



Everest Group Supply Chain IT Transformation Services for Retail and CPG PEAK Matrix® Assessment 2023

Focus on TCS
October 2023



Introduction

Supply chain IT transformation services have been the focus of investments for retail and Consumer Packaged Goods (CPG) enterprises in the past few years, particularly after the pandemic. The global disruption underscored the urgency of a flexible and resilient supply chain. These transformation services play a pivotal role in optimizing operations, aligning demand and supply, enhancing customer experiences, and facilitating swift responses to market changes.

In the aftermath of the pandemic, these services are crucial for enterprises to navigate uncertainties, ensure continuity, and meet evolving consumer demands while fostering competitiveness and sustainability in an increasingly dynamic and unpredictable landscape.

In this research, we present an assessment of 15 service providers featured on the Supply Chain IT Transformation Services for Retail and CPG PEAK Matrix® 2023. The assessment is based on Everest Group's annual RFI process for the calendar year 2023, interactions with leading service providers, client reference checks, and an ongoing analysis of the retail and CPG IT services market.

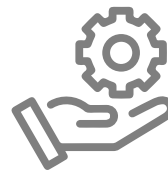
The full report includes the profiles of the following 15 leading service providers featured on the [Supply Chain IT Transformation Services for Retail and CPG PEAK Matrix® Assessment 2023](#):

- **Leaders:** Accenture, EY, TCS, and Tech Mahindra
- **Major Contenders:** Capgemini, Cognizant, Deloitte, Genpact, HCLTech, Infosys, LTIMindtree, and Wipro
- **Aspirants:** Sonata Software, Visionet Systems, and Zensar

Scope of this report



Geography
Global



Providers
15 service providers



Services
Supply chain IT transformation services in the retail and CPG industry

Supply Chain IT Transformation Services for Retail and CPG PEAK Matrix® characteristics

Leaders

Accenture, EY, TCS, and Tech Mahindra

- Leaders are characterized by their ability to successfully execute complex, multi-product/platform, advisory-led supply chain transformations, underpinned by their strong global delivery network
- These providers have strong partnerships with big tech firms, such as SAP and Oracle, cloud vendors, such as AWS, Azure, and GCP, and a majority of the supply chain specialists to build and innovate client-specific solutions
- They have a mature suite of supply chain-focused and retail and CPG-related solutions to accelerate time-to-market for their clients

Major Contenders

Capgemini, Cognizant, Deloitte, Genpact, HCLTech, Infosys, LTIMindtree, and Wipro

- These providers are making continued investments in building supply chain-focused proprietary tools, solutions, and accelerators to enhance their service delivery capabilities
- They have built meaningful capabilities to deliver supply chain transformations; however, their service portfolios are not as balanced and comprehensive as those of Leaders
- They take a balanced organic and inorganic approach to fill gaps across their supply chain services portfolio and further improve their global delivery footprint

