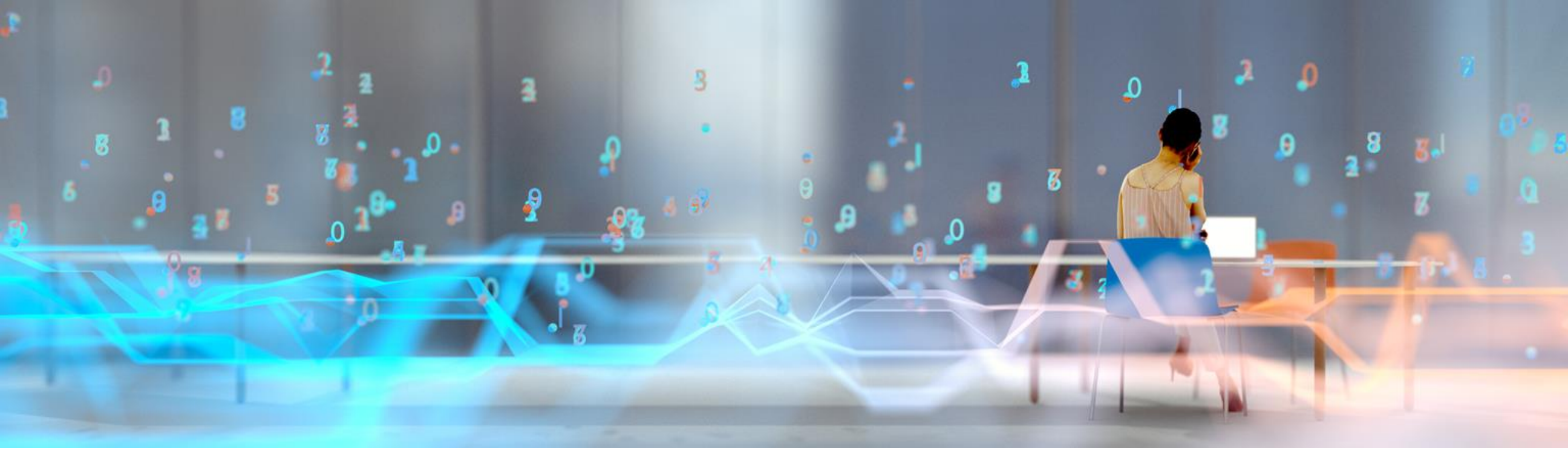

Digital Workplace Almanac – Key Insights and Trends from 2024

January 2025

Digital Workplace

Everest Group®

Our research offerings

This report is included in the following research program(s):

Digital Workplace

- Advanced SciTech
- Amazon Web Services (AWS)
- Application Services
- Artificial Intelligence (AI)
- Asset and Wealth Management
- Banking and Financial Services Business Process
- Banking and Financial Services Information Technology
- Catalyst™
- Clinical Development Technology
- Cloud and Infrastructure
- Contingent Staffing
- Contingent Workforce Management
- Customer Experience Management Services
- CX Excellence
- CXM Technology
- Cybersecurity
- Cyber Threat Detection and Response
- Data and Analytics
- Digital Adoption Platforms
- Digital Services
- Digital Workplace
- Employee Experience Management (EXM) Platforms
- Employer of Record (EOR)
- Engineering Research and Development
- Enterprise Platform Services
- Exponential Technologies
- Finance and Accounting
- Financial Crime and Compliance Operations
- Financial Services Technology (FinTech)
- Forces & Foresight
- GBS Talent Excellence
- Global Business Services
- Google Cloud
- HealthTech
- Human Resources
- Insurance Business Process
- Insurance Information Technology
- Insurance Technology (InsurTech)
- Insurance Third-Party Administration (TPA) Services
- Intelligent Document Processing
- Interactive Experience (IX) Services
- IT Services Excellence
- IT Talent Excellence
- Life Sciences Business Process
- Life Sciences Commercial Technologies
- Life Sciences Information Technology
- Locations Insider™
- Marketing Services
- Market Vista™
- Microsoft Azure
- Microsoft Business Application Services
- Modern Application Development (MAD)
- Mortgage Operations
- Multi-country Payroll
- Network Services and 5G
- Oracle Services
- Outsourcing Excellence
- Payer and Provider Business Process
- Payer and Provider Information Technology
- Price Genius – AMS Solution and Pricing Tool
- Pricing Analytics as a Service
- Process Intelligence
- Process Orchestration
- Procurement and Supply Chain
- Recruitment
- Retail and CPG IT Services
- Retirement Technologies
- Revenue Cycle Management
- Rewards and Recognition
- SAP Services
- Service Optimization Technologies
- Software Product Engineering Services
- Supply Chain Management (SCM) Services
- Sustainability Technology and Services
- Talent Genius™
- Technology Skills and Talent
- Trust and Safety
- Value and Quality Assurance (VQA)

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Contents

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Everest Group market definition for digital workplace services

This report focuses on digital workplace services and offers insights into the prominent service providers and key trends within this space (page 1 of 2)

[NOT EXHAUSTIVE]

Consulting/assessment services

Strategy, roadmap formulation, feasibility and readiness assessments, compliance assessment and evaluation, and TCO/RoI analysis

Design and implementation

Design, migration, consolidation, integration, change management, and validation

Management and monitoring services

End-to-end management and support, monitoring, governance, and other operations/services

Workplace experience management, workplace security, digital adoption, service management, analytics, ESG, and automation

Digital workplace services

Service desk

End-to-end incident / request management, omnichannel contact services, multilingual support, self-healing/self-help solutions, ticket workflow management, intelligent swarming, agent assist solutions, remote access management, and virtual agents

Deskside/client-site support services

Install, Move, Add, Change (IMAC) solutions and services, VIP support, tech cafe (genius bars), digital lockers, ITVM/kiosks, AR-/VR-based smart field support, smart-hands support, field-service management platforms, site-support services for end-user devices

Unified Communication and Collaboration (UCC)

Productivity suites copilot (M365 copilot, Gemini), telephony, messaging and meeting services, directory services, UCaaS, CPaaS, VoIP, intranet, knowledge management, workplace content and collaboration services (including immersive collaborations such as avatars, AR/VR/MR for collaboration)

Desktop management and virtualization

Virtual desktop management:
VDI design, implementation, patch and image management

Operating System (OS) and application management:
packaging, imaging, distribution, patching, on-demand provisioning, and zero-touch deployment / modern provisioning

Workspace-as-a-Service:
Includes various as-a-service workplace models such as Desktop-as-a-Service (DaaS), VDI-as-a-Service (VDIaaS), PC-as-a-Service (PCaaS), and Experience-as-a-Service (EXPaaS)

Note: Key changes in 2024 in view of evolving market dynamics:
Infrastructure applications and workplace security have been excluded as stand-alone segments while IT service management and generative AI in workplace are added as stand-alone segments

This report focuses on digital workplace services and offers insights into the prominent service providers and key trends within this space (page 2 of 2)

[NOT EXHAUSTIVE]

Consulting/assessment services

Strategy, roadmap formulation, feasibility and readiness assessments, compliance assessment and evaluation, and TCO/RoI analysis

Design and implementation

Design, migration, consolidation, integration, change management, and validation

Management and monitoring services

End-to-end management and support, monitoring, governance, and other operations/services

Workplace experience management, workplace security, digital adoption, service management, analytics, ESG, and automation

Digital workplace services

Asset management (H/w and S/w)

Management of IT assets

(forecasting, procurement, deployment, and disposal), financial reporting, license management, asset discovery, stock management, follow-me print services, Just-in-time procurement (JIT), smart refresh, and circular economy

Enterprise mobility

Unified Endpoint Management (UEM) including Enterprise Mobility Management (EMM), Mobile Device Management (MDM), Mobile Application Management (MAM), Mobile Identity Management (MIM), BYOD, Identify and Access Management (IAM), etc.

IT service management

Incident management, root cause analysis, availability management, service transition services, process mining, service request management, etc.

