IDC MarketScape

IDC MarketScape: Worldwide Intelligent Automation Services 2019 Vendor Assessment

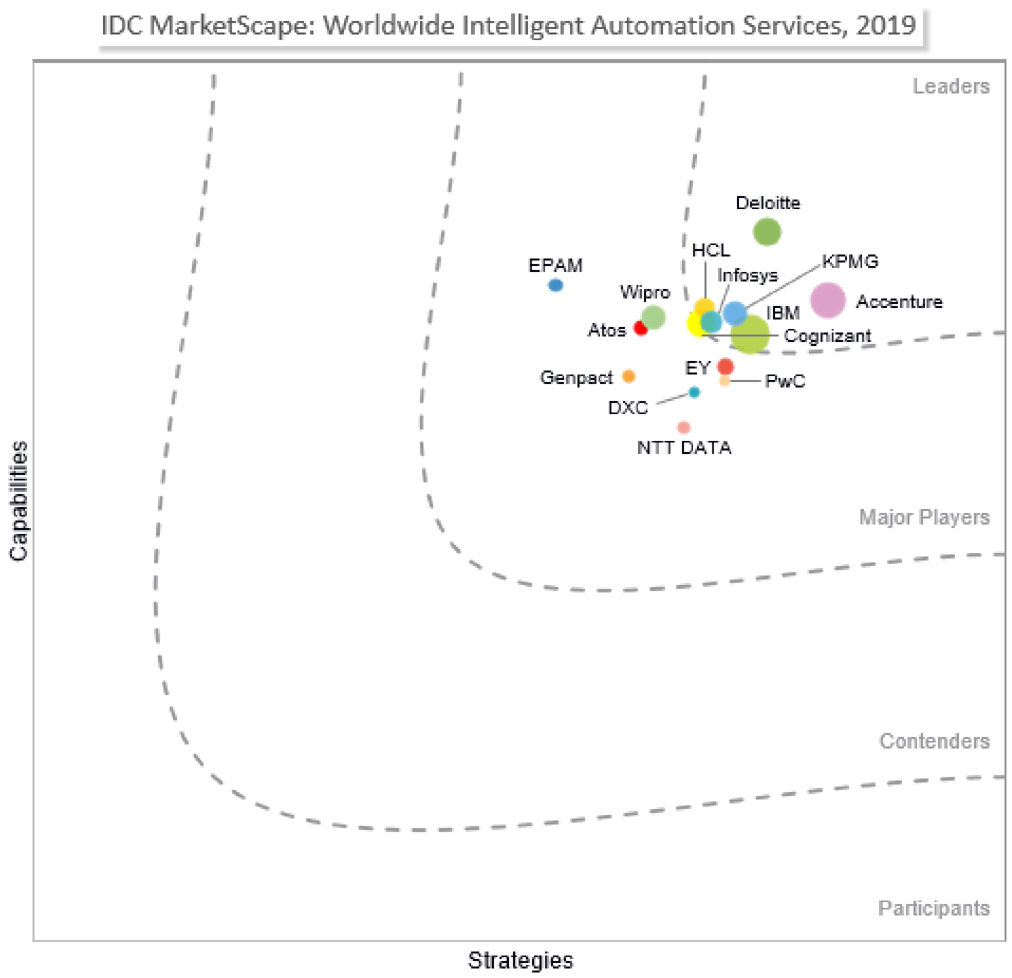
Jennifer Hamel Ali Zaidi

THIS IDC MARKETSCAPE EXCERPT FEATURES: INFOSYS

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Intelligent Automation Services Vendor Assessment



Source: IDC, 2019

September 2019, IDC #US44934619e

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Intelligent Automation Services 2019 Vendor Assessment (Doc # US44934619). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

This IDC study represents a vendor assessment of the 2019 intelligent automation (IA) services market through the IDC MarketScape model. This research provides a quantitative and qualitative assessment of the characteristics that explain the success of a vendor in the marketplace and help anticipate its ascendancy. This IDC MarketScape covers a variety of vendors participating in the worldwide IA services market. This evaluation is based on a comprehensive framework and a set of parameters expected to be most conducive to success in providing IA services in both the short term and the long term. A significant component of this evaluation is the inclusion of the perception of IA services buyers of both the key characteristics and the capabilities of these providers. Buyers were surveyed across all three of IDC's macroregions. Key findings include:

- Across all IA services vendors, top areas of strength were functionality or offering strategy, delivery model strategy, and portfolio strategy, as well as the core capabilities of employee management (staff turnover and quality of resources), growth sustainability, and customer service.
- Improving operational efficiency and reducing costs were the top 2 business priorities of buyers adopting IA services, followed by strengthening customer relationships, driving revenue growth, and investing in 3rd Platform technologies to prepare for tomorrow's business needs. Vendors should align IA services portfolios to address these business priorities, as buyers' top measure of success of an IA services engagement is achievement of their desired business outcomes.
- With automation playing a central role in multiple business strategies, lines-of-business heads were the most common sponsors for IA services engagements among buyers IDC surveyed in 2019. Nearly 60% of sponsors overall were in roles outside the information technology (IT) function, such as CFO, CEO, or chief analytics/data officer. Project-based services, including business consulting, implementation, and custom application development, were the most common in IA services engagements.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This research includes analysis of 15 IA services providers with global scale and with broad portfolios spanning IDC's research coverage. This assessment is designed to evaluate the characteristics of each firm — as opposed to its size or the breadth of its services. The inclusion criteria also dictate that at least 10% of revenue and 10% of head count need to be located in each macroregion (Americas, EMEA, and APAC). In addition, it is conceivable and in fact the case that specialty firms can compete with multidisciplinary firms on an equal footing. As such, this evaluation should not be considered a "final judgment" on the firms to consider for a particular project. An enterprise's specific objectives and requirements will play a significant role in determining which firms should be considered as potential candidates for an engagement.

ADVICE FOR TECHNOLOGY BUYERS

- **Business outcomes.** Consider your overall strategy for adopting IA, including the desired business outcomes as well as how (and by whom) solutions will be developed and managed across the organization. Seek out a services partner that understands your end goals and commits to working with you to achieve those business outcomes, including establishing appropriate KPIs for success, bringing use cases and innovation resources to the table, and helping you think through the impacts of incorporating IA into your organization and processes. Successful organizations partnered with IA services providers that helped them achieve their desired business outcomes; delivered reliable, accurate, and trustworthy IA solutions: and delivered innovation that produced results for them. Select a partner that demonstrates the ability to deploy IA effectively and will put your business needs first in developing a solution.
- **AI-enabled automation.** Select a services partner with a forward-looking platform and skills strategy that evolves along with the IA market. Many aspects of IA services can themselves be automated, such as using artificial intelligence (AI) to help with capturing, classifying, and converting unstructured and semistructured data into a machine-readable format for RPA bots. Look for services providers that have developed IP-based solutions to accelerate IA deployments. Of course, AI-enabled automation will never completely eliminate the need for human expertise to build IA solutions that integrate well into business workflows and deliver reliable, accurate, and trustworthy outcomes. Look for services providers with knowledge of the latest developments around industry and functional IA use cases, process reengineering, bias, ethics, security, regulatory compliance, and change management, in addition to core data science and automation skills.
- **Vendor selection.** Use this IDC MarketScape in contract negotiations and as a tool to not only short-list vendors for IA services bids but also evaluate vendors' proposals and oral presentations. Make sure you understand where these players are truly differentiated and take advantage of their expertise — technical, industry based, or otherwise.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Infosys

According to IDC analysis and buyer perception, Infosys is positioned in the Leaders category in this IDC MarketScape for worldwide IA services.

Infosys' AI & Automation Services portfolio supports clients across the life cycle of IA deployments, with offerings that include AI & Automation Consulting, Value at Scale, AI Platform Build, and domain-specific Cognitive Solutions. Infosys combines expertise around discrete IA capabilities such as conversational AI, RPA, and cognitive automation, with homegrown IPs, such as Infosys Nia, AssistEdge, and Infosys Cognitive Automation Platform, and third-party platforms from RPA software providers as well as Microsoft's Azure and Google's TensorFlow to create custom IA solutions for clients. Infosys enables clients' IA innovation efforts at scale through its Living Labs, with an emphasis on reducing business risk through user-focused design thinking, rapid prototyping, and cost-effective delivery.

Strengths

Buyers rate Infosys highly for its ability to offer flexible pricing models. Similarly, IDC rates Infosys highly in terms of its marketing and skills strategies, end-to-end life cycle of IA services portfolio, and the size of its dedicated IA sales and delivery resources.

Challenges

IDC believes Infosys' go-to-market strategy could be improved by more go-to-market alliances with customers or other complementary services suppliers, as well as by more joint ventures with existing alliance partners in the IA space. Also, Infosys' innovation and R&D strategy could benefit from increasing IA-dedicated R&D investments such as labs (either on its own or colocated with partners).