Aspirants

Sonata Software, Visionet Systems, and Zensar

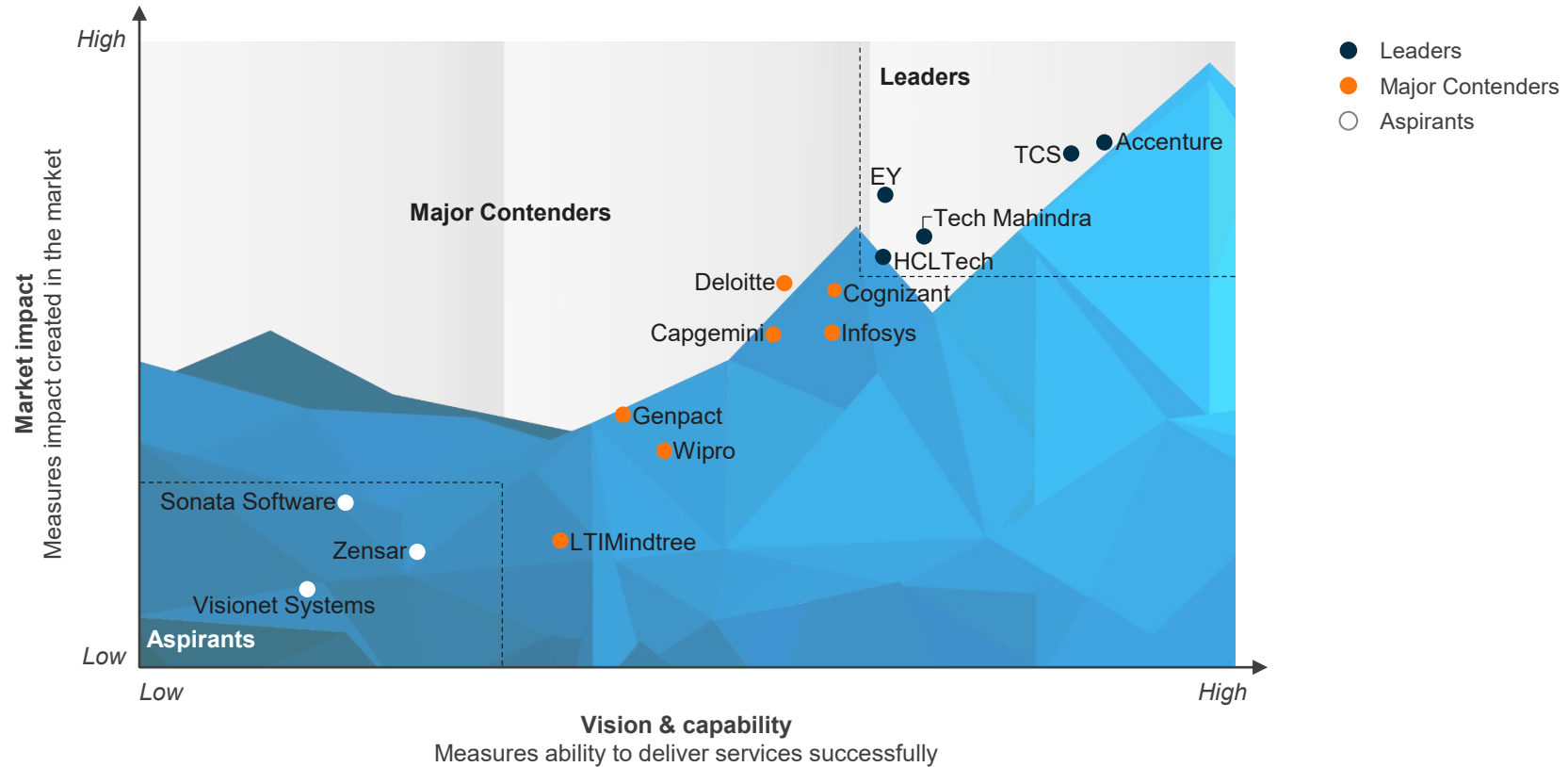
- Aspirants have good proof points in delivering implementation and/or maintenance of supply chain transformations of low- to medium-complexity for Small and Mid-sized Buyers (SMBs)
- They are either focused on a certain product(s) or currently have a relatively small supply chain or retail and CPG practice
- They lack the scale of supply chain-focused partnerships and IP to enable complex supply chain transformations

Everest Group PEAK Matrix®

Supply Chain IT Transformation Services for Retail and CPG PEAK Matrix® Assessment 2023 |

TCS is positioned as a Leader

Everest Group Supply Chain IT Transformation Services for Retail and CPG PEAK Matrix® Assessment 2023¹



¹ Assessments for Accenture, Capgemini, Deloitte, EY, and Infosys excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, provider public disclosures, and Everest Group's interactions with retail and CPG buyers
Source: Everest Group (2023)

TCS profile (page 1 of 4)