Smart workplace

IoT-based smart office, hot desking, wayfinding, connected devices, HVAC solutions, facilities and energy management, and smart wearables

Generative AI in workplace

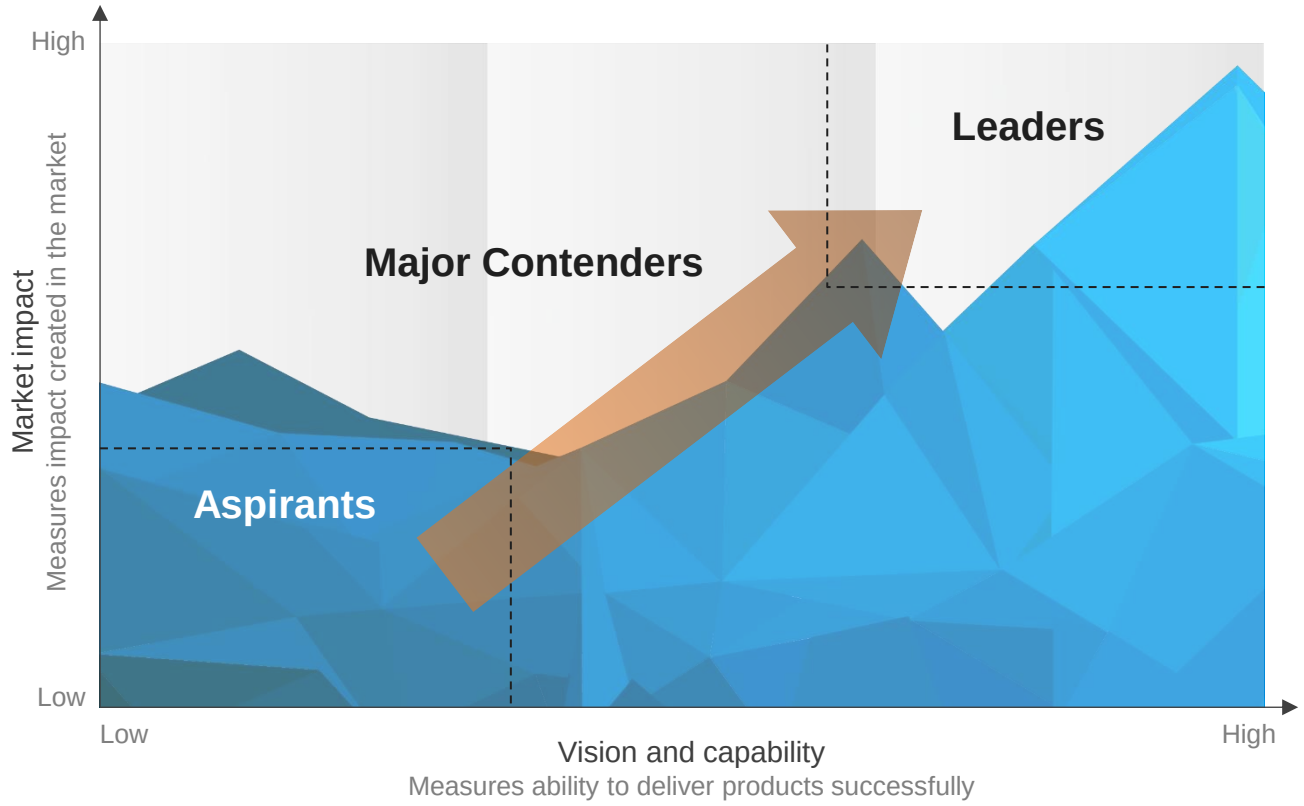
Stand-alone generative AI deals across workplace segments

Note: Key changes in 2024 in view of evolving market dynamics:
Infrastructure applications and workplace security have been excluded as stand-alone segments while IT service management and generative AI in workplace are added as stand-alone segments

PEAK Matrix assessment research methodology

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision and capability

Everest Group PEAK Matrix



Please click Everest Group PEAK Matrix® for more information

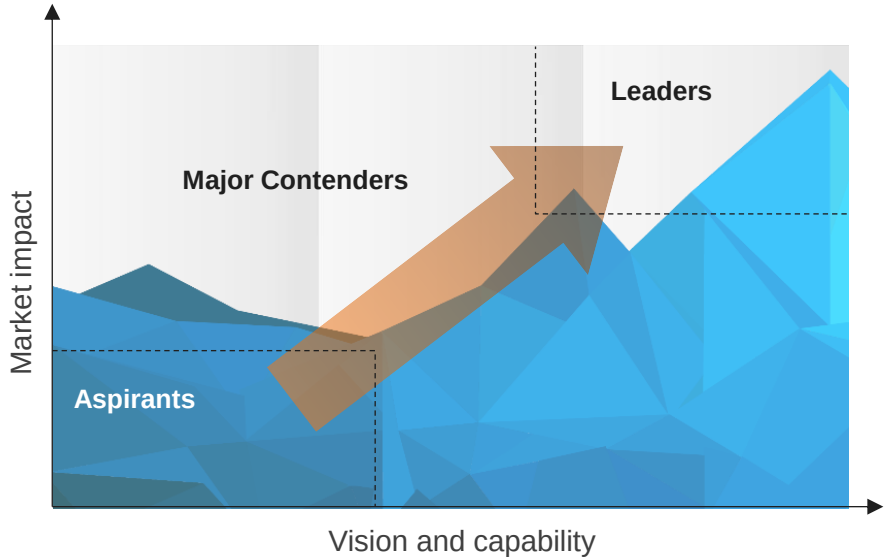
Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption
Number of clients, revenue base, YoY growth, and deal value/volume

Portfolio mix
Diversity of client/revenue base across geographies and type of engagements

Value delivered
Value delivered to the client based on customer feedback and transformational impact



Measures ability to deliver services successfully. This is captured through four subdimensions

Vision and strategy
Vision for the client and itself; future roadmap and strategy

Scope of services offered
Depth and breadth of services portfolio across service subsegments/processes

Innovation and investments
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.

Delivery footprint
Delivery footprint and global sourcing mix

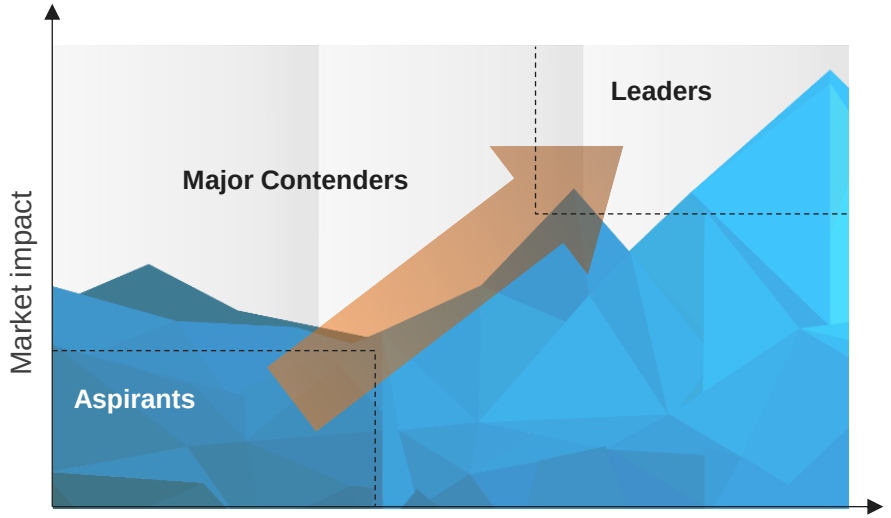
Products PEAK Matrix® evaluation dimensions for Conversational AI for IT Management

Measures impact created in the market – captured through three subdimensions

Market adoption
Number of clients, revenue base, and YoY growth

Portfolio mix
Diversity of client base across industries, geographies, environments, enterprise size class

Value delivered
Value delivered to the client based on customer feedback and other measures



Measures ability to deliver products successfully. This is captured through five subdimensions

Vision and strategy
Vision for the client and itself; future roadmap and strategy, and progressiveness and flexibility of commercial models

Implementation and support
Hosting type, pre-built intents, visual workflow designer, interoperability, deployment type, security and compliance, and client training and support

Conversational capabilities
Technical sophistication and breadth/depth across Natural Language Processing (NLP), conversational intelligence, intent extraction, agent-assist, sentiment analysis, and LLMs

