Everest Group PEAK Matrix® for Open Finance IT Service Provider 2023

Focus on NTT DATA
December 2022

Background of the research

As regulators around the world push for a data sharing agenda, open banking is not just limited to payments services anymore. Open finance is the evolution of open banking, as it extends to use cases in credit, insurance, mortgages, pensions, wealth management, savings, and capital markets. Open finance is fostering the next set of financial services such as embedded finance, Buy Now Pay Later (BNPL), peer-to-peer lending, super-apps, and hyper-personalized products.

Geographies across the globe are expecting open finance regulatory frameworks to be implemented within a couple of years, which will disrupt conventional business models and give rise to concepts such as marketplace banking. This will further blur the lines between banks and FinTechs as traditional definitions of a bank become obsolete. Open finance will pave the way for Open Data, which will allow customers to share data across multiple industries to get a better customer experience.

In this research, we present an assessment and detailed profiles of 26 leading providers featured on the Open Finance IT Services PEAK Matrix® Assessment 2023. The assessment is based on Everest Group's annual RFI process for calendar year 2022, interactions with leading providers, client reference checks, and an ongoing analysis of the open finance IT services market.

This report includes the profile of NTT DATA as featured on the Open Finance IT Services PEAK Matrix® Assessment 2023

Scope of this report

Geography
Global

Providers
26 leading open finance IT service providers

Services
Open finance IT services

2

Everest Group®

Open Finance IT Services PEAK Matrix® characteristics

Leaders:

Accenture, Capgemini, Cognizant, HCLTech, Infosys, NTT DATA, TCS, and Wipro

- Leaders are working with government and regulatory bodies across the globe to shape the open finance agenda
- Leaders are expanding the scope of services to use cases beyond payments and banking, and engaging with clients for use cases in the capital markets space such as wealth and asset management
- Leaders such as Infosys have invested in their proprietary open finance platform, which provides out-of-the-box ready-to-use solutions such as a sandbox environment and API marketplace
- Acquisitions and partnerships remain a strong source of advantage for Leaders. Wipro's acquisition of Capco and partnership with Plaid will bolster their capabilities and drive deal momentum. Similarly, Accenture and NTT DATA have shown strong growth by acquisitions of FinTechs

Major Contenders:

Aspire Systems, CGI, Deloitte, DXC Technology, EY, IBM, LTI, Maveric Systems, Mphasis, SoftServe, Softtek, Sopra Steria, Tech Mahindra, and Virtusa

- Major Contenders are investing in training programs, certifications, and building accelerators to enhance their open finance capabilities. SoftServe has partnered with Salesforce and Stripe for certifications and building open finance accelerators for Temenos Infinity
- Players such as Virtusa have built in-house tools and FAST frameworks for faster microservices development process, API connectivity, design, and testing to target new use cases to support financial institutions in their open finance journey

**Aspirants:**

Birlasoft, Endava, Fime, and OneAston

- Aspirants are investing in building partnerships with FinTechs and platform providers to win engagements and expand their business in new geographies
- They are investing in building niche capabilities across horizontal themes such as digitization and core modernization to win large deals

Everest Group PEAK Matrix®
Open Finance IT Services PEAK Matrix® Assessment 2022 | NTT DATA positioned as Leader

