# Everest Group®

# Everest Group Open Banking IT Services PEAK Matrix® Assessment 2024

Focus on Cognizant

July 2024

PEAK MATRIX®

# Introduction

The open banking landscape is rapidly evolving, driven by regulatory mandates, technological advances, and changing consumer expectations. Financial institutions are investing in open banking solutions to enhance customer experiences, foster innovation, and stay competitive. This transformation is fueled by the need for improved data security, regulatory compliance, and personalized financial services.

Service providers are playing a crucial role in this evolution, offering API management, microservices architecture, data integration, and security frameworks. These technologies enable banks to provide seamless and secure customer experiences, foster innovation through FinTech partnerships, and create new revenue streams. The global open banking market is particularly active in Europe, APAC, and LATAM, with significant growth in the US.

Providers are focusing on API-driven ecosystems for real-time third-party connections, enhancing operational efficiencies and customer flexibility. As open banking matures, the emphasis is shifting to data monetization, advanced analytics for risk and compliance, and embedded finance opportunities.

In the research, we present an assessment of 31 leading providers featured in the Open Banking IT Services PEAK Matrix® Assessment 2024. Each provider has been evaluated based on their service focus, key solutions, domain investments, practice growth, partnerships, client feedback, and case studies. This assessment is grounded in Everest Group's annual RFI process for the calendar year 2024, interactions with leading IT service providers, client reference checks, and an ongoing analysis of the open banking IT services market.

**The full report includes profiles of the following 31 leading open banking IT services providers featured on the Open Banking IT Services PEAK Matrix:**

- **Leaders:** Accenture, Capgemini, Cognizant, Deloitte, HCLTech, IBM, Infosys, NTT DATA, TCS, and Wipro

- **Major Contenders:** Apexon, Birlasoft, Brillio, DXC Technology, EY, Hitachi Digital Services, Kyndryl, LTIMindtree, Maveric Systems, Mphasis, Ness Digital Engineering, Persistent Systems, Sopra Banking Software, Tech Mahindra, Virtusa, and Zensar

- **Aspirants:** Aspire Systems, Infinite Computer Solutions, IT Smart Systems, Nous Infosystems, and Xoriant

## Scope of this report

**Geography:** Global

**Industry:** Market activity and investments of 31 leading IT services providers

**Services:** Open banking IT services

# Open banking IT services PEAK Matrix® characteristics

## Leaders

Accenture, Capgemini, Cognizant, Deloitte, HCLTech, IBM, Infosys, NTT DATA, TCS, and Wipro

- Leaders are actively collaborating with regulatory bodies globally to shape the open banking agenda and ensure compliance with evolving standards

- These providers offer a broad range of services, extending beyond traditional banking and payments to encompass wealth management, capital markets, and innovative use cases in financial services

- Leaders such as Infosys have invested in proprietary open banking platforms that include out-of-the-box solutions such as sandbox environments and API marketplaces

- Acquisitions, such as Wipro's purchase of Capco and partnership with Plaid, enhance capabilities and drive market momentum

## Major Contenders

Apexon, Birlasoft, Brillio, DXC Technology, EY, Hitachi Digital Services, Kyndryl, LTIMindtree, Maveric Systems, Mphasis, Ness Digital Engineering, Persistent Systems, Sopra Banking Software, Tech Mahindra, Virtusa, and Zensar

- Major Contenders are enhancing their offerings to include comprehensive open banking services, leveraging accelerators and frameworks for faster deployment

- Providers such as Brillio have developed in-house tools and frameworks, such as its open banking playbook, which include solutions such as API management, sandbox environments, and consent management modules

- Partnerships with leading FinTechs and technology providers are a key strategy for the Major Contenders to expand their capabilities and market reach

- Significant investments are made in training programs and certifications to build expertise in open banking technologies and methodologies

