



HFS Top 10 Travel, Hospitality, and Logistics Service Providers

Excerpt for HCL

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TOP 10
HFS

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“The travel and hospitality segments have been hit hard—deeply impacted by revenue depletion—while the logistics industry has faced surges in demand amid challenging circumstances. Companies in these segments have found their burning platform to embrace disruption and thoroughly re-invent their mission and purpose. This has been a time that has tested the service provider and client partnerships; those with deep industry expertise and a true partnership approach will help their customers find their path forward and emerge stronger.”

—Melissa O’Brien, Research Vice President

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Introduction, methodology, and definitions

Introduction

- *The HFS Top 10 Report: Travel, Hospitality, and Logistics Service Providers* is a refreshed and expanded analysis of the business process and IT services market for the travel, hospitality, logistics (THL) industry verticals. This report builds on previous years' reports, available at www.hfsresearch.com.
- *The HFS Top 10 Report: Travel, Hospitality, and Logistics Service Providers* examines the state of the travel, hospitality, and logistics industries and investigates the service provider landscape. It describes how providers are supporting and enabling the digital transformation of a myriad of sub-industries including airlines, airports, cruise lines, hotels, casinos, golf clubs, trucking, shipping, and freight.
- We analyzed the capabilities of 20 service providers across the THL value chain to develop a comprehensive analysis of industry-specific services and solutions for firms operating within these sectors.
- This report also includes detailed profiles of each service provider, outlining their overall and sub-category rankings, provider facts, and strength and weaknesses.
- This report includes commentary on the industry's outlook and response to COVID-19 disruption and outlook, collected directly from the participating service providers.

Service providers covered in this report

accenture

Capgemini

Cognizant

CONCENTRIX™

<epam>

EXL

genpact

HCL

HEXAWARE

IBM

Infosys

NIIT
technologies
Engage With The Emerging

sitel

SUTHERLAND

SYKES®

TATA
TATA CONSULTANCY SERVICES

Teleperformance
each interaction matters

TELUS
International™

wipro

WNS

Executive summary

The travel, hospitality, and logistics services value chain

- HFS developed the industry value chain concept to graphically depict our understanding of the processes and functions that specific industries engage in to operate their businesses.
- The industry value chain for travel, hospitality, and logistics operations provides a comprehensive overview of services for these sectors with subsector coverage falling into two primary buckets:
 - Business to Consumer (B2C): This includes consumer-centric processes for the travel and hospitality sectors.
 - Business to Business (B2B): This includes coverage for business-oriented processes within transportation and logistics.
- **Industry-specific processes:** HFS classifies industry-specific processes for THL by sub-sectors, including travel, hospitality, and transportation and logistics. We then additionally categorize industry-specific processes by front-, middle-, and back-office processes to provide further granularity. These functions represent the range of unique processes undertaken by THL firms to conduct their core business.
- **Enabling technologies:** Various change agents are digitally transforming the THL industries. They include elements such as RPA and artificial intelligence, the internet of things, and smart analytics. Our research on these topics will focus on how THL firms are utilizing them, which service providers are bringing them to the table, and what real business impact is being realized.
- **Horizontal IT and business processes:** Enterprises in all sectors have a range of consistent business and IT processes that are essential to running their businesses and executed similarly regardless of industry. We refer to these as horizontal processes and have segmented them by IT and business functions. Our industry-specific coverage of these areas will focus on instances where something unique has been developed for the industry, such as automated solutions for ticket re-booking or claims processing for refunds.

