

Everest Group Blockchain Services PEAK Matrix™ 2019

Focus on IBM

November 2018



Introduction and scope

Everest Group recently released its report titled “[Blockchain Services PEAK Matrix™ Assessment 2019: Race to Make Enterprise Blockchain Real.](#)” This report analyzes the blockchain services landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group classified 27 service providers on the Everest Group PEAK Matrix™ for blockchain services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of blockchain service providers based on their absolute market success and delivery capability.

Based on the analysis, **IBM emerged as a Leader.** This document focuses on IBM blockchain services experience and capabilities and includes:

- IBM position on the Blockchain Services PEAK Matrix
- Detailed blockchain services profile of IBM

Buyers can use the PEAK Matrix to identify and evaluate different service providers. It helps them understand the service providers’ relative strengths and gaps. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements, and match them against service provider capability for an ideal fit.

Background, scope, and methodology for blockchain services PEAK Matrix™ assessment 2018

- Blockchain technology is signaling enterprise readiness and the move beyond the hype phase, where it had captured the attention of visionaries, technologists, governments, and enterprises alike. Blockchain has witnessed widespread adoption across industries, with projects moving from Proof of Concepts (POCs) to deployment stages
- Enterprises are betting big on blockchain technology and it has presented an opportunity for service providers to capture this new market. Given the nature of technology, it demands an ecosystem play, and thus the role of service providers as orchestrators of business outcomes enabled by digital levers (including blockchain) becomes more prominent
- This report is focused on the blockchain services market and assesses 27 service providers on the proprietary PEAK Matrix™ assessment to evaluate their overall capability against the business impact that they witnessed in the market

Scope of this report



Industry

All industries witnessing blockchain implementation have been covered in this report



Market segment

Blockchain services



Geography

Global



Sources

- Operational capability of 30+ blockchain service providers updated through Request for Information (RFI), Everest Group proprietary service provider intelligence database, enterprise discussions, and public disclosures
- Service provider's demonstration of capabilities through briefings and discussions
- Interactions with the service provider's clients

Service providers covered in the analysis

accenture

Atos

Capgemini

Cognizant

Deloitte

DXC.technology

EY
Building a better
working world

<epam>

excelian
LUXOFT FINANCIAL SERVICES

FUJITSU

GFT

IBM

Infosys

Innominds

KPMG

LTI

Mphasis
Unleash the Next

NIIT
technologies
New Ideas. More Value.