Everest Group Open Finance IT Services PEAK Matrix® Assessment 2022[1,2]
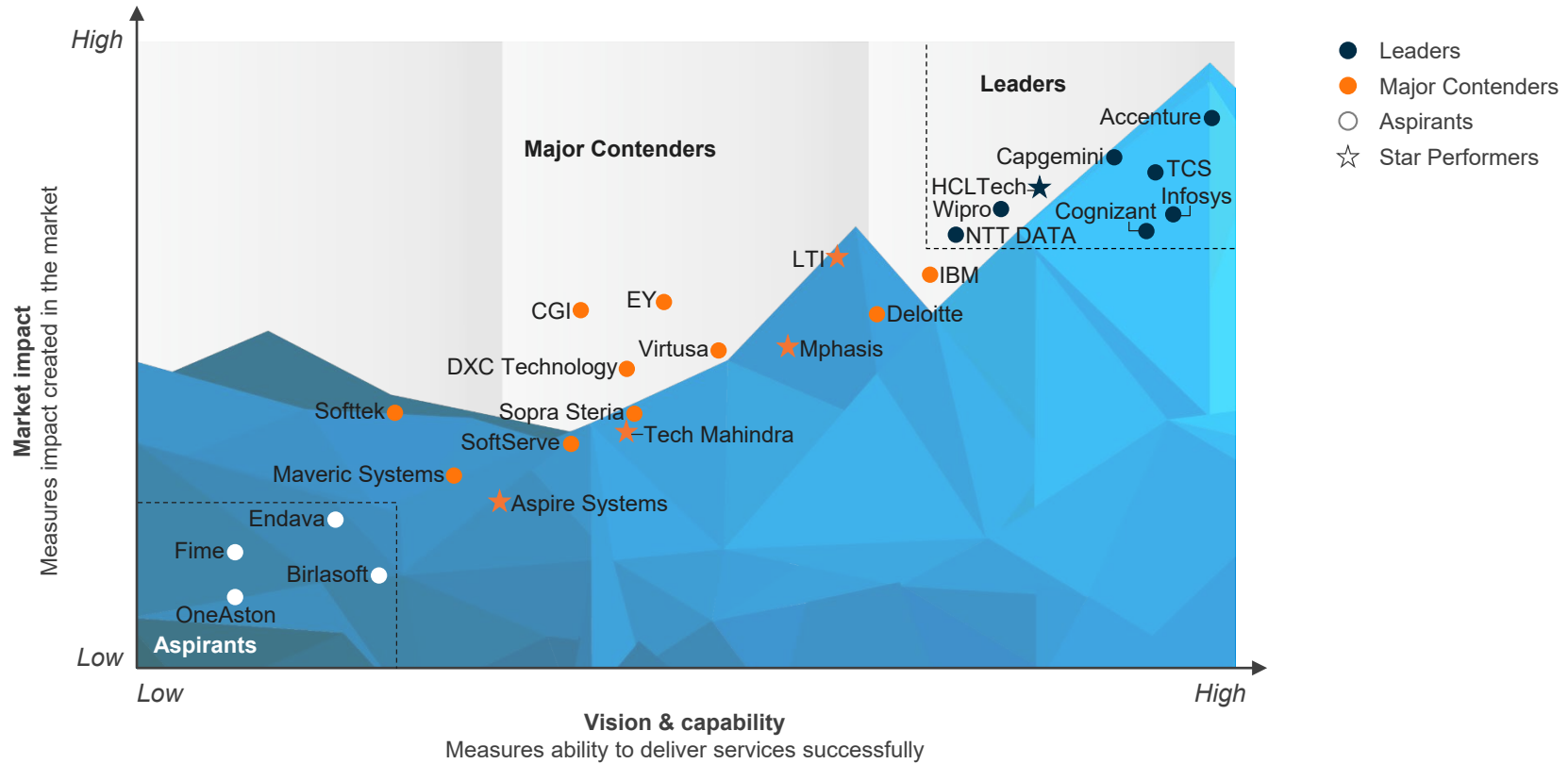
1. Assessments for Aspire Systems, Birlasoft, CGI, Deloitte, DXC Technology, Endava, EY, Fime, IBM, Maveric Systems, OneAston, Softtek, Sopra Steria, and Tech Mahindra excludes service provider inputs on this study and is based on Everest Group's proprietary Transaction Intelligence (TI) database, provider public disclosures, and Everest Group's interactions with banking and financial services buyers
2. Analysis for LTI is based on capabilities before its merger with Mindtree

Source: Everest Group (2022)

NTT DATA | open finance IT services profile (page 1 of 4)
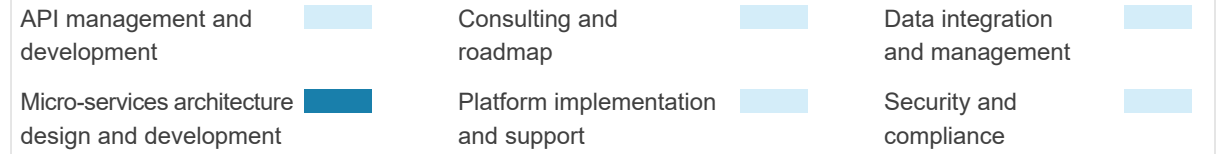## Overview

