

A collage of several skyscrapers with glass facades, viewed from a low angle looking up. The buildings are arranged in a staggered, overlapping pattern, creating a sense of depth and modern architecture. The colors range from blue and teal to yellow and orange, suggesting different lighting conditions or building materials.

***ISG** Provider Lens™

2022

Digital Business
Enablement and ESG
Services

imagine your future®

ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 800 clients, including more than 75 of the world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,300 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data. For more information, visit www.isg-one.com.



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Introduction

As information technology has advanced in recent years, there has been a significant uptake in the use of digital tools and transformation services around the world. Many of these initiatives have helped businesses survive and thrive, making digital transformation a pathway to success for enterprises across all industries. The use of information technology to change the customer journey, improve business agility and deliver digital products has helped across most businesses processes, including sales, trading, production, supply chain, product design and human resource management, deliver real benefits to the bottom line and maintain the quality of customer experience during the pandemic.

One of the most disrupted segments during the pandemic has been the supply chain. The complexity involved in this system emphasizes the increased shift to a globally connected and highly interdependent world. The digitalization of the supply chain also brings in the aspect of resiliency. With enterprises expanding their technology and infrastructure footprints as a result of increased digitalization, it is imperative for organizations to embrace the sustainability goals for a greener and livable planet.

In recent years, several companies have been working on achieving net-zero carbon emission or carbon reduction. More companies are taking action to reduce the emission gap. Those that focus on addressing climate change-related challenges find it important to deploy analytics using connected, centralized and reliable data. The integration of AI and machine learning into this digital foundation allows for more accurate prediction, increased efficiency and real-time innovation opportunities.

The digital reality services domain has witnessed accelerated growth, especially in the last couple of years. Virtual reality, augmented reality and mixed reality will be an integral part of digitalization. AI-powered AR and VR technologies drive the market shift toward the metaverse virtual world.

According to the ISG Index™ for Q1 2022, the annual contract value (ACV) of \$5 million or more shows that the first-quarter ACV for the combined global market (both XaaS and managed services) grew by 31 percent to reach a record of \$24.2 billion. A total of 602 managed services contracts were awarded in the first quarter, which is an increase of 14 percent from the previous year, with a majority—nearly 60 percent—falling within the smallest range of \$5 million to \$10 million of ACV. The industry also saw a jump in contract restructuring, which increased 19 percent in the quarter, surpassing \$3 billion of ACV for the first time since the pandemic. The ISG Index for Q1 2022 analysis observed budgets have been rising as companies continue to increase investments in driving their digital transformation agendas. Despite the apparent slowdown in market demand in the 2021 fourth quarter, ISG still forecast solid growth for 2022, including 5.1 percent for managed services and 20 percent for the XaaS market, as enterprises continue to invest in digital technologies and capabilities in response to the pandemic and despite current economic challenges.

This ISG Provider Lens™ study focuses on identifying the service providers that can support clients with their digital business capabilities. Digital-ready service providers understand the full scope of digital services to provide constant innovation for improving user experiences, accelerating business delivery and incorporating intelligent solutions. They partner with leading technology vendors and facilitate the use of cognitive computing and learning systems to digitalize client organizations.

The ISG Provider Lens™ study offers IT decision-makers the following:

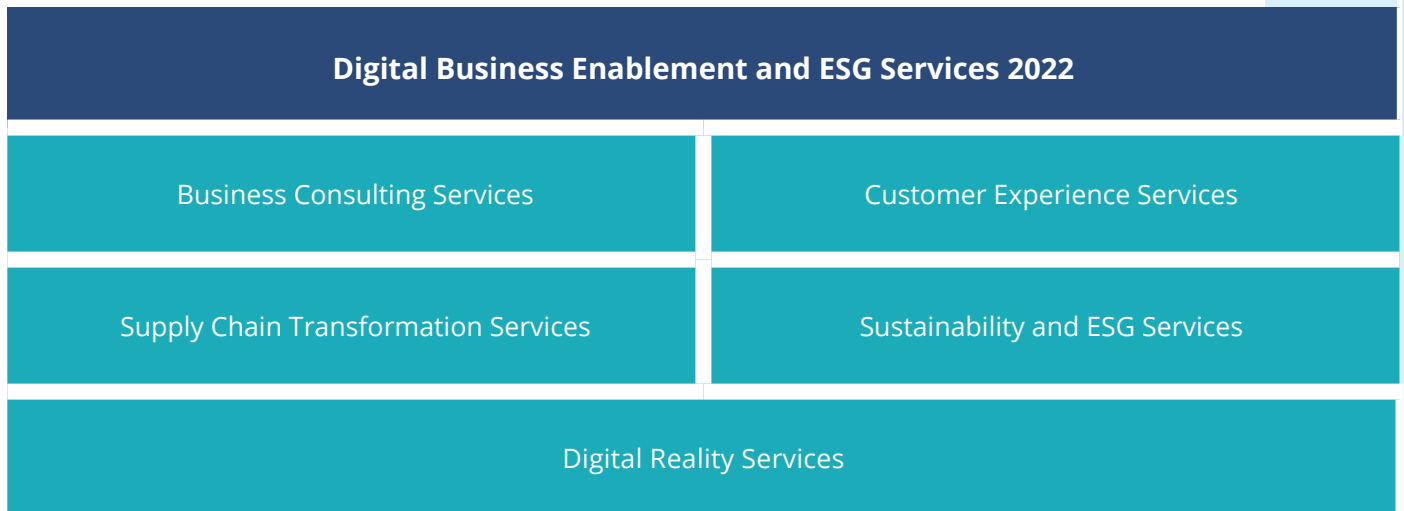
- Transparency on the strengths and areas for improvement of relevant providers
- A differentiated positioning of providers by segment
- A perspective on different markets, including the U.S., the U.K., Germany, Nordics, Brazil and Australia

Our study serves as an important decision-making basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential new engagements.

Quadrant Research

As part of this ISG Provider Lens™ quadrant study, we are introducing the following five quadrants on Digital Business Enablement and ESG Services 2022:

Simplified illustration



Source: ISG 2022

For 2022, ISG has retained four previously studied quadrants digital customer experience services, digital business consulting services, digital supply chain transformation services and sustainability and decarbonization services. This year, ISG has added a new service line focused on immersive experience and technology, digital reality services. Blockchain services, which was focused on the U.S. and the U.K geographies in 2021, have been removed from this year's assessment.

Business Consulting Services

Business consulting services includes services provided to enterprises across customer and employee journeys, strategy and digital business operations throughout the digital journey. These services help enterprises build new business models by making use of the existing capabilities across market opportunities. The services provided should create significant benefits for clients and drive their growth. Providers in this space should be able to help organizations transform and optimize their operational environments through research, benchmarking, advisory and consulting, with a focus on information technology, business process transformation, program management services and organizational change management.

The participating companies should be capable of helping their clients throughout the digital journey, from conceptualizing the vision to delivering the actions needed for the transformation across different industries.

Eligibility criteria

- Offer one or more consulting services across the digital journey
- Ability to advise clients on the different facets of the digital journey, including strategy, data, technology, organizational change management, operations and consulting on industry processes.
- Help clients formulate their digital roadmaps and build the digital strategies for the short and long terms
- Offer advice and guidance on process optimization to deliver tangible benefits
- Manage a geographically dispersed workforce for its service across geographies

Customer Experience Services

This quadrant assesses service providers' and digital agencies' ability to deliver business model innovation, enabling enterprises to build competitive differentiation in today's digital economy. Providers in this quadrant should be able to provide consulting and implementation services to improve the customer experience (CX) for their clients, with focus on specialized services for specific industries.

Customer experience design is transforming how companies organize marketing, sales, delivery and post-sales processes. It is a customer-centric approach and changes an enterprise's all business processes around a customer.

Digital customer experience indicates how digital companies design differentiation for the end-customer journey. This quadrant focuses on conceptualizing customer journeys to create new business models and realize benefits using new technologies and business ecosystems. Companies in this space design how an ideal customer (or persona) interacts with a product or a brand. The design process includes technology experts, representatives from sales and marketing, and clients in a collaborative manner. Leading firms use analytics to extract insights from user data. Cognitive computing extracts data from conversations, texts and social media. The experience is measured with simple A/B tests and complex sentiment analysis captured from customer interactions.

