



Everest Group Capital Markets IT Services PEAK Matrix® Assessment 2024

Focus on Capgemini
July 2024



Introduction

The Capital Markets (CM) industry is currently undergoing significant transformation, driven by the need to enhance operational efficiency and reduce costs. Firms are focusing on streamlining operations through the automation of processes and integration of new technologies, while strategically outsourcing non-core activities such as IT management and back-office functions.

There is a significant shift toward emerging technologies. Artificial Intelligence (AI) and Machine Learning (ML) are widely used for predictive analytics, automated trading, and personalized financial advice, with generative AI enhancing these applications. Blockchain is crucial for improving transaction transparency, reducing fraud, and quickening processing times.

There is a notable move toward sustainable investments, driven by increased investor awareness and demand for transparency. This is leading to a preference for portfolios aligned with Environmental, Social, and Governance (ESG) criteria, encouraging firms to deeply integrate sustainability into their investment strategies.

Regulatory bodies are intensifying their scrutiny, prompting firms to adopt agile adaptation strategies. Investments in Regulatory Technologies (RegTech) are increasing to

manage compliance efficiently across global regulations. Additionally, cybersecurity has become crucial, requiring firms to implement robust measures to protect sensitive data and secure digital transactions.

In the full report, we present an assessment of 27 leading IT service providers featured on the [Capital Markets IT Services PEAK Matrix® Assessment 2024](#). The assessment is based on Everest Group's annual RFI process for calendar year 2024, interactions with leading IT service providers, client reference checks, and an ongoing analysis of the Capital Markets IT services market.

This report includes the profiles of the following 27 leading IT services providers featured on the Capital Markets IT Services PEAK Matrix:

- **Leaders:** Accenture, Capgemini, Cognizant, HCLTech, Infosys, LTIMindtree, TCS, Wipro
- **Major Contenders:** Apexon, Birlasoft, Coforge, DXC Technology, EPAM Systems, Hitachi Digital Services, Kyndryl, Mphasis, Ness Digital Engineering, Nous Infosystems, NSEIT, Softserve, Tech Mahindra, Virtusa, Zensar
- **Aspirants:** Accolite Digital, Exadel, Stefanini Group, Xoriant

Scope of this report

Geography: Global

Industry: Market activity and investments of 27 leading IT services providers

Services: Capital markets IT services

Capital Markets IT Services PEAK Matrix® characteristics

Leaders

Accenture, Capgemini, Cognizant, HCLTech, Infosys, LTIMindtree, TCS, Wipro

- Leaders are strategic partners for their clients across the clients' capital market verticals, co-innovating with third-party platform providers and FinTechs, and have a proven track record of delivering end-to-end solutions across the CM value chain
- They differentiate themselves by having dedicated leadership for CM management, and the long-term vision to tap into next-generation themes such as ESG, generative AI, and hyper-personalization to drive revenue growth in emerging areas
- Leaders also have a strong global presence, broader client portfolio, innovative commercial models, ability to hire and upskill the best talent in the industry, extensive thought leadership publications, and co-innovation initiatives with clients, FinTechs, and platform providers by setting up research and innovation labs

Major Contenders

Apexon, Birlasoft, Coforge, DXC Technology, EPAM Systems, Hitachi Digital Services, Kyndryl, Mphasis, Ness Digital Engineering, Nous Infosystems, NSEIT, Softserve, Tech Mahindra, Virtusa, Zensar

- Major Contenders have expanded their scope of services from point solutions to enterprise-wide transformations. They have made strategic alliances with platform providers and hyperscalers to co-innovate and develop joint Go-to-Market (GTM) strategies
- Major Contenders have also built proprietary solutions, accelerators, and frameworks around ESG, AI/ML, generative AI, and quantum computing

