



Everest Group Retail IT Services PEAK Matrix[®] Assessment 2024

Focus on HCL Tech
March 2024



Introduction

Despite macroeconomic conditions, retail enterprises are strategically investing in IT modernization initiatives throughout their value chain. The enterprise focus is on enhancing customer experience through AI and data analytics, optimizing supply chains with technologies such as IoT and automation, and integrating e-commerce seamlessly. Priorities also include strengthening data security, ensuring compliance, and automating manual processes for improved efficiency. Retailers are investing in IT transformations to adapt to market trends, employ data-driven decision-making, and gain a competitive edge through innovation. Recognizing the necessity of agility in a dynamic market, they aim to utilize cutting-edge technology solutions and platforms to promptly respond to evolving consumer preferences and emerging trends.

In this research, we present an assessment and detailed profiles of 24 service providers featured on the [Retail IT 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 service providers, client reference checks, and an ongoing analysis of the retail IT services market.

The full report includes the profiles of the following 24 leading IT service providers featured on the Retail IT Services PEAK Matrix:

- **Leaders:** Accenture, Capgemini, Cognizant, Deloitte, HCLTech, Infosys, TCS, and Tech Mahindra
- **Major Contenders:** Brillio, DXC Technology, EY, Genpact, Hitachi Digital Services, HTC Global Services, Kyndryl, LTIMindtree, Mastek, SoftServe Stefanini, and Wipro
- **Aspirants:** CI&T, Cigniti, Happiest Minds, and Sutherland

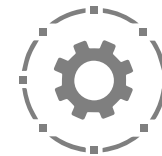
Scope of this report



Geography
Global



Providers
24 leading IT
service providers



Services
Retail IT services

Retail IT services PEAK Matrix® characteristics

Leaders

Accenture, Capgemini, Cognizant, Deloitte, HCLTech, Infosys, TCS, and Tech Mahindra

- Leaders are characterized by their ability to successfully execute complex, multi-product/-platform, advisory-led IT transformations, underpinned by their strong global delivery network
- These providers have strong partnerships with big tech firms, such as SAP and Oracle, hyperscalers, such as AWS, Azure, and GCP, supply chain specialists, digital commerce providers, and specialized firms to enhance in-store operations, to innovate and build client-specific solutions
- They have a mature suite of industry-specific tools and solutions to accelerate time-to-market for their retail clients

Major Contenders

Brillio, DXC Technology, EY, Genpact, Hitachi Digital Services, HTC Global Services, Kyndryl, LTIMindtree, Mastek, SoftServe, Stefanini, and Wipro

- These providers are making continued investments in building retail-focused proprietary tools, solutions, and accelerators to enhance their service delivery capabilities
- They have built meaningful capabilities to deliver IT transformation services; however, their service portfolios are not as balanced and comprehensive as those of Leaders
- They take a balanced organic and inorganic approach to fill gaps across their services portfolio and further improve their global delivery footprint and enhance capabilities

