Cloud Enablement Services – Market Trends and Services PEAK Matrix™ Assessment 2018: Containers and SDI Gathering Steam

Focus on TCS

December 2017

Everest Group
PEAK MATRIX™

Introduction and scope

Everest Group recently released its report titled "Cloud Enablement Services – Market Trends and Services PEAK Matrix™ Assessment 2018: Containers and SDI Gathering Steam"

As a part of this report, Everest Group analyzed 21 leading service providers on the Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix specific for cloud enablement services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a composite framework that provides an objective, data-driven, and comparative assessment of cloud enablement service providers based on their absolute market success and delivery capability.

Based on the analysis, **TCS emerged as a Leader**. This document focuses on TCS' cloud enablement services experience and capabilities. It includes:

- TCS' position on the cloud enablement services PEAK Matrix
- Detailed profile of TCS' cloud enablement services

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.

Everest Group
RESEARCH

Background of the research

Background of the research
- Cloud deployment continues to witness increasing acceptance/traction as enterprises are looking to make their IT setups more streamlined and flexible, while at the same time adhering to various industry- and geography-specific security and compliance requirements. Maximizing returns from existing investments in IT infrastructure/hardware and specialized performance requirements for high volume and resource-intensive workloads also remain some of the key drivers for cloud adoption
- That said, the technology complexities associated with hybrid cloud deployments and lack of internal skills are pushing enterprises to increasingly seek third-party support for hybrid cloud initiatives. This phenomenon has new-found implications given the rapid rise of containers and emergence of software-defined concepts within enterprise datacenters. Service providers are beefing up their cloud enablement services capabilities, specifically around supporting multiple industry-standard cloud platforms, hybrid cloud consulting & rapid migration, security, multi-cloud orchestration, and vertical-specific cloud solutions
- In this research, we present the assessment and detailed profiles of 21 IT service providers featured on the cloud enablement services PEAK Matrix. Each service provider profile gives a comprehensive picture of their cloud enablement services vision and strategy, scope of services offered, innovation and investments, and delivery capabilities
- The assessment is based on Everest Group's annual Request for Information (RFI) process conducted in H2 2017, interactions with leading cloud service providers, and analysis of the broader cloud services marketplace

Scope of this report
- **Services:** Cloud enablement services
- **Geography:** Global
- **Service providers:** 21 leading cloud enablement service providers

This report includes the profiles of the following 21 service providers on the cloud enablement and management services PEAK Matrix:
- **Leaders:** Accenture, Cognizant, DXC Technology, HCL Technologies, IBM, TCS, and Wipro
- **Major Contenders:** Atos, Capgemini, CGI, CSS Corp, Fujitsu, Infosys, LTI, Mphasis, NTT DATA, and Tech Mahindra
- **Aspirants:** GAVS Technologies, Syntel, Virtusa, and Zensar

Cloud Enablement Services – Market Trends and Services PEAK Matrix™ Assessment 2018

