Internet of Things (IoT) Services Provider Compendium 2020

Digital Services
Market Report – April 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

Membership information

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  – Digital Services
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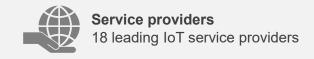
Background of the research

- IoT is increasingly becoming the core of an enterprise's broader digital transformation efforts. Enterprises are investing in IoT to achieve operational efficiencies, enhance customer experience, and create new revenue opportunities. With the IoT market evolving, its adoption is extending beyond the industrial sector to consumer-facing verticals. This unlocks opportunities for IoT adoption beyond improvements in operational efficiency to enhanced stakeholder experience and newer revenue streams

- However, the gap between intended and realized outcomes, difficulty in generating optimal Return on Investment (RoI), and the IT/OT divide continue to impede IoT adoption

- Service providers thus need to leverage next-generation technologies such as edge computing, blockchain, and digital twins to improve existing use cases and develop innovative and unique use cases. Moreover, with the increasing relevance of security in the connected ecosystem, enterprises expect providers to ramp up IoT security and support IT/OT integration to successfully scale up their IoT initiatives

- In this research, we present an assessment of 18 service providers featured on the IoT services PEAK Matrix®, a comprehensive matrix that evaluates and categorizes service providers in terms of their capabilities

The assessment is based on Everest Group's annual Request for Information (RFI) process for calendar year 2019, interactions with leading IoT service providers, client reference checks, and an ongoing analysis of the IoT services market

Scope of this report

Services
IoT services

Geography
Global

Service providers
18 leading IoT service providers

We have assessed the following 18 service providers on the IoT services PEAK Matrix:

- **Leaders**: Accenture, Atos, HCL Technologies, IBM, TCS, and Wipro
- **Major Contenders**: Capgemini, Cognizant, Deloitte, DXC Technology, Infosys, LTI, NTT DATA, and Tech Mahindra
- **Aspirants**: Happiest Minds, Mphasis, Prodapt, and Zensar

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Everest Group's definition of scope of IoT services

IoT is the concept of creating an ecosystem of connected machines, processes and people, by transforming physical objects into virtual elements and enabling smarter business decisions and actions. In effect, it entails gathering relevant data from interconnected thing(s) of interest, to generate actions or take business decision based on the insights generated.

IoT services

Consulting
Strategy formulation, use case development, roadmap development, technology assessment, and IoT architecture

Design/implementation
Solution designing and implementation, system integration, and technology deployment

Maintenance/management
Ongoing management, monitoring, support, and upgrades/updates

Applications
Application development, Application Programming Interface (API) development & publishing, user interface design, customer experience management, application distribution, and interoperability

Analytics and data management
Master data management, big data solution integration, data storage, cleaning & mining, event processing, predictive analytics, visualization, reporting, and dashboards

Gateways and network
Device connectivity, device registration, cloud connectivity, device management, and performance management

Infrastructure and security
Cloud platform development, device permissions, DR/back-up, authentication, data encryption, and vulnerability assurance

IT/OT integration
Integration of data and related information from operational control systems into IT to take high value decisions

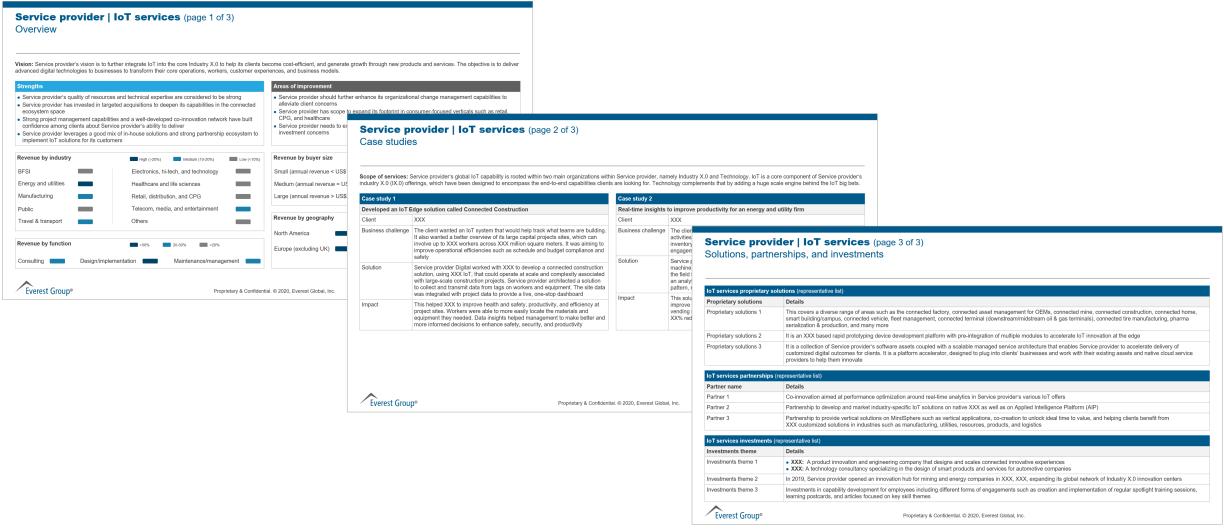### Platform integration
Platform development/ customization, API integration / runtime management, system performance management, connectors design & build, and system upgrade

