ISG Provider Lens™

Public Cloud - Solutions & Services

U.K. 2020

Quadrant Report

A research report comparing provider strengths, challenges and competitive differentiators

Customized report courtesy of:

UNISYS | Securing Your Tomorrow®

November 2020

About this Report

Information Services Group Inc. is solely responsible for the content of this report. Unless otherwise cited, all content, including illustrations, research, conclusions, assertions and positions contained in this report were developed by, and are the sole property of Information Services Group Inc.

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 September 2020 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.

The lead author for this report is Manoj Chandra Jha. The editor is Grant Gross. The research analyst is Prakash N and the data analyst is Vijayakumar Goud. The enterprise context and global summary analyst is Prakash N. The quality and consistency advisors are Rajib Datta and Richard Chang.

ISG Provider Lens™

ISG Provider Lens™

ISG Provider Lens™ delivers leading-edge and actionable research studies, reports and consulting services focused on technology and service providers' strengths and weaknesses and how they are positioned relative to their peers in the market. These reports provide influential insights accessed by our large pool of advisors who are actively advising outsourcing deals as well as large numbers of ISG enterprise clients who are potential outsourcers.

For more information about our studies, please email ISGLens@isg-one.com, call +49 (0) 561-50697537, or visit ISG Provider Lens™ under ISG Provider Lens™.

ISG Research™

ISG Research™ provides subscription research, advisory consulting and executive event services focused on market trends and disruptive technologies driving change in business computing. ISG Research™ delivers guidance that helps businesses accelerate growth and create more value.

For more information about ISG Research™ subscriptions, please email contact@isg-one.com, call +49 (0) 561-50697537 or visit research.isg-one.com.

EXECUTIVE SUMMARY

Increasing adoption of cloud services is estimated to be the major driver of the growth of the market in the U.K. Enterprise clients are adopting cloud technology more quickly than smaller firms, with the higher adoption rate, respectively. Infrastructure as a service has generated particular interest among IT decision-makers, particularly in SMEs, and is estimated to be the leading segment in the country. Additionally, ever-growing government cloud spending is a major factor driving the growth of the market, as public sectors are seeking to catch up with the private sector cloud adoption. U.K. businesses are steadily adopting a cloud-first approach, and a growing number of companies can foresee a time when they will move all their IT to the cloud. While smaller businesses are able to make the logical step to remove their depreciated hardware assets and move entirely to the cloud, this is less feasible for larger organizations with heavy infrastructure investments. Therefore, "cloud everything" will not be attainable for all for some time and we predict that the vast majority of companies will continue to maintain hybrid IT environments. Nonetheless, ISG is certain that cloud's momentum will continue as cloud users move more parts of their estate and take on more complicated migrations.

According to the Q2 2020 ISG Index™ report, the annual contract value (ACV) for deals of €5 million (£4 million) or more shows combined market ACV in Europe, the Middle East and Africa (including both as-a-service and managed services) was down 9 percent, to €3.9 billion (£3.6 billion), in the second quarter. This is the first time since 2018 that the region has recorded back-to-back declining quarters. Managed services weighed down overall results, with a 21 percent drop in ACV, to €2.3 billion (£2.1 billion). Within managed services, information technology outsourcing (ITO) was down 19 percent, to €1.9 billion (£1.7 billion), while business process outsourcing (BPO) slumped 31 percent, to €346.4 million (£314.0 million).

In the U.K. and Ireland, the impact of the pandemic caused Q2 2020 managed services ACV to decline 5.6 percent versus the prior year, to €734 million (£663 million). For the first half of the year, managed services were down 10.8 percent, to just over €1.3 billion (£1.2 billion). Demand for cloud technology in this market is expected to continue growing to support remote working, while managed services remains under pressure from the pandemic.

Brexit and COVID-19 impact led to increase in niche talent demands: Due to Brexit, enterprise clients are not circulating large requests for proposals and requests for information (RFPs and RFIs) because the repercussions of Brexit are not yet clear. There is apprehension in the market that there could be a shortage of niche skills, especially in the areas of science, technology, engineering and mathematics (STEM). This skills gap and the continuous demand for innovation would lead to further traction in IT outsourcing deals. It is pertinent to watch for trade deals between the U.S. and the U.K. that would define future captive centers and the establishment of new offices across verticals in the region.

Companies in Europe are also facing the challenge of staff working from home because of the COVID-19 pandemic. They are also dealing with processes they wish they had automated before most of their employees had to work from home. These circumstances will be the deciding factor for many European companies opening up to digitizing and automating their work and business processes and lowering the threshold for outsourcing in the future. Therefore, in the long run, European companies may be more likely to outsource their IT or business processes to other countries.

U.K. government's digital strategy: The government’s principal objective is to create a world-leading digital economy that works for everyone, strengthening the U.K. economy in the long term. The execution drives multiple elements in the digital transformation journey. This includes building a world-class digital ecosystem, enhancing the digital skills access for all U.K. enterprises, and making the U.K. the most suitable region for digital business. AWS, Azure and GCP are becoming an integral part of the digital transformation journey of the public sector and enterprise clients.

Surge in public cloud services consumption: U.K. enterprises are realizing the power of cloud services and solutions to address consumer needs. A larger percentage of enterprises is focused on executing a multi-cloud strategy toward building cloud-native solutions. Small and medium-sized businesses (SMBs) are also increasingly adopting cloud-native solutions and transformation strategies. AWS, Azure and Google cloud platform are the key players that drive the digital transformation journey of enterprises. These hyperscalers offer a wide range of services and platform enablement to enterprises, so CTOs are considering them for R&D engagements to drive the different product services in the U.K. and global markets.

Cloud optimization resulting in to increase in migration: Cloud-to-cloud migrations is rising as more companies give attention to optimizing their cloud footprint. Companies seek a service provider that can deliver the most value for their IT spend and want the ability to move their data and avoid vendor lock-in. Maintaining a multi-cloud environment allows companies to better manage business risks.

Demand for cognitive and intuitive cloud managed services: The public cloud managed services partner (MSP) ecosystem has been growing and increasingly adding more service providers. Early entrants have an advantage here, but small and midsized providers are gaining traction with their unique offerings of public cloud managed services for multi-cloud environments. Several smaller providers are being acquired by large system integrators to either eliminate the competition and absorb them or to acquire that niche capability or client segment. This consolidation and shrinkage in the MSP market will prevail as technologies evolve. Public cloud providers have MSP certifications that every other system integrator is striving to acquire. To differentiate among MSPs, hyperscalers are conducting yearly audits and making the eligibility criteria even more stringent to get an MSP certification. Service providers are also differentiating themselves by creating their own IP and bringing in vertical-specific expertise or having strategic partnerships with public cloud providers.

Multi-cloud has become the new normal: Enterprises do not wish to stick to just one hyperscaler, because each one has certain exclusive strengths in term of vertical solutions, 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 for success and not just a commodity service provider. Most enterprises have been using a multi-cloud environment. This trend is expected to surge irrespective of the enterprise size. However, there are some barriers to a multi-cloud 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 multi-cloud environments, and they are increasingly adopting various tools to try handle this complexity, but these are not mature enough. Other barriers included vendor lock-in by the public cloud provider and interoperability between two or more public cloud providers.

Soaring IaaS marketplace: Some enterprises and SMBs in the U.K. are able to eliminate their depreciated hardware assets and move completely to the cloud. This is less feasible for larger organizations with heavy infrastructure investments. Many were expected to continue maintaining hybrid IT/multi-cloud environments. However, with the need for organizations to go digital in all aspects and for enhanced data security on the public cloud, enterprises have started to migrate their critical workloads to public cloud platforms. The growth in public cloud adoption is also due to cloud-native application development and the increasing use of containerization and microservices technologies for application development and deployment. This has led enterprises to achieve their cloud journey much more easily and faster. In this segment, AWS has the first-mover advantage because it has been in the public cloud infrastructure domain for over a decade. On the other hand, Microsoft Azure's offerings are gaining more traction, especially with large enterprises that have legacy dependencies (Microsoft Office, Windows integration, etc.). Azure has thus become a far more popular choice with the increased adoption and is quickly catching up with AWS.

Advancement in PaaS implementation: U.K. enterprise clients and midsize customers are taking the initiative to modernize existing applications as well as create a cloud-native approach. The need for experienced and high-cost administrators for the platform becomes a challenge for some organizations that do not want to make the investment and would rather focus on their application development and features. Platform as a service (PaaS) has helped several enterprises to centralize application development and operations as well as adopt a managed container platform. The ease of using cloud-native technologies such as low-code/no-code offerings, serverless platforms and microservices on PaaS can lead to more agile applications that undergo continuous innovation with a faster time-to-market. However, the PaaS market still needs a standardized approach and must mature to improve adoption.

Introduction

Simplified illustration

Public Cloud – Solutions and Services 2020	
Consulting and Transformation Services for Large Accounts	Consulting and Transformation Services for Midmarket
Governance, Risk and Compliance Services	Managed Public Cloud Services for large Accounts
Managed Public Cloud Services for Midmarket	SAP HANA Infrastructure Services
Hyperscale Infrastructure and Platform Services	

Source: ISG 2020

Definition

The growth in public cloud adoption among enterprises and the maturity of the cloud industry are creating a major impact on both enterprises and IT service providers as well as on business models, requiring increased acceptance of digital initiatives and creating risks of obsolescence. Considering the widespread adoption of the as-a-service model, enterprises need to continuously evaluate cloud services and IT providers globally.