Breadth of services
Channels supported, language coverage, and process coverage

Digital Workplace Service PEAK Matrix Assessment 2024 - Europe

Digital Workplace Service PEAK Matrix Assessment 2024 - Europe

Characteristics of Leaders, Major Contenders, and Aspirants

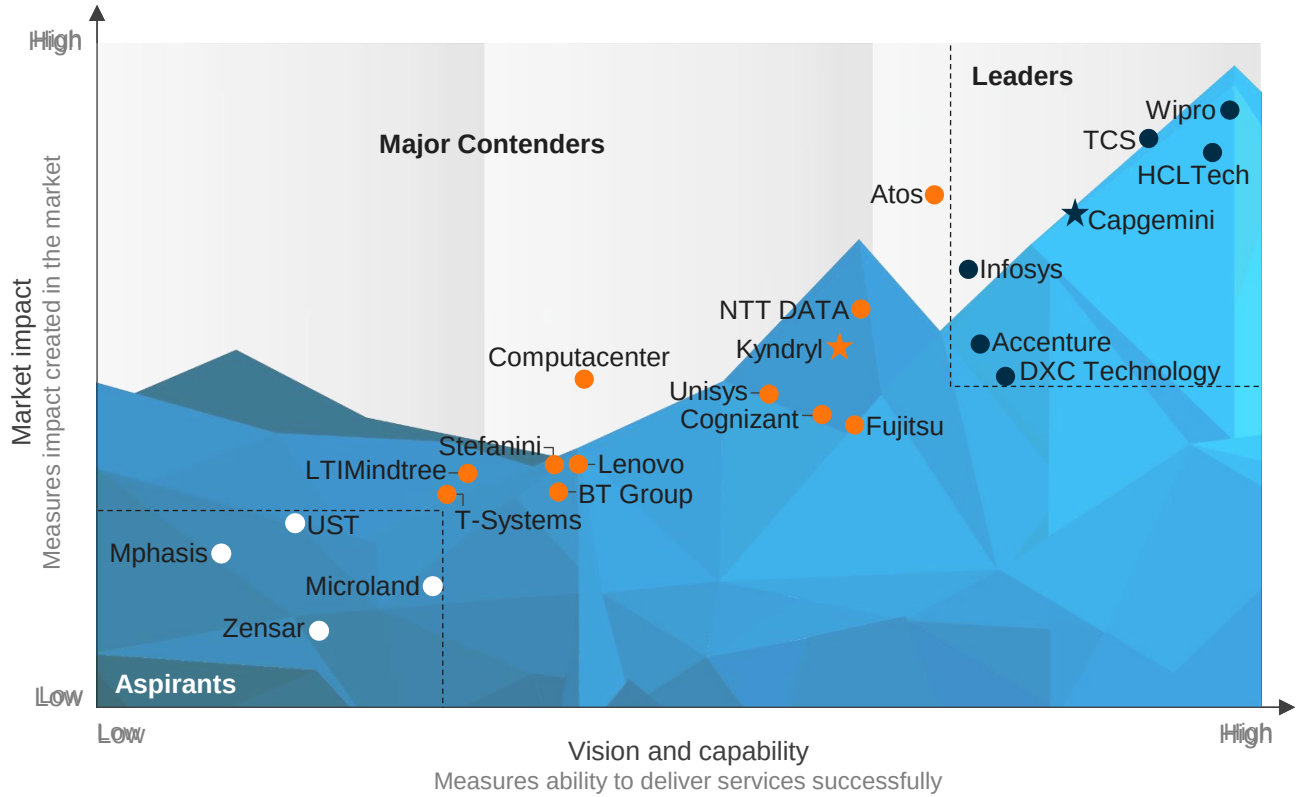
Star Performer summary

Everest Group PEAK Matrix®

Digital Workplace Services PEAK Matrix® Assessment 2024 - Europe

Everest Group Digital Workplace Services PEAK Matrix® Assessment 2024 – Europe[1]

- Leaders
- Major Contenders
- Aspirants
- ☆ Star Performers



1 Assessments for Accenture, Microland, and Zensar excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, provider public disclosures, and Everest Group's interactions with buyers
Source: Everest Group (2024)

Digital workplace services PEAK Matrix® characteristics - Europe

Leaders

Accenture, Capgemini, DXC Technology, HCLTech, Infosys, TCS, and Wipro

- Leaders continue to showcase high expertise and experience in delivering end-to-end workplace engagements, while maintaining client satisfaction through their balanced portfolio, coherent vision, and robust suite of agnostic and contextualized IP and solutions, supported by skilled talent and strong delivery capabilities
- Further these providers have been able to effectively leverage next-generation themes such as copilot and generative AI, backed by their expansive partnerships with technology vendors, niche providers, and start-ups to co-create solutions and engage in joint Go-to-market (GTM) in this space to deliver quick business outcomes to enterprises
- However, despite this, Leaders face tough competition from Major Contenders in both retaining and winning new deals and must continue to enhance their capabilities to offer clients unique benefits

Major Contenders

Atos, BT Group, Cognizant, Computacenter, Fujitsu, Kyndryl, Lenovo, LTIMindtree, NTT DATA, Stefanini, T-systems, and Unisys

- While these providers continue to strive to augment their broader workplace capabilities with targeted investments in developing their suite of IP and technology, delivery capabilities, and partnership ecosystem, their end-to-end workplace services capabilities continue to have some visible gaps
- Further, while these providers have built meaningful capabilities across workplace segments, their portfolio and delivery capabilities are not as balanced as those of Leaders, which is reflected in their relative market success
- However, these providers continue to make targeted investments in enhancing their talent skills, delivery frameworks, internal IP, and partnerships to address capability gaps, positioning themselves as strong contenders to Leaders in workplace services

Aspirants

Microland, Mphasis, UST, and Zensar

- Aspirants' workplace services show gaps in service scope, internal IP maturity, and coverage across industry verticals and geographies
- However, these providers are focused on expanding their workplace capabilities through investment in service flexibility, experience-centricity, and technology partnership to strengthen and to help generate major workplace revenue and improve market positioning

Everest Group has identified two providers as Star Performers in 2024 for Europe

Digital workplace services Star Performers	Distinguishing features of market impact in 2024	Distinguishing features of capability advancements in 2024	Change in PEAK Matrix® positioning for digital workplace services
Capgemini	• Strong YoY growth in workplace services revenue • Focus on forging strong client relations	• Strengthened its focus on next-generation technology themes such as generative AI through solutions such as BuddyBot, backed by robust adoption proof points • Emphasis on offering sustainability-focused solutions • Experience-centric approach to workplace focusing on nuanced traits such as change management, adoption, and learning	Strengthened its **Leaders** positioning
Kyndryl	• Enhanced revenue growth of workplace services business • Improved portfolio mix of workplace services offerings across key regions	• Consulting-led approach to workplace as characterized by its Kyndryl Consult practice, specialized for digital workplace, backed by robust proof points • Human-centric approach to workplace transformations, reflected through its dedicated practice – Kyndryl Mindful	Strengthened its **Major Contenders** positioning

Digital Workplace Service PEAK Matrix Assessment 2024 – North America

Digital Workplace Service PEAK Matrix Assessment 2024 – North America

Characteristics of Leaders, Major Contenders, and Aspirants

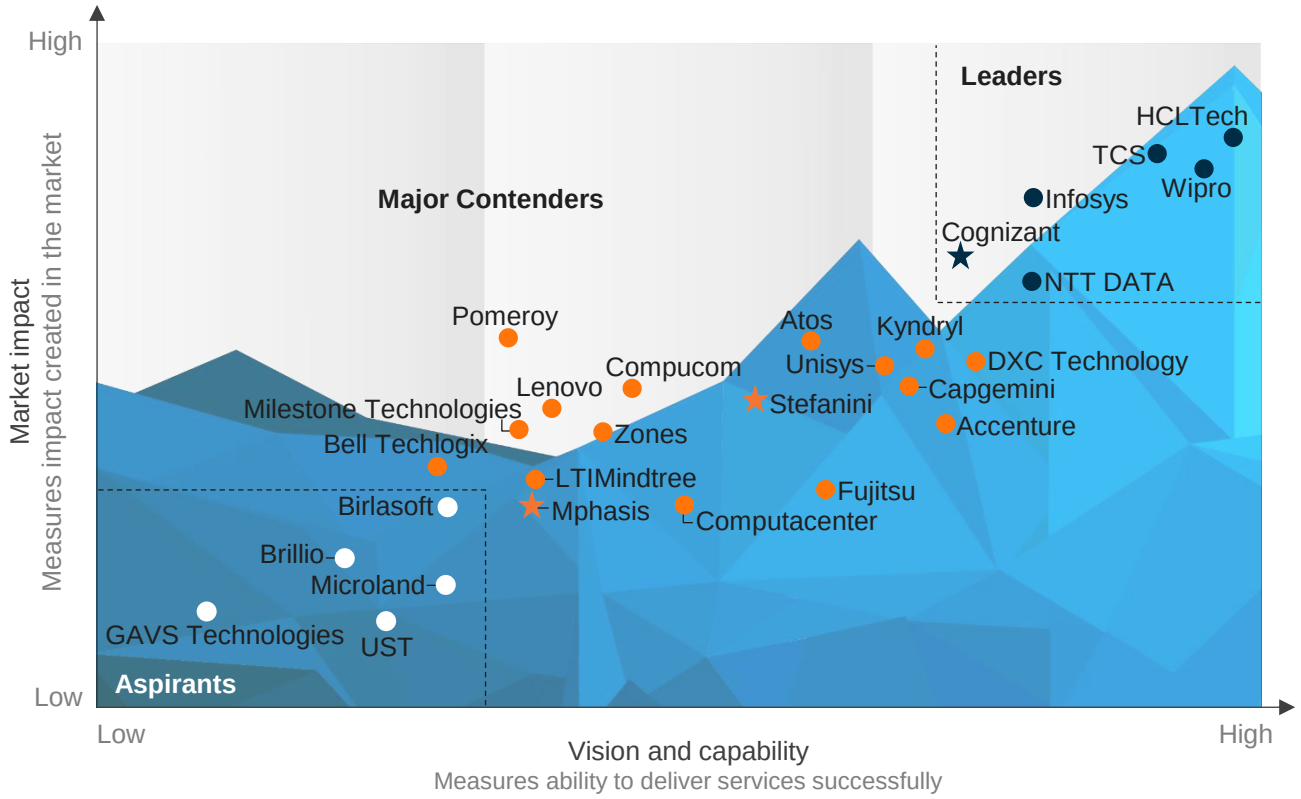
Star Performer summary

Everest Group PEAK Matrix®

Digital Workplace Services PEAK Matrix® Assessment 2024 – North America

Everest Group Digital Workplace Services PEAK Matrix® Assessment 2024[1] – North America

