

# **Digital Services – PEAK Matrix™ Assessment and Market Trends: “Is Digital the New Normal?”**

Application & Digital Services  
Market Report – September 2016 – Preview Deck

# Our research offerings for global services

## ▶ Market Vista™

Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available

## ▶ BFSI<sup>1</sup> Information Technology

## ▶ PricePoint™

## ▶ BFSI<sup>1</sup> Business Process

## ▶ Finance & Accounting

## ▶ Healthcare & Life Sciences ITS

## ▶ Procurement

## ▶ Healthcare & Life Sciences BPS

## ▶ Human Resources

## ▶ Application & Digital

## ▶ Recruitment & Talent Acquisition

## ▶ Cloud & Infrastructure

## ▶ Contact Center

## ▶ Global Sourcing

## ▶ Service Optimization Technologies

## ▶ Locations Insider™

## ▶ Transaction Intelligence

## Custom research capabilities

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

## Subscription information

- This full report is included in the following subscription(s)
  - **Application and Digital Services**
- In addition to published research, a subscription may include analyst inquiry, data cuts, and other services
- **If you want to learn whether your organization has a subscription agreement or request information on pricing and subscription options, please contact us**



### Corporate Headquarters

Office: +1-214-451-3000

[info@everestgrp.com](mailto:info@everestgrp.com)



### European Headquarters

Office: +44-207-129-1318

[unitedkingdom@everestgrp.com](mailto:unitedkingdom@everestgrp.com)

<sup>1</sup> Banking, financial services, and insurance

# Table of contents (page 1 of 2)

---

Topic	Page no.
Introduction and overview	5
Section I: Digital services market trends	9
Section II: PEAK Matrix for digital services	29
Section III: Profiles of digital services providers	42
• Accenture	43
• Atos	46
• Capgemini	49
• CGI	52
• Cognizant	55
• CSC	58
• Dell Services	61
• EPAM	64
• HCL Technologies	67
• IBM	70
• Infosys	73
• L&T Infotech	76
• Luxoft	79

# Table of contents (page 2 of 2)

---

Topic	Page no.
<b>Section III: Profiles of digital services providers (continued)</b>	
• Syntel .....	82
• TCS .....	85
• Tech Mahindra .....	88
• VirtusaPolaris .....	91
• Wipro .....	94
<b>Appendix</b> .....	<b>97</b>
• Glossary of key terms .....	98
• Applications and digital services research calendar .....	100
• References .....	101

# Background of the research

---

## Background of the research

- Enterprises are challenged by intensifying competition, uncertain macroeconomic environment, digital-savvy nimble firms, and ever-increasing demands of digital-native consumers. They are leveraging digital technologies to not only tackle these challenges, but also stay ahead of the competition, both current and potential
- Responding to enterprise priorities, service providers are rapidly ramping up their digital services portfolio. They have invested in acquiring newer capabilities, realigning their workforce, and developing contextualized solutions to help enterprises in their digital transformation efforts
- In this research, we present the assessment and detailed profiles of 18 IT service providers featured on the digital services PEAK Matrix. Each service provider profile provides a comprehensive picture of its service focus, key Intellectual Property (IP)/solutions, domain investments, and recent developments
- The assessment is based on Everest Group's annual RFI process for the calendar year 2016, interacting with leading digital services service providers (including product development specialists), client reference checks, and analysis of the digital services market