Aspirants

Accolite Digital, Exadel, Stefanini Group, Xoriant

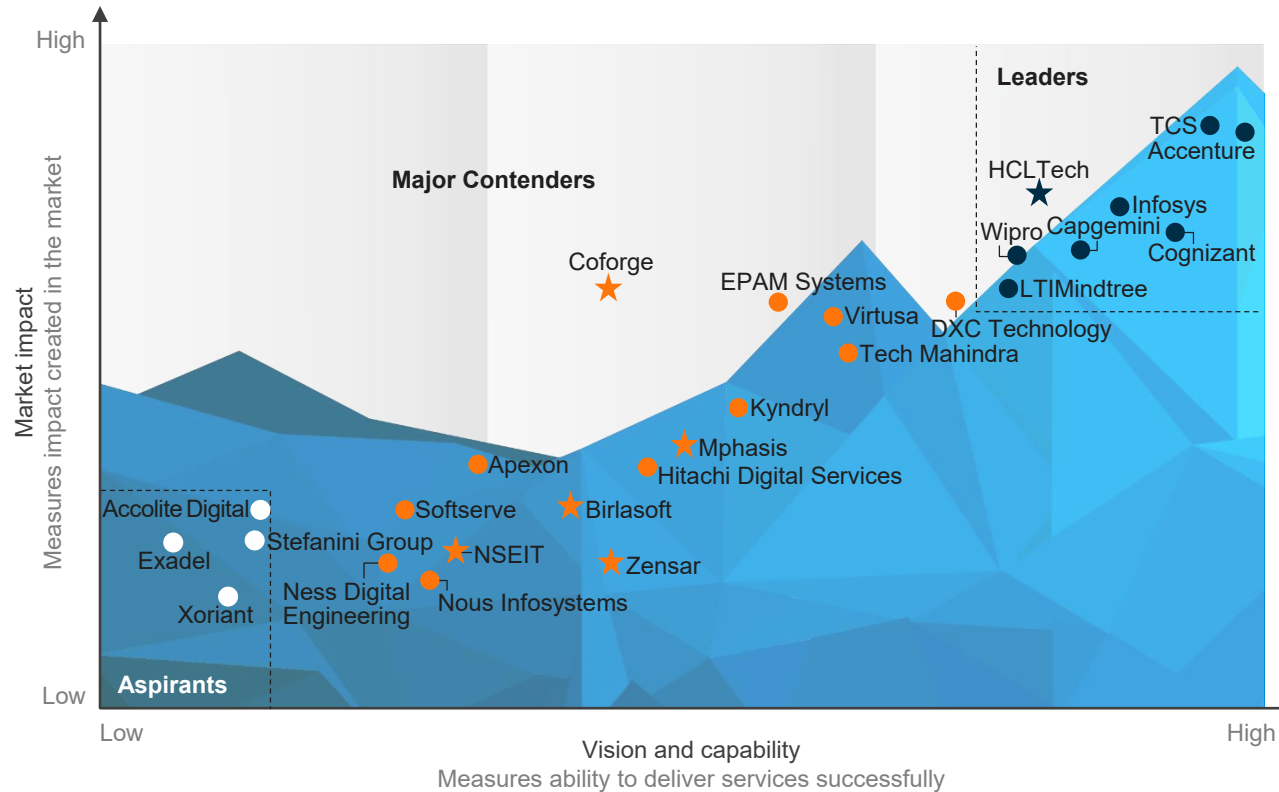
- Aspirants, with their targeted services scope, specific geography focus, and deep-domain focus and/or solutions in specific areas such as onboarding, reporting, digital engineering, and quality assurance provide them the positioning of a specialist in the respective space
- They are investing to develop their client and partnership portfolios to cover a wider range of solutions and services

Everest Group PEAK Matrix®

Capital Markets IT Services PEAK Matrix® Assessment 2024 | Capgemini is positioned as a Leader

Everest Group Capital Markets IT Services PEAK Matrix® Assessment 2024¹

- Leaders
- Major Contenders
- Aspirants
- ☆ Star Performers



¹ Assessments for Accolite Digital, Coforge, DXC Technology, Exadel and Softserve excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, provider public disclosures, and Everest Group's interactions with buyers. For these companies, Everest Group's data for assessment may be less complete
Source: Everest Group (2024)

Capgemini profile (page 1 of 4)

Overview

Capital markets IT services vision

The company envisions to engage both new and existing clients on key offerings including derivatives reporting, post-trade optimization, capital markets technology transformation, platform solutions and market data services. Key strategies include leveraging partnerships with product vendors and FinTech's for Platform as a Service, accelerating efforts in trade operations efficiency and collateral management, collaborating with industry players for innovative solutions integrating cloud, AI, and data analytics.

