

Market Vista™: Q4 2021

Data and Analysis: July-September 2021 – Select Findings



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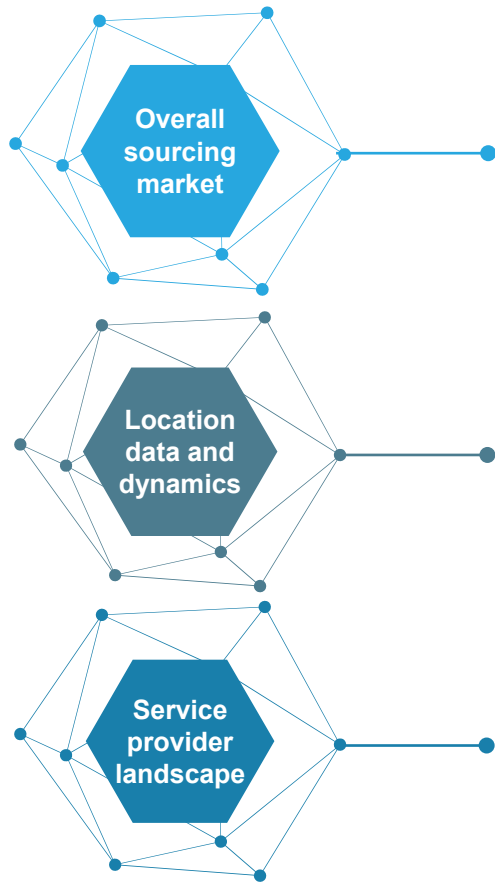
Market intelligence

Tracking: service providers,
locations, risk, technologies

Locations: costs, skills,
sustainability, portfolios

Market Vista | overview

Covers global services market research, analysis, and insights to demystify the market and direct clear, impactful decisions



- Outsourcing transactions and GBS center set ups – detailed analysis by industry vertical and geography
- Distribution of transactions by traditional and digital services and split by digital components
- Report of transactions by deal size, volume, and geography
- GBS set ups and expansions by key functions delivered

- Data on center set up market activity in both offshore and onshore geographies
 - Center set up (overall and by city tier–1/2/3)
 - Distribution by traditional and digital services
 - Distribution of set ups by digital components
- Regional developments across locations

- Updates on service provider market activity (number of deals, M&As, alliances, new center set ups)
- Service provider developments, including financial performance (revenue, operating margins), transactions, location footprint, M&A activity, and digital-focused alliances

- Quarterly reports and annual report
- Global sourcing adoption report
- Location database
- Blogs/ viewpoints
- Webinars / market briefings
- Global services market pressing issues report
- Analyst consultation

Global services | key market trends in Q3 2021



The demand for system integration services is continuously gaining traction, as firms across North America adopt automation and an integrated approach in business processes, which require efficient communication and seamless integration with other devices

Overall location setup activity remained stable across offshore/nearshore and onshore locations; however, India experienced a surge in its setup activity, which reached pre-COVID levels

While GBS activity decreased in onshore locations, the share of digital-focused centers increased to two-thirds of the setups having a digital component leveraging AI, analytics, and RPA services

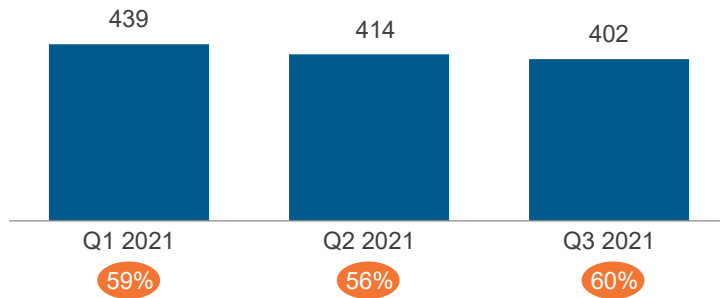
Service providers are relying on inorganic growth, with an uptick in the number of alliances in Q3 2021, driven by global providers

Global services dashboard | Q3 2021

Share of digital-focused activity

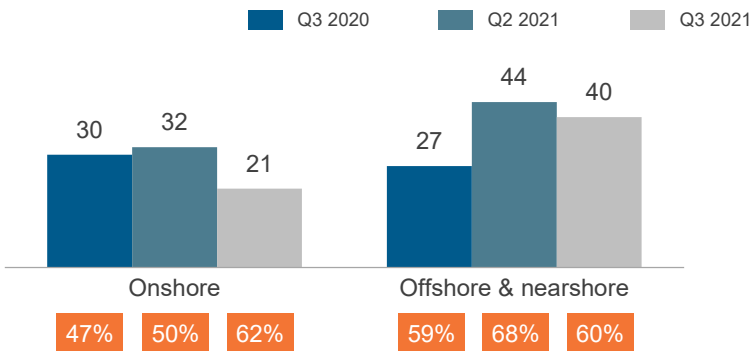
Outsourcing/offshoring market overview

Outsourcing demand witnessed a decrease, whereas share of digital deals increased compared to the previous quarter
Number of outsourcing transactions



