ISG Provider Lens™

Next-Gen ADM Services

A research report comparing provider strengths, challenges and competitive differentiators

Customized report courtesy of:

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Cloud and AI play a major role in AI-enabled, infrastructure-coupled ADM cost-saving-driven transformations

The application development and maintenance (ADM) landscape has undergone continuous change to accommodate the changing needs of the enterprise's business. From the erstwhile waterfall model to Agile to moving toward DevOps model, ADM has solved multiple challenges/requirements from simply applications development to improving time to market to integrating operational nuances during application development. The major shift from last year to this year for ADM has been influenced by AI and cloud, among other factors. The use of AI across the ADM lifecycle has significantly increased, and operational benefits have been realized; hence, this year, a new quadrant, AI-enabled ADM, has been added that focuses on using AI across the ADM lifecycle.

Application development deals with an infrastructure component are becoming increasingly common as businesses seek integrated solutions. These deals encompass creating software applications and managing the underlying IT infrastructure, such as cloud services, servers and networks. By bundling app development with infrastructure management, companies ensure that their applications are optimized for performance, scalability and security from the ground up. This holistic approach also streamlines vendor management, reduces costs and enhances operational efficiency, enabling businesses to focus on innovation and growth while maintaining robust, resilient IT environments. According to ISG Index Q2 2024, contracts for ADM bundled with infrastructure have seen 57 percent growth.

Optimal fitment of infrastructure, data and applications on the enterprise IT landscape is essential for achieving operational efficiency, scalability and competitive advantage. It begins with a strategic alignment of IT infrastructure — whether on premises,

Optimal fitment of **infrastructure, data and applications** is critical for operational efficiency.

cloud based or hybrid — with the organization's business objectives. This infrastructure must be robust, flexible and scalable to support current and future needs, ensuring it can handle varying workloads while maintaining high availability and security. Data management plays a pivotal role in this landscape. Proper data governance frameworks are crucial for ensuring data quality, security and compliance. This involves integrating data sources across the organization, enabling seamless access and flow of information. Effective data management supports real-time decision-making and underpins analytics, AI and machine learning initiatives that drive innovation. Applications, on the other hand, must be optimally deployed to leverage this infrastructure and data foundation. Whether these are off-the-shelf solutions or custom built, they should be designed or selected to align with business processes and user needs. Integrating DevOps practices, continuous integration/continuous deployment (CI/CD) and microservices architecture ensures that applications are Agile, scalable and responsive to changing business requirements. The combination of

infrastructure, data and applications is pivotal in rightsizing the enterprise IT landscape for optimal performance.

The adoption of cloud-native development is accelerating as businesses seek agility and innovation. Organizations are increasingly migrating to cloud environments such as AWS, Azure and Google Cloud, enabling them to respond quickly to market changes and customer demands. The rise of Kubernetes and other orchestration tools has further facilitated this shift, simplifying the management of complex applications across distributed environments. Cloud-native application development utilizes microservices architecture, containerization and DevOps practices to create scalable, resilient and flexible applications.

AI and generative AI (GenAI) have significantly enhanced the ADM lifecycle by automating tasks, improving quality and accelerating delivery. The image below shows the use cases of AI and GenAI across the ADM lifecycle. Some benefits include reduced time to market/ resolution, developer productivity improvement, improved application efficiency, minimized

downtime, proactive maintenance and improvement in overall operational efficiency.

The key trends across each quadrant include:

Agile Application Development Outsourcing

Service providers are embracing an automation-first strategy that integrates platforms, generative AI and low-code solutions to revolutionize their business operations and software development. This approach optimizes processes, reduces manual intervention and accelerates product delivery timelines. GenAI helps transform content creation, design and coding, while low-code platforms empower developers to develop applications rapidly, driving innovation and agility. Providers also use it to deploy next-generation platforms that integrate automation or AI. This enables significant economies of scale by centralizing the development of intellectual property (IP) that can be replicated in multiple projects. This allows providers to develop solutions once and deploy them across multiple clients, facilitating uniform quality and performance while eliminating redundant efforts. Service providers are focusing on improving capabilities across

specific industries. As industries increasingly focus on these transformative technologies, investments in advanced platforms and AI capabilities set new benchmarks for innovation, operational excellence and customer satisfaction.

Agile Application Development Projects

Service providers prioritize co-innovation with partners to develop cutting-edge solutions and accelerators that align with market demands. By leveraging various partners' combined expertise and resources, providers accelerate development timelines and ensure robust and scalable solutions. Providers also invest in talent and enhance employees' skills in a rapidly evolving technology landscape. Providers should focus on continuous learning and development programs to equip their workforce with the latest technologies and methodologies, improving service quality and employee retention. The firms should focus on accelerating the Agile transformation journey across cross-functional teams, fostering a culture of collaboration, agility and continuous improvement.

AI and GenAI use cases across ADM

1 Requirements Gathering and Analysis	2 Design and Prototyping	3 Development and Implementation	4 Deployment and Monitoring	5 Maintenance and Support
• Stakeholder input transcription and synthesis • Requirements elicitation • Automated documentation • Business Analysis & User Stories Creation and Recommendations • Concept ideation for a product or a service	• Generative design of user interfaces • Simulation of customer journeys to optimize user experience • Prototype generation • Design system generation • Architecture documentation and review • Architecture model generation	• Code synthesis and code generation, code refactoring and optimization, code conversion and migration, code explainability and documentation • Code review, documentation, code conversion, code generation, unit testing, reverse engineering • Automation Test Script development, Test Data Identification and Development, • Generate Load and Performance Testing Scenarios, Application security testing, Vulnerability identification and remediation	• AIOps – incident detection, correlation • Debugging and proactive alerting • AI-based anomaly detection, predictive maintenance • IaC scripts generation, DevOps pipeline code generation, deployment scripts, release note preparation • Application monitoring, batch monitoring	• L2/L3, L1.5 tickets- Incident lifecycle including Incident resolution • Root Cause analysis / identifying similar types of solutions • Report generation, Release management • Assisted support, bug fixing, incident analysis, classification, event discovery • Actionable Management Insights

Executive Summary

	Requirement gathering and analysis	Design and prototyping	Development and implementation	Deployment and monitoring	Maintenance and support
Percentage of tasks completed using AI/GenAI	10 – 20%	15 – 20%	20 – 30%	10 – 15%	15 – 20%
Benefits of AI/Gen AI	• Improved accuracy and efficiency in understanding user needs and market demands, leading to better product design and customer satisfaction	• Faster UI design iterations, innovative and engaging user interfaces and improved user experience	• Improved code documentation or maintainability and developer productivity improvement	• Improved product quality and reduced defects	• Reduced time to resolution, improved application efficiency, and minimized downtime
	• Wider coverage of requirements and faster requirements gathering, leading to minimal business gaps	• Identification of pain points and bottlenecks in customer journeys, leading to enhanced customer experience and increased engagement	• Improved test coverage	• Reduced equipment downtime and maintenance costs	• Increased code coverage quality, reduced defects and reduced time to fix bugs
	• Improved estimates and realistic road map	• Better quality of design, rapid prototyping and increased agility with faster POC	• Improved quality and reduced defect leakage	• Faster, reliable deployments and faster application onboarding	• Proactive issue resolution and improved system performance
	• Reduced ambiguity and improved accuracy		• Reduced coding errors, increased test coverage and faster implementation	• Improved maintainability of DevSecOps platform	• Improved infrastructure/ application reliability and efficiency
			• Improved turnaround time/ time to market	• Consistent and error-free infrastructure provisioning	• Faster and efficient customer support
				• Enhanced operational efficiency and security	

Adopting Agile frameworks and promoting transparent communication enables providers to respond swiftly to market changes and deliver faster, enhancing customer satisfaction. Finally, leveraging AI for productivity improvements can significantly reduce operational costs and optimize processes. AI-driven tools enable providers to automate routine tasks and provide valuable insights, allowing them to focus on strategic initiatives and maintain a competitive edge.

Application managed services

Site reliability engineering (SRE)-led AIOps represent a pivotal shift in IT operations, integrating site reliability engineering practices with the advanced capabilities of AI for IT operations (AIOps). This strategic approach utilizes ML and advanced analytics to sift through vast amounts of operational data, enabling site reliability engineering teams to proactively detect and resolve potential issues, thus ensuring uninterrupted service delivery. The enhancement of observability through SRE-led AIOps provides comprehensive insights into system performance, revealing intricate correlations between events and identifying root causes of incidents with greater precision. This improved visibility allows for quicker response times and more effective problem-solving. Automation, a key feature of AIOps, streamlines routine tasks, freeing SRE teams to focus on strategic initiatives and continuous system improvement. For service providers, embracing SRE-led AIOps means delivering robust, reliable services that enhance customer satisfaction and secure a competitive edge.

Application Quality Assurance

Service providers focus on offering industry-specific solutions by leveraging the domain expertise of their quality engineers. Understanding various industries' unique challenges and compliance standards allows quality assurance (QA) teams to customize testing processes and tools, ensuring application reliability, security and performance. GenAI-driven QA transforms traditional methodologies by automating test case creation and scenario simulation. This accelerates the testing process and enhances coverage, identifying potential issues that manual testing might overlook. Integrating AI and ML for test case prioritization and anomaly detection is essential. AI can analyze historical data to predict which test cases reveal new defects, optimizing the testing focus. Furthermore, anomaly detection algorithms swiftly pinpoint unexpected behaviors during testing, facilitating quicker issue resolution. This AI and ML integration enhances testing efficiency and maintains high-quality standards, providing a competitive edge in a dynamic application landscape.

Continuous Testing Services

Continuous testing services increasingly include Agile and DevOps practices in their service offerings. This shift emphasizes integrating tools and frameworks that support continuous integration, delivery and testing. The focus on automation reduces time to market, enhancing the efficiency and speed of application delivery and enabling faster, high-quality software deployment.

Cloud-based testing is increasingly essential for clients seeking scalability, flexibility and cost-effectiveness. Given the growing threats of cyberattacks and data breaches, security testing and compliance have become critical. These practices ensure that applications are secure, compliant and trustworthy, enhancing client confidence in their software solutions.

AI-driven Application Development and Maintenance (AI-ADM)

The adoption of AI-driven application development and maintenance (AI-ADM) services by enterprise IT, particularly within sourcing and technology teams, is transforming operational dynamics. This evolution demands the implementation of robust compliance guardrails and stringent intellectual property protection measures to ensure regulatory alignment and safeguard proprietary assets. By doing so, enterprises can confidently embrace AI-ADM technologies while mitigating data security and IP risks. Rapidly enhancing the accuracy of AI-ADM methods is critical, achieved by leveraging customer-specific code,

Executive Summary

data and artifacts. This fine-tuning accelerates development cycles and customizes AI solutions to meet the unique requirements of each enterprise. Investing in workforce training on generative AI technologies is essential, enabling teams to deploy and manage AI-ADM solutions effectively and fostering a culture of continuous innovation.

Leveraging AI-ADM has delivered significant benefits across the ADM lifecycle. Leveraging AI/GenAI across the software development lifecycle (SDLC) for an average of about 15 – 20 percent of tasks has resulted in an average productivity benefit of roughly 25 – 30 percent. Some providers offer around 10 – 15 percent price reductions for clients opting for AI-ADM.

