Amodcs
Software Testing Services: Advanced Automation

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's Software Testing Vendor Assessment for Amdocs is a comprehensive assessment of Amdocs' advanced automation offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of IT services and identifying vendor suitability for software testing services

- Vendor marketing, sales and business managers looking to benchmark themselves against their peers

- Financial analysts and investors specializing in the software testing sector.

Key Findings & Highlights

U.S. headquartered Amdocs is an ISV/IT services vendor, which specializes in servicing communications service providers (CSPs), including providers active in telecom, broadband, cable and satellite services, media content firms, and directory publishers. The company has expanded its BSS/OSS software and service capabilities to digital, consumer experience and monetization, open cloud networks, enterprise, and IoT. With the 2019 acquisition of TTS Wireless, Amdocs added a network engineering focus, targeting 5G opportunities.

In the past two years, Amdocs has expanded its media and digital services focus to content owners and video service providers, notably through the creation of Amdocs Media based on the 2018 acquisition of Vubiquity (and content licensing/content processing and distribution services) and existing subscription-based billing SaaS applications.

Amdocs had $4.1bn in revenues in FY19, the period ending September 30, 2019. The company has a headcount of 26k.

Amdocs has an unusual profile: although it is well-known for its software products, it derives only (a NelsonHall estimated) 3% of its revenues from them (license and maintenance), and 97% from IT services. The largest client of Amdocs is AT&T, which in FY19 accounted for 23% of revenues.

Aside from the delivery of its own BSS/OSS applications, Amdocs Services provides a wide range of services through its different units: Managed Services, Testing, Cloud Services, Consulting, User Experience and Design, Digital Business Operations, Revenue Assurance, Integration Services, and Data Management and Intelligence.

A key element of Amdocs' IT services strategy has been its expansion into non-Amdocs software products.

Amdocs Quality Engineering (AQE) has been part of Amdocs Services since 2014. It provides testing services to Amdocs' traditional client base, as part of Amdocs' strategy to expand its software and IT service portfolio and activities.

AQE has a headcount of 3.2k; this does not include the ~450 career testers engaged in testing Amdocs' software products and in other Amdocs units.

In 2015, AQE expanded its testing capabilities to include non-Amdocs product testing services, e.g.,from mobile app and websites, to BSS/OSS applications. Currently, approximately half of AQE's revenues relate to non-Amdocs products and applications.

AQE goes to market both directly for standalone testing contracts and together with Managed Services and Consulting.

Scope of the Report

The report provides a comprehensive and objective analysis of Amdocs' advanced automation service offerings, capabilities, and market and financial strength, including:

- Analysis of the company's offerings and key service components
- Revenue estimates
- Identification of the company's strategy, emphasis and new developments
- Analysis of the profile of the company's customer base including the company's targeting strategy and examples of current contracts
- Analysis of the company's strengths, weaknesses and outlook.

Contents

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