ISG Provider Lens®

AI-Driven ADM Services

Application Quality Assurance

Evaluating application service providers' AI-enabled offerings, capabilities and services

Customized report courtesy of:

cognizant

QUADRANT REPORT | OCTOBER 2025 | EUROPE

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ADM begins its co-intelligence phase, with hybrid teams of human engineers and GenAI agents

Over the past year, European application services, spanning development outsourcing (ADM), management services (AMS) and quality assurance (QA), have transformed rapidly. Generative AI (GenAI) has evolved from experimentation to a foundational enabler of service delivery, integrating deeper into software life cycles and addressing client demands, cost pressures, intensified security priorities and legacy modernization efforts.

GenAI as the new core of ADM

GenAI is now embedded in every stage of application delivery, automating code generation, test orchestration, release monitoring and resilience modeling. Forecasts indicate that Europe's AI spending will reach $144 billion by 2028, with GenAI accounting for one-third of that total. Organizations across sectors are building internal AI pipelines, training staff on large language model (LLM) orchestration and spinning up domain-specific GenAI agents. The EU's AI Act and voluntary Code of Practice, effective August 2025, will shape AI function delivery with compliance and transparency.

Europe's compliance landscape mandates that AI deployments meet GDPR, the AI Act and sectoral regulatory standards. Many clients opt for sovereign or hybrid cloud models to comply with data residency and transparency requirements. Concurrently, GenAI is leveraged for real-time threat detection, policy enforcement and self-healing operations, making security integral to transformation.

Economic pressures are prompting clients to seek short- and long-term value from AI-driven solutions. While R&D and enablement require upfront investment, automated workflows and intelligent orchestration promise 30 percent to 50 percent efficiency gains in development and operations. Providers now offer outcome-based modular contracts that enable clients to scale transformation and manage costs incrementally.

GenAI has matured into an ADM centerpiece, **reshaping service delivery** across all tiers.

Organizations use GenAI for targeted code modernization rather than entirely replacing high-value legacy systems. GenAI assists in translating legacy codebases, generating test scripts and automating documentation for refactoring projects. According to ISG, legacy systems will remain central to enterprise technology stacks for years, a trend reinforced by cloud migration complexity and compliance needs.

Improvement in Agile and DevSecOps maturity is evident across industries. GenAI-powered QA frameworks now deliver self-healing test pipelines, while AIOps-driven AMS approaches expedite incident triage and automated resolution. Clients increasingly demand integrated, end-to-end lifecycle delivery, embedded with intelligence instead of siloed functional teams.

GenAI development

GenAI has progressed in Europe from novelty to a central role, reshaping service delivery across all tiers.

LLMs such as GPT4, Claude and Gemini are adapted to European contexts through language fine-tuning, data residency controls and sector-specific guardrails. Organizations are developing AI pipelines that ingest enterprise artefacts (code, specifications, logs and test cases) to create delivery-ready AI assets such as autonomous code assistants, test scenario suggesters and remediation agents. Clients can now codesign transformation plays that include **GenAI adoption paths,** with advisory-led change frameworks, readiness maturity assessments and iterative rollouts designed for regulatory alignment.

European governments are accelerating investments in sovereign AI infrastructure. Germany plans GenAI gigafactories powered by EU and national funding, weighing into the AI Act ecosystem. The AI Refinery initiative by Accenture and NVIDIA is an example of industrializing secure GenAI across Europe. Meanwhile, the EU's GenAI4EU and InvestAI programs promote open-source models and startup-centered capabilities.

At the enterprise level, use cases have moved beyond code generation. GenAI is now used for continuous code review, predictive observability, compliance mapping and business-level QA validation. Agents collaboratively support engineering teams, expected to develop into co-owners of service delivery. Clients increasingly require full provenance in AI decision-making and the ability to modify, tune or revoke AI behaviors, especially in regulated industries such as healthcare, finance and energy.