Provider Positioning

	Agile Application Development Outsourcing	Agile Application Development Projects	Application Managed Services	Application Quality Assurance	Continuous Testing Specialists	AI-enabled Application Development and Maintenance (AI-ADM)
a1qa	Not In	Not In	Not In	Contender	Not In	Not In
Accenture	Leader	Not In	Leader	Leader	Not In	Leader
Apexon	Not In	Leader	Not In	Not In	Leader	Product Challenger
Aspire Systems	Not In	Contender	Not In	Contender	Not In	Not In
Birlasoft	Contender	Not In	Product Challenger	Not In	Leader	Product Challenger
Capgemini	Leader	Not In	Leader	Leader	Not In	Leader
Cigniti	Not In	Product Challenger	Not In	Not In	Leader	Not In
Coforge	Not In	Leader	Product Challenger	Not In	Product Challenger	Product Challenger
Cognizant	Leader	Not In	Leader	Leader	Not In	Leader

Provider Positioning

	Agile Application Development Outsourcing	Agile Application Development Projects	Application Managed Services	Application Quality Assurance	Continuous Testing Specialists	AI-enabled Application Development and Maintenance (AI-ADM)
Concentrix	Not In	Contender	Not In	Not In	Contender	Not In
Cybage	Not In	Product Challenger	Contender	Not In	Product Challenger	Contender
Datamatics	Not In	Contender	Not In	Not In	Not In	Not In
Deloitte	Leader	Not In	Leader	Leader	Not In	Leader
DXC Technology	Product Challenger	Not In	Leader	Product Challenger	Not In	Product Challenger
e-Core	Not In	Contender	Not In	Not In	Not In	Not In
Encora	Product Challenger	Not In	Contender	Product Challenger	Not In	Product Challenger
Eviden (Atos Group)	Product Challenger	Not In	Product Challenger	Not In	Leader	Contender
Happiest Minds	Not In	Product Challenger	Product Challenger	Contender	Not In	Contender

Provider Positioning

	Agile Application Development Outsourcing	Agile Application Development Projects	Application Managed Services	Application Quality Assurance	Continuous Testing Specialists	AI-enabled Application Development and Maintenance (AI-ADM)
HCLTech	Leader	Not In	Leader	Leader	Not In	Leader
Hexaware	Not In	Leader	Product Challenger	Not In	Leader	Not In
Hitachi Digital Services	Rising Star ★	Not In	Rising Star ★	Not In	Not In	Product Challenger
HTC Global Services	Not In	Leader	Product Challenger	Not In	Product Challenger	Contender
IBM	Leader	Not In	Leader	Leader	Not In	Leader
Indium Software	Not In	Not In	Not In	Contender	Not In	Not In
Infinite Computer Solutions	Not In	Leader	Contender	Product Challenger	Not In	Contender
Infosys	Leader	Not In	Leader	Leader	Not In	Leader
Innominds	Not In	Contender	Not In	Contender	Not In	Not In

Provider Positioning

	Agile Application Development Outsourcing	Agile Application Development Projects	Application Managed Services	Application Quality Assurance	Continuous Testing Specialists	AI-enabled Application Development and Maintenance (AI-ADM)
ITC Infotech	Not In	Product Challenger	Not In	Not In	Contender	Not In
Kyndryl	Product Challenger	Not In	Product Challenger	Product Challenger	Not In	Product Challenger
LTIMindtree	Leader	Not In	Leader	Product Challenger	Not In	Leader
Marlabs	Contender	Not In	Contender	Not In	Contender	Not In
Mastek	Not In	Product Challenger	Not In	Not In	Not In	Contender
Mphasis	Product Challenger	Not In	Product Challenger	Product Challenger	Not In	Rising Star ★
N-iX	Not In	Contender	Not In	Not In	Contender	Not In
NTT DATA	Product Challenger	Not In	Contender	Product Challenger	Not In	Contender
Persistent Systems	Product Challenger	Not In	Product Challenger	Not In	Leader	Product Challenger

Provider Positioning

Provider Positioning

	Agile Application Development Outsourcing	Agile Application Development Projects	Application Managed Services	Application Quality Assurance	Continuous Testing Specialists	AI-enabled Application Development and Maintenance (AI-ADM)
QA Consultants (ALTEN)	Not In	Not In	Not In	Product Challenger	Not In	Not In
Qualitest	Not In	Product Challenger	Not In	Not In	Leader	Contender
Quinnox	Not In	Rising Star ★	Rising Star ★	Rising Star ★	Not In	Product Challenger
SLK Software	Not In	Contender	Not In	Contender	Not In	Not In
Softtek	Contender	Not In	Contender	Not In	Contender	Not In
Stefanini	Contender	Not In	Not In	Not In	Not In	Not In
TCS	Leader	Not In	Leader	Leader	Not In	Leader
Tech Mahindra	Product Challenger	Not In	Leader	Not In	Leader	Leader
TestingXperts	Not In	Not In	Not In	Not In	Rising Star ★	Not In

Provider Positioning

	Agile Application Development Outsourcing	Agile Application Development Projects	Application Managed Services	Application Quality Assurance	Continuous Testing Specialists	AI-enabled Application Development and Maintenance (AI-ADM)
Trigent	Not In	Contender	Not In	Contender	Not In	Not In
UST	Not In	Leader	Product Challenger	Not In	Leader	Product Challenger
Virtusa	Contender	Not In	Contender	Contender	Not In	Product Challenger
Wipro	Product Challenger	Not In	Leader	Leader	Not In	Leader
YASH Technologies	Not In	Contender	Not In	Not In	Not In	Not In
Zensar Technologies	Not In	Market Challenger	Contender	Not In	Product Challenger	Not In

Six quadrants cover the **key capabilities** across application development, managed services, and quality assurance.

Simplified Illustration Source: ISG 2024

Agile Application Development Outsourcing

Agile Application Development Projects

Application Managed Services

Application Quality Assurance

Continuous Testing Specialists

AI-enabled Application Development and Maintenance (AI-ADM)

Definition

Leveraging the capabilities of software to integrate across all business layers, generating new data sources, and achieving enterprise agility is a critical necessity for contemporary application outsourcing. Next-Generation Application Development and Maintenance (ADM) services encompass a wide range of offerings, including consulting, design, custom development, integration of packaged software, application management and operations, quality assurance, security services, and testing.

The advent of cloud-based computing, alongside the increasing demand for automation and artificial intelligence (AI), is reshaping the landscape for cloud-native application development, bringing it into a new era of focus. The emergence of Generative AI (GenAI) and specialized applications (LLMs) marks a significant, albeit nascent, entry into the market. Service providers are now prioritizing Agile methodologies, ensuring the continuous, secure delivery and automation of software development processes through DevSecOps. Customized roadmaps are being developed to align digital, operational, and technology objectives with client needs.

Service providers are empowering organizations to automate routine tasks and derive deeper insights into their application development processes through AI. This shift has spurred the creation of new tools and platforms that embed automation and AI capabilities, thereby speeding up development cycles, enhancing security, facilitating threat detection and vulnerability management, and elevating the end-user experience. Consequently, this enables the delivery of intuitive, engaging, and personalized applications.

This study delves into the recent advancements within the application development, application management, and quality assurance sectors, with a particular emphasis on AI. In conjunction, ISG has introduced the ISG Provider Lens™ Next-Gen ADM Solutions - Low-Code Development Platforms and No-Code Development Platforms study in 2024. This initiative aims to provide clients with a comprehensive understanding of the application solutions market.

Scope of the Report

This ISG Provider Lens™ quadrant report covers the following six quadrants for services: Agile Application Development Outsourcing, Agile Application Development Projects, Application Managed Services, Application Quality Assurance, Continuous Testing Specialists and AI-enabled Application Development and Maintenance (AI-ADM).

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)
- Focus on the regional market

Our study serves as an important decision-making basis for 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 (exceptionsare 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.

★ **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.

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.

Agile Application
Development Outsourcing

Agile Application Development Outsourcing

Who Should Read This Section

This report is crucial for U.S. enterprises assessing Agile application development outsourcing providers. It details the market positioning of the relevant service providers, focusing on their service depth and market presence, as highlighted by ISG.

Enterprises are focused on embracing transformative technologies to remain competitive in a fast-paced market. A key strategy is the drive toward an automation-first approach focusing on enhancing customer experience and operational efficiency. This also improves productivity and reduces costs while offering a competitive edge.

Enterprises are partnering with tech experts and consulting firms to pursue superior code quality, quicker time to market and optimal application performance. These collaborations help enterprises streamline operations, integrate advanced technologies like AI and adopt cloud solutions, which are crucial for maintaining high standards and achieving strategic goals in a dynamic business environment.

Service providers play a pivotal role in addressing enterprise needs through a comprehensive suite of offerings. To refine application development processes, they utilize advanced project management tools, PaaS, SaaS, and low-code/no-code platforms. By developing AI-based accelerators, they enhance code quality and expedite delivery times. These providers develop intellectual property on next-generation platforms, facilitating efficient solutions across various client industries. This approach helps deliver better customer service and enhances operational workflows, ensuring enterprises achieve excellence in their technological and business operations, while supporting business growth.

IT professionals should read this report to determine service providers' strengths and weaknesses in ADM and learn how to integrate cutting-edge technologies for market advantage.

Operations professionals should read this report to understand how service providers can help generate more business value while simplifying business operations and processes.

Business professionals should read this report to understand partner positioning for efficient application service procurement and favorable ROI in their business or industry.

ISG Provider Lens™

Next-Gen ADM Services
Agile Application Development Outsourcing

U.S. 2024
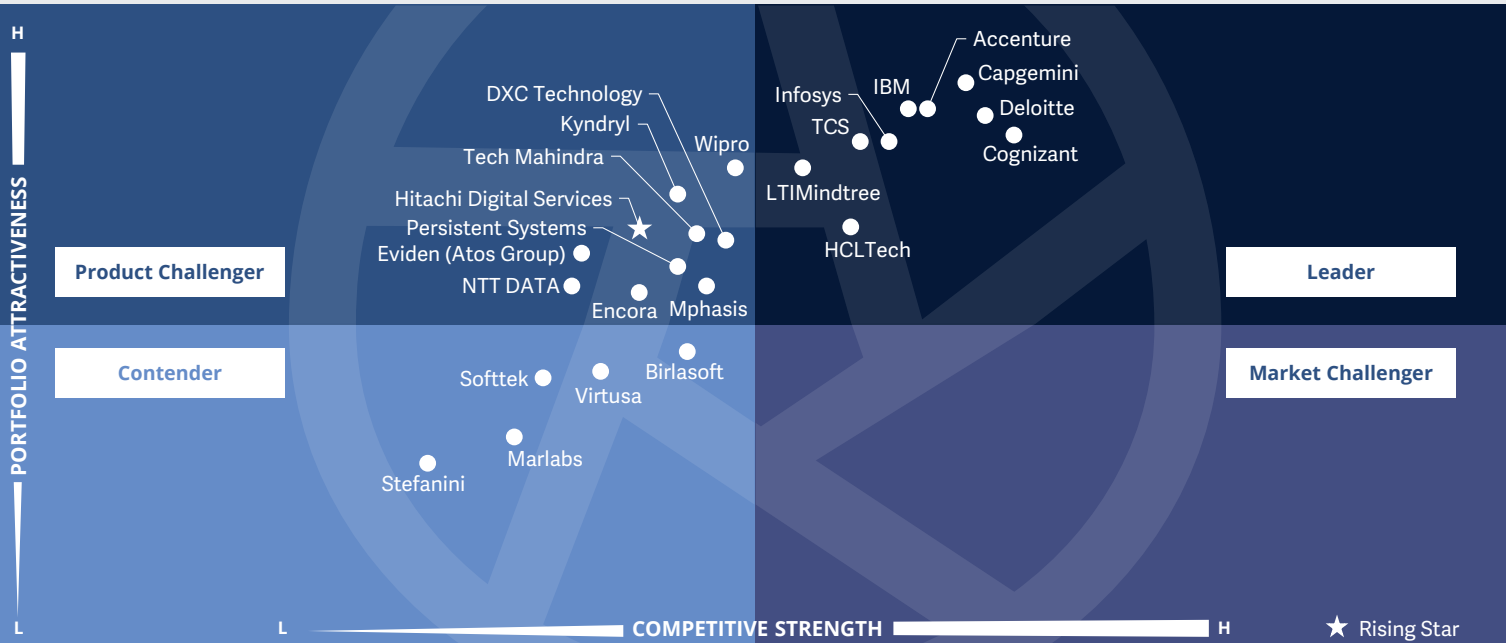
PORTFOLIO ATTRACTIVENESS

H

Product Challenger

Contender

L

DXC Technology
Kyndryl
Wipro
Tech Mahindra
Hitachi Digital Services
Persistent Systems
Eviden (Atos Group)
NTT DATA
Encora   Mphasis

Infosys   IBM   Accenture
TCS   Capgemini
                   Deloitte
LTIMindtree   Cognizant

HCLTech

Leader

Market Challenger

Softtek
Virtusa   Birlasoft

Marlabs
Stefanini

L   **COMPETITIVE STRENGTH**   H   ★ Rising Star

This quadrant assesses service providers that offer **ADM expertise using different technologies and software packages,** spanning the complete application development landscape and most industry verticals.

Akhila Harinarayan

Agile Application Development Outsourcing

Definition

This quadrant assesses service providers that offer ADM expertise using different technologies, spanning the complete application development and management landscape and most industry verticals, in outsourcing deals based on the delivery capacity for a specific time frame (three- to five-year contracts, renewable).