- Leaders
- Major Contenders
- Aspirants
- ☆ Star Performers



1 Assessments for Accenture, Brillio, and Microland excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, provider public disclosures, and Everest Group's interactions with insurance buyers
Source: Everest Group (2024)

Digital workplace services PEAK Matrix® characteristics – North America

Leaders

Cognizant, HCLTech, Infosys, NTT DATA, TCS, and Wipro

- Leaders continue to showcase high expertise and experience in delivering end-to-end workplace engagements, while maintaining client satisfaction through their balanced portfolio, coherent vision, and robust suite of agnostic and contextualized IP and solutions, supported by skilled talent and strong delivery capabilities
- Further, these providers have been able to effectively leverage next-generation themes such as Copilot and generative AI backed by their expansive partnerships with technology vendors, niche providers, and start-ups to co-create solutions and engage in joint Go-to-market (GTM) in this space to deliver quick business outcomes to enterprises
- However, despite this Leaders face tough competition from Major Contenders in both retaining and winning new deals and must continue enhancing their capabilities to offer clients unique benefits

Major Contenders

Accenture, Atos, Bell Techlogix, Capgemini, Compucom, Computacenter, DXC Technology, Fujitsu, Kyndryl, Lenovo, LTIMindtree, Milestone Technologies, Mphasis, Pomeroy, Stefanini, Unisys, and Zones

- While these providers continue to strive to augment their broader workplace capabilities with targeted investments in developing their suite of IP and technology, delivery capabilities, and partnership ecosystem, their end-to-end workplace services capabilities continue to have some visible gaps
- Despite building meaningful capabilities across workplace segments, their portfolio and delivery capabilities are not as balanced as Leaders', reflecting in their relative market success
- However, these providers are making targeted investments in talent skills, delivery frameworks, internal IP, and partnerships to address capability gaps, positioning themselves as strong contenders to Leaders in workplace services

Aspirants

Birlasoft, Brillio, GAVS Technologies, Microland, and UST

- Aspirants' workplace services show gaps in service scope, internal IP maturity, and coverage across industry verticals and geographies
- However, these provides are focused on expanding their workplace capabilities through investment in service flexibility, experience-centricity, and technology partnership to strengthen to help generate major workplace revenue and improve market positioning

Everest Group has identified three providers as Star Performers in 2024 for North America

Digital workplace services Star Performers	Distinguishing features of market impact in 2024	Distinguishing features of capability advances in 2024	Change in PEAK Matrix® positioning for digital workplace services
Cognizant	• Strong YoY growth in digital workplace services revenue • Strong focus on maximizing the value delivered across client engagements	• Focus on offering contextualized and verticalized workplace solutions • Recent acquisitions across workplace segments	Strengthened its **Leaders** positioning
Stefanini	• Improved revenue growth of workplace services business • Focus on forging strong client relations	• Focus on developing IP/solutions across workplace segments • Investing in activities such as thought leadership and analyst events to gain enterprise mindshare	Strengthened its **Major Contenders** positioning
Mphasis	• Improved portfolio mix of workplace service offerings across key regions • Strong focus on maximizing the value delivered across client engagements	• Strengthened its delivery capabilities by building new delivery centers and increasing the nearshore resources headcount • Increased focus on offering workplace services across segments	Moved from **Aspirants** to **Major Contenders**

Conversational AI for IT Management Products PEAK Matrix® Assessment 2024

Conversational AI for IT Management – Key capabilities considered

Conversational AI for IT Management Products PEAK Matrix® Assessment 2024

Characteristics of Leaders, Major Contenders, and Aspirants

For conversational AI platforms for IT management, we consider the following capabilities essential across various segments

[NOT EXHAUSTIVE]

Omnichannel touchpoints

Key characteristics of a Conversational AI

Support optimization	Agent assistance	Knowledge management	Experience analytics	GRC
• Self-help resolution • One-click/Zero-touch automation • Language translation • Root cause analysis • Proactive resolution • Dialogue management • Incident escalation • Performance degradation detection	• AI-based recommendation • Ticket summarization • Agent onboarding optimization • Agent training simulations • Intelligent ticket routing • Low-code workflow creation • Agent quality assurance assessment	• Unified knowledge search • KEDB management • Pre-built library for conversational workflows • Multi-document integration • Social collaboration • Knowledge graphs • Context driven search	• Dynamic and personalized response • Sentiment analysis • Intent recognition • Employee profile/persona specific assistance • Contextual alerts and pop-ups • Custom metrics reports and dashboards • Tailored feedback and surveys • Ticket triaging to agent	• Compliance tracking and reporting • Change management • Data protection • Identity management • Access-based control

Enablers

Customizable GUI | Automated quality management | Enterprise apps API integration | Custom bot builder

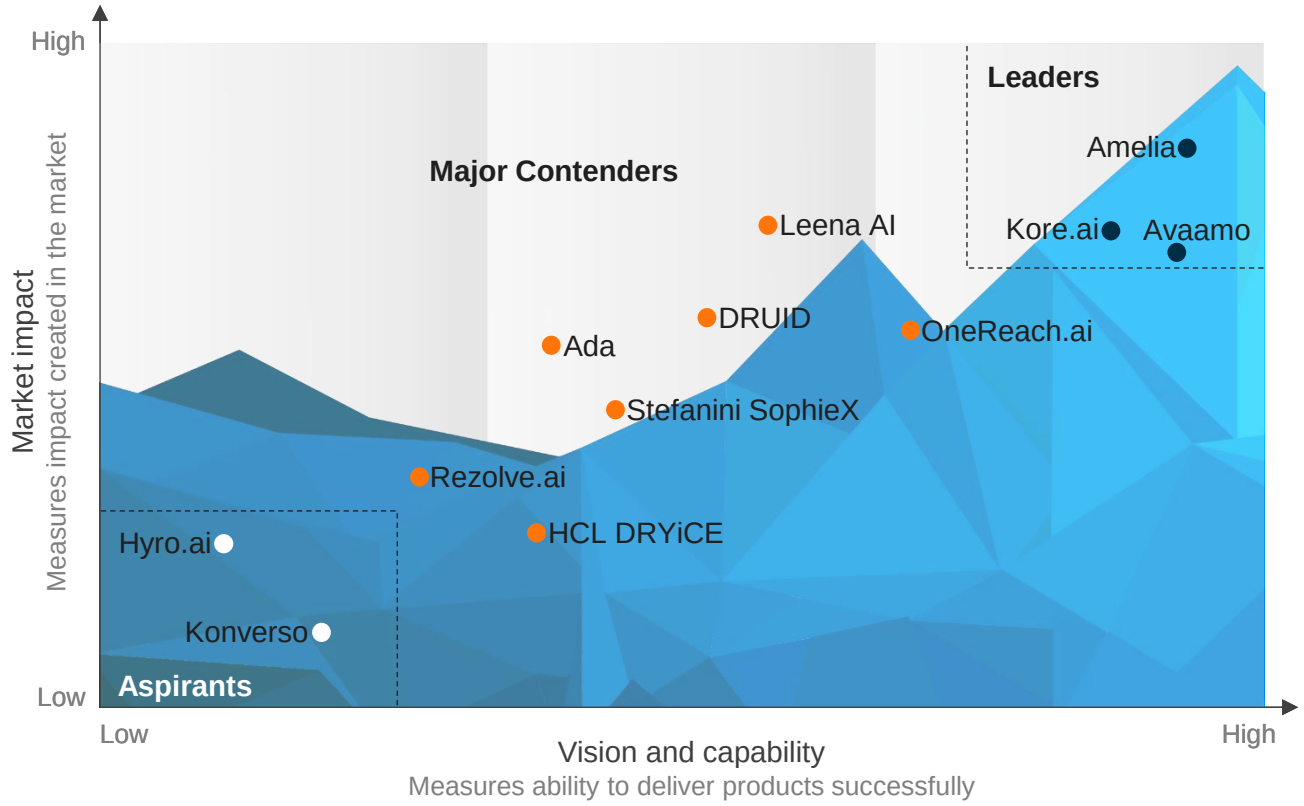
Support dimensions (Employee attributes, personas, preferences etc.) | Applications (COTS, custom enterprises, virtual apps etc.) | Infrastructure (Servers, network, storage, devices etc.)

