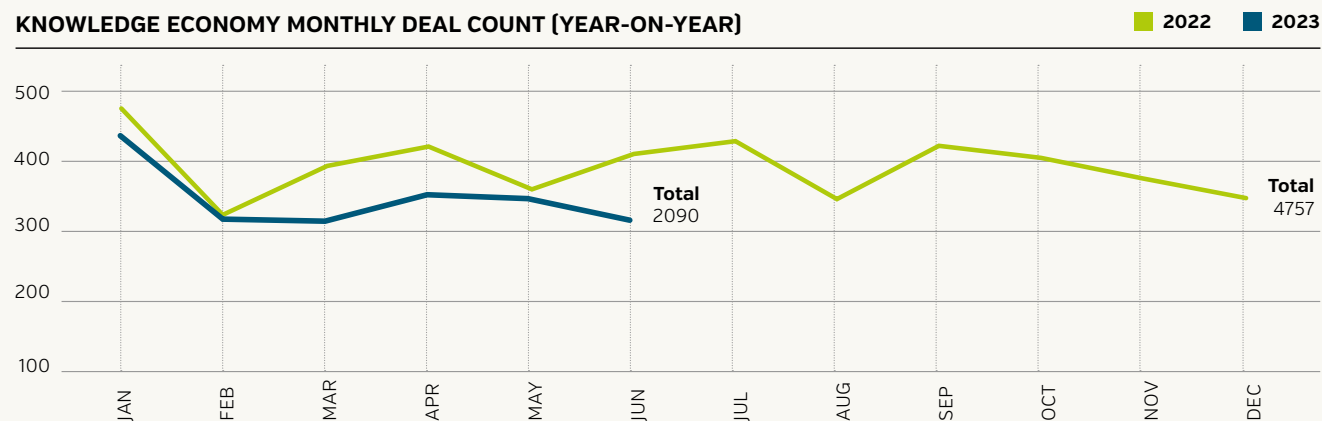
In this report, the Equiteq team provides their key insights and commentary on the drivers of activity over the last quarter within key Knowledge Economy segments: IT Services and Enterprise Software & SaaS. We also take a closer look at two areas of buyer interest in Procurement and Supply Chain IT services as well as the (ever expanding) Public Cloud.

To find out more, please feel free to contact our team, whose details are contained within this report. [o](#)

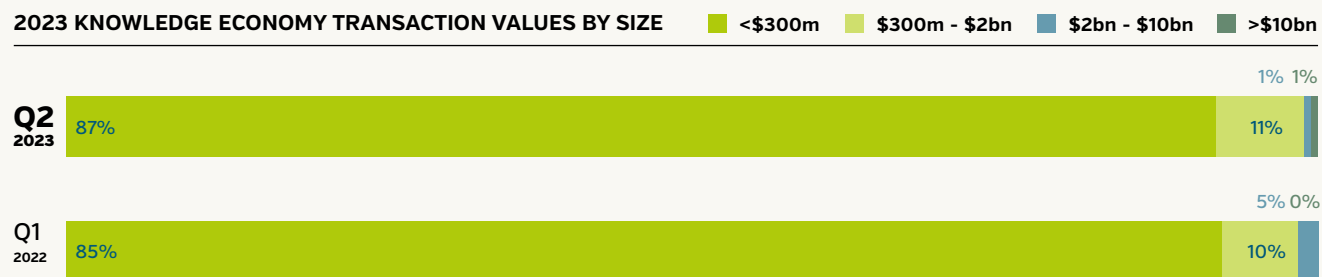
4%

Fewer deals completed in Q2 2023  
than in Q1 2023

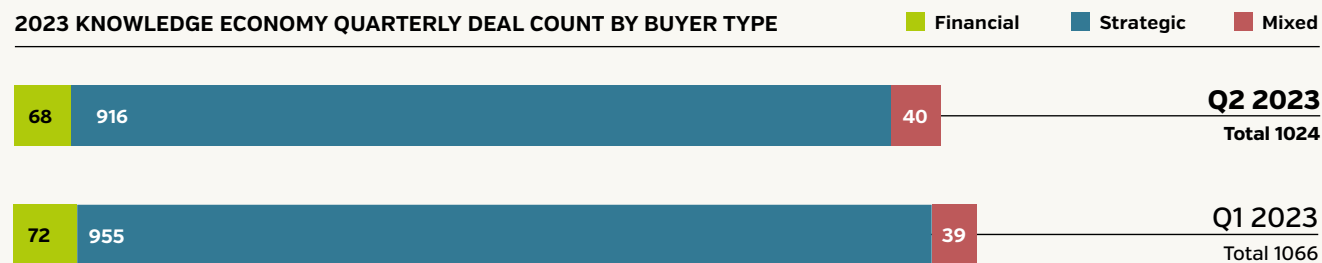
## KNOWLEDGE ECONOMY MONTHLY DEAL COUNT (YEAR-ON-YEAR)



## 2023 KNOWLEDGE ECONOMY TRANSACTION VALUES BY SIZE



## 2023 KNOWLEDGE ECONOMY QUARTERLY DEAL COUNT BY BUYER TYPE



# IT Services

## Q2 M&A activity

### KEY TAKEAWAYS

- M&A activity continues to be robust with volumes steady and valuations growing - although it remains below the levels seen in 2022
- Buyers are showing strong interest in innovative technologies such as AI and ML, particularly if opportunities align with certain, resilient sectors such as the public sector and healthcare
- Activity trends suggest that deal fatigue may be passing as buyers look to a more positive H2

### Q2 MARKET ACTIVITY


M&A activity in the IT services sector remained steady in Q2 with a small increase in overall deal volumes [up 5% quarter-on-quarter], though these did taper slightly off across each subsequent month of the quarter, falling from 90 deals in April to 77 in June. The impacts of inflation continue to hamper activity, with volumes down 20% year-on-year. This is reflected in the overall H1 activity for 2023, with deal volumes 17% lower than H1 2022, falling from 593 last year to 493 in the first half of this year.

We've seen a steep increase in valuations during H2, with total investments breaking the \$2.0bn mark, well up from the \$720mn invested in Q1. As expected though, overall valuations are well down on those seen in 2022, despite the fact that 2023 expenditure grew throughout the second quarter as June became the highest spending month of the year so far in the IT services sector with an outlay of \$1.6bn. If nothing else, we can take this as a fairly clear indication that buyer interests in all things digital remain strong, especially across data analytics, custom software development, and digital engineering.

In fact, any market turbulence that may be buffeting the sector seems to have mainly impacted the upper end of the valuations spectrum more so than M&A appetites. Even then, those companies that are performing well in the data analytics, custom software development, and digital engineering spaces have been somewhat insulated from this and continue to attract healthy multiples.

All are key themes present in two deals of note made in June. Firstly, the strategic investment we saw in June from Databricks and US-based Interlock Equity into Lovelytics, a leading data engineering and business intelligence consultancy. The second being the \$1.0bn investment made by Australian private equity firm, QIC, which acquired a 50%

stake in Vector Limited, a smart meter firm with industry-leading data and analytics platform in the energy and sustainability sector.

"While some firms may have been less active due to high interest rates and expensive debt, there's a lot of players in this space and activity remains robust," says Greg Fincke, Managing Director at Equiteq in Boston, USA. "One change of note though is that we're seeing much more of an EBITDA driven multiple from buyers, with revenue multiples not really being discussed at the moment. 



**While some firms may have been less active due to high interest rates and expensive debt, there's a lot of players in this space and activity remains robust**



**BUYER INTEREST IN HORIZONTAL TRENDS DRIVEN BY VERTICALS**

Digital transformation remains a fundamental driver of M&A activity in the IT services space though Q2 has seen a slight contraction of demand across many areas in which we've previously seen heavy buyer interest over the past two years. The exceptions here are those newer areas of horizontal digital growth such as data analytics and the cloud, in which firms are actively looking to expand and deepen their capabilities.

