



A Buyers' Guide to NTT DATA

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NTT DATA: Quick Primer

NTT DATA, a subsidiary of Nippon Telegraph and Telephone (NTT), is one of the largest Japanese IT Services company to go global – the years of experience that NTT DATA has gained across vertical breadth and capabilities depth in Japan if rolled out world-wide, has a potential to become one of the global IT Services powerhouse.

Over the last one decade NTT DATA has made a number of acquisitions such as Keane, Everis, Carlisle and Gallagher Consulting Group, Optimal, Intelligroup, Centerstance, Nefos, and the very recent Dell Services, which has made it one of the largest melting-pot of cultures. However, it is determined to rebrand itself as one global service provider with the “New NTT DATA” campaign.

This New NTT DATA is building muscle with Cloud, Digital, the Digital Experience Studios, IoT Labs, Automation tools & partnerships, new and efficient Data Centers, and a number of CoEs for vertical as well as horizontal offerings.

The growth of global business, mainly outside of Japan and NTT Group, has its stakes on fostering client relationships with key clients acquired via acquisitions, (re-)packaging the portfolio, industrialization of delivery, and targeting larger and broader sourcing deals across multiple domains.

While, NTT DATA has inherited expertise in manufacturing and distribution industries, the main areas of focus remain on BFSI, Healthcare, Telecom, Public Sector and Travel & Transportation, which increases the likelihood of it being selected.

NTT DATA has strong partnership relations with Dell and other NTT group companies such as DOCOMO, Dimension Data, and NTT Comms to leverage services and hardware ecosystem such as mobility, data center, and network services.

Other Quick Facts about NTT DATA are:

Total number of employees: As of May 2017, the number of employees totaled over 110,000, including Japanese subsidiary companies - 35,000 in Japan and 80,000 NTT DATA group outside Japan.

Geographic Presence (Estimated):

- Onshore (North America) ~ 15%, (UK and Western Europe) ~ 9%
- Japan – 31%
- India (Gurgaon, Mumbai, Kolkata, Pune, Chennai, Hyderabad, and Bangalore) ~ 15%
- China (Dalian, Shanghai, and Chengdu) ~10% and Other APAC (Australia, Singapore, and Japan) ~ 10%
- Nearshore (Latin America and Eastern Europe) ~ 10%

Strategy

- As part of expanding business globally, NTT DATA aims to increase local presence in eight countries—Japan, America, China, Italy, United Kingdom, Germany, Spain, and Australia. Along with local presence, the two-pronged strategy is based on two big initiatives—“a game changing approach” and “breakthrough technology.”
- “A game changing approach” has two parts to it—increasing share of wallet in existing markets, such as Japan, and winning new markets.
- “Breakthrough technology” is about methodologies and tools such as “Terasoluna” in Japan. Dell Services and Everis have also developed their own methodologies and related tools. NTT is now pooling these methodologies and tools by making them available for engineers around the world.
- NTT believes in collaborating with academic and research institutes as an innovation hub and has been collaborating in various areas to achieve Open Innovation. For example, Scientific Institute in China, [Bandung] Institute in Indonesia, and MyITLab in America.
- NTT DATA is scaling up its blockchain capabilities with new investments in the financial services and insurance sector. The R&D centers in the United States, India, Italy, and Japan focus on distributed transactional systems, the Internet of Individuals, the Internet of Things, and so on.
- To improve profitability and margins, the strategy is to hire and train resources with full-stack capabilities across system platforms and key industries.
- NTT DATA goes to market as a one-stop service provider with capabilities from consulting and systems integrations to operations. It is building this reputation by taking up work that may require integrating core systems with data analysis using AI, providing business processes such as procurement and F&A, point of contact with end-users such as omnichannels, settlement systems, and so on.
- NTT DATA’s “WinActor,” a Japanese language-based RPA solution, had been implemented across the client base in Japan since November 2014. This “WinActor” has been updated in English and is being rolled across the global client base since May 2017 for automation/streamlining of deskwork.
- The year 2018 will focus on increasing margins and profitability that will require taking good control of unprofitable projects.
- NTT DATA is pointing to the fundamental shift that automation is creating. One of the boldest initiatives is to wrap the needs of the customer directly around its delivery priorities through its CUE² —“Continuous User Experience Engineering” program.
- After the acquisition of Dell Services, NTT DATA has a new approach based on verticals that Dell Services went to market with, for Healthcare & Life Sciences, BFSI, Manufacturing, and Public Sector.

Strengths and Weaknesses

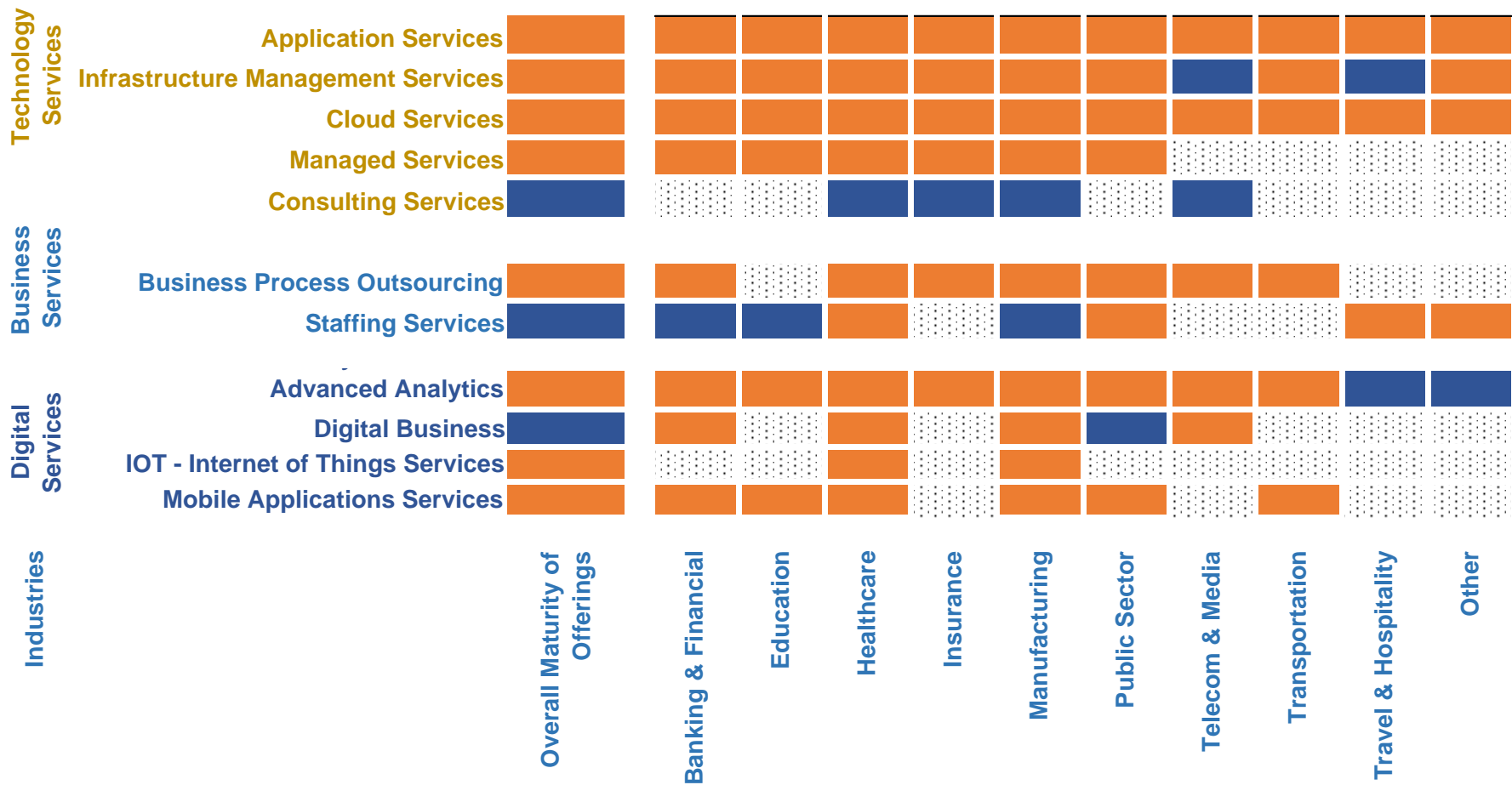
Strengths

- The strength in the Asian market can also be one of the attractive factors for global buyers to expand their business into the region.
- NTT DATA has built a portfolio of offerings, capability, and clients in healthcare (Dell Services), financial services (Carlyle & Gallagher), and finance-shared services (Keane).
- The global delivery network is one of the largest networks for ADM services, with a delivery unit present in all key geographies. Infrastructure management services has over 240 data centers spread over key geographies.
- Collaboration among business units through a central repository for resources including delivery methodologies, tools, procedures, and frameworks to ensure consistency and a drive for service improvements.
- Prefers outcome-focused pricing models that are set to achieve specific outcomes or when defined business value is recognized.
- Clients feel comfortable with open communication channels with NTT DATA.
- NTT DATA's flexibility in delivering additional services as well as associated pricing models is appreciated by a number of clients.
- A well-balanced services portfolio across the focused set of industries.
- A strong presence in the public sector after acquisition of Dell Services.

