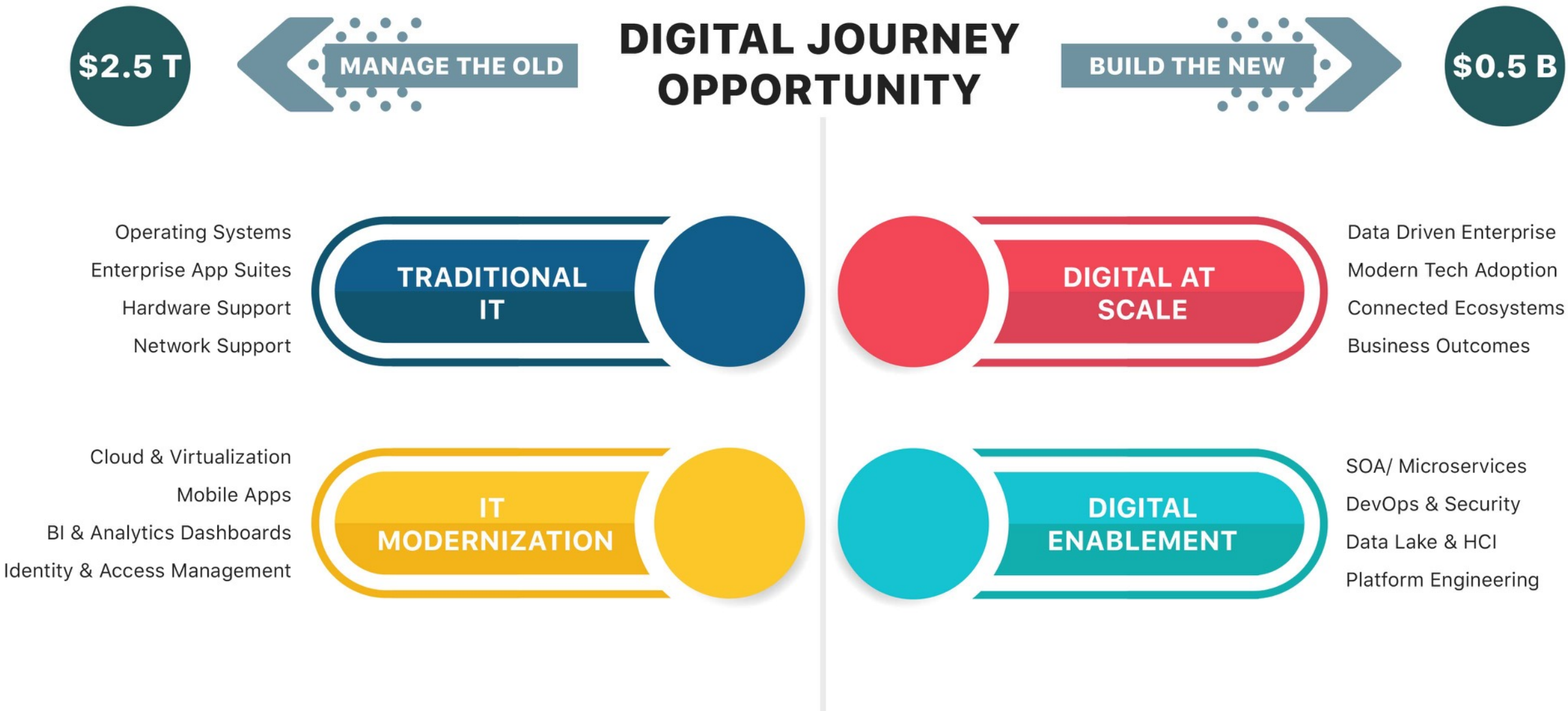


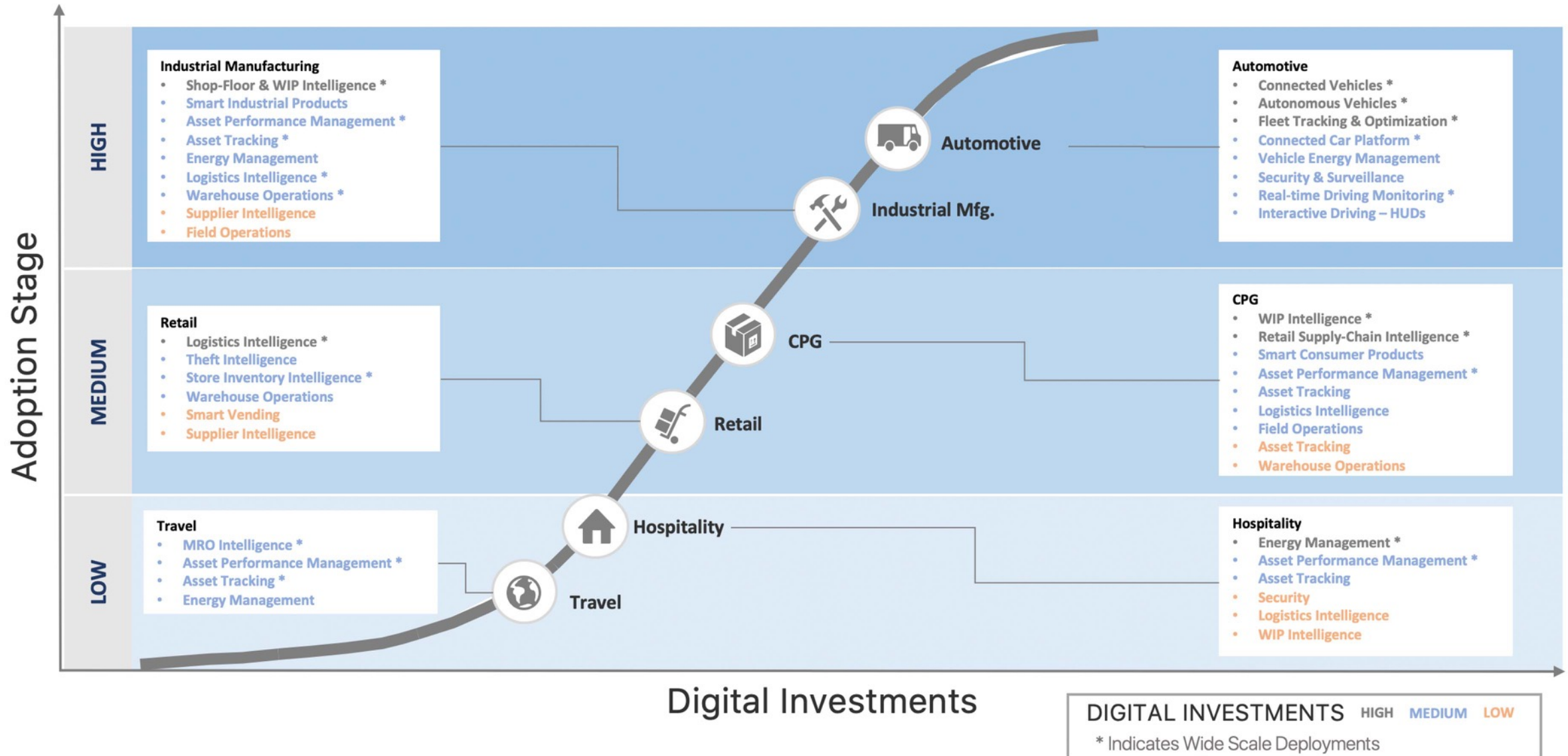
A diverse group of business professionals, including men and women of various ethnicities, are gathered around a table in a modern office. They are all smiling and giving thumbs up, indicating a positive and collaborative work environment. The office has large windows in the background, showing a cityscape. The entire image is overlaid with a semi-transparent green filter. Large, bold, white text is centered over the image.

STRATEGIC OUTSOURCING MANAGEMENT

Digital transformation is core to enabling growth across industries



Across industries, digital investments are giving rise to next-gen applications



Reasons enterprises engage with Service Providers for their digital needs



SPEED

Enterprises can leverage the expertise and experience of Service Providers to speed up digital transformation journey, instead of building competency and developing solutions

RANGE OF SKILLS

Type of skills that are required across the lifecycle of digital differ and Service Providers are able to provide the right skills at the right time

PLATFORM PARTNERSHIPS

Enterprises are partnering with digital platform providers to make the best of the ecosystem and develop world class solutions

EXPERTISE

Digital initiatives require highly specific expertise and experience which is available with Service Providers - large players, niche players, advisory firms, and BPOs

NEW-AGE OUTSOURCING MODELS

Enterprises are adopting emerging models (e.g. Carve-out, 360° partnerships, IP- driven model etc.) to ensure better talent availability and more skin in game to develop new-age solutions