Customer experience involves real-time monitoring and measuring of various touchpoints that drive the customer journey and the supporting technology and business processes. A customer experience team produces a continuous change of digital businesses, delivering business model innovation and enabling enterprises to build competitive differentiation in today's digital economy.

Eligibility criteria

- Should focus on delivering an end-to-end customer journey to provide a differentiated value proposition supported with advance technologies such as AI, machine learning, IoT and analytics
- Should offer advisory, integration and managed services to enable customer experience services
- Must showcase deep industry and customer knowledge for business transformations, changing channels, business structures and cultural shifts
- Must have an established CX governance framework
- Should have the capability to deliver services using innovative technologies such as augmented reality and virtual reality

Sustainability and ESG Services

The Sustainability and ESG Services quadrant assesses service providers' ability and capability to deliver sustainability services to their clients, either as a standalone service or as a packaged offering for digital contracts.

Technologies powering digital transformation generate a significant carbon footprint. However, digitalization is also a means to achieve sustainability and decarbonization. With world leaders taking a pledge to address climate change issues, it is imperative for businesses to achieve net neutrality in carbon emission and remain sustainable, besides reaping the other benefits of digital transformation.

Sustainable business innovation across enterprises is aligned with the United Nation's 17 Sustainable Development Goals (SDG) that are targeted to be achieved by 2030. The Climate Pledge for mitigating climate change, signed in 2016 in Paris by approximately 196 countries, has steered organizations to focus on net-zero carbon emission and 100 percent renewable energy. With these imperatives, services providers are helping their clients in their sustainability efforts while addressing their digital transformation initiatives.

The providers in this quadrant should be able to help clients achieve carbon neutrality and improve their environmental, social and governance (ESG) performance.

Eligibility criteria

- Should have helped their clients in achieving at least one of the SDG and ESG goals
- Should have solutions for businesses to achieve their sustainability goals
- Should offer sustainability services as a separate offering or as a part of their digital services
- Should have helped clients achieve, or have a target to achieve, sustainability in the region of assessment
- Should be able to measure and report revenue from sustainability services delivered to clients

Supply Chain Transformation Services

This quadrant assesses service providers offering consulting, integration and managed services for the supply chain across planning, execution and insights, in addition to achieving ESG goals for clients. The providers should leverage a comprehensive framework to use digital technologies such as IoT, machine learning, AI and predictive analytics to enable clients to optimize their entire ecosystem of suppliers, customers, employees and third-party partners to balance their business risk profiles and deliver on net carbon neutrality.

A digital supply chain enables a company to move from mainly focusing on cost savings to also monitoring inventory based on customer needs, optimize its supply chain network and create a predictive, self-adapting supply chain. To deliver these advanced features, digital technologies providers offer end-to-end real-time visibility across an integrated and networked supply chain. In addition, they are helping clients to not only plan, transform and execute the technology aspect of the entire supply chain but also to optimize their operations across the supply chain. In the future where trade wars, political unrest, pandemic and the importance of having multiple production units and preference for domestic manufacturing might become norms, providers will need to re-architect their offerings to increase resilience and support the leveraging of digital technologies and frameworks, in-house tools and accelerators to enable minimal disruption.

Service providers in this quadrant typically offer supply chain analytics, data management, demand and supply planning and forecasting, and order management integrated with digital technologies to deliver substantial benefits to their clients.

