

Everest Group Artificial Intelligence (AI) and Generative AI Services PEAK Matrix[®] Assessment 2024

Focus on Cognizant December 2024



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Introduction

Artificial Intelligence (AI) has been a transformative technology since its inception. Increasing advances in AI, bolstered by the recent developments in Generative AI (gen AI), are pushing organizations to actively invest in a strong AI strategy to achieve business-oriented outcomes and improve customer experience. Despite these developments, organizations are failing to achieve the full benefit, because they are adopting AI in pockets, rather than across the organization. Providers with innovative solutions, accelerators, and strong advisory capabilities can efficiently help enterprises to navigate the fastevolving AI landscape and successfully implement it.

In the report, we present an assessment and detailed profiles of 30 AI and gen AI service providers featured on the <u>Artificial Intelligence (AI) and Generative AI Services</u> <u>PEAK Matrix® Assessment 2024</u>. Each profile comprehensively describes its service focus, key Intellectual Property (IP) / solutions, domain investments, and case studies. The assessment is based on Everest Group's annual RFI process for the calendar year 2024, interactions with leading AI service providers, client reference checks, and an ongoing analysis of the AI services market.

The full report includes the profiles of the following 30 leading AI service providers featured on the Artificial Intelligence (AI) and Generative AI Services PEAK Matrix:

- Leaders: Accenture, Capgemini, Cognizant, Deloitte, IBM, and TCS
- Major Contenders: BCG, DXC Technology, EPAM, Eviden (Atos), EXL, EY, Genpact, Globant, HCLTech, Infosys, KPMG, LTIMindtree, McKinsey, Mphasis, NTT DATA, PwC, Tech Mahindra, and Wipro
- Aspirants: Akkodis, Kyndryl, Sonata Software, Stefanini, UST, and WNS

Scope of this report

Geography: Global

Industry: Market activity and investments of 30 leading AI service providers

Services: Al and gen Al services

Artificial Intelligence (AI) and generative AI services PEAK Matrix[®] characteristics

Leaders

Accenture, Capgemini, Cognizant, Deloitte, IBM, and TCS

- Leaders showcase a clear vision focused on delivering business outcomes for customers through AI services. This is reflected in their IP development, talent quality, partnership strength, and outcome-based commercial models
- They have developed integrated platforms, products, and use case libraries, underpinned by AI governance to help clients move beyond experimentation and scale their AI projects
- They make sustained investments in forward-looking technology themes such as agentic AI, responsible AI, no-code/low-code platforms, and infrastructure offerings for AI workloads
- They incorporate a blend of deep domain and technical expertise. Clients appreciate their ability to efficiently deliver large scale projects, problem-solve complex challenges, and act as a strategic partner, challenging their thinking when needed
- They implement a clear talent strategy that includes investments in upskilling programs, partnerships with academic and technology organizations, defined roles and career paths, and use of emerging technologies to enhance learning

Major Contenders

BCG, DXC Technology, EPAM, Eviden (Atos), EXL, EY, Genpact, Globant, HCLTech, Infosys, KPMG, LTIMindtree, McKinsey, Mphasis, NTT DATA, PwC, Tech Mahindra, and Wipro

- Major Contenders are focusing IP development on their heritage sweet-spots. This includes industryspecific accelerators, and point solutions for business and technology use cases
- They are actively investing in talent development through upskilling programs and talent acquisition
- They are increasingly investing in their partner ecosystem to deepen existing partnerships and add niche AI partners such as model providers and hardware providers

Aspirants

Akkodis, Kyndryl, Sonata Software, Stefanini, UST, and WNS

- Aspirants are focused on building expertise within their preferred segments of the AI value chain, directing most investments toward enhancing and refining industry and domain-specific offerings
- They aim to differentiate themselves through customized services, strong client management, and high technical expertise in niche areas



Everest Group PEAK Matrix®

Artificial Intelligence (AI) and Generative AI Services PEAK Matrix[®] Assessment 2024 | Cognizant is positioned as a Leader and a Star Performer

Everest Group Artificial Intelligence (AI) and Generative AI Services PEAK Matrix[®] Assessment 2024^{1,2}

- Leaders
- Major Contenders
- O Aspirants
- \bigstar Star Performers



1 Assessments for Boston Consulting Group, Deloitte, DXC Technology, EPAM, Eviden (Atos), EY, Globant, Infosys, KPMG, McKinsey & Company, PwC exclude service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, provider public disclosures, and Everest Group's interactions with insurance buyers

2 Akkodis, Boston Consulting Group, McKinsey and Company, Mphasis, Sonata Software and WNS are new entrants on the Artificial Intelligence (AI) and Generative AI Services PEAK Matrix[®] and have therefore not been considered for the Star Performer title Source: Everest Group (2024)

Cognizant profile (page 1 of 5)

Overview

Company overview

Cognizant provides IT services, consulting, and business process outsourcing, with a focus on digital, technology, and operations transformation. Its offices operate in more than 80 cities in over 40 countries across North America, Latin America, Europe, the Middle East and Africa, and Asia Pacific. Its core areas include healthcare, financial services, manufacturing, and retail. Its offerings include AI, data analytics, cloud services, and enterprise application services. It has experience serving Fortune 500 companies and other leading organizations across the globe.