Overall, GenAI has matured into a core delivery philosophy, transitioning from a feature to an operational imperative shaping architecture, team structures, commercial models and governance.

GenAI in ADM: integration, limitations and future outlook

The application development and management (ADM) market is fundamentally transforming, with GenAI evolving from a promising innovation into a core service delivery pillar. Over the past 12-18 months, service providers have shifted from experimenting with GenAI to embedding it in execution, operationalizing AI across the software lifecycle. Initially isolated use cases in code generation and testing have expanded into a delivery model where GenAI coexists with engineering talent, automation platforms and domain-specific workflows.

Providers are integrating GenAI into their offerings through structured, multilayered strategies. Most models involve embedding GenAI assistants or agents in distinct roles across the software lifecycle as developers, testers and site reliability engineers (SREs), and product owners are now augmented by AI agents capable of supporting or partially executing daily tasks.

In application development, GenAI aids in code scaffolding, documentation synthesis, legacy refactoring, architecture suggestions and technical debt analysis. In AMS, GenAI supports predictive incident resolution, system diagnostics, auto-remediation and SLA enforcement. In QA, GenAI automates test design, expands test coverage, simulates edge cases and evaluates risk. Increasingly, GenAI agents are trained on enterprise-specific artifacts, from source code and process maps to compliance libraries and telemetry logs, making their recommendations context-aware and directly actionable.

Some providers are building centralized AI cores or digital brains to manage knowledge reuse across projects, helping teams reduce ramp-up time, eliminate redundancies and sustain institutional knowledge. Others focus on modularity, offering clients configurable AI plugins or API-based agents that can be integrated into existing pipelines with minimal disruption.

Despite these gains, GenAI's integration into ADM remains uneven. A major limitation is context fidelity — while GenAI can generate convincing outputs, it often lacks the precision needed for high-stakes decision-making in regulated industries. Its outputs still require human review, particularly for security, architecture integrity and business-critical logic.

Data governance and regulatory compliance present additional challenges. In regions such as Europe, strict regulations under GDPR and the EU AI Act require transparency, auditability and role-based access controls, which are conditions that not all GenAI deployments can meet. Additionally, many enterprise clients struggle to align GenAI adoption with their existing DevOps toolchains, especially in legacy environments not designed for modular or AI-native workflows.

Skill gaps also persist. Although GenAI tools are straightforward to trial, few organizations possess the trained talent required to scale and govern them effectively. This is further complicated by a lack of standard KPIs and reference architectures for evaluating GenAI-enabled delivery. Many providers and clients still determine how to define value beyond simple productivity metrics.

ISG's 24-month projection for the ADM market

The ADM market will likely enter a co-intelligence phase, where delivery models will intentionally integrate hybrid teams of human engineers and GenAI agents. Providers will deliver GenAI-infused services while redesigning governance, contracts and organizational structures to accommodate AI participation.

Three key developments are expected to dominate:

- **Maturity of agentic delivery models:** Providers will staff ADM teams with GenAI agents assigned to impact analysis or compliance validation roles, working alongside engineers within feedback loops and learning pipelines.
- **Standardization of outcome-linked GenAI services:** ADM services will be benchmarked against business KPIs, such as faster time to value, higher CX ratings or reduced audit findings, enabled by GenAI support instead of merely measuring productivity gains.
- **Increased ecosystem convergence:** ADM providers will deepen partnerships with LLM vendors, cloud providers and sovereign data platforms to offer compliant, scalable and modular AI platforms tailored to local markets, particularly in Europe.

Clients will simultaneously grow more selective, prioritizing providers capable of delivering GenAI-enhanced services and those that govern, adapt and explain them. Once defined by process maturity, the ADM market will increasingly be evaluated through the lenses of intelligence integration and operational transparency. In this context, GenAI is not merely a differentiator; its responsible, effective and contextual usage will be crucial.