Everest Group Cloud Enablement Services – Market Trends and Services PEAK Matrix™ Assessment: Containers and SDI Gathering Steam[1]
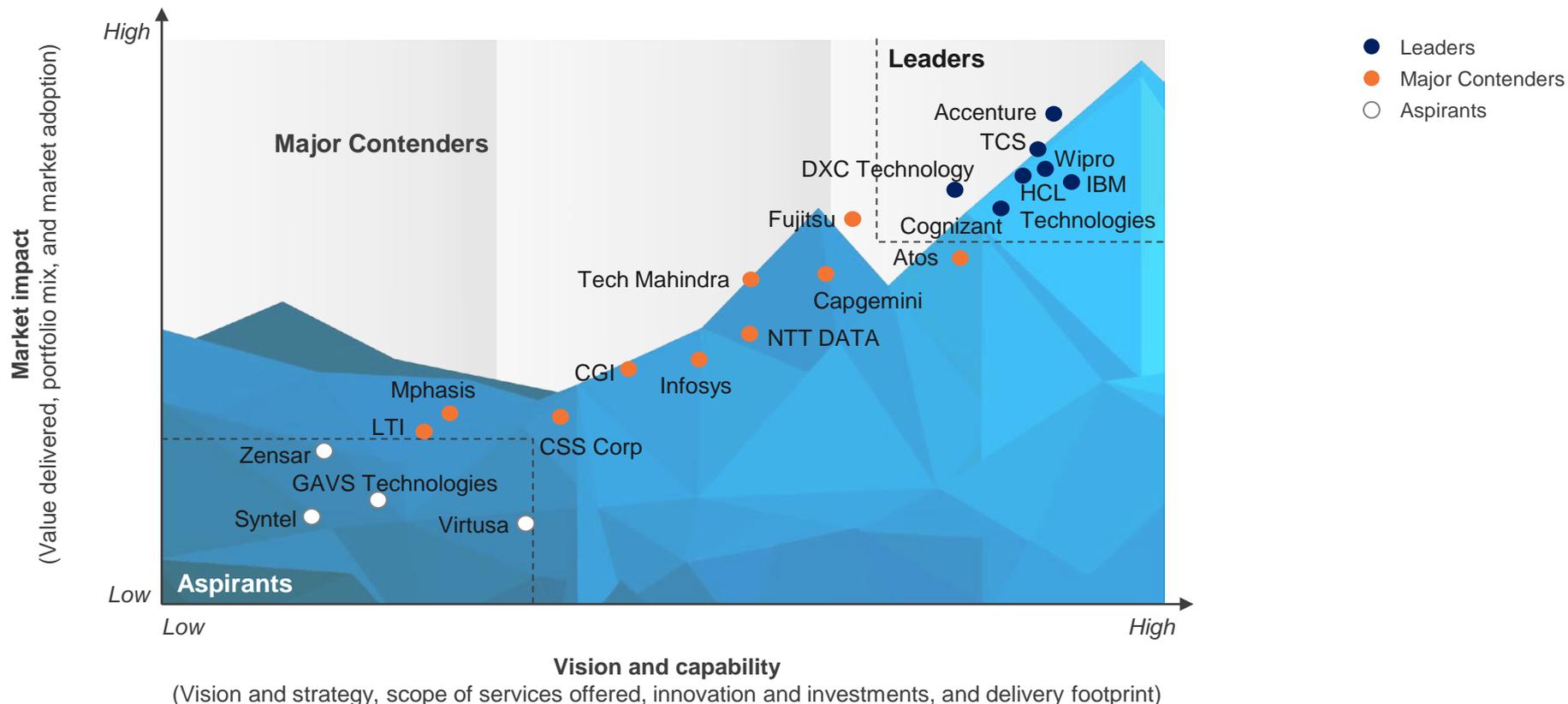
1 Assessment for Capgemini, CGI, Fujitsu, Infosys, and NTT DATA excludes service provider inputs for this particular study and is based on Everest Group's estimates that leverage Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage of these service providers, service provider public disclosures, and interaction with buyers
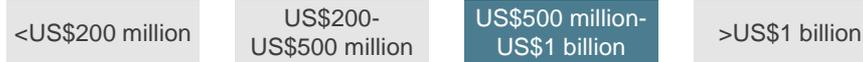
Source: Everest Group (2017)

TCS | Cloud enablement services profile
Overview

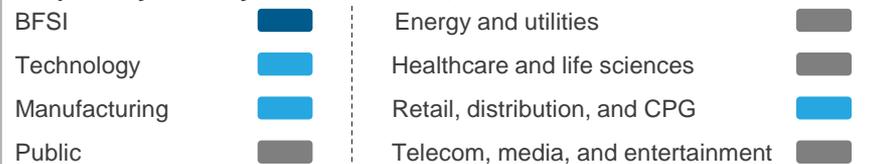| Strengths |
|---|
| • Offers an end-to-end and mature cloud enablement services suite leveraging technology alliances and internally-developed IP for cloud migration, integration, operations automation, and management |
| • Clients have specifically appreciated TCS' competitive pricing model, technical knowledge, execution &reliability, and understanding of business processes |

Areas of improvement
• Multi-cloud orchestration capabilities and billing/chargeback solutions need further refinement and marketing – this is becoming a key focus area for clients, especially large enterprises
• Clients have also mentioned that there is scope for TCS to be even more transparent with service pricing models as well as managing tool license costs

