Everest Group PEAK Matrix® for Platform IT Services in Banking and Financial Service Provider 2022

Focus on Infosys
January 2022

Background of the research

The global Banking and Financial Services (BFS) firms are pivoting to a robust IT modernization and digital transformation approach in response to the immense challenges they are currently facing, such as rising cost pressures, changing customer and market expectations, monolithic architectures preventing faster product delivery, legacy systems hindering connectivity to third parties that would enable innovation, evolving regulatory frameworks, and accelerated competition from FinTechs and technology giants.

The need for modernizing the IT systems in the BFS industry has been accelerated by the COVID-19 pandemic, as the demand for digital services has increased significantly. The firms are thus adopting enterprise platforms, which enable this transformation journey and help create superior experiences, reduce latency, improve flexibility and agility, manage regulations, harness the value of data, and adopt next-generation technologies including migration to cloud.

Adoption of the platform-based technologies requires deep product understanding and technical expertise, which the service providers bring in for the BFS firms along with helping them create a structured approach towards platformification. The platform IT services in BFS market are growing at a rate of 13% and service providers are aggressively tapping into this demand theme by making signification investments to grow their partnerships and capabilities with leading vertical and horizontal platform vendors. They are focusing on building proprietary IP/accelerators and consulting frameworks, talent development, improving market messaging through thought leadership, bolstering competence through acquisitions, and establishing dedicated CoEs and labs.

In this research, the vision, capability, and market impact generated by 18 IT service providers for platform IT services specific to the BFS industry was studied.

The full report includes the profiles of the following 18 IT service providers featured on the Platform IT Services in BFS PEAK Matrix:

- **Leaders:** Accenture, Capgemini, Cognizant, HCL Technologies, and Infosys
- **Major Contenders:** Aspire Systems, Birlasoft, Deloitte, LTI, Luxoft – a DXC Technology Company, Mindtree, Mphasis, Tech Mahindra, and Virtusa
- **Aspirants:** IT Smart Systems, ITC Infotech, Quinnox, and UST

Scope of this report:

Geography
Global

Service providers
18 leading platform IT service providers in BFS

Services
Platform IT Services in BFS

Platform IT Services in BFS PEAK Matrix® characteristics

Leaders

Accenture, Capgemini, Cognizant, HCL Technologies, and Infosys

- Leaders have managed to grow their revenue from platform IT services for BFS firms on the back of demand-side trends, such as focus on progressive cost takeout, need to enhance customer experience, regulatory and compliance pressures, accelerated front- to back-office modernization, and increased focus on data security
- They continue to enhance their partnership ecosystem and build a balanced portfolio across systems of records (core platforms), systems of integration (workflow platforms), digital experience and engagement platforms, and platforms for managing risk & compliance. Most of them hold the highest level of partnership status with key platforms across different LoBs
- The leaders are proactively investing in enhancing the platform services through next-generation technology and operations (AI/ML, cloud, automation, agile, DevOps) enablement, set-up of dedicated CoEs for in-focus platforms, talent development though training & certifications, acquisitions, and formation of innovative IPs/tools/accelerators
- Providers such as Accenture, HCL Technologies, Cognizant, and Capgemini work with the clients to align on a strategy, identify and choose the platforms, and develop an end-to-end solution while Infosys' platform lead FS strategy is enabled by both – homegrown and partner solutions stack
- Co-innovation with the clients in their digital or innovation labs/studios/centers, partnerships with FinTechs & RegTechs, joint Go-to-Market (GTM) with the platforms, and building on SaaS or BPaaS models are all part of the leaders' strategy for driving large-scale, complex, and high impact platform transformations

Major Contenders

Aspire Systems, Birlasoft, Deloitte, LTI, Luxoft – a DXC Technology Company, Mindtree, Mphasis, Tech Mahindra, and Virtusa