ADM outsourcing offers capacities to support clients' application portfolios or business units, regardless of the programming languages and number and size of projects. It covers large and highly complex application landscapes that can span multiple geographic locations, dedicated regional requirements, the technological ecosystem's various layers and development stages, and brings it in line with the requirements of the client's organizational entities. One of ADM outsourcing's roles is to break up silos in both organization and technologies to create unified technology platforms for the application development landscape, and thus allow faster and more innovative go-to-market on a large scale.

This study evaluates how service providers use project management tools, platform as a service (PaaS), software as a service (SaaS), low-code and no-code platforms or other accelerators to elevate clients' application development and management capabilities. The providers in this quadrant build capabilities to use AI-based accelerators for code development and review activities leading to benefits such as improved code quality and faster time to market.

A typical service provider in this quadrant has extensive consulting expertise and high-end technology partnerships to implement CI/CD pipelines, application testing and DevOps to enable clients to achieve high performance while reducing time to market.

Eligibility Criteria

1. Management of over 20 squads for a single client or being able to **scale up to more than 1,000 developers**, working simultaneously on several projects

2. Ability to **rapidly scale up or down** and add more than 100 developers in a week to meet a client's demands as necessary

3. Ability to **offer localized support**, adapt to regional regulations, and understand and cover entity-specific needs across multiple countries

4. **Comprehensive application development platform** that covers resource allocation, portfolio management, backlog prioritization, Agile methods, Waterfall methods, system integration, application modernization, cloud-native application development, AI accelerators and other services to optimize development teams

5. **Certified to transform and deploy Agile teams** under frameworks such as Scaled Agile Framework (SAFe) and Large-Scale Scrum (LeSS)

6. **Certified experts** in Scrum, Kanban, Lean development or other Agile methodologies

Agile Application Development Outsourcing

Observations

Adopting an automation-first approach that incorporates platforms, generative AI and low-code solutions transforms business operations and software development for service providers. Organizations can streamline processes, reduce manual effort and accelerate time to market by prioritizing automation. GenAI, in particular, is revolutionizing content creation, design and coding, while low-code platforms empower nontechnical users to develop applications rapidly. This combination of technologies enables companies to innovate swiftly, adapt to market changes and deliver enhanced customer experiences.

The deployment of next-generation platforms further amplifies these benefits by unlocking economies of scale. Centralized intellectual property development allows organizations to create solutions once and deploy them across multiple clients, reducing duplication of effort and ensuring consistency in quality and performance. These platforms provide a robust foundation for building scalable, secure and high-performing applications, catering to the diverse needs of a broad client base.

Leveraging generative AI and other emerging technologies throughout the entire value chain is crucial to maximize efficiency and solution quality. AI-driven analytics and automation can optimize supply chain management, customer service and operational workflows, providing actionable insights and predictive capabilities.

Businesses across sectors recognize the strategic importance of an automation-first mindset, investing in advanced platforms and AI capabilities to stay ahead in a rapidly evolving digital landscape. This focus drives innovation and sets new standards for operational excellence and customer satisfaction.

From the 60 companies assessed for this study, 23 qualified for this quadrant, with nine being Leaders and one a Rising Star.

accenture

Accenture leverages a vast network of skilled professionals worldwide, ensuring access to top talent across the globe. This global delivery model enables the firm to provide clients with cost-effective solutions and competitive pricing without compromising quality.

Capgemini

Capgemini has an end-to-end capability for code analysis and road map creation to modernize legacy applications. The firm offers cloud-native microservices that enable the breaking of monolithic applications into functional views.

cognizant

Cognizant strategically differentiates itself from competitors through a three-pronged approach, including application, data and engineering focus. The firm offers platform-driven business and GenAI-based technologies along with product, experience and business centricity.

Deloitte.

Deloitte leverages AI to analyze vast amounts of data generated during development and application usage, which helps identify patterns, predict potential issues and optimize application performance.

HCLTech

HCLTech has strong engineering services capabilities integrated with a digital business offering focused on a data-first, cloud-native approach. The firm has multiple IPs and accelerators for different industries.

IBM.

IBM helps clients modernize their legacy applications by migrating them to newer platforms, refactoring code and adopting modern technologies. This improves application performance, reduces technical debt and extends the lifespan of legacy systems.

Infosys

Infosys offers flexible commercial models and contracts encompassing assets and services, such as as-a-service models. These are increasingly popular in large transformation deals involving asset and employee takeovers.

Agile Application Development Outsourcing

LTIMindtree

LTIMindtree integrates AI and analytics into cloud-native applications, leveraging serverless computing, containers, and microservices architecture to build scalable and flexible applications.

TCS — TATA CONSULTANCY SERVICES

TCS embraces Agile methodologies and DevOps practices to accelerate development cycles, improve collaboration and ensure faster time to market for applications.

Hitachi Digital Services

Hitachi Digital Services' (Rising Star) HARC software labs drive innovation through a comprehensive approach that combines industry-specific knowledge, adaptable delivery methods and a commitment to ongoing enhancement.

Deloitte

Leader

"Deloitte has emerged as a strong player in the application development segment, winning some of the large deals in the U.S. and competing with legacy players in this segment. Deloitte is poised to grow further with its strong portfolio and deep consulting background."

Akhila Harinarayan

Overview

Building on more than 175 years of service, Deloitte's network of member firms spans more than 150 countries and territories and consists of more than 475,000 people (across 700 global offices) worldwide. In FY23 the company generated $64.9 billion in revenue, with Consulting as its largest segment. Deloitte offers services including building custom applications, maintaining and enhancing existing applications, and helping organizations plan and test applications. Deloitte also offers expertise in cloud-based application development to enable the development and deployment of secure and scalable applications.

Strengths

Data-driven insights: Deloitte leverages AI to analyze vast amounts of data generated during development and application usage, which helps identify patterns, predict potential issues and optimize application performance. These insights can be used to make informed decisions about design, development and deployment strategies. Deloitte employs agile and lean approach to accelerate customer value, drive innovation.

AI consulting services: Deloitte offers consulting services to help organizations develop and implement AI strategies for application development. This includes assessing AI readiness, identifying use cases, developing AI models and integrating AI into existing workflows.

Partnership ecosystem: Deloitte's partner ecosystem for application development is a robust network of collaborations that amplify its AI capabilities. Deloitte works with AWS and Oracle, leveraging their cloud infrastructure and platforms for scalable and efficient solutions. Deloitte also joins forces with specialized AI firms, tapping into their niche expertise for cutting-edge applications.

Innovation focus: Deloitte's innovation focus centers on harnessing emerging technologies, particularly AI, to drive transformative solutions for clients. They invest in R&D, exploring cutting-edge applications such as generative AI (GenAI) to enhance productivity and accelerate innovation.

Caution

Deloitte has traditionally been known as a consulting services provider and is now recognized for its application development capabilities. The company needs to market its strengths in the ADM domain to attract new prospective clients.
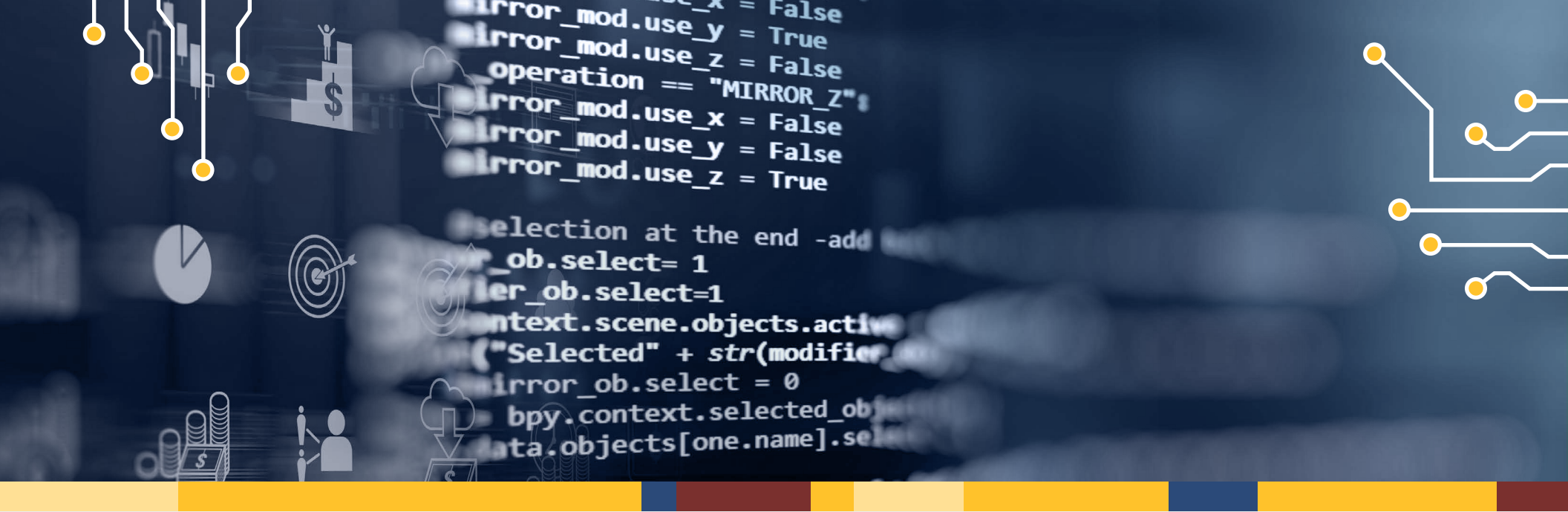
Agile Application Development Projects

Agile Application Development Projects

Who Should Read This Section

This report is relevant to enterprises across industries in the U.S. for evaluating providers that offer services for Agile application development projects. These engagements typically have restricted or limited delivery scope, and the deal generally includes a fixed number of team members in the deployed squads.

Enterprises adopt technologies to differentiate themselves in the industry. They look for channels/avenues to bring differentiation that can help them generate revenue and increase profitability. Thus, enterprises seek providers for application development that can offer technical expertise and efficient team management. They require providers with industry-specific knowledge and advanced technological skills to meet their unique project needs. The commercial model often involves dedicated squads managed by the client, emphasizing achieving targets and high-quality results. The providers aim to capitalize on new business models and market

opportunities by conceptualizing and delivering innovative products, platforms and enhanced digital experiences.

Service providers tailor offerings to address SMEs' specific needs by focusing on several key areas. They provide cost-effective solutions, cloud-based infrastructure and open-source technologies. These providers utilize Agile methodologies, low-code/no-code platforms and rapid application development tools to speed up development. Integration is facilitated through APIs and custom services, while scalability is achieved using cloud architecture and microservices. Customization, user-friendly interfaces, robust security and ongoing support are also prioritized, along with mobile compatibility and cloud-based solutions to ensure comprehensive and adaptable application development.

IT leaders should read this report to evaluate the positioning and capabilities of Agile application development project providers and how they enhance solution building for clients in project delivery.

Development leaders should read this report to evaluate how Agile application development project providers integrate new technologies and resources to accelerate and optimize project delivery.

Sourcing professionals should read this report to compare Agile application development project providers to make informed decisions and recommendations.

