

Application Services
Market Report – March 2020: Complimentary Abstract / Table of Contents

Market Report – March 2020: Complimentary Abstract / Table of Contents

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

- ▶ BPS | Banking & Financial Services
- ▶ BPS | Healthcare & Life Sciences
- ▶ BPS | Insurance
- ▶ Catalyst™
- ▶ Cloud & Infrastructure
- ▶ Customer Experience Management Services
- ▶ Data & Analytics
- ▶ Digital Services
- ▶ Engineering Services
- ▶ Enterprise Platform Services
- ▶ Finance & Accounting

- ▶ Human Resources
- ▶ ITS | Banking & Financial Services
- ▶ ITS | Healthcare
- ▶ ITS | Insurance
- ▶ IT Services Executive Insights™
- ▶ ITS | Life Sciences
- ▶ Locations Insider™
- ▶ PricePoint™
- ▶ Procurement
- ▶ Recruitment & Talent Acquisition
- ▶ Service Optimization Technologies

Membership information

- This report is included in the following research program(s)
 - [Application Services](#)
- 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

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

Table of contents (page 1 of 2)

Topic	Page no.
Background and methodology	5
Summary of key messages	7
Section I: Overview of contracts nearing end of term	10
• Summary	11
• Trends by cumulative total contract value among deals up for renewal	12
• Overall outsourcing renewal trend	17
• ITS renewals (global)	18
• BPS renewals (global)	19
• Renewal trends by industry	20
• Renewal trends by geography	21
• Renewals in defense and government sectors	23
Section II: Deep dive into upcoming AS and bundled renewal deals	25
• Summary (ITS trends, with focus on AS and bundled renewals)	27
• AS and bundled renewals by industry	28
• AS and bundled renewals by geography	32
• AS and bundled renewal opportunities by industry	38
• AS and bundled renewal trends by service provider category	39

Topic	Page no.
Section III: Analysis of application services contract renewals by scope across geographies	42
• Summary	43
• Analysis of application and bundled contracts by scope – global	45
• Analysis of application and bundled contracts by scope – North America	46
• Analysis of application and bundled contracts by scope – Western Europe	47
• Analysis of application and bundled contracts by scope – Asia Pacific	48
Appendix	49
• Glossary of key terms	50
• Research calendar	51
• References	52