Weaknesses

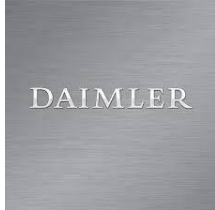
- Needs an extra push to create awareness to develop a new brand identity that may struggle to compete against better-known entities in some international markets.
- The challenge of bringing together the existing Japanese business units with the newly-acquired international businesses that is evident from longer-than-expected time taken in terms of integration of Dell Services acquisition.
- Retaining the Dell Services leadership and brain-power—departure of a number of senior executives during the integration period can prove challenging.
- To unlock the next level of client value, the firm should move to address business challenges beyond the technology narrative.
- NTT DATA has an opportunity to more clearly develop and share a vision on the key services offered through thought leadership.
- Opportunities to strengthen its business with enterprises based in Europe and LATAM.
- A few clients mention that NTT DATA can be more proactive than responsive toward ideas for change in business process services.
- Lack of large enterprise clients and large contracts outside the NTT Group and Japan.

Service Offerings Grid



Legend
 HfS Blueprint Assessments Highlight These Services at Par Excellence
 HfS Research Sees Tremndous Potential backed by Investments and Traction
 Not Enough Data to Make an Assessment

Clients*



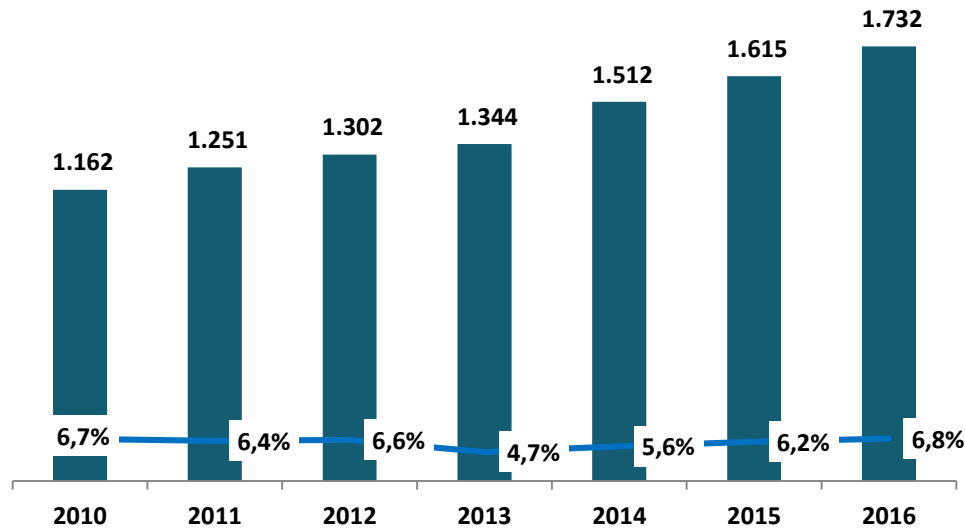
Vatican Apostolic Library



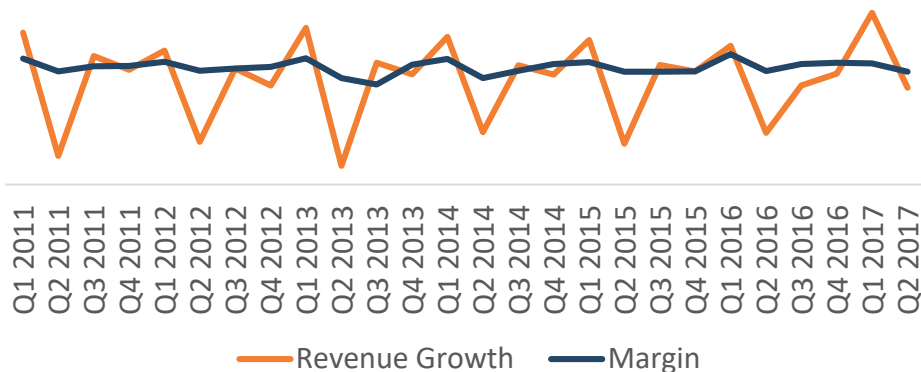
* Representative list of publicly referenceable clients included in HfS Blueprints

NTT DATA Financial Performance

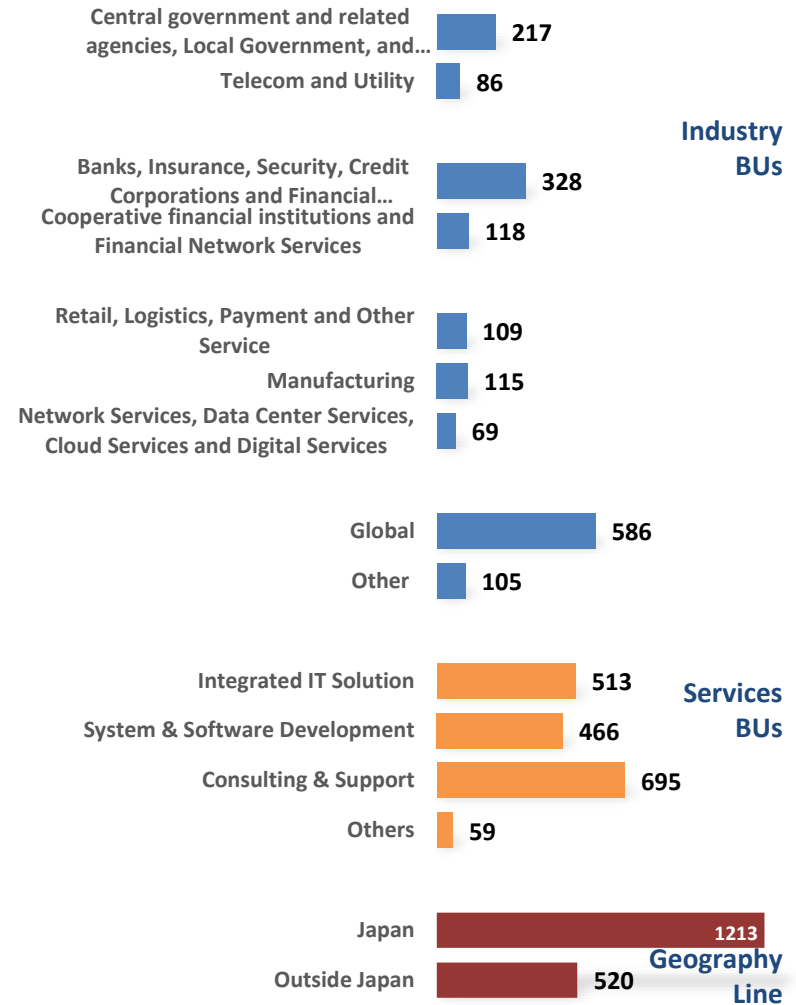
Revenue (Billions of Yen)/Operating Margin % by Financial Year



Growth vs. Operating Margin by Calendar Quarters



FY 2017 Revenue (Billions of Yen) by Business Segment*



Source: HfS Research, Revenue Tracker, 2017

Delivery Location Compendium

Capabilities	Headcount	Onshore - US and Canada	Nearshore - Latin America	Onshore - UK and Western Europe	Nearshore-Continental Europe	India	Philippines	MEA	Other APAC
Finance and Accounting As-A-Service, 2017	4,500	Louisville, KY; Lincoln, NB; Halifax, Canada	Mexico Bogota, Columbia; Lima, Peru; Chile; Sao Paulo, Brazil		La Coruna, Madrid, Seville, Barcelona, Valencia	Chennai, Gurgaon, Noida, and Coimbatore	Manila		Japan
IT Infrastructure Management and Enterprise Cloud Services, 2017	11,000	Louisville, KY; Lincoln, NB; Halifax, Canada	Mexico Bogota, Columbia; Lima, Peru; Chile; Sao Paulo, Brazil	UK	Panama, Romania	Chennai, Gurgaon, Noida, and Coimbatore	Manila		Australia, Malaysia, China, and Japan
Application Testing Services Supporting Digital Transformation, 2017	14,400	Louisville, KY; Lincoln, NB; Halifax, Canada	Mexico Bogota, Columbia; Lima, Peru; Chile; Sao Paulo, Brazil	UK	Panama, Romania	Chennai, Gurgaon, Noida, and Coimbatore	Manila		Australia, Malaysia, China, and Japan
Application Development and Management Services, 2017	20,000+	All regions and relevant countries covered well.							

Tools/Methodology Compendium

Capabilities	Tools/Methods	Common Tools
Application Development and Management Services, 2017	<ul style="list-style-type: none"> • .Net code generator: Automated code generation tool. • Assessment tool and JS libraries: Captures performance stats and website assessment. • Virtuoso: Model-driven code generation for JAVA/JEE stack. • One-Click deployment framework: For DevOps Maturity Assessment Model. • DynAMO (Dynamic Application Management Outsourcing): A suite that includes proprietary tools like SLA Manager, Incident Navigator, Portfolio Analyzer, Cloud Migrator, and Idea Manager. 	
Finance & Accounting As-a-Service Business Process Outsourcing Services Blueprint, 2017	<ul style="list-style-type: none"> • NTT DATA Dynamic Business Process Management Suite (DBPMS): automated workflow, dashboards, “Automated FTEs.” • Mobility COE: “Accelerators” for mobility, client experience. 	
IT Infrastructure Management and Enterprise Cloud Services, 2017	<ul style="list-style-type: none"> • Desktop Web Portal Application (DWPA): Web application used to facilitate the scheduling, development, and deployment of hardware assets. • Services Operations Manager (SOM): Multi-tenant, domain-separated instance of ServiceNow. • Identity Manager: An SSO system that can secure employee, partner, and customer access to enterprise information. • Dispatch: Dispatch integration is used to set up automated dispatching from ITSM to service providers. 	
Application Testing Services Supporting Digital Transformation, 2017	<ul style="list-style-type: none"> • CUE2: Continuous customer experience engineering program. This program is not only adapting Agile and DevOps to the requirements of Managed Services but putting the user on the centerstage. In all but name, here it is where the connection to the HfS Digital OneOffice concept is the strongest. • CRESTA (Comprehensive Robotic Engine for Software Test Acceleration): An innovative analytics driven testing engine leveraging intelligent robotic automation such as Machine Learning, Test Analytics, and Natural Language Processing. • Customer Friction Factor: Provides insights that transform customer strategy, marketing, sales, operation, and product design. Customer Friction Factor specialists examine the customer journey utilizing analytic tools and industry benchmarks to understand and predict consumer, business, and market. 	

