



## Case Example: Supplier Identification and Evaluation For Research and Analytics Services

Client: Global Pharmaceutical Major

2008

# The Supplier Intelligence practice helps buyers short-list suppliers and make key supplier-related decisions at different stages of the outsourcing life cycle

## Objectives

- To assist buyers in short-listing suppliers and providing information and insights on suppliers in established and new markets
- To assist buyers optimally monitor and manage their supplier portfolio in context of their sourcing objectives

## Key issues involved in supplier short-listing

- Rapidly evolving supplier landscape
- Increasing number of credible supplier options (50+ credible suppliers serving Fortune 500 clients in India alone)
- Perceived lack of differentiation between similar supplier groups
- Increasing risk on account of ongoing supplier consolidation
- Lack of reliable market data on supplier offerings and capabilities

### Supplier selection requires a thorough evaluation of quantitative and qualitative parameters

#### Quantitative parameters

Scale

Financial stability

Process expertise

Industry expertise

Global delivery

Situation-specific criteria

#### Qualitative parameters

Everest experience

Cultural fit

Alignment of interests

Value proposition

Existing relationships

Situation-specific criteria

# A top 10 pharmaceutical major sought to identify vendors for offshore research and analytics services

## Key client questions answered

- What is the landscape of offshore knowledge service suppliers?
- Given the relatively similar offerings, what is the best approach to differentiating and evaluating suppliers?
- Who are the suppliers that have the scale and the capability and, hence, are best suited to meet the objectives of the engagement?

## Client situation

- Fortune 100 global pharmaceutical major looking to offshore research and analytics services as part of a major global effectiveness initiative

## Impact and benefit

- The client's understanding of the supplier landscape was limited to two to three large suppliers. Subsequent to the research, the client was able to make the process more competitive by reaching out to seven suppliers
- The client was working on very aggressive timelines and was able to meet deadlines by leveraging Everest's existing IP and insights on the knowledge services suppliers and their capabilities

## Key analysis dimensions

- Market maturity for offshore research and analytics services
- Major suppliers that can offer the services in scope:
  - Research (business, scientific)
  - Analytics
  - Document creation
  - Meeting support
- Supplier evaluation based on primary and secondary data collection

# We utilized our best practice approach to identify and short-list suppliers to meet client requirements

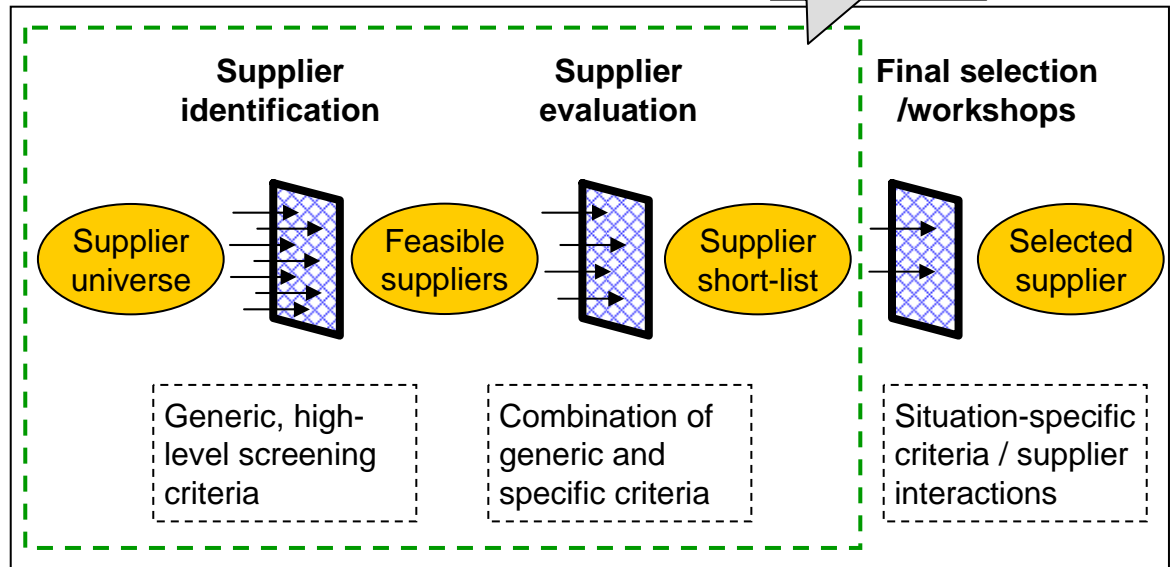


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## Highlights of methodology