- Major Contenders consist of mid-sized and certain large providers that focus on global/regional markets
- They tend to form a platform-agnostic balanced portfolio; however, some of them have carved out an area of expertise such as DXC Technologies' focus toward capital markets sell-side platforms, Birlasoft's recognitions in workflow and digital experience platforms, LTI's inclination towards core modernization, and Aspire Systems engaging in digital banking implementations
- They have been able to successfully execute large and complex transformation projects; however, they are not seen as strategic partners having a cohesive portfolio and helping assess platforms

Aspirants

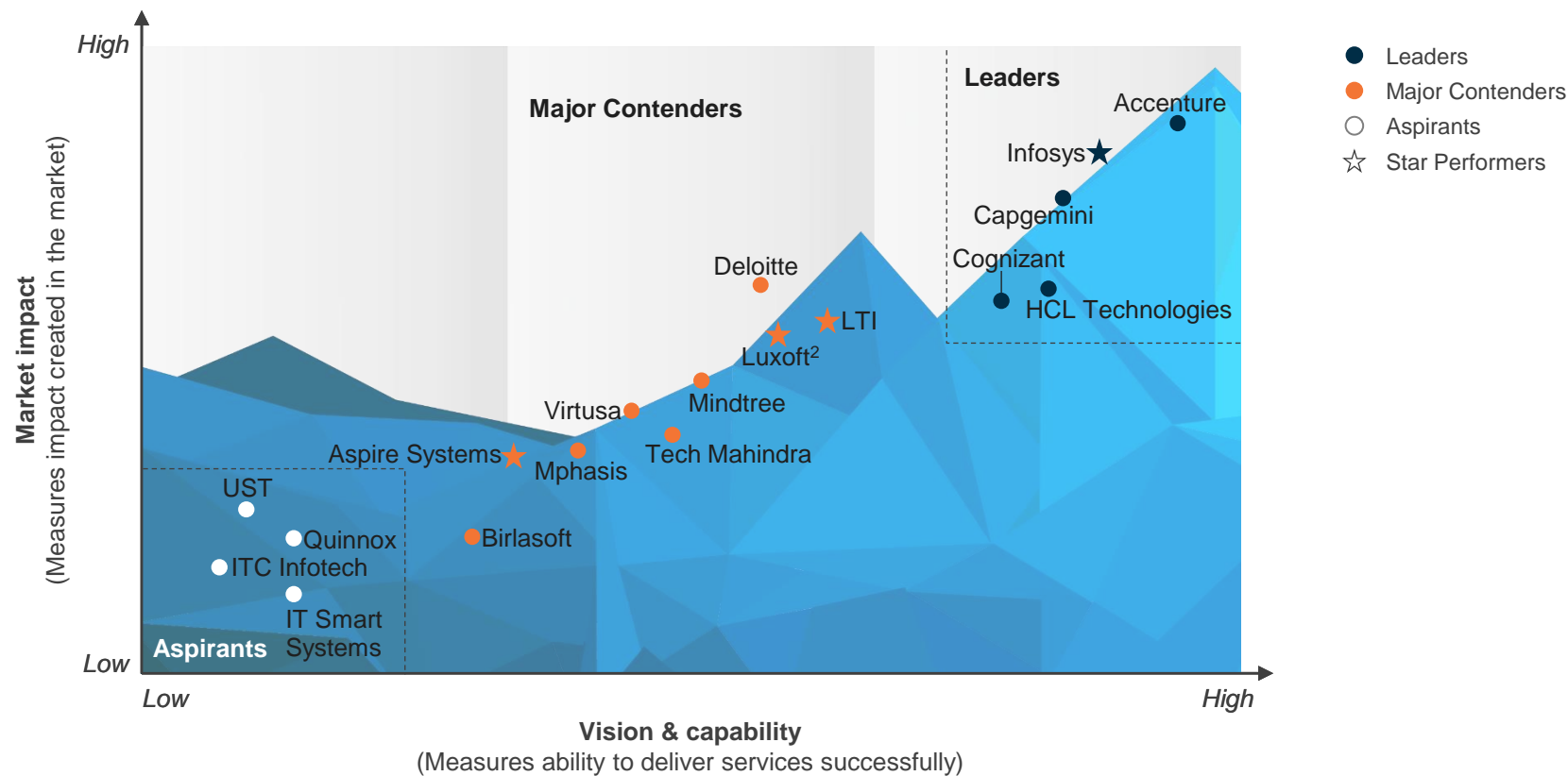IT Smart Systems, ITC Infotech, UST, and Quinnox