"I think in the IT services space we've probably still got some strong fundamentals around data businesses where the cycle of setting up an IT framework has been sort of done in 2021 and 2022," says Jerome Glynn-Smith, Managing Director at Equiteq in London, UK. "And now people really want to exploit more a framework of digital tools that they own by running data projects."

Buyer interests in such horizontal trends have manifested most prominently in certain sectors that have proven to be particularly resilient in recent months, such as the public sector, healthcare, and construction and infrastructure. Similarly, we see interest in data analytics firms also

continue to be strong from the Fortune 500, whose digital maturity demands an ever greater harnessing of data as the applicability of AI and ML grow within enterprises.

"We've seen buyers be pretty consistent on the themes that interest them and with the buzz around AI and predictive analytics growing, people want to be the winners when that applicability manifests," says Fincke. "But while anticipation around the future opportunities here is growing, it's a thesis that is going to take some time to play out."


**H1 DEAL FATIGUE SOFTENING AS LATTER HALF OF THE YEAR APPROACHES?**

Despite a year-on-year dampening of deal volumes compared to H1 2022, we are starting to see signs that buyers are gearing up for a busier second half of the year.

"There's quite a few things still affecting buyer behavior right now," says Alex Monck, Managing Director at Equiteq in Sydney, Australia. "Obviously practical things like the end of the financial year in June and firms making a call whether to act now or later, but also an ongoing adjustment to post-pandemic life, to a rapidly changing

IT sector, and to a challenging economic environment and what that means for how buyers look at and act upon opportunities."

So, while the fundamental underlying demand for digital transformation hasn't gone away, it's had to take a back seat for a couple of months as buyers adjust to higher interest rates and more expensive debt. But with buyers' clients - and arguably their clients' clients - still interested in investing in IT Services, we're seeing buyer attention turn towards more strategic acquisitions in the mid-market.

"The fundamental drivers of activity in the IT Services space are still strong and digital transformation is still a core investment," says Monck. "But while we're seeing fewer bigger deals as buyers look to hold on to some of their cash reserves, there's a growing number of larger acquirers looking to do more tactical acquisitions and we expect that trend to solidify over the next 12 months." 



We're seeing much more of an EBITDA driven multiple from buyers, with revenue multiples not really being discussed at the moment

**NOTABLE DEALS**

receives investment from

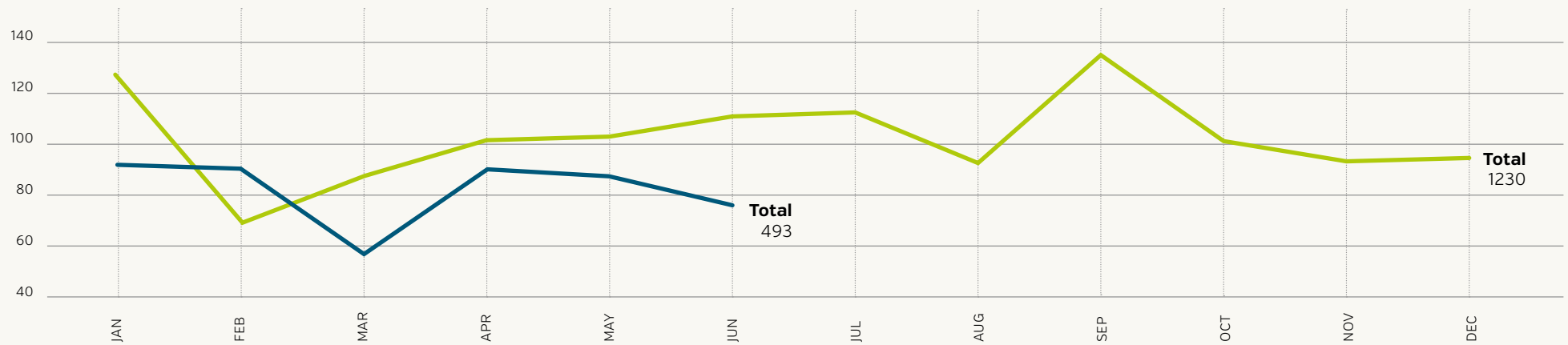


receives investment from



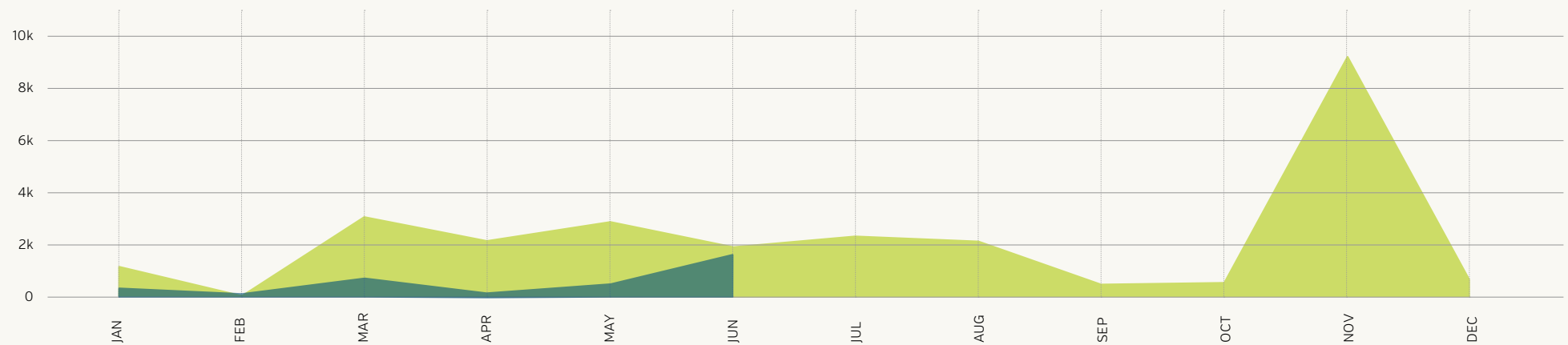
## YEAR-ON-YEAR MONTHLY IT SERVICES DEAL COUNT

2022 2023



## MONTHLY IT SERVICES DEAL VALUE (US \$, MILLIONS)

2022 2023



# Enterprise Software & SaaS

## Q2 M&A activity

### KEY TAKEAWAYS

- M&A activity remains steady albeit cautious, with volumes and valuations down from the highs of H1 2022
- Buyers are turning towards innovative and disruptive firms in the midmarket as they look to invest and acquire more tactically
- Talent retention is an ongoing challenge for buyers to navigate post-merger in the Software sector

### Q2 ACTIVITY OVERVIEW

Rising interest rates and the inflation-countering actions of central banks may have dampened deal volumes year-on-year in the software space, yet activity remains robust - albeit cautious - in the face of such challenges. This is especially true among Private Equity firms who continue to be the most active buyers of software targets, fuelled by record dry powder and attractive valuations.

We've seen deal volumes and valuations both demonstrate robustness in Q2, with minimal variance quarter-on-quarter. While quarterly spend may have dipped slightly from \$17.1bn in Q1 to \$15.9bn Q2, a number of large deals in June helped propel the month to become the highest spending month of the year to date. Such deals include Crosspoint Capital

Partners' \$870mn acquisition of the cyber security solutions provider Absolute Software; and the \$11.2bn acquisition of the market leading experience management [XM] software firm, Qualtrics, by Silver Lake, the global leader in technology investing, in partnership with Canada Pension Plan Investment Board [CPP Investments].

### OPPORTUNITIES IN THE MID-MARKET

Ongoing economic challenges continue to color buying habits in the Enterprise Software and SaaS vertical, and it is those firms unable to demonstrate a route to profitability that are bearing the brunt of this. However, there may be light on the horizon as buyers start looking to mid-market firms as a way of generating value.

"In the second half of the year we expect some opening up of the market because even though financing has become more difficult and deals more expensive, buyers are still looking for ways to make transactions happen even if not large ones," says Arun Nayak, Director of Technology M&A at Equiteq in APAC. "We're seeing buyers look to acquire mid-market firms that can add some kind of strategic differentiation going forward, and the capital-efficient scaling potential of recurring revenue makes SaaS attractive."