Company overview

NTT DATA vision is to co-create with financial institutions, government offices, and companies through an ecosystem using open APIs while maintaining the security and reliability of the conventional financial system.
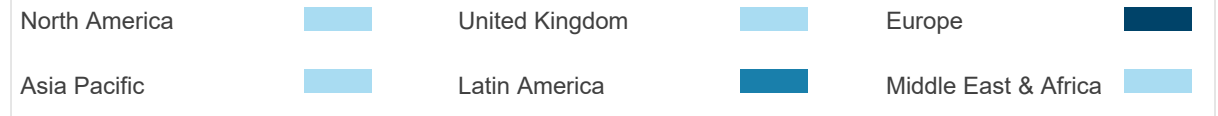
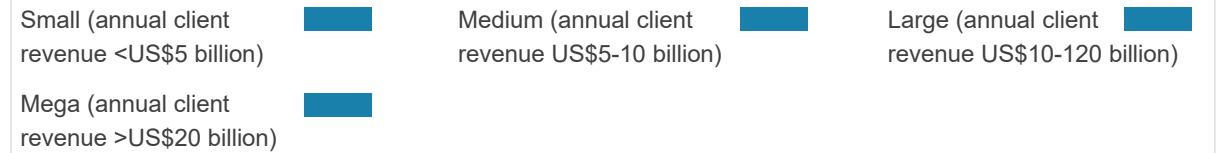| Delivery footprint		Ranges for FTEs: <100, 100-500, 500-5,000, >5,000
Region	**Key cities**	**No. of FTEs**
North America	Florence/Bowling Green, Lincoln, Nashville, Cincinnati, Oklahoma City, Plano, Quincy, Halifax	<100
United Kingdom	London	
Europe (excluding UK)	Frankfurt, Munich, Karlsruhe, Stuttgart, Cologne, Hamburg, Wolfsburg, Zurich, Milan, Naples, Rome, Consenza, Madrid, Barcelona, Murcia, Zaragoza, Sevilla, Valencia, Lisbon, Brussels, Luxembourg	500-5,000
Asia Pacific	Tokyo, Kanagawa, Chiba, Nagoya, Osaka, Miyagi, Fukuoka, Ehime, Chennai, Hyderabad, Noida, Bangalore, Gurgaon, Singapore, Kuala Lampur, Sydney, Melbourne	
Latin America	Guadalajara, Panama City, Lima, Trujillo, Bogotá, Sao Paulo, Rio de Janeiro, Santiago de Chile, Temuco, Lima, Andorra, Buenos Aires, Mexico DF, Queretaro, Bogotá	<100
Middle East & Africa		

Legend: NA (0%) | Low (1-20%) | Medium (20-40%) | High (>40%)

Open finance IT services revenue by services scope (CY 2021)

API management and development	Low	Consulting and roadmap	Low	Data integration and management	Low
Micro-services architecture design and development	Medium	Platform implementation and support	Low	Security and compliance	Low

Open finance IT services revenue by geography (CY 2021)

North America	Low	United Kingdom	Low	Europe	High
Asia Pacific	Low	Latin America	Medium	Middle East & Africa	Low

Open finance IT services revenue by buyer size (CY 2021)

Small (annual client revenue <US$5 billion)	Medium	Medium (annual client revenue US$5-10 billion)	Medium	Large (annual client revenue US$10-120 billion)	Medium
Mega (annual client revenue >US$20 billion)	Medium				