Overall revenue (CY 2023)

<US\$200 million	US\$200-500 million	US\$500 million-US\$1 billion	>US\$1 billion
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Number of active clients (CY 2023)

<25	25-100	100-150	>150
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Capital markets IT services revenue mix (CY 2023)

● N/A (0%) ● Low (1-20%) ● Medium (20-40%) ● High (>40%)

By geography

- North America
- United Kingdom
- Europe
- Asia Pacific
- Latin America
- Middle East and Africa

By IT services segment

- Application services
- Digital services
- Infrastructure services

By application services segment

- Application development
- Application maintenance
- Consulting
- System integration¹
- QA and testing

By lines of business

- AWM²
- Brokerages
- Custody
- Fund administration
- Investment banking
- Others

By buyer size

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

¹ System integration includes package implementation
² Asset and wealth management
 Source: Based on Everest Group's estimations (2024).

Capgemini profile (page 2 of 4)

Offerings

Proprietary IP/solutions/frameworks/accelerators/tools developed internally to deliver the capital markets IT services

Name	Details
Enterprise Automation Fabric	It offers a unique and differentiating approach that encompasses an end-to-end perspective from ideation to production – enabling clients to seek guidance on starting an automation journey, scale up operations, sustainable automation benefits, and pursue capability growth and innovation.
890 by Capgemini	890 by Capgemini is an activator of data analytics. It has helped its capital markets clients speed up decision-making, flex and grow at scale, increase efficiency, automate processes, and make products and services that connects with its customers, enabling its clients to make collaborative business decisions, faster and more intuitively – all from one single trusted interface.
Custom generative AI for Enterprise	It enables enterprises having sensitive data to have custom generative AI assistants fine-tuned with their key proprietary data to get maximum business value impact. It has designed a platform to combine the power of pre-trained open Large Foundation Models (LFMs) with enterprise proprietary data to fine-tune LFMs to the needs of each client.

Key partnerships/alliances/acquisitions/JVs leveraged to deliver the capital markets IT services

Name	Type of investment (year)	Details of investment
Exiger	Acquisition (2023)	Acquired Exiger to strengthen its offerings in financial crime, risk management, and regulatory compliance services
Quorsus	Acquisition (2022)	Acquired Quorsus, a UK-based firm specializing in consultancy services to financial institutions in post-trade technologies, operations, regulatory solutions, and market infrastructure; its specific industry focus and expertise allows Capgemini to further support its capital markets clients in addressing not only increasing regulatory requirements, but also the need for strategic yet efficient operations across the trading life cycle
CHAPPUIS HALDER	Acquisition (2022)	Acquired CHAPPUIS HALDER to expand its consulting expertise in financial services in areas focused on business development and transformation, finance, risk, and compliance
Frog Design Studio	Acquisition (2021)	Acquired Frog Design Studio, a creative consultancy, to apply creativity, strategy, design, and data to re-invent businesses, drive growth, and orchestrate customer-centric transformation

Capgemini profile (page 3 of 4)

Case studies

CASE STUDY 1

A leading European investment bank was looking to monetize and commercialize its in-house trading platform

Business challenge

The client was looking to monetize and commercialize its in-house trading platform. Resistance to change and over 80,000 end users needed to be informed about the digital offerings and infrastructure modernization without interrupting everyday operations and impacting employee morale and attrition.

Solution

Developed a JV with a major French bank and invested in the platform

Impact

- Established significant utility with 24 wealth and private banks already onboarded
- Provided solution delivering front-office (CRM, portfolio advisory, e-Banking, m-Banking) and back-office functions (regulatory, risk, tax, accounting, reporting, electronic document management)
- Saved costs for clients with economies of scale with a central transformation agenda with digital, automated, and scalable platform

[NOT EXHAUSTIVE]

CASE STUDY 2

Implemented operational and cost transformation for the biggest custodian and clearing banks in Europe

Business challenge

The client was seeking operational and cost transformation. It was focused on confirming change management, implementation strategy, and governance, which included defining an operating model for evolving technologies in the Distributed Ledger Technology (DLT) space. It also involved processes in custodial operations while ensuring compliance with all existing custodial and clearing regulations.