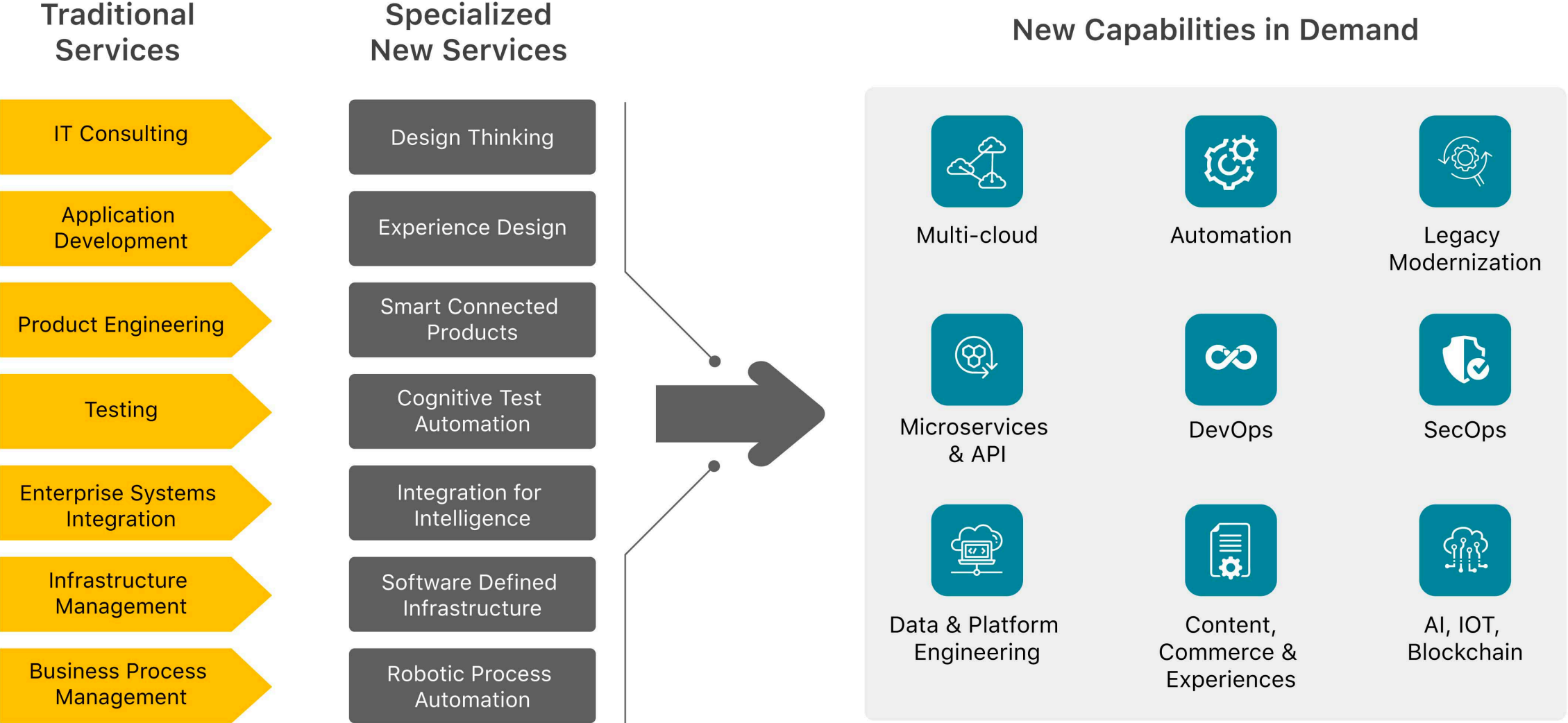


Service Providers are building deep competencies and offering multiple options to enterprises



Focus areas	Traditional Service Providers	Niche Service Providers	Advisory/ Consulting Players	BPO/BPM Providers
Capability building	Investing heavily in cognitive talent & trainings to existing staff	Focusing on using historic strengths in niche domains and point solutions	Building capabilities using internal processes as test beds	Building own cognitive IPs
Platforms	Building cognitive platforms for unique use cases	Partnering with platform providers for better access to code	Focusing on being platform-agnostic	Partnerships with platform providers for joint development
Partnerships	Partnerships with platform providers, industry consultants, and tech giants	Setting up dedicated CoEs through partnership models	Partnering with tech giants to offer full service capabilities	Partnering with customer teams to develop micro/ easy-to-implement use cases
Growth strategy	Acquiring start-ups for cognitive capabilities	Leveraging university relations & partner ecosystem for capability building	Acquisitions for cognitive capabilities	Acquisitions for cognitive capabilities
Business models	Large scale CoE setup for multiple customers	Leveraging pricing models such as as-a-service or pay-as-you-go model	Setting up dedicated CoEs	Leveraging unique pricing models such as gain share

Service Providers have proactively invested into new-age skill building



Adoption of new-age business models are proving to be more beneficial in the era of digital disruption in enterprises and Service Providers alike



Model	Outcome-based model (SLA - Driven)	Output-based model (Volume -Driven)	BOT	Carve-out	360° Partnership based	IP-Driven
Description						
Benefits	Based on achieving key business SLAs	Linked to output/volume based SLAs	Service Provider sets up a dedicated team and transfers over a period of time	Service Provider takes control of operations of the Captive/Product	Service Providers directly involved in co-engineering, selling and post sales support	IP lead partnership with the Service Provider on royalty basis
Better business alignment						
Higher cost saving potential & RoI						
Enhanced productivity						
Reduced investment & transition time						
Better talent management						
Focus on future - ready solutions						

Advantages with Carve-out model

Focus on 'Building the New' with increased bandwidth and margins by 'Managing the Old'