Aspirants

CI&T, Cigniti, Happiest Minds, and Sutherland

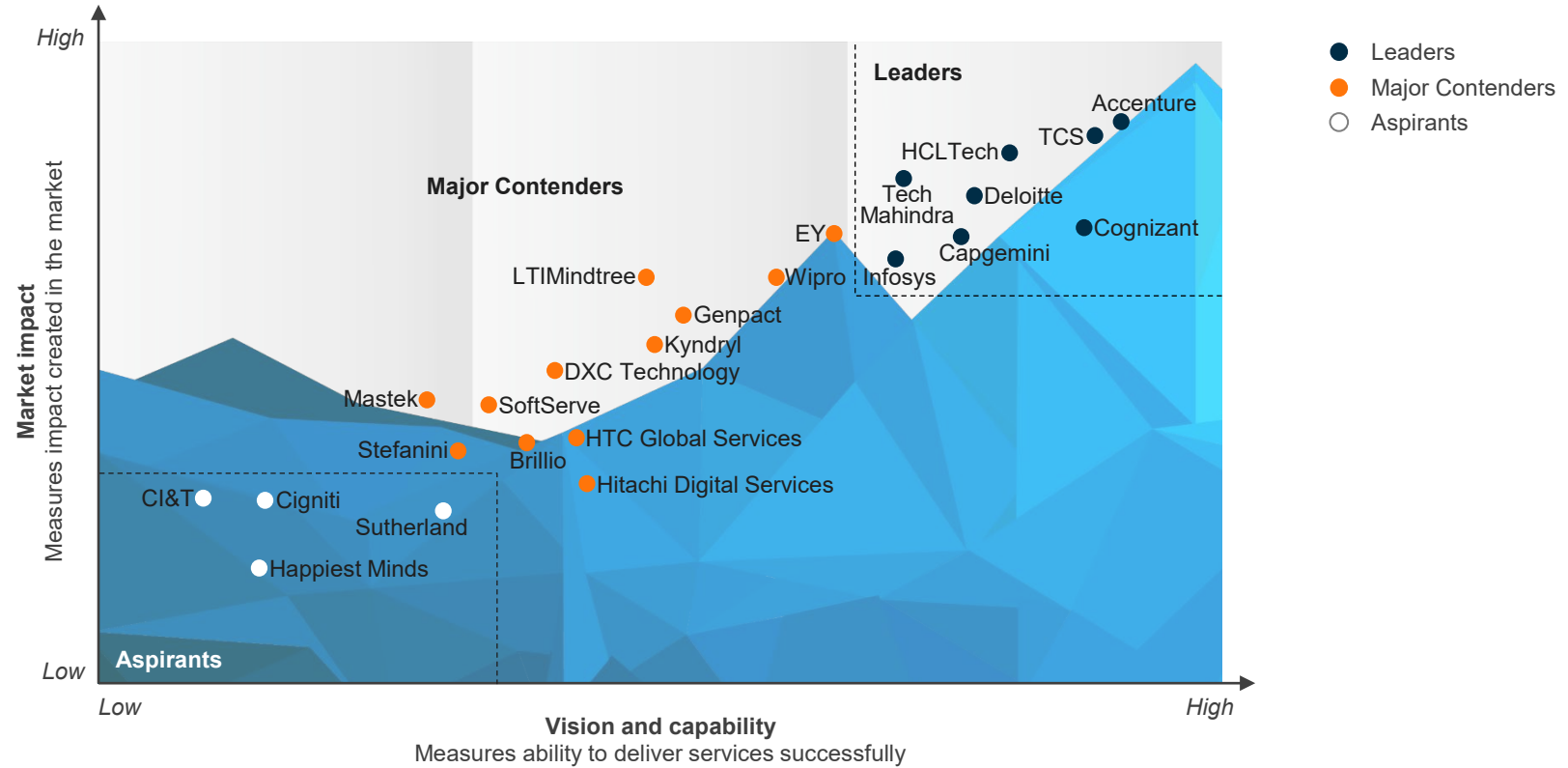
- Aspirants have good proof points in delivering implementation and/or managed services of low- to medium-complexity IT initiatives for Small and Midsize Buyers (SMBs)
- They are either focused on a certain product(s), specialize in a particular value chain segment, or currently have a relatively small retail IT services practice
- They lack the scale of partnerships and IP to enable complex transformation initiatives and specialize in certain segments across the retail value chain

Everest Group PEAK Matrix®

Retail IT Services PEAK Matrix® Assessment 2024 | HCLTech is positioned as a Leader



Everest Group Retail IT Services PEAK Matrix® Assessment 2024¹



¹ Assessments for Accenture, Capgemini, Deloitte, DXC Technology, EY, Infosys and Wipro excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, provider public disclosures, and Everest Group's interactions with retail buyers
Source: Everest Group (2023)

HCLTech profile (page 1 of 5)

Overview

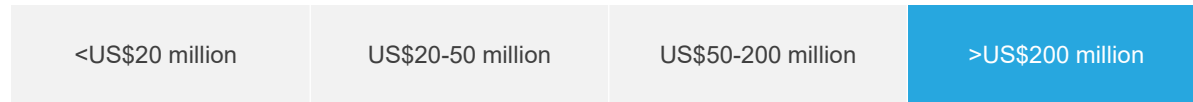
Vision for retail IT services

HCLTech's vision for retail services includes creation of new competitive advantages and differentiated experiences, accelerating enterprise and business model transformations, and progress toward key global sustainability targets. HCLTech's growth strategy is based on both short-term and long-term strategic vision catering to current and future demands of the retail industry customers. Its strategy for continuous evolution has the following key tenets: 1) expanding HCLTech's service locations and labs, 2) developing innovative IP and frameworks, 3) engineering innovation focus, 4) consortium-based partnership models with clients, 5) ecosystem partnerships, and 6) acquisitions and investments.

