Everest Group PEAK Matrix® for Industry 4.0 Service Provider 2022

Focus on Wipro
September 2022

Background and introduction of the research

Industry 4.0 is revolutionizing the manufacturing and operations ecosystem by converging the digital world with the physical world, integrating emerging technologies with physical systems. Enterprise outlook toward Industry 4.0 has changed post the COVID-19 pandemic, as early adopters realized significant benefits via enhanced operational efficiencies, improved asset utilization and labor productivity, and increased visibility and inventory tracking. Industry 4.0 enables cost savings, increased revenues, and the development of new platform-based business models; and as a result, enterprise investments in technologies enabling Industry 4.0 have increased across the value chain.

Engineering service providers are playing a critical role in accelerating enterprise adoption of Industry 4.0 by offering a wide range of services revolving around consulting and design, development and Verification & Validation (V&V), deployment and system integration (SI), and managed services and support.

This research is the second edition of Everest Group's Industry 4.0 Services PEAK Matrix® Assessment, wherein we have evaluated 22 engineering service providers featured on the PEAK Matrix®. This assessment is based on RFI responses from providers, interactions with their Industry 4.0 leadership, client reference checks, and an ongoing analysis of the engineering services market.

The full report includes the profiles of the following 22 leading engineering service providers featured on the Industry 4.0 PEAK Matrix

- **Leaders:** Accenture, Capgemini, Cognizant, HCL Technologies, LTTS, TCS, and Wipro
- **Major Contenders:** Bosch SDS, Cyient, eInfochips, Globant, Happiest Minds, HARMAN DTS, Microland, Mindtree, SoftServe, Softtek, Tech Mahindra, and UST
- **Aspirants:** GS Lab, Incedo, and Onward Technologies

Scope of this report

Geography
Global

Providers
22 leading broad-based and pure-play engineering service providers

Services
Industry 4.0 Services

2

Industry 4.0 Services PEAK Matrix® characteristics

Leaders:

Accenture, Capgemini, Cognizant, HCL Technologies, LTTS, TCS, and Wipro

- The Leaders for Industry 4.0 Services have a strong portfolio of clients across all major geographies and verticals, and have developed a strong suite of capabilities spanning all four Industry 4.0 Service functions – consulting and design, development and V&V, deployment and SI, and managed services and support
- While several Leaders have taken the inorganic path to achieve growth, Leaders have also been able to successfully grow organically by forming partnerships with hardware and software vendors and by making investments in developing labs, CoEs, and innovation centers in next-generation technologies such as IoT, analytics, AI/ML, AR/VR, and robotics
- Service providers in the Leaders segment are recognized for their ability to offer large-scale engagements leveraging their robust delivery capabilities across the globe
- These players are extensively focusing on putting their skin in the game and shifting beyond traditional pricing models toward emerging commercial constructs such as outcome-based, revenue sharing, and risk-reward models

Major Contenders:

Bosch SDS, Cyient, eInfochips, Globant, Happiest Minds, HARMAN DTS, Microland, Mindtree, SoftServe, Softtek, Tech Mahindra, and UST

- The Major Contenders comprise both IT-heritage and pure-play engineering service providers
- These players are actively making investments in establishing CoEs and developing IP and solutions in areas such as AI/ML, cloud, analytics, IIoT, edge computing, and blockchain for enhancing their capabilities and presence and bridging capability gaps across service functions that have hitherto not been a major focus
- Major Contenders have a strong focus across service functions – however, their delivery footprint and technology expertise are often not as comprehensive as that of Leaders

Aspirants:

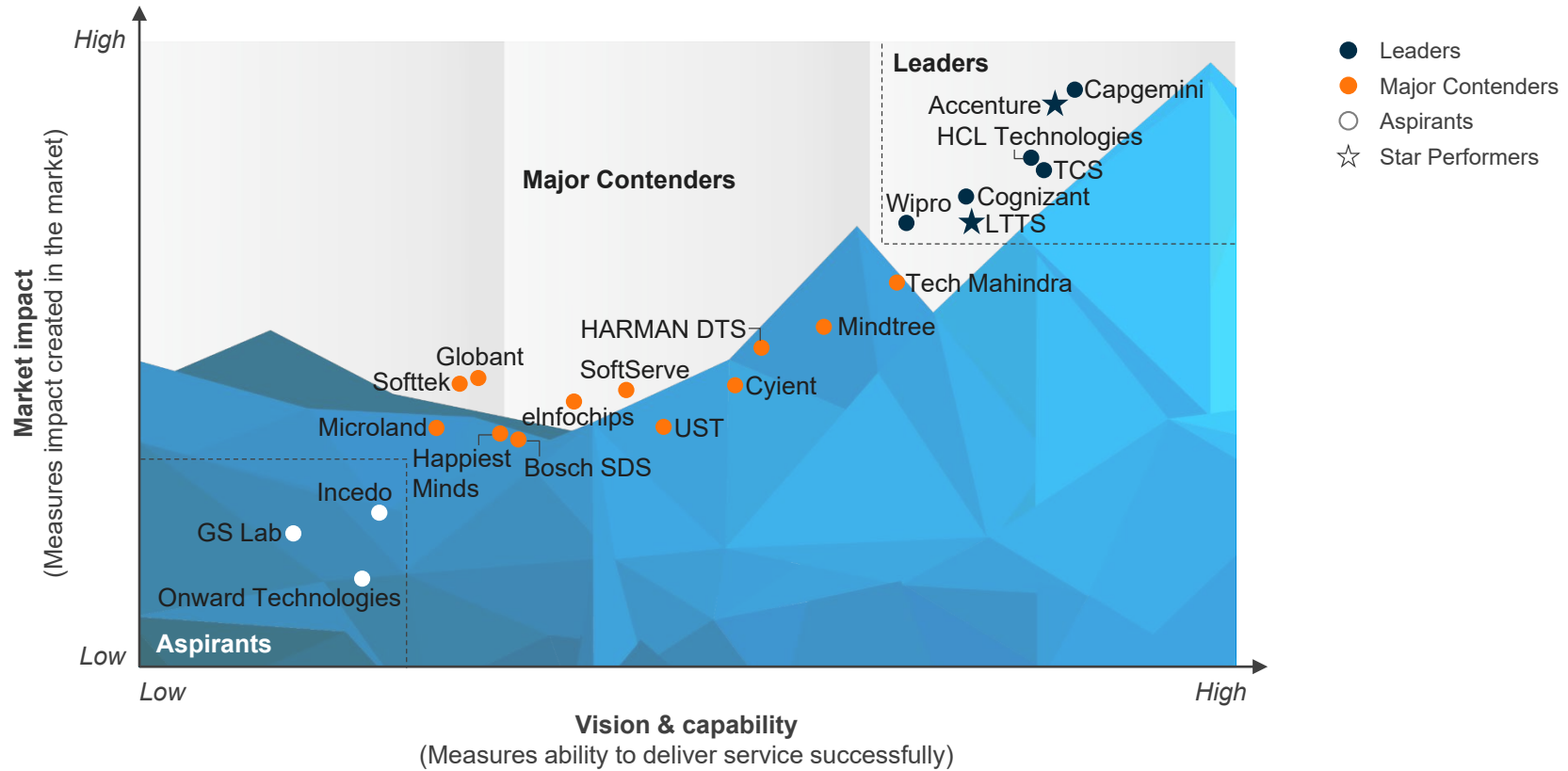GS Lab, Incedo, and Onward Technologies

- Aspirants are at a relatively nascent/initial stage in terms of their Industry 4.0 Service offerings and have limited experience of dealing with large enterprises
- These firms are primarily focused on one or two service functions and are expanding and building broader capabilities to enhance their play in more service functions
- Although Aspirants are actively training and upskilling their engineering talent, their investment in labs, CoEs, and partnerships is limited

Everest Group PEAK Matrix®
Industry 4.0 Services PEAK Matrix® Assessment 2022 | Wipro positioned as Leader

Everest Group Industry 4.0 Services PEAK Matrix® Assessment 2022

Legend:
- ● Leaders
- ● Major Contenders
- ○ Aspirants
- ☆ Star Performers

Axes:
- **Market impact** (Measures impact created in the market) — Low to High
- **Vision & capability** (Measures ability to deliver service successfully) — Low to High

