



Everest Group Consumer Packaged Goods (CPG) IT Services PEAK Matrix[®] Assessment 2024

Focus on TCS
March 2024



Introduction

Despite economic uncertainties and margin pressures, CPG enterprises are strategically channeling investments into modernizing their IT systems across the entire value chain. The primary focus of these enterprises lies in personalizing customer experience, streamlining supply chains and focusing on digital commerce using technologies like AI/ML, cloud, IoT and automation. Key priorities also encompass fortifying data security, ensuring compliance, and automating manual processes to enhance overall efficiency. With the widespread adoption of technology, enterprises are increasingly leveraging digital strategies to enhance their competitive edge, increase operational efficiency, optimize processes, deliver personalized experiences to consumers, and drive growth.

In this research, we present an assessment and detailed profiles of 23 service providers featured on the [Consumer Packaged Goods \(CPG\) IT Services PEAK Matrix® Assessment 2024](#). 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 2023, interactions with leading service providers, client reference checks, and an ongoing analysis of the CPG IT services market.

The full report includes the profiles of the following 23 leading IT service providers featured on the CPG IT Services PEAK Matrix:

- **Leaders:** Accenture, Cognizant, Deloitte, EY, HCLTech, IBM, and TCS
- **Major Contenders:** CI&T, Capgemini, DXC Technology, Genpact, Infosys, Kyndryl, LTIMindtree, Publicis Sapient, Tech Mahindra, Virtusa, and Wipro
- **Aspirants:** Brillio, Cigniti, Hitachi Digital Services, SoftServe, and Stefanini

Scope of this report



Geography
Global



Providers
23 leading IT
service providers



Services
CPG IT services

Consumer Packaged Goods (CPG) IT Services PEAK Matrix® characteristics

Leaders

Accenture, Cognizant, Deloitte, EY, HCLTech, IBM, and TCS

- Leaders are characterized by their ability to successfully execute complex, multi-product/-platform, advisory-led IT transformations, underpinned by their strong global delivery network
- These providers have strong partnerships with big tech firms, such as SAP and Oracle, hyperscalers, such as AWS, Azure, and GCP, supply chain specialists, digital commerce providers, and specialized firms to enhance in-store operations, to innovate and build client-specific solutions
- They have a mature suite of industry-specific tools and solutions to accelerate time-to-market for their CPG clients

Major Contenders

CI&T, Capgemini, DXC Technology, Genpact, Infosys, Kyndryl, LTIMindtree, Publicis Sapient, Tech Mahindra, Virtusa, and Wipro

- These providers are making continued investments in building CPG focused proprietary tools, solutions, and accelerators to enhance their service delivery capabilities
- They have built meaningful capabilities to deliver IT transformation services; 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 service portfolios and further improve their global delivery footprint and enhance capabilities

