Everest Group PEAK Matrix® for Digital Interactive Experience (IX) Service Provider 2022

Focus on Cognizant Digital Experience
March 2022

Background of the research

The experience design ecosystem is at the cusp of change, with increased customer awareness, data privacy regulations, touchless experiences, data-powered experiences, emerging technologies (such as AI, AR/VR) and a focus on sustainability compelling enterprises to rethink their investment priorities. Enterprises are increasingly turning to technology to power personalized, scalable, and sustainable experiences. Technology's increased role in orchestrating scalable and personalized experiences has elevated the role of IT service providers in the space. They have doubled down their focus on building relevant capabilities through organic and inorganic routes and are enhancing their technology capabilities through partnerships with leading platform and technology vendors in the space.

In this research, we present an assessment of 16 IT service providers featured on the Interactive Experience (IX) Services PEAK Matrix®, a comprehensive matrix that evaluates and categorizes providers in terms of their capabilities. The assessment focuses on the integrated capabilities that these IT service providers offer to the experience ecosystem.

The study is based on Everest Group's annual Request for Information (RFI) process for the calendar year 2021, interactions with leading IX service providers, client reference checks, and an ongoing analysis of the IX services market.

The full report includes the profiles of the following 16 leading digital IX service providers featured on the Digital IX services PEAK Matrix:

- **Leaders:** Accenture Interactive, Cognizant Digital Experience, IBM iX, TCS Interactive, Wipro
- **Major Contenders:** Brillio, Capgemini, Infogain, Mastek, Mindtree, Mphasis, Tech Mahindra, UST, Zensar
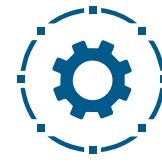- **Aspirants:** Datamatics, Stefanini

Scope of this report

Geography
Global

Digital IX vendors
16

Services
Digital interactive experience services

Digital interactive experience (IX) services PEAK Matrix® characteristics

Leaders:

Accenture Interactive, Cognizant Digital Experience, IBM iX, TCS Interactive, and Wipro

- Leaders display a strong ability to deliver end-to-end experience transformation engagements with robust offerings and market proof points across design, strategy, and technology services
- They have made strong investments in carving out a well-defined internal strategy that is also reflected in external branding to enhance the permission to play aspect in the experience ecosystem
- Strong narrative around stakeholder experience that includes customers, employees, partners, and the society
- Strong value proposition messaging centered around designing sustainable, responsible, and ethical experiences
- Mature play in high growth segments of IX that include commerce services and the emerging segment of media services
- Strong focus on next-generation technologies such as AI, edge computing, blockchain, IoT, computer vision, and AR/VR to deliver enhanced experience services
- Strong client orientation with innovative pricing models, outcome-based approach, and a strong ability to measure impact and RoI
- Strong global delivery footprint supplemented by a well-distributed network of design studios

Major Contenders:

Brillio, Capgemini, Infogain, Mastek, Mindtree, Mphasis, Tech Mahindra, UST, and Zensar

- Major Contenders have a strong narrative around the underlying role of technology and platforms to orchestrate scalable experiences
- Strong investments in frameworks and solutions to enable faster value realization for their clients
- Strong partnership ecosystem with leading DXP players such as Adobe, Salesforce, Oracle, and SAP
- Well-defined narrative on the role of data in powering end-customer experiences including a mature play with respect to Customer Data Platforms (CDP) and the orchestration of first-party data
- Focus on investments in innovation hubs and design studios to enhance the delivery footprint

Aspirants:

Datamatics and Stefanini

- Aspirants are focused on specific industries, service areas, or markets
- Have the technical capabilities and talent to serve as a technology enabler in the experience transformation journey of enterprises

Source: Everest Group (2022)

Everest Group PEAK Matrix®

Digital Interactive Experience (IX) Services PEAK Matrix® Assessment 2022 | Cognizant Digital Experience positioned as Leader

