



Everest Group PEAK Matrix® for Application and Digital Services in Global Banking Service Providers 2021

Focus on Accenture
July 2021



Background of the research

Evolving customer preferences, demand for digital and omnichannel experiences, and competition from FinTechs are impacting banks’ digital strategy and transformation initiatives. Moreover, COVID-19 has drastically accelerated their plans for organization-wide, end-to-end digitization and adoption of digital technologies for use cases such as digital customer onboarding, real-time payments, paperless underwriting, and real-time cash management.

Customer experience will continue to be the primary focus for banks; as demand themes observe a drastic shift, a platform-based operating model and efficient data exchange will be the foundation of a successful hyper-segmentation strategy. Cloud migration, and data value realization leveraging AI/ML and APIfication is set to take the center stage to lead the back- and middle-office cost optimization initiatives. Digital customer onboarding, workflow automation, and real-time regulatory checks will gain traction as customers’ preferences shift towards online banking. One of the biggest challenges the industry continues to face is the shortage of technology skills in the market. IT service providers are investing heavily in not just building banking-focused IP/solutions, but also investing in engineering talent to respond to the evolving demand themes.

In this research, we present an assessment of 27 Application and Digital Service (ADS) providers featured on the Application and Digital Services in Banking PEAK Matrix®. The assessment is based on Everest Group’s annual RFI process for calendar year 2021, interactions with leading application and digital services providers, client reference checks, and an ongoing analysis of the banking application and digital services market.

This report features the profile of Accenture as covered in the Application and Digital Services in Banking PEAK Matrix® Assessment 2021 – Global

Scope of this report:



Geography
Global



Service providers
27 leading application and digital service providers in banking



Services
Application and digital services in banking

Application and Digital Services in Banking PEAK Matrix® Assessment 2021 – Global Characteristics

Leaders:

Accenture, Capgemini, Cognizant, HCL Technologies, Infosys, TCS, and Wipro

- Leaders have managed to grow their revenues, despite increase in insourcing by some of the large banks across the globe, by tapping the demand for digital services to drive accelerated cloud-based modernization of legacy technology as well data stack by banking enterprises
- Players such as Accenture and Cognizant are partnering with global hyperscalers such as Google Cloud, AWS, and Azure to build banking industry-specific cloud solutions to provide a foundation to banks for creating modern, container- and microservices-based applications deployed on hybrid cloud environments.
- They are also investing in partnering with low-code no-code vendors such as Appian, Pega, and ServiceNow along with building their own proprietary low-code no-code technology.
- Players such as Infosys and HCL Technologies have invested in building low-code capabilities specifically targeted at banking clients to give them flexibility to build and customize their own applications
- Some players such as TCS and Wipro have taken an acquisition-led growth strategy to enhance their talent footprint and delivery capabilities to enter new segments and geographies

Major Contenders:

Aspire Systems, Atos, Birlasoft, DXC Technology, GFT, ITC Infotech, LTI, Mindtree, Mphasis, NTT DATA, Persistent Systems, Softtek, Tech Mahindra, Virtusa, and Zensar Technologies

Major Contenders cover a wide spectrum of service providers from large players with global consulting and technology capabilities to mid-sized payers with regional focus

- Players such as Virtusa and LTI have built strong credibility in the market for Commercially Off-the-Shelf (COTS) product implementations and upgradation services
- Large players such as Atos, DXC Technology, and NTT DATA have significantly invested in proprietary platform-based offering for tapping demand for modernization by mid-tier banking institutions

Aspirants:

Apexon, Cigniti, Itransition, Maveric Systems, and Quinnox

Aspirants have built niche capabilities to cover specific domains within banking with a niche focus on service areas such as application maintenance, testing automation, and software packages implementation

