



Everest Group Payments IT Services PEAK Matrix® Assessment 2023

Focus on Cognizant
July 2023



Introduction

The payments landscape is changing rapidly. Consumers today have more options to make payments than ever before, primarily because of the unprecedented rise of FinTechs, PayTechs, and NeoBanks bringing in faster, innovative, and convenient ways to transact such as Buy Now Pay Later (BNPL), digital wallets, Request to Pay (R2P), embedded payments, and digital currencies. The acceleration in digital payments and the demand for seamless instant payments by consumers is giving rise to the adoption of real-time payments systems.

New regulations and standards such as ISO 20022 are paving the way for more faster and efficient payments. These new data standards are opening multiple data monetization opportunities. Financial institutions are investing in modernizing payment infrastructure to support instant payments, unlock the monetization opportunities, offer alternative payment methods, and launch digital currencies.

In this research, we present an assessment of 30 payments IT services providers featured on the [Payments IT Services PEAK Matrix® Assessment 2023](#). The assessment is based on Everest Group’s annual RFI process for calendar year 2023, interactions with leading providers, client reference checks, and an ongoing analysis of the payments IT services market.

The full report includes the profile of Cognizant as featured on the Payments IT Services PEAK Matrix® Assessment 2023

Scope of this report



Geography
Global



Providers
30 payments IT service providers



Services
Payments IT services

Payments IT services PEAK Matrix® characteristics

Leaders

Accenture, Capgemini, Cognizant, HCLTech, Infosys, LTIMindtree, NTT DATA, Persistent Systems, TCS, and Wipro

- Leaders are working with industry and regulatory bodies across the globe to define standards and bring in innovation. Accenture has worked with NACHA and Payments Canada to define industry standards. Capgemini conducted experiments with SWIFT to leverage CBDCs for cross-border payments
- Leaders have a strong global presence, innovative commercial models, the ability to hire and upskill the best talent in the industry, and the ability of co-innovation with clients by setting up research and innovation labs
- Leaders have invested in creating an extensive partnership ecosystem with hyperscalers, Payment Service Providers (PSPs), technology providers, and FinTechs to co-develop solutions for emerging payment use cases
- Leaders have developed capabilities to support clients in end-to-end payment modernization initiatives. They are investing in building payment academies and domain trainings for talent upskilling and ensuring that resources stay up to date with the rapidly changing payments landscape

Major Contenders

Birlasoft, CGI, EPAM, Eviden, Hitachi Vantara, IBM, Maveric Systems, Mphasis, Sopra Steria, Tech Mahindra, Tietoevry, UST, Virtusa, and Zensar

- Major Contenders are focusing on next-generation themes in payments such as digital currencies and CBDCs. They have multiple accelerators and dedicated playbooks for payment services such as ISO 20022 migrations, testing, switching, and transaction processing, which act as key differentiators in engagements
- Major Contenders have made targeted investments to expand their footprint in the regions experiencing growth and are partnering with regional players for joint GTM motions in the region and augmenting payment capabilities