Leaders: Accenture, Capgemini, HCL Technologies, TCS, Wipro, Cognizant, LTTS

Major Contenders: Tech Mahindra, Mindtree, HARMAN DTS, Cyient, SoftServe, Globant, Softtek, eInfochips, UST, Microland, Happiest Minds, Bosch SDS

Aspirants: Incedo, GS Lab, Onward Technologies

Wipro | Industry 4.0 Services profile (page 1 of 4)
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

- Wipro has a wide portfolio of Industry 4.0 offerings spanning all major verticals such as automotive, oil & gas, energy & utility, and manufacturing and mining

- It has invested in IP and proprietary solutions to accelerate service delivery in engagements involving IoT, digital twins and threads, AI/ML, cloud, and analytics

- Clients recognize Wipro for its competitive pricing, global coverage, strong capabilities, and talented resource pool in the AR/VR/XR space

Limitations

- Clients expect Wipro to engage them more with workshops and via thought leaderships and whitepapers to familiarize them with the emerging use cases of new-age technologies such as AR/VR

- Wipro has a client portfolio that is skewed toward large enterprises – it has limited experience of engaging with small and midsize enterprises

- Compared to peer Leaders, the contribution of development and verification and validation services to Wipro's Industry 4.0 portfolio is lower

Everest Group®

Wipro | Industry 4.0 Services profile (page 2 of 4)
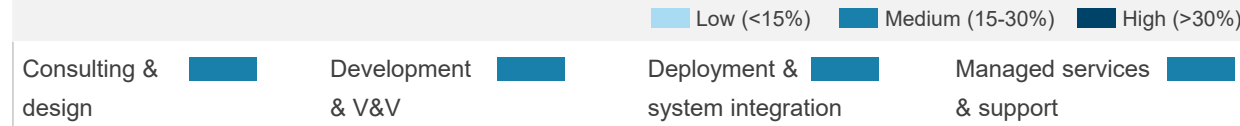## Overview

Vision and strategy

Wipro's vision is to help companies overcome scalability, capability, and technology compatibility issues by offering a comprehensive approach that guides enterprises to develop scalable, flexible, and quality desired outcomes.

Wipro aims to achieve this vision by leveraging its existing manufacturing foundations and knowledge across industrial automation, shop floor technologies, manufacturing IT and emerging I4.0 technologies. Wipro also believes in acquisitions to strengthen its capabilities in the Industry 4.0 domain, which has been depicted by its recent acquisitions of ITI, Eximius, and PARI, which provides industrial automation services. Wipro Technologies (WT) in collaboration with Wipro Infrastructure Engineering (WIN) takes complete ownership of hardware automation, software automation, and digitalization requirements of manufacturers. Wipro offers turnkey solutions to help manufacturers in smart manufacturing.
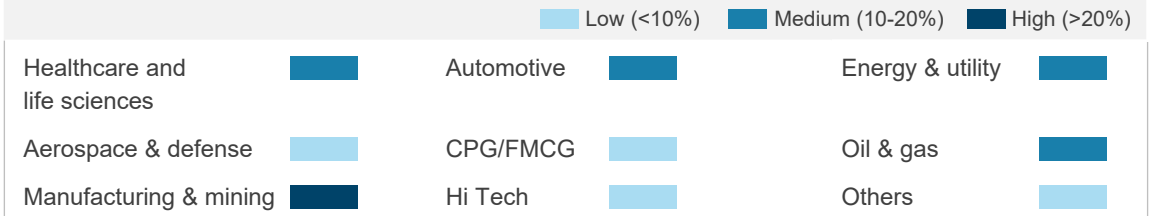
Industry 4.0 Services revenue

<US$150 million	US$150-450 million	US$450-750 million	>US$750 million

Revenue by service function

Low (<15%)　Medium (15-30%)　High (>30%)

Consulting & design	Development & V&V	Deployment & system integration	Managed services & support

Revenue by geography

Low (<10%)　Medium (10-30%)　High (>30%)

