



# Everest Group Software Product Engineering Services PEAK Matrix® Assessment 2024

Focus on R Systems

April 2024



# Background and introduction of the research

Software, the largest spend area in the product engineering space, continues to keep its upward march alive, albeit at a decelerated pace, primarily due to recessionary headwinds, geopolitical conflicts, talent constraints, and delayed decision-making at enterprises. Amidst the macroeconomic turbulence, certain themes continue to propel the software R&D forward – a shift toward platform-based business model, increased adoption of AI-/gen AI-augmented and secure products, a focus on sustainability, and an enhanced emphasis on customer and developer experiences.

This pivot toward these transformative themes, coupled with the current economic scenario, is profoundly changing enterprises' expectations from their service providers. From seeking a provider solely focused on offering engineering talent, enterprises now aspire to engage with strategic partners capable of delivering savings, speed, and innovation concurrently.

In this research, we present an assessment and detailed profiles of 43 engineering services providers featured on the [Navigating the Platform Odyssey: Software Product Engineering Services PEAK Matrix® Assessment 2024](#).

Each provider profile provides a comprehensive picture of 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 calendar year 2023, interactions with leading software product engineering services providers, client reference checks, and an ongoing analysis of the engineering services market.

**The full report includes the profiles of the following 43 leading engineering services providers featured on the Software Product Engineering Services PEAK Matrix:**

- **Leaders:** Accenture, Cognizant, Capgemini, EPAM, GlobalLogic, Globant, HCLTech, Infosys, Persistent Systems, TCS, and Wipro
- **Major Contenders:** ACL Digital, Apexon, Aspire Systems, Brillio, Ciklum, Cybage, DataArt, Encora, Happiest Minds, HARMAN DTS, Infogain, Mphasis, LTIMindtree, Ness Digital Engineering, N-iX, R Systems, Sigma Software, SoftServe, Softtek, Sonata Software, Tech Mahindra, TO THE NEW, UST, Xebia, and Xoriant
- **Aspirants:** Bounteous x Accolite, Daffodil Software, e-Zest Solutions, GS Lab | GAVS, Incedo, Kellton, and SOUTHWORKS

## Scope of this report

**Geography:** Global

**Providers:** 43 leading engineering service providers

**Services:** Software product engineering services

# Software product engineering services PEAK Matrix® characteristics

## Leaders

Accenture, Cognizant, Capgemini, EPAM, GlobalLogic, Globant, HCLTech, Infosys, Persistent Systems, TCS, and Wipro

- The Leaders segment comprises broad-based IT-heritage engineering service providers that have developed dominant capabilities in offering end-to-end software product engineering services – from high-value product/platform management and development services to long-term and recurring workstreams around product/platform operations
- Their global delivery presence across onshore, nearshore, and offshore locations has helped them achieve the right balance of client proximity and cost advantages in servicing large-scale engagements
- Leaders boast of a comprehensive partner ecosystem comprising hyperscalers, data and analytics partners, other enterprise technology providers, and academia / open-source communities, which they leverage strategically for co-innovation and joint GTM motions
- These players have made significant investments in developing Intellectual Property (IP), establishing labs and Centers of Excellence (CoEs), and upskilling talent across pertinent themes such as cloud, data engineering, AI/ML, security, observability, FinOps, sustainability, testing, automation, and immersive reality

## Major Contenders

ACL Digital, Apexon, Aspire Systems, Brillio, Ciklum, Cybage, DataArt, Encora, Happiest Minds, HARMAN DTS, Infogain, LTIMindtree, Mphasis, Ness Digital Engineering, N-iX, R Systems, Sigma Software, SoftServe, Softtek, Sonata Software, Tech Mahindra, TO THE NEW, UST, Xebia, and Xoriant

- Major Contenders comprise both IT-heritage firms as well as pure-play engineering service providers
- While these players have made significant investments in building software product engineering expertise, their service portfolio is not as extensive as that of Leaders (in terms of presence across the value chain, geographies, and industries)
- These players are actively leveraging emerging deal constructs such as product carve-out and Build-Operate-Transfer models, and have crafted dedicated service offerings for private equity firms – enabling diversification of engagement channels
- They are also focusing on expanding their delivery presence and leveraging partnerships more strategically to strengthen their software product engineering services play

