



Everest Group PEAK Matrix[®] for Medical Devices Digital Service Providers 2020

Focus on Cognizant
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Background and scope of the research

Enterprises have made digital adoption the bedrock of their growth strategy in recent years, to optimize processes, reduce costs, and deliver better customer experience, all in the pursuit of higher revenue growth. The medical devices industry is no exception. Digital technologies can make internal workflows more efficient, reduce product development timelines, tackle regulatory complexities, offer supply chain transparency, and combat counterfeits.

To support enterprises on their digital journeys, service providers are ramping up capabilities through life sciences-specific partnerships and acquisitions. Also, when we refer to capabilities in life sciences industry, most of the industry primarily refers to the pharmaceutical industry and does not emphasize on medical devices industry, which is heterogeneous in nature. This is driving the need for research and market intelligence on demand and supply trends in medical devices digital services. Everest Group's Life Sciences ITS research program addresses this market need by analyzing outsourcing trends and service provider capabilities in medical devices digital services.



In this report, we analyze the capabilities of 21 IT service providers specific to the medical devices sector globally. These service providers are mapped on the Everest Group PEAK Matrix®, which is a composite index of a range of distinct metrics related to a provider's capability and market impact. We focus on:

- IT digital services market trends for medical devices
- The landscape of service providers for medical devices digital services
- Assessment of the service providers on several capability and market success-related dimensions

Scope of this report:



Geography
Global



Industry
Medical devices



Services
Digital services

Introduction and scope

Everest Group recently released its report titled “[Medical Devices Digital Services PEAK Matrix® Assessment 2020](#).” This report analyzes the changing dynamics of the medical devices digital services landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 21 service providers on the Everest Group PEAK Matrix® for Medical Devices Digital Services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of medical devices digital service providers based on their absolute market success and delivery capability.

Based on the analysis, **Cognizant emerged as a Leader**. This document focuses on **Cognizant’s** medical devices digital services experience and capabilities and includes:

- Cognizant’s position on the Medical Devices Digital Services PEAK Matrix
- Detailed Medical Devices Digital Services profile of Cognizant

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, the 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.

Medical devices digital services PEAK Matrix® characteristics

Leaders:

Accenture, Capgemini, Cognizant, HCL Technologies, and TCS

- Leaders have established themselves as front runners to support large medical device organizations in their digital transformation journey and have a relatively balanced portfolio
- They have a strong innovation focus with significant investments in digital labs, partnerships, acquisitions, and collaborations to strengthen their capabilities and further build verticalized digital offerings
- Coinvestment with clients and engaging in innovative commercial constructs such as the risk-sharing and outcome-based models to develop a long-standing relationship with clients
- They have clearly articulated their future investment priorities to bridge gaps within their service portfolio and keep up with the evolving dynamics of the industry

Major Contenders:

Atos, Birlasoft, CitiusTech, Deloitte, Genpact, Harman Connected Services, IBM, Infosys, IQVIA, LTI, NTT DATA, Virtusa, and Wipro

- Major Contenders are a varied mix of large- and mid-sized firms and life sciences specialists. While some of the major contenders have digital capabilities across the value chain, some are focused on specializing in specific areas within the medical devices domain
- They have focused acquisitions and partnerships in areas of high growth opportunity as IoT and are making strategic investments to further augment their digital capabilities
- Unlike Leaders, Major Contenders cater to the needs of small and mid-tier clients and have a consistent geographic footprint across the globe
- They exhibit flexibility and proactiveness while addressing client issues and can ramp up resources on demand

Aspirants:

NNIT, Tech Mahindra, and Unisys

- Aspirants have solutions and capabilities limited to certain value chain elements. Players such as Tech Mahindra and Unisys are largely focused on manufacturing and supply chain
- Limited focus on driving innovation and building a partnership ecosystem to develop industry specific offerings

Everest Group Medical Devices Digital Services PEAK Matrix® Assessment 2020^{1,2}



1 PEAK Matrix® specific to medical devices digital services

2 Assessments for Atos, Deloitte, IBM, Infosys, IQVIA, Tech Mahindra, and Unisys exclude service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with buyers

Source: Everest Group (2020)

Overview

Vision: Cognizant's vision is to enable the digital advances in science, transformation of care delivery, and improvement of patient outcomes. Its strategy is to bring consulting, technology, and operations capabilities to help drive digital transformation across the MedTech industry

Medical devices digital services revenue



Overview of the client base

Cognizant works with 18 of the top 20 global medical device and diagnostic companies. Some of its clients include global leaders in diabetes, cardiovascular health, eye care, and orthopedics, to name a few. More than 85% of its revenue comes from the North American region