ISG reports that the strong demand for digital transformation is driving global contracts for cloud products and services, including infrastructure as a service (IaaS) and platform as a service (PaaS). According to the Q1 2020 ISG Index™, the global market has grown 7 percent in combined market annual contract value (ACV) since Q4 2019 to reach its current value of $14.8 billion. In the same period, as-a-service ACV has increased by 11 percent to reach $7.9 billion. The IaaS market grew 18 percent to $5.9 billion and the software-as-a-service (SaaS) market dropped by 4 percent to $2 billion. The growth in the as-a-service area indicates the shift to and preference for digital technologies to reduce costs, increase productivity, improve responsiveness to business requirements, improve service to end users and ultimately drive innovation.

Definition (cont.)

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 Nordic countries 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.

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 capable 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 U.S., U.K., Germany, Switzerland, the Nordics, France and Brazil.

Definition (cont.)

The full set of quadrants covered in various geographic versions of this study are:

Consulting and transformation services for large accounts: This quadrant assesses a service company's ability to provide cloud assessment, advisory, workload migration and cloud consulting for large businesses. The enterprises are subject to strict regulations that can complicate engagements. They typically have more than 5,000 employees and revenues of more than $1 billion.

Consulting and transformation for services for midmarket: In this quadrant, we assess a service company's ability to provide cloud assessment, advisory, workload migration and continuous service transformation for public cloud service for medium-sized businesses. The enterprise client typically has fewer than 5,000 employees or generates less than $1 billion in revenue.

Managed public cloud services for large accounts: This quadrant assesses a service company's ability to provide multi-cloud managed services for large businesses. The enterprises are subject to strict regulations that can contribute to complex engagements. They typically have more than 5,000 employees and revenues of more than $1 billion.

Managed public cloud services for midmarket: In this quadrant, ISG assesses a service company's ability to provide multi-cloud managed services for public cloud service for medium-sized businesses. The enterprise client typically has fewer than 5,000 employees or generates less than $1 billion in revenue.

Governance, risk and compliance services: In this quadrant, service providers such as consulting firms offer various frameworks, policies, processes and functions to ensure enterprise cloud workloads are run in a secure and compliant environment, regardless of the location.

Hyperscale infrastructure and platform services Suppliers in this quadrant provide 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 virtual or containerized software-defined fashion and rounded up by serverless architectures.

SAP HANA infrastructure services This quadrant examines cloud infrastructures best suited to host the SAP software portfolio, with emphasis on SAP S/4HANA workloads and large-scale HANA databases. Participating vendors offer hyperscale IaaS — including infrastructure operations, facilities, provisioning and scaling capacity — on 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 through a marketplace.

Provider Classifications

The ISG Provider Lens™ quadrants were created using an evaluation matrix containing four segments, where the providers are positioned accordingly.

Leader

The Leaders among the vendors/ providers have a highly attractive product and service offering and a very strong market and competitive position; they fulfill all requirements for successful market cultivation. They can be regarded as opinion leaders, providing strategic impulses to the market. They also ensure innovative strength and stability.

Product Challenger

The Product Challengers offer a product and service portfolio that provides an above-average coverage of corporate requirements, but are not able to provide the same resources and strengths as the Leaders regarding the individual market cultivation categories. Often, this is due to the respective vendor's size or their weak footprint within the respective target segment.

Market Challenger

Market Challengers are also very competitive, but there is still significant portfolio potential and they clearly lag behind the Leaders. Often, the Market Challengers are established vendors that are somewhat slow to address new trends, due to their size and company structure, and therefore have some potential to optimize their portfolio and increase their attractiveness.

Contender

Contenders are still lacking mature products and services or sufficient depth and breadth of their offering, while also showing some strengths and improvement potentials in their market cultivation efforts. These vendors are often generalists or niche players.

Provider Classifications (cont.)

Each ISG Provider Lens™ quadrant may include a service provider(s) who ISG believes has a strong potential to move into the leader's quadrant.

Rising Star

Rising Stars are usually Product Challengers with high future potential. Companies that receive the Rising Star award have a promising portfolio, including the required roadmap and an adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market. This award is only given to vendors or service providers that have made extreme progress towards their goals within the last 12 months and are on a good way to reach the leader quadrant within the next 12 to 24 months, due to their above-average impact and innovative strength.

Not In

This service provider or vendor was not included in this quadrant as ISG could not obtain enough information to position them. This omission does not imply that the service provider or vendor does not provide this service. In dependence of the market ISG positions providers according to their business sweet spot, which can be the related midmarket or large accounts quadrant.

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

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Governance, Risk and Compliance Services	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	SAP HANA Infrastructure Services	Hyperscale Infrastructure and Platform Services
3stepIT	Not in	Contender	Not in	Not in	Not in	Not in	Not in
Accenture	Leader	Not in	Product Challenger	Leader	Not in	Not in	Not in
Acora	Not in	Not in	Not in	Not in	Contender	Not in	Not in
Alibaba	Not in	Not in	Not in	Not in	Not in	Contender	Contender
Atos	Leader	Not in	Product Challenger	Leader	Not in	Not in	Not in
AWS	Not in	Not in	Not in	Not in	Not in	Leader	Leader
Birlasoft	Not in	Not in	Not in	Contender	Not in	Not in	Not in
CANCOM	Not in	Leader	Not in	Product Challenger	Leader	Not in	Not in
Capgemini	Leader	Not in	Product Challenger	Leader	Not in	Not in	Not in
Claranet	Product Challenger	Leader	Market Challenger	Rising Star	Leader	Not in	Not in
Cloudreach	Product Challenger	Leader	Not in	Market Challenger	Leader	Not in	Not in
Coforge	Market Challenger	Rising Star	Contender	Market Challenger	Market Challenger	Not in	Not in
Cognizant	Leader	Not in	Product Challenger	Product Challenger	Not in	Not in	Not in
Computacenter	Market Challenger	Leader	Not in	Rising Star	Leader	Not in	Not in

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

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Governance, Risk and Compliance Services	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	SAP HANA Infrastructure Services	Hyperscale Infrastructure and Platform Services
Deloitte	Not in	Not in	Leader	Not in	Not in	Not in	Not in
DXC	Rising Star	Not in	Not in	Leader	Not in	Not in	Not in
Ensono	Product Challenger	Leader	Not in	Market Challenger	Rising Star	Not in	Not in
EY	Not in	Not in	Leader	Not in	Not in	Not in	Not in
Fujitsu	Leader	Not in	Not in	Leader	Not in	Not in	Not in
Google	Not in	Not in	Not in	Not in	Not in	Market Challenger	Leader
HCL	Leader	Not in	Product Challenger	Leader	Not in	Not in	Not in
Hexaware	Product Challenger	Leader	Not in	Product Challenger	Leader	Not in	Not in
IBM	Leader	Not in	Product Challenger	Leader	Not in	Product Challenger	Product Challenger
Infosys	Leader	Not in	Not in	Leader	Not in	Not in	Not in
KPMG	Not in	Not in	Leader	Not in	Not in	Not in	Not in
Lemongrass Consulting	Market Challenger	Leader	Not in	Not in	Leader	Not in	Not in
Logicalis	Not in	Product Challenger	Not in	Not in	Market Challenger	Not in	Not in
Logicata	Not in	Market Challenger	Not in	Not in	Product Challenger	Not in	Not in

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

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Governance, Risk and Compliance Services	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	SAP HANA Infrastructure Services	Hyperscale Infrastructure and Platform Services
LTI	Product Challenger	Product Challenger	Not in	Product Challenger	Product Challenger	Not in	Not in
Microland	Contender	Product Challenger	Not in	Contender	Product Challenger	Not in	Not in
Microsoft	Not in	Not in	Not in	Not in	Not in	Leader	Leader
Mindtree	Product Challenger	Rising Star	Not in	Product Challenger	Rising Star	Not in	Not in
Mphasis	Contender	Product Challenger	Not in	Contender	Not in	Not in	Not in
Node4	Not in	Not in	Not in	Not in	Product Challenger	Not in	Not in
Nordcloud	Not in	Product Challenger	Not in	Not in	Product Challenger	Not in	Not in
oneadvanced	Not in	Not in	Not in	Not in	Product Challenger	Not in	Not in
Oracle	Not in	Not in	Not in	Not in	Not in	Not in	Product Challenger
OVHcloud	Not in	Not in	Not in	Not in	Not in	Contender	Contender
Protera	Not in	Market Challenger	Not in	Not in	Contender	Not in	Not in
PwC	Not in	Not in	Leader	Not in	Not in	Not in	Not in
Pythian	Not in	Contender	Not in	Not in	Market Challenger	Not in	Not in
Rackspace Technology	Product Challenger	Leader	Not in	Leader	Leader	Not in	Not in

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

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Governance, Risk and Compliance Services	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	SAP HANA Infrastructure Services	Hyperscale Infrastructure and Platform Services
SAP	Not in	Not in	Not in	Not in	Not in	Product Challenger	Not in
Slalom	Not in	Product Challenger	Not in	Not in	Product Challenger	Not in	Not in
Sopra Steria	Product Challenger	Product Challenger	Not in	Not in	Not in	Not in	Not in
TCS	Leader	Not in	Product Challenger	Leader	Not in	Not in	Not in
Tech Mahindra	Product Challenger	Not in	Not in	Product Challenger	Product Challenger	Not in	Not in
Trasnputec	Not in	Not in	Not in	Not in	Contender	Not in	Not in
Unisys	Product Challenger	Product Challenger	Not in	Product Challenger	Leader	Not in	Not in
Virtusa	Not in	Not in	Not in	Not in	Contender	Not in	Not in
Virtustream	Not in	Not in	Not in	Not in	Not in	Product Challenger	Not in
Wipro	Leader	Not in	Product Challenger	Leader	Not in	Not in	Not in

Public Cloud - Solutions & Services Quadrants

ENTERPRISE CONTEXT

Consulting and Transformation 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 UK and how they can address key challenges in large enterprises' migration journeys to the public cloud environment.

