

# Welcome to our 32<sup>nd</sup> Annual Israeli IT Market presentation

## Good morning



STKI Summit 2024 part A

**30.06.24**  
**09:30-13:00**  
Virtual

**מחקר ה IT בישראל**  
**כל מה שרציתם לדעת**  
**ולא העזתם לשאול.**

**הצגת ניתוח שוק ה-IT בישראל: ד"ר נימי שורצקוף**  
במצגת זו ד"ר נימי שורצקוף יתח את המציאות המורכבת בישראל בהיבטי הכלכלה, חדשנות, טכנולוגיות, IT, התקציבים ומדדי העדיפויות החדשים שנוצרו. ד"ר שורצקוף יציג את תוצאות המחקר השנתי על פני קטגוריות עיקריות בעולמות הטכנולוגיה, שירותים ומוצרים, ובחן כך את המגמה בתקציבי ה-IT, גדלי השוק בישראל בקטגוריות השונות, מיצוב ודירוג הספקים השונים ועוד.

**הצגת תוצאות מחקר דאטה, אנליטיקה AI- בישראל 2024: עינת שמעוני**  
מצגת זו תסקור את תוצאות המחקר השנתי בעולמות הדאטה וה-AI. נחשף את תוצאות סקר ה-CDOs וכן את מחקר ה-Generative AI שנוערך לראשונה השנה בקרב ארגונים בישראל, נשווה נתוני ישראל לעומת המצב בעולם, ננתח מגמות עתידיות ונעמוד על הקשר בין אסטרטגיות הדאטה לאסטרטגיות יישום AI.

**הצגת תוצאות מחקר אסטרטגיות IT - ניהול פרויקטים, ניהול מוצר, ניהול עלויות ה-IT, עלמות ה-sourcing והאוטומציה בישראל 2024: גלית פיין**  
מצגת זו תסקור את תוצאות המחקר השנתי בעולמות ניהול הפרויקטים, המוצר, מודלים שונים של sourcing ואת התפקיד המשתנה של OCIO. נדבר על מגמות בעולמות האוטומציה הארגונית - מהו השלב הבא של RPA, Business Process Discovery, מגמות בעולמות של Testing Automation ועוד.

**הצגת תוצאות מחקר בנושא יחסי כ"א בתחומי תשתית-הפעול-סייבר: פני כהן**  
במצגת נציג את תוצאות מחקר STKI בנושא יחסי כוח אדם בגוף מערכת המידע בקרב צוותי הסייבר-הפעול-תשתית. המחקר כולל מדרגים שונים הקשורים לצוותי IT, לרבות מספר עובדים לכל עובד IT, היקף ואופן ההשקעה בסייבר, היקף ההשקעה בתחומי תשתית מנוגים (סיסטם, אחסון, DBA וכד') והיקף ואופן ההשקעה בתחומי השירות - Help Desk, סכנאים, תמיכה אפליקטיבית וכו'. ישנה התייחסות להיקפי המאמץ הנדרשים כפרמטר של גודל הארגון או המורכבות שלו (מספר העובדים, מספר שרתים, מספר פרטים בתקשורת, נפח אחסון, מספר אתרים וכד').

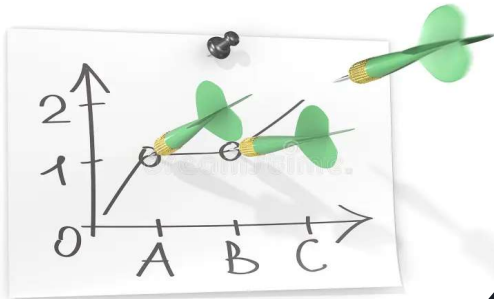
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Q4/2023



The Bank of Israel, the Ministry of Finance and many research departments (banks, insurance, universities) **have already begun formulating “scenarios and forecasts”** related to the **loss of domestic product and damage to the Israeli economy during and following the war.**

The great difficulty lies in the uncertainty of the scenario itself. That is, nobody knows how long the fighting will last, whether it will only include the southern region or whether the conflict will expand to another front in the north. The war has disrupted the normal functioning of many businesses, especially in the sectors of tourism, construction, hightech and agriculture.

The damage to the economy is expected to be significantly different than those of other wars (i.e.: second Lebanon war) because of the magnitude of:

- **Reservists recruited (between 300,000 and 340,000 reservists have been called up) in addition, it is calculated another 150,000 spouses and other family members have had to stop work to accommodate the call-up.**
- **Displaced population of the south and northern towns (between 150,000 and 200,000 people) that need temporary accommodations, services (education, psychological and social welfare).**
- **Damage to entire kibbutzim, moshavim and towns that need to be rebuild entirely**
- **Probability of political turmoil (elections)**

According to the Bank of Israel, the significant damage to the economy will be **concentrated on the last quarter of 2023 and the first of 2024 (7/10/23- 1/4/2024)** and the **least pessimistic scenario says the Israeli economy will suffer a loss of domestic product of approximately \$10 billion USD**

## Economy of war:

**2023-24**  
(1/12/2023 edition)

ISRAEL AT WAR

corrected forecast 2023 2024



STKI Research Team



WHAT?!

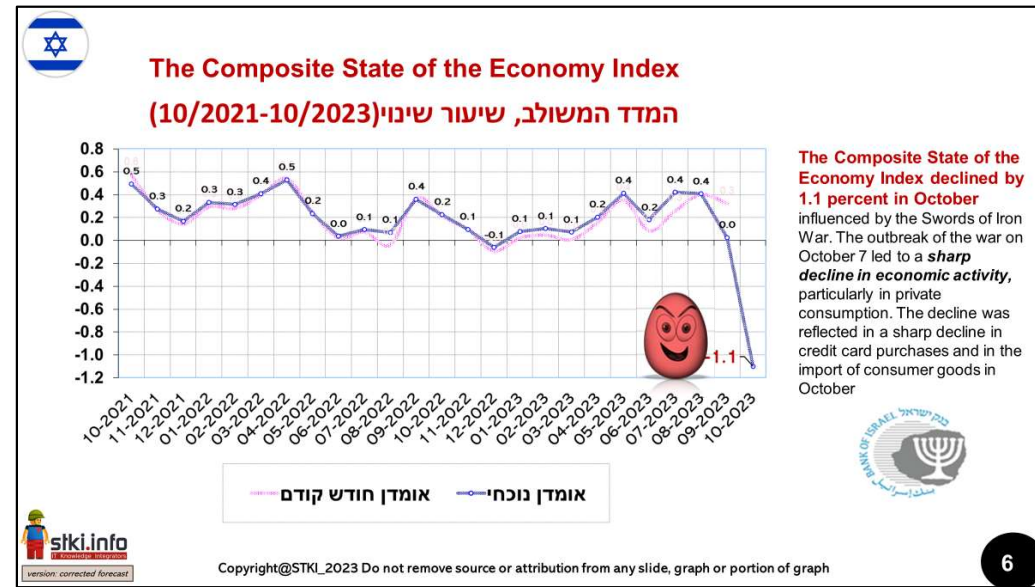
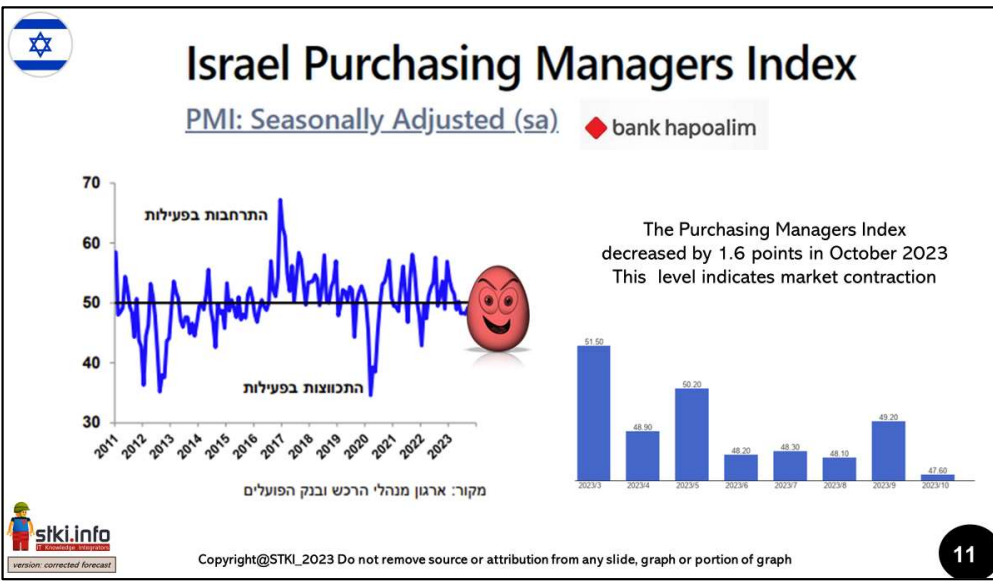
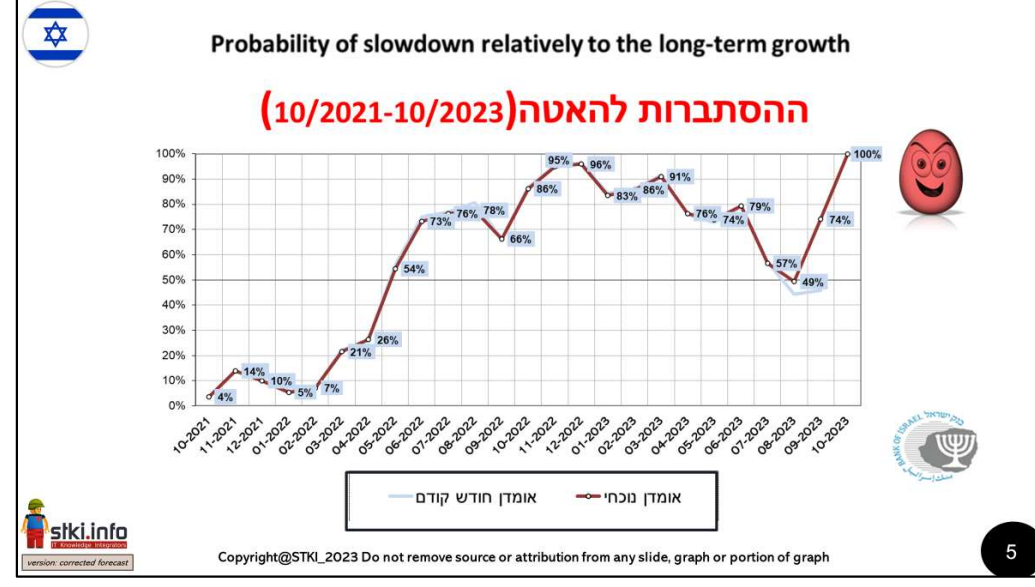
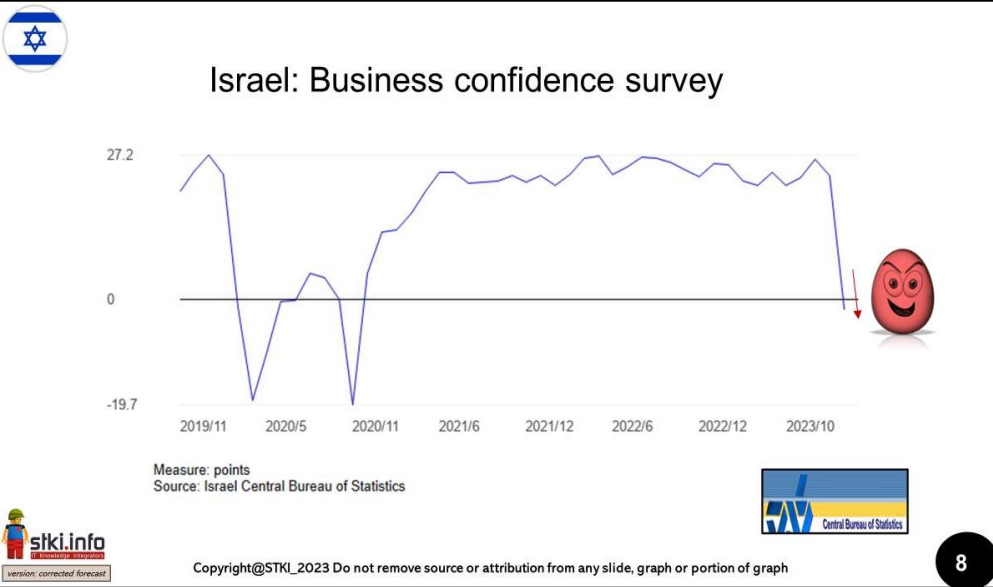
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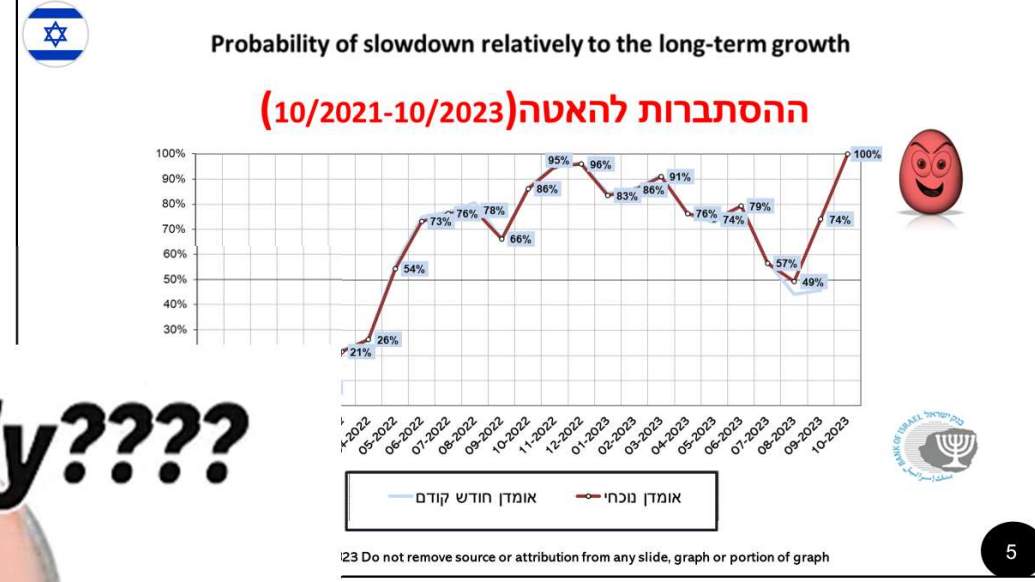
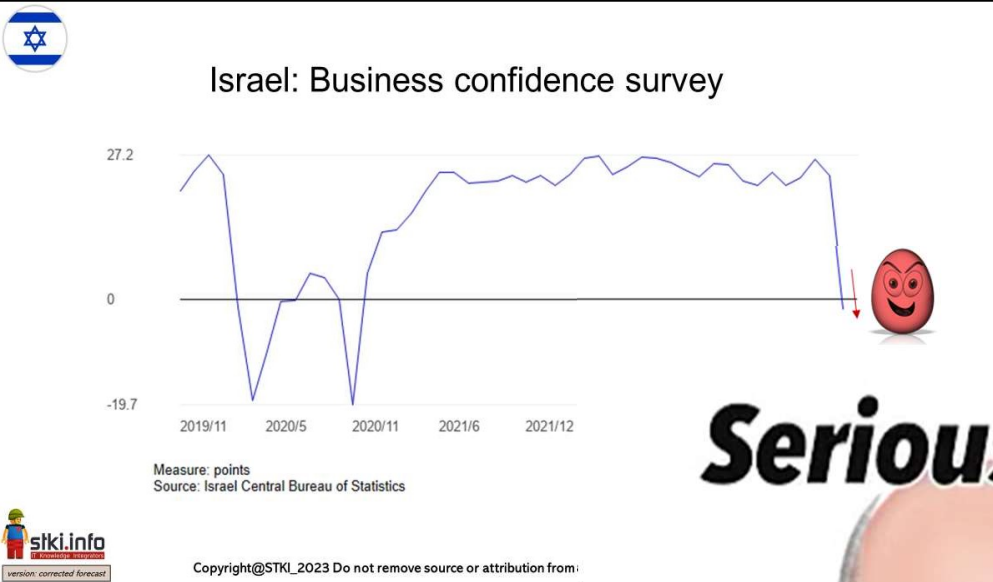
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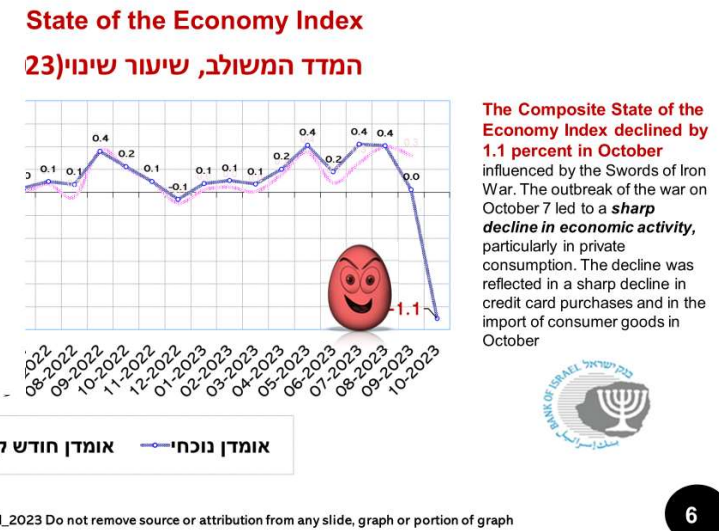
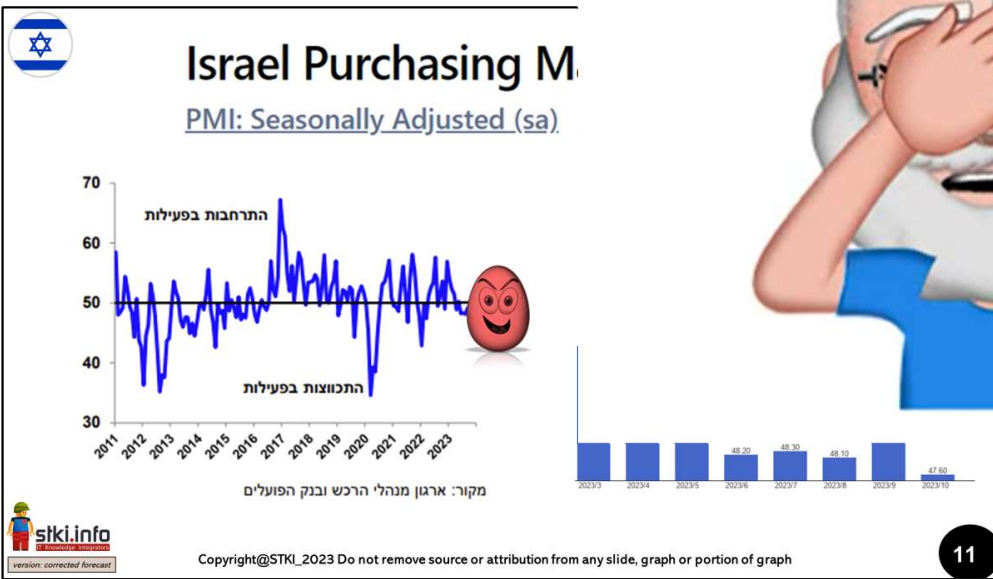
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**Seriously????**

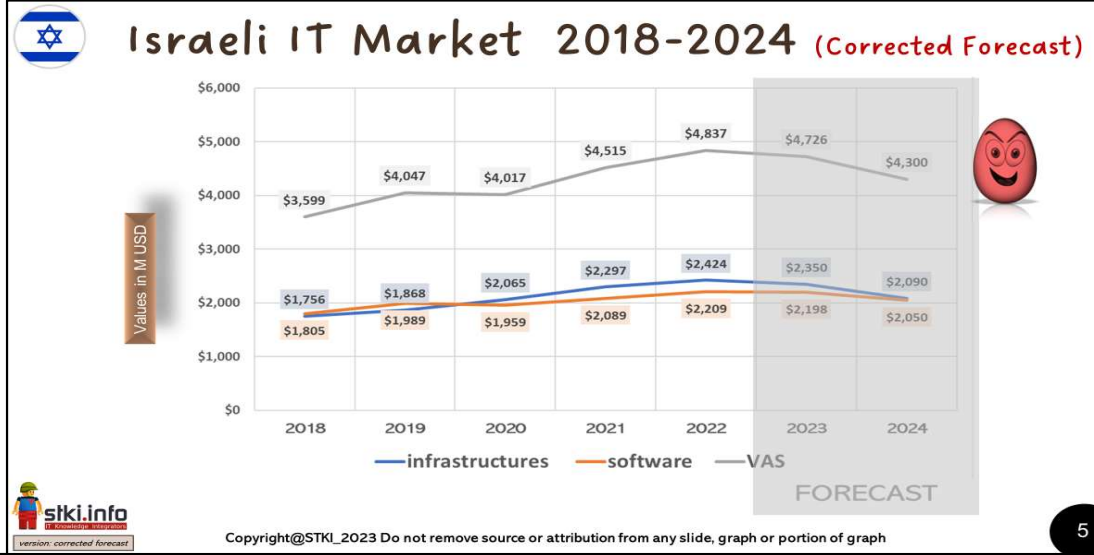




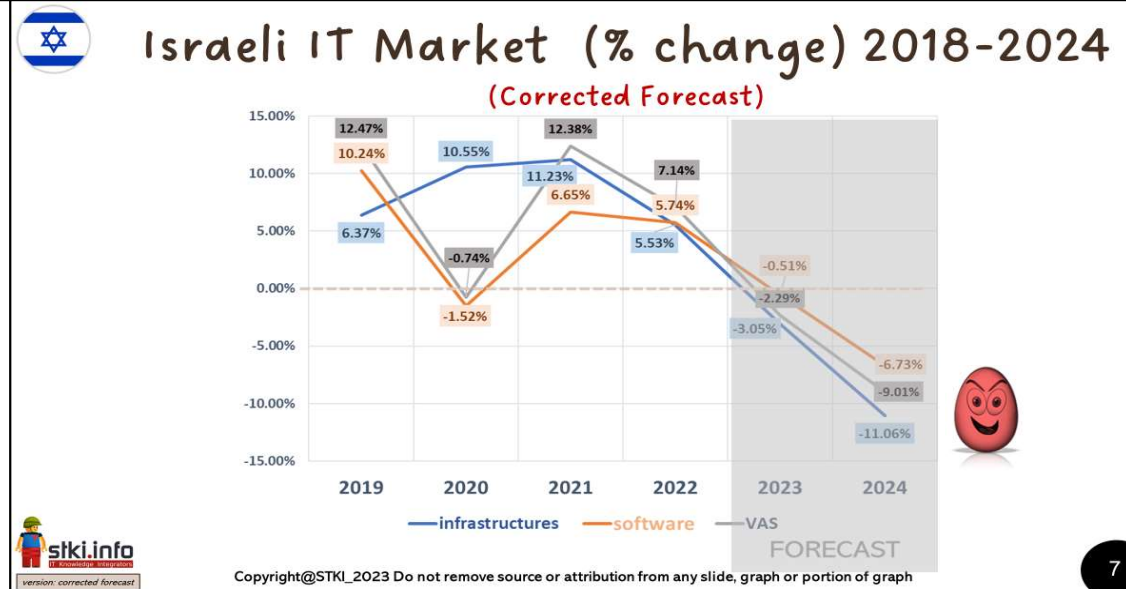
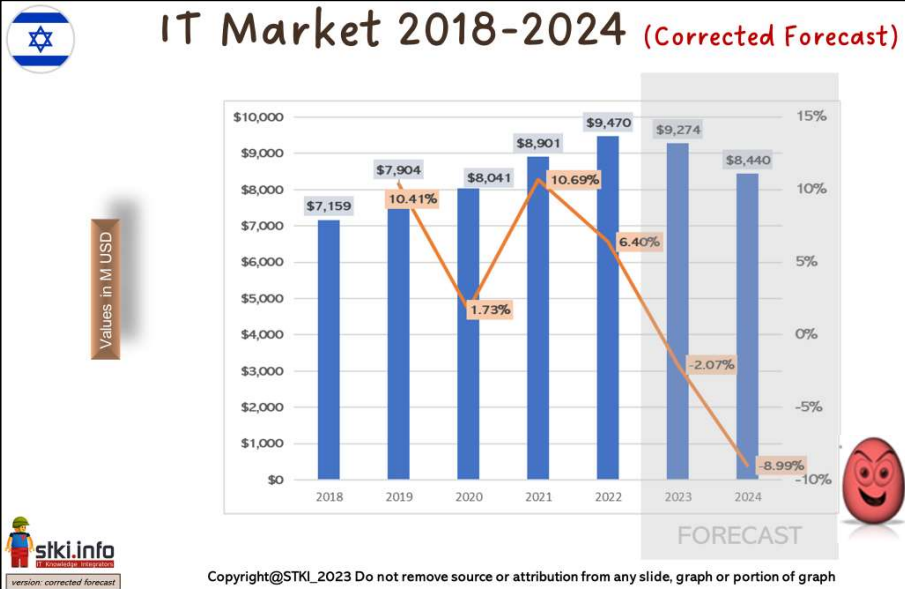
**Tried to forecast**



**New IT market 2023-24**



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# Israel IT Market Study 2024



  
Dr. Jimmy Schwarzkopf

  
Galit Fein

  
Eliot Shimoni

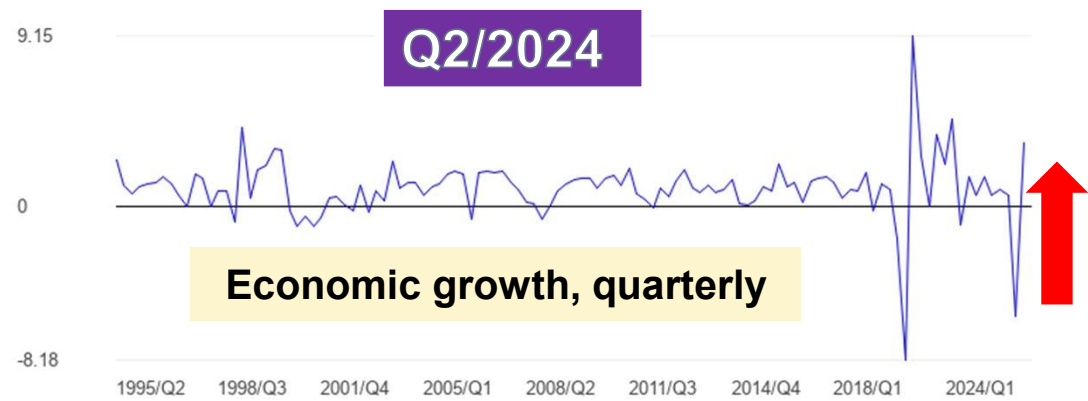
  
Pini Cohen

  
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GenAI Analyst

STKI Research Team

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Measure: percent  
Source: Israel Central Bureau of Statistics

"In Israel, in order to be a realist, you must believe in miracles."