Consider Infosys When

Organizations should consider Infosys when they are looking for a partner with flexible pricing and end-to-end IA services capabilities. Infosys should also be on the short list if you are seeking a partner with a large pool of dedicated IA resources and a broad range of IA services skills.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

Intelligent automation covers a spectrum of business and technology choices that represent changing human-machine interactions depending on who analyzes data, who makes the decision, and who acts based on the decision. Intelligent automation can be applied across a hierarchy of tasks, activities, processes, or systems.

Intelligent automation services are utilized to assess, plan, design, implement, and operate the following:

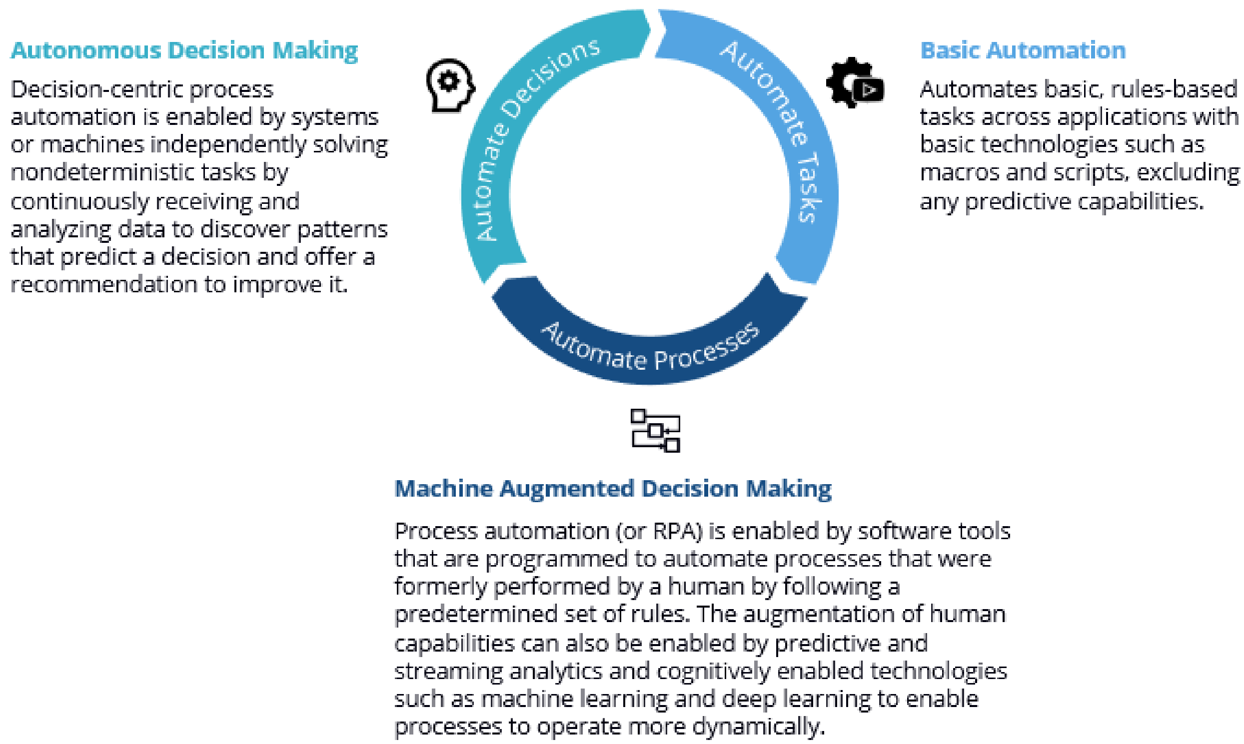
- **Basic automation:** Automation at the most basic level includes the automation of rules-based tasks (units of work performed by a human or computer) and documented process rules across applications. These are generally repeatable tasks leveraging structured data and are addressed with basic technologies such as macros and scripts. With basic automation, unlike machine-augmented decision making or autonomous decision making, there are no predictive capabilities or integration with RPA software or cognitive technologies such as machine learning.
- **Machine augmented decision making:** Process automation (or RPA) is enabled by software tools that are programmed to automate processes that were formerly performed by a human by following a predetermined set of rules. When exceptions arise while using RPA, both humans and machines address them. RPA can use a combination of technologies to completely automate a task to enable processes to operate more dynamically.
- **Autonomous decision making, or decision-centric process automation:** Decision-centric process automation is enabled by systems or machines independently solving nondeterministic tasks by continuously receiving and analyzing data to discover patterns that predict a decision and offer a recommendation to improve it.