ISG Provider Lens™

Next-Gen ADM Services
Agile Application Development Projects

U.S. 2024
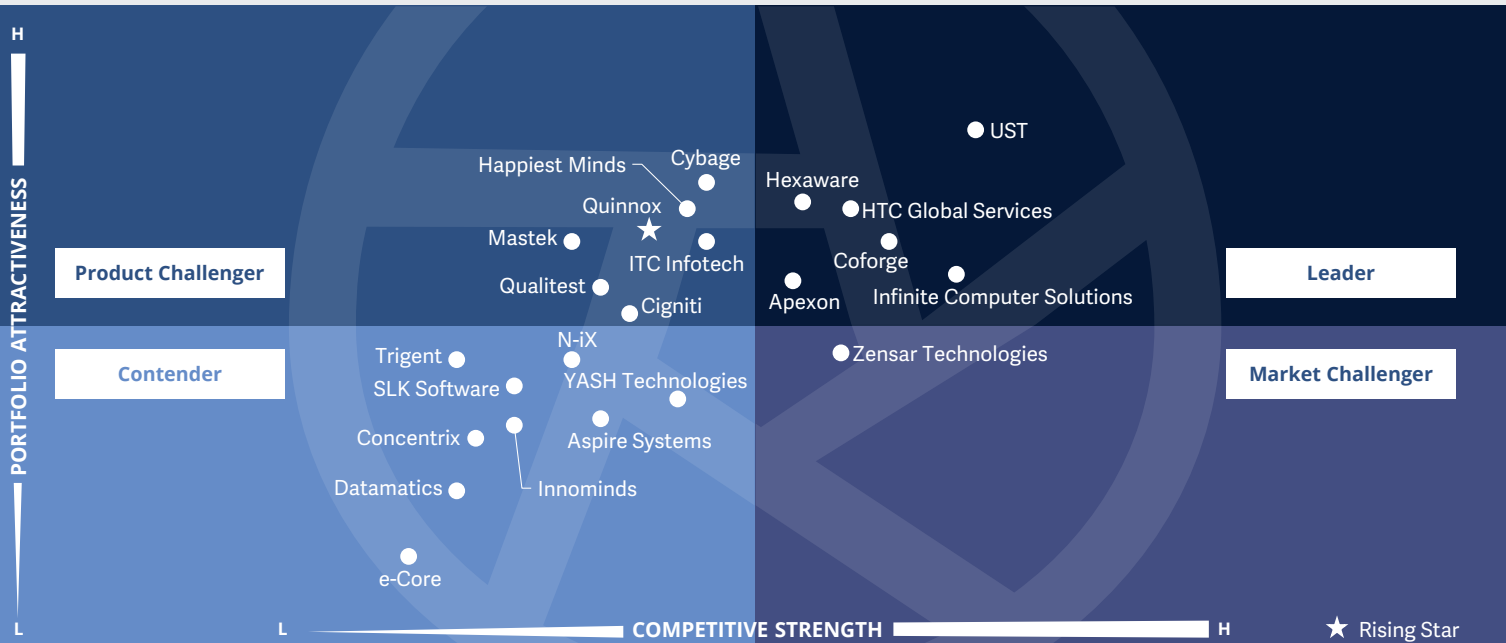
PORTFOLIO ATTRACTIVENESS (H / L)

Product Challenger

Contender

Leader

Market Challenger

UST
Happiest Minds — Cybage
Hexaware
Quinnox
HTC Global Services
Mastek
Coforge
ITC Infotech
Apexon   Infinite Computer Solutions
Qualitest
Cigniti
Zensar Technologies
N-iX
Trigent
YASH Technologies
SLK Software
Concentrix
Aspire Systems
Datamatics
Innominds
e-Core

COMPETITIVE STRENGTH (L / H)

★ Rising Star

This quadrant evaluates service providers that offer **Agile application development** in deals that include clear scope definitions for project outcomes, **specific application development skills, business goals** or squad capacity.

Akhila Harinarayan

Agile Application Development Projects

Definition

This quadrant evaluates service providers that offer Agile application development in deals that include clear scope definitions for project outcomes, specific application development skills, business goals or squad capacity.

Typical service providers in this quadrant offer expertise to ensure successful business outcomes for each Agile project. Deals can include a fixed number of team members per squad or flexible models measured by application feature delivery or other pricing methods. Project engagements can vary from small mobile applications to large solution implementations. Typical engagements take less than 18 months. Large projects are exceptions and most likely have staggered releases or more sprints.

Service providers in this quadrant are also responsible for fully managing their delivery teams. The ability to engage many squads to support a client is considered, but application staff augmentation services are excluded

from this quadrant. Providers should manage the squad size and offer experts according to throughput targets.

These service providers add specific knowledge and skills required by squads or projects. They can differentiate themselves by offering business expertise in dedicated industries, business environments, technology areas or expertise in development accelerators. The commercial business model centers on providing squads for client-managed application development units.

Eligibility Criteria

1. **Projects are typically measured** by the number of squad members, user stories delivered, deployment rate and frequency, defect count, time to market and business-related indicators, such as shared business outcomes

2. **Certified experts** in: Agile methods, such as Scrum, Kanban or Lean development; cloud-native data analytics; low-code/no-code development; system architecture; and CX design

3. **Certified experts** in software specialty and niche development, such as security, legacy modernization, IoT or dedicated industry expertise

4. **Proof-of-delivery capacity** with client references; they should not be startups or recently established companies

5. Talent acquisition programs, training programs, **knowledge management processes and the provision** of a healthy work environment to retain top talent

6. **Business expertise or development accelerators** for CRM, e-commerce, ERP or industry-specific technologies

Observations

For service providers, co-innovation with partners is vital to developing cutting-edge solutions and accelerators that meet the dynamic needs of the market. Collaborating with technology and business partners allows providers to combine diverse expertise, share resources and reduce development timelines. This approach drives innovation and ensures that solutions are scalable, robust and aligned with client expectations.

Service providers invest in talent to improve their employees' skill sets. As the technology landscape evolves, the demand for professionals skilled in the latest technologies, methodologies and tools increases. Service providers prioritize continuous learning and development, offering training programs and certifications to enhance their workforce's capabilities. This investment improves service quality and increases employee satisfaction and retention.

Enhancing Agile maturity across cross-functional teams is a strategic priority. Accelerating the Agile transformation journey fosters a culture of collaboration, agility and continuous improvement. This involves adopting Agile frameworks, streamlining workflows and promoting transparent communication.

Leveraging AI for productivity improvements is a game changer for service providers. AI-driven tools and platforms can automate routine tasks, optimize processes and provide actionable insights from vast datasets. This results in reduced operational costs, improved accuracy and enhanced decision-making capabilities. By integrating AI into their operations, service providers can focus more on strategic initiatives and innovation, maintaining a competitive edge in the industry.

From the 60 companies assessed for this study, 23 qualified for this quadrant, with six being Leaders and one a Rising Star.

Apexon

Apexon prioritizes client success by offering outcome-based and fixed-price models ideal for long-term partnerships. This approach guarantees accountability and aligns the company's goals with client objectives through metric-driven performance evaluations.

Coforge

Coforge has developed accelerators specifically for cloud-native application development. These accelerators leverage cloud-native technologies and best practices to simplify development and optimize cloud infrastructure utilization.

HEXAWARE

Hexaware's Agile Modern Delivery Framework empowers businesses to achieve heightened agility and accelerated product development. This customer-centric approach integrates industry best practices in scaled Agile, BizDevOps, cloud, APIs and microservices.

HTC Global Services

HTC Global Services is well versed in cloud platforms like AWS, Azure and Google Cloud. It utilizes cloud-native architectures, leveraging microservices, containers and serverless computing to build scalable and resilient applications.

Infinite Computer Solutions

Infinite Computer Solutions strongly emphasizes collaboration with clients and technology partners. It works closely with clients to understand their unique needs and tailor Agile solutions to their requirements.

UST

UST deeply understands specific industries, such as healthcare, banking, financial services, retail and manufacturing. This allows the company to tailor application development solutions to each sector's unique needs and challenges, ensuring relevance and effectiveness.
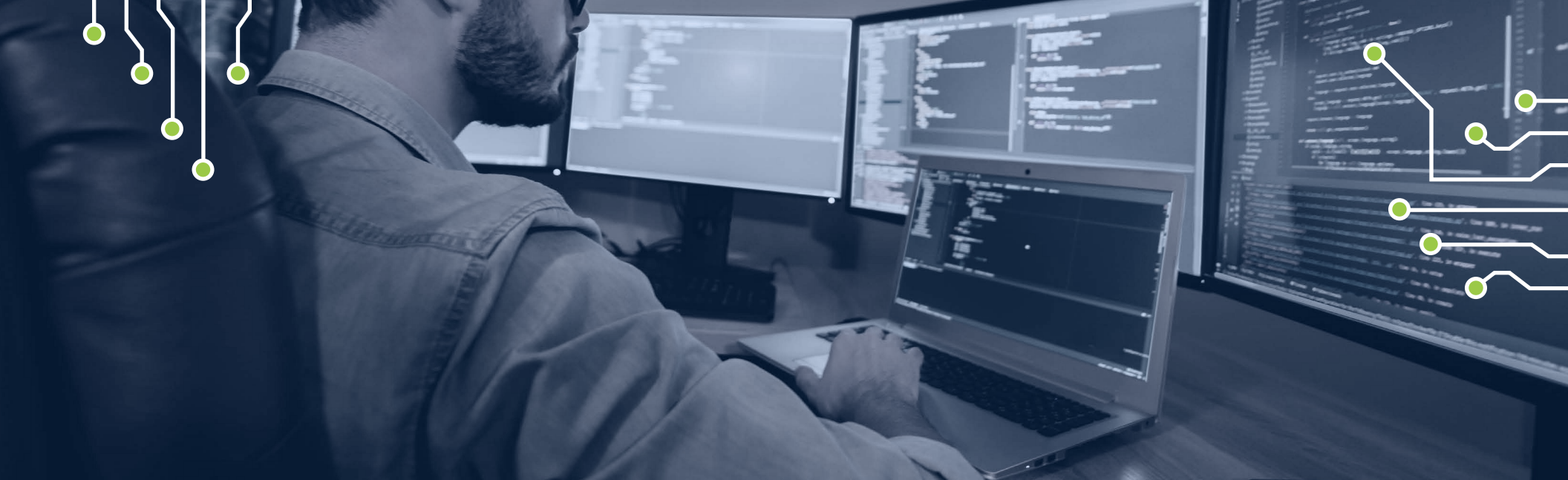
Agile Application Development Projects

Quinnox

Quinnox (Rising Star) has expertise in building cloud-native applications, utilizing microservices architecture, containers and serverless computing to achieve scalability, flexibility and cost-efficiency.

Application Managed Service

Application Managed Services

Who Should Read This Section

This report is for U.S. enterprises that are evaluating application managed services providers. ISG's quadrant report outlines current market positions and evaluates how providers overcome client challenges.

Enterprises face challenges in managing diverse and complex application portfolios, ensuring security and compliance, and balancing cost with performance. In the U.S., enterprises focus on faster time to market, supporting business operations, new product launches and improving IT processes. Enterprises seek service providers' expertise and advice to leverage generative AI (GenAI), which can deliver a better customer service experience.

Enterprises seek expertise in specific industries, proactive support and automation to enhance efficiency. They also require solutions that support digital transformation, offer scalability and adapt to evolving business needs, all while addressing talent shortages and maintaining application stability.

Service providers invest in advanced monitoring tools and automation, leveraging AI and ML to optimize performance and improve efficiency. Providers help enterprises stay competitive and manage growth by focusing on security and compliance frameworks and setting up innovation labs. Integrating AI, particularly through AIOps, enhances system observability and streamlines operations, leading to proactive issue resolution and better service delivery.

IT professionals should read this report to determine service providers' strengths and weaknesses in ADM and learn how to integrate cutting-edge technologies for market advantage.

Procurement managers should read this report to understand the service provider ecosystem for application maintenance services in the U.S. and assess how various providers compare.

Business professionals should read this report to understand partner positioning for efficient application service procurement and favorable ROI in their business or industry.