Enterprises have been reluctant to migrate to the public cloud owing to difficulties such as assessing the workloads, change management, a shortage of talented specialists or skill gaps, and uncertainties about integration of existing infrastructure. In 2020, however, the urge to move workloads to public cloud has become more pressing than ever and many enterprises are accelerating their digital transformation. 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 and integration of automation capabilities.

Enterprises in the U.K. have the unenviable task of trying to determine their best course of technical investment amid significant turmoil brought about by 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.

ISG sees that enterprises are increasingly shifting their focus from lift and shift to long-term application modernization, hence re-architecture, middleware modernization and cloud-native environments are on the rise in the U.K. Enterprises in the UK are willing to invest in migration, although cost optimization is a major focus area in their cloud journey.

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.

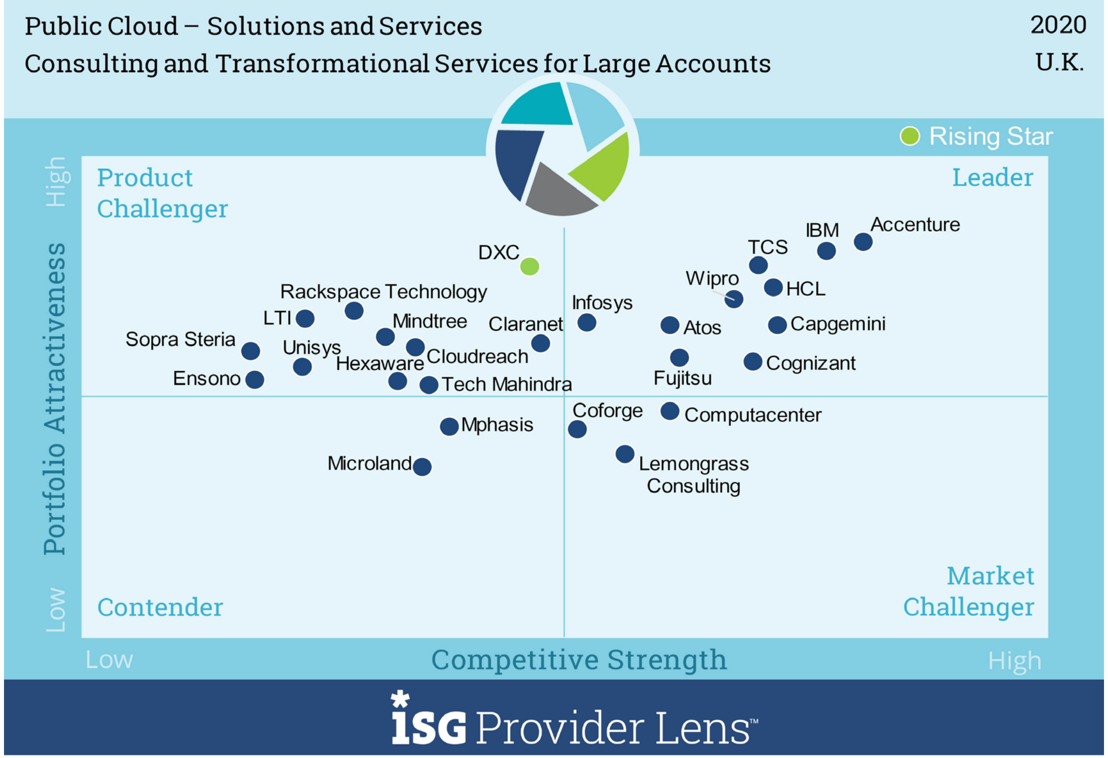
CONSULTING AND TRANSFORMATIONAL SERVICES FOR LARGE ACCOUNTS

Definition

The public cloud enables enterprises to achieve agility and scalability without having to invest in their own infrastructure, making it an integral and important catalyst for digital transformation. Consulting and implementation service providers partner with public cloud providers to manage the customer-specific complexity of adopting and deploying public cloud solutions. Their services typically include the following:

Consulting services: Designing a business case for cloud; assessing the workload for migration; building a transformation roadmap, which includes addressing risk and compliance issues; and advising on migrating applications from the existing environment to a public cloud.

Transformation services: Designing and building the cloud architecture/environments, migrating and integrating applications, and optimizing the architecture to harness the cloud-computing features and benefits.



Source: ISG Research 2020

CONSULTING AND TRANSFORMATIONAL SERVICES FOR LARGE ACCOUNTS

Definition (cont.)

For this quadrant, we exclude the creation of private clouds because they are covered in a separate study on Next-Gen Private/Hybrid Cloud Data Center Service and Solution Providers. Accordingly, the Public Cloud Consulting and Transformation Services quadrant encompasses the adoption of public cloud services and their integration with on-premises environments, which can include private clouds.

Eligibility Criteria

- Public cloud transformation thought leadership.
- Methods and frameworks to analyze the client IT landscape.
- Experience in the planning and implementation of multi-cloud services.
- Application migration experience, including templates, automation engines and ISV partnerships.
- Hyperscale provider-related partner program certifications from a solutions standpoint.
- Competencies that are specific to a vertical (industry) or horizontal (technology).
- Client references and projects or use cases.
- Hybrid cloud integration and support services.

CONSULTING AND TRANSFORMATIONAL SERVICES FOR LARGE ACCOUNTS

Observations

Cloud consulting and transformation have taken center stage in 2020 as the business world has struggled to adjust to the new normal of remote operations amid the global pandemic. Over the last two quarters, the U.K. market has seen a surge in cloud consulting and transformation services due to need for more online supply chain solution, collaboration services, etc. To drive such complex transformation services, enterprise clients seek a provider with robust cloud portfolio and proven capabilities in the region. To address the need to clients' cloud transformation journey, global system integrators have invested in building a mature cloud management platform, factory-based migration model and various accelerators. Enterprise clients also seek providers with an ability to work with them in building cloud industrial solutions, big data platform and analytics solutions.

Of the 49 companies included in this study, 26 have qualified for this quadrant. Ten are Leaders and one is a Rising Star.

- **Accenture's** Avanade partnership with Microsoft has helped the firm win a significant number of Azure-based transformation deals. Its robust cloud consulting and advisory frameworks have also helped in winning large transformation engagements in the U.K. market.
- **Atos'** decision factory and cloud migration factory are good examples of a well-structured and mature service portfolio that supports a broad spectrum of cloud-related aspects like cybersecurity, big data, collaboration and artificial intelligence (AI).
- **Capgemini** has increased traction in the energy and healthcare verticals in the U.K. owing to its strong focus on industry-specific solutions.
- **Cognizant** is expanding its presence in the U.K. and has executed several transformation engagements. Its set of tools and frameworks, especially CloudSteps, have been instrumental in executing transformational projects.
- **Fujitsu** has decades of experience in serving the U.K. market and has several clients in the public sector. The firm has planned to hire more staff to train and serve U.K. enterprises.
- **HCL** has been witnessing strong revenue growth due to its continuous innovation and investments in cloud and digital transformational products.

CONSULTING AND TRANSFORMATIONAL SERVICES FOR LARGE ACCOUNTS

Observations (cont.)

- **IBM** has wide range of cloud services portfolio along with strategic commitment with U.K. public sector clients.
- **Infosys** has developed DevOps-centric solutions and has been hiring and training its workforce specifically on DevOps and public cloud-specific certifications.
- **TCS** offers a consultative approach and best-in-class digital skills to power its Business 4.0™ transformations. This has helped facilitate the transformation journey of several U.K. enterprises.
- **Wipro** has a gamut of services centered around its enterprise digital operation services. Its center of excellence for innovation has helped the firm win many large enterprise deals in the U.K. market.
- **Rising Star DXC** has been growing in the public cloud space by making alliances and strategic partnerships with public cloud platforms and vendors to offer strong migration services.

ENTERPRISE CONTEXT

Consulting and Transformational Services for Midmarket

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

Enterprises have been reluctant to migrate to the public cloud owing to difficulties such as assessing the workloads, change management, shortage of talented specialists or skill gaps, and uncertainties about integration of existing infrastructure. In 2020, however, the urge to move workloads to public cloud has become more pressing than ever and many enterprises are accelerating their digital transformation. 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 and integration of automation capabilities.