European market dynamics

- **Regulatory alignment:** The introduction of the AI Act and IV Code of Practice has shifted provider delivery models toward built-in compliance. Whitelabel AI cannot cross borders without explicit, auditable governance.
- **Sector mandates:** Europe's public sector, automotive and telecommunications verticals now operate under sovereign cloud and multilanguage service requirements. Providers must demonstrate deep local understanding and ecosystem partnerships to compete.
- **Sustainable AI:** Rising energy costs and carbon mandates prompt clients to expect providers to deliver energy-conscious AI models, ideally using hybrid architectures with ESG metrics and carbon-efficient design.

- **Talent resilience:** Europe lags behind the U.S. in AI investment and talent, prompting joint public-private initiatives and reskilling platforms, often offered through provider-led academies.
- **Ecosystem shifts:** Providers now regularly collaborate with model vendors, local HPC hubs and regional research labs, which is a sign of evolving delivery ecosystems rather than a solo market approach.

Provider landscape dynamics

Market positions have shifted as providers gain AI-capable momentum. Accenture and Capgemini sustain leadership through extensive GenAI platforms, compliant delivery models and robust local presence. TCS, IBM, Atos Group and Deloitte have reclaimed or strengthened their leadership by fusing GenAI with compliance-aware operations. T-Systems has achieved leadership in Europe, particularly through sovereign cloud deliverables supported by GenAI, while NTT DATA advances as a Rising Star, deploying AI maturity frameworks across DACH and Southern Europe.

In Europe, GDPR and the EU AI Act enforce strict rules mandating transparency, auditability and role-based access controls. European verticals now operate under sovereign cloud and multilanguage service requirements. Providers must demonstrate deep local understanding and ecosystem partnerships to remain competitive.

Provider Positioning

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	Application Development Outsourcing	Application Managed Services	Application Quality Assurance
Accenture	Leader	Leader	Leader
Atos	Leader	Leader	Not In
Birlasoft	Contender	Contender	Not In
Capgemini	Leader	Leader	Leader
Coforge	Not In	Contender	Contender
Cognizant	Leader	Leader	Leader
Datamatics	Not In	Not In	Contender
Deloitte	Leader	Product Challenger	Leader
DXC Technology	Leader	Leader	Leader

Provider Positioning

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	Application Development Outsourcing	Application Managed Services	Application Quality Assurance
EPAM Systems	Not In	Contender	Not In
Fujitsu	Product Challenger	Product Challenger	Contender
HCLTech	Leader	Leader	Leader
Hexaware	Product Challenger	Product Challenger	Contender
Hitachi Digital Services	Contender	Not In	Not In
IBM	Product Challenger	Leader	Leader
Infosys	Leader	Leader	Leader
ITC Infotech	Not In	Contender	Not In
Kyndryl	Product Challenger	Product Challenger	Product Challenger

Provider Positioning

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	Application Development Outsourcing	Application Managed Services	Application Quality Assurance
LTIMindtree	Contender	Product Challenger	Product Challenger
NTT DATA	Rising Star ★	Rising Star ★	Product Challenger
Persistent Systems	Contender	Contender	Not In
Softtek	Not In	Contender	Not In
Sopra Steria	Not In	Contender	Contender
Stefanini	Product Challenger	Contender	Not In
TCS	Leader	Leader	Product Challenger
Tech Mahindra	Product Challenger	Market Challenger	Not In
TestingXperts	Not In	Not In	Product Challenger

Provider Positioning

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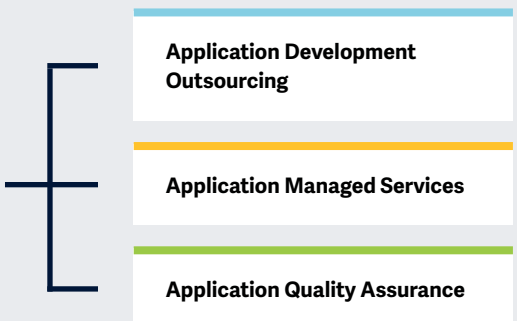
	Application Development Outsourcing	Application Managed Services	Application Quality Assurance
T-Systems	Leader	Leader	Product Challenger
Unisys	Not In	Contender	Not In
UST	Contender	Contender	Not In
Virtusa	Contender	Not In	Not In
Vivicta	Product Challenger	Product Challenger	Product Challenger
Wipro	Leader	Leader	Leader

The study covers providers' key **AI-enabled capabilities** across application development, managed services and quality assurance or testing.



