



# Everest Group Software Product Engineering Services PEAK Matrix® Assessment 2026 – Global

Focus on TCS

April 2026



# Introduction

Software remains the largest product engineering spend area, but growth is being pursued under tighter RoI scrutiny amid macro uncertainty and talent constraints. The focus of software R&D is shifting toward AI-native development and platform-led modernization, with gen AI / agentic AI embedded across products and developer workflows, raising expectations for faster releases, security-by-design, and measurable outcomes.

In EMEA, these priorities are amplified by stricter regulatory and sovereignty expectations, data-residency needs, and a stronger preference for nearshore/onshore, multilingual delivery to ensure locally aligned execution.

Enterprise expectations from software product engineering providers have moved beyond the prior baseline. Buyers now want strategic partners who can industrialize AI across the SDLC, accelerate time-to-market through reusable assets and platform engineering, and deliver measurable outcomes on cost, speed, and innovation.

In the research, we present an assessment and detailed profiles of 52 engineering services providers featured on the [Software Product Engineering Services PEAK Matrix® Assessment 2026 – Global and EMEA](#).

Each provider profile provides a comprehensive picture of its service focus, key Intellectual Property (IP) / solutions, domain investments, and case studies. The assessment is based on Everest Group's annual RFI process for calendar year 2025, interactions with leading software product engineering services providers, client reference checks, and an ongoing analysis of the engineering services market.

**The full report includes the profiles of the following 52 leading engineering service providers featured on the Software Product Engineering Services PEAK Matrix:**

- **Leaders:** Accenture, Capgemini, Cognizant, GlobalLogic, Globant, HCLTech, IBM, Infosys, LTM, Persistent Systems, TCS, and Wipro
- **Major Contenders:** 3Pillar Global, ACL Digital, Akkodis, Altimetrik, Apexon, Ascendion, Aspire Systems, Brillio, Ciklum, Coforge, DataArt, Encora, EPAM, Happiest Minds, Infogain, Intellias, Mphasis, N-iX, Ness Digital Engineering, Neurealm, R Systems, Sasken Technologies, SoftServe, Softtek, Sonata Software, Sutherland, Tech Mahindra, UST, Virtusa, Xebia, Xoriant, and Zensar
- **Aspirants:** Accion Labs, Daffodil Software, Divami, Icreon, KANINI, Marlabs, Simform, and TechBlocks

## Scope of this report

**Geography:** global

**Providers:** 52 leading engineering service providers

**Services:** software product engineering services

# Scope of the evaluation

## Defining software product engineering



### Hardware product engineering

- Conceptualization and design
- Product development
- Verification and validation
- Product sustenance



### Focus of research

### Software product engineering

- Software product development
- Software product operations
- Software product maintenance



### Manufacturing engineering

- Consulting and design
- Development and V&V
- Deployment and SI
- Managed services and support



### Network engineering

- Conceptualization and design
- Design and development
- Testing and certification
- Deployment and support

### Definition of software product engineering:

Software product engineering includes

- Commercial Off the Shelf (COTS) software
- Customer-facing software/applications that are meant for revenue generation or service delivery

It does not include

- Custom application development for mid-/back-office operations
- System integration around COTS packages
- Embedded software development

# Software product engineering services PEAK Matrix® – Global characteristics

## Leaders

Accenture, Capgemini, Cognizant, GlobalLogic, Globant, HCLTech, IBM, Infosys, LTM, Persistent Systems, TCS, and Wipro

- Leaders are broad-based, IT-heritage engineering service providers with dominant capabilities across the full software product lifecycle, spanning high-value product/platform strategy, management, and development, as well as long-term, recurring product/platform sustenance
- They leverage mature onshore, nearshore, and offshore delivery models to balance client proximity and cost efficiency at scale, supported by strong ecosystems, spanning hyperscalers, data and analytics partners, enterprise technology providers, AI partners, and hardware providers for co-innovation and joint Go-To-Market (GTM)
- These providers have made sustained investments in building reusable assets (IPs, frameworks, and accelerators) across cloud, data engineering, AI/ML, security, observability, and FinOps, and are increasingly monetizing them through subscription- or license-based models