David Ben Gurion                      דוד בן גוריון

"בישראל, כדי להיות ריאליסט צריך להאמין בניסים."



**The Melnick State of the Economy Index rose by 0.4 percent in March**

[VIEW INDEX](#)

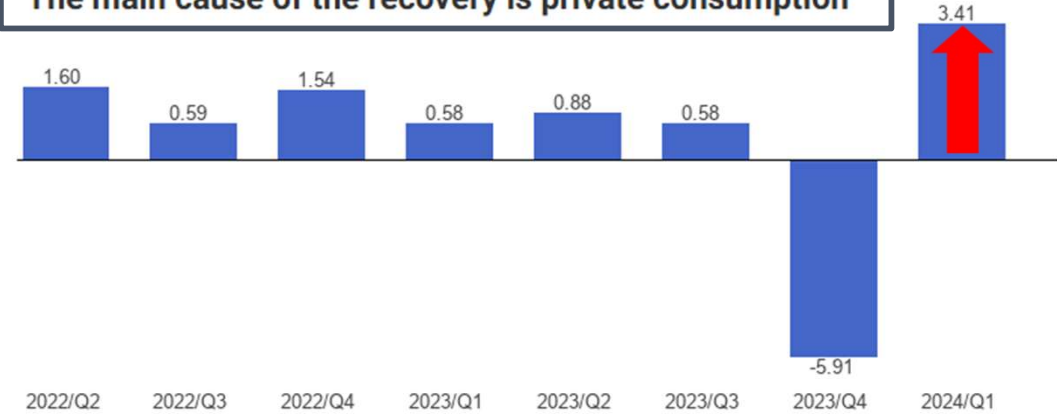
05/05/2024

**The Melnick State of the Economy Rose by 0.3 Percent in February**

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07/04/2024

The recovery of the business sector activity continues  
The main cause of the recovery is private consumption



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# STKI: methodology and how to “understand” the results



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GenAI Analyst

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Our study looks at any **vendor value** (products/services) sold to enterprises (also government & security) in Israel; taking into account **the client's view/mindshare of value delivered**

rankings are based partly on new projects, new names and market penetration growth

- > Yearly revenues of hardware sales and hardware maintenance
- > Yearly revenues of software subscriptions & licenses, software maintenance
- > **Differentiation** between new projects and continuing projects (**New projects count more**)
- > **Distinguish** between work done by the **vendor's employees and work outsourced to other vendors**. The **revenue should be transferred** to the vendor **actually doing** the work.
- > **Differentiate** revenues from projects done in fixed price, cost plus (**SLA defined**) , managed services and those done by staff augmentation (**non-SLA**) projects.
- > **Differentiate value** of work done by **high level internal** professionals in a project versus that done by **staff augmentation** employees in the clients IT department.
- > **We do not include any work/ products for OEMs and military non-IT projects.**



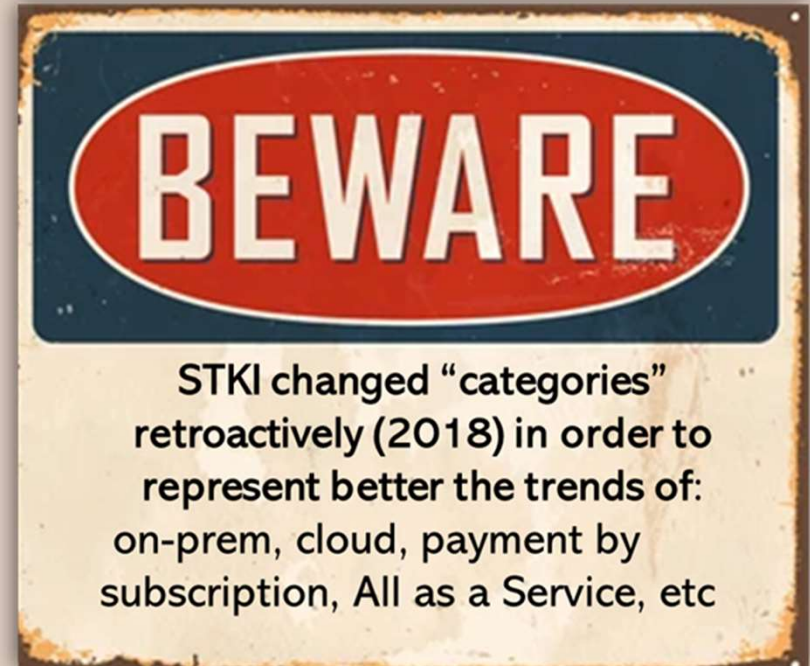
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**Unlike** some research  
and advisory firms



**does no consulting  
work ,**  
allowing our research to  
be **totally unbiased,  
with no hidden  
agendas to promote**  
any particular  
technology or vendor.



STKI changed “categories”  
retroactively (2018) in order to  
represent better the trends of:  
on-prem, cloud, payment by  
subscription, All as a Service, etc



Infrastructure Products & Services
servers X86
Legacy (non-x86)
Data Appliances
HCI appliances
Window PCs (Notebook & Desktops) Enterprise only
Non window's PC's Enterprise only
Enterprise Storage : Disks (HHD and SSD)
Enterprise Storage Tape Libraries, VTL Backup and other storage Appliances
Enterprise Networking
Security / Cyber Appliances
VoIP/Call Center Equipment
Call Center as a Service
Data Center Physical Equipment
Off-site Data Center: Co-Location; Hosting (Client owns the HW)
POS , Robot , Self Service (ATM/Kiosks/other)
General Purpose Cloud Enterprise Consumption

## Infrastructure Products & Services



Infrastructure Market

## Software Products (usage fees, licenses, subscriptions, SaaS and maintenance)



software market

Software Products (usage fees, licenses, subscriptions, SaaS and maintenance)	
Infrastructure & System Software (including storage software)	BI and Data Discovery Tools
data platforms (SQL, NoSQL dbms)	Data Mgmt. Tools (including data catalog, governance, ETL, quality)
Cloud data platforms (SQL, NoSQL dbms)	Data Science and ML/AI Tools
App/WEB Server, Emulation, BRMS APaaS (container platforms) Integration Streaming	ERP
IT Operations, Asset Management, APM, AIOPS Monitoring, Workload-Scheduling ITSM, Service Desk	vertical / core applications
FinOps tools	CRM
Endpoint related tools	HR/ Talent Mgmt./ LMS
Network/Web cloud services (FW, WAF, ddos services, etc.)	Marketing Automation Software
data content related tools (DLP, DB FW, DLP Habana, etc.)	Contact Center and Multi channel engagement tools (Chatbots, Virtual IVR, Video, Voice, etc....)
cyber management tools (SIEM tool, incident response, automation)	E-Commerce and Marketplace Platforms
Zero Trust including identity, access, SDP software defined perimeter, SASE (secure access service edge) IDM, Access	Web Content Management Platforms
Cloud security protection tools (CNAPP CSPM/CASB)	PLM Systems
Other cyber tools (secure development, awareness etc.)	Blockchain platforms
Project & Portfolio Management	RPA Platforms
Development tools, ALM, DevOps for all environments (including Mobile)	BPM Platforms
Low Code tools	IOT tools and platforms
Governance, Risk & Compliance	GIS, WMS, transportation tools
Regulation	banking, insurance and other financial market software
Office productivity (office calendar, mail etc.), KM (Enterprise Portals, ECM, Search, Knowledgebases tools)	
Digital Output Management/ Customer Communication Management	
Employee Collaboration, Task Management & Engagement Tools	

## VAS Value Added Services (professional services)



value added services market

Value Added Services (professional services)		
IT Strategy Consulting	PPM & Project management	Finance Industry Core Projects
Organizational Transformation Consulting (organizational models, change mgmt, product mgmt consulting, agile consulting, methodologies etc.)	ALM & Development & Testing tools implementation	Transportation
Data & AI Strategy Consulting (organizational data structure, methodologies, data architecture planning, finding use cases, literacy)	ERP implementations	Public (COVID19 & post 7/10) Projects
IT Infrastructure & Cloud Consulting	HR & Talent Mgmt & Payroll implementations	e-payments Projects
Application Projects Consulting	CRM Implementations	Retail Projects
Customer Experience & Digital (customer journeys, Customer Experience consulting, service design, Digital consulting) - doesn't include UX	ITSM Implementation	Public (government) modernizations
Intelligent Automation & Process Optimization	E-Commerce and Marketplace Implementations	Location Based Projects
PMO/OCIO Consulting	Marketing Automation Implementations	Self-Service & Robots Projects
Cyber Security Consulting	Advanced Analytics, Data Science and ML projects	Tele-medicine Projects
Software Maintenance (3rd party)	Generative AI and LLM projects	Complete and/or application outsourcing (Client owns the HW)
Hardware Maintenance (2nd party)	Data management implementation (quality, ETL, catalogs...)	Infrastructure Outsourcing (Infrastructure, storage mgmt, DBA services)
Consolidation/Virtualization/ Containers/Monitoring/ Storage/ Hardware/ Networking Projects	BI implementation / development	Call Center/Help Desk Outsourcing Services
Software Integration (Middleware, SOA, API/ING)	Data & Analytics Cloud migration (enterprise) (help in migrating DW and Data Lakes to the cloud)	FINOPS Services
Cyber Security Product Implementations	General Software Development	Cyber Security Services (MDR, Threat Intelligence, etc.)
Unified Communication Projects (IM, Video, Voice)	Product Design (UX)	SIEM as a Service
Consolidation/Virtualization/ Containers/Monitoring/ Storage/ Hardware/ Networking Projects / DEVOPS	Professional Education, Coaching & Mentoring	CISO as a SERVICE
Software Integration (Middleware, SOA, API/ING)	SW Testing & QA	Backup as a Service & DRaaS
Cyber security product implementations	Fruition & Implementation (1070219)	Printing Outsourcing Services (pay per click)
Unified Communication Projects (IM, Video, Voice)	Regulation Projects	Business Services as a Service - BaaS (Salaries, Payments, BPO, etc.)
Cloud Migration end to end Projects (including SW development)	Governance, Risk and Compliance Management	Near shore
Technological Innovation Projects	Contact Center and Multi channel engagement projects	Off shore
Automation tools (RPA, OCR) Implementations	Employee Collaboration, Task Management & Engagement Tools Implementations	Staff Augmentation (collocated)
Blockchain projects	Knowledge Management (ECM, Portals, Search, Knowledgebases) Implementations	
IoT Projects		



STKI changed "categories" retroactively (2018) in order to represent better the trends of: on-prem, cloud, payment by subscription, All as a Service, etc

Over 150 categories (revised)

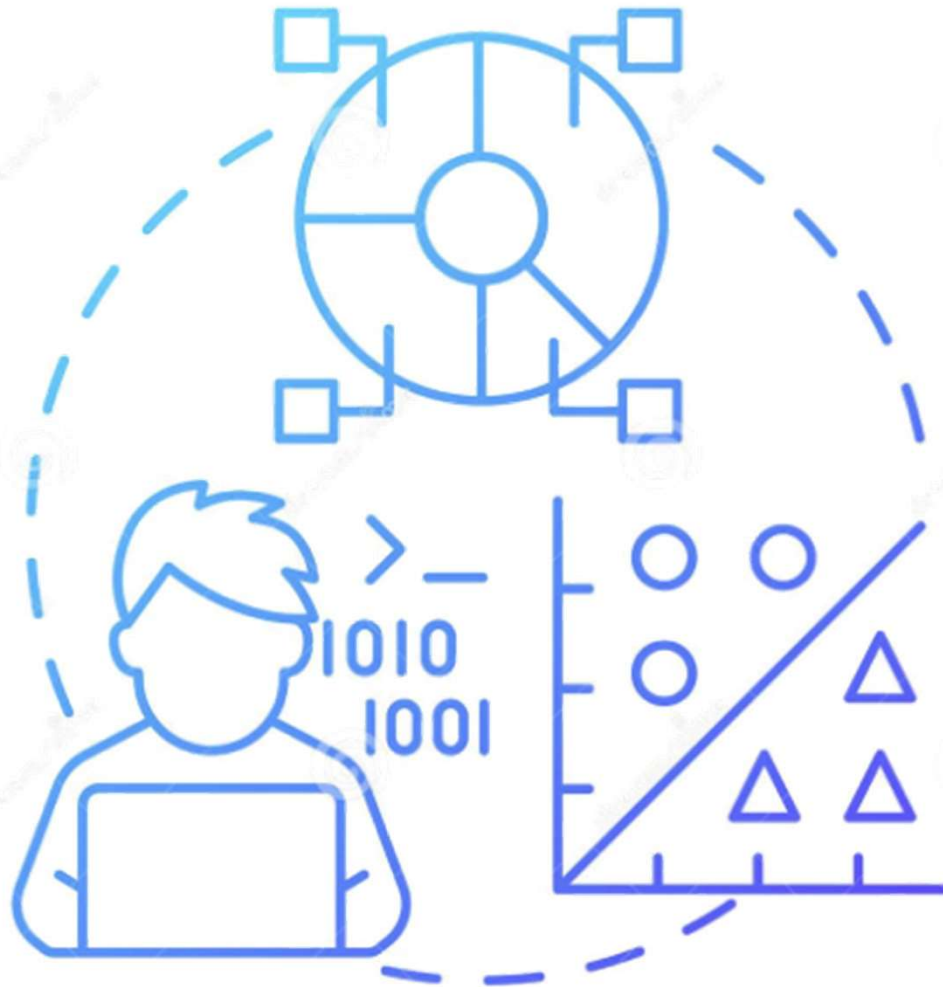


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# Example of Market Sizes (this one is in software)

		2018		2019		2020		2021		2022		2023		2024		2025		2026
EGRC	Governance, Risk & Compliance	\$20.00	24.50%	\$24.90	-19.68%	\$20.00	-10.00%	\$18.00	-22.22%	\$14.00	-3.57%	\$13.50	11.11%	\$15.00	13.33%	\$17.00	11.76%	\$19.00
	Regulation									\$8.00	-12.50%	\$7.00	21.43%	\$8.50	17.65%	\$10.00	20.00%	\$12.00
TOTALS	TOTALS	\$20.00	24.50%	\$24.90	-19.68%	\$20.00	-10.00%	\$18.00	22.22%	\$22.00	-6.82%	\$20.50	14.63%	\$23.50	14.89%	\$27.00	14.81%	\$31.00
		2018		2019		2020		2021		2022		2023		2024		2025		2026
knowledge and collaboration tools	Office productivity (office calendar, mail etc.), KM (Enterprise Portals, ECM, Search, Knowledgebases tools)	\$175.00	-6.86%	\$163.00	-3.07%	\$158.00	-1.90%	\$155.00	-9.68%	\$140.00	-7.14%	\$130.00	11.54%	\$145.00	10.34%	\$160.00	11.25%	\$178.00
	Digital Output Management/Customer Communication Management	\$20.00	10.00%	\$22.00	13.64%	\$25.00	8.00%	\$27.00	7.41%	\$29.00	-13.79%	\$25.00	8.00%	\$27.00	11.11%	\$30.00	13.33%	\$34.00
	Employee Collaboration, Task Management & Engagement Tools	\$8.00	25.00%	\$10.00	50.00%	\$15.00	33.33%	\$20.00	15.00%	\$23.00	-8.70%	\$21.00	9.52%	\$23.00	10.87%	\$25.50	9.80%	\$28.00
TOTALS	TOTALS	\$203.00	-3.94%	\$195.00	1.54%	\$198.00	2.02%	\$202.00	-4.95%	\$192.00	-8.33%	\$176.00	10.80%	\$195.00	10.51%	\$215.50	11.37%	\$240.00
		2018		2019		2020		2021		2022		2023		2024		2025		2026
analytics and data management tools	BI and Data Discovery Tools	\$125.00	4.00%	\$130.00	7.69%	\$140.00	7.14%	\$150.00	3.33%	\$155.00	-1.94%	\$152.00	1.97%	\$155.00	6.45%	\$165.00	6.67%	\$176.00
	Data Mgmt. Tools (including data catalog, governance, ETL, quality)	\$45.00	11.11%	\$50.00	16.00%	\$58.00	3.45%	\$60.00	5.00%	\$63.00	-4.76%	\$60.00	-3.33%	\$58.00	3.45%	\$60.00	5.00%	\$63.00
	Data Science and ML/AI Tools	\$13.00	53.85%	\$20.00	45.00%	\$29.00	24.14%	\$36.00	13.89%	\$41.00	-14.63%	\$35.00	22.86%	\$43.00	23.26%	\$53.00	26.42%	\$67.00
TOTALS	TOTALS	\$183.00	9.29%	\$200.00	13.50%	\$227.00	8.37%	\$246.00	5.28%	\$259.00	-4.63%	\$247.00	3.64%	\$256.00	8.59%	\$278.00	10.07%	\$306.00



Calculating rankings of 710 vendors in 150 categories based on:

1. Vendor Briefings
2. Survey Results (vendors)
3. Survey Results (user mindshare)
4. Analysts' knowledge of vendor value to users
5. Data of 32 years



The Area a company occupies in the circle is not relevant and has no meaning.

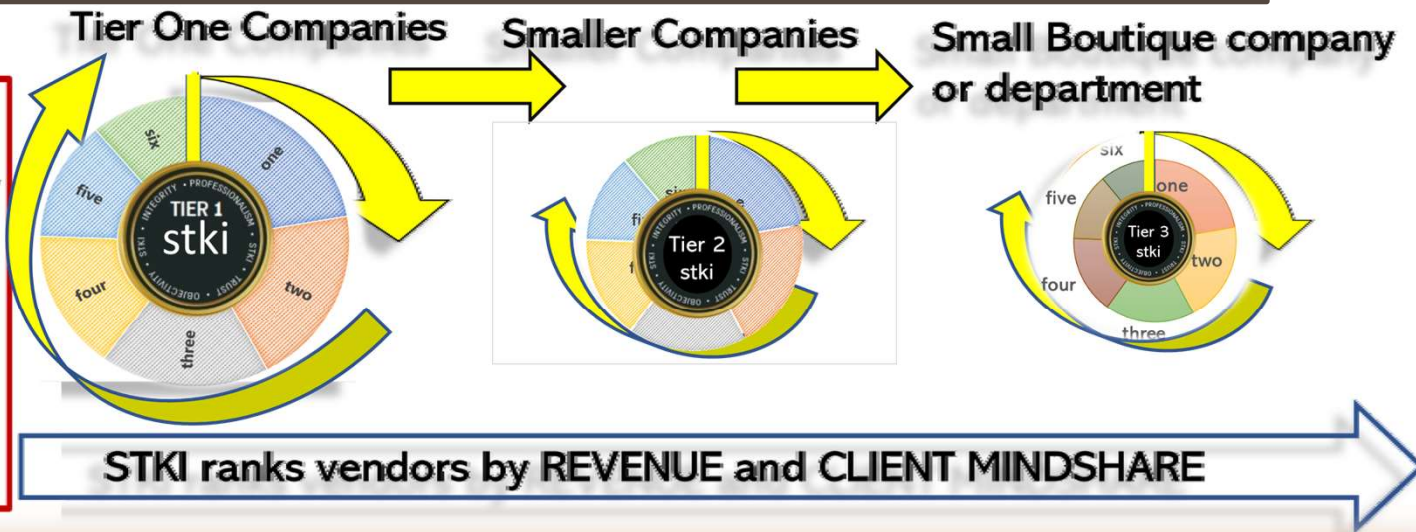
✓ PLEASE NOTE

✓ PLEASE NOTE

STKI has **signed NDAs** with the vendors (revenues, projects) and we tried to **minimize opportunities for backward engineering of the data .**



STKI calculates market sizes by revenues/sales and not deliveries or invoices



rankings are based partly on new projects, new names and market penetration growth



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# “Israeli Positioning” for products

NOT a technological or functional positioning and **SHOULD NOT** be used as such. This positioning is intended to reflect **ONLY THE DEGREE** to which a product is **PRESENT AND SUPPORTED IN ISRAEL**

Focused on the enterprise sector (not SMB)

- ▲ X axis (Market Presence):  
Installed base; New sales; Mindshare
- ▲ Y axis (Local ISRAELI Support):  
Number and quality of support experts; localization; local R&D



- ▲ Vendors to watch: New players that only recently entered the market and therefore cannot be evaluated against longtime players

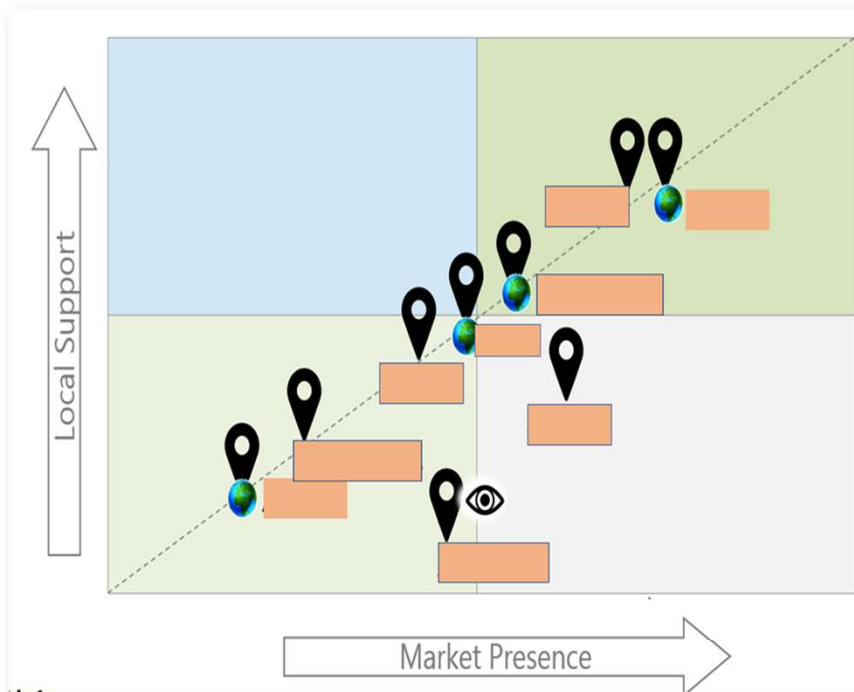


- ▲ Global leaders: marked according to international analyst firms

**Y axis**

**(Local Support):**

Number and quality of support experts, it's localization and language support and if there is local R&D



**X axis (Market Presence)**

Installed base; New sales; Mindshare



**Global leaders**

according to international analyst firms



**Vendors to watch**

New players that only recently entered the market and therefore cannot be evaluated against longtime players

This is **NOT** a technological or functional positioning and **SHOULD NOT** be used as such. This positioning is intended to reflect **ONLY THE DEGREE** to which a product is **PRESENT AND SUPPORTED IN ISRAEL**.