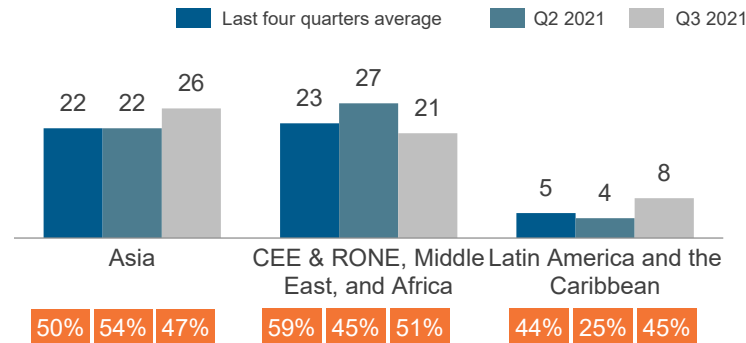
GBS activity decreased vis-a-vis Q2 2021

Number of new GBS setups and expansions

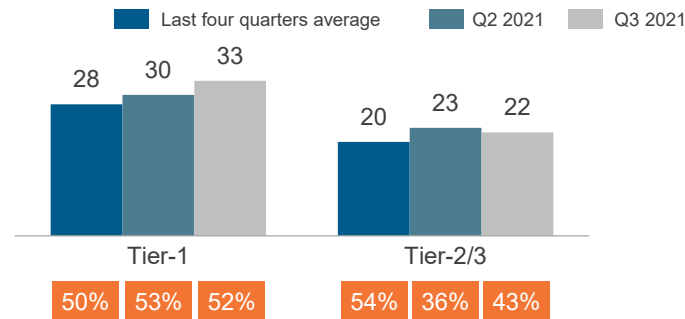


Offshore/nearshore location dynamics

Marginal increase in overall setup activity compared to last quarter
Number of delivery center setups

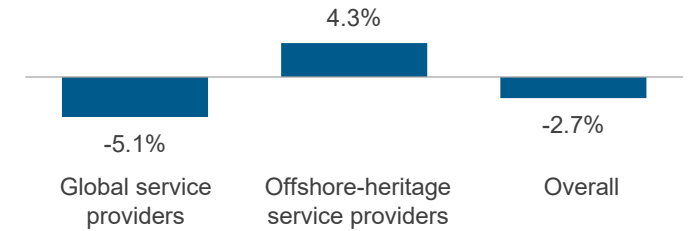


Share of activity in tier-1 and tier-2/3 locations remained largely similar to the previous quarter
Number of delivery center setups

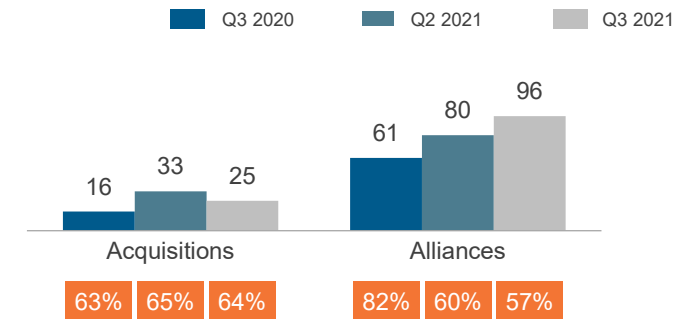


Service provider developments and trends

The consolidated revenue for offshore-heritage increased and global providers decreased in Q2 2021
Sequential growth in revenue (Q2 2021 vs. Q1 2021)



