



Everest Group Connected Product Engineering Services PEAK Matrix® Assessment 2024

Focus on Accenture

June 2024



Introduction

The recent advances in technology have led to a massive digital wave in the engineering world, wherein physical products are being enhanced by making them smarter, connected, autonomous, and intelligent. To cater to the evolving customer needs and provide a rich customer experience, enterprises are making significant investments in next-generation technologies such as AI/ML, AR/VR, 5G, blockchain, IoT, and cybersecurity, which serve as the backbone of digital products. However, the rapid pace of innovation and the need to stay ahead of market trends in this current space necessitates the need to establish a compelling partnership ecosystem that can help enterprises accelerate time-to-market. To cater to this growing demand from enterprises, engineering service providers are actively enhancing their capabilities and offerings to unlock the potential of data from connected products, integrate multiple technologies for better user experience, and ultimately engineer technologically sound digital products.

This research is the first edition of Everest Group’s [Connected Product Engineering Services PEAK Matrix® Assessment 2024](#), wherein we have presented an

assessment of 21 engineering service providers featured on the PEAK Matrix, along with the sourcing considerations for enterprises. This assessment is based on the RFI responses from providers, interactions with their digital product engineering leadership, client reference checks, and ongoing analysis of the engineering services market.

The full report includes the profiles of the following 21 leading engineering services providers featured on the Connected Product Engineering Services PEAK Matrix:

- **Leaders:** Accenture, Akkodis, Capgemini, Cognizant, HCLTech, LTTS, and TCS
- **Major Contenders:** Apexon, Cyient, eInfochips, Infosys, Randstad Digital, Softdel, Tata Elxsi, Tech Mahindra, UST, VVDN Technologies, and Wipro
- **Aspirants:** GS Lab | GAVS, N-iX, and Onward Technologies

Scope of this report

Geography: Global

Industry: 21 leading engineering service providers

Services: Connected product engineering services

Connected product engineering services PEAK Matrix® characteristics

Leaders

Accenture, Akkodis, Capgemini, Cognizant, HCLTech, LTTS, and TCS

- The Leaders segment comprises both pure-play and broad-based IT-heritage firms that have developed dominant capabilities in offering multi-disciplinary connected product engineering services across engineering and design, embedded and network engineering, and connected platform engineering
- Leaders have been able to successfully grow organically by forming partnerships with hardware, embedded, and software vendors and making investments in developing labs, CoEs, and innovation centers in next-generation technologies such as AR/VR, IoT, analytics, AI/ML, 5G, semiconductor engineering, and ASIC design
- Their global delivery presence has helped them achieve the right balance of client proximity and cost advantages in servicing large-scale engagements
- These providers 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

Apexon, Cyient, eInfochips, Infosys, Tata Elxsi, Tech Mahindra, Randstad Digital, Softdel, UST, VVDN Technologies, and Wipro

- Major Contenders also comprise both IT-heritage firms as well as pure-play engineering service providers
- These providers are actively making investments in establishing labs and CoEs and developing IP and solutions in areas such as AI/ML, testing, analytics, IoT, cybersecurity, and embedded systems
- Although they have strong partnerships across connected product engineering, some of their strategic partnerships/alliances in the areas of embedded and hardware engineering are yet to mature at par with the Leaders

Aspirants

GS Lab | GAVS, N-iX, and Onward Technologies

- Aspirants offer capabilities mostly across the software engineering part of the value chain and have a limited portfolio of services required to develop hardware and embedded products
- Although Aspirants are actively training and upskilling their engineering talent, their investments in labs, CoEs, partnerships, and IP are limited

Everest Group PEAK Matrix®

Connected Product Engineering Services PEAK Matrix® Assessment 2024 | Accenture is positioned as a Leader

Everest Group Connected Product Engineering Services PEAK Matrix® Assessment 2024^{1,2}

- Leaders
- Major Contenders
- Aspirants



¹ Assessments for GS Lab I GAVS, Infosys, Onward Technologies, and Wipro exclude provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, provider public disclosures, and Everest Group's interactions with buyers

² Assessment of GS Lab I GAVS covers the capabilities of the combined entity formed by merging GS Lab and GAVS

Source: Everest Group (2024)

Accenture profile (page 1 of 6)

Overview

Vision and strategy

Accenture’s vision for connected product engineering is to build competency in smart connected product innovation, transforming traditional physical offerings into advanced, software-enabled solutions. Accenture aims to help enterprises in reshaping organizational frameworks, aligning technology, architecture, and operations with each client’s product strategy to foster sustainable growth and agility with a goal to enhance R&D efficiency and significant reduction in costs.

