



Life Sciences Big Data and Analytics IT Services – Service Provider Landscape with PEAK Matrix™ Assessment 2015

Healthcare & Life Sciences IT
Market Report: September 2015 – Preview deck

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▶ BFSI¹ Business Process

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▶ Transaction Intelligence

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- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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Corporate Headquarters

Office: +1-214-451-3000

info@everestgrp.com



European Headquarters

Office: +44-207-129-1318

unitedkingdom@everestgrp.com

¹ Banking, financial services, and insurance

Background and scope of the research

Background of the research

The healthcare landscape has been subject to significant turbulence on account of a gamut of factors including escalating costs, widespread regulatory amendments, changing business models, and evolution of the patient-centric paradigm (with mobile computing, social media platforms, and “anytime-anywhere” information access). This combination of disruptive and legacy factors has driven healthcare firms to adopt new technologies, and at the same time revamp their existing systems, processes, and interfaces.

As the technology mandate for healthcare enterprises evolves, so do their relationships with IT service providers. This, in turn, is driving the need for relevant research and market intelligence on demand and supply trends in healthcare outsourcing across the three major market segments – payer, provider, and life sciences. Everest Group’s Healthcare and Life Sciences (HLS) IT research program addresses this market’s requirement by analyzing outsourcing trends and service provider capabilities specific to HLS IT.

In this report, we analyze the capabilities of 18 IT service providers specific to big data and analytics services in the global life sciences space. These service providers are mapped on the Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix, which is a composite index of a range of distinct metrics related to a provider’s capability and market success. We focus on:

- The landscape of service providers for big data and analytics IT services in the life sciences space
- Assessment of the service providers on a number of capability-related dimensions
- Characteristics of Leaders, Major Contenders, and Aspirants on the Everest Group PEAK Matrix
- Implications for life sciences IT buyers and service providers


Scope of this report

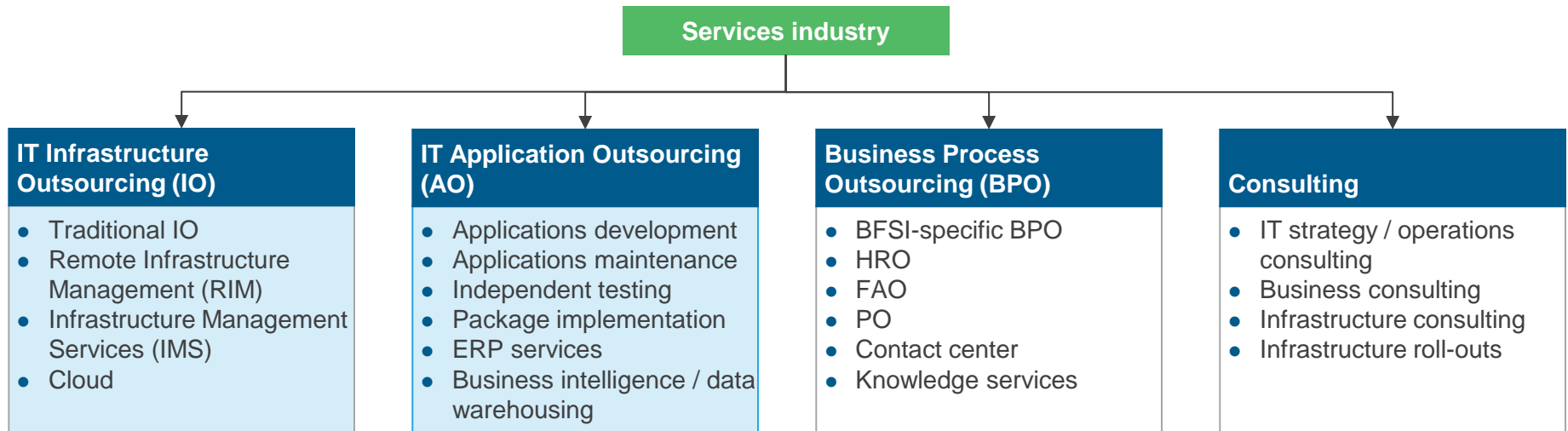
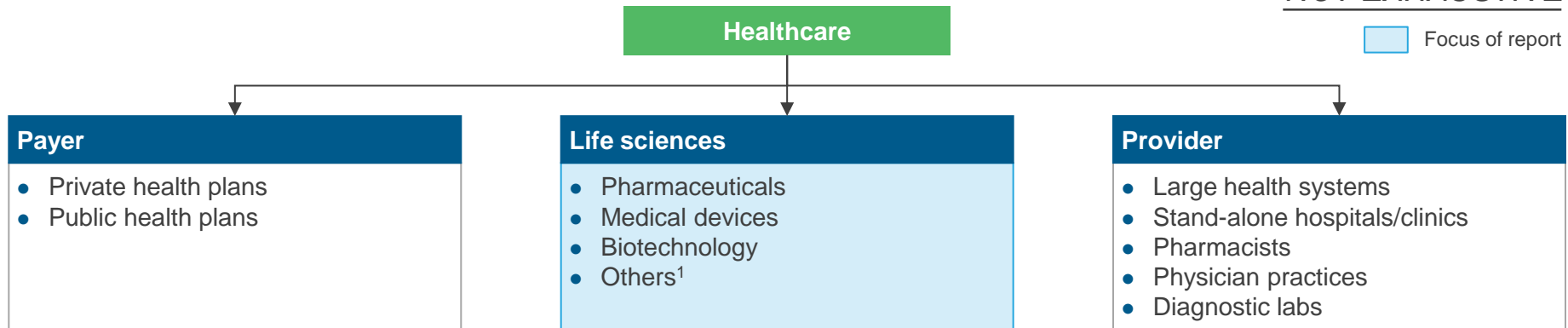
- **Industry:** Life sciences (pharmaceuticals, medical devices, biotechnology, and other life sciences¹)
- **Services:** Big data and analytics services
- **Geography:** Global
- **Sourcing model:** Third-party IT transactions; excludes shared services or Global In-house Centers (GICs)

