



Supply Chain Management (SCM) BPO – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018 SELECT SLIDES

Procurement Outsourcing (PO)
Market Report – December 2017

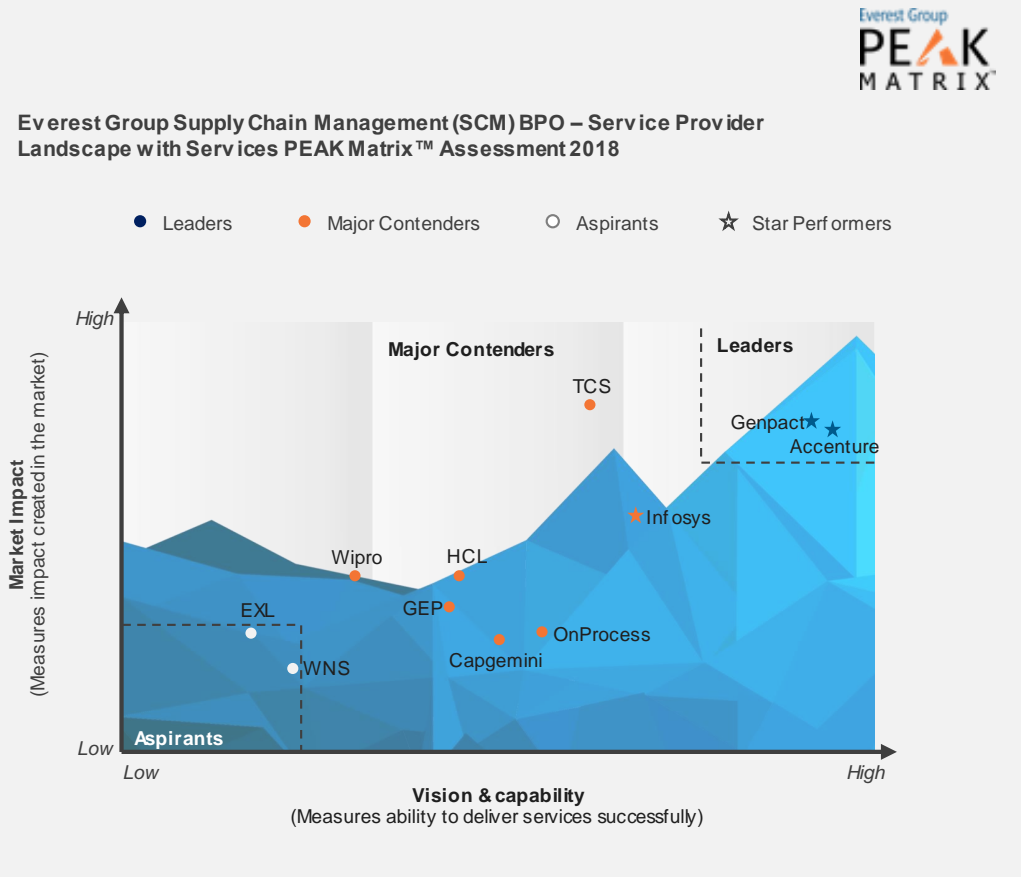
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Summary of key messages

Everest Group Services PEAK Matrix™ for SCM BPO

- Everest Group classifies 11 SCM service providers on the Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix into the three categories of Leaders, Major Contenders, and Aspirants
 - **Leaders:** Accenture and Genpact
 - **Major Contenders:** Capgemini, GEP, HCL, Infosys, OnProcess, TCS, and Wipro
 - **Aspirants:** EXL and WNS
- While Accenture, TCS, and Genpact continue to lead the SCM market, others including HCL and Wipro depicted good growth
- The provider landscape demonstrates significant variations across geographies
- Leadership across buyer industries remains fragmented with service providers' varied focus
- Although large businesses still form the majority, SCM adoption by the SMB segment continues to grow each year