Aspirants

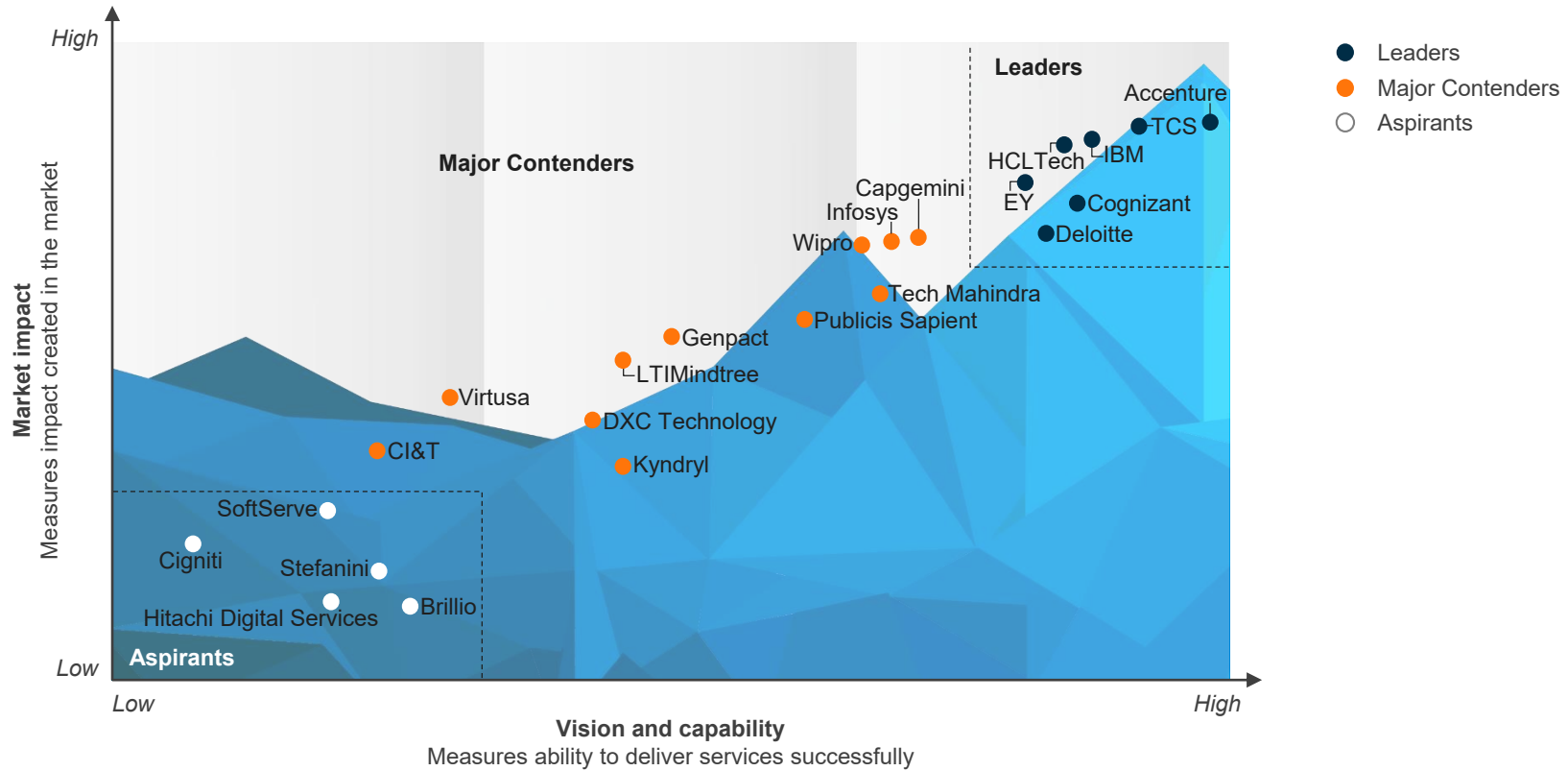
Brillio, Cigniti, Hitachi Digital Services, SoftServe, and Stefanini

- Aspirants have good proof points in delivering implementation and/or managed services of IT initiatives of low to medium complexity for Small and Midsize Buyers (SMBs)
- They are either focused on a certain product(s), specialize in a particular value chain segment, or currently have a relatively small CPG IT services practice
- They lack the scale of partnerships and IP to enable complex transformation initiatives and specialize in certain segments across the CPG value chain

Everest Group PEAK Matrix®

Consumer Packaged Goods (CPG) IT Services PEAK Matrix® Assessment 2024 | TCS is positioned as a Leader

Everest Group Consumer Packaged Goods (CPG) IT Services PEAK Matrix® Assessment 2024¹



¹ Assessments for Accenture, Capgemini, Deloitte, DXC Technology, EY, IBM, Infosys, Publicis Sapient, Virtusa and Wipro 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 CPG buyers
Source: Everest Group (2024)

TCS profile (page 1 of 4)

Overview

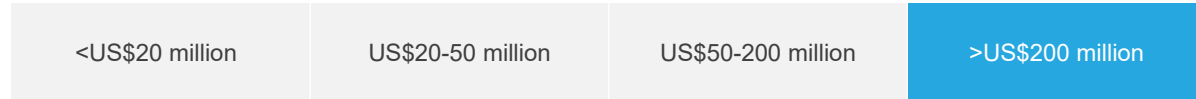
Vision for CPG IT services

TCS's vision is to be the partner of choice for CPG and distribution companies by leveraging deep domain expertise and industry leading digital transformational capabilities.

Overview of client base

Few key clients are: a leading manufacturer and supplier of household appliances, the world's largest food and beverage company, a leading F&B major, a multinational food manufacturer, and a US-based grocery distributor.