Everest Group PEAK Matrix®

Conversational AI for IT Management Products PEAK Matrix® Assessment 2024

Everest Group Conversational AI for IT Management Products PEAK Matrix® Assessment 2024[1]

- Leaders
- Major Contenders
- Aspirants



1 Assessments for Ada, HCL DRYiCE, Hyro.ai, and Konverso excludes provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, platform provider public disclosures, and Everest Group's interactions with buyers
Source: Everest Group (2024)

Conversational AI for IT management products PEAK Matrix® characteristics

Leaders

Amelia, Avaamo, and Kore.ai

- Leaders have prioritized creating a robust conversational intelligence ecosystem by developing proprietary LLMs and partnering with leading generative AI providers for advanced capabilities in IT management. Their focus includes optimizing EX, empowering agents with assistive tools, ensuring the highest accuracy of responses, and enhancing knowledge management
- They have amplified their conversational AI offerings across a spectrum of leading communication channels, catering to a diverse array of global industries and addressing customer needs in multiple languages
- Leaders also offer robust support services to aid enterprises in both implementing the conversational AI platforms and effectively addressing any grievances that may arise

Major Contenders

Ada, DRUID, HCL DRYiCE, Leena AI, OneReach.ai, Rezolve.ai, and Stefanini SophieX

- Currently, Major Contenders exhibit nearsightedness, requiring an evolution of their long-term vision and product roadmap to focus on providing a holistic conversational AI platform for IT that resonates well with enterprises
- Major Contenders have enhanced capabilities such as conversational intelligence, conversational flow development, agent assist, knowledge management, and sentiment analysis with the deployment of innovative solutions across multiple channels with an aim to expand their geographic reach
- To bridge the gap with the Leaders, Major Contenders are investing in developing their own proprietary fine-tuned LLMs, partnering up with multiple generative AI providers, and increasing investments in Natural Language Processing (NLP) and Natural Language Understanding (NLU)

Aspirants

Hyro.ai and Konverso

- Aspirants are currently increasing investments in their platforms and channeling their efforts toward enhancing capabilities in remediation, dashboarding, customizability, and interoperability. Additionally, they are aiming to carve out their niche by strategically investing in unique capabilities for IT management and specialized IT use cases
- Aspirants are yet to establish good brand recall, and should leverage their partnership ecosystem to expand their reach across verticals and geographies. Currently, they are also focusing on improving EX by incorporating generative AI into their solution and making the platform easy to use

Digital Workplace Services PEAK Matrix® Assessment 2024: Mid-market Enterprises

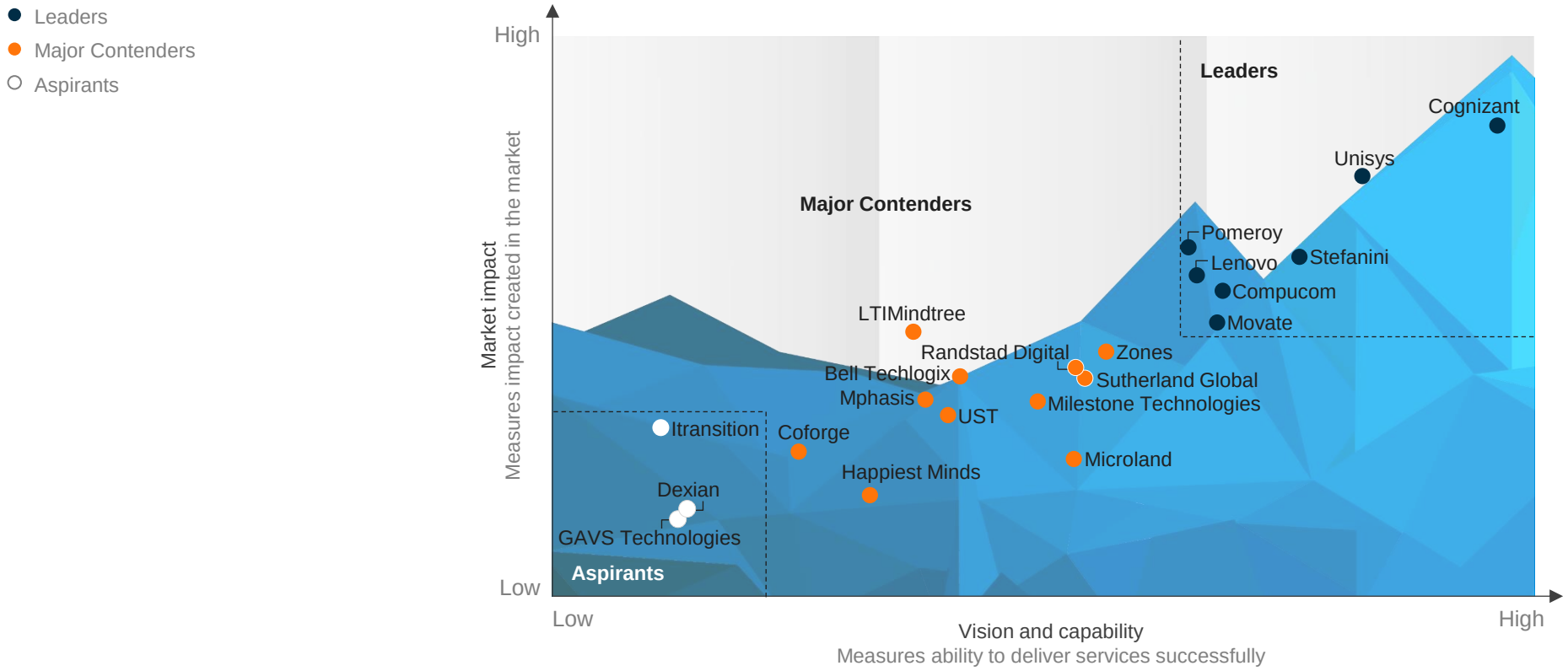
Digital Workplace Service PEAK Matrix Assessment 2024 – North America

Characteristics of Leaders, Major Contenders, and Aspirants

Everest Group PEAK Matrix®

Digital Workplace Services PEAK Matrix® Assessment 2024 – Mid-market Enterprises

Everest Group Digital Workplace Services PEAK Matrix® Assessment 2024 – Mid-market Enterprises[1]



1 Assessments for Dexian and Coforge excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, provider public disclosures, and Everest Group's interactions with buyers
Source: Everest Group (2024)

Digital workplace services – mid-market enterprises PEAK Matrix® characteristics

Leaders

Cognizant, Compucom, Lenovo, Movate, Pomeroy, Stefanini, and Unisys

- Leaders showcase high expertise and experience in delivering end-to-end workplace engagements, while maintaining client satisfaction through their balanced portfolio, coherent vision, and robust suite of agnostic and contextualized IP and solutions, supported by skilled talent and strong delivery capabilities
- Further, these providers have been able to effectively leverage next-generation themes such as Copilot and generative AI, backed by their expansive partnerships with technology vendors, niche providers, and start-ups to co-create solutions and engage in joint Go-to-market (GTM) in this space to deliver quick business outcomes to enterprises
- However, despite this, Leaders face tough competition from Major Contenders in both retaining and winning new deals and must continue enhancing their capabilities to offer clients unique benefits

Major Contenders

Bell Techlogix, Coforge, Happiest Minds, LTIMindtree, Microland, Milestone Technologies, Mphasis, Randstad Digital, Sutherland Global, UST, and Zones

- While these providers continue to strive to augment their broader workplace capabilities with targeted investments in developing their suite of IP and technology, delivery capabilities, and partnership ecosystem, their end-to-end workplace services capabilities continue to have some visible gaps
- Despite building meaningful capabilities across workplace segments, their portfolio and delivery capabilities are not as balanced as Leaders', reflecting in their relative market success
- However, these providers are making targeted investments in talent skills, delivery frameworks, internal IP, and partnerships to address capability gaps, positioning themselves as strong contenders to Leaders in workplace services

Aspirants

Dexian, GAVS Technologies, and Itransition

- Aspirants' workplace services show gaps in service scope, internal IP maturity, and coverage across industry verticals and geographies
- However, these provides are focused on expanding their workplace capabilities through investment in service flexibility, experience-centricity, and technology partnership to help generate major workplace revenue and improve market positioning

Digital workplace state of the market 2024

Global digital workplace services market size, growth, and drivers

Global digital workplace services market spend by service segment

Global digital workplace services spend by function

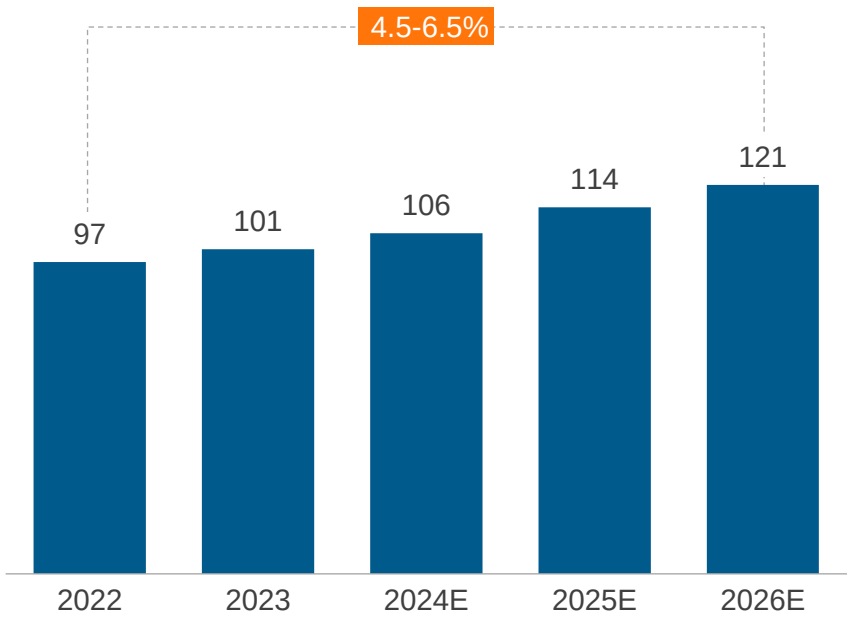
Global digital workplace services spend by geography