Blueprint Performance



NTT DATA Profiles From HfS Blueprints (2014–2017)

This report contains service provider profiles of NTT DATA from 16 current HfS Blueprints covering business processing and engineering services.

NTT DATA was already seen by our team of analysts at HfS this year:

- *Global provider offering holistic ADM services through a large delivery network. (Phil Fersht Jamie Snowdon Ollie O'Donoghue, Application Development and Management Services, 2017)*
- *Global provider focused on developing unrivaled technology expertise. (Phil Fersht Jamie Snowdon Ollie O'Donoghue, Digital Technology Strategy and Consultancy Services, 2017)*
- *F&A Industry Vertical Specialty provider for financial services, healthcare, and commercial industries, with a thoughtful outcome-based approach. (Barbra McGann, F&A As-a-Service, 2017)*
- *Large provider with a focus on scalable best practice and service improvement. (Phil Fersht Jamie Snowdon Ollie O'Donoghue, IT Infrastructure Management and Enterprise Cloud Services, 2017)*
- *Global system integrator with differentiating capabilities in automation and the integration of Agile and DevOps. (Tom Reuner, Application Testing Services Supporting Digital Transformation, 2017)*
- *Global provider adding energy operations capabilities through Dell Services acquisition and a strong vision for digital transformation and IT/OT integration in oil and gas. (Derk Erbe, Energy Operations, 2017))*

Blueprint Performance Summary

15 Blueprints from 2014 to 2017

Winner's Circle	High Performer	Execution Powerhouse	High Potential
<ol style="list-style-type: none">1. Application Development And Management Services, 20172. IT Infra Management And Enterprise Cloud Services3. Successfactors Services, 20164. SAP Services, 2014	<ol style="list-style-type: none">1. Digital Technology Strategy And Consultancy Services2. Application Testing Services, 20173. Energy Operations, 20174. Salesforce Services, 20175. IoT Services, 20166. Salesforce Services, 20157. Enterprise Mobility Services Blueprint, 20158. IoT Services, 2015	<ol style="list-style-type: none">1. Finance And Accounting As-a-Service, 2017	

Blueprint Leading Highlights	Strengths	Challenges	
<ul style="list-style-type: none"> Broad spectrum of ADM services offered to clients Focused on knowledge management of global professionals through “NTT DATA Core” Large-scale operation with considerable global professional network Leverages open-source solutions and is a key contributor to communities Driven by client business outcomes 	<ul style="list-style-type: none"> Global delivery network: The firm’s global delivery network offers one of the largest networks of ADM services, with a delivery unit present in all key geographies. Holistic ADM services: NTT DATA offers a full range of ADM services including testing, quality assurance, architecture design, assessment, consulting, and analytics. The firm can also offer development, deployment, and management services using the agile development framework and DevOps approach. Business outcome focus: The firm offers outcome-focused pricing models that are set to achieve specific outcomes or when defined business value is recognized. Other pricing models include consumption-based and fixed-price managed services. Focus on open source solutions: The firm has been recognized as a key contributor to open source communities including PostgreSQL and Hadoop. NTT DATA has one of the largest OSS platform service providers with over 220 engineers and researchers globally. Knowledge management through technology: The firm’s business units share a central repository for resources including delivery methodologies, tools, procedures, and frameworks to ensure consistency and a drive for service improvements. The repository, called “NTT DATA Core” leverages the combined experience of the firms network of global professionals. 	<ul style="list-style-type: none"> Global branding: The brand NTT DATA is well known in some geographies but may struggle to compete against better-known entities in some domestic markets. This may impact the firm’s ability to attract key talent in some geographies or win over some clients. Limited marketing: The firm has limited marketing available to potential clients to pull from. As a result, there is a perception disconnect that limits the awareness of NTT DATA’s capabilities in IT and Digital services. While the firm’s strategic direction is clear, it may find investing in some form of marketing in the future is necessary to articulate the firm’s offerings and capabilities in a competitive market. 	
Relevant Acquisitions / Partnerships	Client Profile	Service Delivery Operations	Proprietary Technologies
<p>Acquisitions since 2014:</p> <ul style="list-style-type: none"> Dell Services (2016) Nefos (2016) Carlisle & Gallagher Consulting Group (2015) Everis Group (2014) <p>Partnerships:</p> <ul style="list-style-type: none"> Enterprise platforms: Microsoft, SAP, Salesforce, Oracle, Infor/Lawson Testing: HP, Perfecto, TOSCA, HealthEdge, One Shield, iPipeline, Accela, Hexawise BI and analytics: IBM, Qlik, Informatica, Oracle, Ab Initio, Teradata, Microsoft, Tableau, SAP, Netezza, TIBCO Enterprise mobility: Divide, Good, IBM, Verivo, Microsoft, SAP, Oracle Cloud: Salesforce, Oracle, SAP, VMWare, EMC, Cisco, VMWare, IBM, Cisco Automation: IPSoft, BMC Remedy 	<p>NTT DATA focuses on mid to large enterprises; however, it has the capacity to target smaller businesses through its partner network.</p> <p>Propositions tend to remain similar across clients, but the firm has a flexible engagement model to adapt to a clients scale and maturity.</p>	<p>NTT DATA has global delivery centres in the following locations:</p> <ul style="list-style-type: none"> Canada, USA, Costa Rica, Mexico, Panama, Columbia, Peru, Brazil, Chile, Argentina, Morocco, Italy, India, Vietnam, Taiwan, China, Myanmar, Romania, UK, Ireland, Spain and Portugal 	<ul style="list-style-type: none"> .Net code generator: Automated code generation tool. Assessment tool and JS libraries: captures performance stats and website assessment. Virtuoso: Model-driven code generation for JAVA / JEE stack. One-Click deployment framework: For DevOps Maturity Assessment Model. DynAMO (Dynamic Application Management Outsourcing): A suite that includes proprietary tools like SLA Manager, Incident Navigator, Portfolio Analyzer, Cloud Migrator, and Idea Manager

Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> AI and automation capabilities work across all IT Services Focused on building vertical expertise as a differentiator Provider of comprehensive digital transformation technologies and solutions Limited marketing activity restricts the firms brand awareness and perception in the space. 	<ul style="list-style-type: none"> Innovation in vertical solutions: NTT DATA is developing digital consultancy and strategy solutions through deepened and industry specific knowledge of core technologies including the application of Blockchain and IoT. The firm is seeking to differentiate itself through the in-depth knowledge of particular technologies and the solutions they provide to industry and business challenges. Focus on AI and automation: The firm seeks to make improvements to efficiency and productivity through the development of internal IP such as CRESTA, which harnesses machine learning capabilities to improve the quality of releases. Holistic digital transformation services: The core service offerings from NTT DATA ensure organizations are provided with a holistic choice of services and solutions for digital transformation. Proprietary planning and assessment frameworks and other assets: A number of proprietary assets help clients with planning the digital transformation journey including 5Rs Consulting Framework & Methodology, Customer Journey Mapping Framework, Digital Maturity Frameworks, Customer Friction Factor offering and methodology, Social Governance Model, Cloud Application Migration Framework. 	<ul style="list-style-type: none"> Global branding: The brand NTT DATA is well known in some geographies but may struggle to compete against better-known entities in some domestic markets. Technology focused: The firm has a strong core of technology focused services, however, to unlock the next level of client value the firm should seek to focus on specific business challenges, moving past the technology narrative. Limited marketing: The firm has limited marketing available to potential clients to pull from. As a result there is a perception disconnect that limits the awareness of NTT DATA's capabilities in IT and Digital services.