Eligibility criteria

- Must have delivered specific sustainability services and data orchestration services for offering a connected supply chain experience
- Must have executed advisory, consulting or integration for the digital supply chain for one or more clients across regions or for a specific geography
- Must demonstrate focus on one aspect of the digital supply chain or the end-to-end delivery of services across the supply chain by leveraging digital technologies
- Must showcase expertise in integrating modern technologies such as IoT, blockchain and automation and deliver better user experience
- Must have a focused and strong regional partner ecosystem of ISVs and other certified partners
- Must offer resilient digital supply chain services that support local governance, regulation and compliance standards
- Must offer industry specific solutions and practice knowledge of delivering supply chain services

Digital Reality Services

The Digital Reality Services quadrant assesses service providers offering strategy consulting, integration and delivery services to support clients in integrating reality services. In addition to these providers can also showcase us their capabilities onfor advising clients on digital reality services roadmap development, specific industry specific solutions, thought leadership and experience in delivering one or more use cases. The providers need to work along with enterprise clients through ideation, consulting, assessment, storyboarding, prototyping and user testing. They also must leverage a comprehensive framework or methodology to use digital technologies such as IoT, machine learning, AI and advanced analytics to ensure a 360-degree immersive experience, while meeting business requirements and challenges.

Digital reality represents the next transformation in terms of how technology is addressed through a 360-degree immersive experience that puts human users at the center of the design. It comprises a wide range of technologies and products that simulate reality in a variety of ways, including augmented reality (AR), virtual reality (VR) and mixed reality (MR). Enterprises and organizations in all industries are embracing the need for AR, VR and MR.

The adoption of technologies such as blockchain, IoT, AI, machine learning, digital twin and computer vision is further reshaping digital reality services offerings.

Eligibility criteria

- Must have expertise and interdisciplinary capabilities for AR, VR and MR
- Must have developed industry-specific solutions, tools, accelerators and other intellectual property
- Experience in integrating one or more technologies, such as IoT, advance analytics, digital twin, computer vision, AI, machine learning and 3D
- Service providers need to create MR solutions; AR and VR application development for multiple industries; and AR, VR and MR environments, content management, data security and governance frameworks
- Experience in integrating digital reality services with other IT systems, such as ERP, CRM and learning management systems
- Must showcase use cases delivered or proof of concepts (PoCs) ready for pilot implementation
- Strong product and innovation roadmap for this service line comprising the strategy for talent, upskilling, R&D projects and partner ecosystem, covering both hardware and software providers
- Strong thought leadership capabilities

Quadrants by Region

Quadrant	U.S.	U.K.	Germany	Nordics	Brazil	Australia
Business Consulting Services	√	√	√	√	√	√
Customer Experience Services	√	√	√	√	√	√
Supply chain Transformation Services	√	√	√	√	√	√
The Sustainability and ESG Services	√	√	√	√	√	√
Digital Reality Services	√		√		√	√

Archetype Report

In this report, ISG identifies and classifies the typical buyers of digital business enablement and ESG services that are interested in and looking for transformational capabilities. This strategic report supports improved awareness, knowledge and decision-making on the capabilities and positioning of digital business enablement and ESG services providers. The ISG Provider Lens™ Archetype studies provide a means to align sets of ISG-identified client requirements with known provider capabilities.

The report will identify four archetypes that represent buyer characteristics and buying requirements for digital business enablement and ESG services lines. The report will be:

- Globally focused
- Represent ISG advisor and analyst perceptions of clients' buying patterns
- Non-prescriptive nor rank based
- Focused to align buy-side needs with provider-side capabilities to reduce costs for both sides

Owing to the impact of the pandemic, most enterprises have been adopting digital technologies to deliver services and survive in unpredictable business environments. As the pandemic is receding and with other macro-economic changes occurring, digital technologies adoption has increased multifold, and there is a component of digitalization in most IT service outsourcing deals. With changing business environments, ISG sees four types of buyer archetypes for digital business enablement and ESG services.

Figure 1: Sample ISG Provider Lens™ Study Provider Listing

Traditional Archetype Archetype Leaders	Staff Augmentation Focus	T&M Pricing Focus	Packaged Technology Capabilities	Custom Development Focus
A				
B				
C				
D				
E				
F				
G				
H				

Score 4 out of 4
 Score 3 out of 4
 Score 2 out of 4
 Score 1 out of 4

Archetype 1 – Traditional Enterprises

The enterprises in this archetype are traditionally legacy heavy and would have adopted digital technologies to survive in the market during the pandemic. Typically, these enterprises would have adopted cloud solutions or moved their services to online channels. The main aim of these enterprises is to remain reachable to their end consumers to deliver their services and maintain the revenue margins. An example of an enterprise in this archetype is Twiddy and Company, a hospitality firm that is a proprietor of rental properties. It traditionally relied on customer relationships, recurring business leads and word-of-mouth referrals. With the pandemic hitting hard, the firm had no choice but to ramp up its customer service strategy. The firm invested in CRM platforms and cloud solutions to reach its customers through multiple online channels and deliver the desired customer experience.