Everest Group Digital Interactive Experience (IX) Services PEAK Matrix® Assessment 2022[1,2]
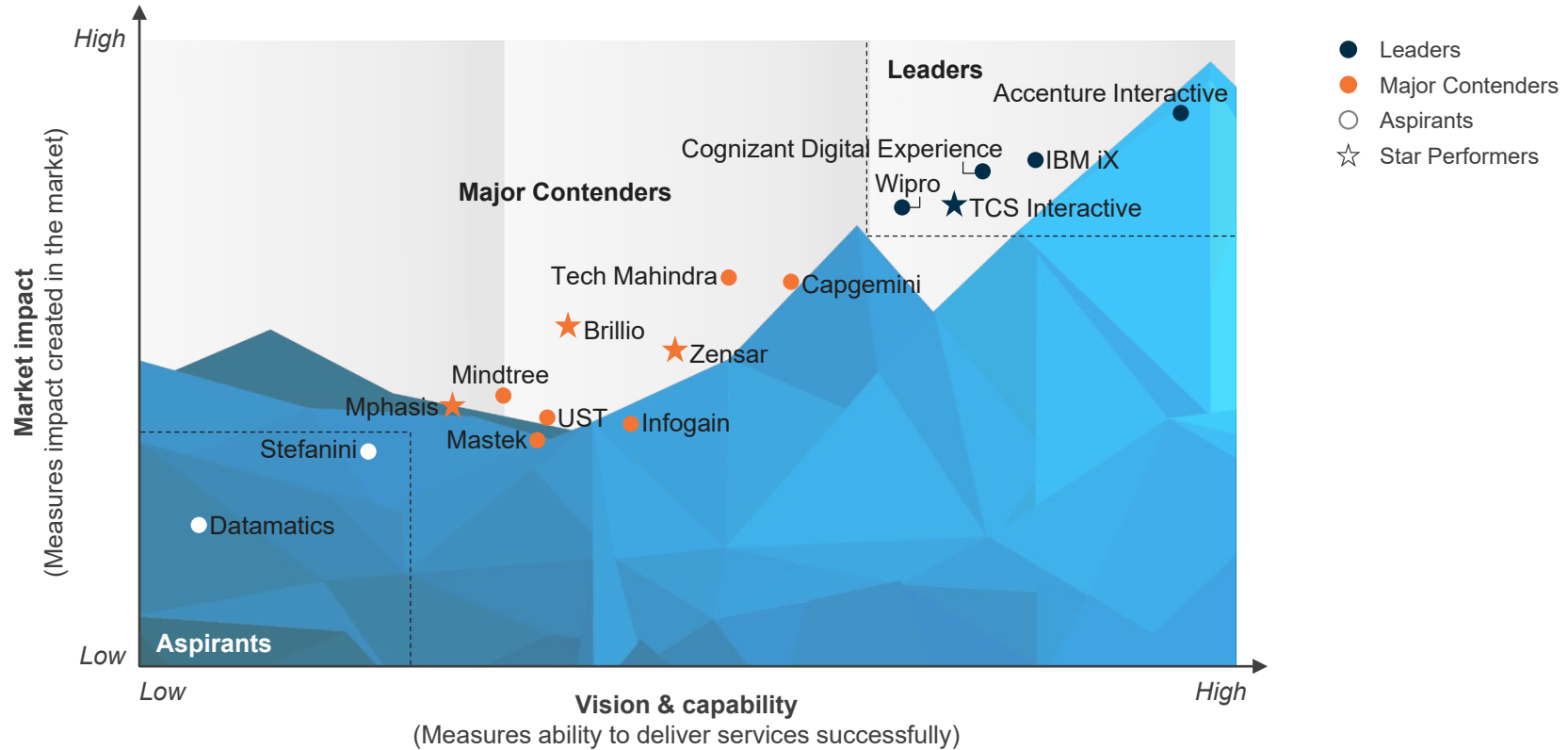
1   Assessments for Accenture Interactive, IBM iX, and Capgemini excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with buyers.
2   Assessment of Cognizant Digital Experience includes partial inputs from the service provider and is based on Everest Group's estimates that leverage Everest Group's proprietary data assets, service providers public disclosure, and interaction with buyers.

