DECODING THE IT SERVICES LANDSCAPE

a PAC Webinar

July 25, 2024

pacanalyst.com

AGENDA

Top IT Services Providers 2023

Christophe Châlons | **Chief Analyst Group**

Deal Trends in Q3 2024

Nick Mayes | **Principal Analyst**

How to optimize strategic Business Planning

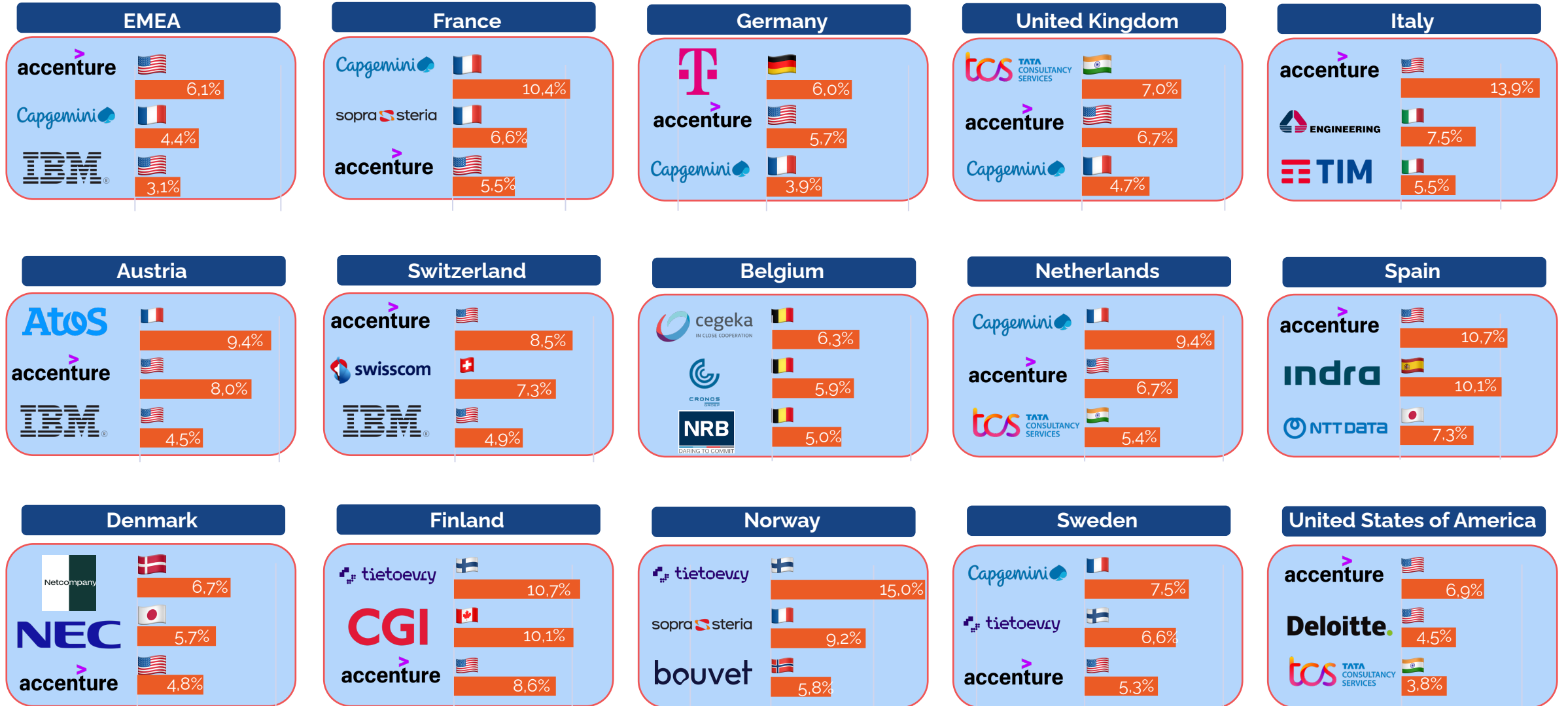**Stephan Kaiser** | **Senior Vice President - Head of Advisory**

