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- 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

Contents

1. Introduction and overview	5
• Research methodology	6
• Background and/or introduction	7
• Scope of the research	8
• Summary of key messages	10
2. Cloud-native services landscape	11
• Overview: cloud-native application services adoption	12
• Cloud-native application services market by geographies	14
• Cloud-native application services market by industries	15
• Analyzing enterprises priorities and investments by industries	16
• Key objectives driving cloud-native adoption	17
• Commercial construct analysis	18
• Analysis: adoption across hyperscalers	19
3. Cloud-native application services market trends	20
• Evolution of application services	21
• Building blocks of cloud-native strategy	22
• Technology	23
• Budgeting framework	28
• Operating model	29
• Talent management	30

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Contents

• Security and compliance	31
• Investment considerations	32
5. Appendix	33
• Glossary	34
• Research calendar	35

Background of the research

- Cloud-native as a technology has become one of the core components of an enterprise’s broader digital transformation efforts. Having received positive benefits from their Proofs-of-Concept (POCs), enterprises are looking to achieve enhanced optimization from cloud-native implementations. This includes increased productivity, cost optimization, and risk management in addition to the ubiquitous operational efficiency.
- An important enabler in this quest for enhanced optimization is edge computing that is being heavily used by enterprises to achieve better results. The adoption of edge computing is largely use-case driven as opposed to being industry-led. Data-intensive, latency-sensitive, and network-dependent use cases are the prime candidates for edge computing. That being said, edge computing requires enterprises to alter their approach of technology adoption to derive benefits from it.
- The future of cloud-native will be driven by a move toward connected ecosystems that interconnect stakeholders across the supply chain, thereby ensuring end-to-end visibility. This will be aided by an increased conflux with edge computing and other emerging technologies such as 5G, Artificial Intelligence (AI), and Augmented Reality and Virtual Reality (AR/VR). A connected ecosystem will help stakeholders achieve better collaboration, transparency, experience, and efficiency across the supply chain.

Scope of this report:



Geography
Global



Industry
All industries experiencing cloud-native implementation are covered in this report



Services
Cloud-native services

Scope of the research (page 1 of 2)

Definition of cloud-native application development for the purpose of this study:

Cloud-native application development is an approach to build loosely coupled blocks of digital workloads that are scalable, flexible, resilient, and responsive to business demands for agility. These loosely coupled blocks are often independent services packaged as containers. Cloud-native applications are architected in a way that makes them agnostic of infrastructure components and operating system.

Scope of the research:

The following tables illustrates the inclusions and exclusions in the scope of this research.



Included:

- 1 Greenfield custom application development using a cloud-native approach
- 2 Rearchitecting/reengineering of existing applications using modern tenets such as SOA, API, and microservices

