

Everest Group PEAK Matrix™ for Enterprise Blockchain Services 2020

Focus on IBM
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Introduction and scope

Everest Group recently released its report titled “[Enterprise Blockchain Services PEAK Matrix™ Assessment 2020: Getting the Economics of Consensus Right](#)” This report analyzes the changing dynamics of the enterprise blockchain services landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 30 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. Everest Group also identified eight service providers as the “2019 Enterprise Blockchain Services Market Star Performers” based on the strongest forward movement demonstrated on the PEAK Matrix year-on-year.

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

- IBM’s position on the enterprise blockchain services PEAK Matrix
- IBM’s year-on-year movement on the enterprise blockchain services PEAK Matrix
- Detailed enterprise 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.

Source: Everest Group (2019)

Background of the research

Background of the research

- Blockchain technology is signaling enterprise readiness and moving 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
- Enterprise blockchain technology has presented an opportunity for service providers to reinvent services delivery model. 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
- In this research, we present an assessment of 30 leading enterprise blockchain service providers plotted on the proprietary Everest Group PEAK Matrix, along with their detailed profiles. Each service provider profile comprises details of service capabilities, scale of operations, and domain investments
- The assessment is based on Everest Group's annual RFI process for the calendar year 2019, direct interaction with leading blockchain service providers, client reference checks, and an analysis of the enterprise blockchain services market

Scope of this report

- **Services:** Enterprise blockchain services
- **Geography:** Global
- **Service providers:** 30 leading enterprise blockchain service providers

This report includes the profiles of the following 30 service providers on the enterprise blockchain services PEAK Matrix™:

- **Leaders:** Accenture, Cognizant, HCL Technologies, IBM, Infosys, NTT Data, TCS, and Wipro
- **Major Contenders:** Atos, Capgemini, Deloitte, Deqode, DXC Technology, EY, Fujitsu, GFT, KPMG, LTI, Mphasis, PwC, Synechron, Tech Mahindra, and Virtusa
- **Aspirants:** 3i-Infotech, Birlasoft, GAVS Technology, Innominds, NIIT Technologies, UST Global, and Zensar
- **Star performers:** Atos, Cognizant, DXC Technology, GFT, NTT Data, TCS, Tech Mahindra, and Wipro

Enterprise blockchain services PEAK Matrix™ characteristics

Leaders:

Accenture, Cognizant, HCL Technologies, IBM, Infosys, NTT Data, TCS, and Wipro

- Leaders have accelerated the enterprise blockchain adoption journey by positioning themselves beyond the traditional realm of IT and consulting system integrators to build, run, manage, govern, and monetize blockchain networks. There is varying degree of maturity across the Leaders in this area, but all have expanded their vision and strategy to become blockchain network/platform operators
- Leaders are investing in building solutions to ease setting up of blockchain network, enable blockchain interoperability, and accelerate time to value and production readiness
- Leaders are active contributors to open source blockchain solutions and are working closely with the blockchain technology ecosystem to address industry-wide adoption challenges. They are building tools and solutions that are workarounds for the current technology limitations, thus driving innovation in their engagements

Major Contenders:

Atos, Capgemini, Deloitte, Deqode, DXC Technology, EY, Fujitsu, GFT, KPMG, LTI, Mphasis, PwC, Synechron, Tech Mahindra, and Virtusa