- Aspirants have built niche capabilities to cover specific platform(s), geography, or LoBs – IT Smart Systems stands out as a Backbase and IBM API Connect expert for the European market, while Quinnox is recognized as a niche quality assurance provider for core capital markets platforms such as Calypso and is also showcasing success with challenger banks
- They are investing in building partnerships with horizontal as well as vertical platform vendors to enhance their GTM strategy and building credible IP and frameworks for seamless migration/implementation of platforms; however, market awareness through cutting edge thought leadership and joint GTM and/or co-innovation with platform vendors will help them grow

Everest Group PEAK Matrix®
Platform IT Services in BFS PEAK Matrix® Assessment 2022 | Infosys positioned as Leader and Star Performer

Everest Group Platform IT Services in BFS PEAK Matrix® Assessment 2022[1,2]

Infosys | platform IT services in BFS profile (page 1 of 5)
Everest Group assessment – Leader and Star Performer

Measure of capability: ● High ◔ Low

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

Strengths

- Its BFS platform offerings are experiencing a high traction on the back of its multi-layered strategy – continuous development of home-grown platforms offerings (Infosys Finacle and Infosys Cobalt), product technology services unit to focus on third-party platforms within BFS, and leveraging FinTech partnerships to innovate for/with clients

- Mega deal wins have been supported by a dedicated large deals team and with investments in strategic domain-backed platforms such as mortgage as a service and retirements as a service

- A platform-centric, 4D (digital, design, data, and domain) approach is keeping Infosys differentiated in its integration and modernization engagements

- It has made significant investments to strengthen the Infosys Innovation Network (IIN) with the establishment of multiple digital studios, living labs, co-innovation centers & CoEs

- Acquisition of Carter Digital & Kaleidoscope Innovation (SAP), Simplus (Salesforce), GuideVision (ServiceNow) has strengthened its position as an implementation partner

- Clients have applauded its ability to ensure the smooth continuity of services even in the highly uncertain pandemic times

Limitations

- Infosys's current portfolio for platforms in BFS services is highly concentrated in the North American region; it lacks the strategy to diversify to other high growth regions such as Europe and the UK in order to compete with global peers

- Infosys' capabilities in providing platform maintenance and support services needs improvement from a solutioning and framework perspective as cited by its clients

- Improving the depth & breadth of platform partnerships specifically beyond the workflow products and leveraging its consulting talent pool will be needed to keep up the growth momentum

- It might face concentration risk with an over focus on IP/accelerator development for in-house platforms and cross-industry platforms

Infosys | platform IT services in BFS profile (page 2 of 5)
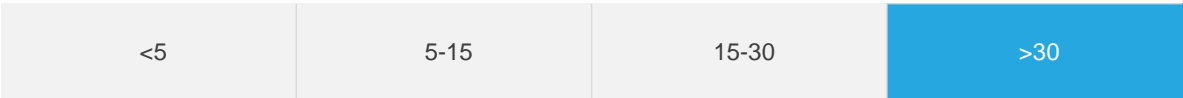## Practice overview

	Data not available		Low (<15%)		Medium (15-30%)		High (>30%)

Company mission/vision statement

Provide world-class financial solutions to customers through products leveraging technology, domain, and services expertise and partnerships with product vendors.