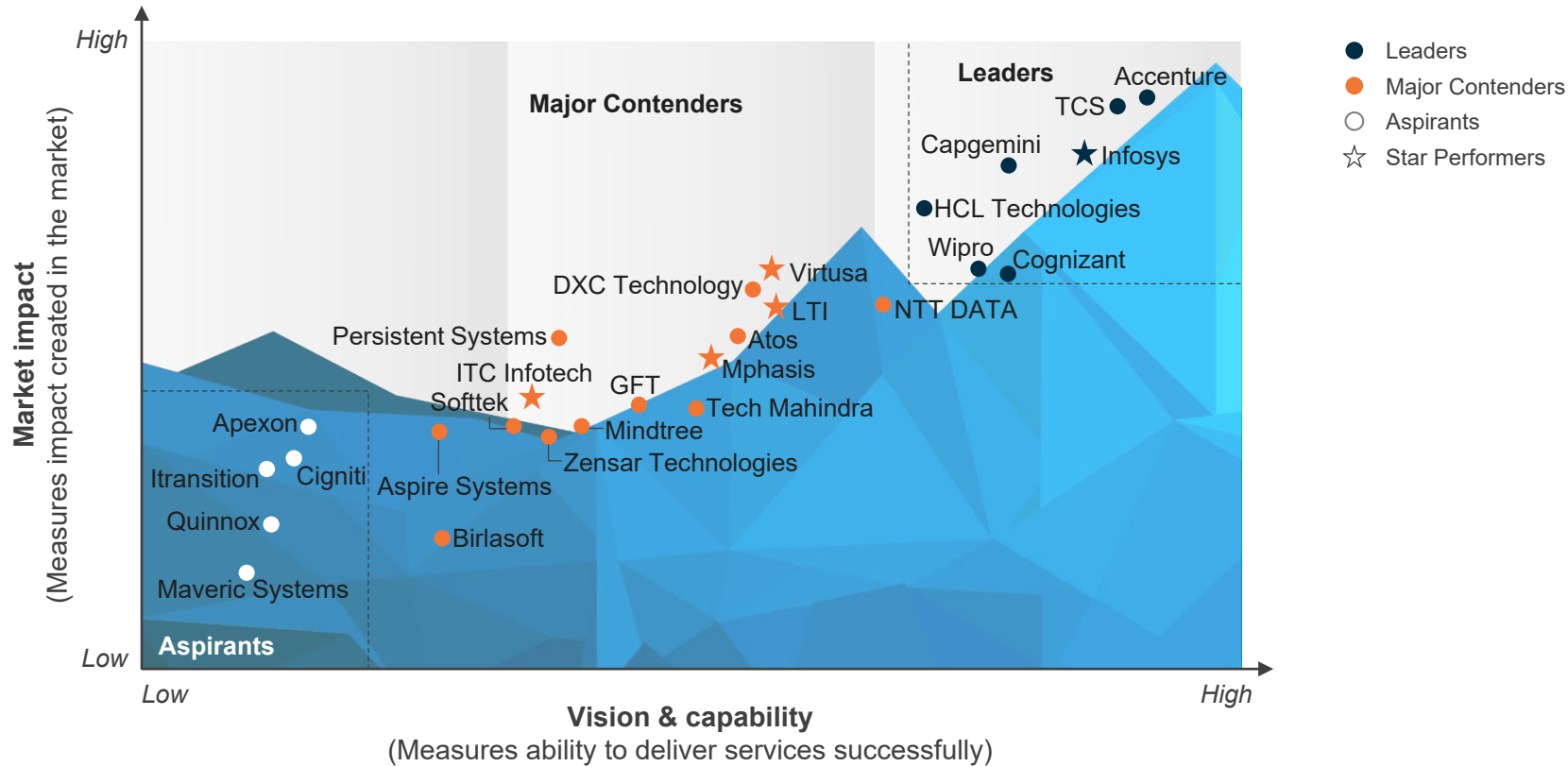
- They have demonstrated credible customer success through innovative and commercial pricing and dedicated client attention
- They are investing in building partnerships with horizontal as well as vertical platform vendors to enhance their GTM strategy and grow their revenues by winning new clients