Relevant Acquisitions / Partnerships	Client Profile	Service Delivery Operations	Core Coverage Area
<p>Acquisitions since 2014:</p> <ul style="list-style-type: none"> Dell Services (2016) Nefos (2016) Carlisle & Gallagher Consulting Group (2015) Everis Group (2014) <p>Partnerships:</p> <ul style="list-style-type: none"> General: Microsoft, Oracle, SAP, VMWare, NetApp, EMC Social: Adobe, Brandwatch, Crimson Hexagon, Eloqua, EveryoneSocial, Evocalize, Rallyhood, MediaMath Mobility: Aperiaan, Kony, Microsoft, RedHat, Usablenet, Adobe, Airwatch, Perfecto Mobile BI and Analytics: Cloudera, Evariant, Hortonworks, Informatica, Microsoft, OpenText, Oracle, Pega, SAS Institute, Solix, Teradata, IBM, Splunk, Tableau Cloud: AWS, Boomi, Corent, Microsoft, Pivotal, Red Hat, Akana, Apigee, CA Technologies, Mendix, RTI IoT: Microsoft, ThingWorx, Allegion, Bluemix, GE Predix, GE Software, PLAT.ONE Automation and Integration: Mulesoft, Dell Boomi, IP Soft, Automation Anywhere, Pega Robotics 	<p>NTT DATA focuses on mid to large enterprises however has the capacity to target smaller businesses through its partner network. Propositions tend to remain similar across clients, however, the firm has a flexible engagement model to adapt to a clients scale and maturity.</p>	<p>NTT DATA has global delivery centres in the following locations: Canada, USA, Costa Rica, Mexico, Panama, Columbia, Peru, Brazil, Chile, Argentina, Morocco, Italy, India, Vietnam, Taiwan, China, Myanmar, Romania, UK, Ireland, Spain and Portugal.</p> <p>The firm has the following Digital Technology Strategy and Consulting Centres of Excellence:</p> <p>Digital (US, UK, Spain and Italy) Customer & User Experience (US, UK, Italy, Spain) Business Transformation (US, Germany, UK, Spain) Analytics (India, US, Spain)</p>	<ul style="list-style-type: none"> Digital strategy Digital operations and design Digital implementation IT operating model design Mobility Analytics Social media and communication Continuous digital modernization Cognitive computing Organization and change management Cloud Automation Security

NTT DATA

Execution Powerhouse

F&A Industry Vertical Specialty provider for financial services, healthcare, and commercial industries, with a thoughtful outcome-based approach



Blueprint Leading Highlights	Strengths		Challenges
<ul style="list-style-type: none"> Quality of Service Delivery Industry-Specific Capability Driving Accessible and Actionable Data Ability to Right-Shore Flexible Pricing and Contracting Embedding Automation 	<ul style="list-style-type: none"> Finance of the Future: The theme that unites the NTT DATA F&A business is on a single management view and control that addresses industry needs. Over half of this business is industry specific and shared services work. With its series of acquisitions, NTT DATA has built a portfolio of offerings, capability, and clients in healthcare (Dell Services), and financial services (Carlyle & Gallagher), and finance shared services (Keane). These services increasingly have RPA and analytics embedded, e.g., TPA and combined billing for insurance, revenue cycle for healthcare providers, KYC for banking and financial services, franchisee solutions, and after-market billing and warranty as-a-service. NTT DATA has multiple clients in travel agency and commission settlement including reconciliation delivered to T&H clients. Automation and Analytics: The NTT DATA Dynamic Business Process Management Suite (DBPMS) includes 1,000 automated FTEs (AFTEs) operating in F&A, including cash applications, member master data, and credit balancing, for example, monitored via a command center. Analytics offerings in the order-to-cash area include credit scoring, delinquency segmentation and behavior analysis, and regulatory reporting. Responsive and Flexible Service Delivery: Clients shared that they feel comfortable with the open communication channels with NTT DATA. The service delivery team is consistently diligent and staffing is flexible depending on need, per clients. Right-Shoring: NTT DATA has about 30% of its employee base in the U.S., working on-site and remote, and will put business in any geographic area that works for the client base, which is particularly important with its focus on industry-specific services. Platform-Based Services Development: While clients profess varying degrees of experience with NTT DATA innovation, the company does tap into its NTT i3 Innovation Institute for developing, in particular, BPaaS and connectors between DBPMS and F&A platforms, e.g., SAP, Oracle NetSuite, and Ariba. It's offered "pay as-you-go." 		<ul style="list-style-type: none"> Innovation: What HfS heard from clients is an appreciation for NTT DATA execution capabilities, but a lack of innovation. The ideas for change in business process services is typically generated by the client, and NTT DATA is responsive. Thought Leadership: NTT DATA has an opportunity to more clearly develop and share a vision for "Finance of the Future" and the role of business process services. The focus of the company is on industry-specific and relevant solutions and it has an opportunity to build meaningful stories of finance by industry in areas such as healthcare, insurance, and banking, and explore how, for example, artificial intelligence and blockchain can change outcomes in these areas. It has already started exploring solutions in supply chain finance.
Value Chain Coverage:			
Procure to Pay			
Order to Cash			
Record to Report			
Finance Transformation			
Analytics			
Acquisitions / Partnerships	Client Profile	Service Delivery Operations	Proprietary Technologies
<p>Acquisitions:</p> <ul style="list-style-type: none"> Dell Services (2016) Carlyle and Gallagher Consulting Group (2015) consulting and operations in financial services Keane Group Inc. (2010) <p>Partnerships:</p> <ul style="list-style-type: none"> Spendcheq for spend analytics and vendor master data ERP: NetSuite, Ramco Automation: Automation Anywhere, Blue Prism, IP Soft 	<p>Target Client: mid-market, primarily in N. America, vertical finance business process as-a-service with shared services</p> <p>85 F&A BPO clients</p> <p>Target Industries: Healthcare, financial services, insurance and commercial industries - travel and hospitality, high tech, retail and logistics</p>	<p>Headcount: 4,500</p> <p>Delivery centers:</p> <ul style="list-style-type: none"> North America: (Louisville, KY; Lincoln, NB; Halifax, Canada; Proposed new F&A delivery center in Plano, TX) Latin America: (Mexico Bogota, Columbia; Lima, Peru; Chile; Sao Paulo, Brazil) Spain: (La Coruna, Madrid, Seville, Barcelona, Valencia) Asia: (Manila, Philippines; Chennai, Gurgaon, Noida and Coimbatore, India) <p>NTT DATA also has a global shared services for multiple NTT DATA operating companies in 15 countries. The vision is to extend this to the larger NTT Group.</p>	<ul style="list-style-type: none"> NTT DATA Dynamic Business Process Management Suite (DBPMS): automated workflow, dashboards, "Automated FTEs" Mobility COE: "accelerators" for mobility, client experience

NTT DATA Winner's Circle

Large provider with a focus on scalable best practice and service improvement



Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> Large network of data centers and infrastructure assets Focus on building best practice services that are scalable and repeatable Technology supports knowledge management and transfer across the company Outcome focused pricing supported by common metrics and goals 	<ul style="list-style-type: none"> Scale of DC Network: As part of the NTT Group, NTT DATA is part of the worlds largest data hosting brand with over 240 data centers spread over key geographies. The firm has the scale to offer onshore or nearshore IMS services in most client geographies. Outcome-driven pricing: The firm has a selection of dynamic, outcome-based pricing models that leverage internal sales and industry experience to build use cases focused on client outcomes. Defined outcomes for services can be wrapped around common metrics such as customer experience or consumption, or those less common like specific sites, applications, or workspaces. Best practice and service improvement focus: NTT DATA's business units share a central repository for resources including delivery methodologies, tools, procedures, and frameworks to ensure consistency and a drive for service improvements. The repository, called "NTT DATA Core" leverages the combined experience of the firm's network of global professionals. Dynamic enterprise solutions: The firm offers IMS services that seek to leverage a synergy between traditional data centers and cloud environments to create a symbiotic, flexible, and well-orchestrated enterprise computing environment. 	<ul style="list-style-type: none"> Global branding: The NTT DATA brand is well known in some geographies, but it may struggle to compete against better-known entities in some domestic markets. This may impact the firm's ability to attract key talent in some geographies or win over some clients. Unified IMS services: The firm has a broad reach; however, forming a cohesive service offering that unifies all IMS capabilities will be challenging in a firm of such considerable scale. This challenge may become more pronounced as more infrastructure assets are pulled into the network through growth and acquisitions.

Relevant Acquisitions / Partnerships	Client Profile	Service Delivery Operations	Proprietary Technologies
<p>Acquisitions since 2014:</p> <ul style="list-style-type: none"> Dell Services (2016) Nefos (2016) Carlisle & Gallagher Consulting Group (2015) Everis Group (2014) <p>Partnerships:</p> <ul style="list-style-type: none"> Cloud: Microsoft, Amazon, Google, VMWare, Citrix, Salesforce Analytics: Microsoft, Ipssoft, Interactions, Lakeside, Aternity, Privitar, EMC, Ipsilon, HDFS Storage, Cloudera, Hortonworks Hadoop Distributions, Spark Service Management: BMC Remedy, ServiceNow, Genesys/interactive intelligence, LANDESK Automation: IPSoft, BMC, Salesforce, Apteian, Puppet 	<p>NTT DATA focuses on mid to large enterprises; however, it has the capacity to target smaller businesses through its partner network. Propositions tend to remain similar across clients, but the firm has a flexible engagement model to adapt to a clients scale and maturity.</p>	<p>Estimated Total IMS Employees: ~ more than 11,000</p> <p>NTT DATA has service delivery centers in the following countries:</p> <ul style="list-style-type: none"> Australia, Brazil, Canada, Chile, China, India, Ireland, Japan, Malaysia, Mexico, Morocco, Panama, Romania, Singapore, UK, and USA. 	<ul style="list-style-type: none"> Desktop Web Portal Application (DWPA): Web application used to facilitate the scheduling, development, and deployment of hardware assets. Services Operations Manager (SOM): Multi-tenant, domain-separated instance of ServiceNow. Identity Manager: An SSO system that can secure employee, partner, and customer access to enterprise information. Dispatch: Dispatch integration is used to set up automated dispatching from ITSM to service providers.

