The Forrester Wave™: IoT Consultancies In Asia Pacific, Q2 2022

The Eight Providers That Matter Most And How They Stack Up

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Summary

In our 28-criterion evaluation of internet-of-things (IoT) consultancies in Asia Pacific (APAC), we identified the eight most significant ones — Accenture, Capgemini, Deloitte, FPT Software, Infosys, KPMG, Tata Consultancy Services (TCS), and Wipro — and researched, analyzed, and scored them. This report shows how each consultancy measures up and helps CIOs select the right one for their needs.

Additional resources are available in the online version of this report.

IoT Is Poised To Drive Business Transformations At Scale In APAC

The scope and impact of IoT initiatives has significantly expanded since Forrester last assessed this market in 2020. At that point, the pandemic was already accelerating IoT use cases such as smart supply chain, remote operations, and infrastructure management. Topics like sustainability and green buildings have expanded IoT scenarios beyond asset-heavy industries. Against this backdrop, many larger IoT initiatives have become business transformation initiatives, with their impact moving from the production line to the boardroom. To address this trend, consultancies have been maturing their service capabilities to realize the business value of their clients' IoT initiatives. As a result of these trends, CIOs should look for providers that:

- **Balance deep technical expertise with business transformation know-how.** Providers that are equally strong across solutions, technology, talent, culture, change, and client engagement are best suited to drive end-to-end business transformation. These providers are well versed in connecting their tech expertise with innovation and transformation capabilities to realize short-term business impact and enable long-term client transformation. Depending on your IoT initiative, a provider's capability to build skills, change culture, and drive change management can be as relevant as its advanced capabilities such as solution R&D, AI, security, and other emerging technologies such as 5G, blockchain, and augmented reality.

- **Embrace new engagement models that foster alignment on common objectives.** Providers with a strong vision, innovation roadmap, and market approach for APAC are best positioned to work with clients to realize new engagement models. These providers go beyond fixed price models, employing risk/reward, as-a-service, and cocreation models and may have started to build value-aligned partnerships with clients. Such models exemplify a shift from a traditional vendor/buyer relation to one based on common objectives. Understand how your shortlisted providers' business and delivery model can suit your needs and your organization's readiness.

- **Have exceptional expertise in your specific domain or use case.** While consultancies have significantly fleshed out their portfolio of offerings and capabilities, the vastness of IoT use cases and technologies — both IT and operating technology (OT) — still fosters the creation of niche capabilities. Examples include device engineering and integration; specific verticals, such as agritech; feasibility studies; large-scale business transformation (perhaps via joint

ventures); extensive support for managed IoT run services; and IoT solutions as a service. If they apply to your situation, the strengths of a provider in any such niche may trump its overall breadth of expertise and influence your decision.

Evaluation Summary

The Forrester Wave™ evaluation highlights Leaders, Strong Performers, Contenders, and Challengers. It's an assessment of the top vendors in the market and does not represent the entire vendor landscape. You'll find more information about this market in Now Tech: IoT Consultancies In Asia Pacific, Q1 2022.

We intend this evaluation to be a starting point only and encourage clients to view product evaluations and adapt criteria weightings using the Excel-based vendor comparison tool (see Figure 1 and see Figure 2). Click the link at the beginning of this report on Forrester.com to download the tool.