With buyer interests turning towards firms in areas of rapid transformation and disruption, they are seeking out differentiated mid-market companies that have clear identifiers or a clear roadmap for strategic growth



**We're seeing buyers look to mid-market firms that can add strategic differentiation going forward**

and value creation. Key areas of interest include software niches such as automation, sustainability, and cybersecurity. The latter in particular is a very hot area for investment as evidenced by a raft of deals in Q2, including the April announcement by networking giant Cisco of its plans to acquire the Israeli cloud security firm Lightspin for between \$200-\$250m.

"We've seen significant shifts in financing in the last 12-18 months, which means buyers are being more prudent and would rather not use up their cash reserves," says Nayak. "So, while we've seen a select few mega deals this quarter, most buyers are much more inclined to spend on strategic mid-market opportunities that can create differentiation, make strategic sense, and create value for the business going forward. We expect to see more of this kind of activity going into H2, especially from acquirers backed by Private Equity"



Companies interested in a transaction will have to be much more prepared in terms of key business and performance metrics, operating efficiency and performance outlook

#### NOTABLE DEALS

##### Lightspin

acquired by



##### ABSOLUTE

acquired by



#### THE TALENT RETENTION CHALLENGE

Given the need for Software-related deals to move the dial across multiple strategically important fronts in the current climate, we are seeing buyers pay greater attention to the retention of talent once an acquisition is complete.


“One of the biggest problems in Software M&A during the last two years has been the difficulty of retaining talent within a different culture,” says Nayak. “There’s a stronger focus in most of the acquisitions that the value lies in the retention of talent that plays a key role in software development and innovation.”

As activity starts to pick up, we may see competition increase among buyers not just for companies but for the people who power them, especially if post-merger integration doesn’t go as smoothly as planned. This puts the onus on buyers to put talent and culture alongside profitability at the heart of any potential deal.

#### SELLER-SIDE PATIENCE AND PREPARATION

In the wake of the turbulence of recent months, we’ve seen the time it takes to do deals increase, processes take longer, and outcomes become more uncertain, which has led to a noticeable increase in preparation from a seller side perspective during Q2 in the Software sector.

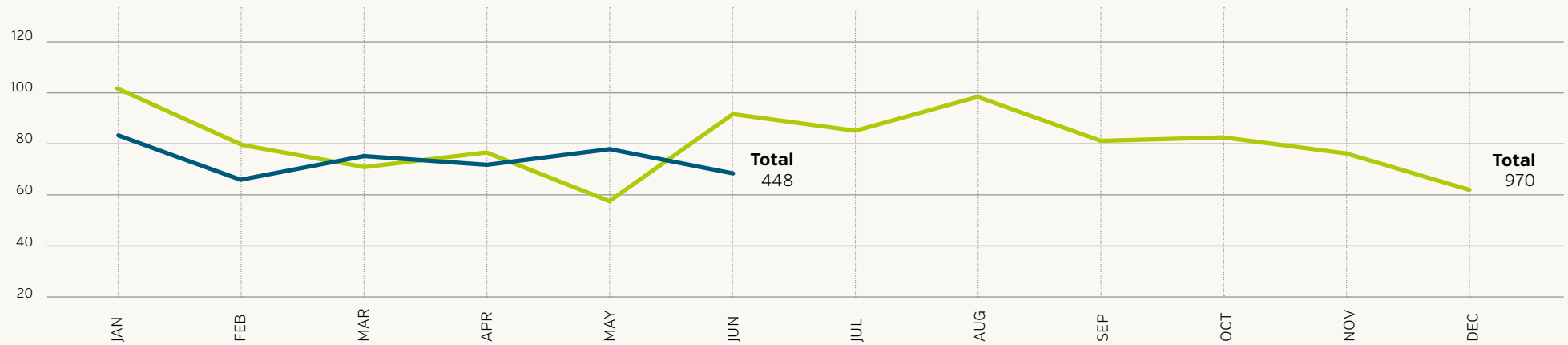
“We expect to see some turbulence in H2 also, on account of muted revisions of guidance in terms of revenue and profitability for 2023, resulting in further uncertain outcomes,” says Nayak. “Companies interested in a transaction will have to be much more prepared in terms of key business and performance metrics, operating efficiency and performance outlook. Otherwise buyers will find it very difficult to justify their acquisition thesis and build a robust business case for approval.”

The impetus then is on sellers to not only be well prepared but also patient. With deals being drawn out in the current market, any seller that puts too much pressure upon a timeline will likely find this proves to be a recipe for disaster. 



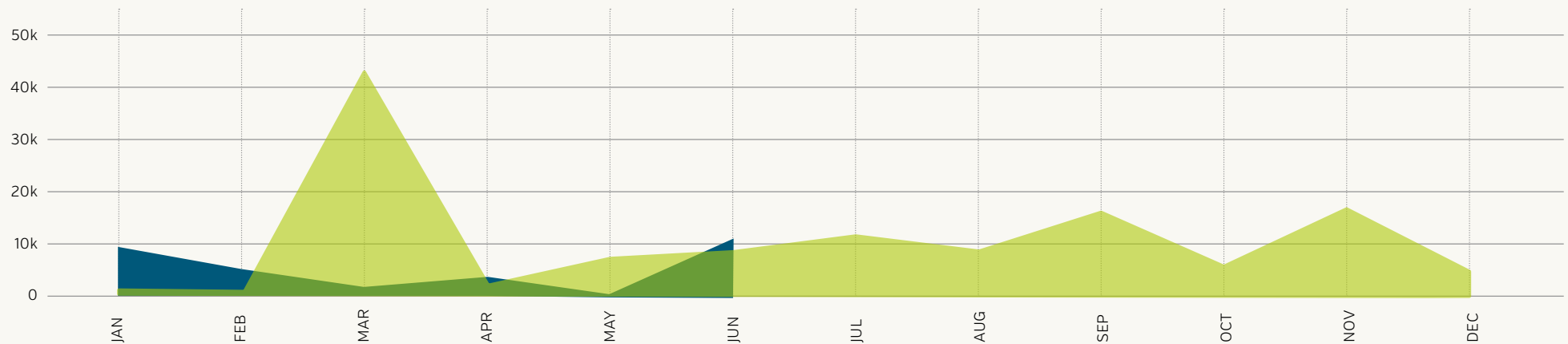
## YEAR-ON-YEAR MONTHLY ENTERPRISE SOFTWARE DEAL COUNT

2022 2023



## MONTHLY ENTERPRISE SOFTWARE DEAL VALUE (US \$, MILLIONS)

2022 2023



# Transaction advice in the current market

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## WHAT'S THE MINDSET IN THE CURRENT MARKET?

M&A deal volumes are at decade lows as a result of a higher cost of capital and a low growth environment. This is not only making deals more expensive to finance but means businesses themselves are experiencing difficulties with growth.

As a result, we are seeing buyer and seller mindsets err towards caution. However, in some transactions where the sellers have been resilient to the macroeconomic environment and are perceived to be very high quality, the current scarcity of transactions in the market is leading to some strong outcomes.


## HOW SHOULD SELLERS AND BUYERS NAVIGATE THIS ENVIRONMENT IF THEY ARE IN A PROCESS OR THINKING ABOUT A PROCESS?

For sellers that are in a process, it's critical that they have a business well prepared for sale, a budget that is tracked monthly and delivered throughout the process, as well as valuation expectations that are aligned with the current environment.

For sellers thinking about a process - this isn't a bad place to be right now as it provides time and space to focus on preparing for a transaction. It's also an opportune moment to start softly sounding out the market and stress testing the performance of the business to a successful process with the guidance of an engaged advisor.

## WHAT CAN A SELLER DO TO MAKE SURE THEY ARE PREPARED FOR AN EXIT?

The Equiteq team recommends that any seller considering an exit in the current market prepare fully by: prove most interesting to buyers as the analytics space evolves.