Simplified Illustration Source: ISG 2025

Definition

The application services outsourcing market is undergoing significant transformations as enterprises increasingly prioritize deriving strategic value from outsourcing partnerships. Central to this shift is the widespread integration of AI, including generative AI (GenAI) and intelligent agents, across the entire SDLC to optimize efficiency and foster innovation.

Providers are rapidly developing capabilities leveraging these advanced technologies to deliver measurable business outcomes for their clients. Enterprises are seeking outsourcing partners with specialized skills capable of deploying AI-driven solutions to streamline crucial activities such as requirements analysis, design and coding. AI-enhanced tools inform feature prioritization through historical data and user insights, while ML algorithms recommend optimal design decisions based on previous project patterns.

AI-enabled testing and QA solutions significantly enhance software reliability through intelligent test case generation and predictive quality assurance practices. As organizations emphasize data security and compliance, outsourcing decisions depend on a provider's ability to implement robust security frameworks and manage risks.

This ISG Provider Lens® study highlights service providers with advanced capabilities and a proactive approach to integrating advanced AI technologies within their ADM services. Providers participating in this research will gain valuable insights into market expectations and opportunities to showcase their unique strengths in a rapidly evolving landscape.

Scope of the Report

This ISG Provider Lens® quadrant report covers the following three quadrants for services: Application Development Outsourcing, Application Managed Services and Application Quality Assurance.

This ISG Provider Lens® study offers IT decision-makers:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments (quadrants) based on their competitive strengths and portfolio attractiveness
- Focus on the regional market

Our study serves as the basis for important decision-making by covering providers' positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing vendor relationships and potential engagements.

Provider Classifications

The provider position reflects the suitability of providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the service requirements from enterprise customers differ and the spectrum of providers operating in the local market is sufficiently wide, a further differentiation of the providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between $20 million and $999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above $1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens® quadrants are created using an evaluation matrix containing four segments (Leader, Product & Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens® quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

- **Number of providers in each quadrant:** ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).

Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/ services and a follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

Application Quality Assurance

Who Should Read This Section

This report is valuable for providers offering application quality assurance services in Europe to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers based on the depth of their service offerings and market presence.