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# Israel economy, business activity



Dr. Jimmy Schwarzkopf



Galit Fein



Einat Shimoni



Pini Cohen



Reut Shefer Bar

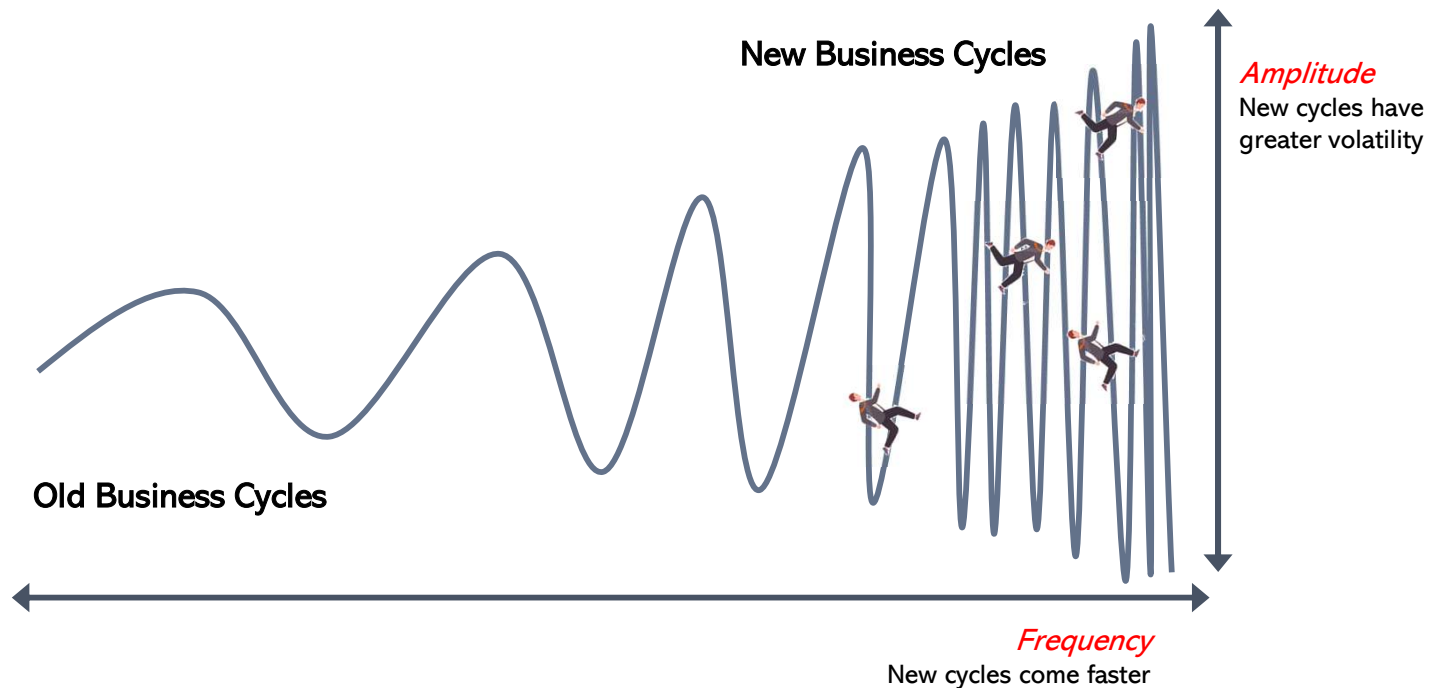


GenAI Analyst

STKI Research Team



# THE ISRAELI BUSINESS WORLD IS CHANGING companies must do more with less (and fast)

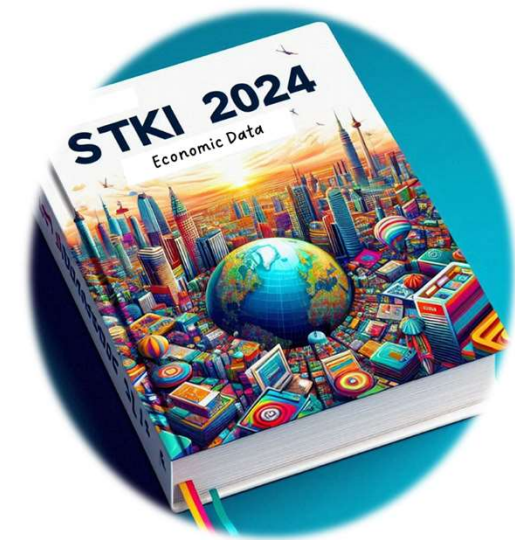


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## Israel GDP grows by 14% in Q1 2024 after slump in late 2023



- **The Israeli economy recovered** from some of the worst effects of the war in Gaza at the start of the year, returning to growth **after a heavy setback in the final months of 2023** (contraction of close to 22% in the last quarter of 2023)
- The Central Bureau of Statistics said in an initial estimate that **the Israel GDP grew at an annualized rate of 14.1% in Q1 2024** from the prior three months, just shy of a Reuters consensus of 15.3%.
- **The war derailed nearly two years of continuous growth** in the Israeli economy.
- The war has precipitated **severe labor shortages within Israel**,
- Despite the ongoing war, **many economic indicators such as private consumption and investment have shown signs of recovery, though they have not returned to pre-war levels.** Military spending continues to inflate public consumption figures.



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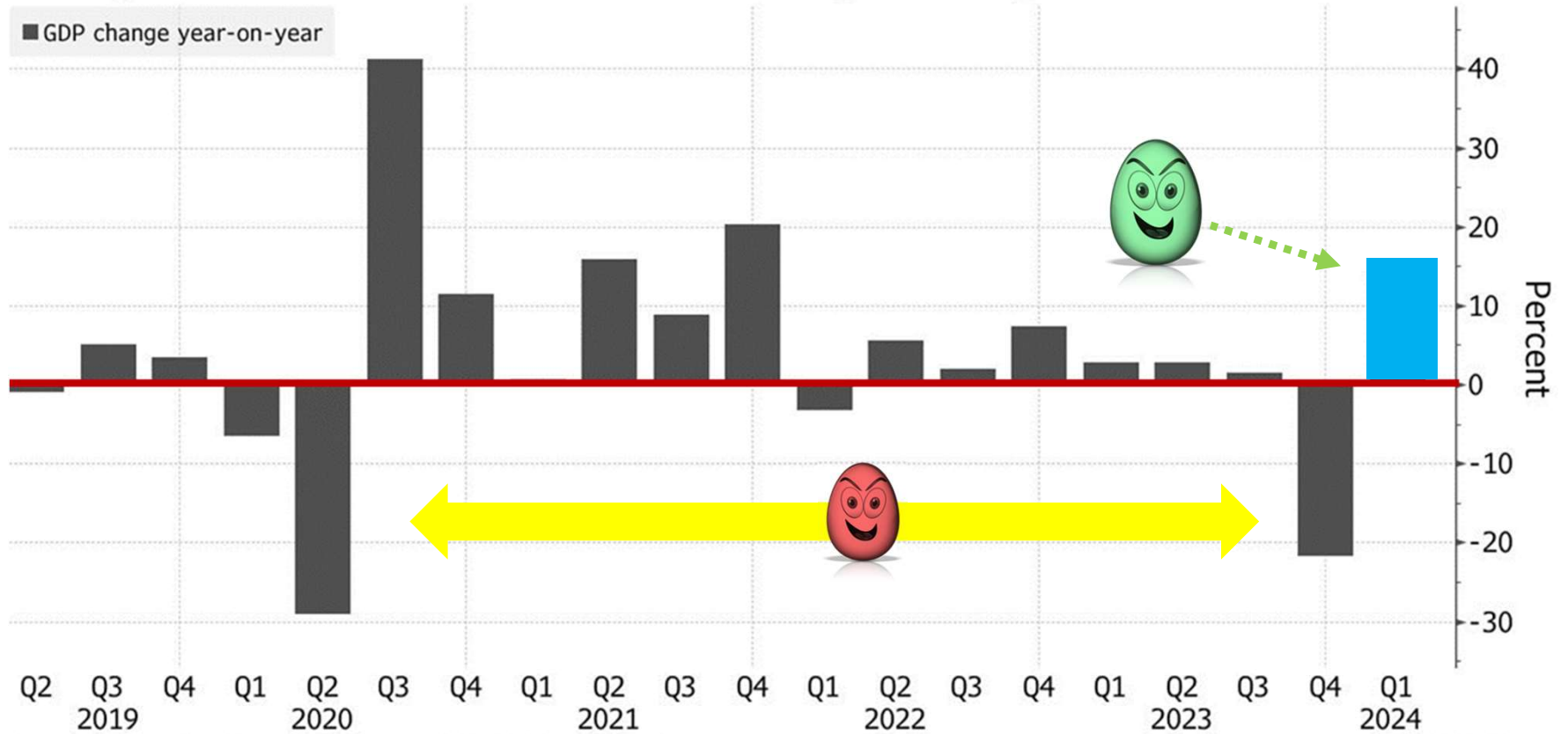
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# Israel's Economy Rebounds Sharply

War against Hamas caused one of Israel's deepest slumps ever



Source: Israel's Central Bureau of Statistics, Bloomberg









Bloomberg



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## Israel: Demand, output and prices

	2020	2021	2022	2023	2024	2025	
Israel	Current prices NIS billion	Percentage changes, volume (2015 prices)					
 GDP at market prices	1 417.3	9.3	6.4	1.8	1.9	4.6	←
Private consumption	686.7	11.4	7.5	-0.7	4.0	2.5	
 Government consumption	330.5	5.2	0.0	7.9	14.7	2.7	←
 Gross fixed capital formation	317.8	13.5	10.4	-1.6	-12.4	12.7	←
Final domestic demand	1 334.9	10.4	6.5	1.0	2.6	4.8	
Stockbuilding <sup>1</sup>	24.5	0.5	0.9	-0.7	-0.5	0.0	
Total domestic demand	1 359.5	10.7	7.3	0.3	2.1	4.8	
 Exports of goods and services	391.4	14.8	8.5	-0.6	-0.1	3.0	←
 Imports of goods and services	333.6	21.2	12.1	-6.6	-1.7	3.4	←
Net exports <sup>1</sup>	57.9	-0.9	-0.6	1.7	0.4	0.0	
<i>Memorandum items</i>							
GDP deflator	–	2.1	4.8	4.1	2.8	2.3	
 Consumer price index	–	1.5	4.4	4.2	2.5	2.5	←
Core inflation index <sup>2</sup>	–	1.3	4.0	4.2	2.0	2.5	
Unemployment rate (% of labour force)	–	5.0	3.8	3.4	3.9	3.9	
 General government financial balance (% of GDP)	–	-3.4	0.4	-4.1	-6.6	-5.5	←
 General government gross debt (% of GDP)	–	67.8	60.4	62.3	66.4	67.7	←
Current account balance (% of GDP)	–	3.9	3.9	5.1	4.4	4.3	

1. Contributions to changes in real GDP, actual amount in the first column.

2. Consumer price index excluding food and energy.

Source: OECD Economic Outlook 115 database.

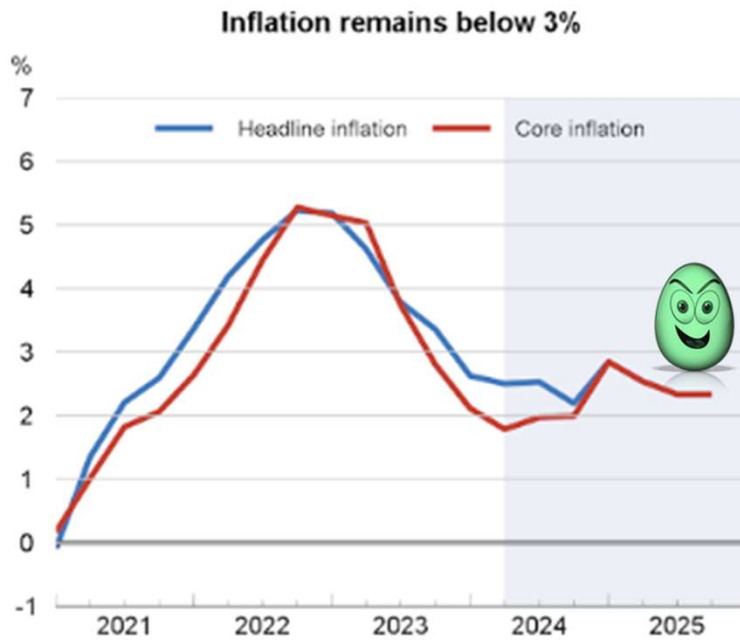
 StatLink <https://stat.link/61y2lq>

 OECD Economic Outlook, Volume 2024 Issue 1



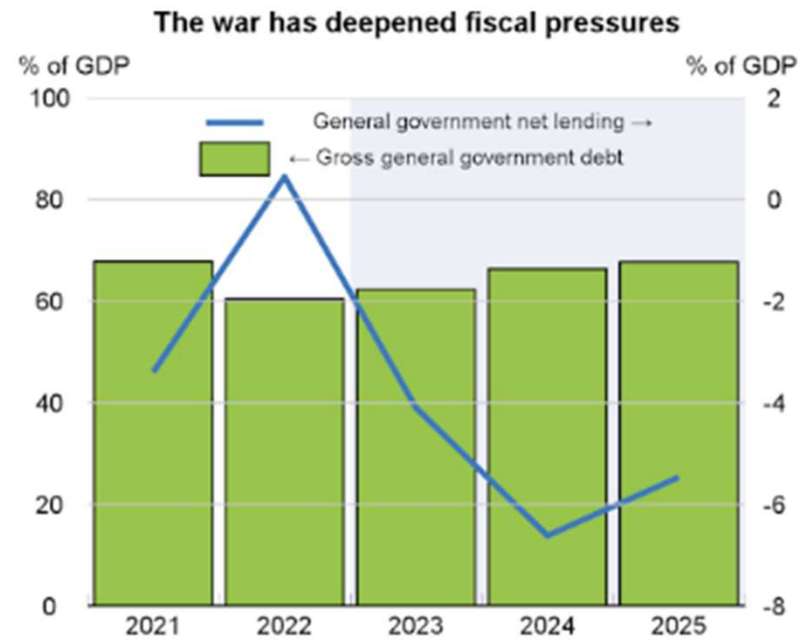
OECD Economic Outlook, Volume 2024 Issue 1

Israel: Inflation and fiscal indicators



Source: OECD Economic Outlook115 database.

StatLink <https://stat.link/zc2t58>



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# תוצר מקומי גולמי לנפש Gross Domestic Product per Capita



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## Expected Slice of GDP for **TOTAL** Military Expenditures in 2024



**50 billion USD**  
(estimate)

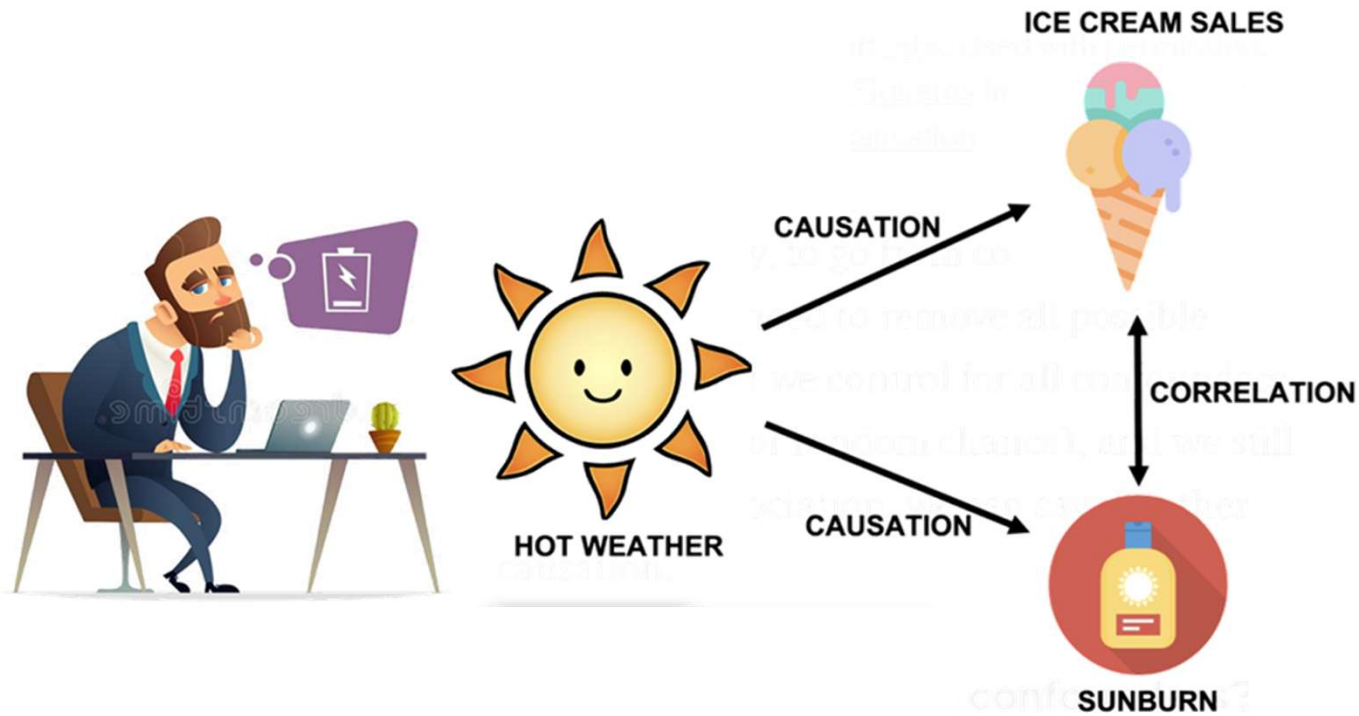


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# How we check our economic forecasts



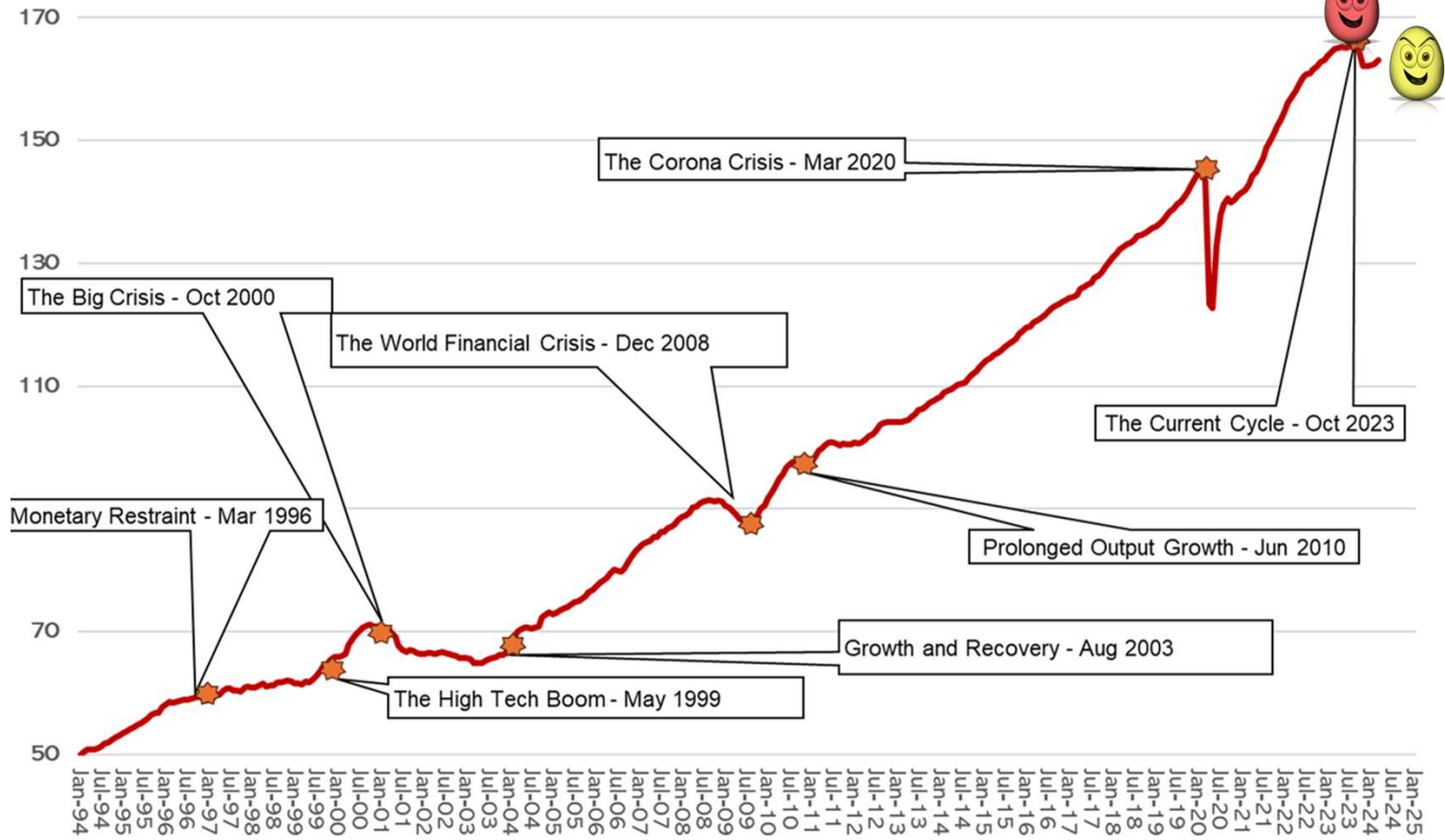




### Business Cycles by the Melnick State of the Economy Index 1994-2024

The Melnick State of the Economy Index rose by 0.3 percent in April

The recovery of the business sector activity continues(main cause of the recovery is private consumption)



Prof. Rafi Melnick, Reichman University



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## The Melnick State of the Israeli Economy Data



**THE BUSINESS SECTOR** continues to grow although the level of economic activity has not yet returned to pre-war levels. **THE REVENUE IN COMMERCE AND SERVICES** continues to rise and is the main factor for economic growth in the second quarter of 2024.

**THE NUMBER OF EMPLOYEE** posts in the business sector remains unchanged and reflects stability in the labor market.



**THE INDUSTRIAL PRODUCTION INDEX** remains low and probably reflects a slow return to activity in the industry.

**THE IMPORT INDEX**, corrected itself downward this month. It is possible that the jump in imports recorded the previous month was temporary.

