

Zinnov Zones 2021

Global ER&D Services Landscape

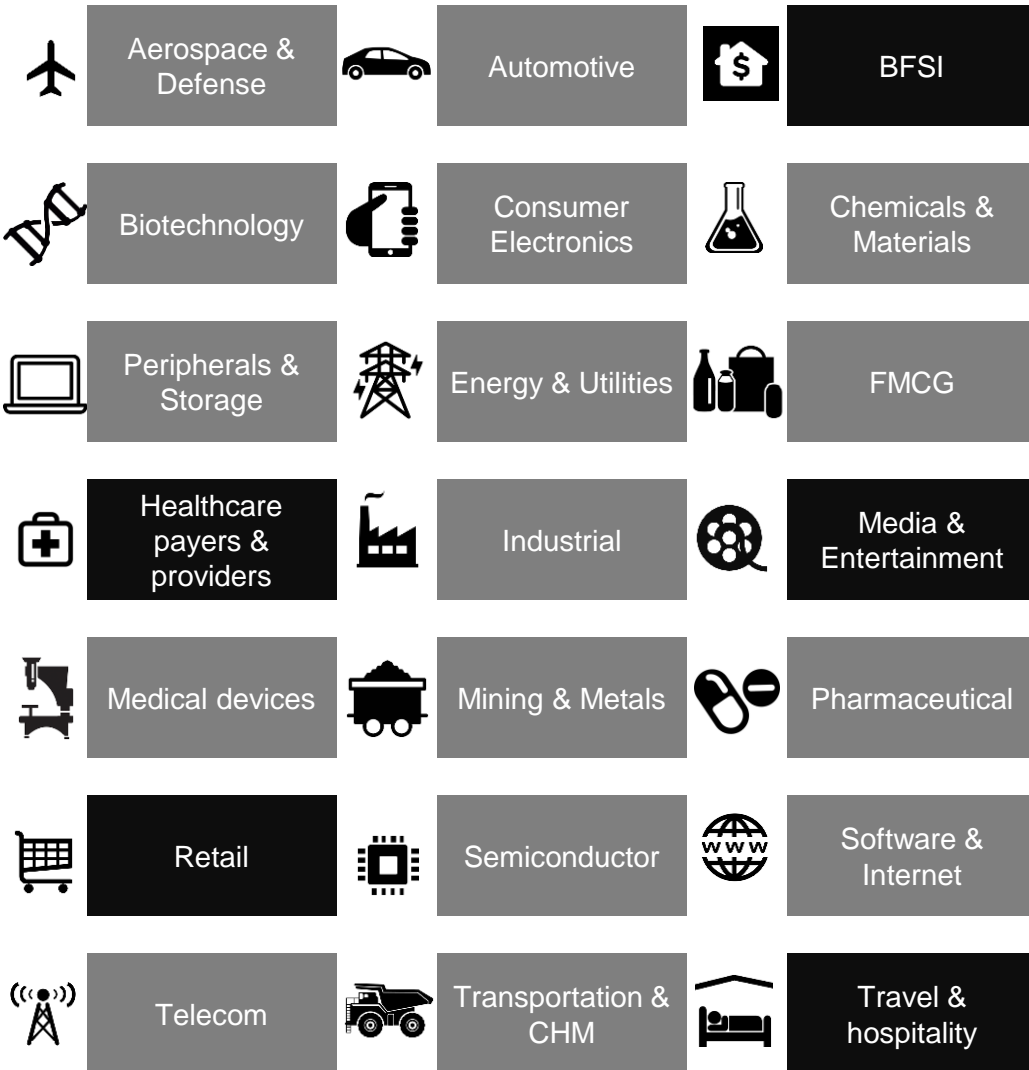
*Digital engineering to build an
antifragile future*