Q & A

TOP IT SERVICES PROVIDERS 2023
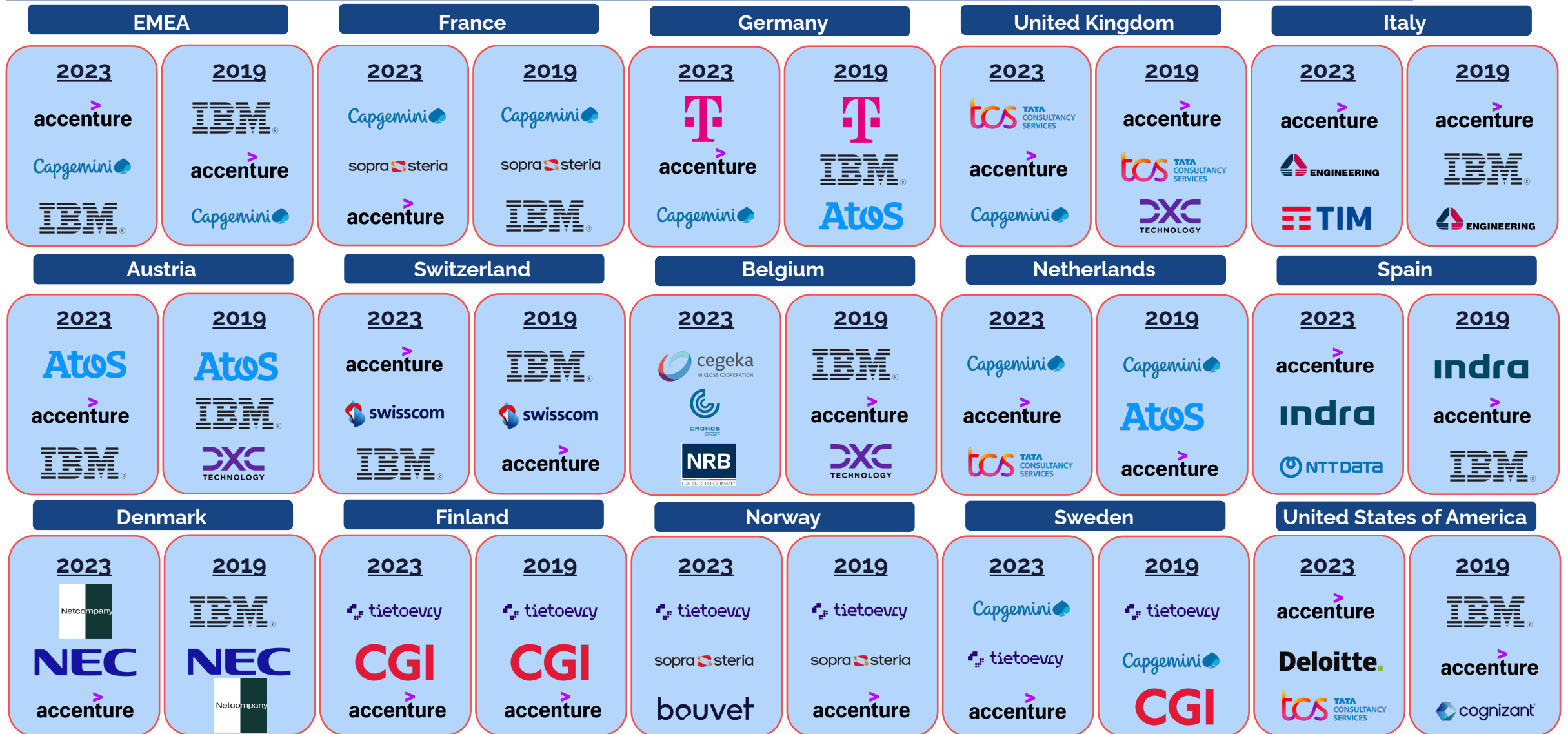
Christophe Châlons
Chief Analyst Group