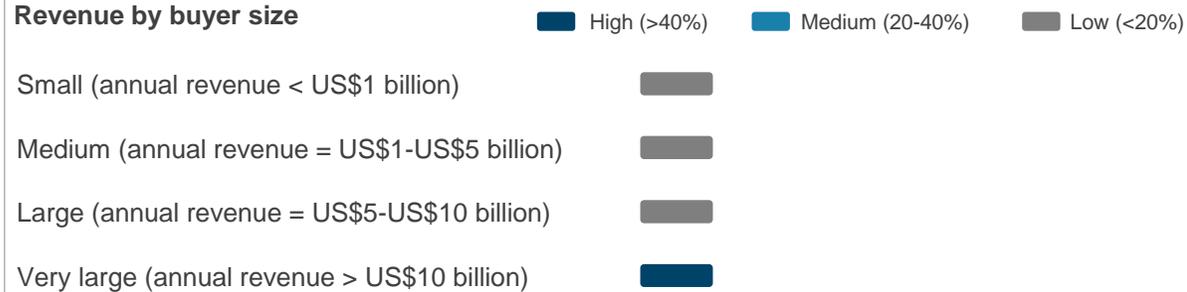
Revenue by function



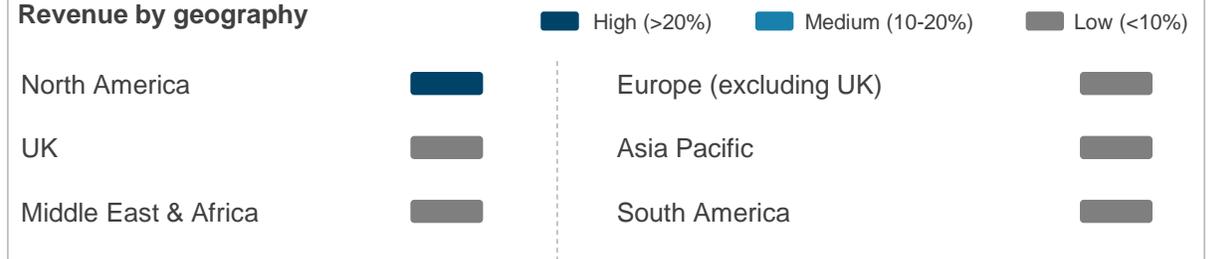
Revenue by value chain element



Revenue by buyer size



Revenue by geography



Case study 1	
Improve newborn screening	
Business challenge	Newborn screening is an essential step to determine if the newborn has a condition that is treatable, but not clinically evident. Out of a total 134 million births every year, only 50 million babies are screened. Newborn screening is carried out across the world as per local regulations, and the client's existing diagnostic platform was falling behind from an FDA compliance perspective; it had poor user experience and was dated
Solution and impact	<p>Cognizant analyzed client's existing platform and helped in migrating 21 years of data into the new platform to ensure it met the FDA compliance ask. Cognizant displayed depth of understanding of SaMD, EMR/HER integration, and medical devices regulations and standards combined with an agile delivery model for a timely go-to-market</p> <p>The first release of the product is approved in the US, Canada, and Europe, with enhancements in progress to integrate pre-natal screening and genetics. The solution will ultimately have more than 400 customers with the potential to screen three out of every five babies, and also result in 30% reduction in time-to-market using off-the-shelf open source components</p>

Case study 2	
Enhance experience of patients suffering from type-1 diabetes	
Business challenge	The client wanted to understand the patients' financial journey experience once they were diagnosed with diabetes by the physician and ready to use a medical device to manage their condition. The client also wanted to understand other opportunities to improve customer experience for both patient and caregivers
Solution and impact	<p>Cognizant was engaged to understand and create the patient financial journey by immersing with patients, client stakeholders, and caregivers over a six-week period in the US. As part of the process, the team conducted patient research through ethnographic in-home interviews and Patient Journey Context Labs with participation from patients and caregivers</p> <p>The findings detailed key points of the overall experience from the patient perspective including pain points, moment of delight, neutral moment, and caregiver-specific experience. Also helped the client create seamless experience for patients and caregivers to relieve some of the burden of managing daily life, identify opportunities to improve the process deployed by sales force, and bring changes in technology to improve customer service</p>

Digital services consulting frameworks for medical devices (representative list)	
Framework	Details
NorthStar framework	Help companies understand their environment, establish the pathway to deliver digital at scale, and enhance their digital DNA as they mature. The Digital Maturity Diagnostic (DMD) is a part of the framework that helps to baseline the current digital maturity of an organization and enable continual assessment as the client's organization progresses along the digital journey
Enterprise Fusion framework	Created as a part of its joint effort with Forrester, the framework enables aligning customers' front-, mid-, & back-office functions to customer experience and helps in defining the company's digital future

