

***ISG** Provider Lens™

Public Cloud – Services & Solutions

U.K. 2021

Quadrant
Report



A research report
comparing provider
strengths, challenges
and competitive
differentiators

Customized report courtesy of:



November 2021

About this Report

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The research and analysis presented in this report includes research from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of July 2021, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars (\$US) unless noted.

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EXECUTIVE SUMMARY

The increasing adoption of cloud services is expected to be the primary driver of IT market growth in the U.K. Enterprises are adopting cloud technology at a faster and higher rate than small businesses. Infrastructure as a service (IaaS) has drawn the interest of IT decision-makers, particularly in small and medium enterprises (SMEs), and is expected to be the region's leading client category. Furthermore, ever-increasing government cloud spending is a crucial element driving market growth, as public sector cloud adoption lags behind the private sector.

Businesses in the U.K. are increasingly embracing a cloud-first strategy, with an increasing number of organisations anticipating a time when they would migrate all their IT assets to the cloud. While small businesses can take the natural step of removing depreciated hardware assets and completely moving to the cloud, large organisations, with significant infrastructure investments, may find it difficult to make this move rapidly. As a result, "cloud everything" will be out of reach for some time. ISG expects majority of businesses to maintain hybrid IT setups. The momentum of cloud adoption will continue as cloud users increasingly migrate portions of their estates to the cloud and consequently take on more complex migration projects.

Rise in outcome based and gain sharing model: Time and material (T&M) and key responsibility area (KRA) matrices have traditionally been used by IT service providers to determine price for services, based on effort. Such service models are being set aside because they do not consider business outcomes or risk ownership. While fines are

imposed based on established service level agreements (SLAs) in specific service scenarios, such as managed services, these SLAs are often defined based on predictable results and manageable risks. There has been a change from an input-based pricing model to an output-based pricing strategy. Customers simply pay for the results obtained throughout the engagement. Such a relationship exists when a service provider collaborates with a customer as a co-innovator and business partner. This trend is expected to continue as organisations face fierce competition in the global market, and IT spend becomes more strategic rather than commoditized for utilising a set of services.

Transformation-led IT outsourcing deals: It has been observed that the companies across verticals are outsourcing their multicloud and classic data centres to global and regional IT service providers. By selecting the right technology and business partner, these firms want to focus on their core business functions and business expansion plan with digital services adoption. The deals that have been announced in the recent past have been a combination of rebadge of employees, in-flight digital consulting projects and core IT components. The finding during the study reveals that cost reduction is, once again, the primary motivator for U.K. businesses to outsource, with a third of all businesses planning to outsource more. According to the research, cloud service provider satisfaction is also greater than the percentage of respondents that are satisfied with their IT service providers.

Strategic focus on increasing cloud adoption: The government's goal is to build a world-class digital economy that benefits everyone and strengthens the economy in the long run.

Several components of the digital transformation process are driven by execution. Building a world-class digital ecosystem, improving digital skills access for all U.K. businesses, and making the region the most suited location for digital business is all a part of this plan.

AWS, Azure, and Google Cloud Platform are becoming increasingly important in the public sector and enterprise clients' digitalisation journeys.

Increased use of public cloud services in the U.K.: Businesses in the U.K. are realising the value of cloud services and solutions in meeting customer needs. A growing number of businesses are focused on implementing a multicloud approach to develop cloud-native solutions. Small and medium-sized businesses (SMBs) are adopting cloud-native solutions and transformation strategies at an increasing rate. The cloud platforms AWS, Azure, and Google are the main drivers of enterprise digital transformation. As hyperscalers provide a wide range of services and platform enablement to businesses, CTOs in the U.K. are considering them for R&D engagements to push various product services in the region.

Pandemic has pushed CXOs to adopt cloud as a mainstream solution: Since the beginning of the pandemic, there has been a massive shift in consumer buying behaviour, from physical to digital. This change in consumer buying patterns has pushed CXOs to adopt the cloud as a mainstream solution from multiple dimensions. In order to stay competitive in the global market, the majority of the companies, across verticals, have increased their cloud spend and workload migration to the cloud.

Demand for integrated AI-led cloud managed services: Multicloud managed services continue to grow as companies are adopting a multicloud approach to drive their digital transformation journeys. Midsize and small service providers, with their unique service

offerings, have gained traction by winning public cloud managed services contracts. Early entrants have an advantage here, but small and midsize providers are gaining traction with their unique offerings in public cloud managed services for multicloud environments. Several small providers are being acquired by large system integrators to either eliminate the competition or to acquire their niche capabilities or client segments. This consolidation and shrinkage in the managed service provider market will prevail as technologies evolve. Public cloud providers have MSP certifications that every other system integrator is striving to acquire. Service providers are also differentiating themselves by creating proprietary offerings, bringing in vertical-specific expertise or establishing strategic partnerships with public cloud providers.

Multicloud has become the new normal: Enterprises do not wish to limit themselves to just one hyperscalers as each one has certain exclusive strengths, either in terms of vertical solutions or prices and other factors. When enterprises embark on their cloud journeys, they want to try out their vision with each hyperscaler in order to pick the right partner, and not just a commodity service provider, for success. Most enterprises have been using a multicloud environment. This trend is expected to surge irrespective of the enterprise size. However, there are some barriers to a multicloud setup. Orchestration involves several moving parts in a complex setup to be operated in a public cloud environment. Many users find it difficult to manage multicloud environments and are increasingly adopting various tools to handle this complexity, but these are not mature enough. Other barriers include vendor lock-in by the public cloud provider and interoperability between two or more public cloud providers.

Introduction

Simplified illustration

Public Cloud – Services and Solutions 2021	
Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket
Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket
Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services

Source: ISG 2021

Definition

In the last financial year, the increase in public cloud adoption among enterprises was mainly triggered by the COVID-19 pandemic, along with other factors, such as the growing digital transformation engagements, increasing recognition of the importance of cyber security and expanding remote working environments. The increased maturity of the cloud industry made a major impact on both enterprises and IT service providers, with both buyers and consumers witnessing a huge shift the buying behaviour, from physical to digital. For enterprises, this has also impacted business models, requiring digital initiatives and recognizing the need to address governance, risk and compliance norms. Considering the widespread adoption of the as-a-service model, enterprises need to continuously evaluate cloud service providers, globally, mainly due to growing security concerns and the dynamic nature of the business landscape. Enterprises continue to seek providers that can act as strategic partners in carrying out cloud transformation

Definition (cont.)

engagements on major hyperscalers (AWS, Microsoft Azure and Google Cloud Platform). The provider will also continue to manage the workloads on an on-going basis, and help enterprises control, optimise and manage cloud expenses through FinOps strategies.

ISG reports a strong demand for digital transformation engagements, which, in turn, is driving global contracts for cloud products and services, including infrastructure-as-a-service (IaaS) and platform-as-a-service (PaaS). According to the latest 2Q21 ISG Index™, the global market has grown 32 percent in combined market annual contract value (ACV) to reach its current value of US\$19.1 billion year-over-year, while the as-a-service ACV has increased by 25 percent to reach US\$11.2 billion in the same period. Also, the IaaS market grew by 29 percent to reach US\$15.3 billion, while the SaaS market grew by 15 percent to reach US\$5.7 billion in the first half of 2021.

The ISG Provider Lens™ study offers the following to IT-decision makers:

- Strengths and weaknesses of relevant providers.
- A differentiated positioning of providers based on competitive strength and portfolio attractiveness.
- A perspective on several markets, including global, the U.S., the U.K., Germany, Switzerland, France, the Nordics and Brazil.

This study serves as the basis for important decision-making in terms of positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also leverage information from these reports to evaluate current vendor relationships and potential engagements.

Definition (cont.)

Scope of the Report

The Public Cloud – Solutions & Service Partners 2020 U.K. report will assist buyers while reviewing a significant cloud transformation strategy and the capabilities of service providers in numerous geographies. Enterprise clients will also benefit from the study because it incorporates ISG's strengths in global sourcing advisory, contract knowledge databases, regional research, and expertise in technology ecosystems and innovations.

This study includes various reports from seven quadrants that cover cloud service models. Not all quadrants are covered in each geography. Coverage depends on provider responses, participation and relevance. Quadrants that are not covered in a region may be covered in future studies. The geographic report areas include the U.S., the U.K., Germany, Switzerland, the Nordics, France, Brazil and Latin America (LATAM).

Consulting and Transformation for Large Accounts: This quadrant assesses a service provider's ability to offer cloud assessment, advisory, workload migration and cloud consulting to large businesses. The enterprises are subject to strict regulations that can complicate engagements. They typically have more than 5,000 employees and a revenue of more than US\$1 billion.

Consulting and Transformation for Midmarket: This quadrant assesses a service provider's ability to provide cloud assessment, advisory workload migration and continuous service transformation for public cloud to midsize businesses. The enterprise client typically has fewer than 5,000 employees or generates less than US\$1 billion in revenue.

Managed Public Cloud Services for Large Accounts: This quadrant assesses a service provider's ability to provide multicloud managed services for large businesses. The enterprises are subject to strict regulations that can complicate engagements. They typically have more than 5,000 employees and a revenue of more than US\$1 billion.

Managed Public Cloud Services for Midmarket: This quadrant assesses a service provider's ability to provide multicloud managed services for public cloud for midsize businesses. The enterprise client typically has fewer than 5,000 employees or generates less than US\$1 billion in revenue.