December 2021

zinnov

The Global ER&D Spend is pegged at 1.5 T

R&D Spend



Engineering Spend



Global ER&D Spend

USD **1.5T**
Global ER&D Spend

75%

Contribution of Z1000 ER&D Spenders*

3%

YoY growth

18%

Global Engineering Spend

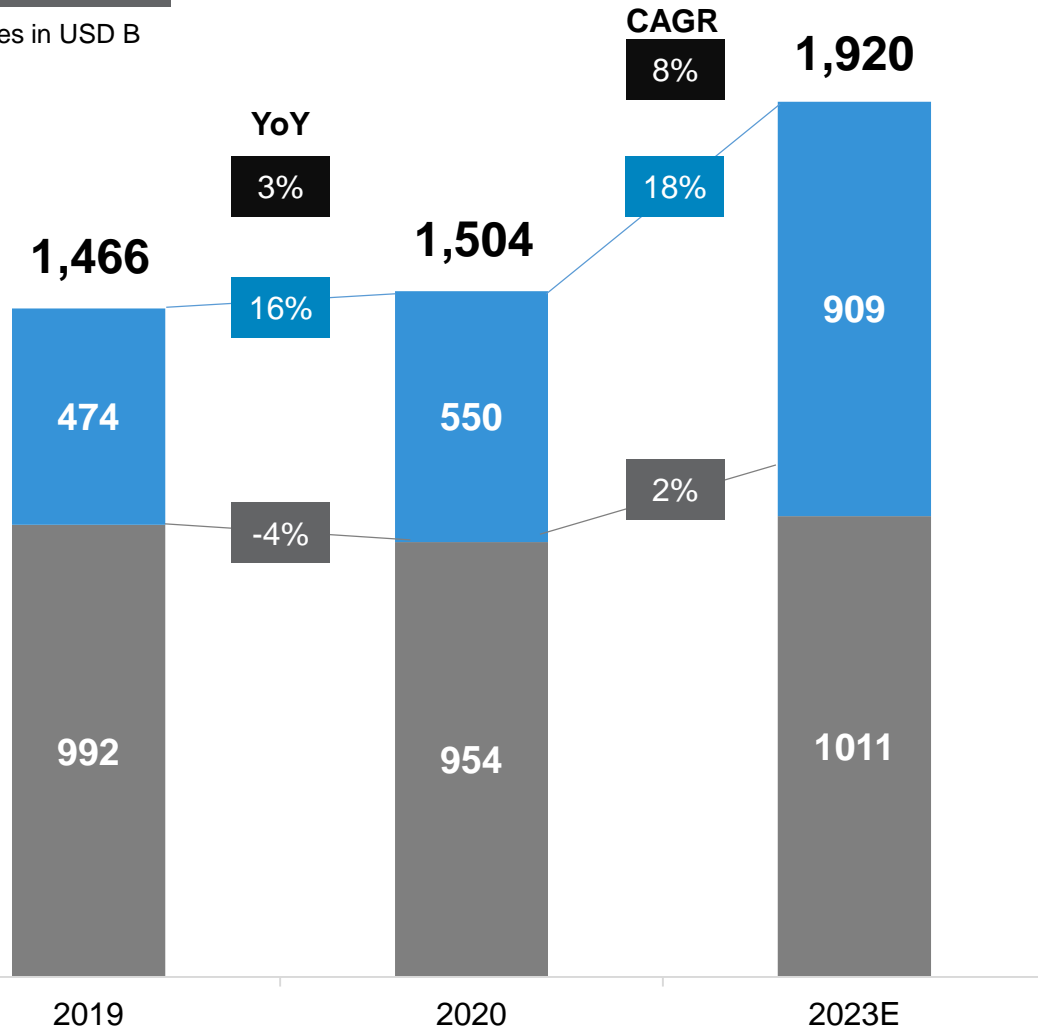
Digital Engineering will drive ER&D spend amidst COVID-19 headwinds

DIGITAL ENGG SPEND

LEGACY ER&D SPEND

All figures in USD B

ER&D Spend (2019-23E)



ER&D spending at an overall level has been resilient and grew by 3% YoY

Manufacturing-led verticals bore the brunt of the pandemic and de-grew by -4.6% in 2020

Services and software-led verticals grew by 12% through continued investments in digital engineering focus areas

The pandemic serves as an inflection point for digital engineering-led transformation across industries

The wave of adoption of new-age tech such as Tele-X, Digital thread, AI/ ML, and AR/VR will help enterprises be anti-fragile

