ISG Provider Lens™

Digital Business Solutions and Service Partners

USA 2020

Quadrant Report

A research report comparing provider strengths, challenges and competitive differentiators

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About this Report

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The research and analysis presented in this report includes research from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of September 2020, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars ($US) unless noted.

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ISG Provider Lens™

ISG Provider Lens™

ISG Provider Lens™ delivers leading-edge and actionable research studies, reports and consulting services focused on technology and service providers' strengths and weaknesses and how they are positioned relative to their peers in the market. These reports provide influential insights accessed by our large pool of advisors who are actively advising outsourcing deals as well as large numbers of ISG enterprise clients who are potential outsourcers.

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EXECUTIVE SUMMARY

Digital Business Solutions and Service Observed Trends & Overview

ISG rated 48 providers for the “Digital Business Solutions and Service Partners 2020” report across five quadrants for the U.S. market. A higher number of vendors participated in this year’s study, indicating a stronger push for digital services. The changing priorities of businesses during the COVID-19 pandemic is a major factor driving the overall growth of digital services in the U.S. In addition to analytics, cloud and cybersecurity, other trends such as the connected ecosystem, integration platforms based on application programming interfaces (APIs), implementation of digital solutions using low-code/no-code platforms, and multi-cloud environments will further fuel the growth of digital transformation in the region.

According to ISG Index, global sourcing slowed in the second quarter of 2020 as enterprises sharply reduced their managed services spending under the impact of the pandemic while still investing in ongoing digital transformation and service efforts. According to Steve Hall, president, ISG EMEA, and partner, Digital Advisory Services, “Forecasting what’s ahead of this year remains a challenge given the unknowns of the pandemic and the impact of a potential second wave.” Adding to this, Hall also mentioned that the tailwinds of digital business adoption are stronger than the headwinds of macroeconomic forces, and companies that are well along in their digital transformation journeys may recover more quickly. He added that those that are less digitally mature may be more motivated now to accelerate their digital investments. Over the last few months of the pandemic, digital transformation roadmaps that spanned years were compressed into days and weeks in order to adapt to the new normal. The crisis has induced a shift in focus from growth strategies to sustainability, cost savings, remote collaboration, automation and resilience, with major companies deciding to accelerate digital projects that had been planned for implementation in a couple of years to just two months.

Enterprises have started making significant efforts to reimagine the customer, employee and supplier journeys. They are choosing continuous design thinking, Agile, Lean and DevOps methodologies over the traditional waterfall approach to quickly adapt to changing market dynamics and build innovation across the organization and the ecosystem where it operates and functions. They are increasingly learning and building agility, formulating data and analytics strategies to encourage the culture of data-driven insights and decision-making, and creating transparency and collaboration inside and outside the organization. These will be the key principals of successful leadership that will enable an organization to identify and overcome any roadblocks.

Digital transformation is driven through the virtualization of technologies and the convergence of the virtual and physical worlds. From the systems and IT infrastructure perspective, "virtual" refers to running workloads remotely on the cloud and includes software-defined architecture and infrastructure. The digital transformation of functions and operations includes automation, AI and cognitive technologies. These are coupled with analytical capabilities that can be applied in both the real world – including

production facilities, customer contact centers, retail environments and other customer interaction points, as well as mobile – and the virtual world by automating responses and interaction with clients, partners and governments.

Digital transformation allows organizations to tackle risks and handle disruptions such as market fluctuations, corporate restructurings and an unstable geopolitical environment. The digitalization of traditional business models also promotes the development of more technologically advanced products and services. Digital transformation services help businesses to realign their processes and technologies and obtain a competitive edge in the market.

This study is divided into five quadrants as follows:

Digital Business Consulting Services

Consulting service providers have now modified their pandemic-specific offerings to help clients remain sustainable and capture new opportunities that arose during the crisis. They offer services such as digital strategy design, organization change management, collaboration tools, digital culture consulting, process automation and omnichannel experience, along with support for digitalizing the supply chain and maintaining cash flow. To achieve this and speed up digital transformations, providers are adopting accelerators such as DevOps and DevSecOps methodologies for agility and security, as well as APIs to boost efficiency and facilitate innovation. ISG observes that more consulting players are building greater capabilities in artificial intelligence (AI), machine learning (ML), analytics, security, the Internet of Things (IoT), design thinking and prototyping to support clients in their digital transformations. Other services include benchmarking, digital maturity assessments and strategic research around market dynamics. Supply chain design, supply chain consulting, supply chain analytics, predictive analytics and related technologies such as blockchain and IoT are in high demand among clients. This market segment is expected to see greater traction and growth in the next 12 to 18 months as companies revamp their strategies to deal with the post-COVID-19 environment.

Digital Customer Experience Services

Digital customer experience is a process companies follow to differentiate their business and understand of the customer journey by using new business models and technology frameworks. The adoption of digital technologies to change the customer journey and improve business agility creates a digital disruption across all business processes by removing silos. With the growing need to know how an ideal customer interacts with a brand or product across channels, companies are using a collaborative design thinking approach that involves sales, marketing, technology and design. Service providers are increasingly adopting technologies such as cloud, AI, analytics and automation to create a better digital customer experience for customers. They are building digital labs and studios to develop in-house tools, platforms and frameworks for deploying customer services for clients in a short time by deploying teams of experienced digital professional. Customers are rapidly turning to digital, driven by the significant growth in this space. To efficiently address their needs, most service providers are incorporating AI/ML, analytics, chatbots, IoT and other exponential technologies. In the next 18 to 24 months, technologies such as augmented reality (AR), virtual reality (VR) and robotics are expected to see greater traction.

Digital Product Lifecycle Services

The digital product lifecycle is defined by the following phases: i) new product development that includes ideation, conceptualization, prototyping and core development; ii) product sustenance for maintenance and change management; iii) product testing for automation and security; iv) product deployment that covers build and release management, customization and integration of technologies; v) a delivery model that consists of Agile, DevSecOps and upgrades and vi) product management for customer relationship management (CRM) and customer experience. To develop digital products that can operate and be integrated across several clouds, companies are increasingly using containers across industries − particularly during the COVID-19 pandemic − to push for digital initiatives starting with cloud. The use of containers is gaining traction for their utility in carrying out multi-cloud deployment with consistent repletion and a reduced failure rate. Service providers are developing and applying low-code/no-code, microservices-based applications, APIs and serverless, and DevSecOps strategies to deliver digital applications for clients. They are offering DevOps automation, container configuration, test automation, security testing, event tracking and rollbacks. Other services include continuous integration and delivery (CI/CD) pipeline management, tools integration and DevOps operation, including artifacts and repositories.

Providers in this space are transforming their product lifecycle service offerings by integrating the latest technologies, such as AI, analytics, IoT, automation, AR/VR, and digital twin tools and accelerators. These technologies are instrumental in supporting the overall customer journey and providing a competitive advantage, user experience and other business outcomes. Service providers are developing strong expertise in these emerging areas. Another trend is the emergence of co-investment-led businesses for creating co-developed products and go-to-market strategies. Providers have increased their efforts to develop domain-specific expertise along with vertical knowledge for addressing customer requirements. Providers are also using more outcome-based pricing models, putting more skin in the game with a risk-sharing model across the development phase, to keep hold of all important/major accounts due to the COVID-19 pandemic. ISG observes that the proportion of outcome-based projects ranges mostly between 10 percent and 15 percent.

Blockchain Services

The adoption of blockchain has increased this year, with many early blockchain initiatives and use cases going from proof-of-concept (PoC) to the pilot or live-in-production stage. Given its transformational digital capabilities, blockchain is an attractive market opportunity for many vendors and remain one of the fastest-growing markets. Based on their qualifications and expertise in platforms, prominent platforms in this space are Hyperledger Fabric, Ethereum and R3 Corda. Blockchain is increasingly being integrated with other emerging technologies, such as IoT and AI, to create a connected ecosystem that delivers a better user/customer experience. Based on responses shared by all vendors qualified for this quadrant, more than 1,000 engagements were tested, in which nearly 50 percent of use cases proved to be of value for clients and nearly 15 percent of these use cases went into production. On average, a PoC exercise costs between US$150,000 and US$200,000. Projects take 24 to 32 weeks on average to go into

production, and ROI is obtained in about 15 months. Blockchain projects have low cost and can be quickly executed, which indicates the need for only small or midsized teams.

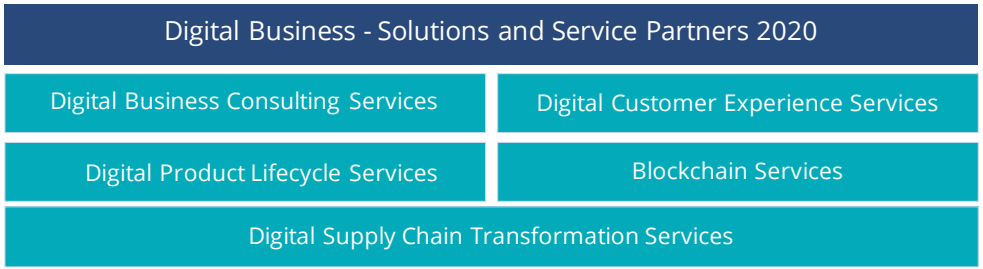
Together with AI, blockchain technology can deliver new levels of data access, trust and security. Several organizations are already experimenting and working with this combination of technologies, but initiatives largely remain in test mode. Adoption and use cases have increased across industry verticals, primarily banking, financial services and insurance (BFSI), which has an early-mover advantage, followed by manufacturing, energy and utilities, retail and government. Supply chain use cases such track and trace and logistics have emerged as the fastest-growing use cases, followed by smart contracts, digital authentication, identity, payment solutions and trading. The top service providers are members of multiple consortiums and have an established presence across industries, which help clients to participate in a network where decentralized applications (Dapps) are deployed. Blockchain service providers are offering services to design and develop blockchain applications and manage them after deployment. Most of them have established centers of excellence (CoEs) that are focused on innovation around blockchain applications.

