ISG Provider Lens™

Generative AI Services

A research report comparing provider strengths, challenges and competitive differentiators

Customized report courtesy of:
Orion Innovation

QUADRANT REPORT | NOVEMBER 2024 | GLOBAL

Table of Contents

Report Author: Gowtham Sampath, Hemangi Patel and Arjun Das

GenAI-led disruption is inevitable, but its success needs a thoughtful, data and human-centric strategy

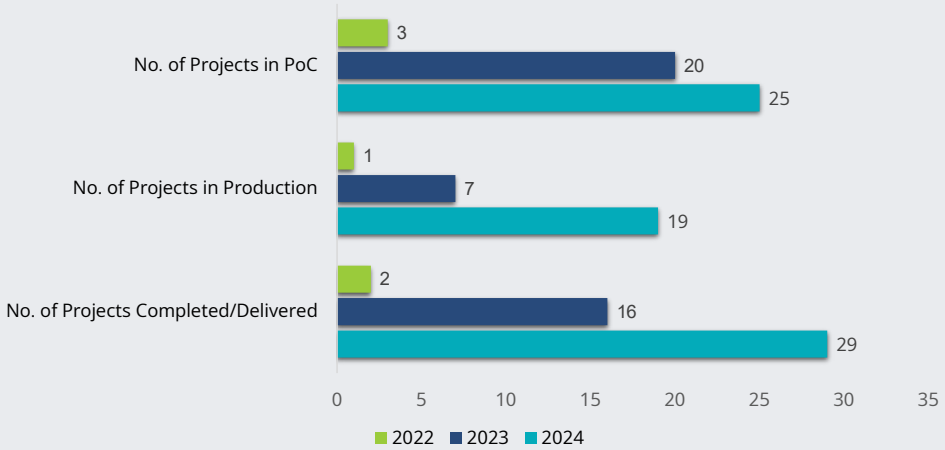
The GenAI market is experiencing a transformative period of rapid growth, unlocking new possibilities for enterprises to innovate and streamline operations. From an enterprise standpoint, this growth signals a pressing need to invest in GenAI now to stay competitive. Businesses understand that the automation and efficiencies offered by AI can be leveraged to reduce operational costs, improve accuracy in tasks and drive new revenue streams through innovative products and services.

- *For enterprises, the focus is on identifying the right use cases that deliver clear RoI and align with long-term strategic goals such as enhancing CX or improving operational efficiency.*
- *For decision-makers, it is essential to invest in adaptable AI technologies that can evolve as a business grows, ensuring sustainability and relevance in the long term.*
- **The current state of the GenAI market — PoC to delivery**

In the past 12 months, the GenAI landscape has witnessed a significant surge in the number of projects — right from PoCs and minimum viable products (MVPs) to full-scale deployment pipelines. Enterprises across industries are increasingly exploring GenAI to handle complex challenges, enhance operational efficiencies and drive innovation. The initial PoC phase is critical for them to evaluate the potential of GenAI in solving specific business problems. PoCs allow organizations to assess the feasibility and practicality of GenAI applications before committing to substantial investments. They help organizations develop a functional version of the AI application that can be tested in real-world conditions. As an increasing number of enterprises experience the benefits of AI, the pipeline of GenAI projects will continue to grow,

GenAI is the **new frontier of innovation,** reshaping industries and redefining possibilities.

Average number of projects in PoC, Production and Delivered



Note: This is an indicative representation based on RFI responses solicited for ISG Provider Lens™ GenAI Study

leading to a future where AI will be deeply embedded in business operations. The successful implementation of these projects will not only drive business outcomes but also shape the future of innovation across industries.