Hyperscale Infrastructure and Platform Services: Providers in this quadrant offer virtual compute resources, middleware and software on a public cloud. Clients consume infrastructure and platform (micro)services as an on-demand and a web-centric service. Typical services in the IaaS segment are compute services, storage and network resources, where all are provided in a virtual or containerized software-defined manner and rounded up by serverless architectures.

Definition (cont.)

SAP HANA Infrastructure Services: This quadrant examines cloud infrastructures best suited to host SAP software portfolio, with focus on SAP S/4HANA workloads and large-scale HANA databases. Participating vendors offer hyperscale IaaS — including infrastructure operations, facilities, provisioning and scaling capacity — in a pay-as-you-go model. IaaS tools should include data migration, system imaging, backup, restore, disaster recovery, resource usage monitoring and management dashboards. Tools can be part of the standard IaaS offering or be provided by partners in a marketplace.



Provider Classifications

The provider position reflects the suitability of IT providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the IT service requirements from enterprise customers differ and the spectrum of IT providers operating in the local market is sufficiently wide, a further differentiation of the IT providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions IT providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between US\$20 million and US\$999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with 5,000 or more employees or revenue above US\$1 billion, with activities worldwide and globally distributed decision-making structures.

Provider Classifications

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product & Market Challenger and Contender), and the providers are positioned accordingly.

Leader

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Product Challenger

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Market Challenger

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

Contender

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/ services and follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Provider Classifications (cont.)

Each ISG Provider Lens™ quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star. Number of providers in each quadrant: ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).

Rising Star

Rising Stars have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not In

The service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

Public Cloud – Services & Solutions - Quadrant Provider Listing 1 of 4

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
3stepIT	● Not In	● Contender	● Not In	● Not In	● Not In	● Not In
Accenture	● Leader	● Not In	● Leader	● Not In	● Not In	● Not In
Acora	● Not In	● Not In	● Not In	● Contender	● Not In	● Not In
Alibaba	● Not In	● Not In	● Not In	● Not In	● Contender	● Not In
ANS	● Not In	● Contender	● Not In	● Not In	● Not In	● Not In
Aptum	● Not In	● Not In	● Not In	● Contender	● Not In	● Not In
Atos	● Leader	● Not In	● Leader	● Not In	● Not In	● Not In
AWS	● Not In	● Not In	● Not In	● Not In	● Leader	● Leader
Birlasoft	● Not In	● Not In	● Contender	● Not In	● Not In	● Not In
CANCOM (Telefonica Tech)	● Market Challenger	● Leader	● Product Challenger	● Leader	● Not In	● Not In
Capgemini	● Leader	● Not In	● Leader	● Not In	● Not In	● Not In
Claranet	● Product Challenger	● Leader	● Rising Star	● Leader	● Not In	● Not In
Cloudreach	● Product Challenger	● Product Challenger	● Market Challenger	● Leader	● Not In	● Not In
Coforge	● Product Challenger	● Leader	● Product Challenger	● Leader	● Not In	● Not In

Public Cloud – Services & Solutions - Quadrant Provider Listing 2 of 4

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
Cognizant	● Leader	● Not In	● Product Challenger	● Not In	● Not In	● Not In
Computacenter	● Market Challenger	● Leader	● Rising Star	● Leader	● Not In	● Not In
DXC	● Product Challenger	● Not In	● Product Challenger	● Not In	● Not In	● Not In
Ensono	● Product Challenger	● Leader	● Market Challenger	● Leader	● Not In	● Not In
Fujitsu	● Leader	● Not In	● Leader	● Not In	● Not In	● Not In
Google	● Not In	● Not In	● Not In	● Not In	● Leader	● Market Challenger
HCL	● Leader	● Not In	● Leader	● Not In	● Not In	● Not In
Hexaware	● Product Challenger	● Leader	● Product Challenger	● Leader	● Not In	● Not In
IBM	● Leader	● Not In	● Leader	● Not In	● Product Challenger	● Product Challenger
Infosys	● Leader	● Not In	● Leader	● Not In	● Not In	● Not In
Jisc	● Not In	● Contender	● Not In	● Contender	● Not In	● Not In
Lemongrass Consulting	● Not In	● Market Challenger	● Not In	● Market Challenger	● Not In	● Not In
Logicalis	● Not In	● Product Challenger	● Not In	● Market Challenger	● Not In	● Not In
Logicata	● Not In	● Market Challenger	● Not In	● Product Challenger	● Not In	● Not In

Public Cloud – Services & Solutions - Quadrant Provider Listing 3 of 4

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
LTI	● Product Challenger	● Product Challenger	● Product Challenger	● Product Challenger	● Not In	● Not In
Microland	● Contender	● Product Challenger	● Contender	● Product Challenger	● Not In	● Not In
Microsoft	● Not In	● Not In	● Not In	● Not In	● Leader	● Leader
Mindtree	● Product Challenger	● Rising Star	● Product Challenger	● Rising Star	● Not In	● Not In
Mphasis	● Contender	● Product Challenger	● Contender	● Product Challenger	● Not In	● Not In
N-iX	● Not In	● Rising Star	● Not In	● Not In	● Not In	● Not In
Oneadvanced	● Not In	● Not In	● Not In	● Product Challenger	● Not In	● Not In
Oracle	● Not In	● Not In	● Not In	● Not In	● Product Challenger	● Not In
OVHcloud	● Not In	● Not In	● Not In	● Not In	● Contender	● Contender
Protera	● Not In	● Market Challenger	● Not In	● Contender	● Not In	● Not In
Pythian	● Not In	● Contender	● Not In	● Market Challenger	● Not In	● Not In
Rackspace Technology	● Rising Star	● Leader	● Leader	● Leader	● Not In	● Not In
SAP	● Not In	● Not In	● Not In	● Not In	● Not In	● Product Challenger
Six Degrees	● Not In	● Contender	● Not In	● Not In	● Not In	● Not In

Public Cloud – Services & Solutions - Quadrant Provider Listing 4 of 4

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
Slalom	● Not In	● Product Challenger	● Not In	● Product Challenger	● Not In	● Not In
Sopra Steria	● Product Challenger	● Product Challenger	● Not In	● Not In	● Not In	● Not In
SysGroup	● Contender	● Contender	● Contender	● Not In	● Not In	● Not In
TCS	● Leader	● Not In	● Leader	● Not In	● Not In	● Not In
Tech Mahindra	● Product Challenger	● Leader	● Product Challenger	● Rising Star	● Not In	● Not In
transputec	● Not In	● Not In	● Not In	● Contender	● Not In	● Not In
T-Systems	● Product Challenger	● Not In	● Not In	● Not In	● Not In	● Contender
Unisys	● Product Challenger	● Product Challenger	● Product Challenger	● Leader	● Not In	● Not In
Version 1	● Contender	● Not In	● Contender	● Not In	● Not In	● Not In
Virtusa	● Not In	● Not In	● Not In	● Contender	● Not In	● Not In
Virtustream	● Not In	● Not In	● Not In	● Not In	● Not In	● Product Challenger
Wipro	● Leader	● Not In	● Leader	● Not In	● Not In	● Not In
Zensar	● Not In	● Not In	● Product Challenger	● Product Challenger	● Not In	● Not In



Public Cloud – Services & Solutions Quadrants

ENTERPRISE CONTEXT

Consulting and Transformational Services for Large Accounts

This quadrant is relevant to large enterprises in the U.K. that are evaluating consulting and transformation service providers. In this quadrant report, ISG lays out the current market positioning of these providers in the U.K. and how they can address key challenges in large enterprises' migration journeys to the public cloud environment.

Enterprises are shifting toward the public cloud working with consulting and transformation service providers to overcome the difficulties such as assessing the workloads, change management, a shortage of talented specialists or skill gaps, and uncertainties about integration of existing infrastructure. In 2021, however, the urge to move workloads to the public cloud has become more pressing than ever, and many enterprises are accelerating their digital transformation focused on customer experience. This report can help with choosing the right provider to overcome the challenges and address the difficulties mentioned.

For enterprises, the benefits of working with consulting and transformation service providers include experienced workload assessment, transformation roadmaps, advisory on workload migration, re-architecture of legacy applications, integration of automation capabilities, optimizing cloud governance. Enterprises embracing the shift toward the cloud are looking for multi-cloud solutions to achieve their business goals.

Enterprises in the U.K. are building the strategy towards technical investments required due to the Brexit process. Consulting and transformation service providers can help them

by creating a framework for workload migration based on a thorough understanding of the operating environment in the U.K. and data protection regulations. The regulatory push toward hybrid and multicloud environments is increasing among U.K. enterprises.

ISG sees that enterprises are increasingly shifting their focus from lift and shift toward long-term application modernization, hence re-architecture, code reviews and cloud-native environments are on the rise in the U.K. Most U.K. enterprises are willing to invest in migration but looking for providers with expertise in optimized cloud governance in the areas of cost and resource management.

IT leaders should read this report to better understand the relative strengths and weaknesses of consulting and transformation service providers, as well as to help them lead the digital transformation drive in their enterprises.

Software development and technology leaders should read this report to understand the positioning of consulting and transformation service providers, learn how those providers' offerings can impact an enterprise's ongoing transformation initiatives, and discover the benefits they can achieve by moving to the cloud.

Sourcing, procurement, and vendor management professionals should read this report to develop a better sense of the current landscape of consulting and transformation service providers in the U.K.