Digital Supply Chain Transformation Services

Supply chains are increasingly becoming volatile due to trade wars, pandemics and geopolitical instabilities. Many manufacturers and suppliers are considering digital transformation and technology to operate in the new uncertainty arising from the pandemic. Digital technologies such as blockchain, IoT, AI, analytics and robotics were earlier considered for driving efficiency but are now seen as integral for developing strategy and increasing resiliency in disruptive times. Digital technologies offer a holistic platform for collaboration and connection across different disparate systems and siloed processes, thus offering better visibility across the supply chain. Significant developments and advancements have taken place in a short time. These involve the implementation of automated data analysis focused on market changes and of automation solutions and services in distribution and fulfillment centers for reliable and safe operations and delivery. Companies are looking into solutions such as industrial products that enable a connected ecosystem, and manufacturers are focusing on smart factory and connected system initiatives. Consumer-centric companies are considering demand-sensing and omnichannel experience technologies and solutions as part of their offerings. The pandemic has forced organizations to change their operation strategies and diversify their supply chains instead of relying on one major production and supply-chain hub. This has elevated the use of predictive analytics to tackle external risks and has raised the need for a strong governance framework. Most service providers are offering a minimum viable product (MVP)-based agile approach that covers major user stories across sprints, thus delivering the incremental value of working software, with delivery focused on the engineering foundation as well as the feature release to the market. This approach gives clients a better understanding of the potential of leveraging and integrating the latest digital technologies with the client's digital supply chain. Digital supply chain providers use various methodologies and delivery methods, such as Agile, DevSecOps, hyperpersonalization, digital supply chain twin (DSCT), governance, design thinking and user experience (UX) to help clients in their digital supply.

Introduction

Simplified illustration



Source: ISG 2020

Definition

Digital technologies are permeating all aspects of traditional business. The use of information technology to change the customer journey, improve business agility or deliver digital products causes a digital disruption that spans all business processes. These include sales, trading, production, supply chain, product design and human resource management, among others.

Enterprise agility goes beyond software development and encompasses how organizations can adjust business, development and operations workstreams to survive and thrive when competition and customer requirements are constantly changing. This adjustment and the speed at which this happens are relevant and critical for increasing business value.

This year, ISG introduced the ISG Digital Cube™, an interactive model of the enterprise capabilities that are required for digital transformation. The model illustrates the six capabilities any business must have to fully realize its digital ambitions. These include digital backbone, emerging technologies at scale, enterprise agility, digital ecosystem, insights and business model innovation.

Definition (cont.)

ISG will use Digital Cube™ as the main reference model to guide clients in their digital transformation. This ISG Provider Lens™ study is focused on identifying service providers that can support clients in these digital capabilities.

Digital-ready service providers understand the full scope of digital services in providing constant innovation to improve user experience, accelerate business delivery and incorporate intelligent solutions. They partner with leading technology vendors and articulate the use of cognitive computing and learning systems to digitalize any client organization.

The ISG Provider Lens™ study offers IT decision makers:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segment
- Focus on different markets, including global, the U.S., the U.K., Germany, Brazil and the Nordics

Scope of the Study

The 2020 Digital Business Solutions and Services report is intended to assist buyers in reviewing their digital business strategy and choosing solutions and service providers. Enterprise clients will also benefit from the study, as it incorporates ISG's strengths in global sourcing advisory, contract knowledge databases, regional research and expertise in technology ecosystems and innovations.

This study covers 48 participating companies ranked in five quadrants, as illustrated below. Coverage depends on provider responses, participation and relevance.

The quadrant descriptions are as follows:

Digital Business Consulting Services: This quadrant assesses a provider's capability to advise clients across the different facets of their digital journey, including strategy, design, data, technology, organizational change management (OCM), operations, digital culture and innovation. It covers services that leverage emerging technologies such as IoT, analytics, AI, advanced mobile and the cloud.

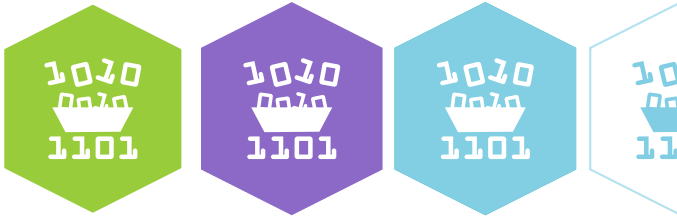
Digital Customer Experience Services: This quadrant assesses a provider's portfolio and capacity to deliver business model innovation, enabling enterprises to build competitive differentiation in today's digital economy. Providers in this space design how an ideal customer (or persona) interacts with a product and a brand. Technology experts, designers and sales and marketing teams work collaboratively with clients in the design process.

Definition (cont.)

Digital Product Lifecycle Services: This quadrant assesses the providers' capacity to adapt the delivery model to each digital product with required speed, enabling a client enterprise to adopt agile and adaptive operating models. A provider's portfolio includes Agile, testing and DevSecOps capabilities to rapidly deploy or transform products and services according to market changes.

Blockchain Services: This quadrant assesses a service provider's competence in consulting, designing, deploying and operating blockchain. Leaders are identified by their experience in prototyping, testing and validation of blockchain solutions, as well as by running the solutions in production environments.

Digital Supply Chain Transformation Services: This quadrant assesses service providers across consulting, integration, support and managed services for the supply chain, covering planning, execution and insights. This also includes the use of comprehensive frameworks or methodologies for digital technologies such as IoT, ML, AI and predictive analytics across the supply chain.



Provider Classifications

The ISG Provider Lens™ quadrants were created using an evaluation matrix containing four segments, where the providers are positioned accordingly.

Leader

The "Leaders" among the vendors/providers have a highly attractive product and service offering and a very strong market and competitive position; they fulfill all requirements for successful market cultivation. They can be regarded as opinion leaders, providing strategic impulses to the market. They also ensure innovative strength and stability.

Product Challenger

The "Product Challengers" offer a product and service portfolio that provides an above-average coverage of corporate requirements, but are not able to provide the same resources and strengths as the Leaders regarding the individual market cultivation categories. Often, this is due to the respective vendor's size or their weak footprint within the respective target segment.

Market Challenger

"Market Challengers" are also very competitive, but there is still significant portfolio potential and they clearly lag behind the Leaders. Often, the Market Challengers are established vendors that are somewhat slow to address new trends, due to their size and company structure, and therefore have some potential to optimize their portfolio and increase their attractiveness.

Contender

"Contenders" are still lacking mature products and services or sufficient depth and breadth of their offering, while also showing some strengths and improvement potentials in their market cultivation efforts. These vendors are often generalists or niche players.

Provider Classifications (cont.)

Each ISG Provider Lens™ quadrant may include a service provider(s) who ISG believes has a strong potential to move into the leader's quadrant.

Rising Star

"Rising Stars" are usually Product Challengers with high future potential. Companies that receive the Rising Star award have a promising portfolio, including the required roadmap and an adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market. This award is only given to vendors or service providers that have made extreme progress towards their goals within the last 12 months and are on a good way to reach the leader quadrant within the next 12 to 24 months, due to their above-average impact and innovative strength.

Not In

This service provider or vendor was not included in this quadrant as ISG could not obtain enough information to position them. This omission does not imply that the service provider or vendor does not provide this service. In dependence of the market ISG positions providers according to their business sweet spot, which can be the related midmarket or large accounts quadrant.

Digital Business Solutions and Service Partners - Quadrant Provider Listing 1 of 4

	Digital Business Consulting	Digital Customer Experience Services	Digital Product Lifecycle Services	Blockchain Services	Digital Supply Chain Transformation Services
Accenture	Leader	Leader	Leader	Leader	Leader
Applied Blockchain	Not in	Not in	Not in	Contender	Not in
Atos	Product Challenger	Product Challenger	Product Challenger	Product Challenger	Product Challenger
Bain & Co.	Rising Star	Not in	Not in	Not in	Not in
BCG	Leader	Not in	Not in	Not in	Not in
Birlasoft	Product Challenger	Product Challenger	Market Challenger	Rising Star	Rising Star
Bridgei2i	Contender	Contender	Not in	Not in	Contender
Capgemini	Leader	Rising Star	Product Challenger	Product Challenger	Rising Star
Coforge	Product Challenger	Product Challenger	Product Challenger	Product Challenger	Not in
Cognizant	Leader	Leader	Leader	Rising Star	Leader
CSS Corp	Not in	Product Challenger	Product Challenger	Not in	Not in
Cybage	Not in	Product Challenger	Not in	Not in	Product Challenger

Digital Business Solutions and Service Partners - Quadrant Provider Listing 2 of 4

	Digital Business Consulting	Digital Customer Experience Services	Digital Product Lifecycle Services	Blockchain Services	Digital Supply Chain Transformation Services
Deloitte Digital	Leader	Product Challenger	Not in	Product Challenger	Market Challenger
DXC	Product Challenger	Product Challenger	Product Challenger	Contender	Product Challenger
eInfochips	Not in	Not in	Contender	Not in	Not in
EPAM	Not in	Not in	Not in	Not in	Product Challenger
EY	Product Challenger	Not in	Not in	Leader	Not in
GEP	Not in	Not in	Not in	Not in	Product Challenger
GlobalLogic	Not in	Not in	Rising Star	Not in	Not in
Group 50 Consulting	Not in	Not in	Not in	Not in	Contender
HCL	Leader	Leader	Leader	Leader	Leader
Hexaware	Not in	Leader	Leader	Not in	Not in
HGS Digital	Not in	Product Challenger	Not in	Not in	Not in
IBM	Leader	Leader	Leader	Leader	Leader

Digital Business Solutions and Service Partners - Quadrant Provider Listing 3 of 4

	Digital Business Consulting	Digital Customer Experience Services	Digital Product Lifecycle Services	Blockchain Services	Digital Supply Chain Transformation Services
Infosys	Rising Star	Leader	Leader	Leader	Leader
Innominds	Contender	Contender	Product Challenger	Product Challenger	Contender
KPMG	Market Challenger	Not in	Not in	Not in	Not in
Logicalis	Market Challenger	Not in	Not in	Not in	Not in
LTI	Leader	Product Challenger	Leader	Product Challenger	Product Challenger
McKinsey	Product Challenger	Not in	Not in	Not in	Not in
Mindtree	Product Challenger	Leader	Rising Star	Market Challenger	Product Challenger
Mphasis	Product Challenger	Product Challenger	Product Challenger	Contender	Market Challenger
NTT	Product Challenger	Market Challenger	Not in	Market Challenger	Contender
Publicis Sapient	Not in	Leader	Not in	Not in	Not in
PWC	Leader	Not in	Not in	Not in	Market Challenger
SLK Group	Contender	Contender	Contender	Contender	Product Challenger

Digital Business Solutions and Service Partners - Quadrant Provider Listing 4 of 4

	Digital Business Consulting	Digital Customer Experience Services	Digital Product Lifecycle Services	Blockchain Services	Digital Supply Chain Transformation Services
Smart-IT	Not in	Not in	Contender	Not in	Not in
Softtek	Product Challenger	Contender	Product Challenger	Contender	Contender
Stefanini	Not in	Product Challenger	Product Challenger	Not in	Not in
TCS	Product Challenger	Leader	Leader	Product Challenger	Leader
Tech Mahindra	Product Challenger	Leader	Leader	Leader	Product Challenger
Trainz	Market Challenger	Contender	Not in	Not in	Not in
T-Systems	Not in	Not in	Product Challenger	Not in	Not in
TTEC	Contender	Not in	Not in	Not in	Not in
UST Global	Product Challenger	Product Challenger	Product Challenger	Product Challenger	Product Challenger
Visionet	Not in	Contender	Contender	Not in	Not in
Wipro	Leader	Leader	Leader	Leader	Leader
Zensar	Product Challenger	Product Challenger	Product Challenger	Product Challenger	Product Challenger

Digital Business Solutions and Service Partners Quadrants

ENTERPRISE CONTEXT

Digital Business Consulting Services

In this quadrant report, ISG evaluates providers offering digital business consulting services, with the ability to advise clients on the different facets of the digital journey, including strategy, design, data, technology, organizational change management, operations, digital culture and innovation.