Aspirants

Aspire Systems, Coforge, Endava, Globant, Incedo, and Stefanini

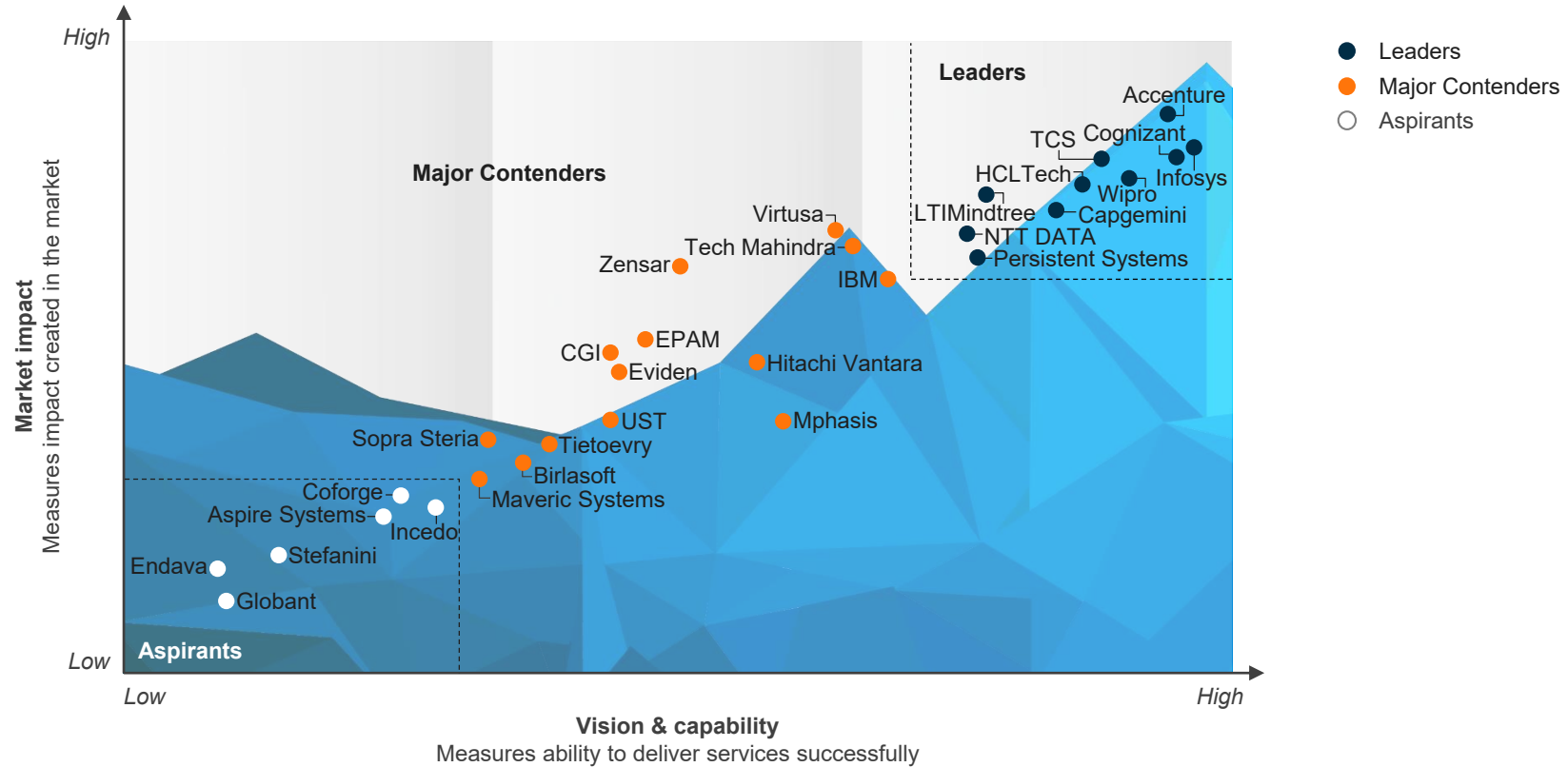
- Aspirants are investing in building partnerships with FinTechs and platform providers to win engagements and expand their business in new geographies
- They are investing in building niche capabilities across horizontal themes such as digitization and legacy modernization to win large deals
- They differentiate themselves by being highly responsive to client-specific needs in small-scale transformation deals

Everest Group PEAK Matrix®

Payments IT Services PEAK Matrix® Assessment 2023 | Cognizant is positioned as a Leader



Everest Group Payments IT Services PEAK Matrix® Assessment 2023¹



¹ Assessment for CGI, Coforge, Endava, Globant, IBM, Sopra Steria, TietoEVRY, and UST excludes service provider inputs on this study and is based on Everest Group's estimates that leverage Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage of these service providers, their public disclosures, and interaction with buyers. For these companies, Everest Group's data for assessment may be less complete. Source: Everest Group (2023)

Cognizant profile (page 1 of 4)

Overview

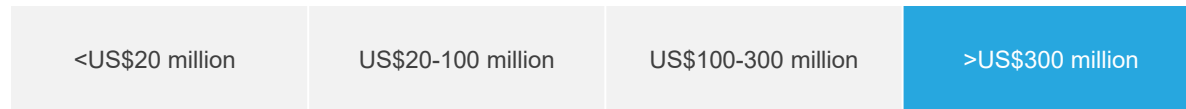
Vision for payments IT services:

To be a strategic partner of choice across the payments industry participant value chain by providing four key services:

- Strategic insight into and direction for technology, innovation, and client experiences
- Advisory around intuitive design of new digital and sustainable operating models
- Delivery of services through digital engineering
- Operational efficiency and fraud effectiveness to an evolving operations and technology landscape

Its payments IT services practice caters to issuers, acquires processors, banks, neo banks, payment service providers, payment networks, and FinTechs across the globe. Cognizant has more than 9,500 associates with payments industry experience and more than 1,000 payments business, functional, and product consultants.

