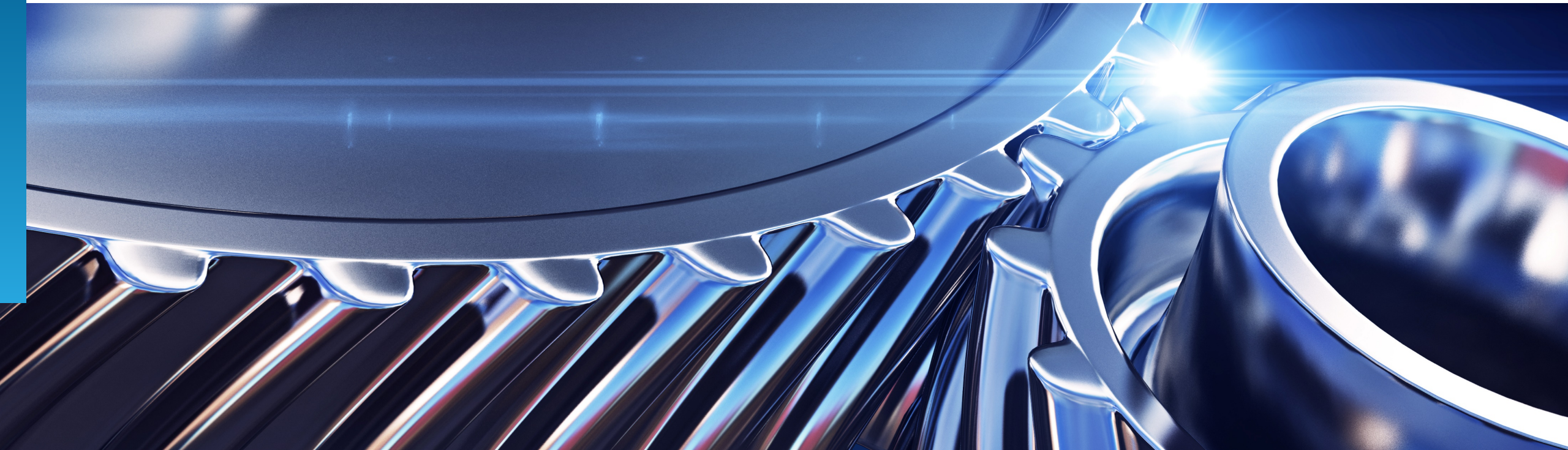# Digital Product Engineering Services PEAK Matrix® Assessment 2022: Bridging the Chasm between the Physical and Digital Worlds

March 2022: Complimentary Abstract / Table of Contents

EGR-2022-40-CA-5019

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Contents

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Contents

Contents

Background and introduction of the research

The recent advances in technology have led to a massive digital wave in the engineering world, wherein physical products are being enhanced by making them smarter, connected, autonomous, and intelligent. To cater to the evolving customer needs and provide a rich customer experience, enterprises are making significant investments in the next-generation technologies such as AI/ML, AR/VR, 5G, blockchain, IoT, and cybersecurity, which serve as the backbone of digital products. However, the rapid pace of innovation and the need to stay ahead of market trends in this current space necessitates the need to establish a compelling partnership ecosystem that can help enterprises accelerate time-to-market. To cater to this growing demand from enterprises, engineering service providers are actively enhancing their capabilities and offerings to unlock the potential of data from connected products, integrate multiple technologies for better user experience, and ultimately engineer technologically sound digital products.

This research is the first edition of Everest Group's **Digital Product Engineering Services PEAK Matrix® Assessment**, wherein we have presented an assessment of 30 engineering service providers featured on the PEAK Matrix, along with the sourcing considerations for enterprises. This assessment is based on the RFI responses from service providers, interactions with their digital product engineering leadership, client reference checks, and ongoing analysis of the engineering services market.