In addition, change management, assessment, design, and deployment of underlying information/data management architecture, process reengineering, and IA platform–enabled services are also considered part of IA services.

This IDC MarketScape covers the full life cycle of IA services (see Figure 2). For a detailed definition of the services markets illustrated in Figure 2, see *IDC's Worldwide Services Taxonomy, 2019* (IDC #US44916019, March 2019).

FIGURE 2

Intelligent Automation Services Value Chain



Source IDC, 2019

Customer Perceptions of Intelligent Automation Services Vendors

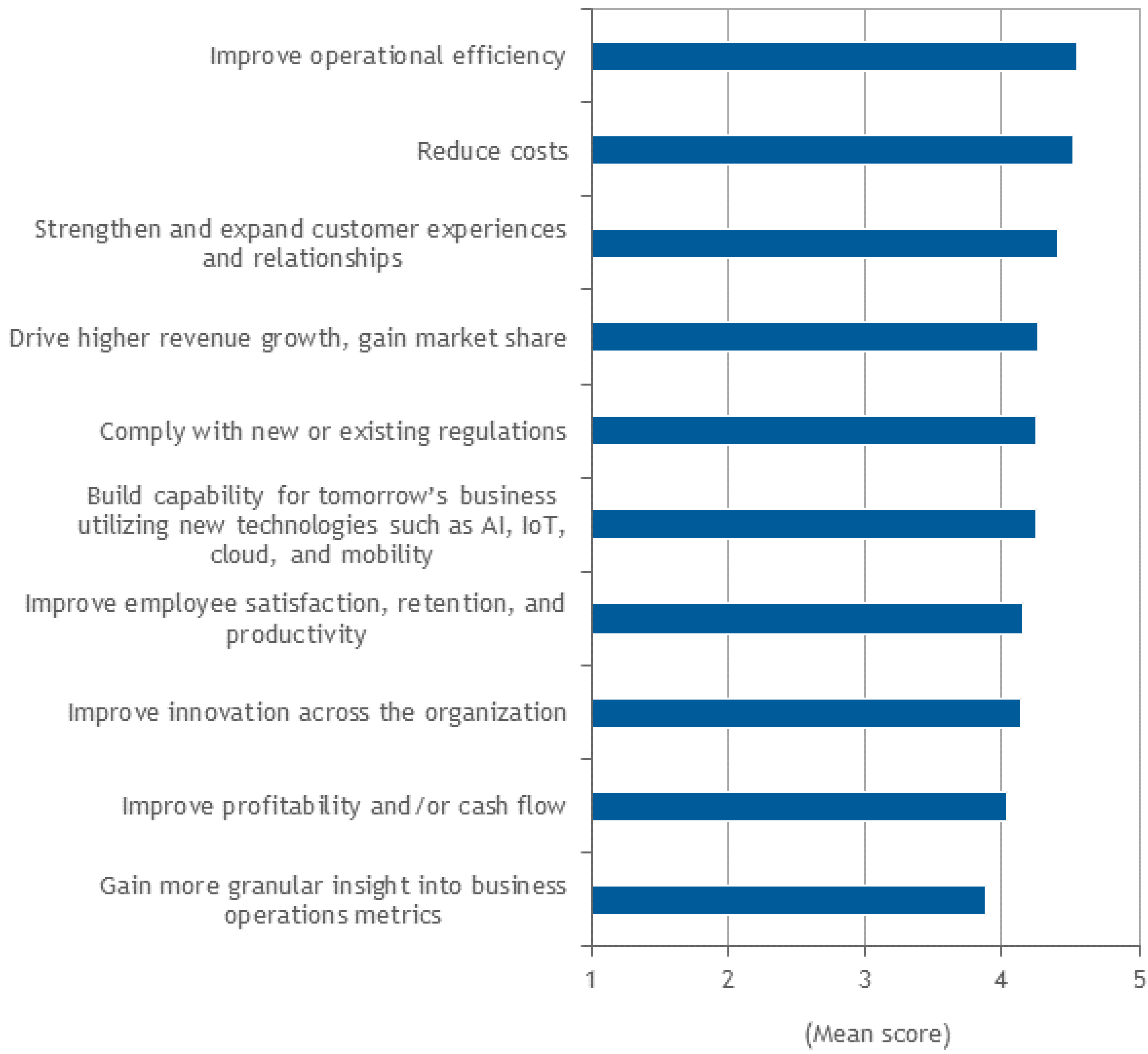
A significant and unique component of this evaluation is the inclusion of the perceptions of IA services' buyers of both the key characteristics and the capabilities of the vendors evaluated. The buyers participating in IDC's *Intelligent Automation Services Buyer Perception Survey* have partnered with at least one of the participating vendors directly on an IA services engagement within their company. The survey findings highlight key areas where buyers expect IA services providers to showcase a range of capabilities. The buyers consider these capabilities a must-have for IA services to be able to fulfill the requirements of many business and IT issues that challenge the buyers.