Overall digital workplace services market size and growth

The digital workplace services market shows resilience despite macroeconomic uncertainties

Global workplace services market (2023)

US$101 billion



Digital workplace services market insights:

- Amid the prevailing macroeconomic uncertainty, market growth is forecasted at 4.5-6.5%, with a heightened focus on cost optimization, productivity enhancement, and enriching the Employee Experience (EX)
- Enterprises seek service providers who can act as strategic and consultative partners for their digital workplace needs, particularly during transformative engagements
- Enterprises are also actively rationalizing their service provider portfolio, steering toward a consolidation initiative focused on a single vendor
- Additionally, in the light of increased budget constraints, RoI scrutiny, and need to align IT objectives with business goals, new budget centers such as Chief Financial Officers (CFOs) and Chief Digital Officers (CDOs) are emerging, leading to an expansion in the number of decision-makers

Key digital workplace demand drivers:

- Continued adoption of hybrid work by enterprises
- The imperative for enterprises to prioritize digital-first strategies and future readiness to derive greater business value
- Adoption of as-a-service solutions to derive benefits such as enhanced accessibility, lower Total Cost Of Ownership (TCO), and the reduced management burden
- Increased emphasis on employee-centric initiatives to enhance EX and employee engagement
- Themes such as generative AI and sustainability are gaining prominence in enterprise demands, influencing provider solutioning during deal pursuits

Source: Everest Group (2024)

Adoption by service segment

In the midst of technological advances, UCC and smart workplace segments stand out as winners

Workplace market split – by service segment
100% = US$101 billion, 2023; percentage split

● Decline (<0%) ● Low-medium growth (0-10%) ● High growth (>10%)

	Percentage split	Indicative growth by 2025	Prevalent demand themes	Key challenges
Service desk	27-29%	4-6%	• Conversational chatbots • Gen AI-led ticket automation	• Effective knowledge management • Ticket life cycle management
Desktop management and virtualization	17-19%	7-9%	• Modern provisioning • Everything-as-a-service	• Management of virtual infrastructure • End of devices and licenses plan
Unified communication and collaboration	14-16%	12-14%	• As-a-service adoption (UCaaS, VCaaS, MRaaS) • Copilots • Smart meetings solution	• Integration and interoperability • Standardization of UCC platforms
Deskside support	11-13%	(-4)-(-2)%	• AR-/VR-based support • Self-help (digital lockers, vending machines) • AI-based ticket automation	• Global service standardization • Self-service adoption by employees
Mobility/BYOD solutions	9-11%	8-10%	• Unified endpoint management • AR-/VR-based frontline solutions • AI-driven BYOD insights	• Security and regulatory compliance • Platform-agnostic support
Infrastructure application	4-6%	(-1)-1%	• Cloud-based applications • Single sign-on • Printing digitization	• Integration with legacy systems • User access and compliance policies
Asset management	5-7%	4-6%	• AI-based predictive maintenance • Smart asset upgrade and sustainability • Circular economy	• Data accuracy and completeness • Visibility and control over assets
Workplace security	3-5%	10-12%	• Persona and role-based access • Zero-trust embedded security	• Persistent security threats • Talent availability
Smart workplace	1-3%	23-25%	• EX and well-being focused solutions • Connected devices • Green workplace solutions	• Employee personalization and acceptance • Integration with existing system

Source: Everest Group (2024)

Adoption by function

The demand for consulting and assessment services in enterprises is soaring, driven by advancing technology needs

Digital workplace market adoption by function
2023; annual revenue in US$ billion; 100% = 101

Function name	Consulting/assessment services	Design and implementation	Management and monitoring services
	19-24%	22-27%	51-56%
Key demand themes	• Generative AI business case analysis • Data and employee readiness for emerging technologies • Proof of concepts • Business function-focused transformations	• AI and automation • Data and application integration • Generative AI use case identification and prioritization • Experience Level Agreement (XLA) / KPI implementation	• Employee well-being and engagement • Continuous improvement across services • Asset and license management • Change management
Key insights across functions	Enterprises have prioritized maximizing the value of their investments in the digital workplace over the last two to three years. This heightened focus, coupled with the emerging demand for generative AI in the workplace, has spurred growth in this function	In addition to platform consolidation and application integration, the increased migration of applications and solutions to the cloud, as well as the adoption of as-a-service models, represent significant contributors to this function	Many enterprises with outsourcing partners are now directing their attention toward continuously enhancing services across various functions and business units, while concurrently prioritizing the improvement of the employee experience (EX) and fostering employee well-being

Source: Everest Group (2024)

North America (NA) continues to lead the global workplace services market owing to continued digitalization spending and growing EX focus; Europe follows

Global digital workplace market adoption by geography
2023; annual revenue in US$ billion; 100% = 101

EVEREST GROUP ESTIMATES

North America

46-48%

The demand for workplace services in NA is driven by enterprises' sustained digitalization investments, with a focus on advanced technologies such as AI/ML and AR/VR to enhance productivity and EX. There is also a proliferation of BYOD, rise of data privacy regulations, and an increased adoption of cloud-based collaboration solutions

Europe (excluding the UK)

27-29%

Although in Europe digital divide persists between large and small enterprises, demand for workplace services remains high. This demand is primarily driven by analytics services using AI/ML, embedded workplace security, XLA-based pricing, and a growing interest in solutions that boost sustainability/ESG, particularly in the Nordics region

Asia Pacific

11-13%

The APAC region has experienced rapid growth in the past year, propelled by a strong emphasis on productivity, rapid technological advances, mandates for digital transformation, and increasing adoption of cloud technologies

UK

8-10%

Increased adoption of cloud-based automation, AI, IoT, AR/VR, and smart field services, along with the inclusion of sustainability and employee well-being in digital workplace strategies, is fueling demand

Rest of the world

3-5%

Emerging geographies such as LATAM and MEA are experiencing a healthy growth rate with both service providers and technology providers making more investments in the region to increase their presence. This surge in demand is fueled by rising internet penetration, the emergence of IoT, and enterprises' push toward digitalization

Source: Everest Group (2024)

Enterprise playbook to adopting copilots

Introduction of copilot

- Exploring copilot focus areas
- Prerequisites for a successful copilot implementation

Exploring various copilot adoption approaches

- Introducing buy and build copilot approach
- Current landscape of buy and build copilot adoption

Introduction of hybrid copilot approach

- Hybrid copilot advantages over stand-alone buy and build approach

Introduction to copilot and benefits of its implementation

Copilot emerges as a digital productivity twin for employees offering numerous benefits to enterprises

Since the inception of automation, enterprises have continuously embraced technological advances, all with the aim of providing employees with a digital twin to enhance and augment their day-to-day tasks. The introduction of copilot(s) marks a significant advance in this journey, offering a glimpse into the future where productivity is increased through the synergy between human ingenuity and AI augmentation, as now we look into a future where an employee has their own personalized digital assistant.

Copilot refers to an AI-powered digital assistant designed to collaborate with employees and augment them with their day-to-day tasks to enhance their productivity and experience.

Key drivers for adoption of copilot:

86% said copilot made it easier to catch up on what they missed[1]

68% said copilot improved the quality of their work[1]

77% of copilot users said they did not want to give it up[1]

27% of copilot users were faster in pulling together data from multiple sources[1]

70% of copilot users said they were more productive at work[1]

3.8x copilot users were 3.8x faster at catching up on missed meetings[1]

1. www.microsoft.com/en-us/worklab/work-trend-index/will-ai-fix-work

Exploring copilot focus areas (page 1 of 2)

Multilingual capabilities, chatbot creation, and content generation & summarization are currently among the most prevalent focus areas leveraged by enterprises through copilot adoption

Current level of adoption Low High

Enterprise focus areas	Current level of adoption	Key trends
Multilingual capabilities	●●●●●	Enterprises value copilots that boast robust multilingual capabilities, allowing seamless interactions across global customer bases in their native languages, thus expanding market reach and enhancing customer satisfaction.
Chatbot creation	●●●●●	Enterprises anticipate that copilot solutions will automate repetitive tasks, create chatbots and go from idea to working app in minutes.
Content generation and summarization	●●●●●	To adapt swiftly to changing business needs, enterprises prioritize that copilot helps jump-start the creative process with its content generation capabilities, providing them a first draft to edit and iterate on — saving hours in writing, sourcing, and editing time.
Meeting scheduling and summarization	●●●●○	Enterprises increasingly seek advanced meeting solutions that help in scheduling, following, and summarizing of missed meetings in real-time. This helps users to save time and move toward more productive tasks while being updated on important insights and data.
Custom vertical use cases	●●●○○	Enterprises are calling for more custom industry-specific use cases from copilots that can help them solve specific enterprise industrial scenarios such as a tax enterprise using a tax copilot for auditing while a finance enterprise uses a finance copilot for financial forecasting and summarization.
Conversational intelligence	●●●○○	Enterprises are calling for more natural, human-like conversations in copilot solutions to maintain engagement within the platform. They expect these systems to navigate context switching, channel transitions, and multiple intents smoothly including voice, tone, delivery, and compliance with protocols.