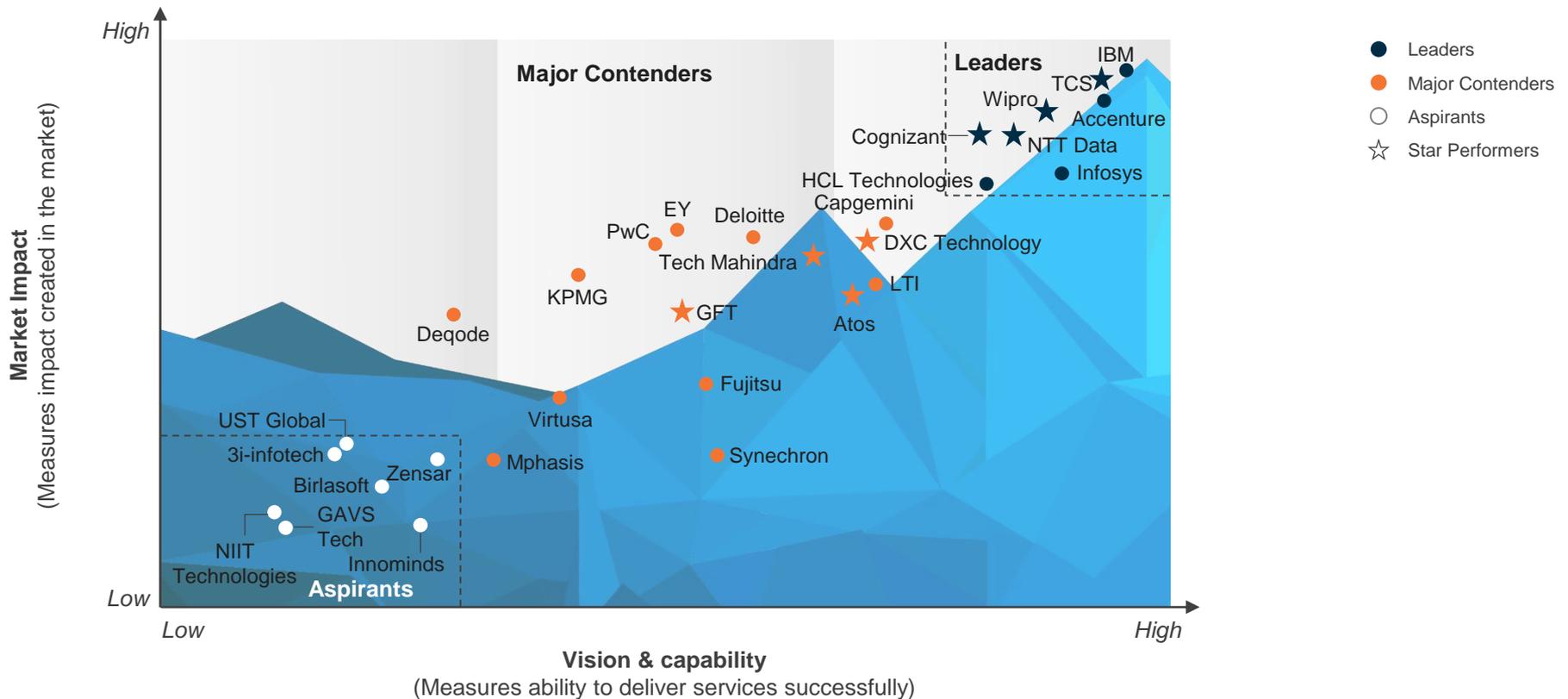
- Major Contenders have accelerated their investments in technology partnerships and collaboration with the broader blockchain ecosystem. They stand out for their investments in building accelerators or point solutions for specific blockchain use cases
- Major Contenders consist of a range of service providers with varying focus from certain industries to certain geographies. They have been quick in building solutions around identified use cases
- Major Contenders see blockchain as a technology to drive cost optimization and process efficiency and are building solutions around it
- Consulting firms have been instrumental in market education and outlining blockchain strategy and roadmap. At the same time, niche engineering talent-focused firms have built talent and internal delivery capabilities to make this roadmap a reality for their enterprise clients

Aspirants:

3i-Infotech, Birlasoft, GAVS Technology, Innominds, NIIT Technologies, UST Global, and Zensar

- Aspirants have budding blockchain services practices and are investing in scaling their talent pool to manage the clients' demand for building minimum viable blockchain solutions as well as supporting enterprises via staff augmentation for product engineering talent
- They are investing in building a GTM strategy for blockchain technologies and creating dedicated leadership and thought assets

