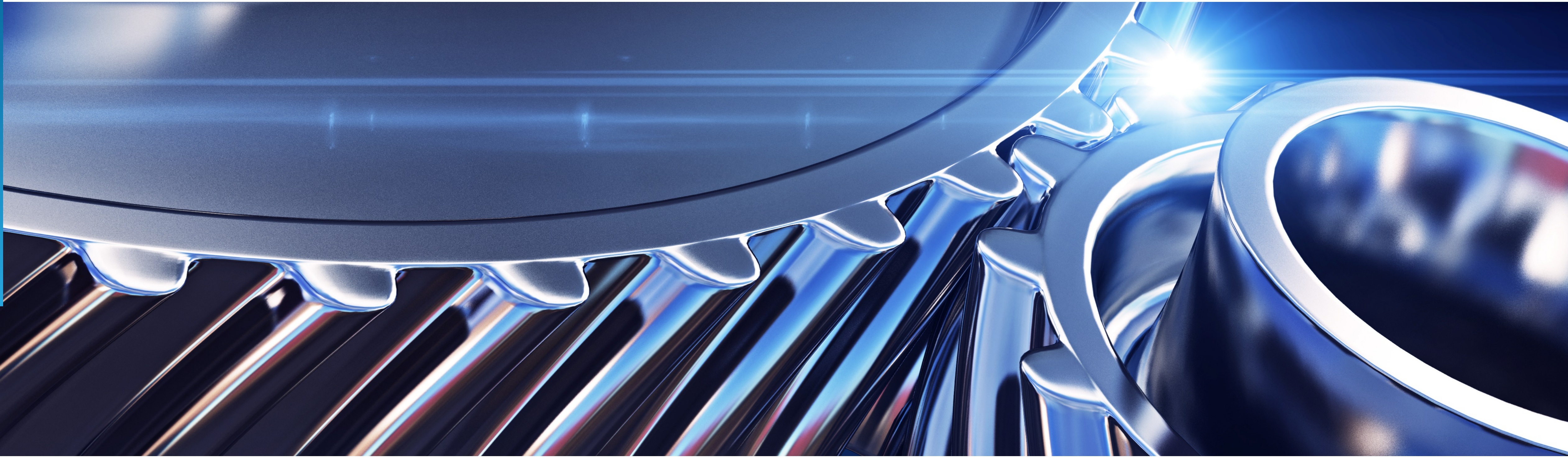
Everest Group®

Everest Group PEAK MATRIX® | Engineering Services

Acing the Art of Platform-driven Growth: Software Product Engineering Services PEAK Matrix® Assessment 2023

December 2022: Complimentary Abstract / Table of Contents



EGR-2022-40-CA-5713

Our research offerings

This report is included in the following research program(s):
Engineering Services, Software Product Engineering Services

- Application Services
- Artificial Intelligence (AI)
- Banking and Financial Services Business Process
- Banking and Financial Services Information Technology
- Catalyst™
- Clinical Development Technology
- Cloud and Infrastructure
- Contingent Staffing
- Contingent Workforce Management
- Conversational AI
- Customer Experience Management Services
- CX Excellence
- Cybersecurity
- Data and Analytics
- Digital Adoption Platforms (DAP)
- Digital Engineering Services
- Digital Services
- Digital Workplace
- Employee Experience Management (EXM) Platforms
- Employer of Record (EOR)
- Engineering Services
- Enterprise Platform Services
- Exponential Technologies
- Finance and Accounting
- Financial Services Technology (FinTech)
- Global Business Services
- Healthcare Business Process
- Healthcare Information Technology
- Human Resources Outsourcing
- Insurance Business Process
- Insurance Information Technology
- Insurance Technology (InsurTech)
- Insurance Third-Party Administration (TPA) Services
- Intelligent Document Processing (IDP)
- Interactive Experience (IX) Services
- IT Services Executive Insights™
- Life Sciences Business Process
- Life Sciences Commercial Technologies
- Life Sciences Information Technology
- Locations Insider™
- Marketing Services
- Market Vista™
- Modern Application Development (MAD)
- Mortgage Operations
- Multi-country Payroll
- Network Services and 5G
- Outsourcing Excellence
- Pricing Analytics as a Service
- Process Mining
- Procurement and Supply Chain
- Recruitment
- Retirement Technologies
- Revenue Cycle Management
- Rewards and Recognition
- Service Optimization Technologies
- Software Product Engineering Services
- Supply Chain Management (SCM) Services
- Sustainability Technology and Services
- Talent Excellence GBS
- Talent Excellence ITS
- Technology Skills and Talent
- Trust and Safety
- Value and Quality Assurance (VQA)
- Work at Home Agent (WAHA) Customer Experience Management (CXM)

If you want to learn whether your organization has a membership agreement or request information on pricing and membership options, please contact us at **info@everestgrp.com**

Learn more about our
custom research capabilities

- Benchmarking
- Contract assessment
- Peer analysis
- Market intelligence
- Tracking: providers, locations, risk, technologies
- Locations: costs, skills, sustainability, portfolios

Contents

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

Akshat Vaid, Vice President

Mayank Maria, Practice Director

Riya Agrawal, Senior Analyst

Marut Shukla, Senior Analyst

Agnivesh Tripathy, Senior Analyst

Contents

Contents

Introduction

Software, the largest segment of spending in the product engineering world, continues to grow in relevance as platform-based business models take center stage for enterprises in both product- and services-centric verticals.