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 UK have the unenviable task of trying to determine their best course of technical investment amid significant turmoil brought about by the Brexit process. Consulting and transformation service providers can help by creating a framework for workload migration based on a thorough understanding of the operating environment in the UK and data protection regulations.

ISG sees that enterprises are increasingly shifting their focus from lift and shift to long-term application modernization, hence re-architecture, middleware modernization and cloud-native environments are on the rise in the UK. Enterprises in the UK are willing to invest in migration, although cost optimization is a major focus area in their cloud journey.

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 UK.

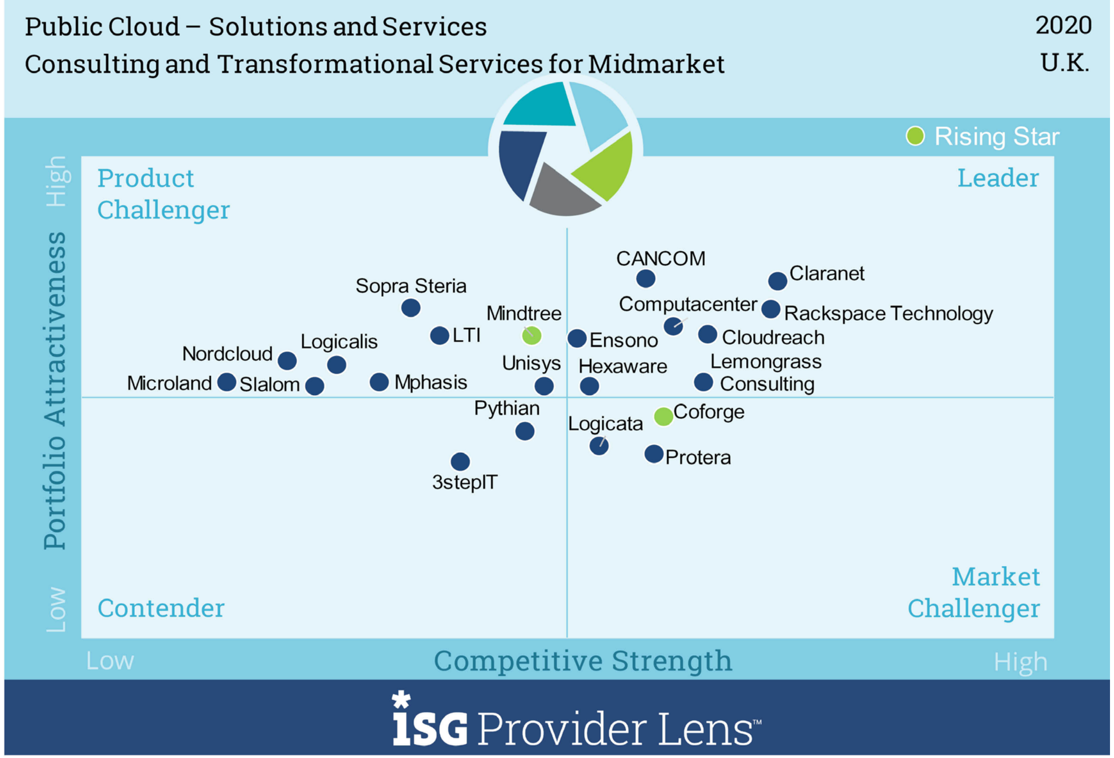
CONSULTING AND TRANSFORMATIONAL SERVICES FOR MIDMARKET

Definition

The public cloud enables enterprises to achieve agility and scalability without having to invest in their own infrastructure, making it an important catalyst for digital transformation. Consulting and implementation service providers partner with public cloud providers to manage the customer-specific complexity of adopting and deploying public cloud solutions. Their services typically include the following:

Consulting services: Designing a business case for cloud; assessing the workload for migration; building a transformation roadmap, which includes addressing risk and compliance issues; and advising on migrating applications from the existing environment to the public cloud.

Transformation services: Designing and building the cloud architecture/environments, migrating and integrating applications, and optimizing the architecture to harness the cloud-computing features and benefits.



Source: ISG Research 2020

CONSULTING AND TRANSFORMATIONAL SERVICES FOR MIDMARKET

Definition (cont.)

For this quadrant, we exclude the creation of private clouds because they are covered in a separate study on Next-Gen Private/Hybrid Cloud Data Center Service and Solution Providers. Accordingly, the Public Cloud Consulting and Transformation Services quadrant encompasses the adoption of public cloud services and their integration with on-premises environments, which can include private clouds.

Eligibility Criteria

- Public cloud transformation thought leadership.
- Methods and frameworks to analyze the client IT landscape.
- Experience within the planning and implementation of multi-cloud services.
- Application migration experience including templates, automation engines and ISV partnerships.
- Hyperscale provider-related partner program certifications from a solutions standpoint.
- Competencies that are specific to a vertical (industry) or horizontal (technology).
- Client references and projects or use cases.
- Hybrid cloud integration and support services.

CONSULTING AND TRANSFORMATIONAL SERVICES FOR MIDMARKET

Observations

Enterprise clients expect service providers to bring in a cloud transformation differentiator for business transformation across businesses in the U.K. market. Public cloud transformation is not just limited to driving digital business excellence but also should include innovation, products and revenue. Over the next few years, U.K. enterprises will pursue more investments and they expect public cloud transformation to continue bringing in more agility as well as increase their global market share. At the same time, enterprises continue to outsource and insource hybrid IT.

Regardless of the sourcing strategy and model adoption, public cloud transformation will continue with a great focus from CTO and CIO offices. Most U.K. IT service providers are developing AI/ML-led automated cloud transformation services in conjunction with change management services for the client organization.

Of the 49 companies included in this study, 22 have qualified for this quadrant. Eight are Leaders and two are Rising Stars.

- **CANCOM** has strengthened its position with acquisitions and a full portfolio of cloud and transformation services.
- **Claranet** offers modular cloud assessment and migration and transformation services to accelerate the clients' cloud journeys.
- **Cloudreach** delivers application innovation and cloud modernization services.
- **Computacenter** has emerged as a true multi-cloud consulting and transformation provider in the region.
- **Ensono** has aligned its cloud strategy with multi-cloud portfolio, migration, niche mainframe managed and migration capabilities to enable clients' transformation roadmaps.
- **Hexaware's** CloudSwift solution allows seamless migration to cloud, delivering the full benefits of cloud computing. In addition, the organization offers a comprehensive service offering for the lifecycle of cloud migration and cloud enablement.
- **Lemongrass Consulting** is a niche SAP consulting, advisory and migration organization that helps clients migrate complex IT landscape to the AWS Cloud.
- **Rackspace Technology** provides a broad public cloud solution, full cloud lifecycle support and unified multi-cloud management services.
- **Coforge** cloud-consulting services enable clients to identify suitable opportunities to leverage cloud-computing services and realize sustainable business benefits.
- **Mindtree** enables firms to quickly migrate to the cloud and scale in a factory-based model, which ensures efficiency and the flexibility to align with the business needs.

ENTERPRISE CONTEXT

Governance, Risk and Compliance Services

This report is relevant to enterprises across industries in the UK and will help them evaluate providers of governance, risk and compliance (GRC) services. In this quadrant report, ISG highlights the current market positioning of these providers in the UK and the way they address the key challenges that confront enterprise clients in the country.

Enterprises face challenges in maintaining their public cloud governance and compliance process due to a growing number of threats to data security and a strict regulatory environment. Sometimes enterprises end up paying huge penalties and need to rework their cloud architecture, which can result in significant cost overruns and raise data security concerns about migration. The main reasons are a lack of integration among various systems in the organization, an inability to integrate risk analytics, a shortage of skilled professionals, and increased collaboration with partners that can add complexity to the governance process and data privacy regulations. In addition, hybrid and multi-cloud environments can make it difficult for enterprises to manage their GRC process.

They can benefit from GRC providers, including consulting firms, that can manage their public cloud governance process. Enterprises can leverage GRC providers' frameworks, policies, processes and functions to ensure their workloads are run in a secure and compliant environment. GRC providers can help by offering their domain expertise and services around a robust cloud operating model, security, tax, audit, and risk assessment to make the public cloud services compliant with regional and industry-specific regulations that reduce operational costs.

Enterprises in the UK have the unenviable task of trying to determine their best course of technical investment amid significant turmoil brought about by the Brexit process. GRC providers can help by creating a secure framework for workload migration based on a thorough understanding of the operating environment in the UK and data protection regulations. Also, enterprises are looking for an integrated solution of GRC services for the cloud to ensure security controls at all levels and compliance with various regulations such as GDPR.