1. Putting in place the team, with the right incentives to deliver the exit.
2. Prepare a clear and compelling equity story around their offering differentiation.
3. Building relationships in the market ahead of time.
4. Prioritizing strong customer satisfaction and delivery of numbers to a growth budget. 

# Spotlight: Procurement & Supply Chain IT

## KEY TAKEAWAYS

- The sector is a fragmented one that is ripe for potential consolidation, especially among smaller firms that can be acquired at more attractive valuations
- Buyer interests are centered on supply chain consulting capabilities and software that enables cost base rationalization, with interest in the latter accelerating in the last six months
- Key supply chain and procurement ecosystems of interest are Anaplan, SAP, Workday, and Coupa

Few sectors are as likely to be more impacted by significant and ongoing upheaval than supply chain and procurement. It's unsurprising then that the market has increasingly come into focus over the past few years amid several high-profile shocks to the global system. Add to this ongoing geopolitical and economic tension, and it is clear why there has been a rapid acceleration in demand for supply chain and procurement capabilities in recent years.

"Businesses are recognizing the importance of supply chain visibility, agility, and resiliency," says Alex Floess, Director at Equiteq in New York, USA. "When you couple this with the emergence of new, cutting-edge technologies, business priorities around ESG, and corporate interest in optimizing savings, you start to see how massive the market opportunity is and the growth potential for services within this space."

Buyer interests in both supply chain consulting and technological expertise have continued to grow since mid-2021 as the need to deliver holistic supply chain solutions has grown more acute. This is particularly evident among Strategic Buyers who either need to bring such capabilities in house or who know there is a clear demand for such skills from a consulting perspective.

Bain & Company have marked themselves out on this front through a number of interesting deals in the last 18 months, firstly by acquiring ArcBlue, a leader in procurement consulting across the Asia-Pacific region, in February 2022, and then swiftly following this up with the acquisition of the UK procurement consulting powerhouse, Proxima, in May 2022.

"Bain & Co made two acquisitions in quick succession, which clearly shows that this was a well-planned strategic move to scale its expertise in this space," says Nayak. "This is a very good example of a consulting firm that saw clear potential in the supply chain and procurement area, and quickly ramped up its capabilities with two strategic acquisitions, one in APAC, and one in Europe."



**Businesses are recognizing the importance of supply chain visibility, agility, and resiliency**

## EQUITEQ'S PROCUREMENT DEALS OF NOTE



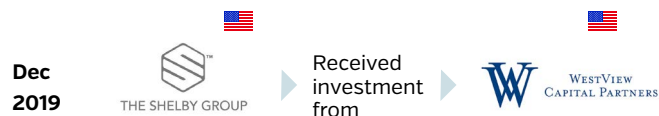
Consus Global is a leading provider of procurement and supply chain solutions, leveraging a suite of digital procurement solutions to help businesses optimize their operations and drive value. Through its acquisition of Consus, YCP Holdings will be able to strengthen its market offerings and launch a newly established Supply Chain Solutions Division.



Prokura is a Danish consulting firm specializing in procurement and supply chain solutions, especially in the Nordics. This acquisition enabled Kearney, a global consulting firm with more than 4,000 employees, to expand its already strong procurement capabilities, gain a foothold in the Nordics, and deliver a full range of supply chain services from strategy to implementation.



Based out of Houston, TX, Myrtle works with leading brands across consumer products, chemicals, mining, life sciences, and other manufacturing-intensive industries to transform their production and distribution to deliver sustainable performance improvements and efficiencies. The acquisition strengthened Accenture's ability to transform clients' manufacturing, operations, and supply chains from the initial assessment to implementing new processes and technology solutions.



Headquartered in Schaumburg, IL, The Shelby Group is a leading provider of consulting, implementation and ongoing procurement operations services with a focus on the leading procure-to-pay software suites including Coupa, Ivalua and SAP Ariba. WestView's acquisition was not only a statement of confidence in procurement automation, but more broadly, an endorsement of the wider digital procurement transformation movement.

SUPPLY CHAIN AND PROCUREMENT  
ECOSYSTEMS OF NOTE

While ensuring an ability to procure goods remains essential, we are increasingly seeing macroeconomic factors dictate organizational priorities when it comes to supply chain and procurement - just as geopolitical tension and the pandemic have done previously. Given the ongoing challenges of high inflation and high interest rates, the need to find innovative ways to reduce both the cost of procuring items and the cost of goods as a means to improve profitability has moved to the forefront of organizational agendas - and buyer interests accordingly.

"We've seen the disruption of recent years settle somewhat and it's clear that having access to effective supply chain and procurement solutions is becoming a very integral part of large enterprises," says Nayak. "With technology advancing at the pace it is, the onus is on businesses to try and think of ways in which they can continually optimize their procurement life cycle to save on costs."



**With technology advancing at the pace it is, the onus is on businesses to try and think of ways in which they can continually optimize their procurement life cycle to save on costs**



Equiteq's own research reinforces this shift with 40% of buyers saying their interests in digital procurement and supply chain solutions were 'high' or 'very high' in our 2023 Buyers Report. Our findings also show that buyers are most interested in the Anaplan, SAP, and Workday platform ecosystems, which can be seen in the table below. We are also seeing that OneStream, a somewhat new player in the space, is also gathering interest from buyers. Findings also show that buyers are most interested in the Anaplan, SAP, and Workday platform ecosystems, though OneStream, a somewhat new player in the space, is also gathering interest.

"Firms that can optimize their costs and drive more value from their FP&A, procurement, and supply chain functions will be those that give themselves a real competitive advantage in the market," says Fincke. "There's a very strong demand for technology partners in ecosystems like Anaplan, SAP, and Coupa, as these platforms are able to accelerate the cost optimization that companies need right now, so we expect services firms in these ecosystems to have even more traction going into H2 2023 and 2024."



**Firms that can optimize their costs and drive more value from their FP&A, procurement, and supply chain functions will be those that give themselves a real competitive advantage in the market**

#### BUYER INTEREST ACROSS DIGITAL SERVICE LINES IN THE NEXT 2-3 YEARS

Very High High Medium

Supply Chain

12%

28%

16%

#### TOP ECOSYSTEMS OF INTEREST

Ecosystem

\*Percentage of buyer's showing interest

Example Deal

Anaplan

49%

KEENSIGHT  
CAPITAL



acquisition  
of



BEDFORD  
Consulting

VEEO



acquisition  
of



SCANQMI

SAP

49%

accenture



acquisition  
of



SOLVERA  
Part of Accenture

Workday  
Adaptive  
Planning

37%

KPMG



acquisition  
of



DayOne  
CONSULTING

Coupa

37%

NTT



acquisition  
of



chainalytics



We see a wide range of active buyer groups prioritizing the supply chain and procurement services market from an M&A perspective

#### NOTABLE DEALS

Equiteq Deal



acquired by



Two recent - and seismic - deals that look set to potentially reshape the supply chain sector have come courtesy of the specialist software investment Private Equity firm Thoma Bravo, which acquired Anaplan for \$10.4bn in June 2022 and followed this up with the \$8.0bn acquisition of the Business Spend Management firm, Coupa, in February 2023. Both deals underline the potential growth that the American Private Equity firm sees in the procurement tech space and in acquiring arguably two of its biggest players underlines the aggressive consolidation strategy Thoma Bravo is applying as it attempts to build the definitive market-leading platform.

“Being acquired by Thoma Bravo absolutely legitimizes Anaplan as a global software leader,” adds Glynn-Smith. “Many of Anaplan’s competitors are either privately owned or listed, but they’re in no way backed by the resources available to Thoma Bravo, so this really solidifies Anaplan’s offering and ecosystem going forward.”

But while financial investors pursue platform consolidation strategies in the procurement space, we’ve also seen significant moves from Strategic Buyers too, with Accenture particularly active in recent years.