ISG Provider Lens™

Next-Gen ADM Services
Application Managed Services

Source: ISG RESEARCH

U.S. 2024
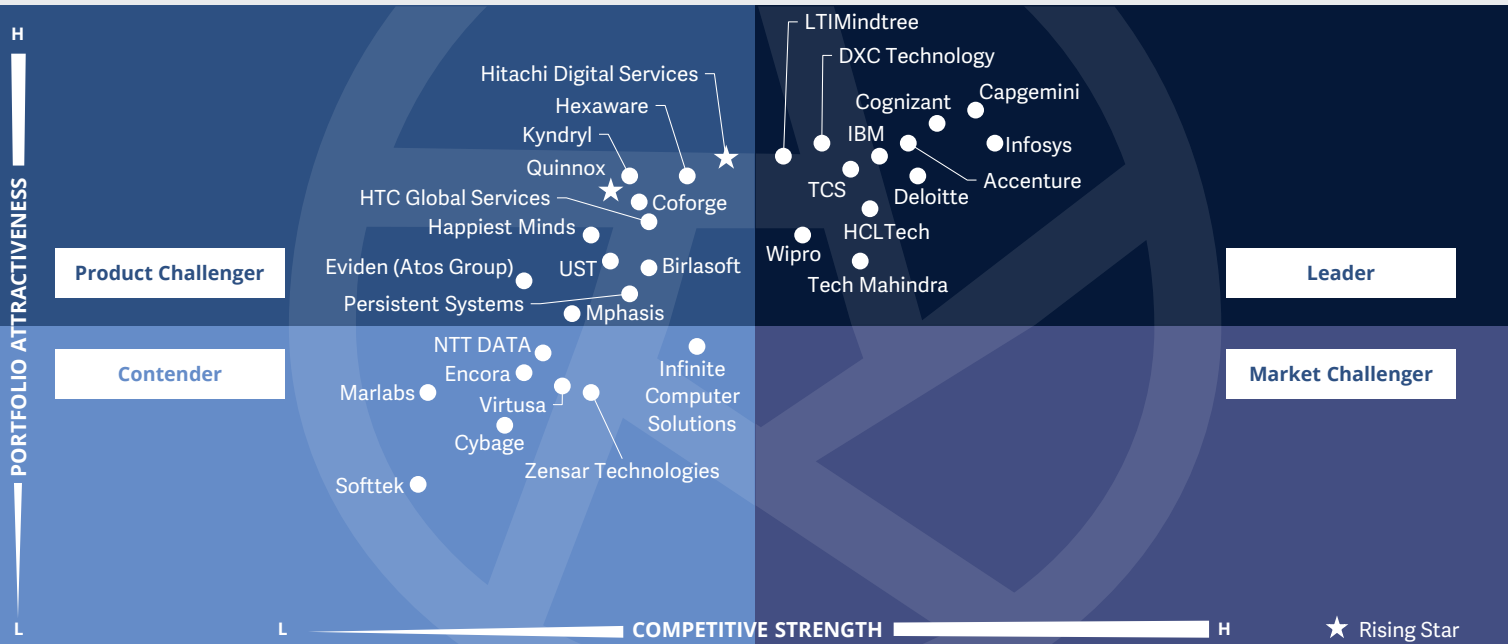
This quadrant assesses service providers **managing clients' defined application portfolios** comprising **application support, enhancements, platform upgrades**, application security, bug fixing, troubleshooting and merging enhancements and development backlogs.

Akhila Harinarayan

Application Managed Services

Definition

This quadrant assesses service providers responsible for managing clients' defined application portfolios (applications in production). It does not include niche application specialists. Application managed services (AMS) comprise application support, enhancements, platform upgrades, application security, bug fixing, troubleshooting and merging enhancements and development backlogs under Kanban or similar methodologies. The leading service providers in this quadrant offer application monitoring, release management, version control, defect identification, resolution and database query performance, AI-based automation tools and cost optimization methodologies.

Typical service agreements include metrics for the time taken to resolve an incident or service request, service availability, the defect rate, user satisfaction or Net Promoter Score (NPS) and UX. Service transition and client onboarding should include application documentation, service ticket records, knowledge transfer and expert transfer/hire optionally. Continuous service delivery starts after the transition period ends and often includes quality improvement programs and service knowledge refresh.

The quadrant also assesses service providers' capability to integrate AI and GenAI into the managed services lifecycle. These technologies have proven advantageous across the AMS lifecycle, benefiting stakeholders across both the client and service provider sides.

Large, long-term ADM contracts may include AMS in application outsourcing deals comprising Agile development, application modernization and quality assurance services. This quadrant specifically focuses on the AMS services offered by providers.

Eligibility Criteria

1. **Deployment and operation of service platforms** for performance and defect management, including troubleshooting, application tickets and service requests

2. Employment of **vendor-certified experts** in packaged e-commerce, ERP or CRM (at least one of these commercial applications)

3. Clearly supports **Microsoft and Oracle technologies**, Java programming and relational databases (such as MySQL, Oracle Database, PostgreSQL and SQL Server); mainframe and other technologies can add to a provider's rating but are not required for inclusion

4. **Integration of more than two service platforms**, such as Atlassian Jira, SAP Solution Manager, and ServiceNow and application platforms, such as AWS, Google Anthos, IBM Rational, and Microsoft Azure

5. **AI-based automation** tools that cover the client's entire application landscape and extend beyond incident and alert management

6. Contracts are based on **fixed service fees or outcomes**, providing clients with options; staff augmentation is an accepted exception

7. Continuously active and effective **cost optimization** and control mechanisms that cover the entire system of managed applications

Observations

Site reliability engineering (SRE)-led AIOps signify a significant evolution in IT operations by integrating the robust methodologies of site reliability engineering with the cutting-edge capabilities of AI for IT operations (AIOps). This synergy harnesses machine learning and advanced analytics to analyze extensive volumes of operational data, allowing SRE teams to proactively anticipate and resolve potential issues, thereby minimizing disruptions to users.

By enhancing observability, SRE-led AIOps provide site reliability engineers comprehensive insights into system performance and behavior. It helps them understand complex correlations between various events and more accurately pinpoint the root causes of incidents. This heightened visibility ensures that anomalies or deviations from normal operations are swiftly detected and addressed.

Moreover, the automation capabilities inherent in AIOps reduce the manual workload on SRE teams by streamlining routine and repetitive tasks. This automation increases efficiency and allows site reliability engineers to allocate more time to strategic projects, facilitating continuous system improvements. As a result, site reliability engineers can focus on optimizing system architecture, enhancing service reliability and driving innovation.

This collaborative approach nurtures a proactive culture within IT teams. Site reliability engineers, empowered by AIOps, can foresee potential bottlenecks and vulnerabilities, implementing preventative measures that maintain system resilience and high performance. For service providers, adopting SRE-led AIOps translates into robust service delivery, improved customer satisfaction and a solid competitive advantage in the marketplace.

From the 60 companies assessed for this study, 30 qualified for this quadrant, with 12 being Leaders and two Rising Stars.

accenture

Accenture's myWizard® is an all-encompassing platform that employs structured methodologies for modern engineering, operations, cloud and enterprise automation.

Capgemini

Capgemini's AIOps approach capitalizes on data, employing big data tools for collection and normalization. The AI-driven Enterprise Automation Fabric (EAF) ingests diverse data for insights and uses data lakes and analytics for ticket data and feedback.

cognizant

Cognizant invests in innovative IPs and other assets, including the Cognizant Neuro® IT Operations platform with AI-powered automation for improved resilience and visibility.

Deloitte.

Deloitte uses AI and ML to automate monitoring, incident management and root cause analysis (RCA) tasks. This reduces manual effort, improves efficiency and enables proactive issue resolution.

DXC TECHNOLOGY

DXC Technology's AIOps approach enhances DevSecOps capabilities, accelerating feature releases and minimizing resolution time. It offers a tailored Agile application management package for dynamic applications.

HCLTech

HCLTech prioritizes customer satisfaction and collaboration. The company works closely with clients to understand their unique requirements and tailor services accordingly.

IBM

IBM offers assets and accelerators powered by GenAI to enhance the end-to-end application management lifecycle. Some use cases include translation of user queries and tickets and GenAI-powered assistance for users and agents.

Infosys

Infosys Intelligent Assistant (IIA) is an AI-powered solution designed to streamline application management through automation. Leveraging ML, IIA efficiently extracts, validates, enriches, classifies and assigns tickets, minimizing manual intervention.

LTIMindtree

LTIMindtree has strategic partnerships with leading technology providers, such as AWS, Azure and Google Cloud. These partnerships give the company access to the latest tools and platforms, ensuring their solutions are built on cutting-edge technologies.

TCS – TATA CONSULTANCY SERVICES

TCS has extensive experience managing applications across various cloud platforms, including public, private and hybrid clouds. It offers cloud-native development, migration and optimization services, ensuring that applications in the cloud are scalable, resilient and cost-effective.

TECH mahindra

Tech Mahindra's AIOps approach, built on a platform-led composable technology foundation, offers a holistic assessment of existing AIOps capabilities. It identifies gaps to offer tailored recommendations for achieving AI-driven, hyperautomated, near-zero-touch IT operations.

wipro

Wipro has high-level partnerships with leading hyperscalers such as AWS, Google Cloud and Azure. The company is investing huge sums into startups with expertise in Agile, cloud technologies and DevOps, among other areas.

Hitachi Digital Services

Hitachi Digital Services' (Rising Star) comprehensive AI services portfolio empowers businesses to harness the power of AI for transformative growth. Its AI advisory team guides clients in developing optimal AI solutions for innovation and improved business performance.

Quinnox

Quinnox (Rising Star) has developed several IPs in the form of frameworks, platforms and tools. Qinfinite, an intelligent AIOps platform, auto-discovers IT assets and creates a knowledge graph for continuous observation, assessment, automation and optimization.

Deloitte

Leader

"Deloitte has robust capabilities to manage complex applications. It has integrated AI and developed new approaches to delivering efficiencies, experiences and transformation."

Akhila Harinarayan

Overview

Building on more than 175 years of service, Deloitte's network of member firms spans more than 150 countries and territories and consists of more than 475,000 people (across 700 global offices) worldwide. In FY23, the company generated $64.9 billion in revenue, with Consulting as its largest segment. The company caters to consumer, energy, resources and industrials, financial services, government and public services, life sciences and healthcare, technology, media and telecommunication sectors. It offers services via three regional delivery centers in the U.S., one regional delivery center in Mexico and one global delivery center in India.

Strengths

End-to-end support with partner ecosystem: Deloitte has access to a large pool of subject matter experts. It has partnered with some of the industry-leading technology and platform vendors, hyperscalers, product vendors such as SAP, Google, AWS, Guidewire, Aladdin, Workday, nCino, Adobe, Salesforce, ServiceNow, Siemens, Automation Anywhere, UiPath, Informatica and Blue Prism. Such partnerships provide access to the latest technologies and capabilities to cater to various enterprise requirements.

AI-driven automation: Deloitte uses AI and ML to automate monitoring, incident management and root cause analysis tasks. This reduces manual effort, improves efficiency and enables proactive issue resolution. The company focuses on delivering higher efficiencies and enabling accelerated transformations.

ServiceNow alliance: Deloitte expanded its ServiceNow alliance by becoming ServiceNow's GenAI partner of choice for managed services GenAI innovations. The mutually beneficial alliance leverages Deloitte's industry and managed services expertise and ServiceNow's Now Assist GenAI capability. This association helps create industry-specific solutions that help improve operational efficiency and accelerate time to value.

Caution

Deloitte should focus on broadening its client base in the U.S. region and also expanding its reach across the midmarket segment, considering that the majority of its clients are large enterprises.

Application
Quality Assurance

Who Should Read This Section

This report is relevant to enterprises across industries in the U.S. for evaluating quality assurance services providers.

Enterprises increasingly turn to advanced QA solutions utilizing AI and GenAI to improve testing processes. They seek innovations like automated test case creation and user behavior simulation from GenAI to enhance speed and coverage. AI and ML are crucial for prioritizing test cases and detecting anomalies, which boosts efficiency and upholds high standards. Enterprises also require rigorous testing of AI models to prevent biases and ensure the effective optimization of QA activities, addressing the complexity and cost challenges within their technology landscape.

Service providers address these enterprise needs by offering comprehensive QA programs, including assessments, design, implementation and management. They deploy quality frameworks and AI-driven tools to enhance code quality and infrastructure resilience. Providers also focus on training development teams in QA best practices and integrating

AI and ML for performance monitoring and predictive insights. By consolidating vendors, centralizing QA functions, and adopting Agile practices and automation, they effectively streamline processes and improve quality, performance and cost-efficiency.

IT professionals should read this report to determine service providers' strengths and weaknesses in ADM and learn how to integrate cutting-edge technologies for market advantage.