BFS platform IT services – revenue mix (CY 2020)[1]

<US$20 million	US$20-50 million	US$50-100 million	>US$100 million

Number of BFS platform IT services clients being served in CY 2020

<5	5-15	15-30	>30

Ranges for FTEs

	Data not available		Very Low (<100)		Low (100-500)		Medium (500-5,000)		High (>5,000)

North America	Europe	Asia Pacific	United Kingdom	Latin America	Middle East & Africa

BFS platform IT services – revenue mix (CY 2020)

By BFS platform type			
Core BFS	Digital experience	Workflow management	Risk and compliance[1]

By BFS line of business (LoB)	
Banking (retail, SME, and commercial) and treasury	Capital markets - market intermediaries (stock exchanges, custodians, etc.)
Capital markets - buy-side (asset & wealth management, hedge funds, etc.)	Capital markets - sell-side (investment banking, brokerage, etc.)
Cards & payments	Lending	Others

By geography		
North America	Latin America	Asia Pacific
Europe (excluding UK)	United Kingdom	Middle East & Africa

By buyer size		
Small (annual client revenue <US$1 billion)	Very large (annual client revenue US$10-20 billion)	Large (annual client revenue US$5-10 billion)
Medium (annual client revenue US$1-5 billion)	Mega (annual client revenue >US$20 billion)	

By BFS platform IT services scope		
Consulting services	Enhancement services	Implementation/ integration services
QA and testing services	Upgrade and migration services	Maintenance and support services

Infosys | platform IT services in BFS profile (page 3 of 5)
Key partnerships

NOT EXHAUSTIVE

Major BFS platform partnerships			
Partner	**Partnership tier**	**Number of trained resources** (<100, 100-250, 250-500, >500)	**Key differentiators for delivering services to BFS clients**
Nice Actimize	Global Strategic Alliance Partner	250-500	End-to-End (E2E) managed services on the cloud including license ownership for both Actimize and the cloud service. Infosys introduced new constructs, reflecting its credentials in product implementation/engineering, software with services, etc.
Fiserv VisionPLUS	Global Alliance Partner	250-500	Involved in VisionPLUS, VisionFlex, and AccessPLUS product development. Developed the AccessPLUS platform suite to provide services such as dispute management, collections, origination, customer care & servicing.
Avaloq	Strategic Implementation Partner	<100	Test automation suite and E2E service provider in capital markets covering private banking, asset management, investment banking, and asset servicing.
nCino	Global Implementation Partner	<100	Dedicated CoE for nCino services competency. Top-tier partnership and joint GTM strategy.
Microsoft	Premier- Global SI Partner	>500	Top-tier partnership with dedicated innovation labs and joint teams to collaborate and contribute to client engagements
Oracle	Platinum Partner	>500	Fully operational lab set up at Infosys, Bangalore, to demonstrate oracle products. The Infosys-Oracle joint innovation center was set up at the Oracle headquarters in Redwood Shores.
Salesforce	Platinum Partner	>500	With the acquisition of Fluido and Simplus, Infosys ensures the presence of local talents for all its client needs in the US, Australia, and Europe. It has strong local partnerships with multiple ISVs such as nCino, FinancialForce, Vlocity, CloudSense, Panaya, and Servicemax.
Pega	Platinum Partner	>500	Made investments for unique IPs and has developed the required deep technical and process expertise along with receiving appreciation for the innovative vision for DPA.
SAP	Global Partner	>500	Has E2E SI capabilities in digital and the cloud, including business consulting, digital transformation, infrastructure, analytics, data, etc. Developing solutions with SAP such as S/4HANA sales and distribution module and ATP along with SAP's product teams.
Adobe	Global Platinum Partner	>500	Nine specializations in Adobe Experience Cloud products including AEM, analytics, campaign, etc. It is the world's second largest Adobe specialized workforce.
Service Now	Premier Partner	>500	Was the 2021 ServiceNow Global Service Provider Partner of the Year for the third consecutive year, apart from wining other regional awards as well. The Infosys Enterprise Service Management Café is an AI-powered plug-and-play solution that makes implementation 40%-50% faster.