Solution

- Developed a DLT-based platform for transactions related to bonds and securities
- Digitization, offshoring, operations, and cost transformation of existing operations










Impact

- Increased the effectiveness of outsourcing with full transparency and continuous improvement
- Drove digitization through extensive roll out of automation tools
- Optimized pyramids and offshore leverage to reduce cost with ability to achieve 90% on fixed costs

Capgemini profile (page 4 of 4)

Everest Group assessment – Leader

Measure of capability:  Low  High

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

Strengths

- Strategic partnerships with leading platforms, hyperscalers, and FinTechs such as Murex, Simcorp, and Orchestrade to develop joint proposals and sales pursuit
- Focusing on co-innovation with clients such as a joint venture with a large European bank to deliver wealth utility, which is now being scaled up to investment banking and asset management
- Actively leveraging acquisitions to expand its footprint in areas such as post-trade technologies and operations, market infrastructure, financial crime and compliance, risk and compliance, and design. Recent acquisitions include Exiger, Frog Design Studio, Chappuis Halder, and Quorsus
- Developed IP, solutions, and frameworks in emerging areas such as generative AI, ESG lens, sustainability data hub, analytics solution, and Markets Data Services (MDS)
- Developed joint framework with R3 Corda to assess end-to-end needs for blockchain implementation for clients in areas such as digital assets, tokenization, Central Bank Digital Currency (CBDC), and cryptocurrency

Limitations

- Capgemini lags peers in footprint in high growth markets such as APAC and the Middle East to drive revenue growth and should consider investing in partnerships and alliances with the regional players
- Peers are ahead of Capgemini with their talent management strategy and providing technical/domain certification to its workforce
- Clients have indicated Capgemini needs to drive innovation in engagements and evolve into a strategic partner, moving beyond transactional deals
- It currently lacks a strong playbook to target deals with relatively smaller clients

