

IDC MarketScape: Asia/Pacific (Excluding Japan) Managed Cloud Services 2021 Vendor Assessment

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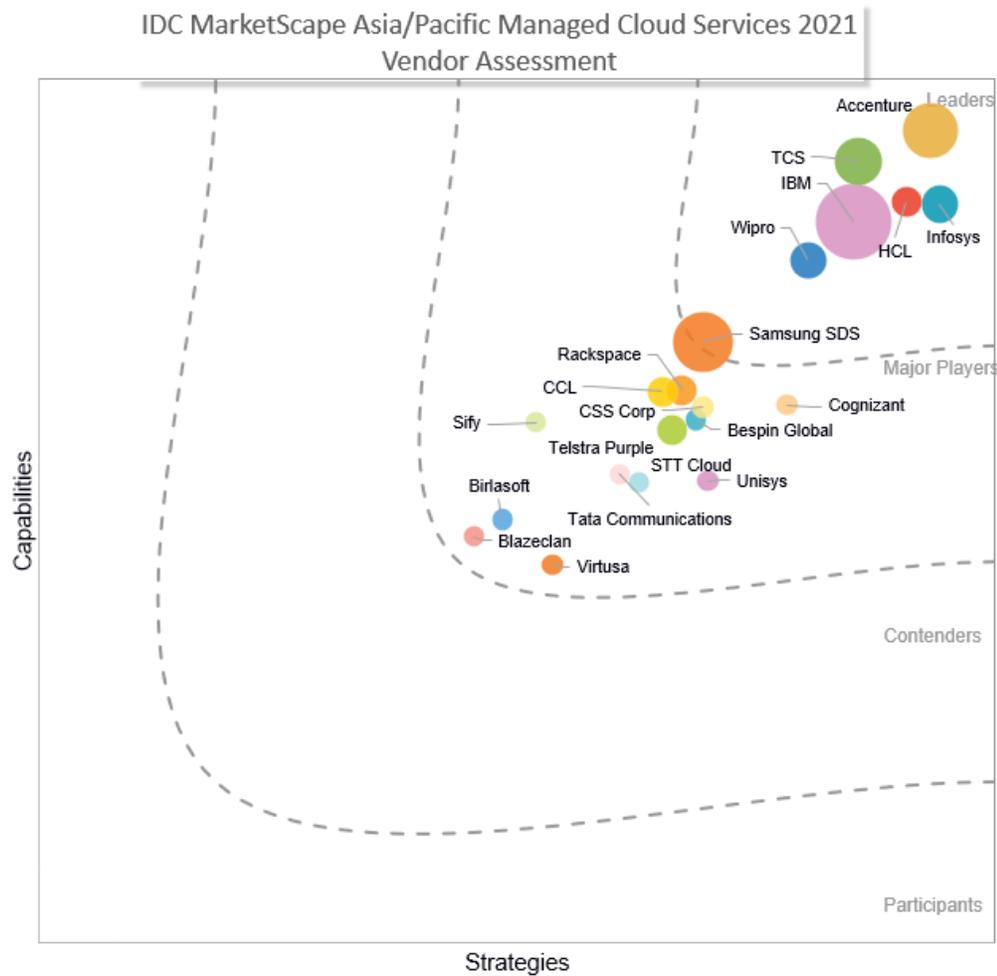
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THIS IDC MARKETSCAPE EXCERPT FEATURES: TATA CONSULTANCY SERVICES

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Asia/Pacific Managed Cloud Services 2021 Vendor Assessment



Source: IDC, 2021

Please refer to the Appendix for the detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Asia/Pacific (Excluding Japan) Managed Cloud Services 2021 Vendor Assessment (Doc #AP47014921). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included are Figure 1 and Figure 2.

IDC OPINION

This IDC study assesses managed cloud services vendors in the Asia/Pacific (excluding Japan) (APEJ) region based on the strengths of their current capabilities and how well placed they are to grow in the next one to three years. The key findings include:

- Almost all the participating firms have a broad range of cloud services, spanning advisory, assessment, design, migration/implementation, and managed services. Despite the report title stating "managed cloud services" (MCS), the study focuses on both cloud professional services and managed cloud services as they relate to enterprises' public, private, or hybrid journeys (see Figure 2 in the Appendix for the Market Definition and Scope of Managed Cloud Life-Cycle Services).
- Given the breadth of cloud-related life-cycle services considered for assessment, it is interesting to note the different dynamics when it comes to vendors' focus and strategy. While a few of the participating firms have a clear strategy and focus on delivery of public cloud and cloud native capabilities, other firms have their own private cloud offerings that act as useful alternative for customers with specific requirements and use cases.
- While technology expertise is the common driver for organizations engaging a third-party MCS provider, expertise in change management, cost optimization, governance, and skill uplifting are also increasing in importance and becoming critical aspects in the choice of MCS vendors. In this in-depth assessment, IDC observed that the identified leaders have shown consistent focus and advantage in these areas in addition to their technical prowess.
- IDC also observed that some MCS vendors' capabilities are not uniform across the region. While some global vendors have very robust MCS offerings in their global portfolio, their capabilities in APEJ are found to be inconsistent. IDC recommends that end users understand the vendors' strengths and capabilities within their country of operation before engaging with any MCS vendor.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This evaluation does not offer an exhaustive list of all the players in the Asia/Pacific managed cloud services market. IDC narrowed down the field of players based on following criteria:

- **Revenue.** Each participating company is required to have a total revenue exceeding US\$2 million attained in Asia/Pacific in 2019/2020.
- **Geographic presence.** Each participating firm is required to have services delivery capability in at least one subregion within Australia and New Zealand (ANZ), the Greater China region and South Korea (GCR + Korea), and Southeast Asia and India (SEA + India).

- **Partnership and certifications.** Each participating firm is required to have partnered with at least two hyperscaler cloud providers and acquired related certifications, such as from Amazon Web Services (AWS), Azure, Google Cloud Platform (GCP), or Alibaba Cloud (AliCloud).

ADVICE FOR TECHNOLOGY BUYERS

This IDC study uses the IDC MarketScape model to provide an assessment of managed cloud services providers with specific offerings and capabilities in the segment in the Asia/Pacific region. Based on this study, IDC recommends that buyers consider the following:

- **A holistic view with strong alignment** — Very often, cloud journey is triggered from some modernization initiative championed by lines of business (LoBs) or function leaders. It starts with a narrow scope with some business objectives. When the project expands to cover multiple business functions or necessitates the involvement of central IT, it requires a clear holistic approach with careful planning and coordination of multiple initiatives. Organizations should make the most of their cloud investments by aligning their cloud, data management, application modernization, cybersecurity and innovation strategies.
- **Right metrics for cloud-centric operations** — Organizations in the region have increasingly turned to multicloud solutions in pivoting to new business models, saving costs and gaining stronger resilience. While shortage of skills is often considered as one of the key obstacles, another major challenge facing many organizations is to continuously demonstrate the measurable and impactful business value and outcomes. Therefore, it is critical to select MCS vendors who have proven cloud analytics expertise and a deep understanding of the core business and ecosystem of the client organization.
- **Deepen and broaden the use of automation** — Cloud consumption has become an ongoing process rather than a one-time activity. Billing, invoicing, discount reconciliation, right sizing of the cloud resources all become necessary to maximize the financial as well as the technology benefits of cloud. A strong cloud optimization capability is dependent on the level of standardization and automation across multiple aspects of cloud journey. Leveraging tools like artificial intelligence and AIOps helps organizations to significantly accelerate the development and delivery process while also being able to deliver on business objectives.

FEATURED VENDOR PROFILE

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of the vendor's strengths and opportunities.

Tata Consultancy Services (TCS)

According to IDC's analysis and customer feedback, TCS is positioned as a Leader in the IDC MarketScape: Asia/Pacific Managed Cloud Services 2021 vendor assessment study.

TCS is a leading global IT services, consulting, and business solutions organization, and is part of the Tata Group conglomerate whose business interests span a diversity of industry verticals. TCS' Business 4.0 framework for enterprise transformation leverages the cloud as a critical set of underlying capabilities to transform enterprise operations and accelerate time to value. A key part of TCS' value proposition is its Cloud Strategy and Transformation offering set that orchestrates a "One TCS"

solution from strategy and vision to business case; value-engineered roadmap through successful execution with a change management-enabled transformation approach. This is supported by TCS' hyperscaler and ecosystem partnerships, industry and use-case specific contextualization, and integrated delivery capabilities.

To streamline its delivery of cloud services to clients, TCS has created strategic business units with three key hyperscale cloud partners: AWS, Azure, and Google. These units house all the relevant hyperscale-related competencies, investments, assets, and partnerships. All three business units are focused on delivering full-stack enterprise transformation on cloud. They are also a key mechanism to efficiently marshal resources and orchestrate the delivery of services involving the specific hyperscaler partners. TCS' robust in-house learning ecosystem for digital technology readiness, and aggressive push for hyperscaler certifications help power these business lines with a steady supply of qualified employees. The units provide a comprehensive suite of offerings spanning cloud advisory services, migration, modernization services, and industry solutions energized by next-gen technologies such as edge, AI/ML, and low code/no code.