Advantages with IP-driven model

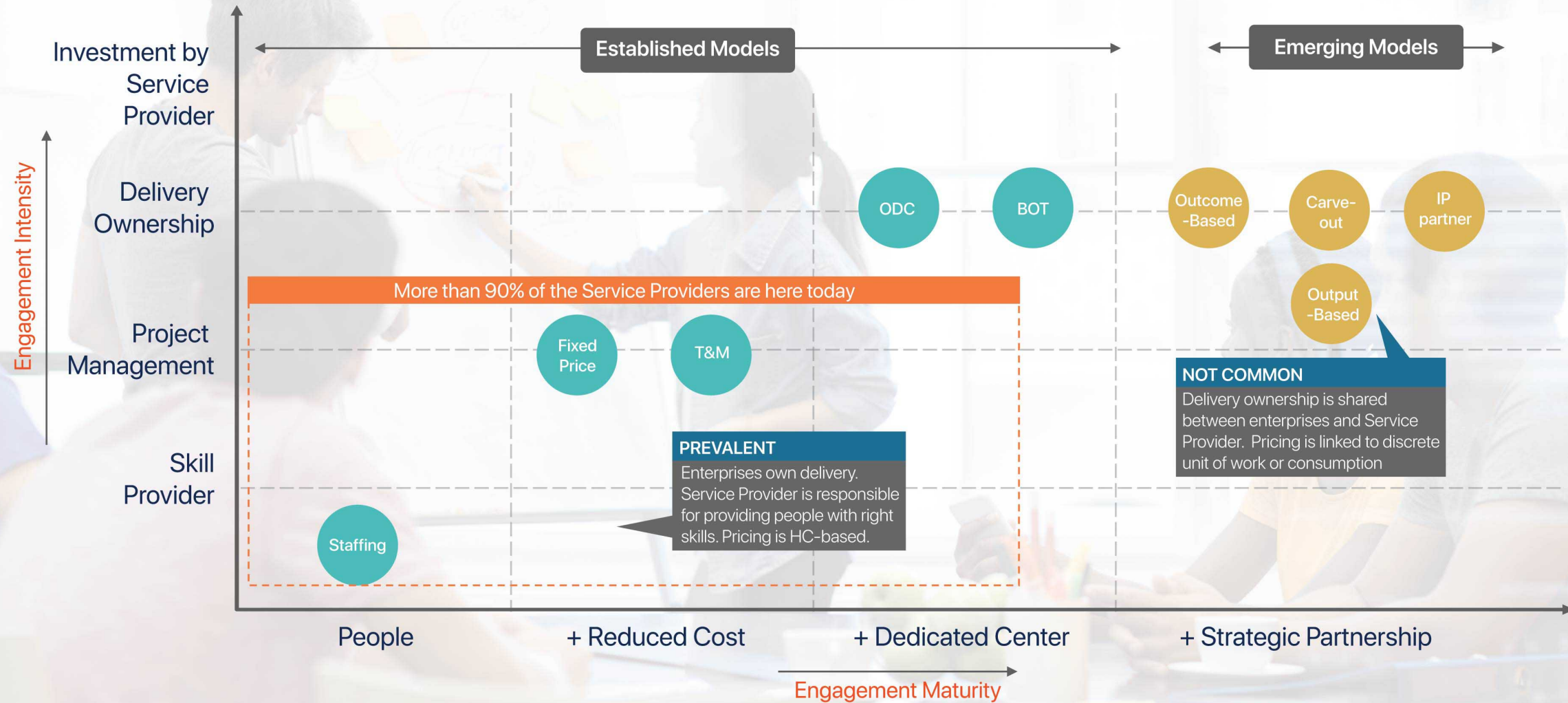
Co-innovate future-ready products with reduced risk and increased RoI

Advantages with 360° Partnership model

Leverage best in class talent, tools & resources from across the ecosystem with preferred partner status

Mapping the "Best-fit-model" is becoming key for a successful outsourcing transaction

Mapping of "Best-Fit" Models - Engagement (Maturity Vs Intensity)



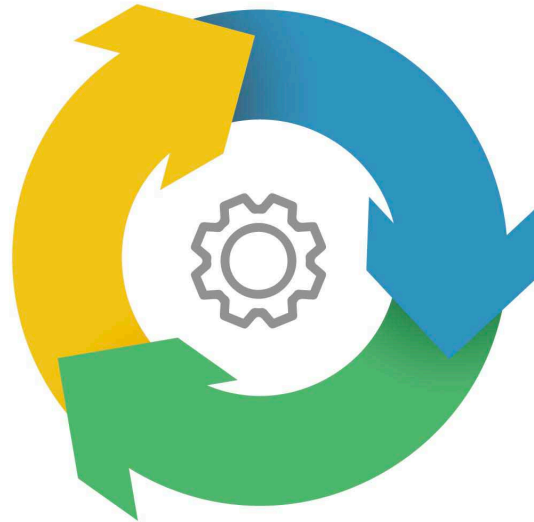
Carve-outs and partnerships are beneficial for both enterprises and Service Providers



New-age outsourcing models

Product carve-outs

- Complete ownership of PDLC transferred to Service Providers
- Suitable for products with mandate to support existing customers



Center carve-outs

- Transfer of ownership and re-badging employees to Service Providers
- Suitable for offices performing non-core activities or are being leveraged sub-optimally

Partnerships

- Investment in a product by a Service Provider partner
- IP partnerships

Ability to focus on core and build the new

Focus on 'Building the New' with transferring ownership for 'Managing the Old'

Risk Mitigation

Reduce commercial risk of low market penetration by leveraging existing user base

Enhanced profits from EOL products

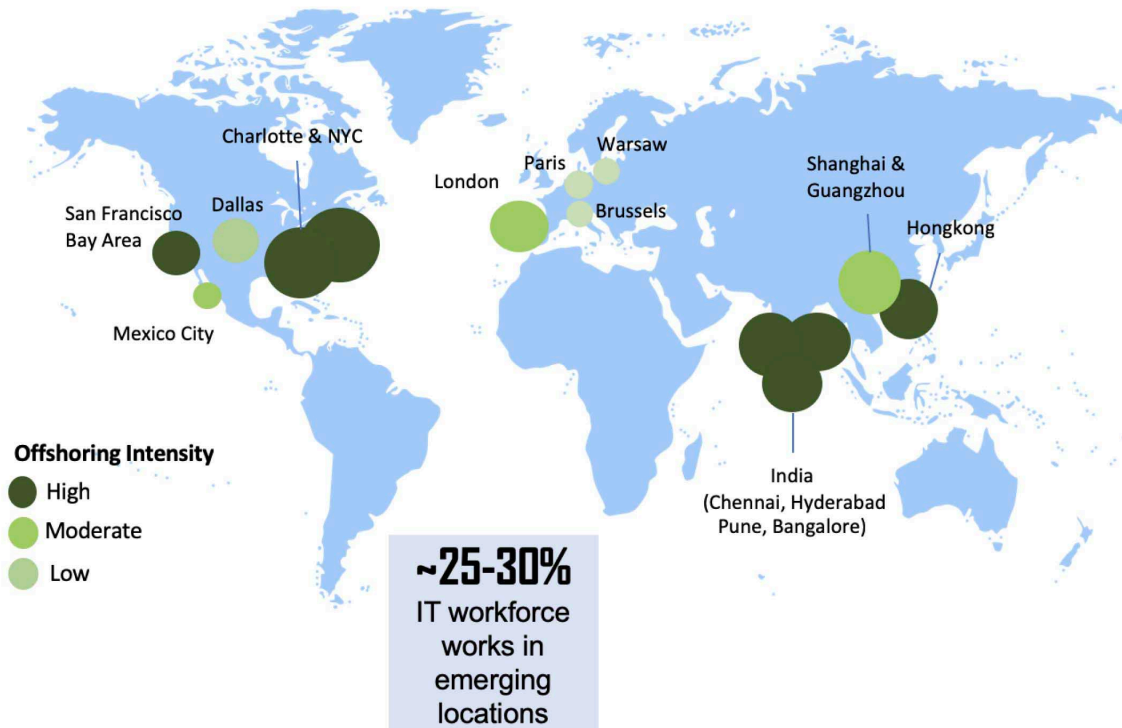
Earn profits on EOL products, in turn helping Service Providers expand its customer base