NTT DATA
Global IT Innovator

PERSISTENT

pwc

Synechron

TATA CONSULTANCY SERVICES

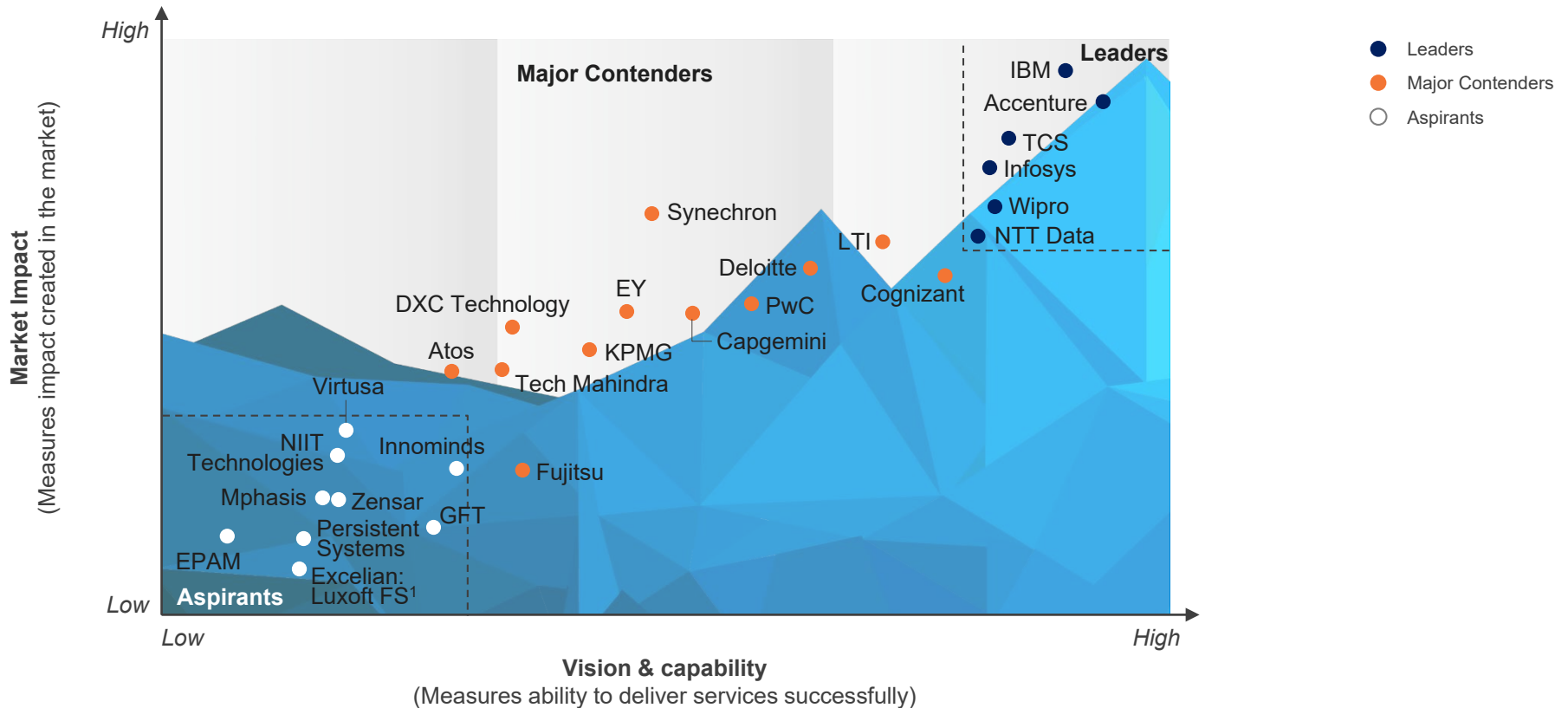
Tech
Mahindra

virtusa
Accelerating Business Success

wipro

ZenSar

Everest Group Blockchain Services PEAK Matrix™ Assessment 2019



¹ Excelian: Luxoft Financial Services

Note: Assessment for Atos, Deloitte, EPAM, EY, Fujitsu, KPMG, Excelian: Luxoft FS, Persistent Systems, and PwC excludes service provider inputs, and is based on Everest Group's proprietary database, service provider public disclosures, and Everest Group's interactions with blockchain clients

Source: Everest Group (2018)

Overview

Vision for blockchain practice: Identify and act as a catalyst and partner with various ecosystems in their journey to address collective opportunities and challenges. IBM wants to provide guidance to these evolving business networks across various facets, from governance, operating model, and commercial structures, to design, development, and implementation services, as well as ongoing network evolution, and maintenance for driving further value for the ecosystem.

