Network Transformation and Managed Services PEAK Matrix™ Assessment 2020: Transform your Network or Lie on the Legacy Deathbed

Cloud & Infrastructure Services (CIS)
Market Report – December 2019: Complimentary Abstract / Table of Contents

EGR-2019-29-CA-3450

Our research offerings for global services

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

Application Services	Human Resources
BPS | Banking & Financial Services	ITS | Banking & Financial Services
BPS | Healthcare & Life Sciences	ITS | Healthcare
BPS | Insurance	ITS | Insurance
Catalyst™	IT Services Executive Insights™
Cloud & Infrastructure	ITS | Life Sciences
Customer Experience Management Services	Locations Insider™
Data & Analytics	PricePoint™
Digital Services	Procurement
Engineering Services	Recruitment & Talent Acquisition
Enterprise Platform Services	Service Optimization Technologies
Finance & Accounting	

Membership information

- This report is included in the following research program(s)
  – Cloud & Infrastructure Services (CIS)
- If you want to learn whether your organization has a membership agreement or request information on pricing and membership options, please contact us at info@everestgrp.com, unitedkingdom@everestgrp.com, or india@everestgrp.com

More about membership

In addition to a suite of published research, a membership may include

- Accelerators™
- Analyst access
- Data cuts
- Pinnacle Model™ reports
- PriceBook
- Virtual Roundtables
- Workshops

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
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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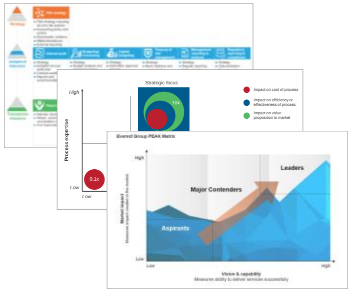
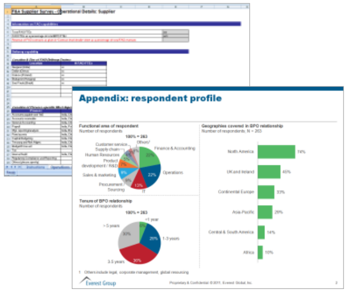
Our research methodology is based on four pillars of strength to produce actionable and insightful research for the industry

- Market thought leadership
- Actionable and insightful research
- Syndicated and custom research deliverables

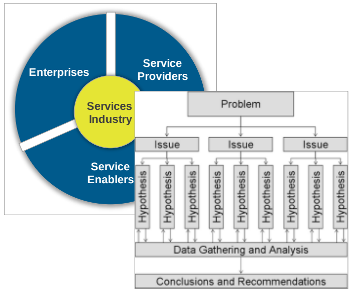
1 Robust definitions and frameworks
PEAK Matrix™, market maturity, and technology adoption/investment



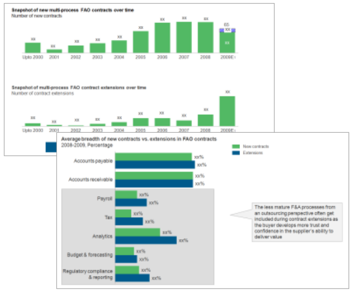
2 Primary sources of information
Annual contractual and operational RFIs, service provider briefings, and market feedback



3 Diverse set of market touchpoints
Ongoing interactions with key stakeholders, input from a mix of perspectives and interests, as well as support via data analysis and thought leadership



4 Fact-based research
Data-driven analysis with expert perspectives, trend-analysis across market adoption, contracting, and service providers



- Annual RFI process and interaction with leading IT infrastructure and network service providers
- Dedicated team for network services adoption trends
- Over 25 years of experience in advising clients on global services decisions
- Executive-level relationships with buyers, service providers, technology providers, and industry associations

This report is based on four key sources of proprietary information

- Proprietary database of IT services contracts of major IT service providers with network services in the scope of work (updated annually)
- The database tracks the following elements of each contract:
  - Buyer details including size and signing region
  - Contract details including service provider, contract type, TCV & ACV, service provider FTEs, start and end dates, duration, and delivery locations
  - Scope details including share of individual buyer locations being served in each contract, Lines of Business (LOBs) served, and the pricing model employed

- Proprietary database of IT service providers (updated annually)
- The database tracks the following for each service provider:
  - Revenue and number of FTEs
  - Number of clients
  - FTE split by different LOBs
  - Revenue split by region
  - Location and size of delivery centers
  - Technology solutions developed