¹ Includes healthcare data & information services and medical products distribution

This report examines the service provider landscape for large annuity contracts in the life sciences IT market

NOT EXHAUSTIVE

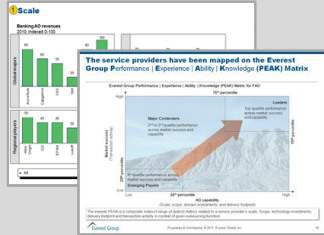
 Focus of report



¹ Includes healthcare data & information services and medical products distribution

This report is a part of Everest Group's series of reports focused on ITO in healthcare in 2015

Annual report



- Each report provides an overview of the ITO market for the specific healthcare subsegment
- Analysis includes the following content in the specific healthcare subsegment:
 - Trends in ITO in the overall healthcare industry
 - Market trends and activity for large ITO relationships
 - Emerging themes driving ITO
 - Future outlook for ITO

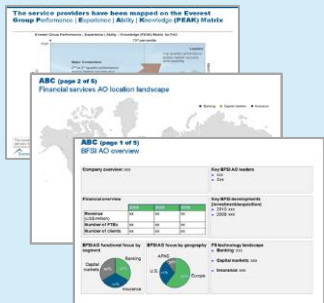
Focus of report

Payer

Life sciences

Provider

Service provider landscape and capability profiles



This set of reports is focused on key healthcare subsegments, and some crucial processes / value chain elements for the subsegments
Each report provides

- Mapping of service providers on **Everest Group's PEAK Matrix**
- Capability profiles of service providers capturing their ITO services experience. This includes:
 - Service provider overview: Details of ITO services capabilities, key investments, proprietary solutions, and technological expertise
 - Functional / Line of Business (LoB) focus
 - Transactions overview for ITO services
 - Delivery footprint

Payer

- Global ITO
- Big data & analytics
- Digital services
- Care management & patient engagement

Life sciences

- Global ITO
- Life sciences in Europe
- Big data and analytics
- Digital services
- Clinical and R&D services