CPG services revenue from the (CY 2023)

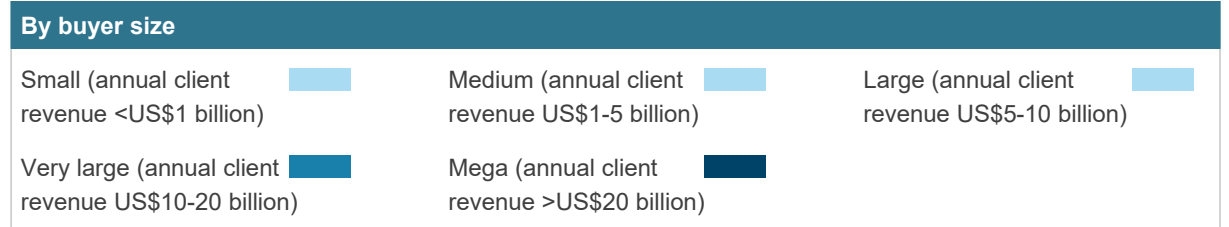
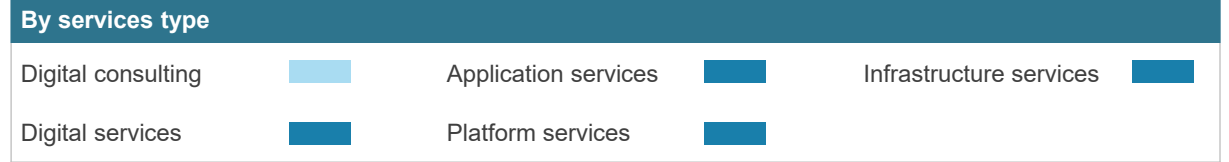
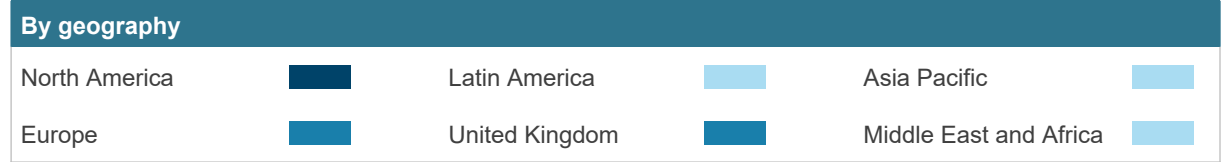


Number of active CPG IT services clients



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

CPG IT services revenue mix (CY 2023)



TCS profile (page 2 of 4)

Key solutions and investments

NOT EXHAUSTIVE

Proprietary IP/solutions/frameworks/accelerators/tools developed internally to deliver CPG IT services

Name	Details
TCS ENVIROZONE™	Cloud-based, one-stop suite of solutions for organizations to track and mitigate supplier-sourcing risks and improve procurement decisions for a sustainable supply chain
TCS Agency Marketplace	Holistic downstream collaboration platform that enables CPG companies to invest in the best creative agency and drive efficiency and top-line growth
Supply Chain Digitized Collaboration	Synchronizing and automating downstream supply chain activities for a CPG enterprise right from demand forecasting to retailer order fulfillment through distributors with minimum manual intervention
Data Harmonization	Cognitive data platform that harmonizes external data with internal data across critical dimensions such as product, competitor, and time. Harmonized data helps CPG companies to drive strategic initiatives such as revenue growth management, retail execution, and demand forecasting
TCS RevenuePrime	Improves revenue and profitability using capabilities such as promotion optimization, pricing optimization, enhance price pack architecture, cross functional data foundation, descriptive, diagnostic, predictive, and prescriptive capabilities
TCS CPG Innovation Hub	Geared toward addressing challenges as well as developing a view of the modern enterprise by delivering innovation through application of next-generation solutions for our customers
Enterprise Control Tower	Powerful AI-ML based visualization and analytical engine leveraging cutting-edge technologies to create intelligent insights and informative business dashboards for timely intervention

Key partnerships/alliances/acquisitions/JVs leveraged to deliver CPG IT services

Name	Type of investment (year)	Details of investment
SAP	Partnership (2000)	Partnership for a comprehensive suite of CPG solutions across the value chain
Yellow.ai	Partnership (2019)	Partnership for AI-driven customer experience solutions
Microsoft	Partnership (2002)	Enhances overall CPG capabilities; has also developed joint solutions such as TCS ENVIROZONE™ and TCS RevenuePrime
Distronix	Partnership (2020)	Partnership for wireless connections between multiple devices leveraging IoT for seamless controls and analytics, resulting in optimized operations
Bringg	Partnership (2020)	Partnership to provide enterprises with an efficient way to manage their complex delivery operations

