

Global Locations State of the Market 2021: Embracing Uncertainties in a Disrupted World | Key Trends Shaping the Landscape

November 2021: Complimentary Abstract / Table of Contents



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Tracking: service providers, locations, risk, technologies

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For more information on this and other research published by Everest Group, please contact us:

Sakshi Garg, Vice President

Sumit Kumar, Senior Analyst

Aastha Bisht, Analyst

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Our research methodology is based on four pillars of strength to produce actionable and insightful research for the industry

01

Robust definitions and frameworks

Risk dashboard, key risk and developments, exchange rates

02

Primary sources of information

Annual contractual and operational RFIs, service provider briefings and buyer interviews, web-based surveys

03

Diverse set of market touchpoints

Ongoing interactions across key stakeholders, input from a mix of perspectives and interests, supports both data analysis and thought leadership

04

Fact-based research

Data-driven analysis with expert perspectives, trend-analysis across market adoption, contracting, and service providers

Year-round tracking of 300+ locations globally

Large repository of existing research for locations

Over 30 years of experience advising clients on strategic IT, business services, engineering services, and sourcing

Executive-level relationships with buyers, service providers, technology providers, and industry associations

Key definitions and inclusions

Countries included in delivery locations landscape analysis

- Global services market by revenue:** total services exports of all countries in the world. Includes notional revenue from in-house / shared services organizations as well as revenue from third-party IT services and Business Process Service (BPS) providers. Does not include revenue from domestic (national) markets
 - Business Process Services (BPS): includes voice business processes (also contact center), non-voice business processes, industry-specific business processes, and knowledge-based processes
 - Information Technology (IT): includes IT-Applications Development and Maintenance (ADM), infrastructure, testing, helpdesk, next-generation (cloud, mobility, social media, etc.), and other services related to information technology. Excludes engineering and IT-R&D services
- Global services market by headcount:** estimated headcount (in terms of Full Time Equivalents – FTEs) involved in global services exports (see above) in 38 leading delivery locations listed below:

Region	Country	
Asia Pacific (APAC)	India	
	The Philippines	
	China	
	Malaysia	
	Singapore	
Nearshore Europe (NE)	Belarus	Lithuania
	Bulgaria	Poland
	Croatia	Portugal
	The Czech Republic	Romania
	Estonia	Scotland
	Hungary	Serbia
	Ireland	Slovakia
	Latvia	

Region	Country	
Nearshore Europe (NE)	Ukraine	
Latin America & the Caribbean (LAC)	Argentina	Guatemala
	Brazil	Honduras
	Chile	Jamaica
	Colombia	Mexico
	Costa Rica	Peru
	El Salvador	Uruguay
	Middle East and Africa (MEA)	South Africa
Mauritius		
Morocco		
Egypt		
North America	Canada	

Key questions addressed by this report



In the wake of the global pandemic, how has the global services market grown and how is it likely to trend in the future?



How has the global services market performed in key geographies/locations?



How well have the sourcing models and functional delivery incorporated the widespread digital transformation?



What does the future state of reshoring look like?

Overview and abbreviated summary of key messages

The Global Locations State of the Market Report 2021 is a unique and comprehensive guide to understanding the nuances of the global services locations landscape and interpreting locations-related developments and trends to frame locations strategy. The broader report has three parts – Key Trends Shaping the Landscape, Risk Watch, and Locations PEAK Matrix®. It presents insights about the size and growth of the global services market, update of locations activity, changes in risk profiles of locations, and an analysis of the relative maturity, arbitrage, and potential of locations for multiple functions.

This specific part of the report is focused on the section - Key Trends Shaping the Landscape

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

Key trends shaping the landscape

Growth of global services market

- The global services market experienced a tepid growth in 2020 primarily due to COVID-19-induced business uncertainties, macroeconomic slowdown, delay in commissioning projects in the pipeline owing to rising cost pressures, and uncertainties around global trade conflicts.
- However, the market rebounded in 2021 and is poised to grow further in 2022, driven by factors such as a strong recovery, increased demand for value-added and digital services, and higher offshoring/nearshoring by enterprises

Evolving location trends

- Enterprises are planning to grow their offshore/nearshore service delivery portfolios given the strong business resiliency showed by global services players during the pandemic. Asia Pacific continues to remain the destination of choice for service delivery, with the highest number of new center setups in 2020, followed by Nearshore Europe