Provider

- Global ITO

Everest Group's healthcare outsourcing research is based on two key sources of proprietary information

1

- Everest Group's proprietary database of 1,000+ large, multi-year IT contracts within healthcare (updated annually)
- The database tracks the following elements of each large IT relationship:
 - Buyer details including industry, size, and signing region
 - Contract details including TCV, ACV, term, start date, service provider FTEs, and pricing structure
 - Activity broken down separately for healthcare payer, life sciences, provider, and by business subsegment (for example, pharmaceuticals and medical devices)
 - Scope coverage of functional activities and buyer geography
 - Global sourcing leverage including delivery locations and level of offshoring

2

- Everest Group's proprietary database of **operational capability of major healthcare and life sciences IT service providers** (updated annually)
- The database tracks the following capability elements for each service provider:
 - Overall revenue, total employees, and healthcare employees
 - Major healthcare IT clients and recent wins
 - Recent healthcare-related developments
 - Healthcare IT delivery locations
 - Healthcare IT service suite
 - Domain capabilities, proprietary solutions, and intellectual property investments

Service providers covered in the analysis



Note: Assessment for Accenture, Capgemini, CSC, Deloitte, NTT Data, IBM, and Teradata excludes service provider inputs on this particular study, and is based on Everest Group's estimates which leverage Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage of Accenture, Capgemini, CSC, Deloitte, NTT Data, IBM, and Teradata, service provider public disclosures, and interaction with buyers

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information that is contract-specific, will be presented back to the industry only in an aggregated fashion

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Overview and abbreviated summary of key messages

This report provides a comprehensive assessment of the service provider landscape for big data and analytics IT services in the life sciences industry, and maps the leading service providers on Everest Group's PEAK Matrix. It also includes segment-wise analysis incorporating enterprises' feedback about service providers.

Some of the findings in this report, among others are:

PEAK Matrix for life sciences big data and analytics IT services

- Analysis of the service provider landscape for life sciences big data and analytics IT leveraging Everest Group's PEAK Matrix reveals three distinct categories: Leaders, Major Contenders, and Aspirants
- One in every four life sciences transactions has an element of big data and analytics in scope, primarily as an add-on scope. Majority of such deals revolve around conventional analytics services such as data warehousing and basic reporting
- North America and Europe account for over 90% of the life sciences big data and analytics contracts. Activity in Asia Pacific is confined to the Japanese pharma cluster
- In terms of value chain adoption, sales and marketing is the key area of big data and analytics adoption within life sciences, followed by manufacturing and operations
- The average life sciences big data and analytics IT revenue of Leaders is over three times that of Major Contenders

Implications for key stakeholders

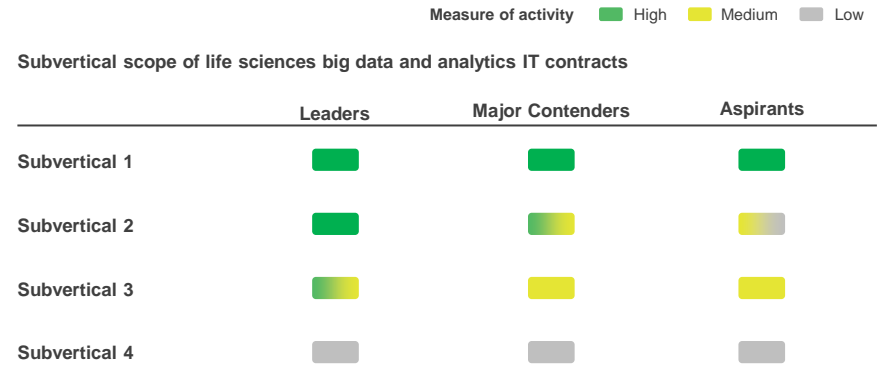
- Life sciences stakeholders need to drive their big data and analytics initiatives with specific business outcomes in mind
- Big data and analytics investments by life sciences firms should evolve beyond streamlining of sales & marketing to cater to optimization of internal operations
- IT service providers should explore big data and analytics opportunities among incumbent AO/IO clients. They should strive to extend capabilities beyond traditional data management / reporting to drive high value analytics engagements
- Service providers should engage with "non-CIO" buying centers (COO/CMO/CPO/CDO) to demonstrate enterprise-wide value of big data and analytics