CONSULTING AND TRANSFORMATIONAL SERVICES FOR LARGE ACCOUNTS

Definition

This quadrant assesses service providers or service integrators that offer consulting and transformation services for public cloud engagements. The public cloud enables enterprises to achieve agility and scalability without the need to invest in their own infrastructure, which makes it an integral aspect of digital transformation. Participating service providers have partnerships with public cloud infrastructure providers to offer ideation of multicloud programs, industry cloud solutions and manage customer-specific complexities of adopting and deploying public cloud solutions. These providers have highly skilled developers and software architects who leverage design thinking, SCRUM initiatives and short work cycles to meet growing customer demands.

Provider services typically include the following:

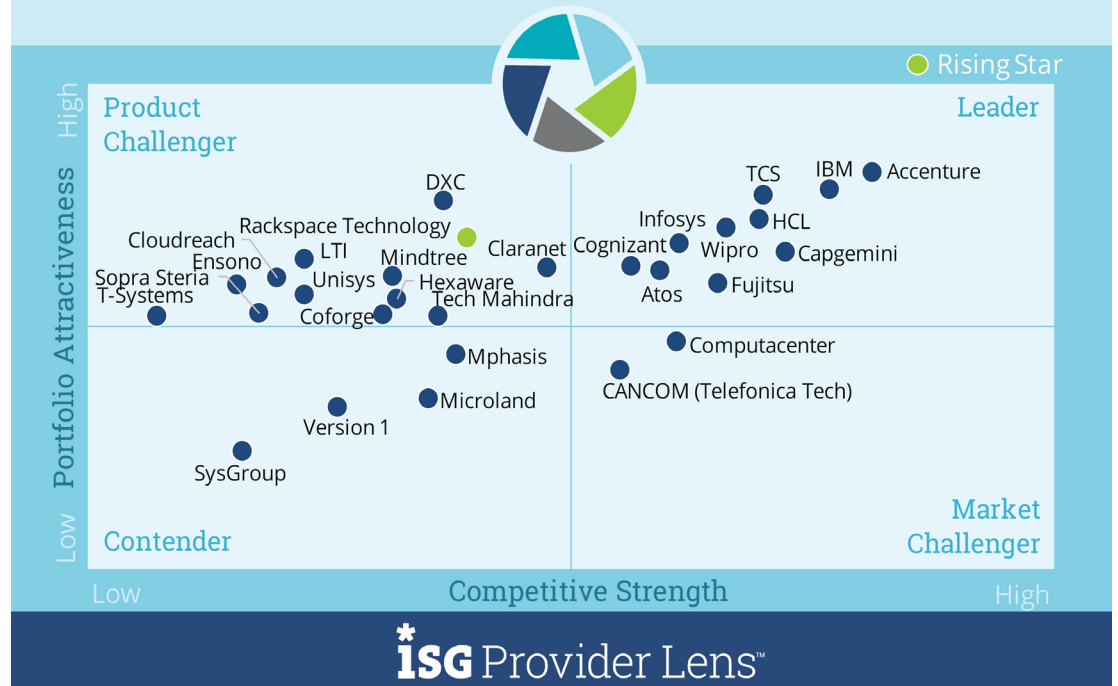
- Consulting services:** Consultants design a business case for cloud; assess a workload for migration; build a transformation roadmap, which includes addressing risk and compliance issues; and advise on migrating applications from the existing environment to a public cloud.

Public Cloud - Services and Solutions

Consulting and Transformational Services for Large Accounts

2021

U.K.



Source: ISG Research 2021

CONSULTING AND TRANSFORMATIONAL SERVICES FOR LARGE ACCOUNTS

Definition (cont.)

- **Transformation services:** Cloud experts design and build cloud architecture/environments and migrate and integrate applications to harness cloud computing features and benefits.
- **Governance, risk and compliance services:** Cloud experts design frameworks, policies, processes and functions to ensure that enterprise cloud workloads are run in a secure and compliant environment, regardless of location. As governance, risk and compliance has become a mainstream requirement from a CXO's office, the industry expects these to be an integral part of transformation engagements.

Eligibility Criteria

- Methods and frameworks to analyse a client's IT landscape and help them avoid additional technical debts and realize value in their IT spending.
- Experience in planning and implementation of multicloud services for major industry verticals.
- Application migration experience (templates, automation engines and many more techniques) in conjunction with cloud-native application development for brownfield workloads.
- Hyperscale-provider-related partner program certifications.
- Robust APIs for application and service integration in public cloud.
- Ability to drive governance, risk and compliance for large transformation programs.
- Migration through cloud native application development for brownfield workloads.

CONSULTING AND TRANSFORMATIONAL SERVICES FOR LARGE ACCOUNTS

Observations

As the business sector struggles to adapt to the new normal of remote work in the wake of the pandemic, cloud consulting and transformation have taken centre stage in 2021. The demand for online supply chain solutions, collaboration services and other services has resulted in a boom in cloud consulting and transformation services in the U.K. during the last two quarters. Enterprise clients are looking for a provider with a strong cloud portfolio and proven expertise in the region to help them with difficult transformation initiatives. Global system integrators have invested in developing a mature cloud management platform as well as a factory-based migration solution to meet the needs of clients on their cloud transformation journey.

The majority of leaders in this quadrant are capable of assisting large businesses with consultation and transformation, as a part of their multicloud transformation journey. Among the 29 providers that have qualified for this quadrant, 10 have been designated as Leaders, while one is a Rising Star.

- **Accenture** has acquired Infinity Works, a cloud and digital transformation consultant. Its Cloud First's cloud delivery and engineering skills in the U.K. will be strengthened and expanded with this acquisition.
- **Atos** has won a contract with the U.K. Passport Office for digital support. The duration of the contract is initially for two years, with the option to extend it for an additional three years.
- **Capgemini** has plans to hire 1,500 resources in the U.K. over the next year, which would bring its total headcount to 8,800.
- **Cognizant** has a partnership with Aker Solutions to help it to modernize its IT systems and accelerate the transition to renewable energy.
- **Fujitsu** has won a £5 million contract to support U.K.'s troubled border crossing system.
- **HCL** has plans to hire 1,000 technology workers in the U.K. and Europe to support its clients.
- **Infosys** will address digital growth by hiring 1,000 people in the U.K. Cloud computing, data and analytics, AI, open-source technology and corporate services are some of the areas where the company will mentor them.

CONSULTING AND TRANSFORMATIONAL SERVICES FOR LARGE ACCOUNTS

Observations (cont.)

- **IBM** collaborates with Audi U.K. to reimagine the digital customer experience. IBM has built the Audi analytics platform using Adobe Analytics, which has helped provide actionable marketing insights and pinpoint site performance improvement opportunities, resulting in Audi U.K. reducing customer submission errors by 90 percent.
- **TCS** has been selected by Transport for London (TfL) to design, implement and operate a new smart mobility system that will reimagine the administration of taxi and private hire vehicles in London.
- **Wipro** recently announced the opening of an innovation centre in London. Wipro has established a powerful presence in the U.K. in recent years — boasts of 10 offices across the region, including a Cloud Studio in London and a Cyber Defence Centre in Reading.
- **Rackspace Technology** (Rising Star) recently announced the launch of Rackspace Elastic Engineering for Security. The new offering transforms cloud security operations by giving users access to a team of experts that works as an extension of internal staff to address complex cyber security and compliance challenges.

WIPRO

Overview

Wipro is a global IT service provider, headquartered in Bengaluru, India. The company has six offices in the U.K. to offer public cloud consulting and transformation services. Wipro has the highest level of partnership with AWS, Azure and Google Cloud Platform, and is focussed on increasing its competencies. Wipro continues to grow its consulting and advisory services through acquisitions such as that of CAPCO and Ampion in the past year.

Strengths

Innovation centre in London: The firm has recently announced that it would be establishing an innovation centre in the U.K. The innovation centre would be integral to providing advanced digital, cyber security and cloud expertise to both established and upcoming enterprises, taking the lead on digital transformation in one of Europe's biggest technology markets.

Significant investments in cloud business: Wipro has adopted a business-first approach through business acceleration, customer experience and connected insights. The core to each pillar is its "key growth areas" program, under which the firm is investing heavily to accelerate growth in digital solutions, cloud, engineering services and cyber security.

Acquisition engagement in the region: Wipro recently acquired U.K.-based Capco for US\$1.45 billion. This acquisition will add 1,300 employees to its resource base in the U.K. and make Wipro one of the largest end-to-end IT service providers to the banking and financial services industry.

Caution

Wipro should concentrate on growing its enterprise clients in the region across all verticals. The company has not shown significant growth in the region.



2021 ISG Provider Lens™ Leader

Wipro has been an instrumental in redefining the digital transformation journey of its clients through IT service.

ENTERPRISE CONTEXT

Consulting and Transformational Services for Midmarket

This quadrant is relevant to midsized enterprises in the U.K. that are evaluating consulting and transformation service providers. In this quadrant report, ISG lays out the current market positioning of these providers in the U.K. and how they can address key challenges in midsized enterprises' migration journeys to the public cloud environment.

Enterprises are shifting toward the public cloud working with consulting and transformation service providers to overcome the difficulties such as assessing the workloads, change management, a shortage of talented specialists or skill gaps, and uncertainties about integration of existing infrastructure. In 2021, however, the urge to move workloads to the public cloud has become more pressing than ever, and many enterprises are accelerating their digital transformation focused on customer experience. This report can help with choosing the right provider to overcome the challenges and address the difficulties mentioned.