Figure 3 illustrates the top 10 business drivers for IA services projects for the IA services customers surveyed in 2019. Customers cited improving operational efficiency and reducing costs as the top 2 business drivers for taking on IA services.

FIGURE 3

Top 10 Business Drivers for Intelligent Automation Services Engagements, 2019

Q. How important a business priority do you believe each of the following is currently for your company?



n = 44

Note: Mean scores are based on a scale of 1-5, where 1 is not a priority and 5 is a critical business priority.

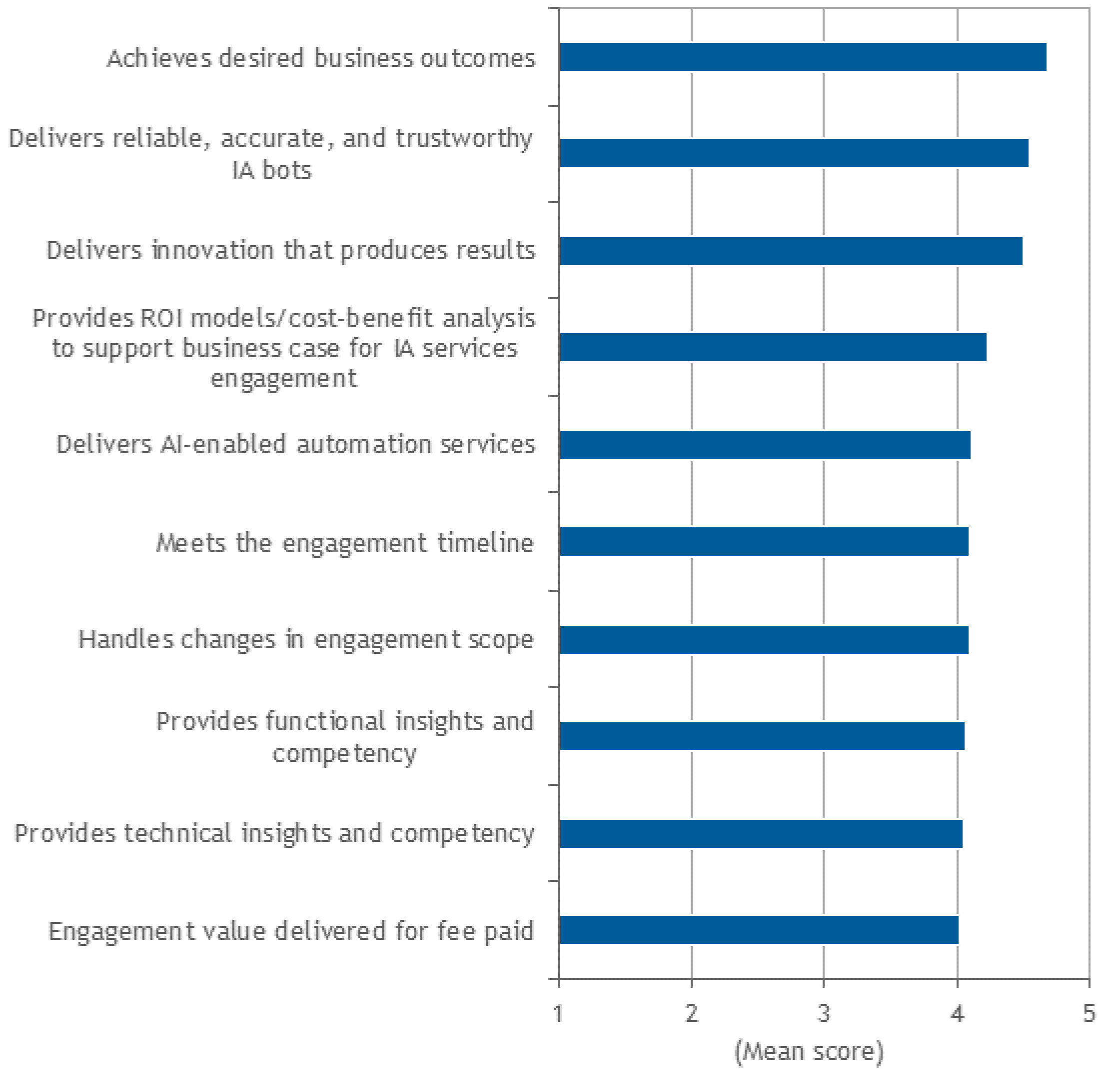
Source: IDC's *Intelligent Automation Services Buyer Perception Survey*, 2019

