



# Enterprise Pulse for IT Services 2024 – Retail and Consumer Packaged Goods (CPG) Industry

July 2024: Complimentary Abstract / Table of Contents

Market Report  
Retail and CPG IT Services



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- ▶ Price Genius – AMS Solution and Pricing Tool
- ▶ Pricing Analytics as a Service
- ▶ Process Intelligence
- ▶ Process Orchestration
- ▶ Procurement and Supply Chain
- ▶ Recruitment
- ▶ Retail and CPG IT Services
- ▶ Retirement Technologies
- ▶ Revenue Cycle Management
- ▶ Rewards and Recognition
- ▶ SAP Services
- ▶ Service Optimization Technologies
- ▶ Software Product Engineering Services
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# Introduction

In 2023, IT services and technology providers faced difficulties aligning with enterprise expectations of the retail and CPG enterprises, resulting to a slight decrease in overall client satisfaction scores when compared to 2022.

Client satisfaction is pivotal in the global technology services market. It drives value creation for both clients and service providers, fosters strong relationships, and sustains revenue streams.

Everest Group conducted 116 unique interviews with key stakeholders from multiple retail and CPG enterprises nominated as reference clients by 51 technology service providers globally, across Everest Groups' proprietary PEAK Matrix® assessments, to understand their satisfaction with their technology service providers.

In this report, we asked key enterprises stakeholder to rate their service partners on a variety of client satisfaction dimensions.

We focus on:

- Enterprises' assessment of technology services and providers' capabilities
- Top providers in retail and consumer packaged goods (CPG) IT services

## Scope of this report

**Geography:** Global

**Industry:** Retail and Consumer Packaged Goods (CPG)

**Services:** IT application services, digital services, cloud and infrastructure, and enterprise platform services

**Technology service provider:** 51 global technology service providers

# Overview and abbreviated summary of key messages

The study summarizes enterprise views on the capabilities of service providers as enterprises look to scale up their investments. The report also lays out enterprises' quantitative and qualitative inputs on their providers, their strengths, and limitations.

We also look at the top providers in the retail and CPG IT services, assessed across parameters such as client satisfaction, transformational proof points, and awards and recognitions.

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

### Customer satisfaction is declining amongst the retail and CPG enterprises

- Retail enterprises witness a notable decline in customer satisfaction, showing a 17% decrease from the 2022 scores
- The downward trend in retail services satisfaction aligns closely with declining revenue growth in the industry. This correlation underscores the importance of addressing satisfaction issues to improve financial performance

### Service evaluation parameters responsible for the customer satisfaction scores

- Enterprises have shown an increase in dissatisfaction across parameters such as technical and domain expertise, commercial flexibility, and client management
- However, there has been an improvement in talent management, strategic partnerships, and value add and innovation

### Enterprises' satisfaction in different buyer geographies

- Insufficient industry expertise, talent attrition, and a scarcity of onshore resources have contributed to reduced satisfaction levels in the North America and UK&I regions
- While in APAC, dissatisfaction stems from a lack of commercial flexibility, client management, and innovation

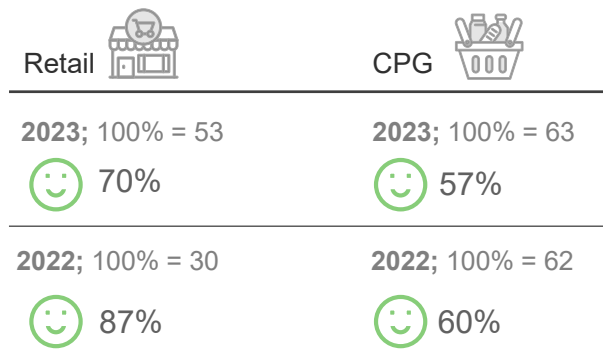
### Enterprises' satisfaction for different buyer sizes

- Service providers have achieved superior client satisfaction with large and very large enterprises
- Mega clients have experienced the most significant decline in satisfaction

# This study offers four distinct chapters providing a deep dive into key aspects of enterprise satisfaction in the RCPG market; below are four charts to illustrate the depth of the report