Figure 1

Forrester Wave™: IoT Consultancies In Asia Pacific, Q2 2022

THE FORRESTER WAVE™

IoT Consultancies In Asia Pacific
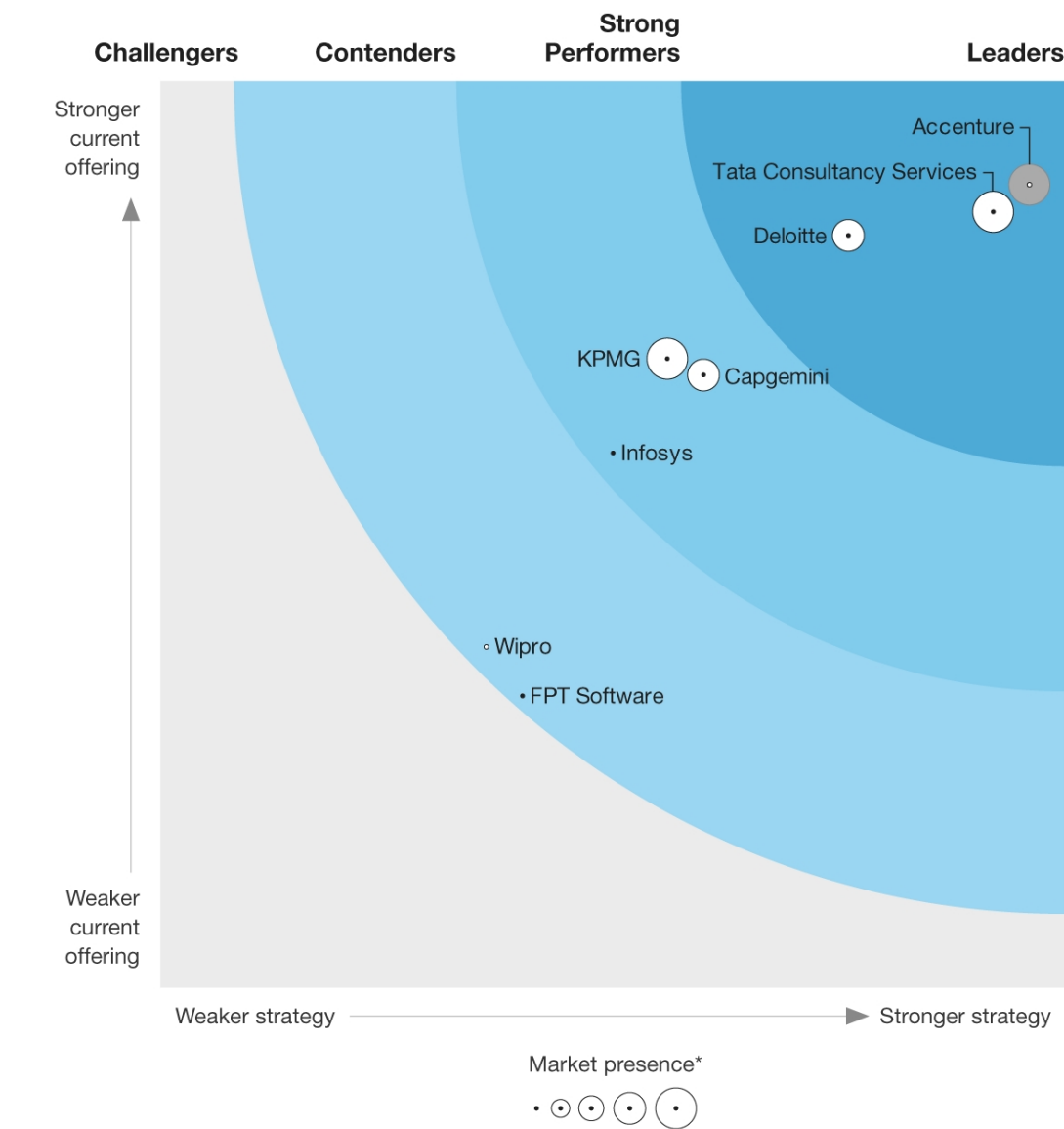
Q2 2022

*A gray bubble or open dot indicates a nonparticipating vendor.