Figure 4 illustrates the rank order of factors important for a successful IA services engagement for the IA services customers surveyed in 2019. Survey findings suggest that the ability to achieve desired business outcomes by the consulting and delivery teams working on an IA services engagement is the most critical factor for the successful completion of the engagement. Customers also indicated a vendor's ability to deliver reliable, accurate, and trustworthy IA bots; deliver innovation that produces results, and provide ROI models and/or cost-benefit analysis to support the business case for IA services to be among the most critical attributes for an engagement's success.

FIGURE 4

Top 10 Factors for Successful Intelligent Automation Services Engagements, 2019

Q. In order for an intelligent automation services engagement to be successful, please indicate the importance of each of the following characteristics.



n = 44

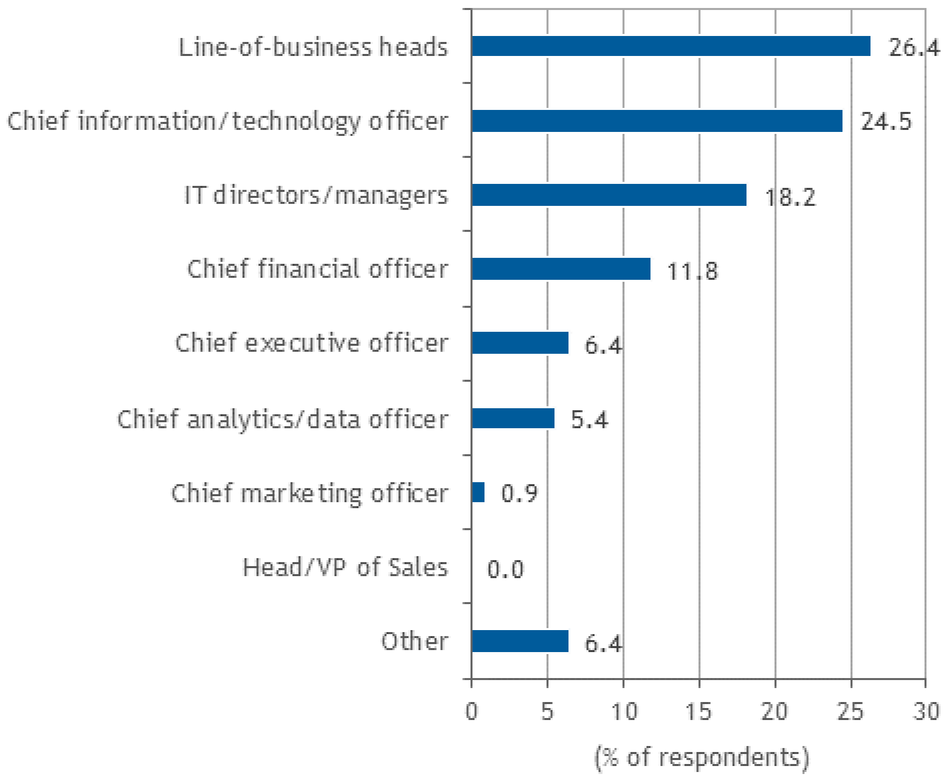
Note: Mean scores are based on a scale of 1-5, where 1 is not essential to success and 5 is essential to success.

Source: IDC's *Intelligent Automation Services Buyer Perception Survey,* 2019

Figure 5 illustrates the relative proportion of key sponsors for IA services engagements for the IA services customers surveyed in 2019. Line-of-business heads (26.4%) account for the largest share, followed by CIOs/CTOs (24.5%), IT directors/managers (18.2%), and CFOs (11.8%). CEOs (6.4%), other roles including COO (6.4%), and chief analytics/data officer (5.4%) represent the next three top sponsors for IA services engagements.