## Aspirants

Aspire Systems, Infinite Computer Solutions, IT Smart Systems, Nous Infosystems, and Xoriant
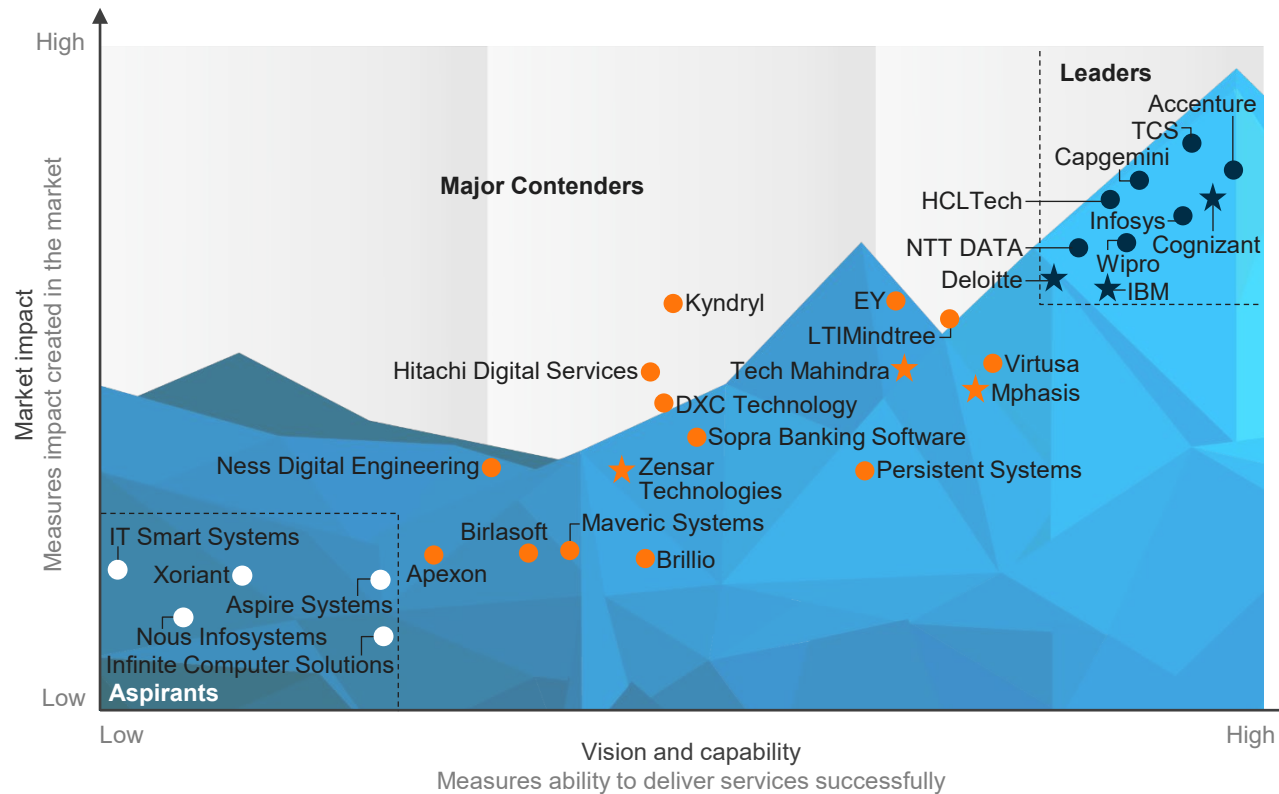
- Aspirants are building niche capabilities focused on digitization and core modernization to offer competitive open banking solutions

- Investment in developing unique solutions and frameworks tailored for specific market needs is a priority for Aspirants

- They lay emphasis on continuous development programs and certifications to enhance the skills and knowledge of their workforce, ensuring readiness for open banking implementations

# Everest Group PEAK Matrix®

Open Banking IT Services PEAK Matrix® Assessment 2024 | Cognizant is positioned as a Leader and a Star Performer

**Everest Group Open Banking IT Services PEAK Matrix® Assessment 2024[1]**

- ● Leaders
- ● Major Contenders
- ○ Aspirants
- ☆ Star Performers



Major Contenders

Leaders

Market impact
Measures impact created in the market

High

Accenture
TCS
Capgemini
HCLTech
Infosys
NTT DATA
Cognizant
Deloitte
Wipro
IBM

Kyndryl
EY
LTIMindtree
Hitachi Digital Services
Tech Mahindra
Virtusa
DXC Technology
Mphasis
Sopra Banking Software
Ness Digital Engineering
Zensar Technologies
Persistent Systems