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Figure 2

Forrester Wave™: IoT Consultancies In Asia Pacific Scorecard, Q2 2022

	Forrester's weighting	Accenture*	Capgemini	Deloitte	FPT Software	Infosys	KPMG	Tata Consultancy Services	Wipro*
Current offering	50%	4.43	3.38	4.15	1.61	2.95	3.47	4.28	1.88
Solutions and technology	15%	5.00	3.00	5.00	1.00	3.00	3.00	5.00	2.00
Talent, culture, and change	15%	4.00	3.00	5.00	2.00	3.00	3.00	5.00	2.00
Client engagement	15%	5.00	3.50	3.50	1.50	3.00	4.00	4.00	2.00
IoT planning services	15%	4.00	4.00	4.00	1.00	2.00	5.00	3.00	1.00
IoT implementation services	15%	5.00	4.00	4.00	2.00	3.00	3.00	5.00	2.00
Managed services	10%	3.00	3.00	4.00	2.60	4.00	2.40	3.00	3.00
Advanced capabilities	15%	4.50	3.00	3.50	1.50	3.00	3.50	4.50	1.50
Strategy	50%	4.80	3.00	3.80	2.00	2.50	2.80	4.60	1.80
Vision	15%	5.00	3.00	5.00	3.00	3.00	3.00	5.00	1.00
Innovation roadmap	15%	5.00	3.00	5.00	1.00	1.00	3.00	5.00	3.00
Partner ecosystem	15%	5.00	3.00	3.00	1.00	3.00	3.00	5.00	3.00
Market approach	35%	5.00	3.00	3.00	3.00	3.00	3.00	5.00	1.00
Commercial model	10%	5.00	3.00	5.00	1.00	3.00	3.00	3.00	3.00
Delivery model	10%	3.00	3.00	3.00	1.00	1.00	1.00	3.00	1.00
Market presence	0%	4.33	3.67	3.67	1.00	1.00	4.33	5.00	1.00
Revenue	33%	5.00	3.00	5.00	1.00	1.00	5.00	5.00	1.00
Average deal size	33%	5.00	5.00	1.00	1.00	1.00	3.00	5.00	1.00
Number of customers	33%	3.00	3.00	5.00	1.00	1.00	5.00	5.00	1.00

*Indicates a nonparticipating vendor.

All scores are based on a scale of 0 (weak) to 5 (strong).

Source: Forrester Research, Inc. Unauthorized reproduction, citation, or distribution prohibited.

Vendor Offerings

Forrester included eight vendors in this assessment: Accenture, Capgemini, Deloitte, FPT Software, Infosys, KPMG, Tata Consultancy Services (TCS), and Wipro.

Vendor Profiles

Our analysis uncovered the following strengths and weaknesses of individual vendors.

Leaders

- **Accenture's differentiated Industry X service line expands its capabilities.** Accenture's IoT capabilities are an integral part of its Industry X service line, which aims to lead change across the client's product and operating value chains. Accenture's strategy is top-notch. Its excellent market approach is rooted in its coverage of all APAC subregions and strong business presence in Japan. Accenture operates four Industry X innovation centers in APAC (Shanghai, Tokyo, Perth, and Singapore). It has fulfilled its strong vision by acquiring expert capabilities globally, such as German engineering consulting firm umlaut. Accenture offers an extensive set of commercial models including risk/reward sharing and as-a-service pricing and engages in joint ventures. The firm's service portfolio focuses on IoT implementation services, flanked by a significant IoT planning services business (plus IoT run services).

  Accenture continues to excel in solution and technology breadth, client engagement approach, and overall implementation capabilities. The firm's approach to client innovation, transformation, and business impact is top-notch. Its advanced capabilities (enhancing IoT with AI, security, and emerging tech) are another strong asset. This makes Accenture a top choice for clients seeking a strategic partner for organizationwide business and technology transformation. Its commercial and delivery models enable a clear alignment with the client's business objectives. Accenture declined to participate in the full Forrester Wave evaluation process.

- **TCS offers an expanded portfolio across technology and business capabilities.** TCS's IoT services aim to "bring life to things" by unifying physical and digital contexts. The firm organizes its IoT capabilities in a dedicated business unit. TCS's strong vision and innovation roadmap express its aim to enable adaptable, resilient enterprises. The firm's APAC market approach is a strength, rooted in its presence in all APAC subregions; Japan is a major business generator. TCS runs two major PacePort centers (Tokyo and Sydney) and nearly 20 other labs and centers in APAC. The firm offers a broad set of commercial terms and conditions,

including risk/reward sharing and as-a-service pricing, but does not engage in joint ventures. TCS focuses its IoT services business primarily on IoT implementation, but it also delivers IoT planning services. Pure IoT run services make up a small part of the firm's business.