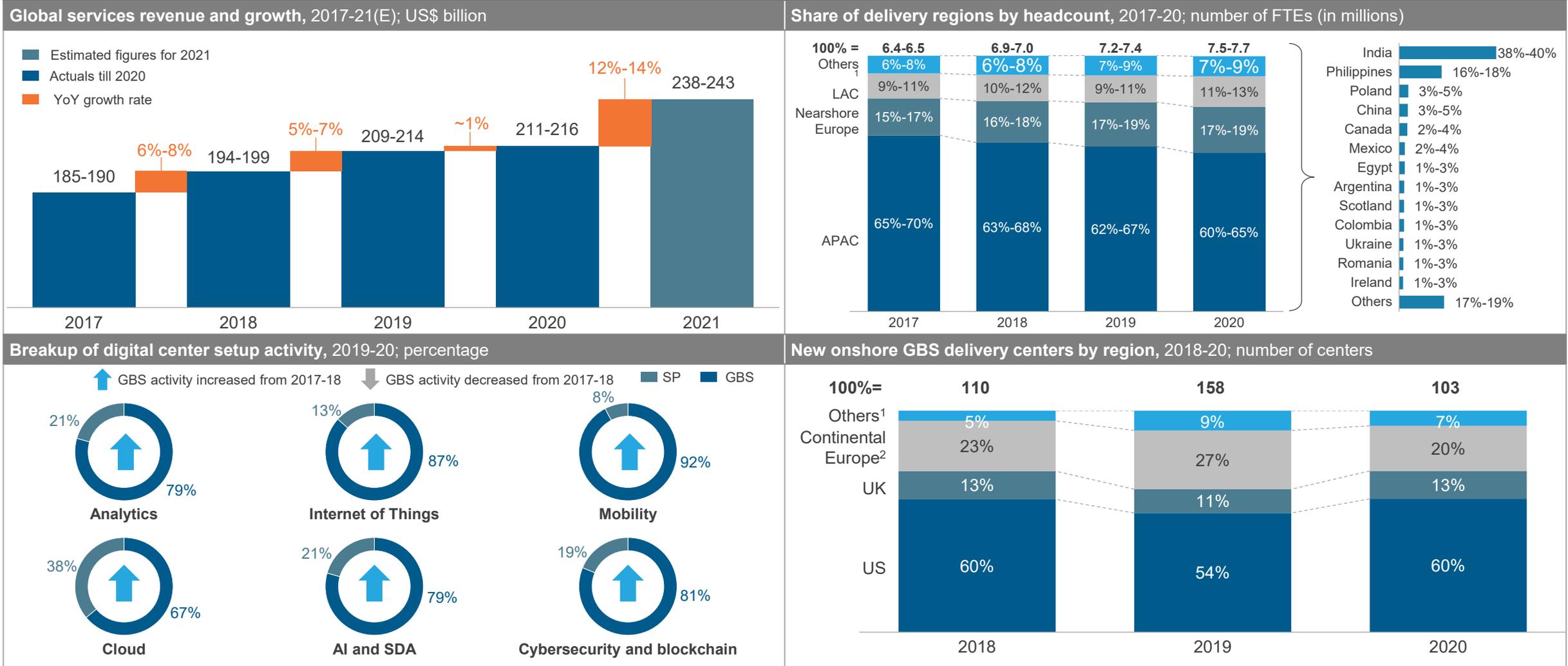
Shifting sourcing models and services mix

- The nature of services delivered and sourcing models adopted are transforming amid digital winds of change. Given increasing digitalization, companies are focusing more on building skills in and delivery of IT-related services, particularly through the GBS model

The rise of reshoring

- Reshoring continues to grow amidst data protection, portfolio optimization, and increased demand for business continuity planning. There is evidence of sustained need for front-office and back-office integration, strong digital-ready workforce, and increased regulatory oversight

This study provides a deep dive into key aspects of global services market; below are key charts to illustrate the depth of the report



The report also has a spreadsheet of data on locations activity in 2020 – new centers set up by GBS organizations and service providers



Global Locations Annual Report 2021: Embracing Uncertainty in a Disrupted World | Center Setup Activity Database

