Everest Group®

Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2022

March 2022: Complimentary Abstract / Table of Contents

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PEAK MATRIX®

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Benchmarking

Contract assessment

Peer analysis

Market intelligence

Tracking: providers, locations, risk, technologies

Locations: costs, skills, sustainability, portfolios

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Background of the research

Artificial Intelligence has reached a critical juncture and it now moving toward mass adoption and industrialization accelerated by the pandemic. We are seeing AI adoption at a much larger scale across different enterprise segments and industries, as enterprises look to bounce back from the pandemic more resilient and disruption-proof. As a result of this push, enterprises are employing AI as a lever in the broader digital transformation to improve cost-effectiveness, increase employee productivity, manage risks, and better target customers in the digital realm. We expect this wave of AI adoption to continue as more and more businesses look to AI to overcome challenges and sustain their business growth.

This deep percolation of AI across a wide array of enterprises will become the watershed moment known for the advancing and propagation of responsible AI. Enterprises have become more customer sensitive and conscious of their AI adoption practices and are looking to ensure inclusive, fair, and bias-free adoption of AI. Hence, the demand for explainable and responsible adoption of AI is becoming important not just across regulated industries but across a wider set of industries. This is being further accelerated by the plethora of government regulations that are already in place or are expected to come in soon that will impose heavy penalties on non-compliant entities.

As this wave of AI adoption continues to mount, enterprises will increasingly seek third-party support to help them plug in capability gaps, manage complexities, and mitigate challenges pertaining to data management, talent crunch, and responsible and compliant adoption of AI. Hence, the role of IT service providers will become extremely crucial to help enterprises adopt and scale AI in a responsible and sustainable fashion.

In this research, we present an assessment and detailed profiles of 20 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 2021, 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 20 leading AI service providers featured on the AI Services PEAK Matrix:

- **Leaders:** Accenture, Capgemini, Cognizant, HCL Technologies, TCS, and Wipro
- **Major Contenders:** Atos, DXC Technology, Genpact, IBM, Infosys, Mindtree, Mphasis, NTT DATA, Sopra Steria, Tech Mahindra, Virtusa, and Zensar
- **Aspirants:** Happiest Minds and Stefanini

Scope of this report

Geography
Global
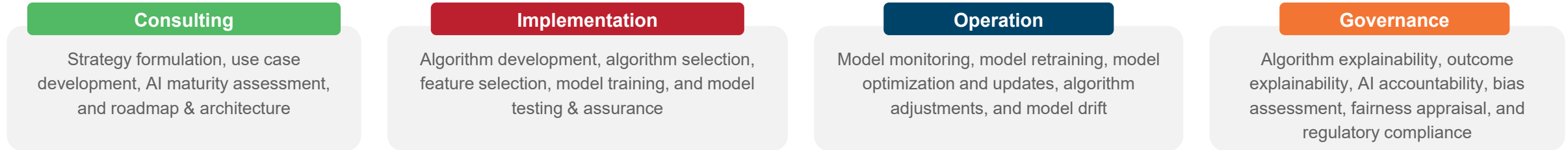
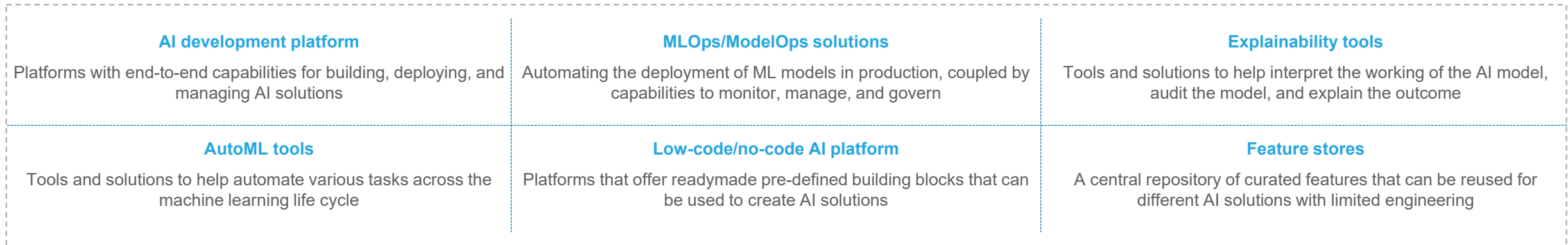**Service providers**
20 leading AI service providers