Top 3 IT Services (excl. BPO) in 2023 by Geography

EMEA
- accenture 🇺🇸 6,1%
- Capgemini 🇫🇷 4,4%
- IBM 🇺🇸 3,1%

France
- Capgemini 🇫🇷 10,4%
- sopra steria 🇫🇷 6,6%
- accenture 🇺🇸 5,5%

Germany
- T (Telekom) 🇩🇪 6,0%
- accenture 🇺🇸 5,7%
- Capgemini 🇫🇷 3,9%

United Kingdom
- tcs TATA CONSULTANCY SERVICES 🇮🇳 7,0%
- accenture 🇺🇸 6,7%
- Capgemini 🇫🇷 4,7%

Italy
- accenture 🇺🇸 13,9%
- ENGINEERING 🇮🇹 7,5%
- TIM 🇮🇹 5,5%

Austria
- Atos 🇫🇷 9,4%
- accenture 🇺🇸 8,0%
- IBM 🇺🇸 4,5%

Switzerland
- accenture 🇺🇸 8,5%
- swisscom 🇨🇭 7,3%
- IBM 🇺🇸 4,9%

Belgium
- cegeka IN CLOSE COOPERATION 🇧🇪 6,3%
- CRONOS GROEP 🇧🇪 5,9%
- NRB DARING TO COMMIT 🇧🇪 5,0%

Netherlands
- Capgemini 🇫🇷 9,4%
- accenture 🇺🇸 6,7%
- tcs TATA CONSULTANCY SERVICES 🇮🇳 5,4%

Spain
- accenture 🇺🇸 10,7%
- indra 🇪🇸 10,1%
- NTT DATA 🇯🇵 7,3%

Denmark
- Netcompany 🇩🇰 6,7%
- NEC 🇯🇵 5,7%
- accenture 🇺🇸 4,8%

Finland
- tietoevry 🇫🇮 10,7%
- CGI 🇨🇦 10,1%
- accenture 🇺🇸 8,6%

Norway
- tietoevry 🇫🇮 15,0%
- sopra steria 🇫🇷 9,2%
- bouvet 🇳🇴 5,8%

Sweden
- Capgemini 🇫🇷 7,5%
- tietoevry 🇫🇮 6,6%
- accenture 🇺🇸 5,3%

United States of America
- accenture 🇺🇸 6,9%
- Deloitte 🇺🇸 4,5%
- tcs TATA CONSULTANCY SERVICES 🇮🇳 3,8%

more on: https://sitsi.pacanalyst.com/

Top 3 IT Services (excl. BPO) in 2023 vs in 2019

EMEA
2023	2019
accenture	IBM
Capgemini	accenture
IBM	Capgemini

France
2023	2019
Capgemini	Capgemini
sopra steria	sopra steria
accenture	IBM

Germany
2023	2019
T	T
accenture	IBM
Capgemini	Atos

United Kingdom
2023	2019
tcs TATA CONSULTANCY SERVICES	accenture
accenture	tcs TATA CONSULTANCY SERVICES
Capgemini	DXC TECHNOLOGY

Italy
2023	2019
accenture	accenture
ENGINEERING	IBM
TIM	ENGINEERING

Austria
2023	2019
Atos	Atos
accenture	IBM
IBM	DXC TECHNOLOGY

Switzerland
2023	2019
accenture	IBM
swisscom	swisscom
IBM	accenture

Belgium
2023	2019
cegeka IN CLOSE COOPERATION	IBM
CRONOS GROEP	accenture
NRB DARING TO COMMIT	DXC TECHNOLOGY

Netherlands
2023	2019
Capgemini	Capgemini
accenture	Atos
tcs TATA CONSULTANCY SERVICES	accenture

Spain
2023	2019
accenture	indra
indra	accenture
NTT DATA	IBM

Denmark
2023	2019
Netcompany	IBM
NEC	NEC
accenture	Netcompany

Finland
2023	2019
tietoevry	tietoevry
CGI	CGI
accenture	accenture

Norway
2023	2019
tietoevry	tietoevry
sopra steria	sopra steria
bouvet	accenture

Sweden
2023	2019
Capgemini	tietoevry
tietoevry	Capgemini
accenture	CGI

United States of America
2023	2019
accenture	IBM
Deloitte	accenture
tcs TATA CONSULTANCY SERVICES	cognizant

Want to discuss numbers with Christophe?