In addition to its hyperscale cloud partnerships, TCS also offers customers an OpenStack-powered private cloud infrastructure option through the TCS Enterprise Cloud offering. It currently has 21 availability zones, spanning North America, Western Europe, and Asia/Pacific, supported by TCS' full suite of cloud services. The offering supports platform as a service (PaaS) services some of which are SAP HANA on cloud, workspace as a service (WaaS), database as a service (DBaaS), container as a service (CaaS), as well as TCS' leading industry vertical solutions and foundational platforms such as Optumera (retail), BaNCS (core banking), and ignio (AI/ML platform), and is a useful alternative for customers that require a private or hybrid cloud environment for regulatory reasons, compliance issues, and more.

Strengths

TCS' cloud services offerings are tightly integrated into its overall enterprise transformation framework (Business 4.0) and the machine first delivery model (MFDM) it utilizes to realize the framework. This ensures that TCS can deliver true business transformation as part of its cloud services engagements.

TCS has made substantial investments in its cloud ecosystem — in-house products, platforms and assets, skill and talent management (at scale) — and in its partner and co-innovation ecosystem. The capabilities enabled by this rich ecosystem allow TCS to serve a very wide breadth of customer requirements.

Customers IDC interacted with commended TCS for the completeness of its cloud services offerings and experience at scale.

Challenges

The TCS enterprise cloud is a very useful alternative for clients with specific requirements and use cases. However, the offering will require ongoing investment from TCS to maintain parity with alternatives.

IDC also interacted with clients who identified demonstration of technical and business innovation, and improvement of interoperability of product offerings as areas TCS could further strengthen.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the *y* axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the *x* axis or strategies axis indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

The IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions, on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

The definition of "Managed Cloud Services" for the purpose of this study includes both cloud professional (strategy, assessment, advisory, planning, design, implementation, and migration) services and managed services as they relate to enterprise public, private, and/or hybrid cloud journeys. Figure 2 describes the scope of the study.

FIGURE 2

Managed Cloud Life-Cycle Services



Source: IDC, 2021

LEARN MORE

Related Research

- *Market Analysis Perspective: Asia/Pacific (Excluding Japan) Cloud Services, 2021* (IDC #AP47756321, July 2021)
- *Asia/Pacific (Excluding Japan) Business Consulting Services Market Shares, 2020: IDC's Top 10 Vendors* (IDC #AP46320321, July 2021)
- *IDC FutureScape: Worldwide Future of Digital Infrastructure 2021 Predictions – Asia/Pacific (Excluding Japan) Implications* (IDC #AP46313221, February 2021)
- *IDC FutureScape: Worldwide Services 2021 Predictions – Asia/Pacific (Excluding Japan) Implications* (IDC #AP46320421, January 2021)
- *IDC FutureScape: Worldwide Cloud 2021 Predictions – Asia/Pacific (Excluding Japan) Implications* (IDC #AP47005120, December 2020)

Synopsis

This IDC study uses the IDC MarketScape model to provide an assessment of managed cloud services (MCS) providers with specific offerings and capabilities in the segment. It discusses both the quantitative and qualitative characteristics that lead to success in the ecosystem. The evaluation is based on a comprehensive and rigorous framework that assesses vendors relative to one another and the criteria, and highlights the factors expected to be the most influential for success in the market in both the short and the long term.

"Throughout the pandemic, cloud has proven to be an indispensable lever for enterprises to accelerate transformation and achieve critical resilience and faster time to market," said Cathy Huang, associate research director, IDC Asia/Pacific Services & Security Research. "A well-chosen managed cloud partner is crucial to navigating the public, private, and hybrid cloud, across platform as a service (PaaS), software as a service (SaaS), and infrastructure as a service (IaaS) landscapes. Their expertise and offerings not only accelerate companies' cloud journey, but also help organizations realize sustainable and long-term goals," Huang concluded.

"The cloud has emerged as the operating model of choice for enterprises looking to accelerate and scale their transformation. However, successful realization of the plethora of benefits promised by the cloud demands careful planning and efficient orchestration to navigate the complexities of a hybrid and multicloud estate. Partnering with a managed cloud services vendor with the right set of capabilities and skills provides an enterprise with the means to achieve its cloud objectives while minimizing significant implementation and operational risks," added Pushkaraksh Shanbhag, associate research director, IDC Asia/Pacific Software and Services Research.

"Meeting compliance/regulatory and security requirements has now become table stakes for any managed cloud services provider. To cater to this end-user demand, MCS providers are investing in extending partnership with a broad ecosystem of partners to meet industry-level compliance requirements and provide security across customers' multicloud/hybrid cloud environments," says Prabhitha Dcruz, research manager, Asia Pacific Cloud Services.

About IDC

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