Number of active clients for open finance IT services 2021

<50	50-100	100-250	>250
	50-100		

Overall open finance IT services revenue 2021

<US$100 million	US$100-250 million	US$250-500 million	>US$500 million
		US$250-500 million	
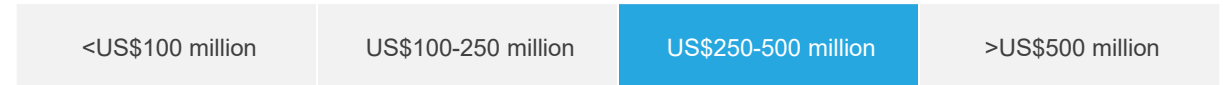
Source: Everest Group (2022)

NTT DATA | open finance IT services profile (page 2 of 4)
Client success stories

NOT EXHAUSTIVE

Case study 1	Large European international bank

Business challenge
The client required a new global banking platform. Previously, each of its national divisions attempted to build their own platforms, which were extremely inefficient and did not fit best global practices.

Solution
Leveraged NTT Data's open banking CoE, Platea, and partnerships such as Apigee to support the creation and functioning of a new global platform

Impact
With the new platform, the client was able to win a multi-million contract with its first global client in the telecom sector for embedded insurance

Case study 2	Leading European PayTech company

Business challenge
The client required a new loyalty platform that could be used as a B2B business model.

Solution
- Designed and implemented a new, multi-channel loyalty platform based on microservices and an event-driven paradigm
- Hosted in the MS Azure cloud platform and open banking API

Impact
- Customer's revenue increased by 20%
- Gave the customer the capacity to add new features continuously, which can be used to attract more customers

Source: Everest Group (2022)

NTT DATA | open finance IT services profile (page 3 of 4)
Key offerings and investments

NOT EXHAUSTIVE

Proprietary IP/solutions/frameworks/accelerators/tools built to deliver open finance IT services to BFS enterprises	
Name	**Details**
Open Canvas	Provides the necessary infrastructure for API management
Service engagement hub	Platform for visualization of processes by BPM function for optimization of the whole business process and cooperation between systems and services by API
Platea Banking platform	Digital open banking platform to accelerate the launch of greenfield and platform modernization projects
Dedalow	Low-code platform to generate microservices based on open-source technologies

Key investments in partnerships/alliances/talent/certifications/CoEs/ M&As/JVs etc. to deliver open finance IT services to BFS enterprises		
Name	**Type of investment (year)**	**Details of investment**
Postlight (US) and Vectorform (US)	Acquisition (2022)	To build digital engineering design capabilities and help accelerate clients' digital transformation programs
Chainalytics (US)	Acquisition (2021)	To strengthen its supply chain consulting and analytics capabilities
Nexient (US)	Acquisition (2021)	To expand transformation, modernization, and cloud app development experience
Certifications	Certifications	Premier AWS consulting partner, Temenos certification, Azure expert managed service provider, Google Cloud certification, Mambu certification, Thought Machine certification, SAP certification, Salesforce certification
Open Banking CoE	CoE	Distributed and specialized team in open banking covering functional and technological aspects of open banking
Platea CoE	CoE	Team based in Spain and India in greenfield projects
Intelligent automation CoE	CoE	Established the intelligent automation CoE to contribute to digital transformation
Artificial Intelligence (AI) CoE	CoE	To develop further expertise in AI and train engineers engaged worldwide in the AI field
DevOps CoE	CoE	Primary activities include R&D in the digital domain, support for sales and delivery of agile software development, global expansion of the Altemista cloud, and the agile development of human resources worldwide

Source: Everest Group (2022)

NTT DATA | open finance IT services profile (page 4 of 4)
Everest Group assessment – Leader

Measure of capability: ◔ Low ● High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
◕	◑	◕	◔	◕	◑	◕	◐	◔

Strengths

- For solving integration problems, NTT DATA has developed a framework to help applications developed for mainframes to run on open infrastructure

- It has strengthened its portfolio by making several acquisitions to beef up digital transformation services/capabilities

- Strong partnerships with core platform providers such as Temenos, Finastra, FIS, Mambu, and ThoughtMachine are helping in enhancing its domain capabilities

- It has set up centers of excellence for open banking and Platea Banking platform to bring in innovations for BFS clients

- Clients have appreciated NTT DATA's domain expertise and its role as a strategic partner in the engagement