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any contract-specific information collected will only be presented back to the industry in an aggregated fashion.
Source: Everest Group (2022)

Cognizant Digital Experience | digital IX services profile (page 1 of 5)
Everest Group assessment – Leader

Measure of capability: ◔ Low ● High

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

Strengths

- Cognizant has a strong partnership ecosystem with Adobe, Salesforce, SAP, and Oracle with a joint go-to-market strategy with some of them. It has also been awarded the Adobe's European Partner of the Year award for two consecutive years

- It has an evolved focus on vertical-led offerings enabled by a POD-based structure

- It has a strong narrative around the future of experience with sustainability, responsibility, transparency, and evolving customer personas at the heart of it

- Clients acknowledge Cognizant's account management skills and appreciate the company's quick problem resolution skills and ability to manage communication at all levels

- It has made strong investments in solutions and accelerators to expedite time-to-market

Limitations

- It needs to build a strong narrative around emerging e-commerce services such as social commerce and video commerce, and strengthen its partnership with emerging technology players in the e-commerce ecosystem

- Clients have highlighted challenges pertaining to attrition

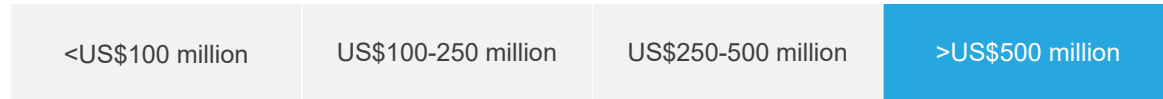- It should look to strengthen its play in media planning and buying services

Everest Group®

Cognizant Digital Experience | digital IX services profile (page 2 of 5)
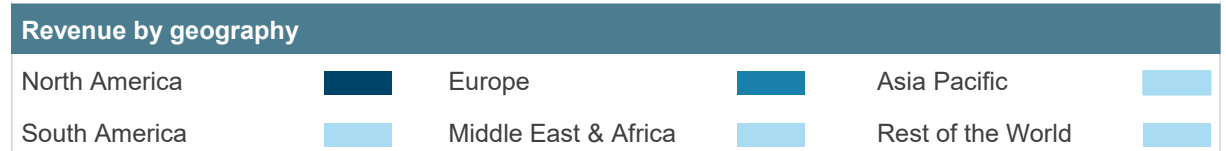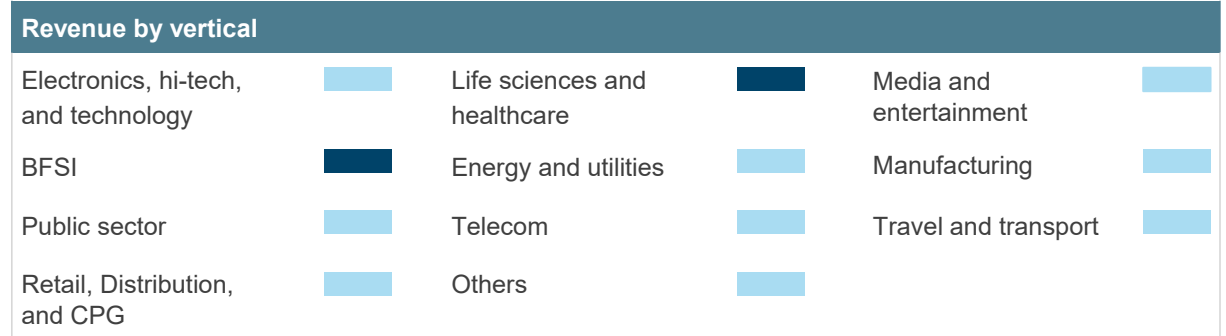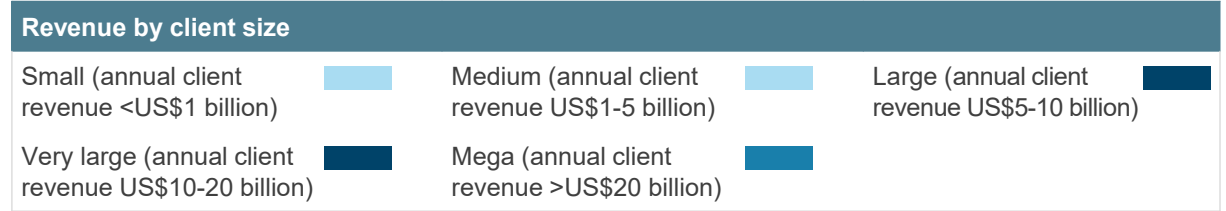## Overview

Vision

Cognizant Digital Experience creates personalized, valuable experiences at scale. They strive to blend intimacy with industrialization by aligning traditional and newly added capabilities that connect the deep understanding of their clients' customer (citizen) and employee needs, the creative articulation of the different experiences, and the ecosystem required to deliver and operate those experiences at scale. They are committed to designing and delivering responsibly, inclusively, sustainably, and ethically to address client needs.