Everest Group Enterprise Blockchain Services PEAK Matrix™ Assessment 2020



Note: Assessment for Deloitte, EY, Fujitsu, KPMG, Innominds, LTI, NIIT Technologies, Virtusa, 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. For these companies, Everest Group's data for assessment may be less complete

Source: Everest Group (2019)

Overview

Vision for blockchain practice: Continue creating blockchain networks to improve the way corporations, government entities, and economies work together, increasing value and interoperability across solutions. Deliver value to IBM clients by rewiring the enterprise using IoT, AI, ML, and blockchain, all under one digital transformation engagement. Its aim is to continue building networks on IBM Blockchain Platform leveraging Hyperledger Fabric, while expanding IBM service capabilities in other non-Hyperledger-based platforms such as Ethereum and Corda, by collaborating with other service and software providers.

Strengths

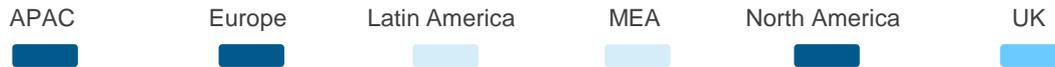
- Clients value IBM's ability to bring an integrated services and solutions offering to help clients build and run industry-focused blockchain networks
- Global delivery footprint and vast network of partners aid in cross-industry collaboration. Clients value IBM's ability to leverage these resources to enable consortia cooperation, governance, and setups

Areas of improvement

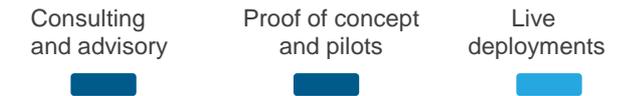
- Clients want IBM to bring better on-the-ground domain expertise in their engagements as resources approach engagements from a technology-first lens
- IBM can expand its breadth of services capabilities around other managed blockchain platforms and frameworks that clients would like to explore beyond Hyperledger Fabric or IBM blockchain platform

Number of client engagements (January 2018-June 2019): ■ (>30) ■ (16-30) ■ (6-15) ■ (1-5) ■ None

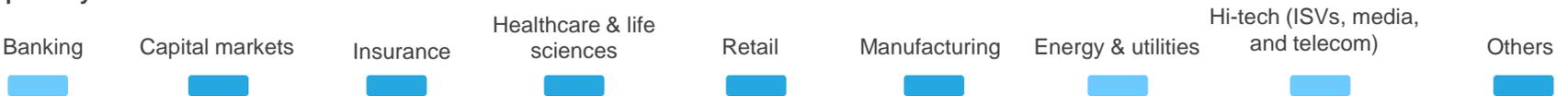
Adoption by geographies



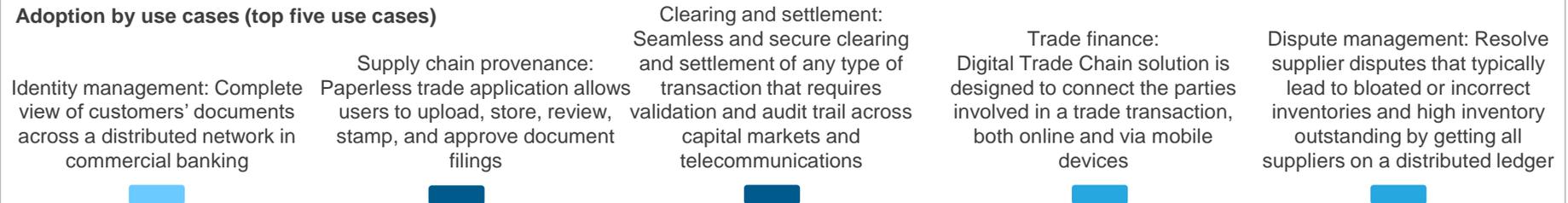
Adoption by stage of engagement



Adoption by industries



Adoption by use cases (top five use cases)



