Everest Group PEAK Matrix™ for Data & Analytics Service Providers 2019

Focus on Accenture

September 2019

EGR-2019-44-E-3328

Introduction and scope

Everest Group recently released its report titled "Data & Analytics (D&A) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2019". This report analyzes the changing dynamics of the D&A landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group classified 20+ service providers on the Everest Group PEAK Matrix™ for D&A into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of D&A service providers based on their absolute market success and delivery capability.

Based on the analysis, **Accenture emerged as a Leader**. This document focuses on Accenture's D&A experience and capabilities and includes:

- Accenture's position on the Data & Analytics services PEAK Matrix
- Detailed D&A profile of Accenture

Buyers can use the PEAK Matrix to identify and evaluate different service providers. It helps them understand the service providers' relative strengths and gaps. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements, and match them against service provider capability for an ideal fit.

Source: Everest Group (2019) unless cited otherwise

Background of the research

The global D&A market witnessed a robust Year-on-Year (YOY) growth of 17-18% in 2018. The demand for D&A services remained strong from traditionally leading markets of North America (50%) and Europe (30%), as well as from the emerging APAC market (15%). Industries with high D&A maturity such as BFSI and retail, distribution, & CPG continued to lead by contributing to about 50% of the global D&A market. Industries with relatively low D&A adoption such as Healthcare & life sciences showed high momentum caused by regulatory requirements, and service providers' increased focus on developing verticalized solutions beyond mature industries. Owing to rapid technology disruption and the emerging technology landscape, buyers demonstrated a higher demand for onshore resources for D&A implementations. This onshore demand, coupled with immigration policies, has led service providers to tie up with universities and groom talent locally. Also, service providers across the D&A ecosystem invested heavily in building end-to-end D&A capabilities and building a strong IP portfolio.

In this research, we present an assessment and detailed profiles of 21 D&A service providers featured on the Data & Analytics Services PEAK Matrix™. Each service provider profile provides key strengths and areas of improvement, geography focus, industry focus, buyer size, key intellectual property (IP), and partnerships and investments. The assessment is based on Everest Group's annual RFI process for calendar year 2018, interactions with leading D&A services providers, client reference checks, and an ongoing analysis of the D&A services market.

Scope of this report

- Services across D&A value chain – strategy & consulting, data management, analytics & insights, and data trust
- Coverage across all major industries and functional areas
- 21 leading D&A services providers

This report includes the profiles of the following 21 leading D&A service providers featured on the Data & Analytics services PEAK Matrix:

- **Leaders:** Accenture, Capgemini, Cognizant, Deloitte, IBM, and TCS
- **Major Contenders:** Atos, DXC Technology, EY, Genpact, HCL, Infosys, KPMG, LTI, NTT Data, PWC, Tech Mahindra, Virtusa, Wipro, and WNS
- **Aspirants:** Datamatics

Data & Analytics services PEAK Matrix™ characteristics

Leaders:
Accenture, Capgemini, Cognizant, Deloitte, IBM, and TCS

- Leaders have displayed a broader D&A vision. They made sustained strategic investments to bridge the portfolio gaps to achieve full services play
- Leaders have invested heavily in building structured internal talent development programs to ensure the availability of skilled talent to solve complex problems. They also focused on the breadth of skills, enabling full services play by developing a range of certification programs that help them stay ahead as technology evolves
- Leaders have developed a range of integrated platforms along with industry- and use case-specific accelerators to cut down the trial and run phase to achieve faster outcomes
- Domain focus, business advocacy, and willingness to share risk and returns through value-based pricing models have further differentiated them in stakeholder partnerships

Major Contenders:
Atos, DXC Technology, EY, Genpact, HCL, Infosys, KPMG, LTI, NTT DATA, PwC, Tech Mahindra, Virtusa, Wipro, and WNS