In the report, ISG lays out the current positioning of digital business consulting service players in the U.S. with a comprehensive overview of the competitive landscape of the market. ISG observes that the U.S. is a mature market for the consulting industry. The industries mainly adpting digital business consulting in the U.S. are retail, financial services and technology, media and telecommunication and the public sector.

The enterprises are increasingly adopting and leveraging digital technologies to transform their front-office and back-office operations. Artificial intelligence (AI) is gaining popularity among enterprises focusing on reducing operations costs and maximizing output. It is being adopted in repetitive tasks that require less manual intervention.

During the COVID-19 pandemic, the digital adoption among enterprises has increased; however, long-term technology projects are expected to be on hold. The demand for consulting services has also declined in the short- to mid-term. Post recession, the enterprises will turn to business consulting firms to stay ahead of competitors by adopting technologies that support the new normal.

The following can use this report to identify and evaluate different service providers:

Chief Information Officers (CIOs) should read this report to understand the relative positioning and capabilities of providers, which can help them effectively plan and improve the reliability and availability of their digital transformation initiatives. The report also supports the technical and integration capabilities with service providers as well as their strategic partnerships.

Chief Strategy Officers (CSOs), through this report, will gain knowledge on providers' product portfolio capabilities, which, in turn, will enable streamlined workflow for enterprises and enhanced functionality for agents.

Chief Technology Officer (CTO) professionals should read this report to understand how digital services providers deliver the transformation initiatives and how they perform when compared to each other.

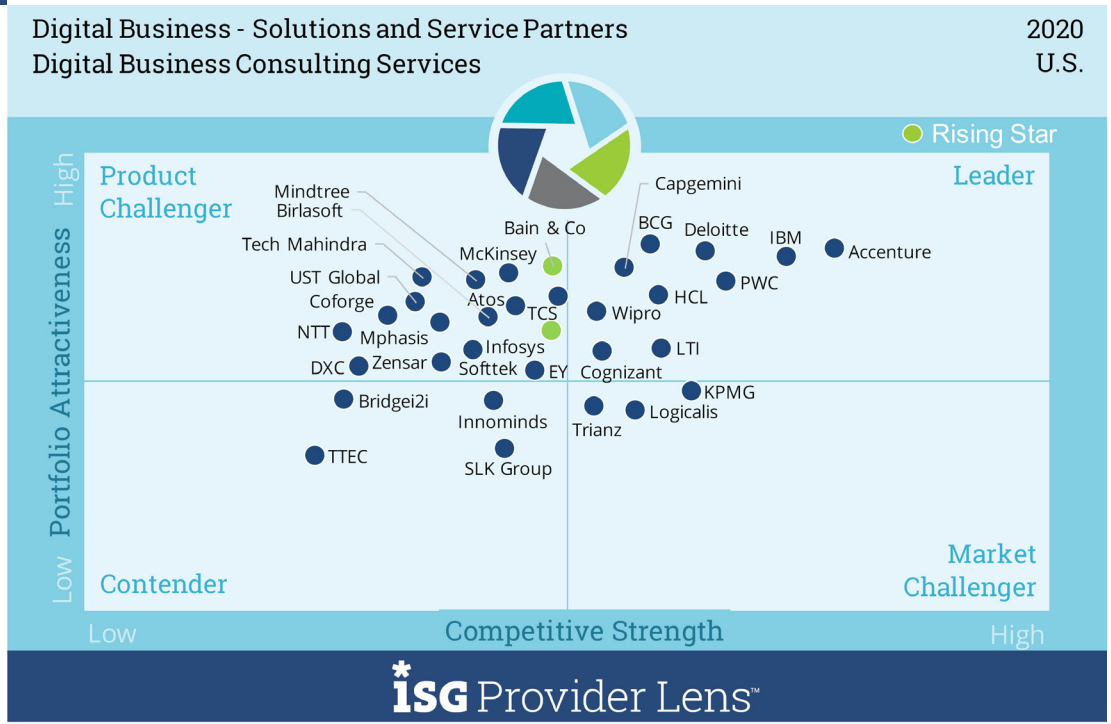
Chief Information Security Officers (CISOs) should read this report to understand how service providers address significant challenges associated with the security of digital transformation, including remote access, over-the-air(OTA) updates, and data collection, transfer and storage.

DIGITAL BUSINESS CONSULTING SERVICES

Definition

This quadrant assesses a provider's capability to advise clients across the different facets of their digital journey. This includes strategy, design, data, technology, organizational change management (OCM), operations, digital culture and innovation. Digital business consulting includes services that can transform the design, strategy and operations of a business with the use of emerging technologies such as IoT, analytics, AI, mobile and cloud. The services can significantly improve a client's customer services, business processes or operating models to realize benefits and drive growth. Providers in this space help organizations to transform and optimize their operational environments through research, benchmarking, advisory and consulting with a focus on information technology, business process transformation, program management services and OCM.

The participating companies would have helped their clients through the digital journey, from conceptualizing the vision to delivering the actions needed across different industries.



Source: ISG Research 2020

DIGITAL BUSINESS CONSULTING SERVICES

Eligibility Criteria

- Ability of service provider to offer one or more consulting services for the digital journey
- Help clients in formulating their digital roadmap and build both short- and long-term digital strategies
- Provide advice and guidance on process optimization to help clients realize the tangible benefits
- Have an established employee presence in the regions of service

Observations

In the ongoing COVID-19 crisis, reinventing business operations with digital transformation became a high priority for C-level executives. In addition to the use of digital technologies, companies should note that their interaction with customers, employees and partners is pivotal for staying competitive and enabling digital transformation. Digital transformation projects have started gaining strong momentum, as organizations have realized that improvements in productivity and customer engagement have become a major need of the hour, especially while implementing the work-from-home model across the organization. Consulting service providers have modified their pandemic-specific offerings to help clients sustain themselves and capture new opportunities that rose during the crisis. They are offering services such as digital strategy design, organization change management, collaboration tools, digital culture, process automation and omnichannel experience, along with support for digitalizing the supply chain and maintaining cash flow. To achieve this and speed up their digital transformation, providers are implementing accelerators such as DevOps and DevSecOps for agility and security, including the use of APIs to boost efficiency and leverage innovation as provided by partners.

During the pandemic, many companies accelerated their long-term digital plans such as process digitalization and technology implementation, initially targeted at 18 to 24 months, to a matter of a few months. This resulted in overall growth of the digital business consulting service market. The implementation of technology as an enabler for business, as well as for changing internal ways of working, has accelerated the adoption of collaboration tools in recent months against the backdrop of the current economic crisis induced by the pandemic. This has led to a higher demand for consulting service providers with deep expertise across implementation of the latest technologies, such as intelligent

DIGITAL BUSINESS CONSULTING SERVICES

Observations (cont.)

automation, cloud technologies, data analytics and robotic process automation (RPA). ISG also observes a greater number of consulting players building their capabilities in AI/ML, analytics, security, IoT, design thinking and prototyping to deliver support to their clients in their digital transformation journey. They are also offering benchmarking, digital maturity assessments and strategic research around market dynamics. Supply chain design, supply chain consulting, supply chain analytics, predictive analytics and related technologies such as blockchain and IoT are growing in demand among clients. This market segment is expected to continue witnessing greater traction and growth in the next 12 to 18 months as companies will need to revamp their strategies to deal with the post-COVID-19 environment.

Most of the leaders in the quadrant have the capability to support large players in their digital transformation journey and assist small and midsized companies to remain competitive and operational. Out of the 33 providers that have qualified for this quadrant, 10 have been identified as leaders and two as Rising Stars:

- **Accenture** leads in the digital business consulting services market with its strong portfolio backed by 20 acquisitions in the digital space and through its Accenture Interactive, Accenture Analytics and Accenture Mobility units and innovation centers in the U.S.
- **BCG's** strong focus and investments in digital, data and technology will help strengthen its leadership in digital business consulting services. In the U.S., the company has two large global operation centers that offer full end-to-end services and local resources and expertise to its local clients, thus enabling higher customer experience and satisfaction.
- **Capgemini** Invent is a state-of-the-art solution and engagement platform that offers technology consulting and asset-led solutions to help clients streamline their process and operational efficiencies. The business line has more than 6,000 digital consultants who specialize in business consulting, technology consulting and digital transformation services.
- **Cognizant's** consultants and domain experts assist clients in creating modern frameworks and platforms to leverage a wide range of digital technologies. The company is enhancing its consulting portfolio organically and inorganically with industry- and capability-specific acquisitions to expand its presence in strategic accounts and in the U.S.
- **Deloitte** has a dedicated global team for digital consulting services that covers the delivery and development of its ongoing digital strategy practices. Its digital services include offerings that cover

DIGITAL BUSINESS CONSULTING SERVICES

Observations (cont.)

various aspects of core business areas, such as enterprise strategy, customer strategy, operations strategy and human capital strategy.