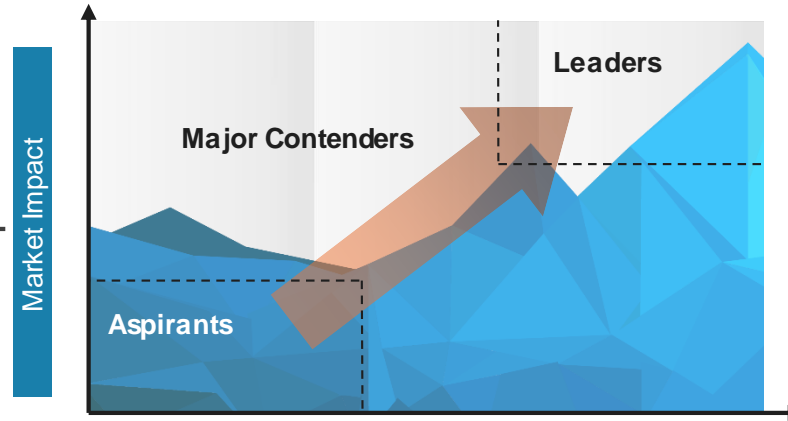
Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption
No. of clients, revenue base, and YOY growth, deal value/volume

Portfolio mix
Diversity of client/revenue base across industries, geos, enterprise size class

Value delivered
Value delivered to the client based on customer feedback and other measures



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 sub-segments / 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.

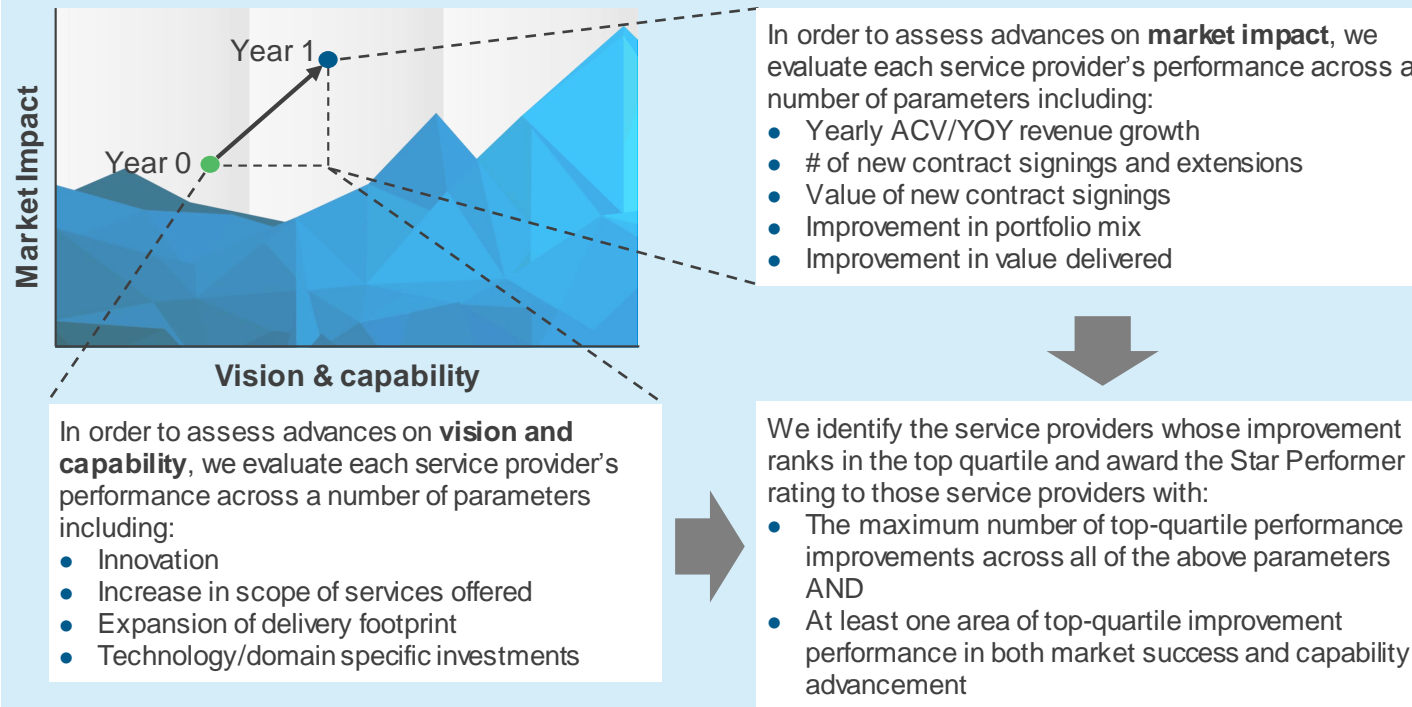
Delivery footprint
Delivery footprint and global sourcing mix