TCS has strong client engagement capabilities, particularly for innovation and business transformation, extensive solutions, and broad technology coverage. Its implementation capabilities are top-notch. TCS has strong advanced capabilities, bringing AI, security, and emerging tech to IoT engagements. Reference customers appreciate its business consulting approach with balanced domain, technical, and business management skills. This makes TCS a top choice for clients seeking a strategic partner for large-scale business and technology transformation, especially at the intersection of the firm's industry and regional focus areas.

- **Deloitte strengthens its vision and execution for the APAC region.** Deloitte aims to transform its client business with value-focused IoT solutions. The firm's IoT practice integrates capabilities across multiple business units. Deloitte's strategic strengths center on its excellent vision (which adds a strong cybersecurity perspective to IoT) and innovation roadmap, in particular for the future of smart factories. Another strong point is its commercial model, which includes joint ventures alongside risk/reward sharing and as-a-service pricing options. Deloitte does business in all APAC subregions, with a business focus on Australia/New Zealand and Japan. The firm operates key innovation centers in Japan, China, Singapore, and Australia and has other centers and labs in APAC. Deloitte has a strong focus on IoT planning services, but also has a significant share of IoT build services and IoT run services business.

  Deloitte's capabilities and breadth of coverage for solutions, technologies, talent, and culture change are top of the range. Business impact realization is another top capability, as is the firm's ability to leverage its cybersecurity capabilities for IoT. The firm has equally strong capabilities for IoT planning, implementation, and managed services. Reference customers confirm this and highlight the industry and domain knowledge that Deloitte brings to the table. They also appreciate how the firm's consultants transfer knowledge to their organization. This makes Deloitte a top choice for clients seeking a strategic partner to plan, implement, and manage IoT initiatives across a broad set of use cases, especially where cybersecurity and change management are prime requirements.

Strong Performers

- **Capgemini brings global capabilities to APAC but must continue to expand in the region.** Capgemini drives synergies between digital and engineering to create the "intelligent industry." The firm aggregates its IoT capabilities in a distinct business unit. Capgemini's strategy is solid all around; its vision to combine digital and engineering is evident in its integration of electronics and engineering capabilities from the Altran acquisition. To perfect its market approach, the firm needs to continue its regional expansion. The majority of Capgemini's APAC IoT business comes from India/South Asia, with a strong business presence in Australia/New Zealand, China, and Japan. The firm operates "applied innovation exchange" centers in India, China, Singapore, and Australia. While Capgemini offers a broad set of commercial terms and conditions, it does not engage in joint ventures with clients. The firm primarily focuses on delivering IoT planning engagements, with additional business generated by IoT build and IoT run services.

  Capgemini brings a well-rounded set of capabilities to clients. Aligned with the strong focus on planning engagements, the firm's capabilities for solution planning and design stand out, as do its ability to integrate IT and OT. Reference customers highlight Capgemini's global connections and breadth and depth of experience. However, the firm needs a larger presence outside of its core APAC markets. Capgemini is a good choice for clients looking for a partner to plan and prototype their IoT initiatives, especially where its recently acquired electronics and engineering capabilities can make a difference.

- **KPMG offers transformation and business process capabilities and an agritech focus.** KPMG aims to drive broad digital transformation with clients. Its IoT practice operates horizontally across the firm. KPMG has a solid strategy in APAC, which comprises a significant share of its global IoT business. Its vision is also solid and sets the pace for transforming agritech; KPMG should repeat this across other industries. The firm's market presence is also solid, with a strong business presence in Australia/New Zealand and India/South Asia. KPMG covers all subregions and runs APAC innovation labs in Tokyo, Nanjing, Singapore, and Sydney. It offers a broad set of commercial terms and conditions but needs to bring flexibility to its commercial and delivery models more rapidly. KPMG focuses on IoT planning services, but also does significant business in building and delivering IoT engagements and increasingly provides managed IoT run services.