## Major Contenders

3Pillar Global, ACL Digital, Akkodis, Altimetrik, Apexon, Ascendion, Aspire Systems, Brillio, Ciklum, Coforge, DataArt, Encora, EPAM, Happiest Minds, Infogain, Intellias, Mphasis, Ness Digital Engineering, Neurealm, N-iX, R Systems, Sasken Technologies, SoftServe, Softtek, Sonata Software, Sutherland, Tech Mahindra, UST, Virtusa, Xebia, Xoriant, and Zensar

- Major Contenders include both IT-heritage firms and pure-play engineering service providers that have built meaningful software product engineering capabilities, though with narrower coverage across the value chain, geographies, and industries compared to the Leaders
- These providers are increasingly leveraging emerging commercial models to engage with clients
- These providers' emphasis on the high-growth mid-market enterprises has supported continued momentum for some of the mid-sized players despite challenging conditions
- They are actively expanding delivery footprints and using partnerships more strategically to strengthen and scale their software product engineering services positioning

## Aspirants

Accion Labs, Daffodil Software, Divami, Icreon, KANINI, Marlabs, Simform, and TechBlocks









- Aspirants possess strong capabilities in specific technology areas and value chain elements; however, their global presence and ability to serve projects with wider scopes is limited
- They are making focused investments for enhancing their solutions portfolio, improving service enablement capabilities, and expanding their footprint and client base



# TCS

## Everest Group assessment

Measure of capability:  Low  High

Market impact					Vision and capability					
	Positioning on PEAK Matrix®	Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
<b>Global</b>	<b>Leader</b>									

### Strengths

- TCS has a well-distributed footprint across key EMEA markets (UK & Ireland, Benelux, DACH, the Nordics, CEE, and the Gulf), and is further expanding its Middle East presence (Vision Oman 2040) and depth in the automotive sector (delivery center in Germany)
- It demonstrates strong commercial flexibility by engaging with clients through emerging pricing constructs such as outcome-based, revenue sharing, and hybrid models
- The firm has a robust partner ecosystem across hyperscalers, data and analytics providers, enterprise technology platforms, niche AI partners, and hardware vendors, strengthening its ability to co-innovate and execute at scale
- TCS actively monetizes its IP portfolio through licenses and subscriptions spanning horizontal themes, as well as vertical solutions, while strengthening EMEA capabilities through dedicated labs and CoEs (PACE Port Labs network)
- Clients value TCS for its price competitiveness, deep bench of skilled domain and technical talent, and a customer-centric delivery approach

### Limitations

- While TCS has a broad global footprint, its delivery model remains offshore-heavy with relatively limited nearshore presence, which can limit client proximity and time-zone coverage for high-touch engagements
- Clients expect TCS to further strengthen its AI capabilities, adopt a more proactive advisory approach, improve the adoption and effectiveness of test automation to enhance quality and efficiency, and focus on skill retention to maintain the continuity of key talent within project teams

## Market trends

Steady Software Product Engineering Services (SPES) growth is being driven by AI-native product development and modernization, amid evolving sourcing strategies

### Market size and growth

- The total SPES market for CY2025 stood at ~US\$40 billion and is expected to grow at a steady rate of 6-7% YoY in CY2026
- Growth will be led by AI-native product and platform development, as enterprises scale AI-first features and work on modernization toward cloud-native, composable architectures, creating sustained demand for rapid build, integration, and continuous release engineering

### Key drivers for software product engineering services

AI-native product development	Enterprises are embedding AI into products and using AI tools to accelerate development, testing, and operation, raising demand for partners that can scale implementation reliably
Legacy system modernization	Enterprises are upgrading legacy applications to operate better in cloud environments, integrate through APIs, and support faster release cycles, creating sustained engineering demand
Data readiness	To operationalize AI effectively, enterprises require high-quality, well-governed data. This is driving increased investment in data integration and pipelines, along with strengthened security, governance, and compliance controls