Digital IX services revenue[1]

<US$100 million	US$100-250 million	US$250-500 million	>US$500 million

Digital IX services revenue[1]		
Low (<15%)	Medium (15-30%)	High (>30%)
Strategy and consulting	Design services	Technology

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

Revenue by client size					
Small (annual client revenue <US$1 billion)	Low	Medium (annual client revenue US$1-5 billion)	Low	Large (annual client revenue US$5-10 billion)	High
Very large (annual client revenue US$10-20 billion)	High	Mega (annual client revenue >US$20 billion)	Medium		

Revenue by vertical					
Electronics, hi-tech, and technology	Low	Life sciences and healthcare	High	Media and entertainment	Low
BFSI	High	Energy and utilities	Low	Manufacturing	Low
Public sector	Low	Telecom	Low	Travel and transport	Low
Retail, Distribution, and CPG	Low	Others	Low		

Revenue by geography					
North America	High	Europe	Medium	Asia Pacific	Low
South America	Low	Middle East & Africa	Low	Rest of the World	Low

1   Based on Everest Group's estimates.

Cognizant Digital Experience | digital IX services profile (page 3 of 5)
Case studies

Case study 1	Improved sales and customer acquisition by redefining customer engagement for a leading global food and beverage company

Business challenge

The client wanted to pace up its innovation to meet the evolving demands of customers. It also wanted a 24/7 interactive platform for its customers and to derive insights based on demographic and purchase profiles.

Solution

Cognizant built an omnichannel platform using its proprietary cloud solution to launch the client's first-ever e-commerce site, helping customers interact with the company more easily. Customers bought more products, more frequently – at a higher profit margin. The client saw improvement in order management owing to the e-commerce and marketing portal that leveraged Spring Boot and Spring Cloud-based microservice.

Impact

Sales improved by 5% and customer acquisition increased by 15%.

Case study 2	Redefined customer experience for one of the leading banking organizations in the USA

Business challenge

The client wanted to redefine the experience of its mobile application and to improve customer experience across digital touchpoints.

Solution

Cognizant delivered a seamless banking experience for the client's customers by developing the bank's application. The omnichannel experience across different digital touchpoints catered to multiple personas. The solution focused on on-the-go mobile banking users. The solution provided customers with DIY features to drive adoption and engagement and redefined the onboarding experience into the new payment application with auto-enrollment and bill discovery features.

Impact

The app rating improved by 36% and daily active users increased by 20% on a year-on-year basis. The NPV improved by 10.5%.

Cognizant Digital Experience | digital IX services profile (page 4 of 5)
Solutions

Proprietary solutions (representative list)	
Solution name	**Details**
Toybox	Cognizant's Rapid Digital Prototyping Platform used as an accelerator to build mobile and web applications rapidly.
LEAF™ Evolutionary AI	Cognizant's patented Learning Evolutionary Algorithm Framework uses advanced evolutionary algorithms and deep learning to produce actionable results from complicated, multivariate problems. LEAF can accelerate design testing from weeks to minutes.
Pixel Perfect	Design testing tool that leverages machine learning to identify and correct page and content issues for complex, multi-channel experiences.
Martech Assessment Framework	Less than 60% of MarTech functionality is used by organizations, and there are over 8000 software vendors in the space. Using historical data and anonymous profiling, Cognizant assesses MarTech architectures and can make recommendations on improvements based on best practices.

Cognizant Digital Experience | digital IX services profile (page 5 of 5)
Investments and partnerships

Digital interactive investments (representative list)	
Investment theme	**Details**
Acquisitions	• In January 2020, Cognizant acquired Linium, a company that provides workforce experiences using ServiceNow platforms. Linium holds more than 300 ServiceNow certifications, and its dedicated teams focus on client engagements across a variety of industries including telecom, insurance, and technology. This move broadens Cognizant's enterprise service management capabilities • In April 2021, Cognizant acquired Servian, which expands its digital transformation capabilities in New Zealand and Australia, that would help clients to unlock value from data, modernize enterprise applications, and achieve operational excellence
Design studio	• Cognizant has invested in developing digital studios, industry-specific labs, and client briefing centers worldwide • Cognizant has over 35 digital engineering studios globally • Cognizant has 12 insight and design labs across North America, the UK / Central Europe, and India