Product professionals should read this report to understand the market landscape and provider offerings, which can be used to improve the production process.
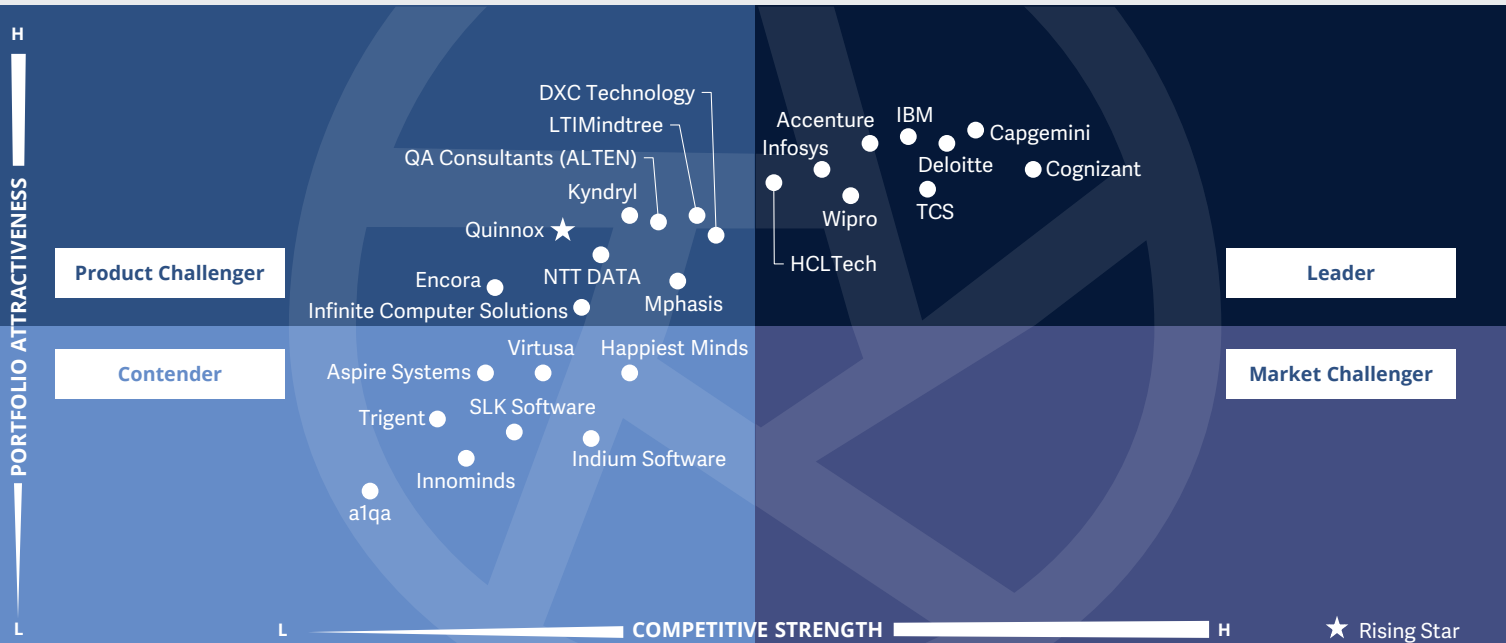
Business professionals should review this report to understand partner positioning for efficient application service procurement and favorable ROI in their business or industry.

ISG Provider Lens™

Source: ISG RESEARCH

Next-Gen ADM Services
Application Quality Assurance

U.S. 2024

PORTFOLIO ATTRACTIVENESS

H

L

COMPETITIVE STRENGTH

L — H

DXC Technology
LTIMindtree
QA Consultants (ALTEN)
Kyndryl
Quinnox ★

Accenture   IBM
Infosys   Capgemini
              Deloitte   Cognizant
Wipro   TCS

HCLTech

Product Challenger

Encora   NTT DATA
Infinite Computer Solutions   Mphasis

Leader

Virtusa   Happiest Minds

Contender

Aspire Systems

Market Challenger

Trigent   SLK Software

Indium Software

Innominds

a1qa

★ Rising Star

This quadrant assesses service providers that offer **comprehensive quality assurance** programs, including assessments, design, implementation and QA managed services.

Akhila Harinarayan

Application Quality Assurance

Definition

This quadrant assesses service providers that offer comprehensive quality assurance programs, including assessments, design, implementation and quality assurance managed services. Service deliverables include setting methods for business process optimization, effort estimation, project planning, documentation, sprint execution timelines, criteria for a product to be deemed complete, testing strategies to identify bugs or defects in a product and the level of business process optimization reached.

Service providers in this quadrant can design processes to attain the desired product or service quality at project and business levels, ideally covering a client's complete application portfolio. They leverage quality frameworks to support application code quality improvements, infrastructure resiliency, digital testing, security and quality assurance artifacts, and products and vendor tools.

The quality assurance service should include training and education to help clients mature their software engineering capabilities. A quality assurance program should involve all the development teams, including experts from the outsourcing companies working for clients.

This quadrant also assesses how providers leverage production logs to extract insights for improved application quality and performance and integrate application performance management tools with AI and ML for data monitoring to predict the quality of new applications.

Eligibility Criteria

1. **Centralized QA** unit that lays down quality standards for clients' projects

2. **Comprehensive technical QA framework**, which includes planning, implementation, monitoring, review and improvements

3. **Consulting team** focused on analyzing business demands and securing development and delivery according to business requirements

4. **Applying technology to perform analytics** over logs and AI for continuous improvement in results

5. **Differentiation with proprietary tools** and leverage vendor partnerships for quality monitoring, application performance and testing tools

6. **Training and education** offerings for developers, testers and operators to develop a quality excellence mindset and ensure that the overall product or service meets the desired quality

Application Quality Assurance

Observations

Delivering industry-specific quality solutions is crucial for service providers in application quality assurance. This involves using domain expertise among quality engineers to address unique challenges and requirements of different industries. By understanding the specific nuances and compliance standards of sectors like healthcare, finance and retail, quality assurance teams can tailor their testing processes and tools to ensure the highest application reliability, security and performance standards.

GenAI-driven QA is reshaping traditional QA methodologies. GenAI automates the creation of test cases and scenarios, simulating various user behaviors and conditions. This approach speeds up the testing process and ensures thorough coverage, uncovering potential issues that manual testing might miss. Quality engineering (QE) for AI and AI for QE have become increasingly important and are being adopted widely. AI models and applications require rigorous testing to ensure they function as intended and do not exhibit

biases or inaccuracies. Conversely, AI tools can be utilized to refine and optimize QA activities, making them more efficient and effective.

Integrating AI and ML for test case prioritization and anomaly detection during testing is vital. AI can analyze historical data and predict which test cases will likely uncover new defects, optimizing testing efforts. Anomaly detection algorithms can also identify unexpected behaviors or deviations during testing, allowing for quicker and more precise identification of issues. This integration of AI and ML ensures that testing processes are not only more efficient but also more capable of maintaining high-quality standards in a rapidly evolving application landscape.

From the 60 companies assessed for this study, 26 qualified for this quadrant, with 9 being Leaders and 1 Rising Star.

accenture

Accenture's proprietary intelligent automation platform, myWizard, streamlines testing processes and improves efficiency. It leverages AI and ML to automate test case generation, execution and analysis, reducing manual effort and accelerating testing cycles.

Capgemini

Capgemini's cloud quality engineering services offer comprehensive test coverage throughout the cloud journey. The firm assesses quality baseline, validates infrastructure provisioning and landing zones, and conducts pre- and post-data migration testing.

cognizant

Cognizant maintains strategic alliances with major cloud providers such as AWS, Azure and Google Cloud, enabling seamless integration and deployment of cloud-based applications.

Deloitte.

Deloitte's automation-first quality engineering practice offers various services such as advisory and transformation services for ERP, API, mobile, web, accessibility, IoT, UI/UX, digital content and analytics testing.

HCLTech

HCLTech enhances the testing lifecycle with AI, empowers self-service capabilities and boosts automation adoption. This approach equips business users and IT professionals with AI to scale testing efforts efficiently.

IBM

IBM's Ignite Quality Platform (IQP) is a DevOps-enabled, AI-driven platform for comprehensive QA. It streamlines the testing lifecycle with features such as automated test optimization, scriptless automation and defect prediction.

Infosys

Infosys integrates AI capabilities into the quality engineering process. The company offers automated test design and development, automated test management and automated test execution.

TATA CONSULTANCY SERVICES

TCS has developed a comprehensive platform that leverages AI and ML to optimize various aspects of quality engineering, including defect prediction, test suite optimization, duplicate analysis and automated root cause analysis.

wipro

Wipro has developed and utilized robust test automation frameworks to accelerate testing processes and improve test coverage. It uses various tools and frameworks to create efficient and reusable automation scripts.

Quinnox

Quinnox's (Rising Star) proprietary AI-based testing platform, Qyrus, offers codeless, self-healing, predictive and end-to-end test automation. The platform is accessible through web, mobile and APIs with comprehensive tools for test management and test data management.

Deloitte

Leader

"Based on AI, ML and NLP, Deloitte's automation-first quality engineering approach places the firm among the leading QA service providers. The firm's services ensure that clients reap the benefits of these approaches."

Akhila Harinarayan

Overview

Building on more than 175 years of service, Deloitte's network of member firms spans more than 150 countries and territories and consists of more than 475,000 people (across 700 global offices) worldwide. In FY23, the company generated $64.9 billion in revenue, with Consulting as its largest segment. The company caters to consumer, energy, resources and industrials, financial services, government and public services, life sciences and healthcare, and technology, media and telecommunication sectors. Deloitte provides comprehensive QA and testing solutions and resources, enabling the creation of quality engineering teams that support and achieve business and IT objectives.

Strengths

Robust service portfolio: Deloitte's automation-first quality engineering practice offers various services, such as advisory and transformation services for ERP, API, mobile, web, accessibility, IoT, UI/UX, digital content and analytics testing. It also offers digital and enterprise quality engineering services such as quality engineering maturity assessment, transformation, test foundry and CoE development, test management office (TMO) and test governance, and Agile and DevSecOps adoption.

Industry-specific expertise: Deloitte offers industry-specific QA services tailored to different sectors. Its deep industry knowledge ensures that its QA solutions address specific challenges and requirements, delivering relevant and impactful services. This expertise enhances the quality and relevance of its QA offerings.

AI and automation integration: Deloitte leverages GenAI and automation to catapult the autonomous testing journey for its clients. The company's AI-driven test automation platforms enable predictive analytics, early defect detection and automated testing, thus enhancing the efficiency and effectiveness of testing. Deloitte's Gen-AI powered autonomous testing capabilities complements human testers to provide automated and independent execution of testing activities throughout the entirety of the testing lifecycle.

Caution

Deloitte's services can be relatively expensive compared to other providers, especially for small businesses and projects with limited budgets. The firm could consider offering more flexible pricing models or tiered service options to attract a broader range of clients.

Continuous Testing Specialists

Continuous Testing Specialists

Who Should Read This Section

This report is relevant to U.S. enterprises for assessing continuous testing service providers.

U.S. enterprises face several challenges in business operations; hence, they prioritize high-quality software, which necessitates thorough testing for reliability, functionality and performance. With the rapid pace of business, enterprises need fast and efficient testing methods to speed up time to market. Cost-effectiveness is crucial, as enterprises seek value without sacrificing quality. They also require scalable testing solutions to adapt to evolving needs and increasingly seek automation to enhance efficiency. Challenges include the complexity of modern applications, the need for rapid testing cycles because of Agile development and the integration of cloud and DevOps practices. Data privacy and security concerns and a shortage of skilled professionals further complicate the testing landscape.

Service providers in the U.S. are implementing several strategies. They leverage automation tools and frameworks to streamline testing processes and reduce costs, including intelligent automation and API testing automation. Providers adopt Agile and DevOps practices, incorporating shift-left and continuous testing into CI/CD pipelines. Cloud-based testing platforms offer flexibility and scalability, allowing efficient testing across various environments. Security is reinforced through comprehensive testing frameworks and compliance checks. Service providers also focus on upskilling their workforce and collaborating with educational institutions to address the talent shortage. Specialized testing services and AI-driven solutions are also utilized to meet industry-specific needs and optimize testing efforts.