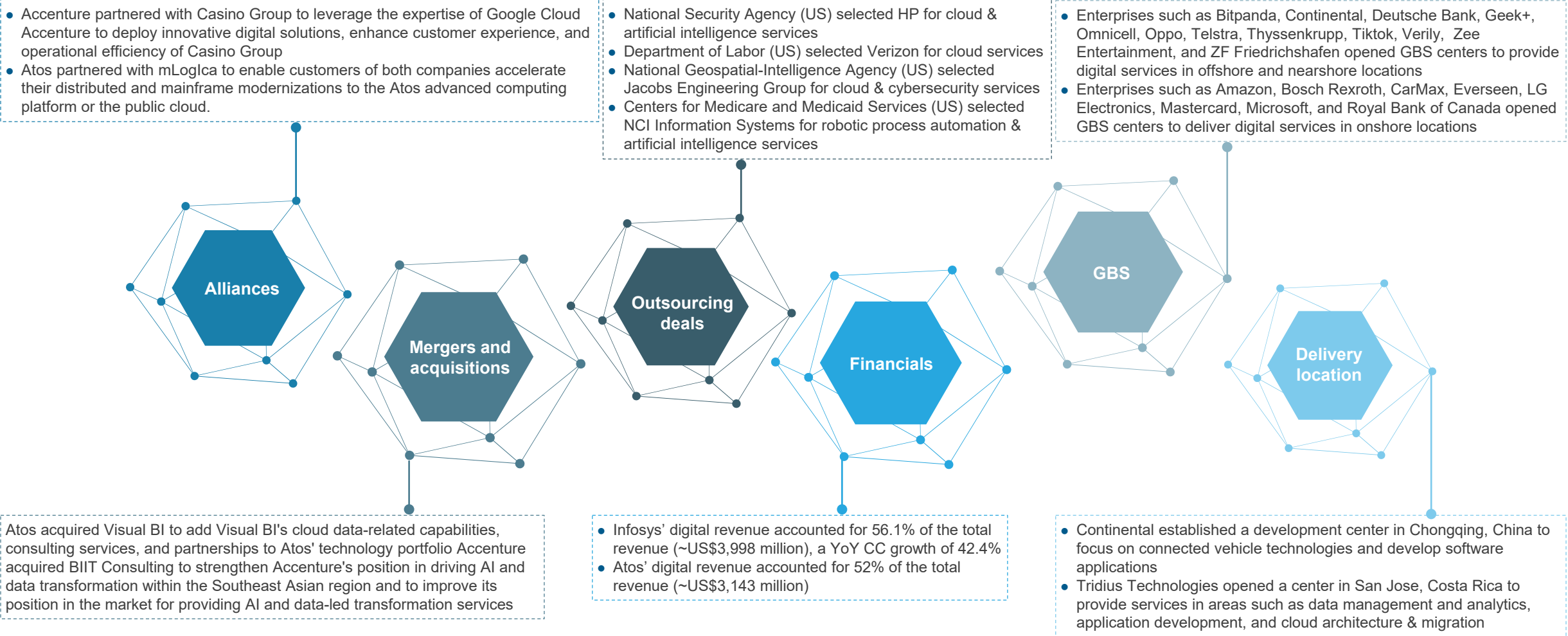
Acquisition activity saw a decrease in this quarter while alliance activity increased significantly, compared with the previous quarter
Number of acquisitions and alliances



Note 1: Digital details around each parameter are added in respective sections
Note 2: Q1: January-March, Q2: April-June, Q3: July-September, and Q4: October-December

Key developments in the digital space | Q3 2021

Digital-focused activity



Service provider developments | Market Vista™ Index service providers

Global service providers

Global service providers include: accenture, ADP, AKKA¹, ALTEN¹, Atos, AVL¹, bertrandt¹, Capita, Capgemini, CGI, CONDUENT², CONCENTRIX³ CONVERGYS, DXC.technology⁴, FUJITSU⁵, IBM⁶, NTT DATA⁷, Teleperformance, T-Systems, and UNISYS.

Offshore-heritage service providers

Offshore-heritage service providers include: Cognizant, EXL, genpact, HCL, Infosys, SUTHERLAND, Tech Mahindra, tcs TATA CONSULTANCY SERVICES, wipro, and WNS.

This section focuses on trend analysis for the above-mentioned service providers across various dimensions indicated on page [III-4](#).

- 1 Pure-play engineering service providers
- 2 Xerox spun off its business services division to create Conduent
- 3 Convergys was acquired by Concentrix
- 4 DXC Technology was created through the merger of CSC and the enterprise services business of Hewlett Packard Enterprise (HPE)
- 5 Report covers only the services division of Fujitsu that is referred to as Fujitsu Services
- 6 Report covers the services division of IBM that is referred to as IBM Global Services (IBM GS)
- 7 NTT DATA acquired Dell Services and the acquired entity is now called NTT DATA Services

For detailed information, please refer to “SP analysis – Standard” and “SP analysis – Interactive” tabs of **Everest Group – Market Vista™ Q4 2021 – Appendix**

Research calendar

Market Vista™

■ Published
 ■ Planned
 ■ Current release

Flagship reports

	Release date
Market Vista™ : Q3 2020	August 2020
Market Vista™ : Q4 2020	November 2020
Market Vista™ : 2020 Year in Review and Outlook for 2021	March 2021
Market Vista™ : Q1 2021	February 2021
Market Vista™ : Q2 2021	May 2021
Market Vista™ : Q3 2021	August 2021
Market Vista™ : Q4 2021	December 2021
Market Vista™ : 2021 Year in Review and Outlook for 2022	Q1 2022
Market Vista™ : Q1 2021	Q2 2022

Thematic reports

	Release date
Global Services Market Pressing Issues: Service Providers' Perspective	March 2020
Market Vista™: Industry Insights – Life Sciences	June 2020
Market Vista™: Industry Insights – Oil & Gas	October 2020
Market Vista™: Industry Insights – Technology	July 2021
Market Vista™: Industry Insights – Insurance	November 2021
Market Vista™: Industry Insights – Banking	Q4 2021

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



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