Everest Group PEAK Matrix®

Application and Digital Services in Banking PEAK Matrix® Assessment 2021 – Global | Accenture positioned as Leader



Everest Group Application and Digital Services in Banking PEAK Matrix® Assessment 2021 – Global¹



¹ Assessment for Maveric Systems excludes service provider inputs on this 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, their public disclosures, and interaction with buyers. For this company, Everest Group's data for assessment may be less complete
Source: Everest Group (2021)

Accenture | application and digital services in banking profile – global

Overview

Vision for ADS in banking practice:

Accenture has a vision of creating durable and sustainable economic impact for its clients by innovating and reshaping their cost base, driving digital and technology-led capabilities, and ensuring world-class customer servicing innovation.

ADS in banking revenue

<US\$200 million	US\$200-500 million	US\$500 million-US\$1 billion	>US\$1 billion
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Number of active clients for ADS in banking

<25	25-100	100-150	>150
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Delivery footprint

Region	Key cities	No. of FTEs ³
North America	Fredericton, Montreal, Niagara, Toronto, Atlanta, Austin, Berwyn, Charlotte, Cincinnati, Denver, Knoxville, Nashville, Pittsburgh, San Antonio, Sacramento, San Diego, Tampa, Mexico City, Monterrey	Not Disclosed
United Kingdom	Cardiff, Chesterfield, London, Milton Keynes, Newcastle, Stone, Warwick	Not Disclosed
Europe (excluding UK)	Stavanger, Dublin, Nantes, Paris, Toulouse, Barcelona, Bilbao, Madrid, Malaga, Seville, Valencia, Zaragoza, León, Lisbon, Braga, Kronberg, Hamburg, Prague, Milan, Naples, Rome, Cagliari (Sardinia), Firenze, Trieste, Venice, Hungary, Riga, Bratislava, Tver, Lodz, Warsaw, Bucharest, Timisoara, Iasi), Sofia, Plovdiv, Ebène	Not Disclosed
Asia Pacific	Bangalore, Chennai, Delhi, Hyderabad, Kolkata, Mumbai, Pune, Tokyo, Sapporo, Guangzhou, Shanghai, Shenzhen, Kuala Lumpur, Manila, Jakarta, Colombo	Not Disclosed
Latin America	Heredia, Belo Horizonte, Campina Grande, Curitiba, Recife, Rio de Janeiro, São Paulo, Buenos Aires, La Plata, Rosario, Casablanca	Not Disclosed
MEA	Centurion, Johannesburg	Not Disclosed

1 System integration includes package implementation

2 AR/VR, blockchain, IoT, quantum computing, etc.

3 Banking ADS FTEs

ADS in banking revenue mix

Low (<10%) Medium (10-25%) High (>25%)

By lines of business			
Cards and payments	Medium	Commercial banking	Medium
Retail banking	High	Others	Medium
		Lending	Medium

By geography			
North America	High	Latin America	Low
Europe (excluding UK)	High	United Kingdom	Medium
		Asia Pacific	Medium
		Middle East & Africa	Low

By services scope			
Application development	High	Application maintenance	Medium
System integration ¹	High	Testing	Medium
		Consulting	High

By digital services segment			
AI and ML	Medium	API	High
Cloud	High	Big data and analytics	Medium
		Mobility	Medium
		Social media	Low
		Others ²	Medium

By buyer size			
Small (annual client revenue < US\$1 billion)	Medium	Medium (annual client revenue US\$1-5 billion)	Medium
Large (annual client revenue US\$5-10 billion)	High	Very large (annual client revenue US\$10-20 billion)	High
Mega (annual client revenue > US\$20 billion)	High		

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Client success stories

Case study 1

Delivery of new, high-value payments infrastructure for a large bank in Europe

Business challenge

The client wanted to renew the Real-Time Gross Settlement (RTGS) service to support resilience and innovation in payments and settlements. The RTGS service played a critical role in the country’s economy and serves as the infrastructure that holds accounts for banks, building societies, and other institutions delivering final and risk-free settlement.