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

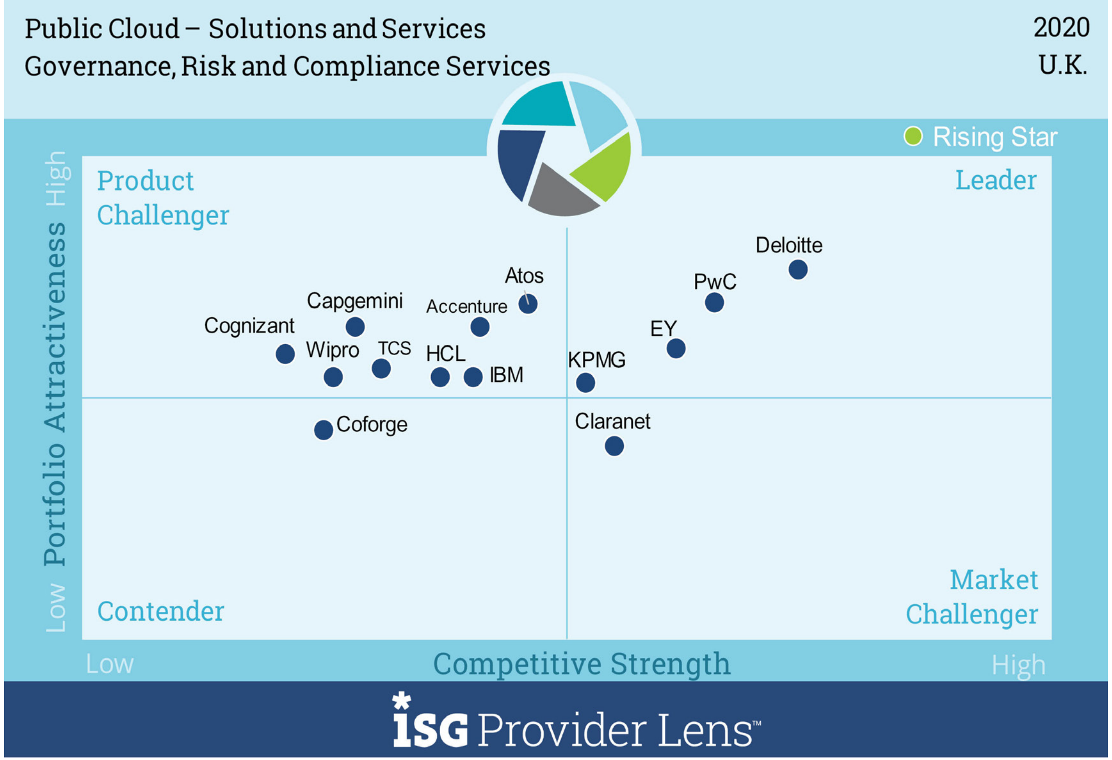
Software development, technology and security leaders should read this report to understand the positioning of GRC service providers and learn how those providers' offerings can impact the ongoing transformation initiatives.

Sourcing, procurement, and vendor management professionals should read this report to develop a better sense of the current landscape of governance, risk and compliance providers in the UK.

GOVERNANCE, RISK AND COMPLIANCE SERVICES

Definition

In this quadrant, service providers such as consulting firms offer various frameworks, policies, processes and functions to ensure enterprise cloud workloads are run in a secure and compliant environment, regardless of location. Therefore, a framework and a set of policies for the use of cloud-computing services in a secure environment are needed and often flanked by public cloud transformation activities. Relevant providers are third-party independent organizations that offer unbiased governance, risk and compliance (GRC) services. To successfully implement cloud solutions, it is necessary to focus on the business architecture by considering the business case, cloud operating model, vendor evaluation and selection, readiness, and maturity of the entire ecosystem. Key services include organizational change management (OCM), stakeholder's awareness and responsibilities alignment, application migration, cloud innovation lab establishment, security, tax, audit, and finance risk-assessment to make public cloud service use fully compliant with regional and industry-specific regulations.



Source: ISG Research 2020

GOVERNANCE, RISK AND COMPLIANCE SERVICES

Eligibility Criteria

- Ability to align technology requirements with business goals (new products, reduction in time-to-market and increase in profitability).
- Should be able to offer optimization at an operational level through governance policies (optimize service availability, minimize stakeholders' specific risk and reduce dependency on legacy application stacks).
- Ability to provide governance architecture from the time of inception for future growth and easy service integration.
- Should adhere to security certifications such as HIPAA, GDPR, BSI C5, SOC, NIST, ISO, PCI DSS, FISMA, ANSSI and FedRAMP.
- Experience in defining and, above all, in mapping custom policies and organizational structure, including clear roles and responsibilities, with new requirements.
- Perform cloud audits and services like cloud security posture management (CSPM) for a broad spectrum of cloud environments.
- Perform accounting, tax and legal procedures in cloud transformation projects to mitigate risk.

Observations

Over the last few years, cloud computing has been one of the biggest trends in the IT GRC market and has contributed greatly to the digitization of modern business operations. The rapid expansion of cloud services has created many changes to data compliance standards that enterprise clients strive to follow. For enterprises, regulatory compliance standards vary from country to country, and organizations must be able to comply with these varied standards all at once. To address regulation and compliance across cloud providers in different regions, enterprise clients seek a provider with cloud program governance and regulation and compliance capabilities. Clients also seek improved risk information to guide their strategies; many are beginning to harness the knowledge and insights available in the front line.

Of the 49 companies included in this study, 14 have qualified for this quadrant. Four of them are Leaders.

- **Deloitte** integrates SAP GRC solution with its proprietary risk library to facilitate clients in achieving effective risk management and continuous compliance.
- **EY's** risk transformation consulting services help leadership build agile and risk-aware organizations that make better decisions to achieve strategic objectives.

GOVERNANCE, RISK AND COMPLIANCE SERVICES

Observations (cont.)

- **KPMG's** GRC Service is an integrated framework that unifies governance, risk, compliance and assurance functions to achieve a consistent and holistic vision for clients' complex and large IT landscape.
- **PwC** provides cloud compliance consulting services to help clients with support boards develop, implement and maintain a cloud governance framework.

ENTERPRISE CONTEXT

Managed Public Cloud Services for Large Accounts

This quadrant is relevant to large enterprises in the UK 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 UK 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.

To be successful in the current digital business environment, enterprises must take a unified approach to their technical infrastructure across public and private clouds. Using public cloud managed services can help enterprises implement cloud-native solutions leveraging containers and serverless functions with single-touch DevOps integration. This helps enterprises achieve application modernization and cost optimization to run their applications at scale.

Enterprises will get the benefit of the MSPs' automation and AI capabilities to monitor their infrastructure to predict the failures and dependency of services in case of failures to reduce maintenance costs.

ISG sees that many enterprises in the UK are increasingly looking to modernize their workloads and migrate to the cloud. Enterprises will benefit from the service providers' expertise in managing workloads, integrated security and support functions. Besides infrastructure management, enterprises in the UK focus on financial management, cloud governance, brokerage and autonomous support functions.

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.

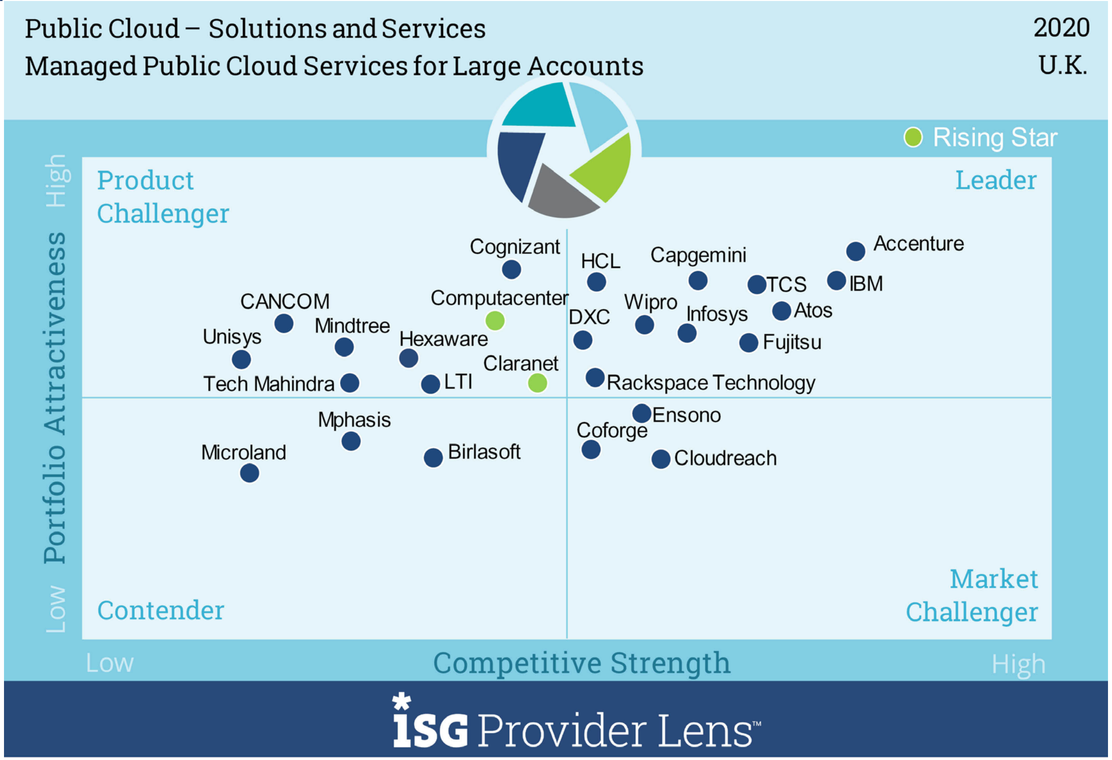
Software development and technology leaders should read this report to understand the positioning of managed service providers and learn how MSP offerings can impact ongoing development of an enterprise's software products.