- **HCL** has a strong commitment toward investing heavily in building IPs, tools and accelerators, along with building a network of co-innovation labs with partners and clients to promote digital initiatives.
- **IBM** strategically uses its network of partners, studios and proprietary tools, such as digital reinvention, agile acceleration, digital maturity assessment and database and enterprise design thinking to help clients create and differentiate their business strategies. Its digital consultants are considered subject matter experts (SMEs) who demonstrate great thought leadership across industries and domains.
- **LTI** has about 2,000 digital experts across 16 offices and two delivery centers in the U.S. It offers digital transformation, OCM, Industry 4.0 maturity assessment, Industry 4.0 technology consulting, container as a service (CaaS), training as a service (TaaS), employee engagement and digital culture adoption services, enabling it to compete with other leaders in the space.
- **PwC** witnessed 10 percent growth in its advisory services that include strategy, management, and technology consulting practices. It leads for its innovative and customer-focused BXT Works consulting services, which offers digitally focused business and technology strategy capabilities as well as local expertise and resources for clients.
- **Wipro** has built numerous solutions and IPs to address specific cross-industry consulting needs to expedite digital transformation. Its go-to-market strategy for the U.S. is backed by a team of more than 70 sales consultants who have expertise across industry verticals and have successfully helped to launch over 100 products for its clients in the region. These are Wipro's key enablers for its digital consulting service strategy.
- **Infosys** (Rising Star) offers end-to-end digital consulting services, along with an innovative and consistent digital transformation narrative for all major clients in the U.S. It is continuing to scale its digital capabilities by making strong partner alliances and acquisitions and has invested US$1 billion in emerging technologies and research.
- **Bain & Co** (Rising Star) strategically uses its Bain Alliance Ecosystem with other major service providers to bring together best-of-breed tools and technologies that complement its consulting expertise and advisory services. Bain's expertise in digital business consulting is well complimented with its rich toolsets, such as ARCSM, digital delivery platform Vector, and Adapt digital design/build platform.

ENTERPRISE CONTEXT

Digital Customer Experience Services

In this quadrant report, ISG evaluates providers offering customer experience (CX) solutions ans services, with the ability to deliver business model innovation and enable enterprises to build competitive differentiation in today's digital economy.

In the report, ISG lays out the current positioning of CX players in the U.S. with a comprehensive overview of the competitive landscape of the market. ISG observes a rising need among enterprises for harnessing the advantages of the CX to increase brand awareness, customer satisfaction rates and customer retention rates.

Also, by adopting CX services, enterprises are expecting to increase productivity, innovation and change management capabilities to keep pace with competitors' offerings, increase revenue, and maintain margins, quality and level of operations.

When companies respond to changing consumer behaviors due to COVID-19, building experiences that help them connect empathically with their customers can increase customer loyalty. In the U.S., digital-led experience adoption by enterprises continues to grow in popularity to ensure the continuity of enterprise services to their customers. The importance of multichannel servicing through website, live chat and social media is increasing. The enterprises are expecting to deliver consistent experience across all channels, both online and offline. Adoption of AI chatbots is also increasing in the region.

The following can use this report to identify and evaluate different service providers:

IT leaders should read this report to understand the relative positioning and capabilities of providers that can help them effectively plan and improve the reliability and availability of their business.

Security and data management leaders should read this report to gain a competitive global overview of the data centers that are managed and hosted by providers. The report also gives an outline for operating with strengthened security in the shared infrastructure of public cloud.

Digital transformation professionals should read this report to understand a provider's capability to deliver seamless omnichannel solutions, leveraging artificial intelligence (AI) and analytics for superior CX. The report would also give insight into how the providers can be compared with one another.

Business strategy leaders, through this report, will gain knowledge on providers' product portfolio capabilities, which, in turn, will enable streamlined workflow for enterprises and enhanced functionality for agents.

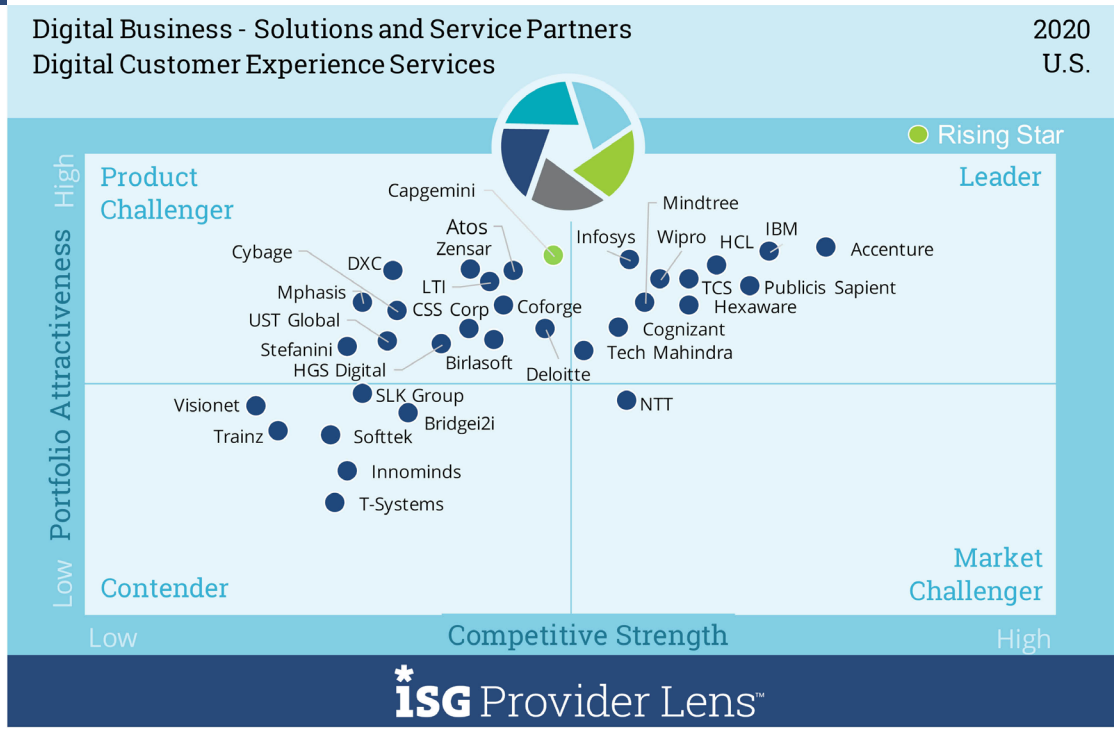
DIGITAL CUSTOMER EXPERIENCE SERVICES

Definition

This quadrant assesses a service provider's portfolio and capacity to deliver business model innovation, enabling enterprises to build competitive differentiation in today's digital economy.

Customer experience design involves transforming how companies organize their marketing, sales, delivery and post-sales processes. Essentially, it changes all of an enterprise's business processes around the customer. It is a customer-centric approach.

Customer experience services include conceiving customer journeys to create new business models that require next-generation technologies and business ecosystems. These companies design how an ideal customer (or persona) interacts with a product and a brand. The design process has technology experts, designers, sales and marketing teams working collaboratively with clients. Design thinking and Lean are common methodologies in use. Leading firms use analytics to extract insights from user data. Cognitive computing extracts data from conversations, texts and social media. The experience is measured with simple A/B tests as well as complex sentiment analysis that is captured from customer interactions.



Source: ISG Research 2020

DIGITAL CUSTOMER EXPERIENCE SERVICES

Definition (cont.)

Customer experience includes daily monitoring and measurement to drive changes in the journey, the supporting technology and business processes. The customer experience team produces a continuum of change for digital businesses, delivering business model innovation and enabling enterprises to build competitive differentiation in today's digital economy. Providers that have qualified for this quadrant provide consulting and implementation services to improve the customer experience for their clients.

Eligibility Criteria

- Consulting firms, service providers and digital agencies that focus on user experience to design apps, web and product/services with an omnichannel approach
- Employ design thinking or alternative methodologies that involve the customer in designing products and services
- Offer consulting and integration services for client's end-to-end customer journey cycle
- Provide services with local expertise in the assessed region or country

DIGITAL CUSTOMER EXPERIENCE SERVICES

Observations

As per research conducted by American Express, nearly 90 percent of customers are willing to pay more for the best digital experience. Companies that earn US$1 billion annually can expect to earn, on an average, an additional US$700 million within three years of investing in customer experience, which is a 70 percent increase in revenue in 36 months. Therefore, an improved customer experience with a digital touch will let companies achieve a higher customer retention rate, improve customer experience and increase their cross-selling and upselling opportunities.

Vendors offering customer experience services have scaled up their acquisition strategies in the U.S., and most of the digital agencies that were acquired by IT service providers in recent years have studios and experience labs in the region to serve relevant brands. These acquisitions are building their internal competencies to strengthen their presence in clients' marketing departments. In addition, marketing agencies are strongly enhancing their digital and IT technology competencies. As most of the large U.S.-based companies are global, customer journey service providers that are important in this region are also relevant in others.

Digital customer experience is a process followed by companies to create the digital business design differentiator and a strong understanding of the customer journey by using new business models and technology frameworks. The adoption of digital technologies to change the customer journey and improve business agility causes a digital disruption across all business processes by removing silos. With the growing need to know how an ideal customer interacts with a brand or product across channels, companies are using a collaborative design thinking approach that involves sales, marketing, technology and design. Service providers are increasingly adopting technologies such as cloud, AI, analytics and automation to enable a digital customer experience for customers. They are building digital labs and studios to develop in-house tools, platforms and frameworks for deploying customer services for clients quickly by deploying experienced digital professional teams.

Customers are rapidly turning to digital, driven by the significant growth in this space. To efficiently address their needs, most service providers are incorporating AI/ML, analytics, chatbots, IoT and other exponential technologies. In the next 18 to 24 months, technologies such as augmented reality (AR), virtual reality (VR) and robotics are expected to see higher traction.

DIGITAL CUSTOMER EXPERIENCE SERVICES

Observations (cont.)