Date	Industrial production	Revenue in commerce and services	Imports index	Employee posts in the business sector (a)	The Melnick Index	The change the index (percent)
Jul-23	132.3	174.8	155.4	2,684	164.6	0.1
Aug-23	139.5	178.5	152.3	2,707	165.1	0.3
Sep-23	133.3	171.1	148.7	2,720	165.3	0.1
Oct-23	125.3	147.4	141.2	2,627	163.1	-1.3
Nov-23	128.1	152.7	139.7	2,538	161.2	-1.2
Dec-23	123.9	165.1	139.5	2,581	161.2	0.0
Jan-24	127.2	172.6	140.4	2,600	161.4	0.1
Feb-24	123.9	171.1	149.3	2,599	161.5	0.1
Mar-24	123.5	172.5	161.0		162.0	0.3
Apr-24			148.1		162.5	0.3



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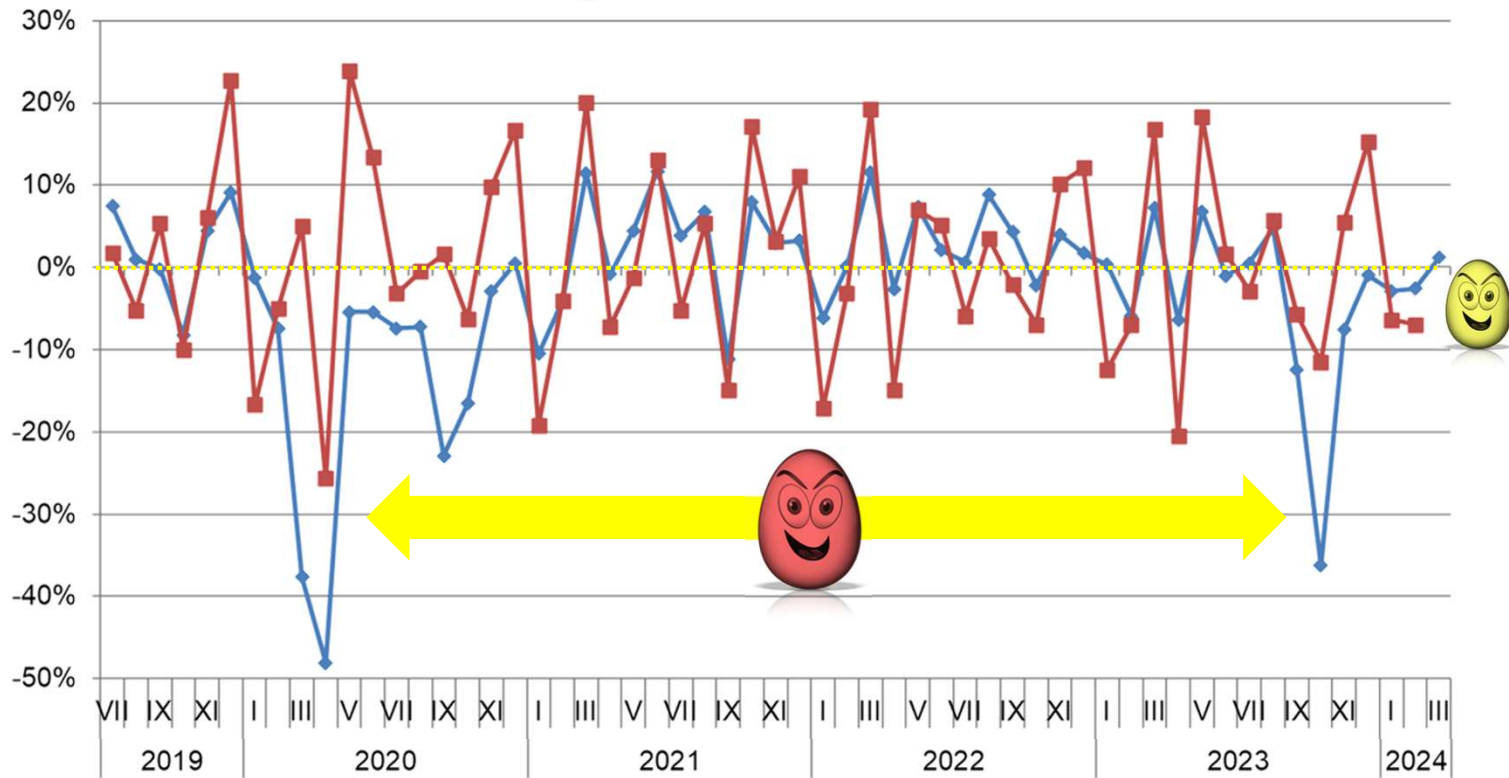
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# Business Tendency Survey

מאזן כולל והשינוי במדד הפדיון לכלל ענפי המשק (נתונים מקוריים במחירים קבועים)  
 Total Balance and the Change in the Revenue Index for All Industries in the Economy



*BTS measures the level of optimism* that executives have about current and expected developments regarding production, sales, demand, employment and changes in the USDILS exchange rate.



מאזן כולל חדש      השינוי במדד הפדיון לכלל ענפי המשק

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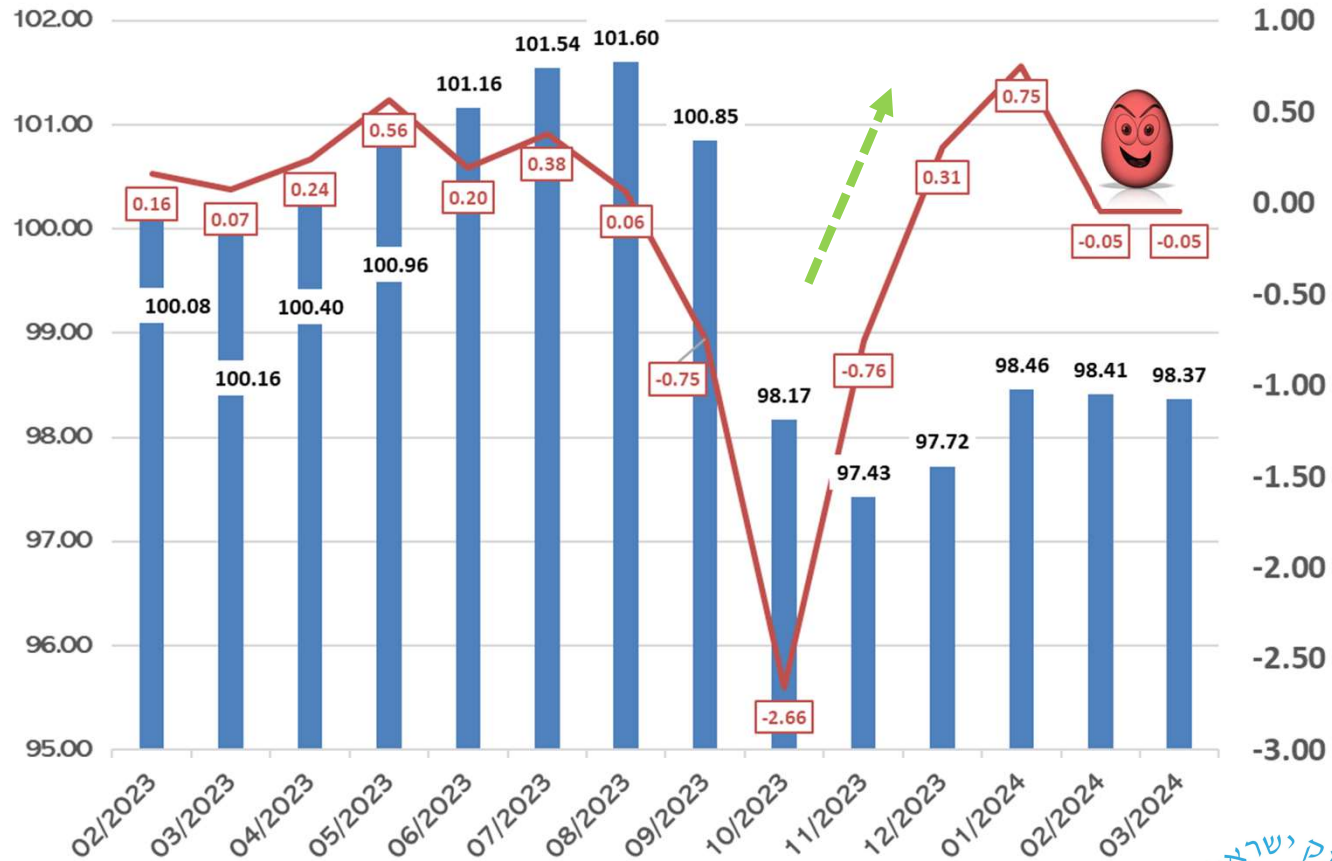
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State-of-the-Economy Index - level

The Composite State of the Economy Index is a synthetic indicator for examining the direction of the development of real economic activity, in real time



percent change

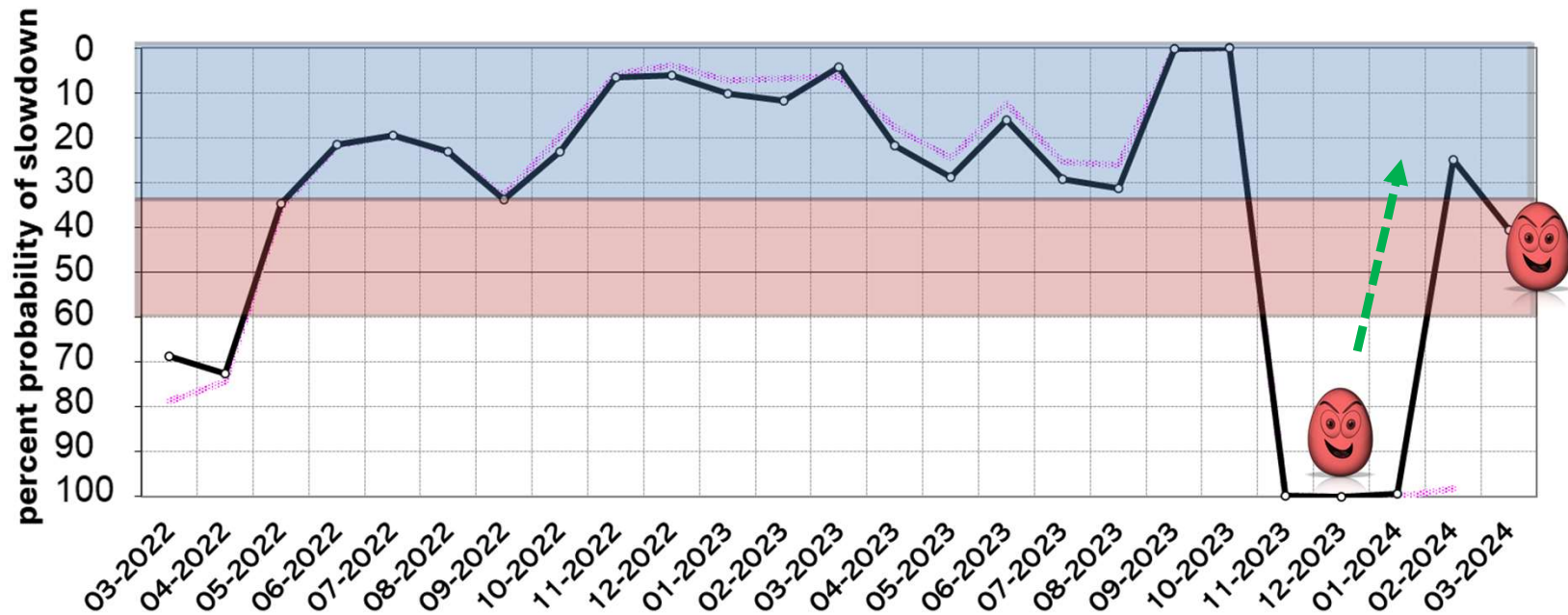


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## Probability of slowdown relatively to the long-term growth



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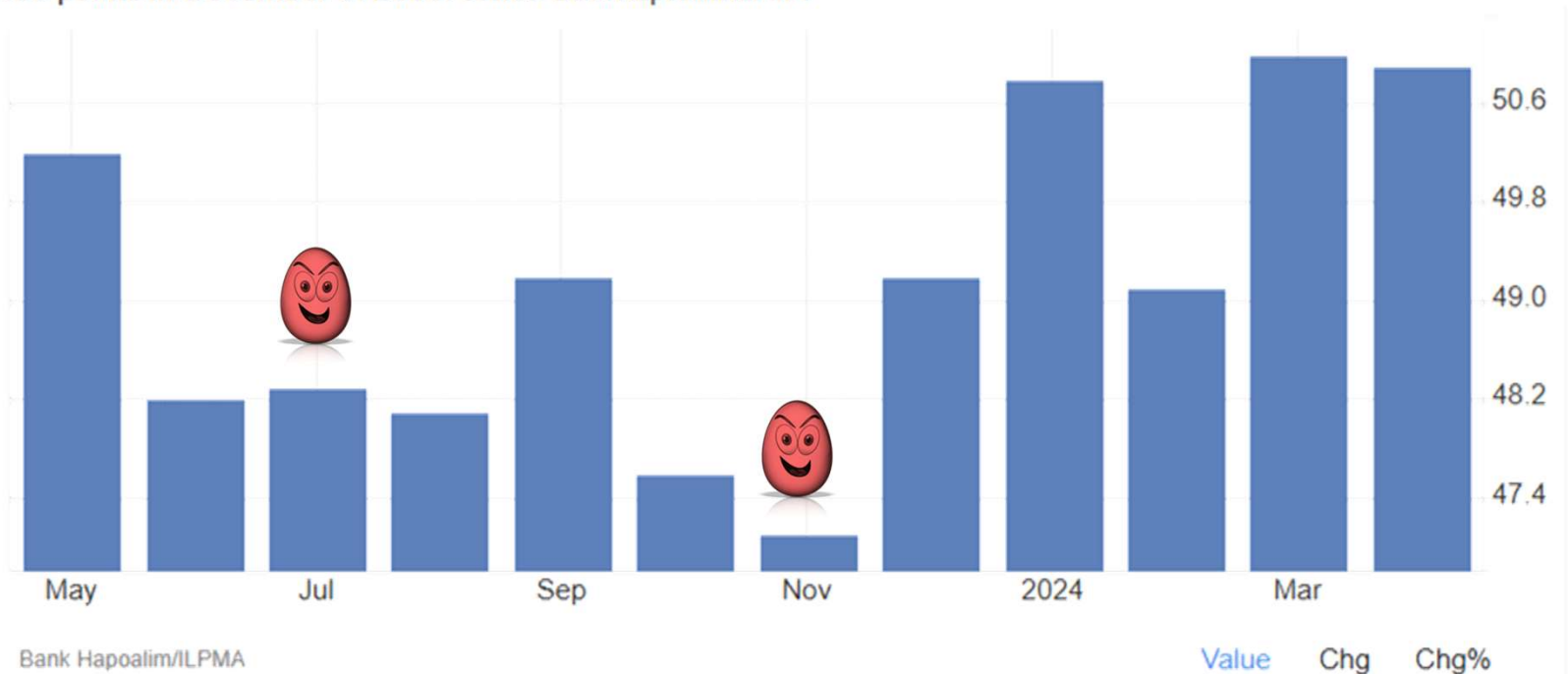
# Israel Purchasing Managers Index

PMI: Seasonally Adjusted (sa) ◆ bank hapoalim

Manufacturing PMI in Israel decreased to 50.90 points in April from 51 points in March of 2024. Manufacturing PMI in Israel averaged 50.73 points from 2003 until 2024, reaching an all time high of 67.20 points in December of 2016 and a record low of 27.80 points in December of 2008. source: Bank Hapoalim/ILPMA

PMI summarizes whether market conditions, *as viewed by purchasing managers*, are expanding, staying the same, or contracting.

The purpose of the PMI is to provide *information about current and future business conditions* to company decision makers, analysts, and investors.



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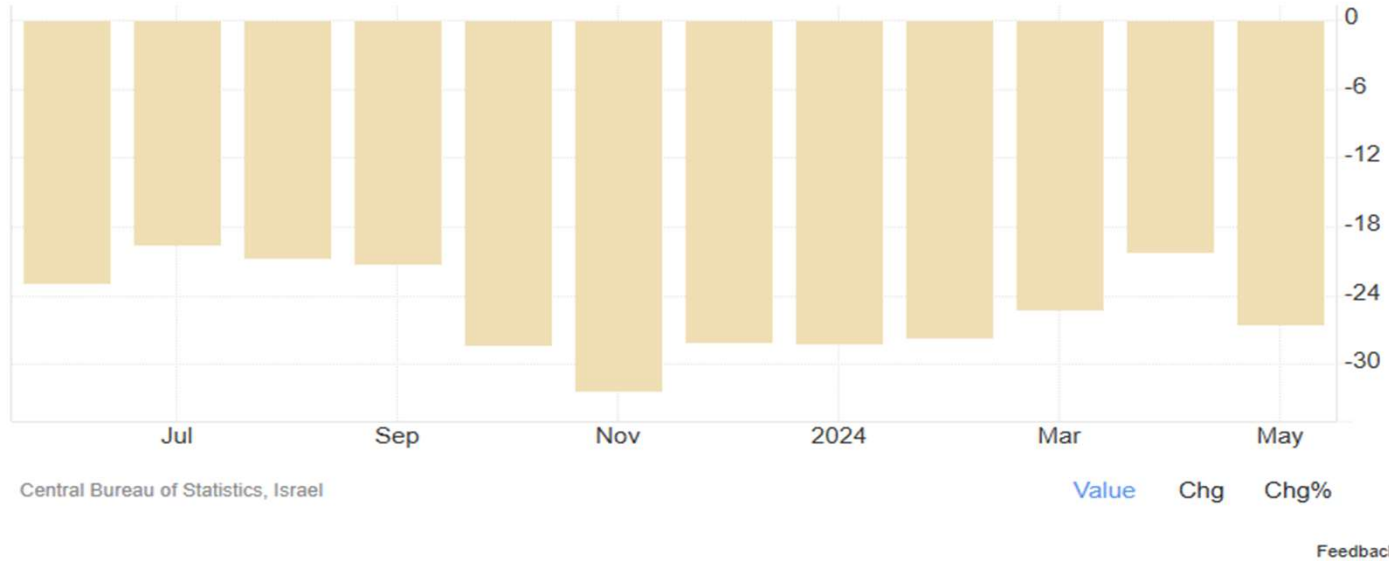
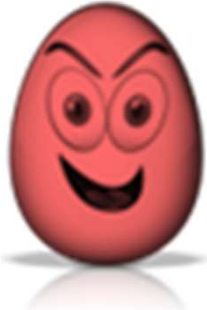
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# Israel: Consumer Confidence Index (מדד אמון הצרכנים)

Consumer Confidence in Israel decreased to -26.49 points in May 2024, the lowest in three months, from -20.14 points in April. Consumer Confidence in Israel averaged -17.55 points from 2011 until 2024, reaching an all time high of 15.09 points in April of 2021 and a record low of -38.47 points in September of 2012. source: Central Bureau of Statistics, Israel



Calendar	GMT	Reference	Actual	Previous	Consensus	TEForecast
2024-05-09	10:30 AM	Apr	-20	-25.2		-25
2024-06-10	10:50 AM	May	-26.5	-20.1		-18
2024-07-10	10:30 AM	Jun		-26.5		-17



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**“התגייסות אדירה”  
התרומה של יהדות התפוצות למאמץ המלחמתי**

1.5 מיליארד דולר גויסו בתרומות

כ-70 אלף מתנדבים הגיעו לישראל

איגרות חוב בשווי 3 מיליארד דולר נמכרו

DATA12

Israel is not alone



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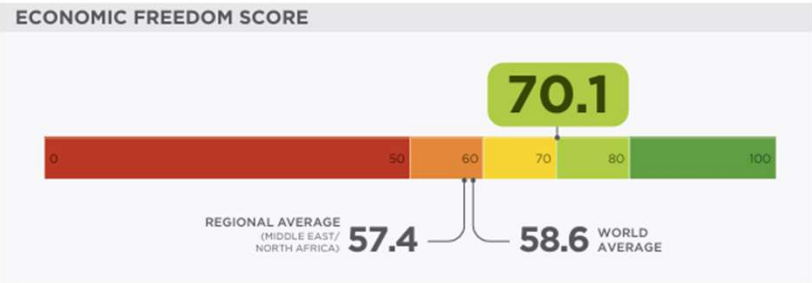
WORLD RANK:	REGIONAL RANK:
<b>26</b>	<b>2</b>
ECONOMIC FREEDOM STATUS: <b>MOSTLY FREE</b>	

World Rank	Regional Rank	Country	Overall Score	Property Rights	Judicial Effectiveness	Government Integrity	Tax Burden	Government Spending	Fiscal Health	Business Freedom	Labor Freedom	Monetary Freedom	Trade Freedom	Investment Freedom	Financial Freedom
25	3	United States	70.1	95.1	76.4	74.8	74.8	48.7	0.0	84.8	77.7	73.8	75.6	80.0	80
26	2	Israel	70.1	82.1	84.4	65.5	59.3	50.7	58.6	80.8	58.0	78.4	83.0	70.0	70



### ECONOMIC FREEDOM: REGIONAL VARIATIONS (REGIONAL AVERAGE)

Regional Ranking	Middle East/ North Africa (57.4)
1	United Arab Emirates
2	Israel
3	Qatar

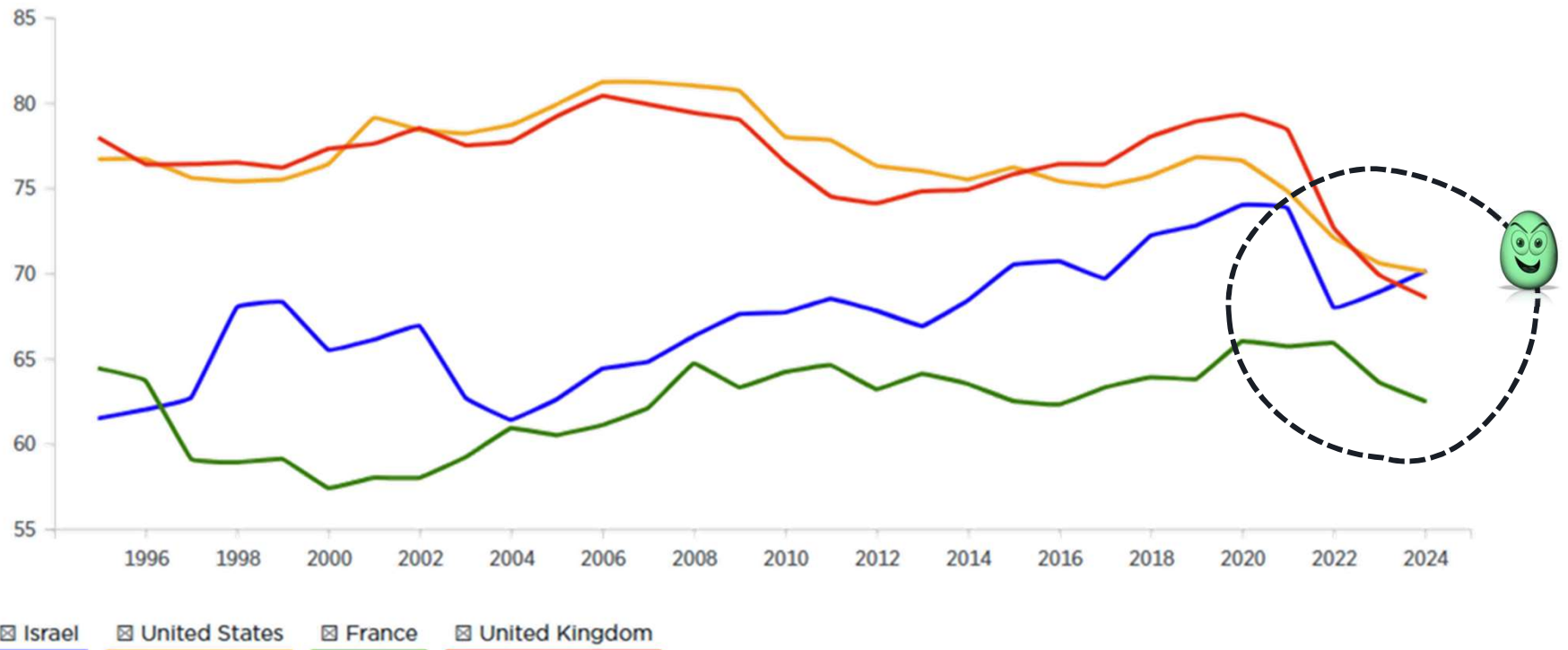






# 2024 INDEX OF ECONOMIC FREEDOM

## COMPARE COUNTRIES



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# Israel Trends 2024-2026



Dr. Jimmy Schwarzkopf



Galit Fein



Einat Shimoni



Pini Cohen



Reut Shefer Bar



GenAI Analyst

STKI Research Team

# 2024-2026 era of transformations

- Digital Transformation
- Data Transformation
- AI Transformation
- Cloud (infrastructure services) Transformation
- Cloud (software) Transformation
- E(verything)as a Service Transformation
- Intelligent Automation Transformation
- Human Transformation
- Others Transformation

There are **three trends nobody talks** about (people trying to ignore them) but **they influence everything**



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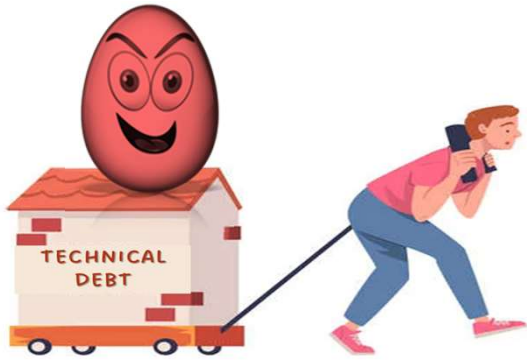




“Would it be so bad if the CEO, CFO & CIO could see you?”