  KPMG's key strength is its IoT planning services, particularly for business process and organizational design. Aligned with that are top capabilities for innovation, transformation, and business impact consulting, which create a strong value proposition for strategic transformation initiatives. Its expertise in agritech is a

unique asset at the intersection of public and private initiatives, which reference customers confirm. Customers also rate KPMG's stakeholder management. subject-matter expertise, and engagement approach as excellent. KPMG is a good choice for clients looking to ideate and realize strategic business transformations and is a strong partner for planning IoT initiatives and business process design.

- **Infosys brings solid capabilities and strong field operations but must address gaps.** Infosys helps clients develop connected processes, products, and infrastructure "from sensors to insights." The firm's IoT capabilities form a separate business unit. Infosys has a mostly solid strategy, although it lags in innovation and delivery model. Its market approach benefits from coverage across all APAC subregions. While Infosys still derives most of its business from Australia/New Zealand, the firm looks to execute on its solid vision with an aggressive growth target for the region. To achieve this, Infosys offers a broad set of commercial terms and conditions but should go beyond its largely traditional delivery model. The firm operates five "living labs" centers in Melbourne, Singapore, India, Tokyo, and Shanghai. Most of Infosys' business comes from its IoT implementation services; the firm also provides IoT plan and IoT run services.

  Infosys shows solid capabilities across the board for solutions, technology, talent, culture, change, and client engagement. The firm has strong managed services capabilities; its onsite and field operations capabilities are a highlight. To close the gap with competitors, Infosys needs to strengthen its innovation, business transformation, analytics, and AI capabilities. The firm's presence in all subregions is a plus, but gaps remain in some capabilities. Reference customers highlight the firm's vast pool of expertise globally and its mature engagement approach. This makes Infosys a good choice for clients looking for an IoT partner with a solid mix of technology and business capabilities and a strength in managed services.

Contenders

- **Wipro provides solid managed services but needs to broaden its portfolio and presence.** Wipro aims to provide a comprehensive engineering solution for an organization's IoT adoption. The firm organizes its IoT capabilities in a separate business unit. Wipro's strategy builds on a solid innovation roadmap, commercial approach, and partner ecosystem, but the firm needs to broaden its vision to drive more industry transformation anchored in the region. Its market approach lags the broader coverage of most of its competitors, with most of its APAC business in Australia/New Zealand (with Japan a distant second). Wipro runs a Technovation Center in India, where it also has a small presence. The firm derives most of its business from IoT plan services and a significantly higher than average share from

managed IoT run services.

Wipro brings solid capabilities for managed IoT services to clients. The firm lags most competitors in business-focused capabilities such as innovation, transformation, client transformation, and process design. Wipro has a solid coverage of solutions and use cases, and capabilities to deploy those. However, its weaker than average advanced capabilities prevent the firm from a better position. Wipro's presence outside of its core APAC market needs to increase for the firm to be a stronger choice. This makes Wipro an option for clients in its focus market seeking a technology-focused IoT implementation partner with solid managed services capabilities. Wipro declined to participate in the full Forrester Wave evaluation process.

- **FPT Software excels in strong device engineering capabilities but lacks offering breadth.** FPT Software drives clients' digital transformation via a strong focus on product engineering and embedded engineering in its IoT services portfolio. The firm's IoT capabilities cut across multiple business units. While FPT Software has a vision for how to drive IoT with a focus on device development, integration, and management, it needs to broaden its vision and innovation roadmap beyond the device focus. The firm's business is concentrated in Southeast Asia and ASEAN, but it also derives a significant share of business from Greater China (plus Japan). FPT Software operates virtual innovation centers within some of its top client engagements but must improve its commercial and delivery models to boost its overall strategy. It primarily provides IoT implementation services, but also has a significant managed IoT run services business.

  FPT Software has a narrower scope of technology and use cases than its competitors, although it has solid capabilities for innovation, transformation, and talent within this scope. The firm's managed services capabilities feature top capabilities in network, communications, and device managed services. Reference customers confirm its deep expertise in device engineering for IoT and its overall engagement approach. This makes FPT Software an option for initiatives in which (communications) hardware engineering, integration and management are primary requirements. In such engagements, including those that look to transform business models through IoT-enabled devices, the firm punches well above its weight.