Out of the 32 providers that have qualified for this quadrant, 11 have been identified as leaders and one as Rising Star:

- **Accenture** is continuously acquiring companies with digital agencies, design, marketing, and analytics and data service capabilities to evolve its customer experience service offerings. It has 11 innovation centers and seven Liquid Studios in the U.S. to prepare companies for change through new technologies, skills and ways of working by offering a human-centered approach to innovation.
- **Cognizant** Customer Intelligence engine combines both qualitative and quantitative customer behavior data with ReD Associates, ReD knowledge, ethnographic research and AI analytics in the design thinking process to provide hyper personalization with next-gen next-best action (NBA) and next-best offer (NBO) capabilities.
- **HCL** has set up more than 28 co-innovation labs and scaled digital centers that provide a unique, standalone entrepreneurial environment in collaboration with clients and partners and serve as a breeding ground for breakthrough technology innovation. It has both technical expertise and business consulting capabilities to help clients develop, manage and implement digital transformations, from strategy to execution.
- **Hexaware** has made huge investments into creating an automation-led practice and other approaches such as Automate Everything, Cloudify Everything and Transform Customer Experiences. It leverages its NextGen framework and Hexaware Assist, an end-to-end managed service platform that complies with the industry's standard processes, including ISO, ITIL, CoBIT and SAFe®.
- **IBM** has a network of 57 IBM iX studios that facilitate increased collaboration and ideation between developers, researchers and designers with a digital strategy team to assist clients.
- **Infosys** uses design thinking and rapid prototyping methods for understanding and designing customer journeys. It has established governance and other processes to continuously improve the customer experience. Through these methodologies, the firm has developed an innovative recruitment app that reduced 90 percent of the time required from applicants and increased usage ten times more than expected by its client.
- **Mindtree's** Digital Pumpkin is a collaborative lab that helps clients accelerate digital innovation, conduct primary research and create functional prototypes and pilot solutions. At its hub in the U.S., clients turn consumer behavior insights, business visions and technology adoption trends

DIGITAL CUSTOMER EXPERIENCE SERVICES

Observations (cont.)

into digital business solution concepts that resonate with their business goals.

- **Publicis Sapient** delivers CX services by bringing in its "FOCUS/Fast" approach for agile innovation, PeopleCloud platform for human-centric design & strategy, and ViP accelerators and Rapid Commerce for IPs and implementation.
- **TCS'** range of proprietary industry-specific digital customer experience frameworks, tools, models and accelerators help clients achieve their digital experience vision, making it one of the leaders in this quadrant.
- **Tech Mahindra's** Maker lab is the innovation engine focused on developing future-ready solutions by leveraging next-gen technologies such as AI, ML, robotics, IoT, AR/VR, and the 5G network of the future.
- **Wipro** is focused on supplementing and accelerating digital transformation-related innovation and R&D projects. It has established 26 digital pods that work with design studios to bring together engineering labs and innovation facilities.
- **Capgemini** Invent (Rising Star) offers unique and comprehensive offerings to address clients' customer experience requirements. These include connected marketing, empowered sales, customer interaction services, experience engine, design thinking, connected commerce for an omnichannel experience, implementation services and website performance and management.

HEXAWARE

Overview

Hexaware reported revenue of US$793.3 million in 2019 (US$600 million in the Americas) with more than 19,000 employees in 33 global locations, including nine U.S. delivery centers in Virginia, New Jersey and Georgia. It is one of the fastest-growing automation-focused service providers, delivering IT, BPO and consulting services. Its value proposition is to Automate Everything℠, Cloudify Everything℠, and Transform Customer Experiences℠ to propel enterprise clients into the digital era. In the customer experience service space, Hexaware offers in-depth capabilities around user experience and design strategy, marketing and content platform, shoppable experience, innovation, digital marketing and customer relationship management. The company acquired Mobiquity to scale up its expertise in the digital transformation of customer experience.

Strengths

Customer-centric strategies: Hexaware operates with a unique and well-planned strategy of targeting the existing client base for cross-selling opportunities; such accounts are identified by their account management team. It offers a consultative selling approach, wherein all solutions are designed as per client needs, helping it to create a greater value proposition. The company also has a dedicated team of direct sales consultants across industries to identify clients with low user experience ratings, as well as those that are driving digital transformation with a focus on improving the overall customer experience. This strategy has led to a higher client retention rate and getting additional business from them over the years.

Higher investment and focus on automation and digitization: Hexaware has made huge investments in creating an automation-led practice via its strategic corporate pillars, Automate Everything™, Cloudify Everything™, and Transform Customer Experience™. It leverages its NextGen framework and Hexaware Assist, an end-to-end managed service platform that complies with industry-standard processes including ISO, ITIL, CoBIT and SAFe®. The company has an advanced agile practice with DevOps automation, testing and quality assurance. It developed a framework called Amaze™ for Applications that migrates legacy applications to the cloud, ensuring an accelerated mass migration at a much lower cost.

Strong portfolio of customer experience tools and accelerators: Hexaware uses many internally developed tools for delivering digital customer experience services, such as marketing and content platform accelerators with deep automation capabilities, and can significantly reduce time, effort and costs for clients. It offers a SaaS adoption framework for industry-leading customer experience products from Salesforce, Adobe, Sitecore, MS Dynamics, Workday, Oracle Cloud and others. The Industry Cloud Adoption Framework (hiCAF) helps clients embark on their digital journey. Other major accelerators include design framework, innovation services, contact center transformation framework, TALOS automation testing and friction report for enhancing the overall customer experience.

HEXAWARE

Caution

Hexaware needs to scale up its digital customer experience service in the U.S., as other leaders are aggressively targeting acquisitions to expand their digital capabilities, FTE count and client base. Also, its average revenue per client/project is less when compared with other major players.

2020 ISG Provider Lens™ Leader

Hexaware is steadily growing and innovating its customer experience services business with a customer-centric strategy, resulting in higher client retention and customer satisfaction. It is also expanding its capacity to deliver end-to-end digital product lifecycle services.

ENTERPRISE CONTEXT

Digital Product Lifecycle Services

In this quadrant report, ISG is evaluating providers offering digital product lifecycle services (PLS), with the ability to conceptualize, design, prototype, develop, deploy and manage the digital experience for clients.

In the report, ISG lays out the current positioning of digital PLS players in U.S. with a comprehensive overview of the competitive landscape of the market. ISG observes a rising demand among enterprises to adopt digital transformation to improve operational efficiency, shorten time to market and better meet customer expectations.

ISG observes that in recent years enterprises are adopting digital transformation projects with a combination of machine learning, AI, IoT and advanced analytics capabilities. The manufacturing industry is the major adopter of digital transformation, followed by the finance and retail industries.

The COVID pandemic is driving enterprises to adopt digital technologies. According to Forbes, almost 90% of companies have digital as part of their strategy. Return-to-work solutions, online collaboration tools, information security are the important use cases.

Also, with the depreciation in the currency rate due to the ongoing pandemic, enterprises are keeping large transformation projects on hold.

The following can use this report to identify and evaluate different service providers:

Chief Information Officers (CIOs) should read this report to understand the relative positioning and capabilities of providers that can help them effectively plan and improve the reliability and availability of their digital transformation initiatives. The report also supports technical and integration capabilities with service providers as well as their strategic partnerships.

Chief Strategy Officers (CSOs), through this report, will gain knowledge on providers' product portfolio capabilities, which, in turn, will enable streamlined workflow for enterprises and enhanced functionality for agents.

Chief Technology Officer (CTO) professionals should read this report to understand how digital services providers provide the transformation initiatives and how they perform when compared with one another.

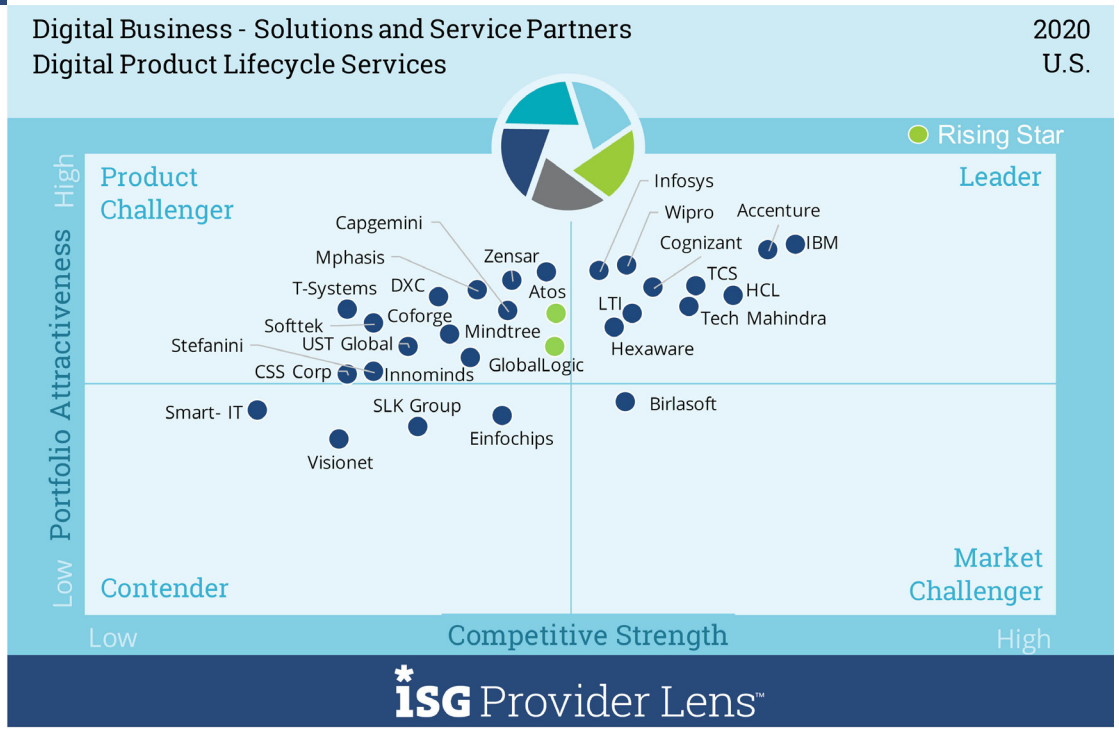
Chief Information Security Officers (CISOs) should read this report to understand how service providers address the significant challenges associated with the security of digital transformation, including remote access, over-the-air(OTA) updates, as well as data collection, transfer and storage.

