Market Report | Digital Services, Data & Analytics

Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2021

November 2020: Complimentary Abstract / Table of Contents

EGR-2020-33-CA-4058

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	Finance & Accounting
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BPS | Healthcare & Life Sciences	ITS | Banking & Financial Services
BPS | Insurance	ITS | Healthcare
Catalyst™	ITS | Insurance
Cloud & Infrastructure	IT Services Executive Insights™
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Enterprise Platform Services	Service Optimization Technologies

Membership information

- This report is included in the following research program(s)
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- 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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Background of the research

- Artificial Intelligence (AI), the buzzword of the decade, is now delivering on its promise in the form of enhanced experiences, improved productivities, higher efficiencies, and greater autonomy. Fueled by the pandemic, the technology is increasingly moving from a POC to production stage. AI has become synonymous with digital transformation as it is increasingly being embedded in the broader transformation agenda instead of point solutions and stand-alone constructs
- As AI becomes ubiquitous, democratization as a theme has taken the front seat, with enterprises wanting the ability to integrate AI in their operations with no-code/low-code tools at their own level. With this level of pervasiveness, the need for explainability and responsible AI is rising, especially within the more critical areas of application and heavily regulated industries such as BFSI and healthcare and life sciences. Government guidelines and international consortia are further propagating this
- The need for customizable AI solutions at accelerated time-to-market, overcoming data scarcity and unreliable data pipelines, increased explainability, persistent talent crunch, and limited AI literacy are pushing enterprises to engage with service providers to help them navigate roadblocks and stay resolute on their AI transformation journey
- In this research, we present an assessment and detailed profiles of 21 IT service providers featured on the AI 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 RFI process for calendar year 2020, interactions with leading IT services providers, client reference checks, and an ongoing analysis of the digital services market

This report includes the profiles of the following 21 leading AI service providers featured on the AI Services PEAK Matrix®:

- **Leaders:** Accenture, Capgemini, Cognizant, HCL Technologies, TCS, and Wipro
- **Major Contenders:** Atos, Deloitte, DMI, DXC Technology, Genpact, IBM, Infosys, LTI, Mphasis, NTT DATA, Tech Mahindra, and Virtusa
- **Aspirants:** Coforge, Stefanini, and Zensar

Scope of this report:

Geography
Global

Service providers
21 leading AI service providers

Services
AI services

Everest Group's definition of AI services

Consulting	Implementation	Build and optimise	AI assurance
Strategy formulation, use case development, AI maturity assessment, and roadmap & architecture	Planning & design, quality assurance, platform design & implementation, system integration, and change management	Model optimization and updates, algorithm adjustments	Bias assessment, explainability, and data protection/privacy

Ability of a machine to perform cognitive functions (the process of acquiring knowledge and understanding through thought, experience, and senses) and replicate the functioning of the human brain

AI building blocks

Machine vision (sight)	**Voice recognition** (hear)	**NLP/NLG/NLU** (language comprehension)	**Knowledge mining** (insights)
The ability of a machine to see its surroundings, and analyze and process them	The ability of a machine to recognize, analyze, and translate spoken language into text	The ability of a machine to understand, comprehend, and generate language	The ability of a machine to be able to reason and uncover insights from various data inputs

ILLUSTRATIVE

AI solutions segments

Recommendation engine	Forecasting systems	Anomaly detection systems	Intelligent automation	Conversational agents	Image & video analysis	Document analytics

AI platform services

Pre-built custom AI solutions	Third-party platform enablement services

Activities associated with management/maintenance that entail maintaining the systems once operational, are not in the scope of this research

Overview and abbreviated summary of key messages

This report examines the global artificial intelligence service provider landscape. It focuses on service provider position, assessment of their delivery capabilities, and key strengths and areas of improvement of AI service providers

Some of the findings in this report, among others, are:

Service provider capability

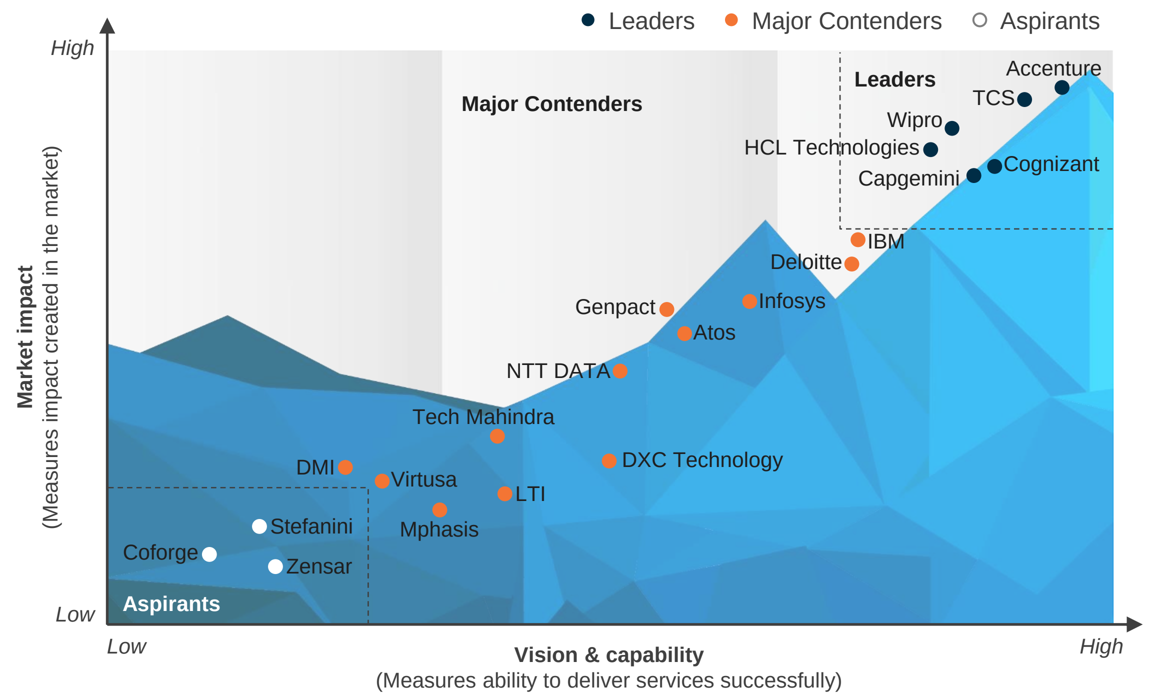
- AI service providers can be categorized into Leaders, Major Contenders, and Aspirants on a capability-market-share matrix
- Accenture, Capgemini, Cognizant, HCL Technologies, TCS, and Wipro are the current Leaders in the global AI services market. However, several service providers are emerging as Major Contenders

Service provider characteristics

- Leaders are characterized by their ability to successfully execute large-scale AI-led transformations by taking a platformized approach and leveraging their extensive portfolio of solutions/framework, which is replete with highly verticalized accelerators
- Leaders are focusing on scaling AI implementations for clients by adopting MLOps in the nascent form as an effective means to manage the entire machine learning life cycle and innovate at an accelerated pace. These players are also aiming to invest in data democratization and creating a DataOps ecosystem, thereby reducing data friction and enabling enterprises to become more data-driven, ultimately aiding them in scaling their AI initiatives
- Major Contenders are focusing on forging a long-term relationship with clients through flexibility and proactive innovation in their AI engagements; the approach has garnered them good recognition and market traction
- Major Contenders have established an elaborate partnership network that goes beyond the hyperscalers and data management platforms to include niche players, such as H2O.ai, Abby, and Kore.ai, to strengthen their AI portfolio and be able to compete with Leaders
- Aspirants are making sizable investments to strengthen their IP in the AI space; however, their tools and solutions are still at a nascent stage, focusing largely on AI-based automation
- Aspirants have developed verticalized solutions for specific industries such as BFSI, manufacturing, and retail & CPG, making them a relevant player within those areas

This study offers deep dive into key aspects of AI services market; below charts illustrate the depth of the report

Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2021[1,2,3]