HCL recognized as a Leader in Zinnov Zones for Engineering and R&D Services 2021

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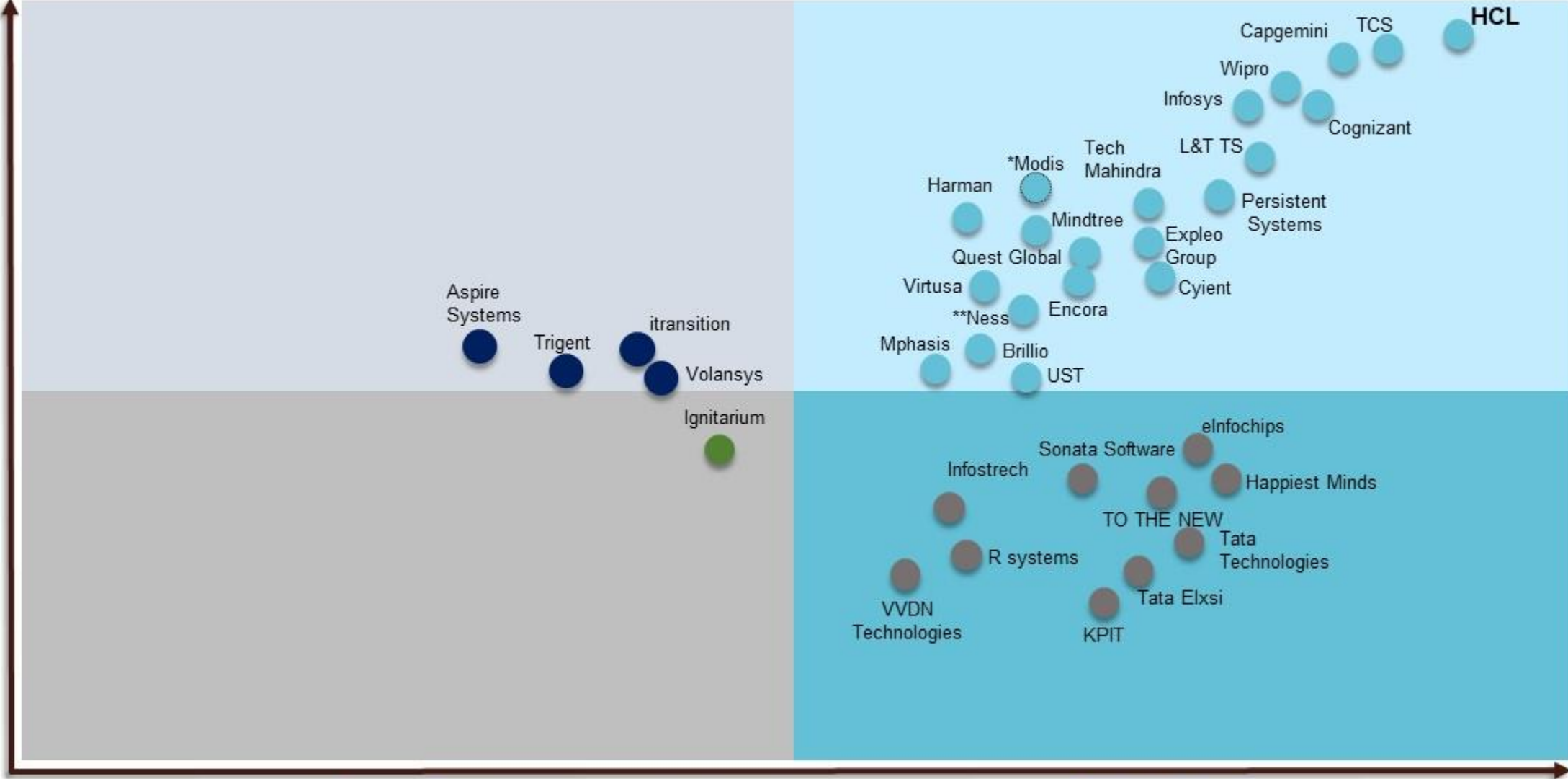
- HCL has been recognized as a #1 player in ER&D Services in US Geography
- HCL continues to be the only service provider amongst Top 2 players in both Overall and Digital Engineering Services
- Only Indian player amongst top three in ER&D Services Japan
- In addition, HCL has been recognized as a leader in AI Engineering, Software Platform Engineering, Consumer Software, Enterprise Software, Software Cybersecurity, SDN-NFV, Aerospace, Automotive, Industrial, Medical Devices, Semiconductor, Telecommunication, ADAS, Telematics, Digital Thread, Telehealth, OTT, AI/ML Engineering – BFSI, and Contactless Retail

Zinnov Zones 2021 report assessed ~50 Global ER&D Service Providers

Scale & Scalability, # of Verticals serviced, Client Spread

Expansive

Niche



Emerging

*Modis include Akka Tech
**Ness Digital Engineering.