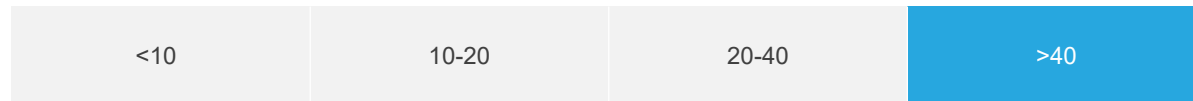
Overview of client base

Key clients include three out of five of the world's leading apparel and fashion manufacturers and retailers, two out of the world's top three grocery and general merchandize retailers, a leading office supplies and beauty care retailer in North America, a leading global furnishing and home improvement retailer, three leading North American telecom retailers, a leading grocery and general merchandise retailer in Australia, and six leading multinational QSR chain brands.

Retail services revenue from the (CY 2023)

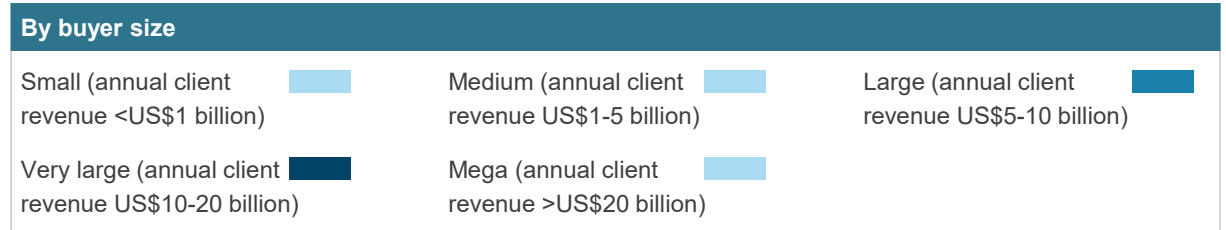
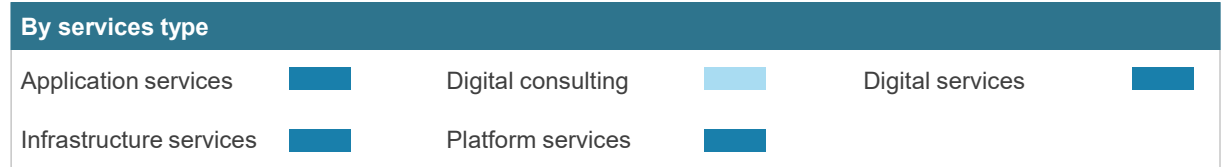
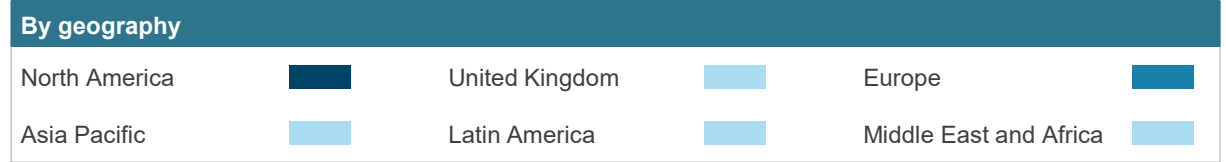


Number of active retail IT services clients



Legend: N/A (0%) Low (1-15%) Medium (15-30%) High (>30%)

Retail IT services revenue mix (CY 2023)



HCLTech profile (page 2 of 5)

Key solutions

NOT EXHAUSTIVE

Proprietary IP/solutions/frameworks/accelerators/tools developed internally to deliver retail IT services