Everest Group confers the “Star Performers” title to providers that demonstrate the strongest forward movement over time on the PEAK Matrix™

ILLUSTRATIVE EXAMPLE FOR SERVICES PEAK MATRIX

Methodology

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



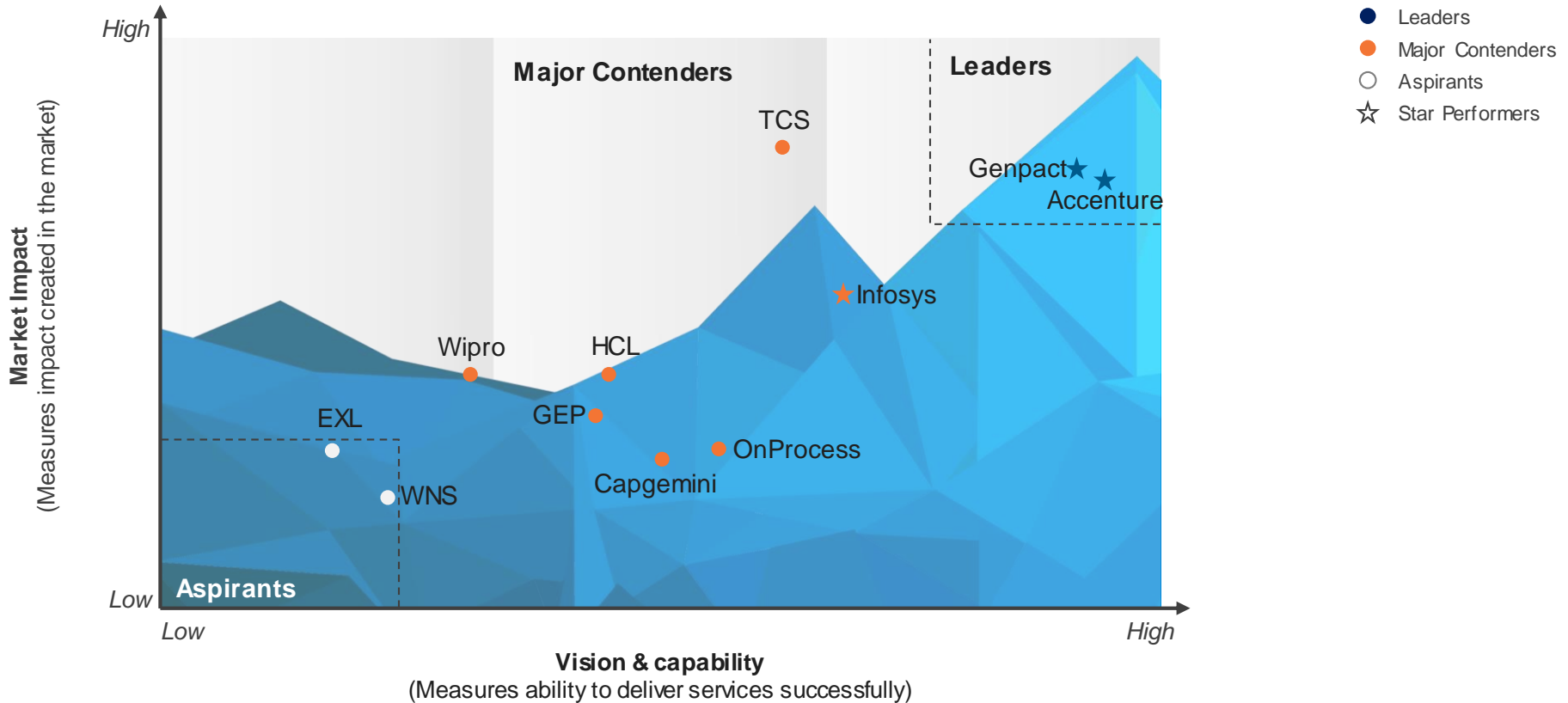
Star Performers are identified by top quartile performance improvement on the X and Y axes for each segment

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

Everest Group PEAK Matrix™

Supply Chain Management (SCM) BPO – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018