North America	South America	Japan	Rest of the World
UK	India	Rest of APAC	
Europe	China	MEA	

Adoption by industry

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

Healthcare and life sciences	Automotive	Energy & utility
Aerospace & defense	CPG/FMCG	Oil & gas
Manufacturing & mining	Hi Tech	Others

Revenue by buyer size

Low (<15%)　Medium (15-30%)　High (>30%)

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

Revenue by value chain function

Low (<15%)　Medium (15-30%)　High (>30%)

Design & development	Procurement	Operations
Logistics	After sales	
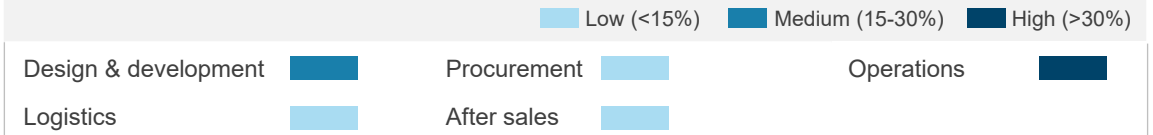
Wipro | Industry 4.0 Services profile (page 3 of 4)
Case studies and solutions

Case study 1	Helped a chemical manufacturing company to develop a condition monitoring solution for a paint dispersion equipment

Business challenge
The client was looking for a partner that could develop a condition monitoring solution that could replace existing excel-based batch processing of data with real-time processing, to detect degradation in the paint mixing process and eliminate the need for rework due to reduced quality.

Solution
Wipro developed a machine learning-based model that processed real-time data from the machines at the manufacturing lines to analyze and detect degradation in the grinding process and alert the operator to take corrective actions. The solution provides a centralized view of the plant and machines with different operational and quality parameters. It minimized material wastage by ensuring that the paint had been dispersed within the prescribed boundary of parameters, thus improving the overall quality of the finished product and increasing the efficiency of the paint dispersion process.

Case study 2	Assisted a semi-conductor company deploy AR VR solution for operations & training

Business challenge
The client was looking for a partner that could enable workflow based standard operating procedures with AR/VR tech for remote equipment troubleshooting and maintenance.

Solution
Wipro deployed a solution across Asia, EU and the US, that enables remote expert assistance for operators to ensure uptime and improve productivity. It enables VR based trainings for equipment repair and safety trainings. It is integrated with existing enterprise and design systems. The solution increased productivity, reduced machine downtime, and enabled faster employee ramp up and remote employee collaboration and trainings. The operators were able to perform more complex tasks after using AR/VR enabled workflows and trainings.

Proprietary solutions (representative list)

Solution	Details
Wipro HOLMES	An AI based platform that increases operational efficiency, economics, and enhances user experience for enterprises across their infrastructure management, applications and key business processes
3D Assess	A solution to determine whether parts can be made of certain materials on a chosen 3D printer in desired volume within desired time
Asset Radar	A solution that provides 24/7 asset visibility to ensure optimal asset utilization, better operational insights, and enhanced overall efficiency
Wipro Smart Track	A digital supply chain and anti-counterfeiting platform that secures pharma supply chain and prevents cold chain wastage by generating geospatial alerts in real time in the event of a temperature excursion or counterfeiting attempts
Wipro's SmartTWIN	A digital transformation platform that enables enterprises to model assets, processes, to manage asset/ process performance parameters, and operations/ business KPIs, to build predictive model algorithms and model libraries, to conduct root-cause analysis and industry specific triages, and to build cognitive and contextualized dashboards
Wipro's MIQ – MPD	A manufacturing performance solution that enables end-to-end visibility and one view for all manufacturing sites in multi-geo business
Looking Glass™	An IoT-based asset management platform that leverages architectural framework to deliver better operational efficiencies, boost revenues, reduce costs and achieve better business outcomes
Wipro Multi-protocol Gateway	A SW framework that acquires data from heterogeneous devices and encapsulates all the edge gateway
Wipro Nuage	A graph-based AI solution having services such as inferencing, prediction, forecasting, and recommendation embedded in it

