

Analytics Services

A research report evaluating data analytics service providers' strengths, challenges and competitive differentiators

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Analytics services are driven by enterprise data centrality

The demand for analytics solutions and services has gained significant traction in the U.S., given the growing realization among enterprises that they need to leverage data for driving their business objectives. The market reflects global trends in terms of IT and digital maturity, and analytics solutions act as a hub for centralized business decision-making for several enterprises.

The market is on the cusp of the realization that data and analytics are not only central and core to the successful performance of businesses but are central to their survival. The role of data has never been more important –there is a need to drive decision making and infuse

analytics for delivering results beyond business expectations. In light of these developments, ISG's analysis reveals that enterprises are focused on the following:

- **Customer centrality:** Investment in process and methodologies underpinned by solutions that drive high levels of personalization and customization
- **Business centrality:** Investment in tools and technologies that combine and augment human-machine collaboration to drive business decisions for operational and process excellence
- **Data centrality:** Approach and mindset that culturally identifies and understands data as the prime enabler of business, operations and the process to drive employee engagement

Although these seem to be different focus areas, every enterprise must achieve

Investments in analytics to foster a data-driven culture



optimum levels of harmony between these three facets to grow their businesses. Depending on their level of digital maturity, many enterprises are trying to achieve customer and business-centricity for driving analytics revenues. A handful of large firms and some small niche firms are already operating on high levels of data-centric or data-driven approaches. Some of them include Coca-Cola, Disney, McDonalds, DBS Bank, Uber and technology companies such as Netflix, Google and Apple.

Customer experience or customer engagement focus

This is viewed as an area that is addressable for implementing analytics solutions and yet a challenge for enterprises across several verticals. Hyper-personalization and hyper-customization are becoming important tools for attracting new customers and preventing churn.

- The market is attracting significant investments from enterprises for customer service and customer-related solutions and services. Customer analytics has become a standardized and pre-packaged analytics solution across several large and specialist analytics providers. Service providers are also actively offering analytics solutions covering topics such as customer value, customer experience, customer journey, and customer engagement to better drive enterprise customer strategies.
- Service providers are looking at customer touchpoints including omnichannel AI, IoT and the edge, conversational AI platforms, chatbots, and other social media APIs to derive insights. Increasingly, these touchpoints are becoming embedded with simple and contextual AI capabilities to deliver an enhanced customer experience.
- Service providers are offering readily available and tailored versions of customer 360 and customer data platforms that are designed to address the specific demands of customer experience and management. In addition, the use of customer analytics is also promoting data monetization and data ecosystems that enable better data sharing and new revenue streams with existing data.
- In the U.S., enterprises across retail, telecom, banking, automotive and the public sector are investing in customer-centric solutions and services. Demography, buying behavior, buyer profiles and many data points are evaluated to address customer preferences, customer segmentation, product positioning, pricing and discounts, problem resolution, customer churn and other parameters.

Decision science, or intelligent decisioning, is taking center stage

Enterprises and service providers are starting to consider the business context while investing in analytics solutions and services, rather than viewing it as mere technology or infrastructure element.

- Data science is no longer viewed as the statistical or algorithmic approach that combines AI, machine learning and automation to offer solutions. The approach and projects are leveraged to empower deep intelligence and insights that drive business decisions. In fact, the term data science is slowly fading, with decision science becoming the norm across providers and enterprises.



- Decision science is becoming a critical aspect of most analytics projects for driving business and even life-saving impacts. In the U.S. healthcare industry for example, medical decisions on the treatment of anomalies and the presence of life-threatening illnesses and many other diseases are being handled by sophisticated AI systems that can deliver high accuracy.
- In certain cases, these systems were able to read and diagnose from images with low or poor resolution. In the life sciences and pharmaceutical industry, decision science is being leveraged to create drugs and other pharmacological inventions. In the agriculture sector, these technologies help detect viruses and crop-eating diseases in real time.
- From a business perspective, enterprises across retail, banking, telecom and even technology companies are leveraging data science

and analytics to help them decide store locations, borrower profiles in lending and mortgage, rate fluctuations in utilities and many more advantages. Service providers, especially specialists or pure-play analytics providers, are taking advantage of these opportunities to offer highly customized services and solutions that are vertical- or domain-specific, especially for utilities, banking, telecom and retail.

