



# Topic: Everest Group's PEAK Matrix™ for Big Data and Analytics Services in Global Banking

Focus on TCS  
January 2016



# Background and scope of the research

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## Background of the research

The banking industry is grappling with changing regulations, threat from non-traditional financial service firms, rising cost pressures, and demanding customers. Banks are investing in solutions to manage risk, regulations, and expenditures, develop customer insights, and improve efficiency & productivity by leveraging analytics as well as big data.

With the rising volume of high velocity data originating from disparate sources such as retail stores, branches, ATMs, websites, and mobiles it becomes imperative for banks to invest in big data capabilities. Banks are proactively building innovative business models around digital technologies and leveraging big data and analytics to enhance consumer experiences. Data and analytics are a significant part of every business decision taken by banks to drive revenue, control costs, mitigate risk, and develop new targeted products. Banks are looking for strategic partners to assist in developing short- and long-term analytics strategy, empowering decision makers with prescriptive dashboards, and generating predictable analytical models for future planning.

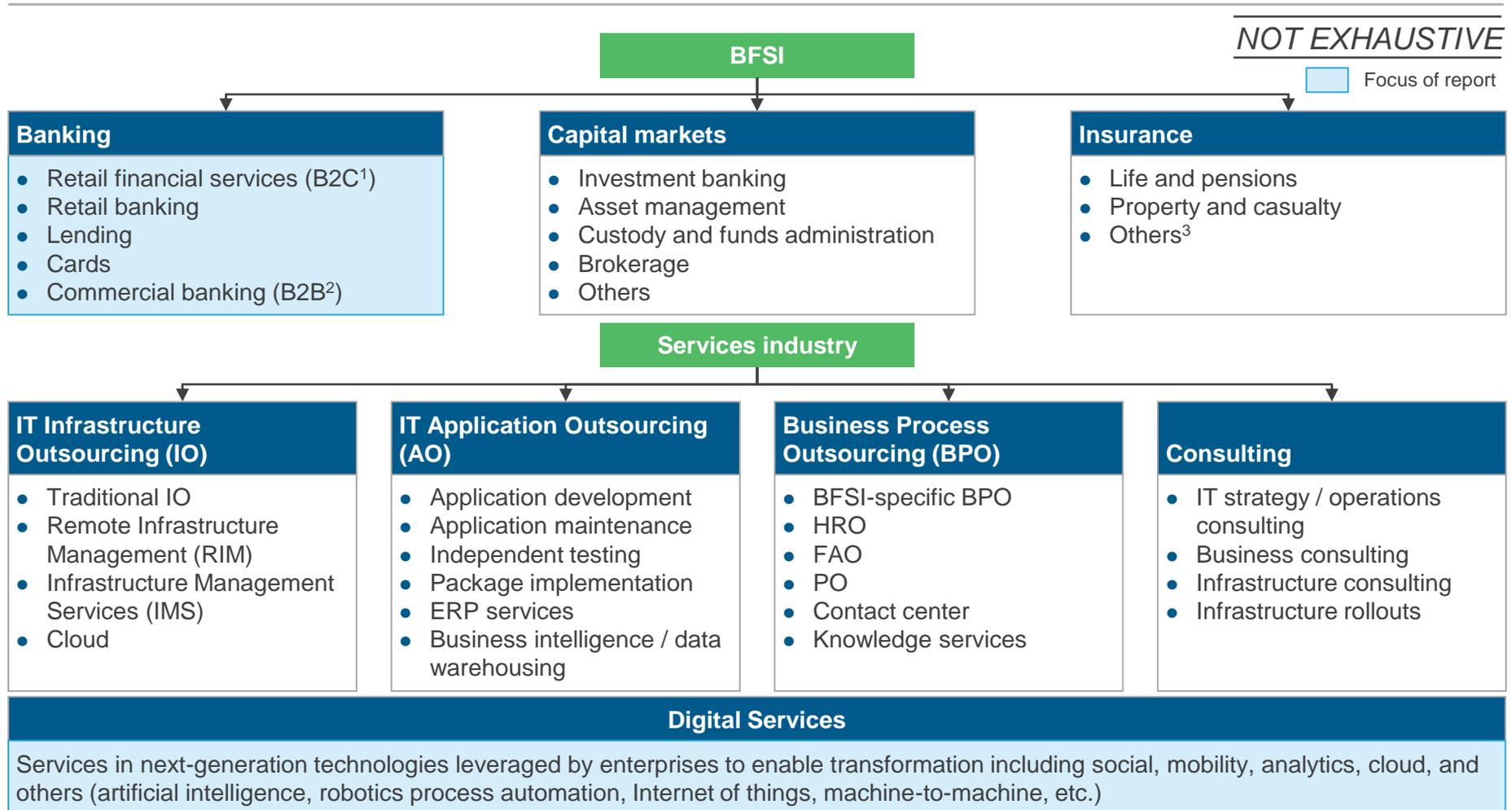
Service providers need to align with rising client expectations, technology disruption, and niche start-up products in order to sustain themselves in this fast evolving marketplace. Service providers are building capabilities through alliances/acquisitions and in-house innovation/investments to come up with solutions to cater to the entire analytics value chain. There is a dire need for service providers to evolve from a traditional analytics player to a partner helping drive growth and efficiency through big data and advance analytics capabilities.

