

Everest Group PEAK Matrix™ for Application Automation Service Providers 2019

Focus on Cognizant
March 2019



Introduction and scope

Everest Group recently released its report titled “[Application Automation Services PEAK Matrix™ Assessment and Market Trends 2019: AI Alone Won’t Help – Align Strategy to Realize Benefits.](#)” This report analyzes the changing dynamics of the application automation services landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 19 service providers on the Everest Group PEAK Matrix™ for application automation services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of application automation 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 application automation services** experience and capabilities and includes:

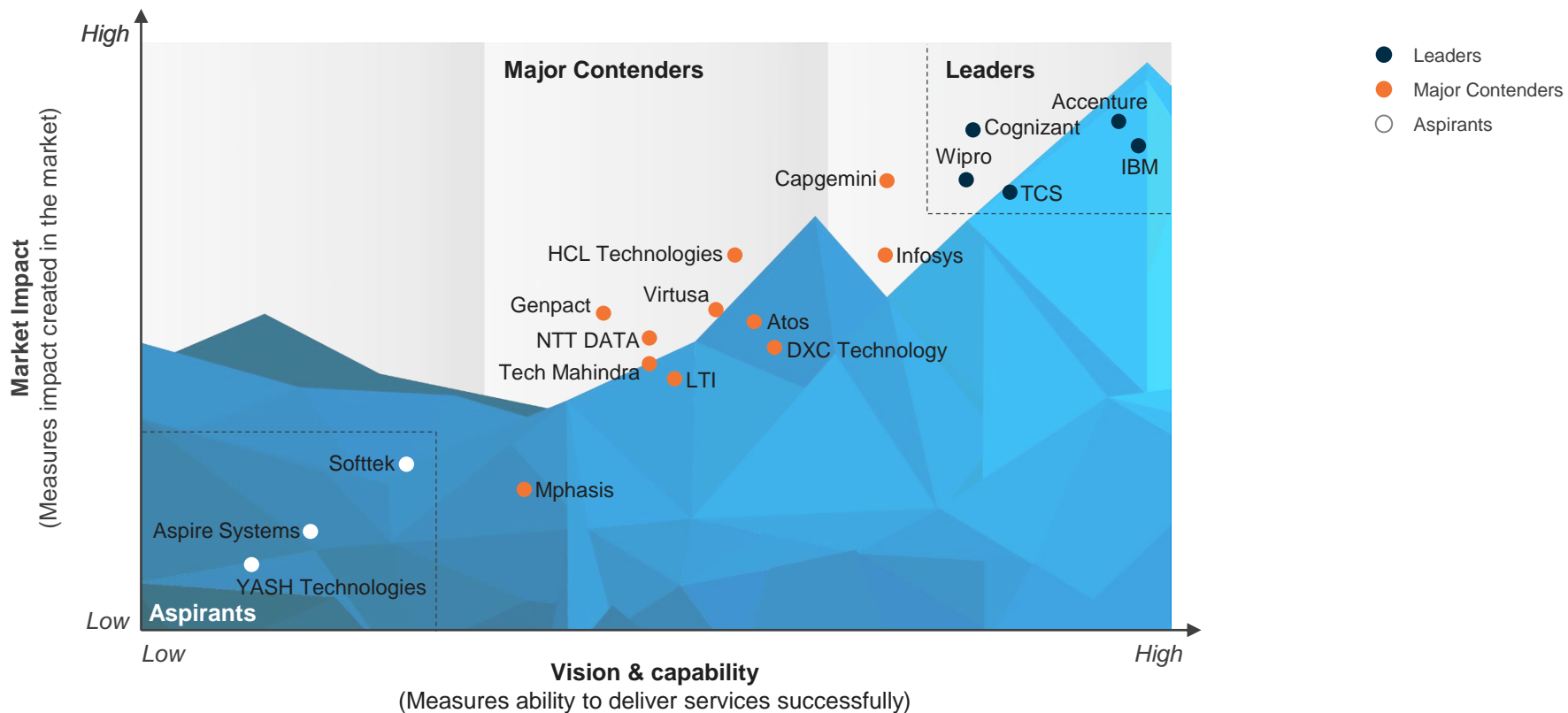
- Cognizant’s position on the application automation services PEAK Matrix
- Detailed application automation services profile of Cognizant

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.