Data literacy growing as an investment

area: In the U.S., the aftermath of the pandemic and threat of a looming recession have created an impending necessity to become data driven, with key executives and business leaders investing to modernize their data infrastructures. Across large, mid-sized and small segments, enterprises also realize that becoming data centric is a steep challenge and can't be realized with just investments in technology. ISG advises that enterprises should invest in fostering

a data-driven culture that impacts every employee and line of business to change perspectives and view data as a lever for business outcomes.

- Enterprises in the U.S. are investing in opportunities for executives and employees that create a shift in their mindsets to drive business with data-led intelligence.
- Aside from offering training, service providers are also employing self-service modules and capabilities in data science, data engineering, data governance and management and business intelligence solutions. These modules enable citizen data scientists, line of business managers and even executives to better capitalize the investment on analytics.
- Data literacy is gaining mindshare and investments across enterprises, including public sector agencies,

emphasizing the need for better data strategy and governance. The Foundations for Evidence-Based Policymaking Act created a U.S. law that requires the federal government to modernize its data management practices. The act also envisages a 10-year national data strategy to encourage data to be used as a strategic asset and the appointment of chief data officers across every federal agency.

The following are some of the key factors disrupting the market dynamics:

- Industrialized solutions continue to gain traction, with service providers offering analytics tools and accelerators built on rich experience from vertical and domain experience.
- Business-outcome-led delivery is a major facet that providers increasingly attach with solutions and services.



Executive Summary

- Cloud-native solutions and services, as well as cloud migrations, continue to gain traction as enterprises continuously invest in transformation and modernization.
- X-Ops: The analytics market is abuzz with keywords such as AIOps, MLOps, DataOps, DevSecOps, signifying the heightened level of AI productization.
- X-First: Providers are taking a “data-first” approach and marketing their solutions to drive the importance of data, customer, AI and cloud.

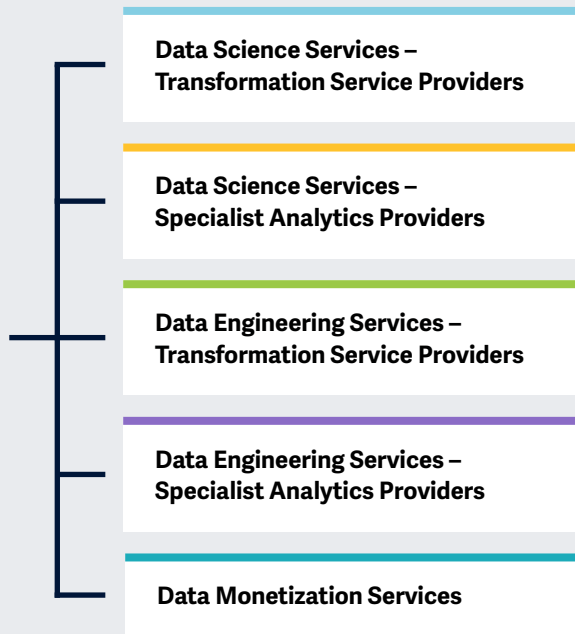
Consequently, the market is undergoing aggressive consolidation, with several acquisitions targeted at improving portfolio attractiveness and competitive strength. In addition, there is intense collaboration among providers and vendors to create a robust ecosystem of partners for addressing specialized industry needs, compliance requirements and future-proof solutions.

Customer centricity, business outcomes drive data analytics initiatives.