Evaluation Overview

We evaluated vendors against 28 criteria, which we grouped into three high-level categories:

- **Current offering.** Each vendor's position on the vertical axis of the Forrester Wave graphic indicates the strength of its current offering. Key criteria for these solutions include solutions and technology; talent, culture, and change; client engagement; IoT planning services; IoT implementation services; managed services; and advanced capabilities.

- **Strategy.** Placement on the horizontal axis indicates the strength of each vendor's strategy. We evaluated vision; innovation roadmap; partner ecosystem; market approach; commercial model; and delivery model.

- **Market presence.** Represented by the size of the markers on the graphic, our market presence scores reflect each vendor's revenue; average deal size; and number of customers.

Vendor Inclusion Criteria

Forrester included eight vendors in the assessment: Accenture, Capgemini, Deloitte, FPT Software, Infosys, KPMG, Tata Consultancy Services (TCS), and Wipro. Each of these vendors has:

- **A distinct IoT consulting capability in APAC with significant subregional business.** IoT consultancies require capabilities, skills, and expertise beyond the scope of a general systems integrator or consulting practice. All of the vendors in this assessment have established distinct IoT consulting capabilities in the region and have significant business in at least three of these five subregions: Australia/New Zealand, Greater China, India/South Asia, Southeast Asia, and Japan.

- **A significant share of business revenue originating from Asia Pacific.** To ensure relevance to clients in Asia Pacific, we only included vendors that derive at least 10% of category revenue from the region, indicating a strategic business focus in Asia Pacific.

- **More than $20 million in specific revenue for IoT consulting services.** We only included vendors that gain more than US$20 million in annual revenue from delivering IoT consulting services to clients in Asia Pacific.

- **Significant interest from Forrester clients and regular mentions in competitive situations.** We only included vendors that demonstrate a high level of interest from Forrester clients (based on inquiries, advisories, consulting engagements,

and other interactions) as well as vendors who are frequently mentioned in competitive situations.

Supplemental Material

Online Resource

We publish all our Forrester Wave scores and weightings in an Excel file that provides detailed product evaluations and customizable rankings; download this tool by clicking the link at the beginning of this report on Forrester.com. We intend these scores and default weightings to serve only as a starting point and encourage readers to adapt the weightings to fit their individual needs.

The Forrester Wave Methodology

A Forrester Wave is a guide for buyers considering their purchasing options in a technology marketplace. To offer an equitable process for all participants, Forrester follows The Forrester Wave™ Methodology Guide to evaluate participating vendors.

In our review, we conduct primary research to develop a list of vendors to consider for the evaluation. From that initial pool of vendors, we narrow our final list based on the inclusion criteria. We then gather details of product and strategy through a detailed questionnaire, demos/briefings, and customer reference surveys/interviews. We use those inputs, along with the analyst's experience and expertise in the marketplace, to score vendors, using a relative rating system that compares each vendor against the others in the evaluation.

We include the Forrester Wave publishing date (quarter and year) clearly in the title of each Forrester Wave report. We evaluated the vendors participating in this Forrester Wave using materials they provided to us by March 31, 2022 and did not allow additional information after that point. We encourage readers to evaluate how the market and vendor offerings change over time.

In accordance with The Forrester Wave™ And New Wave™ Vendor Review Policy, Forrester asks vendors to review our findings prior to publishing to check for accuracy. Vendors marked as nonparticipating vendors in the Forrester Wave graphic met our defined inclusion criteria but declined to participate in or contributed only partially to the evaluation. We score these vendors in accordance with The Forrester Wave™ And The Forrester New Wave™ Nonparticipating And Incomplete Participation Vendor Policy and publish their positioning along with those of the participating vendors.

Integrity Policy

We conduct all our research, including Forrester Wave evaluations, in accordance with the Integrity Policy posted on our website.

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