- Iterative, best-practice approach using a mix of standard, and situation-specific criteria
- Ability to leverage supplier relationships for primary data collection
- Approach is customized to client's needs and situation
- Evaluation framework that combines quantitative facts with qualitative assessments (e.g., cultural fit)

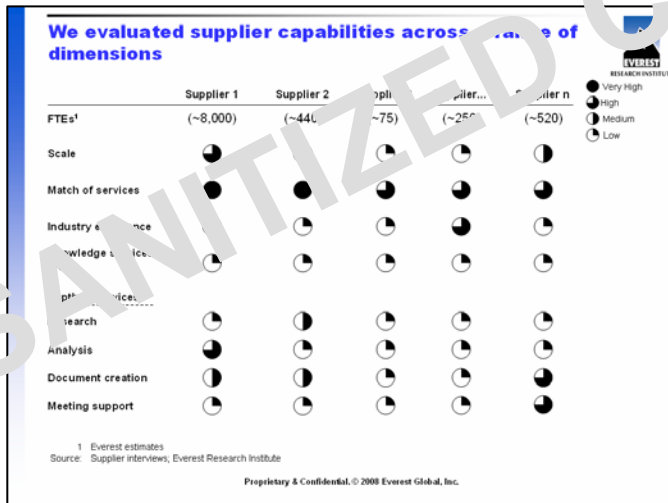
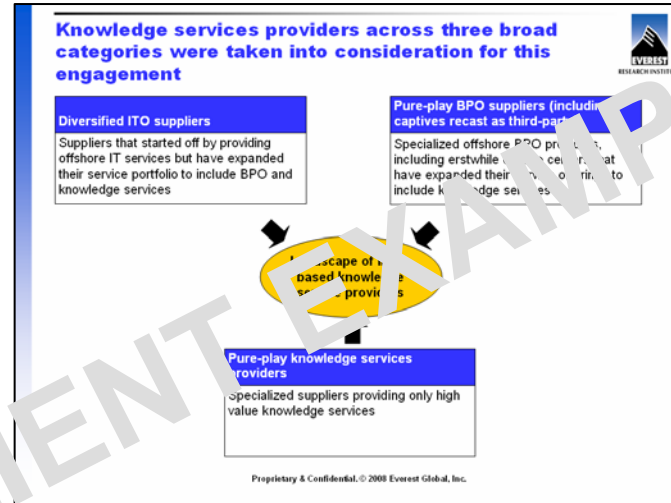
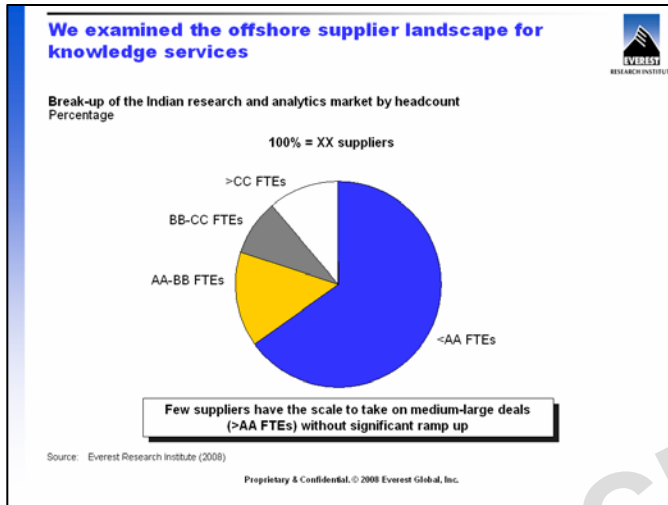
## Standard methodology



## Highlights of output

- From the supplier universe, we identified **14 suppliers** with capabilities in research and analytics services for detailed evaluation
- We recommended **7 suppliers** to the client for further evaluation (these suppliers received a detailed RFP from the client in the subsequent phase)
- The final deliverable was a 65+ page report that contained:
  - An overview of the knowledge services market
  - Detailed supplier evaluation and recommendations
  - Supplier profiles
  - Everest suggestions on the way forward