Blueprint Leading Highlights	Strengths	Challenges	
<ul style="list-style-type: none"> Integrates and adapts agile and DevOps into delivery Application of test automation and the broader notion of Intelligent Automation Integration of transformation and process consulting 	<ul style="list-style-type: none"> Dell Services acquisition provides strength in health sector and other verticals and close relationship with Dell/EMC: The acquisition of Dell Services gives NTT DATA a differentiating entrenchment in the US health care sector, and increased capabilities and scale in FSI, manufacturing, public sector and commercial industries. Strong investments in automation: Underneath the radar of the broader industry, it includes the largest global automonics deployment but also more specific to testing the cognitive agent, COTOHA. Thought-leadership around integration of Agile and DevOps: NTT DATA has an ambitious plan to integrate customers directly into their delivery strategy with the CUE2 continuous customer experience engineering program. This program is not only adapting Agile and DevOps to the requirements of Managed Services but is also putting the user center stage. In all but name, here is where the connection to the HfS Digital OneOffice concept is the strongest. Suffice it to say, NTT DATA is still very early in rolling this out across its engagements, but the strategic intent could evolve into one of its strongest differentiators. Broad traction in Japanese market: NTT DATA goes beyond financial services and telecom to include testing depth in the Public Sector and Healthcare. Strong client feedback: Clients have noted the service providers strengths in process excellence. Delivery quality and flexibility are all underpinned by broad set of proprietary assets. 	<ul style="list-style-type: none"> Complex organizational structure and lower visibility due to its reluctance to invest in marketing. Much of the innovation story of NTT DATA in testing for mobility, automation, and other sources of competitive differentiation remain largely unknown in the broader market. Convey the value of Japanese business units: In order to reach new clients, NTT DATA should make a virtue of the achievements of the broader NTT Group. While culturally not always accessible, NTT DATA's strong innovation credentials, often emanating from the Japanese market, provide a platform for a clear differentiation in market that has been notoriously difficult to achieve a meaningful differentiation Demonstrate digital and OneOffice capabilities: As bold as the CUE2 initiative is, in order to catch up with the leading global service providers and to demonstrate its Digital OneOffice credentials, NTT DATA has to advance significantly the integration of its various business units. 	
Plan			
Implement			
Manage			
Operate			
Optimize			
Relevant Acquisitions/Partnerships	Key Clients	Operations	Technology Tools and Platforms
<p>Partnerships include:</p> <ul style="list-style-type: none"> HP IBM Microsoft SAP Salesforce MicroFocus Tricentis Neotys Conformiq QASymphony Worksoft iCEDQ Expersolve ZAP Test Delphix Plutora Bugfinders PassBrains Hexawise Applause 	<p>NTT DATA works with clients across industry sectors:</p> <ul style="list-style-type: none"> US health insurance company Global life insurer Brazilian insurance company Italian telecommunications company German car manufacturer Mexican insurance company US health services company US health services company Bank in Ireland UK payments company 	<p>Geographic footprint and scale of the application testing practice:</p> <ul style="list-style-type: none"> Testing professionals: 14,400 Estimated testing revenues: \$1.2 billion Global delivery with advanced delivery centers located India, USA, Canada, Costa Rica, Romania, Vietnam, and China 	<ul style="list-style-type: none"> CUE2: Continuous customer experience engineering program. This program is not only adapting Agile and DevOps to the requirements of Managed Services but putting the user center stage. In all but name, here it is where the connection to the HfS Digital OneOffice concept is the strongest. CRESTA (Comprehensive Robotic Engine for Software Test Acceleration): An innovative analytics driven testing engine leveraging intelligent robotic automation such as Machine Learning, Test Analytics and Natural Language Processing Customer Friction Factor: Provides insights that transform customer strategy, marketing, sales, operation, and product design. Customer Friction Factor specialists examine the customer journey, utilizing analytic tools and industry bench marks to understand and predict consumer, business, and market.

Blueprint Leading Highlights	Strengths	Challenges	
<ul style="list-style-type: none"> Vision for oil and gas market evolution and services Depth of industry-specific capabilities Models for co-innovation and collaboration Actual delivery of services <p>Value Chain Services Maturity</p> <p>Upstream</p> <p>Midstream</p> <p>Downstream</p> <p>Cross Value Chain BPO and Engineering</p> <p>Cross Value Chain ITO</p>	<ul style="list-style-type: none"> Dell Services acquisition: The 2016 acquisition of Dell Services has propelled NTT DATA in the energy operations space, with an established client base and addition of capabilities in digital, cloud, industry-specific consulting, industry-specific platforms, RPA and infrastructure services. Research and Development: NTT DATA can tap into NTT Group’s large R&D organization and research and its investment arm, I3, which has a \$2 billion per year R&D budget and allows investments in areas relevant to oil and gas such as autonomous drones, machine learning, and wearables using smart fabric. Broker of Capabilities: NTT’s strategy involves becoming a cross partner and cross platform integrator for clients and is open to co-innovation, co-investment, and collaboration with clients, for example in joint ventures. Particularly important in industries like oil and gas, where partnerships and the integration of partner services in service delivery is continuing to be more prevalent for future value creation. IT/OT integration vision and capabilities: NTT’s background in data services, IT, and communications and NTT DATA’s partnerships with OEMs like GE, Honeywell, Cisco, IBM, and Dell. NTT DATA has shown ability to deliver innovative commercial models for large and long IT/OT integration engagements, changing IT/OT offerings from a CAPEX based to a consumption led OPEX model to enable clients to free-up cash flow for core investments. 	<ul style="list-style-type: none"> Integration of Dell Services: The melding of the Dell Services energy practice in the US and the Everis practice in EMEA has created a capable and accomplished global Energy Operations practice for NTT DATA. Integrating NTT capabilities and global power together with Dell Services capabilities is the next step for the new Oil & Gas practice and creation of innovative, new Energy Operations services. Build out brand recognition in oil and gas industry: In the oil and gas industry, NTT DATA is traditionally not a big name. Acquisition of Dell Services makes NTT a player in energy operations and the challenge is to build out name recognition along with capabilities. Expand industry-specific partnerships: Continuing to build out the partner ecosystem, particularly with oil and gas industry players. This fits well with the broker of capability mindset NTT DATA showcases and the direction of the energy operations market. 	
Relevant Acquisitions / Partnerships	Key Clients	Global Operations	Proprietary Technologies / Platforms
<p>Acquisitions: 2016: Dell Services, Nefos; 2015: Carlisle & Gallagher; 2014: Everis; 2010: itelligence.</p> <p>Partnerships: Legacy IT partnerships such as SAP, Microsoft, and Oracle Cloud-based business providers such as SAP HANA, MS Azure, Salesforce, AWS, BMC and Google OEM Technology vender such as Dell, Cisco, IBM, HP, GE and Honeywell RPA solutions provider such as Pega Robotics, Blue Prism, Automation Anywhere, and IPsoft</p>	<p>100 clients globally including</p> <ul style="list-style-type: none"> Integrated super major Natural gas distribution company An integrated global energy company A Spanish multinational oil and gas company The largest and primary petroleum company in LA A global oil exploration and production company An American multinational energy corporation One of the United States' largest natural-gas-only distributors A global leader in oil and gas projects, technologies, systems, and services A petroleum and natural gas exploration company 	<p>Headcount: 5000 FTEs across 40 Global Operations Centers supporting 50 countries</p> <ul style="list-style-type: none"> North America - 20% LATAM - 20% EMEA - 20% India - 30% Other APAC - 10% 	<ul style="list-style-type: none"> Hitoe: Smart fabric for worker safety AW3DTM: Precise global 3D map covering all global land spaces Liquitrax: IoT solution for land based movement of high value liquid hydrocarbons Automated Full-Time Equivalent (AFTE): Extension of robotic process automation (RPA), where automated script/process tools eliminate the need to hire staff for repetitive tasks Jubatus: Scalable distributed processing framework for real-time analysis of Big Data DynAMO: Dynamic Application Management and Outsourcing solution Xrosscloud: M2M solution made up of a cloud platform, applications, and consulting services Global Threat Intelligence Platform (GTIP): Proactive and global resilient cyber defense

Acquisitive service provider with a solution focus, global coverage capability, and industry sector expertise

PLAN	Strengths	Challenges
IMPLEMENT	<ul style="list-style-type: none"> • Business Solution Focus: NTT DATA adopts a business solution approach to its Salesforce services business. Its Salesforce services practice is part of the Digital and Cloud Services unit, which includes various skills, including mobile and analytics. NTT DATA provides end-to-end services tied to client business outcomes. Moreover, NTT DATA leverages expertise from across the NTT Group, including NTT Communications, Dimension Data, and NTT Soft. • Industry Sector Focus and Solution Investment: NTT DATA's advisory services are aligned to key industry sectors. It has also developed an impressive number of industry-focused solutions, including for the CPG/Retail, Public Sector, Automotive, and Healthcare sectors. NTT DATA has also acquired industry solutions, such as the Healthcare Solution Accelerator Suite, from recently acquired Dell Services. • Local Delivery Capability in Multiple Locations: NTT DATA has local delivery capability in North America, Latin America, Europe, Australia, Asia-Pacific, and Japan. This is supported by an offshore and nearshore delivery network. Clients appreciate having on-site staff, especially for the consulting phase of the project. In addition, clients appreciate the consistency of the on-site staff team, which is a differentiating capability in this market. 	<ul style="list-style-type: none"> • Communicate Strengths: Some clients are still confused about NTT DATA's full capabilities, especially due to the continuing acquisitions the service provider makes. Buyers in NTT DATA's target industry sectors should especially consider it in RFPs as the service provider has invested in Salesforce solutions to support engagements with clients in these sectors. Clients should also explore the benefits of global delivery capability and the depth of service skills available to them from the broader NTT group. • Growth: NTT DATA has a relatively smaller pool of Salesforce services certified consultants compared with the leaders in this Blueprint. Although it does have extensive experience, with more than 3,500 completed Salesforce projects, NTT DATA will have to ramp up its skills to remain competitive, maintain its excellent customer satisfaction score in this Blueprint, and continue to be able to deliver consistent team members in engagements as it grows its Salesforce services business.
MANAGE		
OPERATE		
OPTIMIZE		
Blueprint Leading Highlights		
<ul style="list-style-type: none"> • Quality of Account Management Team • Incorporate Feedback • Geographic Scale • Strong Resources • Flexibility • Investment in Tools • Experience Delivering Industry-Specific Solutions • Vision for Salesforce Effectiveness 		