Headquarters: Teaneck, NJ

Website: www.cognizant.com

AI and Analytics

Data and AI advisory

• Mykola Hayvanovych, Global Al Offering Leader,

President, North America Head for Architecture,

• Mahadevan Krishnamoorthy, Assistant Vice

Key leaders

- Ravi Kumar S, Chief Executive Officer
- Naveen Sharma, Senior Vice President and Global Practice Head, Data and Al
- Sivasubramanian Mahalingam, Global Head of Delivery Al and Analytics
- AI practice overview
- Cognizant provides a specialized AI services practice called Cognizant AI and Analytics (AI&A), which falls under its Core Technologies and Insights (CTI) service line
- Cognizant's AI&A practice has been divided into two subpractices, that is, Data and Intelligence
- Data: provides data modernization, management, and foundation capabilities
- Intelligence: enables data-driven decisioning with business intelligence and AI

Al services fact sheet	2022 (Jan-Dec)	2023 (Jan-Dec)	2024 (Jan-Mar)
Number of active AI clients	650-700	700- 750	Not disclosed
Number of AI FTEs	17,000-19,000	19,000-20,000	Not disclosed

Artificial Intelligence (AI) and Generative AI services revenue mix (CY 2023)

● Low (<10%) ● Medium (10-20%) ● High (>25%)

Revenue by industry

 Banking, Financial Services, and Insurance (BF 	 Electronics, hi-tech, and FSI) technology 	 Healthcare and life sciences
 Retail, distribution, and CPG 	 Telecom, media, and entertainment 	 Travel and transport
Energy and utilities	Manufacturing	Public sector
Others		
Revenue by geography		
North America	United Kingdom	Rest of Europe
Asia Pacific	South America	Middle East and Africa
Revenue by buyer group		
(annual revenue (ar	d-market Earge market (annual revenue (annual reve \$\$1-5 billion) US\$5-25 bil	enue (annual revenue

Generative AI share of AI services revenue in 2023

Less than 10%	10-15%	More than 15%	Not disclosed

Cognizant profile (page 2 of 5)

Solutions and investments

IP overview

- Cognizant offers a range of services including generative AI for intelligent model creation, migration factory for model migration, AI Assurance for risk analysis and quality control, and computer vision solutions for building ML pipelines for videos and images
- It also provides a data quality framework with advanced statistical KPIs and DataOps, delivering data quality metrics at various business scales

Solution name	Solution type	Year launched	Details
Cognizant Flowsource™	Platform	2024	It streamlines the software development life cycle by supporting cross-functional engineering teams with digital tools and technologies. It aims to enhance code quality, accelerate delivery, and ensure better oversight and coordination across stages.
Cognizant Neuro [®] AI Platform	Platform	2023	It enables the development, deployment, and management of AI models across various business functions. It focuses on automating processes, enhancing decision-making, and improving customer experiences by integrating AI into core operations.
Cognizant Neuro [®] IT Operations	Platform	2023	It is an AI-driven automation platform designed to reduce the complexity and operating costs of enterprise infrastructure and technology, enabling enterprises to pivot to an automation-first approach to IT operations.
Cognizant [®] Data and Intelligence Toolkit	Accelerator	2014	It is a suite of intelligent tools and frameworks used for helping customers modernize their data and business intelligence platforms, enhanced by AI, generative AI, and ML.

Proprietary IP/solutions/frameworks/accelerators/tools developed internally to deliver AI services

Other investments to enhance AI services capabilities, for example, setting up of new delivery centers / CoEs / innovation labs, trainings/certifications

Investment	Details
Innovation	Established Innovation Studios in London (UK), Bengaluru (India), New York, San Francisco, and Dallas to facilitate collaboration between clients and teams, focusing on developing and experimenting with new business ideas and AI solutions
Other initiatives	Established Bluebolt, Cognizant's grassroots innovation movement, which offers a framework for employees globally to participate in the innovation process from ideation to implementation

Cognizant profile (page 3 of 5)

Partnerships

Key AI partnerships (top 5)