The travel, hospitality, and logistics operations value chain

		B2C—travel and hospitality		B2B—logistics
		Travel	Hospitality	Transportation and logistics
Industry specific	In-scope	Airlines, airports, cruise lines, OTAs	Hotels, casinos, golf clubs	Trucking, shipping, freight
	Front office	<ul style="list-style-type: none">• Reservations• Loyalty program management• Frequent-flier helpdesk• Guest relations	<ul style="list-style-type: none">• Reservations• Loyalty program management• Guest relations	<ul style="list-style-type: none">• Order taking• Fleet and crew management• Operations and fleet administration
	Middle and back office	<ul style="list-style-type: none">• Irregular operations management• Airline operations• Passenger and cargo revenue accounting• Refund claims processing• Fare audit	<ul style="list-style-type: none">• Refund claims processing• Demand forecasting for occupancy	<ul style="list-style-type: none">• Order processing• Inventory management• RCM for revenue leakage• Warehouse management• Transportation management
Horizontal	Enabling technologies			
	RPA • Artificial intelligence • Smart analytics • Blockchain • IoT • Cloud • Mobility • Social media			
	Horizontal business processes			
	Customer engagement • Human resources • Procurement • Finance and accounting • Payroll • Legal and compliance			
	Horizontal IT processes			
	Planning, design, and implementation • Application development and maintenance • Infrastructure management • Security			

Executive summary – report results

High performers in the *HFS Top 10 Report: Travel, Hospitality, and Logistics Service Providers* exhibited the following characteristics across our key assessment areas:

- Demonstrated a breadth of capabilities across the value chain and IT and business process services, and a depth of capabilities through detailed industry-focused case studies and industry-specific IP.
- Placed a keen focus on recruiting and cultivating talent that enables service delivery excellence. This includes but is not limited to: localization initiatives, hiring out of industry as well as in specialized tech and social sciences areas (i.e. design, ethnography), domain-specific training academies, investment in gig and WFH (work-from-home) delivery models, and diversity and inclusion initiatives.
- Demonstrated strong relationship management and flexibility, including a partnership focused approach to client relationships.
- Displayed focus and investment in a vision and roadmap for the THL industries, including clear and concise industry specific messaging and thought leadership.
- Made investments in technology enablement for the THL industry with industry specific IP, acquisitions and technology and industry partnerships.
- Showed co-innovation and collaboration with clients through case studies that demonstrated partnership and industry-focused business outcomes.
- Voice of the customer quantitative and qualitative feedback praised the top service providers for their ability to uniquely service their industry's business.

Executive summary – key trends and impact on services

This Top 10 report looks at the major service providers in the THL space in the context of the themes below, which articulates the demands and challenges of clients in this sector.

Travel, hospitality, and logistics industry trends	Impact on third-party services
<ul style="list-style-type: none">• Digitalization of customer-facing operations and reinvention of experiences to reinvigorate older brands that are being disrupted; creating seamless omnichannel customer engagement• Boosting online engagement for greater customer loyalty and digitizing loyalty and payments processes• Shifting customer expectations and travel and hospitality companies’ desire to pivot to meet their needs and take advantage of new revenue streams, for example, airlines and hotels want to become more like retailers and tech companies• Greater industrialization, global shipping, trade pressures, and demand for efficiencies in the logistics and transportation space• Shared economy is changing the industry landscape• Desire to improve return on assets for a particularly asset-heavy industries (e.g., airlines, hotels)	<ul style="list-style-type: none">• Digital OneOffice: employee and customer, passenger, and guest-centricity for connected digital experiences• Partner ecosystem: service providers must partner not only with the top cloud, automation, and other tech vendors but also seek out travel and hospitality tech and industry partnerships to deliver on the expectations of understanding clients’ business• Emerging technology and change agents: required investment in the Triple-A Trifecta, IoT, and 5G, and exploration of blockchain for logistics• Hyperconnected and autonomous future vision for logistics: using IoT and device integration to connect the logistics ecosystem• Legacy IT modernization efforts to enable greater agility and growth

Highlights of key service providers' responses to COVID-19 impact:

- The impact of the COVID-19 pandemic has been profound and far-reaching in the travel and hospitality sector. The industry was first to feel the impact, and it will be the last to recover. Sudden depletion of revenue sources has left companies grappling with very high operations costs, leading to rapid business restructuring. At the same time, demands on customer service have risen due to refunds, cancellations, and in movement of essential goods. In many cases, demand from logistics clients went way up due to the spike in ecommerce.
- For service provider clients, this has meant business continuity and driving automation where possible, to reduce cost of operation OR adjusting resources as requested. More than ever, service providers are leveraging deep industry expertise in experience transformation and remote engagement combined with functional expertise across core areas to help clients adapt to the shift to remote work and stay up and running throughout the pandemic.
- Some key areas where service providers have assisted their THL customers during the pandemic:
 - Hotel and airline cancellations and refund support
 - Logistics helpdesk and back office coordination (deep impact on schedules, border restrictions, etc.)
 - Logistics last mile operations support
 - Supply chain and transportation management support as a result of ecommerce spikes
- As the dust settles from the impact of COVID-19 on the THL business, an imperative and urgent need will be to focus on providing personal health and well-being assurances to both customers and employees. Remaining true to this ask requires the various industry players to build purpose-centric ecosystems with products and services that look beyond traditional boundaries and offer holistic solutions:
 - Building financial resilience for sustainable operation
 - Going digital in a human-centric business
 - Building adaptable business and operating models
 - Purpose-centric ecosystems to drive sustainable growth
 - Harnessing customer loyalty to rekindle demand

The HFS Top 10 THL service provider rankings

Research methodology

The HFS Top 10 Travel, Hospitality, and Logistics Service Providers report assessed and scored 20 service providers across execution, innovation, and voice of the customer criteria. The inputs to this process included detailed RFI responses and structured briefings with service provider leadership as well as interviews and surveys from their clients. In order to drive objectivity to our research methodology, we interacted with reference clients provided by the service providers and non-reference clients sourced through our own network for each service provider assessed. Specific assessment criteria include:



33.3%

Ability to execute

- **Depth and breadth of THL expertise** including THL portfolio size and mix, IT and business services mix, and demonstrated depth of capabilities
- **Talent and service delivery excellence** including innovative talent models
- **Relationship management** based primarily on comments from clients



33.3%

Innovation capability

- **Clear vision for the THL industry** including the credibility of the go-to-market strategy and a strong understanding of industry trends
- **Technology-based enablement** based on organic and inorganic investments, use of industry-focused IP, deployment of emerging tech and strength of partnership ecosystem
- **Co-innovation and collaboration** with clients, including creative commercial models, joint solutioning, and flexibility in engagement models



33.3%

Voice of the customer



























































































- **Client satisfaction** with services based on direct feedback from enterprise clients. Driven by our HFS Global 2000 industry survey data, interviews, and surveys with client references provided by service providers and non-reference clients sourced directly by HFS

Summary of service providers assessed in the report

Service providers (alphabetical order)	HFS point of view
Accenture	Digital transformation expertise for a wide range of THL clients
Capgemini	Transformation partner for a wide breadth of THL opportunities
Cognizant	Digital transformation through solving complex industry problems
Concentrix	CX expert with compelling approach to talent
EPAM	Highly skilled and flexible engineering excellence
EXL	Logistics powerhouse with data and analytics at the core
Genpact	A solid and flexible partner for digital and analytics solutions in THL
HCL	Deep vertical expertise powered by strong technology solutions
Hexaware	Flexible partner with increasing domain expertise and talent assets
IBM	Leading innovator at the cutting edge of emerging tech
Infosys	Wide breadth of expertise and execution excellence
NIIT	A solid partner with deep travel and transportation expertise
Sitel	A CX leader with a leading talent approach
Sutherland	Design-led THL expertise for front and back office transformation
Sykes	Customer experience expertise with a focus on talent
TCS	A reliable partner with wide array of complex IA-focused services
Teleperformance	Tech-enabled CX powerhouse with quality and scale of talent
Telus	CX expertise with strong culture approach
Wipro	Industry-focused solutions and future-looking talent models
WNS	A flexible outcomes-focused partner with deep THL expertise

HFS Top 10 Travel, Hospitality and Logistics services rankings

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Rank	Overall HFS Top 10 position	Execution			Overall Execution	Innovation			Overall innovation	Voice of the customer
		Breadth and depth of THL services	Talent and service delivery excellence	Relationship management		Industry vision and GTM strategy	Technology-enabled transformation	Co-innovation and collaboration		
#1	WNS									WNS
#2				WNS	WNS	WNS		WNS	WNS	
#3										
#4										
#5										
#6										
#7										
#8										
#9			WNS				WNS			
#10		WNS								

