

Data & Analytics Handbook – Delivery Location Strategy to Steer Through Digital Disruption

November 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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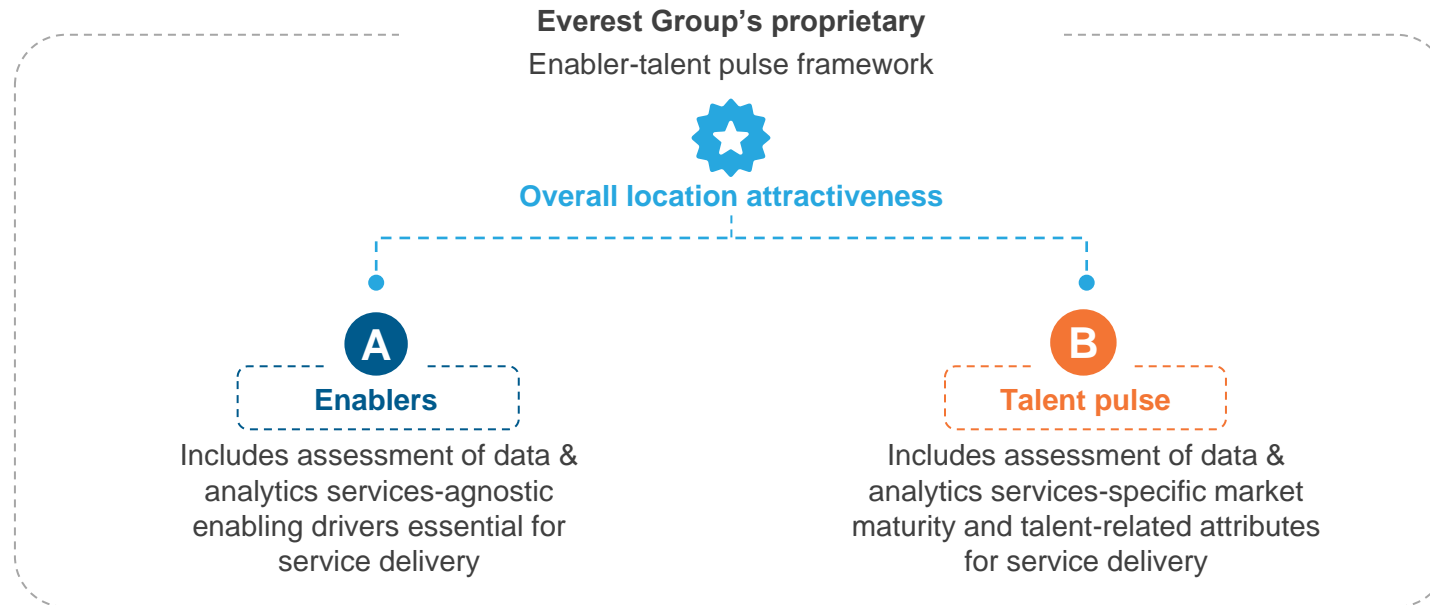
Akshay Pandita, Practice Director

Sumit Kumar, Senior Analyst

Background and aim of this handbook

Digital technologies continue to dramatically reshape industries and, hence, it is evident that the future of global services delivery is digital. Enterprises continue to invest extensively in Data and Analytics (D&A) services delivery in order to overhaul their existing service delivery ecosystem to integrate customer needs, consumer preferences, and avenues for further improving efficiency and productivity in their existing constructs. Amidst the coronavirus pandemic, businesses that once mapped digital strategy in one- to three-year phases are now forced to scale their initiatives in a matter of days or weeks. In order to remain competitive, market players need to relook at their location strategies and evolve a delivery portfolio that aligns with the blueprint of their present day “go digital” agenda.

This handbook by Everest Group aims to support market players in their quest to identify the right locations for supporting data & analytics services. It highlights the relative attractiveness of leading global locations for data & analytics and allied services, based on a holistic and multi-faceted assessment covering 15+ parameters. At an overall level, this handbook covers the data & analytics delivery attractiveness on two broad dimensions:



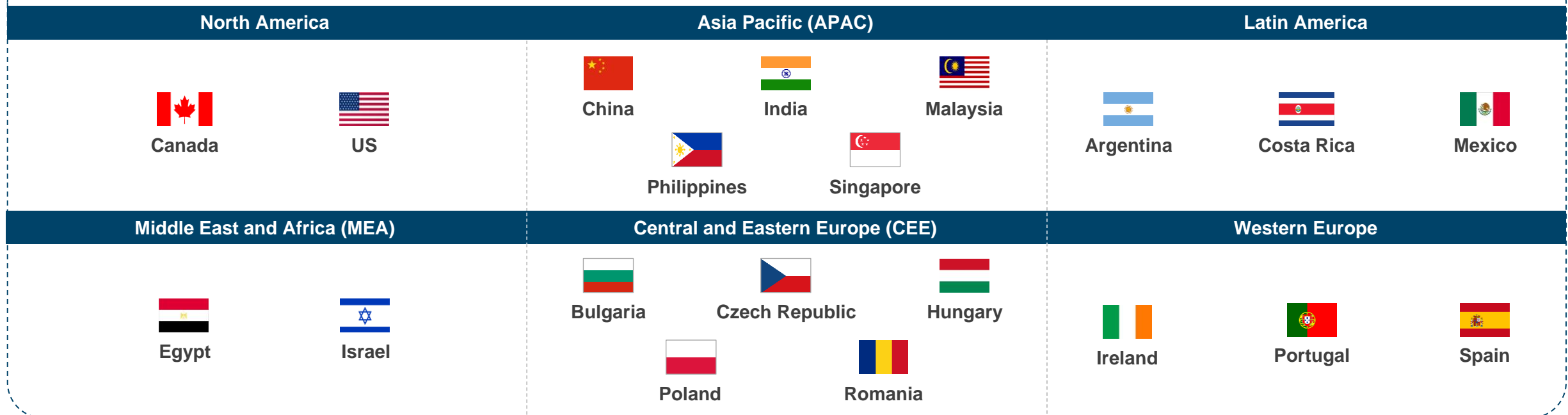
Source: Everest Group (2020)