For enterprises, the benefits of working with consulting and transformation service providers include experienced workload assessment, transformation roadmaps, advisory on workload migration, re-architecture of legacy applications, integration of automation capabilities, optimizing cloud governance. Enterprises embracing the shift toward the cloud are looking for multicloud solutions to achieve their business goals.

Midmarket clients have fewer complex requirements and smaller-scale projects than large enterprises, and they prefer providers with strong local delivery capabilities and high integration capabilities. Most midsized clients look for service providers with consulting

and migration capabilities and the ability to offer a ready-to-use framework and cultural integration in the transformation journey.

Enterprises in the U.K. are building the strategy towards technical investments required due to the Brexit process. Consulting and transformation service providers can help them by creating a framework for workload migration based on a thorough understanding of the operating environment in the U.K. and data protection regulations. The regulatory push toward hybrid and multi-cloud environments is increasing among U.K. enterprises.

ISG sees that enterprises are increasingly shifting their focus from lift and shift toward long-term application modernization, hence re-architecture, code reviews and cloud-native environments are on the rise in the U.K. Most U.K. enterprises are willing to invest in migration but looking for providers with expertise in optimized cloud governance in the areas of cost and resource management.

IT leaders should read this report to better understand the relative strengths and weaknesses of consulting and transformation service providers, as well as to help them lead the digital transformation drive in their enterprises.

Software development and technology leaders should read this report to understand the positioning of consulting and transformation service providers, learn how those providers' offerings can impact an enterprise's ongoing transformation initiatives, and discover the benefits they can achieve by moving to the cloud.

Sourcing, procurement, and vendor management professionals should read this report to develop a better sense of the current landscape of consulting and transformation service providers in the U.K.

CONSULTING AND TRANSFORMATIONAL SERVICES FOR MIDMARKET

Definition

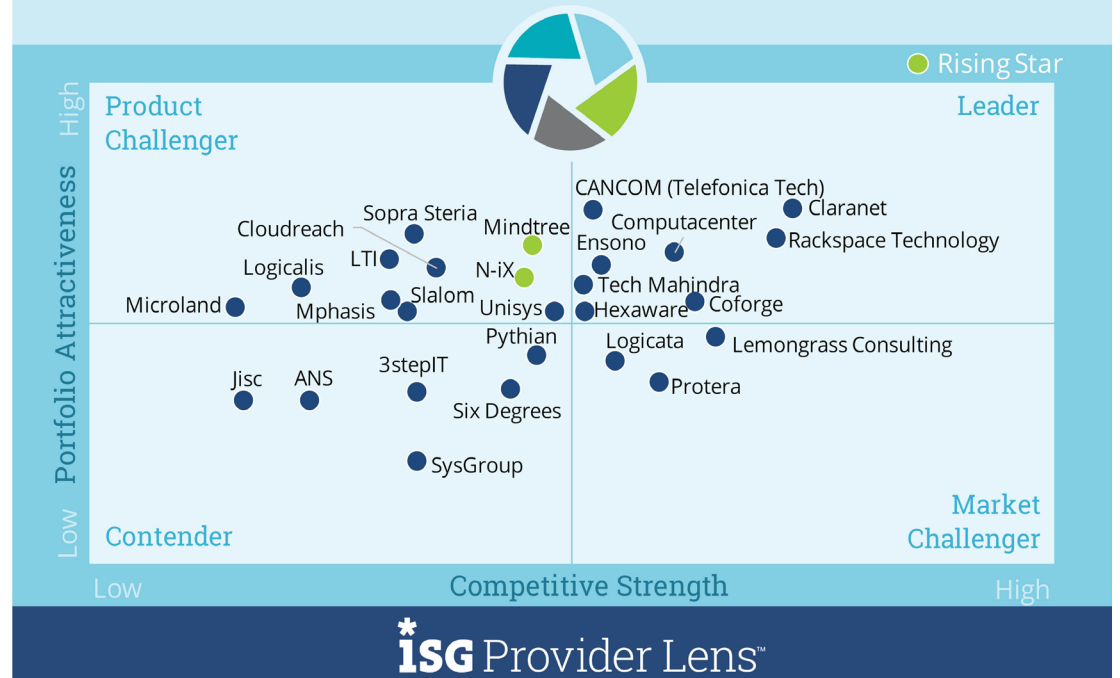
This quadrant assesses service providers or service integrators that offer consulting and transformation services for public cloud engagements. The public cloud enables enterprises to achieve agility and scalability without the need to invest in their own infrastructure, which makes it an integral aspect of digital transformation. Participating service providers have partnerships with public cloud infrastructure providers to offer ideation of multicloud programs, industry cloud solutions and manage customer-specific complexities of adopting and deploying public cloud solutions. These providers have highly skilled developers and software architects who leverage design thinking, SCRUM initiatives and short work cycles to meet growing customer demands.

Provider services typically include the following:

- Consulting services:** Consultants design a business case for cloud; assess a workload for migration; build a transformation roadmap, which includes addressing risk and compliance issues; and advise on migrating applications from the existing environment to a public cloud.

Public Cloud - Services and Solutions
Consulting and Transformational Services for Midmarket

2021
U.K.



Source: ISG Research 2021

CONSULTING AND TRANSFORMATIONAL SERVICES FOR MIDMARKET

Definition (cont.)

- **Transformation services:** Cloud experts design and build cloud architecture/environments and migrate and integrate applications to harness cloud computing features and benefits.
- **Governance, risk and compliance services:** Cloud experts design frameworks, policies, processes and functions to ensure that enterprise cloud workloads are run in a secure and compliant environment, regardless of location. As governance, risk and compliance has become a mainstream requirement from a CXO's office, the industry expects these to be an integral part of transformation engagements.

Eligibility Criteria

- Methods and frameworks to analyse a client's IT landscape and help them avoid additional technical debts and realize value in their IT spending.
- Experience in planning and implementation of multicloud services for major industry verticals.
- Application migration experience (templates, automation engines and many more techniques) in conjunction with cloud-native application development for brownfield workloads.
- Hyperscale-provider-related partner program certifications.
- Robust APIs for application and service integration in public cloud.
- Ability to drive governance, risk and compliance for large transformation programs.
- Migration through cloud native application development for brownfield workloads.

CONSULTING AND TRANSFORMATIONAL SERVICES FOR MIDMARKET

Observations

Enterprise clients and SMBs in the U.K. expect system integrators to introduce differentiators for digital transformation. Public cloud transformation is not only limited to driving digital business excellence, but also includes innovation, products and revenue. Over the next few years, U.K. enterprises will focus on increasing investments and they expect public cloud transformation to continue bringing in more agility alongside an increase their global market share. At the same time, enterprises continue to outsource and insource hybrid IT.

Irrespective of the sourcing strategy and model adoption, public cloud transformations will continue with a great focus from CTO and CIO offices. Most U.K. IT service providers are developing AI- and machine-learning-led automated cloud transformation services, in conjunction with change management services, for their clients.

Of the 49 companies included in this study, 27 have qualified for this quadrant, of which eight are Leaders and two are Rising Stars.

- **CANCOM** has sold its U.K. and Ireland business to Madrid-based technology services company, Telefonica Tech, for a sum of €398 million (£338.74 million).
- **Claranet** offers modular cloud assessment, migration and transformation services to accelerate the cloud journey for its clients.
- **Computacenter** has acquired AWS Migration Competency accreditation. This distinction is in recognition of Computacenter's experience and skill in assisting clients with successful AWS migrations, and it applies to all phases of complex migration projects, including discovery, planning, migration and operations.
- **Coforge's** cloud-consulting services enable clients to identify suitable opportunities to leverage cloud-computing services and realise sustainable business benefits.
- **Ensono**, to support clients' transformation roadmaps, has aligned its cloud strategy with a multicloud portfolio, migration, managed specialty mainframe and migration capabilities.
- Carlyle has emerged as the favoured bidder for **Hexaware**, a \$3 billion IT services firm owned by Baring Private Equity Asia.

CONSULTING AND TRANSFORMATIONAL SERVICES FOR MIDMARKET

Observations (cont.)

- Pret A Manger, situated in the U.K., has awarded **Tech Mahindra** a five-year digital contract.
- **Rackspace Technology** provides a broad public cloud solution, full cloud lifecycle support and unified multicloud management services.
- **N-iX** (Rising Star) has become the only Ukraine-based company to obtain the Amazon API gateway delivery designation.
- **Mindtree** (Rising Star) enables businesses to swiftly transition to the cloud and scale in a factory-based approach, ensuring efficiency and flexibility to meet changing business requirements.



ENTERPRISE CONTEXT

Managed Public Cloud Services for Large Accounts

This quadrant is relevant to large enterprises in the U.K. that are evaluating public cloud managed service providers (MSPs). In this quadrant report, ISG lays out the current market positioning of these providers in the U.K. and how they interact with key challenges in large enterprises' infrastructure management in the public cloud environment. These providers manage client workloads on third-party, public cloud, hyperscale environments so enterprises can focus on other tasks.

Enterprises are increasing the adoption of cloud native, DevOps and IoT technologies and looking for service providers with expertise in re-architecture and re-platforming of existing applications in a cloud native environment. Using public cloud managed services can help enterprises with implementing cloud-native solutions leveraging containers and serverless functions to achieve cost efficiency. U.K. enterprises are looking for cloud agnostic solutions for multicloud environments.

