



# **NTT DATA Digital Transformation Services**

**Vendor Assessment  
Report Abstract**

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## Who Is This Vendor Assessment For?

NelsonHall's Digital Transformation Services Vendor Assessment for NTT DATA is a comprehensive assessment of NTT DATA's digital transformation services offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of IT services and identifying vendor suitability for digital transformation services
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the digital transformation sector.

## Key Findings & Highlights

NTT DATA Communications Systems Corporation was spun off as a separate company from NTT Corporation in 1988, subsequently changing its name to NTT DATA Corporation in 1996. NTT Corporation retains a 54% shareholding in NTT DATA and NTT DATA works jointly with other companies in the NTT Group to deliver services to clients.

NTT DATA's acquisition of Dell Services for \$3.06bn closed on 2, November 2016. The two companies have broadly complementary offerings and heritage, with NTT DATA bringing the application experience which Dell Services lacks, and Dell Services expanding NTT DATA's infrastructure services capability. Dell Services also provides NTT DATA with a broader footprint in the North American market.

Dell Services is integrating with NTT DATA's North American subsidiary, NTT DATA, Inc., which NelsonHall estimates currently accounts for ~26% of NTT DATA's revenues. With the absorption of Dell Services, the newly created organization, called NTT DATA Services, will take on greater importance going forward.

In June 2016, itelligence (a subsidiary of NTT DATA) acquired BIT.Group. BIT was set up in 2004, is headquartered in Bautzen (in Eastern Germany), and provides SAP services with a focus on application management and cloud hosting. The company has a headcount of 380.

In August 2016, NTT DATA announced that it would be acquiring Nefos AG, a Salesforce consulting partner in DACH region. It delivers Salesforce solutions to German-speaking markets in Germany, Austria, Switzerland, and through a nearshore cloud development center in Croatia. Nefos is a Salesforce Platinum consulting partner established in 2007, and states that it has implemented 500 Salesforce projects across manufacturing, automotive, telco, and service service sectors.

NTT DATA uses five key approaches to drive its digital transformation services:

- Customer Friction Factor (CFF)
- Continuous Digital Modernization (CDM)
- Digital Experience Studio
- Continuous User Experience Engineering (CUE<sup>2</sup>).
- x360 BI/analytics solution.

NTT DATA globally has ~100k employees. Of these, NelsonHall estimates that ~17k deliver digital transformation services.

NTT DATA has launched its Digital Experience Studios and is looking to expand its network over the next year. Current studios are located in Plano and Palo Alto, U.S., Bangalore, India (x2) and Germany. It is looking at potential expansion targets including in the U.K., as well as Hyderabad.

## Scope of the Report

The report provides a comprehensive and objective analysis of NTT DATA's digital transformation 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.



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## Report Length

11 pages

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