This study focuses on what ISG perceives as most critical in 2022 for Analytics Services

Simplified Illustration Source: ISG 2022



Definition

Analytics is growing in importance, as evident from the significant investments by enterprises on these solutions on their journeys toward becoming data-centric entities. Data analytics is becoming integral to the business approaches and digital transformation initiatives of enterprises. ISG analysis indicates a fundamental shift in the mindsets of large enterprises and small and mid-sized businesses: Analytics is no longer about basic business data; instead, analytics solutions are now deployed to derive business value from data. Enterprises wish to address specific business areas such as decision-making, revenue streams, customer experience, operational excellence and optimized business processes. ISG analysis also indicates that while enterprises differ in the level of maturity with their data and analytics

practices, they are unanimous in the shift to adopting data-driven processes and embracing a data-centric culture.

Compared with 2021, data science services in 2022 have been witnessing significant changes — veering away from statistical modelling and toward business value and decision intelligence. Providers and enterprises expect data scientists to better understand business context and objectives to enhance insights and thereby enable actionable decision making. While technical skills continue to be a prerequisite to a data scientist's role, business knowledge with domain expertise is increasingly being sought to improve business outcomes.

Data engineering services continue to dominate this space with the largest share of revenue and deals, but with a shift from data integration to data fabrics, and adaptive and smart data pipelines. As the focus moves away from simple



integration-related deals, the productized data engineering market is witnessing an increasing number of service-oriented deals and projects.

Data monetization services is a new market segment analyzed in the 2022 edition of this study. It was added because enterprises increasingly require data hubs, data ecosystems and solutions to share data. Data has become key to obtaining multidimensional perspectives across business segments, partners, supply chains, customers and co-innovators.

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

- Transparency on the strengths and weaknesses of relevant providers;
- A differentiated positioning of providers by segments;
- Focus on different markets, including U.S., Germany, U.K., and Brazil.

Our study provides an important knowledge base for decision-makers for positionings, key relationships and go-to-market considerations. ISG advisors and enterprise clients, on the other hand, utilize the information collected in these reports to evaluate their current vendor relationships and potential engagements.





Sweet Spot - Data Engineering

Indium Software

Overview

Indium Software is a leading provider of Digital Engineering services with deep expertise in Data and Analytics, Cloud Engineering, DevOps, Application Engineering, Digital Assurance and Gaming. In FY22, Indium posted a 78% revenue growth, with over 3000 employees and 100+ active Global 2000 enterprise clients. Indium's Data and Analytics capabilities have gained recognition and accrued awards in both the U.S. and global markets.

Key Provider Capabilities

- **Comprehensive Analytics Capabilities:** Indium Software uses a tailored approach to help firms monetize and optimize the value of their data. Indium's service portfolio covers end-to-end analytics capabilities, from data engineering (data ingestion, data processing, data delivery, data virtualization, and data storage solutions), business intelligence and data modernization (data discovery, reporting, and visualization), to advanced analytics (prescriptive, descriptive, and predictive analytics), and AI/ML solutions (computer vision, NLP, text analytics, IoT and edge analytics, custom ML models, bespoke AI, and MLOps).
- **Cloud and Digital Engineering Foundations:** Indium Software's foundational experience in Digital Engineering, complemented by its Cloud Engineering practice drives its competence

to yield sustainable results for businesses. Its offerings are further enhanced by consistent investment in cloud and data-centric technology partnerships, which helps address the following:

- Addressing business challenges requiring significant data processing and analytics to derive insights.
- Optimizing the platform capabilities and technology spend
- **Data-centric approach:** Indium Software's robust portfolio offers end-to-end data engineering capabilities, like constructing data pipelines, setting up data warehouses, data lakes, data lakehouses, and data marts helping organizations across industries to optimize their data science programs and making insightful business decisions. Additionally, Indium Software also performs end-to-end due diligence assessments to understand the existing data ecosystem,

perform gap analysis, and strategize a roadmap that is optimally suited for clients.

- **IP Accelerators:** Indium Software has helped organizations derive meaningful insights to drive strategic business decisions through its home-grown accelerators like teX.ai – a pre-built NLP accelerator, ibriX - a pre-built accelerator to add value across the Databricks implementation cycle and iDAF – Indium's Data Assurance Framework.