ISG observes that enterprises are trying to move to an automation centric operations model for managing their multicloud environments. Enterprises will get the benefit of the MSPs' automation and AI capabilities to monitor their infrastructure for proactive responses, predict the failures and reduce maintenance costs. This will reduce the overheads in maintenance and monitoring of cloud native applications. Most of the U.K. enterprises invest in self-service or auto-heal capabilities for their ticket generating requests. Also, enterprises in the U.K. focus on financial management, cloud governance, brokerage and autonomous support functions.

The COVID-19 crisis has created an increased demand for enterprises to focus more on business continuity and disaster recovery in their public cloud managed services. There are several such cloud offerings that target specific verticals based on the needs of individual industries. Also, enterprises are increasingly looking for innovative pricing models such as outcome-based or consumption-based models.

IT leaders should read this report to better understand the relative strengths and weaknesses of managed service providers, as well as how the MSPs' approaches to the market can impact enterprise public cloud strategies, improve business agility and reduce total cost of ownership.

Software development and technology leaders should read this report to understand the positioning of managed service providers and learn how MSP offerings can impact ongoing development of an enterprise's software products.

Sourcing, procurement, and vendor management professionals should read this report to develop a better sense of the current landscape of managed services providers in the U.K.

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

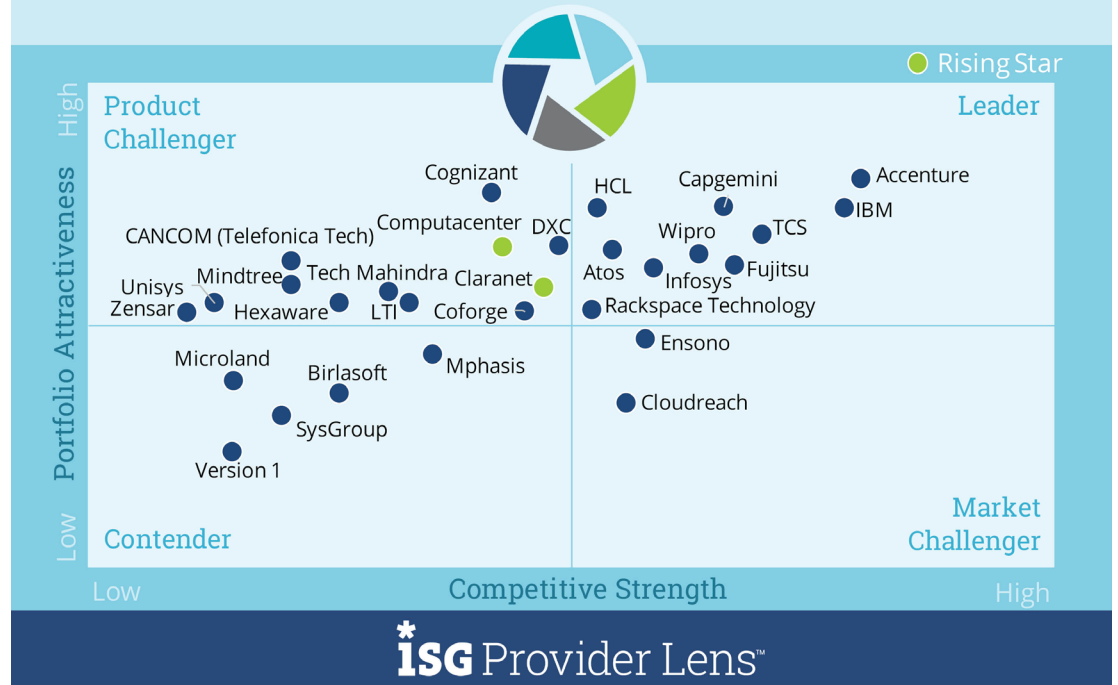
Definition

This quadrant assesses service providers and service integrators that offer managed public cloud infrastructure and application services. Managed service providers of public cloud offer professional and managed services on top of public cloud IaaS providers/hyperscalers (AWS, Microsoft Azure, Google Cloud Platform) through a DevOps- and DevSecOps-centric approach and help enterprise build a robust CI/CD pipeline with strong container management capabilities. Under the managed public cloud services umbrella, a provider is responsible for providing site reliability engineering and business resiliency.

Broadly, these services include cloud services lifecycle management, real-time and predictive analysis, and monitoring and managing a customer's public and multicloud environment, with the aim to maximize the performance of workloads in the cloud, reduce costs and ensure compliance and security. Typically, specially developed or licensed cloud management platforms and tools are used to serve customers with maximum automation and provide the necessary transparency on the managed cloud resource pool, in terms of capacity

Public Cloud - Services and Solutions
Managed Public Cloud Services for Large Accounts

2021
U.K.



Source: ISG Research 2021

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

Definition (cont.)

utilization and costs, including self-service administration. In addition to the technical services a provider offers dashboards to analyse and forecast financial impacts and propose optimization of the services.

Provider services typically include the following:

- Professional services for the management and monitoring of CPU, storage, memory, databases, and operating systems as standalone or micro services or virtual machine and container services.
- Operating system, middleware and application upgrade services.
- Cloud infrastructure management platform for cloud-cost management (charge back and show back), identity management and IT service management.
- Monitoring, logging, patching, and predictive analytics services to guarantee performance and security improvements throughout a container lifecycle to enable continuous integration and delivery.

- Governance and compliance management, along with a robust cyber security framework and platform for securing client data in multiple geographies.
- Support services such as incident management, configuration, security services and automation setup.

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

Eligibility Criteria

- Operational excellence and well-defined professional services.
- Experience in building and managing public and multicloud environments, along with expertise in managing configurations of platforms and systems as well as that of containers.
- Financial dashboards and cost analysis tools, providing visibility of variable costs associated with cloud providers through FinOps ecosystem.
- Support for software code development and cloud-native and legacy system integration by leveraging DevOps, API-enabled automation and cloud analytics services.
- Robust cyber security managed services offering.
- Partnerships with relevant public cloud providers and respective managed-service-provider certificates for AWS, Microsoft Azure, GCP, or others.

Observations

The need for public cloud managed services in the U.K. is increasing and businesses are, consequently, increasing their cloud expenditure to build industrial cloud solutions. Also, when using multicloud services, businesses want to make sure they are not spending too much on public cloud. The growing demand for multicloud services and the complexity of on-premises private clouds are compelling businesses to look for integrated multicloud management platform. In order to manage, monitor, and optimise workload, businesses are seeking system integrations to create stable managed service architectures and platforms with AI capabilities.

Almost every industry is embracing digital transformation. Consequently, existing infrastructure and business models are being phased out in favour of new options; businesses that are not embracing digitalisation are becoming obsolete. While the pandemic, company resilience can be established only with digital initiatives at the forefront of all decision-making. Although an increasing number of firms have effectively embraced the changes by liaising with managed service providers, the majority of the enterprises are still struggling. A significant number of enterprises are lagging behind on the adoption of the latest technologies; the ones that have been able to stay ahead of the curve in this game have embraced innovation for their IT departments.

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

Observations (cont.)

The majority of Leaders in this quadrant are capable of assisting large businesses with multicloud managed services to optimise cloud workloads. Ten of the 29 providers that qualified for this quadrant have been designated as Leaders, while two are Rising Stars.

- **Accenture** has expanded its cloud first offerings and engineering capabilities in the U.K. with the acquisition of Infinity Work.
- **Atos** has won a digital support contract from U.K. Passport Office.
- **Capgemini** has been awarded the £600 million contract to host and run London Metropolitan Police's IT infrastructure.
- **Fujitsu** has years of experience in serving the U.K. public sector and has plans to gain SAP and other competencies to offer workload services.
- **HCL Tech** has plans to hire 1,000 technology professionals from in the cloud and AI space in the U.K.
- **Infosys** has plans to hire 1,000 resources in the U.K. to meet the growth surge in the digital space.
- **IBM** partners with the U.K. government on a US\$300 million Quantum Computing research initiative.
- **Rackspace Technology** provides Brooks Macdonald with a streamlined and secure private cloud architecture.
- **TCS** has added over 7,000 employees in the U.K., including 1,800 trainees, over the past five years.
- **Wipro** will invest £16million, over the next four years, in a 20,000-square-foot innovation centre that will serve as Wipro's flagship centre in the U.K. and offer technology expertise to companies in both the U.K. and worldwide.
- **Claranet** (Rising Star) has deep roots in providing AI and machine learning services, and more than 150 certified cloud architects and consultants. It also has a deep understanding of Google Cloud Platform and AWS to better serve small and midsize businesses in the region.
- **Computacenter** (Rising Star) is a part of the AWS Well-Architected Partner Program to drive architectural excellence. It has helped clients to realise significant annual savings on their public cloud consumption, thereby supporting overall cost optimisation.

WIPRO

Overview

Wipro is a global IT service provider, headquartered in Bengaluru, India. The company has six offices in the U.K., offering managed public cloud services. Wipro has highest level of partnership with AWS, Azure and Google Cloud Platform and increasing their competencies. The company has MSP certification from all the three major hyperscalers. Wipro has a strong presence in the U.K., with over 100 clients, with revenues of around US\$72 million for managed services.

Strengths

FullStride Cloud Services: Wipro FullStride Cloud services combine the complete breadth of Wipro's cloud-related capabilities, solutions and expertise to help clients better orchestrate their cloud journeys. This commitment has strengthened Wipro's base of cloud customers, lending credibility to its investments with partners and hyperscalers and resulted in solutions that help clients achieve faster results.