There are three invisible trends :

1. **Technical Debt** - outdated “everything ”and inability to integrate applications and/or processes.
2. **CapEx to OpEx** - a shift from capital expenditures to operational expenditures, which has significant implications for budgeting decisions.
3. **Trust** - the idea that a single vendor cannot do the whole project.



How much does unplanned IT downtime really cost?

## Invisible trend 1

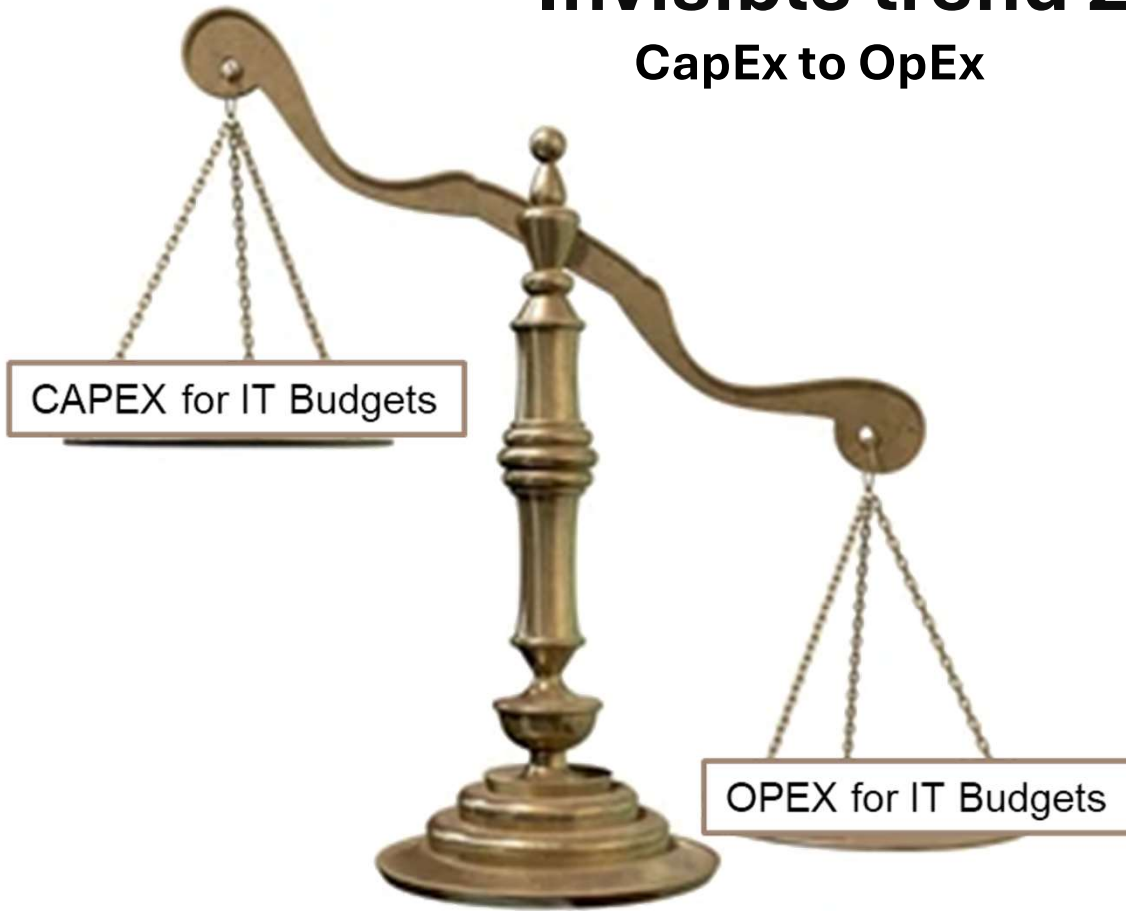
# “Technical Debt”

- Age of most senior manpower employees (that hold important application software knowledge) is over 65
- Outdated infrastructure (software/ hardware)
- Outdated software (several versions behind latest vendor version)
  - ERP and/or CRM
- Outdated data management tools (ETL, DW, BI)
- Core systems based on outdated technologies (not in itself broken systems) but are critical to day-to-day operations
- Inability to integrate applications or processes (in-house or partners)
- Missing documentation
- Un-commented configuration
- Un-documented code changes



# Invisible trend 2

## CapEx to OpEx





# CapEx to OpEx

**Israel's Enterprises are behind most of the rest of the world in moving most IT expenses from CAPEX to OPEX, although there has been a move (last 4 years) from OPEX of 40%-50% to (in some cases) 80%-85%**

**Israel's High-Tech and Startups are cloud native and by definition have OPEX IT budgets**

**CAPEX appears on the balance sheet (מאזן)**

**OPEX appears on the income statement (דוח רווח והפסד)**

## Example of the change: IT Procurement Approval Process

- **CapEx purchases often go through a rigorous approval process due to their size and impact on financial statements.**
- **OpEx expenses tend to be lower in individual cost, leading to a quicker and less complex approval cycle but very dangerous**



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## Why CFOs don't like the move: Implications in Financial Metrics



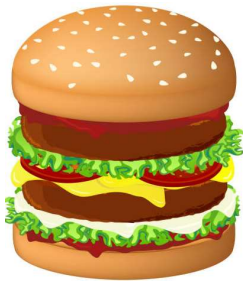
- **Profit Margins:** An increase in OPEX could lead to a decrease in operating profit margins in the short term because these costs are expensed when incurred, whereas CAPEX is spread out over several years through depreciation.
- **EBITDA:** may decrease in the short term due to the increase in operating expenses.
- **Return on Assets (ROA) and Return on Investment (ROI):** These metrics could improve because shifting to an OPEX model often means fewer assets on the balance sheet.
- **Cash Flow:** Shifting to an OPEX model can lead to smoother and more predictable cash flows, since costs are spread out evenly over time. However, total cash outflows may increase over the long term.





### Invisible trend 3

**TRUST: “ why a single” vendor ~~cannot~~ should do the whole project ?**



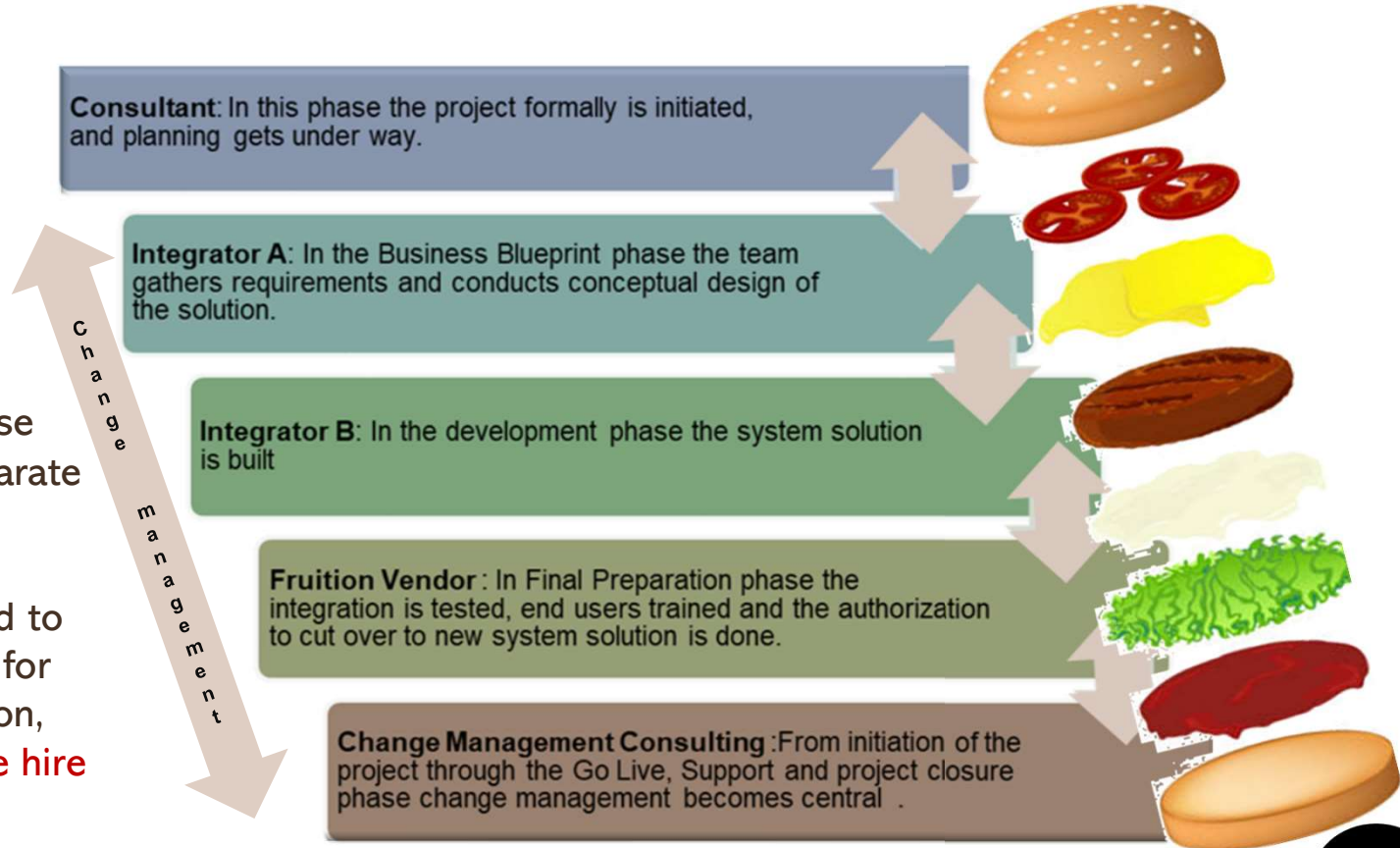
Today, **time, money and knowledge is lost** because different vendors do separate parts.



We “should” have learned to “either” **trust the vendor** for consulting, implementation, testing and fruition **or we hire a different vendor**



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# Israel number of companies & IT budgets by Industry



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# Number of Companies in Israel 2023

number of employees	2016	2017	2018	2019	2020	2021	2022	2023				
	number of companies (paying taxes)	number of companies (paying taxes)	number of companies (paying taxes)	number of companies (paying taxes)	number of companies (paying taxes)	number of companies (paying taxes)	number of companies (paying taxes)	number of employees v2	number of companies (paying taxes)	% of TOTAL	subtotals	
251+	1,622	1,796	1,711	1,696	1,498	1,712	1,802	251+	1,786	0.58%	<b>1.46%</b>	
101-250	2,752	2,817	2,708	2,738	2,173	2,663	2,757	101-250	2,688	0.88%		
0	17,995	18,470	4,725	4,849	3,554	4,701	4,955	51-100	4,679	1.55%	1.55%	1.55%
	52,265	52,970	38,857	38,760	30,938	38,532	40,270	10-50	39,689	13.13%	13.13%	98.10%
5	192,641	197,928	231,609	235,210	234,128	240,910	252,571	2 to 9	256,932	84.98%	84.98%	
totals	267,275	273,981	279,610	283,253	272,291	288,518	302,355	305,774			totals	
	ACCORDING TO BITUACH LEUMI 2/2017	ACCORDING TO BITUACH LEUMI 2/2018	ACCORDING TO BITUACH LEUMI 2/2019	ACCORDING TO BITUACH LEUMI 2/2020	ACCORDING TO BITUACH LEUMI 2/2021	ACCORDING TO BITUACH LEUMI 4/2022	ACCORDING TO BITUACH LEUMI 5/2023	ACCORDING TO BITUACH LEUMI 5/2024			 המוסד לביטוח לאומי	



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# Number of Companies 2023 (by Industry) page 1

Industry	עסקים פעילים, לפי ענף כלכלי (1)									total	self employed & companies without employees	total active business
	number of employees per company											
	100+	75-100	50-74	40-49	30-39	20-29	10-19	5-9	1-4(2)			
<b>number of companies</b>	<b>4,415</b>	<b>1,650</b>	<b>3,360</b>	<b>2,629</b>	<b>4,204</b>	<b>8,610</b>	<b>25,046</b>	<b>47,135</b>	<b>216,557</b>	<b>313,606</b>	<b>370,550</b>	<b>684,156</b>
Information and communications	416	165	292	188	302	560	1,259	1,776	8,094	13,052	14,045	27,097
Telecommunications, computer programming and consultancy and related activities, information service activities	391	160	278	172	286	519	1,158	1,590	7,070	11,624	11,175	22,799
Financial and insurance activities	78	30	49	35	57	157	515	1,365	7,572	9,858	8,481	18,339
Real estate activities	19	8	28	12	34	86	323	882	9,035	10,427	33,534	43,961
Professional, scientific and technical activities	220	120	250	216	321	883	2,972	6,394	41,511	52,887	85,152	138,039
Administrative and support service activities	409	105	235	149	196	430	1,055	1,801	8,027	12,407	13,015	25,422
Local, public and defence administration and social security	282	28	45	14	30	87	85	121	318	1,010	13	1,023
Education	433	158	271	205	315	511	1,170	1,702	5,721	10,486	14,350	24,836
Human health and social work activities	421	103	179	114	175	321	1,017	2,255	14,170	18,755	37,448	56,203
Human health activities	111	24	50	34	62	150	554	1,494	10,545	13,024	33,728	46,752
Residential care and social work activities	310	79	129	80	113	171	463	761	3,625	5,731	3,720	9,451
Arts, entertainment and recreation	79	44	90	71	114	241	685	1,039	5,113	7,476	18,415	25,891
Other service activities; extraterritorial organizations and bodies	229	74	138	88	165	322	747	1,381	9,598	12,742	17,240	29,982



# Number of Companies 2023 (by Industry) page 2

הלשכה המרכזית לסטטיסטיקה  
Central Bureau of Statistics  
دائرة الإحصاء المركزية



## עסקים פעילים, לפי ענף כלכלי (2)

Industry	number of employees per company									total	self employed & companies without employees	total active business
	100+	75-100	50-74	40-49	30-39	20-29	10-19	5-9	1-4(2)			
number of companies	4,415	1,650	3,360	2,629	4,204	8,610	25,046	47,135	216,557	313,606	370,550	684,156
Agriculture, forestry and fishing	87	57	136	114	174	337	1,020	1,472	4,262	7,659	7,634	15,293
Manufacturing; mining and quarrying	646	220	385	255	412	704	1,793	2,601	7,815	14,831	7,898	22,729
Electricity and water supply, sewerage and waste management	24	10	27	22	32	56	118	145	483	917	1,029	1,946
Construction	164	64	161	186	306	768	3,144	8,010	32,984	45,787	33,324	79,111
Wholesale and retail trade and repair of motor vehicles	473	225	504	435	761	1,623	5,379	10,822	41,073	61,295	39,380	100,675
Wholesale and retail trade and repair of motor vehicles	38	29	46	53	78	213	648	1,480	5,537	8,122	4,831	12,953
Wholesale trade, except motor vehicles	191	105	229	174	311	702	1,936	3,494	11,490	18,632	9,172	27,804
Retail trade, except motor vehicles	244	91	229	208	372	708	2,795	5,848	24,046	34,541	25,377	59,918
Transportation, storage, postal and courier activities	153	53	126	98	155	337	1,047	2,126	11,179	15,274	30,360	45,634
Postal and courier activities	13	6	9	5	7	23	72	142	990	1,267	2,571	3,838
Accommodation and food service activities	282	186	444	427	655	1,187	2,717	3,243	9,602	18,743	9,232	27,975

IT BUDGETS (cash-out NOT opex/capex accounting) includes *some* other expenses

FORECASTED

industry	Budgets 2018	change from 2018	Budgets 2019	change from 2019	Budgets 2020	change from 2020	Budgets 2021	change from 2021	Budgets 2022	change from 2022	Budgets 2023	change from 2023	Budgets 2024	change from 2024	Budgets 2025
government	\$1,630	5.95%	\$1,727	-16.04%	\$1,450	4.14%	\$1,510	15.89%	\$1,750	2.86%	\$1,800	8.33%	\$1,950	10.26%	\$2,150
security	\$525	2.29%	\$537	2.42%	\$550	5.45%	\$580	17.24%	\$680	10.29%	\$750	20.00%	\$900	9.44%	\$985
education	\$292	4.45%	\$305	14.75%	\$350	17.14%	\$410	14.63%	\$470	-4.26%	\$450	2.22%	\$460	10.87%	\$510
health	\$350	-2.86%	\$340	14.71%	\$390	15.38%	\$450	6.67%	\$480	-4.17%	\$460	-1.09%	\$455	14.29%	\$520
utilities	\$215	-2.33%	\$210	11.90%	\$235	6.38%	\$250	4.00%	\$260	-19.23%	\$210	-4.76%	\$200	5.00%	\$210
transport	\$340	7.35%	\$365	10.96%	\$405	11.11%	\$450	22.22%	\$550	-3.64%	\$530	-3.77%	\$510	1.96%	\$520
banks	\$920	10.87%	\$1,020	-6.86%	\$950	-3.16%	\$920	6.52%	\$980	-7.14%	\$910	-3.30%	\$880	3.98%	\$915
insurance	\$405	3.70%	\$420	3.57%	\$435	3.45%	\$450	7.78%	\$485	-7.22%	\$450	-3.33%	\$435	9.20%	\$475
fin other	\$310	29.03%	\$400	12.50%	\$450	13.33%	\$510	13.73%	\$580	-3.45%	\$560	-5.36%	\$530	9.43%	\$580
manuf	\$875	-1.71%	\$860	-2.33%	\$840	7.14%	\$900	-2.22%	\$880	-7.39%	\$815	-2.45%	\$795	3.77%	\$825
retail	\$238	-3.36%	\$230	8.70%	\$250	18.00%	\$295	3.39%	\$305	-1.64%	\$300	6.67%	\$320	7.81%	\$345
high tech	\$842	7.01%	\$901	38.73%	\$1,250	32.00%	\$1,650	9.09%	\$1,800	-8.33%	\$1,650	-6.06%	\$1,550	8.39%	\$1,680
IT local vendors	\$165	9.09%	\$180	-2.78%	\$175	2.86%	\$180	1.11%	\$182	-5.49%	\$172	-6.98%	\$160	-1.25%	\$158
telecomm	\$230	13.04%	\$260	-5.77%	\$245	-6.12%	\$230	-6.52%	\$215	-6.98%	\$200	-7.50%	\$185	18.92%	\$220
media	\$180	11.11%	\$200	15.00%	\$230	8.70%	\$250	4.00%	\$260	-9.62%	\$235	-8.51%	\$215	16.28%	\$250
SMB/SME	\$410	-6.10%	\$385	-11.69%	\$340	17.65%	\$400	20.00%	\$480	-6.25%	\$450	-4.44%	\$430	11.63%	\$480
in M USD	\$7,927	5.21%	\$8,340	2.46%	\$8,545	10.42%	\$9,435	9.77%	\$10,357	-4.01%	\$9,942	0.33%	\$9,975	8.50%	\$10,823

all amounts in M \$ USD

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## Internal Budgets variance can only be explained by economic changes (corona, war, etc.) explained in previous chapters

	2018	change from 2018	2019	change from 2019	2020	change from 2020	2021	change from 2021	2022	change from 2022	2023	change from 2023	2024	change from 2024	2025
industry budgets	\$7,927	5.21%	\$8,340	2.46%	\$8,545	10.42%	\$9,435	9.77%	\$10,357	-4.01%	\$9,942	0.33%	\$9,975	8.50%	\$10,823
IT market totals	\$6,903	9.88%	\$7,585	3.63%	\$7,860	10.62%	\$8,695	6.90%	\$9,295	-3.16%	\$9,001	3.02%	\$9,273	8.20%	\$10,033
internal budgets	\$1,024	-26.27%	\$755	-9.27%	\$685	8.03%	\$740	43.51%	\$1,062	-11.39%	\$941	-25.40%	\$702	12.54%	\$790

all amounts in M \$ USD



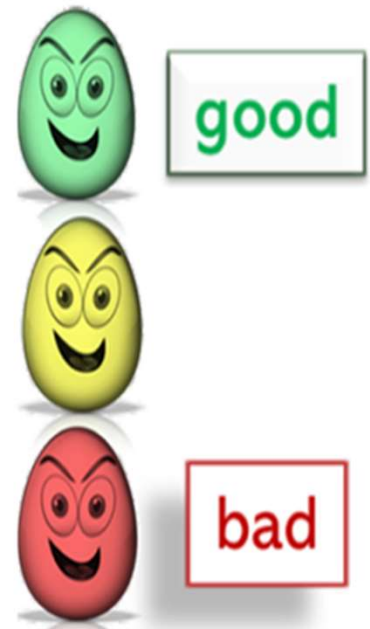


analysis of budgets 2024 & 2025 **all amounts in M \$ USD**

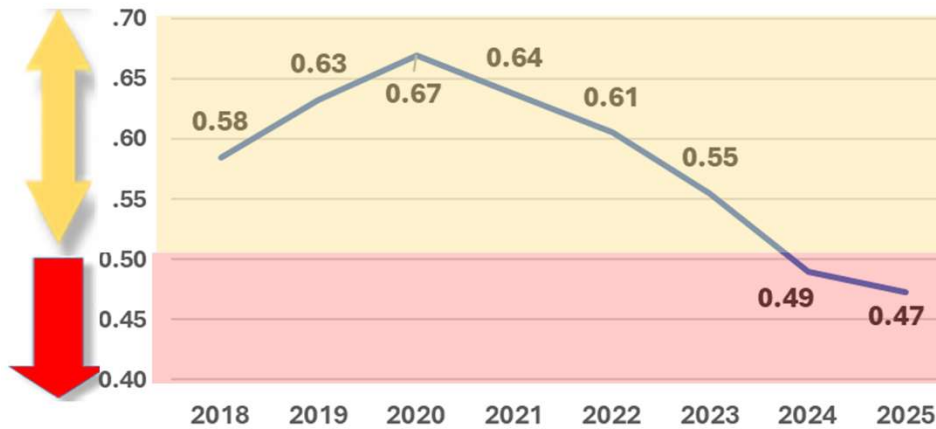
industry	Budgets 2024	% total	Market size	% total	industry	industry	Budgets 2025	% total	Market size	% total	industry
government	\$1,950	20%	\$3,765	37.74%	public	government	\$2,150	20%	\$4,165	41.31%	public
security	\$900	9%									
education	\$460	5%									
health	\$455	5%									
utilities	\$200	2%	\$710	7.12%	utilities/ transport	utilities	\$210	2%	\$730	6.74%	utilities/ transport
transport	\$510	5%									
banks	\$880	9%	\$1,845	18.50%	financial	banks	\$915	8%	\$1,970	18.20%	financial
insurance	\$435	4%									
fin other	\$530	5%									
manuf	\$795	8%	\$1,115	11.18%	manuf/ retail	manuf	\$825	8%	\$1,170	10.81%	manuf/ retail
retail	\$320	3%									
high tech	\$1,550	16%	\$1,710	17.14%	high tech/ IT	high tech	\$1,680	16%	\$1,838	16.98%	high tech/ IT
IT local vendors	\$160	2%									
telecomm	\$185	2%	\$400	4.01%	telecomm / media	telecomm	\$220	2%	\$470	4.34%	telecom m/ media
media	\$215	2%									
SMB/SME	\$430	4%	\$430	4.31%	SMB	SMB/SME	\$480	4%	\$480	4.43%	SMB
in M USD	\$9,975	100%	\$9,975	100%	in M USD	in M USD	\$10,823	100%	\$10,823	103%	in M USD