This study provides a deep dive into the life sciences big data and analytics IT service provider landscape; below are few charts to illustrate the depth of the report

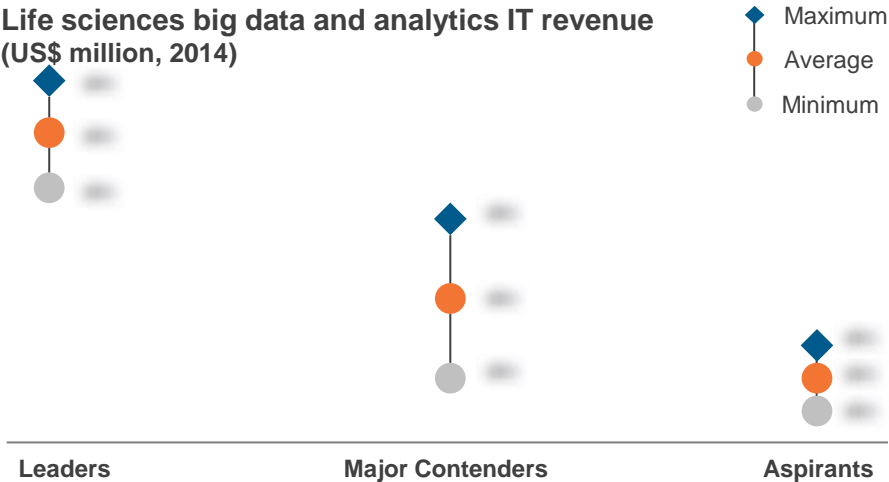
Drivers of life sciences big data and analytics adoption



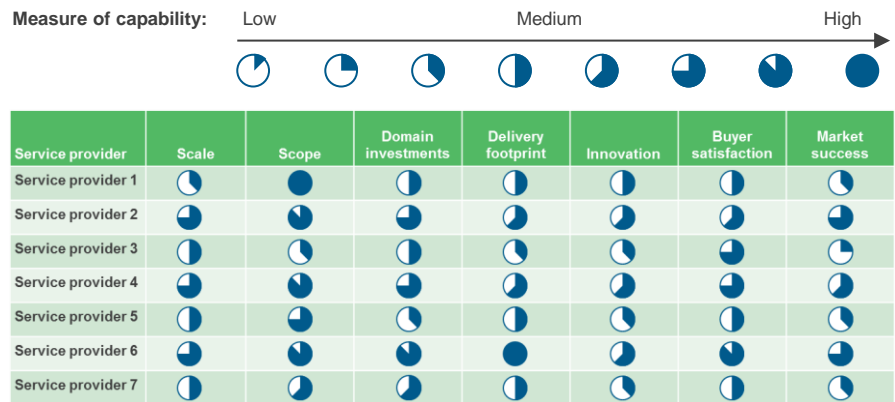
Big data and analytics IT transaction activity in different life sciences subsegments



Life sciences big data and analytics IT revenue (US\$ million, 2014)



PEAK Matrix assessment of service providers



Source: Everest Group (2015)