Established

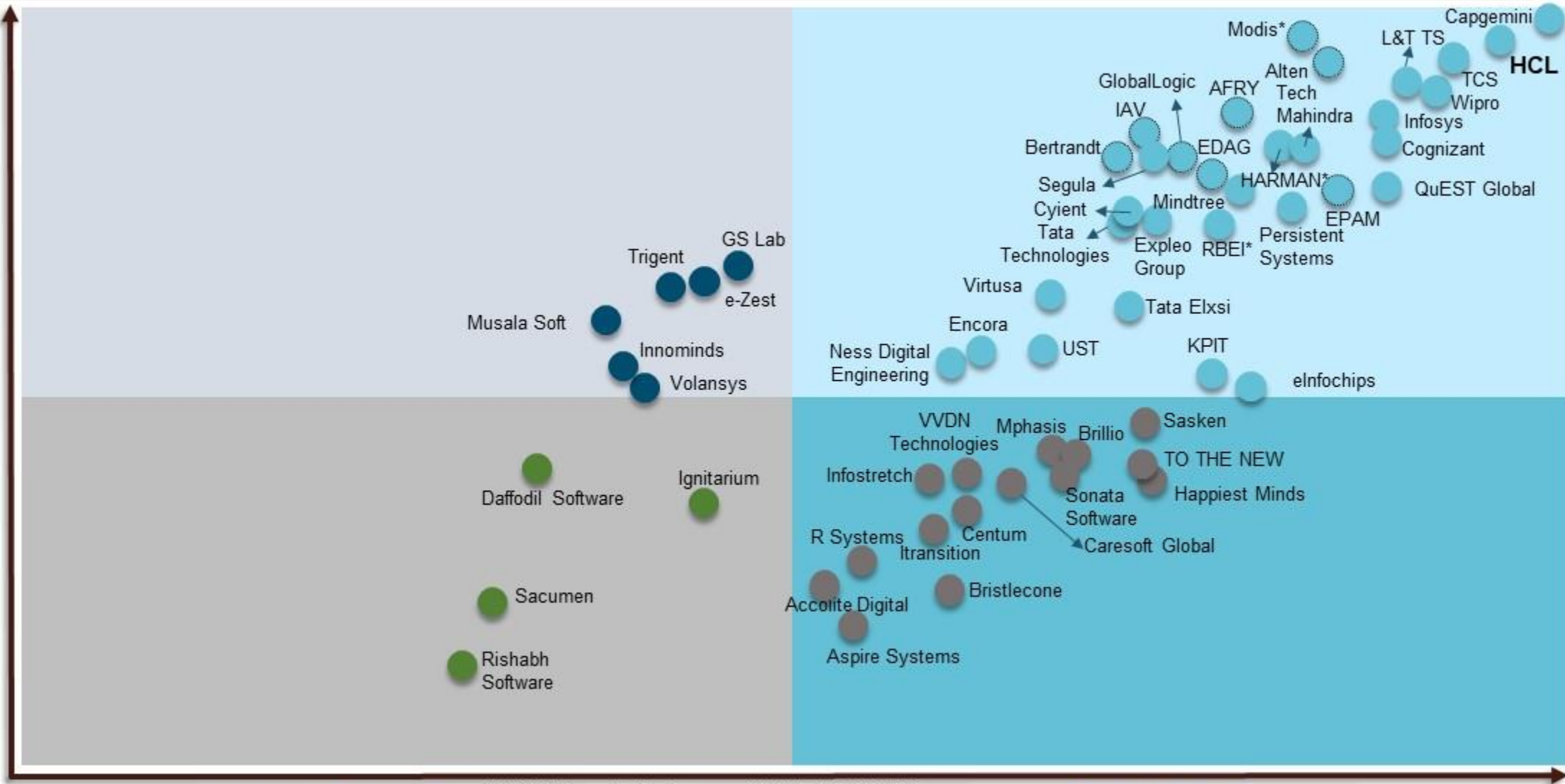
*Staffing providers such as Allegis, Kelly, and others not included in the assessment

Specialization, R&D practice maturity (depth and maturity of services), Innovation & IP, Eco-System Linkages, Customer input