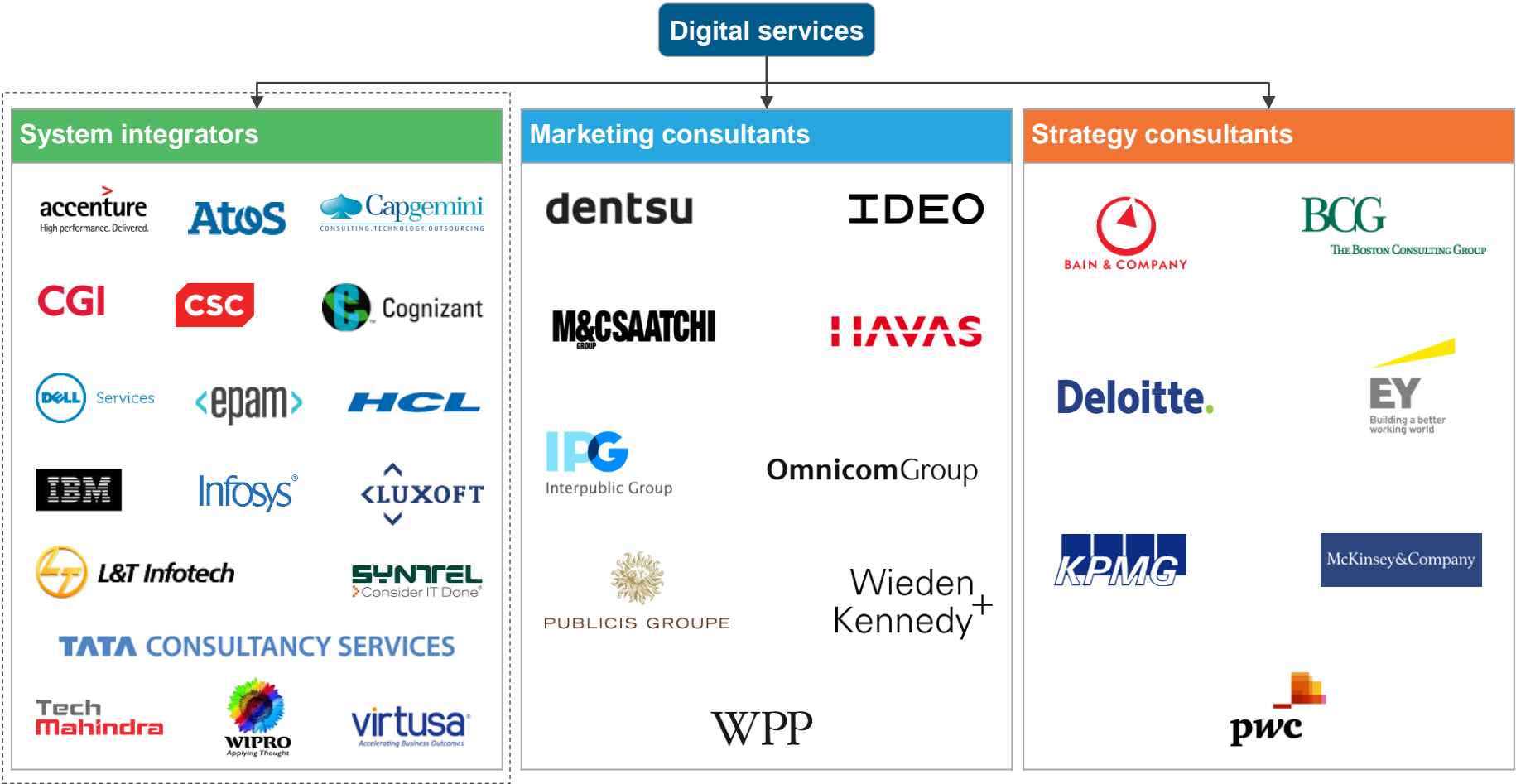
## Scope of this report

- **Services:** Digital services
- **Geography:** Global
- **Service providers:** 18 leading IT service providers

## This report includes the profiles of the following 18 service providers featured on the digital services PEAK Matrix:

- **Leaders:** Accenture, Cognizant, IBM, and TCS
- **Major Contenders:** Atos, Capgemini, CGI, CSC, Dell Services, HCL Technologies, Infosys, L&T Infotech, Tech Mahindra, VirtusaPolaris, and Wipro
- **Aspirants:** EPAM, Luxoft, and Syntel

# The scope of this research includes the native system integrators with a digital portfolio



Scope of research

# XYZ | Digital services profile (page 1 of 3)

## Digital services overview

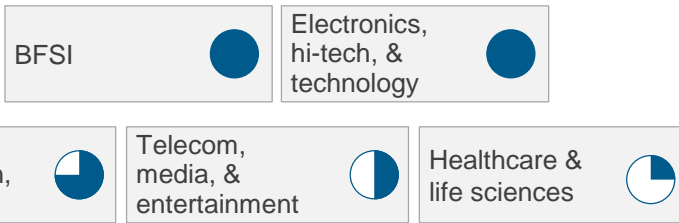
### Strengths

- XYZ's core engineering heritage and strong product development background give it the foundations to tackle large engagements
- Its product development methodologies, combined with its growing consulting and design practices, hold it in good stead

**Overview of digital services practice:** Experience design, product service strategy, applied data analytics, mobile platforms, commerce platforms, digital marketing, digital engagement, digital design, game design, etc.