Name	Details
Retail In-store Insights (RII)	It is an intelligent architecture solution for the retail store wherein sensors leverage AI-enabled radar sensing and imaging technology to accurately monitor live shopper location and dwell times. It has integration across CRM, ERP, and PoS software to enable specialized insights to guide specific process improvements.
Hack the Tail	It is an analytics and AI-driven intelligent buying solution to reduce complexity and improve money spent on low dollar transactions, affecting procurement
ADvantage commerce for D2C	Fully configurable and extendable platform leveraging its underlying framework, tools, and services to set up online store and jump-start a fully functional omnichannel journey for enterprises in six to eight weeks .The framework lets users manage most of the changes through self-service editorial interfaces that can be pushed to production without code changes.
Smart Warehouse by Intelligent Asset Tracking and Management	It is a smart warehouse powered by Intelligent Asset Tracking And Management (IATM) by HCL is an end-to-end offering that leverages a range of tracking technologies for the secure and scalable solution and can be integrated with industry-leading Warehouse Management Systems (WMS).
Retail intelligence and Surveillance Engine (RISE)	Intelligent surveillance solution for retail to cut shrinkage and increase profits. It uses AI/ML to accurately track customers inside the store in real-time to detect suspicious activities. It maps areas where tendency of theft is high and automatically maps suspicious PoS transactions onto the respective video feed data to identify fraudulent transactions and internal theft.
Scan-Pay-Go	It is a self checkout solution for retailer that also assists the customers in store.

HCLTech profile (page 3 of 5)**Investments**NOT EXHAUSTIVE**Key partnerships/alliances/acquisitions/JVs leveraged to deliver retail IT services**

Name	Type of investment (year)	Details of investment
Salesforce	Partnership	HCLTech is a Salesforce Consulting Gold Partner and has invested in training Salesforce resources and also develops IP in collaboration with the partner.
DWS Limited	Acquisition	HCLTech acquired the DWS Group, a leading Australian IT, business, and management consulting group, that delivers business and technology innovation, CX, and supply chain management to multiple clients across a spectrum of industry verticals in Australia and New Zealand.
eSTiP/Ecosystem – Innovation Program	Investment	HCLTech has created an ecosystem involving start-ups, venture capitalists, and global trade missions. This generates client-relevant solutions through open innovation. Led by HCLTech Enterprise Technology Office (ETO), this platform streamlines innovation and promotes collaboration among stakeholders via systematic idea management, prototyping, deployment, and commercialization.
Commerce Tools	Partnership	HCLTech has partnered with CommerceTools resources and invested toward joint GTM campaigns.
Microsoft/Google	Partnership	HCLTech has partnered with Microsoft and Google and has established a dedicated ecosystem business unit. HCLTech has also developed several IP that helps with customers who adopt the cloud offerings of Microsoft or Google.

HCLTech profile (page 4 of 5)

Case studies

NOT EXHAUSTIVE

Case study 1

A leading supermarket chain in Australia

Business challenge

The client needed to develop and operate an online retailing and direct response marketing solution for retailers, branded manufacturers, media companies, and professional sports organizations. It was also in need for a faster response and quick deployment of systems and processes. It was managing too many vendors for technology, scale, and skills of e-commerce operations, which is difficult for brands. The client wanted to engage with HCLTech to provide Magneto integration support with customer's WMS fulfillment center and ERP.

Solution

- Agile services transition from incumbent within seven weeks
- Services scope includes application development and maintenance, support, and QA in an agile DevOps model
- Integrated to order management, delivery management with heavily customized catalog, order, search, payment, marketing subsystems, and sales center
- Within six months of going live launched new features to enable grocery subscription services and online priority service
- Post-COVID-19 outbreak online channel now accounts for 80% of overall revenues

Impact

- 30% decrease in operational cost through automation
- 25% reduction in time to launch new features
- Online revenues increased by 70% from last year holiday season
- System availability increased to 99.9%

Case study 2

A leading European home furnishings retailer operating more than 460 stores in 62 markets around the world

Business challenge

The client lacked a strategic approach for business implementation of SOM solution and did not have a comprehensive view of the SOM solution. Rollout complexity was enhanced by multiple in-scope countries and evolving solution. HCLTech was chosen to formulate and execute a strategic approach for business implementation of the multi-channel solution and manage rollout complexity.