Payments IT services revenue (CY 2022)

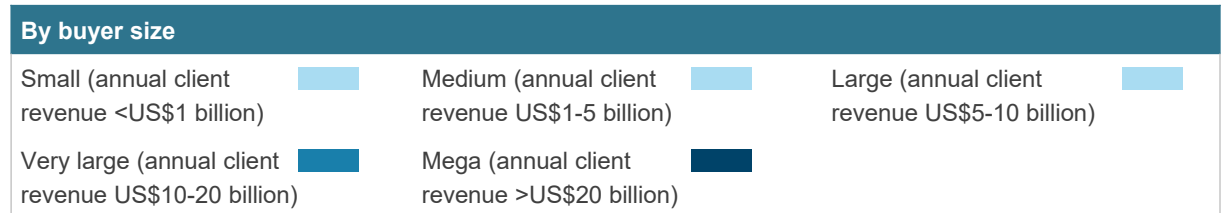
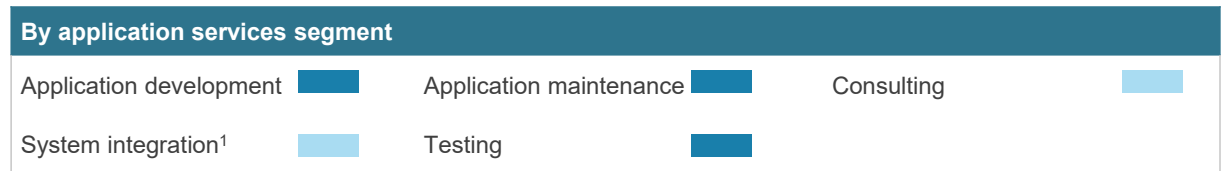
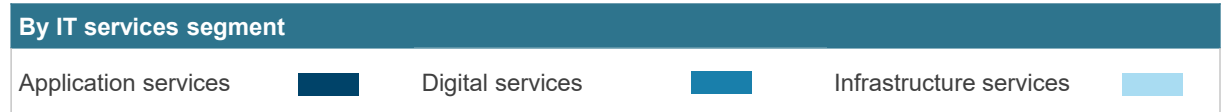
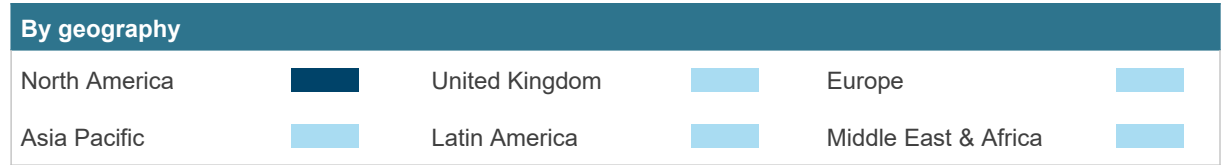


Number of active clients for payments IT services



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

Payments IT services revenue mix (CY 2022)



¹ System integration includes package implementation

Cognizant profile (page 2 of 4)

Key offerings and investments

NOT EXHAUSTIVE

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

Name	Details
TransMe	A product agnostic ISO20022 adapter enables banks to expedite implementation of ISO 20022 compliant payment solutions and offers configurable message mapping with existing ecosystem
Olnsta	A solution for ISO 20022-based FedNow service integration and orchestration. Connect seamlessly leveraging Olnsta, a core-agnostic, cloud ready and open API-based solution that augments the payment hub
iPay 2.0	A solution to fast-track a bank's embrace of TCH real-time payment processing. i.Pay 2.0 accelerates integration with real-time payment networks
TSPConnect (TSPC)	A bolt-on component for an issuer bank's web and mobile platforms streamlining the token service provider (TSP) integrations process
Loyalty rewards program	Blockchain-based reward and loyalty management solution allows storage of all types of reward points in a single source of truth
Cognizant Virtual PIN Pad	It is a virtualized solution that mimics and simulates the real PIN pad device processes. The solution eliminates the need of physical PIN pad devices for testing EFT card transactions

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

Name	Type of investment (year)	Details of investment
Mobica	Acquisition (2023)	To develop innovative technology solutions such as the creation of point of sales solutions, mobile wallets, loyalty apps, and banking integration layers
Inetco	Partnership (2019)	Partnership across COTS product and professional services for enabling Business Activity Monitoring (BAM), manual and automated command capability for banks, processors and networks
Finastra	Partnership (2014)	SI partner across Finastra products, Finastra Labs set up with different versions of the products, including FBTI, FBCC, and LoanIQ, for ongoing exploration, innovation, and execution
Temenos	Partnership (2009)	SI partner across Temenos suites such as payments, channels, analytics, and technology (integration, interactions, platform, data, and design). T-Verse (Temenos University) powered by Cognizant Academy for Temenos learning and enablement
ACI Worldwide	Partnership (2007)	Strategic partnership for key ACI products including BASE24, BASE24 eps, PRM, UP-IP, MTS, and UOB. Product training license from ACI. Engaged in Product engineering and enhancement of key products

