Everest Group PEAK Matrix™ for Analytics BPS Service Providers

Focus on Accenture
May 2018
Introduction and scope

Everest Group recently released its report titled “Analytics Business Process Services (BPS) – Service Provider Landscape with PEAK Matrix™ Assessment 2018.” This report analyzes the changing dynamics of the analytics BPS landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 20 service providers on the Everest Group PEAK Matrix™ for analytics BPS into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of analytics BPS service providers based on their absolute market success and delivery capability.

Everest Group also identified three service providers as the “2018 Analytics BPS Market Star Performers” based on the strongest forward movement demonstrated on the PEAK Matrix year-on-year.

Based on the analysis, Accenture emerged as a Leader and a Star Performer. This document focuses on Accenture’s analytics BPS experience & capabilities. It includes:

- Accenture’s position on the analytics BPS PEAK Matrix
- Detailed analytics BPS profile of Accenture

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, 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’s definition of the analytics BPS market is centered on the BPS aspect of an analytics solution.

**Analytics solution**

- **Analytics technology**
  - Provides core technology systems to run analytics

- **Analytics IT services**
  - Provides Application Development & Management (ADM) of analytics technology systems

- **Analytics services**
  - Provides analytics-focused business process services

**Analytics BPS**

- **Broad-based BPO providers**
  - accenture
  - EXL
  - genpact
  - Hewlett Packard Enterprise
  - IBM
  - Infosys
  - TATA Consultancy Services

- **Specialists**
  - absolutdata
  - CHAInalytics
  - dunnhumby
  - fractal.ai
  - Lululemon
  - Metaphase
  - Opera
Service providers scored using Everest Group’s proprietary scoring methodology given on page 12.

Note: Assessment for Absolutdata, Fractal Analytics, LatentView, and Mu Sigma excludes service provider inputs on this particular study, and is based on Everest Group’s estimates which leverage Everest Group’s proprietary Transaction Intelligence (TI) database, ongoing coverage, service provider public disclosures, and interaction with buyers.

Source: Everest Group (2018)
Accenture | Analytics BPS  

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Overview

Company profile:
Accenture is a leading global professional services company, providing a broad range of services & solutions in strategy, consulting, digital, technology, and operations. About 425,000 Accenture employees serve clients across more than 40 industries in more than 55 countries.

Key leaders
- Pierre Nanterme, Chairman & Chief Executive Officer
- Jo Deblaere, Chief Operating Officer
- David P. Rowland, Chief Financial Officer
- Paul Daugherty, Chief Technology & Innovation Officer
- Debbie A Polishook, Group Chief Executive, Accenture Operations
- Manish Sharma, Group Operating Officer, Accenture Operations
- Michael R. Sutcliff, Group Chief Executive, Accenture Digital
- Narendra Mulani, Chief Analytics Officer, Accenture Applied Intelligence

Headquarters: Dublin, Ireland
Website: www.accenture.com

Suite of services
- Advanced analytics and AI solutions for business functions – e.g., customer analytics, marketing analytics, operations analytics, finance & accounting analytics, fraud & risk analytics, human capital analytics, security analytics, and Internet of Things (IoT) analytics
- Information management – e.g., advanced visualization, big data architecture, business intelligence, and data management & integration
- Industry-specific analytics and AI solutions across products (travel, manufacturing, retail, and life sciences), communications, media & hi-tech, financial services resources (energy, utilities, and chemicals), health, and public services

<table>
<thead>
<tr>
<th>Analytics BPS*</th>
<th>2015</th>
<th>2016</th>
<th>2017 H1¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (US$ million)</td>
<td>Not disclosed</td>
<td>Not disclosed</td>
<td>10,000+</td>
</tr>
<tr>
<td>Number of FTEs</td>
<td>7,000-7,500</td>
<td>7,500-8,000</td>
<td>10,000+</td>
</tr>
<tr>
<td>Number of clients</td>
<td>Not disclosed</td>
<td>Not disclosed</td>
<td>Not disclosed</td>
</tr>
</tbody>
</table>

Recent acquisitions and partnerships in 2017
- Acquired Search Technologies, a U.S.-based technology services firm, to enhance its content analytics and enterprise search capabilities
- Formed alliance with Paxata to help clients build an intelligent enterprise by putting business users in control of data
- Formed alliance with 1Qbit, a leading quantum computing company to help firms innovate and create new intelligence with quantum-inspired analytics
- Invested in Mighty AI, an intelligent automation company, to integrate its training data services and create differentiated artificial intelligence solutions
- 2016: Acquired MOBGEN, an end-to-end digital services company, to enhance digital mobility services in Europe and strengthen advanced analytics to provide user behaviour insights