Overview

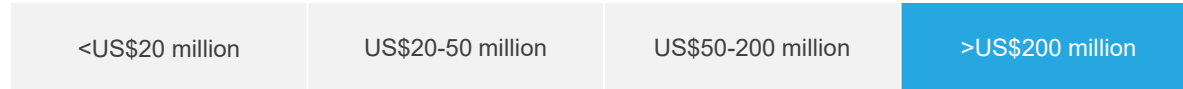
Vision for supply chain transformation services for the retail and CPG sector

TCS aims to be a trusted advisor and strategic partner in its customers' journey toward building machine-first, resilient, fluid, and efficient supply chains unlocking exponential business value. It believes that supply chain transformation for any organization should be done along the following three dimensions: robust digital core, connected value chain, and an adaptive and orchestrated ecosystem.

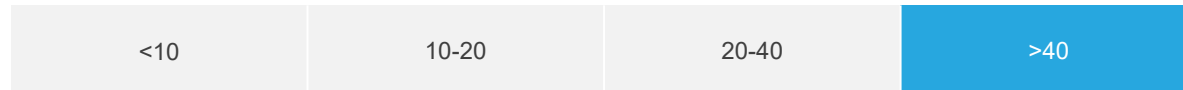
Overview of client base

Key clients include a global food and beverage client, a leading UK retailer with food and non-food business, an Australian chain of supermarkets and grocery stores, one of the largest food and drug retail chains in the US, a global domestic appliances major, an American multinational retail corporation, and a leading UK retailer.

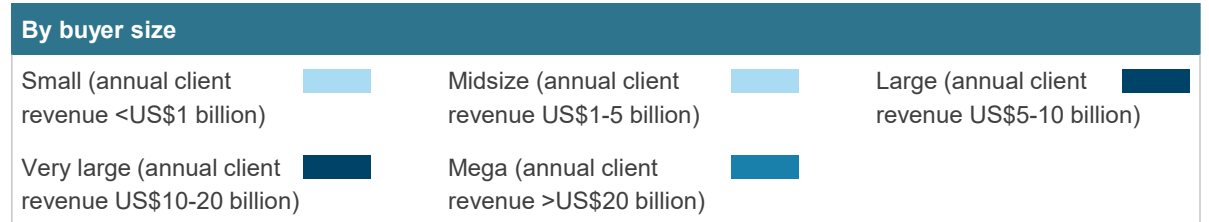
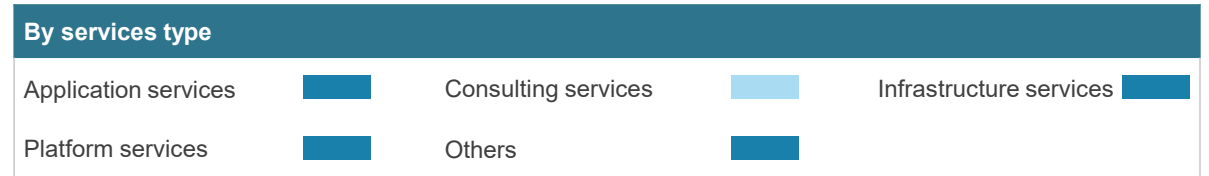
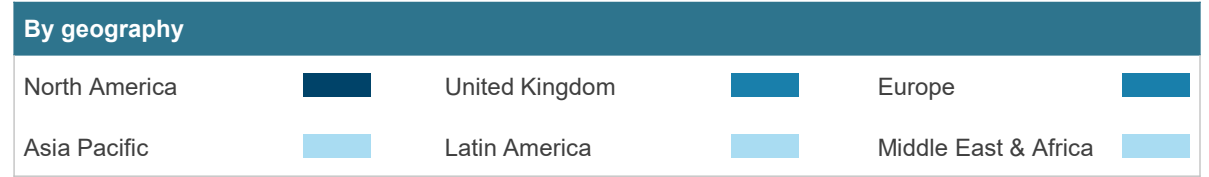
Supply chain transformation services revenue from the Retail and CPG sector (CY 2022)



Number of active retail and CPG clients for supply chain transformation services



Legend: N/A (0%) Low (1-15%) Medium (15-30%) High (>30%)



