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Wipro addresses next phase of big-data services market opportunity

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Large enterprises are beginning to realize that they have created an internal big-data mess, with multiple sets of tooling in use and on-premises platforms that can't cope with the volumes of data. This is creating a services opportunity.

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Wipro's analytics business has two flavors: more traditional BI and information management, and then the big-data and advanced analytics piece with machine learning. The older part is holding steady, but it's the new part that is taking off. As Wipro transforms itself into an asset-enabled digital service provider, it has a few strategic initiatives in the works surrounding its Data Operations Center, Big Data Platform as a Service and Holmes for Business. Large enterprises are beginning to realize that they have created an internal big-data mess, with multiple sets of tooling in use and on-premises platforms that can't cope with the volumes of data. This is creating a services opportunity for systems integrators such as Wipro.

THE 451 TAKE

Wipro launched its Data Discovery Platform in 2015 and has worked hard to keep its offerings apace with changing customer requirements. It has added public cloud management capabilities, as well as big-data operational managed services and new business use case apps. It is finding that its differentiation lies in the blend of asset-enabled bids the platform allows for, in combination with the company's platform engineering skills. The next phase of the business transformation concerns Wipro's sales operation, which now needs to win the targeted outcome-based contracts the company wants.

CONTEXT

Wipro is transforming itself under the leadership of CEO Abidali Neemuchwala, who took control in February 2016, and who is looking to make Wipro a \$15bn company by 2020. In the past, Wipro has gone to market with specific technology offerings, but it is now using digital branding as an enabler so that it can integrate offerings and bring them to customers in a transformative manner. The Danish creative agency Designit, which Wipro acquired in 2015, is now incorporated within Wipro, and Wipro Consulting has become part of Wipro Digital to help bring together the company's entire set of offerings.

This, of course, requires an internal sales transformation, and to address this, Wipro has created 22 internal themes, each specializing in a capability, and a 'One Voice' program to enable it to pitch its digital services consistently to customers. With this structure, Wipro can create integrated deals bringing together, say, analytics, customer experience and business process services. Consulting's role is to establish the customer's goal, and then speak with the internal teams that, in turn, can reach out to connect with the sales process. Each sales business unit has a digital leader who reports to the digital unit. Digital sales are not pursued separately, so here is less risk of sales incentives creating an unstable outcome for Wipro's overall business as it transitions from traditional contracts. Wipro no longer leads engagements with a specific offering and is increasingly putting skin in the game related to the client's business outcomes.

STRATEGY

Pallab Deb, VP and global head of analytics at Wipro, says that in the banking and high-tech sectors, he is seeing a customer requirement around the big-data platforms that have been set up internally in different areas, creating maverick big-data clusters. To deal with this, customers want Wipro to help bring in conformity to tooling and pipelines that are accessing the client's data lake because the volume of data is breaking the pipelines. Because the problem is appearing regularly, Wipro has developed a horizontal technical offering to address it called Data Operations Center. This is a framework that includes tools to monitor the client's big-data landscape, using self-healing machine-learning techniques. In this way, Wipro can manage areas such as archiving and data processes in play, as a layer above the operating system and CPU level of management. Some clients will pilot the capability this summer, and then the intention is that Wipro will roll it out as a managed service offering.

In our Voice of the Enterprise surveys, we see planned use of on-premises, non-cloud infrastructure for big-data workloads being almost halved in the next two years, with the most significant growth coming from IaaS/public cloud deployments, as well as private cloud (hosted and on-premises). This is because data volumes are expanding, so trying to keep pace within the datacenter is proving impossible. This means that service providers such as

Wipro need to be able to manage the client's data estate in the cloud, and for this, Wipro has its Digital Services Hub where it can provision, manage and meter cloud services. This quarter, Wipro plans to launch a version of Digital Services Hub specifically for big-data workloads on AWS, Azure and Google Cloud Platform as its Big Data Platform as a Service. This means Wipro can provision big-data lakes and manage data loads and transfers via a single pane of glass.