Limitations

- Clients are looking for greater flexibility in location strategy options and pricing matrix and may find NTT DATA lagging in the space

- Enterprise clients believe that NTT DATA needs to be proactive in its approach to cater to client needs looking at the global market indications

Appendix

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

Everest Group PEAK Matrix
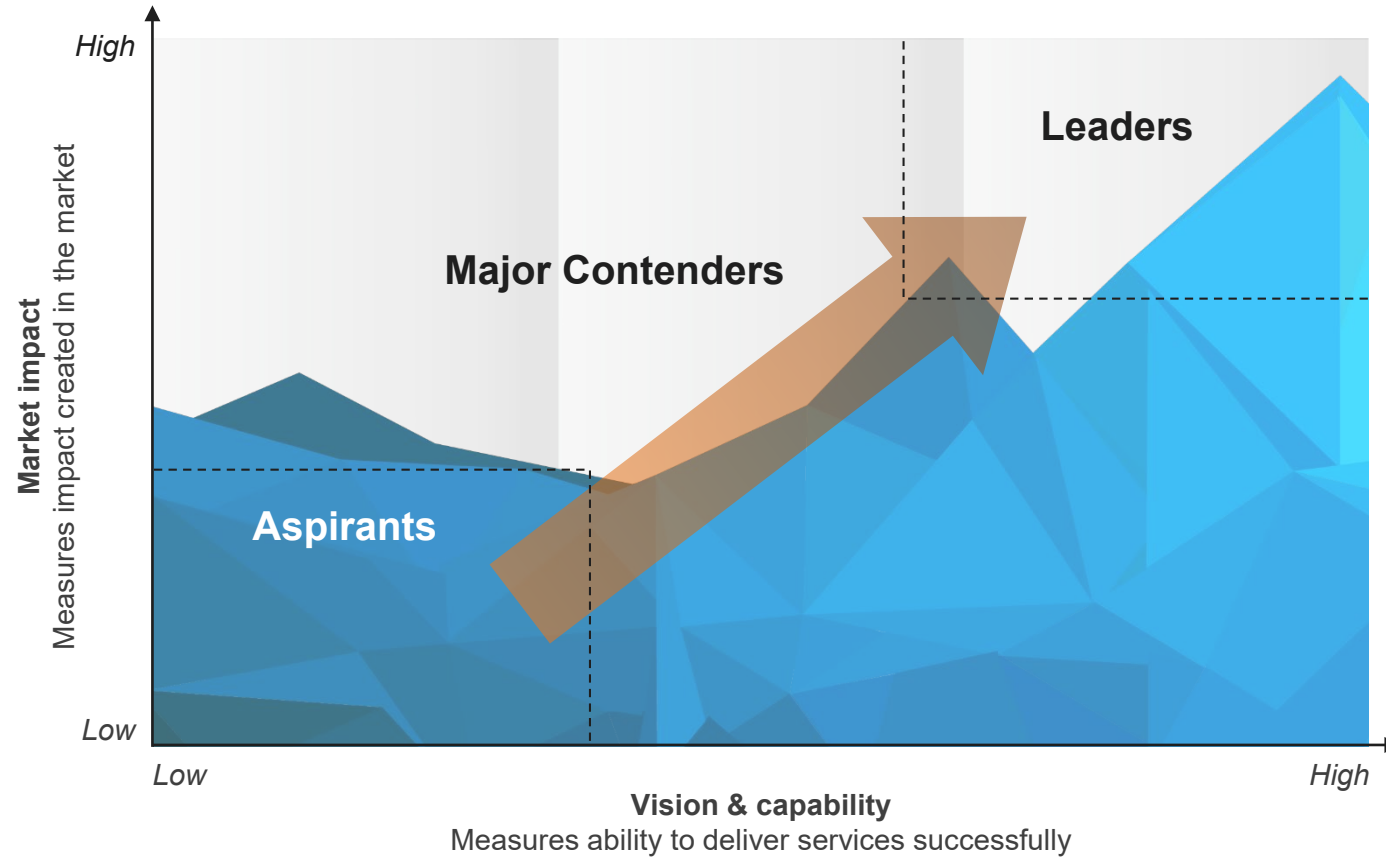
Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption
Number of clients, revenue base, YOY growth, and deal value/volume