## Aspirants

Bounteous x Accolite, Daffodil Software, e-Zest Solutions, GS Lab | GAVS, Incedo, Kellton, and SOUTHWORKS

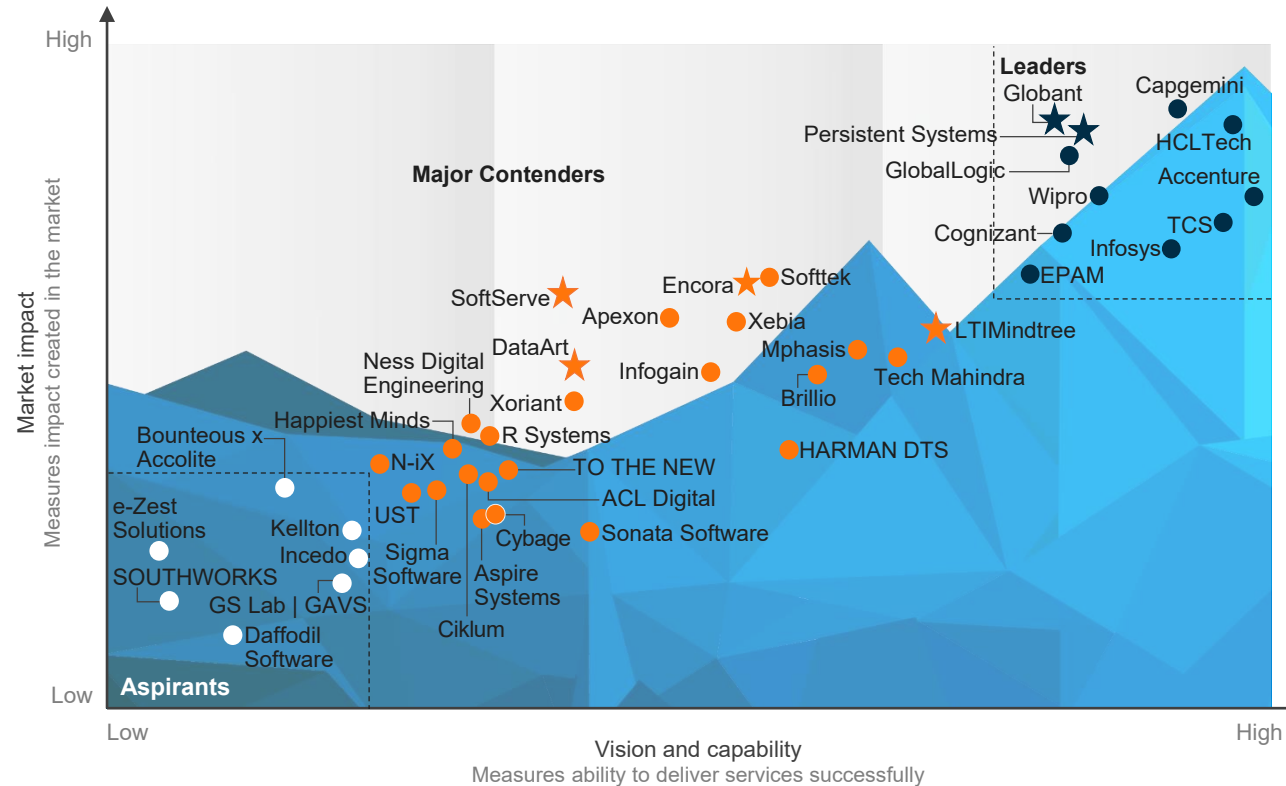
- Aspirants possess strong capabilities in specific technology areas and value chain elements; however, their global presence and ability to serve projects with wider scopes is limited
- They are making focused investments for enhancing their solutions portfolio, improving service enablement capabilities, and expanding their footprint and client base

# Everest Group PEAK Matrix®

Software Product Engineering Services PEAK Matrix® Assessment 2024 | R Systems is positioned as a Major Contender

## Everest Group Software Product Engineering Services PEAK Matrix® Assessment 2024<sup>1,2</sup>

- Leaders
- Major Contenders
- Aspirants
- ☆ Star Performers



<sup>1</sup> Assessments for Accenture, Cognizant, EPAM, Infosys, and Sonata Software exclude service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interaction with buyers

<sup>2</sup> Analysis for Accolite Digital is based on capabilities before its merger with Bounteous

Source: Everest Group (2024)

# R Systems profile (page 1 of 4)

## Overview

### Vision and strategy

R Systems envisions becoming a leading digital product engineering services company, enabling ISVs and enterprises to build digital products across multiple verticals. It plans to enhance its capabilities around cloud, data, AI, and other emerging technologies to reduce time-to-market and accelerate revenue generation by participating in the entire life cycle of product development.