FIGURE 5

Key Sponsors for Intelligent Automation Services Engagements, 2019



n = 44

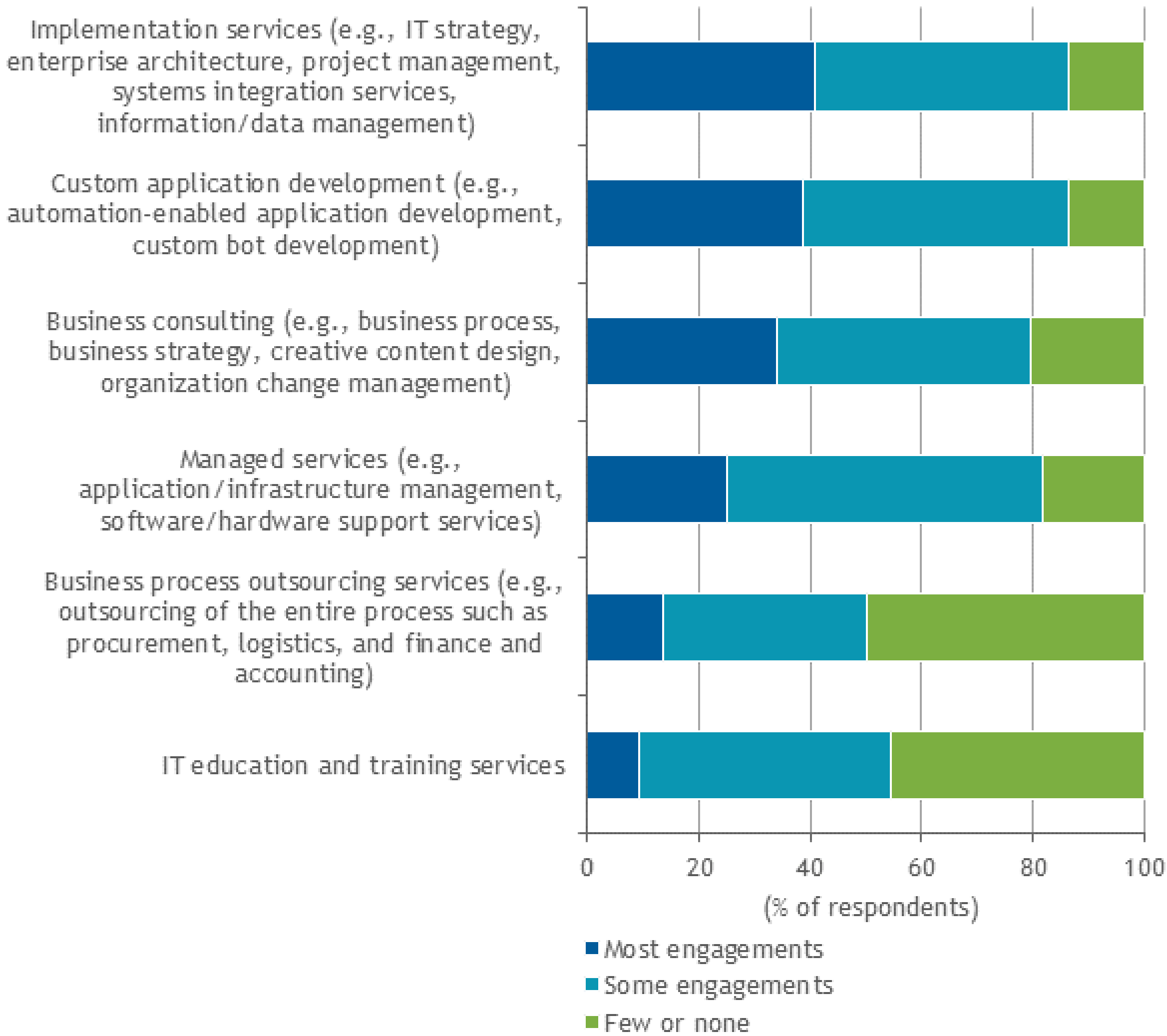
Note: Other includes management, transformation leaders, chief operating officer, directors and managing executive officers, VP EPMO (enterprise program management office).

Source: IDC's *Intelligent Automation Services Buyer Perception Survey,* 2019

Figure 6 illustrates the service lines bundled with IA services engagements for the IA services customers surveyed in 2019. The top service lines included in most IA services engagements were implementation services (40.9%), custom application development (38.6%), and business consulting (34.1%), reflecting the project-based nature of IA solution POCs and pilots. Managed services were included in most IA services engagements for only 25% of customers but were included in some IA services engagements for more than half (56.8%) of customers.