Services
Artificial Intelligence services
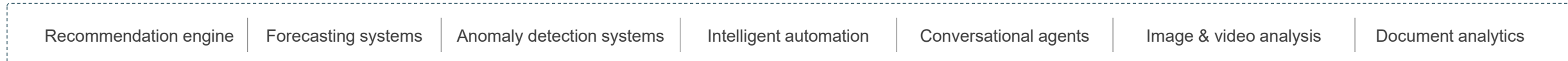
Everest Group's definition of AI services

Consulting	Implementation	Operation	Governance
Strategy formulation, use case development, AI maturity assessment, and roadmap & architecture	Algorithm development, algorithm selection, feature selection, model training, and model testing & assurance	Model monitoring, model retraining, model optimization and updates, algorithm adjustments, and model drift	Algorithm explainability, outcome explainability, AI accountability, bias assessment, fairness appraisal, and regulatory compliance

AI-enabling platforms/solutions

ILLUSTRATIVE

AI development platform	MLOps/ModelOps solutions	Explainability tools
Platforms with end-to-end capabilities for building, deploying, and managing AI solutions	Automating the deployment of ML models in production, coupled by capabilities to monitor, manage, and govern	Tools and solutions to help interpret the working of the AI model, audit the model, and explain the outcome
AutoML tools	**Low-code/no-code AI platform**	**Feature stores**
Tools and solutions to help automate various tasks across the machine learning life cycle	Platforms that offer readymade pre-defined building blocks that can be used to create AI solutions	A central repository of curated features that can be reused for different AI solutions with limited engineering

AI solutions segments

ILLUSTRATIVE

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

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:

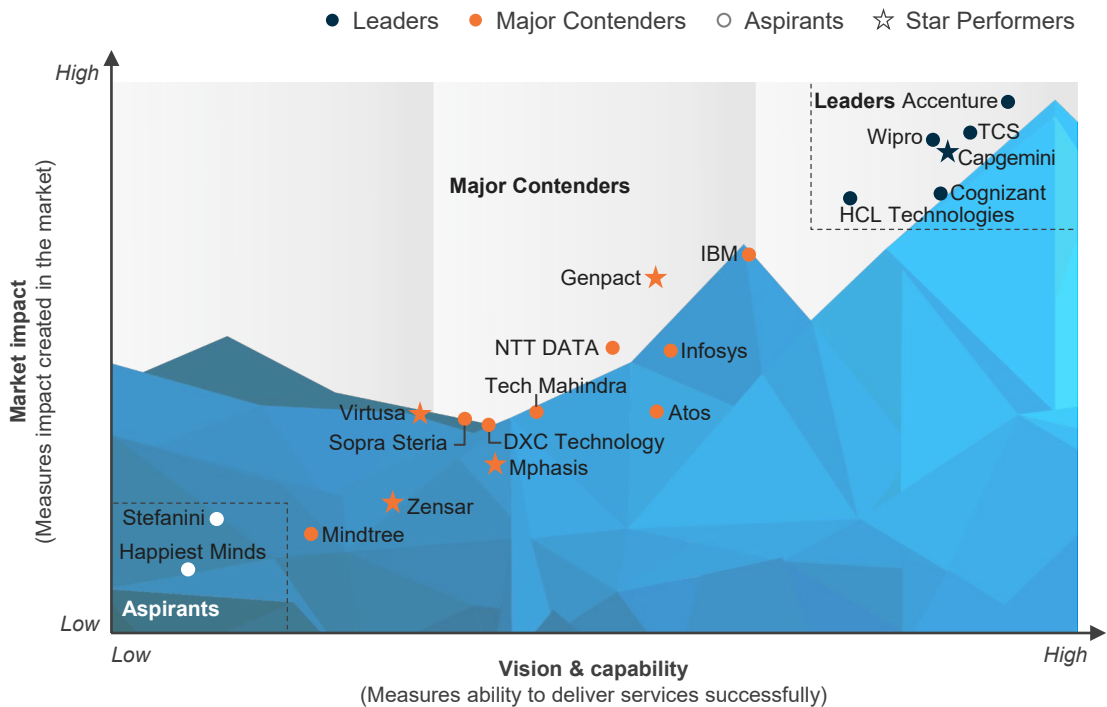**Service provider capability**

- 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 supporting responsible AI adoption that encompasses explainability, fairness, bias assessment, and regulatory compliances, by developing their own IP in terms of tools and frameworks
- Leaders are focusing on leveraging AI to activate sustainable operations within enterprises and investing towards "green AI". They are taking a verticalized approach and working toward emerging concepts such as federated learning, multi-party computing, and frugal AI. They have increased their market share for AI through strong partnerships with Hyperscalers as well as with nice vendors in the market
- Major Contenders have built meaningful capabilities to deliver AI services, and are incorporating explainability and bias assessment elements within their portfolios by leveraging partnerships and third-party solutions
- Major Contenders are establishing themselves by developing specialization across a chosen vertical and going deep within it. They are investing in emerging concepts, such as edge and frugal AI, with the application of active and transfer learning mechanisms. They need to amplify proof points showcasing their capabilities to help clients operationalize these AI concepts
- Aspirants have created a niche for themselves by developing specialization in one domain of AI such as conversational AI or computer vision and championing it
- Aspirants are making investments to include explainability in their portfolios, following the example of Leaders in the market