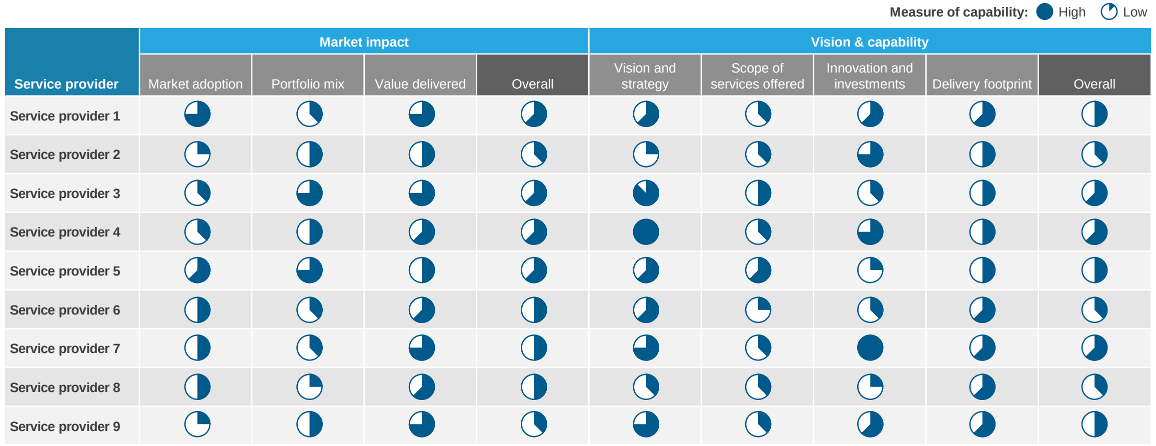
1 PEAK Matrix® specific to AI services
2 Assessments for LTI includes partial inputs from the service provider, and is based on Everest Group's estimates that leverage its proprietary data assets and service provider public disclosures
3 Analysis for Deloitte, IBM, and Infosys excludes service provider inputs on this particular study, and is based on Everest Group's estimates that leverage its proprietary Transaction Intelligence (TI) database, ongoing coverage of the service provider, and public disclosures

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

Source: Everest Group (2020)

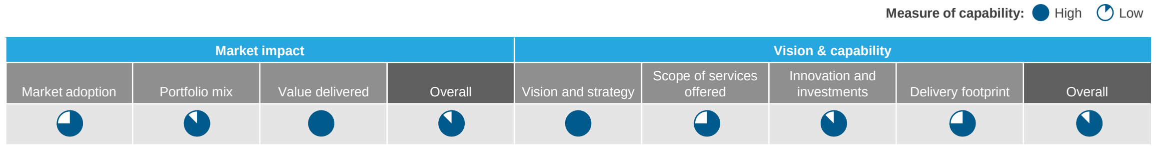
Capability assessment

Illustrative example



Everest Group's remarks on service providers

Illustrative example



Strengths

- Service provider 1, has a good on-shore off-shore presence ensuring good client experience
- Clients appreciate the proactive innovation and value addition exhibited by the firm in its AI engagements

Areas of improvement

- Service provider 1 should increase AI based offerings in some of the faster growing verticals
- It should try to expand into larger multi-country deals and also scout for engagements in other Asia Pacific markets to strengthen its presence in the region

Research calendar
Digital Services

Published | Planned | Current release

Flagship Digital Services reports	Release date
Digital Services – Market Report 2020: Digital Transformation: Triumph Beyond Technology Adoption	May 2020
IoT Services State of the Market report 2020 | Driving Impact Beyond the Horizons of Operational Efficiency	July 2020
Digital Interactive Experience (IX) Services PEAK Matrix® Assessment 2020	September 2020
Digital Interactive Experience (IX) Services PEAK Matrix® Assessment 2020 – Service Provider Compendium	October 2020
Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2021	**November 2020**
Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2020 – Service Provider Compendium	Q4 2020
Digital Interactive Experience (IX) Services State of the Market report 2020	Q4 2020
Artificial Intelligence (AI) Services State of the Market report 2020	Q4 2020

Thematic Digital Services reports	
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: Rearchitecting the Trust Equation Through a Human-centered Design Approach	June 2020
Trailblazer: Customer Data Platforms	Q4 2020
BigTech Battle: MarTech	Q4 2020
BigTech Battle: Edge Computing Platforms	Q4 2020

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

Research calendar

Data & Analytics

Published | Planned | Current release

Flagship D&A reports	Release date
Insurance Analytics and Insights (A&I) Third-party Services PEAK Matrix® Assessment 2020	June 2020
Data and Analytics (D&A) Services PEAK Matrix® Assessment 2020	September 2020
Data and Analytics (D&A) Service Provider Compendium 2021	October 2020
Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2021	**November 2020**
Data & Analytics (D&A) State of the Market Report 2020	Q4 2020
Advanced Analytics & Insights (AA&I) – PEAK Matrix® for Services Assessment	Q4 2020