Exploring copilot focus areas (page 2 of 2)

Multilingual capabilities, chatbot creation, and content generation & summarization are currently among the most prevalent focus areas leveraged by enterprises through copilot adoption

Current level of adoption Low → High

Enterprise focus areas	Current level of adoption	Key trends
Knowledge management	●●●○○	As providers facilitate the uploading of FAQs in various document formats, enterprises are advocating for improvements that utilize copilots to discern relevant information aligned with user intent. This would streamline the response generation process, reducing the necessity for predefined Q&A pairings.
Data analysis and visualization	●●◐○○	Enterprises are seeking copilot solutions that will help them analyze trends and create professional-looking data visualizations in seconds.
Semantic search	●●○○○	To help users from wasting time on searching relevant data, enterprises prioritize semantic search capabilities to allows users to swiftly search through data find information that matches their intent more effectively.
Sentiment analysis	●●○○○	Enterprises are seeking copilots that incorporate sophisticated sentiment analysis, enabling the system to interpret and respond to the emotional tone of customer interactions, analyze sentiments across different modes, and detect emotions such as anger, frustration, satisfaction, and sarcasm.
Personalized responses	●◐○○○	Enterprises expect copilot to help them with writing personalized responses to emails on Outlook, saving time on mundane tasks while focusing on the detailed nature of response delivery personalizing it as per emotional tone and behavior of the user.

Prerequisites for a successful copilot implementation (page 1 of 2)

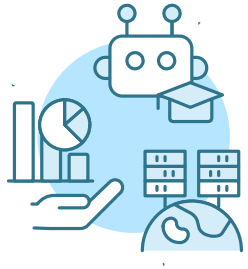
While the benefits of adopting a copilot are many, enterprises need to carefully consider the following factors before embarking on a transformation journey

Data readiness: before embarking on their copilot transformation journey, enterprises must address a fundamental question – Can they kickstart this journey with their current data estate and processes?

This pivotal question underscores the importance of ensuring that the enterprise's data is primed and ready for copilot adoption. It necessitates a meticulous process of data gathering, cleaning, and quality checking to optimize the value of copilot implementation.

Process readiness: to ensure process readiness, enterprises must prioritize stakeholder awareness and education on how to kickstart their copilot journey.

Moving forward, collaboration with market experts and thought leaders would help them to tackle cultural inertia, fostering employee mindset shifts leading to higher adoption. Finally, implementing robust redundancy and failover measures would guarantee seamless functionality.



Technology readiness: the next question enterprises must introspect on is – If copilot will seamlessly integrate with their current infrastructure and align with existing assets.

This evaluation spans both qualitative and quantitative factors. Qualitative considerations involve gauging the level of customization and integration complexity required, ensuring seamless alignment with current infrastructure and software assets. Quantitative analysis delves into cost-related aspects including maintenance costs, replacement expenses, and the anticipated useful lifespan of on-premises infrastructure. By scrutinizing these dimensions, enterprises can make informed decisions regarding the compatibility and viability of their copilot transformation within their existing infrastructure framework.

Prerequisites for a successful copilot implementation (page 2 of 2)

While the benefits of adopting a copilot are many, enterprises need to carefully consider the following factors before embarking on a transformation journey

People readiness: the next big question that enterprises should address is – Are their employees prepared for successful copilot utilization?

While data and technology readiness lay the foundation for optimal implementation, people readiness is equally essential to ensure that the enterprise can effectively utilize copilot capabilities and realize value. This involves equipping employees with the necessary skill sets to meet copilot requirements. Enterprises must prioritize training and upskilling initiatives to bridge skill gaps and empower employees with the competencies needed for copilot utilization. Change management plays an integral role here. Effective change management practices including transparent communication, dedicated teams, and stakeholder engagement are essential for navigating the transitional period. Addressing employee concerns such as the impact of copilot on their employment and bridging the technology gap is central to ensuring successful adoption and implementation.

Data security and regulation: before embarking on copilot implementation, enterprises must prioritize data security, privacy, and regulatory compliance as fundamental prerequisites, particularly in industries such as BFSI and healthcare where stringent regulations and heightened data confidentiality are paramount. This necessitates the implementation of robust measures to safeguard sensitive information, ensuring compliance with industry-specific regulations, and upholding stringent privacy standards.

Two approaches to adopting copilot into an enterprise environment

Buy copilot

Buy copilot(s) strategy refers to the approach of moving ahead with out-of-box copilot(s), that is copilot which can be directly procured from technology vendors such as Microsoft and Google.

Build copilot

Build copilot(s) strategy refers to the approach of enterprises building their own custom copilots from scratch by leveraging a copilot development AI platform such as Microsoft Copilot Studio and Azure Open AI services.

Key benefits

Low entry barrier

With the buy copilot approach, there is a low entry barrier for enterprises to implement copilot into their environment as readymade solutions could be easily procured from vendors without any huge upfront investment or overhead cost.

Access to pre-packaged functionalities

In the buy copilot approach, enterprises gain access to a vast array of pre-packaged functionalities built by experienced vendors.

Rapid deployment

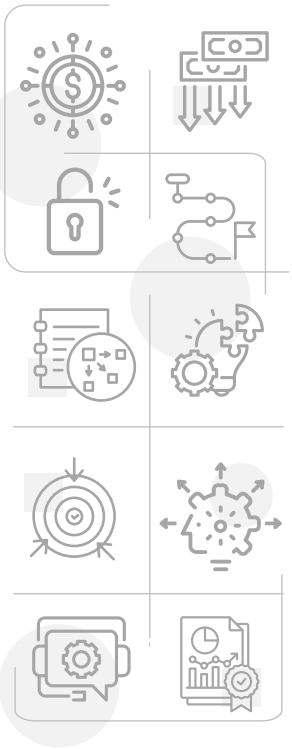
By leveraging pre-existing solutions from established vendors, enterprises can swiftly deploy copilot capabilities without the need for extensive development or infrastructure investment.

Streamlined implementation process

By leveraging buy copilot approach, enterprises can bypass the complexities of custom development and integration, thus streamlining the implementation process.

Minimal IT support requirement

In the buy copilot strategy, vendors often provide comprehensive support and maintenance services, reducing the burden on internal IT teams.



Low TCO

In build copilots, as adoption scales and the copilot matures, economies of scale come into play amplifying the cost benefits. With each iteration, the cost of building the copilot decreases, helping in reducing the overall TCO and investment (RoI).

High control

Unparalleled control over the development roadmap providing a transformative opportunity to shape the future of copilot-driven assistance as per the enterprises' vision.

Tailored solutions

Embracing the build copilot(s) strategy empowers organizations to transcend the limitations of one-size-fits-all solutions, offering tailored solutions meticulously crafted to align seamlessly with specific needs and objectives.

Integration capabilities

Enhanced integration capabilities with enterprise data and applications helps enterprises to establish a copilot unique to their needs.

Customization potential

Customization offers a strategic edge in an increasingly dynamic IT landscape, enabling enterprises to differentiate themselves through unique user experiences and domain-specific capabilities.

Current adoption landscape of buy copilot(s)

Enterprises that require a multitude of credible use cases are actively harnessing buy copilots, strategically leveraging maximum copilot features to boost productivity

[NOT EXHAUSTIVE]

Ever since the launch of the Microsoft Copilot, enterprises have rushed to the idea of implementing buy copilots such as Microsoft 365 Copilot and GitHub Copilot. As adoption rates soar, a distinct pattern emerges; enterprises with diverse employee needs gravitate toward these buy copilots, leveraging their extensive range of use cases to unlock maximum value.

Following exhibit showcases how enterprises embracing buy copilots, explore diverse use cases to drive optimal copilot utilization.