| Digital interactive partnerships (representative list)		
Partner name	**Type of partnership**	**Details**
Adobe	Technology	Cognizant is Adobe's platinum partner. Cognizant leverages Adobe Experience Platform and Adobe Experience Cloud Suite to design and deliver interactive experience solutions.
Salesforce	Technology	Cognizant is Salesforce's global strategic partner. Cognizant leverages Salesforce CRM (Customer Relationship Management) platform, Salesforce Lightning, and Salesforce Einstein to develop interactive experience solutions.
Sitecore	Technology	Cognizant is a Sitecore global solution partner since 2014 and holds expertise in Sitecore's experience platforms.

Recent awards and recognitions (representative list)
Awards
• In 2020, Netcentric, a part of Cognizant's Digital Experience was awarded Adobe's Digital Experience Solution Partner of the year for Central Europe • Cognizant's CDB Interactive Content Factory won a Platinum Award at the MarCom 2020 Awards in the **Best Content Studio for Marketing Operations** category

Appendix

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

Everest Group PEAK Matrix
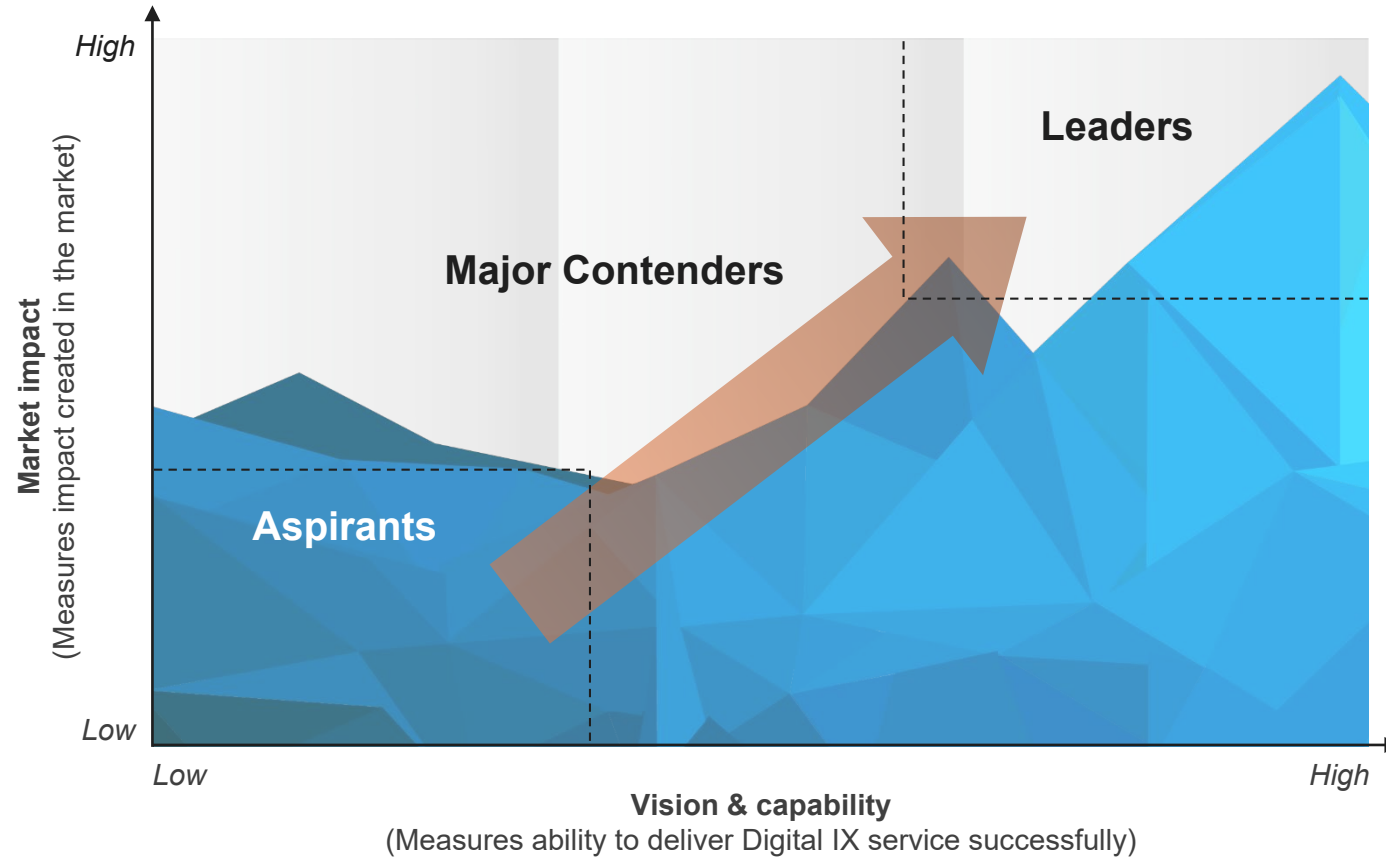
Services PEAK Matrix® evaluation dimensions