IBM | Blockchain services (page 2 of 4)

Case study, thought leadership, and innovation labs

Case study 1		Case study 2	
A telecommunications company		Car tracking solution	
Business challenge	Lack of industry-wide process for quicker clearing and settlement of transactions across interconnected networks. Need for a better solution to cater to anticipated growth driven by 5G and IoT	Business challenge	Automotive logistics infrastructure is characterized by scattered information flows and multiple legacy systems, making it impossible to trace vehicles on their way to the dealer
Solution and impact	Strategic advice, design, build, integration, test, and support of a blockchain-based platform. A blockchain-based solution that instantly validates new wholesale billing and charging processes for clearing and settlement services. As part of this initiative, IBM is working with GSMA to develop new data standards to address 5G data clearing and settlement	Solution and impact	IBM is providing a proven blockchain technology, ensuring secured data-sharing, immutable records, and creation of a full digital record of a vehicle's life cycle in the supply chain. The flows can be tracked on a near real-time basis, improving planning, optimizing inventories and networks, and saving costs, thereby improving the customer journey

Thought leadership	
Website link	Description
https://www.ibm.com/blogs/blockchain/2019/08/why-is-interoperability-important-in-blockchain/	The article sheds light on what is interoperability and why it is important in blockchain
https://www.ibm.com/thought-leadership/institute-business-value/report/programmoneyevo	Charting the evolution of programmable money – tokenization concept and how it is evolving and encompassing different securities
https://www.ibm.com/account/reg/us-en/signup?formid=urx-33572	Potential ROI of IBM Blockchain and its cost, risks, and benefits

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.
Multiple locations	IBM has established Client Innovation Centers (CIC) which are part of the IBM globally integrated network of client service centers that deliver deep industry and technical expertise to IBM clients worldwide

Blockchain investments (representative list)	
Investment theme	Details
Blockchain accelerators/ solutions	<ul style="list-style-type: none"> IBM Blockchain Platform: An end-to-end enterprise-grade platform for building blockchain networks with deployment flexibility (on-premise, SaaS, and multi-cloud); based on open-source collaboration in the Hyperledger community / Hyperledger Fabric v1.4 framework by the Linux Foundation IBM Food Trust (Provenance Engine): Food provenance using track & trace on the blockchain to ensure products are safe for consumers IBM Blockchain Trusted Identity: A decentralized approach to identity management built on top of open standards in combination with Decentralized Identity Foundation (DIF), W3C, and other standard groups IBM WorldWire: Blockchain banking solution to help financial institutions address the processes of universal cross-border payments. It is designed to reduce the settlement time and lower the cost of completing global payments for businesses and consumers IBM Consortium launch methodology: Drives consensus between network participants and focuses on building a right-sized governance and commercial framework to assist in accelerating the consortium journey and promoting adoption of the network IBM Enterprise Design Thinking framework and IBM Garage: Allows consortium members to collaboratively decide on an outcome-based roadmap for the network and create a business value design that can guide the proper business strategy IBM Blockchain Security Testing: X-Force® Red Blockchain testing helps organizations build and use blockchain technology with the connected infrastructure securely. The service includes manually reviewing chain code, security controls, and processes such as access controls, identifying a probable adversarial path to compromise, and moving laterally within a blockchain ledger network
Other blockchain alliances	<ul style="list-style-type: none"> Maersk: Maersk and IBM collaborate on TradeLens, built on the IBM Blockchain Platform, to improve global trade and digitize supply chains Food Safety: Collaboration across an ecosystem of producers, suppliers, manufacturers, and retailers to create safe and sustainable food system We.Trade: Twelve major European banks selected IBM to bring blockchain-based trade finance to small and medium enterprises – the digital trade chain network Health utility network: Aetna, Anthem, Health Care Service Corporation (HCSC), PNC Bank, and IBM are in a new collaboration to design and create a network using blockchain technology to improve transparency and interoperability in the healthcare industry Deloitte and KPMG: Partnered to leverage blockchain technology and industry experience Trust Your Supplier: Digital identity platform to improve supplier qualification, validation, onboarding, and life cycle management Learning Credentialing Network (LCN): Managing the identity, education credentials, and organizational access to the same for education
Talent investments	<ul style="list-style-type: none"> Around 2,000+ blockchain practitioners globally More than 100,000 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 and establish blockchain student communities IBM is working with more than 1,000 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"> Columbia and IBM announced 10 growth-stage start-ups as participants in the NETWORK acceleration program Acquired RedHat to allow for hybrid cloud and unprecedented innovation in the next-generation of blockchain and DLT development, implementation, and application