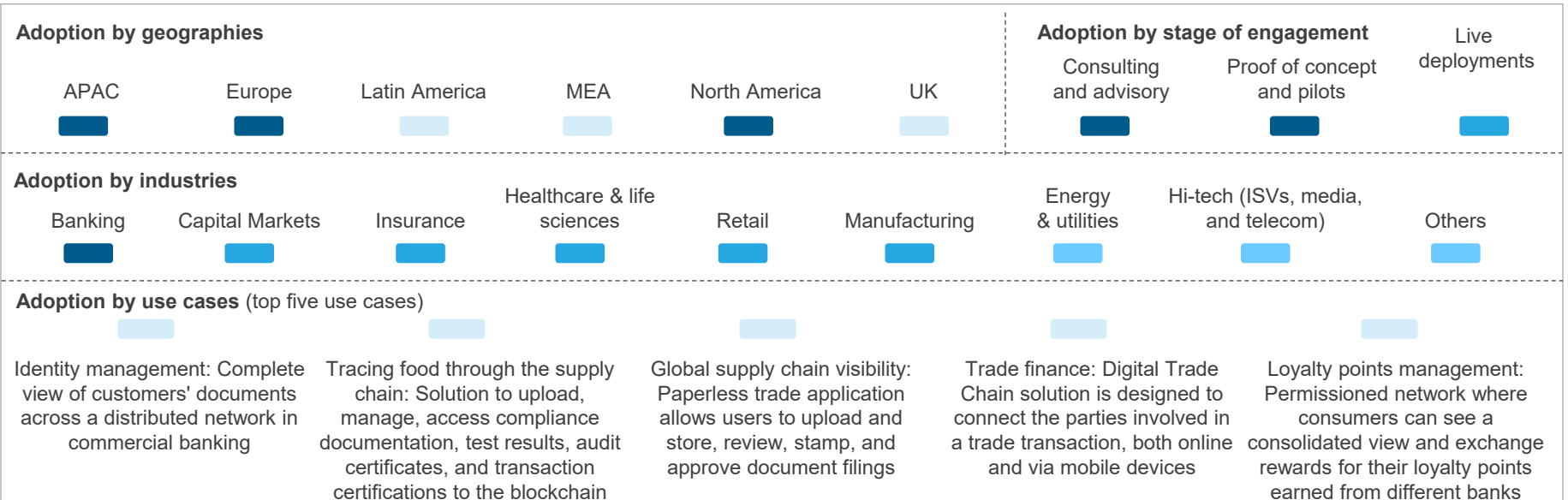
Strengths

- Differentiated through their investment in global talent, blockchain consortium, industry leading patents, end-to-end capabilities, and research & innovation
- Clients value IBM's ability to leverage solutions/accelerators, depth of knowledge and experience in blockchain projects, global presence, and ability to train clients in blockchain platforms, especially Hyperledger fabric

Areas of improvement

- Clients see IBM as a Hyperledger-focused company, and thus IBM needs to showcase their ability to support a wide set of blockchain technologies
- Lock-in created by leveraging IBM Bluemix and BaaS services may become a barrier for pilot to production¹

Number of client engagements (including proof of concepts): ■ >30 ■ 16-30 ■ 6-15 ■ 1-5 ■ None



¹ IBM has launched a cloud-based blockchain platform which runs in multiple environments on November 13, 2018. This platform should help alleviate client's concerns around infrastructure vendor lock-in

Case study, thought leadership, and innovation labs

Case study 1	
Commercial banking client	
Business challenge	A bank serving 3.6 million customers and operating multiple systems to manage customer identity for different parts of the business wanted a complete view of customers' documents across a distributed network.
Solution and impact	Using the open-source Hyperledger Fabric, the solution tapped into evidence already stored in the bank's multiple systems of record allowing business units to access the data in real-time. This resulted in significantly lower costs for the KYC process.

Case study 2	
Financial services – commercial payments	
Business challenge	Bonus points cannot be freely exchanged among different banks, causing many bonus points to go unused because of strict policies or a limited selection of goods for exchange.
Solution and impact	IBM developed a business platform to create a permissioned network for the exchange of bonus points. This enabled consumers to see consolidated view of loyalty points earned among different banks. This led to improved user experience, increased customer loyalty, and enhanced product offerings.

Thought leadership	
Website link	Description
https://www.ibm.com/common/ssi/cgi-bin/ssialias?htmlfid=KU912408USEN&	How IBM Blockchain can improve government services and ensure trust
https://www.ibm.com/common/ssi/cgi-bin/ssialias?htmlfid=KU912407USEN&	Transform healthcare outcomes with the simplicity of IBM Blockchain (POV document)
https://www.ibm.com/case-studies/koopman-blockchain-logistics	Koopman – enabling transparent, efficient, and trustworthy logistics for new and used cars with blockchain

Blockchain innovation labs / CoEs	
Location	Description
Multiple locations	IBM has established garages around the world including San Francisco, London, Toronto, Tokyo, Singapore, Nice, New York, Austin, Melbourne, and Brazil, where clients can get hands-on experience in setting up blockchain networks.

Investments

Blockchain investments (representative list)

