

Supply Chain Management (SCM) BPO State of the Market Report 2020: COVID-19, A Wake-up Call for SCM

October 2020: Complimentary Abstract / Table of Contents



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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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Outlook for 2020

Impact of the pandemic on global supply chains

- The COVID-19 pandemic has caused unprecedented disruptions across industries including raw material shortages, plant shutdowns, and demand fluctuations
- Highly disrupted industries include travel and logistics, manufacturing, and non-essential retail and CPG, which require organizations to make multiple changes in their supply chain strategy
- Multiple organizations across industries are revamping their business models to mitigate the impact of the pandemic, by following strategies such as development of new cost structures, rapid shift to digital modes of delivery of products/services, and increased focus on risk assessments

How supply chains can evolve to emerge stronger post the crisis

- Organizations initially reacted to the crisis by taking key steps such as shifting to remote delivery models and ensuring supply continuity in the wake of production stoppages
- However, existing underlying issues in supply chains lead to a myriad of challenges across the entire supply chain management process map, including over-reliance on manual processing of tactical tasks and limited real-time visibility across processes
- Organizations can address many traditional supply chain challenges by undertaking three key steps – building RISK focus, DIGITALIZING the entire supply chain, and harnessing the full potential of DATA
- Many organizations successfully handled the crisis by reacting quickly and managing the above key steps

SCM BPO adoption

- The SCM BPO market reached US\$2 billion in 2019, growing at ~17% YoY; however, the market growth rate is expected to decline to 6-10% YoY during 2020-22 due to the impact of COVID-19
- North America is the key geography in terms of SCM BPO market share, followed by Europe and the UK; whereas, retail and CPG, hi-tech/telecom, and manufacturing are the biggest growth drivers for the SCM BPO market
- The COVID-19 threat is accelerating further adoption of digital levers such as analytics and automation
- Offshore/nearshore delivery is prevalent in the SCM BPO market, with organizations demanding more skin-in-the-game pricing constructs from service providers