NOT EXHAUSTIVE

Number of client engagements (January 2018-June 2019): ■ (>30) ■ (16-30) ■ (6-15) ■ (1-5) ■ None

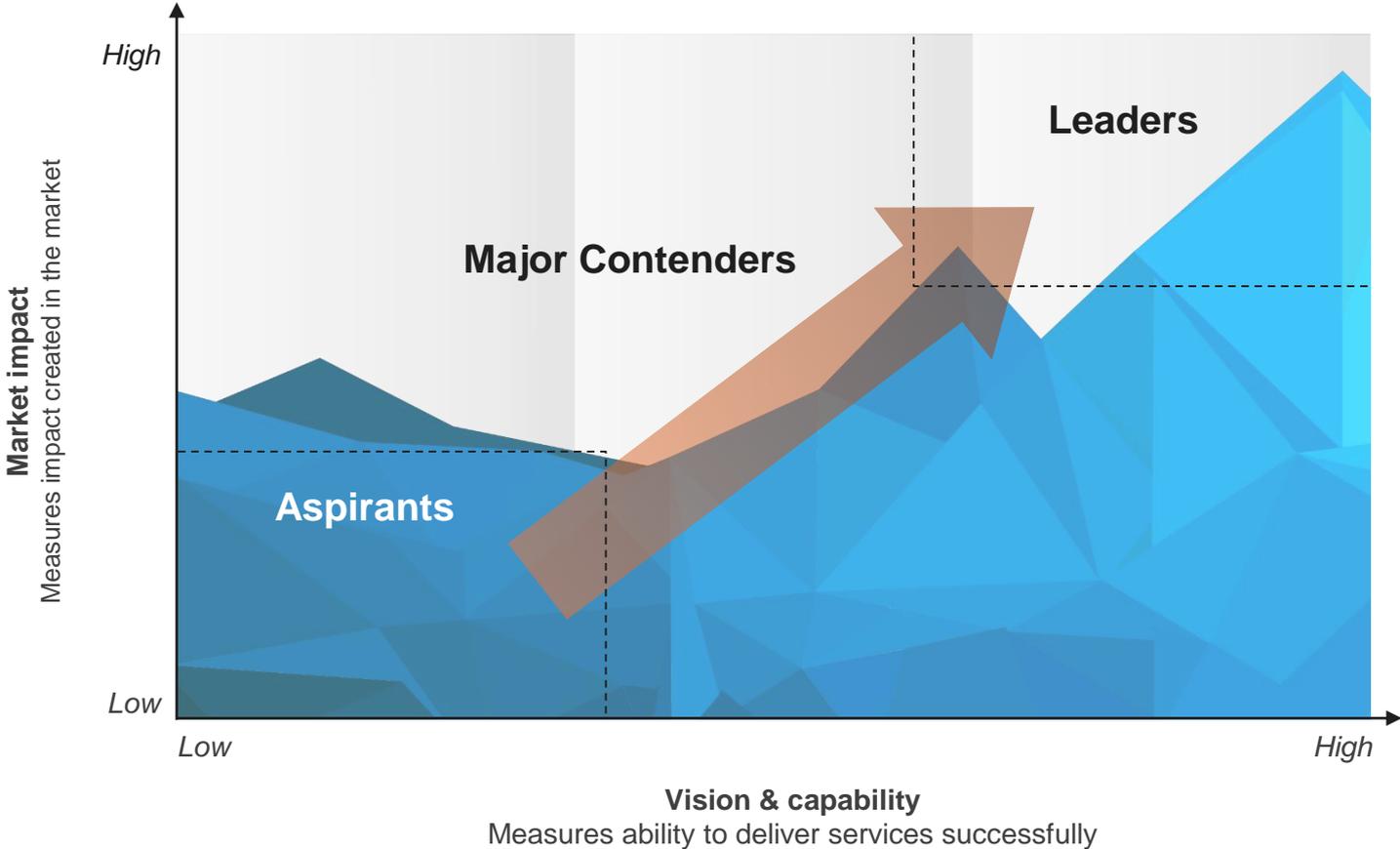
Blockchain protocols	No. of client engagements	Leading business use cases
Ethereum	Not disclosed	Public network without permissions
Hyperledger Fabric	Not disclosed	Supply chain provenance, clearing and settlement, dispute management, and trade finance
Hyperledger Indy	Not disclosed	Decentralized identity
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; IBM World Wire
Axoni	Not disclosed	Credit derivatives and clearing and settlement
Ripple	Not disclosed	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