Everest Group PEAK Matrix™

Application Automation Services PEAK Matrix™ Assessment 2019 | Cognizant positioned as Leader

Everest Group Application Automation Services PEAK Matrix™ Assessment 2019



Note 1 PEAK Matrix specific to application automation services

Note 2 Assessment for TCS includes partial inputs from the service provider, and is based on Everest Group's estimates that leverages its proprietary data assets, service provider public disclosures, and interaction with buyers

Note 3 Assessment for Atos, LTI, NTT DATA and Tech Mahindra excludes service provider inputs on this particular study, and is based on Everest Group's estimates that leverage its proprietary Transaction Intelligence (TI) database, ongoing coverage of the service provider, public disclosures, and interaction with buyers

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information that is contract-specific will be presented back to the industry only in an aggregated fashion

Source: Everest Group (2019)

Cognizant | Application automation services profile (page 1 of 2)

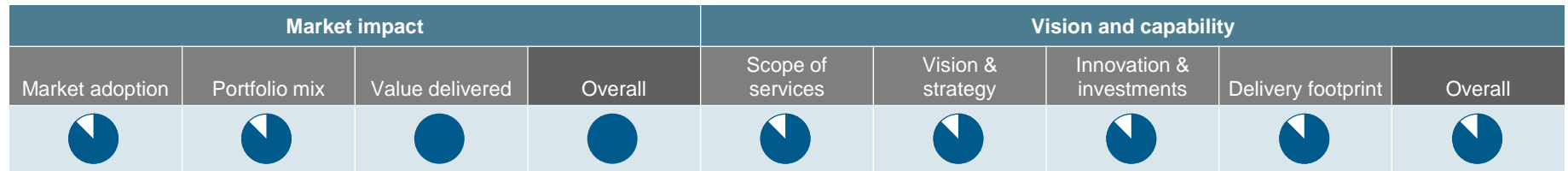
Overview

Strengths

- Cognizant is investing in fostering partnerships by identifying niche players to enhance its existing offering portfolio and cater to differentiated use cases
- Cognizant leverages business impact-oriented messaging and strong thought leadership to demonstrate capabilities and engage with clients

Areas of improvement

- Cognizant needs to further expand its scope and evolve its offering, catering to different phases in SDLC, specifically targeted towards development
- Cognizant should explore an innovative pricing construct more actively and approach clients with greater transformative intent



Vision: Cognizant's vision is to enable automation through a use-case-driven approach by leveraging AI and building an orchestrated ecosystem of solutions. Cognizant believes in automating not just their client's landscape but their internal business processes and service delivery as well. They aim to reduce cost by increasing efficiency at scale and enable faster time-to-market for their clients by driving agility through enterprise IT automation.

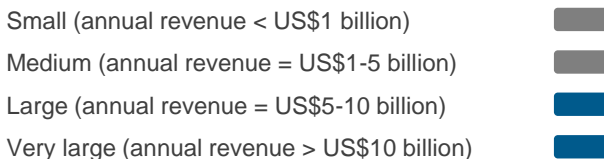
Percentage of projects by geography

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



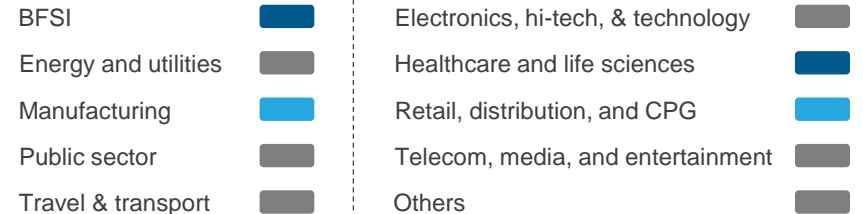
Percentage of projects by buyer size

■ High (>40%) ■ Medium (20-40%) ■ Low (<20%)



Percentage of projects by industry

■ High (>20%) ■ Medium (10-20%) ■ Low (<10%)



Source: Everest Group (2019)

Cognizant | Application automation services profile (page 2 of 2)

Solutions, investments, and partnerships

Proprietary solutions (representative list)