IT Smart Systems
Xoriant
Birlasoft
Maveric Systems
Apexon
Aspire Systems
Brillio
Nous Infosystems
Infinite Computer Solutions

Aspirants

Low

Low                    Vision and capability                    High
Measures ability to deliver services successfully

1 Assessments for Aspire Systems, Deloitte, DXC Technology, and EY exclude service provider inputs on this study and are 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 these companies, Everest Group's data for assessment may be less complete The source of all content is Everest Group unless otherwise specified
Source: Everest Group (2024)

# Cognizant profile (page 1 of 4)
## Overview

**Open banking IT services vision**

The company envisions advancing product innovation and market growth through open banking, improving CX, and developing financial ecosystems. It aims to integrate financial services with sectors such as healthcare, education, and retail, using advanced APIs and integration platforms for a seamless digital experience. It provides comprehensive IT and consulting services to support clients from exploration to implementation in open banking.

**Overall revenue (CY 2023)**

| <US$200 million | US$200-500 million | US$500 million-US$1 billion | >US$1 billion |
|---|---|---|---|
| | **US$200-500 million** | | |

**Number of active clients (CY 2023)**

| <25 | 25-100 | 100-150 | >150 |
|---|---|---|---|
| | | **100-150** | |

**Open banking IT services revenue mix** (CY 2023)

● N/A (0%)   ● Low (1-20%)   ● Medium (20-40%)   ● High (>40%)

**Revenue by services scope (CY 2023)**

| ● API management and development | ● Consulting and roadmap | ● Data integration and management |
|---|---|---|
| ● Micro-services architecture design and development | ● Platform implementation and support | ● Security and compliance |

**Revenue by geography (CY 2023)**

| ● North America | ● United Kingdom | ● Europe |
|---|---|---|
| ● Asia Pacific | ● Latin America | ● Middle East and Africa |

**Revenue by buyer size (CY 2023)**

| ● Small (annual client revenue <US$5 billion) | ● Medium (annual client revenue US$5-10 billion) | ● Large (annual client revenue US$10-20 billion) |
|---|---|---|
| ● Very large (annual client revenue >US$20 billion) | | |

# Cognizant profile (page 2 of 4)

## Offerings

Proprietary IP/solutions/frameworks/accelerators/tools built to deliver open banking IT services to BFS enterprises

| Name | Details |
| --- | --- |
| Cognizant Flowsource | It is a platform for managing the software development life cycle to support next-generation engineering by providing a unified developer experience. |
| Cognizant Skygrade | It assesses legacy environments and runs multi-cloud setups, thereby optimizing application modernization. This holistic solution covers the entire cloud-native journey, from building the cloud estate and modernizing applications to managing and optimizing cloud spend. |
| Cognizant Neuro AI | It is designed to provide enterprises with a comprehensive approach to accelerate the adoption of gen AI technology. It also leverages Cognizant's consulting, advisory, ecosystem partnership, digital studios, solutioning, and delivery capabilities, in conjunction with industry expertise. |
| Cognizant Neuro IT Operations | It monitors technology environments in real time, addressing issues before it impact users. It is part of the Neuro suite, alongside Neuro Business Processes. |
| Cognizant Neuro Business Processes | It organizes talent, new work methods, domain expertise, and technology intelligently and comprehensively, forming an automation fabric known as Cognizant Neuro Business Processes. |