Key Accenture deals of note include:

- 2023 acquisition of Einr AS, a Norwegian business consulting firm that specializes in high volume logistics solutions using SAP technologies;
- 2022 acquisition of Alfa Consulting, an analytics consultancy that specializes in supply chain strategy;
- 2021 acquisitions of Xoomworks Group, a consulting and technology company that specializes in procurement software innovation, and ClearEdge Partners, a consulting firm focusing on technology procurement spend management.

“We see a wide range of active buyer groups prioritizing the supply chain and procurement services market from an M&A perspective,” adds Floess. “Traditionally the key buyer categories would be large and mid-cap management and strategy consulting firms, IT services companies, and private equities, but we are now also seeing new pockets of demand emerge in the manufacturing and purchasing organizations. This is a large market and the key thing for any seller will be driving competitive tension among these different categories to optimize valuation, structure, and terms.”

# Market trends driving M&A activity

## TREND 1: BUYER INTERESTS SHIFTING AS FIRMS LOOK TO COST BASE OPTIMIZATION

The need for organizations to identify efficiencies and reduce costs through procurement technology is shaping buyer interests, and presents a growing opportunity for any tech, services or consulting firms that can enable this.

"This is a critical trend that we're seeing in the supply chain and procurement world right now, and certainly a signal of the times that we are in," says Glynn-Smith. "We're seeing this manifest most prominently in the sectors that are suffering the most, like retail, where they are seeking to review and rationalize all types of costs around the operating structure and around the direct cost base, as well as the indirect cost base."

Accordingly, buyer interests in the tech solutions and software that can enable these rationalizations are growing, which presents a strong opportunity for services providers in key procurement tech ecosystems, such as Anaplan and SAP.

"The economic outlook may be a little less bleak than six months ago, but businesses are still looking to cut costs by having the cheapest supply chains and being able to procure goods and services at the cheapest rate," says Nayak. "So software companies and consulting firms that can enable this are very interesting to buyers right now."

## TREND 2: PRIVATE EQUITY STILL ON THE HUNT

If Thoma Bravo's bold, market-leading moves are anything to go by, then we should expect many more Private Equity firms looking to invest in what is seemingly becoming the highly lucrative procurement and supply chain sector. Data from the UK-based law firm K&L Gates LLP, shows that the value of PE investments in the US supply chain sector alone tripled between 2019-2022, growing from a total value of \$5.1bn to \$20bn.

"From a PE perspective, there's clearly opportunities in the supply chain to hunt for profitable opportunities but I think everyone has been a little more cautious in the last six months," says Glynn-Smith. "The environment's been so uncertain that we've seen fewer Financial Investors deploying funds. They've only done so in ultra secure situations with companies that have been incredibly resilient, which means that many PEs are still sitting on a lot of undeployed funds."

Accordingly, we can expect the combination of a fragmented supply chain industry that is ripe for consolidation and surplus dry powder to drive a fair share of market activity in the next six-to-12 months. However, a caveat here is that even with the need to deploy, it won't be a case of 'deploying at all costs' at the steep levels of valuation that we saw a year or two

ago, which may actually result in more deals being made for smaller firms that can be acquired at more attractive valuations than established market leaders.

## TREND 3: UNTANGLING FROM THE CHINA KNOT

Ongoing trade tensions with China continue to present obstacles for many firms looking to get products to market, especially among those large enterprises within the APAC region that have strong ties with the United States and even Europe to a slightly lesser degree.

"Large economies and enterprises are trying to reduce their reliance on China with 'produce domestic' and 'make-in country' initiatives, but this is a challenge because of the investment required, coupled with the sheer volume of manufacturing capacity and volume in China, which makes it very difficult to avoid," says Nayak. "Firms are trying to find alternative supply chains with equally competitive prices and locations. But this can't happen overnight and will require investment and planning."



If you look at the consulting and IT services M&A market over the past 10 years, we're still in a decent market from a valuation perspective

#### NOTABLE DEALS

**EIN.R.**

acquired by

**accenture**

#### ATTRACTING BUYERS INTERESTED IN SUPPLY CHAIN AND PROCUREMENT


As such, Nayak notes that large firms in the APAC region are now either looking inwardly for 'make in country' solutions or looking towards countries such as Vietnam, Malaysia, and Indonesia. But maturity remains low in these areas and such manufacturing hubs are still developing. All of which presents further tactical investment opportunities for buyers looking to capitalize on the fracturing procurement space.

Preparation is critical for any seller looking to attract a buyer in the current supply chain M&A market. Securing investment amid economic uncertainty will depend upon being able to distill a clear narrative around profitability and the value you can add to end clients - from operational efficiency to cost base rationalization.

"Don't go into this market with weaknesses because people don't overlook weaknesses as they used to," cautions Glynn-Smith. "I'd advise any potential seller to also try and build relationships with funds, and talk to a small

number of highly interested parties rather than running a broad auction, which can be quite risky at the moment."

Setting realistic expectations of what can be achieved from any potential investment is a critical part of any supply chain-related deal in the current market. The market has changed rapidly in recent years, so take this resetting of expectations as a recommendation based on cautious optimism, volumes may be tempered right now but valuations remain healthy, just not at the outlying record highs of 18-24 months ago.

"If you look at the consulting and IT services M&A market over the past 10 years, we're still in a decent market from a valuation perspective," concludes Glynn-Smith. "And so sellers should try to see these normalized valuations as a longer term, more sustainable source of funding for the supply chain market, as well as broader IT services market, than what we've potentially had in recent years." 



# Spotlight: Public Cloud

## KEY TAKEAWAYS

- Demand for Cloud services remains high as digital transformation is still a non-discretionary spend and a fundamental driver of M&A activity
- Management consulting firms are increasingly active in the Cloud services market as they look to rapidly build deep capabilities at scale and across geographies
- There are multiple drivers of M&A activity throughout the Cloud value chain, from strategy and design through to migration, implementation and MSPs

Buyer interest in Public Cloud continues to be strong as many firms at enterprise level turn to focus on how best to harness the increasing amount of data generated across their operations. This data will only grow in volume and it is an increasingly critical issue for firms to contend with, especially as data from \*Statista, 2022 suggests that the Cloud was already storing more than 60% of all corporate data as of 2022, having doubled since 2015.

*\*Statista, 2022*

Cloud services providers that can reduce the complexity of data migration, Cloud implementation, and integration are increasingly in demand - and we expect the underlying Cloud megatrend to solidify further. Findings from Equiteq's 2023 Buyer Report reinforce this with more than two-thirds of buyers surveyed saying they had a 'High' or 'Very High' interest in Public cloud service lines in the coming years.

We are also seeing pockets of heightened activity in verticals such as engineering, healthcare, and financial services, where there is a clear acceleration of demand among both Strategic and Private Equity buyers for Cloud consulting, strategy, implementation and data capabilities.

"There has been lots of M&A activity going on in the Cloud services partner space in the past 18-24 months, which has been driven by the three cloud hyperscalers partner ecosystems, Amazon Web Services [AWS], Microsoft Azure, and Google Cloud Platform [GCP]," says Jeremy Azzarita, Vice President at Equiteq in Paris, France. "We're seeing buyer conversations across the advise-build-run value chain accelerating around emerging topics like cost optimization and Cloud sustainability."









## BUYER INTEREST ACROSS DIGITAL SERVICE LINES IN THE NEXT 2-3 YEARS

Very High High Medium



*Equiteq Global Buyers Report 2023*

## TOP PUBLIC CLOUD ECOSYSTEMS OF INTEREST

| Ecosystem    | *Percentage of buyer's showing interest | Example Deal   |
|--------------|---|--|
| Azure        | 100%                                    |  acquisition of <br> acquisition of  |
| AWS          | 98%                                     |  acquisition of    |
| Google Cloud | 90%                                     |  acquisition of    |

## MANAGEMENT CONSULTING AND THE CLOUD

A key area of activity in the Cloud space is a growing interest from management and strategy consulting firms in building Cloud capabilities. There's an increasing recognition in the market that by combining deep technology capabilities with strategy, consulting firms can deliver significant value and benefits to their clients. With enterprise clients increasingly tech-savvy and sophisticated, the market expectation now is that consulting firms will be able to implement the Cloud transformation projects that they recommend.