### Software product engineering services revenue and YoY growth rate (H1 CY2023)

Revenue	<US\$100 million	<b>US\$100-200 million</b>	US\$200-400 million	>US\$400 million
Growth rate	<10%	10-20%	20-30%	>30%

### Software product engineering services revenue and YoY growth rate (CY2022)

Revenue	<US\$100 million	<b>US\$100-250 million</b>	US\$250-500 million	>US\$500 million
Growth rate	<10%	10-20%	<b>20-30%</b>	>30%

### FTE split by region (as of H1 CY2023)

● Onshore ● Nearshore ● Offshore

### Software product engineering services revenue mix (CY 2022)

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

#### By geography

● North America ● United Kingdom ● Europe  
● India ● Rest of Asia Pacific ● Rest of the World

#### By verticals

● Automotive ● BFSI ● Consumer electronics  
● Energy and utilities ● Healthcare ● ISV and internet  
● Media and entertainment ● Medical devices ● Retail  
● Telecom ● Others

#### By value chain elements

● Development ● Operations ● Management

#### By buyer size

● Small (annual client revenue <US\$1 billion) ● Midsize (annual client revenue US\$1-5 billion) ● Large (annual client revenue US\$5-10 billion)  
● Very large (annual client revenue US\$10-20 billion) ● Mega (annual client revenue >US\$20 billion)

# R Systems profile (page 2 of 4)

## Case studies and solutions

### CASE STUDY 1

Helped a client to upgrade from legacy platforms and enhance applications and mobile capabilities

#### Business challenge

The client was looking for a technology partner to help it to upgrade from legacy platforms and enhance both applications and mobile capabilities. It wanted to create a seamless data flow across EMR/EHR/HMS systems for payers, providers, and healthcare companies.

#### Solution and impact

R Systems re-architected legacy platforms with the help of a cloud-based solution. It also enabled application extension to mobile platforms with the required security protocols to meet stringent healthcare-based compliance regulations. Additionally, R Systems expanded the solutions to Bed and Therapeutic Services, related accessories, and parts and disposables.

### CASE STUDY 2

Helped a global telecommunication provider in pioneering its video solutions

#### Business challenge

The client was seeking help in enhancing multiple features for its product, used across the globe, to become a pioneer in video solutions.

#### Solution and impact

R Systems digitally transformed existing enterprise-class video software solutions by providing end-to-end development as well as maintenance and support services. It built a user-friendly interface compatible across multiple browsers with a seamless third-party integration, transformed the underlying infrastructure, and optimized the data to improve effectiveness. It reduced the complexity of business processes and created a connected and informed workforce.

### Proprietary solutions (representative list)

Solutions	Details
Test Operations Suite (TOS) for Telco Tech	A test operation suite that enables development of core technology components or applications on core layers such as IMS or VoLTE to simulate other equipment in the environment and conduct testing in a lab
Generative AI Accelerator	A generative AI-based solution that helps in leveraging open-source generative AI models such as LLAMA2 to develop an enterprise LLM that can be exposed through APIs or embedded into products
DevOps automation dashboard	It is an automation dashboard that provides combined tooling for CI/CD pipeline and deploys Infrastructure-as-a-Service (IaaS) platform, while enabling real-time telemetry
Codex – iRCM automation	It is an automation dashboard that provides combined tooling for CI/CD pipeline and deploys Infrastructure-as-a-Service (IaaS) platform, while enabling real-time telemetry

# R Systems profile (page 3 of 4)

## Partnerships and investments

[REPRESENTATIVE LIST]

