

Spare/Service Parts Context: 'Magic Quadrant for Supply Chain Planning Solutions'

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In addition to traditional finished goods, many end-user organizations are also offering spare parts and service parts to their customers. Supply chain technology leaders can use this research when evaluating and selecting supply chain planning technology for spare/service parts products.

Get the full story

This content is part of a larger body of research on this topic.

[Magic Quadrant for Supply Chain Planning Solutions](#)

Market Differentiators

End-user organizations that evaluate and have invested in supply chain planning (SCP) software have similar profiles. They:

- Focus on an SCP solution's functional breadth and depth
- Evaluate vendors on their ability to integrate with transaction source systems such as an ERP
- Want to advance planning maturity and evaluate vendors on their innovation and thought leadership

Similarly, all SCP solutions provide support for end-to-end supply chain planning and are designed to help companies create higher-quality plans.

At Gartner, we see an increase in the number of companies looking for stronger technology support to plan their spare and service parts supply chains as part of their digitalization journey. Over the years, several companies have evolved into not only selling traditional finished products but also spare parts and services to their customers, for example, in industries such as industrial manufacturing, high tech/electronics and medical devices. This increases the need for supply chain planning capabilities to handle the specific requirements of spare and service parts in order to plan these types of supply chains effectively and profitably.

Generally, spare/service parts planning (SPP) is a subsector of the SCP market, targeting the specific needs of service and repair parts demand planning, inventory planning and replenishment planning. Although sharing similar capabilities with general SCP, SPP must model and support the particular features required to address the distinctive needs of the spare/service parts market. This includes capabilities around:

- Handling very intermittent demand patterns
- Predicting demand for products with no sales history
- Predicting equipment failure
- End-of-service planning (based on years of service as opposed to end-of-production)
- Optimization of inventories across the network (as spare/service parts are often needed within a very short time frame)
- Planning for broad types of resources (e.g., materials, capacities, transportation, people/technicians)
- Connection to ERP, as well as to other systems such as field-service management solutions and HR-systems (for skills of, e.g., technicians)
- Reverse logistics, repair and overhaul

Companies in the market of spare/service parts should evaluate technology solutions that are able to support their specific functional requirements, fit their scale and budget, and can provide adequate implementation experience and support.

Considerations for Technology and Service Selection

Gartner defines an “SCP solution” as a platform that provides technology support enabling a company to manage, link, align, collaborate and share its planning data across an extended supply chain. SCP solutions offer capabilities such as demand planning, inventory planning, replenishment planning, order promising, production planning, manufacturing scheduling, sales and operations planning, advanced analytics, and artificial intelligence. The solutions usually support a variety of industries including the aftermarket and, more specifically, the spare/service parts market.

Several companies have traditionally had separate supply chains for their spare/service parts and their manufactured finished goods. We would often see that they would then use a specialist SPP vendor for their SPP supply chain while using a general supply chain planning solution – or another tool – for the manufactured finished goods supply chains. However, as these supply chains are becoming more intertwined with each other (e.g., as they have developed into new business areas), they start to share common resources, such as materials/components, capacities, machines and suppliers, making it difficult to plan them entirely separately. From an SCP technology perspective, this pulls companies in the direction of wanting the same planning tool across their manufacturing supply chains and their spare/service parts supply chain so they can holistically plan their E2E supply chains taking all demand and supply trade-offs into account.

Gartner recommends that companies in the spare/service parts market seek technology providers that have strong-enough functional capabilities to support their specific planning requirements while ensuring that the end-to-end holistic planning is not compromised.

Notable Vendors

Vendors included in this Magic Quadrant Perspective have customers that are successfully using their products and services. Selections are based on analyst opinion and references that validate IT provider claims; however, this is not an exhaustive list or analysis of vendors in this market. Use this perspective as a resource for evaluations, but explore the market further to gauge the ability of each vendor to address your unique business problems and technical concerns. Consider this research as part of your due diligence and in conjunction with discussions with Gartner analysts and other resources.

Vendors in this analysis are those that Gartner estimates have a focus on the spare/service parts market. The providers are known vendors in this market, they see the market as one of their primary focus areas, advertise this on their website(s) and have capabilities in their platform that target the specific needs of this market.

Baxter Planning

Baxter Planning, headquartered in the United States, serves many globally operating companies across multiple industries including technology, life sciences, industrial equipment and maintenance/repair services. Their solution, Prophet, has supported companies with inventory optimization for service parts planning for over 20 years. It supports logistics network optimization, demand forecasting, inventory optimization, supply order automation, planning analytics and more. In addition to a cloud-based solution, they also offer a Planning as a Service solution. They recently introduced LynX, a solution enabling predictive analytics and increased supply chain visibility at the real-time transaction level. Baxter supports service parts planning only and does not support SCP for manufacturing supply chains.