Investment theme	Details
Blockchain accelerators/ solutions	<ul style="list-style-type: none"> • IBM blockchain platform: It includes open-source collaboration in the Hyperledger community, including Hyperledger fabric v1.0 framework and Hyperledger composer blockchain tool, both hosted by the Linux foundation • Secure document management system: It is a tamper-proof document store that provides separate access to organizations with different roles • Deduplication engine: Used in blockchain networks that include PO/invoice upload functionality, the deduplication asset ensures that identical documents are not counted twice • Consortium launch methodology: Accelerator enabling quick consortium launch for IBM clients • IBM blockchain playbook: Set of acceleration tools for clients looking for a quick path to production • Composer: Hyperledger composer is a set of collaboration tools for building blockchain business networks
Other blockchain alliances	<ul style="list-style-type: none"> • Axoni: Partner to deliver DTCC's trade information warehouse blockchain solutions in the financial market • Batavia: Developed network that can be openly accessed by organizations of all sizes anywhere in the world, and supports trade finance for transactions across all modes of trade • Deloitte: Collaborated to leverage blockchain technology and industry experience
Talent investments	<ul style="list-style-type: none"> • Around 1,600+ blockchain practitioners globally • More than 75,000 certification badges issued • Formal certification and virtual training, in-person bootcamps, advanced consulting, and technical training • IBM Blockchain academic initiative to provide students and educators with training resources and skill development; establish blockchain student communities • IBM is working with more than 1000 universities to help meet the increasing demand for a skilled technical workforce trained in blockchain • Commitment and investment in P-TECH, IBM Veterans Employment Initiative, and IBM New Collar Certificate Program
Other investments	<ul style="list-style-type: none"> • TradeLens: Entered into a collaboration agreement with Maersk to provide efficient and secure methods for conducting global trade using blockchain technology • IBM Food Trust: Collaboration with Dole, Driscoll's, Golden State Foods, Kroger, McCormick and Company, McLane Company, Nestlé, Tyson Foods, Unilever, Walmart, and Carrefour to address food safety concerns worldwide

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Experience with blockchain platforms

Number of client engagements (including proof of concepts): >30 16-30 6-15 1-5 None

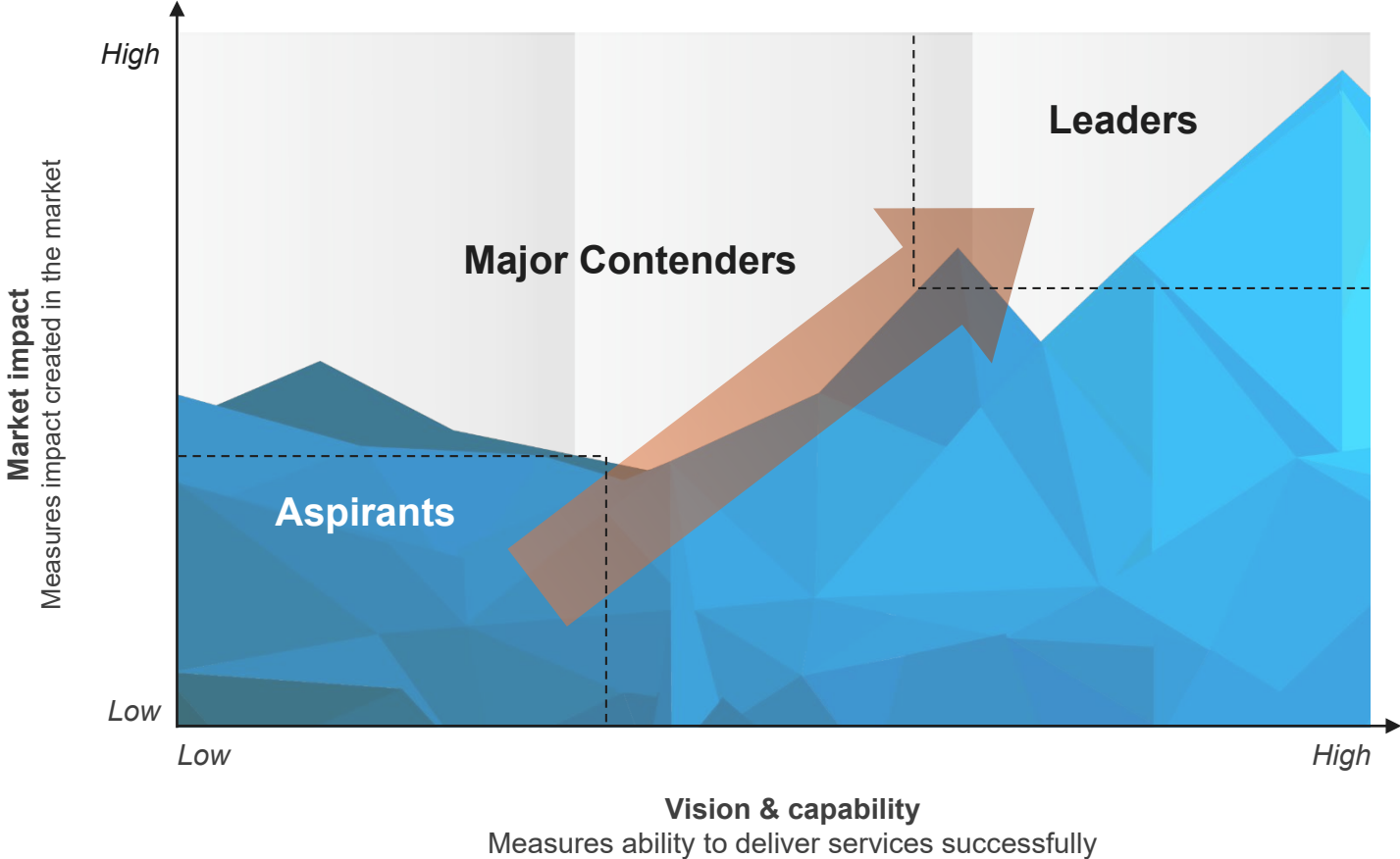
Blockchain protocols	No. of client engagements	Leading business use cases
Ethereum	Not disclosed	Public network without permissions
Hyperledger Fabric	Not disclosed	Permissioned enterprise network that needs a foundation blockchain application or solution
Hyperledger Indy	Not disclosed	Best for creating and using independent, decentralized, and digital identities
R3 Corda	Not disclosed	Financial domain use cases, with strong Corda-to-Corda interoperability
Stellar	Not disclosed	Cross-border currency exchange; fast and low-cost transactions
Axoni	Not disclosed	Capital markets / financial institutions and equity derivatives on Ethereum- and Hyperledger-based networks
Ripple	Not disclosed	Possible use cases around integrating to IBM payments hub