Infosys | platform IT services in BFS profile (page 4 of 5)
Investments

NOT EXHAUSTIVE

Major recent investments to enhance BFS platform IT services delivery capabilities			
Investment name	**Investment theme**	**Investment year[1]**	**Details**
Enhancing Partnerships Ecosystem	Alliances	Ongoing	Formed a dedicated unit within BFS (Product Technology Services), to enhance their capabilities in third-party products and platforms. Developed excellent experience and relationships with leading companies including SAP, Microsoft, SFDC, Adobe, Google, AWS etc.
Co-Innovation Labs / CoEs with Partners	Innovation	Ongoing	Created a dedicated innovations team with the mandate to develop new ideas based on emerging technologies into MPVs-Products CoEs for all the major product vendors including Avaloq, nCino, Nice Actimize, etc. The Infosys Living Labs help co-create innovative solutions with clients.
Trainings/Localization	Capability development	Ongoing	Has created access to training & certifications with an in-house digital learning platform (Lex). About 6% of the overall revenue is invested in training and development. Tie-ups with global universities including Stanford, Purdue, Ball, NC State, etc., for providing world-class training to employees. Infosys has put a significant focus on localization and investing in locations where clients operate.
Cloud Services	Capability development	Ongoing	It has been investing significantly in cloud offerings such as Cobalt, FS.Live.Cloud (dedicated cloud for BFS), and cloud-based SaaS platforms. It has formed dedicated cloud platforms practice with 200+ reusable tools and accelerators.
Modernization services	Capability development	Ongoing	It has been investing significantly in modernization offerings – modernization platform, migration platform, DevSecOps platform, LEAP (AMS Automation), etc.
Data & Analytics Services	Capability development	Ongoing	Has developed an ecosystem with partners such as Microsoft, Snowflake, IBM, TIBCO, Teradata, Informatica, Wandisco, next pathway, and Hyperscalers to invest in data and analytics capabilities.
Enhancing Cyber Defense	Cybersecurity	Ongoing	It has been investing in developing comprehensive solutions/platforms in cyber defense and security. It has opened cyber defense centers in india, bucharest, and indianapolis. it has also tied up with the purdue university for capability building.
Merger & Acquisitions	M&A	Ongoing	Has entered strategic M&As to enhance its capabilities. Simplus (SFDC), GuideVision (ServiceNow), Kaleidoscope (SAP), Blue Acorn (Digitization for CX), Stater (Mortgage), Fluido (SFDC), WongDoody (Digital Platforms), etc.

1   The above-mentioned investments are under strategic focus and are ongoing in nature.

Infosys | platform IT services in BFS profile (page 5 of 5)
Case studies

Case study 1	**Salesforce' CRM platform implementation for one of the largest brokerage firms/banks in the US**

Business challenge
The client advisor services group was using Siebel for a long time, which had made it highly customized and difficult to maintain.

Solution
- A robust solution framework was prepared for migration at different levels/layers such as UI, business logic, data, and integration
- Customized sales cloud and developed modules were created to manage clients, provide financial planning, and periodic assessment along with advice to clients on their accounts
- A service desktop app was created by customizing the service cloud
- Built advisory services, a service offering on the Salesforce Lightning Console View, which provides trading details to the end-user in real-time

Impact
- The service desktop app offered easy authentication, and ready and relevant information to the agents
- The advisory service application provided real-time trading details to the agents through its integrations
- Seamless integration with the Informatica power center helped to upload the data quickly and efficiently
- Met the challenge of moving to the cloud and adhered to all the compliance and security conditions

Case study 2	**ITSM transformation using ServiceNow for a leading US regional bank**

Business challenge
The bank wanted to transform its ITSM, and due to cost constraints, they were not looking to replace the HP service manager. Due to stability challenges, the bank did not want to divert focus on a new ITSM platform. Infosys proactively positioned ServiceNow as the way to transform ITSM and help in creating stability.