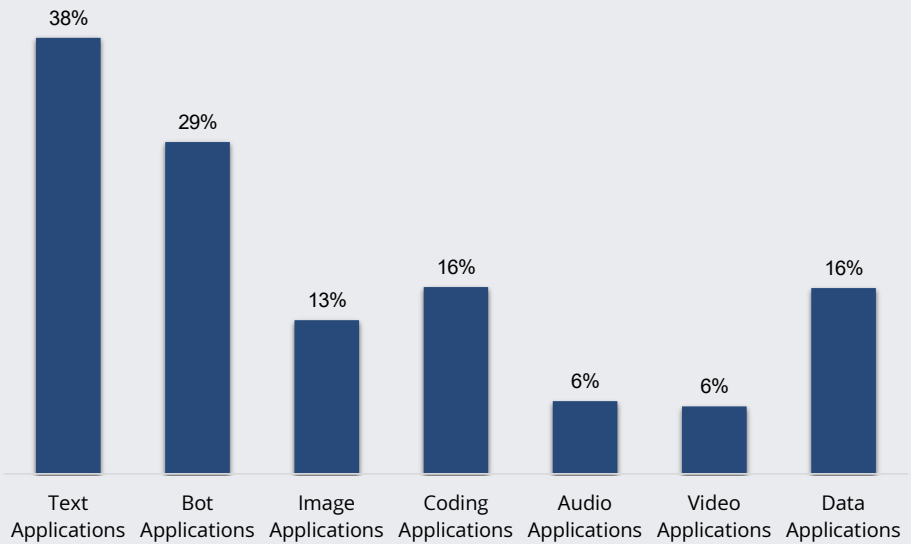
- **Developments across modalities and applications**

The field of GenAI will progress rapidly both in terms of research and commercialization, but use cases are emerging rapidly in the enterprise landscape. Some of the recent GenAI applications have proven how this new-age technology can help with innovation and creativity, indicating usability for both businesses and individuals. While the current GenAI landscape is dominated by text-based and bot applications, there is a growing anticipation for other modalities — such as image, video, data and audio-based applications — to reach their full potential in the near future.

Text-based applications have seen the most rapid development in the field of GenAI, primarily due to their simple interface, rapid RoI and immense utility. Chatbots, in particular, have become a ubiquitous tool across industries. Powered by large language models (LLMs) such as OpenAI's GPT, chatbots can provide personalized assistance, customer support and automated communication at an unprecedented scale. Companies use chatbots/copilots to enhance customer service, streamline business operations and facilitate conversation. For instance, GenAI-driven chatbots are revolutionizing customer service centers, enabling businesses to provide 24/7 support, instant issue resolution and multilingual capabilities — all while reducing human workload.

However, despite the significant growth in text-based AI, the full scope of GenAI's potential remains untapped as other modalities — such as image, audio, video, and data-based applications — are still evolving toward mainstream adoption. The full potential of multimodal GenAI is yet to be realized, but the ongoing advances in neural networks and deep learning indicate that the future is bright. As models become increasingly capable of handling diverse inputs — text, images, audio, video and data — applications will become considerably integrated and sophisticated.

Average number of applications by modality moved from PoC to the production phase



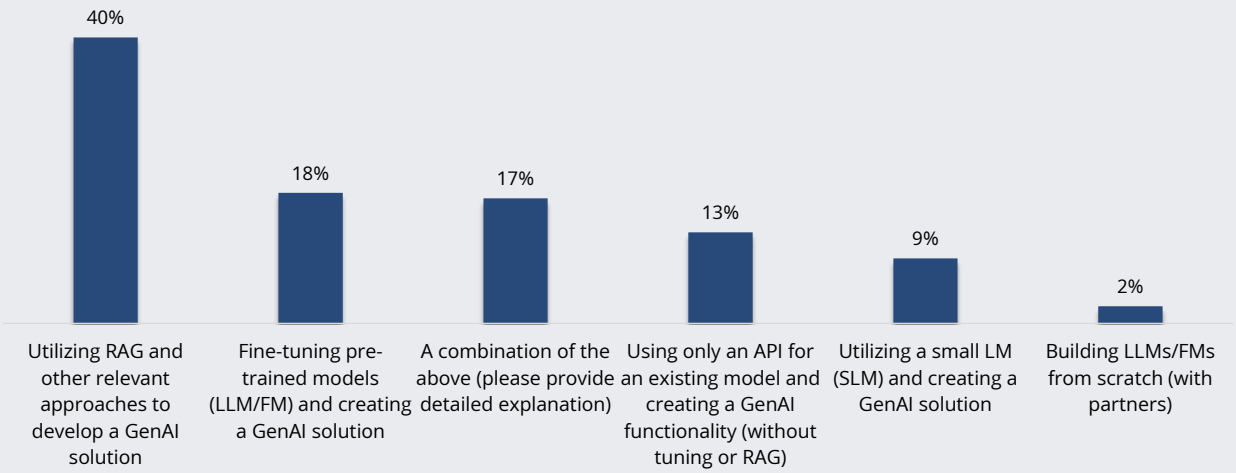
Note: This is an indicative representation based on RFI responses solicited for ISG Provider Lens™ GenAI Study