This shift toward platforms, with enterprises starting to compete in the market based on their platform offerings, is leading to the emergence of new dynamics:

- There is a change in the relationship and an increasing intimacy between business and technology/engineering functions
- The tolerance for technical debt is going down; the need to manage/retire platform-related legacy rapidly and effectively is more pronounced
- The approach toward software engineering is undergoing a visible shift – the build and maintain mindset is giving way to a journey of ongoing platform evolution

While the new dynamics are leading to an explosion in engineering talent demand, the geopolitical situation in Eastern Europe is worsening the already supply-constrained talent market. Engineering service providers are playing a crucial role in this situation and are helping their clients with scaled, persistent, and diversified engineering teams.

This research, the fourth edition of Everest Group's Software Product Engineering PEAK Matrix® Assessment, evaluates 33 engineering service providers, features them on the PEAK Matrix®, and shares insights on enterprise sourcing considerations. The study is based on RFI responses from service providers, interactions with their software product engineering leadership, client reference checks, and ongoing analysis of the engineering services market.

The report includes detailed profiles of the following 33 leading engineering service providers featured on the Software Product Engineering PEAK Matrix®:

- **Leaders:** Accenture, Capgemini, Cognizant, EPAM, GlobalLogic, HCLTech, Infosys, Persistent Systems, TCS, and Wipro
- **Major Contenders:** Aspire Systems, Brillio, Cybage, DataArt, Encora, Globant, Happiest Minds, HARMAN DTS, Infogain, Innominds, Itransition, Mindtree, Mphasis, SoftServe, Sonata Software, Tech Mahindra, UST, and Virtusa
- **Aspirants:** Daffodil Software, Experion Technologies, GS Lab | GAVS, Intellias, and Sacumen

Scope of this report

Geography
Global

Providers
33 leading engineering service providers

Services
Software product engineering services

Overview and abbreviated summary of key messages

This report examines the global software product engineering services landscape and assesses 33 leading engineering service providers. It focuses on service provider capabilities and market impact in helping enterprises create experience-centric, secured, and resilient next-generation software products. It also identifies the key implications of the research findings for enterprises and service providers.

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

Service provider position and delivery capability

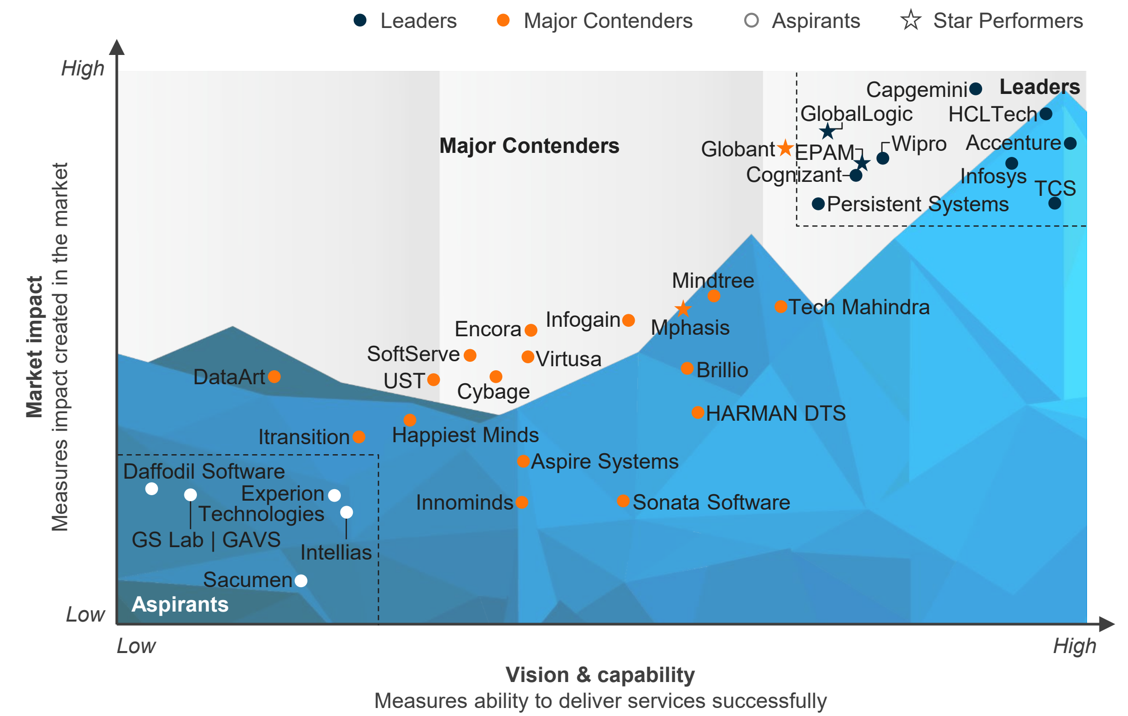
- Service providers can be categorized into leaders, major contenders, and aspirants on a capability-market-share matrix for software product engineering services
- Accenture, Capgemini, Cognizant, EPAM, GlobalLogic, HCLTech, Infosys, Persistent Systems, TCS, and Wipro are the current leaders in the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