Solution
- Infosys created a POV of 15 transformational ideas starting with ServiceNow and convinced the CXOs
- Did multiple workshops and meetings to showcase their differentiation and ability to execute
- Infosys articulated how Incident, Problem, Change and CMDB will integrate and work seamlessly in the future. They provisioned a demo instance, showed the processes, and gave access to the demo instance to all stakeholders. The ESM Café and mobile app were also shared with the client

Impact
- Helped reduce internal costs, bring stability in improvements, efficiencies, and improve CX. Infosys established ServiceNow as the platform of choice at the bank
- Infosys is now helping in replacing the legacy complaints management system, reimagining customer service and enabling better analytics & insights on CX

Case study 3	**Actimize SAM solution for a leading financial institution headquartered in UK**

Business challenge
The client wanted to implement the Actimize Solution for their franchises in the UK and Ireland and was at risk of breaching regulatory commitments due to long tuning cycles and data accumulation requirements. The Actimize solution was being built for monitoring more than one hundred rules and the tuning was perceived as the biggest roadblock.

Solution
- Infosys performed a thorough assessment of the bank's rule tuning strategy and recommended solutions to overcome the problem
- Infosys IP – the Infosys Actimize Digital Suite was used
- Key win theme was Infosys' Actimize capabilities

Impact
- Infosys, through Infosys Actimize Digital suite, tuned more than a hundred rules as per the tuning strategy and approach. It brought in a significant savings in effort due to the automation, increased effectiveness of the rules, and enabled a 20% increase in the worthiness of alerts across rules
- Saved close to 66% batch executions and helped the organization in meeting regulatory commitments, risk coverage, and completeness