Solution

Accenture was the technology delivery partner for the RTGS renewal program, and worked with the client to:

- Deliver the critical national payments infrastructure
- Build and integrate the new RTGS platform
- Improve data access
- Provide a service that will support the financial services sector and their customers in the years to come

Impact

- The renewed RTGS service is designed to respond to the changing structure of the financial system and gives access to a wider number of firms
- Ensured resilience is at the heart of the service, offered wider interoperability and improved functionality, and strengthened end-to-end risk management of the country’s high value payment system

Case study 2

Legacy infrastructure transformation for a US-based financial services firm

Business challenge

With competitive FinTechs edging in on incumbents’ market share, the client wanted to transform its IT architecture to be more efficient and flexible. The client was specifically focused on updating its commercial banking systems.

Solution

- Accenture designed a future-state architecture supported by cloud technology
- By leveraging Confluent Cloud and Spring-Boot technologies, Accenture designed an architecture aimed at digital decoupling and enabling a mix of event-driven, API and microservices patterns
- Helped the organization shift from project-centric to product-centric to enhance flexibility and profitability

Impact

- The client experienced a boost in efficiency and capabilities
- Increased accountability and ownership of the customer and user experience while making it much easier to leverage technology to offer desirable products and services that can increase profitability

Case study 3

Building a platform-based financial services ecosystem for a large bank in Japan

Business challenge

An aging Japanese population and declining birth rates are shrinking the customer base, and transactional services are being rapidly commoditized as new digital competitors surged. The client wanted to grow in the face of increasing digital competition and create new opportunities that help customers achieve their goals and dreams

Solution

- Accenture created a new banking platform, “iBank”, by pulling together the offerings of multiple business partners into a personalized loyalty program
- The portfolio offers a unique combination of services using data, blockchain, and other technologies to provide smart customer interactions, ease of use, and added customer value, including a new “Wallet+” mobile app, to let customers manage their accounts and payments in a simple way

Impact

- The client can now understand consumer behavior in unprecedented detail and provide personalized content and suggestions that help customers achieve their goals
- Downloads of the Wallet+ app topping 180,000 within one year
- Ecosystem convergence with others, like the health industry

Accenture | application and digital services in banking profile – global

Key offerings and investments

NOT EXHAUSTIVE

Proprietary IP/solutions/frameworks/accelerators/tools developed internally to deliver ADS services in banking

Name	Details
SynOps	A platform based on data, applied intelligence, technology, and talent that helps clients drive end-to-end transformation of their banking operations by addressing quality and productivity issues, supporting customer expectations, navigating regulatory and operational pressures, and ensuring improved business outcomes.
myIndustry	A platform that integrates Accenture's solutions with those developed by partners and is used on retail and commercial banking business value chain. It helps clients achieve business transformation objectives, such as improved market share, customer retention, better cost-to-income ratios, and reduced cost-of-compliance by providing a pre-integrated basket of solutions to help clients design and execute transformation faster.
AIP+	A collection of modular, pre-integrated AI services and capabilities that can be deployed as-a-service or as a collection of assets / accelerators in the cloud and/or on premise.
myNav	A cloud platform designed to assess, architect, and simulate cloud solutions to determine the best fit for clients' business needs. It simulates the recommended solution at scale, validating that the solution is the right fit.