Integrated multicloud managed services: Wipro was one of the early entrants in multicloud managed services. Over the last few years, it has added multiple features to its cloud management platform. In addition, its digital operation of enterprises is integrated with HOLMES AIOps capabilities. The overall capabilities enable clients with cost optimization, auto-scaling, infrastructure as code and many other features.

Brokerage of cloud service: Wipro's "boundaryless" platform provides cloud service brokerage that aggregates, integrates and customises services across public or private clouds. The firm's digital operation centre offers modular services to enterprises to navigate, consume, extend and maintain cloud services.

Caution

Wipro should concentrate on expanding its public sector client base in the U.K. and on joining the government's G-Cloud 4 and digital services architecture.



2021 ISG Provider Lens™ Leader

Wipro's cloud approach has been transformed by its specialised practices across major hyperscalers. Its entire cloud business revenue in the U.K. has, correspondingly, also increased.

ENTERPRISE CONTEXT

Managed Public Cloud Services for Midmarket

Enterprises increasing the adoption of cloud native, DevOps and IoT technologies and looking for service providers with expertise in re-architecture and re-platforming of existing applications in a cloud native environment. Using public cloud managed services can help enterprises with implementing cloud-native solutions leveraging containers and serverless functions to achieve cost efficiency. U.K. enterprises are looking for cloud agnostic solutions for multicloud environments. Midsized enterprises have fewer complex requirements and smaller-scale projects than large enterprises, and they prefer providers with strong niche offerings with competitive pricing and high integration capabilities.

ISG observes that enterprises are trying to move to an automation-centric operations model for managing their multicloud environments. Enterprises will get the benefit of the MSPs' automation and AI capabilities to monitor their infrastructure for proactive responses, predict the failures and reduce maintenance costs. This will reduce the overheads in maintenance and monitoring of cloud native applications. Most of the U.K. enterprises invest in self-service or auto-heal capabilities for their ticket generating requests. Also, enterprises in the U.K. focus on financial management, cloud governance, brokerage and autonomous support functions.

The COVID-19 crisis has created an increased demand for enterprises to focus more on business continuity and disaster recovery in their public cloud managed services. There are several such cloud offerings that target specific verticals based on the needs of individual industries. Also, enterprises are increasingly looking for innovative pricing models such as outcome-based or consumption-based models.

IT leaders should read this report to better understand the relative strengths and weaknesses of managed service providers, as well as how MSPs' approaches to the market can impact enterprise public cloud strategies, improve business agility and reduce total cost of ownership.

Software development and technology leaders should read this report to understand the positioning of managed service providers and learn how MSP offerings can impact the ongoing development of an enterprise's software products.

Sourcing, procurement, and vendor management professionals should read this report to develop a better sense of the current landscape of managed service providers in the U.K.

MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Definition

This quadrant assesses service providers and service integrators that offer managed public cloud infrastructure and application services. Managed service providers of public cloud offer professional and managed services on top of public cloud IaaS providers/hyperscalers (AWS, Microsoft Azure, Google Cloud Platform) through a DevOps- and DevSecOps-centric approach and help enterprise build a robust CI/CD pipeline with strong container management capabilities. Under the managed public cloud services umbrella, a provider is responsible for providing site reliability engineering and business resiliency.

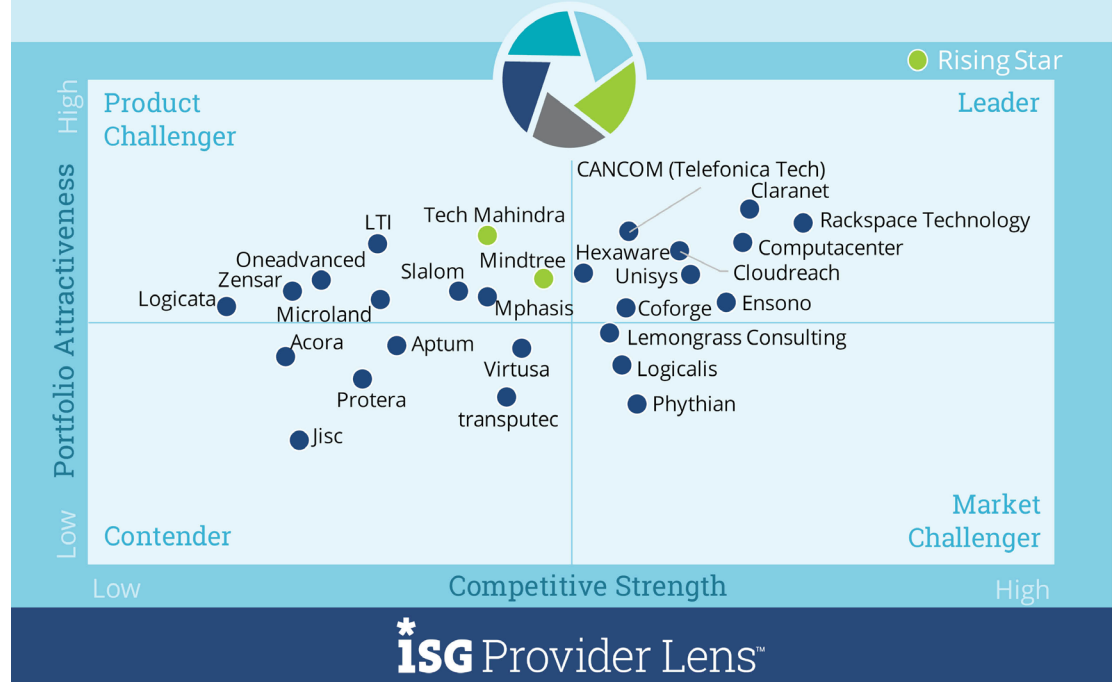
Broadly, these services include cloud services lifecycle management, real-time and predictive analysis, and monitoring and managing a customer's public and multicloud environment, with the aim to maximize the performance of workloads in the cloud, reduce costs and ensure compliance and security. Typically, specially developed or licensed cloud management platforms and tools are used to serve customers with maximum automation and provide the necessary transparency on the managed cloud resource pool, in terms of capacity utilization and

Public Cloud - Services and Solutions

Managed Public Cloud Services for Midmarket

2021

U.K.



Source: ISG Research 2021

MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Definition (cont.)

costs, including self-service administration. In addition to the technical services a provider offers dashboards to analyse and forecast financial impacts and propose optimization of the services.

Provider services typically include the following:

- Professional services for the management and monitoring of CPU, storage, memory, databases, and operating systems as standalone or micro services or virtual machine and container services.
- Operating system, middleware and application upgrade services.
- Cloud infrastructure management platform for cloud-cost management (charge back and show back), identity management and IT service management.
- Monitoring, logging, patching, and predictive analytics services to guarantee performance and security improvements throughout a container lifecycle to enable continuous integration and delivery.

- Governance and compliance management, along with a robust cyber security framework and platform for securing client data in multiple geographies.
- Support services such as incident management, configuration, security services and automation setup.

MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Eligibility Criteria

- Operational excellence and well-defined professional services.
- Experience in building and managing public and multicloud environments, along with expertise in managing configurations of platforms and systems as well as that of containers.
- Financial dashboards and cost analysis tools, providing visibility of variable costs associated with cloud providers through FinOps ecosystem.
- Support for software code development and cloud-native and legacy system integration by leveraging DevOps, API-enabled automation and cloud analytics services.
- Robust cyber security managed services offering.
- Partnerships with relevant public cloud providers and respective managed-service-provider certificates for AWS, Microsoft Azure, GCP, or others.

Observations

In the U.K., organisations are focussing on standardising their multicloud and managed public cloud services. Concurrently, they are striving to make the most of their capital and operational expenditures. As majority of the enterprises fail to optimise the cost of cloud services and, consequently, do not achieve the anticipated benefits, IT service providers that have a good cloud management platform, expertise to automate manual operations, and can offer integrated cloud managed services are highly sought after in the region.

The global IT services industry has observed an increased adoption of managed public cloud services in the U.K. On a pragmatic front, IT service providers and enterprises, across verticals, are undergoing consulting led transformation, and are seeking managed cloud support post this transformation. The increase in cloud adoption demands the availability of cutting-edge technology skills in the U.K., a strong cloud management platform and a possibility of jointly developing innovative solutions in a cloud-native model.

The majority of the Leaders in this quadrant are capable of assisting midsize enterprise clients with cloud management and orchestration platform to support multicloud workloads. Nine of the 27 providers that qualified for this quadrant have been designated as Leaders, while two are Rising Stars.

MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Observations (cont.)

- **CANCOM (Telefonica Tech)** offers the right multicloud services with strategic consulting and system integration services capabilities.
- **Claranet** has expanded its cloud portfolio and achieved multiple managed cloud provider accreditation.
- **Cloudreach** is emerging as a robust, multicloud managed services provider with its managed services framework.
- **Computacenter** is continuously increasing its automation capabilities in the context of cloud managed services.
- **Coforge** has enhanced its overall cloud capabilities by establishing a technology partner ecosystem.
- **Hexaware's** cloud managed and operations services are highly integrated and provide clients with Agile operations.
- **Rackspace Technology** has rebranded its overall cloud services strategy, which is now aligned to the demands of enterprise clients in the U.K.
- **Unisys** offers industrialised tools, processes and methodologies that enable organisations to maximise performance and optimise costs across cloud and data centre environments.
- **Ensono** has a broad range of capabilities that help clients to accelerate their digital transformation.
- **Mindtree** (Rising Star) offers an automated view of applications and infrastructure layer with MWATCH, its real-time monitoring platform that assesses performance and utilisation to deliver value and insights.
- **Tech Mahindra** (Rising Star) has been consistently enhancing its cloud capabilities in the U.K.