- **Model development using RAG versus fine - tune versus SLM and LLM**

The development of GenAI applications is undergoing a significant transformation, with IT service providers at the forefront of this change. While current methods such as retrieval-augmented generation (RAG) and fine-tuning LLMs have proven to be effective, the future points toward a more specialized approach. Fine-tuning LLMs will remain essential, but the focus will increasingly shift to the development of small, customized language models that cater to specific applications. As AI technologies mature, there is growing recognition that small, more customized language models — fine-tuned for specific applications — can provide significant advantages in terms of cost, scalability and performance. Small, domain-specific versions of LLMs can perform equally well in targeted tasks without requiring the massive infrastructure needed to train and deploy full-scale LLMs.

In the future, IT service providers are likely to adopt a hybrid approach, leveraging the strengths of each method, including fine-tuning, RAG approach, LLMs and small language models (SLMs). For instance, LLMs could be used for general tasks or applications that require broad linguistic capabilities, while SLMs could be deployed for more focused and specialized tasks. This hybrid strategy will offer a balance between scale, cost-efficiency and task-specific performance, enabling providers to offer GenAI solutions that are both powerful and practical.

Methods of deploying GenAI solutions in the production phase (aggregate)

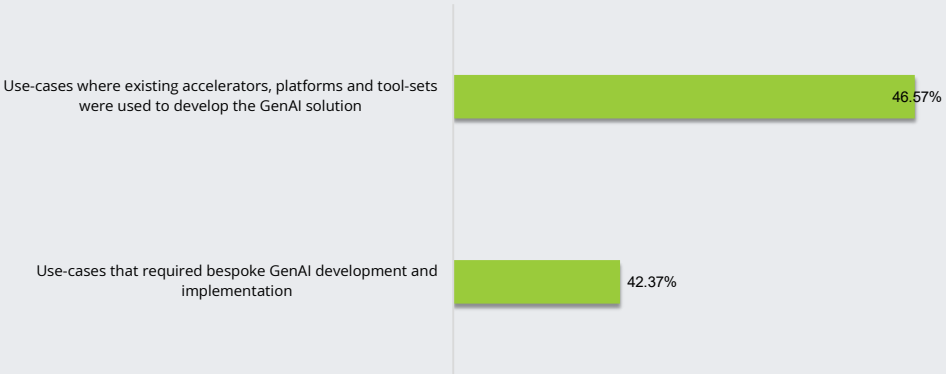


Note: This is an indicative representation based on RFI responses solicited for ISG Provider Lens™ GenAI Study

- **Implementation using bespoke versus existing accelerators**

GenAI has taken center stage in transforming industries by automating tasks, generating content and providing intelligent insights. While open-source GenAI models offer broad capabilities and accessibility, enterprises are increasingly gravitating toward bespoke approaches and customizations tailored to their unique needs. A bespoke approach to AI development entails creating customized GenAI models that are fine-tuned, secure and optimized for specific business use cases. This shift is driven by various factors such as the need for privacy and security, specialization of tasks, cost-efficiency requirements and the ability to integrate AI seamlessly into existing operations. While enterprises are focusing on customized GenAI models, they are not starting from scratch; many organizations are leveraging existing AI platforms, toolsets and accelerators to streamline the development process. These resources provide a foundation upon which bespoke GenAI solutions can be built, reducing development time and costs.

Approximate number of projects moved to production through bespoke solutions or using existing accelerators, platforms and toolsets



Note: This is an indicative representation based on RFI responses solicited for ISG Provider Lens™ GenAI Study

While the technology outcomes from Gen AI are driving increased adoption, enterprises continue to face key challenges that must be addressed. Service providers play a crucial role in overcoming these barriers, enabling organizations to fully harness the potential of Gen AI. By addressing these hurdles, adoption can be accelerated, and the transformative benefits of the technology can be realized more broadly.

- **Enterprise challenges and provider recommendations**

As GenAI continues to reshape industries, enterprises are increasingly looking to leverage its capabilities to achieve innovation, operational efficiency and a competitive advantage. While the potential of GenAI is significant, the journey to adoption is fraught with challenges. From data privacy concerns to integration complexities, the road to realizing AI's full potential can be a difficult one. Enterprises face mounting challenges in assessing business needs, evaluating RoI, ensuring technology compatibility and prioritizing change management. By partnering with relevant service providers, enterprises can make informed decisions that maximize the impact of their AI initiatives, while addressing the following challenges.