# Cognizant profile (page 2 of 4)
## Offerings

Key investments in partnerships/alliances/talent/certifications/CoEs/ M&As/JVs, etc., to deliver open banking IT services to BFS enterprises

| Name | Type of investment (year) | Details |
|---|---|---|
| Stripe | Partnership (ongoing) | As a strategic partner of Stripe since 2022, they have worked together closely in the financial sector, generating thought leadership and white papers. Cognizant has active engagements providing implementation and architecture design in the financial sector. It has a growing number of certified architects and developers, working specifically in the financial sector. |
| AWS | Partnership (ongoing) | • Cloud consulting services; cloud operate, platform, data, application modernization offerings<br>• Delivered comprehensive training on business, consumption layers, enablement services, and cloud through partnerships with key providers such as AWS and other partners. It also offered associates access to certifications, vouchers, and real-time upskilling tailored to their roles and preferences |
| Apigee (GCP) | Partnership (ongoing) | It has a strong partnership with Apigee for enterprise and ecosystem API management and has made investments to build multiple accelerators and offerings:<br>• Migration accelerators<br>• Integration and Process Management practice offers a range of technology specializations in API management and cloud-native integration using Google Cloud for banking clients |
| Contino | Acquisition | It acquired Contino, one of the world's leading enterprise DevOps, cloud, and data transformation consultancies, having developed its own unique approach to driving genuine digital transformation in highly regulated industries. |

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# Cognizant profile (page 3 of 4)
## Case studies

[ N O T  E X H A U S T I V E ]

### CASE STUDY 1
Implemented open banking, enabling Banking-as-a-Service (BaaS) with PSD2 compliance for the client

**Business challenge**
The client wanted to start an open banking initiative to offer BaaS. This required integrating BaaS products with client businesses and third-party products using APIs.

**Solution**
- Delivered backend and frontend services using an onsite and nearshore model
- Enabled end-to-end design and implementation, which led to end-to-end design and implementation of open banking capabilities by leveraging its partners and the existing -service providers of the client
- Customized the developer portal
- Automated the onboarding of production and API consumers
- Secured APIs and integrated them with systems for reporting, auditing, and billing
- Built backend APIs for digital identification and business payouts for corporate customers

**Impact**
- Ensured compliance with banking requirements such as PSD2 mandates
- Enhanced API developer experience
- Provided access to the API and integrated it with the Rabobank system
- Onboarded API producers and consumers
- Enabled reporting and billing for consumer usage
- Provided support and handled incidents

### CASE STUDY 2
Enabled the client to succeed in open banking

**Business challenge**
The client, one of Ireland's largest organizations, wanted to expand its customer offering through open banking while aiming to become Ireland's preferred financial service provider. It had to overcome various challenges, including partnering with multiple service lines for niche skills, delivering within timelines, educating a client novice on agile practices, ensuring technical security for a banking platform, and integrating with third-party service providers such as Omni and TokenIO.

**Solution**
- Leveraged its accelerator on the open banking innovation radar and use case repository to quickly identify the use cases, build a business case, and prioritize them to create a comprehensive open banking roadmap for the client
- Leveraged the open banking vendor evaluation framework to identify the right solution required for implementation
- Leveraged API design, compliance, security, and testing accelerators to build an open banking platform for the client enabling it to offer standardized APIs, a comprehensive developer portal, and an API management platform to manage end-to-end API life cycle

**Impact**
- Reduced time-to-market – created the capability to release a new open banking feature every 3-6 months
- Flexible pricing – enabled the client to track the usage and charge pay-per-use to partners
- Cost savings – the in-built modularity allowed the client to launch multiple use cases by bundling APIs instead of building for each use case previously resulting in up to 55% in year savings vs. the original build budget

# Cognizant profile (page 4 of 4)

Everest Group assessment – Leader and Star Performer

Measure of capability: ◔ Low ● High

| | Market impact | | | | Vision and capability | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Market adoption | Portfolio mix | Value delivered | Overall | Vision and strategy | Scope of services offered | Innovation and investments | Delivery footprint | Overall |
| ◔ | ◑ | ◕ | ◕ | ◔ | ◔ | ◔ | ◔ | ◕ |

**Strengths**

- A broad array of services includes the capability for understanding open API implementation and a robust Open Banking Security Framework, enhancing cybersecurity and compliance capabilities

- Significant investments in AI and digital technologies, such as the Digital IAM Framework and APIMakr for APIGEE

- Advanced platforms such as the analytics & insights platform accelerator and data monetization model are utilized to enhance decision-making and revenue generation