Recent developments in 2017
- Introduced Applied Intelligence market positioning (comprises automation, advanced analytics, machine learning, artificial intelligence, etc.) to unlock unique insights for clients, transforming them into an Intelligent Enterprise
- Ecosystem partnership with SAP® Leonardo to co-innovate, co-develop, and jointly go to market with breakthrough digital and analytics solutions for clients, delivering even greater value from their SAP investments

* Based on Everest Group estimates, which leverage our proprietary Transaction Intelligence (TI) database, service providers’ ongoing coverage, public disclosures, and interaction with buyers
1 Data for 2017 up to June 30, 2017

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Key delivery locations*

*Based on Everest Group estimates, which leverage our proprietary Transaction Intelligence (TI) database, service providers’ ongoing coverage, public disclosures, and interaction with buyers.
### Key analytics BPS engagements

<table>
<thead>
<tr>
<th>Client name</th>
<th>Region</th>
<th>Client since</th>
</tr>
</thead>
<tbody>
<tr>
<td>North American softline/hardliner retailer</td>
<td>North America</td>
<td>2017</td>
</tr>
<tr>
<td>One of the world's largest oilfield services company</td>
<td>Global</td>
<td>2017</td>
</tr>
<tr>
<td>South African Telecom giant</td>
<td>Continental Europe and MEA</td>
<td>2017</td>
</tr>
<tr>
<td>South American Cash and Carry retailer</td>
<td>LATAM</td>
<td>2017</td>
</tr>
<tr>
<td>Fortune 500 Consumer Packaged Goods (CPG) company</td>
<td>Global</td>
<td>2015</td>
</tr>
<tr>
<td>European Oil and Gas Major</td>
<td>Global</td>
<td>2014</td>
</tr>
</tbody>
</table>

### Analytics BPS FTE mix by segment

- **100% = 10,000+**
  - Reporting and descriptive: 30%
  - Predictive: 35%
  - Prescriptive: 35%

### Analytics BPS revenue mix by geography

- **100% = Not disclosed**
  - Asia Pacific: 35-40%
  - North America: 40-45%
  - Europe+Latin America: 10-15%

### Analytics BPS revenue mix by industry

- **100% = Not disclosed**
  - Resources: 10-15%
  - Communications media & tech.: 25-30%
  - Health & Public Service: 10-15%
  - Financial Services: 15-20%
  - Products: 15-20%
  - Sales & Marketing: 10-15%
  - Credit Services: 10-15%
  - Industry specific: 15-20%
  - Others (e.g., Utilities, Capital Projects etc): 10-15%
# Key technology solutions/tools

<table>
<thead>
<tr>
<th>Solution name</th>
<th>Processes served</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accenture Marketing Analytics Platform (AMAP)</td>
<td>All</td>
<td>This powerful marketing solution helps analyze current activities and optimizes future activities. For successful marketing, it leverages precise marketing mix models for clear, actionable recommendations.</td>
</tr>
<tr>
<td>Intelligent Collections</td>
<td>All</td>
<td>The solution allows organizations to provide actionable recommendations for collection strategy by segmenting customers on multiple variables and predicting disputed invoices.</td>
</tr>
<tr>
<td>Procurement Market Intelligence Advisor</td>
<td>Reporting, descriptive, and prescriptive</td>
<td>This solution creates market intelligence reports that can be used to formulate market development plans and supplier development strategies across multiple industries and geographies. It combines data mining, text &amp; data-analysis skills to analyze publicly-available digital information including financial publications and business news, with far more coverage and is ten times faster than human teams.</td>
</tr>
<tr>
<td>Lender Channel Analyzer</td>
<td>Reporting, descriptive, and prescriptive</td>
<td>The solution improves the lending process for residential mortgages by analyzing loan size, approval rates, etc.</td>
</tr>
<tr>
<td>Warranty Analytics</td>
<td>All</td>
<td>The solution detects fraud in warranty cases by estimating the probability of suspicious activity and identifying the causes of loss.</td>
</tr>
<tr>
<td>Clickstream Analytics</td>
<td>All</td>
<td>This solution helps digital marketers carry out customer segmentation, predict propensity to buy, and manage website navigation for the visitors to their web/digital properties – all in real time.</td>
</tr>
<tr>
<td>Agent Assist Advisor</td>
<td>NA</td>
<td>The solution empowers customer service agents with real-time personalized intelligence on customer-specific issues and recommended resolutions. It also augments utilities helpdesk agents through faster query comprehension.</td>
</tr>
<tr>
<td>Energy Predictive Analytics</td>
<td>NA</td>
<td>The solution automates energy management operations. It minimizes energy leakage and wasteful spend by continuous machine-based monitoring and a 100% anomaly detection of smart meter data, significantly reducing the time to action.</td>
</tr>
<tr>
<td>Intelligent Recruiter</td>
<td>All</td>
<td>The solution enables sourcing strategy with forecasting demands and also analyses sources of the most successful recruits.</td>
</tr>
<tr>
<td>Accenture Insights Platform (AIP)</td>
<td>All</td>
<td>The Accenture Insights Platform (AIP) is a comprehensive, scalable, cloud-based, end-to-end analytics solution that helps organizations with quick actionable insights and business outcomes. It offers a competitive, flexible commercial model. The AIP Design Studio enables fast, flexible configuration of advanced analytics applications.</td>
</tr>
</tbody>
</table>
Accenture | Analytics BPS (page 5 of 5)