Everest Group®

Appendix

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

Everest Group PEAK Matrix
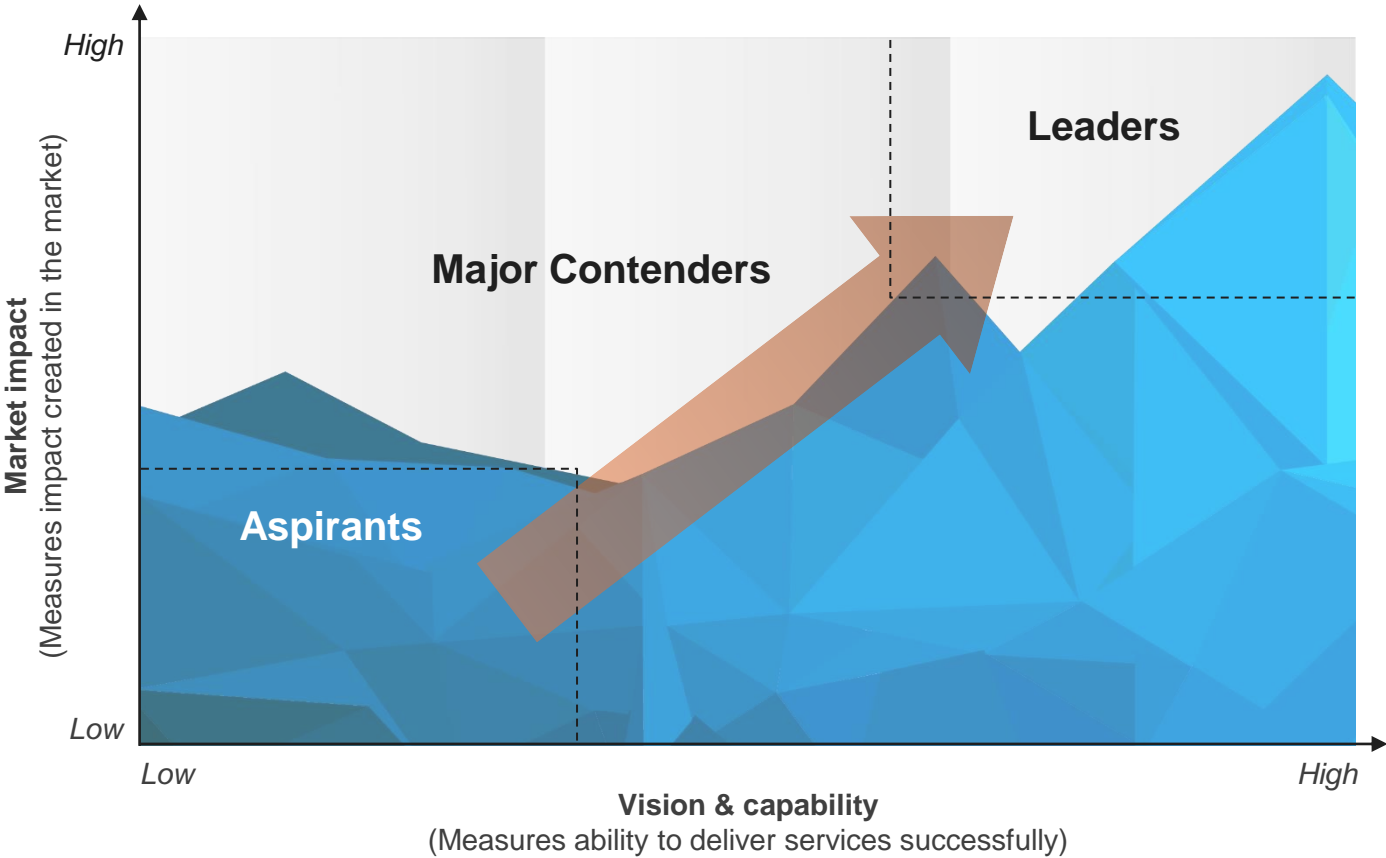
Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions
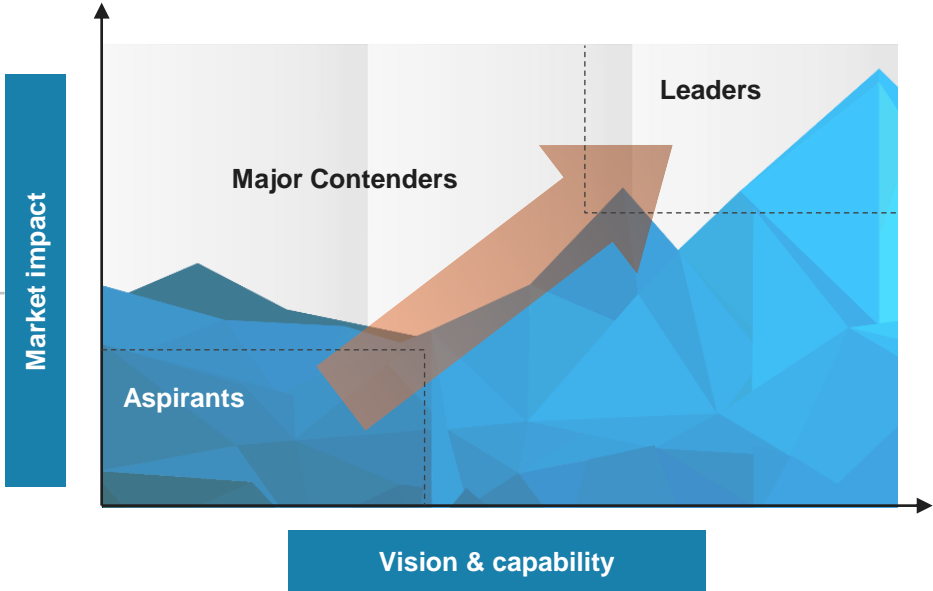
Market adoption
Number of clients, revenue base, YOY growth, and deal value/volume