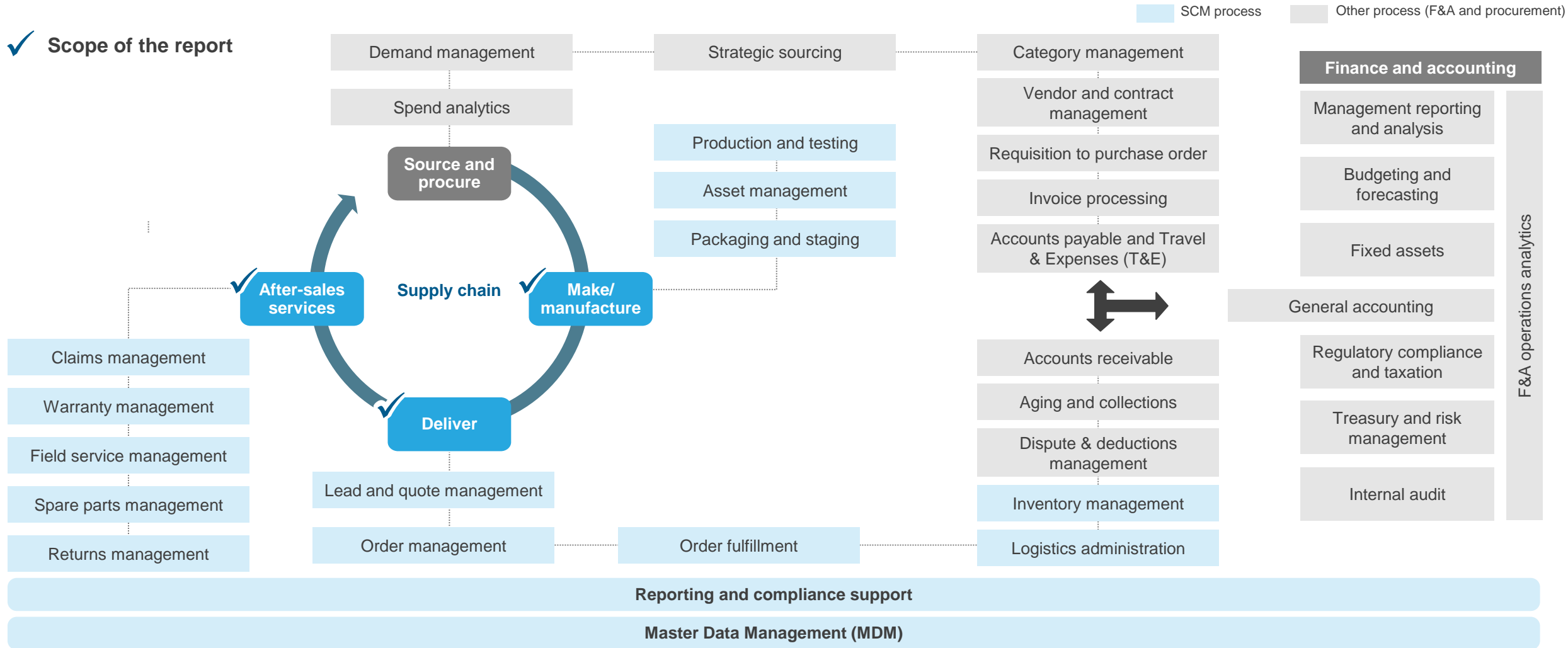
SCM BPO service provider landscape

- Everest Group classified 14 SCM providers on the PEAK Matrix® into three categories: Leaders, Major Contenders, and Aspirants
- Accenture, Cognizant, Genpact, and TCS are the Leaders; Capgemini, DXC Technology, GEP, HCL, Infosys, OnProcess, and Wipro are Major Contenders; while Axe Bpo, EXL, and Tech Mahindra are Aspirants
- While Accenture and Genpact continue to lead the SCM market, others including TCS and Wipro showcased good growth

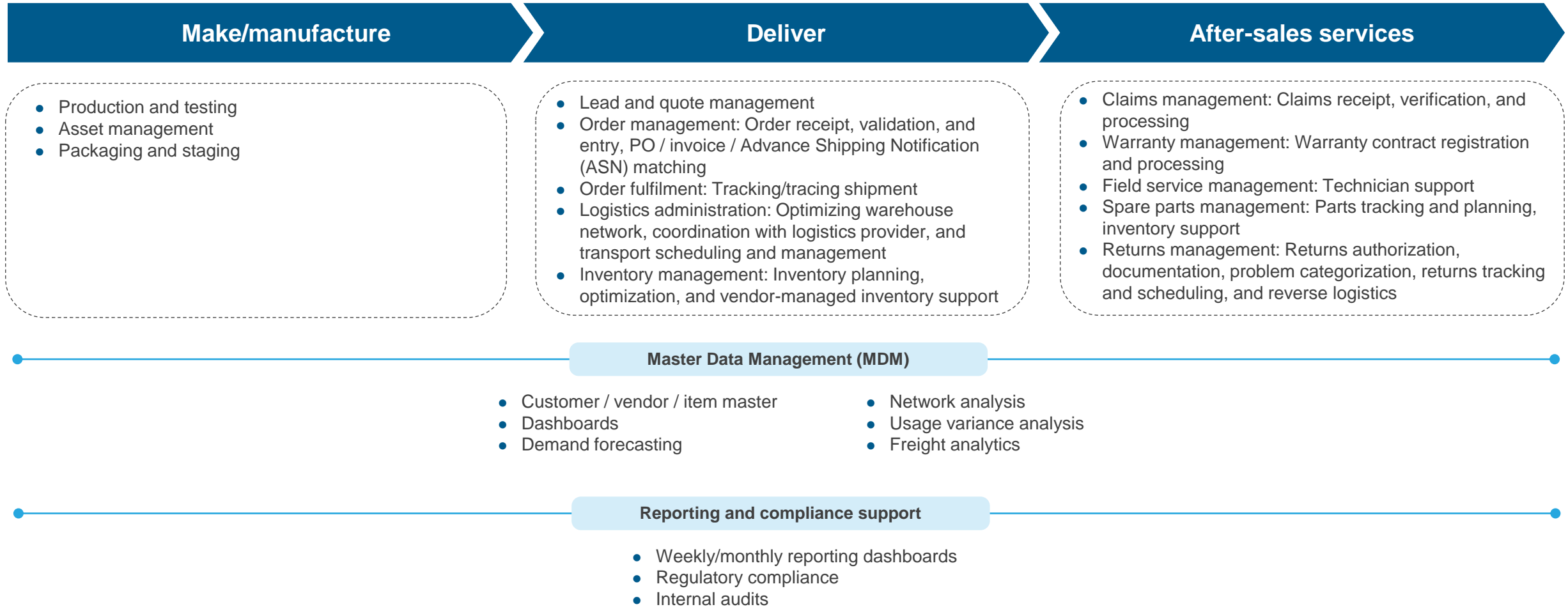


SCM is a combination of three key subfunctions – make/manufacture, deliver, and after-sales services