Accelerated Time to Market

Reduce time to market as in-house incubation and development process is not required

BFSI Landscape View

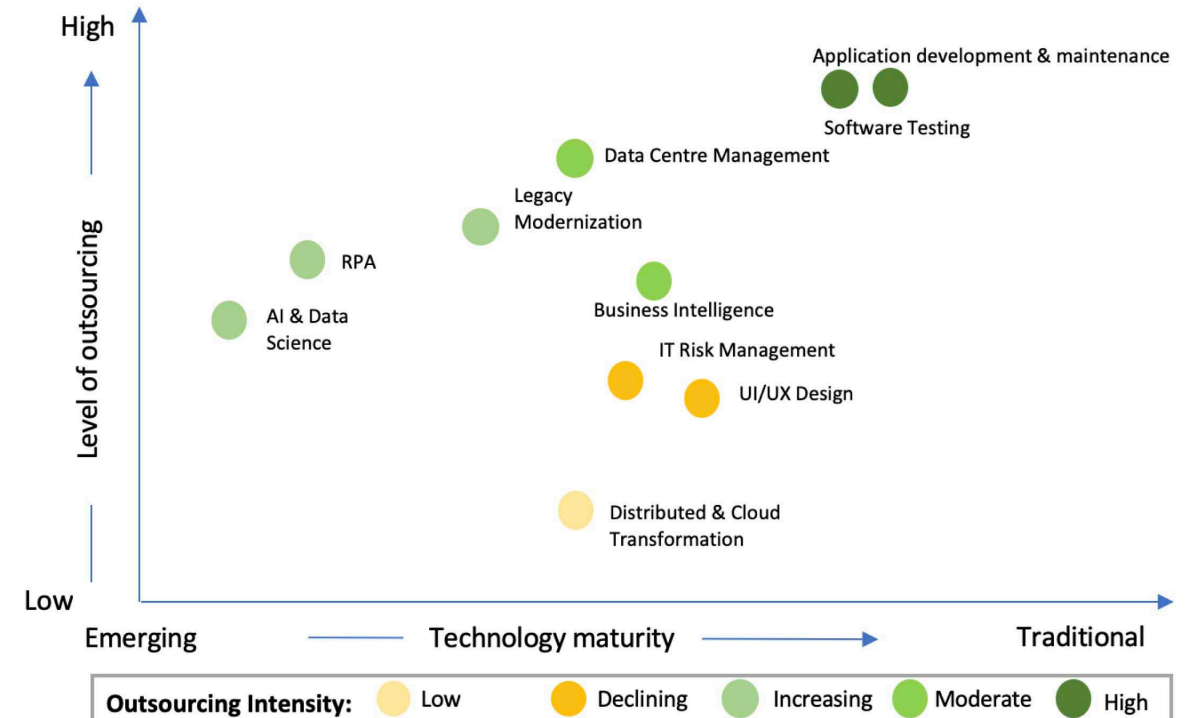
Top IT center locations for global BFSI companies



Top outsourcing locations for global BFSI companies

Chennai, India	Hyderabad, India	Bengaluru, India
Pune, India	Charlotte, USA	SF Bay Area, USA
Hongkong, China	Mumbai, India	