Notable performances in travel, hospitality and logistics services

HFS Podium Winners								
Top 3 providers overall across execution, innovation, and voice of the customer criteria								
#1. WNS			#2. HCL			#3. NIIT technologies <small>Engage With The Emerging</small>		
Execution powerhouses Top 3 providers on execution criteria			Innovation champions Top 3 providers on innovation criteria			Outstanding voice of the customer Top 3 providers on voice of the customer criteria		
#1	#2	#3	#1	#2	#3	#1	#2	#3
Infosys	WNS	NIIT technologies <small>Engage With The Emerging</small>	HCL	WNS	genpact	WNS	TATA CONSULTANCY SERVICES	SYKES®
Other notable performances								
<ul style="list-style-type: none">• TCS ranked #1 for breadth and depth of THL services• Teleperformance ranked #1 for talent and service delivery excellence• Concentrix ranked #1 for relationship management• Sutherland ranked #1 for co-innovation and collaboration and #2 for talent and service delivery excellence• Accenture ranked #2 for tech-enabled transformation• Cognizant ranked #2 for breadth and depth of THL services								

Travel, hospitality, and logistics industry-specific service capabilities heatmap

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Vendor	Front Office			Middle and Back Office		
	Travel	Hospitality	Logistics	Travel	Hospitality	Logistics
Accenture						
Capgemini						
Cognizant						
Concentrix						
EPAM						
EXL						
Genpact						
HCL						
Hexaware						
Infosys						
IBM						
NIIT						
Sitel						
Sutherland						
Sykes						
TCS						
Teleperformance						
Telus						
Wipro						
WNS						

Not a focus Emerging Mature

- We asked **leaders within tech companies** to identify the strengths of service providers across the travel, hospitality, and logistics value chain.
- We then asked **providers** to rate their travel, hospitality, and logistics-specific offerings on a maturity scale.
- The heatmap provides a **combined view** of buyer experience with providers and provider-identified capabilities rolled up for each segment.
- **The travel front office is the most mature segment of travel, hospitality, and logistics.** Services include reservations, loyalty program management, frequent flier helpdesk, and guest relations.
- **The hospitality middle and back office is the least mature segment of offerings.** Services include refund claims processing and demand forecasting for occupancy.
- Please refer to our travel, hospitality, and logistics value chain for more detail on the offerings in each segment.

THL service provider profiles

How to read the profiles: a guide

Company
logo

Company name and HFS summary heading

Scoring

Dimension	Rank	Strengths	Development opportunities						
HFS Top 10 position	#	Strengths of the service provider as articulated by VOC feedback and analyst opinion	Areas of improvement or opportunity for the service provider as articulated by VOC feedback and analyst opinion						
Ability to execute									
Depth and breadth of industry-specific offerings and expertise	#								
Talent and service delivery excellence	#								
Relationship management	#								
Innovation capability		Breakdown of revenues by each sub industry category, as provided by the service provider	Breakdown of revenues between IT and business services as provided by the service provider	Capabilities across the travel, hospitality, and logistics value chain					
Industry vision and GTM strategy	#			Front Office			Middle and Back Office		
Technology-enabled transformation	#			Travel	Hospitality	Logistics	Travel	Hospitality	Logistics
Co-innovation and collaboration	#								
Voice of the customer	#			<div><div>Not a focus</div><div>Emerging</div><div>Mature</div></div>					
		A combined maturity scale view of buyer experience with providers and provider-identified capabilities rolled up for each segment.							
Relevant acquisitions and partnerships		Key clients		Global operations and resources		Travel, hospitality, and logistics IP			
Acquisitions and partnerships relevant to these industries		Key clients in these industries either named by the service provider, in the public domain, or anonymized		Labor resources and strategic locations for these industries		Notable announcements or proprietary tools and methodologies relevant to these industries			