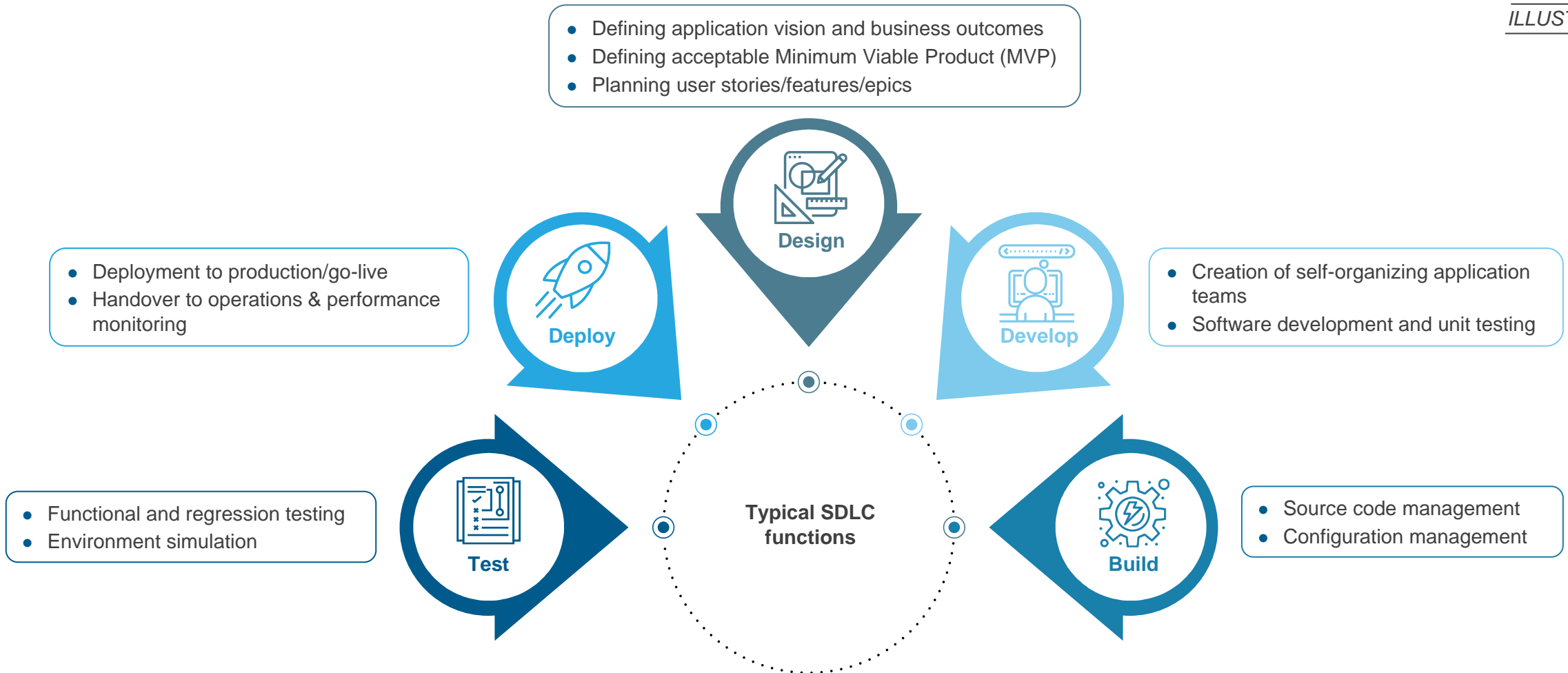


Excluded:

- 1 Lift and shift of existing applications to a cloud infrastructure
- 2 Replatforming an existing application
- 3 Refactoring an existing application to remove technical debt or improve functionalities
- 4 Management, maintenance, and support of applications

Scope of the research (page 2 of 2)

ILLUSTRATIVE



Overview and abbreviated summary of key messages

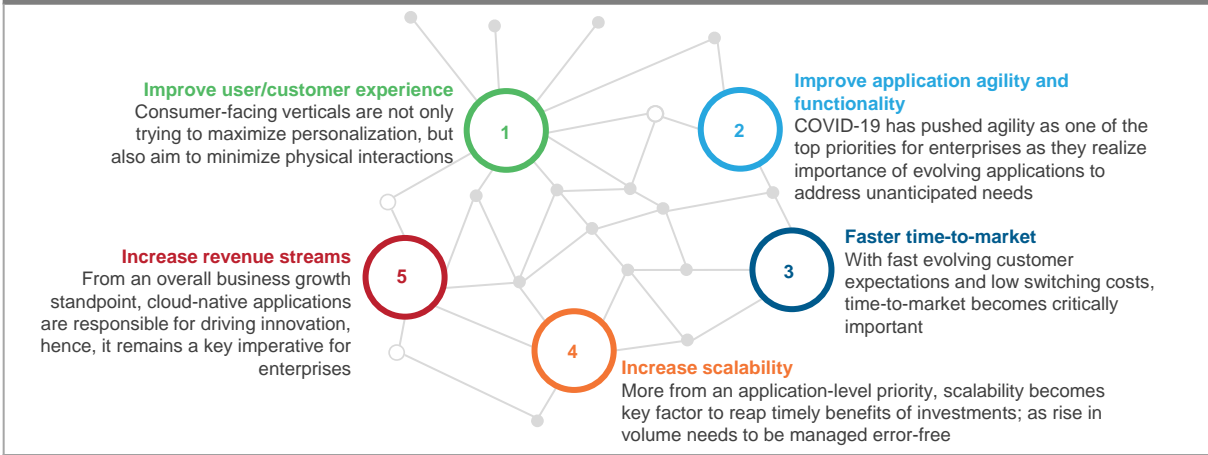
In this research, we present a comprehensive analysis of the cloud-native application services market, covering aspects of enterprise demand themes, and consumption patterns. We have also covered certain areas which need attention and key tenets responsible for successful execution of application strategy.

