Market Insight Report Reprint

Wipro looks to accelerate enterprise transformations with FullStride Cloud Services

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by William Fellows

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451 Research

S&P Global
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Introduction

Wipro FullStride Cloud Services is the organizing principle for the company's cloud ambitions, designed to simplify, accelerate and orchestrate customer cloud journeys. The offering brings consulting services, engineering capabilities, technology offerings and business platforms for enterprises together with Wipro's extensive partner and hyperscaler ecosystem. Wipro FullStride Cloud Services represents a $1bn investment to address the opportunity: 451 Research's Cloud Computing as a Service 2021 Market Monitor estimates that revenue for IaaS, PaaS and infrastructure SaaS will be $63.2bn in 2021 across 462 vendors, up 20% year over year.

THE TAKE

Together with cybersecurity, data and AI, and engineering and R&D, cloud is one of Wipro's four 'big bets' and is now positioned as its single largest opportunity. The vendor is addressing this with Wipro FullStride Cloud Services, which assembles its assets, ecosystem and partner power in a full-stack approach to cloud transformation. A cloud strategy is foundational: It's built on by enterprise-wide digital transformation programs and ultimately an organization's overall business strategy. In the modern IT era, there is no one without the other. Customers' desire to go to cloud is high, but often their ability to do so is low, which is the gap Wipro is addressing with Wipro FullStride Cloud Services.

Products

Features in Wipro FullStride Cloud Services include:

- Consulting and strategy
- Modernization and transformation
- Cloud engineering and innovation
- The BoundaryLess Enterprise
- DevSecOps and cloud automation
- Workplace transformation
- Cloud data and insights
- Cloud security and compliance
- Cloud Studio
- Business outcomes cloud

To expand on a couple of these, the BoundaryLess Enterprise is a logical and physical construct that includes IT outsourcing in addition to the BoundaryLess Universal Edge lifecycle management framework, BoundaryLess datacenter, BoundaryLess container platform, BoundaryLess data protection and BoundaryLess integration platform. It takes advantage of hyperscaler partnerships as well as Topcoder, Wipro's crowdsourcing platform.

Cloud Studio plays the role of a strategic ecosystem integrator leveraging Wipro's platforms, IP and talent – along with native and niche tools developed by hyperscalers and partners – as a one-stop marketplace. It includes 1,000-plus standard blueprints and over 40 industry solutions and acts as an integrated workbench to plan, create, design, develop and manage cloud projects with an automated and industrialized approach.

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Wipro is investing in several areas to build out FullStride:

- Operating model: partnerships, large deals, technology and consulting partners
- Advisory and consulting: consulting, advisory, journey to cloud, operating model transformation
- Deepen engineering capability: hyperscaler-specific state, niche practices development, cost recovery-based architecture and engineering, cadre creation (offshore)
- Asset buildout: Cloud Studio, e-docs, business solutions, industry innovation platform
- M&A: 70% of the $1bn FullStride investment is earmarked for M&A, as well as advisory and cloud service provider engineering

Wipro FullStride Cloud Services' focus is on outcome-based service delivery where instead of time and materials, service-level agreements and 'as a service' are the measures of performance and consumption. Some of the motivation for Wipro FullStride Cloud Services was born from the vendor's examination of its own operating model to understand where there were gaps and inefficiencies, then productizing its experience with processes and services to fill these and pitch them to customers as road-tested.

Key to Wipro FullStride Cloud Services is its support for a range of buying patterns targeting executive personas, including those geared toward innovation and cost reduction. In the former case, this is essentially disruption avoidance for CEOs and line-of-business (LoB) leaders; new capabilities and increased speed for CTIOs, CDOs and LoB leaders; and regulatory and security compliance for CISOs, CEOs and CIOs. For cost reduction, this is centered on infrastructure consolidation (CIOs, enterprise architectures, infrastructure leaders); application modernization (head of applications, portfolio owners, product owners); and utilization and cashflow (CFOs, operations leaders, CISOs).

Wipro highlights ecosystem orchestration in offerings it has created around SAP and Google Cloud, Snowflake and Microsoft Azure, and Salesforce, AWS and Okta as part of Wipro FullStride Cloud Services.

