Indian Analytics Sector - Data to Decisions
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Topics covered

- India’s Analytics Industry: Quick Facts
- Indian Analytics: Landscape
- AI: Re-engineer, Transform, Re-imagine Business
- Indian Analytics Industry Outlook 2025
- Analytics Initiatives by NASSCOM
India’s Analytics Industry: Quick facts

**KEY FACTS**

- **USD 2 bn**
  - Analytics revenue, FY2016

- **8X growth**
  - India analytics market by 2025

- **~600**
  - Analytics firms in India

- **~90k**
  - Analytics professionals

- **~700 USD mn**
  - Startup funding over last 2.5 years

**KEY TRENDS**

- Analytics services and products focused on business outcomes and customer experience

- Highly regulated industries incl. BFSI, telecom, healthcare driving need for deep domain/vertical analysis

- Industry to grow significantly driven by increased demand for cloud-based (SaaS) and predictive analytics solutions

- Rapid advances in AI and deep learning algorithms - development of machines that can now do tasks that require deep expertise and skill
Drivers and Impact: Data is the new oil

**DRIVERS**
- Rise of data-rich and analytics firms
- Regulatory & risk compliances, greater transparency
- Increased affordability of tools
- Enhanced capabilities
- Ease of data consolidation
- Exponential increase in data generation
- Cost-effective infrastructure

**IMPACT**
- New analytics start-ups offer SaaS model; Advanced analytics gaining prominence
- Top-performing enterprises show a 5x higher usage of analytics as opposed to low performers
Vibrant analytics vendor ecosystem in India

- **600+ analytics firms; ~400 start-ups** - India emerging as the **analytics products hub**
- Healthy mix of integrated, pure-play, GICs and start-ups
- GICS - ~35% of digital FTEs engaged in analytics; 20+ analytics CoEs setup
- **50-60% Indian firms** leveraging analytics for competitive advantage

### Analytics vendor landscape in India...

**Niche players**
- 50+

**Pure-play analytics service providers**
- 80+

**Analytics software / product firms**
- 200+

**Incumbent firms**
- 200+

100+ analytics firms set up in 2015
### Multiple opportunities emerging across business models

<table>
<thead>
<tr>
<th>DATA PROVIDERS</th>
<th>DATA INFRASTRUCTURE PROVIDERS</th>
<th>DATA INTEGRATION &amp; WAREHOUSING</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Partner with data owners for solutions to better capture, organize, disseminate data</td>
<td>▪ Data infrastructure for firms prohibited from transferring data to offshore providers</td>
<td>▪ Develop custom add-ons to existing data cleaning / processing tools</td>
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<tr>
<th>ANALYTICS &amp; DATA PRESENTATION SOFTWARE</th>
<th>ANALYTICS SERVICES</th>
<th>SYSTEM INTEGRATORS &amp; IMPLEMENTERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Develop custom visualisation software or custom components on existing platforms</td>
<td>▪ Algorithms for use cases across verticals</td>
<td>▪ Integrate analytics into existing legacy systems</td>
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<tr>
<td>▪ Create simplified MIS reporting and BI offerings for SMBs</td>
<td>▪ Enhance existing apps via new algorithms (machine learning, neural networks, etc.)</td>
<td>▪ Enable enterprises to better capture and manage data to drive data-driven decisions</td>
</tr>
</tbody>
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Analytics increasingly pervasive across job roles

The emergence of analytics driven business critical roles

- **HR**
  - People Analytics Officer
  - HR System Analytics Officer

- **Marketing**
  - Digital Marketing
  - Creative Officer

- **Verticals**
  - Healthcare: Customer Engagement, Patient Officer
  - Retail: Personalisation Head
  - Finance: Private Equity CFO, Predictive Analytics

- **Risk/Security**
  - CRO - CISO
  - Digital / Conduct Risk Officer
Analytics moving to Artificial Intelligence: Re-engineer, transform, re-imagine business

General Purpose AI
- Very highly adaptive
- High context awareness
  - HAL 9000

Narrow AI
- Low-to-medium adaptiveness
- Low-to-medium context awareness
  - IPSoft Amelia, IBM Watson

Automation
- Transactional
- Pre-defined
  - RPA, Runbook/Scripting

Re-engineer value chain
Radically change product/service delivery
- Automate repetitive activities
- Augment specialized tasks
- Streamline value chain

Re-imagine the offering
Develop new market & opportunities
- Predictive solutions (Healthcare, Industrials)
- Bots with intelligence (Surgical, housekeeping)
- New products (R&D, drug discovery etc.)

Transform user engagement
Create new engagement models
- Anticipate customer needs
- Intuitive and pervasive communication
Outlook 2025: Indian analytics market to grow at ~26 per cent in the next decade

Indian Analytics Market

USD billion

- India analytics revenue - USD 16 billion by 2025, ~26 per cent CAGR
  - 32 per cent share of global market
- Increased penetration of RPA, artificial intelligence
- Analytics services to centre on data collection, organisation, visualisation and basic analytics
- Firms need to implement 3-in-1 sales model to cater to three levels of digital adoption (disruptive-digital leaders, transformational-digital attackers, traditional-digital laggards)
Multi-pronged Analytics Initiatives by NASSCOM

**ANALYTICS SIG**
- Framework: Pan-India, Industry Agnostic, Open Platform
- Objectives:
  - Enhance Analytics Maturity
  - Build Right Analytics Talent
  - Develop Domestic Analytics Market
  - Positioning India as the Global Hub

**RESEARCH**
- Indian Analytics Products - Scaling New Heights
- Application, Innovation & Maturity of Indian Analytics
- Analytics Product Excellence Matrix
- Risk & Procurement Analytics
- Demystifying AI

**Community and Events**
- Online community exclusively for analytics professionals
- Annual Big Data & Analytics Summit
- Regional Big Data & Analytics Summit
  - Bangalore
  - NCR
  - Chennai
  - Mumbai

**START-UPs**
- Connect with Enterprise firms – GICs, Banks, BPO
- ANALYTICS-A-THON:
  - Spot & engage analytics talent via Idea-Prototype challenge (8 weeks)
Summary

- Revenue from analytics to grow 8X by 2025 – USD 2 billion currently to USD 16 billion
- 600+ firms: Integrated, pure-play, products, start-ups and niche players
- Significant growth in cloud-based (SaaS) and predictive analytics solutions
- Job roles undergoing change – increased play of big data/analytics component; emergence of specialised roles
- Opportunity for firms build solutions around data capture/management, set-up data infrastructure, custom visualisation software, develop algorithms, etc.
- Firms exploring AI and deep learning algorithms for analytics – radically change product delivery, develop new markets, create new engagement models
- By 2025, India’s analytics market to reach USD 16 billion, 26 per cent CAGR