- **Service provider briefings**
  - Vision and strategy
  - Annual performance and future outlook
  - Key strengths and improvement areas
  - Emerging areas of investment

- **Buyer reference interviews, ongoing buyer surveys, and interactions**
  - Drivers and challenges for adopting network services
  - Assessment of service provider performance
  - Emerging priorities
  - Lessons learnt and best practices adopted

Service providers assessed

Note: **The source of all content is Everest Group unless specified otherwise**

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

Background of the research

Networks have traditionally been the most neglected component within the IT infrastructure. Digital transformation within enterprises has so far focused on the compute aspect with cloud being the main driver. However, enterprises now realize that without network transformation, optimum benefits of digital transformation cannot be realized. This has changed enterprise expectations from networks. Enterprises have now begun leveraging network services to achieve the desired business-oriented outcomes. They are engaging service providers for network transformation across datacenter, Wide Area Network (WAN), and branch. WAN transformation is becoming the starting point of network transformation for most enterprises due to its immediate cost benefits and low business disruption. Enterprises need to ensure that they develop the right business case for network transformation to derive the maximum benefits. Service providers need to think beyond networks and should align the networks as a digital transformation enabler.

In this research, we present an assessment and detailed profiles of 13 network service providers featured on the network services PEAK Matrix™. Each service provider profile provides a comprehensive picture of its service focus, key Intellectual Property (IP) / solutions, domain investments, and case studies. The assessment is based on Everest Group's annual Request For Information (RFI) process for calendar year 2019, interactions with leading network service providers, client reference checks, and an ongoing analysis of the network services market.

Scope of this report

- **Services:** Network services
- **Geography:** Global
- **Service providers:** 13 leading network services providers

This report includes the profiles of the following 13 leading network services providers featured on the Network Transformation and Managed Services PEAK Matrix:

- **Leaders:** Accenture, HCL Technologies, TCS, and Wipro
- **Major Contenders:** Computacenter, CSS Corp, IBM, Microland, Mphasis, and Tech Mahindra
- **Aspirants:** GAVS Technologies, UST Global, and Zensar

This report focuses on network services and offers insights into the prominent service providers operating in this space

Focus of this research

Market definition – network services

Traditional network services	Next-generation network services
Consulting, design and build, and managed services of traditional networks involving network components such as physical routers, switches, firewalls, and gateways	• Network Function Virtualization (NFV) • Software-defined Network for Datacenter (SDN-DC) • Software-defined Wide Area Network (SD-WAN) • Software-defined Local Area Network (SD-LAN)

Consulting services
Strategy, roadmap formulation, readiness assessment, Total Cost of Ownership (TCO) analysis, etc.

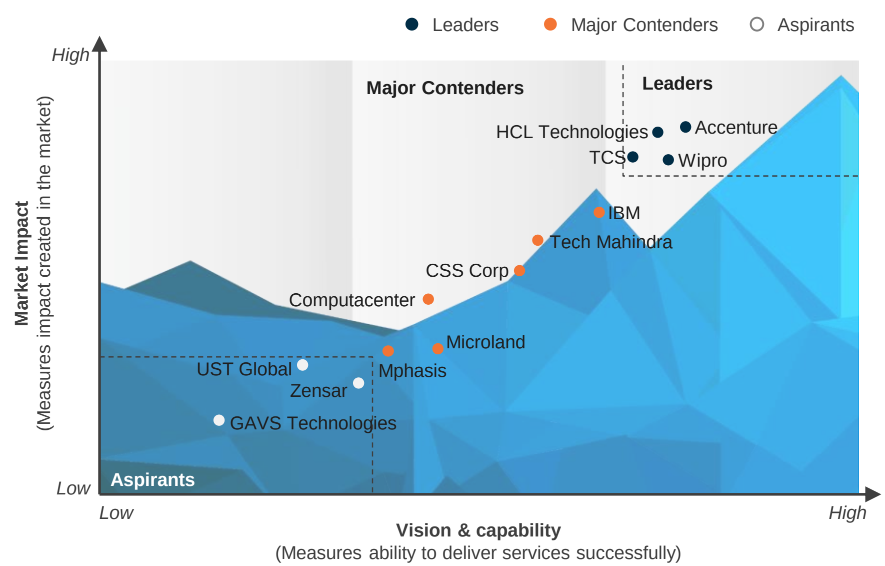
Design and build services
Network design, data/ethernet cabling, server configurations, switch and router setup, wireless setup, etc.