Accenture’s strategy in connected product engineering is to be a partner across the entire product life cycle, from strategy and engineering consultancy to design, development, and maintenance, leveraging its global-local presence and industrial knowledge. Accenture aims to prioritize the application of data and AI, with a strong focus on generative AI for accelerating the journey from proof of concept to full-scale implementation.

Connected product engineering services revenue (CY2022)

<US\$50 million	US\$50-100 million	US\$100-200 million	>US\$200 million
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YoY growth rate in connected product engineering services revenue (CY2022)

<25%	25-50%	50-75%	>75%
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● Low (<15%) ● Medium (15-30%) ● High (>30%)

Revenue of connected product engineering by value chain functions

- Ideation and design
- Product development
- Testing and certification
- Product support and maintenance

Revenue by connected product engineering segments

- Engineering and design
- Embedded engineering
- Connected platform engineering

Revenue by connected product engineering verticals

- Aerospace and defence
- Automotive
- Consumer electronics
- Energy and utilities
- Industrial products
- Medical devices
- Retail
- Semiconductor
- Telecom
- Others

Revenue by connected product engineering geographies

- North America
- United Kingdom
- Europe
- India
- China
- Japan
- Rest of Asia Pacific
- Middle East and Africa
- South America
- Others

Accenture profile (page 2 of 6)

Case studies

[NOT EXHAUSTIVE]

CASE STUDY 1

Business challenge

The client is a provider of precision measuring systems, essential for the custody and transfer of highly valuable refined fuels and liquids. The client faced an issue of precision in aviation refueling and thus wanted to develop a corresponding smart register that could ensure congruent accuracy, while mitigating the risks associated with human errors.

Solution

Accenture enabled the client with a digitally smart and connected platform featuring smart register and a companion app, integrated with the cloud to optimize refueling automation. The project included UX design, industrial product design, user interface design for the device and application, and software architecture consulting. The platform helped to improve speed, efficiency, and user-friendliness, with a configurable interface ensuring reliability even in extreme weather conditions. This solution guided operators through every fueling event, enhancing safety, raising productivity, and minimizing error risks.

CASE STUDY 2

Business challenge

The client required a platform to improve its after-sales experience for customers, which required a mobile application with which customers could monitor and manage their ambient air quality. The customers could receive alerts regarding preventive maintenance, increasing customer satisfaction and after-sales revenue for the client.

Solution

Leveraging Amazon Web Services (AWS), Accenture built an IoT platform on the cloud, which enabled the customers to monitor and manage their ambient air quality remotely through a mobile application and multilingual voice commands. They also received alerts when filters needed to be changed. The solution claimed to have increased filter sales by 47%, firmware issues reduced by 70%, and overall OpEx reduced by 40%.

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Solutions

[REPRESENTATIVE LIST] [NOT EXHAUSTIVE]

Proprietary solutions

Solution	Details
myWizard	An automation platform that is used to automate practices such as testing, service management, DevOps, and Agile, with specific frameworks for IoT
Accenture touchless testing platform	A testing platform that enables fully automated and continuous testing through artificial intelligence, machine learning, and cognitive computing capabilities
Sustainable hardware design solution	A hardware design platform that helps repairable hardware, while measuring recyclability and reliability under real conditions
IoT framework solution	A platform for IoT and smart products with data ingestion, storage, analytics, and application services to connect with users
Automotive embedded software stacks	An automotive stack IP enabling embedded control systems, diagnostic authoring systems, vehicle communication software, and Over the Air (OTA) update system for multiple automotive Electronic Control Units (ECUs)
AIP+	A collection of modular, pre-integrated Ai services and capabilities that can be used as an accelerator in cloud connectivity
MTK-Master Toolkit	A suite of assets to accelerate intelligent connected products' engineering, research, and development
Accenture adaptive platform	A set of pre-integrated cloud-native services to accelerate connected platform engineering solutions
Accenture distributed device farm	A solution to enable access to hardware for remote developers and testers; also helps in optimization of CO2 emissions
Intelligent Engineering and Manufacturing Platform	A cloud-based platform that helps in augmenting Industry X solutions with industrial technology assets, to accelerate digital transformation projects

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Partnerships

[REPRESENTATIVE LIST] [NOT EXHAUSTIVE]

Key alliances and partnerships

Partner name	Details
AWS, Azure, and GCP	Partnerships to strengthen capabilities in cloud platform, product development, IoT, and data orchestration
Dassault, Siemens, and PTC	Partnerships to strengthen capabilities in product design, development, and engineering leveraging design and simulation platforms in 3D
Splunk	Partnerships to strengthen capabilities in generative AI, data analytics, security automation, and AI-enabled supply chain
Intel	A partnership to collaboratively develop capabilities in software, hardware, and cloud applications
IBM Red Hat	A partnership to strengthen capabilities in automation and cloud platforms