FIGURE 6

Services Bundled with Intelligent Automation Services Engagements, 2019



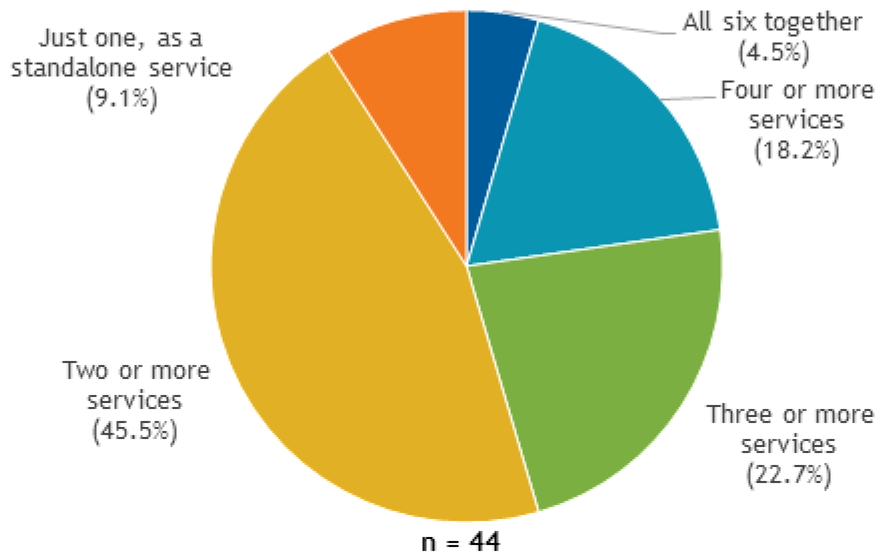
n = 44

Source: IDC's *Intelligent Automation Services Buyer Perception Survey,* 2019

Figure 7 illustrates the number of services consumed in a typical IA services engagement for the IA services customers surveyed in 2019. The largest share (45.5%) of customers consume two or more services in a typical IA services engagement, followed by customers consuming three or more services (22.7%) and customers consuming four or more services (18.2%). Very few customers (4.5%) consume all six service lines in a typical IA services engagement, reflecting the relative underutilization of IT education and training services compared with project-based and managed services.

FIGURE 7

Number of Services Consumed in a Typical Intelligent Automation Services Engagement, 2019



Source: IDC's *Intelligent Automation Services Buyer Perception Survey,* 2019

LEARN MORE

Related Research

- *Market Analysis Perspective: Worldwide Analytics and Intelligent Automation Services, 2019* (IDC #US44537419, September 2019)
- *IDC PeerScape: Best Practices for Deploying Intelligent Automation* (IDC #US44119019, June 2019)
- *Worldwide Business Analytics Services Forecast, 2019-2023* (IDC #US44119119, June 2019)
- *IDC MarketScape: Worldwide Artificial Intelligence Services 2019 Vendor Assessment* (IDC #US44514819, April 2019)
- *Artificial Intelligence-Based Automation Evolution Framework* (IDC #US44524318, December 2018)
- *IDC FutureScape: Worldwide Analytics and Artificial Intelligence 2019 Predictions* (IDC #US44389418, October 2018)
- *Intelligent Automation Services Value Chain* (IDC #US44127518, July 2018)

Synopsis

This IDC study represents a vendor assessment of the intelligent automation (IA) services market through the IDC MarketScape model. This assessment discusses both quantitative and qualitative characteristics that explain success in the IA services market. This IDC MarketScape covers a variety of vendors participating in the IA services space. The evaluation is based on a comprehensive and rigorous framework that assesses vendors relative to the criteria and to one another and highlights the factors expected to be the most influential for success in the market in both the short term and the long term.

"As enterprises adopt IA solutions to reduce costs and improve IT and business operations, they need support from services providers to develop the right approaches for managing data, people, processes, and technologies to enable IA deployments to grow and thrive. Success in this supporting role will require services providers to demonstrate expertise not only in IA technologies but also in developing solutions that achieve customers' business objectives and address the human and organizational impacts of IA adoption," says Jennifer Hamel, research manager, Analytics and Intelligent Automation Services at IDC.

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

Global Headquarters

5 Speen Street
Framingham, MA 01701
USA
508.872.8200
Twitter: @IDC
idc-community.com
www.idc.com