Archetype 2 – Consumer-driven Enterprises

The enterprises in this archetype envisaged new business models and built their alternate revenue sources around them. These enterprises focused mainly on improving customer centricity and enhancing employee engagement to deliver digital services to end consumers. They have been resilient during the pandemic and have looked for alternate sources or channels to remain profitable in the market. Consumer-driven Enterprises have a significant focus on reducing costs, and they invest in improving customer experience or building a new service line. An example of an enterprise in this archetype is John Lewis Partnership, which includes John Lewis stores and Waitrose supermarkets. These firms changed the way they deliver home food to consumers based on the way consumers were finding, buying and cooking food. The firm integrated products, technologies, operations and user experience to deliver a single view of the customer experience journey. With this, John Lewis was able to build new products, services and experiences for its consumers.

Archetype 3 – Purpose-driven Enterprises

Organizations in this archetype focus on delivering industry-leading services that offer differentiated and tangible benefits to end customers. These enterprises sometimes also focus on delivering services specific to sustainability and help in assessing their carbon footprint to deliver green services. Enterprises in this archetype build their existing services around differentiated, industry-specific services or the green services that they provide to their end consumers. Schneider Electric is representative of an enterprise in this archetype. The company has unveiled solutions to equip the IT infrastructure and data center industry with the ability to ensure net-zero operations. The firm has launched a modular and compact uninterruptible power supply (UPS) that is scalable, occupies much less space than traditional models and is Green Premium certified. The Green Premium certification includes recognition for meeting sustainability goals and achieving regulatory compliance, environmental impact and circular economy attributes.

Archetype 4 – Pioneering Enterprises

The enterprises in this archetype are highly focused on being the innovators for their specific industry segments. They are pioneers in their respective industries and focus on developing new solutions within their constructs. These enterprises undertake innovation within their firm and establish innovation centers to experiment with emerging technologies that can deliver differentiated business propositions or accelerate business growth. The enterprises in this archetype have very high maturity in handling technology complexity and a high innovation quotient. John Deere is an example of an enterprise in this archetype. The company provides advanced products and services for the agriculture industry. John Deere established an innovation center to innovate through artificial intelligence, automation and connectivity to help farmers sustainably deliver products to feed the growing world.

Schedule

The research phase falls in the period between **July and September 2022**, during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in **December 2022**.

Milestones	Beginning	End
Survey phase	July 5, 2022	August 2, 2022
Sneak previews	October 25, 2022	November 9, 2022
Content provisioning	November 11, 2022	November 18, 2022
Press release	December 13, 2022	

Please refer to this [link](#) to view/download the ISG Provider Lens™ 2022 research agenda.

Access to Online Portal

You can view/download the questionnaire from [here](#) using the credentials you have already created or refer to instructions provided in the invitation email to generate a new password. We look forward to your participation!

ISG Star of Excellence™ – Call for nominations

ISG Star of Excellence™ is an independent recognition of excellent service delivery based on the voice of the customer concept. The Star of Excellence is a program was designed by ISG to collect client feedback about service providers' success in demonstrating the highest standards of client service excellence and customer centricity.

The global survey is all about services that are associated with IPL studies. In consequence, all ISG Analysts will be continuously provided with information on the customer experience of all relevant service providers. This information comes on top of existing first-hand advisor feedback that IPL leverages in context of its practitioner-led consulting approach.



Providers are invited to [nominate](#) their clients to participate. Once the nomination has been submitted, ISG sends out a mail confirmation to both sides. It is self-evident that ISG anonymizes all customer data and does not share it with third parties.

It is our vision that the Star of Excellence will be recognized as the leading industry recognition for client service excellence and serve as the benchmark for measuring client sentiments.

To ensure your selected clients complete the feedback for your nominated engagement, please use the Client nomination section on the Star of Excellence [website](#).