1. Data strategy and governance challenges

To implement GenAI successfully, enterprises must have a well-defined data strategy and governance framework as AI systems rely heavily on high-quality, well-organized data to generate accurate predictions, insights and solutions. Enterprises that fail to establish strong data governance face issues such as data silos, poor data quality and compliance breaches — all of which can derail AI projects.

2. Data availability and accessibility

For GenAI models to function effectively, enterprises need to ensure that relevant data is accessible and available in sufficient volumes. AI thrives on large datasets, and enterprises must collect, store and organize data across various functions and systems to fuel AI initiatives. Several enterprises struggle with siloed data across different business units, which can deter AI adoption.

Provider contribution needed to mitigate the above challenges

- **Breaking down data silos:** Providers should offer solutions that enable seamless integration of data from multiple sources, including CRM systems, ERP platforms and IoT devices. GenAI solutions need access to real-time and historical data. Therefore, it is essential for enterprises to implement data architectures that promote sharing and accessibility across teams.
- **Building a unified data infrastructure:** Providers should support enterprises by recommending the adoption of unified data infrastructures such as data lakes or data warehouses to centralize data and ensure it is available for AI consumption. Cloud-based solutions often provide the flexibility and scalability needed for this purpose. By organizing data into a unified structure, enterprises can optimize AI performance and minimize delays in data processing.

3. Data quality management

The quality of the data fed into GenAI models directly impacts their performance. Poor-quality data can lead to inaccurate insights, flawed predictions and biased outcomes. Enterprises need a robust data quality management strategy to ensure that the data used by GenAI models is accurate, complete and up to date. To this end, they need mechanisms for data cleansing and validation. Data bias is a significant risk when implementing AI systems. Biased data can lead to biased AI outcomes, which can have serious implications on decision-making, particularly in areas such as recruitment, financial functions and customer segmentation.

Provider intervention required to mitigate the above challenges

- **Ensuring data accuracy and completeness:** Providers should offer data cleansing and preprocessing tools that automatically detect and fix issues such as missing data, duplicate entries or inconsistencies. Additionally, AI systems can be integrated with real-time validation tools to continuously assess and improve data quality.
- **Managing data bias:** Providers should support enterprises by offering tools and frameworks to detect and mitigate bias in data, ensuring that GenAI models remain fair and inclusive.

By focusing on data quality management, enterprises can ensure that their GenAI models are delivering trustworthy and actionable insights.

4. Data privacy and security concerns

GenAI models require large datasets, which often include sensitive information, for training and deployment. For enterprises in regulated industries such as healthcare, finance and retail, protecting customer and business data, while complying with stringent regulations such as EU AI Act, GDPR, HIPAA, and CCPA is critical. Data protection should be at the core of the solution adopted, with encryption protocols for data storage, processing and transfer. Data breaches or incorrect handling can result in legal repercussions, hefty fines and damage to a company's reputation. Additionally, AI-driven systems must be designed to meet user privacy standards, especially when data is collected and used for personalized outputs or decisions.

Provider arbitration needed to deal with the above challenges

- **Compliance-driven GenAI solutions:** Service providers should prioritize data privacy by ensuring their GenAI models are compliant with local and global regulations such as GDPR and EU AI Act in the European Union or HIPAA for healthcare data in the U.S. AI systems should be designed to respect consent and allow enterprises to manage data according to regulatory guidelines.
- **End-to-end encryption:** Providers should implement anonymization or tokenization methods to ensure that sensitive data cannot be misused even if unfairly accessed.
- **Secure cloud infrastructure:** AI systems deployed in cloud environments should leverage secure cloud services with strong identity and access management (IAM) tools, ensuring that only authorized users can access sensitive data. Providers should align with industry-standard security certifications such as ISO/IEC 27001 and SOC 2 to build trust with enterprises.

- **Explainable AI (XAI):** To address the concern of data misuse, providers should develop explainable GenAI solutions that offer transparency into how decisions are made. For example, financial institutions would benefit from AI systems that can explain why certain credit decisions were made based on customer data, reducing the risk of discriminatory practices.

