



IDC MarketScape

IDC MarketScape: Worldwide Digital Transformation Consulting and Systems Integration Services 2017 Vendor Assessment

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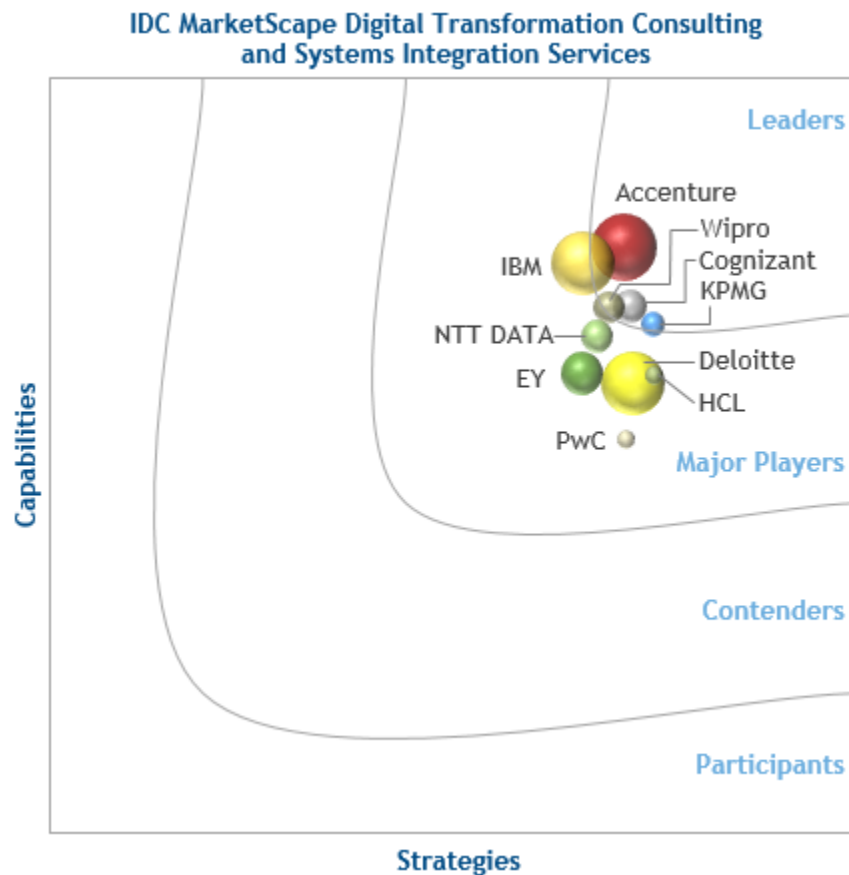
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THIS IDC MARKETSCAPE EXCERPT FEATURES: WIPRO

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Digital Transformation Consulting and Systems Integration Services Vendor Assessment



Source: IDC, 2017

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

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Digital Transformation Consulting and Systems Integration Services 2017 Vendor Assessment (Doc #US41523517). 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 is Figure 1.

IDC OPINION

This IDC study represents a vendor assessment of the 2017 digital transformation (DX) information technology (IT) consulting and systems integration (C&SI) services market through the IDC MarketScape model. This research is a quantitative and qualitative assessment of the characteristics that explain the success of a vendor in the marketplace and help anticipate its ascendancy. This IDC MarketScape covers a variety of vendors participating in the worldwide digital transformation C&SI services market. This evaluation is based on a comprehensive framework and a set of parameters expected to be most conducive to success in providing DX C&SI services in both the short term and the long term. A significant component of this evaluation is the inclusion of the perception of DX C&SI services buyers of both the key characteristics and the capabilities of these providers. Buyers were surveyed across all three of IDC's macroregions. Key findings include:

- Across all 38 strategies and capabilities assessed, the "employee management strategy" and "offering or functionality road map" attributes were rated most highly, on average, across all DX professional service providers. The strategy attribute that received the lowest mean scores overall was "delivery model."
- Based on the survey feedback from 44 of the evaluated vendors' customers, the subcategory "delivery model appropriateness and execution" received the highest aggregate scores. The lowest aggregate score for any subcategory was for "cost competitiveness."
- When buyers were asked what characteristics were required for a DX C&SI services project to be successful at a worldwide level, the top 2 characteristics were "ability to achieve desired business outcomes" and "ability to transform critical business processes for digital solutions."