Locations Insider™
Annual Report – November 2021

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Country	City	Quarter	Service provider / GIC	Headcount	Function	Other comments
South Korea	Seoul	Q1 2020	Bithumb	30	Engineering- Embedded	Established an R&D center in Seoul, South Korea to focus on the development of blockchain and cryptocurrency based capabilities. The facility currently employs 30 employees
Scotland	Stomoway	Q1 2020	CalMac	N.A	Contact Center	Established a contact center in Stomoway, Scotland to offer customer support services. The facility plans to hire 6 customer service representatives
India	Pune	Q1 2020	Cohesty	N.A	Software	Established a tech center in Pune, India to focus on development of software management solutions for data extraction capabilities. The facility plans to hire 100 employees in the roles of software engineering and product management services
Lithuania	Vilnius	Q1 2020	Dexcom	N.A	F&A; Contact Center; ITO General	Established a GBS center in Vilnius, Lithuania to offer F&A, customer service, and technical support services
Sri Lanka	Malabe	Q1 2020	DFCC Bank	N.A	Contact Center	Established a contact center in Malabe, Sri Lanka to provide customer support services. The facility plans to hire 100 employees as customer support representatives
India	Chennai	Q1 2020	ePropelled	7	Software; Mechanical	Established an engineering center in Chennai, India to develop electro-magnetic motors for electric vehicles. The facility currently employs 7 people as software and mechanical engineers
India	Manipal	Q1 2020	Falza & Shabana Foundation	N.A	F&A; HR; Contact Center; Others (legal, marketing); ITO General	Established an R&D center in Manipal, India to offer sales, IT, customer support, HR, and financial services
Lebanon	Beirut	Q1 2020	FlexxPay	N.A	Software	Established an innovation center in Beirut, Lebanon to focus on platform development, business intelligence, bots, and mobile application services
Mauritius	Port Louis	Q1 2020	Hapag-Lloyd	100	Contact Center	Established a call center in Port Louis, Mauritius to offer customer support services. The facility currently employs 100 customer service representatives
China	Guangzhou	Q1 2020	IndiGo Airlines	6	Contact Center	Established a contact center in Guangzhou, China to offer 24*7 customer support services. The facility currently employs 6 customer service representatives
India	Pune	Q1 2020	IndiGo Airlines	N.A	Contact Center	Established a contact center in Pune, India to offer customer support services. The firm currently employs 1000 customer service representatives across its three centers in Pune, Gurgaon, and Chennai
India	Gurgaon	Q1 2020	IndiGo Airlines	N.A	Contact Center	Established a contact center in Gurgaon, India to offer 24*7 customer support services. The firm currently employs 1000 customer service representatives across its three centers in Pune, Gurgaon, and Chennai
India	Chennai	Q1 2020	IndiGo Airlines	N.A	Contact Center	Established a contact center in Chennai, India to offer 24*7 customer support services. The firm currently employs 1000 customer service representatives across its three centers in Pune, Gurgaon, and Chennai
India	Bhubaneswar	Q1 2020	Logile	N.A	Contact Center	Established a call center in Bhubaneswar, India to offer customer support services
India	Pune	Q1 2021	Mindbody	N.A	Software	Established a GBS center in Pune, India to develop software based products for the company's business units
Nepal	Kathmandu	Q1 2020	Oppo	N.A	Contact Center	Established a contact center in Kathmandu, Nepal to provide customer support services
Israel	Jerusalem	Q1 2020	Sequans Communication	N.A	IT Infrastructure (Network); Embedded	Established an R&D center in Jerusalem, Israel to focus on development of 5G and IoT based solutions
Israel	Jerusalem	Q1 2020	Tesla Motors	N.A	Software	Established an R&D center in Jerusalem, Israel to develop AI-based capabilities for electric vehicles
India	Pune	Q1 2020	Toro	N.A	Software; Embedded; Mechanical	Established a technology center in Pune, India to focus on development of mobile application, cloud computing, ML analytics, embedded
Egypt	Alexandria	Q1 2020	Vodafone	N.A	IT Application (Development)	
Egypt	Cairo	Q1 2020	Vodafone	N.A	IT Application (Development)	
India	Thiruvananthapuram	Q1 2020	Way.com	50	F&A; Others (legal, marketing)	
Northern Ireland	Belfast	Q1 2020	Angoka	4	Software	
Scotland	Edinburgh	Q1 2020	TSB Bank	79	IT Application (Development)	
The United Kingdom	Leeds	Q1 2020	TTEC Holdings Inc.	N.A	BPS – CC	Opened a new contact center in Leeds, United Kingdom with an aim to expand its operations and serve more clients in the European region
The Netherlands	The Hague	Q1 2020	Booz Allen Hamilton	N.A	ITS	Opened a new delivery center in The Hague, Netherlands to support its clients in cybersecurity services in the European region
The United States	Bellevue	Q1 2020	Accenture	N.A	Engineering – Software	Opened an intelligent operations center to serve as the hub for its newly launched intelligent sales and customer operations business. The company plans to create an additional 100 local jobs by 2021 to support a variety of business functions such as marketing, sales, customer care, and IT support
The United States	St. Louis	Q1 2020	World Wide Technology	N.A	Engineering – Software, Embedded	Opened a new Center of Excellence in partnership with Dell Technologies to create replicable solution blueprints and open source solutions
The Netherlands	Groningen	Q1 2020	Altan	N.A	Engineering – Embedded	Opened a new office to serve customers in the north of the Netherlands
The United States	Richardson	Q1 2020	Fujitsu	N.A	ITS; BPS – Others	Launched its applications Center of Excellence (CoE) to provide applications support to the entire Fujitsu sales channel
The United States	Hartford	Q1 2020	HCL	N.A	ITS	Opened a global delivery center to offer digital transformation services to clients in the smart manufacturing, insurance, aerospace, and defense industries
The United States	Indianapolis	Q1 2020	Infosys	N.A	ITS	Opened a cyber defense center in Indianapolis. The facility is dedicated and organized to prevent, detect, assess, and respond to cybersecurity threats and breaches
The Netherlands	Amsterdam	Q1 2020	T-Systems	N.A	ITS	Opened a Telekom cloud datacenter
Switzerland	Zurich	Q1 2020	T-Systems	N.A	ITS	Opened a new office in Zurich, Switzerland
The United States	Dallas	Q1 2020	Wipro	N.A	ITS	Designit, Wipro's strategic design arm, opened a new studio
The United States	Huntsville	Q1 2020	Abaco Systems	N.A	Engineering – Embedded	Established an engineering innovation center in Huntsville, Alabama, the United States, to focus on development of embedded technologies and solutions
The United Kingdom	Manchester	Q1 2020	Amazon	Plans to hire 600 FTEs	BPS – Others; Engineering – Software	Established an R&D center in Manchester, England, the United Kingdom, to develop Machine Learning (ML)-based capabilities. The facility plans to hire 600 employees for roles in software engineering, marketing, and sales
The United States	Santa Barbara	Q1 2020	Amazon	Plans to hire 150 FTEs	Engineering – Embedded	Established a tech center in Santa Barbara, California, the United States, to integrate Alexa's AI and voice technology in Amazon Echo and Fire TV. The facility plans to hire 150 employees