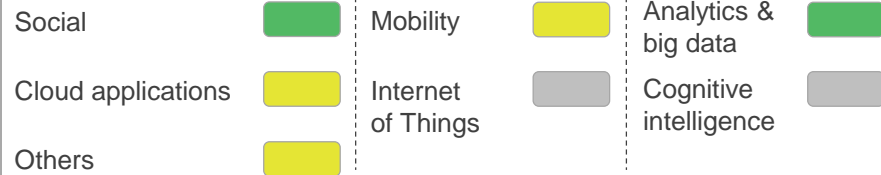
### Digital services: Top 5 industries

● >20% ● 15-20% ● 10-15% ● <10%



### Digital services revenue by segment

■ >25% ■ 10-25% ■ <10%

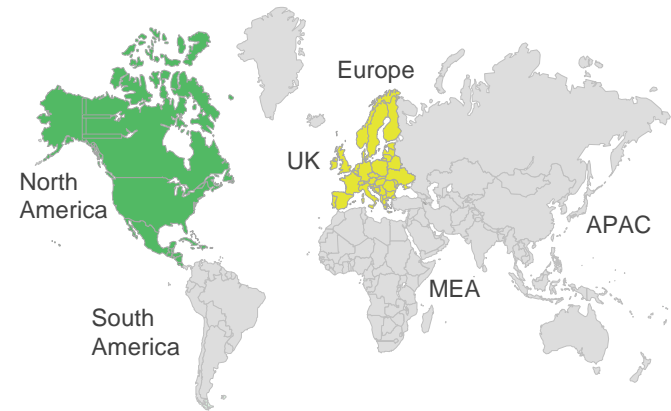


### Areas of improvement

- XYZ should aggressively target mega buyers to win larger deals. It should enhance its delivery footprint beyond its nearshore base to be competitive on larger deals
- It should also invest in thought leadership and push its sales & marketing efforts to increase brand visibility beyond key accounts

### Digital services revenue by geography

■ >25% ■ 10-25% ■ <10%



### Digital services revenue by buyer size

■ >50% ■ 20-50% ■ <20%



Source: Everest Group (2016)

# XYZ | Digital services profile (page 2 of 3)

## Digital services solutions and co-innovation labs

Vision: XYZ's vision is to lead the global platform engineering services segment among top-tier global and regional technology services providers.

### Digital services – proprietary solutions (representative list)

Solution	Details
Solution 1	Platform that allows for easy integration and management of various specific digital assets, as well as evaluation and tracking of business applications.
Solution 2	Cloud-based analytics platform for marketing applications, designed to help companies gain insights into customer behavior and optimize their digital marketing strategies.
Solution 3	Platform that allows for easy integration and management of various specific digital assets, as well as evaluation and tracking of business applications.
Solution 4	Cloud-based analytics platform for marketing applications, designed to help companies gain insights into customer behavior and optimize their digital marketing strategies.
Solution 5	Platform that allows for easy integration and management of various specific digital assets, as well as evaluation and tracking of business applications.

### Design studios / co-innovation labs (representative list)

Location	Details
Multiple locations worldwide	<ul style="list-style-type: none"> <li>Offering a variety of design studios and co-innovation labs across the globe, including in the U.S., Europe, and APAC.</li> <li>Each studio is designed to help clients explore new digital marketing strategies and optimize their digital marketing efforts.</li> <li>Services include: user experience (UX) design, content strategy, social media strategy, mobile app development, and digital marketing.</li> <li>Each studio is staffed with a mix of digital marketing and design professionals.</li> <li>Each studio is designed to be a hub for digital marketing and design innovation.</li> <li>Each studio is designed to be a hub for digital marketing and design innovation.</li> </ul>

Source: Everest Group (2016)





# XYZ | Digital services profile (page 3 of 3)

## Digital services investments and partnerships

### Digital services investments (representative list)

Investment theme	Details
Theme 1	<ul style="list-style-type: none"> <li>Framework that allows for easy categorization and management of portal specific digital assets, as well as localization and branding of frequently applications</li> <li>Framework that allows for easy categorization and management of portal specific digital assets, as well as localization and branding of frequently applications</li> <li>Framework that allows for easy categorization and management of portal specific digital assets, as well as localization and branding of frequently applications</li> </ul>
Theme 2	<ul style="list-style-type: none"> <li>Framework that allows for easy categorization and management of portal specific digital assets, as well as localization and branding of frequently applications</li> <li>Framework that allows for easy categorization and management of portal specific digital assets, as well as localization and branding of frequently applications</li> </ul>