Key partnerships/alliances/acquisitions/JVs leveraged to deliver ADS in banking

Name	Type of investment (year)	Details of investment
Finastra	Partnership (2014)	Partnered to deliver innovative solutions to the global banking industry, including the largest-ever Fusion Loan IQ deal, and five innovation projects relating to payments in the cloud, treasury, and risk-as-a-service. Named Finastra "partner of the year" in 2020.
Finxact	Partnership/Investment (2019)	Invested in Finxact, a SaaS core banking company, that provides an option for banks to efficiently differentiate their customer experiences by integrating new services and migrating to a real-time digital banking system.
nCino	Partnership/Investment (2016)	Invested in a global alliance with nCino to help financial institutions implement and adopt nCino's cloud-based digital banking solution, thereby enabling banks' digital transformation.
Temenos	Partnership (2013)	Global certified partner of Temenos and involved in Temenos' core banking software implementations and helps clients consolidate their systems using the Temenos software suite.

Accenture | application and digital services in banking profile – global

Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services	Innovation & investments	Delivery Footprint	Overall
								

Strengths

- Accenture has invested in banking subdomain-specific assets for consulting, technology, and design services to position itself as a partner for end-to-end digital transformation
- Its long-standing partnerships with cross-industry and banking-specific platform vendors such as Finastra, Temenos, ServiceNow, and Appian have helped in building market perception as a preferred vendor for system integration services
- It has strengthened its capabilities for providing data, analytics, and AI-led transformation services for banking clients in the UK through the acquisition of Mudano
- Its investments in cloud first initiative through cloud innovation center for financial services along with acquisitions of cloud native technology solution providers such as Wolox, Olikka, and Enimbos have helped in winning cloud migration engagements in North America and Europe
- Some clients have lauded its competent resource pool in the data engineering and interactive design thinking space

Limitations

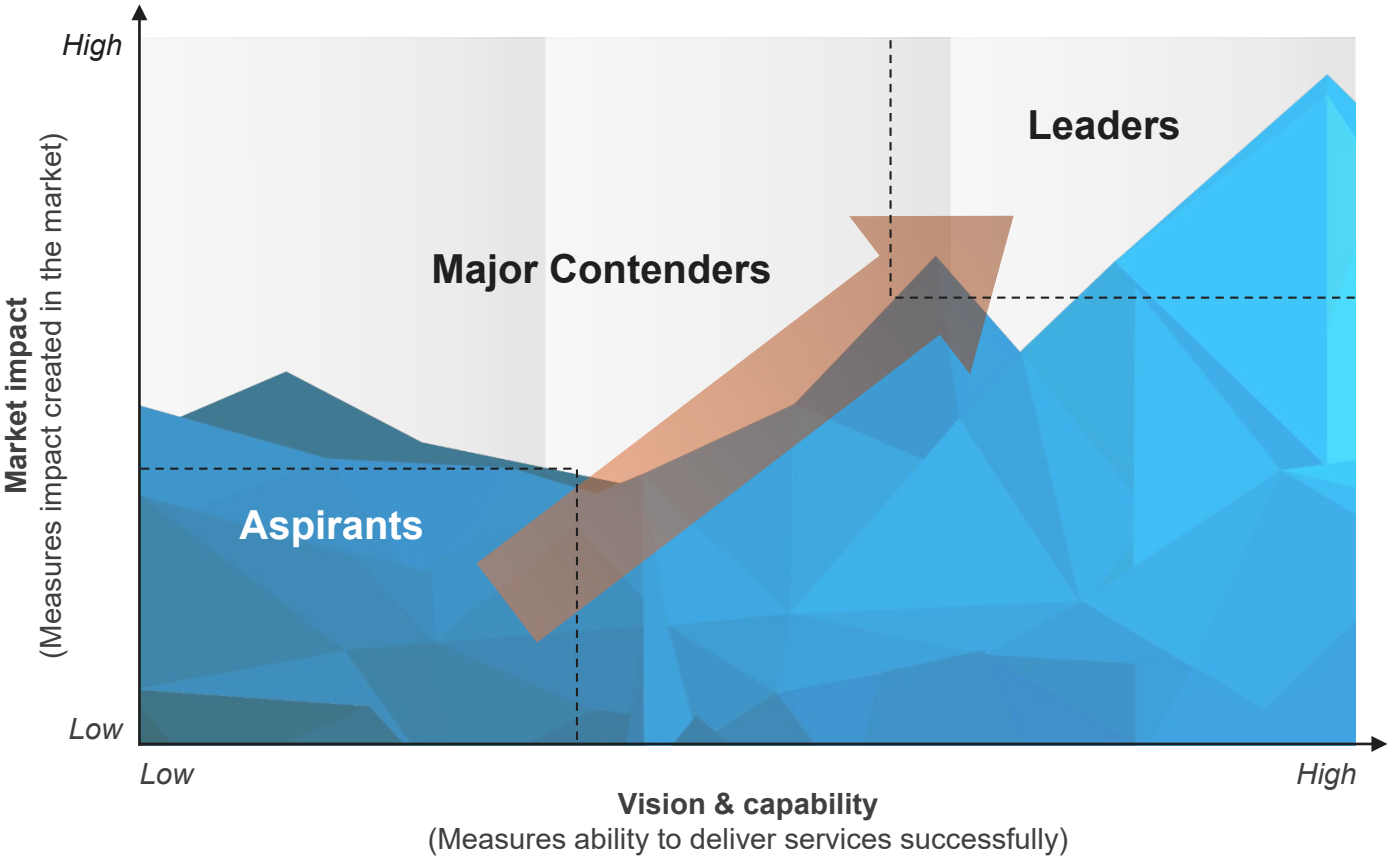
- Faces issues around client's perception of low flexibility and price competitiveness, especially in the mid-sized client segment
- Some clients expect it to enhance the ability to rotate resources with different skills to bring fresh ideas to the engagement
- There is a perception in the market that it lacks solutioning flexibility because of the push to embed its in-house IPs and platforms
- As the firm is pivoting messaging toward digital technologies and transformation engagements, it is increasingly being considered less relevant for application support and maintenance initiatives by banking enterprises