Background and methodology of the research

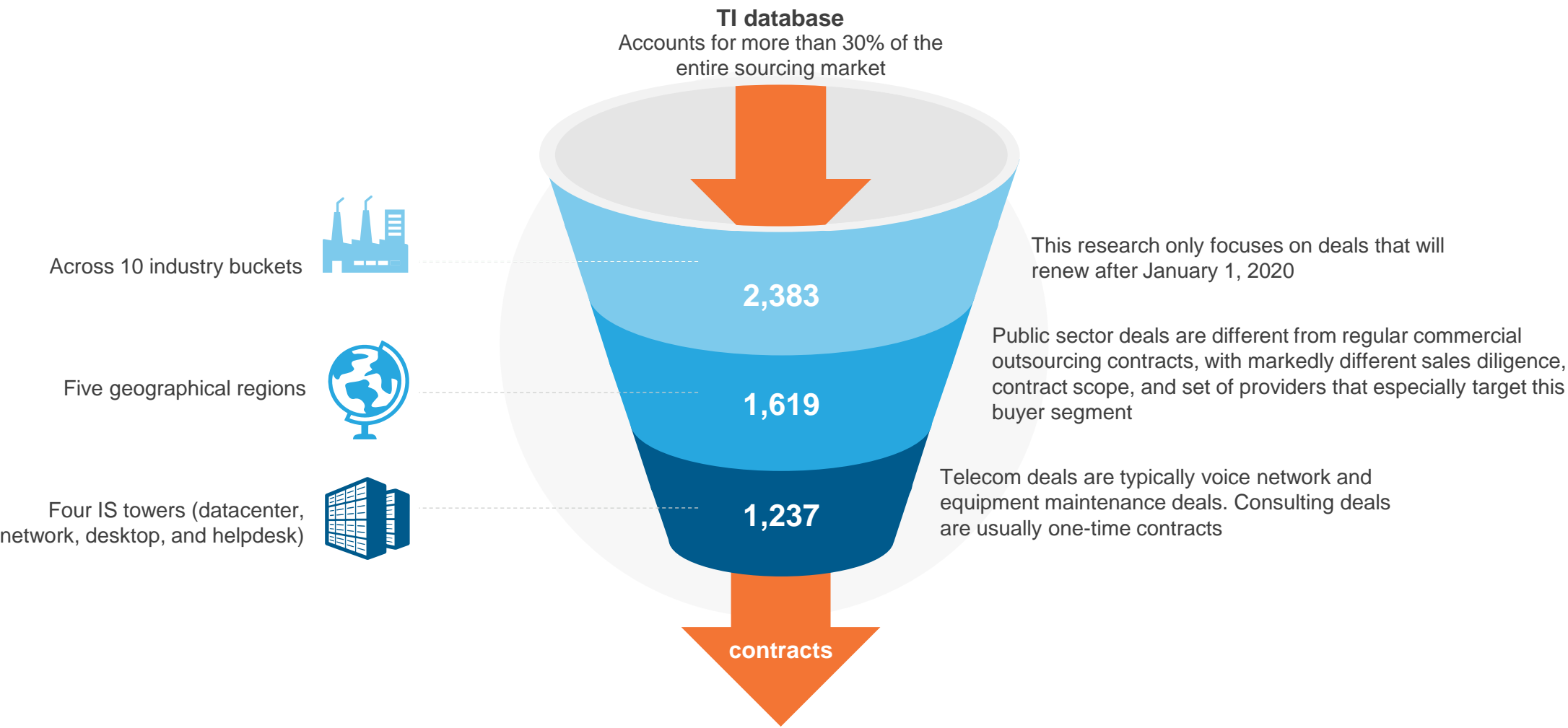
Background

- Sourced services are a large, multi-billion dollar market, characterized by deals lasting for an average of two to three years. Most of these deals are originally signed via a competitive process involving Request for Proposals (RFPs), capability assessment, and shortlisting of service providers
- Renewals provide an opportunity to non-incumbent players to expand their wallet shares amid disruptive factors such as saturation, slowing growth rate, and new and more agile competitors. They also allow buyers a chance to make course corrections based on lessons learned during the lifetime of the just-concluded engagement and adjust their sourcing strategies to suit the current business environment
- This research analyzes renewals coming up in the next two years, with a focus on Application Services (AS) contracts

Scope

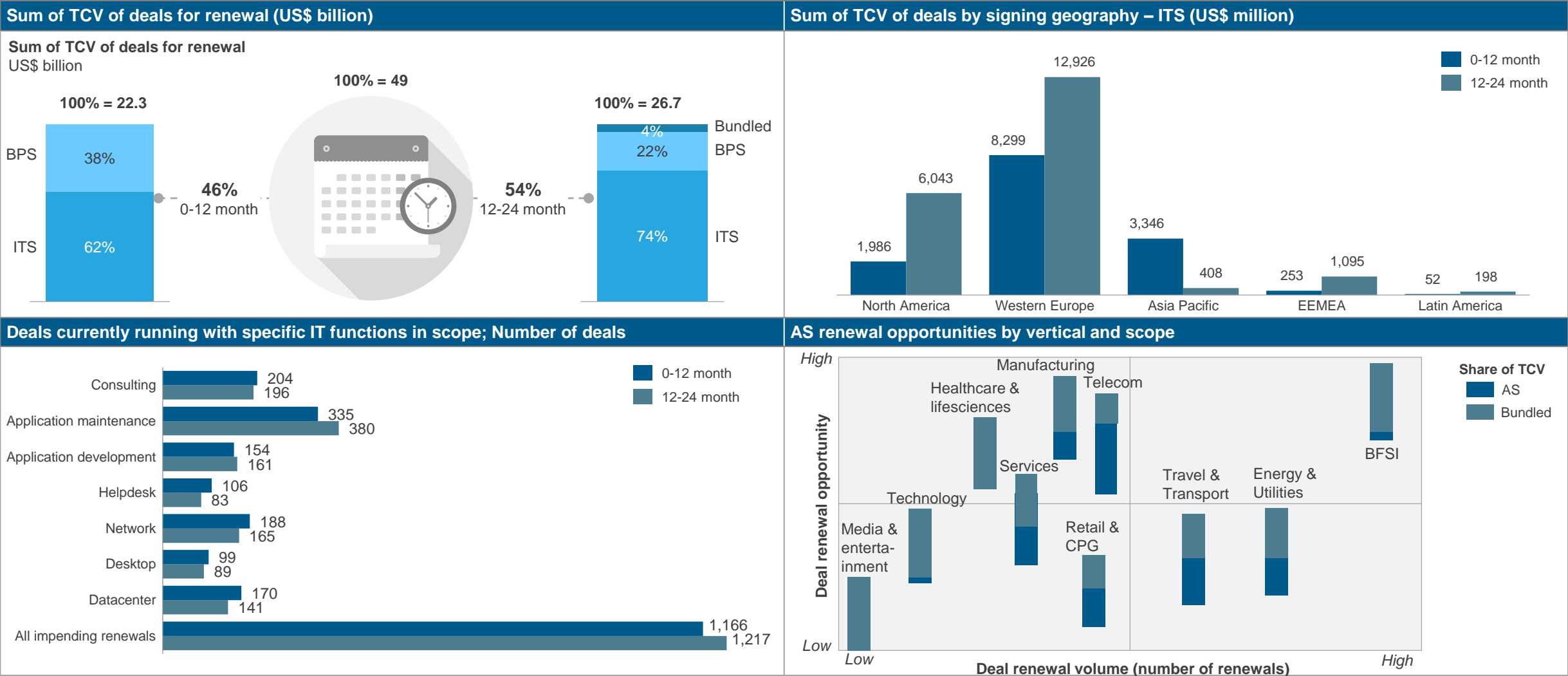
- Analysis of the ITS and BPS markets, with focus on deals to be renewed in the future
- Key vertical, geographical, and scope-based analysis, with a focus on AS and bundled contracts
- Analysis of AS and bundled contracts by scope (development, maintenance, ERP implementation, ERP maintenance, and system integration) across geographies