This report includes the profiles of the following 30 leading engineering service providers featured on the Digital Product Engineering PEAK Matrix:

- **Leaders:** Accenture, Capgemini, Cognizant, HCL Technologies, Infosys, LTTS, TCS, and Wipro
- **Major Contenders:** Bosch Global Software Technologies (BGSW), Cyient, eInfochips, Experion Technologies, GlobalLogic, GS Lab, Happiest Minds, HARMAN DTS, Infinite Computer Solutions, Innominds, Itransition, Mindtree, Mphasis, Sasken, SoftServe, Tech Mahindra, and VVDN Technologies
- **Aspirants:** Accolite Digital, Aspire Systems, Daffodil Software, e-Zest, and Sonata Software

Scope of this report

Geography
Global

Providers
30 leading engineering service providers

Services
Digital product engineering services

Overview and abbreviated summary of key messages

This report examines the global digital product engineering services landscape. It assesses 30 leading engineering service providers, evaluating their capabilities and market impact to help enterprises develop smart, connected, autonomous, and intelligent products in order to deliver superior customer experiences.

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

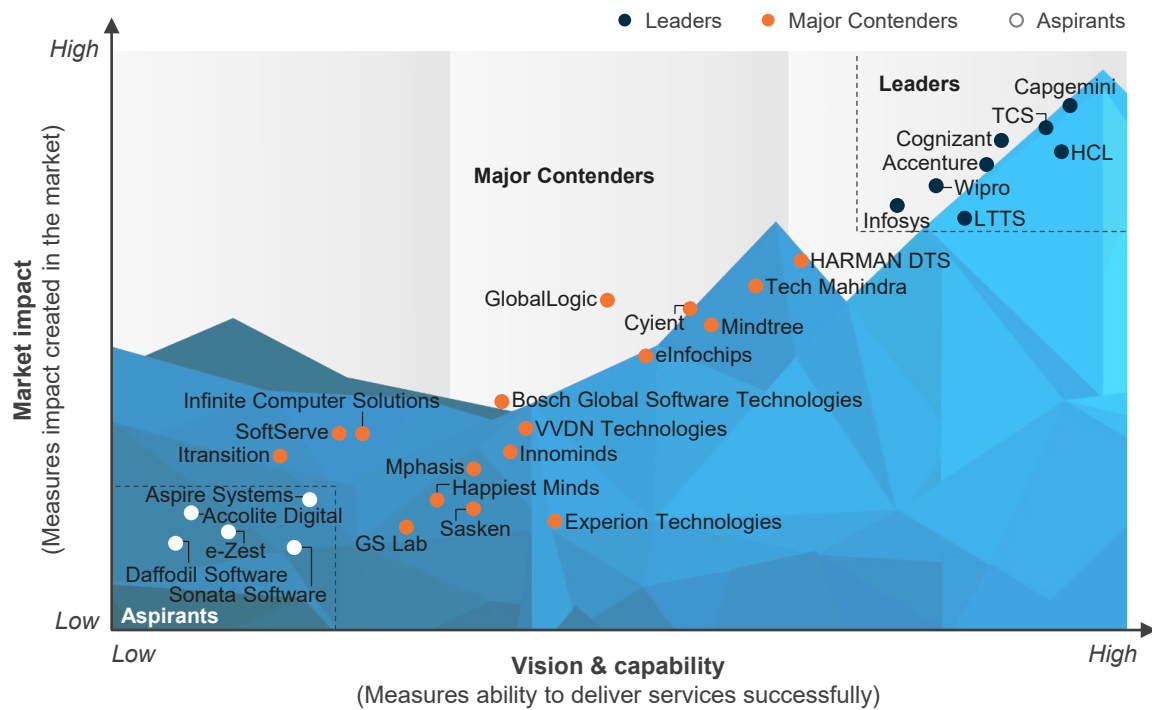**Service provider position and delivery capability**

- Service providers can be categorized into leaders, major contenders, and aspirants on a capability-market-share matrix for digital product engineering services
- Accenture, Capgemini, Cognizant, HCL Technologies, Infosys, LTTS, TCS, and Wipro are the current leaders in the global digital product engineering services market. However, several service providers are emerging as major contenders