5. Integration with existing systems and workflows

Several enterprises have complex, legacy IT infrastructures. Incorporating GenAI systems into these environments can be challenging due to compatibility issues, disruption to established workflows and the cost of overhauling existing technology stacks. As GenAI solutions often require input from multiple data sources, ensuring interoperability between different data formats and systems is critical. Without the right integration, enterprises risk failed AI implementations that do not deliver the desired value, causing inefficiencies.

Provider support to mitigate the above challenges

- **Customizable AI platforms:** Service providers should offer highly flexible, modular AI platforms that allow enterprises to tailor solutions to their existing environments, without the need for extensive system overhauls. This advantage would enable enterprises to plug GenAI solutions into their workflows, ensuring minimal disruption.
- **Comprehensive API integration:** Providers should build GenAI solutions with robust APIs and middleware support to integrate seamlessly with CRM, ERP, HR and other enterprise functions. This would enable data to flow smoothly between AI tools and legacy systems.
- **Consultative approach to integration:** Providers should offer integration support services to assist enterprises throughout the process. This support could include mapping existing workflows, identifying integration points and conducting phased rollouts to ensure that a GenAI system harmonizes with ongoing operations without disrupting day-to-day activities.
- **Data interoperability:** Providers should offer solutions that can standardize and harmonize data inputs, preventing data silos and improving overall system efficiency.

6. Lack of AI expertise and talent

The shortage of skilled AI professionals, such as data scientists, ML engineers and AI ethicists, makes it difficult for enterprises to build, deploy and maintain GenAI solutions internally. This talent gap can slow down AI adoption or lead to poorly managed implementations that fail to deliver value. Additionally, many business users and decision-makers lack the technical understanding of AI capabilities, limiting the organization's ability to capitalize on GenAI investments.

Provider intervention to address the above challenge

- **Training and education programs:** Providers should offer AI training and certification programs for non-technical employees and business leaders, thereby increasing AI literacy within an organization. Training should focus on helping employees understand AI concepts, interpret AI-generated insights and make data-driven decisions.
- **Managed AI services:** To address talent shortage, providers should offer fully managed AI services, where they take responsibility for developing, deploying and maintaining GenAI models on behalf of enterprises. These services allow enterprises to benefit from AI without the need for in-house expertise.
- **AI-as-a-service platforms:** Providers should develop self-service AI platforms that abstract the technical complexities of model training and deployment. These platforms should be no-code/low-code, enabling users to interact with AI tools, customize models and run AI-driven processes without the need for deep technical knowledge.
- **Prebuilt GenAI models:** Providers should offer pretrained, industry-specific GenAI models that enterprises can deploy with minimal customization. For example, a financial services company might use a

pretrained fraud detection model, requiring only minor adjustments to suit its specific data and regulatory context.

7. High initial costs and unclear RoI

GenAI solutions often involve significant upfront investments in technology, infrastructure and talent. For enterprises, especially the ones with tight budgets, this can be a deterrent to AI adoption. Compounding this challenge is the uncertainty around RoI from AI projects. In many cases, enterprises struggle to quantify the long-term benefits or see the immediate value, leading to a reluctance to commit to large AI initiatives.

Provider arbitration to handle the above challenge

- **Flexible pricing models:** Providers should ease the cost burden by offering flexible pricing options such as pay-as-you-go, subscription models or usage-based pricing. Such options enable enterprises to scale their GenAI investments gradually, based on performance, rather than face prohibitive upfront costs.
- **PoC programs:** Providers should offer low-cost or risk-free PoC programs to allow enterprises to assess the feasibility of GenAI solutions in their real business environment. This would help enterprises evaluate RoI before making significant financial commitments.
- **RoI benchmarking and business case development:** Providers should help enterprises develop business cases for GenAI investments by offering clear benchmarks from previous deployments. RoI examples from similar industries and use cases can provide guidance and confidence to decision-makers considering GenAI investments.
- **Phased implementations:** Service providers should recommend phased or modular AI adoption approaches. This flexibility would allow enterprises to start small, with pilot projects, and gradually scale up AI initiatives as measurable benefits become evident, thereby managing financial risks.

8. Ethical and bias concerns

GenAI systems can unintentionally generate biased or unfair outputs, which can lead to ethical concerns, particularly in sectors such as recruitment, finance and healthcare. For example, GenAI models trained on biased data may perpetuate existing stereotypes, leading to discriminatory practices in hiring or lending decisions. Enterprises fear that deploying biased GenAI models can result in legal and credibility risks, especially with growing regulations around the ethical use of AI.