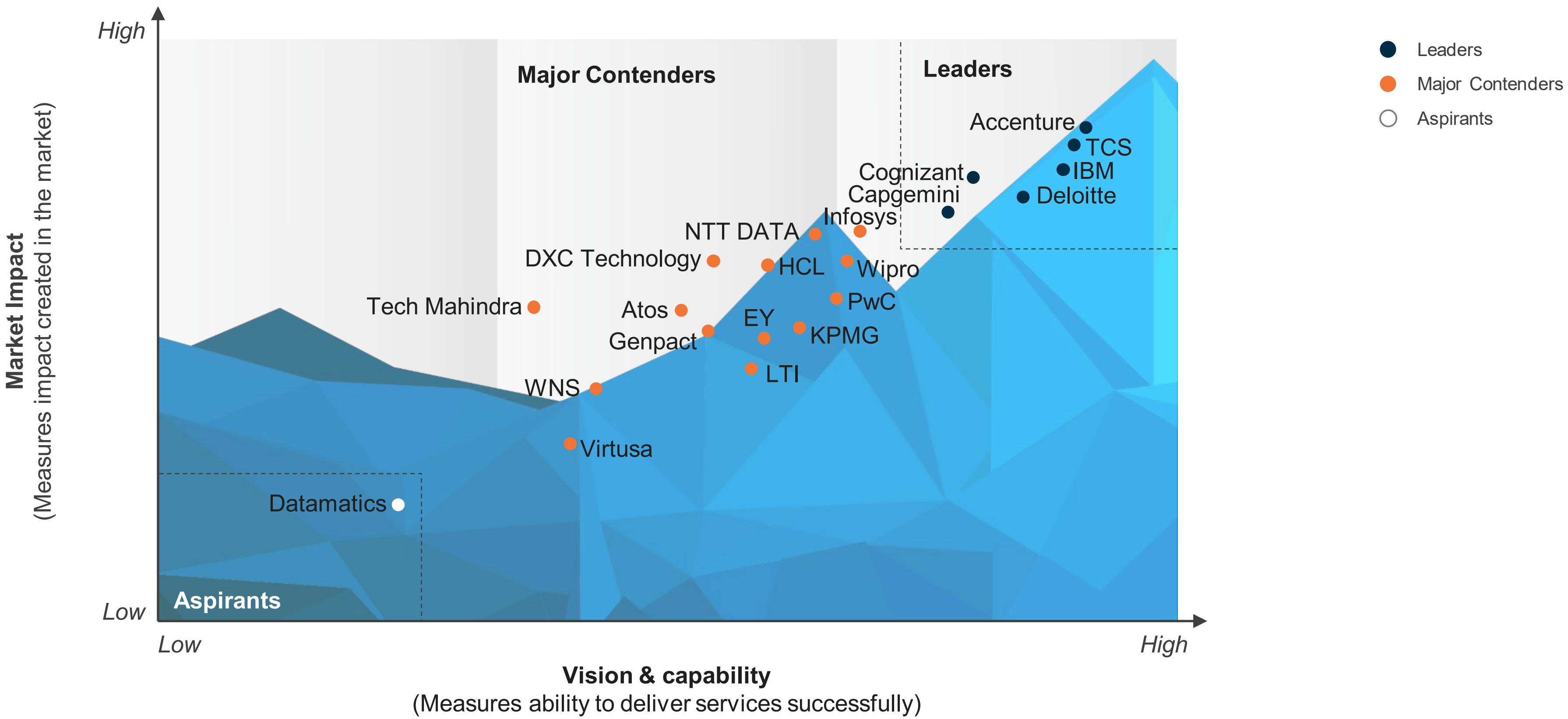
- Major Contenders have shown high confidence in their sweet spots within the D&A stack. They have a strong base of satisfied clientele within these areas
- Major Contenders have the vision to develop full services play and are investing in talent development programs, acquisitions, IP building, and a partnership ecosystem to enable the same
- They need to supplement their vision and investments with effective communication of success on transformative end-to-end D&A deals to enhance their market perception

Aspirants:
Datamatics

- Aim to focus on creating solutions beyond niche areas, most engagements are based on flagship tools and solutions. The majority of investments are also directed toward upgrading and improving the features of these flagship solutions

Everest Group PEAK Matrix™
Data & Analytics services PEAK Matrix™ Assessment 2019 | Accenture positioned as Leader

Everest Group Data & Analytics Services PEAK Matrix™ Assessment 2019



1 PEAK Matrix specific to Data & Analytics services
2 Assessment for Deloitte, DXC Technology, EY, IBM, KPMG, and PwC excludes service provider inputs on this particular study, and is based on Everest Group's estimates that leverage its proprietary Transaction Intelligence (TI) database, ongoing coverage of service providers' public disclosures, and interaction with buyers. For these companies, Everest Group's data for assessment may be less complete