Partner name	Details				
Microsoft	Cognizant has been recognized as a Premium Consulting Partner by Microsoft and has earned AI competencies such as AI and ML, Build and Modernize AI, and Analytics . It has also co- developed solutions with Microsoft that help clients with document intelligence, natural language processing, and computer vision.				
AWS	Cognizant has been recognized as a Premium Consulting Partner by AWS and awarded with AI competencies such as generative AI and ML. It has also received the Industry Partner of the Year – Greater China Region award from AWS.				
Google Cloud	Cognizant has achieved specializations across multiple Google Cloud areas such as infrastructure management and application development. It has won various awards such as Partner of the Year in Talent Development.				
Snowflake	Cognizant partnered with Snowflake to enhance its AI capabilities such as generative AI, ML frameworks, natural language understanding, search and automation, and analytics and process mining.				
Informatica	Cognizant has been recognized as a Premium Consulting Partner by Informatica and earned competencies in generative AI, ML, entity resolution, data stewardship tasks, and data unification. Cognizant has also received the Global Industry Solutions of the Year award and the Global Partner Technical Sales award from Informatica.				
Databricks	Cognizant has been recognized as a Premium Partner with Databricks and earned competencies in generative AI, Large Language Models (LLMs), entity resolution, and data stewardship. It has also received the Rising Star Award in Greater China from Databricks.				

Other partnerships (logos)

Al infrastructure (hardware and cloud)	AI/ML platforms	Enterprise applications	Foundation model providers	Data for Al
	dataiku 😕 Hugging Face IBM QPalantir TIBCစ VIANAI yseop	Adobe salesforce servicenow	ANTHROP\C Scohere	STEPO SYSTEMS

Cognizant profile (page 4 of 5)

Market success

Recent AI engagements (non-exhaustive)

Client	Year of signing	Geography	Engagement details
An international financial institution	Not disclosed	Not disclosed	Cognizant helped the client develop a conversation AI application using Azure OpenAI to automate the summarization and retrieval of information across 15,000 complex documents, improving process efficiency by 10X and reducing effort.
A global leader in healthcare and pharmaceuticals	Not disclosed	Not disclosed	Cognizant helped the client automate data extraction using the NLACAW solution, powered by Azure OpenAI, reducing document time- to-market from four to six months to eight weeks, with over 80% accuracy, boosting efficiency, and decision-making.
A leading multinational pharmaceutical company	Not disclosed	Not disclosed	Cognizant enabled non-technical users to access TwinOps' AI/ML functionalities using Azure OpenAI services, creating an intuitive UI and automating workflows, accelerating adoption and productivity across the client's scientific community.
UK's largest rail provider	Not disclosed	UK	Cognizant helped the client leverage predictive technology to reduce service failures and optimize maintenance schedules. This has resulted in savings of 1.3 million hours of manual maintenance and a 10% reduction in service-affecting failures, driving significant cost efficiencies.

Distribution of overall AI client engagement across the value chain segments

15%	50%	30%	5%
Consult Al	Build AI	Operationalize AI	Govern Al

Cognizant profile (page 5 of 5)

Everest Group assessment – Leader and Star Performer

Measure of capability: 🕐 Low 🛑 High

Market impact Vision and capability Vision and Scope of services Innovation and Market adoption strategy Delivery footprint Portfolio mix Value delivered offered Overall investments Overall \square \square 6.

Strengths

- **Meaningful investments in innovation:** Cognizant has made significant investments to boost innovation across various channels. This includes its internal Bluebolt program to source ideas from client-facing employees, co-innovation with AI technology partners, and setting up of AI innovation labs
- **Delivery excellence:** Cognizant has established a large pool of offshore and onshore resources, which has enabled scalability, cost-effectiveness, and timely project delivery. Referenced clients have also appreciated its flexibility in allocating projects to the most suitable resources at the right time
- Extensive partner ecosystem: Cognizant has forged deep partnerships across hyperscalers, data and AI platform providers, enterprise platforms, infrastructure, and model providers. Notable partners include Nvidia, IBM, and Palo Alto Networks

Limitations

- Scope to improve advisory capabilities: although Cognizant has developed a strong technical expertise, it has the potential to improve its consulting and advisory capabilities. Referenced clients have suggested that Cognizant can be more proactive in presenting ideas and challenging existing client perspectives
- Scope to expand industry-ready solutions: while Cognizant has developed a suite of Al IP to support use cases across the Al value chain, it has the potential to expand its portfolio of industry-ready solutions
- Scope to expand in small and mid-market segments: while Cognizant has gained significant experience in serving large enterprises, it has limited presence in the small and mid-market segments. Enterprises in this category may want to evaluate Cognizant's ability to customize solutions as per their needs

Appendix

PEAK Matrix[®] framework

FAQs

PE K MATRIX®

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

Everest Group PEAK Matrix



Measures ability to deliver services successfully

PEAK MATRIX®

Services PEAK Matrix[®] evaluation dimensions



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FAQs
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Q: Does the PEAK Matrix® assessment incorporate any subjective criteria?

A: 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.

Q: Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?

- A: 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.
- Q: What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?
- A: 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.
- Q: What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?
- A: 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

Q: What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

- A: 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

Q: Does the PEAK Matrix evaluation criteria change over a period of time?

A: 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.

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