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DEAL TRENDS IN Q3 2024

Nick Mayes

Principal Analyst

No Immediate Signs of Improvement

PAC

Deal Volumes & Values were down in 1H 24

Value
-7%

Volume
-9%

1H 23   1H 24   1H 23   1H 24
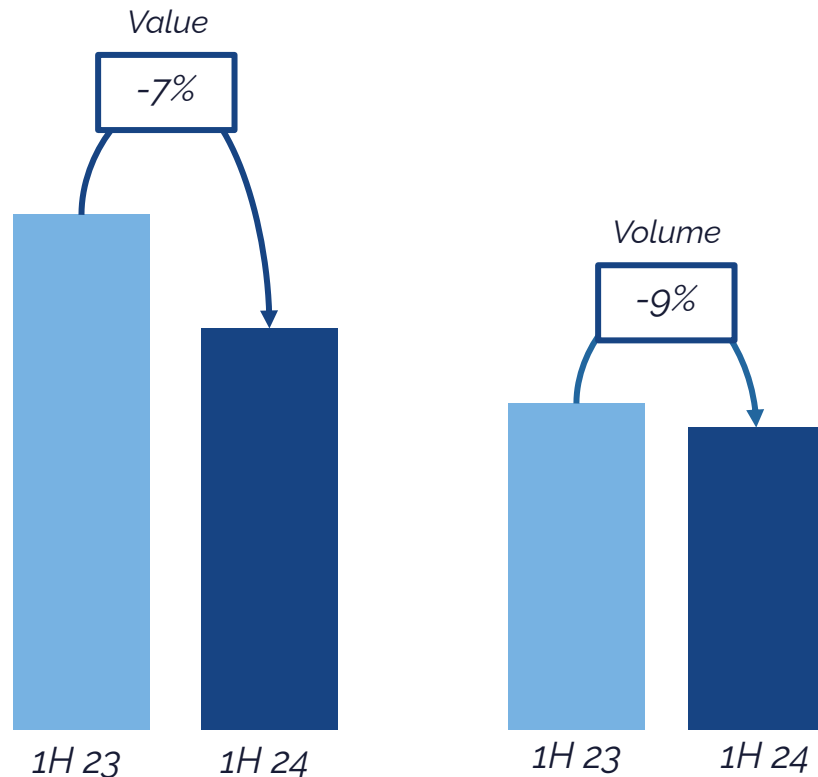
Five Features of SITS Deal Trends in Q3 2024

1 *Market has stabilized – but no clear sign of growth*

2 *Level of mega-deals has plateaued*

3 *Focus on short-term ROI, efficiency. automation, agility.*

4 *SAP modernization, cloud optimization, cyber resilience are common themes,*

5 *Commercial innovation becoming more common*

Source: PAC Deal Tracker, Jul 24

- *Major deal awarded to Wipro to become its strategic IT services partner.*

- *Transforming IT to support new business model*

- *End-to-end deal covers infrastructure, apps, cloud – designed to make it more "secure, resilient and sustainable."*

Close Brothers

Interesting Deals in 2024

Winning
"hearts
and minds"
on AI

Partnerships
with industry
players

Legacy
challenges
drives largest
deals

Platform
investment to
drive
sustainability

Mid-Size Clients Accelerate Transformation

PAC

Key Deal Features

1. Enabling new business strategies
2. Accelerating cloud migration
3. Transforming IT operating model
4. Tackling skills challenges
5. Broad-scope engagements

- *Entered into multi-year deal with **Mistral** to gain access to its AI business models.*

- *Deal extends relationship from specific projects in trading and Gen AI to the whole group.*

- *Working with **QuantumStreet** and **IBM watsonx** to use AI to enhance asset investment decisions.*

Platform Opportunities Evolve

SAP Programmes Build Momentum

Other Strong Performers

- BT expands deal with ServiceNow to improve customer and employee experiences.

- Deal extends ServiceNow service management capabilities to all BT Group units to drive savings, efficiency, and improved customer experiences.

- BT to pilot ServiceNow's Now Assist for Telecom Service Management to power Gen AI capabilities for internal and customer-facing teams.

Want to hear more on Deals and Trends?