Measures impact created in the market –
captured through three subdimensions

Market adoption

Number of clients, revenue base,
YOY growth, and deal value/volume

Portfolio mix

Diversity of client/revenue base across
geographies and type of engagements

Value delivered

Value delivered to the client based
on customer feedback and
transformational impact

Market impact

Leaders

Major Contenders

Aspirants
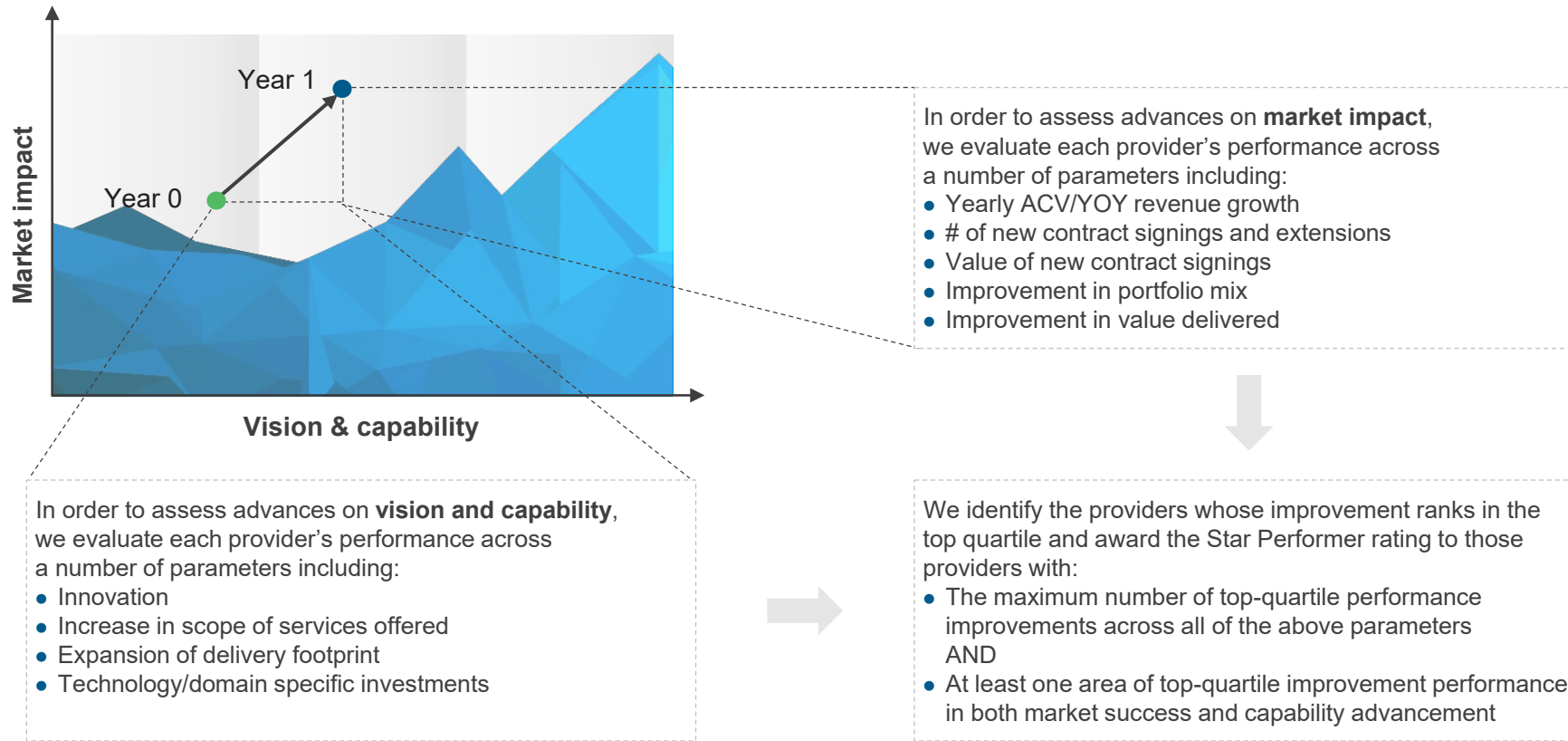
Vision & capability
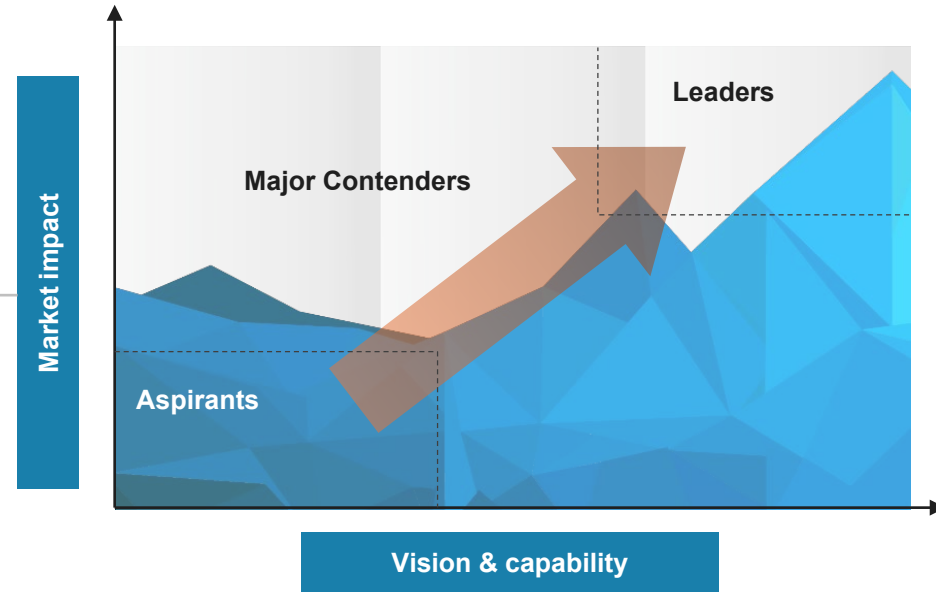
Measures ability to deliver services successfully.
This is captured through four subdimensions