Chief technology officers

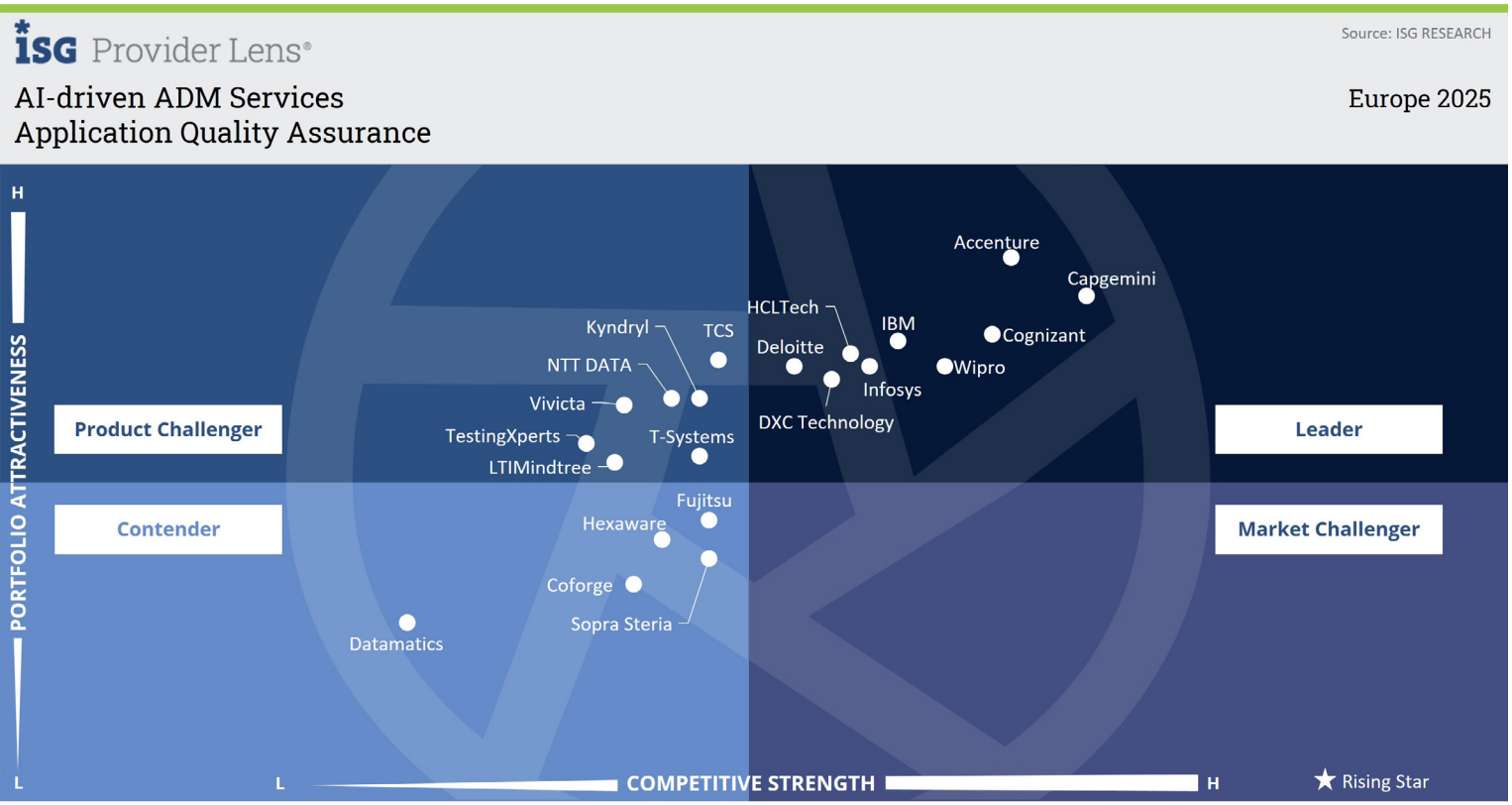
should read this report to understand how other providers are integrating AI-driven predictive analytics and GenAI testing to enhance application quality across client portfolios. They can facilitate the development of methodologies for business process optimization and project planning that align with client needs. They can also assist enterprises in driving the adoption of quality frameworks and training programs to improve their software engineering capabilities.

Operations professionals

should read this report to understand how providers manage the operational execution of QA services. They can learn how other providers are utilizing AI and GenAI tools to monitor application performance and optimize business processes. The report underscores the importance of ensuring high-quality deliverables that enhance operational efficiency and stakeholder value while providing business benefits such as cost savings and enhanced productivity and client trust.

IT professionals

should read this report to design and implement QA services, utilizing conventional and AI-driven testing strategies to identify bugs, enhance code quality and ensure infrastructure resiliency. They can support clients with tailored processes and digital testing across diverse applications, delivering business benefits such as reduced downtime, improved product reliability and rapid market delivery.



This quadrant evaluates **application quality assurance** service providers that meet the **growing quality demand** by integrating strategic **quality and security** measurements with technology-based execution and **automated, intelligent** and continuous testing techniques.