Cloud enablement services revenue

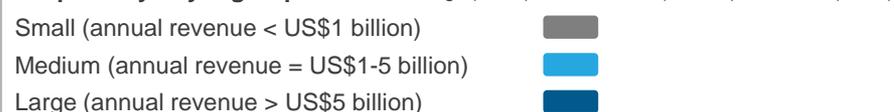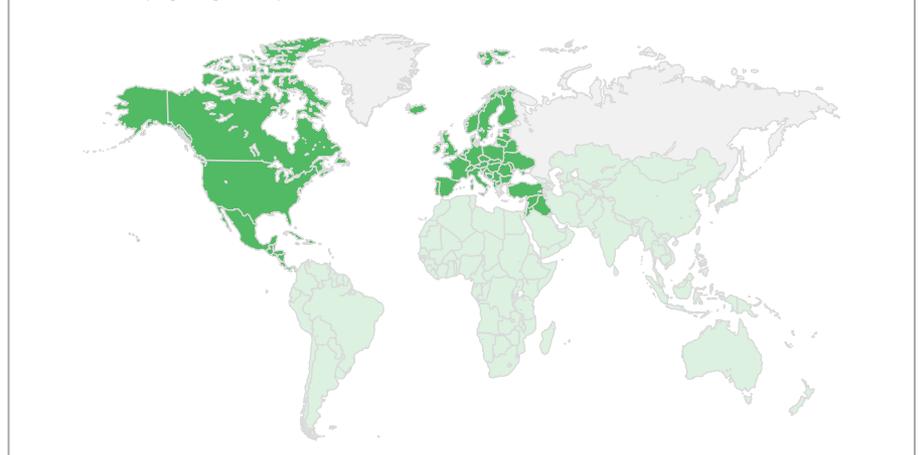| <US$200 million	US$200-US$500 million	**US$500 million-US$1 billion**	>US$1 billion

Scope of coverage

TCS' cloud services include consulting & advisory, design & architecture, SI & engineering, delivery, operations & governance, workload migration, cloud management & security, disaster recovery, and DevOps services along with microservices-based, containerization solutions cutting across all cloud solutions, viz., public, private, hybrid, and multi-cloud. TCS enables enterprises to develop cloud-native architectures in order to facilitate workload portability across cloud platforms. It leverages its partner ecosystem and skilled resource pool to meet clients' demand for digital transformation, enhanced customer experience, and innovation.

Adoption by service segments   ■ High (>20%)   ■ Medium (10-20%)   ■ Low (<10%)

Consulting services	■ Medium	Managed services	■ High
Build/design services	■ High		

Adoption by industry   ■ High (>20%)   ■ Medium (10-20%)   ■ Low (<10%)

BFSI	■ High	Energy and utilities	■ Low
Technology	■ Medium	Healthcare and life sciences	■ Low
Manufacturing	■ Medium	Retail, distribution, and CPG	■ Medium
Public	■ Low	Telecom, media, and entertainment	■ Low

Adoption by buyer groups   ■ High (>20%)   ■ Medium (10-20%)   ■ Low (<10%)

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

Adoption by geography   ■ High (>25%)   ■ Moderate (10-25%)   ■ Low (<10%)

Offerings

TCS' vision is to partner with clients to amplify sustainable value to the business, given the velocity of cloud and the demanding digital consumer. TCS' cloud strategy enables smart orchestration of application, technology platform, and data, creating a contextually smart cloud for Business 4.0 enterprises that are intelligent, agile, automated, and are on the cloud.

Proprietary solutions (representative list)

Solution	Details
TCS Integrated Cloud Orchestration (ICON) Framework	A framework addressing the cloud management platform (CMP) use cases such as multi-cloud management, orchestration, and automation of environment provisioning, metering, and show back dashboards
Cloud Optimal Adoption Framework	A TCS solution that helps customers chart out a course for cloud adoption by harnessing the hidden enterprise knowledge and making informed decisions to navigate through the perils and pitfalls of the migration process. It has two key components: a) Cloud Assessment Toolkit and b) Cloud Migration Guidance
Cloud Discovery, Assessment and Recommendation Tool (DART)	A tool that reduces time and risk for cloud adoption, generates cloud deployment architecture, and gives clear recommendations and a roadmap
E-Transform	TCS proprietary tool which aids the transformation and migration to private cloud

Cloud services partnerships (representative list)