# The final report contained an overview of the knowledge services market and also the supplier evaluation results; below are four charts from the report



### We grouped the suppliers into three categories depending on potential fit with client objectives

Supplier	Category	Comments
<b>High fit</b>		
Supplier 1	Diversified ITO	Largest scale within the diversified ITO suppliers with an established industry footprint
Supplier 2	Pure-play BPO	Strong offerings across most services in scope. Has demonstrated in the past the ability to scale rapidly
Supplier 3	Pure-play Knowledge services	Pioneer of this space. Has very strong offerings across most services in scope
<b>Medium fit</b>		
Supplier 4	Diversified ITO	While supplier does not have outstanding knowledge services capability currently, they have demonstrated the ability to create new service lines by investing in large clients
Supplier 5	Pure-play BPO	Can leverage its emerging knowledge services capability on the back of research offerings for financial services
Supplier 6	Diversified ITO	One of the early ITO players to move into BPO, supplier has leveraged its BPO franchise to build its knowledge services offerings
<b>Low fit</b>		
Supplier 7	Pure-play BPO	No experience in serving clients in the pharmaceutical vertical
Supplier 8	Pure-play BPO	Sub-scale offering in the research and analytics space
Supplier 9	Pure-play Knowledge services	Inadequate experience in managing large scale projects. Unlikely to meet client ramp-up requirements

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# In addition, we profiled 14 suppliers for their offerings in the research and analytics space

**Company description:** Acme International is a leading provider of business process outsourcing and knowledge services. It offers services including finance and accounting, data warehousing, business research and analytics, as well as document creation. Acme also offers legal process outsourcing services to its clients

**Web site:** www.acmeinternational.com

**Year of formation:** 1999

**Key leaders:**

- John Galt, Vice Chairman and CEO
- Bruce Wayne, CFO
- James Miller, SVP – Business Development

**Headquarters:** Mumbai, India

**Market news:**

- May 2007: Acme to merge with Amce, an associate company engaged in IT services.
- Apr 2007: Acme to expand operations in Mumbai and employ 100 more employees
- Dec 2006: Acme expands its global knowledge services presence by opening a center in Singapore
- Apr 2006: Acme obtains SAS 70 compliance

	2005	2006	2007
<b>Total employees</b>	1,500	2,000	2,500
<b>Knowledge services employees</b>	200	300	400
<b>Year of starting knowledge services:</b> 2002			
<b>Key knowledge service offerings:</b>			
<ul style="list-style-type: none"> <li>■ Business research</li> <li>■ Industry/ market study</li> <li>■ Financial research</li> <li>■ Competitor information</li> <li>■ Data entry and processing</li> <li>■ Legal process outsourcing</li> <li>■ Data analysis</li> <li>■ Document creation</li> </ul>			
<b>Key knowledge service clients:</b>			
<ul style="list-style-type: none"> <li>■ Leading information &amp; business solutions provider</li> <li>■ A top-three credit rating agency</li> <li>■ Leading e-research and education publishing firm</li> <li>■ Global marketing information and market research firm</li> <li>■ Leading document management technology and services enterprise</li> </ul>			
<b>Knowledge services delivery centers:</b>			
<ul style="list-style-type: none"> <li>■ Mumbai, India</li> <li>■ Bangalore, India</li> <li>■ Singapore</li> </ul>			

Contact us to better understand how we can best assist you



**Everest Research Institute uses its deep expertise and understanding of suppliers to provide you with:**

- Fact based and practical assistance with short-listing of suppliers
- Comprehensive capability profiles for leading suppliers
- An extensive directory of suppliers spanning multiple functions, industries and geographies

Everest Research Institute has been designed to meet the specific needs of your organization. Whether it be published or custom research, actionable tools, or even one-to-one interaction, we can develop a solution that applies to your particular scenario.

For more information about the Institute or to find out how we can assist you please contact us:

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# Get the answers today that lead to tomorrow's success



Everest Research Institute has the resources, experience, and capabilities to provide companies with the strategic intelligence, analysis, and insight that are crucial to making the right decisions in today's outsourcing marketplace.

With the vision of our leadership team, the personal commitment, and indeed, the passion of our professionals to deliver real value to our clients, our organization is unsurpassed in its ability to guide your company's future success.

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