Cognizant profile (page 3 of 4)

Client success stories

Case study 1

Network modernization for a multinational corporation specializing in payment card services

Business challenge

Client wanted to create a Network in a Box to allow for the ability to clone critical network components for rapid deployment of local market processing

Solution

- Designed MVP for critical workstreams such as authorization and China market launch
- Delivered the foundational framework and automation in SRE and devOps to increase productivity by 26%
- Developed platform insights dashboard to derive trend analytics across 80+ microservices, enable metrics-based governance and improvements to the network
- Designed the multi-data center strategy for a foolproof failover strategy

Impact

- US\$9 billion worth of transactions processed globally
- 62 issuing partner connections migrated
- 90% authorization transactions migrated to new network
- Global network scheme commercially launched in China along with proprietary debit card for small businesses on network in China and US

Case study 2

Payment hub implementation for a large bank in Philippines

Business challenge

Client was looking for a comprehensive payment hub that helps in releasing new payment processing services faster to accustom thriving cross border payments ecosystem

Solution

- Developed a consolidated and standardized payments hub that could leverage the disruptive technology trends
- Implemented a product that supported multi-tenancy and was based on a technology stack using Java, MQ, Web APIs and microservices
- Developed real-time fraud management and offline fraud prevention tools










Impact

- Seamless customer experience with high Straight Through Processing (STP rate)
- Delivered a scalable solution with faster time-to-market
- Strengthened security capabilities and drove incremental revenue
- Significant reduction in compliance and regulatory penalties

Cognizant 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

- Cognizant has a partner-aligned GTM strategy with multiple hyperscalers, payment technology providers, and FinTechs such as Temenos, Finastra, FICO, ACI, and AWS. It has focused card management, account payments, wallet, fraud, and dispute management platforms to expand the breadth of its payments offering
- Its focus on advisory and consulting services acts as a key differentiator in deals. Cognizant has consulting units across all service lines, which helps it in strategic engagements. Additionally, it has an in-built proprietary platform evaluation and selection framework, enabling clients to make the optimal choice
- Clients have appreciated Cognizant’s role in laying out the roadmap and bringing in new initiatives in payment product development cycles
- Cognizant has demonstrated strong domain understanding capabilities. Clients have lauded Cognizant’s ability to bring in payment domain specialists into engagements