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 UK.

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

Definition

Public cloud managed services providers (MSPs) offer professional and managed services on top of third-party public cloud IaaS and PaaS hyperscale platforms. At a broad level, these services include provisioning, real-time and predictive analysis, and monitoring and operational management of the customer's public and multi-cloud environments, with the aim of maximizing the performance of workloads in the cloud, reducing costs, and ensuring compliance and security. Typically, MSPs offer specially developed or licensed cloud management platforms and tools to serve customers with optimal automation and transparency about the managed cloud resource pool in terms of capacity utilization and costs, including self-service administration.



Source: ISG Research 2020

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

Definition

Services provided typically include:

- Professional services for the management and monitoring of CPU, storage, memory, databases and operating systems as standalone or microservices or virtual machine and container services.
- Operation system, middleware, and application upgrades and patching services.
- Service portal for expense management (chargeback and showback) and identity management or IT service management.
- Governance and compliance management.
- Support services such as incident management, configuration, security services and automation setup.

Eligibility Criteria

- Operational excellence and well-defined professional services.
- Experience in building and managing public and multi-cloud environments.
- Expertise in configuration management of platforms and systems as well as containers.
- Support for software code development and for cloud-native and legacy system integration.
- DevOps, API-enabled automation and cloud analytics experience.
- Mature security processes.
- Support for different client roles such as IT technicians and developers.
- Partnerships with relevant public cloud providers and managed service provider (MSP) certificates for AWS, Azure, GCP or others.

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

Observations

The global IT services industry has observed an increase in the adoption of public cloud managed services in the U.K. market. IT service providers and enterprises are executing consulting-led transformations and are offering support for cloud managed services across verticals. The steady increase in cloud adoption calls for skills in cutting-edge technologies, strong cloud management platforms and a joint possibility of innovating solutions in cloud-native models.

There has been an equal demand for all the cloud service providers, also depends on the enterprise strategic result outcome. While AWS services are being consumed as commodity services, Azure is used for building a more cloud-native, multi-tier application. Google Cloud is being implemented in the healthcare and retail verticals. IT service providers offer platinum, gold and silver models to cater to a certain set of services across cloud managed services. As the definition of cloud managed services is being more diversified, IT service providers are focused on areas such as DevOps, basic security and infrastructure as code (IaC) with out-of-the box API integration capability.

Because the cloud is an integral element of solution design, enterprises seek real-time analytics and zero-touch operations to avoid business process failure. This space will continue to evolve in the U.K. market with an increase in cloud adoption and IT spend. U.K. public cloud adoption is distant outside EU countries especially in the German region, the Nordics, the Benelux countries and Ireland. IT service providers in the U.K. have numerous public cloud certifications, a broad portfolio that encompasses productized services to quickly discover the client's system landscape, and infrastructure and application assessment workshops. In addition to strategy and implementation services, U.K.-based clients (particularly large corporations) typically seek public cloud managed services that involve automation techniques for monitoring and billing requests. This market demand exists because standard offerings from the public cloud providers are inadequate to meet large enterprise needs for technical business management and line-of-business cost transparency in correlation to consumption and business output.

Of the 49 companies included in this study, 26 have qualified for this quadrant. Eleven are Leaders and two are Rising Stars.

- **Accenture's** strategic partnerships, business groups and a large pool of certified staff have helped the firm gain better insights into managed services and develop DevOps. The firm has numerous certifications from public cloud providers that help U.K. enterprises in their digital transformation journey.

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

Observations (cont.)

- **Atos** has moved from being a recognized consulting player to offering better managed services by increasing its competencies from Azure and AWS.
- **Capgemini** is driving automation and pitching itself as a cloud-agnostic player to better cater to enterprises seeking a hybrid or multi-cloud setup.
- **DXC Technology** works with some of the U.K.'s largest enterprises and government agencies to help strengthen its regional presence and win large deals.
- **Fujitsu** has years of experience in serving the U.K. public sector space and has planned to gain SAP and other competencies for workload services.
- **HCL** has launched an innovation center in the U.K. to support the development of new services and is racking up competencies and certifications from IaaS vendors.
- **IBM** offers new operating models, working practices, and opportunities for paradigm-shattering innovation across cloud services.
- **Infosys** has developed robust assessment and monitoring platforms and has all the necessary top-tier certifications from public cloud vendors.
- **Rackspace** provides next-generation cloud managed services with its large pool of certified employees and an array of intelligent automated solutions.
- **TCS**' ignio™ platform, migration frameworks and workload automation have enabled it to deliver valuable services to U.K.-based enterprises.
- **Wipro** has made extensive investments in its cloud management platform and is focused on the right cloud approach with operational excellence to serve enterprises in the U.K.
- **Claranet** has deep roots in providing AI and ML services and more than 150 certified cloud architects and consultants. It also has a deep understanding of GCP and AWS to better serve the small and medium-sized business segment in the region.
- **Computacenter** is a part of the AWS Well-Architected Partner Program to drive architectural excellence. It has helped customers to realize significant annual savings on their public cloud consumption, thereby supporting overall cost optimization.

ENTERPRISE CONTEXT

Managed Public Cloud Services for Midmarket

This quadrant is relevant to midsized enterprises in the UK 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 UK and how they interact with key challenges in midsized enterprises' infrastructure management in the public cloud. These providers manage client workloads on third-party, public cloud, hyperscale environments so enterprises can focus on other tasks.

To be successful in the current digital business environment, enterprises must take a unified approach to their technical infrastructure across public and private clouds. Using public cloud managed services can help enterprises implement cloud-native solutions leveraging containers and serverless functions with single-touch DevOps integration. This helps enterprises achieve application modernization and cost optimization to run their applications at scale.

Enterprises will get the benefit of the MSPs' automation and AI capabilities to monitor their infrastructure to predict the failures and dependency of services in case of failures to reduce maintenance costs. 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 sees that many enterprises in the UK are increasingly looking to modernize their workloads and migrate to the cloud. Enterprises will benefit from the service providers' expertise in managing the workloads, integrated security and support functions. Besides infrastructure management, enterprises in the UK focus on financial management, cloud governance, brokerage and autonomous support functions.

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 UK.

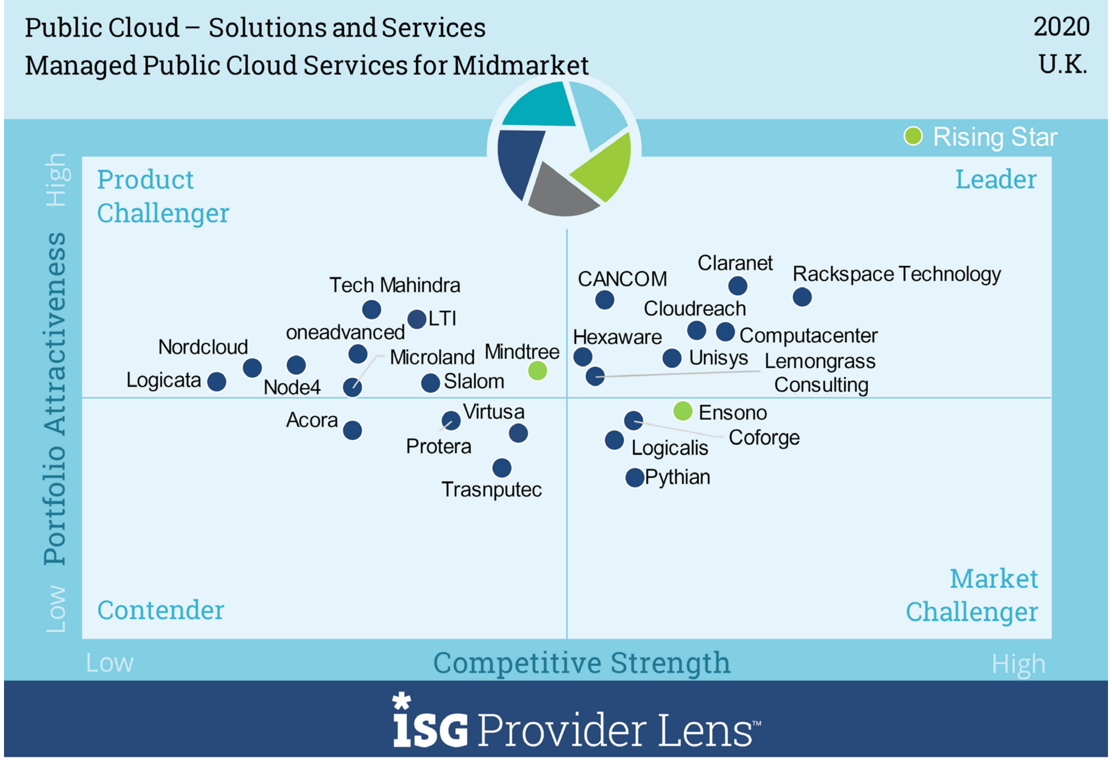
MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Definition

Public cloud managed services providers (MSPs) offer professional and managed services on top of third-party public cloud IaaS and PaaS hyperscale platforms. At a broad level, these services include provisioning, real-time and predictive analysis, and monitoring and operational management of the customer's public and multi-cloud environments, with the aim of maximizing the performance of workloads in the cloud, reducing costs, and ensuring compliance and security. Typically, specially developed or licensed cloud management platforms and tools are used to serve customers with optimal automation and transparency about the managed cloud resource pool in terms of capacity utilization and costs, including self-service administration.