## Customer satisfaction of retail enterprises has seen a major dip while CPG maintains relatively stable levels

Enterprises' overall satisfaction with technology service providers  
Percentage

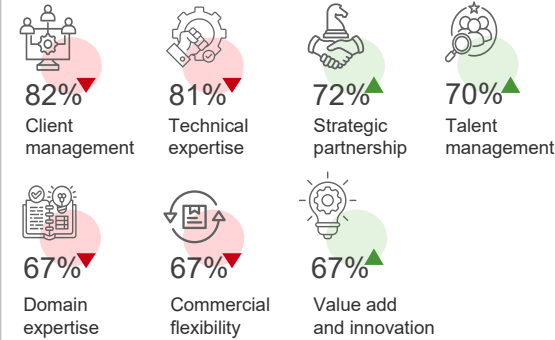


- We anticipate the retail and CPG IT services market to grow at a rate of approximately 4-6% over 2024-25. Enterprises will prioritize investments in areas such as supply chain planning, digital commerce channels, and store operations, aiming to maximize business value from technology investments
- The downward trend in retail services satisfaction aligns closely with declining revenue growth in the industry. This correlation underscores the importance of addressing satisfaction issues to improve financial performance

## Service providers must enhance technical and domain expertise while becoming more commercially flexible









Percentage of enterprises satisfied on following dimensions

▲ YoY satisfaction rise in 2023 ▼ YoY satisfaction drop in 2023

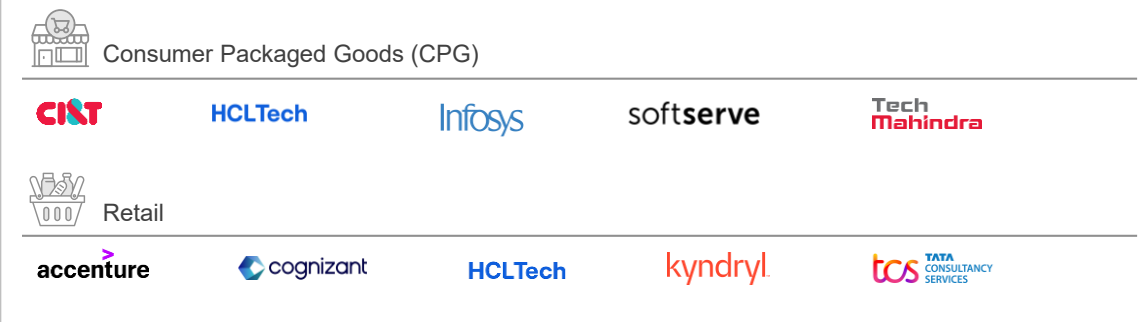


- Enterprises are increasingly prioritizing collaboration and communication with service providers, moving beyond one-off engagements to establish strategic partnerships
- While technical expertise remains highly valued among service providers, enterprises now also expect a strong grasp of industry context from their technology partners
- Service providers have seen an improvement in talent-related challenges, with reduced attrition leading to increased client satisfaction in talent management. However, larger enterprises continue to face talent management as a persistent pain point
- Despite rising satisfaction levels, a significant one-third of enterprises report that service providers are not effectively leveraging value-add elements during implementation or introducing innovation through proactive initiatives

## Service providers' strengths and areas of improvement

Strengths	Areas of improvement
 Technical expertise	 Pricing
 Partnership and ownership	 Resource management and talent availability
 Commitment to delivery	 Communication
 Client management	 Innovation and value addition capability

## Top five service providers across the retail and CPG IT services areas delivering outstanding value





# Research calendar

## Retail and CPG IT Services

	Published	Current release	Planned
Reports title	Release date		
Delivering a Resilient Supply Chain Ecosystem for Retail and Consumer Packaged Goods (CPG) - State of the Market 2023			December 2023
Driving Sustainability in Retail and CPG Industry: A Business Model Transformation Approach			January 2024
Retail IT Services PEAK Matrix® Assessment 2024			January 2024
Retail IT Services – Provider Compendium 2024			March 2024
Consumer Packaged Goods (CPG) IT Services PEAK Matrix® Assessment 2024			March 2024
Consumer Packaged Goods (CPG) IT Services - Provider Compendium 2024			April 2024
Retail and Consumer Packaged Goods (RCPG) State of the Market 2024: Seeking Balance Between Operational Efficiency and Customer Experience			June 2024
<a href="#">Enterprise Pulse for IT Services 2024 – Retail and Consumer Packaged Goods (CPG) Industry</a>			July 2024
Reimagining the Retail and CPG Value Chain with AI			Q3 2024
Retail and CPG Data, Analytics, & AI Services PEAK Matrix® Assessment 2024			Q3 2024
Retail and CPG Data, Analytics, & AI Services - Provider Compendium 2024			Q3 2024
Retail and CPG Data, Analytics, & AI Services State of the Market 2024			Q4 2024
Supply Chain IT Transformation Services for Retail and CPG PEAK Matrix® Assessment 2024			Q4 2024

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