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This IDC study includes analysis of 10 major DX C&SI services providers with broad portfolios spanning IDC's C&SI research coverage and with global scale. The assessment is designed to evaluate the characteristics of each firm – as opposed to its size or the breadth of its services. Given this approach, Lockheed Martin has been excluded even though it is among the top 10 systems integrators based on worldwide revenue because the firm typically receives more than 80% of its revenue from the U.S. government. Likewise, NEC has been excluded because it derived virtually all its revenue from Asia/Pacific. The inclusion criteria also dictate at least \$500 million revenue coming from a vendor's aggregate IT consulting and systems integration services practice at a worldwide level, as well as a minimum of 10% of this revenue located in at least two of IDC's three macroregions. In addition, it is conceivable, and in fact the case, that specialty firms can compete with multidisciplinary firms on an equal footing. As such, this evaluation should not be considered as a "final judgment" on the firms to consider for a project. An enterprise's specific objectives and requirements will play a

significant role in determining which firms should be considered as potential candidates for an engagement.

ADVICE FOR TECHNOLOGY BUYERS

- **Delivery model appropriateness and innovation/R&D pace and productivity.** Include vendor performance on these factors among your highest selection criteria. These were the top 2 in terms of importance for project success as rated by customers that were surveyed for this IDC MarketScape.
- **Business outcome and business process.** Select services partners for your DX C&SI services engagements that have strong ability to help businesses achieve desired business outcome. Successful organizations carried out DX C&SI services projects by partnering with DX C&SI services providers that helped them achieve the desired business outcome they were looking for. It is essential that the investments you put in DX solutions drive the business outcomes they are planned to achieve and, therefore, it will be highly beneficial to partner with a provider that has a reputation to help you achieve these outcomes. Successful organizations also carried out DX C&SI services projects by partnering with DX C&SI services providers that were able to transform critical business processes for digital solutions. A key to a successful DX initiative is to enhance and improve the underlying business processes to transform the way a business is run. Select a partner that can showcase the desired business process consulting capabilities.
- **Using IDC MarketScape for vendor selection.** Use this IDC MarketScape in contract negotiations and as a tool to not only short list vendors for digital transformation implementation service bids but also evaluate vendors' proposals and oral presentations. Because this analysis shows that the breadth and depth of services offered are strong for the majority of providers, make sure you understand where these players are truly differentiated and determine if these areas are important to your selection.

VENDOR SUMMARY PROFILES

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 each vendor's strengths and challenges. IDC's assessment includes 10 vendors (profiled in alphabetical order): Accenture, Cognizant, Deloitte, EY, HCL, IBM, KPMG, NTT DATA, PwC, and Wipro.

Wipro

According to IDC analysis and buyer perception, Wipro is a Leader in the IDC MarketScape for DX consulting and systems integration services worldwide.

Wipro Digital is the branded customer-facing digital practice within Wipro that offers human-centered creative design capabilities coupled with technology services that span across strategy consulting to technology implementation and managed services. Wipro Digital's value proposition revolves around the notion that successful digital transformations occur at the intersection of enhanced customer experience and greater operational efficiencies, and therefore, Wipro helps enable client organizations to reimagine the way they serve their customers by supporting unique customer journeys. Wipro digital technology solutions, particularly those around analytics, are enabled heavily by IP/asset such as

Wipro HOLMES, an artificial intelligence platform. Wipro digital resources, tools, and industry solutions cut across all services lines across Wipro, including its global infrastructure services practice.

Strengths

Buyers rate Wipro highly for the appropriateness and execution of its delivery model, the pricing model options it offers, and its end-to-end life cycle of digital services portfolio. Likewise, IDC rates Wipro highly in terms of its functionality/offerings road map, sales and distribution strategy, and employee management strategy.

Challenges

IDC believes Wipro's cost management strategy could be improved by proactively offering value-added use case development to its customers. Likewise, growth strategy could be improved by targeting customers outside of Wipro's traditional customer base. Finally, Wipro would benefit from adding external elements to its delivery process oversight to improve delivery consistency.

Consider Wipro When

Artificial intelligence-enabled automation and human-centric design approach for digital transformation are your top priorities. Wipro couples its Designit human-centered design capabilities with highly automated business process and technology solutions enabled by artificial intelligence IP-based assets to cater to your industry-specific digital transformation needs.