Managed services
L1, L2, L3, and L4 support, network provisioning, administration, troubleshooting, monitoring, performance optimization, network availability analysis, capacity planning, configuration support, network testing, network policy management, and network automation

Exclusions from this assessment:
- Multi-Protocol Label Switching (MPLS) and internet connectivity services
- 4G/5G mobile network services
- Private Branch Exchange (PBX) and Voice over Internet Protocol (VoIP) services

This study provides a deep dive into key aspects of network services market; below charts illustrate the depth of the report

Assessment of Network Service Providers



1 Assessments for Computacenter, IBM, and Tech Mahindra; excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with buyers

Source: Everest Group (2019)

Capability assessment

Illustrative example

Measure of capability: High Low

Service provider	Market impact				Vision & capability				
	Market adoption	Portfolio mix	Value delivered	Overall	Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall
Service provider 1									
Service provider 2									
Service provider 3									
Service provider 4									
Service provider 5									
Service provider 6									
Service provider 7									
Service provider 8									
Service provider 9									

Everest Group's remarks on service providers

Illustrative example

Measure of capability: High Low

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall

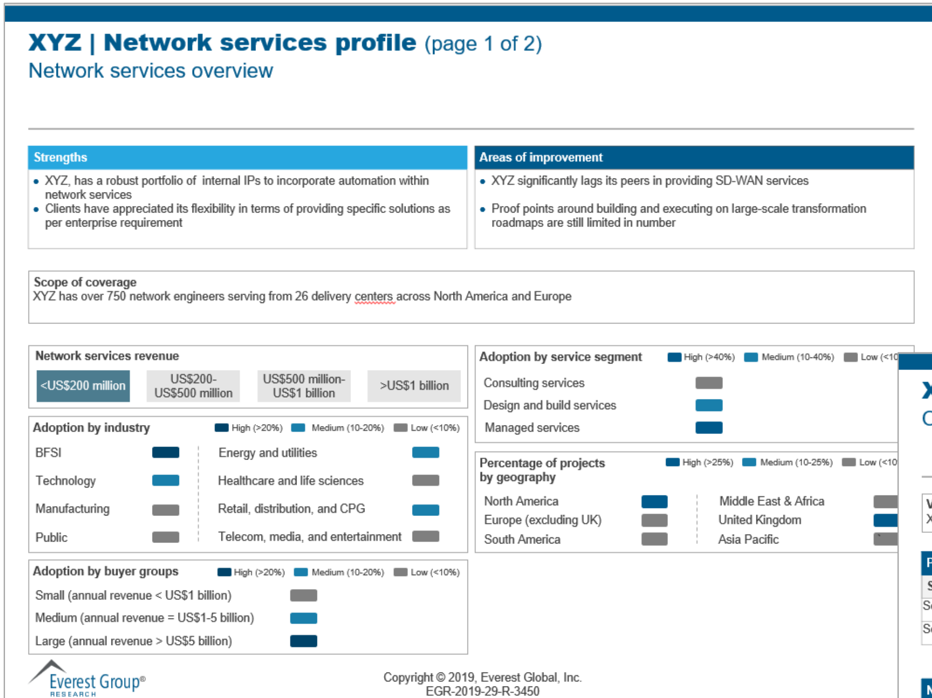
Strengths

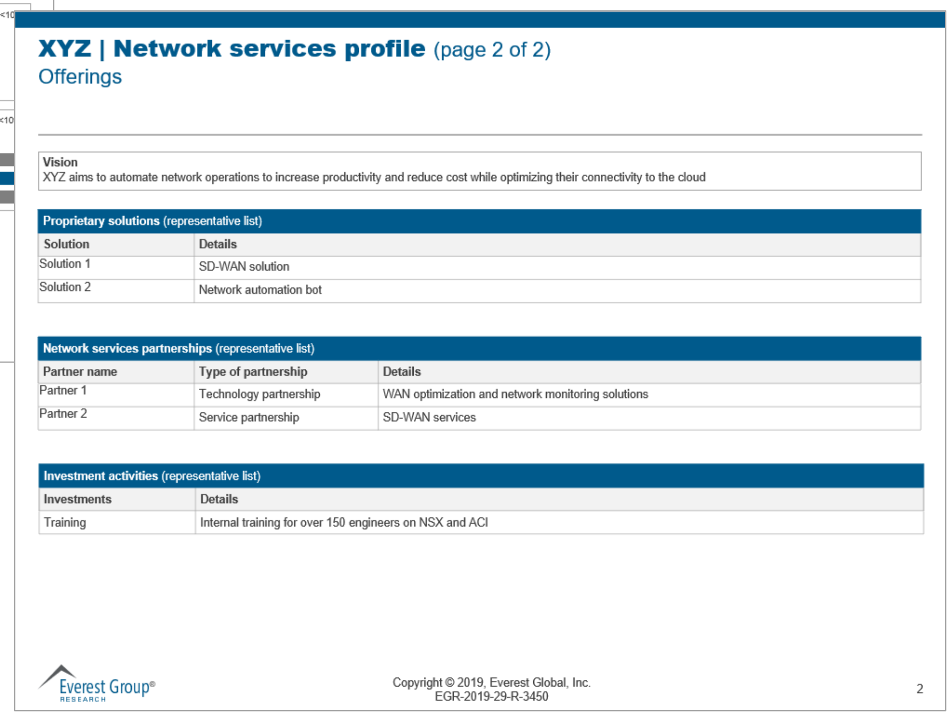
- Service provider 1, has a robust portfolio of internal IPs to incorporate automation within network services
- Clients have appreciated its flexibility in terms of providing specific solutions as per enterprise requirement

Areas of improvement

- Service provider 1 significantly lags its peers in providing SD-WAN services
- Proof points around building and executing on large-scale transformation roadmaps are still limited in number

This report has 13 IT service provider profiles, focusing on their network services vision and strategy, scope of services, innovation and investments, and delivery footprint





Research calendar – Cloud and Infrastructure Services

Published | Planned | Current release

Flagship CIS reports	Release date
Next-generation Infrastructure Services for Insurance PEAK Matrix™ Assessment 2019 and Market Trends	June 2019
Next-generation Infrastructure Services for BFS – PEAK Matrix™ Assessment 2019 and Market Trends	June 2019
DevOps Enablement Services PEAK Matrix™ Assessment 2019 and Market Trends	July 2019
Top 20 Digital Workplace Trailblazers: Creating Connected Experiences for Digital-savvy Enterprises	October 2019
Exploring the Enterprise Journey Towards "Invisible" IT Infrastructure	October 2019