**In this research, we analyze the capabilities of 17 leading technology service providers, specific to big data and analytics services in the global banking sector. These providers were mapped on the Everest Group [Performance | Experience | Ability | Knowledge \(PEAK\) Matrix](#), which is a composite index of a range of distinct metrics related to each provider's capability and market success.**

**This document focuses on TCS' big data and analytics services in global banking experience and includes:**

- Overview of the big data and analytics services in global banking service provider landscape
- Everest Group's assessment of TCS' delivery capability and market success on PEAK Matrix

# This Everest Group report examines the service provider landscape for big data and analytics services in the global banking sector



1 Business-to-consumer relationships

2 Business-to-business relationships

3 Includes other insurance functions such as takaful and reinsurance

# Everest Group's BFSI research is based on two key sources of proprietary information

1

- Everest Group's proprietary database of 500+ IT service contracts within BFSI, consisting of major IT service providers with digital scope of work (updated annually)
- The database tracks the following elements of each digital services relationship:
  - Buyer details including industry, size, and signing region
  - Contract details including TCV, ACV, term, start date, service provider FTEs, pricing structure, and deal description
  - Activity broken down separately for banking, capital markets, insurance, and by LOB (for example, investment banking, asset management, custody, fund administration, and brokerage)
  - Scope includes coverage of buyer geography as well as functional activities
  - Global sourcing including delivery locations and level of offshoring

2

- Service provider briefings<sup>1</sup>
- Ongoing interactions with banking buyers and industry bodies

3

- Everest Group's proprietary database of **operational capability of 20+ BFSI digital technology service providers** (updated annually through primary data collection via service provider RFIs)<sup>1</sup>
- The database tracks the following capability elements for each service provider:
  - Major BFSI clients and recent wins
  - Overall revenue, total employees, and BFSI employees
  - Recent BFSI-related developments
  - BFSI digital technology services delivery locations
  - BFSI digital technology service suite
  - Domain capabilities, proprietary solutions, and intellectual property investments

## Service providers covered in the analysis<sup>1</sup>



1 Assessment for Accenture, CSC, and IBM excludes service provider inputs, and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with banking buyers

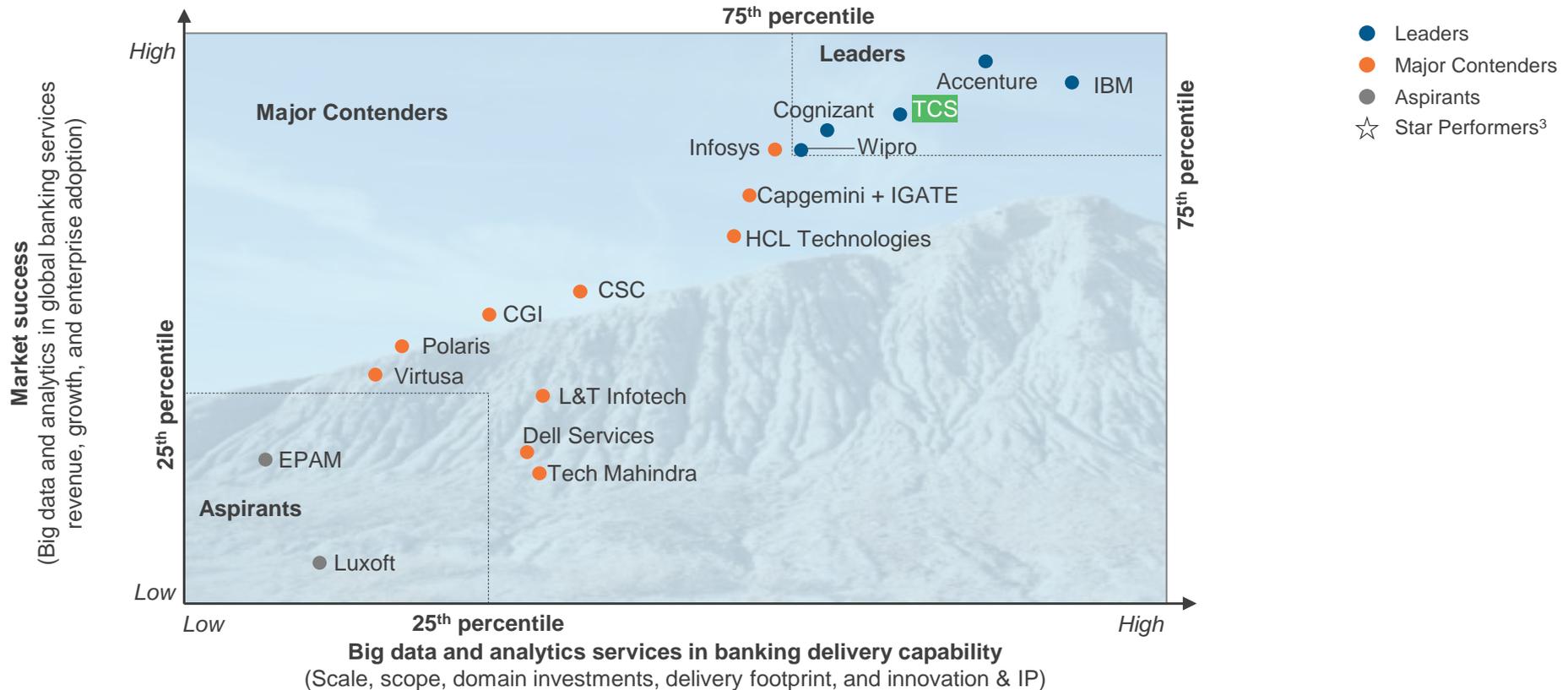
2 Capgemini acquired IGATE in April 2015; the combined business unit has been analyzed as part of this assessment