TCS profile (page 2 of 4)

Key solutions and investments

Proprietary IP/solutions/frameworks/accelerators/tools developed internally to deliver Supply Chain Transformation services in the Retail and CPG sector

Name	Details
TCS Supply Chain Control Tower (SCOT)	It is a robust supply chain solution with real-time visibility, predictive insights, and AI-powered decision support, offering over 200 use cases for gradual implementation and enabling retailers to enhance efficiency and achieve cost reduction.
TCS Envirozone™	It is a cloud-based solution that helps organizations track supplier-sourcing risks, enhance procurement decisions, and achieve sustainability goals by monitoring over 700 ESG KPIs. It empowers businesses to make informed decisions for a sustainable supply chain.
TCS Supply Chain Digital Twin	It pairs virtual and physical supply chain worlds, aiding retail organizations in planning, optimizing, and simulating strategy changes. Comprising Network and Node Twins, it models various scenarios from network redesign to flow optimization, accelerating benefit realization for strategic supply chain outcomes.
TCS Robologistics & Cobotics	It optimizes distribution centers by automating tasks and integrating processes for enhanced capacity and throughput. Comprising Intelligent Mobile Robots, Pickers/Packers, and Sages, it aids next-generation automated solutions, adaptable to various segments and sizes.
TCS DigiFleet™	It offers real-time insights for multi-modal transportation, powered by IoT, AI, and ML. It enables unified views of fleet movements, enhancing decision-making with contextual and situational insights from diverse data sources.
TCS OmniStore	It is an AI-powered composable commerce platform that unifies channels and data for personalized experiences, broadening selling opportunities, and business growth. It introduces features such as curbside pickup and real-time inventory visibility, enhancing customer engagement and revenue for retailers.

Key partnerships/alliances/acquisitions/JVs leveraged to deliver Supply Chain Transformation services in the Retail and CPG sector

Name	Type of investment (year)	Details of investment
SAP	Partnership (1998)	Partnership for leading suite of digital supply chain solutions – planning, logistics, manufacturing, product lifecycle management, and enterprise asset management
Blue Yonder	Partnership (2012)	Partnership for industry-leading artificial intelligence and machine learning capabilities and end-to-end business solutions
o9	Partnership (2018)	Partnership for next-generation supply chain platform for supply chain planning, forecasting, flow planning, end-to-end visibility, analytics, and simulation
Kinaxis	Partnership (2018)	Partnership for concurrent supply chain planning solution with capabilities in execution, control tower, and logistics
Coupa	Partnership (2018)	Partnership for sourcing and procurement, business spend management, and supply chain design and planning solutions

TCS profile (page 3 of 4)

Case studies

Case study 1

Leading UK retailer with food and non-food business

Business challenge

The client was facing a stock loss of GBP50 million annually so it needed to reduce costs and improve stock flow by re-engineering its end-to-end supply chain. Additionally, they sought to optimize the costly and time-consuming returns process, dealing with over GBP1 billion in annual returns.

Solution

- Implemented SaaS migration – world's first installation of BY SCPO platform for customer was a key delivery with the TCS alliance partnership
- Adoption of machine-first delivery – automation, tools, and knowledge artifacts used to deliver business value using agile delivery methodology
- Delivered a mobile app for returns decisions, which was architected to bring split-second decision-making and effective use of the API computational power
- Delivered a surplus food redistribution app

Impact

- More adaptive supply chain that can quickly pivot as customer demand changes
- Increase of stock availability from 88% to 95%
- Direct contribution to GBP24-36 million in sales with improved returns management
- Dwell time of stock reduced from 22 days to 3 days
- Reduction in logistics cost of circa GBP1.1 million
- Reduce carbon footprint by 20% by better planning and execution

Case study 2

One of the largest food and drug retail chains in the US

Business challenge

The client wanted to modernize the E2E supply chain across demand planning landscape and enable a single view of inventory for rapid decision-making and drive reduced cost and improved service to customers.