✓ Scope of the report

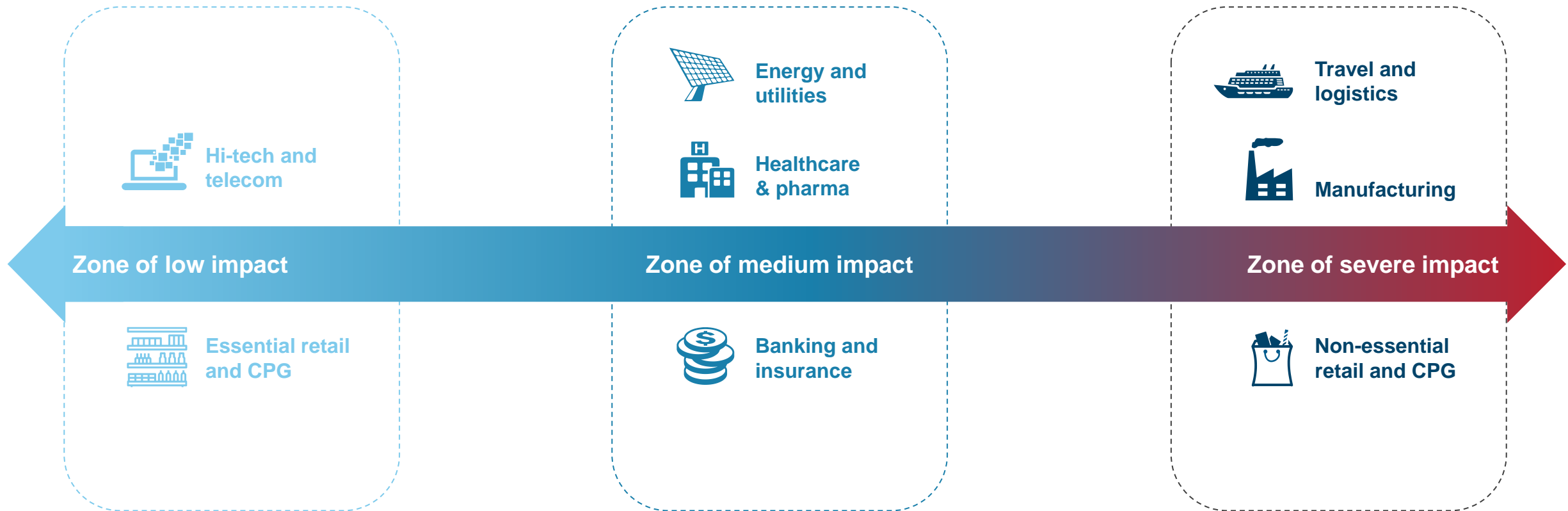


Everest Group's SCM process map breaks each element of the value chain into subprocesses