Research calendar

Locations Insider™

■ Published
 ■ Planned
 ■ Current release

Flagship reports

	Release date
Location Spotlight – Cali, Columbia	March 2021
Global Locations State of the Market 2021: Embracing Uncertainties in a Disrupted World Risk Watch	March 2021
Location Spotlight – Hungary	June 2021
Location Spotlight – Thailand	July 2021
Location Spotlight – Croatia	August 2021
Location Spotlight – Latvia	August 2021
Location Spotlight – Ghana	August 2021
Location Spotlight – Queretaro, Mexico	November 2021
Global Locations State of the Market 2021: Embracing Uncertainties in a Disrupted World Key Trends Shaping the Landscape	November 2021
Global Locations State of the Market 2021: Embracing Uncertainties in a Disrupted World Locations PEAK Matrix	Q4 2021
Location Spotlight – Sri Lanka	Q4 2021
Location Spotlight – Uruguay	Q4 2021

Thematic reports

	Release date
Leading European Locations for Global Delivery of Engineering Services	October 2020
Data & Analytics Handbook – Delivery Location Strategy to Steer Through Digital Disruption	November 2020
Talent Handbook on Cybersecurity Skills	June 2021

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



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everestgrp.com/blog

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

Toronto

canada@everestgrp.com
+1-647-557-3475

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