The following are Wipro FullStride Cloud Services' technology platforms:

- Data Discovery (data analytics and insights as a services)
- Digital Monetization Service, also Modernizer, AMT (legacy modernization and containerization)
- DevNXT (cloud-native developer productivity platform)
- Cyber defense (cloud security, regulatory and compliance)
- AssureNXT (cloud assurance testing)
- Digital Rig (DevOps, ways of working)
- BoundaryLess Enterprise (cloud management, cloud optimization)
- Wipro Holmes (AI/ML platform, automation)

Wipro FullStride Cloud Services' Business Solutions include those for banking, financial services and insurance; consumer, retail, travel and transportation; communications; health; energy, utilities, oil and gas; and manufacturing, automobiles and technology.

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Business model

With annualized revenue now north of $10bn, Wipro is an IT consulting and business process service provider headquartered in Bangalore, India. It has 220,000 employees globally. Thierry Delaporte joined Wipro in July 2020 as CEO and managing director with a mandate for growth by prioritizing certain markets and sectors and creating offerings to expand Wipro's presence across geographies. Cloud already accounts for some 30% of the vendor's business, and remains a growth engine (its net income was up 19% at $395m on revenue that climbed 8% at $2.7bn in its Q2 through September 2021 – cloud grew 27% during the quarter).

Wipro has more than 5,000 people now working on FullStride Cloud Services and delivers Cloud Services from a range of global experience centers (hyperscaler and cloud studios, digital pods and innovation centers). It has an active M&A program in place to support the offering's buildout. FullStride Cloud Services can be deployed in Wipro datacenters or on customers' facilities – the most common mode is the company building services on the customers' assets (on-premises, hosted, hyperscaler and edge).

Competition

Enterprise transformation is a global, high-ticket market. Wipro is competing in a crowded space where global integrators, IT suppliers and technology providers are ramping up their digital prowess using cloud as the foundational aspect. Accenture, Atos, IBM, Hewlett Packard Enterprise, Capgemini, DXC Technologies and Dell Technologies are in this group. India-based firms such as Cognizant, HCL Technologies, Infosys, L&T Infotech, Microland, Mindtree, TCS and Tech Mahindra have increasingly augmented their offerings via M&A as well as strategic partnerships. Many of them are actively involved in building startup and partner ecosystems for technology innovation. When it comes to harnessing segment- and region-specific opportunities, regional and local integrators such as Datacom, NTT, NEC and Fujitsu are active players.

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SWOT Analysis

STRENGTHS

Enterprises are encouraged to 'go faster' in their transformation path to access the benefits of cloud. Every organization is raising its software IQ to become a digital service provider and contend in the digital economy. However, with access to talent now more of a constraint than access to capital, partners are critical to offering cloud expertise, application and infrastructure modernization skills, automation and value-added services that can be applied at any stage of a customer's journey. Wipro has been able to productize its operational experience with reference architectures and reusable blueprints.

WEAKNESSES

Global integrators and service providers are expanding the breadth and depth of their cloud and hyperscale expertise as quickly as possible to capitalize on the opportunities afforded by enterprises' pandemic-accelerated cloud and digital transformation journeys. Wipro will need to retain and augment its pools of vendor-specific talent, as well as scale its engineering and product development capabilities to stay ahead of rivals that are vying for enterprise 'mindshare' and hyperscaler attention.

OPPORTUNITIES

Given the breadth of cloud goods and services available in the market (451 Research's Cloud Price Index tracks over three million compute SKUs from major public cloud providers alone), the key to success will be finding the right combinations and operationalizing them to deliver the benefits being advertised by their suppliers – better, faster, cheaper. Skills shortages plus the need for governance, automation and control dictate the use of a cloud partner with a deep bench of certified competencies.

THREATS

Assembling an integrated portfolio of products and services to capture the cloud IT services market opportunity is not unique. Global SIs, service providers and India-based companies are converging on this opportunity. However, Wipro FullStride Cloud Services represents a full-stack approach that brings together a consulting-led program with technical capabilities, a partner ecosystem and a talent pool with a specific focus on business outcomes.

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CONTACTS

The Americas
+1 877 863 1306
market.intelligence@spglobal.com

Europe, Middle East & Africa
+44 20 7176 1234
market.intelligence@spglobal.com

Asia-Pacific
+852 2533 3565
market.intelligence@spglobal.com

www.spglobal.com/marketintelligence

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