Scale & Scalability, # of Verticals serviced, Client Spread

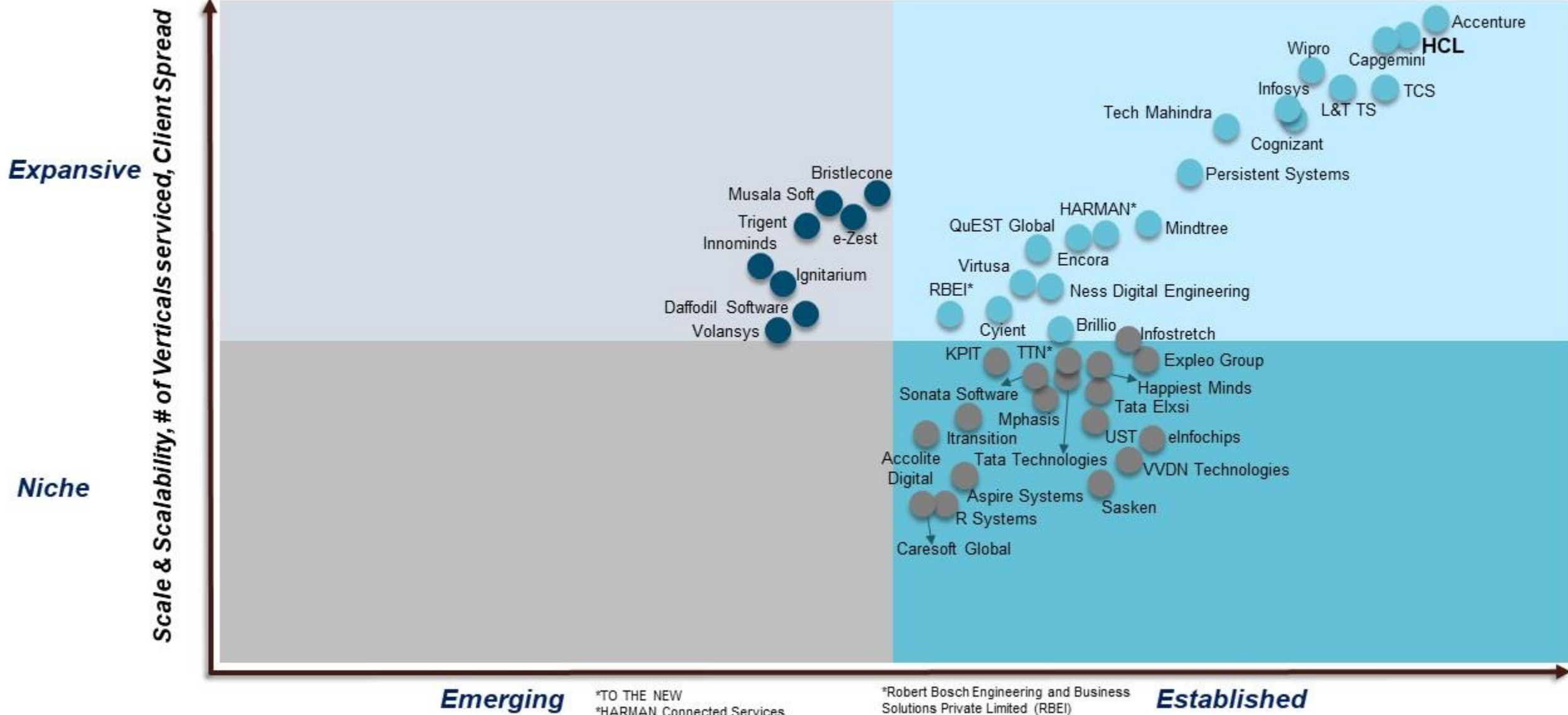
Expansive

Niche

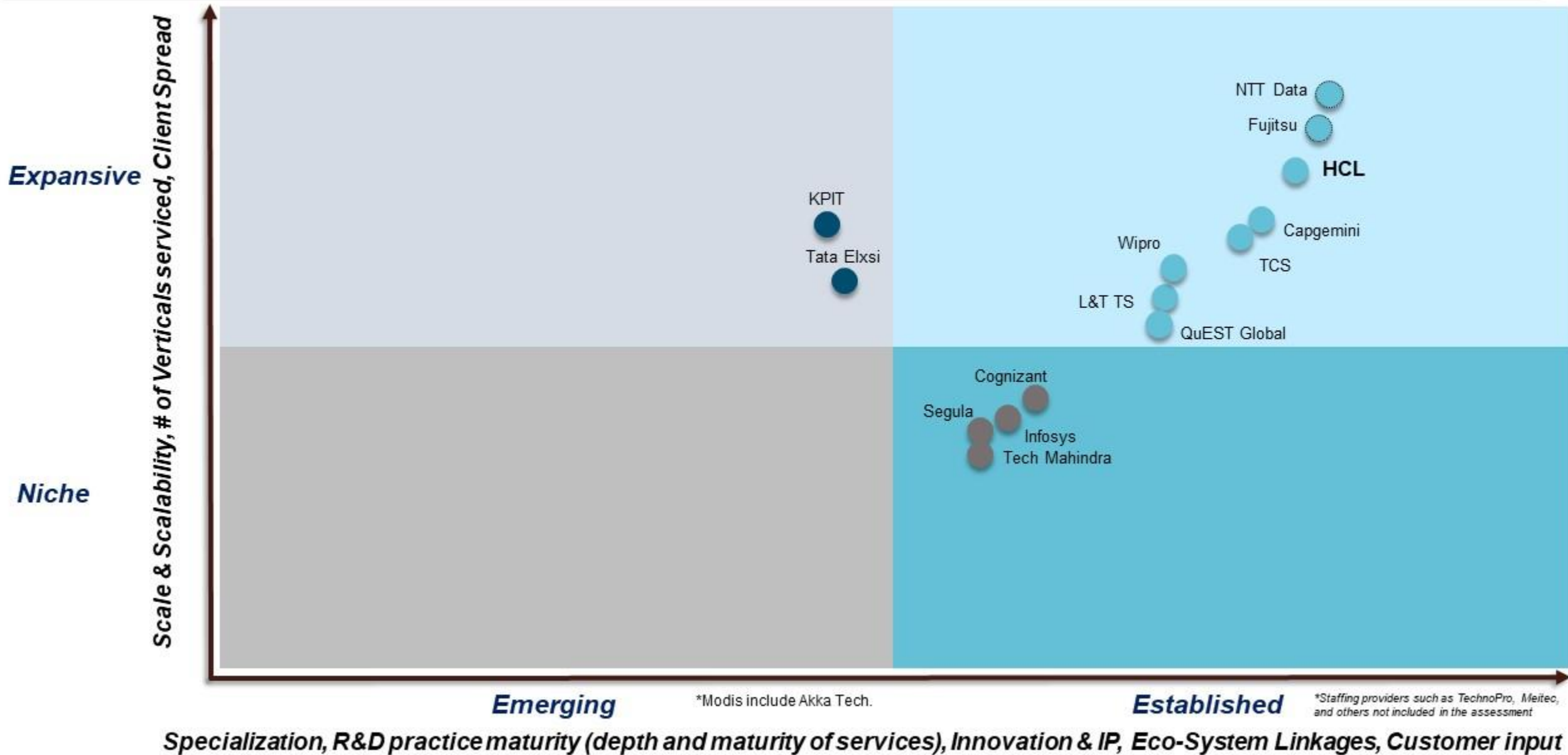


*HARMAN Connected Services *Modis include Akka Tech.
*Robert Bosch Engineering and Business Solutions Private Limited (RBEI)

Specialization, R&D practice maturity (depth and maturity of services), Innovation & IP, Eco-System Linkages, Customer input



Specialization, R&D practice maturity (depth and maturity of services), Innovation & IP, Eco-System Linkages, Customer input



Analyst Quote

According to [Sidhant Rastogi](#), **Managing Partner, Zinnov** – “HCL has been consistently recognized as a leader in Global Engineering R&D and Digital Engineering Services. The firm’s rich expertise in product engineering, strong global infrastructure, investments in product & solution accelerators (such as CloudBridge and CARE), and new digital technologies across Aerospace, Enterprise & Consumer Software, Industrial, and Telecommunications verticals have helped it secure a leadership position in the Zinnov Zones 2021 ER&D assessment. HCL’s strong network of global partnership ecosystem, robust products and platform offerings, combined with its highly skilled talent and engineering legacy heritage expertise, make them a preferred engineering partner for many leading enterprises across the globe.”



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