Provider arbitration needed to intercept the above challenge

- **Bias detection and mitigation:** Providers should build GenAI solutions with integrated bias detection tools that can analyze data for potential biases and ensure that the models' outputs are fair and equitable. Offering transparency in the way GenAI models are trained and continuously monitoring them for such biases is essential.
- **Fairness audits:** Providers should offer services such as fairness audits, where GenAI models are regularly tested for fairness and adherence to ethical guidelines. Enterprises can receive reports on model behavior, ensuring that AI tools align with a company's values and compliance requirements.
- **Explainability and transparency:** Providers should develop AI systems that can explain their decision-making processes in ways that are easy to understand. This facility would allow enterprises to evaluate the fairness of AI outputs and identify any potential bias. Explainable AI is particularly valuable in regulated industries, where accountability is crucial.
- **Ethical AI frameworks:** Providers should offer GenAI solutions that are built around ethical AI principles, emphasizing fairness, transparency and accountability. For example, GenAI solutions could include built-in safeguards to prevent biased outputs and provide enterprises with the tools to audit and modify models over time.

- **Ensuring accountability:** Providers should help enterprises with the creation of AI ethics committees and governance boards, ensuring that decisions around AI use are made with ethical considerations in mind.

9. Change management concerns

Adopting GenAI often leads to significant changes in the way an enterprise operates, making it essential to address organizational resistance and implement strong change management strategies. The adoption of AI can lead to concerns about job security, shifts in work responsibilities and apprehension about innovative technologies. Enterprises must manage these fears, while ensuring a smooth transition to AI-powered operations.

A primary concern among employees in the context of AI is the fear of job displacement, with the notion that AI will automate their tasks and make their roles redundant. Providers need to help enterprises frame AI as a tool for workforce augmentation rather than replacement. AI has the potential to automate repetitive, low-value tasks, freeing employees to focus on high-value, strategic work. It is critical for enterprises to communicate this message clearly and frequently to their workforce. Employees are more likely to embrace AI when they understand the need for AI implementation and its alignment with business goals.

Provider support required to deal with the above challenge

- **Reframing AI as an enabler of productivity:** Providers should help enterprises position AI as a tool that enhances human capabilities rather than replace them. For example, AI can assist customer service agents by handling routine inquiries, allowing agents to focus on complex or high-touch interactions. This narrative helps employees understand that AI will improve their day-to-day work rather than eliminate their roles.
- **Highlighting job transformation examples:** Providers should support this messaging that AI can bring about job transformation by showcasing case studies where AI has done so without causing job losses. For instance, companies in sectors such as healthcare, finance or manufacturing might use AI to reduce manual data entry efforts, enabling employees to focus on critical tasks such as decision-making, customer care or creative problem-solving.

Overcoming these challenges will enable organizations to unlock the full potential of Gen AI more effectively and at a faster pace. Service providers that have successfully addressed these issues are already setting new trends, which are expected to significantly shape the Gen AI landscape in 2025 and beyond.

Key trends impacting 2025

- GenAI is moving beyond text to embrace **multimodal AI models** that can process and generate outputs across various data types such as text, images, audio and video. This capability allows for more robust and sophisticated AI applications across industries.
- As the market matures, there is a growing demand for **domain-specific AI models** tailored to industries such as healthcare, finance, legal and manufacturing. These models are trained on specialized datasets to meet the nuanced needs and regulatory requirements of each sector.
- The **democratization of AI** is a key trend, with no-code/low-code platforms allowing non-technical users to leverage GenAI. These platforms provide user-friendly interfaces for creating and deploying AI models, without the need for deep technical expertise, enabling widespread adoption across industries.
- GenAI models are being utilized to create **synthetic data;** this data is artificially generated based on real datasets to improve AI training, while addressing data scarcity and privacy concerns. Synthetic data can be used in place of sensitive, real-world data, ensuring improved data privacy while enhancing model accuracy.
- There is a rise in leveraging **agentic workflows,** where AI systems function as autonomous agents to handle complex tasks with minimal human intervention. These

agents can make decisions, execute tasks and learn from outcomes, making them ideal for automating intricate processes.