TCS profile (page 3 of 4)

Case studies

NOT EXHAUSTIVE

Case study 1

One of the leading F&B firms

Business challenge

- The client wanted to shift from manual and disparate to automated and collaborative assortment management solutions and it also wanted to have an integrated data system to support internal assortment decisions. It also wanted to increase list prices, have the right price points and pack sizes, reduce promotion depth and frequency, and optimize the trade spend
- As APO will be sunset by 2028, the client developed a transformation program called Connected Planning to deploy a solution that could help increase COF, improve material requirement accuracy, sell-in/sell-out, and cover statistical forecasting for planners. The client has decided to deploy OMP solution globally.

Solution

- Strategic revenue management and OMP deployment program are the two ongoing transformation engagements to transform the pricing process as well as the planning process respectively
- Several Horizon 1 and Horizon 2 engagements (enhancements and projects) are delivered as a part of Cluster 1. GPS is the only Horizon 3 engagement delivered as a part of analytics: enhancements on this are delivered as a part of Cluster 1
- Cluster 2 – delivers AMS engagement for supply chain and procurement product streams as well as Technical and Production (T&P)

Impact

- Developed Pricing Scenario tool to visualize price sensitivity across all client's categories and incorporated APO full year Net Net Sales (NNS) and profit opportunities for seasonal categories
- Weighted Power Ranking: show top 20% of products to compare base items and ensure these SKUs are outperforming other SKUs in the category
- With Trade Rate Reporting program, provided client business with near real-time access to trade rate details to make sure the promotions are within budget
- Global partner for the client in the areas of analytics, programs delivered around functional areas – sales, R&D, manufacturing, HR, and sustainability to improve agility and efficiency

Case study 2

Leading DIY home improvement UK-based retailer

Business challenge

- Multi-vendor and multi-tool environment with each team claiming their own version of truth
- Lack of IT and business process monitoring leading to critical incidents impacting business

Solution

- 24x7x365 support of application services (around 2,000 applications) for L1, L2, L3 support
- Minor enhancements and transformation projects
- Vulnerability management










Impact

- 55 suppliers integrated into One TCS Team with complete accountability and brought single source of truth
- 60% reduction in MTTR and reduced the number of controllable incidents by 40%
- 61% reduction in major incidents (including P3 MIMs). Able to bring down P1 and P2s zero giving business 99.998 uptime
- Projected overall savings (IT & Business) of ~US\$500 million over five years through automation, monitoring, service, and process improvements

TCS profile (page 4 of 4)

Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision and 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\$10 billion) seeking end-to-end CPG services
- It has a strong partnership with cloud vendors and has jointly developed solutions with them such as TCS RemacX with AWS and TCS DIAS for Generative AI with Microsoft
- It has invested in a suite of sustainability solutions such as TCS Envirozone™ and Green & Connected Ecosystem Solutions
- Its strong technical expertise, strategic planning, and account management capabilities are well-perceived by the market