Wipro | Industry 4.0 Services profile (page 4 of 4)
Investments and partnerships

| Key alliances and partnerships (representative list)	
Company	**Details**
Amazon AWS, Microsoft Azure, GCP	A partnership to develop new cloud solutions and to build subject matter expertise that organizations can rely on to advance their mission-critical business processes
Industry 4.0 Maturity Center In Aachen	A partnership to help manufacturing companies determine their stage of the Industry 4.0 programs/transformation journey to prioritize, align, and control digitization activities
Siemens, Dassault Systemes, PTC	A GSI partnership to build industry-specific expertise, drive Industry 4.0 digital transformations and enable joint GTM for strategic markets for customers
CFIHOS	A membership to make information handover quicker, easier and safer for operators, contractors, equipment manufacturers, and suppliers and to change the way by which facilities manage the data
SAP	A partnership to enhance capabilities around asset management, IoT, supply chain, AI, and predictive/conditional maintenance

Recent Industry 4.0 Services investments/acquisitions (representative list)	
Investment/target	**Details**
Eximius	Acquisition to bolster capabilities in IoT, industry 4.0, edge computing, cloud, 5G, and artificial intelligence across SOC, IP, ASIC, FPGA, hardware system, and software domains
Ampion	Acquisition to expand its offerings in cyber security, DevOps, and quality engineering services
Wipro PARI	Acquisition to strengthen capabilities in industrial automation across sectors
International TechneGroup Incorporated (ITI)	Acquisition to develop capabilities in CAD and PLM interoperability software services
Internal (H2H3) funding into SmartTWIN	Investment to bring in product and process twins to work in tandem with all the complex interactions modeled into the platform enabling informed decision making in real-time
Tarang 2.0 - Lab	Investment in a product qualification and compliance test facility to enhance capabilities in EMI/EMC, safety, environmental, and reliability testing
Technology COEs	Investment to develop competency in areas such as 3D printing, IoT, 5G, AR/VR, AI/ML, PLM, MES, simulation, robotics, cloud, cybersecurity, blockchain, and analytics

Appendix

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

Everest Group PEAK Matrix
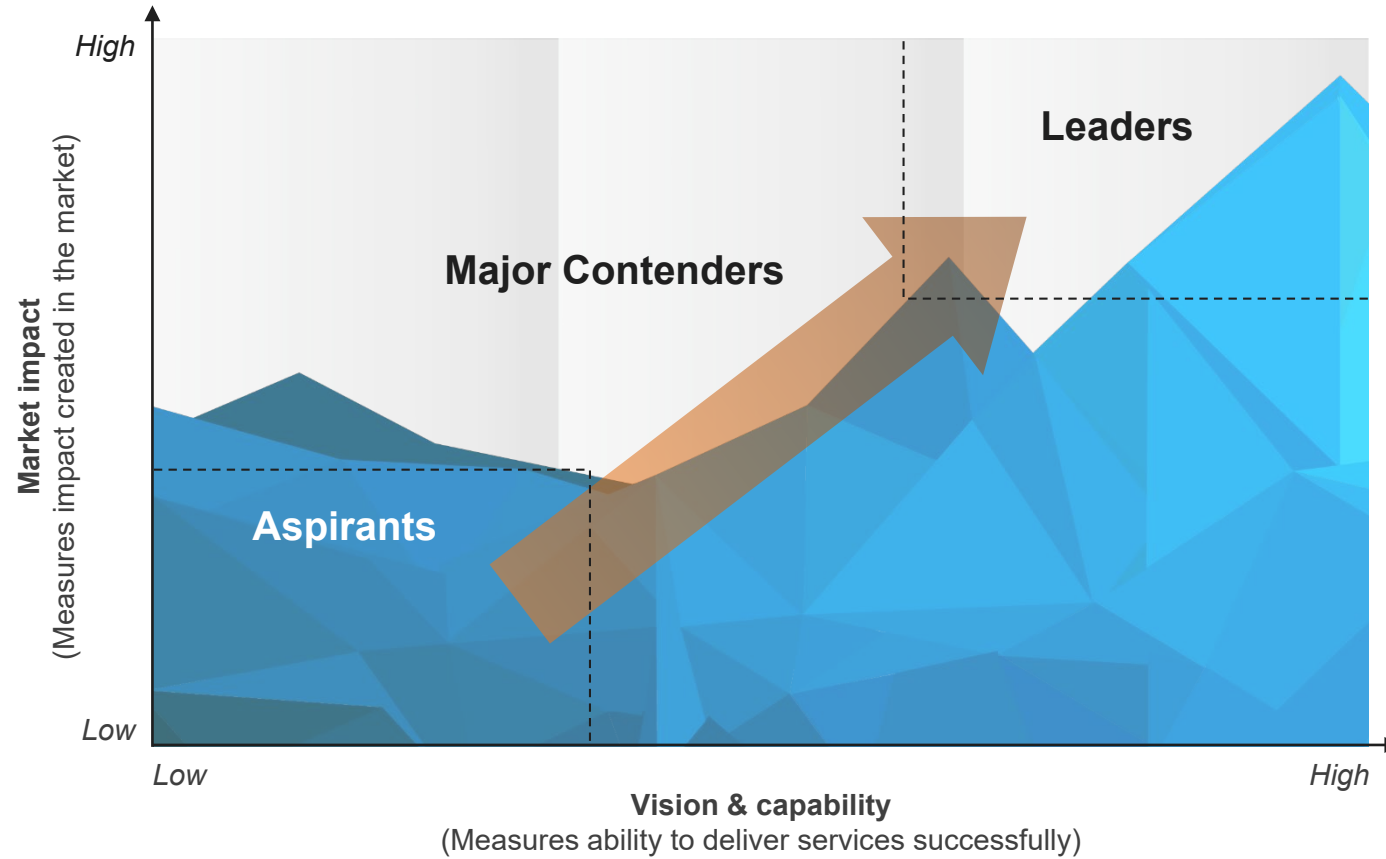
Services PEAK Matrix® evaluation dimensions