PAC

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HOW TO OPTIMIZE STRATEGIC BUSINESS PLANNING

Stephan Kaiser

Senior Vice President - Head of Advisory

Customized Market Models – WHY?

PAC

Complexity of Offerings

The world of Software and IT Services is getting more complex every year. Cloud and Application Platforms are growing fast. The level of IT services complexity is higher than ever.

Maximize ROI

Make your investments count by utilizing a data model that focuses solely on the metrics that matter to your business. Avoid drowning in irrelevant data and focus on consistent insights.

Competitive Edge

Stay ahead of the curve by harnessing the power of predictive analytics. Anticipate market trends, customer preferences, and competitor movements to position your business as an industry leader.

Scalability

As your business grows, so does the complexity of your data requirements. Our models are designed to scale effortlessly, accommodating your expanding data streams and analytical needs.

Tailored Data Collection

Say goodbye to data overload! We curate the data collection process to match your specific objectives, ensuring that you receive only the most relevant and valuable information.

Risk Management

Every decision comes with an element of risk. Mitigate these risks with data-backed insights, reducing uncertainties and ensuring a more secure path forward.

Customized Market Data – WHAT?

After the creation of the customized market model, there are 2 options for internal implementation:
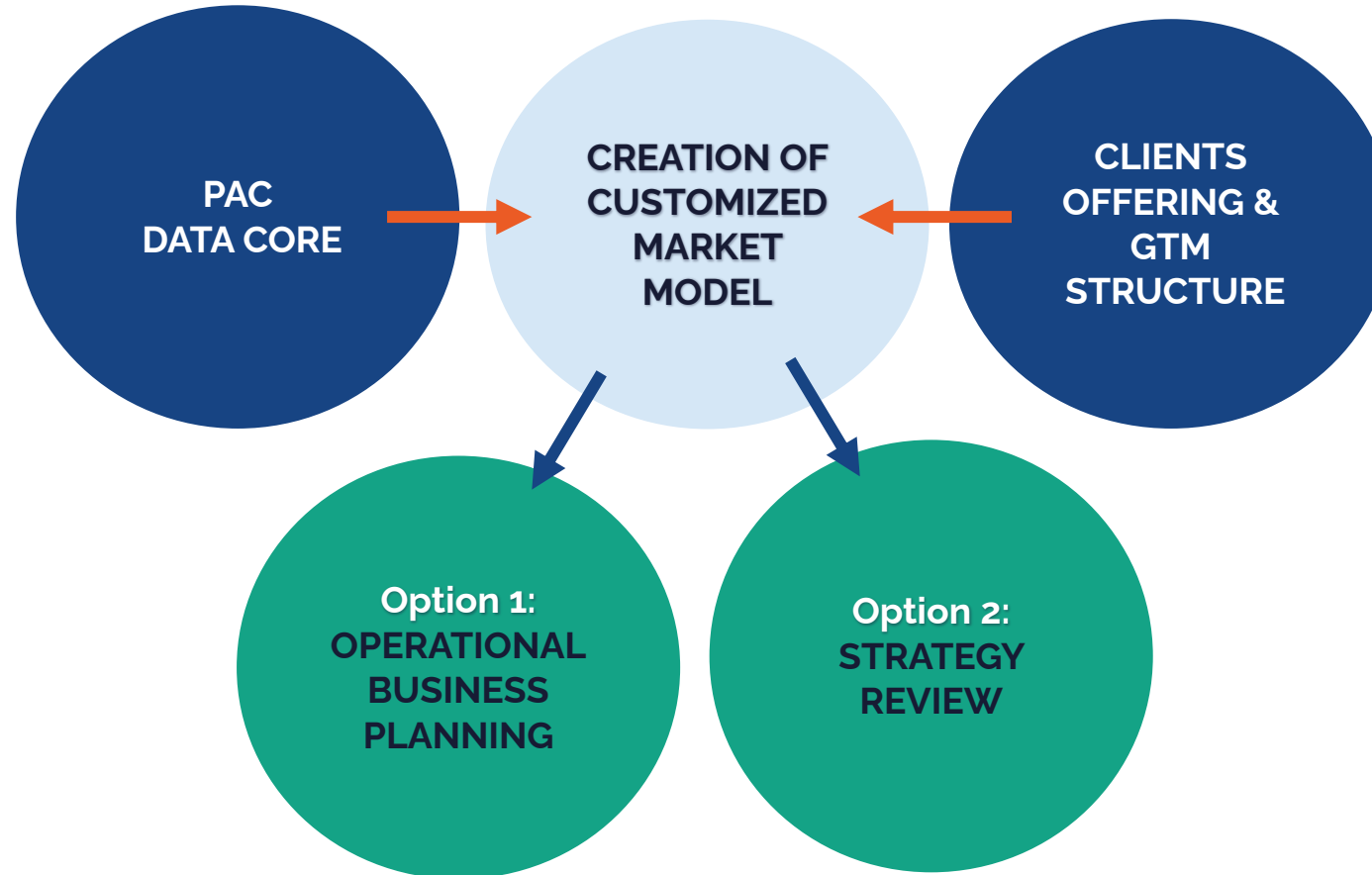
Customized Market Models – HOW?