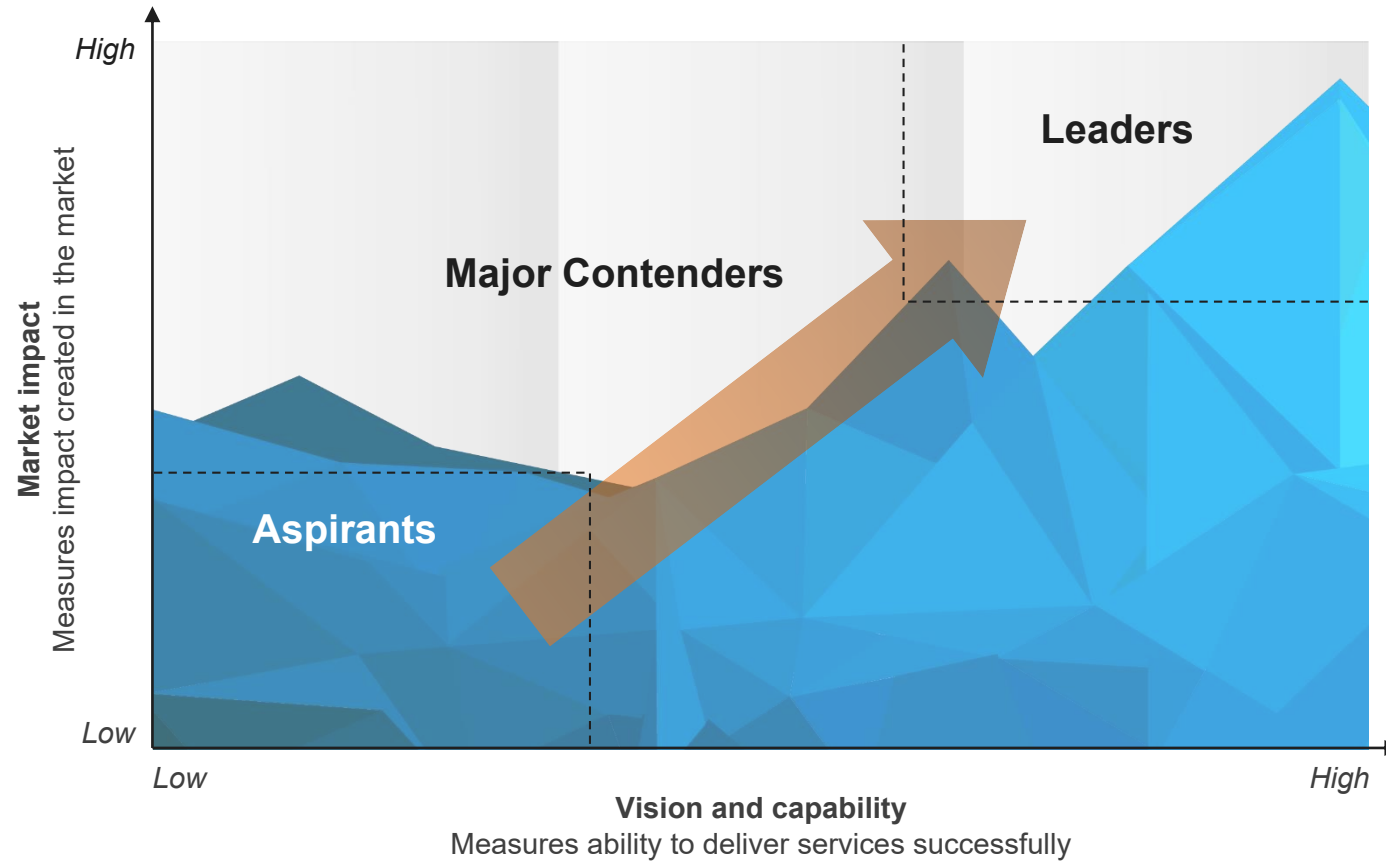
Limitations

- 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 significant offshore presence, clients seeking onshore-/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 and capability

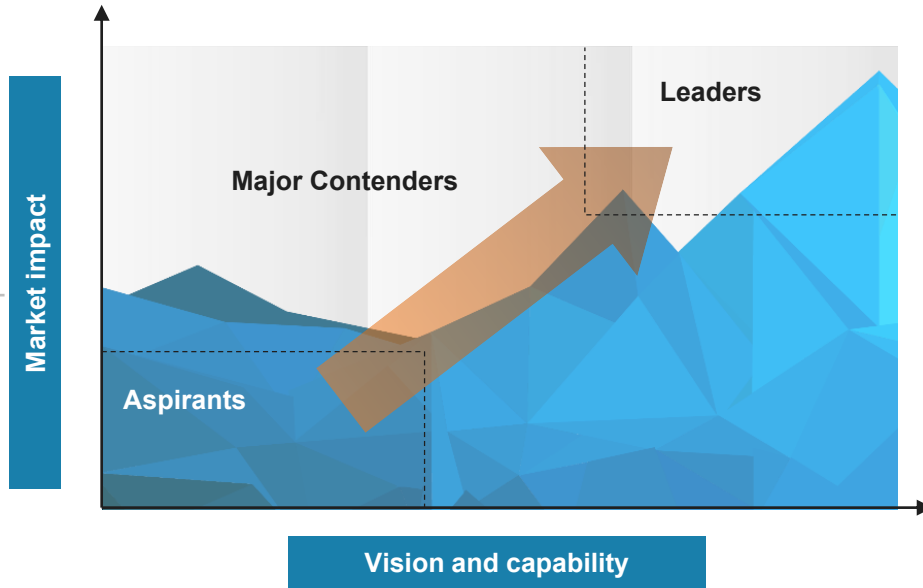
Everest Group PEAK Matrix



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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