Benefits Delivered

- **Store and process Terabyte-scale data**
- **Build Data platforms for multi-cloud strategy and cloud-agnostic pipelines**
- **Streamline and expedite the data-to-dashboard journey with our Product oriented Delivery (PoD) approach**
- **Increase in client's revenue through data driven solutions and ML models**
- **Reduce data process time without compromising on the accuracy**



Indium Software

Sweet Spot

- **Indium Software's sweet spot** is its ability to build complex data lakehouses in AWS, Azure, Google Cloud Platform, Snowflake, and Databricks. The company's expertise in cloud engineering and DevOps has enhanced its competence in integrating various heterogeneous source systems into a centralized data warehouse. Indium Software, with its strong partnerships, is focused on investing in data technology to expand its portfolio, including data virtualization and governance. One of the key partnerships include:
 - Striim enables change data capture (CDC) and real-time streaming of data to ensure that its customers can migrate and modernize to the latest technology stack for data-driven transformation.

• In-house Data Engineering assets:

Indium Software has invested in several customized intellectual properties to help simplify and improve the data engineering process cycle for better business outcomes. Our home-grown accelerators include:

- **teX.ai** – a pre-built NLP accelerator to automate the end-to-end text analytics lifecycle.
- **ibriX** - a pre-built accelerator to add value across the Databricks implementation lifecycle.
- **iDAF** – Indium's Data Assurance Framework has helped organizations derive meaningful insights to drive strategic business decisions.
- **INTACT** – Indium Integrated Accelerators for Striim - a comprehensive set of accelerators for automation, upgrades, and data quality solutions.

- **Dynamic Data Ingestion tool** for pattern-based data ingestion, metadata-driven data ingestion and cloud-based data ingestion
- **Snowflake migration** accelerator for speed and reduced cost & migration risks


Future roadmap

Indium Software will continue its growth pace in the Data and Analytics market with key investments and developments. Over the next 12 months, the company will focus on:

- Improving advisory services and investing in pre-built cloud accelerators especially around data governance
- Establishing Communities of Practice (CoP) combining latest technologies and capabilities for innovation and helping our customers and internal talent skilling initiatives

- Investing in R&D to build highly scalable and flexible data ecosystem on the cloud, which will enable petabyte-scale processing and deliver insights in real-time
- Expanding hyperscale partnership ecosystem
- Harnessing AI, ML, and NLP technologies for business processes and enable a data-driven business
- Strengthening analytics, MLOps, and DataOps capabilities in the healthcare and financial services domains





Sweet Spot - Data Science

Indium Software

Overview

Indium Software is a digital engineering services provider specializing in cloud and application engineering, data and analytics, low-code development and digital assurance. It reported revenue growth of 78 percent in FY22, with over 2,500 employees and 100 active Global 2000 enterprise clients. Its data and analytics capabilities have gained recognition and accrued awards in both the U.S. and global markets.

Key Provider Capabilities

- **Comprehensive analytics capabilities:** Indium Software's portfolio covers end-to-end analytics covering data engineering (data ingestion, data processing, data delivery, data virtualization and data storage solutions), BI and data (data discovery, reporting and visualization), data analytics (prescriptive, descriptive and predictive analytics) and AI/ML solutions (computer vision, NLP, text analytics, IoT and edge analytics, custom ML models, bespoke AI and customer and marketing analytics).
- **Data-driven decision making:** Indium Software's offerings address customer challenges across industries depending on their level of digital adoption and data maturity. The solutions are engineered with extensive due diligence to account for the industry dynamics, business and technical stakeholders, and the existing data ecosystem.

This results in curated offerings that enable enterprises to maximize the potential value of data, enabling data-driven decision making to outdo the competition.