Outsourcing trend in global BFSI companies

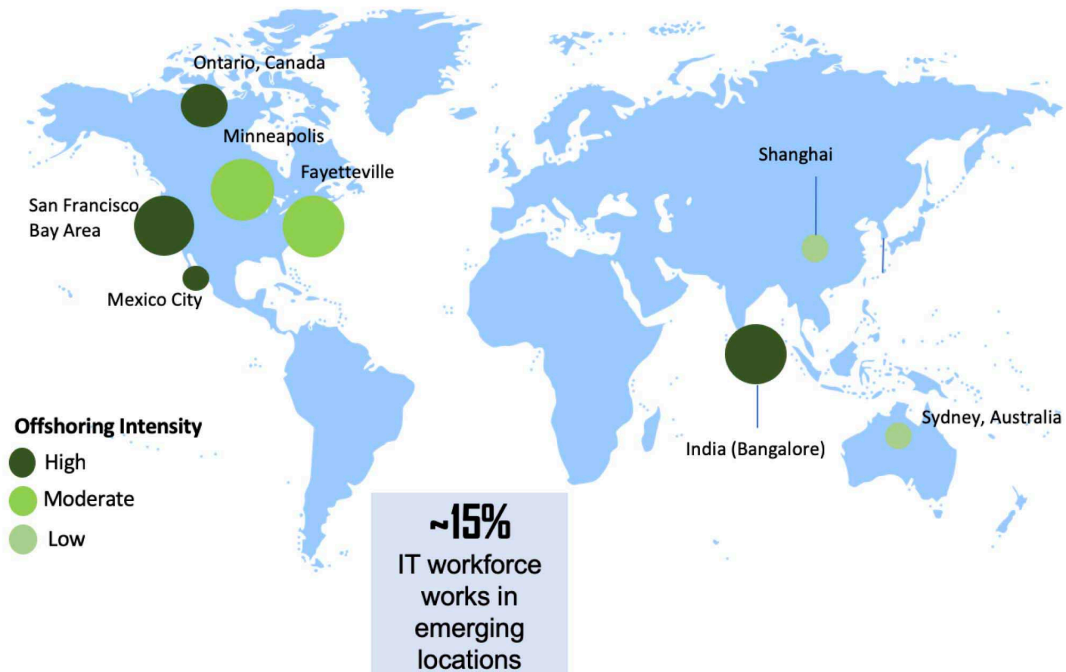


Top Service Providers for global BFSI companies

Accenture	Altran	Capgemini
Sapient	Cognizant	Wipro
CGI	TCS	

Retail Landscape View

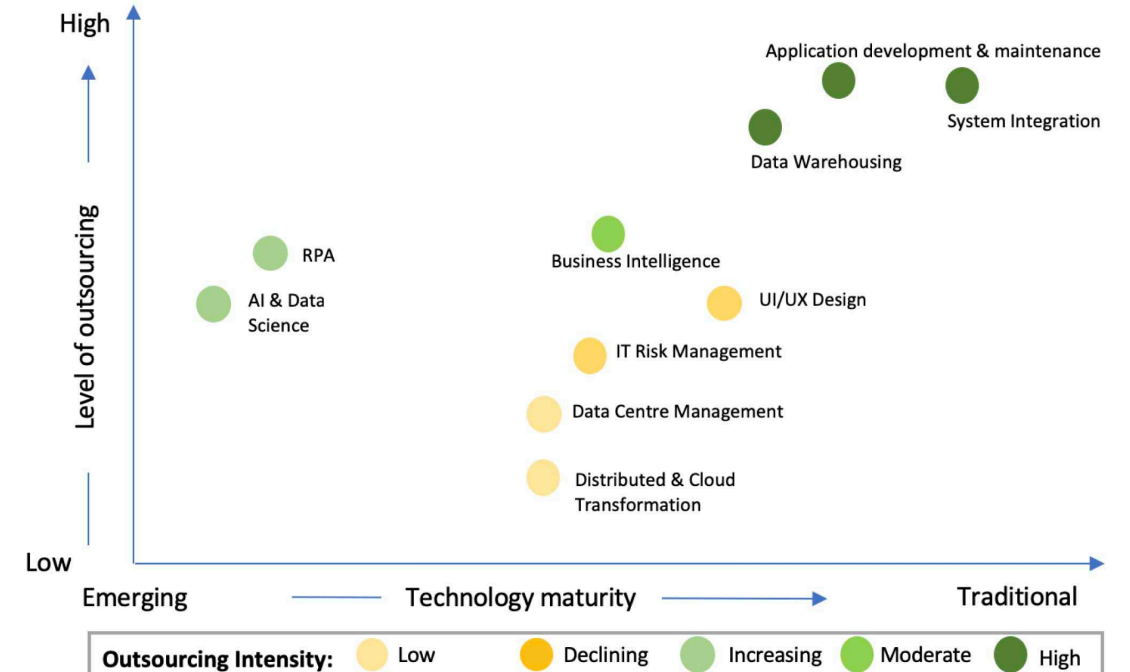
Top IT center locations for global retail companies