### Digital services partnerships (representative list)

Partner name	Details
Partner 1	<ul style="list-style-type: none"> <li>Framework that allows for easy categorization and management of portal specific digital assets, as well as localization and branding of frequently applications</li> </ul>
Partner 2	<ul style="list-style-type: none"> <li>Framework that allows for easy categorization and management of portal specific digital assets, as well as localization and branding of frequently applications</li> </ul>
Partner 3	<ul style="list-style-type: none"> <li>Framework that allows for easy categorization and management of portal specific digital assets, as well as localization and branding of frequently applications</li> </ul>

### Recent activities (representative list)

Activity
Framework that allows for easy categorization and management of portal specific digital assets, as well as localization and branding of frequently applications

Source: Everest Group (2016)

# Application and digital services research calendar

■ Published
 ■ Current

Topic	Release date
The Agile Journey: Following Agile to Being Agile .....	May 2015
North America Digital Adoption Survey – How Pervasive is your Digital strategy? .....	August 2015
Digital Services – PEAK Matrix™ Assessment and Profile Compendium 2015 .....	November 2015
European Digital Adoption Survey – Is Your Digital Strategy Plateauing? .....	December 2015
BFSI Digital Adoption Trends – The Investment Enigma for BFSI Enterprises: Where to Invest? .....	March 2016
SaaS Implementation Services – Market Trends and PEAK Matrix™ Assessment & Profiles Compendium .....	March 2016
Healthcare & Life Sciences Digital Adoption Trends – Digital Adoption Driven by Consumerization of Healthcare .....	April 2016
Application Services – Annual Report 2016: “No DevOps No Digital” .....	May 2016
Independent Testing Services - Market update and PEAK Matrix™ Assessment & Profile Compendium 2016 .....	June 2016
Digital Services – PEAK Matrix™ Assessment and Market Trends: “Is Digital the New Normal?” .....	September 2016
IoT Services – Market update and PEAK Matrix™ Assessment & Profile Compendium 2016 .....	Q4 2016
IT Application Services Automation .....	Q4 2016

# Additional research recommendations

---

The following documents are recommended for additional insight into the topic covered in this research. These documents either provide additional details, or complementary content which may be of interest

1. **Creating Enterprise Wealth with IoT:** ([EGR-2016-4-V-1867](#)); 2016. Enterprises may adopt IoT across all categories depending on their industry and capabilities, and not restrict benefits from only one of them. However, for most enterprises, the value from such a multi-pronged, segregated IoT adoption may not exploit the wealth generation to the fullest. This report examines the rationale behind IoT adoption and the different moving parts of the enterprise for each category
2. **Application Services – Annual Report 2016: “No DevOps No Digital”:** ([EGR-2016-4-R-1770](#)); 2016. This annual research delves into the application services landscape to provide data-driven facts and perspectives on the market. It covers AS adoption trends, demand drivers, and enterprise challenges with iterative methodologies such as Agile and DevOps. The research also analyzes market trends across geographies, industries, and buyer sizes, and provides an outlook for 2016-2017

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

**Chirajeet Sengupta**, Vice President:

[chirajeet.sengupta@everestgrp.com](mailto:chirajeet.sengupta@everestgrp.com)

**Yugal Joshi**, Practice Director:

[yugal.joshi@everestgrp.com](mailto:yugal.joshi@everestgrp.com)

**Gunjan Gupta**, Practice Director:

[gunjan.gupta@everestgrp.com](mailto:gunjan.gupta@everestgrp.com)

**Siddharth Muzumdar**, Senior Analyst:

[siddharth.muzumdar@everestgrp.com](mailto:siddharth.muzumdar@everestgrp.com)

**Sivaram S**, Senior Analyst:

[sivaram.s@everestgrp.com](mailto:sivaram.s@everestgrp.com)

**Alisha Mittal**, Senior Analyst:

[alisha.mittal@everestgrp.com](mailto:alisha.mittal@everestgrp.com)

Website: [www.everestgrp.com](http://www.everestgrp.com) | Phone: +1-214-451-3000 | Email: [info@everestgrp.com](mailto: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 [everestgrp.com](http://everestgrp.com).

### Dallas (Headquarters)

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

### Bangalore

india@everestgrp.com  
+91-804-276-4533

### Delhi

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

### London

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

### New York

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

### Toronto

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

## Stay connected

### Website



[www.everestgrp.com](http://www.everestgrp.com)

### Social Media



@EverestGroup



@Everest Group

### Blog

[Sherpas In Blue Shirts](http://www.sherpasinblueshirts.com)

[www.sherpasinblueshirts.com](http://www.sherpasinblueshirts.com)