PAC will use existing SITSI® platform data as reference segments of the analysis, and then add PAC's specific data modelling expertise to create the customized market model.

Step 1: **Workshop on offering architecture and GTM strategy by GEOs, verticals and client size**

Step 2: **Creation of Market Model Structure**

Step 3: **Modelling Phase**

Step 4: **Consolidation and quality-assurance of all elements into a consistent and fully customized market model**

HOW TO OPTIMIZE PRICING IN DEAL NEGOTIATIONS

IT SERVICES RATES DATABASE 2024

Use Cases & Benefits

The IT Services Rates Database provides a comprehensive comparison of over

15000 Rate Cards...

For Vendors

- **Compare** your rates with industry average

- **Raise** your rates of new and existing contracts to increase TCV and Profitability.

- **Gain** your customers' trust by showing them that your rates are in line or even below market average.

For Buyers

- **Compare** your inhouse pricing with industry average

- **Negotiate** better prices

- **Plan** the budget for your next IT project

...available for FRANCE, GERMANY AND THE UK

Methodology
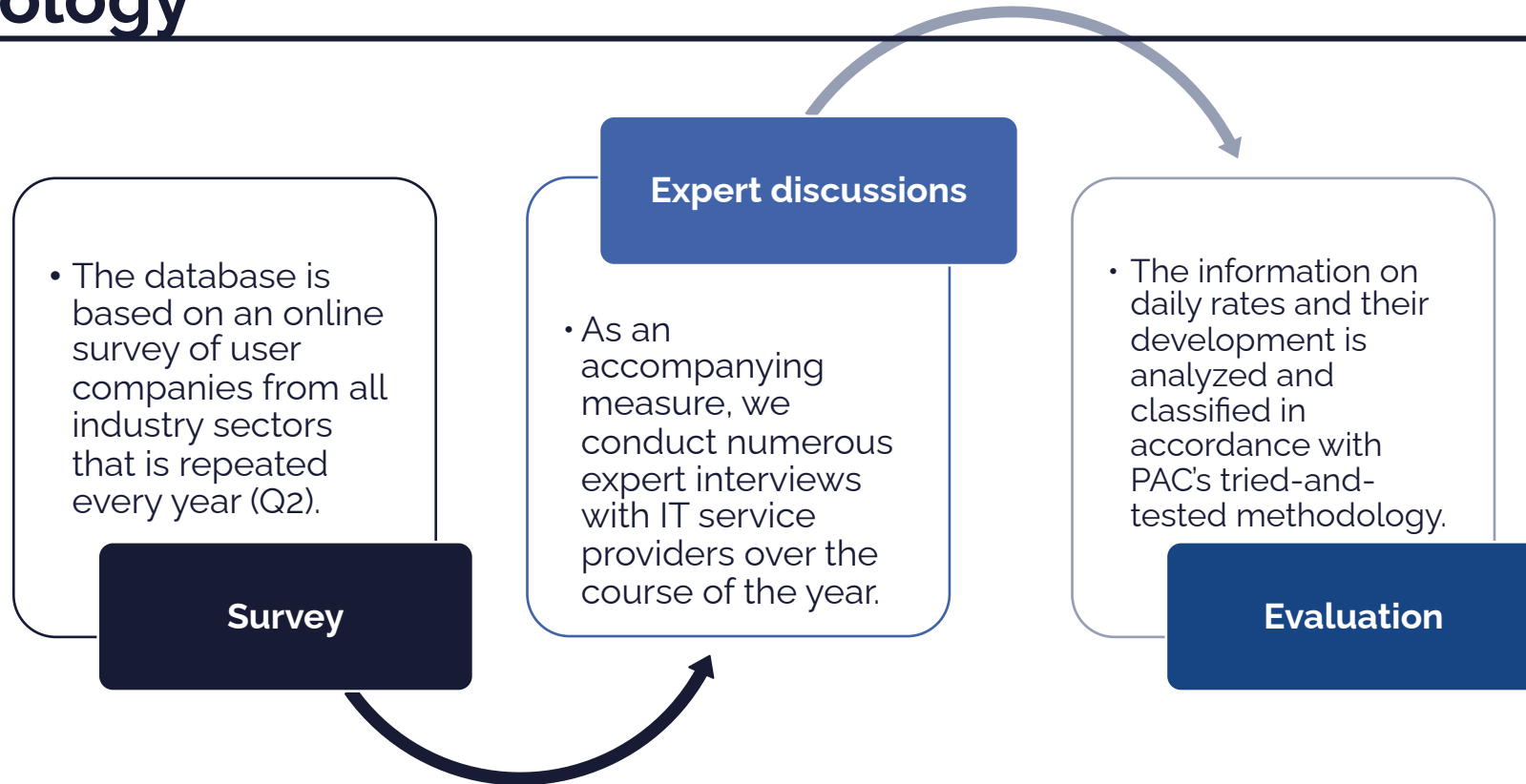
- PAC has been analyzing the prices and developments on the IT services market since 2013. We summarize the survey results in a rates database with more than 15,000 different reference prices, which is available for France, Germany and UK.