Thematic D&A reports	Release date
The Future of Data	January 2020
Data Monetization in Healthcare	July 2020
Winning the War for Talent: An Enterprise Guide to Building a Sustainable Workforce Strategy	July 2020
Charting the Skilling Journey to Build the IT Services Talent of Tomorrow	August 2020
Winning with Analytics in CPG & Retail – The Need to Continuously Re-invent with Evolving Customer Preferences	October 2020
Banking analytics case book	Q4 2020
Data Modernization	Q4 2020
Advanced analytics masterclass	Q4 2020

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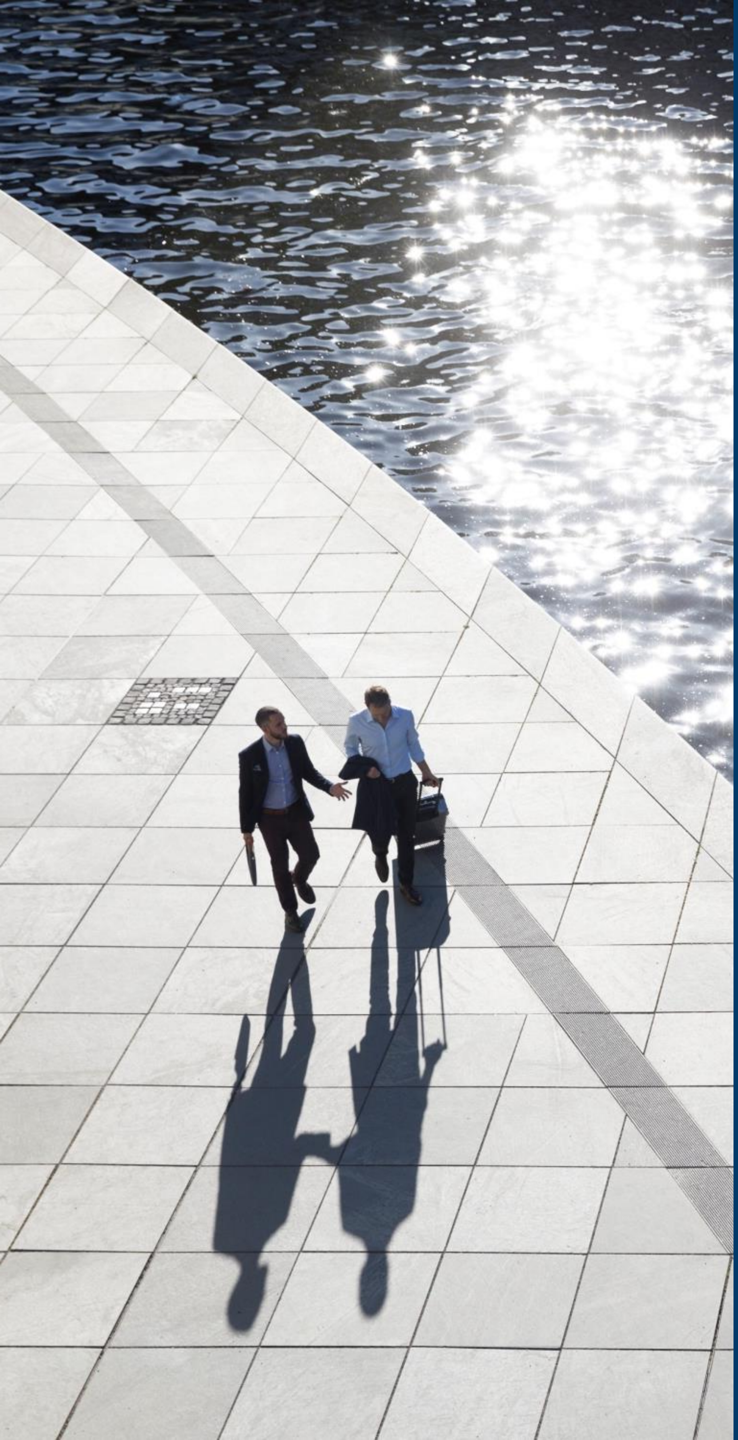

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