Oliver Nickels

Definition

This quadrant evaluates service providers offering QA services encompassing assessments, design, implementation and managed services. Deliverables include methodologies for business process optimization, effort estimation, project planning, documentation, sprint execution timelines and completion criteria. The services utilize conventional and GenAI-driven testing strategies, along with AI-driven predictive analytics, to identify bugs or defects and determine the level of business process optimization achieved. Providers tailor processes to ensure high quality across clients' application portfolios and use quality frameworks to enhance application code quality, infrastructure resiliency, digital testing and security. QA services also incorporate training to help clients improve their software engineering capabilities. This quadrant assesses how providers utilize production logs for actionable insights and integrate AI and ML tools in application performance management to monitor data and predict new applications' quality.

Eligibility Criteria

1. **Centralized QA** unit that sets quality standards for clients' projects
2. Comprehensive technical **QA framework,** which includes planning, implementation, monitoring, review and improvements
3. **QA methods for AI applications** integrated within the larger IT landscape
4. **Consulting team** focused on analyzing business demands and securing development and delivery according to business requirements
5. **Technology for analytics** over logs and AI implementation for continuous improvement in results
6. **Differentiation with proprietary tools,** leveraging vendor partnerships for quality monitoring, application performance and testing tools
7. **Training and education programs** for developers, testers and operators to develop a quality excellence mindset and ensure that the overall product or service meets the desired quality

Observations

The European QA market is evolving, shaped by the rising complexity in digital ecosystems, increasing velocity in software delivery and growing expectations for compliance, security and CX. Providers are embedding QA deeper into Agile, DevSecOps and product lifecycle frameworks, shifting quality from a downstream activity to a continuous, business-aligned discipline.

GenAI and automation now act as accelerators for QA transformation rather than standalone innovations. Providers are shifting from script automation to intelligent test orchestration, where GenAI enables scenario expansion, test case generation and coverage analytics. This AI-led approach reduces effort, improves test completeness and allows test teams to shift-left while maintaining traceability and risk control across highly distributed delivery models.

The role of QA is also expanding into new frontiers: GenAI validation, LLM output assurance, infrastructure testing and cybersecurity testing are now critical elements of modern quality strategies.

Providers are enabling early detection of AI hallucinations, compliance gaps and performance bottlenecks.

Capgemini demonstrates strong competitive strength through its ability to scale quality services across complex European environments. Accenture enhances its portfolio with a GenAI-first quality strategy embedded into its broader engineering transformation approach. Deloitte emerges as a Leader this year, supported by its structured GenAI testing frameworks, domain-aligned QA assistants and increasing traction across regulated sectors.

From the 127 companies assessed for this study, 22 qualified for this quadrant, with nine being Leaders.

accenture

Accenture applies GenAI-driven quality engineering, industry-specific digital assistants and risk-based observability to expand test coverage, automate validation and reduce defect risks in complex technology estates.

Capgemini

Capgemini delivers quality assurance (QA) through GenAI-powered engineering, centralized innovation hubs and compliance-driven frameworks. Its structured methodologies and industry-specific testing strategies enable scalable, consistent QA aligned with business outcomes and regulatory needs.

cognizant

Cognizant's delivers QA services using AI-enabled platforms, compliance-driven frameworks and predictive analytics. Its approach combines automated quality engineering (QE) with domain-specific validation, supporting transparent, efficient and scalable testing across complex, regulated industries.

Deloitte.

Deloitte combines GenAI-driven testing, large language model (LLM) validation and industry-specific QA frameworks to deliver risk-aware QA. Its AI Assist platform, role-based agents and regional CoEs support continuous, scalable testing for clients in regulated and complex environments.

DXC TECHNOLOGY

DXC Technology delivers AI-driven quality engineering through self-healing test automation, cognitive QA bots and compliance-integrated governance. Its industry-aligned delivery frameworks support continuous quality improvement and regulatory traceability in complex, high-volume IT environments.