Service provider characteristics

- Broad-based engineering service providers that have travelled both organic and inorganic growth paths to position themselves as extremely skilled along the entire software product engineering value chain continue to make up the Leaders segment.
- The Leaders have made dedicated investments in forming strategic partnerships, establishing labs, and developing IP solutions to bolster capabilities in cloud engineering, analytics, UI/UX, AI, product development, DevOps, etc. Leaders are working on vertical-specific solutions via a continued partnership with hyperscalers such as Azure, AWS, and Google. Leaders have a balanced mix of clients spread across small, midsize, and large enterprises and a delivery footprint spread across onshore, nearshore, and offshore regions.
- Major Contenders are actively investing and enhancing their in-house engineering expertise and managing employee turnover. To compete with Leaders they need to reduce skewness in their delivery footprint and client portfolio along with offering wider services to clients
- Aspirants possess strong capabilities in specific technology areas and value chain elements, however, their global presence and ability to serve projects with wider scopes are limited. They are making focused investments for enhancing their solutions portfolio, improving service enablement capabilities, and expanding their footprint and client-base to enter the Major Contenders segment

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

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



1 Assessment for Cybage, EPAM, SoftServe, and Virtusa 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 Analysis for Mindtree is based on its capabilities before its merger with LTI
Source: Everest Group (2022)

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

- Provider 1 has built a network of partners across cloud engineering, API management, and test automation platforms
- It has a strong presence across key SPES verticals such as ISVs, BFSI, media and entertainment, and healthcare

Limitations

- Provider's delivery footprint is inclined toward offshore, and it does not have much presence in nearshore and onshore regions
- Its clientele is limited to the US and the UK, and it has very less exposure to the rest of Europe and APAC
- It has limited experience in working with digital natives and start-ups

Research calendar
Engineering Services

Published | Planned | Current release

Reports title	Release date
Engineering Services Enterprise Pulse: Sustaining Customer Satisfaction Amid a Talent Shortage	May 2022
Impact Sourcing Specialist Profiles 2022	June 2022
Engineering Next-Generation Digital Products	June 2022
Digital Twin Services PEAK Matrix® Assessment 2022	July 2022
Connected Medical Device Services PEAK Matrix® Assessment 2022	August 2022
Mirror into the Megatrends	August 2022
Digital Twin Services Provider Compendium 2022	August 2022
Industry 4.0 Services PEAK Matrix® Assessment 2022: Unleashing the Era of Phygital Manufacturing	September 2022
Leading the Pack: Trends for the Top 200 Engineering Research & Development (ER&D) Enterprises 2022	September 2022
Connected Medical Device Services Provider Compendium 2022	September 2022
Industry 4.0 Service Provider Compendium 2023: Unleashing the Era of Phygital Manufacturing	October 2022
Engineering Services Top 50	November 2022
Acing the Art of Platform-driven Growth: Software Product Engineering Services PEAK Matrix® Assessment 2023	**December 2022**
Digital Product Engineering Services State of the Market Report 2023: Breaking the Chasm between Physical and Digital Worlds	Q4 2022
5G Services PEAK Matrix® Assessment 2023	Q1 2023

Note: Click to see a list of all of our published Engineering services reports

Everest Group®
With you on the journey

Everest Group is a leading research firm helping business leaders make confident decisions. We guide clients through today's market challenges and strengthen their strategies by applying contextualized problem-solving to their unique situations. This drives maximized operational and financial performance and transformative experiences. Our deep expertise and tenacious research focused on technology, business processes, and engineering through the lenses of talent, sustainability, and sourcing delivers precise and action-oriented guidance. Find further details and in-depth content at **www.everestgrp.com**.

Stay connected

Website
everestgrp.com

Social Media
@EverestGroup
@Everest Group
@Everest Group
@Everest Group

Blog
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