DIGITAL PRODUCT LIFECYCLE SERVICES

Definition

This quadrant assesses a service provider's capability to conceptualize, design, prototype, develop, deploy and manage digital experiences for clients. This involves developing digital products or platforms that are specific to clients' requirements. The products are designed to align with business priorities. The provider designs the product for the organization to realize the benefits of digital transformation, complementing its processes and digital roadmap. Providers in this segment have the capacity to adapt their delivery models to each digital product with the required speed, enabling an enterprise client to adopt agile and adaptive operating models. A provider's portfolio includes agile, testing and DevSecOps to rapidly deploy or transform products and services according to market changes.

Service providers organize their professionals into squads with multifunctional teams that use design thinking, real-time analytics, product and service performance data, benchmarking, social network feedback, agile development and many specialized tools to change products and offerings quickly for close to immediate deployment. Two-



Source: ISG Research 2020

DIGITAL PRODUCT LIFECYCLE SERVICES

Definition (cont.)

to-four-weeks release cycles are frequent goals, requiring continuous integration, continuous testing and DevSecOps for continuous delivery. All these processes need discipline, governance and automation; otherwise, the delivery process becomes costly, ineffective and slow. Providers in this space have the experience and expertise in implementing emerging technologies such as AI, AR/VR and digital twins to improve the product lifecycle.

The participating companies would be using development platforms that allow applications to be seamlessly deployed in multiple clouds. The consistency of one application running in multiple clouds elevates availability, security and business continuity at lower cost when compared with deprecated clustering and disaster recovery methods.

Eligibility Criteria

- Ability of provider to offer development and deployment services across one or more aspects of client's digital journey
- Delivery model to include agile and DevOps with many developers and clients' product owners organized into product squads
- Provide an organizational change program to transform a client's product and service development process
- Technology employed should include automation and continuous development platforms, incorporating trunks synchronization, code repository, version control, release management, automated testing and automated build and deploy tools
- Employ Cloud Foundry or OpenShift qualified professionals
- The participating providers should be ranked based on quality assurance methodologies.

DIGITAL PRODUCT LIFECYCLE SERVICES

Observations

The digital product lifecycle is defined by the following phases: i) new product development that includes ideation and conceptualization, prototyping and core development; ii) product sustenance for maintenance and change management; iii) product testing for automation and security; iv) product deployment that covers build and release management, customization and integration of technologies; v) a delivery model that consists of agile, DevSecOps and upgrades and vi) product management for customer relationship management (CRM) and customer experience.

For making digital product that can operate and integrate across several clouds, the need for containers has increased during the COVID-19 pandemic, as companies across industries push digital initiatives with cloud as the launchpad. The use of containers is gaining traction for their ability to carry out multi-cloud deployment with consistent repletion and a reduced failure rate. Service providers are developing and applying low-code/no-code, microservices-based applications, APIs and serverless computing, and DevSecOps strategies to deliver digital applications for clients. They are offering DevOps automation, container configuration, test automation, security testing, event tracking and rollbacks. Other services include continuous integration and delivery (CI/CD) pipeline management, tools integration and DevOps operation, including artifacts and repositories.

Providers in this space are transforming their product lifecycle service (PLS) offerings by integrating the latest technologies such as AI, analytics, IoT, automation, AR/VR, and digital twin tools and accelerators. These technologies are instrumental in supporting the overall customer journey and providing a competitive advantage, user experience and other business outcomes. Service providers are developing strong expertise in these emerging areas.

Another trend is the emergence of co-investment for creating co-developed products or go-to-market strategies. Providers have increased their efforts in developing domain-specific expertise along with vertical knowledge for addressing customer requirements. They are also progressing toward outcome-based pricing, particularly the gain-sharing model. ISG observes that the proportion of outcome-based projects by providers ranges between 5 percent and 15 percent.

DIGITAL PRODUCT LIFECYCLE SERVICES

Observations (cont.)

Out of the 29 providers that have qualified for this quadrant, 10 have been identified as leaders and two as Rising Stars:

- **Accenture** is continuing to leverage business, advisory, strategic and technology consulting across its product lifecycle management (PLM) services with a special focus on IoT, connected platforms, AI, agile and DevSecOps. The company strives for innovation to help client envision new products and solutions.
- **Cognizant** has strong capacity in Agile and DevOps delivery, along with proprietary tools, frameworks and advanced design capabilities, making it a leader in the PLS space.
- **HCL** offers end-to-end services to its PLM clients through an integrated portfolio of products, solutions, services and IPs built around digital, IoT, cloud, automation, cybersecurity, analytics, infrastructure management and engineering services to help enterprises reimagine their businesses for the digital age.
- **Hexaware** has made heavy investments in creating an automation-led approach and follows practices called Automate Everything, Cloudify Everything and Transform Customer Experience.
- **IBM** offers numerous integrated solutions and products and demonstrates deep expertise in industries and business processes through partnerships in the U.S. This is further supported by IBM Watson™ analytics and automation and its application lifecycle management (ALM) tools.
- **Infosys** has strong service offerings to support overall software lifecycle management with its end-to-end capabilities that cover new product development, sustenance, testing and product management. The firm is continuing to invest in developing in-house DevOps and agile tools and frameworks.
- **LTI** is quickly innovating its capabilities across analytics, automation, AI and microservices, Agile and DevSecOps to further strengthen its PLS portfolio. It provides end-to-end Agile and DevOps solutions spanning multiple domains and modern technology stacks to enable continuous integration and continuous delivery (CI/CD) automation.
- **TCS** offers a strong portfolio of digital PLS with a higher focus on product development, delivery model and product deployment to drive digital transformation. Its engineering simulation and automation solutions help clients achieve higher product performance.

DIGITAL PRODUCT LIFECYCLE SERVICES

Observations (cont.)

- **Tech Mahindra's** Makers Lab develops future-ready tools, solutions and platforms by leveraging next-generation technologies. With more than 50 technology platforms and solutions, the company helps customers achieve faster time to market and stronger capabilities around innovation.
- **Wipro's** automation, analytics, innovation and PLS solutions, together with its industry experience, enable rapid agile delivery of world-class solutions.
- **GlobalLogic** (Rising Star) is an experienced PLS provider that offers innovative solutions to clients in emerging digital technology areas. It also provides the benefits of design, customer experience and content management.
- **Mindtree** (Rising Star) has strong capabilities across digital capabilities and transformation, especially for the customer and partner experience. With its automation initiatives and the Digital Pumpkin innovation hub, the company has extended its portfolio to include cloud-native digital products, providing a better client experience and higher cost efficiencies.

HEXAWARE

Overview

Hexaware reported revenue of US$793.3 million in 2019 (US$600 million in the Americas) with more than 19,000 employees in 33 global locations, including nine U.S. delivery centers in Virginia, New Jersey and Georgia. It is one of the fastest-growing automation-focused service providers, delivering IT, BPO and consulting services. Its value proposition is to Automate Everything™, Cloudify Everything™, and Transform Customer Experiences™ to propel enterprise clients into the digital era. Hexaware offers application transformation management services through its Modern Delivery platform, helping enterprises achieve hyperproductivity by delivering the right features in rapid succession.

Strengths

Higher investment and focus on automation and digitization: Hexaware has made huge investments in creating an automation-led practice via its strategic corporate pillars, Automate Everything™, Cloudify Everything™ and Transform Customer Experience™. It leverages its NextGen framework and Hexaware Assist, an end-to-end managed service platform that complies with industry standard processes including ISO, ITIL, CoBIT and SAFe®. The company has an advanced Agile practice with DevOps automation, testing and quality assurance. It developed a framework called Amaze™ for Applications that migrates legacy applications to the cloud, ensuring an accelerated mass migration at a much lower cost.

Modern delivery ecosystem: Hexaware's Modern Delivery ecosystem enables the company to deliver on its corporate value propositions of "Automate Everything™", "Cloudify Everything™" and "Transform Customer Experiences™" and equip its team to deliver high-quality digital transformation. This ecosystem strategically integrates disconnected elements such as agile development and testing, BizDevOps and CI/CD pipelines, automation, cloud-native architecture and OCM while driving collaboration with frictionless security for remote working.

Supporting proprietary solutions for PLS: Hexaware offers the Digital Collaboration Platform, a single, secure integrated platform for team collaboration, DevOps, service management, PLC operations, quality gate review and other team activities. Hexaview, an integrated governance and reporting tool for enterprises, integrates with existing tools in the landscape to provide a common place for all reporting needs. Digital Product Manager is an NLP-based tool that can be easily integrated with any end-user application, allowing users to provide instantaneous feedback to the product manager. Friction Report is a sentiment analysis and product research AI tool for identifying customer pain points.

HEXAWARE

Caution

Hexaware is continuing to innovate its existing offering through growing investments in R&D projects and its partner ecosystem. At the same time, it should consider an acquisition expansion strategy to compete with other major players and move further up in the leader's quadrant.

2020 ISG Provider Lens™ Leader

Hexaware is steadily growing and improvising its digital transformation capabilities and offerings, while also adding to its capacity to deliver end-to-end digital PLS.

ENTERPRISE CONTEXT

Blockchain Services

In this quadrant report, ISG evaluates the changing dynamics of the blockchain services landscape and assesses service providers across several key dimensions with competencies in consulting, designing, deploying and operating blockchain solutions and managed services. ISG lays out the current positioning of blockchain services players in the U.S. with relative strengths and gaps.

Blockchain has witnessed widespread industry adoption, with projects moving from proof-of-concept (PoC) to deployment phases. Ethereum and Hyperledger Fabric are emerging as blockchain frameworks of choice for enterprise blockchain initiatives. Blockchain initiatives are beginning to be intertwined with other emerging technologies, especially the Internet of Things (IoT) and artificial intelligence (AI). Blockchain adoption is led by financial services; however, credible use cases are emerging across almost all industries. During the ongoing COVID-19 pandemic, enterprises are actively adopting blockchain for supply chain operations.

The following can use this report to identify and evaluate different service providers:

IT leaders should read this report to understand the relative positioning and capabilities of providers, which can help them effectively plan and improve the reliability and availability of their business.

Innovation leaders should read this report to understand a provider's capability to deliver seamless solutions with blockchain, AI and analytics. The report would also give insight into how the providers can be compared with one another.