Solution name	Details
HiveCenter™ One Agility	Accelerates time-to-market across the SDLC by using AI and automation orchestrated by QA Hub. QA orchestration suite that enables touchless QA through a mix of analytics and automation. It leverages technologies such as digital twin, AI, CI/CD, DevOps, and open-source tools to enable development & test automation
HiveCenter™ I&O	An artificial intelligence for operation (AIOps) platform for application and infrastructure operations. It uses ML, automation, and analytics to resolve issues across IT functions. It contains a domain bot and chatbot to assist in local actions, knowledge search, and server actions. HiveCenter™ I&O also has an analytics and insights suite that aids in trend analysis and helps forecast future problems. Its reusable bot suite assists in solving such problems

Application automation services partnerships (representative list)

Partner name	Details
Microsoft	Strategic partnership for testing tools as well as functional, performance, automation, and database testing
Worksoft	Partnership for go-to-market and co-innovation on Cognizant's Business Process Assurance platform CBPA
CAST	Co-creating intelligent defect prediction solution with CAST using its code quality analysis capabilities

Cognizant also has partnerships with UiPath, Blue Prism, Ayehu, IBM, Amazon, and CA Technologies, among others, for delivering application automation services.

Application automation services investments (representative list)

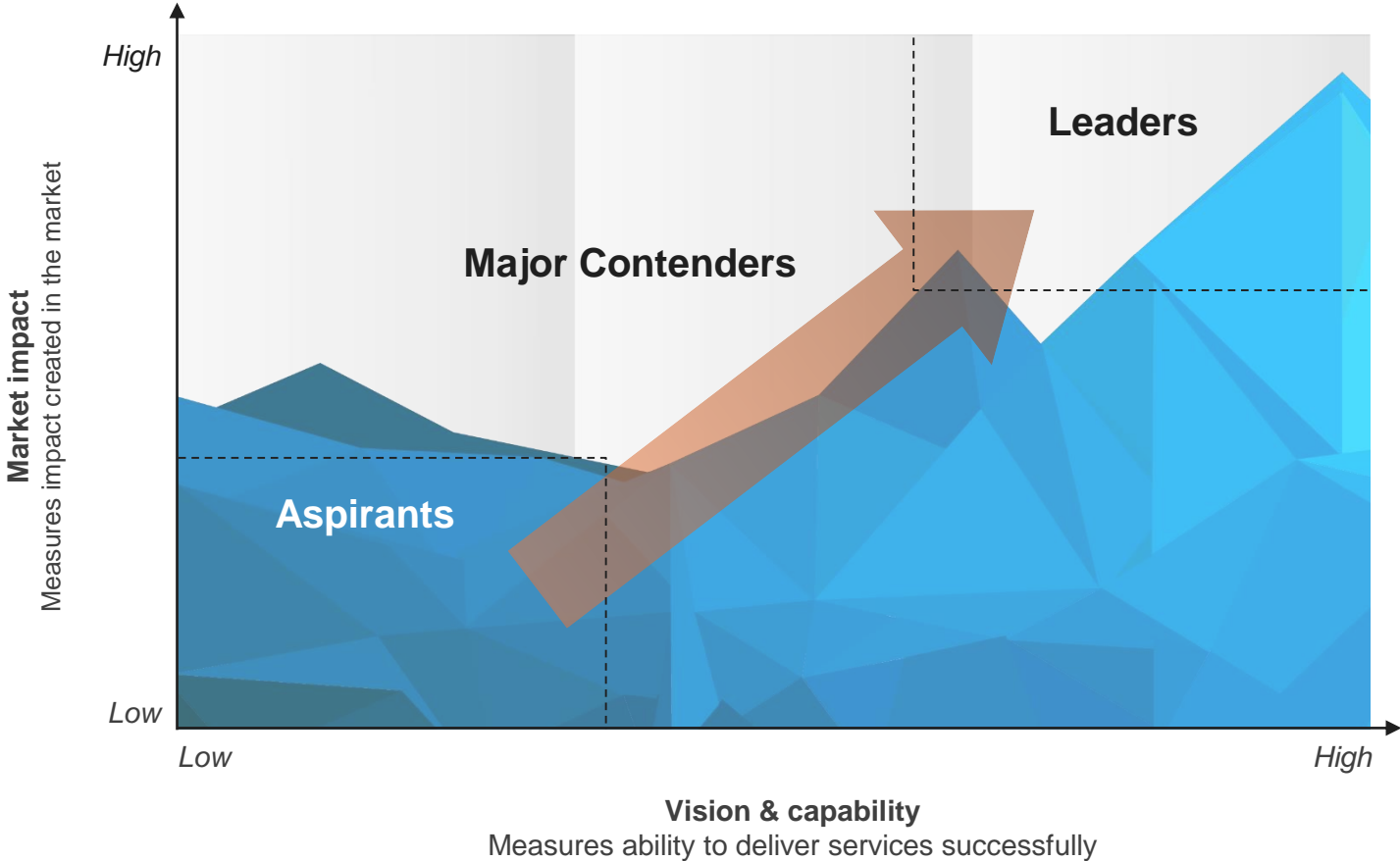
Investment theme	Details
Applied AI labs	Started global AI labs to incubate use cases for AI at Phoenix, Shanghai, Chennai, Grenoble, and Munich
Talent upskilling	Started Quality Assurance to Quality Engineering program (QA2QE) to help talent transition into automation roles and externally certified 100 resources on automation technologies
Intellectual Property	Set up HiveCenter™ to drive automation and resulted in creation of multiple IP that were infused into HiveCenter™ One Agility and I&O