Everest Group assessment – Leader

**Market impact**

- Market adoption
- Portfolio mix
- Value delivered

**Vision & capability**

- Scope of services offered
- Innovation and investments
- Delivery footprint
- Vision and strategy

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**Strengths**

- Accenture has developed a robust strategy of harvesting its large-sized BPO clients to include analytics in the contracts.
- In addition to large BPO clients, it also caters to mid-market clients, mainly with its productized solutions.
- It has invested significantly in developing advanced analytics tools & solutions and technologies such as Artificial Intelligence (AI), automation, and machine learning.
- Accenture also has a rich talent pool and taps into talent with advanced analytics skills with the help of collaborations with top institutions including MIT and Vector Institute for Artificial Intelligence.
- It has partnered with various startups to develop innovation solutions in analytics and reduce the time-to-market by creating productized solutions. Its acquisitions, such as OCTO Technology and Intrepid, are in line with its digital transformation strategy.
- Clients appreciate Accenture’s willingness to truly partner with them for improving their business and proactive communication by the team.

**Areas of improvement**

- Accenture has a wide scale of analytics services with an extensive portfolio of basic and advanced analytics capabilities. It can be more aggressive in marketing these services to educate clients on its capabilities.
- Accenture has a greater analytics footprint presence in horizontal services such as FAO and PO as compared to industry-specific services. Growing its business further to meet growing industry-specific analytics demand can allow it to maintain its growth momentum going in the future.
- Referenced buyers suggest that Accenture can improve on sharing best practices and key learnings across different industries to drive more value to the client.

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1 Value delivered score and overall PEAK Matrix positioning adversely impacted for those service providers who did not provide adequate information.

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Measure of capability: 

- High
- Low

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

Everest Group PEAK Matrix

Market impact

Measures impact created in the market

Low

High

Leaders

Major Contenders

Aspirants

Vision & capability

Measures ability to deliver services successfully
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 geos 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 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
Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix™

Methodology
Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix.

In order to assess advances on market impact, we evaluate each service provider’s performance across a number of parameters including:
- Yearly ACV/YOY revenue growth
- # of new contract signings and extensions
- Value of new contract signings
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on vision and capability, we evaluate each service provider’s performance across a number of parameters including:
- Innovation
- Increase in scope of services offered
- Expansion of delivery footprint
- Technology/domain specific investments

We identify the service providers whose improvement ranks in the top quartile and award the Star Performer rating to those service providers with:
- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement performance in both market success and capability advancement

The Star Performers title relates to YOY performance for a given service provider and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.
FAQs

Does the PEAK Matrix™ assessment incorporate any subjective criteria?
Everest Group’s PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor 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/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 service 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 PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?
A 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/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas.

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/vendors 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 / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status?
- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
  - Issue a press release declaring their positioning. See citation policies.
  - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
  - Quotes from Everest Group analysts could be disseminated to the media.
  - Leverage 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.

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.
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.

Dallas (Headquarters)
info@everestgrp.com
+1-214-451-3000

Bangalore
india@everestgrp.com
+91 806-781-9999

Delhi
india@everestgrp.com
+91-124-496-1000

London
unitedkingdom@everestgrp.com
+44-207-129-1318

New York
info@everestgrp.com
+1-646-805-4000

Toronto
canada@everestgrp.com
+1-416-388-6765

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