Relevant Acquisitions/Partnerships	Key Clients	Operations	Technology Tools and Platforms
<p>Acquisitions include:</p> <ul style="list-style-type: none"> • Nefos (2016) • Dell Services (2016) • Buzz Solutions (2014) • everis (2014) • Oakton (2014) • Centerstance, Inc. (2012) <p>Partnerships include:</p> <ul style="list-style-type: none"> • FinancialForce • Vlocity • Sitecore • Coveo • Informatica • ServiceMax • TerraSky • Remedyforce 	<p>NTT DATA targets mid to large enterprise clients and Public Sector organizations (with a focus on State and Local).</p> <p>Regions include North America, Latin America, Europe, Japan, Asia-Pacific, China.</p> <p>Industry Coverage: Financial Services, Insurance, Retail and CPG, Manufacturing and Automotive, Public Sector, Healthcare and Life Sciences, Telecom</p> <p>Publicly disclosed clients include:</p> <ul style="list-style-type: none"> • Daimler/Mercedes-Benz • BMW • Honeywell • Vodafone • Telefonica/Vivo • Move, Inc. • Commonwealth of Kentucky • City of Lexington • CWS-boco 	<ul style="list-style-type: none"> • Partner Level: Global Strategic • Fullforce Master Certifications: 1 • Fullforce Industry Solutions: In Progress • Salesforce Certified Consultants: 605 • Average Number of Certifications per Consultant: 2.1 • Certified Technical Architects: 1 • Total Number in Practice: 750 • Number of Projects Completed: 3,500+ • Customer Satisfaction Score: 9.67/10 <p>Key delivery locations for Salesforce practice in order of strength:</p> <ul style="list-style-type: none"> • North America: US, Canada • Asia-Pacific: India, China, Taiwan, Japan • Europe: Germany, Austria, Switzerland, UK, Spain, Portugal, Italy, Romania, Croatia • Latin America: Brazil, Argentina, Mexico, Colombia • Australia and Southeast Asia 	<ul style="list-style-type: none"> • <i>CPG/Retail:</i> Retail Execution, Loyalty Rewards • <i>Insurance:</i> Broker portal, Underwriter Workbench • <i>Public Sector:</i> Government Permitting and License Management • <i>Manufacturing:</i> Manufacturing-in-a-box • <i>Automotive:</i> Extension Platform (EP) as Data integration proxy for multiple subsystems • <i>Hospital:</i> ehCOS (Social Case Platform, Wave Analytics) • <i>Mobile Solution:</i> Offline functionalities for field sales • <i>RITA SFDC-SAP Integration:</i> Customizable out-of-the-box standard adapter for SAP clients • <i>Salesforce over VPN (NTT Communications):</i> Secured VPN access network from client site/remote to SFDC Datacenter in Japan. Available only in Japan • <i>TrustBind/Secure Gateway:</i> Encryption and Tokenization tool for data records • <i>eResponder Tool:</i> on Remedyforce for serving EMR customers • <i>Healthcare Solution Accelerator Suite:</i> for Salesforce.com for the Payer industry

NTT DATA Winners' Circle

Experience in complex, global roll-outs and investment in industry-focused tools



Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> Quality of Account Management Team Incorporate Customer Feedback Flexibility to Deliver Both End-to-End Solutions and Point Solutions Flexible Pricing Models Deliver Value Beyond Cost Investment in Tools 	<ul style="list-style-type: none"> Experience in Multi-Country Implementations: NTT DATA has experience with multi-country SuccessFactors roll-outs, which require HR governance, compliance, legal requirements, and international laws that support country-specific regulations, particularly for Employee Central, Payroll, and Reporting modules. This is underpinned by an impressive spread of global delivery capabilities that allow NTT DATA to offer the right mix of offshore and onshore services to clients. Investment in Implementation Methodologies with Industry Flavors: NTT DATA has invested in several templates and methodologies, including its 80/10/10 methodology, which claims to reduce implementation time by 40%. Moreover, NTT DATA is investing in industry solutions, which is a key differentiator in this market. NTT DATA is strengthening offerings specifically for the Manufacturing, Life Sciences, and Retail industry sectors. Strong Technical Skills: Clients commend NTT DATA for its excellent technical implementation skills. These are backed by a strong SAP service practice of more than 9,000 practitioners and consultants and more than 25 years of experience implementing SAP HCM. NTT DATA has also implemented Employee Central, Compensation, and Variable Pay and Performance and Goals, Calibration, Payroll, Leave Management, and Jam internally. This is part of the effort to standardize operations across its global, often acquired, entities, which lends the service provider additional credibility to achieve this also for clients. Flexibility: Clients highlighted NTT DATA's flexibility in delivering additional services as well as for the associated pricing models. One client said that, when any extra work needed to be done, NTT DATA just stepped up and delivered it. 	<ul style="list-style-type: none"> Consulting and Management Services Growth: Most of NTT DATA's SuccessFactors business is from implementation services. While this also reflects the market, NTT DATA has an opportunity to grow its consulting and management services to establish long-term, strategic relationships with clients. NTT DATA acquired FSI consultancy as well as Carlisle and Gallagher last year. It plans to continue to strengthen these areas, including its advisory, project management, and change management services, as well as continue to develop its center of excellence that manages local, in-country requirements. NTT DATA also needs to increase awareness of its consulting capabilities to be a credible option for new logo clients in the service-provider selection phase. European and Latin American Growth: While NTT DATA is deploying global projects, the majority of its clients have a North American or APAC headquarters. NTT DATA has opportunities to strengthen its business with enterprises based in Europe and LATAM, where its new Costa Rica Development center has opened.
Plan		
Implement		
Manage		
Operate		
Optimize		

Relevant Acquisitions and Partnerships	Key Clients	Operations	Technology Tools and Platforms
<p>Acquisitions include:</p> <ul style="list-style-type: none"> Symphony Consulting (2014) Everis (2014) Carlisle and Gallagher Consulting Group (2015) <p>Partnerships include:</p> <ul style="list-style-type: none"> ASUG Workforce Management 	<p>NTT DATA targets clients with more than 1,000 employees transitioning to SAP Cloud.</p> <p>Geographical coverage in order of revenue: North America, India, ANZ, MEA, the UK, Continental Europe, other APAC</p> <p>Industry Coverage: Most industries. The top three are Manufacturing, Life Sciences, and Retail and Distribution</p> <p>Some publicly disclosed clients include:</p> <ul style="list-style-type: none"> Entegris, Montefiore Healthcare, MTS Corporation, Relaxo, Wilton Brands, World Kitchen 	<ul style="list-style-type: none"> Partner Level: Platinum Year of Practice Established: 2012 Number of SuccessFactors Certified Consultants: 185+ Number of SuccessFactors Certifications: 400+ Total Number in Practice: 230 Number of Clients: 80 Number of Engagements Completed or Ongoing: 163 <p>Key Delivery Locations for SuccessFactors Practice:</p> <ul style="list-style-type: none"> The US: Chicago, Atlanta, Boston, Houston, Dallas India: Hyderabad, Bangalore Australia: Sydney, Melbourne, Brisbane, Perth The UK: London Turkey: Istanbul APAC: Philippines: Manila; Singapore; Malaysia: Kuala Lumpur; Vietnam: Ho Chi Minh City 	<ul style="list-style-type: none"> 80/10/10 Project Methodology and Approach: Implementation methodology using prebuilt templates and integration framework built on best practices Pre-Defined Templates: Prebuilt templates with complete workbooks with best practice processes for Employee Central and all modules in the BizX Suite Industry-Specific Templates: Predefined best practice workbooks and templates for Manufacturing, Retail, and Pharmaceutical industries. Learning Management Solution: Extends SAP solution. Focuses on large enterprises. Governance and regulation focused for manufacturing industry license, certifications, and compliance to reduce risk. OPTIMIZE Toolset: Web/Cloud-Based Project/Program Management Toolkit Ready2run Solution: For clients with less than 1,000 employees who are largely paper-based, for rapid deployment

High Performer

On the move and committed to developing the IoT and smart devices market, expanding fast globally through acquisitions