HCLTech

HCLTech delivers AI-enabled QA through a combined QA+QE model, structured governance and industry-specific test accelerators. Its GenAI-based analytics and continuous validation frameworks support efficient, transparent testing across complex, regulated environments.

IBM

IBM delivers AI-driven QA using cognitive automation, security-integrated validation and data-led test optimization. Its role-based QA assistants and risk-based analytics support scalable, traceable QA for clients in highly regulated and compliance-focused industries.

Infosys

Infosys offers AI-driven quality assurance services with end-to-end test automation, predictive analytics, and domain-specific validation. Its scalable model supports continuous testing, compliance alignment, and seamless integration across DevSecOps pipelines.

Wipro

Wipro delivers application quality assurance through an AI-powered, modular model that combines risk-based testing, security-aligned validation and incremental automation. Its flexible approach supports rapid, compliant QA across both cloud-native and enterprise-scale applications.

Leader

"With its Neuro® AI platform, compliant testing frameworks, AI-driven test automation and predictive defect analytics, Cognizant delivers scalable and transparent QA across complex application environments."

Oliver Nickels

Cognizant

Overview

Cognizant is headquartered in New Jersey, U.S. It has more than 336,800 employees across over 50 countries. In FY24, the company generated $19.7 billion in revenue, with Health Sciences and financial Services as its largest segments. Cognizant has a strong ADM presence in Europe, delivering AI-infused application development services by combining regional scale, vertical expertise and platform innovation. The company provides GenAI-powered testing automation, AI-driven defect prediction and domain-specific QA services that are supported by mature governance frameworks and compliant toolchains, ensuring consistent quality across regulated and multicloud environments.

Strengths

AI-enabled quality engineering: Cognizant uses its Neuro® AI and Flowsource™ platforms to embed GenAI across test case generation, synthetic data creation and defect analysis. This platform-based approach automates test design and execution, integrating with CI/CD pipelines to create continuous feedback loops. Cognizant Skygrade™ provides a one stop QA solution for cloud-native transformation.

Compliance-focused, domain-specific QA: Cognizant adapts the delivery of QA to industry-specific regulations, particularly in healthcare, banking and manufacturing. Cognizant integrates compliance frameworks such as GDPR and ISO 9001 into its testing strategy, supporting audits and risk management. This approach helps clients achieve regulatory alignment without compromising testing agility.

Predictive analytics for early defect detection: Cognizant applies AI-powered analytics for root cause analysis, anomaly clustering and defect prioritization. Real-time dashboards highlight regression risks and predict quality failures before release as proactive quality management.

QA integration with DevSecOps Pipelines: Cognizant's QA services are embedded within DevSecOps workflows, automating security and performance testing alongside functional validation. Clients benefit from integrated reporting, continuous quality validation and minimized QA-related bottlenecks, ensuring Agile releases.

Caution

While modern, Cognizant's QA services may need close alignment with legacy-rich transformation journeys in Europe. Clients should assess how the company's AI-enhanced, domain-specific QA models integrate with legacy-heavy environments, ensuring sufficient traceability and testing transparency during modernization.

Appendix

The ISG Provider Lens® 2025 – AI-driven ADM Services study analyzes the relevant software vendors/service providers in the Europe market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

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The research and analysis presented in this report includes research from the ISG Provider Lens® program, ongoing ISG Research programs, interviews with ISG advisors, briefings with service providers and analysis of publicly available market information from multiple sources. The data collected for this report represent information that ISG believes to be current as of October 2025 for providers that actively participated and for providers that did not. ISG recognizes that many mergers and acquisitions may have occurred since then, but this report does not reflect these changes.

All revenue references are in U.S. dollars ($) unless noted otherwise.