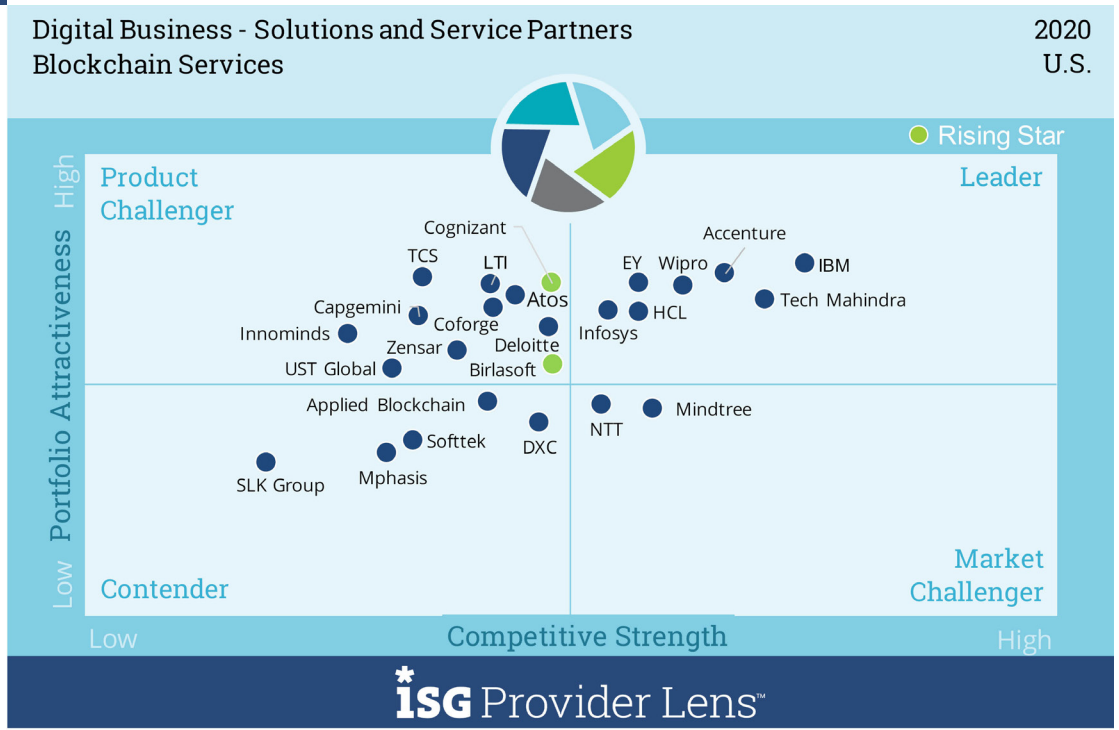
Business strategy leaders, through this report, will gain knowledge on providers' product portfolio capabilities, which, in turn, will enable a streamlined workflow for enterprises and enhanced functionality for agents.

BLOCKCHAIN SERVICES

Definition

The blockchain services quadrant assesses a service provider's competence in consulting, designing, deploying and operating blockchain solutions and managed services. Blockchain's decentralized, open and cryptographic nature allows enterprises to carry out transactions on a peer-to-peer basis, reducing the need for intermediaries. The technology is open source, providing full transparency and long-term continuity regardless of the corporation behind the platform. Every transaction is registered in multiple databases, encrypted by a common hash code that changes every few minutes, forming a data block chained in multiple databases. Rather than having one database as the sole source of truth, blockchain provides multiple sources for validating a single transaction.

Blockchain has proven viability with numerous use cases available from service providers. The banking, financial services and insurance (BFSI) sector uses the technology to share information, improve security and reduce transaction costs, such as in money transfers. Besides the banking sector's interest in blockchain, viable use cases are found in supply chain, tracking, payment services and document and contract processing. ISG estimates that the global market value of blockchain could exceed $300 billion by 2025 and more than $2 trillion by 2030.



Source: ISG Research 2020

BLOCKCHAIN SERVICES

Eligibility Criteria

- Should be a member of at least one blockchain consortium
- Should have developed consulting expertise in designing viable solutions
- Has tested several blockchain use cases, providing a library that accelerates new deployments
- Has qualified and trained practitioners to deploy and operate the platform for clients
- Provides services with local expertise in the assessed region or country

Observations

The adoption of blockchain has increased this year, along with many early blockchain initiatives and use cases ranging from proof-of-concept (PoC) to pilot and production stage. Given their transformational capabilities, blockchain services are an attractive market opportunity for many vendors and remain one of the fastest-growing markets. Based on their qualifications and expertise in platforms, prominent platforms in this space are Hyperledger Fabric, Ethereum and R3 Corda.

Blockchain is increasingly being integrated with other emerging technologies such as IoT and AI to create a connected ecosystem to deliver a better user/customer experience. Based on responses shared by all vendors qualified for this quadrant, more than 1,000 engagements were tested, of which nearly 50 percent proved to be of value for clients, and nearly 15 percent of these use cases went into production. On average, a PoC exercise costs between US$150,000 and US$200,000. Projects take 24 to 32 weeks on average to go into production, and ROI is obtained in about 15 months. Blockchain projects have low costs and can be quickly executed, which indicates the need for only small to midsize teams.

Together with AI, blockchain technology can deliver new levels of data access, trust and security. Several organizations are already experimenting and working with this combination of technologies, but initiatives largely remain in test mode. Adoption and use cases have increased across industry verticals, primarily the banking, financial services and insurance (BFSI) sector, which has an early mover advantage, followed by manufacturing, energy and utilities, retail and government. Supply chain use cases such track and trace and logistics have emerged as the fastest-growing use cases, followed by smart contracts, digital authentication, identity, payment solutions and trading.

BLOCKCHAIN SERVICES

Observations

The top service providers are members of multiple consortiums and have an established presence across industries, which help clients to participate in a network where decentralized applications (Dapps) are deployed. Blockchain service providers are offering services to design and develop blockchain applications and manage them after deployment. Most of them have established centers of excellence (CoEs) that are focused on innovation around blockchain applications.

Out of the 25 providers that have qualified for this quadrant, 7 have been identified as leaders and two as Rising Stars.

- **Accenture's** blockchain services include strategy assessment, hands-on training and rapid prototyping, solution design, build and implementation, assets and solutions, and ecosystem management. The firm is expanding its blockchain research and advisory, providing deep knowledge to conceive new business applications for the technology.
- **Ernst & Young (EY)** announced it would invest US$1 billion in new technology solutions and innovation labs. In 2017, it developed the OpsChain, solution that provides an enterprise-grade secure and collaborative environment that will help drive procurement and significantly increase the number of transactions. Its Blockchain Analyzer enables financial reporting, forensic investigations, transaction monitoring and tax calculations to support advisory, tax and transaction advisory services.
- **HCL** is developing more use cases under asset securitization and the financial service domain, which leverage both blockchain and ML capabilities in collaboration with its AI team. The company has already developed and tested use cases that utilize IoT sensors along with blockchain capabilities to integrate the digital and physical worlds.
- **IBM** offers a full spectrum of blockchain services, from ideation to pilot to full-scale solution development, covering strategy and design, business and industry processes, technology, protocols, smart contracts, UI and UX, enterprise application integration service, business process service, IoT, automation AI and analytics, and a governance model. IBM integrates its Watson™ platform to pilot cognitive capabilities for blockchain and to enable deployment in IoT-based blockchain use cases.
- **Infosys** has 18 locations across the U.S. to address blockchain and adjacent technologies, including shared ledger, distributed ledger and smart contracts. Its growing presence in the U.S., coupled with blockchain expertise, allows it to provide robust solutions to enterprise clients.

BLOCKCHAIN SERVICES

Observations

- **TechM** has a 1,100-strong blockchain experts team that consist of blockchain consultants, solution architects and developers with expertise in applications across all public and private blockchain protocols, including Hyperledger, Corda, Ethereum, Postchain, Quasar, Uplink, Eleven01 and other native protocols.
- **Wipro** offers comprehensive blockchain services that include ecosystem services, advisory and consulting, industry platform, platform and infrastructure services, application and integration services, and industry-specific blockchain solutions and services. It also offers technical assets to support DevOps and testing to assist in the engineering lifecycle of blockchain. The firm has more than 80 industry solutions and proprietary software and platforms, including its HOLMES™ AI and automation platform, to accelerate innovation.
- **Birlasoft** (Rising Star) has a strong go-to-market strategy focused on products. It offers pre-built solutions and expertise to clients in industries such as manufacturing, pharmaceuticals, insurance and consumer packaged goods. These industry-specific solutions cover value identification, initial discovery, use case identification, PoC/pilot, implementation and integration of blockchain.
- **Cognizant** (Rising Star) provides consulting, awareness workshops, PoCs and blockchain development and integration services. It can scale complex blockchain solutions, including for consortium clients, and is ready to deploy them for American companies.

ENTERPRISE CONTEXT

Digital Supply Chain Transformation Services

In this quadrant report, ISG evaluates providers offering digital supply chain management (SCM), with the ability to deliver business model innovation and enable enterprises to build competitive differentiation in today's digital economy.

In the report, ISG lays out the current positioning of digital SCM players in the U.S. with a comprehensive overview of the competitive landscape of the market. ISG observes a rising need among enterprises to harness the advantages of the automated digital supply chain to improve productivity, efficiency and visibility with accurate demand planning, real-time inventory management and reliable fulfillment.

In addition, with the adoption of the Internet of Things (IoT), the use of advanced robotics and the application of advanced analytics of big data in SCM services, enterprises are expecting to increase productivity, innovation and change management capabilities to keep pace with competitors' offerings, increase revenue and maintain margins, quality and level of operations.

As companies are responding to changing consumer behaviors due to COVID-19, enterprises are focusing on improving visibility, collaboration, agility and optimization across the end-to-end supply chain. The traditional linear supply chain model is transforming into digital supply networks (DSNs).

The following can use this report to identify and evaluate different service providers:

IT leaders should read this report to understand the relative positioning and capabilities of providers that can help them effectively plan and improve the reliability and availability of their business.

Security and data management leaders should read this report to gain a competitive global overview of the data centers that are managed and hosted by providers. The report also gives an outline to operate with strengthened security in the shared infrastructure of public cloud.

Digital transformation professionals should read this report to understand a provider's capability to deliver seamless omnichannel solutions, leveraging artificial intelligence (AI) and analytics for supply chain. The report would also give an insight on how the providers can be compared with one another.