Device and sensor engineering
Firmware development/upgrade, chip design/selection, sensor/device design, CAD/CAM, prototyping and deployment, configuration, provisioning, and asset management

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The IoT services report has profiles and buyer case studies for 18 service providers

Service provider | IoT services (page 1 of 3)
Overview

Vision: Service provider's vision is to further integrate IoT into the core Industry X.0 to help its clients become cost-efficient, and generate growth through new products and services. The objective is to deliver advanced digital technologies to businesses to transform their core operations, workers, customer experiences, and business models.

Strengths	Areas of improvement
• Service provider's quality of resources and technical expertise are considered to be strong • Service provider has invested in targeted acquisitions to deepen its capabilities in the connected ecosystem space • Strong project management capabilities and a well-developed co-innovation network have built confidence among clients about Service provider's ability to deliver • Service provider leverages a good mix of in-house solutions and strong partnership ecosystem to implement IoT solutions for its customers	• Service provider should further enhance its organizational change management capabilities to alleviate client concerns • Service provider has scope to expand its footprint in consumer-focused verticals such as retail, CPG, and healthcare • Service provider needs to ex... investment concerns

Revenue by industry — High (>20%) · Medium (10-20%) · Low (<10%)

- BFSI
- Energy and utilities
- Manufacturing
- Public
- Travel & transport
- Electronics, hi-tech, and technology
- Healthcare and life sciences
- Retail, distribution, and CPG
- Telecom, media, and entertainment
- Others

Revenue by buyer size

- Small (annual revenue < US$
- Medium (annual revenue = US$
- Large (annual revenue > US$

Revenue by geography

- North America
- Europe (excluding UK)

Revenue by function — >50% · 20-50% · <20%

- Consulting
- Design/implementation
- Maintenance/management

Service provider | IoT services (page 2 of 3)
Case studies

Scope of services: Service provider's global IoT capability is rooted within two main organizations within Service provider, namely Industry X.0 and Technology. IoT is a core component of Service provider's industry X.0 (IX.0) offerings, which have been designed to encompass the end-to-end capabilities clients are looking for. Technology complements that by adding a huge scale engine behind the IoT big bets.

Case study 1

Developed an IoT Edge solution called Connected Construction

Client	XXX
Business challenge	The client wanted an IoT system that would help track what teams are building. It also wanted a better overview of its large capital projects sites, which can involve up to XXX workers across XXX million square meters. It was aiming to improve operational efficiencies such as schedule and budget compliance and safety
Solution	Service provider Digital worked with XXX to develop a connected construction solution, using XXX IoT, that could operate at scale and complexity associated with large-scale construction projects. Service provider architected a solution to collect and transmit data from tags on workers and equipment. The site data was integrated with project data to provide a live, one-stop dashboard
Impact	This helped XXX to improve health and safety, productivity, and efficiency at project sites. Workers were able to more easily locate the materials and equipment they needed. Data insights helped management to make better and more informed decisions to enhance safety, security, and productivity

Case study 2

Real-time insights to improve productivity for an energy and utility firm

Client	XXX
Business challenge	The client... activities... inventory... engage...
Solution	Service... machine... the field... an analy... pattern...
Impact	This solu... improve... vending... XX% red...