**stki.info** **STKI IT Market Health Index**  
 over 1 excellent, .99-.85 very good  
 .7 to .84 good  
 under .70 bad and under .50 a recession  
 (banks + insurance + fin other) IT budgets  
 divided by  
 (government + education + health) IT budgets



**Market Health Index**



	2018	2019	2020	2021	2022	2023	2024	2025
Market Health Index	0.58	0.63	0.67	0.64	0.61	0.55	0.49	0.47

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# OPPORTUNITIES according to IT Budgets

government	\$1,950
high tech	\$1,550
security	\$900
banks	\$880
manuf	\$795
fin other	\$530
transport	\$510
education	\$460
health	\$455
insurance	\$435
SMB/SME	\$430
retail	\$320
media	\$215
utilities	\$200
telecomm	\$185
IT local vendors	\$160

2024



all amounts in M \$ USD

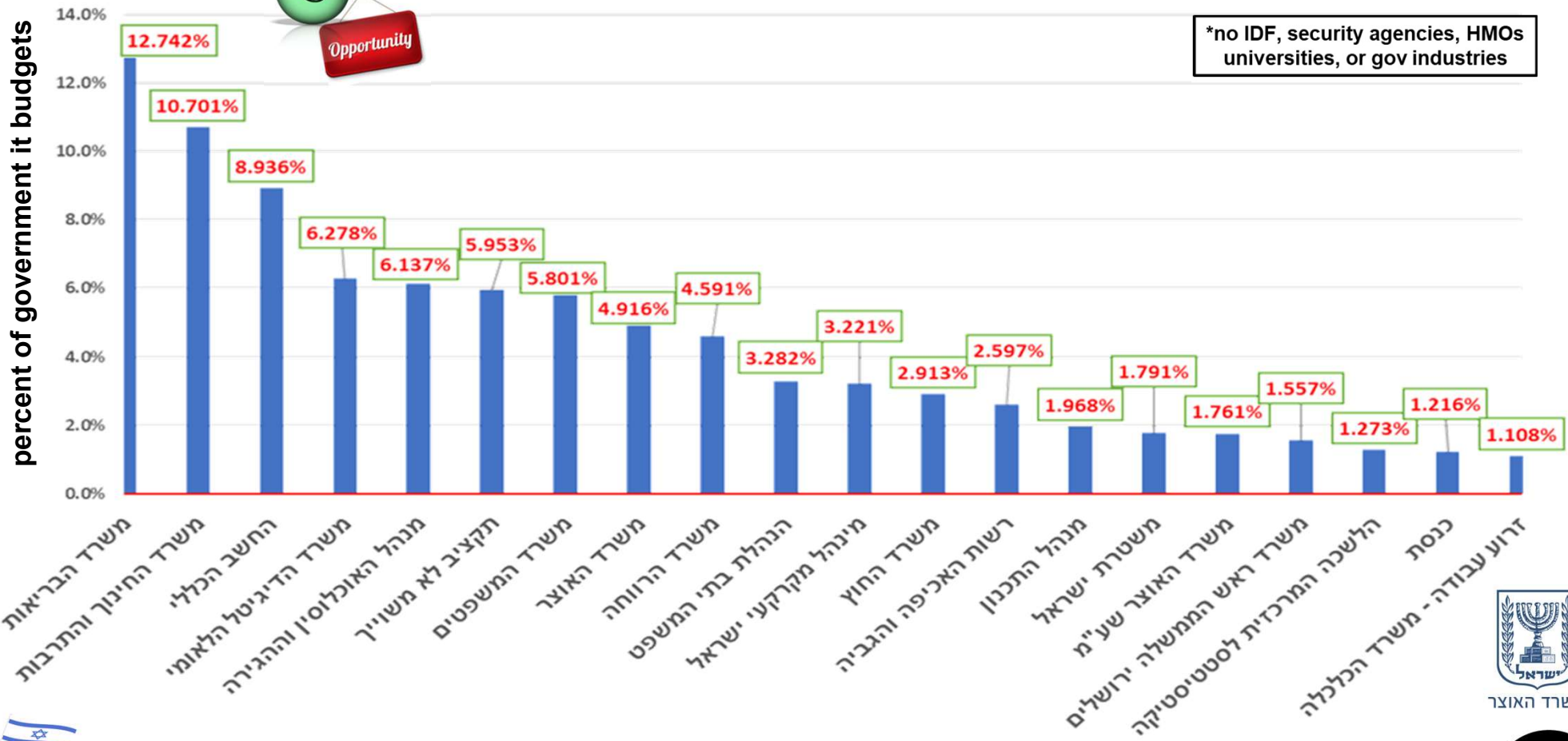
government	\$2,150
high tech	\$1,680
security	\$985
banks	\$915
manuf	\$825
fin other	\$580
health	\$520
transport	\$520
education	\$510
SMB/SME	\$480
insurance	\$475
retail	\$345
media	\$250
telecomm	\$220
utilities	\$210
IT local vendors	\$158

2025



Opportunity

# Expected Slice of Government IT Budgets 2024\*



\*no IDF, security agencies, HMOs universities, or gov industries



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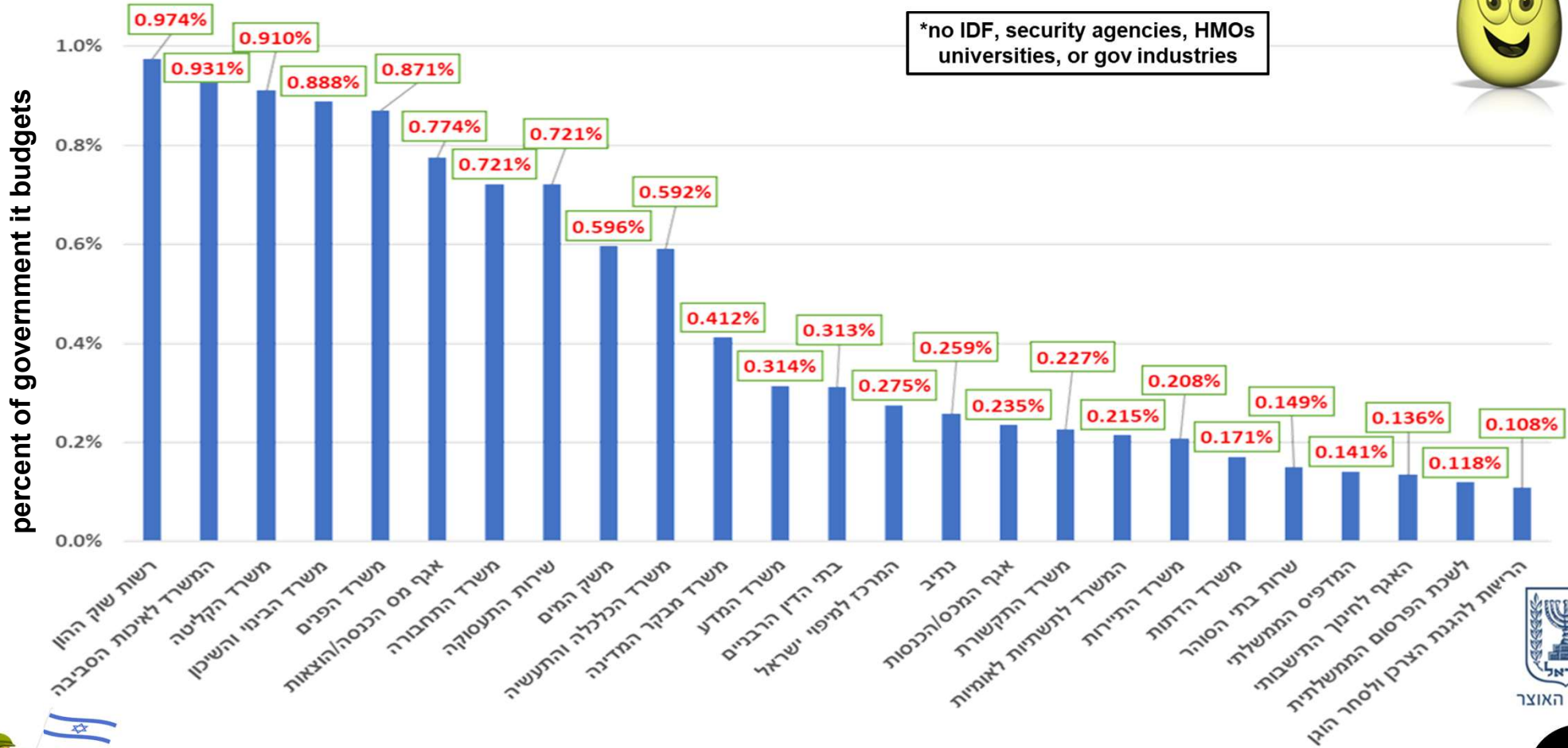
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# Expected Slice (2) of Government IT Budgets 2024\*



\*no IDF, security agencies, HMOs universities, or gov industries



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# Israel IT Market Forecasts (statistics)



Dr. Jimmy Schwarzkopf



Galit Fein



Einat Shimoni



Pini Cohen



Reut Shefer Bar



GenAI Analyst

STKI Research Team



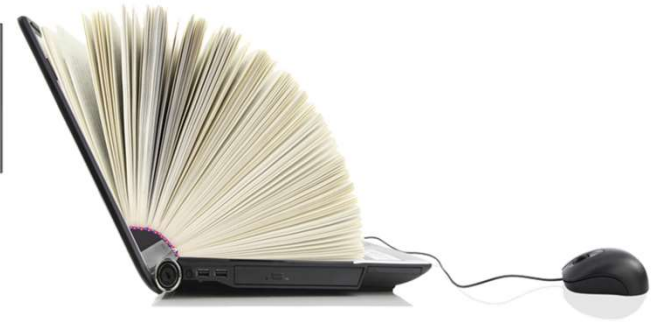
# In order to calculate the "IT Market" (what is bought/sold in Israel)



Technology Users



Technology Vendors



What users bought?  
From whom?  
Why?



Data from 2023

how much did they sell?  
to whom?  
for how much?  
competitors?



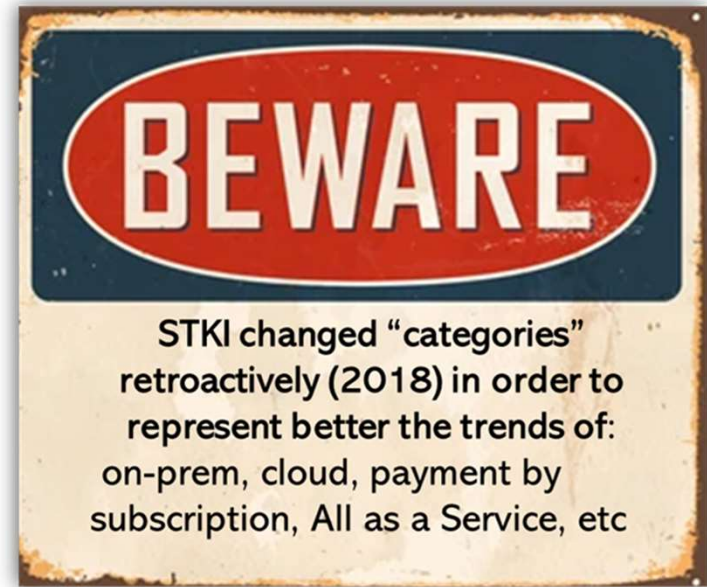
Data from 2023



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# IT Market 2018-2026

	2018	2019	2020	2021	2022	2023	2024	2025	2026
TOTALS IT MARKET	\$6,902.65	\$7,585.20	\$7,859.50	\$8,695.30	\$9,294.80	\$9,000.50	\$9,272.00	\$10,031.50	\$10,987.00
% change IT Market		8.66%	8.86%	10.51%	6.90%	-3.26%	2.95%	8.17%	9.52%

FORECAST

Values in Million USD



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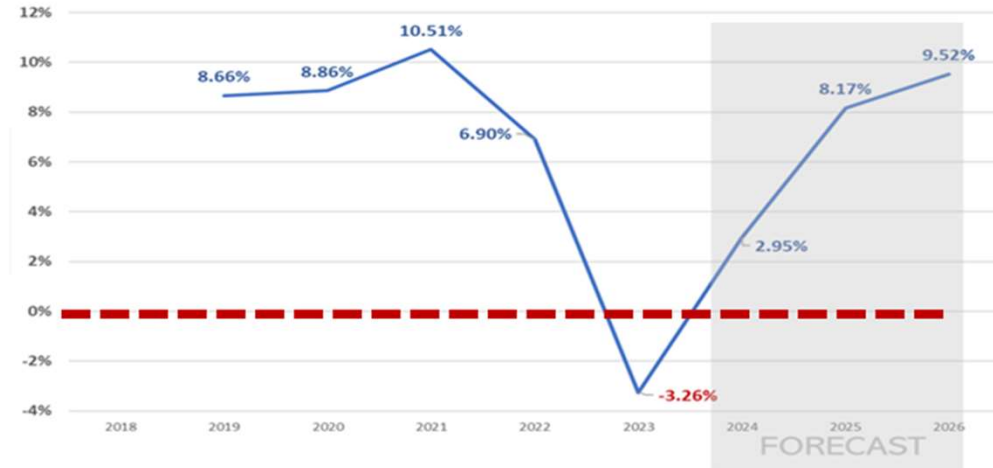
# IT Market 2018-2026

TOTALS IT MARKET

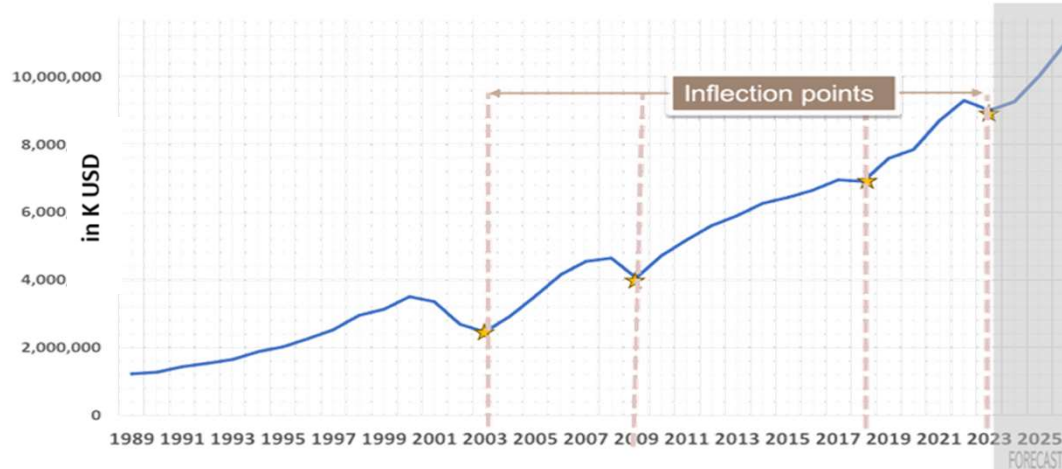


# IT Market 2018-2026

% change IT Market



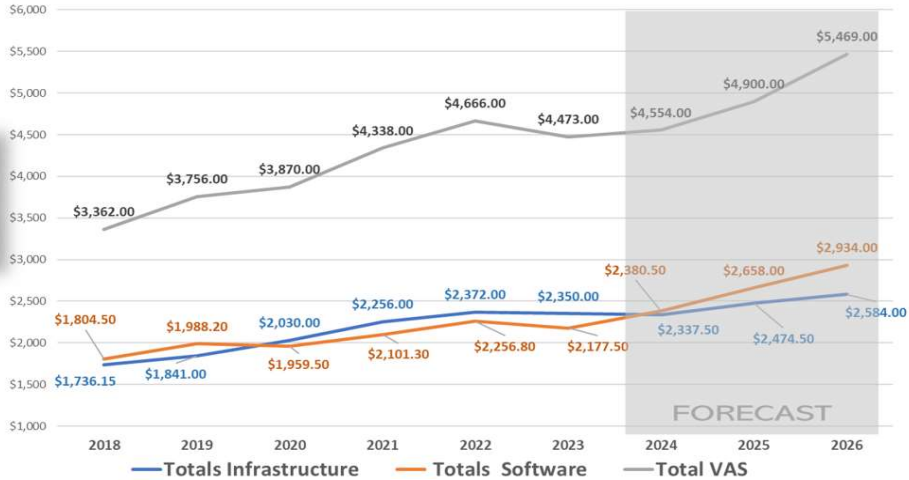
# Israeli IT Market 1989-2026



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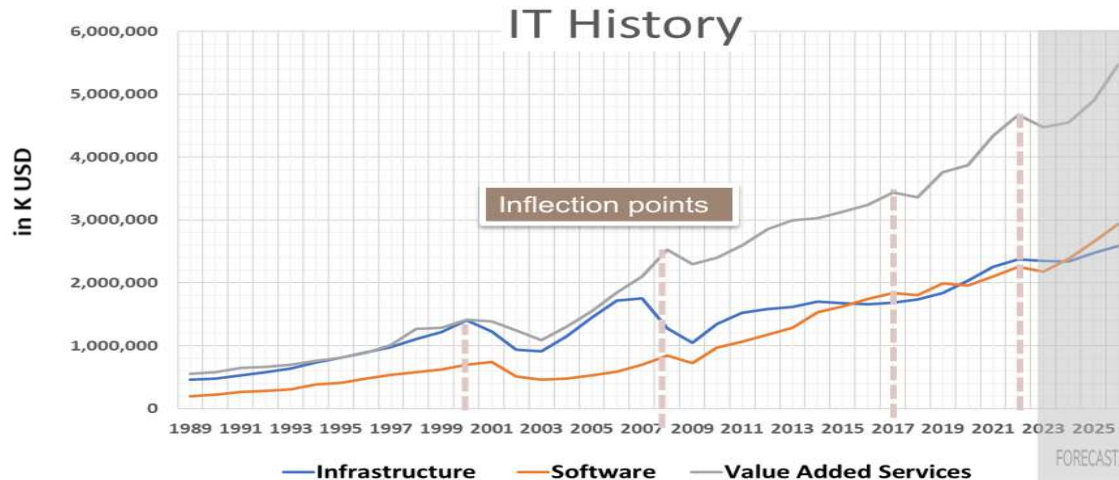
## Israeli IT Market 2018-2024



## Israeli IT Market (% change) 2018-2026



## IT Market 1989-2026



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# Israel

## Infrastructure Product Markets 2024

### "vendor rankings"



Dr. Jimmy Schwarzkopf



Galit Fein



Einat Shimoni



Pini Cohen



Reut Shefer Bar



GenAI Analyst

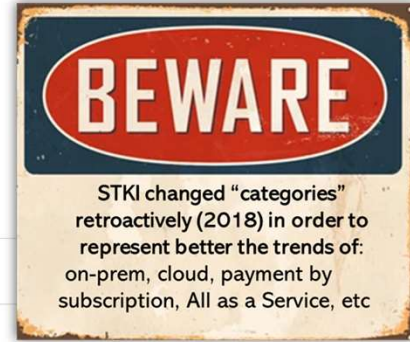
rankings are based partly on new projects, new names and market penetration growth

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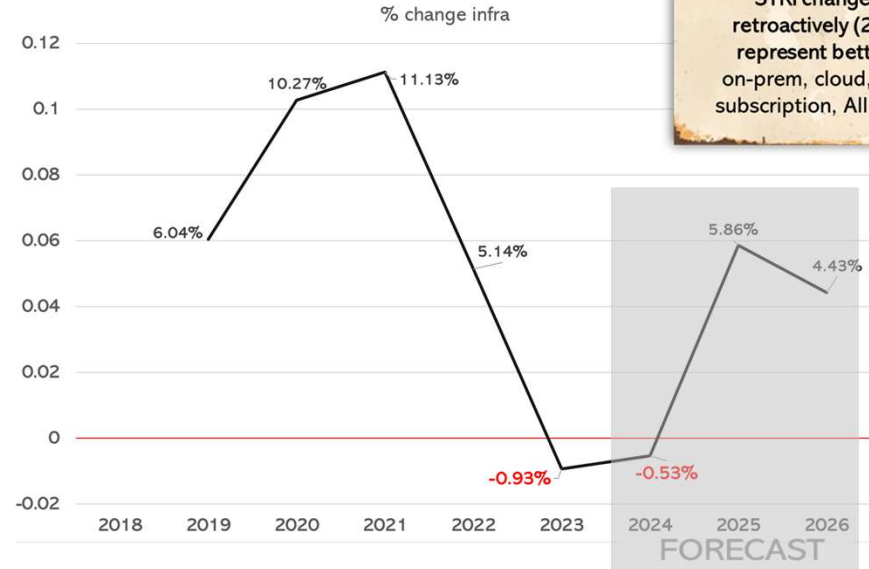
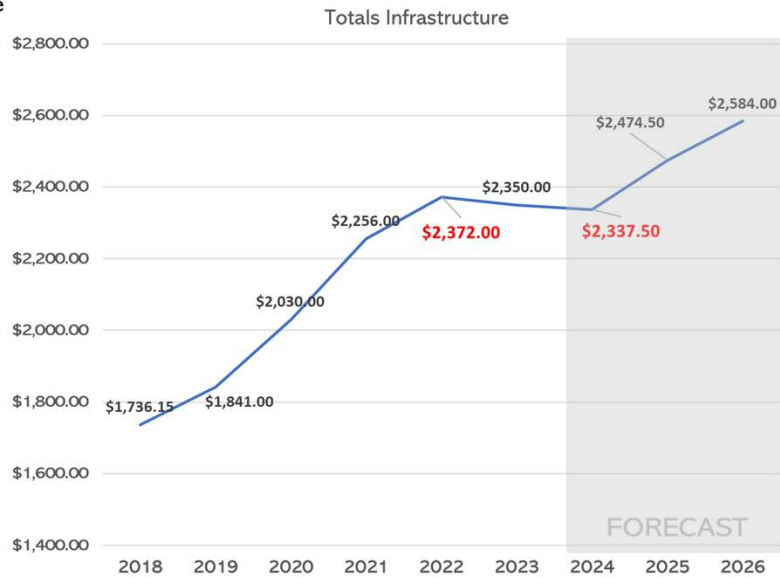
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# Infrastructure Market 2018-2026



Infrastructure Market



2018	2019	2020	2021	2022	2023	2024	2025	2026
\$1,736.15	\$1,841.00	\$2,030.00	\$2,256.00	\$2,372.00	\$2,350.00	\$2,337.50	\$2,474.50	\$2,584.00
	6.04%	10.27%	11.13%	5.14%	-0.93%	-0.53%	5.86%	4.43%