ENTERPRISE CONTEXT

Hyperscale Infrastructure and Platform Services

This report is relevant to enterprises across industries in the U.K. and will help them evaluate providers of hyperscale infrastructure and platform services. In this quadrant report, ISG highlights the current market positioning of these providers in the U.K. and the way they address the key challenges that confront enterprise clients in the country.

Enterprises face challenges in maintaining their own IT infrastructure due to higher costs. Hence, the adoption of public cloud services across industries is on the rise, and enterprises prefer a multi-cloud setup when migrating their workloads to the cloud. In 2021, the urge to move workloads to public cloud has become more pressing than ever, and many enterprises are accelerating their migration journey. This report can help with choosing the right hyperscale platform to migrate their workloads.

Enterprises are focusing more on digital transformation initiatives focusing on customer experience. Enterprises can benefit from investing in infrastructure and platform services that can manage their infrastructure with regular (end-to-end) updates and help in enhancing processes and ensuring operational efficiency. The major focus areas for enterprises are cloud migrations, IT system and process modernizations, managing data at scale, and generating ROI from it to build the next generation of IT processes and applications.

In addition, they can leverage hyperscalers' compute resources, middleware, and software in a public cloud in a virtual or containerized software-defined environment and serverless architectures. Along with the infrastructure, enterprises can also take advantage of

platform as a service (PaaS) service that includes persistent resources, business process management, collaboration networks, databases, analytics, and machine learning capabilities.

ISG sees that enterprises in the U.K. have started migrating critical workloads to public cloud platforms as a part of their digital journeys. The increase in public cloud adoption is due to factors such as improved data security and increased use of containerization and microservices technologies for application development and deployment.

IT leaders should read this report to better understand the relative strengths and weaknesses of hyperscale infrastructure and platform service providers, as well as learn how these providers' approaches to the market can impact enterprise public cloud strategies, reduce total cost of ownership, and improve business agility, scalability and flexibility.

Software development and technology leaders should read this report to understand the relative positioning and capabilities of hyperscalers, which can help them procure infrastructure and platform services to migrate their workloads to public cloud platforms.

Sourcing, procurement, and vendor management professionals should read this report to develop a better sense of the current landscape of hyperscale infrastructure and platform service providers in the U.K.

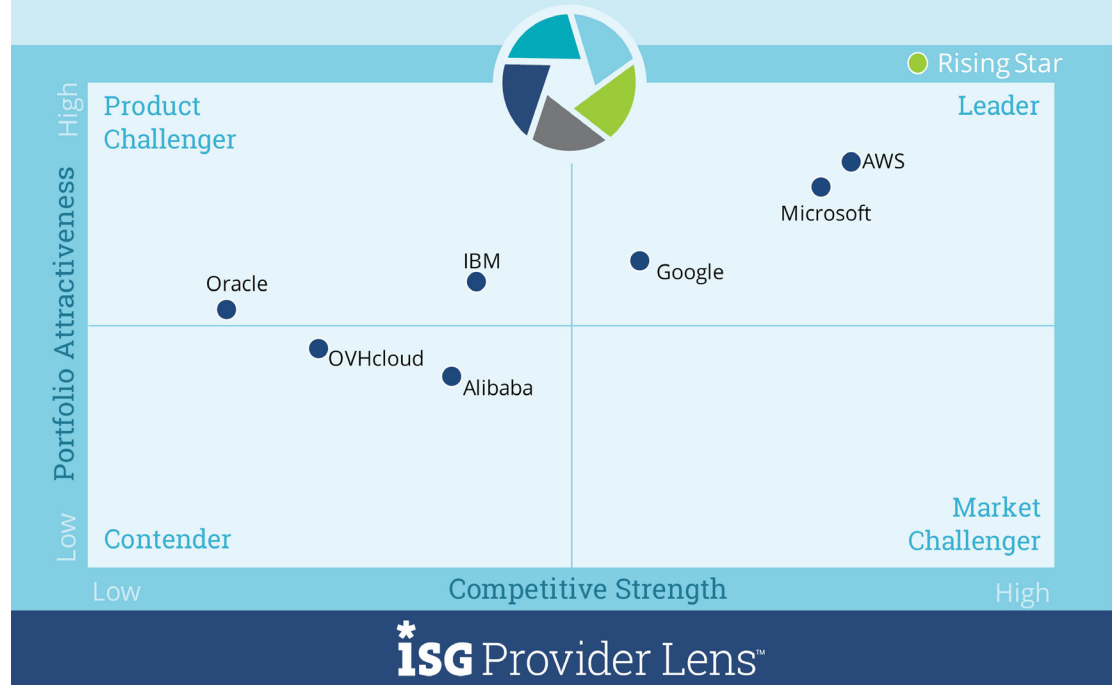
HYPERSCALE INFRASTRUCTURE AND PLATFORM SERVICES

Definition

This quadrant assesses suppliers that provide virtual compute resources, middleware and software in a public cloud environment. Clients consume infrastructure and platform (micro) services as on-demand and web-centric services. Typical services in the IaaS segment are compute services, storage and network resources, where all are provided as virtual or containerized software-defined offerings and rounded up by serverless architectures. The hyperscaler PaaS segment offers multiple micro-services and runtime engines for predefined cloud-based application development that typically addresses full lifecycle needs for a developer building or modernizing applications. Services include middleware, persistent resources, business process management, collaboration networks, databases, analytics and machine learning capabilities. Internal and external (third-party) services are also being made available through marketplaces. In addition, IaaS or PaaS vendors support and manage independent software vendors in their go-to-market activities.

Public Cloud - Services and Solutions
Hyperscale Infrastructure and Platform Services

2021
U.K.



Source: ISG Research 2021

HYPERSCALE INFRASTRUCTURE AND PLATFORM SERVICES

Eligibility Criteria

- Innovative portfolio of infrastructure services (computing power, memory, network, backup, etc.) and container management functions.
- Easy access, transparent prices, dynamic (consumption-based) and fixed (reserved) billing models.
- Recognized standards and certifications, strong focus on data protection and sophisticated cyber security approach.
- Support for infrastructure as code and serverless computing, in combination with highly automated provisioning, event triggering and failover.
- Test and development environments, including workflows and log/report functionality for rollouts.
- Specialized hardware for custom requirements and high-performance computing requirements for processes leveraging machine learning to train algorithms for AI services.
- Open architecture and well-documented (web service) APIs or middleware layer to join multiple clouds or services and platforms.
- Specialized partner program with a broad partner ecosystem to support local customer requirements.

HYPERSCALE INFRASTRUCTURE AND PLATFORM SERVICES

Observations

The market for infrastructure and platform as a service has seen considerable growth alongside price increases. Enterprises opine that pricing should be more transparent. This factor has been a source of worry in cloud adoption since recurrent, hidden costs, such as that for container monitoring, are difficult to manage effectively. In order to avoid vendor lock-in, businesses typically use multicloud and hybrid cloud configurations. Another challenge in this space is the variety of services/possibilities available.

AWS has been able to leverage its global domination of the cloud infrastructure market to establish a dominant position in the U.K, as evident in both collaboration statistics and customer success stories. Google cloud and Microsoft Azure continue to increase their market shares with continuous data centre and leadership expansions in the region.

The majority of the Leaders in this quadrant are capable of providing hyperscalers services in the infrastructure and platform market. Three of the seven providers that qualified for this quadrant have been

designated as Leaders, while none have been designated as Rising Stars. We still see a potential for the non-leader hyperscalers to expand their respective portfolios and improve their competitive strength in the region.

- **AWS** is a Leader in the cloud infrastructure market, making it a truly global infrastructure-as-a-service (IaaS) provider with plans for expanding regional operations. It has been constantly adding new and affordable storage options too. The firm continues to increase its presence in the region through collaborations and a new availability zone.
- **Google** has been investing in new data centre facilities. Acquisitions, such as that of Elasticize, have helped the firm compete better in the file storage space. It also introduced Anthos, a hybrid and multicloud management and application development platform, which offers hybrid capabilities with competitive pricing.
- **Microsoft** has a strong advantage in converting its long-time large client base in the U.K. The company has also expanded its regional presence and availability zones in the U.K.

ENTERPRISE CONTEXT

SAP HANA Infrastructure Services

This report is relevant to enterprises across industries in the U.K., for evaluating providers of SAP HANA infrastructure services for SAP S/4HANA workloads and large-scale HANA databases. In this quadrant report, ISG highlights the current market positioning of these providers in the U.K., based on the depth of service offering and market presence.

Enterprises face challenges in maintaining their own IT infrastructure specific to the SAP product line owing to factors such as high costs, difficulties in data management and change management, and a shortage of talent or skills. However, many enterprises have implemented or are implementing SAP HANA as a part of their digital transformation initiatives, and they are choosing a hyperscale provider to overcome the challenges and address talent/skill gaps. This report can help with choosing the right hyperscale provider to migrate their SAP workloads.

Enterprises are looking for providers focus on cost reduction, agility, improved security and resilience, data and analytics and industry specific solutions for migrating SAP workloads. The use of third-party applications integrated with SAP S/4 HANA also increased over last few quarters.