Offerings and recent developments

NOT EXHAUSTIVE

Proprietary digital solutions (representative list)

Solution	Details
Sentient AI	Offers patented AI technologies to create solutions across areas such as medical diagnosis and e-commerce to help customers make decisions faster. Sentient Learning Evolutionary Algorithm Framework (LEAF) models complex business problems, simulates possible solutions, and determines the best outcomes for clients
Medvantage	An integrated service and complaint management cloud solution based on the Salesforce platform. The solution is designed for the medical devices industry to drive enhanced customer reach, customer satisfaction, and regulatory compliance
Quality Management System (QMS)	Cognizant's Medical Devices Quality Management System (QMS) framework is certified for design & development of medical devices software & hardware; it is ISO 13485:2016 certified. The QMS framework is also compliant with ISO 60601, IEC 62304, ISO 14971, and 21 CFR part 820, and can be used to deliver products across geographies, including Canada and Europe.
BigDecisions	A proprietary insight platform that enables sophisticated business analytics enriched with varied information sources to respond to changing business needs
OnePlant	A unified transformation framework and set of services for optimizing plant operations by leveraging a suite of offerings including maturity assessments, blueprinting, roadmap definition, product evaluation, implementation, and life cycle support
Unified Clinical Platform	Enables digitization of end-to-end clinical processes by bringing together various capabilities to a unified platform under a single digital portal

Key events (representative list)

Event name	Type of event	Details
Zenith Technologies (2019)	Acquisition	To extend its capabilities for designing, implementing, and managing end-to-end operational and information technology systems for connected biopharma and medical devices manufacturers
Softvision (2018)	Acquisition	To transform clients' solution delivery using the Guilds model with talent spread across Romania, US, and other markets and by leveraging Softvision's digital engineering capabilities. To help medical devices companies in creating mobile/rapid prototypes / patient engagement applications
Veeva (ongoing)	Partnership	To provide access to Veeva 's solutions and services, including Veeva Vault, Veeva CRM, and Veeva Advisory Services
Medidata (2018)	Partnership	To offer comprehensive solutions to its life sciences clients and equip medical devices companies with digital capabilities to help them simplify operational complexities and drive digital transformation
PTC (ongoing)	Partnership	To combine its IoT and industry expertise with PTC's technologies to change how companies can leverage IIoT solutions to drive innovation, improve business outcomes, and build a smart and connected enterprise. The firm also has a CoE in Hyderabad, operated in collaboration with PTC
Cloud migration with AWS (MAP)	Partnership	As an AWS Migration Acceleration Partner (MAP), Cognizant has experience in helping businesses move to AWS through all phases of complex migration projects, discovery, planning, migration, and operations

Measure of capability:  High  Low

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

Strengths

- Appetite to enter into coinvestment models and innovative commercial engagements such as the risk-sharing and outcome-based models
- Ability to build long-standing relationships by leveraging its industry knowledge, ensuring strong communication, and providing access to consistent talent
- Leverages partnerships and acquisitions to build capabilities across the value chain (e.g., Medidata, Veeva, Salesforce, and Zenith)