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

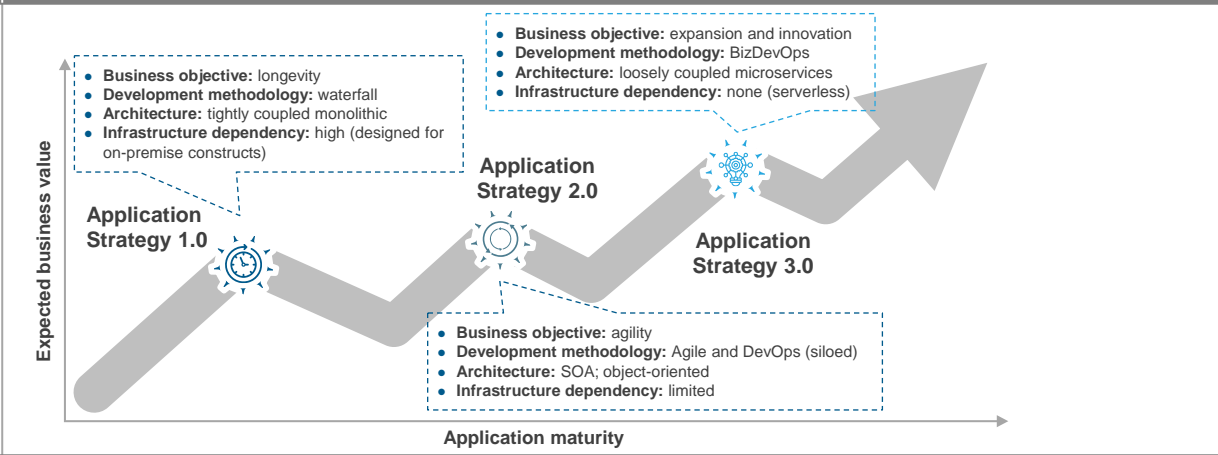
Cloud-native applications spend is on the rise	<ul style="list-style-type: none">• Enterprises have realized value from cloud-native investments and are now accelerating the pace of adoption (quadrupling in three years), well-supported by supply-side ecosystem• Not only are more and more enterprises embracing cloud-native applications, per-enterprise adoption has also significantly risen and almost doubled in last three years
Agility and CX taking center stage	<ul style="list-style-type: none">• With a growing appetite to differentiate, customer experience and agility are top objectives enterprises aim to target through cloud-native investments• Though cloud-based applications are gaining traction across all verticals, consumer-facing verticals will lead the charge with an aim to differentiate offerings
Public cloud, particularly AWS, dominates adoption	<ul style="list-style-type: none">• Public cloud is taking the lion's share of cloud-native business; amongst hyperscalers, AWS continues to maintain a significant lead with more than 50% engagements
Talent: need recognition vs execution	<ul style="list-style-type: none">• Recognizing the need for new talent profiles for digital business is a good start, but to achieve results, enterprises need to target the right profiles when hiring• <10% of job postings demand true cloud-native developer skills
Organization alignment is pivotal	<ul style="list-style-type: none">• As technology becomes integral to strategy, organizations need to evolve, institutionalize policies, and acquire relevant talent to ensure successful transformation• Operating model needs to evolve to support next-gen technology stack

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

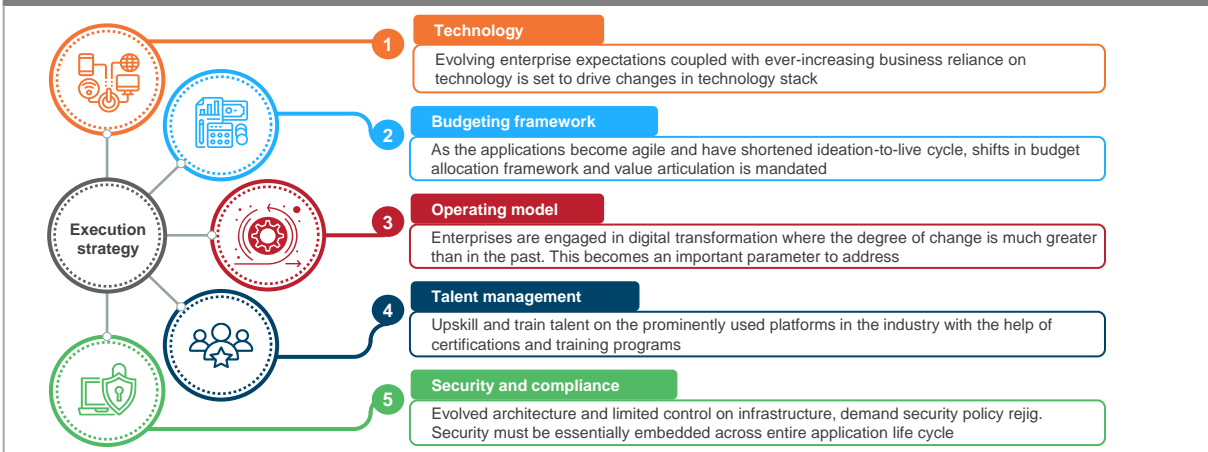
Key objectives driving cloud-native adoption



Evolution of the applications



Building blocks of cloud-native strategy



Investment considerations



Research calendar

Application Services

Published
 Planned
 Current release

Flagship Application Services reports

	Release date
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
Cloud-Native Application Development Services PEAK Matrix® Assessment 2020	August 2020
Cloud-Native Application Development Service Provider Compendium	September 2020
Application Services – Preparing for the Post-pandemic World	October 2020
Cloud-native Application Services – the Cloud-native Juggernaut is Rolling; Be Mindful of Pitfalls	January 2021
Next-gen Application Management Services PEAK Matrix® Assessment 2020	Q1 2021

Thematic Application Services reports

	Release date
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
Rapid Application Development Platform Trailblazers: Top 14 Start-ups in Low-code Platforms – Taking the Code Out of Coding	May 2020
Strength in Adversity: Enterprise Service Resilience During the COVID-19 Crisis	June 2020
Winning the War for Talent: An Enterprise Guide to Building a Sustainable Workforce Strategy	July 2020
Cloud-based Application Modernization	July 2020

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