Service provider | IoT services (page 3 of 3)
Solutions, partnerships, and investments

IoT services proprietary solutions (representative list)

Proprietary solutions	Details
Proprietary solutions 1	This covers a diverse range of areas such as the connected factory, connected asset management for OEMs, connected mine, connected construction, connected home, smart building/campus, connected vehicle, fleet management, connected terminal (downstream/midstream oil & gas terminals), connected tire manufacturing, pharma serialization & production, and many more
Proprietary solutions 2	It is an XXX based rapid prototyping device development platform with pre-integration of multiple modules to accelerate IoT innovation at the edge
Proprietary solutions 3	It is a collection of Service provider's software assets coupled with a scalable managed service architecture that enables Service provider to accelerate delivery of customized digital outcomes for clients. It is a platform accelerator, designed to plug into clients' businesses and work with their existing assets and native cloud service providers to help them innovate

IoT services partnerships (representative list)

Partner name	Details
Partner 1	Co-innovation aimed at performance optimization around real-time analytics in Service provider's various IoT offers
Partner 2	Partnership to develop and market industry-specific IoT solutions on native XXX as well as on Applied Intelligence Platform (AIP)
Partner 3	Partnership to provide vertical solutions on MindSphere such as vertical applications, co-creation to unlock ideal time to value, and helping clients benefit from XXX customized solutions in industries such as manufacturing, utilities, resources, products, and logistics

IoT services investments (representative list)

Investments theme	Details
Investments theme 1	• **XXX:** A product innovation and engineering company that designs and scales connected innovative experiences • **XXX:** A technology consultancy specializing in the design of smart products and services for automotive companies
Investments theme 2	In 2019, Service provider opened an innovation hub for mining and energy companies in XXX, XXX, expanding its global network of Industry X.0 innovation centers
Investments theme 3	Investments in capability development for employees including different forms of engagements such as creation and implementation of regular spotlight training sessions, learning postcards, and articles focused on key skill themes

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Research calendar – Digital Services

Flagship Digital Services reports	Release date
Digital Services – Market Report 2019: Moving from Digital Readiness to Effectiveness	June 2019
Digital Interactive Services PEAK Matrix™ Assessment and Market Trends 2019	November 2019
Blockchain Services PEAK Matrix™ Assessment and Market Trends 2020	December 2019
Internet of Things (IoT) Services PEAK Matrix® Assessment 2020	April 2020
Internet of Things (IoT) Services Provider Compendium 2020	**April 2020**
Digital Services – Market Report 2020	Q2 2020
State of the Market - IoT Services	Q2 2020
Digital Interactive Services PEAK Matrix® Assessment 2020	Q2 2020

Thematic Digital Services reports	
BigTech Battle: Leading Internet of Things (IoT) Platforms Assessment – A Selection Guide	October 2018
Customer Experience Trailblazers – Experience Spearheading the Digital Economy	February 2019
BigTech Battle: Digital Experience Platforms Assessment – Rise of the Digital Experience Platform	June 2019
AI Masterclass	Recalibrate Your AI Impact – Insights From 230 AI Use Cases Across Industries	October 2019
Experience Design	Q2 2020
BigTech Battle: Enterprise Data Platforms	Q3 2020
Making IT-OT Integration Work	Q3 2020

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

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Additional digital services research references

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

1. **Internet of Things (IoT) Services PEAK Matrix® Assessment 2020** (EGR-2020-33-R-3693): IoT has emerged as the key for enterprises to keep up with the evolving market dynamics. However, even with a clearly-defined business objective, some of these enterprises are unable to generate optimal RoI and bridge the IT/OT divide. Service providers are expected to act as end-to-end orchestrators in this journey towards implementing IoT. In this research, we present the assessment of 18 IT service providers featured on the IoT services PEAK Matrix

2. **Enterprise IoT Services – PEAK Matrix™ Assessment 2019** (EGR-2018-33-R-2871): As enterprises have witnessed positive returns from investments in IoT pilot projects, many are now embarking on the idea of transformation with connected ecosystems and large-scale rollouts. Now, role of service providers as orchestrators for IoT becomes increasingly critical, enterprises expect them to not only support in building capabilities, but also enable long-term strategic sustenance in the form of value-based managed services delivery. Service providers are expected to proactively address challenges pertaining to infusion of next-generation technologies and rising inclusion of disparate IoT systems. In this research, we present the assessment and detailed profiles of 19 IT service providers featured on the IoT services PEAK Matrix

3. **Internet of Things (IoT) Market Update 2018: Taming IoT Ecosystem Complexity – A Survival Guide** (EGR-2018-33-R-2758): As IoT adoption gathers steam, we are witnessing a large number of market participants developing different solutions for similar use cases using varying connectivity protocols, different cloud platforms, and various data models. These factors magnify the IoT complexity, which we believe stands in the way of IoT adoption in the future. In this research, we look at how the market is growing, the existing complexity challenges, case studies addressing the complexity, drivers of the rising complexity, and how enterprises and service providers can hit the ground running to tackle this complexity conundrum

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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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