Enterprise	Copilot leveraged	Need	Quantifiable benefits
HARGREAVES LANSDOWN	Microsoft 365 Copilot	• Meeting notes summarization • Catch up on missed meeting • Real-time translation • Document summarization • Personalized email, document creation	• 96% employees find Microsoft 365 Copilot useful in simplifying daily tasks • Employees expect to complete client documentation four times faster • Employees save an estimated two to three hours per week
indra	GitHub Copilot	• Provide context for code suggestions • Generating documentation • Designing modules • Writing boilerplate code	• 20% productivity boost when developing new features • 20% more time to solving complex problems • 30% less time on boilerplate code

Current adoption landscape of build copilot(s)

Several industry-specific enterprises that require a limited number of use cases are adopting the build copilot approach to customize copilot as per their specific enterprise scenarios and needs

[NOT EXHAUSTIVE]

While some enterprises leverage buy copilots to address diverse use cases, others recognize the value of tailored solutions to meet their specific needs. An increasing number of enterprises that require only a fraction of the capabilities offered by buy copilots, and instead prioritize certain industry-specific use cases, are turning toward build copilots, which can be designed to address unique requirements and industry nuances.

The following exhibit highlights the momentum behind customized build copilots across various industries, signaling not all enterprises are defaulting to M365 Copilot.

BFSI

JPMorgan is developing IndexGPT, a ChatGPT-like AI service that gives investment advice to meticulously analyze and tailor securities to cater to each customer's specific requirements.

Manufacturing

Siemens and Schaeffler bring Industrial copilot to the shopfloor that allows access to all relevant documentation, guidelines, and manuals to assist shopfloor workers with identifying possible errors.

Technology industry

PayPal is using Copilot Studio to build and make quick updates to an employee-facing copilot that can reason over multiple knowledge sources and provide consistent and relevant answers..

Tax

PwC introduced ChatPwC, an internal tool powered by OpenAI's technology. It also announced that it was collaborating with OpenAI and Harvey, another LLM developer, to train more LLM on its own data to automate tax, legal, and HR services.

Travel industry

Holland America will use generative AI in Microsoft Copilot Studio to power an online concierge to support bookings. Available at any time on HollandAmerica.com, the concierge agent will be available to answer any questions customers have and will be available throughout the digital journey.

Introduction to hybrid copilot

Moving forward, it has becoming evident that a one-size-fits-all approach of either buy or build copilot will not meet the needs of every employee and enterprises would instead recognize the need to blend these approaches, paving the way for a hybrid copilot strategy

After assessing the current adoption landscape of both buy and build copilot approaches, it becomes evident that not every employee would fit into a single copilot approach. While the steep cost of buy copilot such as M365 Copilot (US$30 per user/month) makes it cost-prohibitive for widespread adoption, build copilot lacks the agility needed for quick deployment. Moving forward, enterprises are unlikely to favor a singular approach and would instead be inclined toward a hybrid strategy that blends the strength of both buy and build approaches, ensuring employee needs are catered optimally.

Buy copilot

Employees seeking swift deployment of a vast array of standard use cases, with limited need for industry or persona-based customization, would be inclined toward buy copilot to help meet their demands.

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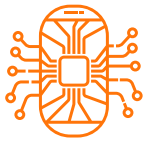

Build copilot

Employees tailored industry or persona-specific solutions, with a strategic emphasis on specific use cases, would embrace the build copilot approach to meet their unique requirements.

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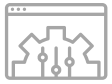
Hybrid copilot

The hybrid copilot strategy seamlessly combines buy and build approaches, ensuring no employee is force-fitted into a single approach and instead provided a tailored solution. Further it helps enterprises achieve synergistic benefits, which empowers them to transcend the constraints of either method, unlocking unprecedented potential within their environments

Hybrid copilot strategy helps overcome challenges faced by a stand-alone buy and build approach

While moving ahead with a stand-alone buy and build approach carries inherent limitations, combining both the copilot approaches in a hybrid strategy helps overcome individual limitations, unlocking synergistic benefits for enterprises

Factors	Challenges of a stand-alone buy and build approach	How hybrid copilot helps overcome these challenges
Cost 	While opting for a buy-only approach poses **scalability** challenges, as the high cost of copilots such as M365 (US$30 per user/month) may hinder widespread adoption. Pursuing a build-only copilot strategy requires a substantial **upfront investment** in resources, talent, infrastructure, and development efforts.	Embracing a hybrid copilot strategy enables enterprises to kickstart their journey swiftly, leveraging low entry barriers of out-of-box solutions for seamless implementation and minimal overhead costs. Over time, they can scale adoption by seamlessly integrating build copilots, achieving lower Total Cost of Ownership (TCO) while maintaining flexibility and adaptability.
Solutioning 	Opting for a stand-alone buy or build copilot approach leaves enterprises grappling with challenges of either **underutilization** of copilot among employees or the burden of **resource spending and technical complexities** in development.	Adopting a hybrid copilot strategy empowers enterprises to cater to diverse employee needs effectively. Those requiring a wide array of use cases benefit from out-of-the-box solutions such as M365 Copilot, while others with specific requirements receive custom-built copilots.
Deployment and customization 	While opting a buy-only copilot approach restricts customization to the vendor stack in turn offering **limited personalization**. Pursuing a build-only copilot approach may **delay deployment**, hindering market entry and potentially denting enterprise competitiveness.	By embracing a hybrid copilot strategy, enterprises achieve a nuanced balance between speed-to-market and strategic alignment. This flexibility allows for rapid deployment of out-of-box copilots to address immediate employee needs, while simultaneously investing in custom-built capabilities for long-term differentiation and innovation.
Control 	Embracing a buy-only copilot approach means **surrendering control of the development roadmap** to external vendors. On the contrary, a build-only copilot approach introduces challenges of **ongoing maintenance and updates**, potentially diverting focus from reaping the benefits of the copilot	Embracing a hybrid copilot approach empowers enterprises to drive custom copilot development at their own pace, fostering innovation and adaptability. Meanwhile by incorporating buy copilots, enterprises can swiftly meet employee needs and align with market dynamics, all while avoiding technical dependencies providing a strategy for both autonomy and agility.

Digital workplace research agenda 2025

Digital workplace research agenda 2025 (page 1 of 2)

S.No.	Topic	Brief description	Release date
1	Digital Workplace Enterprise Pulse 2025	Aggregated analysis of enterprise feedback on IT service providers gathered over CY 2024	Q1 2025
2	Digital Workplace State of the Market 2025	Overview of the market (size & growth, characteristics, value proposition) and future outlook	Q1 2025
3	IT Service Management (ITSM) Specialist Services PEAK Matrix Assessment 2025	Evaluation and comparative assessment of leading service providers'/vendors' market impact and vision and capability using the Everest Group PEAK Matrix® assessment framework	Q1 2025
4	IT Service Management (ITSM) Specialist Services Provider Compendium 2025	An accurate, comprehensive, and fact-based snapshot of key service providers / vendors in this market	Q1 2025
5	Microsoft Modern Work Services PEAK Matrix Assessment 2025	Evaluation and comparative assessment of leading service providers'/vendors' market impact and vision and capability using the Everest Group PEAK Matrix® assessment framework	Q1 2025
6	Microsoft Modern Work Services Provider Compendium 2025	An accurate, comprehensive, and fact-based snapshot of key service providers / vendors in this market	Q2 2025
7	Microsoft Modern Work State of the Market 2025	Overview of the market (size & growth, characteristics, value proposition) and future outlook	Q2 2025
8	Digital Workplace Services PEAK Matrix Assessment 2025 – Global	Evaluation and comparative assessment of leading service providers'/vendors' market impact and vision and capability using the Everest Group PEAK Matrix® assessment framework	Q3 2025
9	Digital Workplace Services Provider Compendium 2025	An accurate, comprehensive, and fact-based snapshot of key service providers / vendors in this market	Q3 2025
10	IT Service Management (ITSM) Services PEAK Matrix Assessment 2025	Evaluation and comparative assessment of leading service providers'/vendors' market impact and vision and capability using the Everest Group PEAK Matrix® assessment framework	Q3 2025
11	Digital Experience Management (DEM) Platforms PEAK Matrix Assessment 2025	Evaluation and comparative assessment of leading service providers'/vendors' market impact and vision and capability using the Everest Group PEAK Matrix® assessment framework	Q3 2025
12	Digital Experience Management (DEM) Platforms Provider Compendium 2025	An accurate, comprehensive, and fact-based snapshot of key service providers / vendors in this market	Q3 2025

Digital workplace research agenda 2025 (page 2 of 2)

S.No.	Topic	Brief description	Release date
13	IT Service Management (ITSM) Services Provider Compendium 2025	An accurate, comprehensive, and fact-based snapshot of key service providers / vendors in this market	Q4 2025
14	Microsoft Modern Work Specialist Services PEAK Matrix Assessment 2025	Evaluation and comparative assessment of leading service providers'/vendors' market impact and vision and capability using the Everest Group PEAK Matrix® assessment framework	Q4 2025
15	Microsoft Modern Work Specialist Services Provider Compendium 2026	An accurate, comprehensive, and fact-based snapshot of key service providers / vendors in this market	Q1 2026
16	IT Service Management (ITSM) State Of The Market 2026	Overview of the market (size & growth, characteristics, value proposition) and future outlook	Q1 2026

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