IT professionals should read this report to determine service providers' strengths and weaknesses in ADM and learn how to integrate cutting-edge technologies for market advantage.
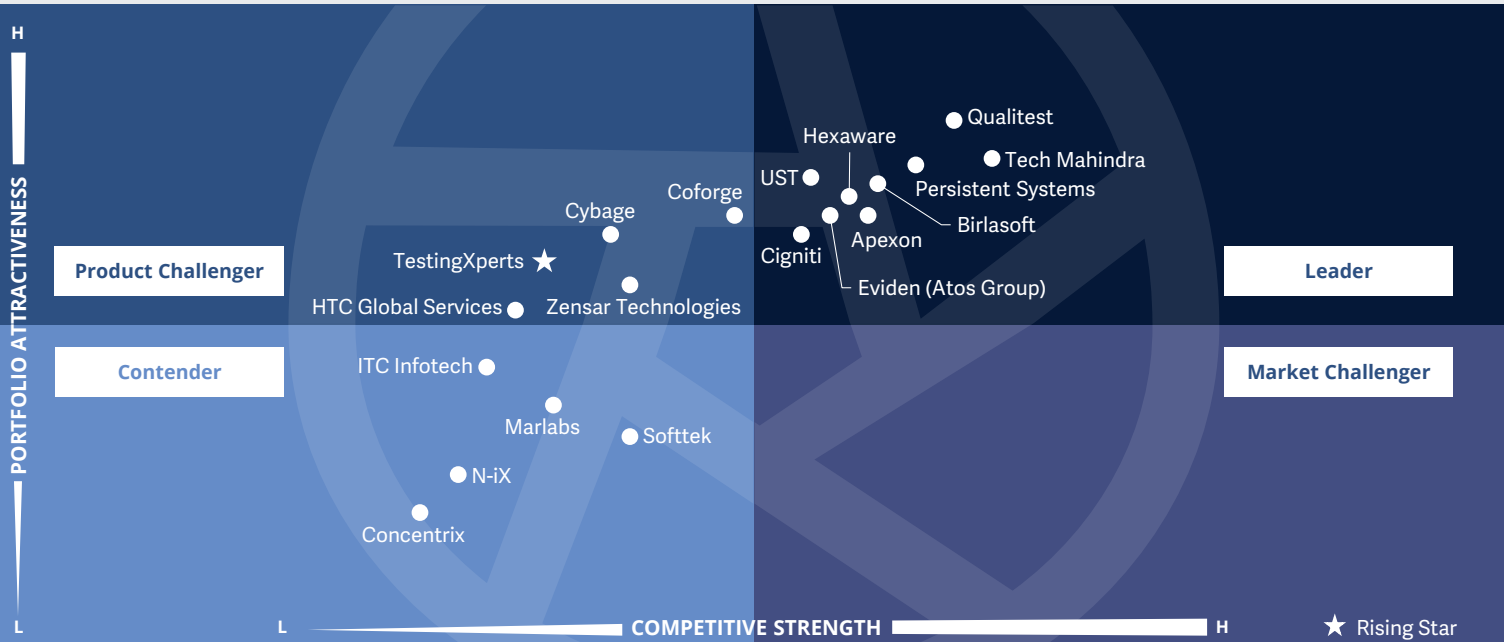
Product professionals should read this report to understand the market landscape and provider offerings, which can be used to improve the production process.

Business professionals should read this report to understand partner positioning for efficient application service procurement and favorable ROI in their business or industry.

ISG Provider Lens™

Next-Gen ADM Services
Continuous Testing Specialists

U.S. 2024

PORTFOLIO ATTRACTIVENESS

H

Product Challenger

Contender

Cybage

Coforge

TestingXperts ★

HTC Global Services   Zensar Technologies

ITC Infotech

Marlabs

Softtek

N-iX

Concentrix

L

L   **COMPETITIVE STRENGTH**   H   ★ Rising Star

Hexaware

UST   Qualitest

Tech Mahindra

Persistent Systems

Birlasoft

Cigniti   Apexon

Eviden (Atos Group)

Leader

Market Challenger

This quadrant assesses service providers offering continuous testing as a process of **automatically testing software changes** to ensure that **new features and code changes** do not introduce regressions or break existing functionality.

Akhila Harinarayan

Continuous Testing Specialists

Definition

This quadrant assesses continuous testing services providers. Continuous testing is the process of automatically testing software changes as they are made to ensure that new features and code changes do not introduce regressions or break existing functionality. Providers execute application testing, including defining the testing strategy, scope, methods and scripts. They also can differentiate the best approach to manual testing before consuming automation resources in test execution. These providers have the skills to deploy automation, execute testing cycles and produce the necessary evidence to support compliance auditing.

Continuous application testing focuses on delivering quality in tandem with the speed of Agile development. In terms of technology, it encompasses various aspects of automated testing, such as shift-left and end-to-end automation across testing phases, in every phase of the continuous delivery process.

This discipline goes beyond automation-based testing regarding people and processes; it accomplishes better collaboration between the quality assurance and development teams in sprint cycles, besides feature-driven testing and responsiveness to changes. Providers' portfolios may include unit testing, system testing, regression testing, compliance testing, performance and load testing, user acceptance testing and smoke testing. The most comprehensive portfolio gets a better appraisal.

Eligibility Criteria

1. **Qualified professionals** for test-driven development (TDD), behavior-driven development (BDD) and other approaches

2. Capability to **handle large-scale testing** and continuous integration demands of complex systems, such as ERP and e-commerce, with many test cases

3. **Consulting services** that include test automation implementation, which can be integrated with clients' development and DevOps tools and help clients optimize their continuous testing performance to reduce the testing time

4. **Continuous services**, including testing data and test coverage assessments, enabling automated testing across many continuous integration pipelines, and managing testing artifacts for the significant reutilization of such artifacts

5. **Replication and reuse of testing artifacts** to use in multiple projects

Continuous Testing Specialists

Observations

Service providers are adapting to the shift toward Agile and DevOps practices, aligning their offerings to meet client demands for integrated tools and frameworks that support continuous integration, delivery and testing. Emphasis on automating the testing process is critical to reducing time to market and enhancing application delivery efficiency. By integrating these practices, service providers enable their clients to accelerate the development lifecycle, improve collaboration between development and operations teams, and ensure that high-quality software is delivered faster.

Cloud-based testing is becoming pivotal for clients seeking to enhance scalability, flexibility and cost-effectiveness. Using cloud resources allows clients to simulate real-world scenarios and conduct comprehensive testing across platforms and devices. This approach ensures that applications perform optimally in diverse environments and allows for rapid scaling based on demand. Cloud-based solutions reduce the

need for substantial up-front infrastructure investments, providing a more cost-efficient model for quality assurance.

With the rise in cyberthreats and outages, security testing and compliance have become paramount for clients. Service providers are incorporating robust security testing practices into their offerings, including vulnerability assessments, penetration testing and code analysis. These measures are crucial for identifying and mitigating potential security risks, ensuring that applications are secure and comply with relevant standards/regulations. Service providers help clients safeguard their applications and data by prioritizing security and compliance and fostering trust and reliability in their software solutions.

From the 60 companies assessed for this study, 19 qualified for this quadrant, with nine being Leaders and one a Rising Star.

Apexon

Apexon invests in hiring, upskilling and retaining skilled personnel. The company partners with over 50 universities worldwide, securing access to resources with current and new skill sets.

Birlasoft

Birlasoft's testing center of excellence ensures software quality and reliability through manual and automated testing methodologies.

Cigniti
A Coforge Company

Cigniti's specialized test CoEs enhance software quality and accelerate testing cycles. These CoEs focus on development and functional and nonfunctional testing, leveraging AI, domain expertise, automation, mobile, performance and security testing.

EVIDEN

Eviden has significantly invested in developing platforms and solutions over the past few years. Its AI- and ML-based digital assurance platform uses QA bots to enhance efficiency across the QA lifecycle.

HEXAWARE

Hexaware generates over half of its testing revenue from modern pricing models, such as output-based pricing, POD-based pricing and subscription-based pricing. These models showcase the company's commitment to delivering value to clients.

Persistent

Persistent Systems' GenAI-powered quality engineering offers over 20 solutions across shift-left quality, full-stack automation and actionable insights, offering superior software quality and operational efficiency.

QUALITEST™

Qualitest continuously invests in R&D to stay at the forefront of testing methodologies and technologies. The company actively explores and adopts emerging trends, such as AI-powered cloud and IoT testing, to deliver advanced solutions to clients.

TECH mahindra

Tech Mahindra's continuous testing services prioritize quality and efficiency. It helps clients achieve quick time to market, reduce testing costs and improve overall software quality through its comprehensive and innovative approach to continuous testing.

U ▪ S T

UST has deep domain knowledge in various industries, enabling it to tailor continuous testing strategies to each sector's requirements and compliance standards. This ensures that testing is relevant and effective.

TestingXperts
Passion For Perfection

TestingXperts (Rising Star) serves diverse industries, including BFSI, retail and e-commerce, healthcare and life sciences, manufacturing, and travel and logistics. It provides tailored QA and digital engineering solutions to meet each sector's unique requirements.

AI-enabled Application Development and Maintenance (AI-ADM)

AI-enabled Application Development and Maintenance (AI-ADM)

Who Should Read This Section

The quadrant evaluates AI-enabled application development and maintenance (AI-ADM) service providers. These providers utilize technologies such as AI and ML, NLP and GenAI. In the U.S. AI-enabled application development and maintenance market, enterprises face several key demands and challenges. They require AI solutions that are scalable and flexible to handle growing workloads and adapt to evolving needs. Data privacy and security are paramount because of the sensitive nature of AI data. Enterprises also seek AI models that offer explainability and transparency to build trust and accountability. Ethical considerations, such as bias and fairness, are increasingly important. Moreover, AI solutions must seamlessly integrate with existing systems and be cost-effective to fit within budget constraints. Challenges include acquiring high-quality data, finding skilled AI professionals, addressing model bias and navigating regulatory compliance while balancing ethical concerns.

Service providers are tackling these challenges through various strategies. They focus on scalable and flexible AI solutions, leveraging microservices and cloud-native technologies for adaptability. Data quality is ensured through cleaning and governance frameworks, while robust security measures protect sensitive information. Providers enhance explainability with various techniques and use visualization tools to clarify AI model decisions. Ethical AI practices involve bias mitigation and adherence to ethical guidelines. They also emphasize seamless integration with existing systems using APIs and adopt cost-effective measures like open-source tools and cloud infrastructure. Regular compliance assessments and legal consultations ensure adherence to regulations.

IT professionals should read this report to determine service providers' strengths and weaknesses in ADM and learn how to integrate cutting-edge technologies for market advantage.

Product professionals should read this report to understand the market landscape and provider offerings, which can be used to improve the production process.

Business professionals should read this report to understand partner positioning for efficient application service procurement and favorable ROI in their business or industry.

ISG Provider Lens™

Source: ISG RESEARCH

Next-Gen ADM Services
AI-enabled Application Development and Maintenance (AI-ADM)

U.S. 2024
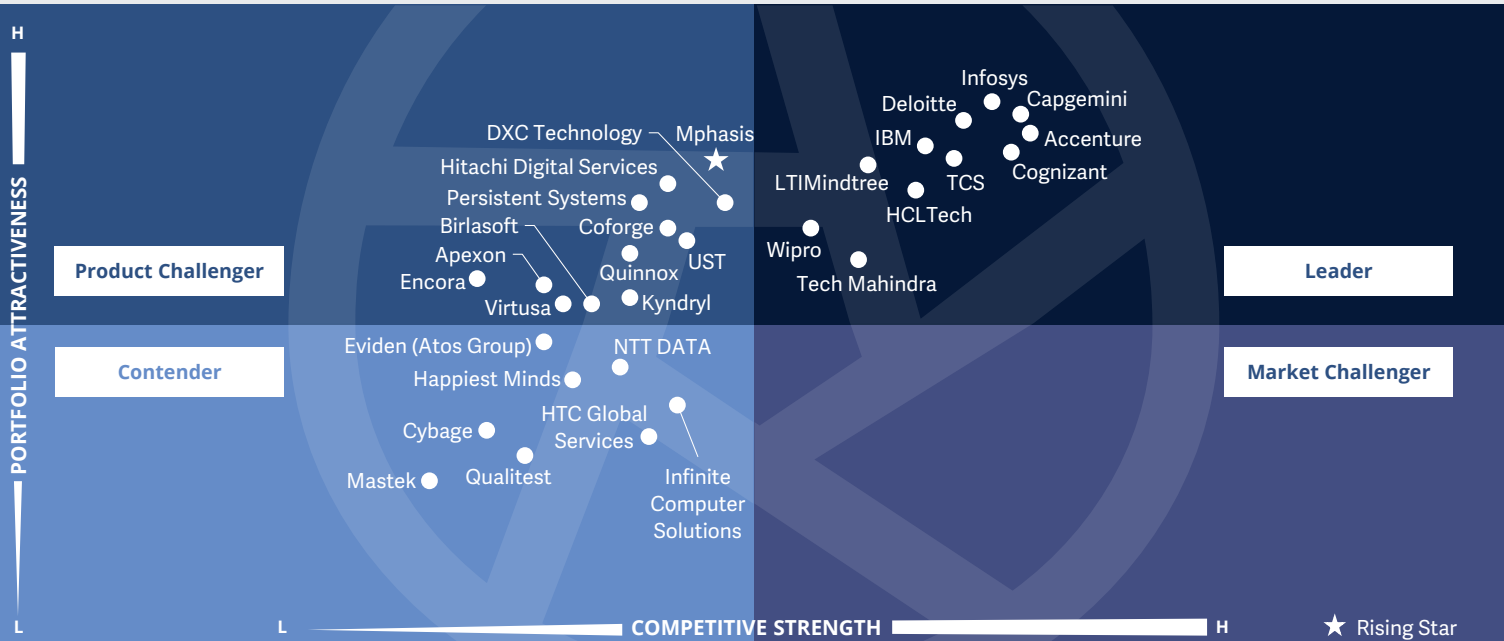
This quadrant assesses service providers offering **AI-based ADM services** using technologies such as ML, NLP and AI- and GenAI-powered tools to **optimize the entire application lifecycle**.