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.
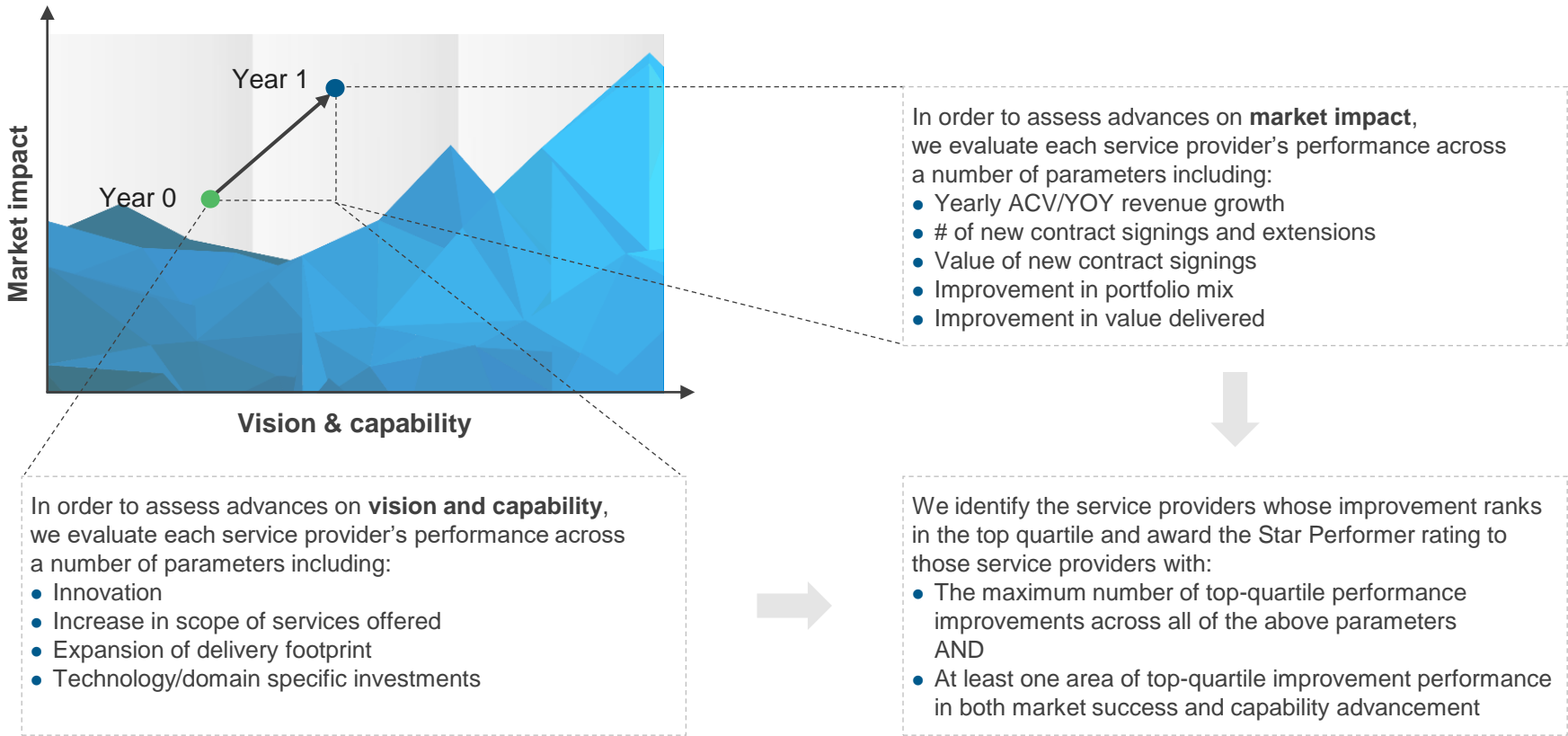
Delivery footprint
Delivery footprint and global sourcing mix

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 service 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 service 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 service providers whose improvement ranks in the top quartile and award the Star Performer rating to those service 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 service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

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

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

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

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

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

Everest Group®
With you on the journey

Everest Group is a research firm focused on strategic IT, business services, engineering services, and sourcing. Our research also covers the technologies that power those processes and functions and the related talent trends and strategies. Our clients include leading global companies, service and technology providers, and investors. Clients use our services to guide their journeys to maximize operational and financial performance, transform experiences, and realize high-impact business outcomes. Details and in-depth content are available at **www.everestgrp.com**.

Stay connected

Website
everestgrp.com

Social Media

🐦 @EverestGroup

in @Everest Group

f @Everest Group

▶ @Everest Group

Blog
everestgrp.com/blog

Dallas (Headquarters)
info@everestgrp.com
+1-214-451-3000

Bangalore
india@everestgrp.com
+91-80-61463500

Delhi
india@everestgrp.com
+91-124-496-1000

London
unitedkingdom@everestgrp.com
+44-207-129-1318

Toronto
canada@everestgrp.com
+1-647-557-3475