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 will 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

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.

Note: All numbers in this document may not be exact due to rounding.

Market Definition

Digital transformation refers to the changes associated with the application of 3rd Platform technology in all aspects of business and society. It is a process by which enterprises apply technical innovations to business strategies, revenue models, products, customer engagement, operations, and services. Digital transformation is accomplished through business or IT lead project-oriented initiatives. Figure 2 illustrates that buyers consume IT and business services for these service segments (denoted as the four activities in the outer circle) to help them conceive of, execute, manage, and support digital transformation (DX) initiatives. The scope of this IDC MarketScape is the IT consulting and systems integration services required to build and implement digital transformations. For detailed definitions of IT consulting or systems integration, see *IDC's Worldwide Services Taxonomy, 2017* (IDC #US42356617, March 2017).

Digital transformation initiatives contain elements of the five dimensions illustrated in Figure 3. Digital transformation includes at least one of the following 3rd Platform technologies: cloud, business analytics, enterprise mobility, and social. IDC also includes all innovation accelerators in digital transformation spending (IoT, next-generation security, robotics, cognitive computing, and augmented/virtual reality). The core of Figure 2 illustrates this definition. For digital transformation examples, see *IDC's Worldwide Digital Transformation Use Case Taxonomy, 2017: Engineering-Oriented Value Chains in the Manufacturing Industry* (IDC #US42203716, January 2017).

FIGURE 2

Business and IT Services Enable Digital Transformation



Source: IDC, 2017

FIGURE 3

The Five Dimensions of Digital Transformation



Source: IDC, 2017

Digital transformations can be applied to any function within an organization. For example, creative design typically provided by digital agencies can be included as part of Internet of Things or a mobile application or in the planning of digital media campaigns. While not a requirement, digital transformations can create innovations that disrupt business processes, functions, or entire industry value chains, for example, by disaggregating or reaggregating these elements, by introducing consumers earlier in a process, or by changing their role to that of a prosumer – one which is also a coproducer of products or services created in a value chain.

Customer Perceptions of Digital Transformation Consulting and Systems Integration Services Vendors

A significant component of this evaluation is the inclusion of the perceptions of DX C&SI services buyers of both the key characteristics and the capabilities of the vendors evaluated. The buyers participating in IDC's 2017 *Digital Transformation Consulting and Systems Integration Services Buyer Perception Survey* have partnered with at least one of the participating vendors directly on a DX C&SI project within their organization. The survey findings highlight key areas where buyers expect DX IT project-based services providers to showcase a range of capabilities. The buyers consider these capabilities a must-have for DX C&SI services to be able to fulfill the requirements of many challenging business and IT issues.

LEARN MORE

Related Research

- *Worldwide and U.S. IT Consulting Services Forecast, 2017-2021* (IDC #US42499117, May 2017)

- *Worldwide and U.S. Systems Integration Services Forecast, 2017-2021* (IDC #US42499217, May 2017)
- *IDC's Worldwide Services Taxonomy, 2017* (IDC #US42356617, March 2017)
- *Market Analysis Perspective: Worldwide and U.S. IT Consulting and SI Services, 2016* (IDC #US40140116, September 2016)
- *IDC MarketScape: Worldwide Digital Transformation Consulting and Systems Integration Services 2015 Vendor Assessment* (IDC #255870, May 2015)

Synopsis

This IDC study represents a vendor assessment of the digital transformation consulting and systems integration services ecosystem through the IDC MarketScape model. This assessment discusses both quantitative and qualitative characteristics that explain success in the ecosystem. This IDC MarketScape covers a variety of vendors participating in the digital transformation services space. The evaluation is based on a comprehensive and rigorous framework that assesses vendors relative to the criteria and one another and highlights the factors expected to be the most influential for success in the market during both the short term and the long term.

"With customers expecting to achieve business outcomes, create innovative solutions that produce results, and transform business processes upon implementation of a digital transformation solution, digital implementation services providers must focus on a balanced services portfolio that not only offers digital technology implementation solutions but also cater to customers' business process transformation needs," says Ali Zaidi, research director, IT Consulting and Systems Integration Business Strategies at IDC.

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

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