Services provided typically include:

- Professional services for the management and monitoring of CPU, storage, memory, databases, and operating systems as standalone or microservices or virtual machine and container services.



Source: ISG Research 2020

MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Definition (cont.)

- Operation system, middleware, and application upgrades and patching services.
- Service portal for expense management (chargeback and showback) and identity management or IT service management.
- Governance and compliance management.
- Support services such as incident management, configuration, security services and automation setup.

Eligibility Criteria

- Operational excellence and well-defined professional services.
- Experience in building and managing public and multi-cloud environments.
- Expertise in configuration management of platforms and systems as well as containers.
- Support for software code development and for cloud-native and legacy system integration.
- DevOps, API-enabled automation and cloud analytics experience.
- Mature security processes.
- Support for different client roles such as IT technicians and developers.
- Partnerships with relevant public cloud providers and managed service provider (MSP) certificates for AWS, Azure, GCP or others.

MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Observations

The global IT services industry has observed an increased adoption of public cloud managed services in the U.K. market. On a pragmatic front, IT service providers and enterprises are performing consulting-led transformation and are offering cloud managed support after the transformation across verticals. The increase in cloud adoption demands the availability of cutting-edge technology skills in the U.K., a strong cloud management platform and a joint possibility of innovating solutions in a cloud-native model.

IT service providers offering platinum, gold and silver models to cater to certain sets of services across cloud managed services. As the definition of cloud managed services is being more diversified, IT service providers are focused on areas such as DevOps, basic security and infrastructure as code (IaC) with out-of-the-box API integration capabilities. There has been a growing demand for all the cloud service providers depending on the enterprise strategic result outcome. While AWS services are being consumed on the commodity services front, Azure is being used for building a more cloud-native, multi-tier application. Google Cloud is being adopted in the healthcare and retail verticals. As cloud is an integral element of solution design, enterprises seek real-time analytics and zero-touch operations to avoid business process failure. This space will continue to evolve in the U.K. market as cloud adoption and IT spending by enterprises will increase.

Of the 49 companies included in this study, 24 have qualified for this quadrant. Eight are Leaders and two are Rising Stars.

- **CANCOM** offers the right multi-cloud services with strategic consulting and system integration services capabilities.
- **Claranet** has increased its cloud portfolio and has achieved multiple cloud providers' managed services accreditation.
- **Cloudreach** is emerging as a robust, multi-cloud managed services provider along with its managed services framework.
- **Computacenter** is continuously increasing automation capabilities in cloud managed services.
- **Hexaware's** cloud managed and operations services are highly integrated and provide clients with Agile operation.

MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Observations (cont)

- **Lemongrass Consulting** is recognized as a globally operating expert in implementing, operating, innovating and automating the SAP S/4 HANA business suite and SAP Business One environments on the AWS Cloud.
- **Rackspace Technology** has rebranded its overall cloud services strategy, which is now aligned with U.K. enterprise clients' demands.
- Unisys offers industrialized tools, processes and methodologies that enable organizations to maximize performance and optimize costs across cloud and data center environments.
- **Ensono:** provides broad range of capabilities which helps clients to accelerate digital transformation.
- **Mindtree** offers an automated view of applications and infrastructure layer with MWATCH, its real-time monitoring platform, which assesses performance and utilization to deliver greater value and insights.

UNISYS

Overview

Unisys provides a portfolio of multi-cloud services and solutions that solve critical problems for clients in the U.K. and internationally. The company offers advanced data analytics consulting, advisory, application managed services, cloud and data center advisory, assessment, and design and implementation services. It has grown substantially in the U.K. market, and its revenue in Europe, the Middle East and Africa has grown by 25 percent. Unisys has proven credibility working with U.K. public sector clients to accelerate and secure their cloud transformation journey.

Strengths

CloudForte-led digital transformation services: Unisys CloudForte® accelerates clients' digital transformation and maximizes innovation with a robust governance model. The platform enables clients with self-service blueprints, automated governance and workflow, automated provisioning, security, cost management, reporting and advanced analytics.

Business outcome-based projects: Unisys works with customers in an outcome-based model where revenue realization is aligned with the success of the client's business. It works with clients from a vertical solution design and implementation perspective.

Autonomous operation: Unisys has a robust automation ecosystem with integrated capabilities around AIOps-led self-healing operations. Its cognitive automation is being driven through its platform which enable complex decision-making and is coupled with predictive analytics. The overall platform provides optimized managed and monitoring of clients' multi-cloud services.

Caution

Unisys should focus on increasing its local niche talent availability in the U.K. market and on acquiring net new clients across verticals in the region.

2020 ISG Provider Lens™ Leader

Unisys offers a full-stack cloud offering and a modular approach to working with customers to drive their digital transformation journey.

ENTERPRISE CONTEXT

SAP HANA Infrastructure Services

This report is relevant to enterprises across industries in the UK, 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 UK, 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 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.

UK enterprises have not been migrating SAP HANA workloads to the public cloud environment due to various data sovereignty and security concerns. ISG sees that, since the pandemic outbreak, enterprises in the UK 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 UK 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.

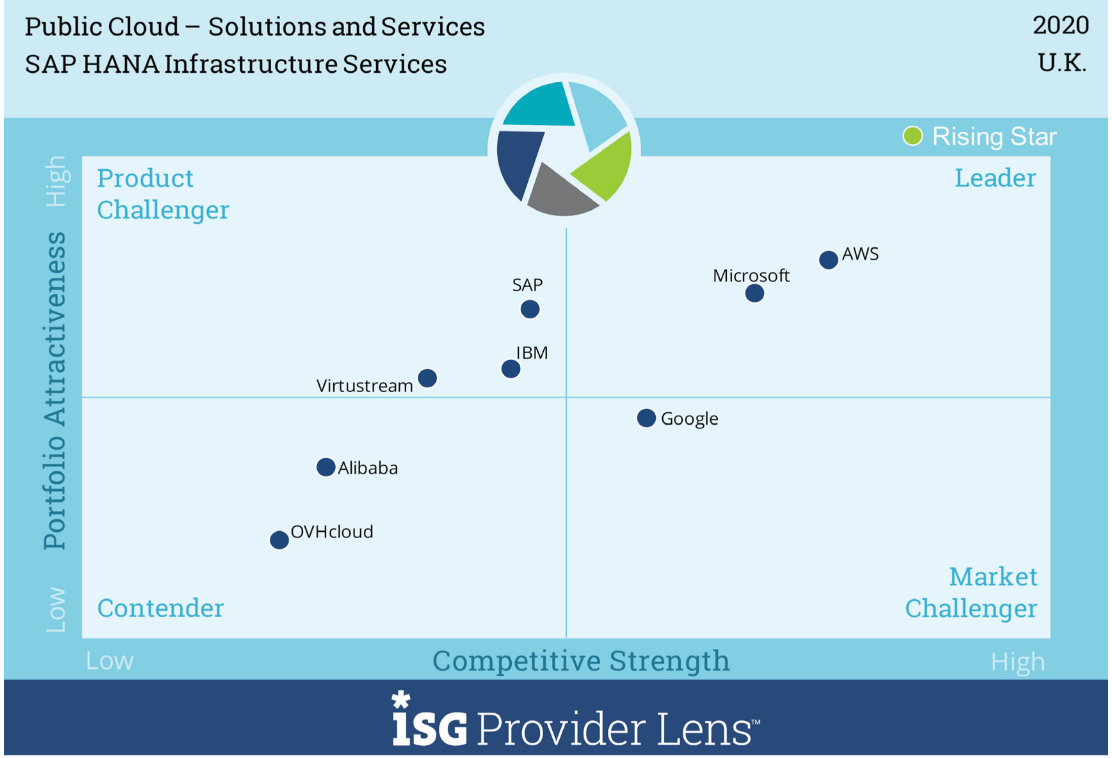
Software development and technology leaders should read this report to understand the relative positioning and capabilities of hyperscale SAP HANA infrastructure providers, which can help them procure infrastructure and services to migrate their workloads to public cloud platforms.

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 UK.

SAP HANA INFRASTRUCTURE SERVICES

Definition

This quadrant examines cloud infrastructures best suited to host the SAP software portfolio, with emphasis on SAP S/4HANA workloads and large-scale HANA databases. Participating vendors offer infrastructure as a service (hyperscale IaaS), including infrastructure operations, facilities, provisioning and scaling capacity on 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. The participating vendor should provide presales support to help clients on the migration plan, cloud architecture, sizing and performance optimization, licensing, systems and database configuration, virtual private network configuration and third-party vendor solutions (toolset). The support analysis focuses on the vendor's service partner ecosystem with the ability to conduct related migrations and operations. S/4HANA hosting, colocation and enterprise cloud are excluded.