The study was conducted in the following steps:

1. Definition of AI-driven ADM Services market
2. Use of questionnaire-based surveys of service providers/ vendors across all trend topics
3. Interactive discussions with service providers/vendors on capabilities and use cases
4. Leverage ISG's internal databases and advisor knowledge and experience (wherever applicable)
5. Detailed analysis and evaluation of services and service documentation based on the facts and figures received from providers and other sources.
6. Use of the following main evaluation criteria:
   * Strategy and vision
   * Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * Technology advancements

Lead Author

Oliver Nickels

Principal Analyst and Executive Advisor

Oliver Nickels has in-depth technical and business knowledge and more than 25 years of experience as management consultant, IT-analyst, marketing manager, and start-up entrepreneur to contribute to ISG customer projects. His focus areas are Organizational Change through digital & AI-based technologies, AI-driven ADM, Mainframe Modernization and the Digital Customer Journey.

Oliver works as free-lance consultant to help ISG customers with all issues related to the digital customer journey and digital marketing. Before, Oliver worked many years in various national and international roles for a leading global IT company, in his last position as digital marketing manager with responsibility for the digital customer communications of a business unit and as advisor for the management board.

Oliver holds a degree in computer sciences of the University of Bremen.

Research Analyst

Vartika Rai

Senior Research Analyst

Vartika Rai is a senior research analyst at ISG and is responsible for supporting and co-authoring Provider Lens® studies on AI-driven ADM Services and the SAP Ecosystem. She has also co-authored the Analytics Services Study. She supports the lead analysts in the research process and authors the global summary report. Vartika also develops content from an enterprise perspective and collaborates with advisors and enterprise clients on ad-hoc research assignments. Vartika started her current role in June 2022. Before this role, she worked on secondary research, competitive intelligence, market trends, and newsletter analysis.

Study Sponsor

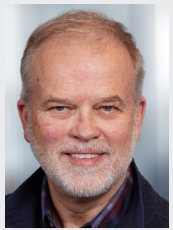
Heiko Henkes

Director & Principal Analyst, Global IPL Content Lead

Heiko Henkes serves as Managing Director and Principal Analyst at ISG, where he oversees the Global ISG Provider Lens® (IPL) Program for all IT Outsourcing (ITO) studies alongside his pivotal role in the global IPL division as strategic program manager and thought leader for IPL Lead Analysts. Additionally, Henkes heads the Star of Excellence, ISG's global customer experience initiative, steering program design and its integration with IPL and ISG's sourcing practice.

His expertise lies in guiding companies through IT-based business model transformations, leveraging his deep understanding of continuous transformation, IT competencies, sustainable business strategies, and change management in a Cloud-AI-driven business landscape. Henkes is renowned for his contributions as a keynote speaker on digital innovation, where he shares insights on leveraging technology for business growth and transformation.

IPL Product Owner



Jan Erik Aase

Partner and Global Head – ISG Provider Lens®/ISG Research

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes;. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry.

Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor. Now as a partner and global head of ISG Provider Lens®, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

ISG Provider Lens®

The ISG Provider Lens® Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners. ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens® research, please visit this webpage.

ISG Research™

ISG Research™ provides subscription research, advisory consulting and executive event services focused on market trends and disruptive technologies driving change in business computing. ISG Research™ delivers guidance that helps businesses accelerate growth and create more value.

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ISG

ISG (Nasdaq: III) is a global AI-centered technology research and advisory firm. A trusted partner to more than 900 clients, including 75 of the world's top 100 enterprises, ISG is a long-time leader in technology and business services sourcing that is now at the forefront of leveraging AI to help organizations achieve operational excellence and faster growth.

The firm, founded in 2006, is known for its proprietary market data, in-depth knowledge of provider ecosystems, and the expertise of its 1,600 professionals worldwide working together to help clients maximize the value of their technology investments.

For more information, visit isg-one.com.

ISG Provider Lens®

OCTOBER, 2025

REPORT: AI-DRIVEN ADM SERVICES