### Opportunities and challenges

Tariff and policy uncertainty	Evolving trade policies and tariff structures raise delivery costs and introduce volatility into sourcing strategies, prompting enterprises to defer decisions, rescope initiatives, or renegotiate commercial terms
Persisting demand softness	Ongoing budgetary caution and restrained discretionary spending are lengthening procurement cycles and slowing program ramp-ups, as enterprises prioritize near-term value realization and postpone non-essential product investments
Insourcing / GCC as outsourcing alternative	The rise of insourcing and Global Capability Centers (GCCs) as credible alternatives to traditional outsourcing is slowing software services demand by shifting incremental engineering spend in-house and reducing reliance on large, long-duration outsourced engagements

# Provider landscape analysis

**Market share analysis of the providers**  
2024; percentage of the overall market of SPES



**SPES revenue growth by YoY growth**  
2023-24; increase in percentage



Note: Providers are listed alphabetically within each range

# Key buyer considerations

## Sourcing considerations influencing provider selection in software product engineering

### Key sourcing criteria

High



#### Time-to-market

Providers that can shorten release cycles through AI-enabled SDLC capabilities, robust DevSecOps automation, and reusable accelerators, enabling faster progression from concept to production



#### Cost savings

Evidenced productivity improvements achieved through automation (gen AI-enabled development and testing, CI/CD, and infrastructure provisioning), optimized delivery models, and reuse-driven engineering, supported by rigorous value measurement



#### Innovation

Proven ability to build differentiated products by combining product strategy with engineering, rapidly scaling pilots to production, and delivering measurable impact on user experience and business outcomes



#### IP-backed delivery and partnership ecosystem

Strength of proprietary IP complemented by a robust ecosystem of partnerships, enabling early roadmap alignment, joint solution development, and accelerated adoption through proven integrations



#### Talent across emerging technology skills

Sustained depth and stability of expertise across emerging technology areas, supported by certified talent pools, structured upskilling programs, and strong engineering leadership

Low

Priority

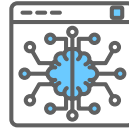
### Summary analysis

Buyers increasingly prefer providers that can industrialize AI across the delivery life cycle, moving beyond pilots by using reusable assets and automation to improve cycle time and quality predictably. The market is splitting between scaled providers offering end-to-end transformation and specialists delivering deeper engineering expertise and faster execution, making a blended provider portfolio a practical approach.

Providers with strong IP and ecosystem partnerships are better positioned to reduce modernization risk and accelerate adoption, with governance focused on IP reuse, security/compliance, and outcome-based RoI throughout the engagement.

# Key takeaways for buyers

Buyers should prioritize providers that can industrialize AI across the SDLC, bring deep domain specialization, and deliver IP-/asset-led, outcome-based engagements, to accelerate delivery while ensuring measurable RoI and scalable adoption.



## AI is reshaping how software is built, tested, and run

AI is automating large parts of the software lifecycle (for example, code generation, test creation, defect resolution, and legacy modernization), cutting engineering effort and cycle time materially.



## Preference for holistically specialized providers

Enterprises are increasingly seeking deep, domain-specific expertise from their service providers, as opposed to generalized horizontal capabilities.



## Asset-led delivery is emerging as a core differentiator

Providers are shifting toward IP-led delivery to accelerate execution, improve margins, and reduce reliance on headcount-led growth. They are increasingly embedding AI into platforms for high adoption and scalable use cases.



## Intensified focus on value realization

Enterprises are moving toward outcome-based commercial models as IT/engineering spend comes under greater scrutiny, with increased emphasis on RoI, productivity, and measurable value realization rather than inputs such as effort or capacity.