### Key alliances and partnerships

Event name	Details
AWS	A partnership that helps to leverage AWS services and enhances security, reliability, and flexibility
Microsoft	A partnership that leverages Microsoft products and Azure cloud solutions, including Microsoft Dynamics ERP, CE(CRM), analytics and Business Intelligence (BI), cloud services, security, and warehouse management
Google Cloud	A partnership that helps in improving the efficiency of cloud investments by providing cost-saving solutions and maximizing the value of existing cloud investments
Boomi	A partnership that develops packaged solutions such as EDI dashboard, EDI partner onboarding automation, and smart procurement, which can be leveraged by enterprises to develop expertise in automating repeat business requirements across customers in different industries such as manufacturing, retail, and logistics
Salesforce	A partnership that provides expertise in implementation, customization, integration, and support services to clients across various industries, optimizes business processes, and improves customer experience
UiPath	A partnership that provides expertise in robotic operations, process discovery mining, document processing, deployment of conversational bots, and test automation
Automation Anywhere	A partnership that leverages BPM, RPA, and BPaaS to help enterprises lower their costs and improve efficiency and productivity

### Recent software product engineering investments

Investment	Details
Velotio	Acquisition to help enterprises enhance capabilities across strategy and consulting services, data and cloud engineering, and design services to build innovative products for customers across technology, media, healthcare, and enterprise SaaS verticals










# R Systems profile (page 4 of 4)

Everest Group assessment – Major Contender

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

- R Systems has a balanced portfolio across buyer sizes as well as geographies (North America, Europe, and APAC)
- The company has a strong partner ecosystem comprising hyperscalers (AWS, GCP, and Azure), data engineering partners (Snowflake, Tableau, and PowerBI), and other enterprise technology providers (Automation Anywhere and UiPath)
- It has carved out dedicated services for private equity firms and showcases a willingness to engage with clients via emerging deal constructs such as Build-Operate-Transfer model
- Recent acquisition of Velotio has helped the firm deepen its engineering capabilities across technology, media, and healthcare verticals and across pertinent themes such as cloud, DevOps, data engineering, and gen AI
- Clients appreciate R Systems for its technical expertise, effective project management practices, and proactiveness in pitching innovative approaches/solutions

### Limitations

- R Systems garners lesser share of revenue from high value cloud engineering engagements and from recurring workstreams such as product operations compared with peers
- The company has limited engagements in emerging commercial constructs such as outcome-based pricing, revenue sharing, and risk and reward pricing
- It has made limited investments in setting up labs/CoEs and developing IP around certain themes such as immersive reality, low code no code, FinOps, observability, sustainability monitoring, and blockchain
- Clients perceive R Systems to be slightly premium-priced and expect it to elevate its efforts on training resources across emerging themes