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 2022[1,2]

Illustrative example

● Leaders   ● Major Contenders   ○ Aspirants   ☆ Star Performers

Market impact (Measures impact created in the market) — vertical axis (Low to High)

Vision & capability (Measures ability to deliver services successfully) — horizontal axis (Low to High)

Leaders: Accenture, Wipro, TCS, Capgemini, Cognizant, HCL Technologies

Major Contenders: IBM, Genpact, NTT DATA, Infosys, Tech Mahindra, Atos, Virtusa, Sopra Steria, DXC Technology, Mphasis, Zensar, Mindtree

Aspirants: Stefanini, Happiest Minds

Capability assessment

Illustrative example

Measure of capability: ◔ Low   ● High

Providers	Market impact				Vision & capability				
	Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
Provider 1									
Provider 2									
Provider 3									
Provider 4									
Provider 5									
Provider 6									
Provider 7									
Provider 8									
Provider 9									

Everest Group's remarks on providers

Illustrative example

Measure of capability: ◔ Low   ● High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall

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

Limitations

- 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

1 Assessments for Atos 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.

2 Analysis for DXC Technology, IBM, Infosys, and Tech Mahindra 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 (2022)

Research calendar
Digital Services

Flagship reports	Release date
Artificial Intelligence (AI) Services – State of the Market Report 2021 | Scale the AI Summit Through Democratization	January 2021
Digital Interactive Experience (IX) Services State of the Market Report 2021 – Moving from Persuasive to Purpose-driven Experiences	February 2021
Digital Services – Market Report 2021: Digital Transformation – Fostering Value Through Rearchitecting Change Management	April 2021
Digital Experience Platform (DXP) Products PEAK Matrix® Assessment 2021	August 2021
IoT Supply Chain Solutions PEAK Matrix® Assessment 2021	November 2021
Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2022	**March 2022**
Artificial Intelligence (AI) Service Provider Compendium 2022	Q1 2022

Thematic reports	
Customer Data Platform Trailblazers: Top 15 Start-ups Redefining Hyper-personalization	March 2021
Operationalizing Machine Learning at Scale (MLOps)	April 2021
Federated Learning: Privacy by Design for Machine Learning	May 2021
Smart Spaces Transcending Physical Boundaries	September 2021
Artificial Internet of Things (AIoT)	Q1 2022

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

Research calendar
Data and Analytics

	Published		Planned		Current release

Flagship reports	Release date
Artificial Intelligence (AI) Services – State of the Market Report 2021 | Scale the AI Summit Through Democratization	January 2021
Data and Analytics (D&A) Services PEAK Matrix® Assessment 2021	July 2021
Data and Analytics (D&A) Service Provider Compendium 2021 – Update	September 2021
Analytics and AI Services Specialists PEAK Matrix® Assessment 2021	November 2021
Advanced Analytics & Insights (AA&I) Services PEAK Matrix® Assessment 2022	December 2021
Data and Analytics (D&A) Services State of the Market Report 2022	January 2022
Analytics and AI Services Specialists – Service Provider Compendium 2022	February 2022
Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2022	**March 2022**

Thematic reports	Release date
From Dissatisfaction to Delight: Sustaining Client Satisfaction in the Post-pandemic World	March 2021
Customer Data Platform Trailblazers: Top 15 Startups Redefining Hyper-personalization	March 2021
Analytics Accelerating Industry 4.0: The Quest for Operational Resilience and Agility in Manufacturing	May 2021
Data Modernization – The Backbone of a Future-ready Enterprise	July 2021
Augmented Data Management: Leveraging the Power of Artificial Intelligence to Handle the Data Deluge	October 2021
Driving Enterprise Business Transformation with Next-generation Data Management	December 2021
Machine Learning Operations (MLOps): the Foundation of an Enterprise Built on Artificial Intelligence (AI)	January 2022
Lifesciences analytics casebook	Q2 2022

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Everest Group®

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