This is leading to more deals like McKinsey's acquisition of the Cloud consultancy, Candid Partners, in 2021; or Bain and Company's recent acquisition of Enterprise Blueprint, the leading UK provider of enterprise and solution architecture consulting services. Both deals demonstrate a clear interest in acquiring deep capabilities in Cloud data and security.

"Strategic acquirers of cloud services assets are originating from both a broader ecosystem of companies such as management consulting, professional services, engineering services and marketing services firms," says Azzarita. "We're seeing more management consultancies trying to acquire Cloud expertise and delivery capabilities to support technology transformations. This ranges from strategy through to the realities of scalable delivery in order to meet the growing demands of clients, as well as the expectations of board-level stakeholders. It's a key driver in today's Cloud market."

Equiteq Global Buyers Report 2023

\*Shown relative to maximum buyer interest across all ecosystems

# Drivers of M&A activity across the cloud value chain

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## TREND 1: CLOUD STRATEGY AND ARCHITECTURE

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Cloud strategy and architectural design skills are in high demand among consultancies and global system integrators, who need them to move up the value chain, talk at higher levels and win bigger opportunities and RFPs.

“In the design and build phase, we see a lot of demand for talent with the core skills that underpin effective Cloud advisory and Cloud engineering,” says Azzarita. “Skills such as Cloud strategy and roadmap, change management, architecture or DevOps are all areas in which we see a growing interest from buyers given they are central to delivering a Cloud transformation journey.”

With Cloud consulting and advice increasingly purchased outside the CIO's office, acquiring Cloud architecture skills offers a way for consultancies like Accenture and Capgemini to access and benefit from IT budgets across a wider pool of business divisions. The acquisition of the Cloud advisory firm, Sentia's businesses in the Netherlands, Belgium, and Bulgaria by Accenture in Q3 2022 is indicative of the firm's goal of growing its end-to-end infrastructure services across public and private clouds.

“Today those digital transformation services firms targeting enterprise accounts really want to be well connected to the CIO's office, but also to be talking at different business levels because Cloud transformation projects drive better performance for everyone,” says Azzarita. “C-suite access is something that is highly sought after – consultancies capable of bringing value to C-suite stakeholders on potential Cloud investments and demonstrating growth in today's difficult macro conditions are still attracting premium valuations from both trade and PE buyers.”

## TREND 2: CLOUD BUILD AND MIGRATION

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Beyond architecture and strategy, we are also seeing buyers look to push further down the Cloud value chain and acquire capabilities at the Cloud migration and implementation stage, with interests pertaining to Cloud native development as well. In turn, buyers are actively seeking capabilities in automation, DevOps, data science, AI, Cybersecurity, and both front-end and back-end development in order to deliver complex, data-driven hybrid Cloud migration projects.

“These types of migration and implementation projects involve lots of challenges. These include not only technological integration, but also complex data migration,

and changing processes, cultures, and organizational structures that might have been in place for years,” says Azzarita. “You really need to understand the client operating model and have deep skills and experience to be involved in such projects. That's where the largest budgets are in the market so buyers are keen to find assets with the ability and culture to deliver sizable and complex projects.”

However, while the implementation, setup, and development of a client's Cloud environment may prove to be a highly lucrative engagement for big consultancies and systems integrators, it's also an environment populated with small, subscale, independent Cloud services partners that is ripe for consolidation.



**Today those digital transformation services firms targeting enterprise accounts really want to be well connected to the CIO's office**

Many of these partners can hold significant capabilities in a particular country or vertical, and so we are seeing strong activity from buyers in this space as they look to build their cloud migration capabilities in different geographies, countries, or sectors. Again we've seen big consultancies active in this regard with two deals of note being:

- Demand for Cloud services remains high as digital transformation is still a non-discretionary spend and a fundamental driver of M&A activity
- Management consulting firms are increasingly active in the Cloud services market as they look to rapidly build deep capabilities at scale and across geographies
- There are multiple drivers of M&A activity throughout the Cloud value chain, from strategy and design through to migration, implementation and MSPs

"We continue to see buyers showing more interest in the infrastructure side of the Cloud than in other areas," adds Glynn-Smith. "And that's because this kind of spend isn't usually discretionary for businesses. Interest in Cloud services providers that can reduce complexity in the Cloud will continue to prove attractive for the foreseeable."

### TREND 3: CLOUD MANAGED SERVICES PROVIDERS

Cloud managed services then are playing an increasingly important role at the enterprise level with the need to maintain increasingly sophisticated infrastructure over time becoming a non-negotiable. However, while many managed service providers started out focusing on either AWS or Microsoft Azure, we're seeing more end-clients pushing these service providers to extend their coverage and make use of multiple Cloud technology vendors and platforms in order to deepen delivery capabilities and mitigate the risk of downtime.

"I think we've seen providers really focused in recent times on building next generation managed services capabilities, which requires deep underlying multi-cloud, cybersecurity, infrastructure, and data management skills" notes Azzarita. "The execution of this can actually be quite complex because it requires strong internal training and certification processes as the cloud hyperscalers have been very watchful on the attribution of MSP statuses."

Despite its complexity, the Cloud managed services space is one proving popular with buyers due to the ability to generate recurring revenues from multiple sources. These sources can include the monthly recurring revenue of ongoing managed service support as well as royalties and revenues received through licensing deals with software partners. A further source of revenue can often be the resale of either hardware or licenses for one of the three hyperscaler platforms, though this can depend on acquiring recognised managed services partner (MSP) status.

Getting a Cloud MSP status is vital then for firms to demonstrate a recognition of the high standards of delivery, knowledge, and expertise they have in a particular cloud platform, and unlocking the resale/licensing revenue opportunities this presents. Therefore, attaining MSP status is a further driver of M&A activity as buyers look to acquire the capabilities and skills it requires.

The 2022 acquisition of the public cloud specialist, Cloudreach, by the IT services giant Atos' highlights the value of having MSP status, with Atos vocal about capitalizing on Cloudreach's top-level partnership with AWS, Microsoft Azure and Google Cloud to grow its position as a multi-cloud powerhouse. On a smaller scale, we also saw

the UK-based BCN Group, a Microsoft-focused MSP, trade Private Equity backers in the summer of 2022, with ECI Partners acquiring the firm from Beech Tree Private Equity.

### TREND 4: ACCESS TO SKILLS AND TALENT

When it comes to skills and talent, there are two clear areas driving M&A activity in the Cloud space, with buyers either trying to acquire the strategic skills they need to access high spending clients, or trying to acquire skills that grant greater delivery capabilities.

"If it is the former, then it means being active in core markets like the UK, Ireland, France, Germany, and the Nordics," says Azzarita. "And for that you obviously need to acquire local partners that have onshore delivery capabilities, especially for Germany and France where there is an additional cultural requirement to get access to those clients."



**Despite its complexity, the Cloud managed services space is one proving popular with buyers due to the ability to generate recurring revenues from multiple sources**





Cloud services firm or consultancy can tell a reassuring story around account management, lead generation and conversion, and the way sales are delivered, the better

From a revenue perspective then, acquiring both language and consulting skills in key geographies is essential if firms want to grow their customer base and work with the best accounts. We've seen the usual suspects keen to make deals that play to this trend with Accenture acquiring the UK-based cloud and digital transformation consultancy Infinity Works in early 2023.

Conversely, while a local presence can win a firm business, delivery may require looking further afield to increase margins. We are seeing consulting increasingly turn to Eastern European countries to acquire nearshore capabilities that enable the delivery of Cloud projects at lower cost. Again, Accenture has proven itself arguably the most active acquirer in the Cloud space with its Q2 2023 acquisition of Objectivity, a Polish digital engineering firm specializing in cloud and platform development services.