- The basis of the PAC's Rates Database are background discussions with IT service providers as well as dedicated surveys among companies that have used external IT services in the last 12 months.

Segmentation & Output – Infrastructure-related services: daily rates by job profiles

Job Profile Cluster

Job Profile

Experience Level

Verticals

Infrastructure-related project management

Project manager

Infrastructure design, implementation and integration

Information systems architect
Technical architect
Systems/network engineer
Cybersecurity engineer

Infrastructure testing & quality management (QM)

Infrastructure tester
Methods/tools/quality engineer

Infrastructure operations and maintenance

Operations manager
Technical services/workplace technician
Technical services/network technician
Systems/network administrator
Database administrator

Infrastructure-related support

Operations support manager
User support and service desk

Infrastructure-related cloud transformation and integration

Cloud architect
Cloud transformation and integration engineer

Segmentation & Output – Application-related services: daily rates by job profiles

Job Profile Cluster

Job Profile

Experience Level

Verticals

Application-related project management

Project manager
Scrum master
Product owner

Application and process consulting

Process consultant
Enterprise architect
Application designer & architect

Application development, implementation and integration

DevOps engineer
Agile coach
Application implementation engineer
Java developer
.Net developer
Open-source developer
Embedded systems developer
Cobol developer
Data scientist
Data analyst

Application testing and quality management (QM)

Application tester

Application operations and maintenance

Application support technician
Application maintenance engineer
System administrator