Vision and strategy

Vision for the client and itself; future
roadmap and strategy

Scope of services offered

Depth and breadth of services portfolio
across service subsegments/processes

Innovation and investments

Innovation and investment in the enabling
areas, e.g., technology IP, industry/domain
knowledge, innovative commercial
constructs, alliances, M&A, etc.

Delivery footprint

Delivery footprint and global sourcing mix

Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

Methodology
Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix

In order to assess advances on **market impact**, we evaluate each provider's performance across a number of parameters including:
- Yearly ACV/YOY revenue growth
- # of new contract signings and extensions
- Value of new contract signings
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on **vision and capability**, we evaluate each provider's performance across a number of parameters including:
- Innovation
- Increase in scope of services offered
- Expansion of delivery footprint
- Technology/domain specific investments

We identify the providers whose improvement ranks in the top quartile and award the Star Performer rating to those providers with:
- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement performance in both market success and capability advancement

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

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?
Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a "Major Contender" or "Aspirant" on the PEAK Matrix, an unfavorable outcome?
No. The PEAK Matrix highlights and positions only the best-in-class providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the "PEAK Matrix position"?
A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a "Leader", "Major Contender," or "Aspirant" title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?
- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own "profile" that is published by Everest Group as part of the "compendium of PEAK Matrix providers" profiles

What is the process for a provider / technology vendor to leverage their PEAK Matrix positioning and/or "Star Performer" status ?
- Providers/vendors can use their PEAK Matrix positioning or "Star Performer" rating in multiple ways including:
  - Issue a press release declaring their positioning. See citation policies
  - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
  - Quotes from Everest Group analysts could be disseminated to the media
  - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?
PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises

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With you on the journey

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