Another strategic initiative for Wipro is the use of artificial intelligence (AI) techniques; its Holmes offering provides automation largely for IT operations, but Wipro is working on Holmes for Business to help simplify business processes. The intention is to launch several business processes this year, including know your customer, document processing for speech and voice analytics. Wipro will also enable customers to make choices outside of Holmes so that they can also use Cortana and Watson.

DATA DISCOVERY PLATFORM

For stabilized big-data environments, Wipro has its Data Discovery Platform, which has more than 100 apps in production. The company will release another 20+ this quarter for the energy and utilities sector. Some of these are being used for pre-sales proofs of concept to showcase the accuracy of the data using predictive asset management to, say, analyze the data on overhead lines and conductors to deliver an initial set of insights. Beyond this sector, another 40 apps are in the development pipeline. Of course, making apps available is one thing; getting customers to use them is another. Wipro now has six live customers using the apps in production to move business processes forward, and more than 20 customers are in various stages of project pilots.

An area where Wipro is finding increased interest is around its ability to provide custom 'insights as a service' platforms derived from its Data Discovery Platform framework. The company has had some notable recent successes with this engineered approach against competitors with off-the-shelf products. One pharma customer, for example, has committed to usage of 40 apps from the Data Discovery Platform library, some on Wipro, and some custom-built apps on the planned roadmap for the five-year contract. Within this contract, Wipro is applying its small, medium and large pricing model from its catalog so that the client can get an idea of pricing now and going forward for the delivery of predictable insights. Another customer, a US payment services provider, has awarded Wipro a 10-year deal because Wipro's Data Platform engineering team was able to use non-commercialized technology from academia to showcase an innovative approach to low-latency data management.

The Data Discovery Platform is currently on an open source stack, but Wipro is also developing an Azure version with the Microsoft stack underneath it, to which it will add its existing business use cases. It is working in close partnership with Microsoft on this; the Seattle tech vendor is keen to drive up Azure consumption with big-data workloads. Wipro is engaged in a calendar of marketing activities with Microsoft, and this is proving to be effective in driving the pipeline for Wipro's service management deals. The Data Discovery Platform apps already use AI, statistical modeling and machine learning, but will now also be able to take advantage of cognitive AI technology via Cortana APIs. Deb says that over the past year, the value of big-data deals is growing so that five-year \$15m deals are becoming achievable. And because the deals are asset-based, the business margin is also there.

COMPETITION

Wipro says that for the Data Discovery Platform, its main rivals are Accenture Insights Platform and other systems integrator competitors that offer value-added services around their own assets. These include Capgemini with its Insights-as-a-Service and Insights 360° offerings that are based on its technology stack approach, Infosys with its Infosys Information Platform that embraces platforms and analytics, and Cognizant with its BigDecisions platform. All these competitors have a significant offshore delivery capability, as does Wipro. Beyond these are the software platform vendors themselves, such as IBM with BlueMix and Watson and Oracle with its Big Data Platform.

SWOT ANALYSIS

STRENGTHS

Because of the momentum around Neemuchwala's leadership of the company, assets such as the Data Discovery Platform are likely to be seen as good capabilities to position Wipro firmly as a service provider for the digital era, moving it away from linear headcount growth. Wipro's analytics capability is already on top of the market's fast-paced shift to public cloud delivery.

WEAKNESSES

As Wipro transforms itself into an asset-enabled digital service provider, the challenge will be to ensure that its salesforce keeps in step, neither running too far ahead with the new digital offerings, nor stubbornly clinging to older capabilities. A lot of corporate attention is being paid to this, which is good. However, marketing and Wipro's positioning also need to keep up because the company is still widely perceived as a traditional offshore service provider.

OPPORTUNITIES

As buy-side organizations recognize that they have a variety of big-data products being used in siloed ways within their organizations and that their own private clouds cannot keep up with the volumes of data, service providers such as Wipro that have big-data operational skills and assets to help will find a growing market opportunity.

THREATS

Managed analytics as a service is still in the early stages of market development, but it is interesting that Wipro's big wins to date are for custom-engineered platforms addressing business outcomes for customers rather than for preconfigured offerings. The challenge will be to keep highly custom-engineered offerings from becoming the main point of differentiation, thus enabling competitors to dominate the market opportunities for more repeatable offerings.