Top outsourcing locations for global retail companies

Bengaluru, India SF Bay Area, USA Ontario, Canada
Mexico City

Outsourcing trend in global retail companies

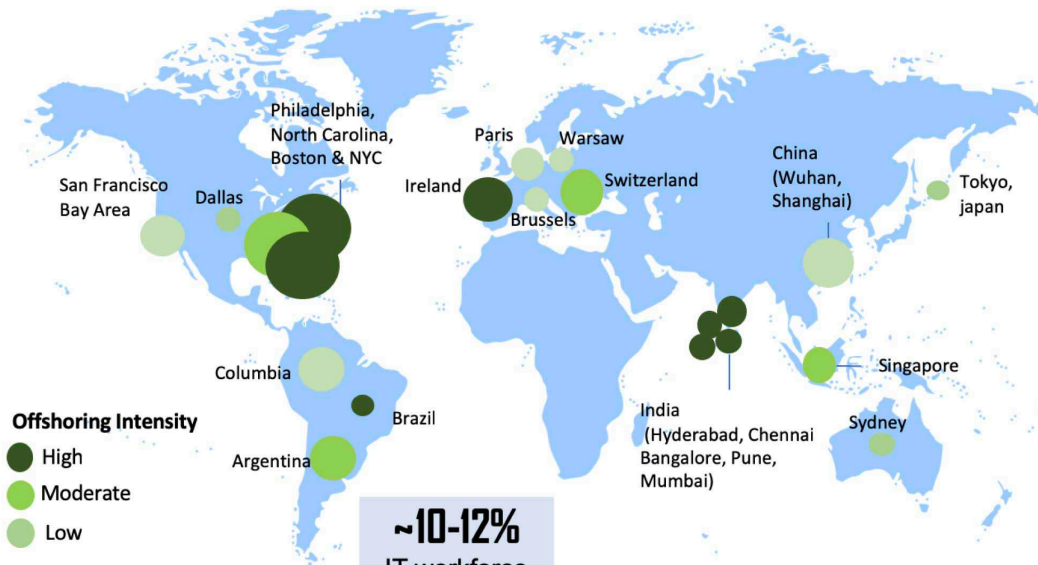


Top Service Providers for global retail companies

Capgemini Cognizant DXC
HCL TCS Accenture
Virtusa Tech Mahindra

Pharmaceutical Landscape View

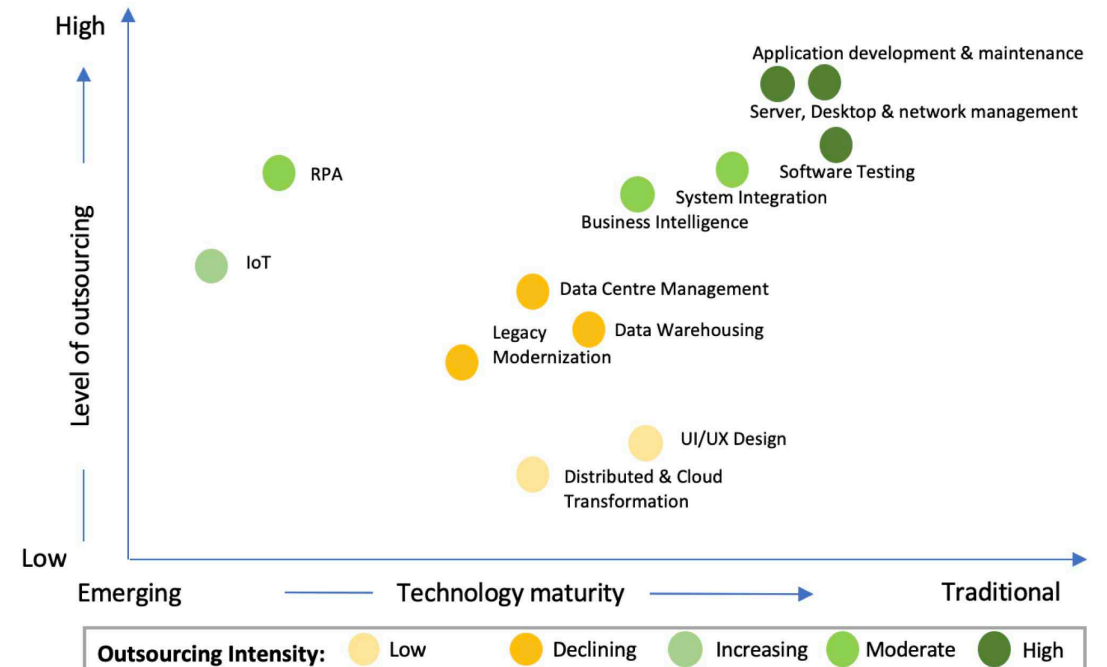
Top IT center locations for global pharma companies



Top outsourcing locations for global pharma companies

Hyderabad, India	Bengaluru, India	Chennai, India
Pune, India	New York City, USA	Sao Paulo, Brazil
Greater Philadelphia, USA	Dublin, Ireland	Mumbai, India