Blueprint Leading Highlights		Strengths	Challenges
<ul style="list-style-type: none"> Proprietary Delivery Models Flexible Pricing Models Strength of Vision for the IoT Partnership Ecosystem Growth Strategy 		<ul style="list-style-type: none"> Dell Digital and IT Services Acquisition: NTT DATA is a well-known services name in Asia. Assuming the transaction closes as planned, the acquisition will make NTT DATA better known in North America, significantly bolstering offerings and reach. Flexible Pricing with Sharp Focus on Client ROI: To break free from reactive IT system integrator roots and move up the food chain to business strategic partnering, NTT DATA is offering various flexible options for funding with a strong focus on client profit analysis. Partnership for End-to-end Delivery: NTT DATA continues to build out a broad partner network to ensure it can help orchestrate and meet all IoT needs as the prime integrator. The focus on a broad ecosystem ensures clients will have access to the latest relevant technology and skills as the market evolves. Investing Heavily in R&D: As part of an annual \$1.8 billion investment by NTT Group, NTT DATA is developing smart clothing and devices, with a strong commitment to driving the IoT and intelligent services innovations. Telecom Roots: Historical roots give NTT DATA deep domain expertise in transportation of data to and from “things.” 	<ul style="list-style-type: none"> Global Operating Model Still Evolving: NTT DATA is still evolving from a systems integrator to a strategic and innovative partner. The absorption of Dell Services and other acquisitions may strain infrastructure and cohesion in what has become a very agile, fast-moving business space. Global Branding Continues to Be an Issue: NTT DATA continues to be segmented and fragmented globally with cultural focus different from region to region, which may be a problem as competitors ramp up visibility and messaging. Industrial Internet Focus Thus Far: Aside from some smart clothing experiments, it remains to be seen whether NTT DATA can become a prime innovation mover and shaker in a highly competitive (but rapidly growing) market. Positioned to Grow: NTT DATA needs to more focus on building out a digital business strategy, design thinking, and client needs-centered systems. Completed work with retail beacons is a step in this direction.
IoT Services Offering Maturity:			
IoT Consulting			
IoT Enablement			
IoT Connectivity			
IoT Integration			
IoT Management			
Service Delivery Operations	Client Profile	Acquisitions / Partnerships	Proprietary Technologies / Platforms
Innovation	<p>Go-to-Market Approach:</p> <p>NTT DATA positions the IoT as a subset of broader business, digital and IT strategy engagements based on their phased Surveyor framework, which includes detailed ROI analysis</p> <p>NA, EMEA, and APAC/Japan continue to have segmented approaches although there are often synergies between regional teams. Pricing flexibility reflects willingness to innovate and experiment alongside clients.</p> <p>Target Industries:</p> <p>NTT DATA targets large enterprises for IoT in: Automotive, Banking and Financial Services, Education, Energy, Healthcare and Medical, Infrastructure, Insurance, Manufacturing, Oil and Gas, Public Sector, Retail, Telecom, and Transportation</p>	<p>Acquisitions:</p> <ul style="list-style-type: none"> Dell Services (including digital and IoT) (2016) Carlisle and Gallagher (2015) InteHealth (2015) ipay 88 (2015) <p>Partnerships:</p> <ul style="list-style-type: none"> NEC, Telefónica, SIGFOX, IBM, Net4Things, SAP Rich R&D and vendor relationships and partnerships Alliances with IoT hardware manufacturers that provide sensors/devices Alliance with Intel for promoting standardization and solution development Collaboration with NTT Group companies, such as NTT Communications, Dimension Data, etc. 	<ul style="list-style-type: none"> IoT Infrastructure Platform eMDM: Smart metering Fleet.i: Fleet intelligence. Liquitrax: Smart transportation Upstream Oil allWaste: Smart Waste allParking: Smart parking. allLight: Smart Lighting allEyes: Citizen as a sensor. net4Things: Connected home services BRIMOS: bridge monitoring system ANYSENSE: rapid deployment of IoT solutions Authentication application for Google Glass BEACON NAVI: Device Locator 3D printer monitoring solution GaiaLinX: Electronic Vehicle power stations RemoteOne: Energy management solution AllConnected Smart Suite Cloud robotics platform Terasoluna M2M Plugin
Execution			
Industrial			
Entrepreneurial			
<p>Headcount: IoT Strategy about 100; IoT Delivery about 1,300</p> <p>Org Structure: IoT Services are part of its general IT service organization.</p> <p>Delivery Network: IoT work is mostly on-site.</p>			

NTT DATA

High Performer

Acquisitive service provider building global coverage and capabilities across Salesforce with depth in telecoms, retail and public sector

PLAN	Strengths	Challenges
IMPLEMENT	<ul style="list-style-type: none"> Global Coverage of Salesforce Service Capabilities: NTT DATA has pursued an acquisitive strategy to build Salesforce capabilities with local feet-on-the-street. The most notable acquisition was that of Centerstance, which was a dedicated Salesforce consulting provider. NTT DATA is pursuing an integration strategy to unify brands, drive common methodologies and deliver seamless Salesforce services to clients. To maintain client relationships, NTT DATA strives to retain account managers at acquired entities. Clients tell us that they appreciate this consistency in the touch points as well as the consistency in the team members during an engagement. Technical Skills in Salesforce, Multi-Vendor IT and Telecommunications: NTT DATA leverages capabilities across the NTT Group to enhance its Salesforce service offerings. For example NTT DATA has built Salesforce IP solutions in mobile and security supported by the NTT Group's strength in the telecommunications industry. This cross collaboration promotes a culture of innovation for developing Salesforce solutions. One client said that NTT DATA was 'at the cutting edge of Salesforce technology'. Industry Go-to-Market: NTT DATA is focused on developing industry-specific IP and acquisitions are often targeted for their vertical expertise. It makes an effort to understand industry and business objectives beyond the technology. In its acquisition integration strategy, NTT DATA is also identifying client solutions that it can develop as repeatable assets for other clients in the same industry. 	<ul style="list-style-type: none"> Brand Awareness: NTT DATA is early into a global branding exercise which sensibly begins with communicating with the installed base of clients. Internally, the global Salesforce practice (across acquisitions) is unified under the NTT DATA brand. However NTT DATA still has some way to go to communicate its complete set of capabilities to all existing and prospect clients. Many clients still spoke of the service provider as Centerstance therefore NTT DATA will be in a more competitive place once it builds a broader brand in this space. No "Operate" Services: NTT DATA offers the full value chain of services apart from Operate/BPO services. It offers advisory services and application management services to assist clients with their own operations but the service provider typically does not manage business processes for them. While it is not the only service provider in our Blueprint without this offering, it is a credible opportunity for NTT DATA, especially given its access to telecommunications and data center skills across the NTT Group.
MANAGE		
OPERATE		
OPTIMIZE		
Blueprint Leading Highlights		

- Quality of Account Management Team
- How Service Providers Incorporate Customer Feedback
- Flexibility to Deliver Both End-to-End Solutions and Point Solutions
- Investment in Proprietary Tools

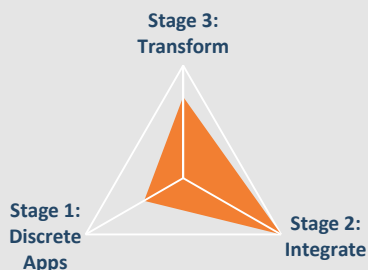
Relevant Acquisitions/Partnerships	Key Clients	Operations	Technology Tools and Platforms
<p>Acquisitions include:</p> <ul style="list-style-type: none"> • Buzz Solutions(2014) • everis (2014) • Centerstance, Inc. (2012) • Oakton (2014) acquired by Dimension Data (NTT's sister company) <p>Partnerships include:</p> <ul style="list-style-type: none"> • Apttus • Coveo • FinancialForce • Informatica • ServiceMax • SteelBrick • TerraSky 	<p>NTT DATA targets mid to enterprise Clients and Public Sector (with a focus on State & Local). Regions include North America, Latin America, Western Europe, Japan, Asia-Pac, China.</p> <p>Industry Coverage: Financial Services, Insurance, Retail & CPG, Manufacturing & Automotive, Public Sector, Healthcare & Life Sciences, Telecom</p> <p>Some publicly disclosed clients include:</p> <ul style="list-style-type: none"> • Commonwealth of Kentucky • Commonwealth of Massachusetts • Daimler • DDR • Honeywell • Isilon • Regence BC/BS • Vodafone 	<ul style="list-style-type: none"> • Partner Level: Global Strategic • Fullforce Master Certifications: 1 • Fullforce Industry Solutions: N/A in progress • Salesforce Certified Consultants: 360+ • Certified Technical Architects: 2 • Total number in practice: 450+ • Number of projects completed: 3,000+ • Customer satisfaction score: 9.14/10 <p>Key delivery locations for Salesforce practice in order of strength:</p> <ul style="list-style-type: none"> • US, Canada • India • Japan and China • Western Europa (Germany, UK, Spain, Italy) • Latin America (Brazil, Argentina) • Australia and South East Asia 	<ul style="list-style-type: none"> • <i>Fullforce Master Certifications:</i> Sales Cloud • <i>Retail Execution Accelerator:</i> application for mobile devices (iOS, Android) on force.com platform • <i>Loyalty Rewards Accelerator:</i> Pre-configured IP built on force.com • <i>Insurance Accelerator:</i> Salesforce broker/agent portal and Underwriters Optimization Solutions that integrate with Insurance legacy systems • <i>Extension Platform (EP):</i> Data integration proxy • <i>Government Permitting & License Management Accelerator:</i> Pre-configured solution on Force.com that enables online permitting and licensing for State & Local governments; dashboard reporting and mobile access • <i>Salesforce over VPN (NTT Communications):</i> Secured VPN access network from client site/remote to SFDC Datacenter in Japan. Available only in Japan • <i>TrustBind/Secure Gateway:</i> Encryption and Tokenization tool for data records

High Performer

Deep resources and strong project management skills makes it a good choice for complex integration efforts.

2014 Mobility Revenue / Growth:
HfS Est.: \$190M (1% / 50% exc. Japan)

Relative Strength Across Stages of Mobility Adoption



Strengths

- Cited by clients as having strong project management teams that do not nickel and dime every change order but rather delivery under the spirit of the original deal.
- Very acquisitive as an overall enterprise which means it is regularly refreshing its talent base and overall energy.
- As a leading service provider to Japanese Telecom market it maintains a very big R&D focus in mobility and makes it a leading innovator.
- Buyers see a willingness to be innovative around pricing models to structure deals that are win-win in mobility.
- Deep legacy expertise and robust partnerships in the B2Employee space with SAP and Oracle make it a very good choice.
- Able to deliver best in class of security design and architecture if it's required.