Dimension	Rank	Strengths	Development opportunities
HFS Top 10 position	#2	<ul style="list-style-type: none">• Depth of industry expertise. HCL has made vertical investments with its “Warehouse of the Future” designs and smart facilities offerings for airports. Clients praise HCL for understanding their challenges and business.• Acquisitions bring digital solutions and delivery capability. HCL’s recent acquisitions add to its arsenal of tools and capabilities the firm is bringing to the THL sector. Strongbridge, for example, brings a digital consulting and strategy capability whereas HCL’s IBM product suite adds new capabilities such as Unica for marketing functionality. The Actian acquisition bolsters analytics capabilities, including edge analytics in 5G context.• Partner ecosystem approach. HCL has a well-rounded and developed partner ecosystem across a variety of stakeholders, including a robust startup ecosystem network and industry-specific partners for focused areas such as warehouse management.	<ul style="list-style-type: none">• Proactive innovation. While HCL has innovative solutions, clients wish it would bring more ideas proactively.• Continue to develop BPS strategy. HCL has been focused on developing a greater depth of BPS solutions over the last couple of years. This is one area in particular where some of the recent acquisitions can bring business transformation and CX strategy consulting to the tip of the spear for greater BPS development.
Ability to execute			
Depth and breadth of industry-specific offerings and expertise	#6		
Talent and service delivery excellence	#14		
Relationship management	#11		
Innovation capability			
Industry vision and GTM strategy	#1		
Technology-enabled transformation	#1		
Co-innovation and collaboration	#8		
Voice of the customer	#18		

Client mix by THL segment	Revenue mix—IT vs. BPS	Capabilities across the travel, hospitality, and logistics value chain																														
<ul style="list-style-type: none">Travel 25%Hospitality 25%Logistics 40%Railroads 10%	Not disclosed	<table><tr><th colspan="3">Front Office</th><th colspan="3">Middle and Back Office</th></tr><tr><th>Travel</th><th>Hospitality</th><th>Logistics</th><th>Travel</th><th>Hospitality</th><th>Logistics</th></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td colspan="3">Not a focus</td><td colspan="3">Emerging</td></tr><tr><td colspan="3"></td><td colspan="3">Mature</td></tr></table>	Front Office			Middle and Back Office			Travel	Hospitality	Logistics	Travel	Hospitality	Logistics							Not a focus			Emerging						Mature		
Front Office			Middle and Back Office																													
Travel	Hospitality	Logistics	Travel	Hospitality	Logistics																											
Not a focus			Emerging																													
			Mature																													

Relevant acquisitions and partnerships	Key clients	Global operations and resources	Travel, hospitality, and logistics IP
Recent acquisitions: <ul style="list-style-type: none">• 2017: H&D• 2018: Actian, DataWave• 2019: IBM Software, Strongbridge Envision Partnerships: <ul style="list-style-type: none">• TIBCO, Appian, PTC, RealWear, CISCO, Adobe, AWS, Google, IBM, Microsoft, Oracle, Salesforce	Number of THL clients: 52 Client geographic spread: <ul style="list-style-type: none">• North America: 56%, EMEA: 29%, ROW: 15% Key clients: <ul style="list-style-type: none">• Three of top 5 North American airlines• Three of top 5 European airlines• Leading Middle Eastern airline• Two of top 2 global hotel companies• Two of top 4 global cruise lines• Three of 7 North American Class 1 railroads• Four of top 4 North American logistics companies• Two of top 3 European logistics companies• Top UK postal operator• Top UK public transportation company	THL headcount: 6,100 Delivery and innovation resources: Thirty delivery centers across India, US, UK, Canada, Brazil, ANZ, Mexico, Poland, Ireland, Germany, France, Singapore, Malaysia, Philippines, China	<ul style="list-style-type: none">• Seven industry patents filed in US; 2 granted• Warehouse optimization• IoT-enabled warehouse slotting• ULD management using IoT• AR-based warehouse inventory management• Complex asset management (iMRO)• IHMS• Next-gen baggage management• Airlines disruption management• Smart airports• Live social distancing monitoring

About the authors



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Melissa O'Brien is Research Vice President at HFS Research. Melissa leads HFS' research initiatives for digital front office services and digital associates. Her industry research focuses on key dynamics within retail, CPG, travel, hospitality, and logistics.

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