Source: ISG Research 2020

SAP HANA INFRASTRUCTURE SERVICES

Eligibility Criteria

- IaaS includes servers, storage and connectivity specific to the SAP product line.
- Memory capacity should be above 6 terabytes.
- Should offer a platform certified for SAP IaaS.
- Vendor must have direct operation or one authorized partner responsible for client relationship and local regulation compliance, regardless of the datacenter location.

Observations

Over the last couple of years, more SAP customers have considered moving their SAP ECC implementations to the public cloud due to the data value realization and global data distribution and computing needs. SAP has encouraged customers to make the S/4HANA move as part of a public cloud migration through the Embrace initiative, which began in May 2019 as a partnership between SAP and the three major public cloud hyperscalers, AWS, Google Cloud and Microsoft Azure. Although the hyperscalers have matured their overall SAP HANA infrastructure capabilities, many customers are reluctant to move their SAP workload to the hyperscalers.

Of the 49 companies included in this study, eight have qualified for this quadrant. Two are Leaders.

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

ENTERPRISE CONTEXT

Hyperscale Infrastructure and Platform Services

This report is relevant to enterprises across industries in the UK 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 UK and the way they address the key challenges that confront enterprise clients in the country.

Enterprises face challenges 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 2020, 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 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.

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 PaaS services that include persistent resources, business process management, collaboration networks, databases, analytics and machine learning (ML) capabilities.

ISG sees that enterprises in the UK have started migrating critical workloads to public cloud platforms as a part of their digital journey. 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. Some large enterprises with heavy infrastructure investments are continuing to maintain hybrid IT/ multi-cloud environments.

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.

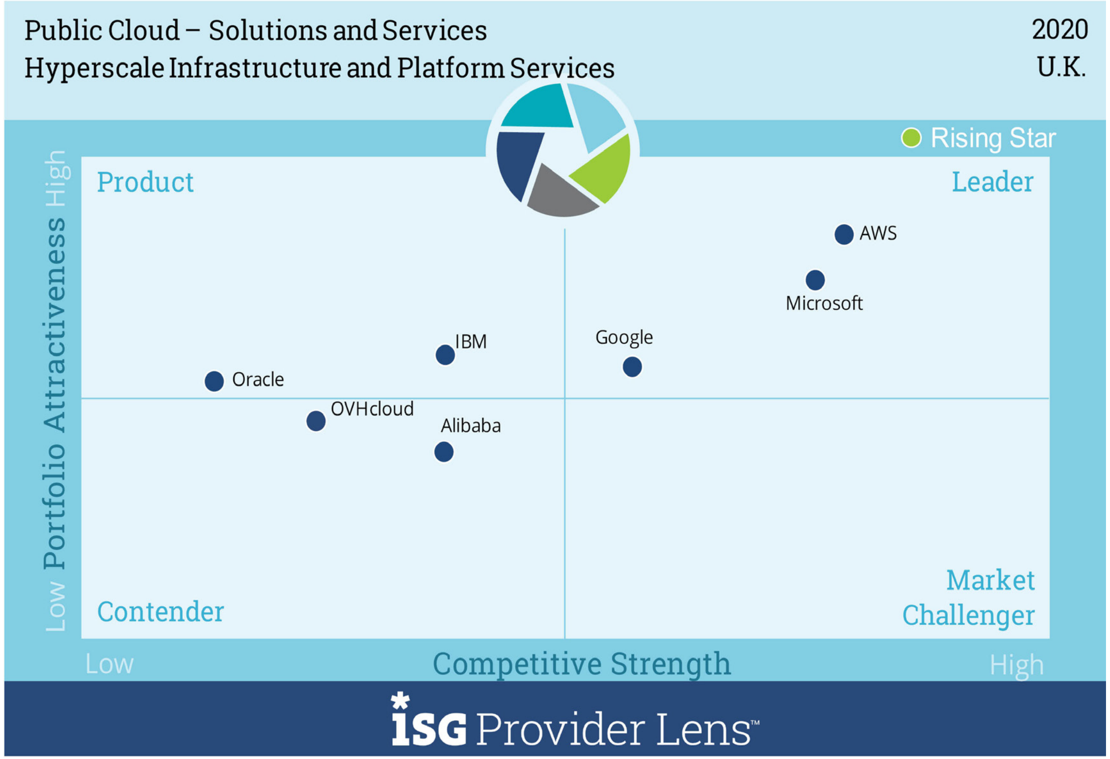
Software development and technology leaders should read this report to understand the relative positioning and capabilities of hyperscalers, which can help them procure infrastructure and platform services to migrate their workloads to public cloud platforms.

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 is aimed at suppliers that provide 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 virtual or containerized software-defined fashion and rounded up by serverless architectures. The hyperscalers PaaS segment offers multiple microservices and runtime engines for predefined cloud-based application development processes that typically address the full lifecycle needs for a developer that is building or modernizing applications. Services include middleware, persistent resources, business process management, collaboration networks, databases, analytics and machine learning (ML) capabilities. Internal and external (third-party) services are also being made available through marketplaces. In addition, IaaS or PaaS vendors support and manage ISVs in their go-to-market activities.



Source: ISG Research 2020

HYPERSCALE INFRASTRUCTURE AND PLATFORM SERVICES

Eligibility Criteria

- Innovative portfolio of infrastructure services (computing power, memory, network, backup, etc.) and container management functions.
- Powerful and resilient data-center infrastructure.
- Easy access, transparent prices, dynamic (consumption-based) and fixed (reserved) billing models.
- Recognized standards and certifications, strong focus on data protection, and a sophisticated cybersecurity 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.
- Support for multiple development tools, operating systems, technologies and platform management automations.
- Workflow support for Agile development methodologies (Scrum).
- Open architecture, interoperability and well-documented (web service) APIs or middleware/integration layer to join multiple clouds or services and platforms.
- Specialized partner program with a broad partner ecosystem to support local customer requirements.
- IaaS as code and serverless computing support in conjunction with highly automated provisioning, event triggering and failover concepts.
- Container compatibility and management services to easily migrate and run applications.
- Specialized partner program with a broad partner ecosystem to support local customer requests.

HYPERSCALE INFRASTRUCTURE AND PLATFORM SERVICES

Observations

The IaaS market has been witnessing significant growth as well as an increase in prices. Enterprises feel there should be a more transparent pricing structure. This has been a concern while adopting cloud as recurring hidden additional costs, including the cost of container monitoring, have become difficult to address efficiently. Enterprises are careful about running into a vendor lock-in and generally resort to multi-cloud and hybrid cloud setups. Containerization has become necessary to enable this approach. Another challenge lies in the range of services and options that are available.

AWS has managed to translate its worldwide dominance of the cloud infrastructure market into a leading position here in the U.K., reflected both in the numbers from collaboration and in some of its buyer success stories. This reflects what could be a truly global market for cloud services, where the offerings of each are broadly the same and their relative strengths and weaknesses translate regardless of local market. In the U.K., AWS is clearly making a concerted effort to break into the public sector, Microsoft wants to convert longtime customers into becoming Azure customers, and Google provides value around the edges with its advanced data capabilities.

Of the 49 companies included in this study, seven have qualified for this quadrant. Three of them are Leaders.

- **AWS** is a leader in the cloud infrastructure market, making it a truly global IaaS provider with more regional operations in the pipeline. It has been constantly adding new and affordable storage options as well. The firm has also been witnessing an increase in the use of AWS Lambda — its serverless platform. AWS has also resorted to strategic partnerships in the U.K. to expand its reach.
- **Google** has rapidly been investing in opening new data center facilities. Acquisitions such as Elastifile have helped the firm compete better in the file storage space. It also introduced Anthos, a hybrid and multi-cloud management and application development platform, which offers hybrid capabilities with competitive pricing.
- **Microsoft** has a strong advantage in converting its longtime U.K. client base to Azure. The company has also expanded its regions and availability zones in the region.

Methodology

METHODOLOGY

The research study "ISG Provider Lens™ 2020 – Public Cloud - Solutions & Services" 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 Public Cloud - Solutions & Services market
2. Use of questionnaire-based surveys of service providers/vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities and use cases
4. Leverage ISG's internal databases and advisor knowledge and experience (wherever applicable)
5. Detailed analysis and evaluation of services and service documentation based on the facts and figures received from providers and 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

Manoj Chandra Jha, Author

Lead Analyst

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 center outsourcing market.

Prakash N, Enterprise Context and Global Summary Analyst

Senior Analyst

Prakash N is a senior analyst at ISG and is responsible for supporting ISG Provider Lens™ studies on Private/Hybrid Cloud, Public Cloud, and Cloud Native - Container Services. His areas of expertise are cloud, data center, public cloud platforms, and cloud native services. During his tenure, he has developed research content for ISG Provider Lens™ in the areas of Private Cloud, Cloud Native Services, and Public Cloud. He is responsible for supporting research, authoring blogs, enterprise content, and the global summary report with market trends and insights.

Authors and Editors

Jan Erik Aase, Editor

Director and Principal Analyst

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.

ISG Provider Lens™ | Quadrant Report
November 2020

ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including more than 75 of world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,300 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data. For more information, visit www.isg-one.com.