Accenture | D&A services profile (page 1 of 2)
Overview

Strengths

- Accenture has a comprehensive portfolio of D&A offerings – with a good blend of mature IP, vertical-specific solutions and accelerators, and a strong partner ecosystem to deliver effective services across the D&A stack
- It has strong focus on innovation through its innovation hubs, liquid studio, and strategic collaborations with leading universities across the globe
- Accenture brings in a good blend of consulting, technical, and business/domain capabilities, enabling it to target large end-to-end transformation deals
- It has a rich talent pool with advanced analytics skills and has collaborated with leading universities to further augment talent capabilities

Areas of improvement

- Referenced buyers believe that while Accenture has a holistic suite of offerings and capabilities, it can do a better job in improving internal communication and orchestrating cross-functional capabilities (across businesses) to provide superior and differentiated client experience
- Accenture carries the tag of a premium priced player. This pushes it down the pecking order for clients looking for typical “run” services
- A major proportion of its D&A revenue comes from large market buyers. It needs to evolve its value proposition for small and mid-sized buyers that are looking for modular/tailored services

Vision: Accenture envisions leading client digital transformation from aspiration to global action at scale. It aims to accomplish this by combining the power of a robust data supply chain with data science and engineering, its deep domain and industry expertise, and a strong ecosystem of innovation. Through data-powered analytics, automation, and AI, Accenture aims to enable its clients to become digital at the core for efficiency gains and generate growth through new products, services, and by creating new business models that drive higher performance across the entire organization. It calls this type of analytics – Applied intelligence.

Percentage of revenue by industry

High (>20%) | Medium (10-20%) | Low (<10%)

BFSI	High
Energy & utilities	Medium
Manufacturing	Medium
Public sector	Low
Travel & transport	Low
Electronics, hi-tech, & technology	Low
Healthcare & life sciences	Medium
Retail, distribution, & CPG	Medium
Telecom, media, & entertainment	Medium
Others	Medium

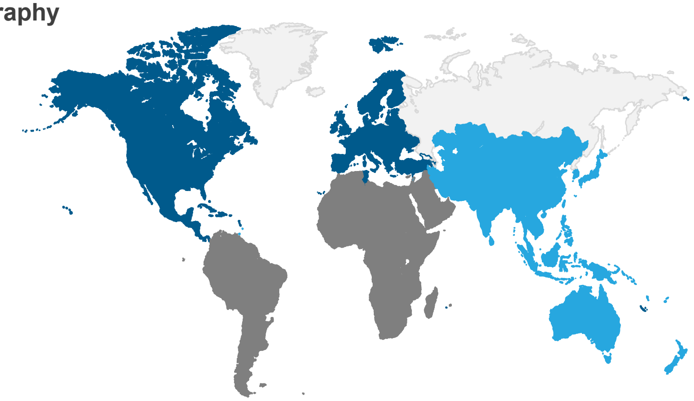
Percentage of revenue by buyer size

High (>40%) | Medium (20-40%) | Low (<20%)

Small (annual revenue < US$1 billion)	Low
Medium (annual revenue = US$1-5 billion)	Low
Large (annual revenue > US$5 billion)	High

Percentage of revenue by geography

High (>25%) | Medium (10-25%) | Low (<10%)



Note: Based on operational information as of 2018

Accenture | D&A services profile (page 2 of 2)

Offerings

Proprietary solutions (representative list)	
Solution name	**Details**
Intelligent Data Suite (IDS)	Leveraging Accenture's industry knowledge and machine-led approach, IDS empowers organizations to harness the full potential of their data to better understand the data and to trust the generated insights
Applied Intelligence Platform	Applied Intelligence Platform is an on-demand, low-code platform that offers analytics applications, using machine learning and deep learning, to clients. It integrates these capabilities with edge analytics and Internet of Things (IoT) services as well as access to more than 350 data sources
SynOps	A human-machine operating engine that aims to optimize the synergy of data, applied intelligence, digital technologies, and talent to help organizations transform business operations and create exceptional user experiences
AccentureMyWizard	An intelligent software engineering platform, with AI capabilities, that aims to help organizations make advanced and AI-driven software engineering techniques a standard practice by standardizing the engineering of AI solutions
Intelligent Industry Solutions	Accenture's current portfolio of 20 Intelligent Industry Solutions (IIS), which run on AIP, create an end-to-end solution that includes consulting services, applications, data sources, operations, and the underlying core platform