Appendix

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



Everest Group PEAK Matrix



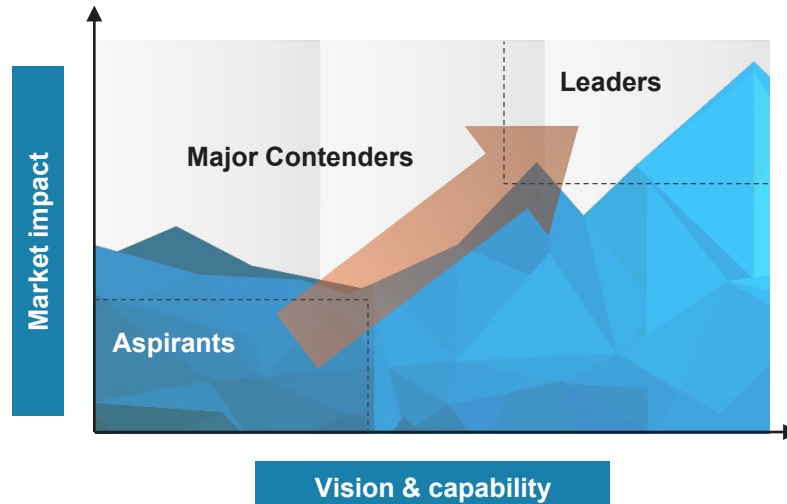
Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

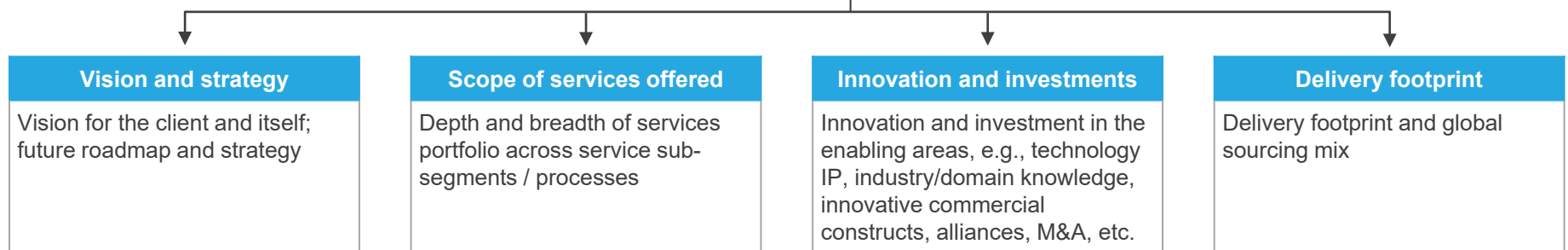
Market adoption
No. of clients, revenue base, and YOY growth, deal value/volume

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

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



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



Does the PEAK Matrix™ assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned 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 service 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 PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

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

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
 - Issue a press release declaring their positioning. See [citation policies](#)
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK Matrix 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 the designated POC at Everest Group.

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

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. 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 as well as serve the future expectations of enterprises



About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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