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Investments

[REPRESENTATIVE LIST] [NOT EXHAUSTIVE]

Recent connected product engineering services investments/acquisitions

Investment/target	Details
ATI Solutions Group (ATI)	An acquisition that strengthens its capabilities to automate and remotely run mines and rail networks, set up smart maintenance workflows, analyze data from the field, and improve their operations
Trancom	This acquisition is aimed to strengthen capabilities in IoT and sensor technology. Trancom, a Japanese logistics technology service provider, helps Accenture expand its capability and footprint in cloud-based logistics systems and warehouse operations with IoT and sensor technology.
Umlaut	An acquisition that strengthens competency in digital engineering services across strategy, process and organizational consulting, hardware development, software development, testing, and validation of smart connected products
Electro80	An acquisition aimed to increase capabilities in embedded engineering and expanding footprint in Australia across multiple verticals including mining, energy, construction, and utility
Stardog	An investment to strengthen capabilities in data management in next-generation technology applications
Generative AI CoE	An investment to develop capabilities in generative AI and Large Language Models (LLM) across service functions










Accenture profile (page 6 of 6)

Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact

Vision and capability

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

Strengths

- Accenture has a wide portfolio of service offerings spanning the life cycle of a connected product from consulting to design, development, and maintenance
- Customers appreciate Accenture’s large resource pool, technical expertise, and domain knowledge in connected product certifications and automation testing and highlight that these have been decision-making factors in choosing it for current engagements
- Accenture has made strategic investments to enhance its connected product engineering capabilities through investments in generative AI studios, metaverse, and quantum computing and product R&D
- It has a strong focus on product sustainability and is investing in developing capabilities around 3D design, 3D digital mock-ups, 3D Product Lifecycle Management (PLMs), and circular design toolkits to accelerate the transformation to a circular economy
- Accenture has a strong deal origination strategy, effectively leveraging multiple avenues around thought leaderships, account-based marketing, ecosystem partnerships, acquisitions, consulting-led support, and referrals

Limitations

- Clients perceive Accenture as an expensive service provider vis-à-vis peers
- Clients have highlighted that Accenture could focus on speeding up its internal processes and build easily scalable solution accelerators to reduce prices
- Accenture has limited relevant partnerships in embedded and network engineering around system integration, embedded AI, IoT analytics, security monitoring, system engineering, wireless solution, and RF engineering compared to peers