Solution

HCLTech implemented its TISO approach for multi-channel business rollout:

- **Transform:** one-stop view of the solution, business solution walkthroughs, and conducted workshops for understanding of business parameters
- **Implement:** drive business implementation activities and validate business parameters configurations and business solutions
- **Support:** issues and clarifications for receiving organizations, hyper-care support and root cause analysis
- **Optimize:** identify optimization opportunities by understanding business issues, identify solution, and process gaps by understanding the end-user questions and concerns
- Rollout complexity was handled by forming two sub teams focused on full release and delta release for a given rollout










Impact

- Formulated a scalable rollout strategy to handle release complexity
- Created reusable artefacts for every release – solution summary document, country-wise business implementation checklist, and business parameters list
- Led to reduced turnaround time for changes in release priorities (reduced from months to days)
- End-to-end view of change management

HCLTech profile (page 5 of 5)

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

- HCLTech is a relevant service provider for large and mega enterprises (annual revenue >US\$5 billion) seeking services across the retail value chain with a high degree of commercial flexibility
- It has a robust partner ecosystem including leading technology vendors, such as SAP and Oracle, supply chain specialists, such as Blue Yonder, Kinaxis, and o9 Solutions, and digital commerce and CRM vendors, such as Adobe and Salesforce
- It has invested in developing AI/ML and analytics-driven industry-specific IP solutions across the value chain; some notable IP solutions are Retail 4.0 suite, ADvantage Experience 2.0, Platform X, and DRYiCE suite
- The company displays a high focus on performing requirement assessments and providing customized solutions and platforms to fit the client’s needs