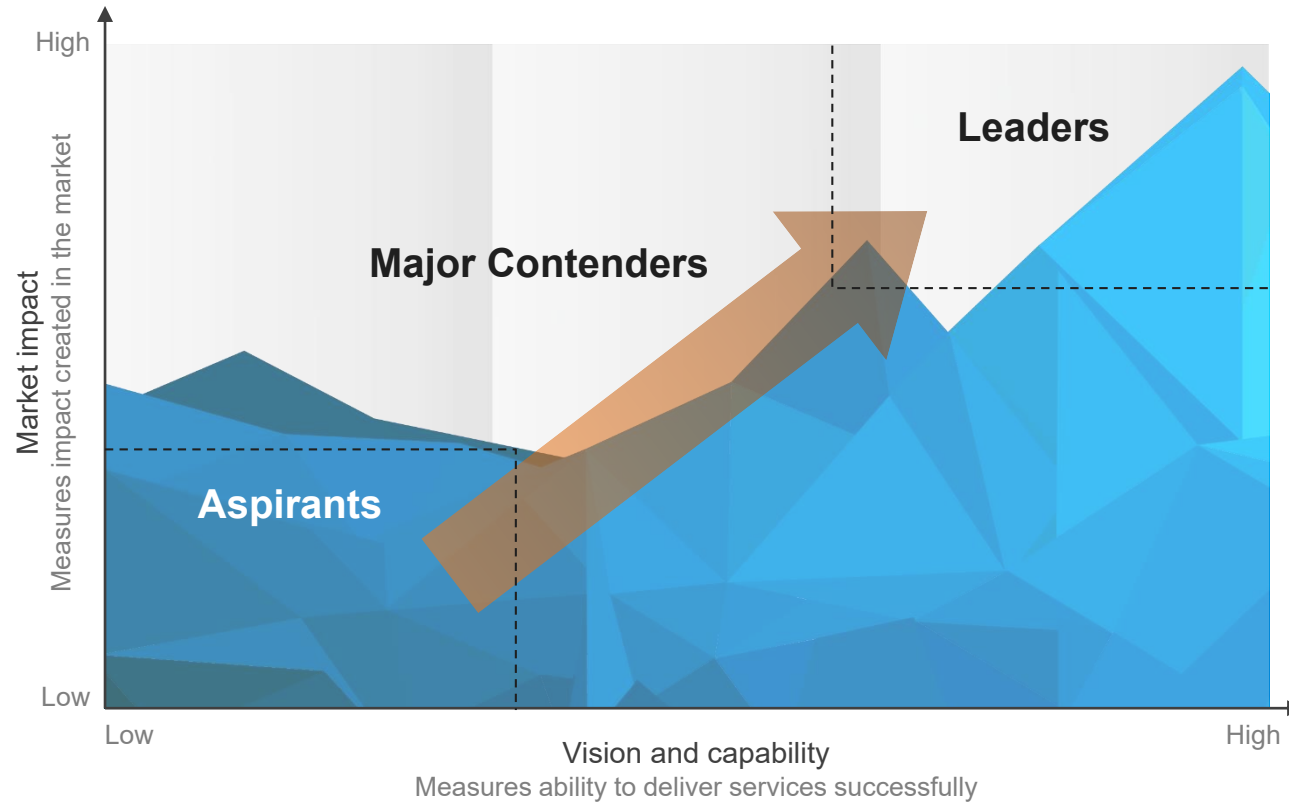
Appendix

PEAK Matrix® framework

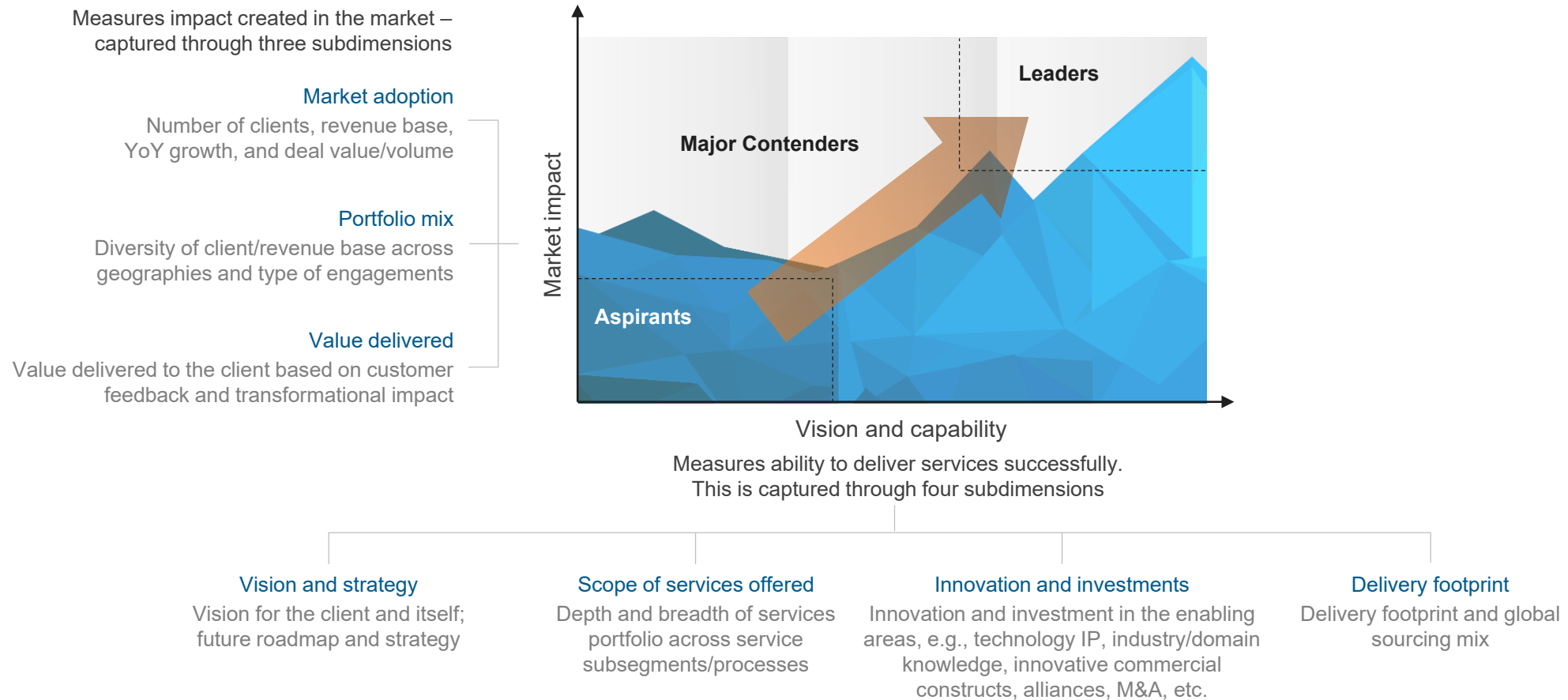
FAQs

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

Everest Group PEAK Matrix



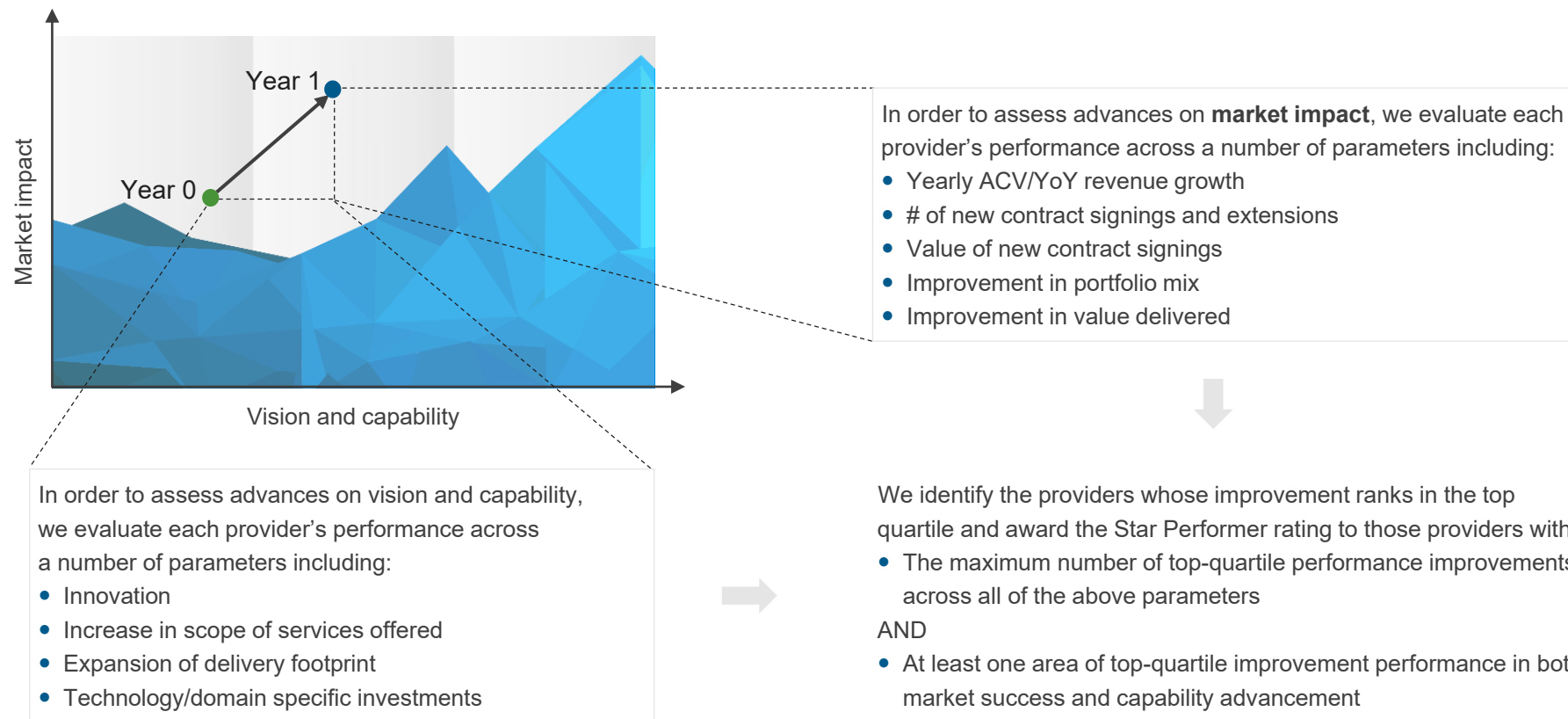
Services PEAK Matrix® evaluation dimensions



Everest Group confers the Star Performer 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



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

FAQs

Q: Does the PEAK Matrix® assessment incorporate any subjective criteria?

A: 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.

Q: Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?

A: 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.

Q: What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

A: 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.

Q: What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

A: 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 included in our research reports

Q: What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

A: 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

Q: Does the PEAK Matrix evaluation criteria change over a period of time?

A: 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.

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