Solution

- Implemented Blue Yonder (BY) Forecasting solution
- BY Planalytics solution pilot to incorporate weather and data science forecast impacts
- Azure retrofit for 50+ interfaces/components
- Afresh rollout for all divisions – 2,176 stores rollout










Impact

- Sales lift / EBITDA flow-through rate of 15%
- Forecast accuracy is 95% for fresh
- Improvement of in-stock percentage from 94% to 96%
- Reduction in the wastage and inventory write-off
- Enhance associate productivity by 1,000 hours per annum for each store
- Process Improvements toward reduction of infrastructure costs – analyzed the existing application and implemented changes that led to annual cost savings in excess of US\$755 thousand

TCS profile (page 4 of 4)

Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
								

Strengths

- TCS is a relevant service provider for large and mega enterprises (annual revenue >US\$5 billion) seeking end-to-end supply chain transformation expertise
- It has established a robust partner ecosystem of cloud vendors, technology partners, and supply chain specialists to facilitate the development of client-tailored supply chain solutions
- It has built and proactively leveraged multiple IP tools/accelerators/frameworks, such as AlgoRetail, Optumera, and Envirozone, to enhance supply chain visibility and expedite time-to-market for its clients in supply chain transformation engagements
- TCS has a high focus on sustainability-driven applications, notably encompassing emissions monitoring and waste reduction initiatives
- Its strong technical expertise, strategic planning, and account management capabilities are well-perceived by the market

Limitations

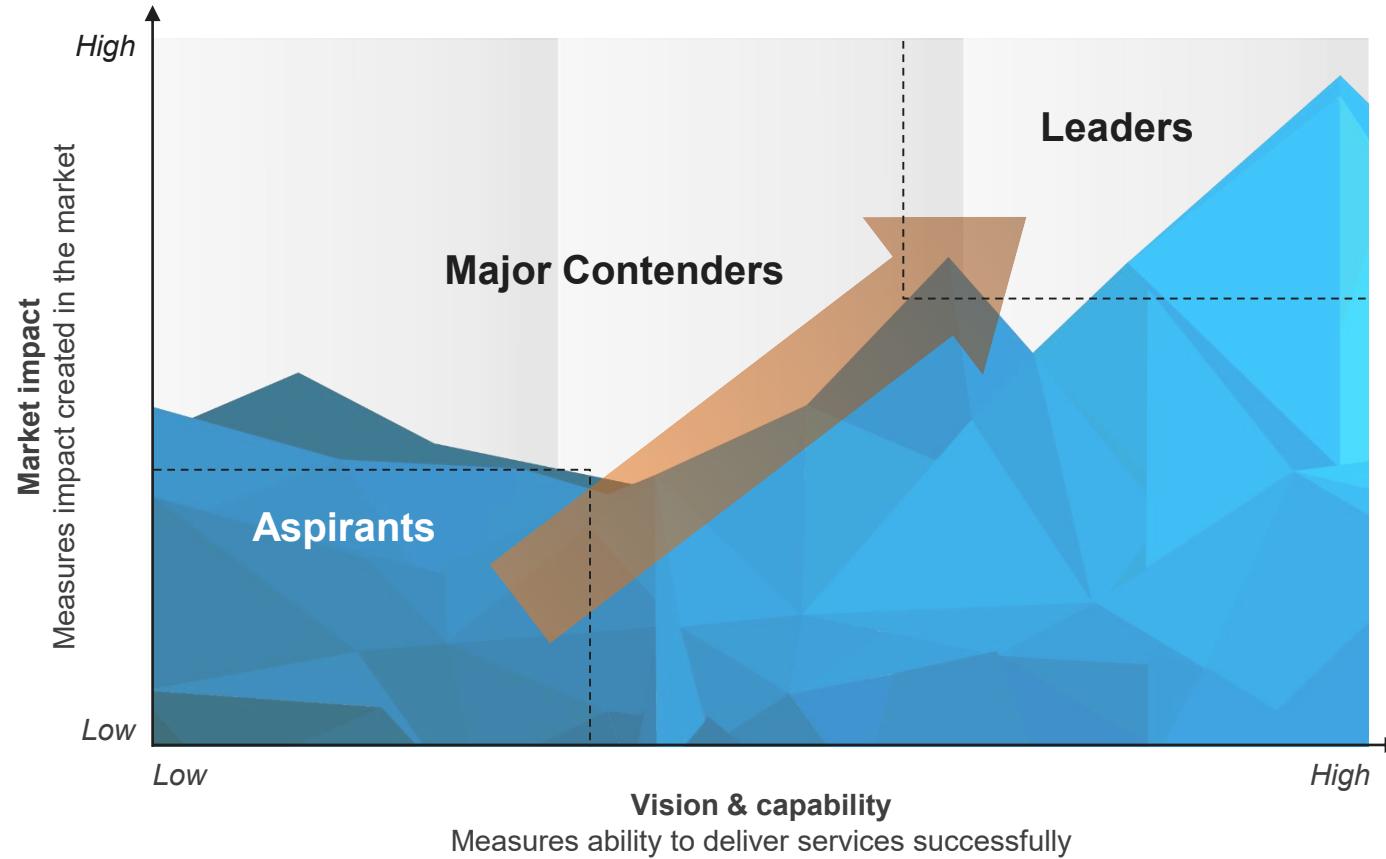
- Clients have opined that TCS needs to enhance its talent management capabilities, especially in replacing experienced resources lost due to attrition
- While TCS has a good offshore presence, clients seeking onshore- or nearshore-heavy models of engagements may need to evaluate TCS' delivery footprint in-depth
- Some clients have opined that even though TCS brings value addition and innovation to its engagements, the timing of its contributions does not align with the project timelines