Outsourcing trend in global pharma companies

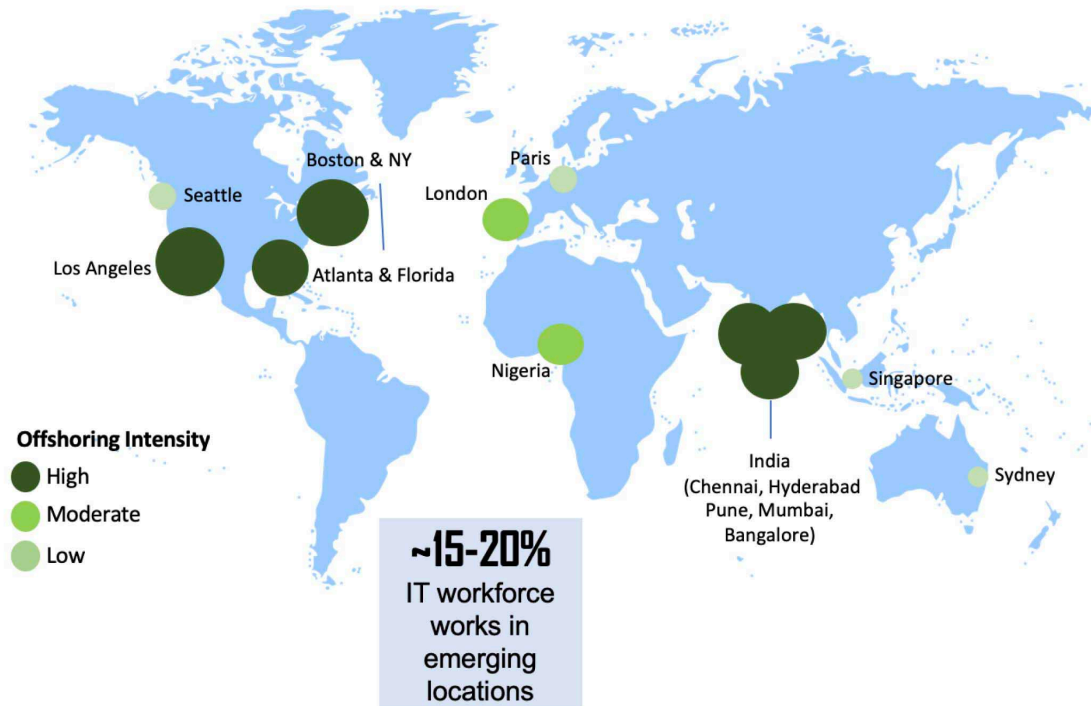


Top Service Providers for global pharma companies

Accenture	Cognizant	IBM
HPE-DXC	Infosys	Tech Mahindra
HCL	Genpact	TCS

Media and Entertainment Landscape View

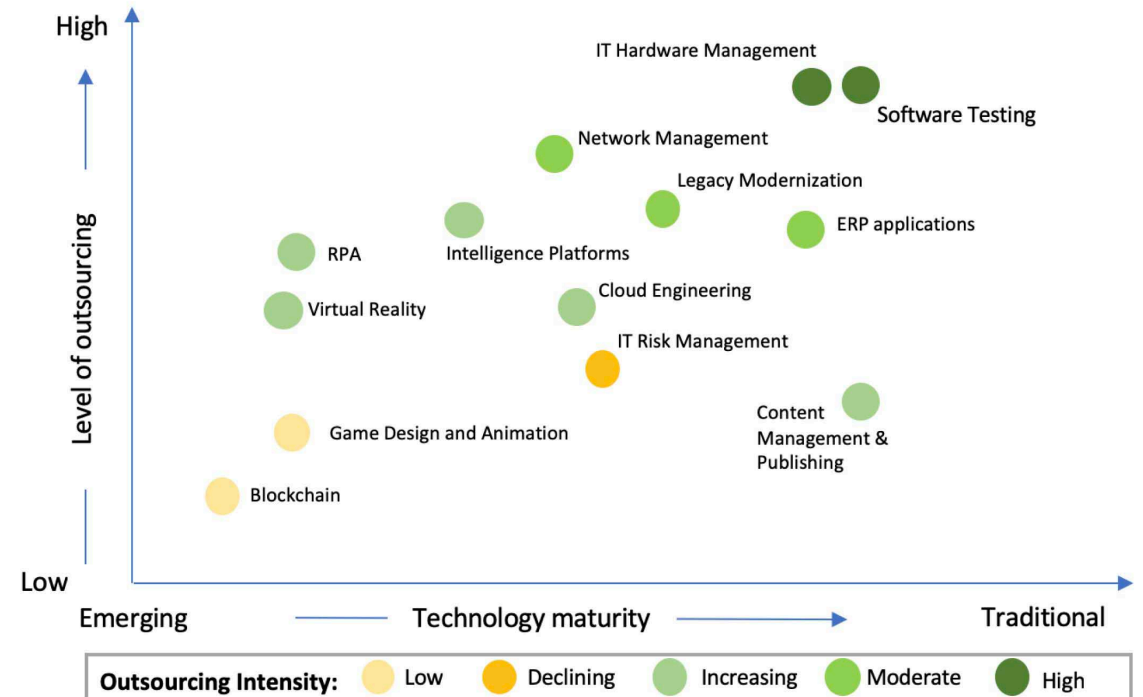
Top IT center locations for global M&E companies



Top outsourcing locations for global M&E companies

Chennai, India	Hyderabad, India	Bengaluru, India
Pune, India	NCR, India	Los Angeles, USA
New York, USA	Mumbai, India	

Outsourcing trend in global M&E companies



Top Service Providers for global M&E companies

Accenture	Cognizant	TCS
HCL	Wipro	Infosys
Capgemini	Arcent	AtoS

Key activities across the outsourcing lifecycle



Planning

Constant insights on :

- Market and peer trends
- Service Provider capability understanding
- Price benchmarks
- Evolving business models



Execution

End-end-vendor strategy :

- Portfolio planning
- RFI preparation
- Vendor sourcing
- Pricing negotiation
- Contracts governance and risk management



Consolidation

Holistic review of vendor landscape to develop more efficient and effective partnerships to create more value :

- Strategic vendor planning
- Portfolio re-evaluation and redistribution
- Contracts and model renegotiation
- Transition planning and management



Governance

End-to-end vendor relationship management through:

- Vendor governance playbooks
- Performance tracking
- Process design and standardization
- Review and outcome management



A



Subscription

Continuous real-time market insights around

- Key market and technology trends
- Peer analysis and competitive benchmarking
- New vendor tracking
- Risk profiles of vendors
- Locations analysis for emerging skills
- Vendor governance playbooks

Includes access to Zinnov analyst for queries around aforementioned topics

Self-serve

B



Bespoke engagements

On-demand engagements and advisory services across myriad areas such as

- Current state analysis
- Roadmap for procurement transformation
- Benchmarking against industry best practices for:
 - People
 - Processes
 - Tools and technology
 - Service Provider pricing

On-demand

C



VMO advisory

End-to-end vendor strategy and management for digital transformation and legacy management

- Portfolio planning
- Vendor strategy
- Engagement models
- Vendor sourcing
- Pricing negotiation
- Contracts governance and risk management
- Performance tracking
- Process design and standardization
- Review and outcome management

Full-service



zinnov