We have set up an email where you can direct any questions or provide comments. This email will be checked daily. Please allow up to 24 hours for a reply. Here is the email address: Star@isg-one.com

Research production disclaimer:

ISG collects data for the purposes of writing research and creating provider/vendor profiles. The profiles and supporting data are used by ISG advisors to make recommendations and inform their clients of the experience and qualifications of any applicable provider/vendor for outsourcing work identified by the clients. This data is collected as part of the ISG FutureSource process and the Candidate Provider Qualification (CPQ) process. ISG may choose to only utilize this collected data pertaining to certain countries or regions for the education and purposes of its advisors and not to produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of information received directly from providers/vendors and the availability of experienced analysts for those countries or regions. Submitted information may also be used for individual research projects or for briefing notes that will be written by the lead analysts.

Partial list of companies being invited for the survey

Are you on the list, or do you see your company as a relevant provider that is missing from the list? If so, feel free to contact us to ensure your active participation in the research phase.

Accenture	Cognizant	EY
Anthesis Group	Computacenter	Falconi
Arcadis	CSS Corp	Fingent
Arvato systems	CustomerDriven	Fujitsu
Atos	Cybage	GEP
Avanade	Datacom	Grazitti
Axians	Deal	Group 50 Consulting
Bain & Co.	Deloitte	Guidehouse
BCG	Devoteam	HCL
BearingPoint	DXC	Hexaware
Birlasoft	ec4u	HGS
Bridgei2i	Ecovadis	IBM
BRQ	Edge Environment	ilegra
CANCOM	einfochips	Imaginx
Capgemini	Empired	Implement Consulting
CGI	Energetics	Infosys
CI&T	ENGIE	Innominds
Clavax	Engineering Digital Transformation Company	Innowise Group
Climate Works	ERM	Jivaso
Coforge	Espire	Kalpyso (Rockwell Automation)

Partial list of companies being invited for the survey

Are you on the list, or do you see your company as a relevant provider that is missing from the list? If so, feel free to contact us to ensure your active participation in the research phase.

Kearney	Persistent	Systematic
Keyrus	Point Advisory	TCS
Kin + Carta	Publicis Sapient	Tech Mahindra
Kinetic Consulting	PWC	Telstra
KMD	Qintess	The Customer Experience Company
KPMG	Queppelin	TietoEVRY
Logicalis	Schneider Electric	TOTVS
LTI	Sciencesoft	Trianz
MadeInWeb	SG Analytics	T-Systems
Marlabs	Siemens Energy	Unisoma
McKinsey	Sinqia	UST
Mindtree	SLK Software	Valtech
Mphasis	Softtek	Virtusa
Nação Digital	Sonata	Visionet
nDevr Environment	Sonda	Vuram
Netcompany	Sopra Steria	Wipro
NNIT	Sphera	Yash Technologies
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ISG Provider Lens™ QCRT Program Description

ISG Provider Lens™ offers market assessments incorporating practitioner insights, reflecting regional focus and independent research. ISG ensures advisor involvement in each study to cover the appropriate market details aligned to the respective service lines/technology trends, service provider presence and enterprise context. In each region, ISG has expert thought leaders and respected advisors who know the provider portfolios and offerings as well as enterprise requirements and market trends. On average, three advisors participate as part of each study's Quality & Consistency Review Team (QCRT). The QCRT ensures each study reflects ISG advisors' experience in the field, which complements the primary and secondary research the analysts conduct. ISG advisors participate in each study as part of the QCRT group and contribute at different levels depending on their availability and expertise.

The QCRT advisors:

- help define and validate quadrants and questionnaires,
- advise on service providers inclusion, participate in briefing calls,
- give their perspectives on service provider ratings and review report drafts.

The ISG Provider Lens™ QCRT program helps round out the research process, supporting comprehensive research-focused studies.

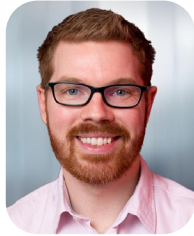
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Do you need any further information?

If you have any questions, please do not hesitate to contact us at isglens@isg-one.com.