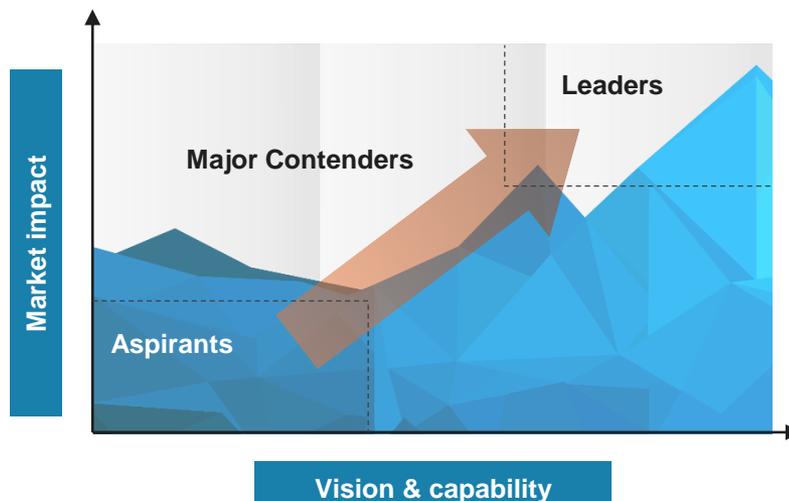
Everest Group PEAK Matrix



Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption
Number of clients, revenue base, Year On Year (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 demonstrated through case studies



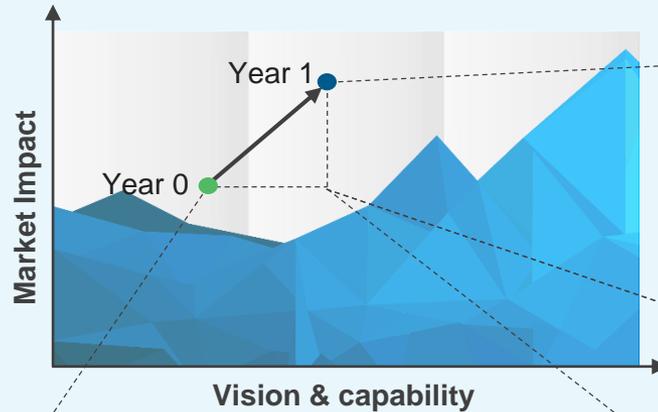
Measures ability to deliver services successfully. This is captured through four subdimensions

Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint
Vision for the client and itself; future roadmap and strategy	Depth and breadth of services portfolio across service subsegments/processes	Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.	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 service 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 service 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 service providers whose improvement ranks in the top quartile and award the Star Performer rating to those service 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.

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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