Source: Everest Group (2019)

Appendix

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

Everest Group PEAK Matrix



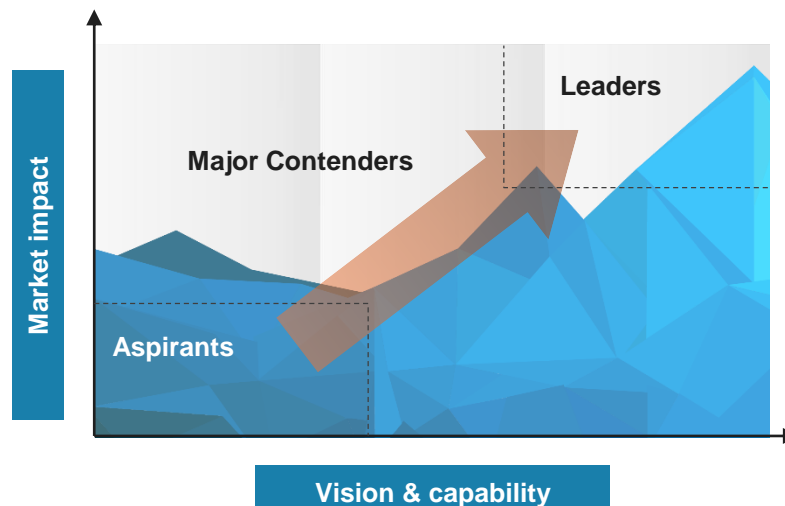
Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

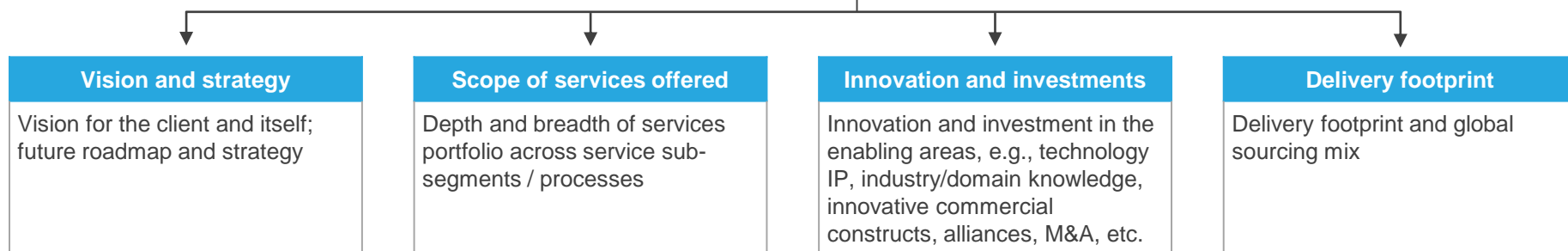
Market adoption
No. of clients, and YOY growth, deal value/volume

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



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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