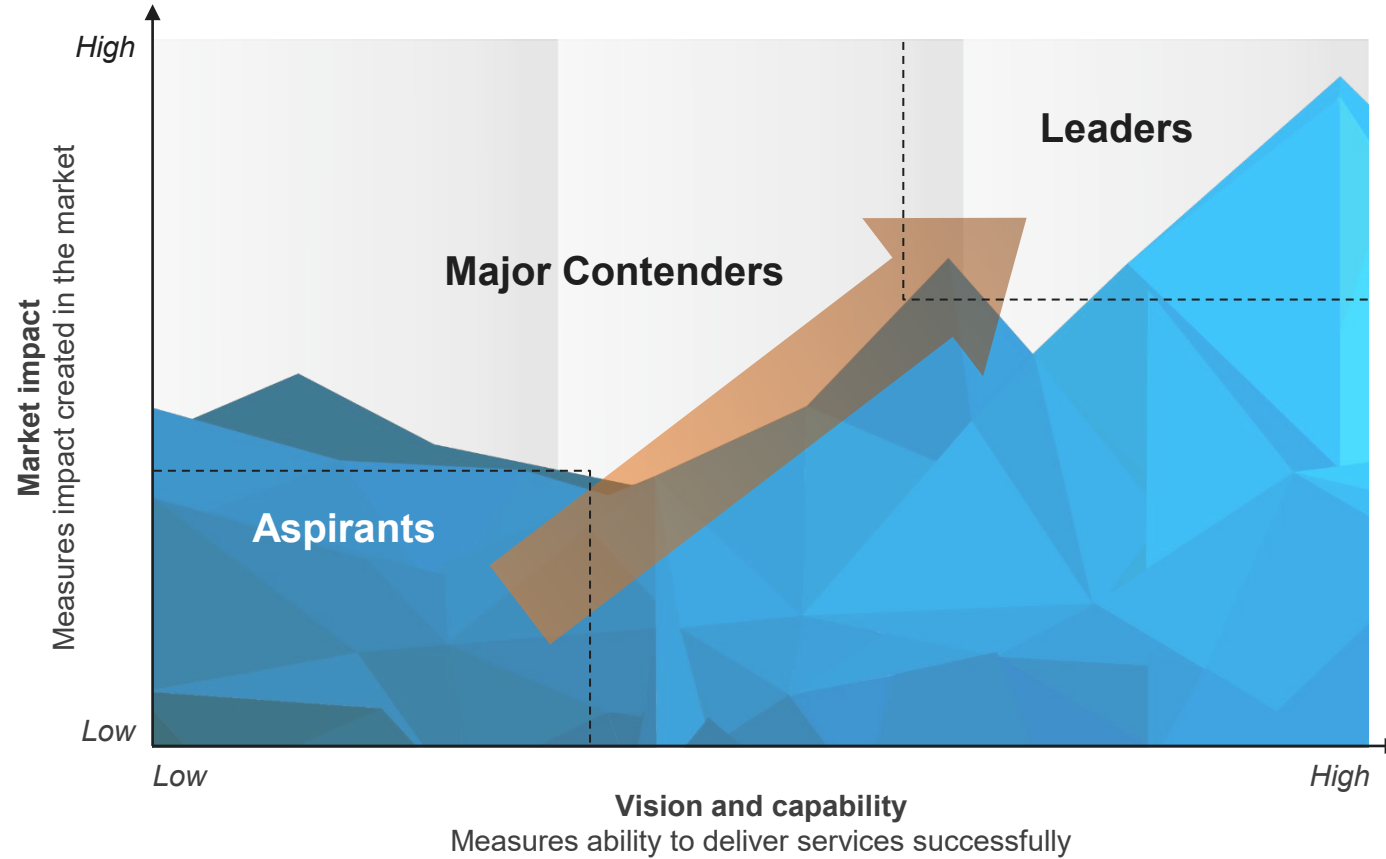
Limitations

- While HCLTech has strong market presence in North America and Europe, its client base in APAC, LATAM, and MEA is small
- It needs to further enhance its change management capabilities and sustainability focus across the value chain to effectively position itself as an end-to-end services partner in the retail industry
- Some clients have opined that HCLTech needs to further enhance its talent management capabilities, specifically in managing attrition effectively

Appendix

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

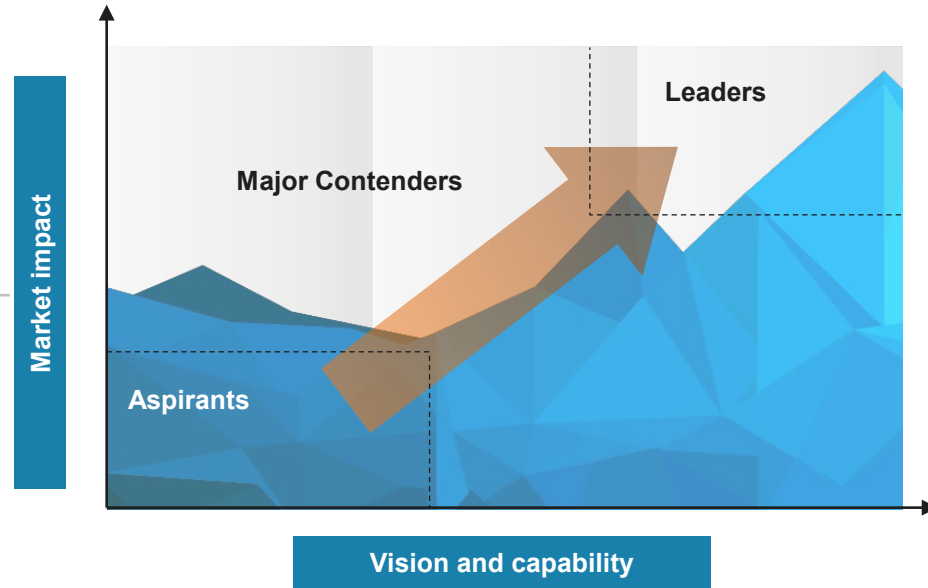
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
Number of clients, revenue base, YoY growth, and deal value/volume
- Portfolio mix**
Diversity of client/revenue base across geographies and type of engagements
- Value delivered**
Value delivered to the client based on customer feedback and transformational impact



Measures ability to deliver services successfully. This is captured through four subdimensions

- Vision and strategy**
Vision for the client and itself; future roadmap and strategy
- Scope of services offered**
Depth and breadth of services portfolio across service subsegments/processes
- Innovation and investments**
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.
- Delivery footprint**
Delivery footprint and global sourcing mix

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

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.

Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?

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.

What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

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.

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- 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

What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

- 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](#)

Does the PEAK Matrix evaluation criteria change over a period of time?

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.



Everest Group is a leading research firm helping business leaders make confident decisions. We guide clients through today's market challenges and strengthen their strategies by applying contextualized problem-solving to their unique situations. This drives maximized operational and financial performance and transformative experiences. Our deep expertise and tenacious research focused on technology, business processes, and engineering through the lenses of talent, sustainability, and sourcing delivers precise and action-oriented guidance. Find further details and in-depth content at www.everestgrp.com.

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