Application-related cloud transformation and integration

Cloud transformation and integration engineer

Segmentation & Output –
daily rates by platforms and solution (technical) areas

Experience Level

Service Value Chain

Verticals

Platforms
- Microsoft
- SAP
- IBM
- Oracle
- Salesforce
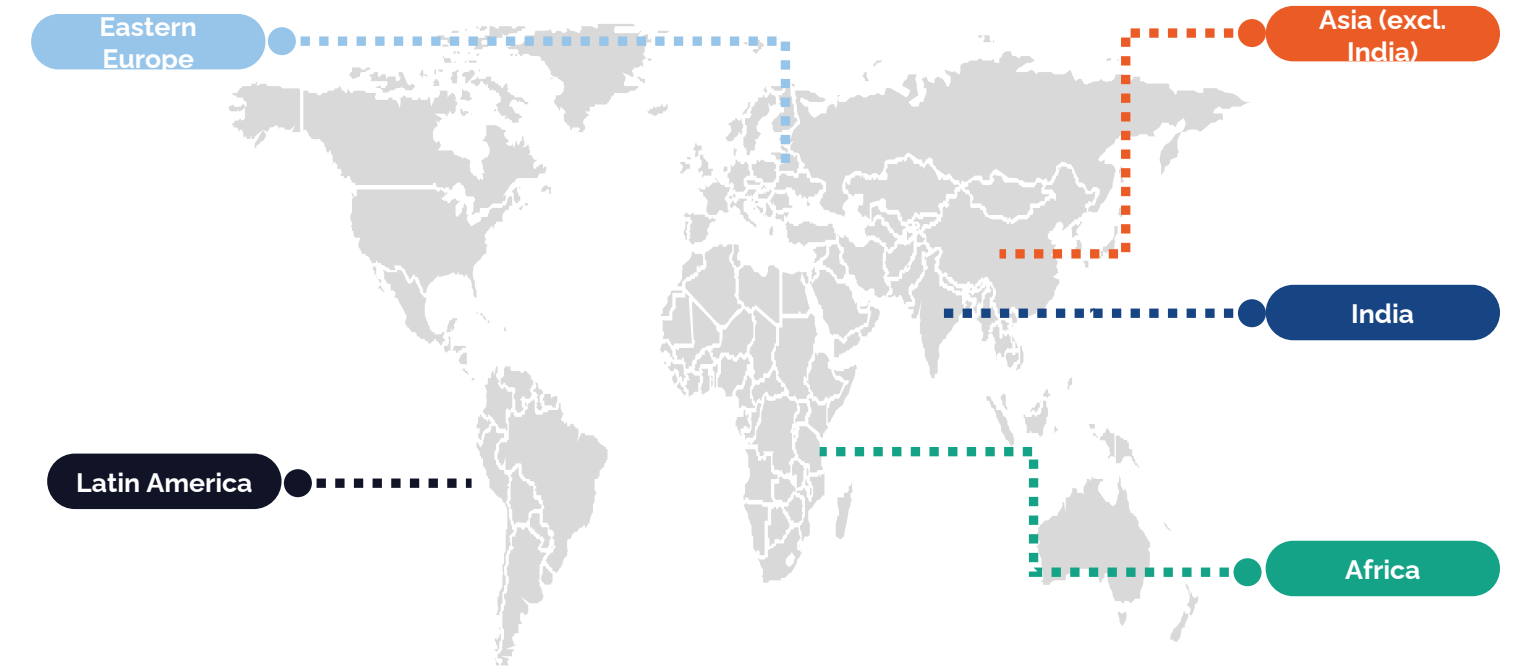- Amazon Web Services
- Google Cloud Platform

Solution & technical areas
- F&A
- HR
- BI & Analytics
- Data Management
- MRP
- SCM
- CRM
- SRM
- Industry-specific solutions
- Infrastructure & platforms
- Database

Segmentation & Output – daily rates by OFFSHORE regions

- Experience Level
- Service Value Chain
- Dimensions
- Solutions
- Origin

Eastern Europe	Latin America	Asia (excl. India)	India	Africa
Czech Republic, Poland, Romania, Russia, Turkey, Ukraine	Argentina, Brazil, Chile, Columbia, Mexico, Peru	China, Indonesia, Malaysia, Philippines, Thailand, Vietnam	India	Algeria, Egypt, Madagascar, Morocco, Nigeria, South Africa

Want to talk to Stephan about your options?

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Senior Vice President
Head of Advisory

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Research

Recently published:
- Country/vertical specific Software and IT Services Rankings
- Onshore/Offshore IT Services Rates Database
- Market Figures - Digital Sustainability Services (multiple Countries available)

Upcoming:
- AI-related Services RADAR 2024 (Sept. 2024)
- CxO Survey AI (Survey amongst 500+ european Enduser Organizations)
- CxO Survey SAP (Survey amongst 500+ european Enduser Organizations)

THANK YOU FOR ATTENDING OUR WEBINAR TODAY!

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