Healthcare & Life Sciences research calendar

Topic	Published	Current	Release date
State of the Healthcare ITO Market: 2015 - Decoding the Winds of Change	Published		March 2015
State of the Life Sciences IT Market: 2015 - Comprehending the Elements of Change in the Life Sciences IT Landscape	Published		May 2015
IT Outsourcing in the Life Sciences Industry – Service Provider Landscape with PEAK Matrix™ Assessment 2015	Published		June 2015
IT Outsourcing in Life Sciences – European Service Provider Landscape with PEAK Matrix™ Assessment 2015	Published		July 2015
IT Outsourcing (ITO) in the Life Sciences Industry – Annual Report 2015: Integrated Services Strategy in the Age of Digital	Published		July 2015
IT Outsourcing in Life Sciences: Digital – Service Provider Landscape with PEAK Matrix™ Assessment 2015	Published		July 2015
IT Outsourcing in Life Sciences: Big Data and Analytics – Service Provider Landscape with PEAK Matrix™ Assessment 2015		Current	September 2015
IT Outsourcing in Life Sciences: Clinical and R&D Services – Service Provider Landscape with PEAK Matrix™ Assessment 2015			Q3 2015
IT Outsourcing in Healthcare Payer Industry – Service Provider Landscape with PEAK Matrix™ Assessment 2015			Q3 2015
IT Outsourcing in Healthcare Payer Industry: Digital – Service Provider Landscape with PEAK Matrix™ Assessment 2015			Q3 2015
IT Outsourcing in the Healthcare Payer Industry – Annual Report 2015			Q3 2015
mHealth: Consumers take the steering wheel			Q3 2015
IT Outsourcing in Healthcare Payer Industry: Big Data and Analytics – Service Provider Landscape with PEAK Matrix™ Assessment 2015			Q3 2015
IT Outsourcing in the Life Sciences Industry – Service Provider Profile Compendium 2015			Q3 2015
IT Outsourcing in Healthcare Payer Industry: Care Management & Patient Engagement – Service Provider Landscape with PEAK Matrix™ Assessment 2015			Q4 2015
IT Outsourcing in Healthcare Provider Industry – Service Provider Landscape with PEAK Matrix™ Assessment 2015			Q4 2015
IT Outsourcing in Healthcare Provider Industry – Annual Report 2015			Q4 2015

Additional Healthcare & Life Sciences research references

The following documents are recommended for additional insight on the topic covered in this report. The recommended documents either provide additional details on the topic or complementary content that may be of interest

- 1. IT Outsourcing in Life Sciences Industry – Service Provider Landscape with PEAK Matrix™ Assessment 2015**
([EGR-2015-12-R-1469](#)); 2015: In this report, we analyze the capabilities of 20 leading ITO service providers specific to the global life sciences sector. These service providers are mapped on the Everest Group PEAK Matrix, which is a composite index of a range of distinct metrics related to a service provider's capability and market success.
- 2. IT Outsourcing (IT) in European Life Sciences Industry – Service Provider Landscape with PEAK Matrix™ Assessment**
([EGR-2015-12-R-1500](#)); 2015. This report provides a comprehensive assessment of the service provider landscape for IT outsourcing (ITO) services in the European life sciences industry. It maps 15 leading service providers on the Everest Group PEAK Matrix, which is a composite index of a range of distinct metrics related to a service provider's capability and market success. The report also provides an overview of the global healthcare ITO market and the European life sciences market; along with key factors driving the IT spend for European life sciences firms.
- 3. Life Sciences Digital IT Services – Service Provider Landscape with PEAK Matrix™ Assessment 2015: Scaling the Next Frontier**
([EGR-2015-12-R-1512](#)); 2015. In this report, we analyze the capabilities of 15 IT service providers specific to the global life sciences digital space. These service providers are mapped on the Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix, which is a composite index of a range of distinct metrics related to a provider's capability and market success.

For more information on this and other research published by Everest Group, please contact us:

Jimit Arora, Vice President:

jimit.arora@everestgrp.com

Abhishek Singh, Practice Director:

abhishek.singh@everestgrp.com

Nitish Mittal, Senior Analyst:

nitish.mittal@everestgrp.com

Mayank Maria, Analyst:

mayank.maria@everestgrp.com

Website: www.everestgrp.com | Phone: +1-214-451-3000 | Email: info@everestgrp.com



About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com and research.everestgrp.com.

Dallas (Headquarters)

info@everestgrp.com
+1-214-451-3000

New York

info@everestgrp.com
+1-646-805-4000

Toronto

canada@everestgrp.com
+1-647-557-3475

London

unitedkingdom@everestgrp.com
+44-207-129-1318

Delhi

india@everestgrp.com
+91-124-284-1000

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