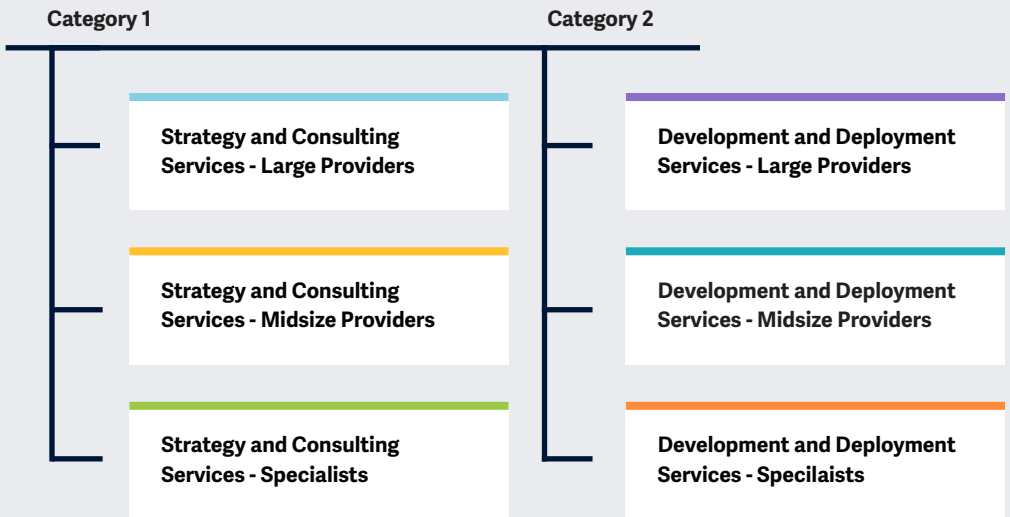
- With the proliferation of IoT devices, there is growing interest in running AI models on edge devices that operate in decentralized environments. To do this efficiently, **model compression** and **optimization** techniques such as **quantization**, **pruning** and **knowledge distillation** are utilized to reduce the size and computational requirements of GenAI models but without sacrificing performance.
- As GenAI models grow in complexity, there is an increasing focus on optimizing AI infrastructure to support **distributed training** and **inference** across multiple nodes and graphics processing units (GPUs). This allows enterprises to scale the development of massive AI models and reduce the time taken to train and deploy them.
- The complexity of managing AI workflows, from data preparation to model deployment and monitoring, has given rise to **AI orchestration platforms** and the adoption of Large **Language Model Operations (LLMOps)** frameworks. These tools ensure that the entire life cycle of AI models — from development to production — is managed efficiently and sustainably.

Notes on quadrant positioning: The market has been segmented into Large, Midsize and Specialists to showcase the varying analytics requirements of enterprises based on their size, scale and industry dynamics. It also reflects providers' strategy to align their portfolio, industry verticals and offerings to suit market demands and enterprise needs.

Enterprises looking to harness the power of GenAI must first build a strong data strategy and invest in the right infrastructure to support AI workloads. Providers play a crucial role in helping enterprises manage data quality and in creating AI-ready infrastructure. By doing so, they can help enterprises fully realize the value of their AI investments and position themselves as leaders in the AI-driven economy.

The report provides insights into **evolving market trends and competitive dynamics** among providers of **GenAI services.**

Simplified Illustration Source: ISG 2024



Definition

Generative AI (GenAI), a rapidly evolving field of AI, is characterized by its ability to create entirely new content — from realistic images and videos to compelling text formats or even musical pieces. It stands out as a transformative technology with the potential to disrupt industries and revolutionize and redefine businesses by democratizing creativity, automating tasks and accelerating innovation, thus building interest among businesses and technology providers alike.

ISG identifies the following features of GenAI to encourage investments:

- Represents unprecedented creativity to handle content (marketing copy, images or videos), enterprise solutions (code generation or software development) and new products or materials invention (drug discovery), and personalizes experiences (recommendations or service interactions), reduces the time for tasks and enhances customer engagement.

- Analyzes large volumes of data to reveal hidden patterns, predicts market trends and optimizes product offerings, enhancing decision-making.
- Automates repetitive tasks (data entry or report generation), improves quality checks (software testing) and accelerates product development cycles, enabling businesses to rapidly introduce innovations in the market.
- Empowers businesses to personalize experiences, innovate rapidly, and identify/create new revenue streams.