Appendix

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



Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption

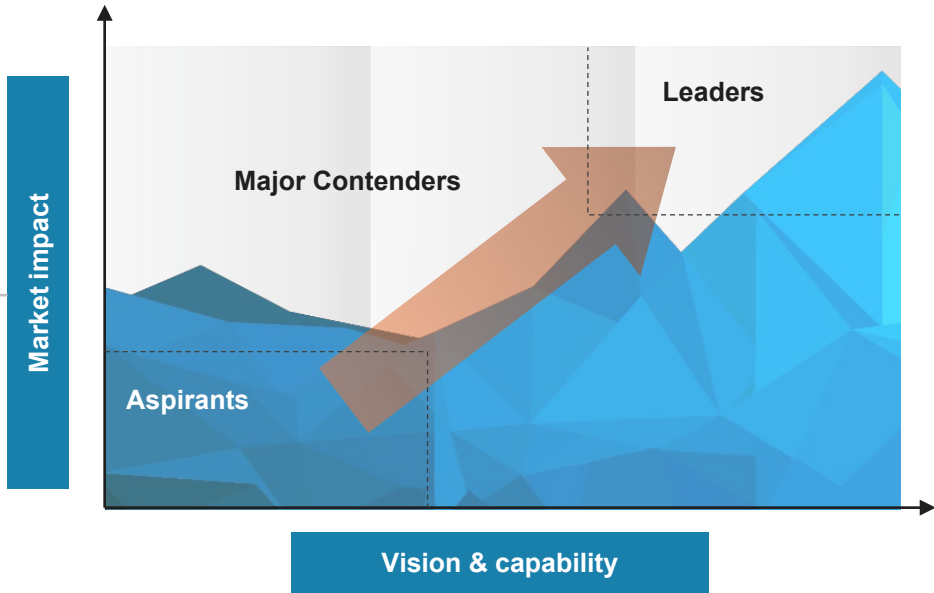
Number of clients, revenue base, YOY growth, and deal value/volume

Portfolio mix

Diversity of client/revenue base across geographies 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 subsegments/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.