#### **ATTRACTING BUYERS INTERESTED IN PUBLIC CLOUD**

Accelerating demand, a growing marketplace, and one ripe for consolidation means that any seller looking to attract a buyer needs to be able to clearly differentiate its value proposition in the market. An attractive way to do this lies in trying to build IP either to win clients, accelerate client


















processes, or - as with other areas of the IT Services sector - enhance and streamline reporting for clients.

Both types of IP are important for smaller consultancies as they can play an important role in shaping how a business is perceived in the market and the value it can offer clients. Getting the balance right is key to being seen as a market leader and justify higher day rates.





















Patience is another consideration for any would-be seller in the current economic climate. Working on and refining core internal processes, sales processes, and marketing processes all play a role in reassuring a prospective buyer about the predictability of revenues and margins. The more a Cloud services firm or consultancy can tell a reassuring story around account management, lead generation and conversion, and the way sales are delivered, the better.

"In this current macro environment, it is increasingly important to formalize internal processes whether they are sales and marketing related, or linked to forecasting and budgeting," concludes Azzarita. "So the more your revenue and your growth is predictable, the more attractive this will be to potential buyers." ●








# Q2 2023: Deal Highlights

| Deal Date  | Target HQ   | Target  | Buyer/Investor  | Deal Value (US \$) | Target Description  |
|------------|---|---|---|--------------------|---|
| 30/06/2023 |    |    |    | -                  | 1,145-person leading smart metering business providing smart meter data throughout New Zealand and Australia. |
| 28/06/2023 |    |    |    | 12.5b              | 6,000-person experience management [XM] software specialist   |
| 21/06/2023 |    |    |    | -                  | 738-person leading IT & digital engineering services provider   |
| 20/06/2023 |   |   |   | -                  | 745-person IT consultancy specializing in big data services   |
| 15/06/2023 |  |  |  | -                  | 170-person specialist in data analytics and business intelligence services                                    |
| 15/06/2023 |  |  |  | -                  | 73-person data engineering and business intelligence consultancy  |



















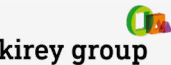

# Q2 2023: Deal Highlights

| Deal Date  | Target HQ   | Target   | Buyer/Investor  | Deal Value (US \$) | Target Description   |
|------------|---|--|---|--------------------|--|
| 13/06/2023 |    |  Cymetrix |    | -                  | 200-person consultancy with expertise across the Salesforce ecosystem                                |
| 09/06/2023 |    |           |    | -                  | 660-person leading consultancy specializing in software and hardware solutions                       |
| 08/06/2023 |    |           |    | -                  | 165-person IT consulting firm catering to small and medium-sized enterprises                         |
| 07/06/2023 |    |          | <br>backed by<br>   | -                  | 104-person boutique digital transformation agency  |
| 07/06/2023 |  |         |    | -                  | 113-person digital transformation agency with deep expertise in IT solutions and customer experience |
| 07/06/2023 |  |         | <br>backed by<br> | -                  | 203-person leading expert in data management solutions   |

















# Q2 2023: Deal Highlights

| Deal Date  | Target HQ   | Target  | Buyer/Investor  | Deal Value (US \$) | Target Description  |
|------------|---|---|---|--------------------|---|
| 06/06/2023 |    |    |    | -                  | 550-person leading digital transformation consultancy catering to construction and industrial sectors                                       |
| 01/06/2023 |    |    |    | -                  | 329-person managed service provider specializing in workflow automation solutions, with partnerships across Azure, AWS, GCP, and ServiceNow |
| 31/05/2023 |    |    |    | -                  | 106-person IT consulting firm providing data and cloud services and specializing in AWS   |
| 30/05/2023 |    |    |    | -                  | 206-person leading, full-service SAP consultancy in Turkey and EMEA   |
| 19/05/2023 |  |  | <br>backed by<br>  | -                  | 119-person premier cybersecurity consultancy serving federal and commercial enterprises   |
| 18/05/2023 |  |  | <br>backed by<br> | -                  | 1,517-person full-service data integration & data management consultancy  |
| 16/05/2023 |  |  |    | -                  | 119-person IT services provider specializing in software systems engineering, integration, and cybersecurity                                |

# Q2 2023: Deal Highlights
























| Deal Date  | Target HQ   | Target  | Buyer/Investor   | Deal Value (US \$) | Target Description   |
|------------|---|---|--|--------------------|--|
| 16/05/2023 |    |    |   | -                  | 25-person consulting company specializing in high-volume logistics solutions using SAP® technologies |
| 16/05/2023 |    |    |   | -                  | 850-person digital engineering specialist in cloud and digital transformation services               |
| 16/05/2023 |    |    |   | 30m                | 100-person boutique SAP consultancy specializing in ERP advisory and S/4HANA migration               |
| 12/05/2023 |    |    |   | -                  | 120-person boutique IT consultancy specializing in the ServiceNow platform                           |
| 11/05/2023 |  |  |   | 870m               | 995-person provider of self-healing, intelligent security solutions                                  |
| 07/05/2023 |  |  | <br>backed by<br>مجموعة تداول السعودية<br>Saudi Tadawul Group | 37m                | 100-person leading provider of FinTech solutions for financial institutions                          |
| 04/05/2023 |  |  |   | -                  | 950-person premier IT services provider and consultancy  |

# Q2 2023: Deal Highlights






















| Deal Date  | Target HQ   | Target   | Buyer/Investor  | Deal Value (US \$) | Target Description  |
|------------|---|--|---|--------------------|---|
| 04/05/2023 |    | <b>axis</b>  | <br><b>Hewlett Packard Enterprise</b>  | 500m               | 120-person boutique expert in cloud security solutions  |
| 02/05/2023 |    | <b>OpsRamp</b>   | <br><b>Hewlett Packard Pathfinder</b>  | -                  | 351-person consultancy with expertise in IT infrastructure, cloud resources, workloads and applications   |
| 02/05/2023 |    | <b>equancy</b>   | EUROPEAN<br>DIGITAL GROUP<br>— backed by —<br><br><b>montefiore INVESTMENT</b>   | -                  | 126-person data consulting expert specializing in data-driven strategy, data science, and data governance |
| 02/05/2023 |    | <b>CLOUD STRATEX</b>   | <br>— backed by —<br><br><b>BainCapital</b> | -                  | 170-person cloud and digital transformation consultancy specializing in ServiceNow, AWS, and Microsoft    |
| 01/05/2023 |  | <br><b>CTEC</b><br><small>Character, Commitment, Customer Focus</small> | <br><b>MAINST</b><br><small>CAPITAL CORPORATION</small>  | -                  | 234-person expert in digital transformation and IT modernization  |
| 28/04/2023 |  | <b>aeven</b>   | <b>AGILITAS</b>   | 220m               | 1,500-person IT systems & infrastructure consulting firm  |
| 26/04/2023 |  | <br><b>FUSION</b><br><small>RISK MANAGEMENT</small>                     | <br><b>Great Hill</b><br><small>PARTNERS</small>   | 525m               | 268-person industry-leading expert in cloud-based risk management solutions                               |



# Q2 2023: Deal Highlights

|  | Deal Date  | Target HQ   | Target  | Buyer/Investor  | Deal Value (US \$) | Target Description   |                      |
|--|------------|---|---|---|--------------------|--|----------------------|
|  | 25/04/2023 |    |    |    | -                  | 111-person specialist in IT services and digital transformation  | Buy-side<br>Advisor  |
|  | 24/04/2023 |    |    |    | -                  | 200-person premier digital transformation consulting firm  |                      |
|  | 24/04/2023 |    |    |    | -                  | 750-person leading managed service provider of IT consulting, data management, and cybersecurity                 |                      |
|  | 20/04/2023 |    |    |    | -                  | 168-person global procurement and supply chain solutions provider.   | Sell-side<br>Advisor |
|  | 19/04/2023 |  |  |  | -                  | 400-person specialist in providing managed cloud and web hosting services  |                      |
|  | 14/04/2023 |  |  |  | -                  | 144-person hybrid-cloud expert specializing in cloud security services   |                      |
|  | 14/04/2023 |  |  |  | 43m                | 124-person IT services provider of cybersecurity and technology integration for governments and federal agencies |                      |