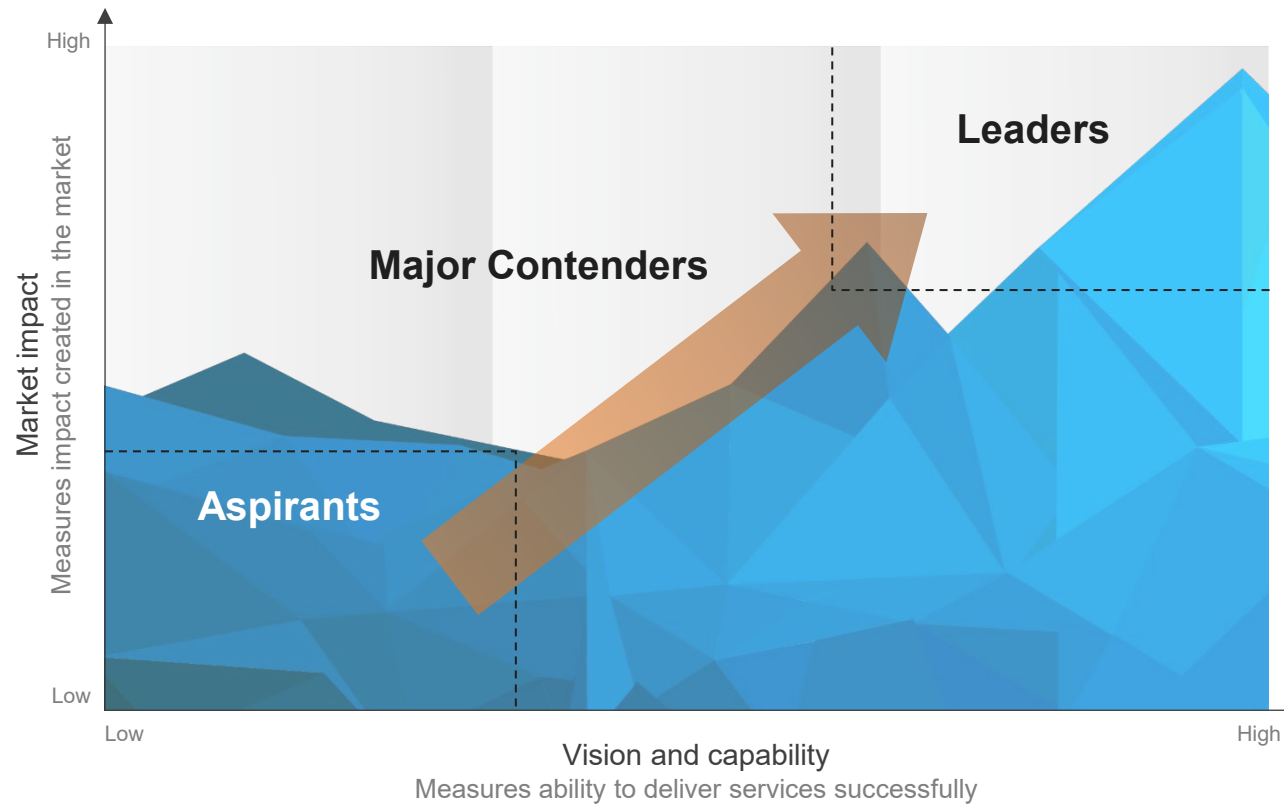
# Appendix

PEAK Matrix® framework

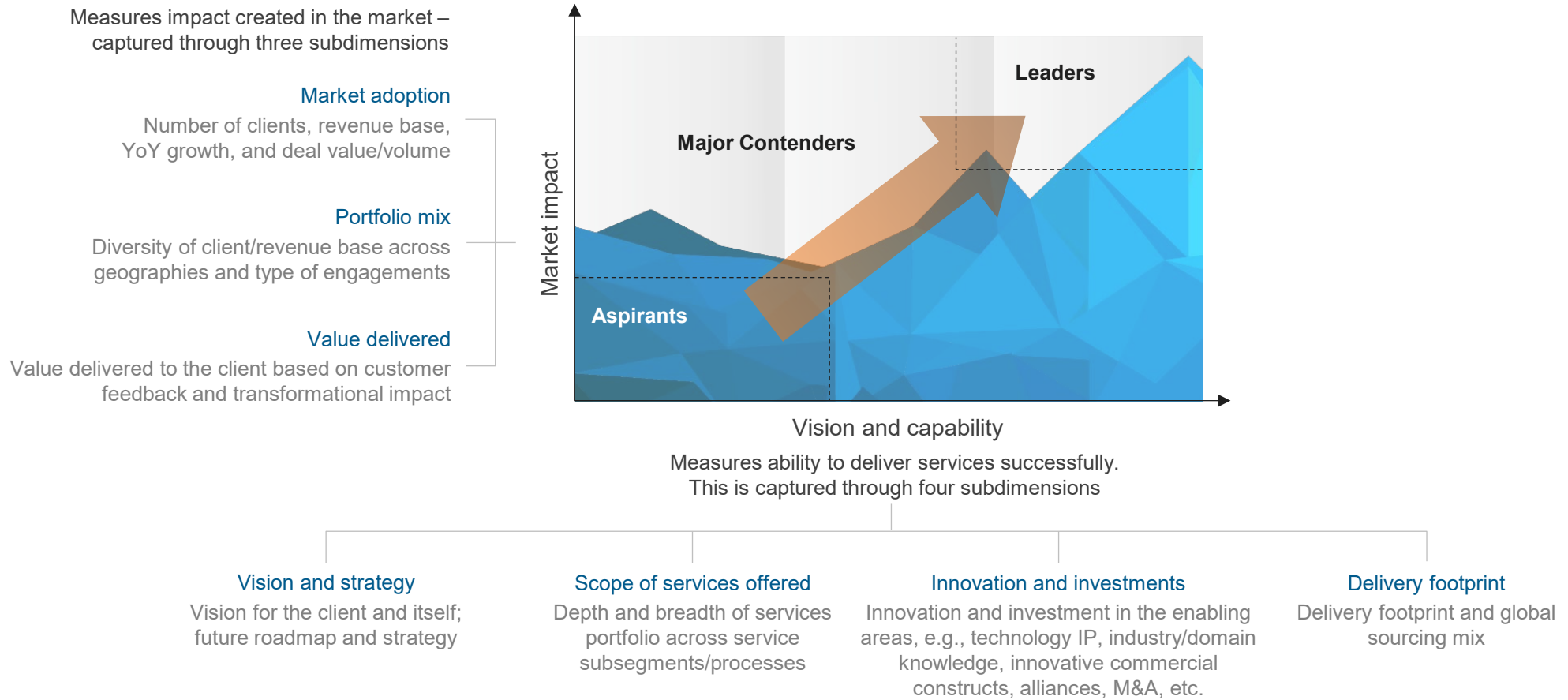
FAQs

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

Everest Group PEAK Matrix



# Services PEAK Matrix® evaluation dimensions



## FAQs

**Q: Does the PEAK Matrix® assessment incorporate any subjective criteria?**

**A:** Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

**Q: Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?**

**A:** No. The PEAK Matrix highlights and positions only the best-in-class 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.

**Q: What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?**

**A:** A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

**Q: What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?**

**A:** Enterprise participants receive summary of key findings from the PEAK Matrix assessment

For providers

- The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
- In addition, it helps the provider/vendor organization gain brand visibility through being included in our research reports

**Q: What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?**

**A:** Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:

- Issue a press release declaring positioning; see our citation policies
- Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
- Use PEAK Matrix badges for 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 Everest Group; please contact your CD or contact us

**Q: Does the PEAK Matrix evaluation criteria change over a period of time?**

**A:** PEAK Matrix assessments are designed to serve enterprises' current and future needs. 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 and to serve enterprises' future expectations.

# Stay connected

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