Challenges

- Seen as being a bit too literal at times as clients cited the need to make sure their underlying intent is very clear before embarking too far down a development path.
- As an aggressive acquirer, the enterprise struggles a bit to integrate all its disparate parts around the globe and this leads to confusion around capabilities as overlap and gaps exist region to region.
- It remains dominated by its Japanese business, while the efforts to increase its global footprint are definitely progressing.

Client Industry Verticals

Focus on Key Verticals:

- Financial Services & Insurance (includes Banking)
- Commercial (retail, manufacturing, automotive)
- Public Sector
- Healthcare

Revenue Mix:

- 25% B2B
- 75% B2C

Key Clients

Targets the midmarket to large enterprises

Clients Include:

- Banking and financial services in all the regions
- Global automotive group
- Large telecom companies
- Global travel company
- International transport company
- Major airline

Global Operations

Mobility Headcount:

- ~1,500 FTEs

Key Delivery Locations:

- China
- India
- Canada
- Romania
- Italy
- Brazil

Acquisitions:

- Optimal (2013, SAP)
- everis (2014, Spanish speaking region)
- EBS (2013, Romania)

Technology Offered

Proprietary Platforms & Software:

- DyMoRa, MERMaides, BizMonolis, nREAP, MoRe, iLLibrary, VT-Docs, M-Ticketing, SocialSync Relation

Key Partnerships:

- SAP, Oracle, HP Exstream, Salesforce.com, AirWatch, Mobile Iron, AppAround, Good Technologies, Verivo

NTT DATA

High Performer



Vertical breadth and capabilities depth in Japan being rolled out globally will make NTT DATA a potential IoT powerhouse

Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> Proprietary Delivery Models Flexible Pricing Models Strength of IoT Vision Partnership Ecosystem 	<ul style="list-style-type: none"> Dedicated IoT Center Of Excellence. Outside of Japan, NTT DATA has centralized its IoT activity around a center of excellence it calls Center of Excellence Smart located in Madrid. This center serves to unify its IoT activities globally across regionally segmented operations. Willingness To Utilize Consumption Based Pricing. Once NTT DATA has completed initial build out phase typically for a fixed fee, NTT DATA has transferred the ongoing revenue model for the operation of several IoT projects to a pay per use billing determined by number of devices deployed. Partnership For End To End Delivery. NTT DATA has built out a robust partner network to ensure it can meet every need around IoT as the prime integrator. From partnerships with established global partners, to innovative R&D joint ventures, to many small emerging market players, NTT DATA has a wide and deep ecosystem which ensures clients will have access to the breadth of skills required for success. Client Partners. NTT DATA is partnering with a number of global branded companies around IoT to develop IoT products and services in conjunction with them. 	<ul style="list-style-type: none"> Global Fragmentation. NTT DATA demonstrated examples of effective delivery across multiple regions but work remains in this regard. While Global One initiatives are smoothing legacy differences the service provider remains far from a global operating model and this can risk isolating pockets of expertise. Global Branding. While within Japan the NTT DATA brand is extremely strong, the brand has somewhat weaker mindshare outside. This challenge is highlighted by its use of acquired brand names in some regions rather than a single unified name. Nascent Business. This is a new business for NTT DATA with less than 20 engagements to date.

IoT Services Offering Maturity:

IoT Consulting

IoT Enablement

IoT Connectivity

IoT Integration

IoT Management

Business Overview	Go To Market	Relevant Acquisitions / Partnerships	Proprietary Technologies / Platforms
<p>Self-declared FTEs ~1,290</p> <p>Org Structure: NTT DATA's IoT services are part of its general IT service organization.</p> <p>Delivery Centers:</p> <ul style="list-style-type: none"> IoT delivery mainly on-site currently. NTT DATA has global delivery capability offshore and near shore. These include: Chile (Temuco), Spain (Alicante, Murcia, Seville), Argentina (Tucumán) and Brazil (Uberlandia), plus North America and APAC including India 	<p>NTT DATA has a Smart Center of Excellence in Madrid dedicated to providing services around IoT (e.g. hardware integration, device testing, tailored projects). Other Digital areas have related global one initiatives and a Center of Excellence that spans across the regional divisions. These are responsible for best practice sharing and orchestration for cross regional business from a global perspective, and work closely with IoT related services business unit depending on the client demand.</p> <p>Target Industries:</p> <p>NTT DATA targets large enterprises for IoT in: Public Sector, Manufacturing, Utilities</p>	<p>Relevant Recent Acquisitions</p> <ul style="list-style-type: none"> everis (2014) <p>Partnerships:</p> <ul style="list-style-type: none"> NEC, Telefónica, SIGFOX, Itron, NEDAP, owasys, Telit, and several IoT start-ups alliances with IoT hardware manufacturers that provide sensors/devices Alliance with Intel for promoting standardization and solution development Collaboration with NTT group companies: such as NTT Communications, Dimension Data, etc. 	<ul style="list-style-type: none"> eMDM: Smart metering Fleet.i: Fleet intelligence. Liquitrax: Smart transportation Upstream Oil allWaste: Smart Waste allParking: Smart parking. allLight: Smart Lighting allEyes: Citizen as a sensor. net4Things: connected home services BRIMOS: bridge monitoring system ANYSENSE: rapid deployment of IoT solutions Authentication application for google glass BEACON NAVI: 3D printer monitoring solution GaiaLinX: Electronic Vehicle power stations RemoteOne: Energy management solution

NTT DATA

The long-hidden secret in SAP Services finally makes it to the forefront in customer mindshare.

WINNER'S CIRCLE

Market Share: 2.87 % Overall Score: 4.03	Key Strengths		Key Challenges	
<p data-bbox="204 405 336 429">Innovation</p> <ul data-bbox="127 472 413 829" style="list-style-type: none"> Score: 3.90 Well recognized innovation partner for SAP globally, but especially in the high growth markets of the Asia Pacific region. Four key activities around eMobility, automotive, higher education and analytics. 	<ul data-bbox="465 372 1112 868" style="list-style-type: none"> The NTT DATA is the fifth largest IT Services vendor globally and the largest one in the Asia Pacific region. The SAP practice is a combination of a number of acquisitions which can satisfy almost all SAP needs throughout the whole lifecycle with the “One Method” as a global delivery Center of Excellence. NTT DATA was a good partner in Asia for a long time, but today NTT DATA has grown a solid global SAP practice with acquisitions in Latin America and Europe. Over the last few years, the company increased their focus on SAP. The company has a good track record for SAP upgrades and consolidations. In 2013, NTT DATA started to market their capabilities globally. This has started to pay off. Clients are now taking NTT DATA seriously. One of the globally best positioned companies offering industry-specific All-In-One solutions. 		<ul data-bbox="1153 372 1798 682" style="list-style-type: none"> NTT DATA needs to talk more about its successes in co-innovation and competitive differentiation – things that many clients are not aware of. Although all acquired companies are now fully integrated under The NTT DATA umbrella, past local branding still confuses some clients. NTT DATA still needs to work on brand perception of its’ SAP capabilities. Clients in North America and Europe are often unaware of the local NTT DATA strength. 	
<p data-bbox="208 879 330 903">Execution</p> <ul data-bbox="127 951 401 1146" style="list-style-type: none"> Score: 4.15 Capabilities were well hidden from the market for a long time but are now becoming more and more visible. 	<p data-bbox="556 925 774 949">SAP Services Scale</p> <ul data-bbox="465 996 865 1275" style="list-style-type: none"> Market Share: 2.87 % Estimated revenues: \$ 1,436 M <ul data-bbox="562 1061 826 1118" style="list-style-type: none"> Consulting: \$ 1,278 M Hosting: \$ 158 M Hosting revenues within the NTT Group may actually be much higher but not easy to quantify due to the decentralized company structure. 	<p data-bbox="973 925 1238 949">SAP Services Coverage</p> <ul data-bbox="902 996 1296 1189" style="list-style-type: none"> # of SAP practitioners: 8,000 Top 3 Verticals: Manufacturing, high-tech, financial services. All regions and relevant countries covered well. Good coverage through acquired companies. 	<p data-bbox="1412 908 1734 968">Customer Satisfaction And Competitive Differentiation</p> <ul data-bbox="1346 996 1792 1175" style="list-style-type: none"> High level of customer satisfaction. NTT DATA is extremely well positioned in top investment areas like consolidation, one-SAP and global initiatives with a heavy Asian-involvement. 	

Scale Explanation: 1 (Low) To 5 (High) – Innovation 50%, Execution 50%

About the Author



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Overview

Hema Santosh is one of the versatile analysts who enjoys quantitative and qualitative aspects of the research at the same time. Hema is responsible for The Buyers Guides and supports various Data analytics initiatives at HfS Research.

Over the last decade, Hema has worked across all the facets of IT Services and BPO research providing insights that are key to taking strategic decisions. She understands the nuances and dynamics of the BPO and Technology industry. Her experience ranges from custom research, competitive analysis, outsourcing deals analytics, location assessments, quantitative studies to qualitative research. She has held senior research positions in organizations such as, Information Services Group, Accenture, NTT DATA and ITFinity Solutions.

Academically, Hema holds an MBA specializing in Marketing from Manipal University, a full time 'Management Program for Women Entrepreneurs' from Indian Institute of Management (IIM), Bangalore and a Bachelor's degree in Commerce from the University of Mumbai.

Apart from HfS Research, Hema has one more full time job and that is, rearing her three young sons. Her sojourn is travelling to wild-life sanctuaries and solving a SuDoKo puzzle whenever she can grab some free time.

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