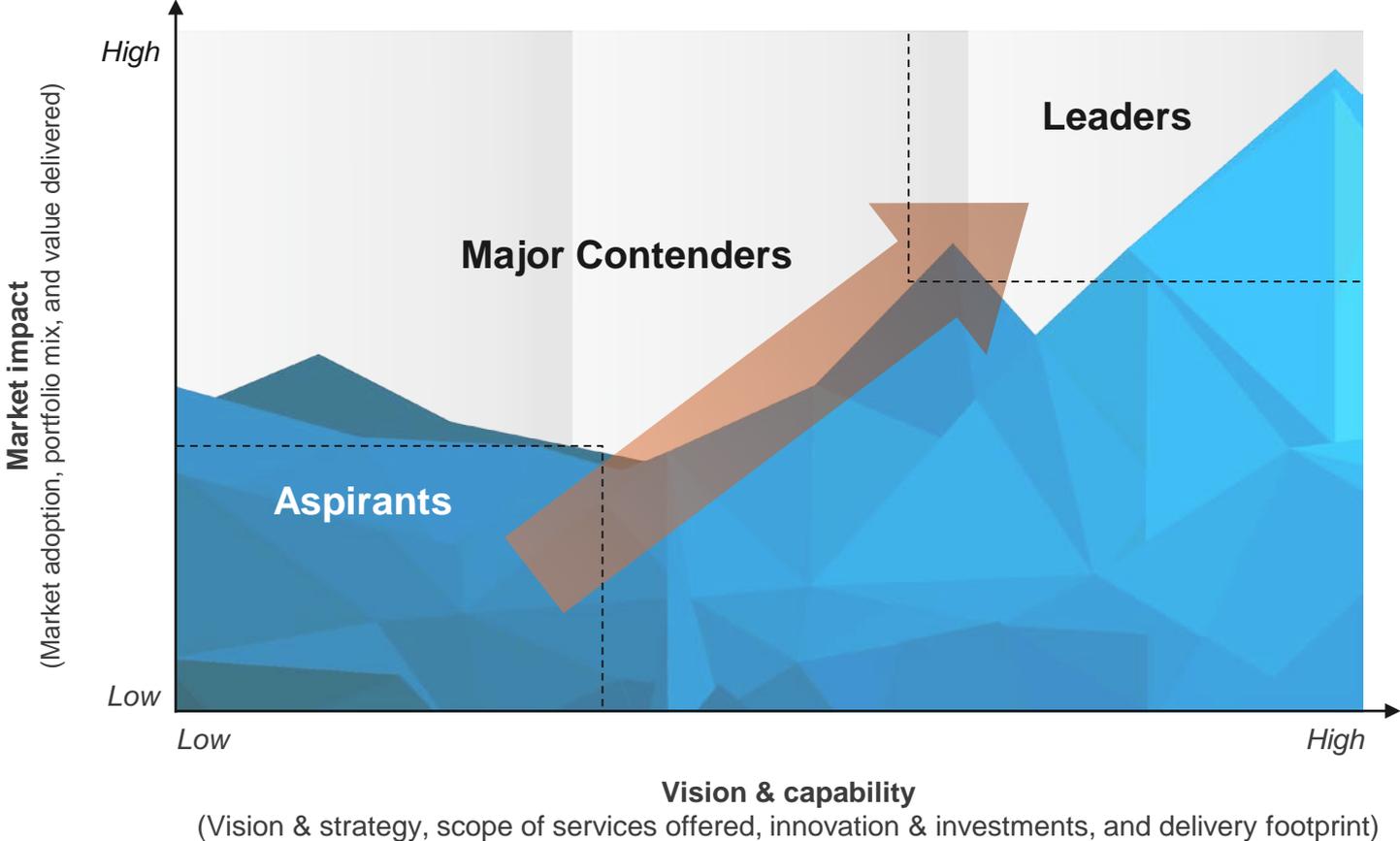| Partner name	Type of partnership	Details
AWS	Service partnership	Premier consulting partner, certified managed services partner, SAP competency partner, and reseller partner
Azure	Service partnership	Strategic managed partner, gold-certified reseller
Google Cloud	Service Partnership	Strategic implementation partner, reselling partner for Google apps
Hitachi	Technology partnership	Partnership to deploy Hitachi's storage architecture solutions
Some of TCS' other key partners include Apigee, Cisco, Oracle, IBM, VMware, HPE, Dell/EMC, Nutanix, and Mesosphere among others.		