Appendix

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



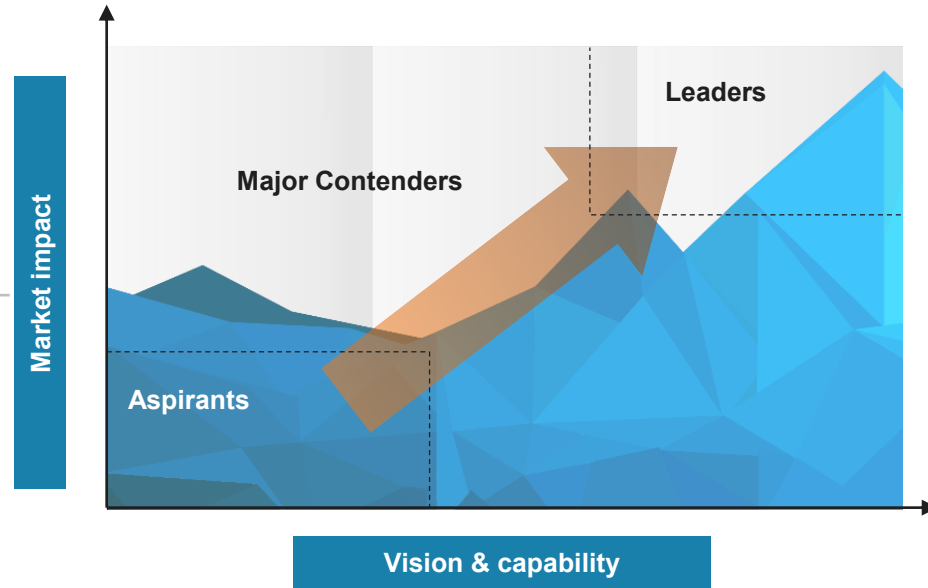
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
Number of clients, revenue base, YoY growth, and deal value/volume
- Portfolio mix**
Diversity of client/revenue base across geographies and type of engagements
- Value delivered**
Value delivered to the client based on customer feedback and transformational impact



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 subsegments/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

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

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.

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 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 the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

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.

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

- 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

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

- 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](#)

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

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.



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

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