Service provider characteristics

- The Leaders segment comprises both pure-play as well as broad-based IT-heritage firms that have developed dominant capabilities in offering multidisciplinary digital product engineering capabilities
- Leaders have been able to successfully grow organically by forming partnerships with hardware, embedded, and software vendors and making investments in developing labs, CoEs, and innovation centers in next-generation technologies such as AR/VR, IoT, analytics, AI/ML, 5G, semiconductor engineering, and ASIC design
- Major Contenders also comprise both IT-heritage firms as well as pure-play engineering service providers, who are actively making investments in establishing labs and CoEs and developing IPs and solutions in areas such as AI/ML, testing, analytics, IoT, cybersecurity, and embedded systems
- Aspirants offer capabilities mostly across the software engineering part of the value chain and have a limited portfolio of services required to develop hardware and embedded products. They are actively training and upskilling their engineering talent, their investments in labs, CoEs, partnerships, and IPs are limited

This study offers three distinct chapters providing a deep dive into key aspects of digital product engineering services market; below are three charts to illustrate the depth of the report

Digital Product Engineering Services PEAK Matrix® Assessment 2022[1,2,3]

● Leaders   ● Major Contenders   ○ Aspirants

High

Market impact
(Measures impact created in the market)

Leaders
- Capgemini
- TCS
- Cognizant
- HCL
- Accenture
- Wipro
- Infosys
- LTTS

Major Contenders
- HARMAN DTS
- Tech Mahindra
- GlobalLogic
- Cyient
- Mindtree
- eInfochips
- Infinite Computer Solutions
- Bosch Global Software Technologies
- SoftServe
- VVDN Technologies
- Itransition
- Innominds
- Mphasis
- Happiest Minds
- Sasken
- Experion Technologies
- GS Lab

Aspirants
- Aspire Systems
- Accolite Digital
- e-Zest
- Daffodil Software
- Sonata Software

Low

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

[1] Assessments for SoftServe and Tech Mahindra exclude service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interaction with buyers.
[2] Assessment of Capgemini is inclusive of Altran (part of Capgemini) and reflects their joint capabilities and market impact.
[3] While GlobalLogic was acquired by Hitachi in July 2021, the assessment has been conducted on the basis of GlobalLogic as a stand-alone entity only.

Source: Everest Group (2022)

Capability assessment

Illustrative example

Measure of capability: ◔ Low ● High

Provider	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
- Significant investments in establishing labs, CoEs, and innovation centers in areas such as AI/ML, AR/VR, cybersecurity, 5G, IoT, and embedded systems
- Has a well-balanced portfolio of customers spanning key geographies and industry verticals

Limitations
- Lacks experience in serving clients with emerging commercial constructs such as risk-reward, revenue-sharing, and outcome-based models
- Offshore-heavy delivery model with limited presence in nearshore and onshore geographies

Research calendar
Engineering services

Flagship reports	Release date
Enabling the Hyper-connected Intelligent World – Semiconductor Engineering State of the Market Report 2021	November 2021
Driving Next-generation Mobility Experiences: ACES Mobility Automotive Engineering Services State of the Market Report 2022	December 2021
Envisioning the Connected Future: 5G Engineering Service Provider Compendium 2022	December 2021
Digital Product Engineering Services PEAK Matrix® Assessment 2022: Bridging the Chasm between the Physical and Digital Worlds	**March 2022**
Digital Product Engineering Services State of the Market Report 2022: Bridging the Chasm between the Physical and Digital Worlds	Q2 2022
Industry 4.0 Services PEAK Matrix® Assessment 2022	Q2 2022
Connected Medical Devices PEAK Matrix® Assessment 2022	Q2 2022
Software Product Engineering Services PEAK Matrix® Assessment 2022	Q2 2022

Thematic reports	Release date
Industry 4.0 Trailblazers: Top Start-ups Impacting the Industry 4.0 Value Chain	February 2022
Engineering R&D (ER&D) in 2022: Key Macroeconomic and Technological Trends that Will Shape the ER&D Industry in 2022	February 2022
Environmental, Social, Governance (ESG) Adoption in the Engineering Landscape	Q1 2022
Engineering Services Provider of the Year Award 2022	Q1 2022
Engineering Services Enterprise Pulse: Are Engineering Enterprises Truly Happy with Their Service Providers?	Q2 2022
Engineering Services Top 50	Q2 2022
Trends in the Top 200 Engineering Research & Development (ER&D) Enterprises	Q2 2022

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

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