Data and analytics services partnerships (representative list)	
Partner name	**Details**
SAP	Expanded partnership with SAP to co-develop digital solutions based on SAP Leonardo and data services through S/4 HANA (data strategy, data migration, data governance, and data quality). The partnership will focus on building joint views and GTM on next-generation SAP data solutions and embedding digital technologies including ML, analytics, and IoT for clients' businesses
Google	In July 2018, Accenture launched Accenture Google Cloud Business Group (AGBG). The group focuses on retail, consumer packaged goods, and healthcare industries. It will combine Google marketing platform data with enterprise data sources for customer engagement
Other key partnerships of Accenture include AWS, Microsoft, IBM, Oracle, Salesforce, Informatica, Cloudera/Hortonworks, Qlik, Tableau, Collibra, and ASG.	

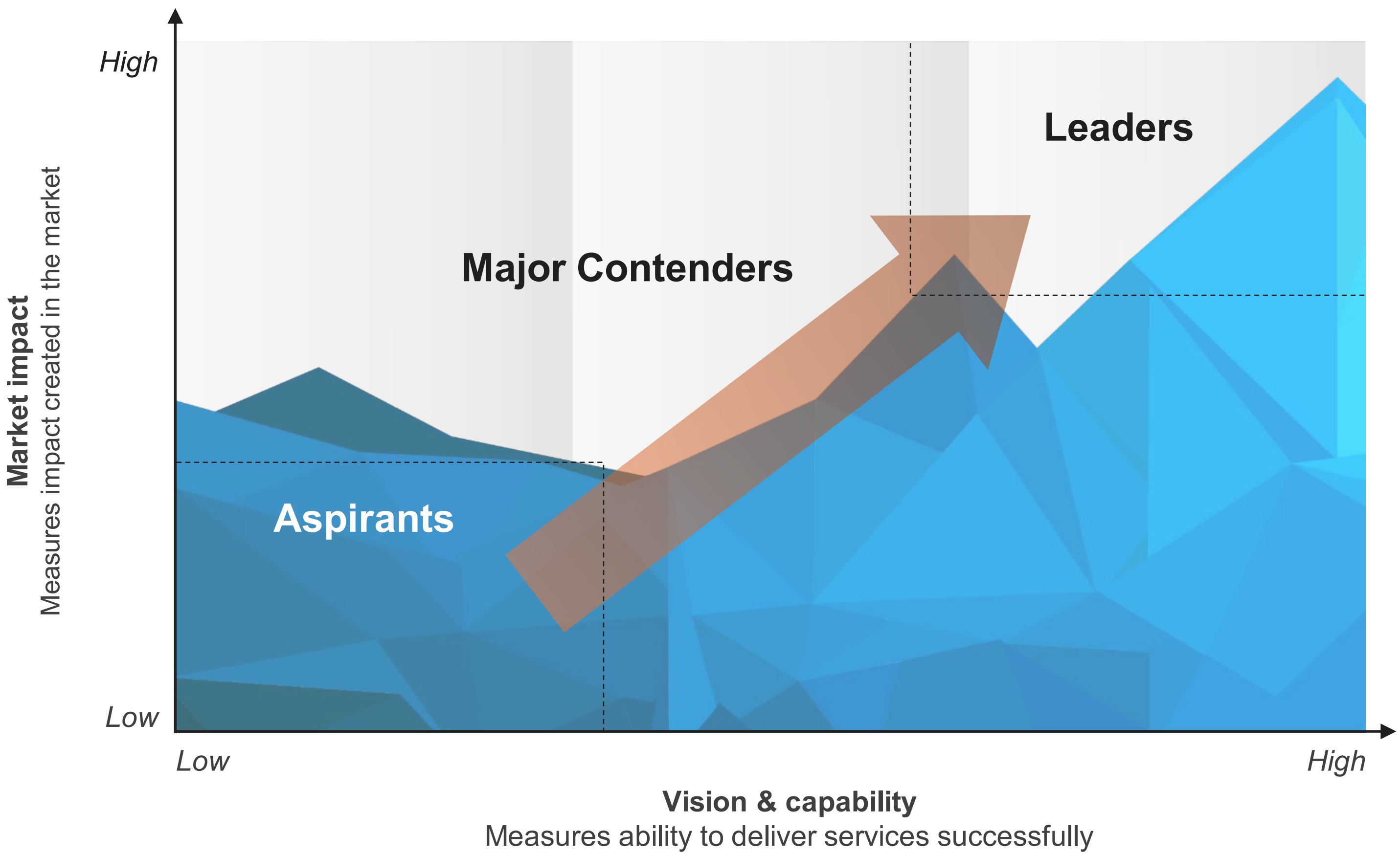
Data and analytics services investments (representative list)	
Investment theme	**Details**
Acquisitions	In January 2019, Accenture acquired Knowledgent, a data intelligence company that provides data strategy engineering and management services. It acquired Kogentix in July 2018 to strengthen its "applied intelligence" agenda. It has made minority investments in start-ups such as Quantexa, Malong, Maana, Paxata, Bitvore, and MightyAI
Innovation hubs and liquid studios	Accenture has over 50 AI-/analytics-dedicated locations including in Bangalore, Tokyo, Zurich, Detroit, and Boston, focusing on technologies such as AI, intelligent automation, quantum computing, and liquid applications management, among others. It has a number of liquid studios located across APAC, Europe, and North America that enable clients to experiment with disruptive technologies such as AI and IoT, among others