Enterprises leverage hyperscalers' compute resources, storage and connectivity on a public cloud to host SAP workloads and facilitate scaling based on usage and infrastructure operations. Along with the infrastructure, enterprises can also take advantage of providers' expertise in data migration, system imaging, backup, restore, disaster recovery, resource usage, monitoring and management dashboards.

Majority of the U.K. enterprises have not been migrating SAP HANA workloads to the public cloud environment due to Brexit and various data sovereignty and security concerns. ISG sees that, since the pandemic outbreak, enterprises in the U.K. have started to adopt SAP HANA in their business processes to focus on cost reduction and workload optimization. These enterprises have specific IT infrastructure needs such as scalability and adaptability of HANA-based workloads and integration with third-party tools. Also, enterprises in the U.K. expect to achieve an optimal IT infrastructure and SAP security in their transformation.

IT leaders should read this report to better understand the relative strengths and weaknesses of SAP HANA infrastructure service providers and learn how these providers' approaches to the market can impact enterprise public cloud strategies.

Software development and technology leaders should read this report to understand the relative positioning and capabilities of hyperscale SAP HANA infrastructure providers, which can help them procure infrastructure and services to migrate their workloads to public cloud platforms.

Sourcing, procurement, and vendor management professionals should read this report to develop a better sense of the current landscape of SAP HANA infrastructure service providers in the U.K.

SAP HANA INFRASTRUCTURE SERVICES

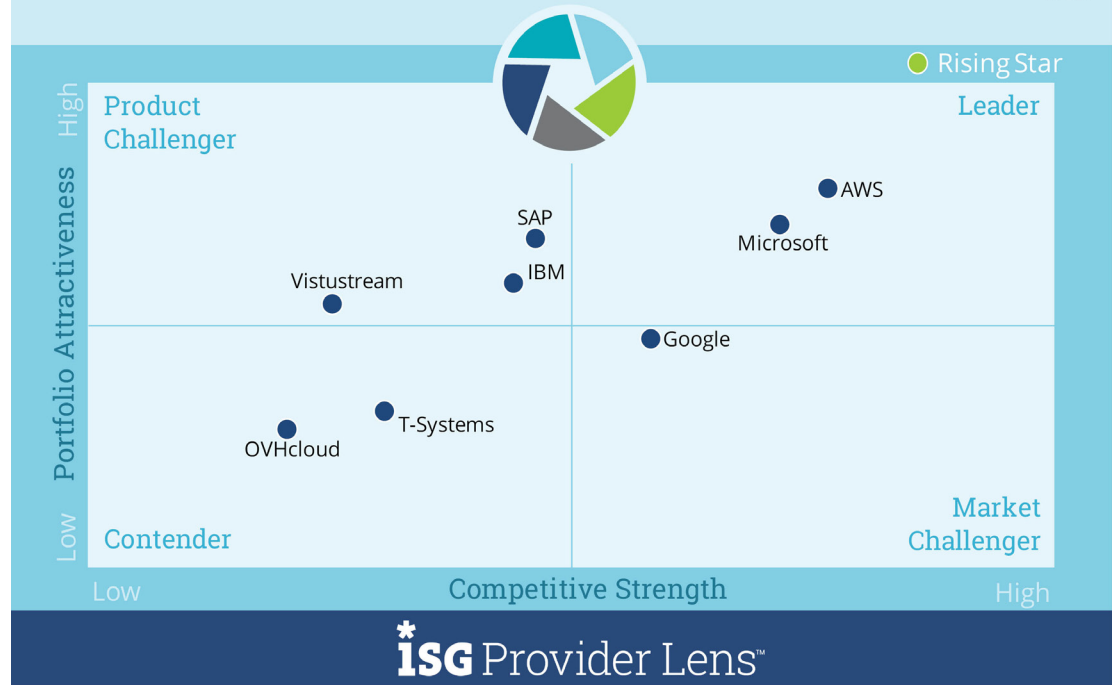
Definition

This quadrant assesses cloud infrastructures best suited to host SAP's software portfolio, with emphasis on SAP S/4HANA workloads and large-scale HANA databases. Participating vendors offer IaaS, including infrastructure operations, facilities, provisioning and scaling capacity for SAP workloads. IaaS providers should offer data migration, system imaging, backup, restore, disaster recovery, resource usage monitoring and dashboard management services. Tools required for this can be a part of standard IaaS offerings or be provided by partners in a marketplace.

The participating vendor should also provide pre-sales support to help clients on the migration plan, cloud architecture, sizing and performance optimization, licensing, system and database configuration, virtual private network configuration and third-party vendor solutions (toolsets). The support analysis focuses on the vendor's service partner ecosystem and the ability to conduct related migrations and operations.

Public Cloud - Services and Solutions
SAP HANA Infrastructure Services

2021
U.K.



Source: ISG Research 2021

SAP HANA INFRASTRUCTURE SERVICES

Eligibility Criteria

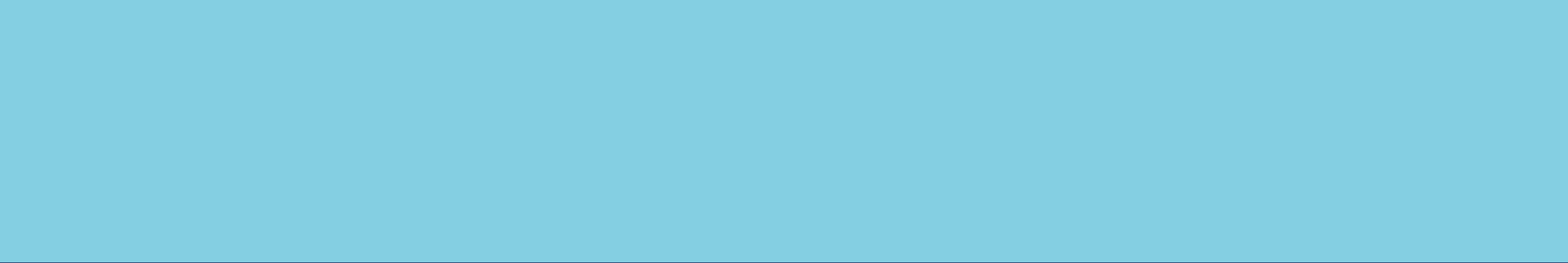
- IaaS includes servers, storage and connectivity specific to the SAP product line.
- Memory capacity should be above 6TB.
- Easy access, transparent prices, dynamic (consumption-based) and fixed (reserved) billing models.
- Recognized standards and certifications, strong focus on data protection and sophisticated cyber security approach.
- Offer SAP IaaS certified platforms.
- Test and development environments, including workflows and log/report functionality for rollouts.
- Direct operations or at least one authorized partner or client relationship and compliance with local regulations regardless of data centre location.

Observations

In the last couple of years, an increasing number of SAP clients have considered moving their SAP ECC implementations to the public cloud to address their data value realisation and global data distribution and computing needs. SAP has encouraged clients to make the S/4HANA move as a part of their public cloud migration, through its Embrace initiative that began in May 2019 as a partnership between SAP and AWS, Google Cloud and Microsoft Azure. The hyperscalers have matured their overall SAP HANA infrastructure capabilities. However, many clients are reluctant to move their SAP workload to the hyperscalers.

This study has assessed eight providers and classified six for this quadrant; of these two have been designated as Leaders with no Rising Stars.

- **AWS** provides a suite of infrastructure services that enable clients to deploy SAP HANA in a highly available, fault-tolerant and affordable way.
- **Microsoft** claims that its SAP cloud growth has doubled in the last few quarters.



Methodology

METHODOLOGY

The research study “ISG Provider Lens™ 2021 Public Cloud – Services & Solutions, U.K.” analyzes the relevant software vendors/service providers in the U.K. market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

The study was divided into the following steps:

1. Definition of 2021 Public Cloud – Services & Solutions, U.K. market
2. Use of questionnaire-based surveys of service providers/vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG’s internal databases & advisor knowledge & experience (wherever applicable)
5. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
6. Use of the following key evaluation criteria:
 - Strategy & vision
 - Innovation
 - Brand awareness and presence in the market
 - Sales and partner landscape
 - Breadth and depth of portfolio of services offered
 - Technology advancements



Authors and Editors



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At ISG, Manoj Chandra Jha is primarily responsible for research projects and working on the ISG Provider Lens™ (IPL) program. He actively contributes to gathering service provider intelligence through both primary and secondary research. He is responsible for writing thought leadership reports and papers on briefings provided by the service providers. Manoj also writes blogs on trending topics, specifically on cutting-edge technology. He has executed several client requests for research and consulting assignments across industries, predominantly in IT, manufacturing and insurance. He has handled client communication for the team, managing the client right from onboarding to understanding their custom research requests to scheduling briefing calls. In addition, he has been closely involved with the quadrant studies around cloud services and the data centre outsourcing market.



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Research Analyst

Katharina Kummer is a research analyst at ISG and is responsible for supporting and co-authoring Provider Lens™ studies on Public Cloud Transformational Services, Private Hybrid Cloud Data Center, Data Analytics, Microsoft Ecosystem and Cloud Native – Container Services. Her areas of expertise lie in cloud, data centers, cloud native services, digital linguistics and NLP. Katharina develops content from an enterprise perspective and author the global summary report. Along with this, she supports the lead analysts in the research process and ad-hoc research assignments and writes articles about niche technologies, market trends and insights.

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Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor. Now as a research director, principal analyst and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

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