Our analysis is based on Everest Group’s *Transaction Intelligence Database*, the most comprehensive record of publicly announced outsourcing deals



We analyzed 1,237 outsourcing deals that expire on or after January 1, 2020.

This study offers three distinct sections providing a deep dive into key aspects of upcoming contract renewals in application services market; below are four charts to illustrate the depth of the report



Research calendar – Application Services

Published Planned Current release

Flagship application services reports	Release date
Application Automation Services PEAK Matrix® Assessment and Market Trends 2019: AI Alone Won't Help – Align Strategy to Realize Benefits	February 2019
Application Services – Annual Report 2019: Balancing the Legacy and New Applications	June 2019
DevOps Services PEAK Matrix® Assessment and Market Trends 2019 – Siloed DevOps is No DevOps!	July 2019
Next-generation Quality Assurance (QA) Services PEAK Matrix® Assessment 2020	November 2019
Application Transformation Services PEAK Matrix® Assessment 2020	December 2019
Application Transformation – Business Pioneering the Agenda – State of the Market	February 2020
Next-generation Quality Assurance – State of the Market	February 2020
Thematic application services reports	
Upcoming Contract Renewals – Application Services 2019	January 2019
Assuring Trust in a Converging Life Sciences Ecosystem: The Emerging Role of Quality Assurance	February 2019
Harnessing Operational Insights for Digital Transformation	July 2019
Establishing a Strategic Business Case for Enterprise IT Automation	September 2019
Future Proofing Your IT Services Model – Outsourcing for the Digital Age	October 2019
Breakthrough Transformation	October 2019
Talent Readiness for Next-generation IT Services PEAK Matrix® Assessment 2020 – Closing the Demand-Supply Gap	December 2019
Upcoming Contract Renewals – Application Services 2020	March 2020

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

Additional ITS research references

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

- 1. **Business Transformation: A Confluence of New and Legacy Applications – Annual Report 2019** ([EGR-2019-32-R-3193](#)): The report provides insights across a comprehensive application services landscape. This includes analysis across buyers from different industries, geographies, and revenue segments. The research also covers the global ITS market size and its distribution by service type, geography, and industry. Apart from typical application services, the research also analyzes key trends in consulting services that are bundled with the broader engagements
- 2. **Upcoming Contract Renewals – Application Services** ([EGR-2019-32-R-3049](#)), 2019: The report includes data and insights, specific to deals nearing end of term, expanding on analysis of IT and BPS deals nearing end of term by buyer geography and buyer industry, trends in AS and bundled deal renewals by buyer industry, buyer geography, and service provider category, and analysis of infrastructure services contract renewals by scope across geographies

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

Preetam Koka , Practice Director	preetam.koka@everestgrp.com
Prasun Dey , Senior Analyst	prasun.dey@everestgrp.com
Supriya Rajpal , Senior Information Specialist	riya.munjal@everestgrp.com
Riya Munjal , Information Specialist	supriya.raipal@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 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.

Dallas (Headquarters)

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

Bangalore

india@everestgrp.com
+91-80-61463500

Delhi

india@everestgrp.com
+91-124-496-1000

London

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

New York

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

Toronto

canada@everestgrp.com
+1-416-388-6765

Stay connected

Website



www.everestgrp.com

Social Media



@EverestGroup



@Everest Group

Blog



www.everestgrp.com/blog/

This document is for informational purposes only, and it is being provided "as is" and "as available" without any warranty of any kind, including any warranties of completeness, adequacy, or fitness for a particular purpose. Everest Group is not a legal or investment adviser; the contents of this document should not be construed as legal, tax, or investment advice. This document should not be used as a substitute for consultation with professional advisors, and Everest Group disclaims liability for any actions or decisions not to act that are taken as a result of any material in this publication.