Akhila Harinarayan

AI-enabled Application Development and Maintenance (AI-ADM)

Definition

This quadrant assesses service providers offering AI-based application development and maintenance services. These providers use technologies such as ML, natural language processing (NLP) and AI- and therefore GenAI-based tools in their services across the application development and maintenance lifecycle.

AI-based automation enhances application development processes by minimizing repetitive and manual tasks. It can also be utilized to automate processes, including code generation, bug detection and testing. They add self-learning mechanisms to the systems, improving their individual performance over time. This leads to accelerated development cycles and enhanced overall process efficiency and cost efficiency. Enterprises benefit from improved user experience, smarter decision making and streamlined automation and efficiency. AI automation also facilitates predictive analytics, user behavior modeling, efficient resource management, real-time data processing, enhanced security and fraud detection, and simplified application development.

The service providers participating in this quadrant should clearly understand concepts such as ML, deep learning, NLP, neural networks, LLM and predictive and prescriptive analytics to introduce automation in application development.

This quadrant evaluates providers with expertise in AI and ML and proven capabilities in automating application development and maintenance. Discovery tools are also prevalent among providers in analyzing application dependencies, identifying violations, and flagging incorrectly assembled elements such as actions, screens and entities. They enforce best practices and identify duplicate code while enabling teams to keep pace with accelerated production schedules.

Eligibility Criteria

1. **High level of AI-based automation** and improvements through machine learning in both application development and application management scenarios

2. Proven **improvements in delivery** for clients in comparison to non-AI methodologies

3. Indicative improvement in developer KPIs, reflected in competitive pricing and business benefits

4. Comprehensive **set of AI-based** tools, developed in-house or together with a third party, that are deeply integrated into the ADM platform offered

5. **Consulting team** focused on analyzing business demands and securing development and delivery according to business requirements

6. **Training and education** offerings for developers, testers and operators

7. Proven **efforts to develop and integrate GenAI and LLMs** into the existing automation solutions for expanded functionalities

8. **AI partner network** to integrate, use and optimize AI-based tools and small/large language models.

AI-enabled Application Development and Maintenance (AI-ADM)

Observations

The acceptance of AI-ADM services by enterprise IT, specifically by sourcing and technology teams, is reshaping the operational landscape. This shift necessitates the establishment of robust guardrails for compliance and intellectual property protection, ensuring that the use of AI-ADM aligns with regulatory standards and safeguards proprietary data and code. By implementing stringent compliance protocols, enterprises can confidently leverage AI-ADM technologies while mitigating data security and IP infringement risks.

Moreover, the need for rapid improvement in the accuracy of AI-ADM methods is paramount. AI-ADM solutions can be fine-tuned to enhance precision and reliability by utilizing customer-specific code, data, and artifacts. This iterative improvement process accelerates development cycles and ensures that AI solutions are tailored to meet the unique demands of each enterprise.

To fully harness the potential of AI-ADM, organizations must invest in training their workforce in generative AI technologies. This training enables employees to effectively deploy and manage AI-ADM solutions, fostering a culture of innovation and continuous improvement.

Adopting AI-ADM techniques streamlines processes across design, engineering, assurance, and operations, leading to a more integrated and accelerated workflow. This comprehensive transformation allows clients to achieve greater efficiency, reduce time to market and enhance the overall quality of their software products. Embracing these changes is crucial for staying competitive in a rapidly evolving technological landscape, where the integration of AI into ADM processes becomes increasingly essential.

From the 60 companies assessed for this study, 30 qualified for this quadrant, with 11 being Leaders and one a Rising Star.

accenture

Accenture boasts a vast pool of skilled AI professionals, including data scientists, ML engineers and AI consultants. This expertise allows the company to design and implement sophisticated AI solutions that demand specialized knowledge and experience.

Capgemini

Capgemini has a global team of skilled professionals in various low-code/no-code platforms and citizen development programs, with the largest teams specializing in Salesforce, Pega and ServiceNow.

cognizant

Cognizant provides an AI-driven platform facilitating real-time regulatory compliance for life sciences IT systems, enabling continuous software delivery through automated validation and compliance assurance processes.

Deloitte.

Deloitte uses intelligent automation to optimize processes like testing, deployment and maintenance. AI-powered bots execute test cases, automate deployment pipelines and monitor applications for anomalies, boosting efficiency, reducing errors and accelerating time to market.

HCLTech

HCLTech uses an outcome-based approach for AI-ADM, partnering with customers in a shared investment and risk model to develop GenAI-infused products. The company shares productivity gains in managed services across the SDLC with clients.

IBM

IBM has a strong history of modernizing legacy applications and migrating them to modern platforms using cloud technologies, allowing businesses to extend application lifespans and maximize their IT investments.

AI-enabled Application Development and Maintenance (AI-ADM)

Infosys uses curated prompts and fine-tuned models for diverse use cases, including generating test cases from user stories, creating scripts, modeling workloads, producing synthetic data and predicting performance metrics from legacy code bases.

LTIMindtree has invested heavily in training its workforce to harness GenAI's potential, ensuring employees are equipped to deliver cutting-edge AI-ADM solutions and remain future-ready.

TCS has created proprietary frameworks and accelerators that leverage automation and AI to streamline application development, reduce time to market and enhance quality, integrating best practices to boost efficiency and productivity.

Tech Mahindra combines a solid foundation in traditional AI with investments in advanced technologies like quantum computing, LLMOps, GenAI, enterprise search, Project Indus, metaverse, AR and VR to drive growth and innovation.

Wipro's Designit PODs drive enterprise transformation by generating insights, interactions, integrations and innovations. The company coinvests with clients in multidisciplinary research, prototyping and immersive interactions to address digital challenges and support clients.

Mphasis

Mphasis (Rising Star) invests in upskilling its workforce in AI technologies like ML, NLP and data analytics. The company ensures that employees deliver advanced AI solutions through extensive training and certifications, enhancing ADM capabilities and driving innovation.

AI-enabled Application Development and Maintenance (AI-ADM)

Deloitte

🏆 **Leader**

"Deloitte has mastered AI and GenAI capabilities across the SDLC. With a trained workforce and cloud-native capabilities, Deloitte delivers impressive operational and cost benefits to clients."

Akhila Harinarayan

Overview

Building on more than 175 years of service, Deloitte's network of member firms spans more than 150 countries and territories and consists of more than 475,000 people (across 700 global offices) worldwide. In FY23 the company generated $64.9 billion in revenue, with Consulting as its largest segment. The company caters to consumer, energy, resources and industrials, financial services, government and public services, life sciences and healthcare, and technology, media and telecommunication sectors. Deloitte offers AI-ADM through AI-powered tools throughout the software development lifecycle.

Strengths

Training and workforce: Deloitte is upskilling its engineers, focusing on transitioning from traditional processes to GenAI-enabled methods. With approximately 90 percent of its cloud engineers trained in GenAI and 60 percent of GenAI-enabled cloud-native assets, Deloitte ensures a highly skilled, industry-ready workforce. Its strong cloud capabilities make Deloitte a preferred choice for clients.

Intelligent automation: Deloitte employs intelligent automation to streamline processes such as testing, deployment and maintenance. AI-powered bots execute test cases, automate deployment pipelines and monitor applications for anomalies, resulting in increased efficiency, reduced errors and quick time to market.

AI-assisted productivity platform: Deloitte's AI Assist platform is an end-to-end SDLC platform that utilizes AI-driven tools at each step of the lifecycle. The platform tailors assistance based on the users' role and the specific SDLC stage, enabling efficiency and productivity. Some of the key modules of the platform include DevOps Assist, Data Engineer Assist, QA Assist, Architect Assist and Developer Assist, providing comprehensive support across development and operations.

Caution

Deloitte has traditionally been known for its consulting services. Many enterprises are unaware of Deloitte's AI-enabled ADM services and the benefits that clients have realized. Deloitte should showcase its capabilities to new and prospective clients and expand its footprint in this area.

Star of Excellence

A program, designed by ISG, to collect client feedback about providers' success in demonstrating the highest standards of client service excellence and customer centricity.

Customer Experience (CX) Insights

In the ISG Star of Excellence™ research on enterprise customer experience (CX), clients have given feedback about their experience with service providers for their **Next-Gen ADM Services**.

Based on the direct feedback of enterprise clients, below are the key highlights:

Client Business Role

▲ **Most satisfied**
Sales/Marketing

▼ **Least satisfied**
Legal/Compliance

Region

▲ **Most satisfied**
Central/South America

▼ **Least satisfied**
Asia

Industry

▲ **Most satisfied**
Consumer packaged goods

▼ **Least satisfied**
Oil and Gas

Industry Average CX Score

75.2

▲ Highest CX: 95
▼ Lowest CX: 62.3

CX Score: 100 most satisfied, 0 least satisfied
Total responses (N) = 956

Most Important CX Pillar

Business Continuity and Flexibility

Service Delivery Models	Avg % of Work Done
Onsite	54.7%
Nearshore	21.3%
Offshore	24%

Appendix

Methodology & Team

The ISG Provider Lens 2024 – Next-Gen ADM Services study analyzes the relevant software vendors/service providers in the U.S., based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

Study Sponsor:
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The research and analysis presented in this study will include data 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. ISG recognizes the time lapse and possible market developments between research and publishing, in terms of mergers and acquisitions, and acknowledges that those changes will not reflect in the reports for this study.

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

The study was divided into the following steps:

1. Definition of Next-Gen ADM Services market

2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics

3. Interactive discussions with service providers/vendors on capabilities & use cases

4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)

5. Use of Star of Excellence CX-Data

6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.

7. Use of the following key evaluation criteria:

   * Strategy & vision

   * Tech Innovation

   * Brand awareness and presence in the market

   * Sales and partner landscape

   * Breadth and depth of portfolio of services offered

   * CX and Recommendation

Author & Editor Biographies

Lead Author

Akhila Harinarayan
Senior Lead Analyst

Akhila Harinarayan is Senior Lead Analyst and the lead author for ISG Provider Lens studies with a focus on Digital Business Transformation and SAP Services. She has more than 12 years of experience across research and consulting including provider strategy, enterprise strategy, industry roadmaps, point-of-view papers, service provider assessment across regions. She has strong expertise on strategy and transformation, digital insights, thought leadership, benchmarking, market assessments and go-to-market strategies.

She has authored many thought leadership papers, digital insight studies, devised go-to-market strategies across products/industries/regions, built frameworks and maturity models across industries for both enterprises, vendors and service providers.

Research Analyst

Maharshi Pandya
Senior Lead Analyst

Maharshi Pandya is a Senior Lead Analyst at ISG and is responsible for supporting and co-authoring ISG Provider Lens™ studies on SAP HANA Ecosystem & Next-Gen ADM Solutions and Services. He supports the lead analysts in the research process and authors the global summary report. Maharshi also develops content from an enterprise perspective and collaborates with advisors and enterprise clients on ad-hoc research assignments. Before this role, he has been associated with several syndicated and custom market research firms, in which he has worked on both,

secondary and primary interaction-centric research projects around market sizing & forecasting, competitive benchmarking, pricing analysis vendor profiles and market share analysis for several industry verticals such as information and communication technology, media & information services, and automotive. His area of expertise includes analytics, application development and maintenance, and enterprise resource planning.

Author & Editor Biographies

Study Sponsor

Heiko Henkes
Director and Principal Analyst

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.
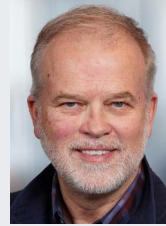
IPL Product Owner

Jan Erik Aase
Partner and Global Head – ISG Provider Lens™

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 research director, principal analyst 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, while 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.

ISG offers research specifically about providers to state and local governments (including counties, cities) as well as higher education institutions. Visit: Public Sector.

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ISG

ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 900 clients, including more than 75 of the world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including AI and automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis.

Founded in 2006, and based in Stamford, Conn., ISG employs 1,600 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.

For more information, visit isg-one.com.

ISG Provider Lens™

OCTOBER, 2024

REPORT: NEXT-GEN ADM SERVICES