- Presence across North America, the UK, Europe, and APAC enhance Cognizant's domain-centric capabilities, supported by strategic frameworks such as the open banking innovation radar and model bank blueprint

**Limitations**

- Expansion in high-growth markets such as Latin America and APAC remains limited, constraining potential market opportunities

- Client feedback indicates that Cognizant's pricing model is perceived as high compared to competitors, potentially limiting its appeal to cost-sensitive clients and affecting its competitiveness in the market

- Clients cite a lack of proactiveness in managing projects, with delays in addressing issues and implementing changes
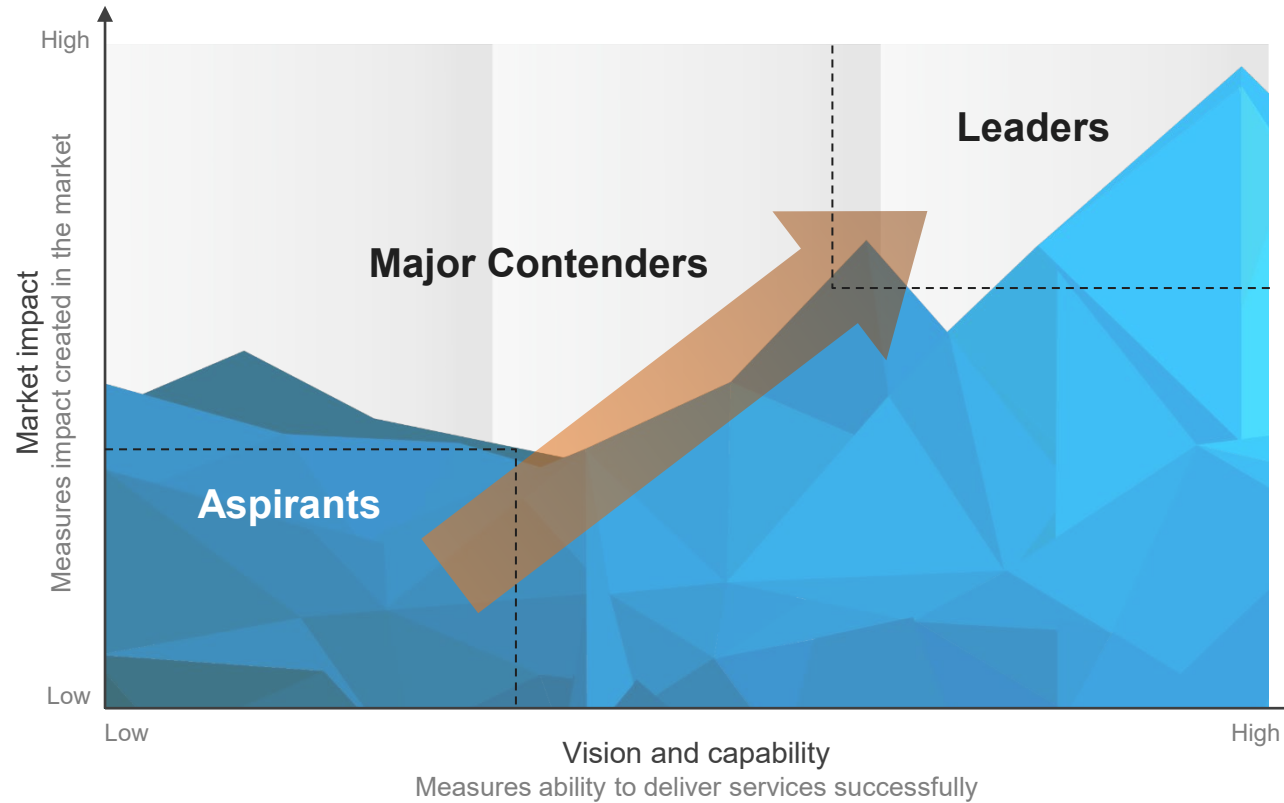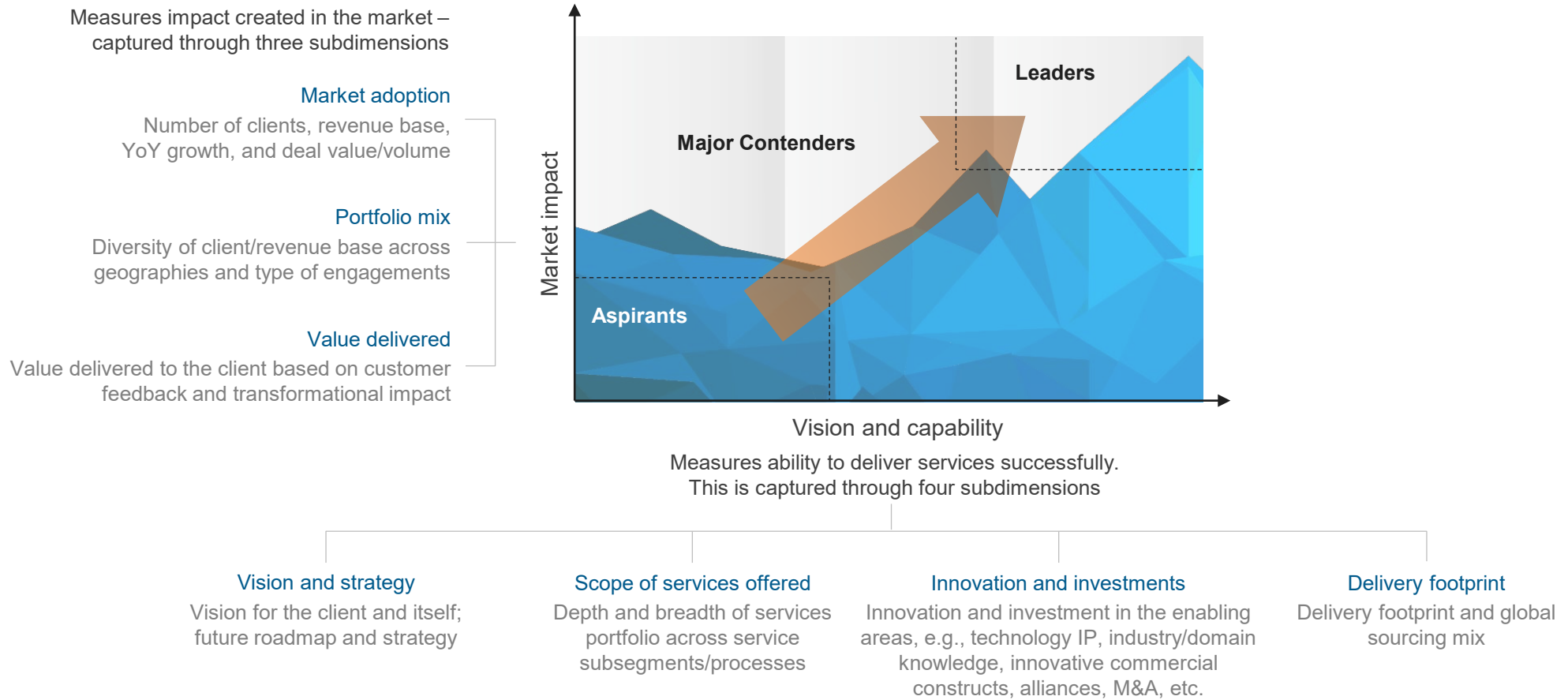
# Appendix