Values in Million USD



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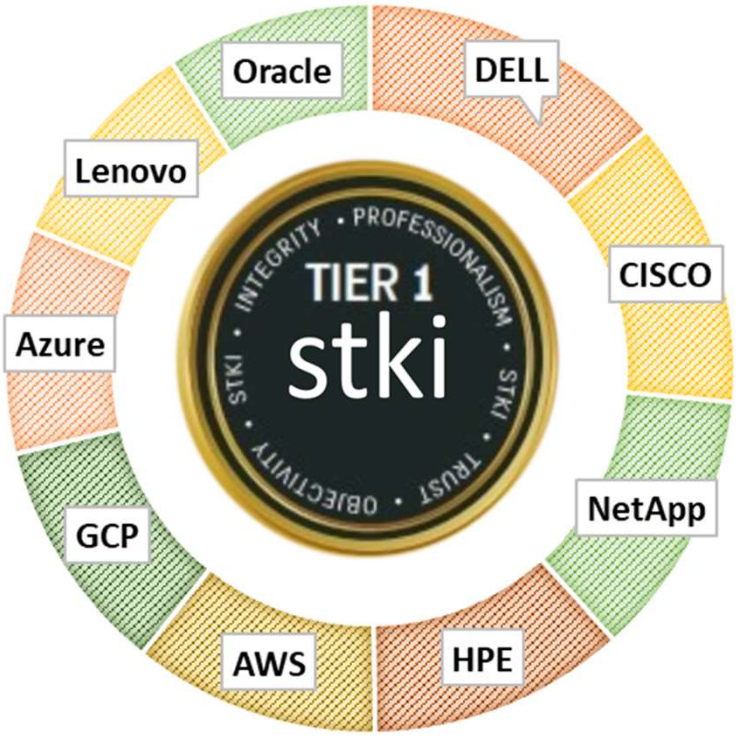
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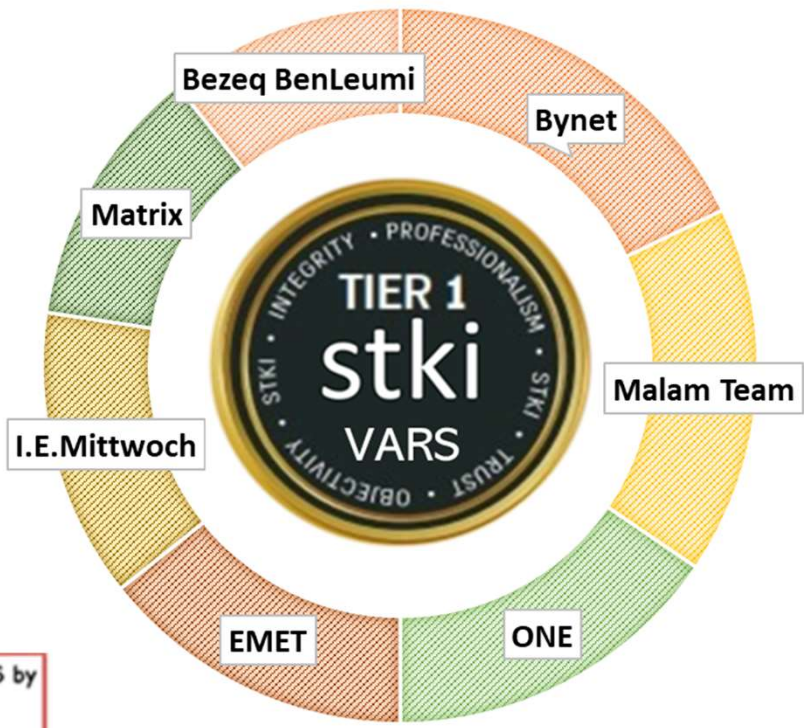


# TOP VENDORS: Hardware-Infrastructure Markets

## Infrastructure Suppliers



## Infrastructure VARS



We rank VENDORS by REVENUE and CLIENT MINDSHARE



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# Infrastructure Categories

Servers & Appliances

*page: 93*

Client PCs

*page: 101*

Enterprise Storage

*page: 104*

Networking, Call Centers  
Security Appliances

*page: 110*

Data Center Equipment  
Colocation & Self Service

*page: 93*

General Cloud  
Consumption

*page: 122*



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# EXAMPLE: General Purpose Cloud **Enterprise** Consumption Market 2018-2026

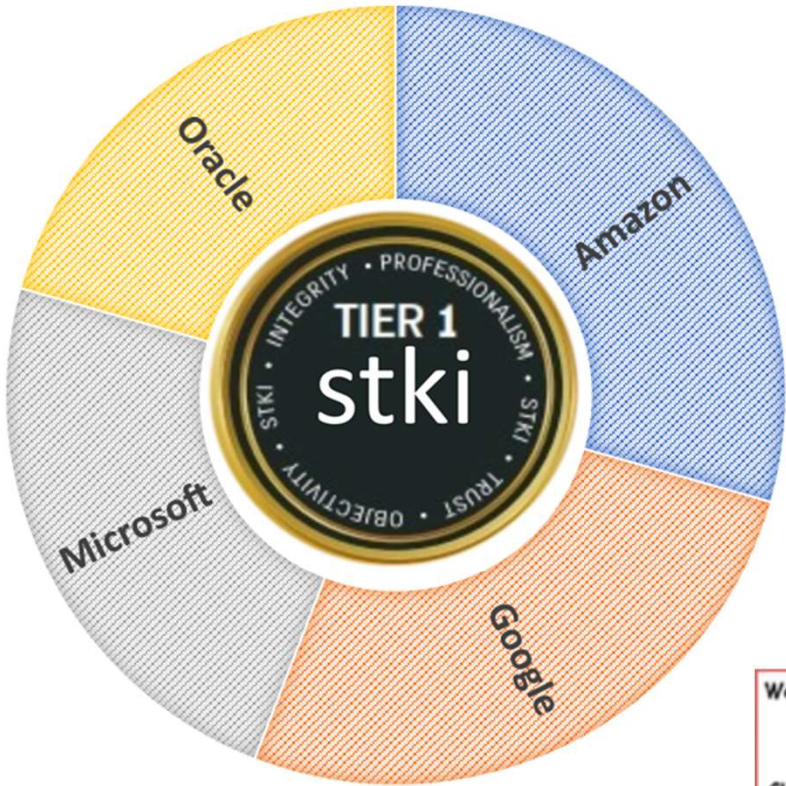
	2018		2019		2020		2021		2022		2023		2024		2025		2026
General Purpose Cloud Enterprise Consumption	\$130.00	30.77%	\$170.00	17.65%	\$200.00	30.00%	\$260.00	38.46%	\$360.00	5.56%	\$380.00	10.53%	\$420.00	14.29%	\$480.00	14.58%	\$550.00
<b>TOTALS</b>	\$130.00	30.77%	\$170.00	17.65%	\$200.00	30.00%	\$260.00	38.46%	\$360.00	5.56%	\$380.00	10.53%	\$420.00	14.29%	\$480.00	14.58%	\$550.00



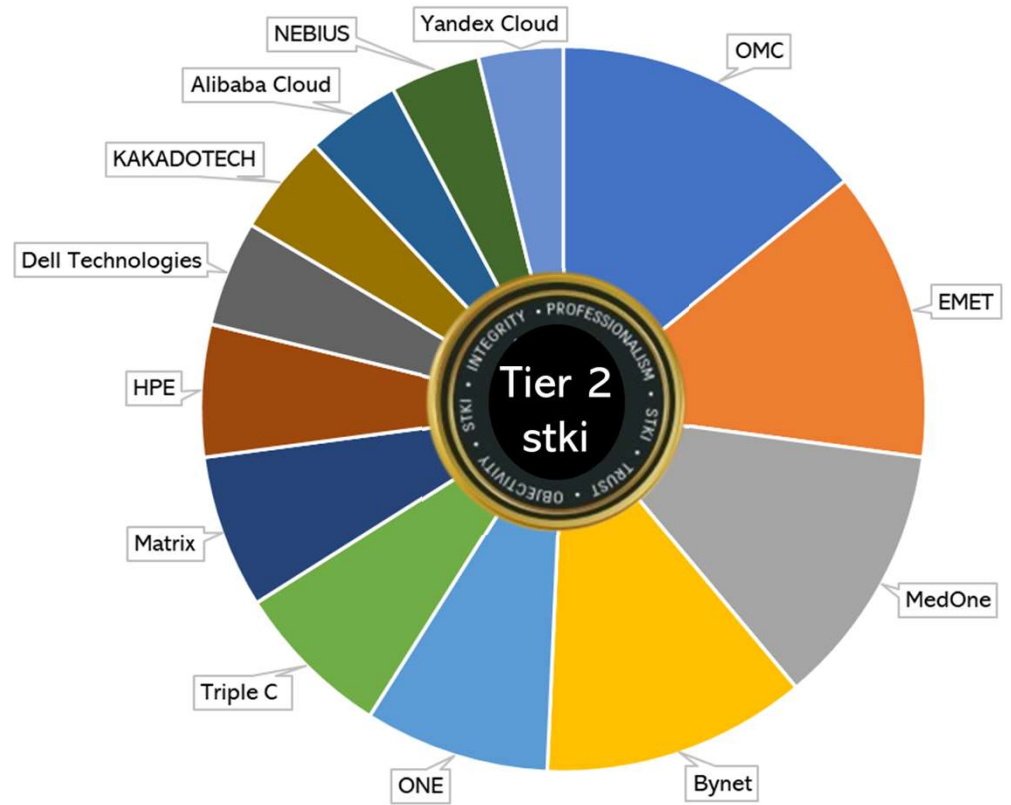
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# General Purpose Cloud Consumption



We rank VENDORS by REVENUE and CLIENT MINDSHARE

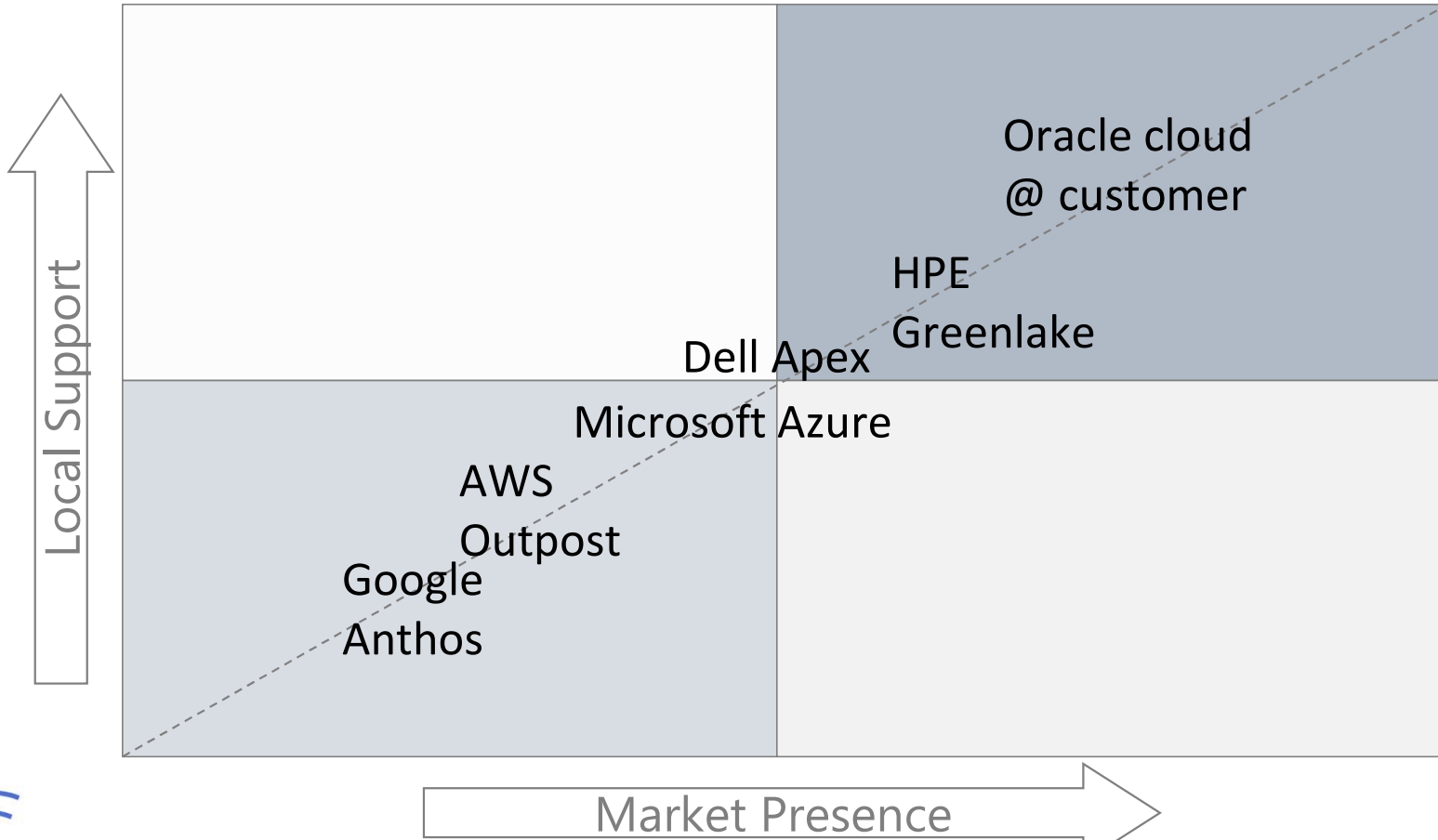


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# CLOUD ON PREMISE Enterprises- market presence 2024



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# Israel

## Software Product Markets 2024

### "vendor rankings"



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Galit Fein



Einat Shimoni



Pini Cohen



Reut Shefer Bar



GenAI Analyst

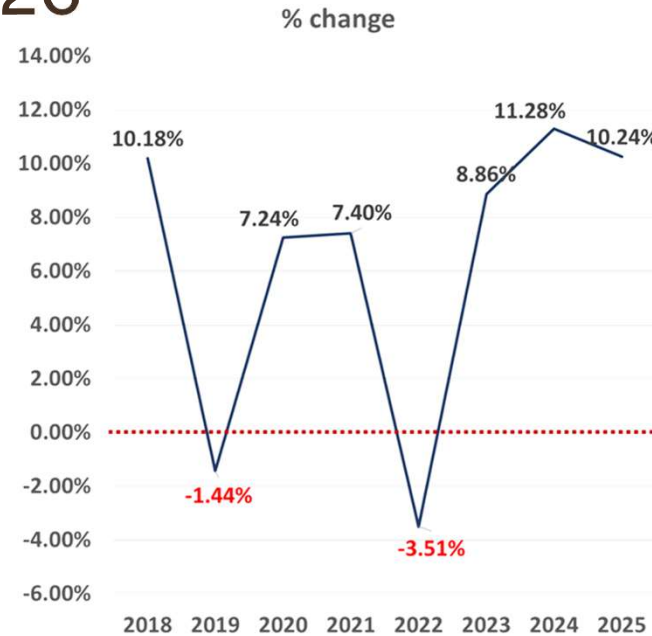
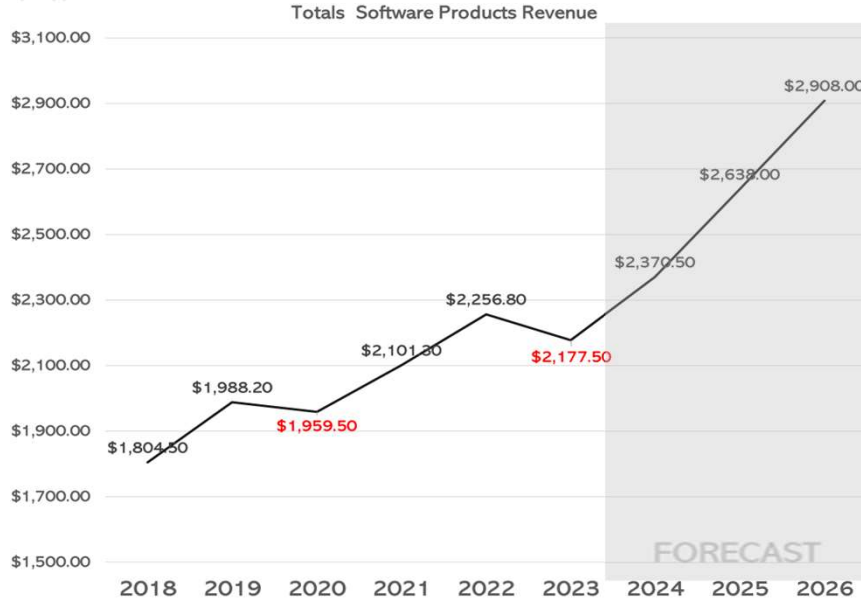
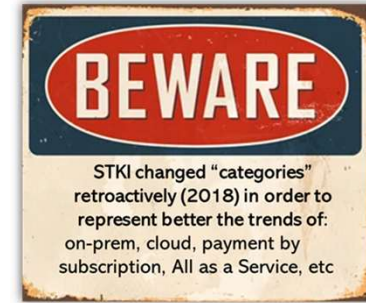
rankings are based partly on new projects, new names and market penetration growth

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# Software (on-prem & cloud) Market 2018-2026



Values in Million USD

2018	2019	2020	2021	2022	2023	2024	2025	2026
\$1,804.50	\$1,988.20	\$1,959.50	\$2,101.30	\$2,256.80	\$2,177.50	\$2,370.50	\$2,638.00	\$2,908.00
	10.18%	-1.44%	7.24%	7.40%	-3.51%	8.86%	11.28%	10.24%



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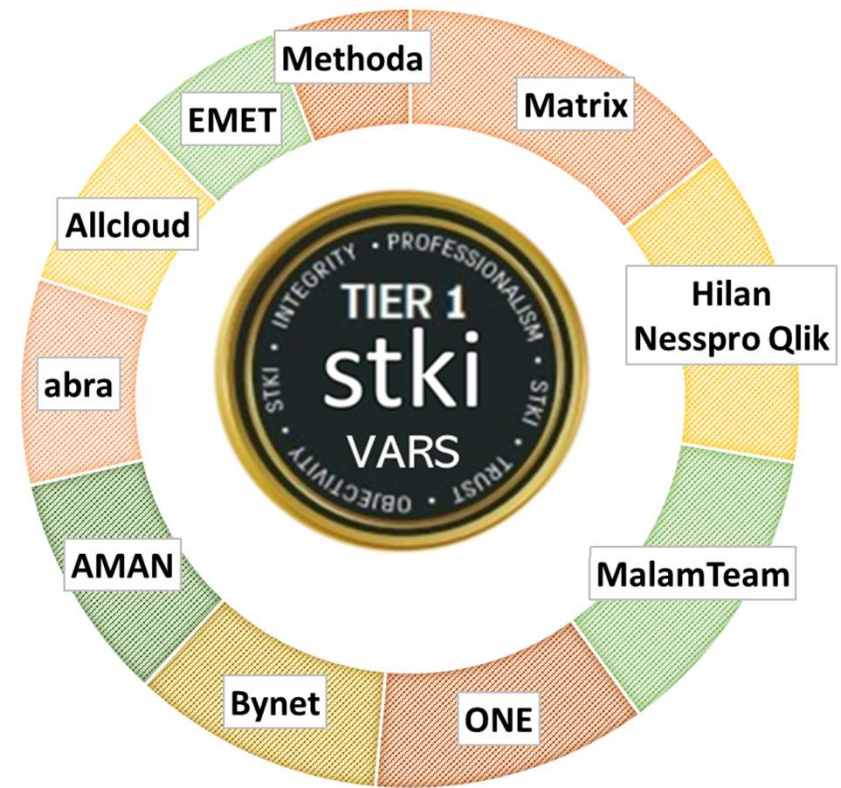
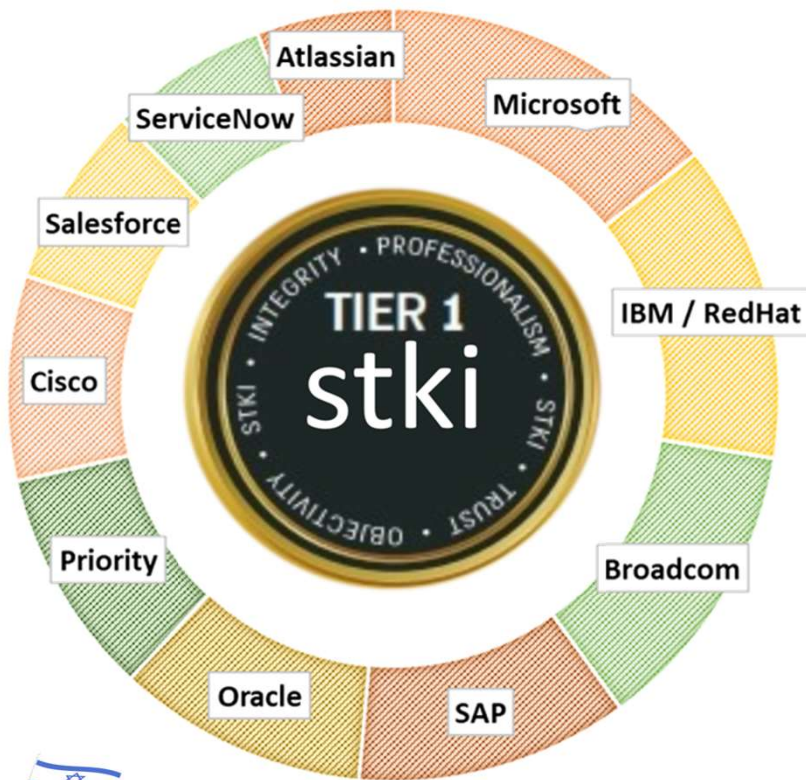




# TOP VENDORS: Software Markets

## Software Companies

## Software VARS



We rank VENDORS by  
REVENUE  
and  
CLIENT MINDSHARE



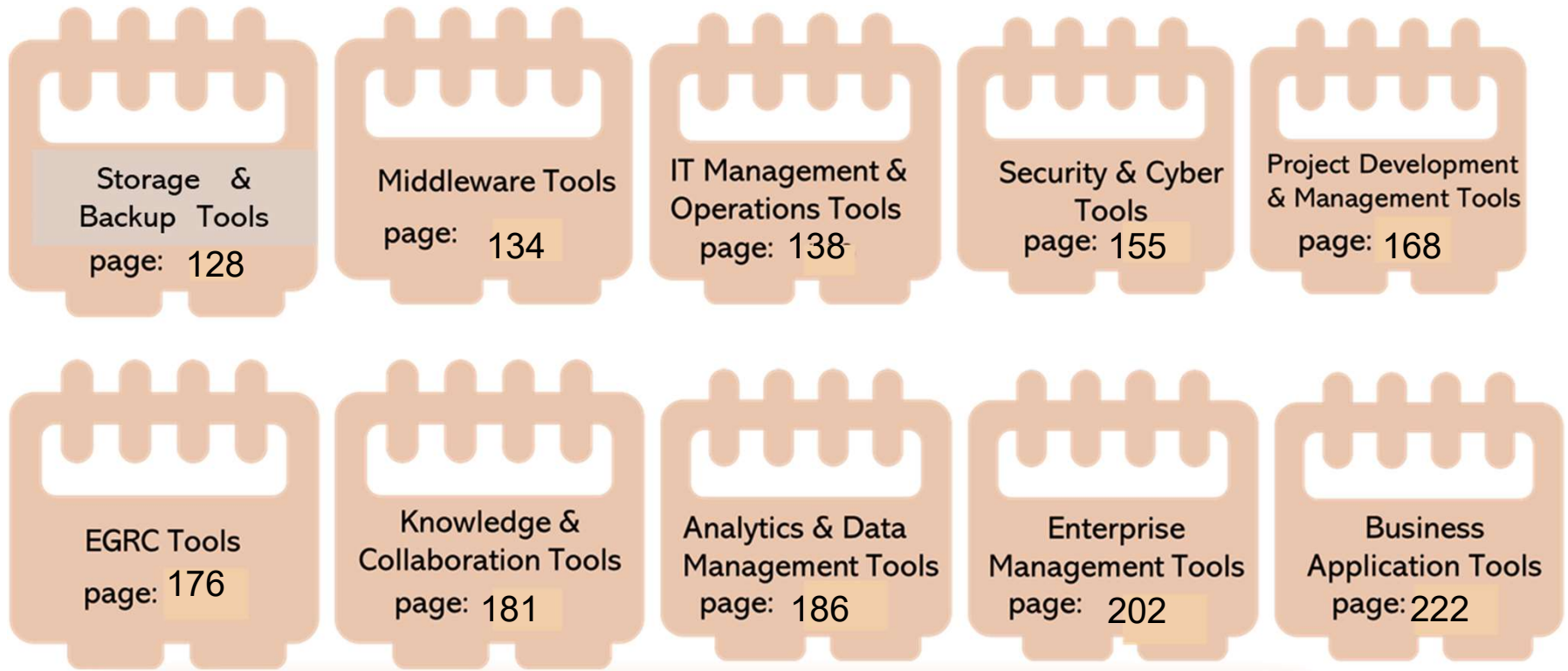
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# SOFTWARE CATEGORIES



rankings are based partly on new projects, new names and market penetration growth