Note: Everest Group continuously monitors market developments and tracks additional service providers beyond those included in the analysis

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information, that is contract-specific, will be presented back to the industry only in an aggregated fashion

# TCS is positioned as a Leader on the inaugural Everest Group PEAK Matrix for big data and analytics services in global banking – 2015

Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix for big data and analytics services in global banking relationship<sup>1,2</sup>



- 1 PEAK Matrix specific to IT outsourcing relationships for big data and analytics services in global banking sector
- 2 Capgemini acquired IGATE in April 2015; the combined business unit has been analyzed as part of this assessment
- 3 Since this is the inaugural PEAK Matrix evaluation for analytics services in global banking, no Star Performers have been identified

Note: Assessment for Accenture, CSC, and IBM excludes service provider inputs and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with banking buyers

Source: Everest Group (2015)

# TCS | Big data and analytics services in banking profile

## Leader

### Headline assessment

Comprehensive portfolio of both vertical-specific and vertical-agnostic solutions, large scale and significant investments to organically grow the specialized talent pool, with multiple domain-specific alliances positions TCS as a Leader on the inaugural PEAK Matrix for analytics services in banking.

### Analyst comments

- Has been able to evolve its capabilities as an end-to-end provider of advanced analytics and big data
- Strong portfolio of solutions with banking-specific IPs and frameworks covering retail banking, consumer banking, cards & payments, and lending
- Wide partner base for service capabilities across conventional analytics, advanced analytics, and big data
- Significant investments in training of resources on partner technologies and domain concepts through innovation labs and CoEs; TCS maintains the best-in-class scale for services delivery
- Strong vertical presence is helping it achieve market success in analytics as well
- Needs to continue to invest in advanced areas in analytics such as cognitive computing / machine learning
- **Marquee clients:** Large European bank

### PEAK Matrix dimensions assessment

Dimension	Rating
Market success	
Scale	
Scope	
Innovation & IP	
Domain investments	
Delivery footprint	

### Key IP (solutions, tools, frameworks, etc.)

- Payments and cash management analytics: This application allows enterprises to make strategic management decisions, even on the move
- TCS Perivista: Customer 360 – enterprise data and external data (social media, blogs, etc.) are integrated to provide a unified customer view
- TCS Customer Intelligence & Insights for banking & financial services: Fully integrated and pre-built banking analytics product designed to deliver industry-driven value themes for deeper customer engagement in the area of consumer banking
- Core capability / In-built transaction analytics in TCS BaNCS; big data suite for data ingestion and real-time payment monitoring

### Key partnerships

- Hortonworks, MapR, and Cloudera (Hadoop technology)
- IBM (big data and analytics solutions)
- FICO (Predictive modelling using TCS BaNCS)
- Other key partners include SAS, Oracle, DataSlax, Splunk, Microstrategy, Teradata, Pentaho, Talend, and OpenText

### Key investments (acquisitions, innovation labs, CoE's)

- Invested in Kochi big data analytics lab consisting of multi-grade big data infrastructure, which is used for PoCs and developing innovative solutions
- Opened a BFS BI center of excellence in Chennai
- Training and certifications of resources on technologies such as MongoDB, Hortonworks, Informatica, MAPR technologies, Teradata, and TIBCO
- Data scientist program: Comprehensive training program

Source: Everest Group (2015)

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# Appendix

### **Does the PEAK Matrix assessment incorporate any subjective criteria?**

- The Everest Group's PEAK Matrix assessment adopts an objective and fact-based approach (leveraging service provider RFIs and the 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. 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 in itself a favorable recognition

### **What other aspects of the PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?**

- The PEAK Matrix position is only one aspect of the 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 to the buyers in selecting particular providers for their specific requirements. It also helps providers showcase their strengths in specific areas

### **What are the incentives for buyers and providers to participate / provide input to the 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 status ?**

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



## 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 empowers 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](http://www.everestgrp.com) and [research.everestgrp.com](http://research.everestgrp.com).

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