GAINSystems

GAINSystems is globally headquartered in the United States with additional locations in Switzerland, U.K., Australia, Mexico and the United Arab Emirates. They service customers around the globe of varying sizes and diverse industries including spares-producing OEMs, field service operations, utilities, fleet operators and wholesaling service parts distributors. The GAINS Performance Optimization Platform addresses demand planning, inventory optimization, replenishment optimization, repair capacity optimization, rotables and preventive/predictive maintenance planning, and sales and operations planning (S&OP). GAINS is a cloud-based solution that is generally deployed and live within a few months. GAINS supports both service parts and manufacturing supply chains.

John Galt Solutions

John Galt Solutions is headquartered in the United States and serves companies located in all regions covered in the SCP market. Its client base is a mix of midmarket and global enterprises – with higher coverage toward the midmarket – in consumer goods and food and beverage industries, with the balance being spread across a diverse group of other industries including aftermarket. Its Atlas Planning Platform covers end-to-end planning including demand planning, inventory planning, supply network planning, order promising and production planning and is typically deployed through a cloud deployment model. John Galt supports planning for both service parts and manufacturing supply chains.

Logility

Logility is globally headquartered in the United States with operations mainly focused in North America, Western Europe and APAC. Its customers are a blend of smaller, midsize and large, global companies primarily within the footwear/apparel, consumer goods, and food and beverage industries followed by consumer durables and aftermarket. Its Logility Digital Supply Chain Platform supports a broad scope of supply chain planning activities with particular strength in the planning of finished goods requiring strong capabilities for demand planning, distribution requirements planning, replenishment planning and inventory optimization. Logility supports planning both service parts and manufacturing supply chains.

OnProcess

OnProcess is headquartered in the United States with additional offices in Costa Rica, India and Bulgaria. Their customers include midsize and large, global companies predominantly in consumer electronics, computing, networks and storage, telecom, and medical technologies. Their OnProcess Agora Platform is the technology by which they provide their services that focus around the three key pillars of service parts management: planning (what and where inventory needs to be), delivery (of service parts when they are needed) and recovery (of inventory from service event for repair, reuse, recycling and warranty claims). Additionally, they place a heavy emphasis on how their solution supports sustainability goals while improving process effectiveness and efficiency. As a spare/service parts specialist, OnProcess supports planning of spare/service parts, but does not support SCP for manufacturing supply chains.

PTC

PTC is headquartered in the United States and their service parts planning solution, Servigistics, serves some of the globe's largest industrial companies across the aerospace and defense, medical device, high tech, industrial equipment, and automotive industries. Servigistics provides advanced capabilities in forecasting, network and multiechelon supply chain optimization, asset sustainability, demand planning, dealer inventory management and more. As part of PTC's comprehensive product offerings, Servigistics and ThingWorx combine for a connected service parts management solution that collects data directly from assets to improve forecasting and demand planning. For four decades, Servigistics has been dedicated to the service parts supply chain and does not support SCP for manufacturing supply chains.

SAP

SAP, a megasuite vendor, is headquartered in Germany with operations across the globe. It has a diverse customer base with customers in a wide variety of industries targeting primarily larger organizations. Its main solution for SCP is its SAP Integrated Business Planning (SAP IBP) that supports demand, inventory and supply planning including light capabilities for spare/service parts planning. If companies need more specialized spare/service parts planning capabilities, however, these reside primarily in the ERP environment with modules designed specifically for this (SAP Service Parts Planning [SPP] in the ECC environment and the newer eSPP in the S/4HANA environment).

Slimstock

Slimstock is headquartered in the Netherlands serving customers across all regions but with the majority of customers in Western Europe, the Middle East and Africa. It has a strong focus on distribution-intensive supply chains with more than 50% of end users within the aftermarket, retail and wholesale/distribution industries. Its Slim4 solution focuses on demand and replenishment planning, and inventory management and can be deployed both on-premises and in the cloud. Slimstock supports planning for both service parts and manufacturing supply chains.

Syncron

Syncron is a Europe-headquartered private vendor that provides supply chain solutions focused on service supply chains. Its primary customer base is in North America and Western Europe with aggressive plans to expand its North American presence. Syncron offers its solution in a cloud-only deployment option. Their solutions for field service and optimization of spares and asset availability combine to deliver an effective service/spare parts management offering. They have made significant investments in adding digital technologies into the planning environment, including support for advanced analytics and IoT. Syncron supports service parts planning only and does not support SCP for manufacturing supply chains.

ToolsGroup

ToolsGroup is headquartered in the Netherlands, having operations geographically diversified with Western Europe, North America and Latin America being the most active regions. It has customers in all industries with the highest number of customers in retail, consumer products, food and beverage, automotive, and industrial manufacturing. Its service parts planning solution is called Service Optimizer 99+ (SO99+) indicating a strong focus on optimization when planning demand, inventory and supply across the supply chains. SO99+'s probabilistic forecasting was originally designed for planning service parts inventory with sporadic demand. Having a close partnership with Microsoft, the solution is designed for deployment on MS Azure. ToolsGroup supports planning both service parts and manufacturing supply chains.

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