Top 10 SD-WAN Trailblazers: The Missing "Link" in the Enterprise Digital Transformation Story	November 2019
Cloud Services PEAK Matrix™ Assessment and Compendium 2020	December 2019
Network Transformation and Managed Services PEAK Matrix™ Assessment 2020: Transform your Network or Lie on the Legacy Deathbed	**December 2019**

Thematic CIS reports	
Upcoming Contract Renewals – Infrastructure Services	January 2019
Enterprise Pulse Report: The Dissatisfaction Conundrum	January 2019
Viewpoint – Edge Computing	February 2019
5G – An Enterprise Primer	October 2019
Tech Bytes – Debunking Containers Myth	Q1 2020
Security Operations for the Digital World	Q1 2020

Note: For a list of all of our published CIS reports, please refer to our website page

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Additional Cloud and Infrastructure Services research references

The following documents are recommended for additional insights into 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. **Top 10 SD-WAN Trailblazers: The Missing "Link" in Enterprise Digital Transformation Story** (EGR-2019-29-R-3410): Traditional WAN architecture is suboptimal to meet the demands of enterprise digital transformation initiatives. Software Defined Wide Area Network (SD-WAN) is emerging as a key transformation lever to address these challenges. Multiple start-ups have emerged to serve this space and drive innovation across network segments through next-generation concepts. This report provides market trends in SD-WAN along with the detailed profiles and assessment of 10 SD-WAN start-ups providing services and solutions such as edge SD-WAN appliances, multi-cloud connectivity, enhanced application performance, branch platforms, optimized bandwidth usage, cloud security, and managed SD-WAN.

2. **5G – An Enterprise Primer** (EGR-2019-33-V-3401): In the recent decades, communication technologies have served as the bedrock for innovations and new businesses. Fifth Generation Wireless (5G) is the next step in communications, enabled by a clutch of technologies that mitigate challenges with existing wireless networks affecting user experience, service delivery, and operations. It thus paves the way for the scaled adoption of next-generation technologies such as Augmented Reality (AR), Virtual Reality (VR), edge computing, and autonomous mobility, among others. This viewpoint helps enterprises understand and navigate 5G to confidently move into a post-digital world.

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

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Everest Group®

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 empower 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.

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