Areas of improvement

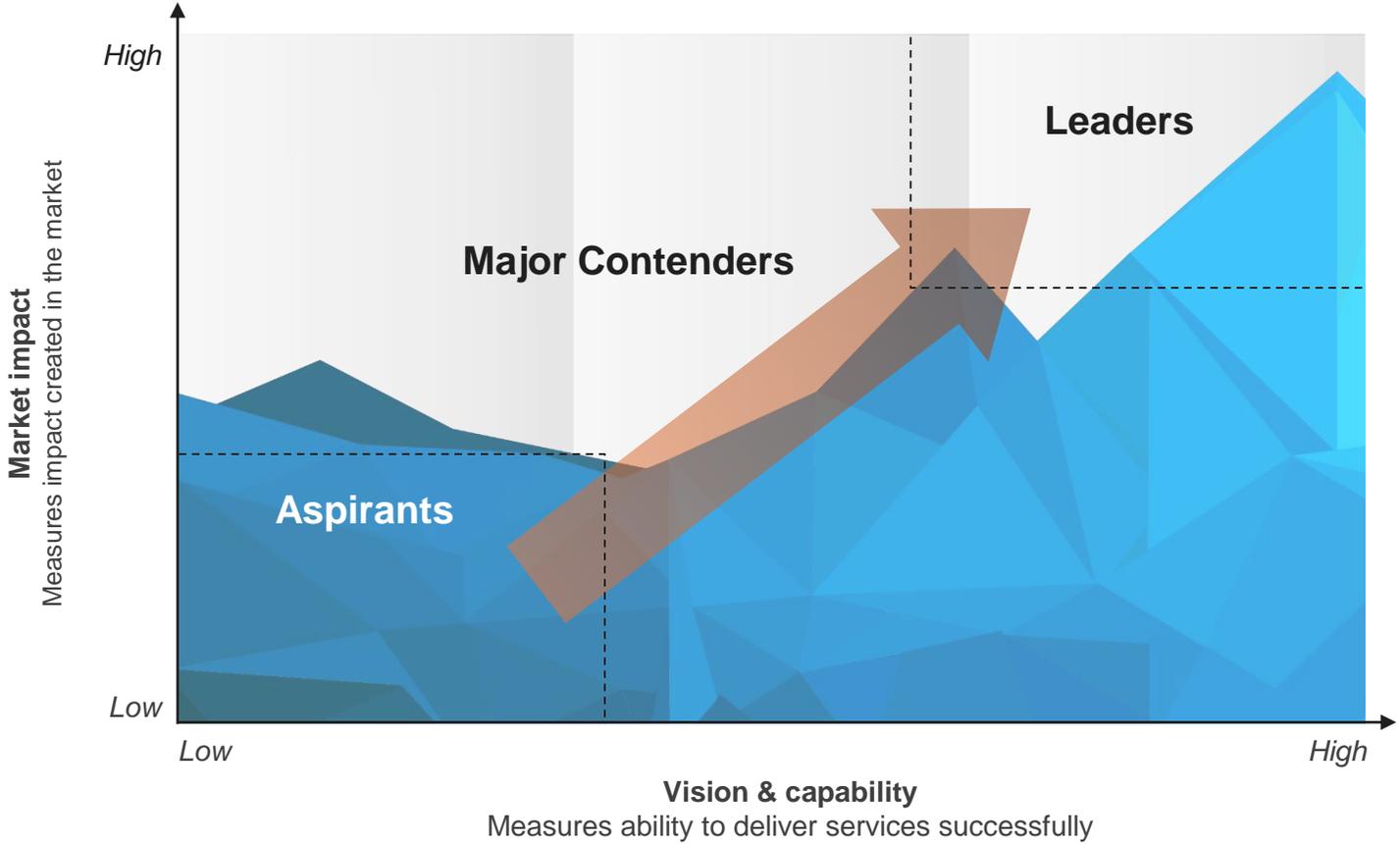
- Provide a mix of onshore and offshore capabilities to improve client communication and stay price-competitive
- Build focus on manufacturing and supply chain, given the rise in opportunities from COVID-19 and new regulatory requirements
- Expand its geographic presence across the UK and European countries, given that EU MDR/IVDR is a driver for digital adoption

Appendix

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



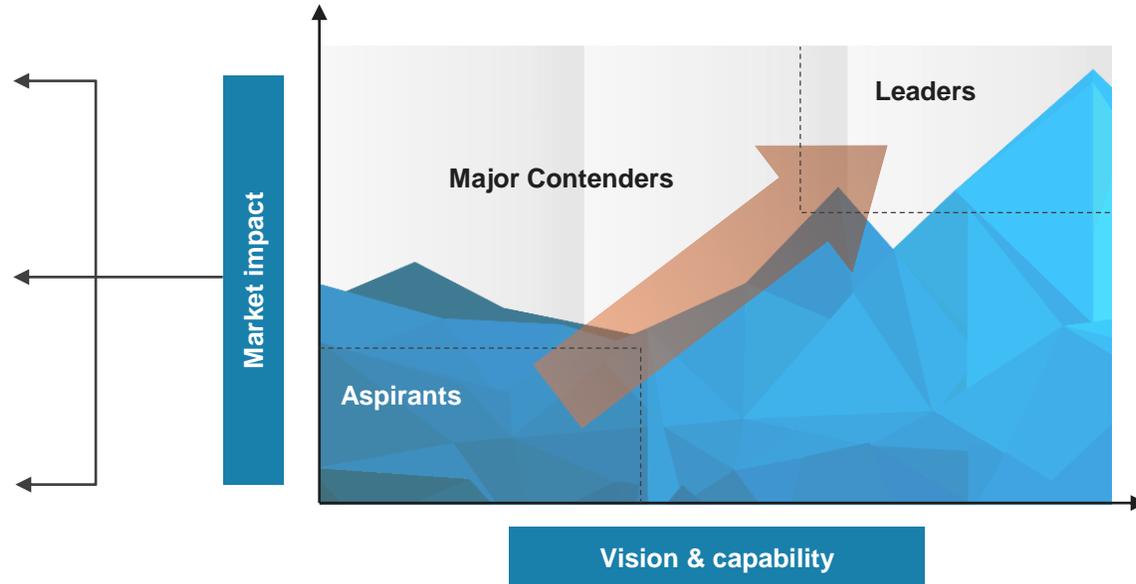
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
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

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.

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