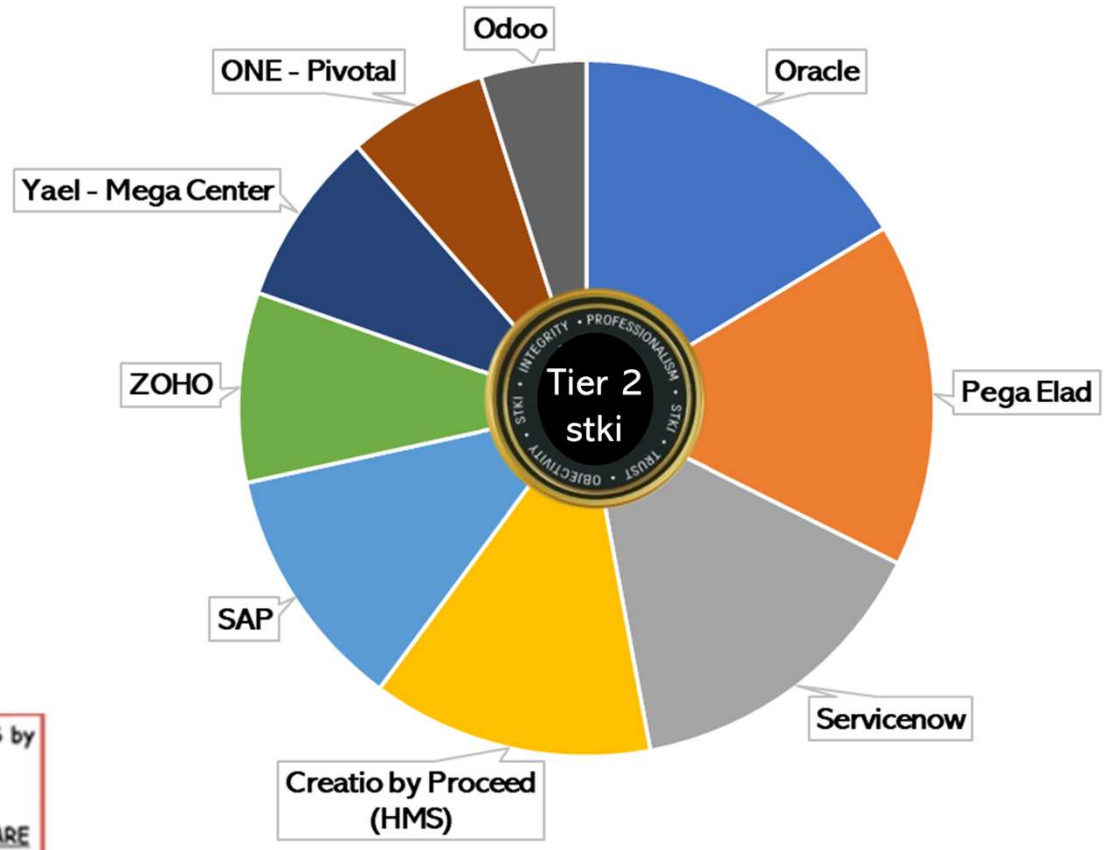
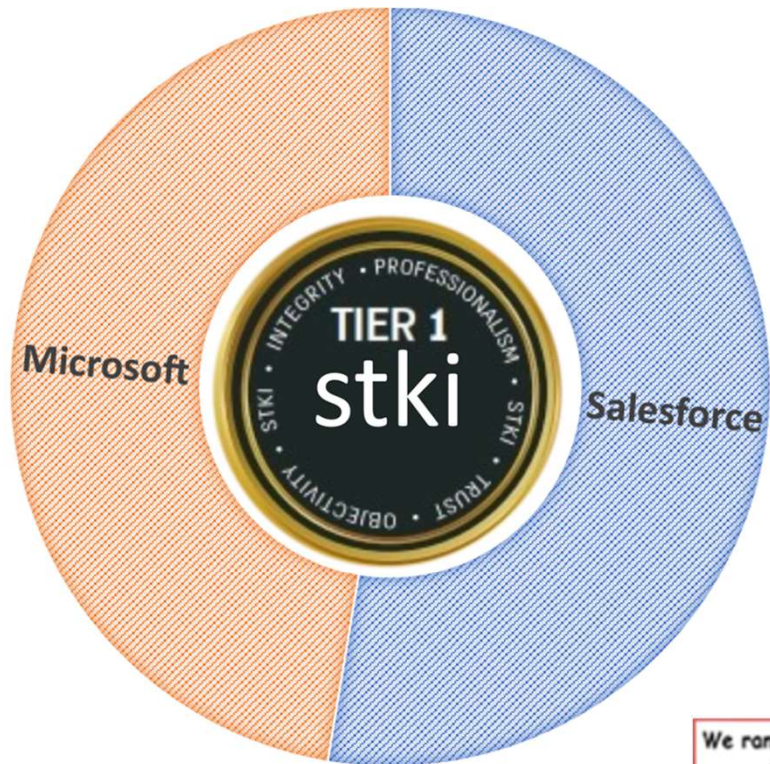


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# EXAMPLE: CRM Applications



We rank VENDORS by  
REVENUE  
and  
CLIENT MINDSHARE



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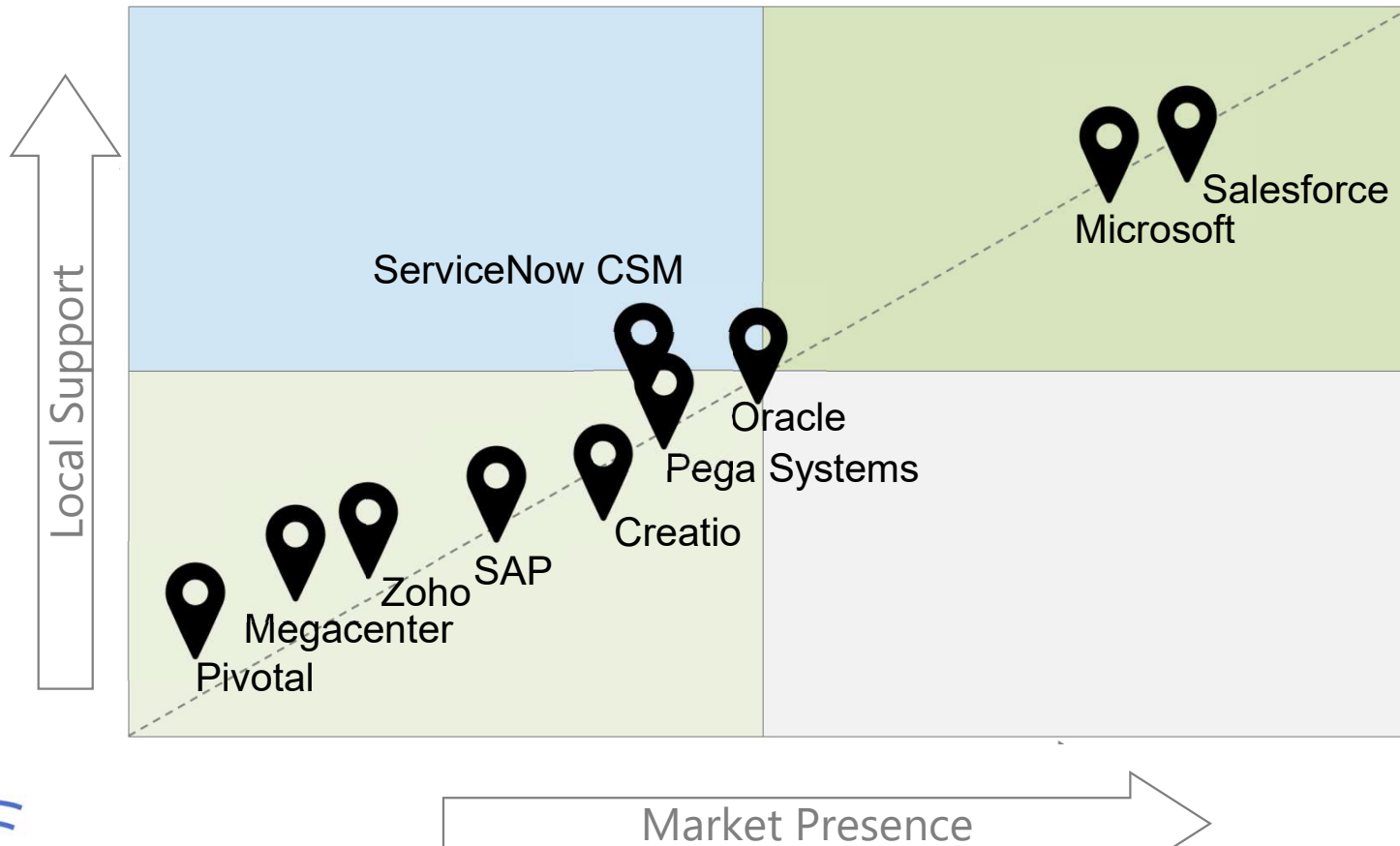


# CRM Platforms 2024

Presence & Support in Israel



Odoo  
Freshworks  
Oro CRM



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## CRM Packages (embedded AI) in Israel - Part 1:

Package	Israel rep.	Integrators	Embedded AI
Oracle Sales & Service Cloud	Oracle Israel	Oracle Consulting, Yael, one, Deloitte	AI for CX
Oracle – Siebel		Yael, TCS, Matrix	
Oracle - Peoplesoft		Matrix	
Salesforce	Salesforce Israel	AllCloud, Elad Yael (Cloudtech), iClou dius, one, Accenture, Delloite, Malam-Team, Accenture, MYND, Matrix, EMET WeDo, abra, Aman-Asperi, PWC	Einstein AI Einstein co-pilot
Microsoft CRM 365	Microsoft Israel	Elad, Matrix, Malam-Team, Hilan-Ness, abra, Biz Aid, Softpro, MYND	Dynamics 365 Co-Pilot
ServiceNow CSM Service and Sales/OM	ServiceNow	one (Dicomano), Ness TSG, Bizflow, Bynet, Deloitte, Thirdera	Now Platform



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## CRM Packages in Israel - Part 2:

Package	Israeli Rep.	Integrators
SAP CM (Customer Mng) S4	SAP Israel	abra, Malam-Team, AKT, one
SAP Service and Sales Cloud V2		abra, SAP services
MEGA Center	Yael	Yael
Pivotal	one	one
Odoo	Lalynetech	Lalynetech
Freshworks	Malam-Team	Malam-Team, Matrix
Oro	abra	abra
Pega	Elad	Elad
Creatio	Proceed (HMS)	Proceed (HMS), Shita
Hubspot CRM		
Zoho CRM		Tamayo, Holistic



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# Multi Channel Platforms

Package	Israeli Rep.	Integrators	
Twilio	Aman, I.E Mittwoch	Aman, I.E Mittwoch	CPaaS
Vongae (Nexmo)		KPMG Edge	
Commbbox	Commbbox	Commbbox PS	Standalone multi channel
7Twenty	7Twenty	Matrix	
Glassix	Consist	Consist, Elad, Matrix	
99Digital	99Digital	99Digital, Bynet - Partner	
Consolto		Matrix	
Simplechat* (for Microsoft CRM on premise)	Elad	Elad	Part of CRM
Microsoft Multi Channel	Microsoft Israel	Matrix, Elad, abra, Biz Aid, Malam- Team	
Salesforce Digital Engagement	Salesforce Israel	one, Aman Asperi, Elad...	



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# Israel

## Value Added Services Markets 2024 "vendor rankings"



Dr. Jimmy Schwarzkopf



Galit Fein



Einat Shimoni



Pini Cohen



Reut Shefer Bar



GenAI Analyst

rankings are based partly on new projects, new names and market penetration growth

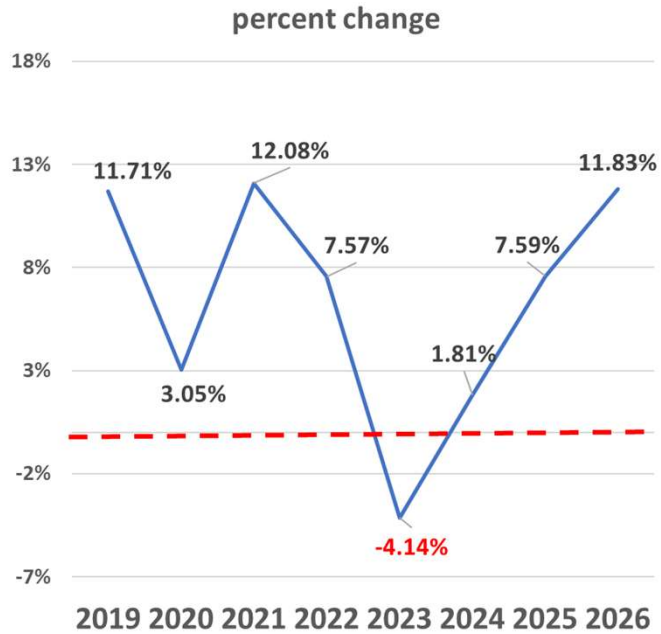
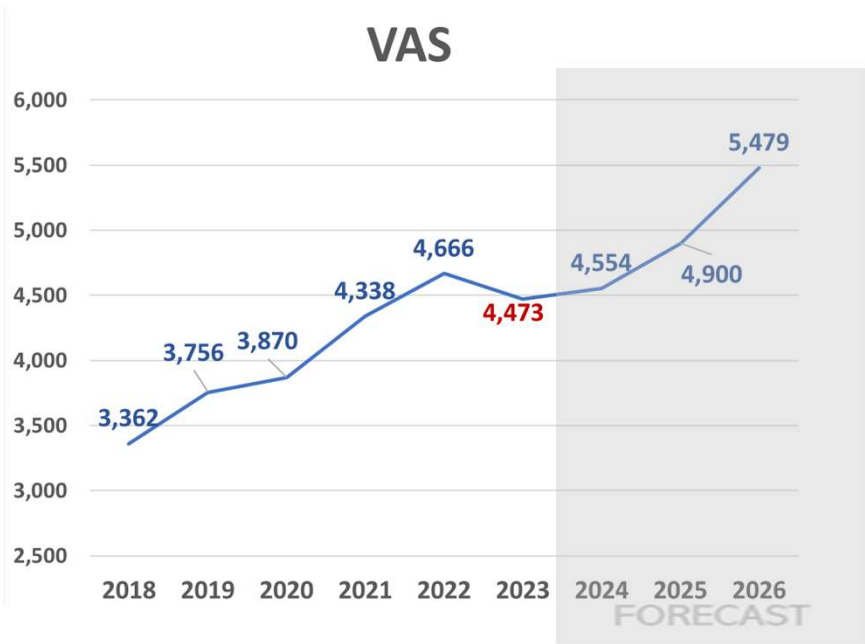
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# Value Added Services Market 2018-2026



Values in Million USD

2018	2019	2020	2021	2022	2023	2024	2025	2026
\$3,362.00	\$3,756.00	\$3,870.00	\$4,338.00	\$4,666.00	\$4,473.00	\$4,554.00	\$4,900.00	\$5,469.00
	11.71%	3.05%	12.08%	7.57%	-4.14%	1.81%	4.59%	11.64%



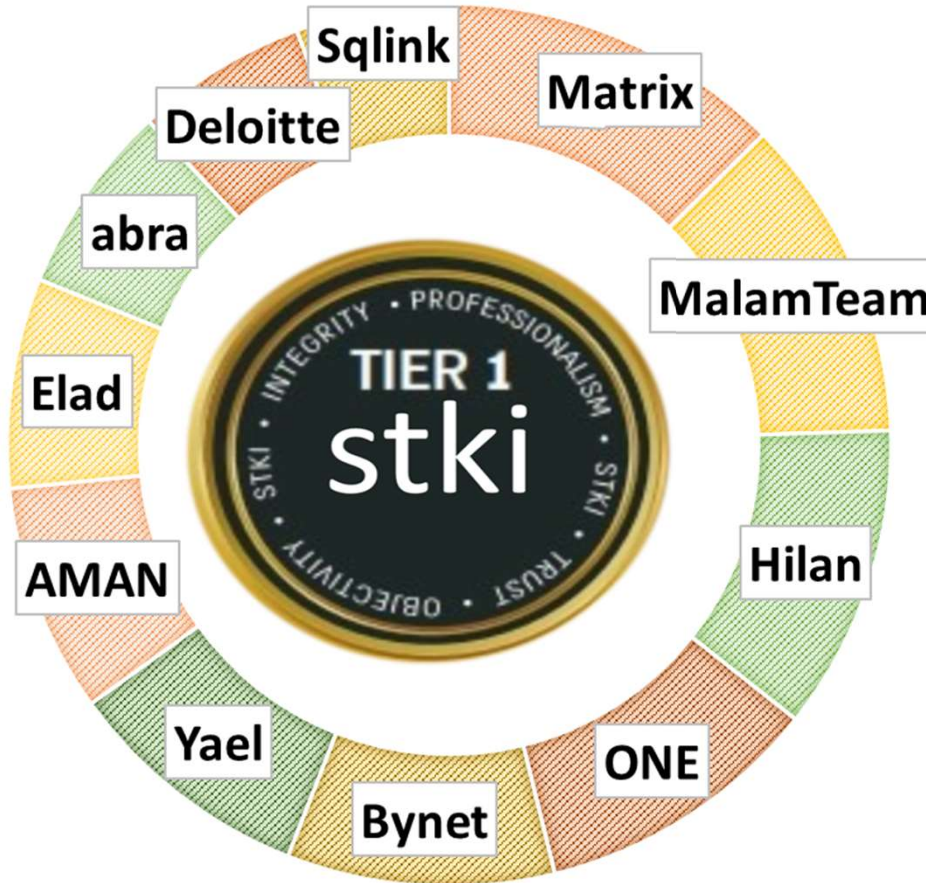
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# TOP VENDORS: Value-Added Services Markets



We rank VENDORS by  
REVENUE  
and  
CLIENT MINDSHARE



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# VAS CATEGORIES

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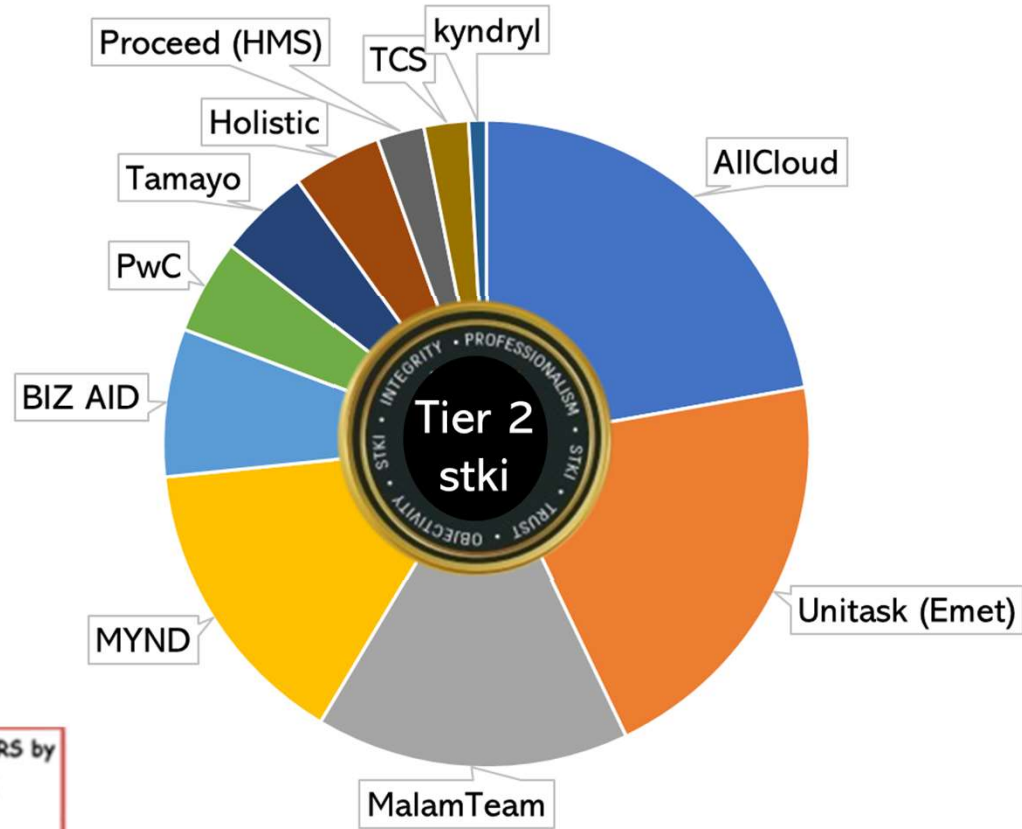
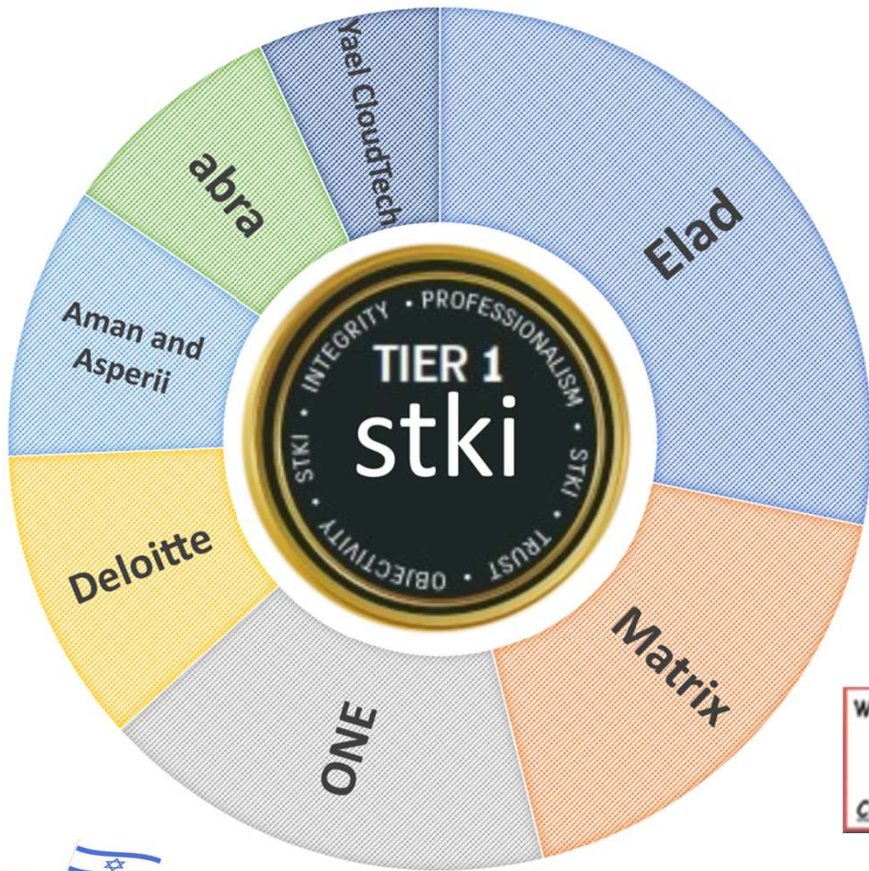


rankings are based partly on new projects, new names and market penetration growth f graph

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# CRM Implementations



We rank VENDORS by  
**REVENUE**  
 and  
**CLIENT MINDSHARE**





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