Tech Mahindra
Digital Transformation Services

Vendor Assessment
Report Abstract

April 2017

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9 pages

Who Is This Vendor Assessment For?

NelsonHall's Digital Transformation Services Vendor Assessment for Tech Mahindra is a comprehensive assessment of Tech Mahindra'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

Tech Mahindra was founded in 1986 and is headquartered in Mumbai, India. A major shareholder is Mahindra Group (with ~26.3% of shares).

In June 2013, Tech Mahindra (TM) announced the finalization of its merger with Mahindra Satyam (MS); the merged entity is now called Tech Mahindra. Tech Mahindra and Mahindra Satyam had a largely complementary client base in terms of geographical and vertical presence; Tech Mahindra had targeted telecom service providers with an IT and BPS services portfolio and investments in network, security and business process, and Mahindra Satyam had focused on a wide range of enterprise clients, including telecom with primary focus in consulting, engineering and analytics.

Recent acquisitions have included:

- In 2014, FixStream: a data analytics platform in which Tech Mahindra acquired a 75% stake in 2014

- In June 2016, The BIO Agency (BIO): for £22.5m plus earn outs over three years, strengthening digital transformation capability in the U.K. BIO services clients in the financial services, retail, property, travel, and technology sectors. The company generated £12.5m revenues in its FY16 (to the end of April 30, 2016), a growth of ~70% from £7.3m in FY15

- In December 2015, Pininfarina: an Italian provider of design services, addressing the automotive industry and other verticals including retail, consumer goods and real estate. Clients include Ferrari, Alfa Romeo, Maserati, and Peugeot. According to Tech Mahindra, Pininfarina S.p.A. had 2014 revenues of €86.6m and an EBITDA of €7m. The company has a headcount of 650.

Tech Mahindra segments its digital transformation services into three service types:

- Digital strategy

- Product and service design

- Digital implementation.

Specialist personnel dedicated to digital transformation services for Tech Mahindra include:

- ~10k FTEs delivering digital transformation projects

- ~1k FTEs in digital strategy practice

- The Bio Group has ~100 FTEs in the U.K.

- Pininfarina employs ~650 FTEs

- ~500 FTEs within its mainframe-focused team are trained in migrating applications from mainframes to newer technologies.

Scope of the Report

The report provides a comprehensive and objective analysis of Tech Mahindra'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.

Contents

Report Length

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