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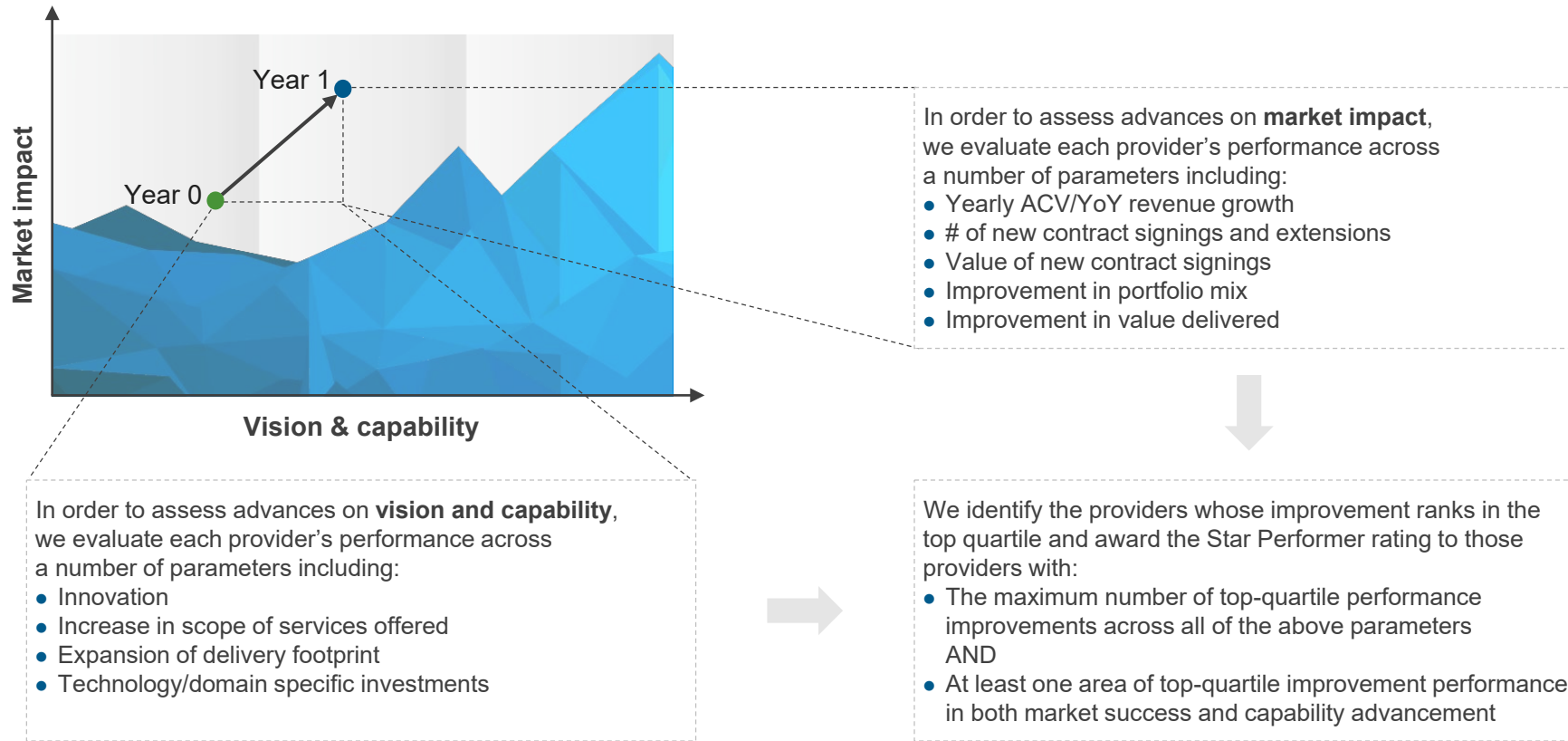
Vision & capability
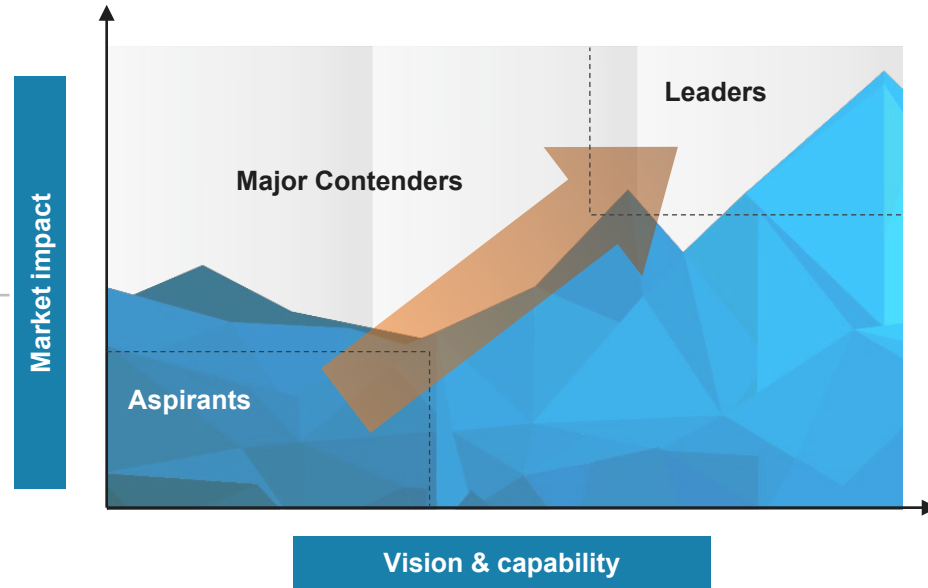
Measures ability to deliver services successfully. This is captured through four subdimensions

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

Market impact

Year 1

Year 0

Vision & capability

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 takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results 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 the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?
A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?
- Enterprise participants receive summary of key findings from the PEAK Matrix assessment
- For providers
  - The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
  - In addition, it helps the provider/vendor organization gain brand visibility through being in included in our research reports

What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?
- Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:
  - Issue a press release declaring positioning; see our citation policies
  - Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
  - Use PEAK Matrix badges for 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 Everest Group; please contact your CD or contact us

Does the PEAK Matrix evaluation criteria change over a period of time?
PEAK Matrix assessments are designed to serve enterprises' current and future needs. 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 and to serve enterprises' future expectations.

Everest Group®

With you on the journey

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