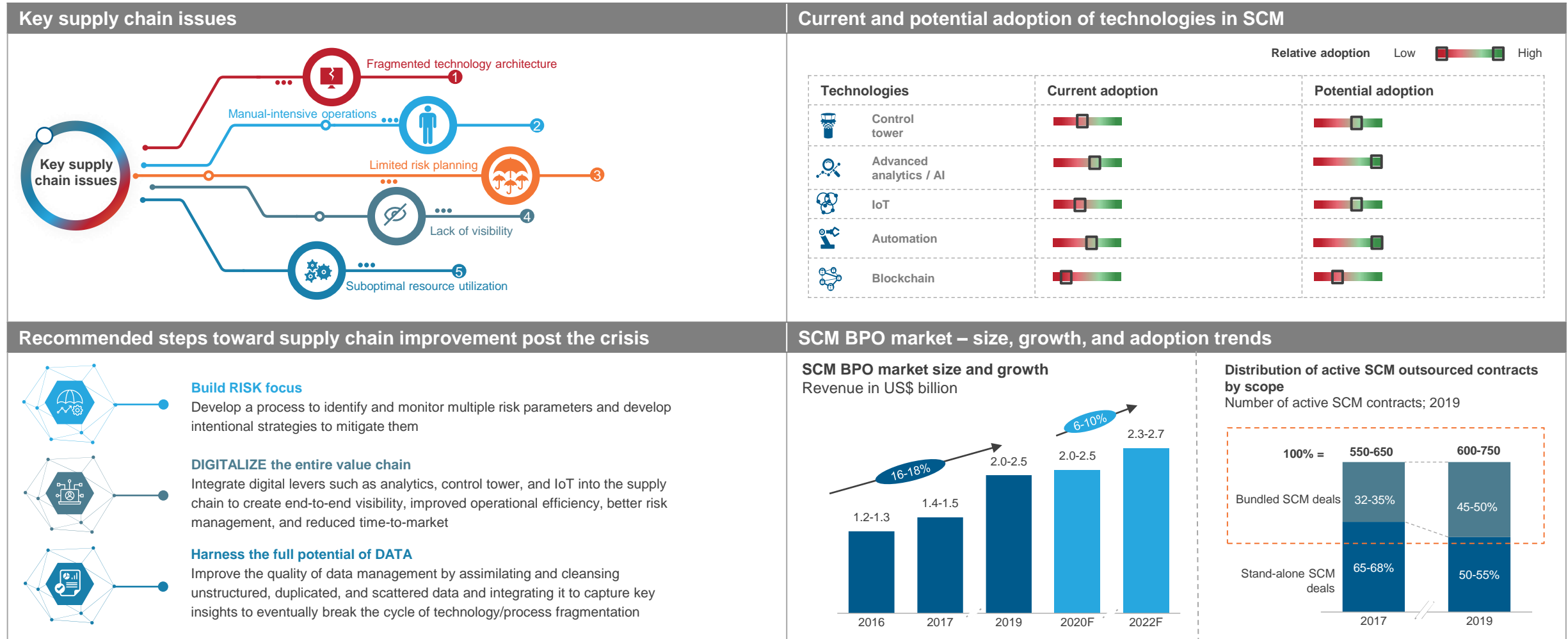
Highly disrupted industries such as travel and logistics, manufacturing, and non-essential retail/CPG require organizations to make multiple changes in their supply chain strategy

Severity of impact due to COVID-19¹



¹ Based upon Everest Group analyst rating that relies on case studies, expert interviews, and industry analysis
Source: Everest Group (2020)

This study offers four distinct chapters providing a deep dive into key aspects of SCM market; below are four charts to illustrate the depth of the report



Research calendar

Procurement Outsourcing (PO)

■ Published
 ■ Planned
 ■ Current release

Flagship PO reports

	Release date
Procurement Outsourcing (PO) Annual Report 2019: Evolving Imperatives for Procurement and What a Chief Procurement Officer (CPO) Should do to Remain Relevant	July 2019
Supply Chain Management (SCM) BPO – Service Provider Landscape with Services PEAK Matrix® Assessment 2020	December 2019
Supply Chain Management (SCM) Business Process Outsourcing (BPO) Service Provider Compendium 2020	February 2020
Procurement Outsourcing (PO) – Service Provider Landscape with Services PEAK Matrix® Assessment 2020	June 2020
Procurement Outsourcing (PO) Service Provider Profile Compendium 2020	September 2020
Supply Chain Management (SCM) BPO State of the Market Report 2020: COVID-19, A Wake-up Call for SCM	October 2020
Procurement Outsourcing (PO) State of the Market Report 2020	Q4 2020

Thematic PO reports

	Release date
Journey Toward Integrated Supply Chain Management	June 2019
The Changing Priorities of Chief Financial Officers (CFOs) and Chief Procurement Officers (CPOs)	July 2019
Business-Process-as-a-Service (BPaaS) Adoption Debunked – Current and Future Direction	September 2019
Application of Blockchain in Supply Chain Management – A Trailblazer Analysis	October 2019
Unlocking Digital Category Management	March 2020
Weaving a Customer-centric Supply Chain Through Effective After-sales Services	August 2020
Perfect Order Management	Q4 2020

Note: For a list of all our published PO reports, please refer to our [website page](#)



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