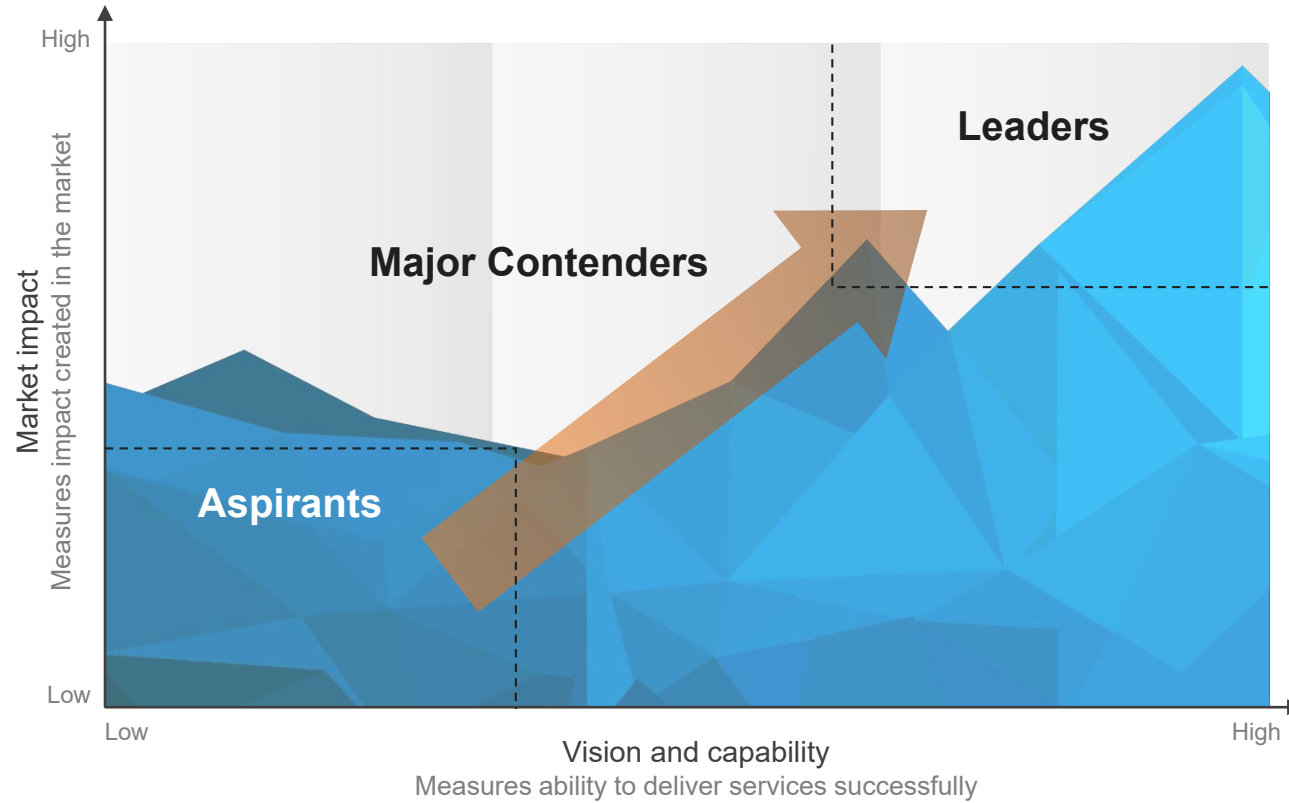
Appendix

PEAK Matrix® framework

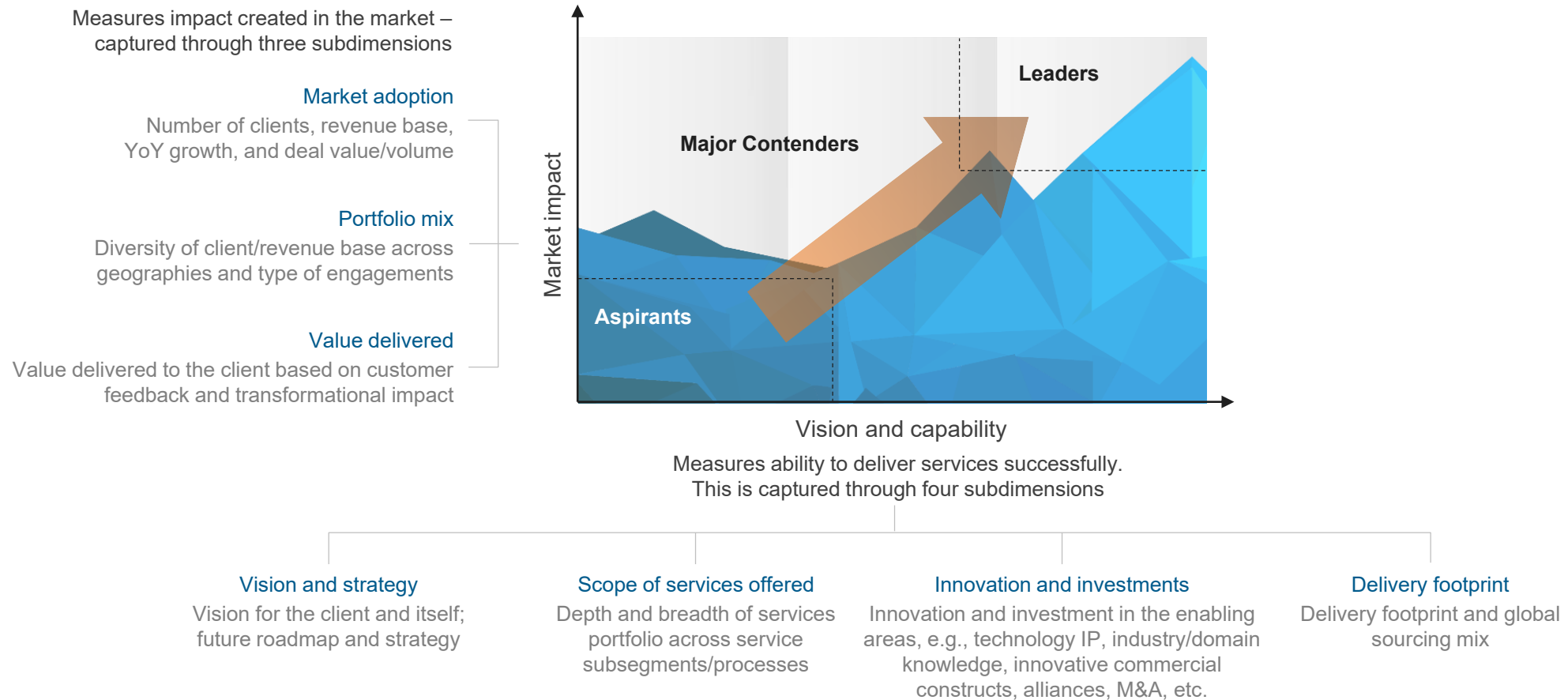
FAQs

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



FAQs

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 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.

Stay connected

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