# Q2 2023: Deal Highlights

| Deal Date  | Target HQ   | Target   | Buyer/Investor  | Deal Value (US \$) | Target Description   |
|------------|---|--|---|--------------------|--|
| 07/4/2023  |    |  麦亚信<br>金融科技 助力金融                 |  慧博云通<br>HYDSOFT   | 6m                 | 622-person IT services provider and consultancy specializing in custom software development and cloud services |
| 06/04/2023 |    |  Lightspin                        |  CISCO   | -                  | 67-person provider of end-to-end cloud security posture management (CSPM) across cloud-native resources        |
| 04/04/2023 |    |  BRIERLEY<br>Transforming Loyalty |  capillary   | -                  | 245-person consultancy with offerings in technology-driven customer relationship management solutions          |
| 03/04/2023 |    |  targens<br>a GFT company         |  GFT   | -                  | 300-person IT consulting firm providing technology-driven compliance solutions and FinTech innovation          |
| 03/04/2023 |  |  cmi                            |  BCN Group<br>accelerating enterprises<br>backed by<br>eci building successful businesses | -                  | 113-person premier managed IT services provider  |
| 03/04/2023 |  |  Somerville                     |  atturra   | 13m                | 162-person managed service provider of cloud, modern workplace integration, and software management            |
| 03/04/2023 |  |  BLUME<br>global.               |  wisetech<br>global  | 413m               | 400-person provider of digital supply chain solutions  |

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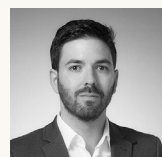


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# Meet Equiteq

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We are the leading global investment bank for the Knowledge Economy

Equiteq is the leading specialist in Knowledge Economy investment thanks to our first-hand insight and research, our close relationship with the key acquirers in the sector, and through the deals we complete.

## Who are we?


Equiteq is a fast-growing, global M&A specialist. We sell the world's smartest knowledge-based and technology firms. Being close to active buyers and investors helps us to understand their acquisition needs and this informs how we can add value to founders and shareholders who want to sell their businesses.

## Why Equiteq?

We are the recognized specialist advisor in the Knowledge Economy where intellectual property has historically been delivered through people in consulting firms, but more and more is delivered in combination with technology.

Our benchmarking studies – produced for the last 15 years – have become the industry standard and are supported with detailed insight reports on a range of disciplines within our sector.

## Our aim

It's simple - our goal is to bring you to the smartest deal. 

# Equiteq Services

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Our clients sit at the heart of every transaction we advise upon, whether helping you to dramatically increase your return on M&A or by helping you to achieve the best possible valuation.

Our services in the Knowledge Economy cover the following key areas:

## **Sell Advisory**

Equiteq supports owners of innovative knowledge-based and technology firms seeking to realize equity value. We advise on all aspects of M&A, from helping ambitious owners find capital to inject into their business to accelerate growth, through to a full company sale. We use our unparalleled understanding, experience, and access to find you the right buyer or investor, at the best price and terms.


## **Buy Advisory**

Equiteq supports Strategic Acquirers and financial sponsors seeking to dramatically increase their returns on M&A in knowledge-based and technology services businesses. After 15 years exclusively advising owners of firms towards exit, we have the assets, systems, and experience to help you enhance and execute your M&A strategy.

## **Corporate Divestitures**

We work with corporations to meet their divestiture objectives, including disposal of non-core or underperforming assets that either have synergistic potential within other businesses or could form part of a Private Equity portfolio investment. After 15 years exclusively advising owners of firms in the sector towards exit, Equiteq has the people, processes, sector insight and market access to deliver your transaction at the right price and with preferred deal terms.

## **Strategic Deal Origination**

We work with Strategic Acquirers and Financial Sponsors to develop detailed, insight-driven plans for investment into new markets. By leveraging our sector insight and purpose-built methodology, we can rapidly convert an attractive investment thesis 'on paper' into an actionable plan to realize the opportunity, helping you to exploit key innovation trends through a less crowded, lower risk route. 

# Equiteq Highlights

Our global teams remain active throughout the year, advising on deals, as well as sharing their expertise in market-leading reports and events.

Here are our highlights. Click the links below each topic to find out more.

**Sign up here to hear more from Equiteq**



## Reports

### Consulting Services Report H1 2023

To be published in August 2023. Sign up to Equiteq's mailing list to receive the report.

### Cloud Data Management Report 2023

To be published in September. Sign up to Equiteq's mailing list to receive the report.

### ANZ IT Services

While average M&A deal values in IT & Management Consulting sector have decreased due to an absence of large, debt-funded deals, M&A volumes have remained relatively stable with the mid-market showing resilience.

[Read the report](#)

### IT Service Management Market Report 2023

The global ITSM vendor market is experiencing strong tailwinds and is expected to grow to an estimated \$11bn by 2026 at a CAGR of 8.8%.

[Read the report](#)

### Outsourced Custom Software Development Market Report 2023

The global custom software development (CSD) market is forecast to grow to \$120bn in 2026. With unique market dynamics and a diverse ecosystem of CSD assets, the market has seen growing interest from both Private Equity and Strategic buyers, driving both deal volumes and valuations.

[Read the report](#)

### Global Buyers Report 2023

For the eighth year, we're pleased to present the findings from our annual survey of global Strategic buyers and Private Equity investors across the Knowledge Economy. Download the report now for exclusive insights into the insights and habits of buyers across the Knowledge Economy.

[Read the report](#)

### Salesforce Ecosystem Report 2023

The ecosystem is projected to grow over three times and surpass Salesforce's size by 2026. M&A deal volume in the ecosystem peaked in 2022, driven by increased interest from private equity and their portfolio companies.

[Read the report](#)

### Adobe Ecosystem Report 2023

The Adobe Ecosystem is poised for rapid growth in 2023 due to favorable macro trends and increased global focus on digital transformation initiatives globally. This growth is expected to benefit Adobe's partners significantly.

[Read the report](#)

## Events

### Intralinks Global Strategic Summit 2023

Sylvaine Masson will be joining as a panelist discussing 'Tackling the Macro Headwinds and Identifying Opportunities in Capital Markets'.

31 Aug, 2023 | Singapore

### Dreamforce 2023

To meet with the team at the event, email [info@equiteq.com](mailto:info@equiteq.com).

12-14 Sept, 2023 | San Francisco, CA

### UiPath Forward V 2023

To meet with the team at the event, email [info@equiteq.com](mailto:info@equiteq.com).

9-12 Oct, 2023 | Las Vegas, NV

### Microsoft Ignite 2023

To meet with the team at the event, email [info@equiteq.com](mailto:info@equiteq.com).

15-16 Nov, 2023 | Seattle, WA

### AWS re:Invent 2023

To meet with the team at the event, email [info@equiteq.com](mailto:info@equiteq.com).

29 Nov, 2023 | Las Vegas, NV

## Resources

### 50 Tips for Owners of Consulting and Technology Services Firms to Maximize Value

Our team has distilled their years of dealmaking and sector experience into these 50 Tips, that owners can use to achieve their firm's strategic objectives.

[Access the 50 Tips](#)

## Deals

[View all deals here](#)

**Hello Technology** sold to **Soprano Design** [April 2023]

[Find out more](#)

**NVM** invested in **Leading Resolutions** [April 2023]

[Find out more](#)

**Consus Global** sold to **YCP Holdings** [April 2023]

[Find out more](#)

**Zebu** sold to **Flight Story** [June 2023]

[Find out more](#)

**Aquient** sold to **K2 Partnering Solutions** [June 2023]

[Find out more](#)

**BizAnalytica** sold to **Mastek** [August 2023]

[Find out more](#)



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