- **Digital engineering ethos:** Indium Software's analytics expertise stems from its inherent capabilities and experience in digital transformation initiatives. The approach addresses the underlying drivers with digital engineering efforts that help transform business into an analytics-driven organization, including:
 - Addressing business challenges requiring significant data processing and analytics to derive insights
 - Increasing the maturity levels in the deployment of data and analytics solutions

- Optimizing the platform capabilities and technology spend
- **Tailored offerings:** Indium Software's analytics offerings are highly customized solutions aimed at solving complex ML and deep learning problems that can't be resolved by off-the-shelf products. It has developed competence in implementing experimental and experiential methods to solve complex business problems.

Benefits Delivered

- **Custom solutions to resolve unique challenges**
- **Wide industry experience solving challenges of a shoe manufacturer and mattresses manufacturer**
- **Communities of Practices and in-house chapters to support technical upskilling, training and delivery**
- **Competence in text analytics, computer vision and experimental AI/ML models**



Indium Software

Sweet Spot

- **Indium Software's sweet spot** is its ability to develop end-to-end customized AI and analytics solutions that deliver maximum value from data and transform clients into an analytics-driven organization. It has gained specialized expertise, with over two decades of experience in delivering transformational projects using new and emerging technologies. It leverages this experience to develop two-pronged capabilities to address the following:
 - **Functional domains:** Indium Software has been developing custom NLP solutions such as Document Intelligence and Search, Voice of Customer Analysis and Product Cataloging. Use cases include text analytics for a real-estate provider, data-driven product analysis of a newly launched payment system for a

taxi-hailing firm, and raw material price prediction using forecasting algorithms for a retail firm.

- **Industry challenges:** The company has been developing outlier detection and preventive maintenance-based monitoring solutions with warehousing and IoT data processing for manufacturing and energy companies. Use cases include automation of sleep monitoring analytics through MLOps, IoT analytics-powered demand and supply matching for a taxi firm, forecast demand for energy distribution insights to detect outliers for ill-performing wind turbines, and analytics to measure efficiency and monitor the performance of semiconductor wafer production.

- **Intellectual property assets:** Indium Software also relies on in-house accelerators for building NLP solutions to address various use cases for enabling sentiment analysis and preventive maintenance.

teX.ai is a pre-built NLP accelerator that automates the end-to-end text analytics lifecycle, resulting in faster time-to-market and reduced TCO. The core modules are designed to extract, summarize and classify text in addition to offering document intelligence, web scraping, and sentiment and semantic analysis.

Future roadmap

Indium Software will continue its growth pace in the data and analytics market, with key investments and developments expected over the next 12 months. From a portfolio perspective, the company will continue to:

- Focus on use cases for custom solutions and frameworks across industries
- Target cloud-native solutions for analytics and ML
- Include cutting-edge research and best product deployment practices to improve the offering

Over the next 12 months, Indium Software will invest in:

- Expanding its presence in Australia
- Expanding the portfolio to include Snowflake and Google Cloud Platform
- Training for data virtualization and data governance
- Expanding across the energy and renewables industry





Appendix

The ISG Provider Lens™ 2022– Analytics Services analyzes the relevant software vendors/service providers in the U.S. market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

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The research and analysis presented in this report includes research from the ISG Provider Lens program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of December 2022, 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 study was divided into the following steps:

1. Definition of Analytics 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 & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
 - * Strategy & vision
 - * Tech Innovation
 - * Brand awareness and presence in the market
 - * Sales and partner landscape
 - * Breadth and depth of portfolio of services offered
 - * CX and Recommendation



Author & Editor Biographies



Lead Analyst

Gowtham Kumar
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Gowtham Sampath is a Senior Manager with ISG Research, responsible for authoring ISG Provider Lens™ quadrant reports for Banking Technology/ Platforms, Digital Banking Services, Cybersecurity and Analytics Solutions & Services market. With 15 years of market research experience, Gowtham works on analyzing and bridging the gap between data analytics providers and businesses, addressing market opportunities and best practices. In his role, he also works with

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IPL Product Owner

Jan Erik Aase
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Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a partner 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™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens research, please visit this [webpage](#).

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