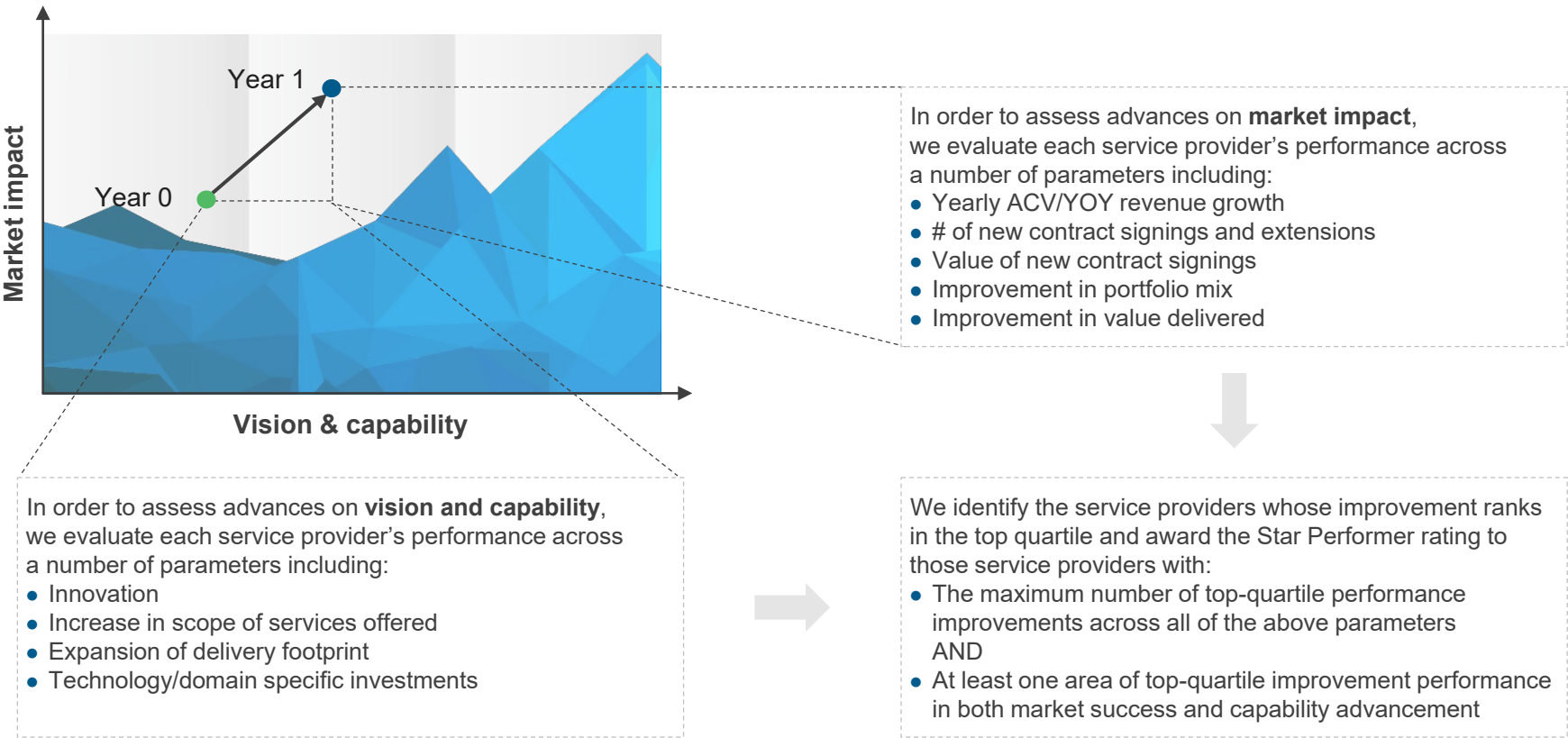
Delivery footprint

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



The Star Performers title relates to YOY performance for a given vendor 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



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