Scope and coverage

The report focuses on delivery of data & analytics services



20 delivery locations across geographies have been prioritized for assessment. These locations represent the most leveraged locations for data & analytics services delivery in their respective geographies.



Summary of key messages



North America and Western European locations offer **favorable enabler** infrastructure and adoption maturity, but at a high cost of operations, leading to **moderately favorable talent pulse**. These locations offer excellent infrastructure, high innovation potential, and favorable business environment

Relative to Western Europe, **North America locations have relatively more favorable enablers**, primarily driven by difference in talent potential and the collaboration ecosystem

Most APAC locations **have high to moderately favorable enabler ecosystem** due to favorable infrastructure, collaborative ecosystem, presence of a sizable experienced talent pool at both entry and experienced level, and significant cost savings over onshore locations (e.g., US)

Among APAC locations, **India has the most favorable talent pulse**, driven by a large employed pool, high adoption maturity, and significantly lower costs of operations

CEE locations have a **high to moderately favorable enabler ecosystem and talent pulse**. Most of these locations offer relatively better infrastructure and lower competitive intensity as compared locations in APAC. Further, these locations offer moderate cost savings over onshore locations

Czech Republic, Hungary, and Poland offer stronger enabler ecosystem, driven by well-developed infrastructure and favorable business environment

Most locations in LATAM and MEA offer **relatively lower enabler infrastructure and talent pulse**, given smaller experience pool and relatively lower maturity for data & analytics services delivery

Israel offers a favorable enabler ecosystem, with excellent general infrastructure and a favorable operating environment; however, the operating cost is also high

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

Assessment methodology



Talent pulse | key parameters considered for assessment

- Adoption maturity**
 - Size of employed pool:** Corresponds to size of the employed pool across leading players (both service providers and GBS centers) supporting global delivery of data & analytics services
 - Perspectives on complexity of operations:** Indicates the breadth and depth of services supported across the data & analytics service line. This includes perspectives on relative adoption maturity of transactional and knowledge-based processes
- Competitive intensity**
 - Extent of market congestion:** Corresponds to the number of key market players, i.e., service providers and Global Business Services (GBS) centers supporting global operations from the location under consideration for data & analytics services
 - Wage inflation:** Corresponds to typical increase in wages as experienced by leading players (both service providers and GBS centers) on an annual basis
 - Attrition:** Indicates typical levels of annual voluntary attrition witnessed by leading players (both service providers and GBS centers)
- Financial feasibility**
 - Financial attractiveness:** Corresponds to attractiveness of a location for data & analytics from an operating cost perspective

Key implications for market players



Enablers | data & analytics infrastructure

Location	Maturity of digital ecosystem 2020, rating	Cybersecurity readiness 2020, rating	Availability of IT infrastructure 2020, rating	Data & analytics infrastructure 2020, rating
North America				
Canada	Significant digital technology penetration	Strong legal, technical and organizational frameworks	High quality IT infrastructure	
US				
APAC				
China		Evidence of public sponsored training and awareness programs on cybersecurity		
India				
Malaysia				
Philippines				
Singapore	Moderate digital technology penetration		Concerns around low internet penetration	
MEA				
Egypt				
Israel			Concerns around availability and limited investment in latest/emerging technologies	
CEE				
Bulgaria	Moderate digital technology penetration			
Czech Republic				
Hungary				
Poland				
Romania				
Western Europe				
Ireland	Moderate to highly favorable legal, technical, and organizational framework			
Portugal				
Spain				
Latin America				
Argentina		Concerns around overall strength and transparency of cybersecurity laws along with efficiency of legal framework in settling disputes		
Costa Rica				
Mexico				

Source: Everest Group (2020), investment promotion agencies of respective countries and inputs from market participants

Research calendar

Locations Insider™

■ Published
 ■ Planned
 ■ Current release

Flagship Locations Insider reports

	Release date
Location Spotlight – Trivandrum, India	October 2019
Location Spotlight – Vietnam	February 2020
Global Locations Annual Report 2020	March 2020
Location Spotlight – Bulgaria	April 2020
Location Spotlight – Indonesia	April 2020
Location Spotlight – Slovakia	May 2020
Location Spotlight – Georgia	June 2020
Location Spotlight – Guatemala	June 2020
Location Spotlight – Wuxi, China	August 2020
Location Spotlight – Taiwan	August 2020
Location Spotlight – San Antonio	October 2020

Thematic Locations Insider reports

	Release date
Cloud Handbook – Talent Guide to Cloud Skills Across the Globe	June 2020
Engineering Services Skills Handbook: Preparing for the Next Wave of Growth in Global ER&D	July 2020
Africa: Emerging IT-BP Delivery Force	July 2020
Data & Analytics Handbook – Delivery Location Strategy to Steer Through Digital Disruption	November 2020

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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

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