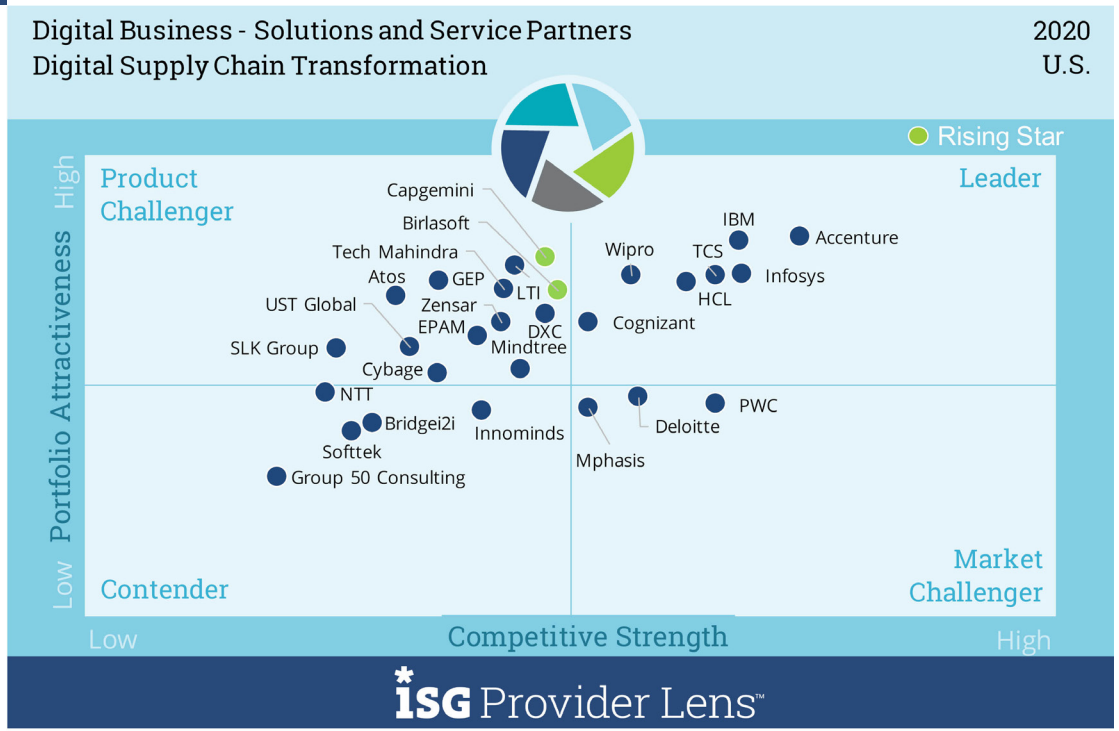
Supply chain strategy leaders, through this report, will gain knowledge of providers' product portfolio capabilities, which, in turn, will enable streamlined workflow for enterprises and enhanced functionality for agents.

DIGITAL SUPPLY CHAIN TRANSFORMATION SERVICES

Definition

This quadrant assesses service providers across consulting, integration, support and managed services for the supply chain covering planning, execution and insights. Providers in this space leverage a comprehensive framework or methodology to use digital technologies such as IoT, AI, ML and predictive analytics across the supply chain to enable clients to optimize their entire ecosystem of suppliers, customers, employees and third-party partners to align with each of their business risk profiles.

The digital supply chain transforms a company's ability to anticipate and address customer needs by managing the supply chain efficiently using digital technologies. It enables a company to move from cost savings to monitoring inventory based on requirements by optimizing the supply chain network and creating a predictive, self-adapting supply chain. To deliver these advanced features, the company uses sensors, predictive



Source: ISG Research 2020

DIGITAL SUPPLY CHAIN TRANSFORMATION SERVICES

Definition (cont.)

analytics, digital twin, blockchain and AI/ML-based solutions, providing it with end-to-end real-time visibility across its integrated and networked supply chain. Due to the pandemic, many organizations are moving toward digital supply chain and providers are helping clients to plan, transform and execute the digitalization of supply chains.

Service providers in this quadrant typically provide supply chain analytics, data management, demand planning and order management to deliver substantial benefits to their clients. They conceptualize the digital supply chain for clients, leverage digital technologies to deliver a digitalized version, and manage it for their clients in an outcome-based model.

Eligibility Criteria

- Providers that offer consulting and integration services for supply chains
- Focus on more than one industry across regions
- Should have executed advisory, consulting, or integration services for digital supply chain for one or more clients across regions or for a specific geography
- May focus on one aspect of the digital supply chain or on end-to-end delivery of services
- Offers technology capabilities including supply chain analytics, IoT & location analytics, intelligent automation, cloud and ability to model digital supply chain control towers (creating a holistic view)
- Provide clients with supply chain operation capabilities such as demand planning and forecasting, order management, network management, inventory, logistics and warehouse optimization services and data management
- Provide services with local expertise in the assessed region or country

DIGITAL SUPPLY CHAIN TRANSFORMATION SERVICES

Observations

Supply chains are increasingly becoming volatile due to trade wars, pandemics and geopolitical instabilities. Many manufacturers and suppliers are considering digital transformation and technology to operate in the new uncertainty arising from the pandemic. Digital technologies such as blockchain, IoT, AI, analytics and robotics were earlier considered for driving efficiency but are now seen as integral for developing strategy and increasing resiliency in disruptive times. Digital technologies offer a holistic platform that can collaborate and connect different systems and siloed processes, thus offering better visibility across the supply chain. Significant developments and advancements have taken place in a short time, either with the implementation of automated data analysis focused on the market changes or by implementing automation solutions and service in distribution and fulfillment centers to ensure reliability and safety of operations and delivery. As companies address immediate needs, many are looking at solutions that offer a connected ecosystem: An industrial manufacturer may look more to smart factory and connected systems initiatives, while a consumer-centric company is focusing on demand-sensing and omnichannel experience technologies and solutions.

The pandemic has forced organizations to change their operation strategies and diversify their supply chain instead of relying on one major production and supply chain hub. This has elevated the use of predictive analytics to tackle such external risks and has raised the need for a strong governance framework. Most service providers are offering a minimum viable product-based approach that covers major user stories across sprints, thus offering incremental value from the working software, with delivery focused on the engineering foundation as well as the feature release to the market. This approach gives clients a better understanding about the potential of leveraging and integrating the latest digital technologies with the client's digital supply chain.

In addition to technology transformation, the digital supply chain requires stronger collaboration with partners and clients for simplifying and improving the customer experience. Providers use various methodologies and delivery methods such as Agile, DevSecOps, hyperpersonalization, digital supply chain twin (DSCT), governance, design thinking and UX to help clients in their digital supply-chain transformation. Out of the 27 providers that have qualified for this quadrant, seven have been identified as Leaders and two as Rising Stars:

- **Accenture** uses its in-house AI and analytics-powered tools and accelerators, such as SynOps and myConcerto, to help clients become more data-driven, AI-powered and digital to transform culture and scale faster by introducing human-machine innovation to fast-track intelligent operations.

DIGITAL SUPPLY CHAIN TRANSFORMATION SERVICES

Observations (cont.)

- **Cognizant** is committed to creating innovative products that help clients embark on their digital transformation journey. By leveraging its in-house products and digital workforce, the firm has created a long list of IPs and solutions that use cutting-edge digital technologies.
- **HCL** is transforming itself into a platform-driven, intelligent enterprise by building in-house tools and accelerators for analytics, AI/ML, and automation. The company is also integrating all major digital technologies to offer a great digital transformation experience to clients in the U.S.
- **IBM** integrates digital technologies such as IoT, blockchain and AI, along with its market-leading IBM Watson™ platform, to offer better collaboration for aligning the supply chain with client requirements, presenting one of the most comprehensive digital offerings.
- **Infosys'** supply chain implementation services allow for implementing supply chain business platforms with advanced technologies such as IoT, blockchain, and analytics and predictive maintenance. Its service portfolio is supported by expert teams in Agile and DevOps, IoT implementation and maintenance, data management, microservices and APIs.
- **TCS** brings innovation to its supply chain with proprietary platforms such as the TRAPEZE™ suite and AI-powered ignio™. It leverages AI, advanced analytics, IoT, blockchain, supply chain management (SCM) business process as a service (BPaaS), and alliances with leading product vendors to strengthen its strategic consulting capability in this space.
- **Wipro's** digital SCM leverages the wide expertise of its service lines and vertical consulting teams, supported by a global team of experts in the latest digital technologies such as blockchain, AI/ML and IoT.
- **Birlasoft** (Rising Star) is highly focused on its R&D projects and has developed in-house tools and accelerators such as IntelliOpen™ and IntelliAsset™ for offering real-time insights, visualization and return-to-work solutions to manage the COVID-19 crisis.
- **Capgemini Invent** (Rising Star) uses its in-house SCM tools, frameworks and accelerators to cater to its SCM clients in the U.S. Its digital supply chain offering includes a broad, deep and comprehensive service that combines business process management, extending from strategy planning to deployment and delivery, with its cloud-based solutions, analytics and insights, real-time visibility and interactions, benchmarking and maturity assessments, digital transformation and change management.

Methodology

METHODOLOGY

The research study "ISG Provider Lens™ Digital Business – Solutions and Service Partners 2020" analyzes the relevant software vendors/service providers in the U.S. region market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology. The study was divided into the following steps:

1. Definition of Digital Business – Solutions and Service market
2. Use of questionnaire-based surveys of service providers/vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities and use cases.
4. Leverage ISG's internal databases and advisor knowledge and experience (wherever applicable).
5. Detailed analysis and evaluation of services and service documentation based on the facts and figures received from providers and other sources.
6. Use of the following key evaluation criteria:
   - Strategy & vision
   - Innovation
   - Brand awareness and presence in the market
   - Sales and partner landscape
   - Breadth and depth of portfolio of services offered
   - Technology advancements

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Tarun Vaid is the lead author for ISG Provider Lens with a focus on Digital Business and SaaS. He has more than 9 years of experience across research, consulting, and advisory services including benchmarking providers offerings, industry analysis, syndicate report writing, thought leaderships. His area of expertise is digital business services, blockchain and enterprise application software (CRM, ERP and SCM), authoring market share analysis research reports, service providers intelligence report, and tracking IT spending in Software market.

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Director

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor. Now as a research director, principal analyst and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

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ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including more than 75 of world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,300 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data. For more information, visit www.isg-one.com.