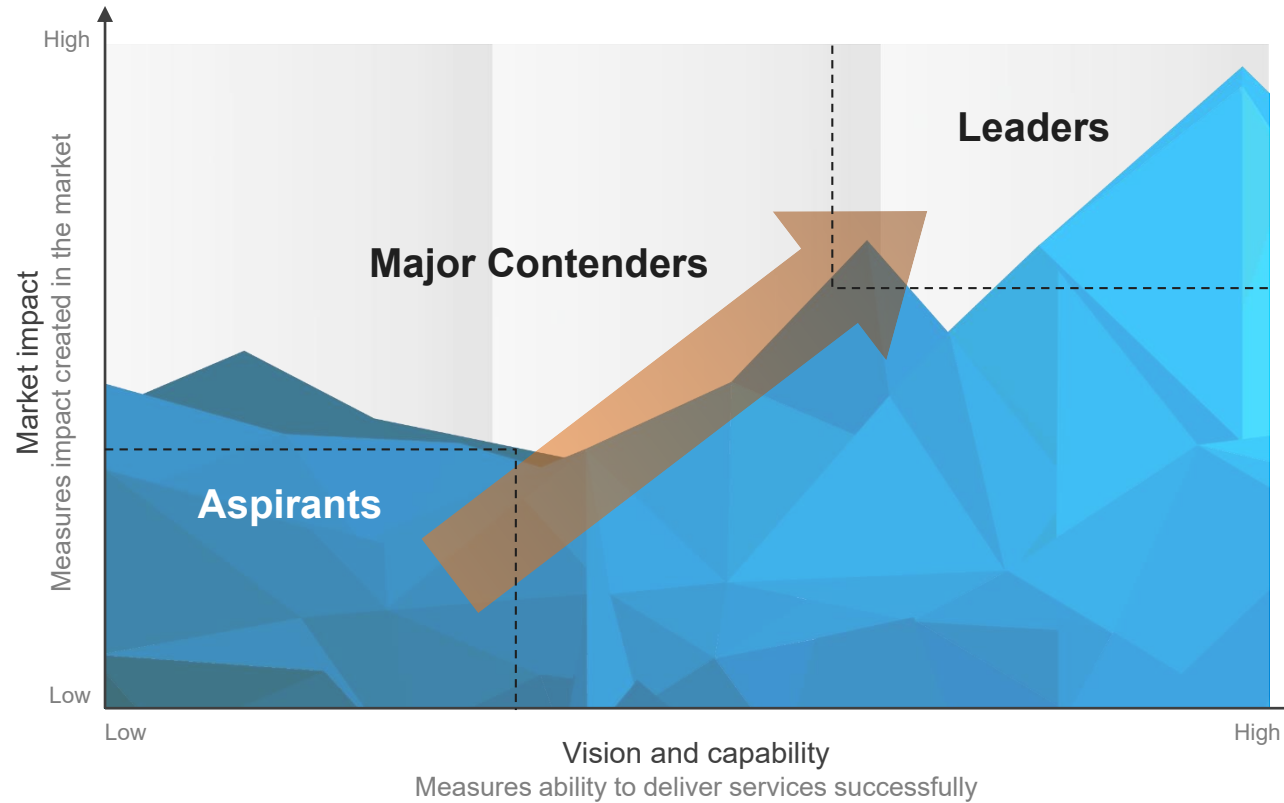
# Appendix

PEAK Matrix framework

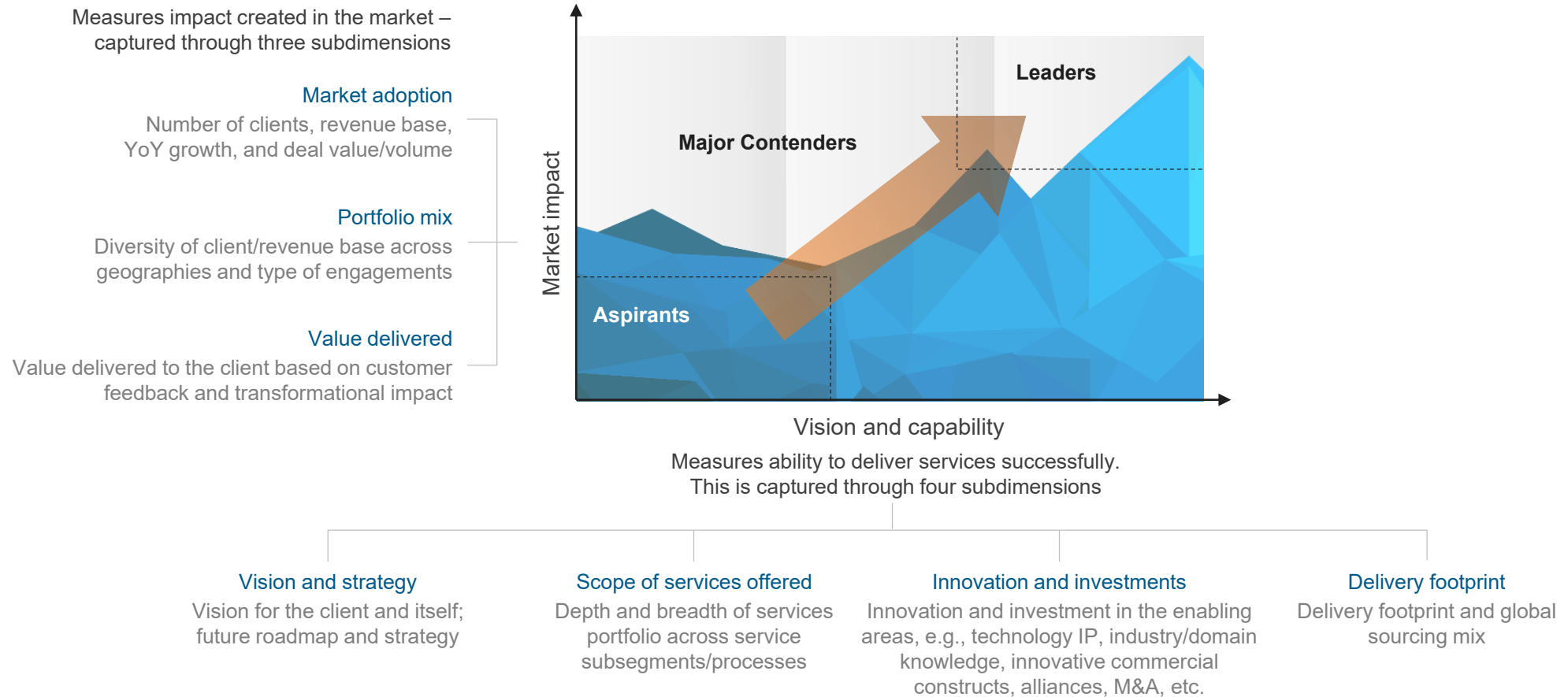
FAQs

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

Everest Group PEAK Matrix



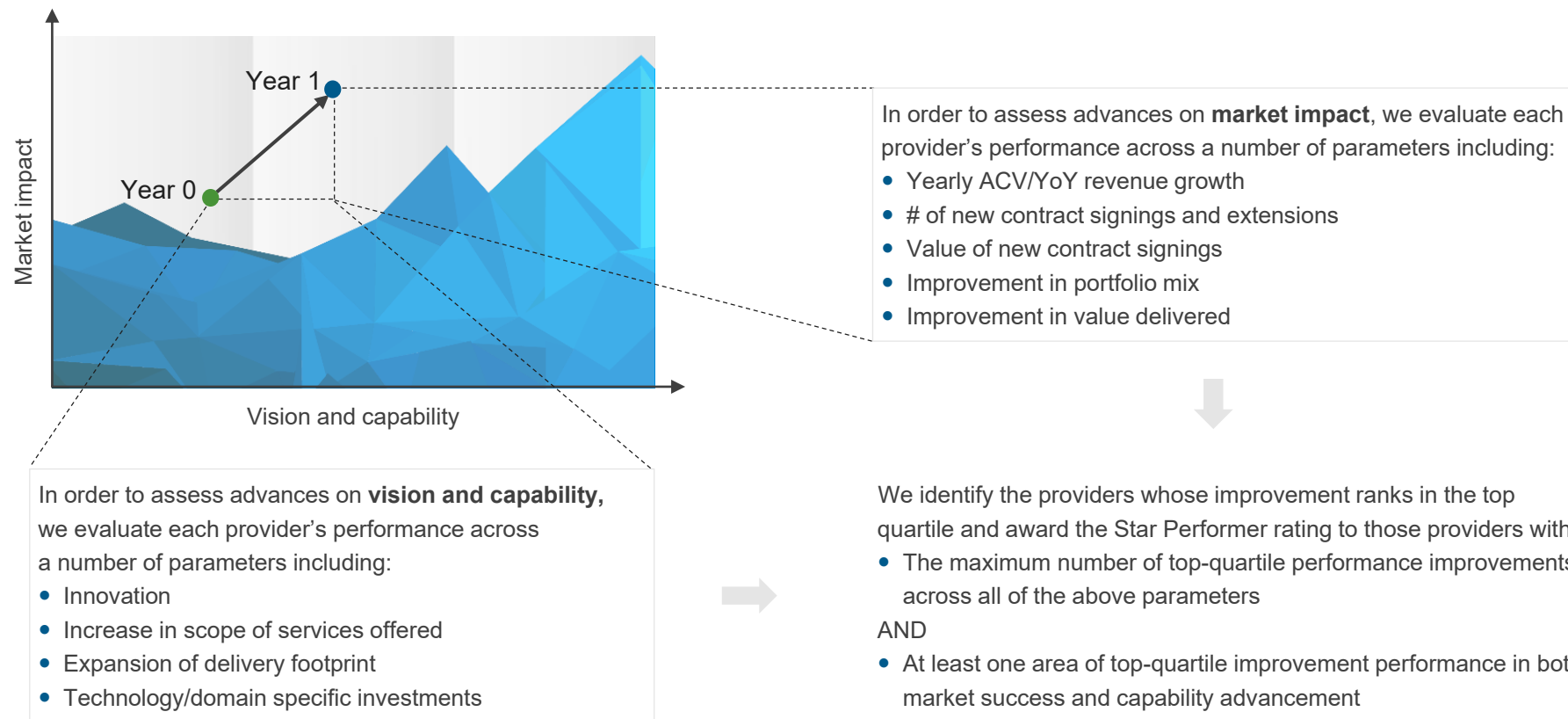
# Services PEAK Matrix® evaluation dimensions



# Everest Group confers the Star Performer 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



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

## 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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