



# Software Testing Services: AI and Digital Lead Investment in Next-Gen Testing

Market Analysis  
Abstract

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[research.nelson-hall.com](http://research.nelson-hall.com)





## Who Is This Report For?

NelsonHall's "Software Testing Services: AI and Digital Lead Investment in Next-Gen Testing" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within software testing services and within digital services
- Vendor marketing, sales and business managers developing strategies to target software testing service and digital service opportunities
- Financial analysts and investors specializing in the IT services sector.



## Key Findings & Highlights

NelsonHall's market analysis of the software testing services, digital testing services, and crowdtesting market consists of 79 pages. It provides an in-depth understanding of the dynamics at play in the software testing services and focuses on next-gen testing services, defined as follows: mobile testing, UX testing, RPA and testing, AI and testing.

The current global software testing services market size stands at ~\$23.0bn. The global testing services market will reach ~\$30.0bn by 2023, growing at 5.6% CAGR. Growth will primarily be led by the adoption of next-gen testing, non-functional, and other specialized testing services.

Since 2015, the number of new large-scale managed testing service contracts has decreased. Clients make savings on their existing contracts and reallocate spending around continuous testing and reskilling of their testing workforce.

Functional testing (for custom applications and COTS), both automated and manual, represents 52% of testing spending. Spending is quickly shifting from manual testing to functional automation.

Mobile testing is the largest activity within next-gen testing and continues to grow rapidly. UX testing is rising, thanks to compliance-led accessibility testing and usability testing. Demand for AI uses cases for automating testing services is growing from low-levels of spending.

North America is the largest spender of software testing services, closely followed by EMEA. It is also the fastest-growing.

The market remains structured around BFSI, which represents ~41% of testing service spending; manufacturing (~17%); telecom & media (~14%).

The top five vendors in this space, globally, are: Accenture, TCS, Cognizant, Capgemini and NTT DATA.

## Scope of the Report

The report analyzes the worldwide market for software testing services, looking at next-gen testing services (i.e. mobile testing, UX testing, AI and testing, RPA and testing).

It addresses the following questions:

- What is the current and future market for software testing services?
- What are the client segments for software testing services, and their characteristics? What are the drivers, benefits, and inhibitors for each segment?
- What is the size and growth of the software testing services markets by client segment, geography, service line (including digital testing services, and crowdtesting), activity and sector?
- How did spending grow in 2016 and how will it increase in 2017 and onwards?
- How is the market organized? Who are the main vendors? How can they be assessed and compared? What are vendor challenges and critical success factors by market segment?
- What are the next-gen testing service offerings in the market? Which one has highest growth potential?
- Has mobile testing reach maturity or is there still room for innovation?
- How will UX testing evolve and what how will sub-offerings evolve?
- How is AI shaping the testing market?
- What is the potential for growth for RPA in testing services?

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## Report Length

79 slides, consisting of seven chapters.

## Vendors Researched

Accenture, Amdocs, Capgemini, Cigniti, Cognizant, HCL Tech, IBM Global Services, Infostretch, Infosys, L&T Infotech/LTI, NTT DATA, QualiTest, SQS, TCS, Tech Mahindra, TestingXperts, and Wipro.

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