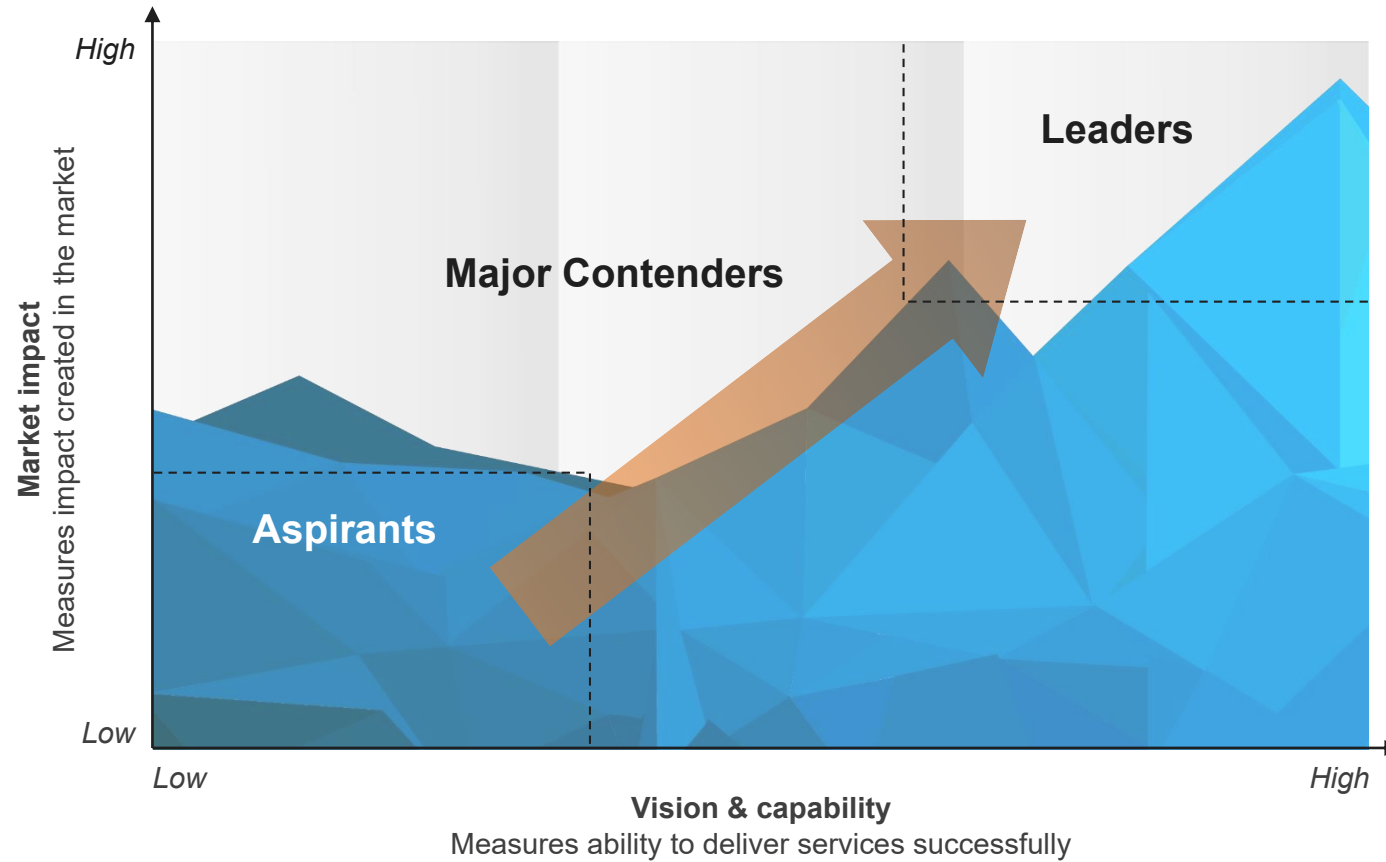
Limitations

- Cognizant is focused on the North American geography and runs the chance of a concentration risk within the geography. It has limited footprint in high-growth regions such as APAC and is lagging peers in the region
- It lags peers in co-innovation with the partner ecosystem for emerging payment themes and methods
- Clients have highlighted inconsistent talent management capabilities and the need to train resources on technical stacks before staffing on engagements
- Clients pointed out limited project management skills and adherence to milestones as key areas of concerns

Appendix

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

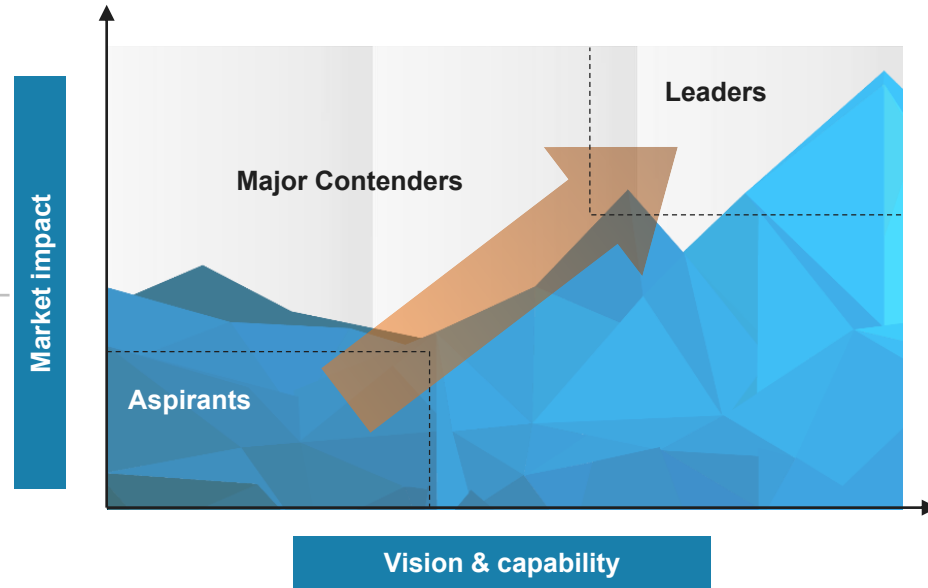
Everest Group PEAK Matrix



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



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

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 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 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.

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