PEAK Matrix® framework

FAQs

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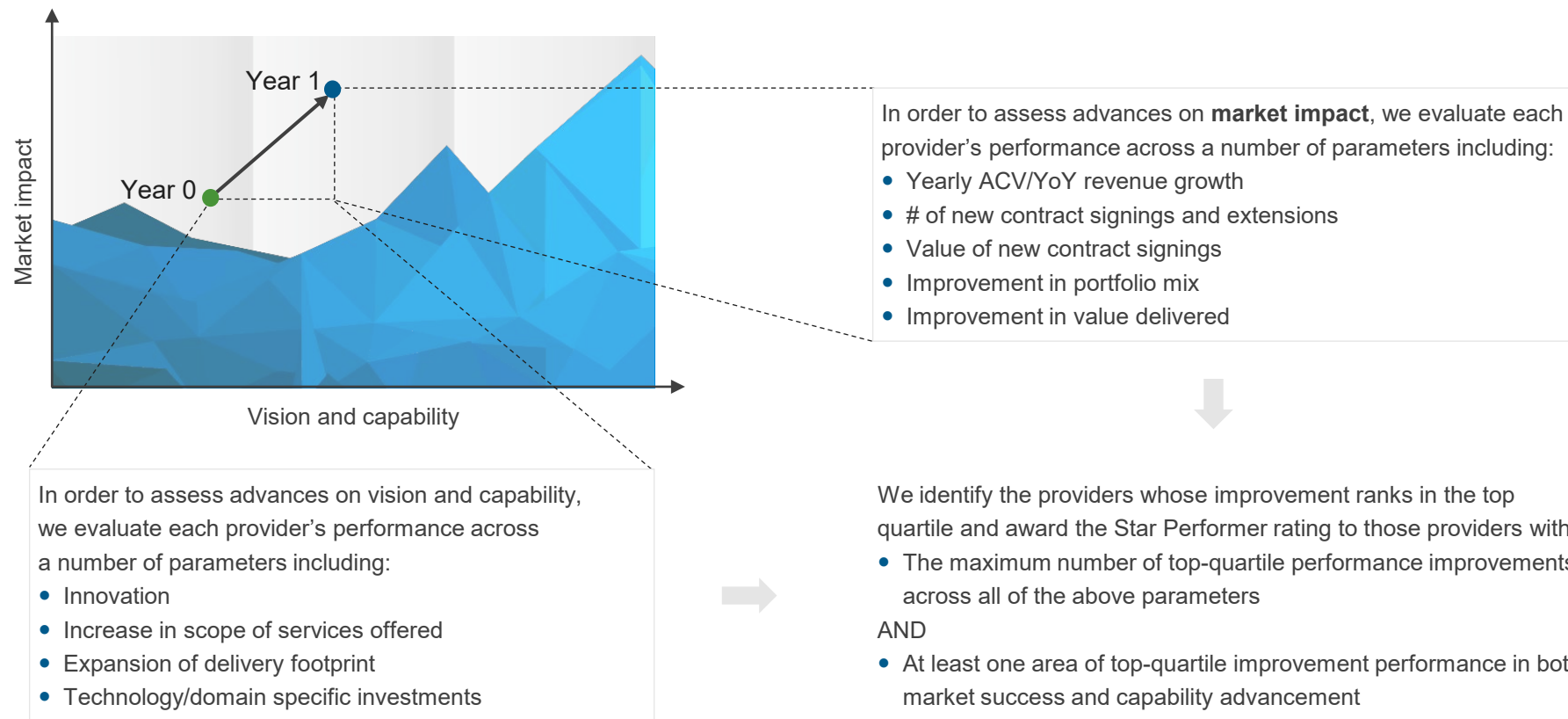
**Everest Group PEAK Matrix**

# 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



**Market impact** (vertical axis)

Leaders

Major Contenders

Aspirants

**Vision and capability** (horizontal axis)

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 Performer 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 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 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 providers whose improvement ranks in the top quartile and award the Star Performer rating to those 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

*Axis labels: Market impact (vertical), Vision and capability (horizontal); Year 0 and Year 1 points.*

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

# FAQs

Q: Does the PEAK Matrix® assessment incorporate any subjective criteria?

A: Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

Q: Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?

A: No. The PEAK Matrix highlights and positions only the best-in-class 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.

Q: What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

A: A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

Q: What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

A: Enterprise participants receive summary of key findings from the PEAK Matrix assessment

For providers

- The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries

- In addition, it helps the provider/vendor organization gain brand visibility through being in included in our research reports

Q: What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

A: Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:

- Issue a press release declaring positioning; see our citation policies

- Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR

- Use PEAK Matrix badges for 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 Everest Group; please contact your CD or contact us

Q: Does the PEAK Matrix evaluation criteria change over a period of time?

A: PEAK Matrix assessments are designed to serve enterprises' current and future needs. 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 and to serve enterprises' future expectations.

# Stay connected

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