Everest Group Supply Chain Management (SCM) BPO – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018



1 Service providers scored using Everest Group's proprietary scoring methodology given on page 17
Source: Everest Group (2017)

Summary dashboard | Delivery capability and market success assessment of providers for SCM BPO 2018

Leaders




Measure of capability: Best-in-class Very high High Medium high Medium Medium low Low Not mature

Service provider	Delivery capability					Market success			
	Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall	Market adoption	Portfolio mix	Value delivered ¹	Overall
Accenture									
Genpact									

¹ Value delivered score and overall PEAK matrix positioning adversely impacted for those service providers who did not provide adequate information

SCM BPO Star Performers 2017

Distinguishing features

SCM BPO Star Performers	Distinguishing features in vision and capability	Distinguishing features in market impact	Change in PEAK Matrix position
 <p>High performance. Delivered.</p>	<ul style="list-style-type: none"> Strengthened supply chain consulting capabilities through the acquisition of firms including Kurt Salmon and Javelin Group Built several advanced analytics apps enabled by the Accenture Insight Platform Continued investments in Accenture SCM BPO control tower, and enhanced the capabilities of Accenture operations navigator 	<ul style="list-style-type: none"> Signed about 9 new contracts worth about US\$50 million in TCV ACV grew by more than 20% in 2017 	Consolidated its position as a Leader
	<ul style="list-style-type: none"> Strengthened its technological capabilities around AI, cloud, and analytics through in-house investments, as well as various acquisitions and partnerships Made investments in developing digitally-enabled order management solutions, along with other technology-enabled productions to strengthen offerings 	<ul style="list-style-type: none"> Signed 15 new contracts worth US\$100 million in TCV ACV grew by approximately 8% in 2017 	Consolidated its position as a Leader
	<ul style="list-style-type: none"> Continued to invest in its knowledge based AI platform, Infosys MANA, and leveraged it to build supply chain analytics solutions Set up a dedicated supply chain COE for training & development of resources, researching best practices in supply chain, and internal and external process benchmarking Made alliances with various platform based technology providers for deployment of BPaaS based models 	<ul style="list-style-type: none"> Added contracts worth over US\$50 million in TCV Registered a growth of about 10% in the ACV in 2017 	Consolidated its position as a Major Contender

Source: Everest Group (2017)

Genpact

Everest Group assessment – Leader

Measure of capability: Best-in-class Very high High Medium high Medium Medium low Low Not mature

Delivery capability					Market success			
Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall	Market adoption	Portfolio mix	Value delivered ¹	Overall

Strengths

- Genpact has a strong focus on the SCM BPO practice and has made dedicated investments to increase scale and scope of service, build domain expertise, and improve technology offerings
- It has a strong focus on vertical-specific capabilities, particularly in the CPG and manufacturing industries
- Leveraging its suite of SCM technology offerings – touchless order management solution, order management virtual assistant, cloud-based supply chain planning platform, and supply chain command center, Genpact provides a transformative digital service offering to its clients
- Existing clients have also highlighted its focus on innovation and strong technology offerings as key strengths
- To further enhance the application of its CORA platform, it has put in significant R&D efforts to build next-generation solutions – AI, machine learning, and cognitive computing
- It has also invested heavily in strategic partnerships, which include Signals Analytics in SCM, iDecisyon, Inc. in IoT, and OmPrompt in order management, along with recent acquisitions of firms such as RAGE Frameworks, PNMSOft, and Strategic Sourcing Excellence, to strengthen its portfolio and expertise
- Buyers have complimented Genpact for its proactiveness and domain expertise

Areas of improvement

- Driving synergies from its strong FAO practice, Genpact has a major focus on the deliver and master data management part. As its competitors invest and build capabilities across the SCM value chain, Genpact needs to expand its focus to remain competitive and continue growing in the market
- Genpact can look at increasing its onshore delivery presence. This will provide it a strong base to leverage its transformative solution offering for the clients that are still skeptical of an offshore-heavy delivery model
- While it has good clientele in the North American and European markets, it can look at expanding in Asia Pacific, which requires good analytics capabilities to solve complex supply chain needs in that region
- To avoid concentration risk, Genpact can also look at expanding in other industries such as financial services and energy & utilities, where it already has some traction

Source: Everest Group (2017)