Recent activities (representative list)

Development	Details
Certifications (2016 – ongoing)	Certified resources in AWS, Azure, Google Analytics, Google Cloud, IBM Bluemix, Apcera Cloud Foundry, Mesosphere, and Dell Boomi
Collaboration with Intel (2017)	Collaborated with Intel to combine TCS' end-to-end services portfolio and Intel's technologies to drive digital transformation across client organizations

Source: Everest Group (2017)

Appendix

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

Everest Group PEAK Matrix

Market impact
(Market adoption, portfolio mix, and value delivered)

High

Low

Leaders

Major Contenders

Aspirants

Low ——————————————————— High

Vision & capability
(Vision & strategy, scope of services offered, innovation & investments, and delivery footprint)

Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions
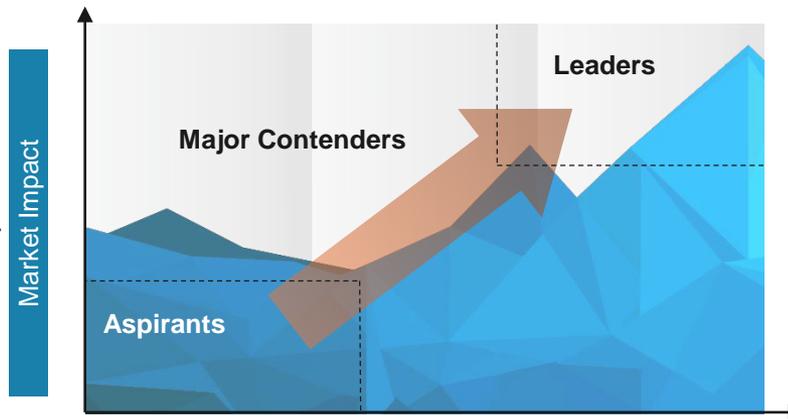
Market adoption
No. of clients, revenue base, and YOY growth, deal value/volume

Portfolio mix
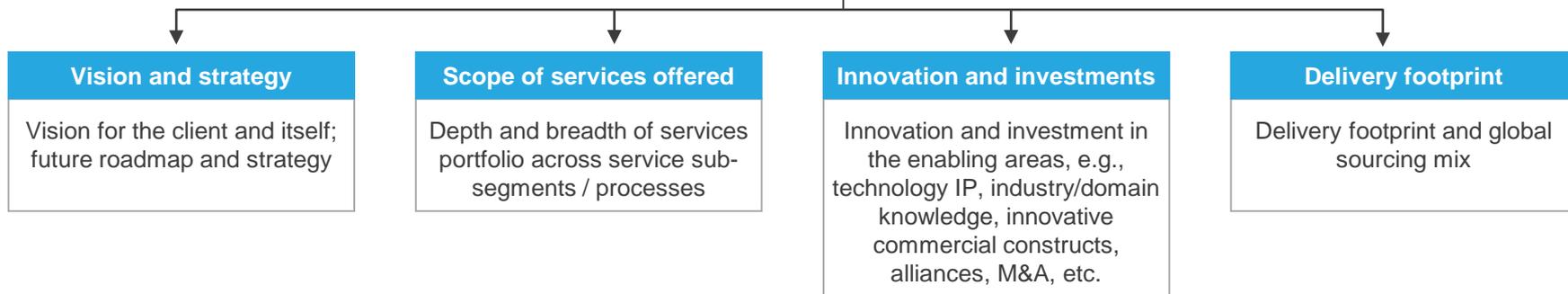Diversity of client/revenue base across industries, geos, enterprise size class

Value delivered
Value delivered to the client based on customer feedback and other measures

Market Impact

Major Contenders

Leaders

Aspirants

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

Does the PEAK Matrix assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an objective and fact-based approach (leveraging service provider 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 briefings

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

No. PEAK Matrix highlights and positions only the best-in-class service providers in a particular functional/vertical services area. 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"?

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 for their specific requirements. It also helps providers showcase their strengths in specific areas

Does PEAK Matrix assessment incorporate "customer satisfaction" as an evaluation criteria/metric?

Everest Group does not have "customer satisfaction" as a separate metric in its PEAK evaluation framework. This is primarily because it is challenging to obtain interviews with a meaningful number of reference buyers for each service provider. Also, "customer satisfaction" is a highly subjective and opinion driven metric and there is no foolproof methodology to normalize this input. That said, we validate our PEAK results through buyer interaction and capture some consistent "spikes" or "lags" in performance through metrics such as "renewal rate", etc.

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 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 to leverage their PEAK Matrix positioning, or "Star Performer" status ?

- Providers can use their PEAK positioning or "star performer" rating in multiple ways including:
  - Issue a press release declaring their positioning/rating
  - Customized PEAK profile for circulation (with clients, prospects, etc.)
  - Quotes from Everest Group analysts could be disseminated to the media
  - Leverage PEAK 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

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From insight to action.

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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