Appendix

Everest Group PEAK Matrix™ is a proprietary framework for assessment of market impact and vision & capability

Everest Group® PEAK MATRIX™

Everest Group PEAK Matrix



Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption

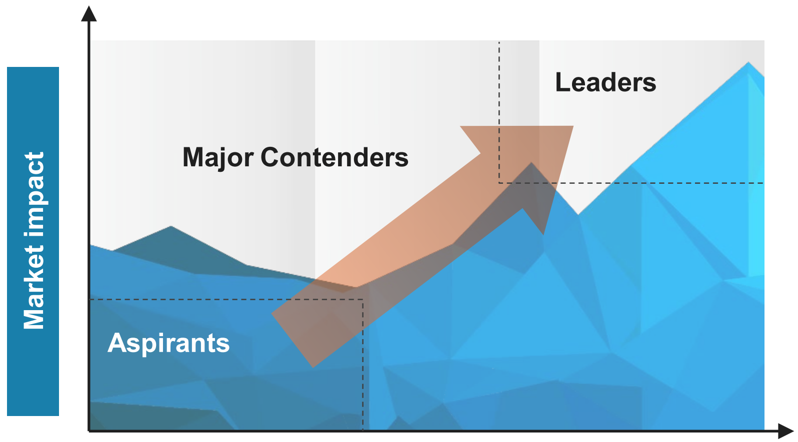
No. of clients, revenue base, and YOY growth, deal value/volume

Portfolio mix

Diversity of client/revenue base across geos and type of engagements

Value delivered

Value delivered to the client based on customer feedback and transformational impact



Vision & capability

Measures ability to deliver services successfully. This is captured through four subdimensions

Vision and strategy

Vision for the client and itself; future roadmap and strategy

Scope of services offered

Depth and breadth of services portfolio across service sub-segments / processes

Innovation and investments

Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.

Delivery footprint

Delivery footprint and global sourcing mix

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FAQs

Does the PEAK Matrix™ assessment incorporate any subjective criteria?
Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a "Major Contender" or "Aspirant" on the PEAK Matrix, an unfavorable outcome?
No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the "PEAK Matrix position"?
A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a "Leader", "Major Contender," or "Aspirant" title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?
- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own "profile" that is published by Everest Group as part of the "compendium of PEAK Matrix providers" profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or "Star Performer" status ?
- Providers/vendors can use their PEAK Matrix positioning or "Star Performer" rating in multiple ways including:
  - Issue a press release declaring their positioning. See citation policies
  - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
  - Quotes from Everest Group analysts could be disseminated to the media
  - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?
PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises

Everest Group®

About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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