Portfolio mix
Diversity of client/revenue base across geographies and type of engagements

Value delivered
Value delivered to the client based on customer feedback and transformational impact

Market impact

Leaders
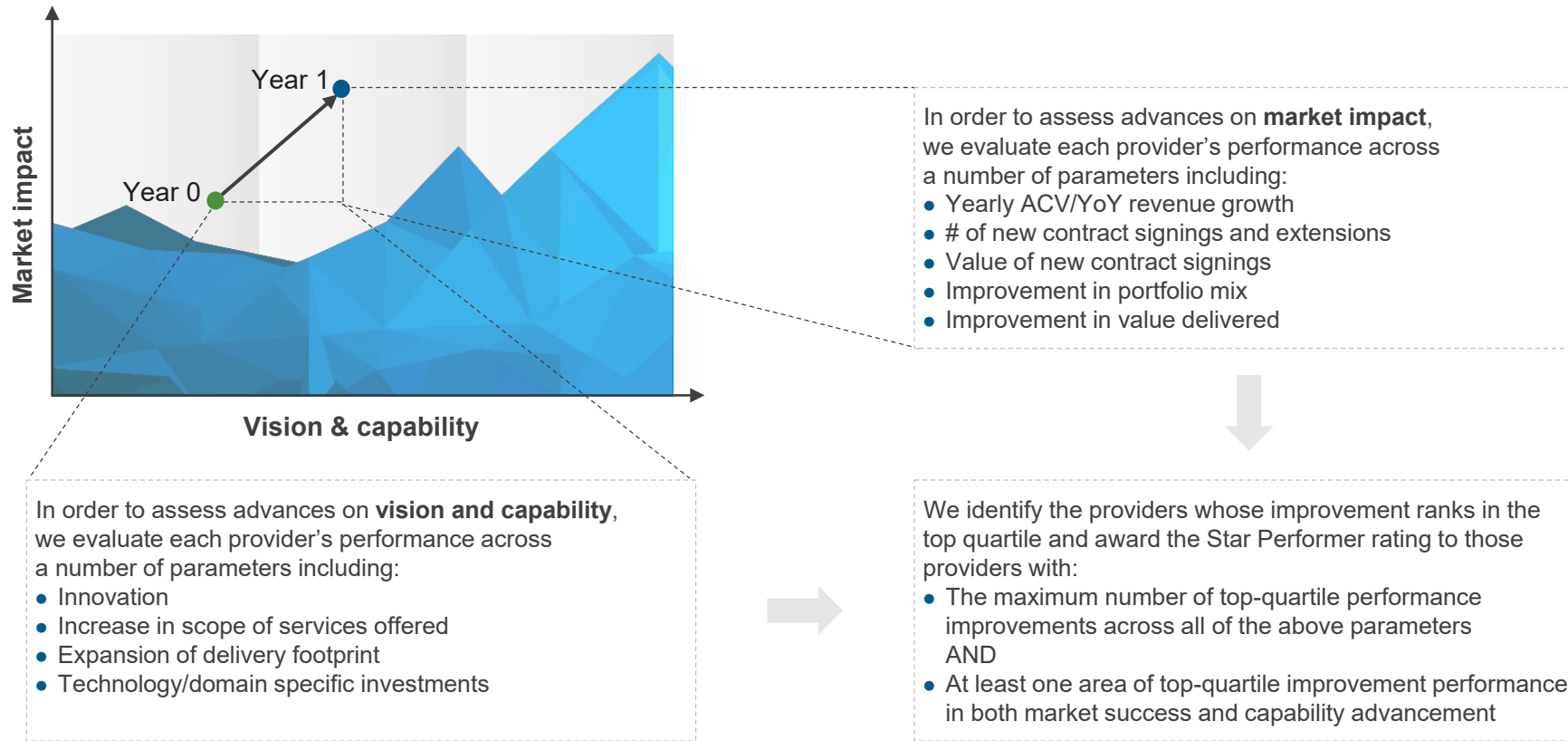
Major Contenders

Aspirants

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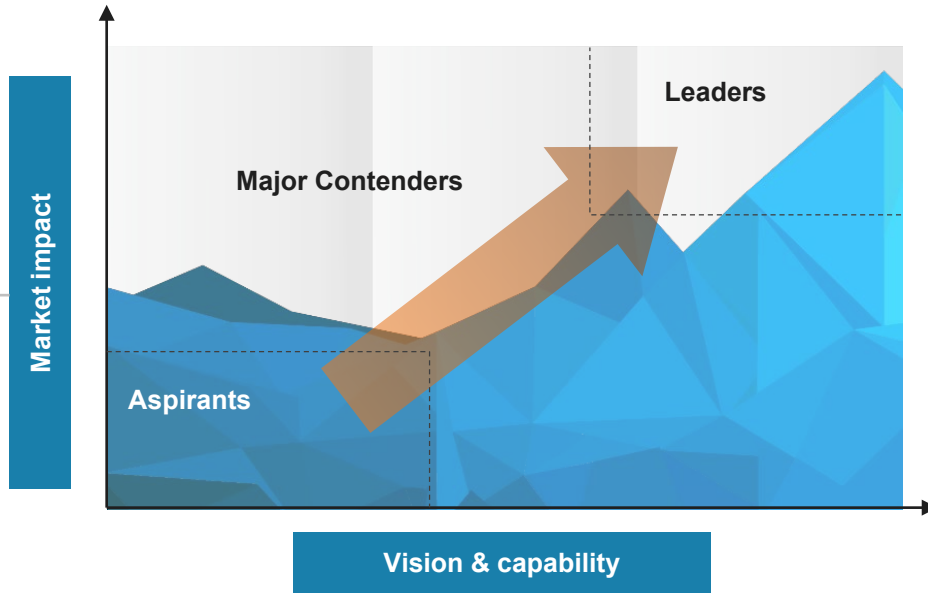
Measures ability to deliver services successfully. This is captured through four subdimensions

Vision and strategy
Vision for the client and itself; future roadmap and strategy

Scope of services offered
Depth and breadth of services portfolio across service subsegments/processes

Innovation and investments
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.

Delivery footprint
Delivery footprint and global sourcing mix

Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

Methodology
Everest Group selects Star Performers based on the relative YoY improvement on the PEAK Matrix

In order to assess advances on **market impact**, we evaluate each provider's performance across a number of parameters including:
- Yearly ACV/YoY revenue growth
- # of new contract signings and extensions
- Value of new contract signings
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on **vision and capability**, we evaluate each provider's performance across a number of parameters including:
- Innovation
- Increase in scope of services offered
- Expansion of delivery footprint
- Technology/domain specific investments

We identify the providers whose improvement ranks in the top quartile and award the Star Performer rating to those providers with:
- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement performance in both market success and capability advancement

The Star Performers title relates to YoY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?
Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?
No. The PEAK Matrix highlights and positions only the best-in-class providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition.

What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?
A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?
- Enterprise participants receive summary of key findings from the PEAK Matrix assessment
- For providers
  – The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
  – In addition, it helps the provider/vendor organization gain brand visibility through being in included in our research reports

What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?
- Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:
  – Issue a press release declaring positioning; see our citation policies
  – Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
  – Use PEAK Matrix badges for branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with Everest Group; please contact your CD or contact us

Does the PEAK Matrix evaluation criteria change over a period of time?
PEAK Matrix assessments are designed to serve enterprises' current and future needs. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality and to serve enterprises' future expectations.

Everest Group®

With you on the journey

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

Stay connected

Website
everestgrp.com

Social Media

@EverestGroup

@Everest Group

@Everest Group

@Everest Group

Blog
everestgrp.com/blog

Dallas (Headquarters)
info@everestgrp.com
+1-214-451-3000

Bangalore
india@everestgrp.com
+91-80-61463500

Delhi
india@everestgrp.com
+91-124-496-1000

London
unitedkingdom@everestgrp.com
+44-207-129-1318

Toronto
canada@everestgrp.com
+1-647-557-3475