While GenAI represents exciting possibilities, it is yet in the nascent stage and warrants a comprehensive understanding of its capabilities and limitations. Additionally, awareness of the competitive landscape and strategic consulting with providers that have the experience to develop, deploy and productionize GenAI solutions from use cases are crucial.

Scope of the Report

This ISG Provider Lens™ quadrant report covers the following six quadrants for services: Strategy and Consulting Services - Large Providers, Strategy and Consulting Services-Midsize providers, Strategy and Consulting Services-Specialists, Development and Deployment Services - Large Providers, Development and Deployment Services - Midsize Providers, Development and Deployment Services - Specialists.

This ISG Provider Lens™ study offers IT-decision makers:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments
- Focus on Global market

This ISG Provider Lens™ study offers IT-decision makers: Our study serves as the basis for important decision-making in terms of positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing provider.

Provider Classifications

The segmentation between large, mid-size and specialist providers are designed from a provider's perspective and NOT from an enterprise perspective. The provider position reflects the suitability of providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries.

- **Large Providers** are those with revenues exceeding $3 billion and a workforce of over 100,000 employees. They cater to multiple verticals, often spreading their resources across a broad range of industries. Their primary focus lies in serving large enterprises, often engaging in large transformation projects that require deep expertise, extensive resources, and the ability to manage complex, enterprise-wide innovations. Their deep industry experience, broad service capabilities, and strategic partnerships with technology giants position them as key players in the global digital services landscape.
- **Mid-size Providers** on the other hand, generate less than $3 billion in revenue and typically specialize in 3-4 verticals where they hold strong capabilities and significant revenue share. With a leaner workforce of under 75,000 employees, these providers adopt an agile and flexible approach, making them well-suited to serve both large enterprises and mid-market clients with tailored, industry-specific solutions. They also have strong inherent capabilities and heritage in Digital Engineering services. This combination of domain expertise, flexibility, and a strong focus on innovation positions them as effective partners for businesses seeking to implement cutting-edge technologies with a faster, more agile approach.
- **Specialists** are service providers uniquely positioned due to their niche capabilities, which are either deeply embedded in specific verticals (e.g., healthcare, financial services) or concentrated on specialized service areas like AI and analytics. Typically, these providers focus intensely on 2-3 verticals where they hold a significant market share and expertise, allowing them to deliver highly tailored and innovative solutions. With a workforce of fewer than 10,000 employees, specialists leverage their agility and flexibility to serve both large and mid-market enterprises. Their approach emphasizes solution-based problem-solving, making them highly responsive to the specific needs of their clients.

Sweet Spot

Orion Innovation

Overview

Orion Innovation, headquartered in New Jersey, U.S., specializes in GenAI as a diverse technology stack rather than a singular innovation. It leads clients through their GenAI journey, emphasizing adaptation to this disruptive technology for innovation and problem-solving. With over 6,400 associates globally, it integrates deep industry expertise and domain-specific knowledge to deliver tailored solutions.

Key Provider Capabilities

- **Comprehensive GenAI services:** Orion Innovation's strategy and consulting services offer deep expertise in developing AI strategies and identifying the most relevant use cases for businesses. It works closely with clients to understand their specific needs and create actionable road maps that align with business objectives. Orion helps clients identify opportunities for the effective application of GenAI by using proprietary frameworks and industry-specific insights, ensuring AI adoption maximizes ROI and enhances operational efficiency across all business functions.
- **Centers of Innovation (COIs):** Orion Innovation's COIs form the backbone of its AI strategy, enabling the development of cutting-edge solutions that integrate experience design, digital product development, cloud optimization and cybersecurity. These centers combine cross-functional expertise, allowing the company to offer comprehensive, end-to-end GenAI services that transform business operations. The COIs ensure that AI solutions are innovative, scalable and adaptable to diverse client needs.
- **Platform for innovation and experimentation:** The OI Labs.ai platform enables rapid prototyping and testing of new AI-driven solutions, providing a dedicated space for experimentation. It functions as a sandbox where Orion and its clients can work together to develop, test and iterate on innovative GenAI solutions. OI Labs.ai accelerates the development cycle by providing access to advanced hardware, cloud tools, software licenses and helps clients bring AI innovations to market faster. The platform also offers an AI App Store, where clients can explore and deploy ready-to-use solutions, reducing time to market and flexibility to meet unique business requirements.

Benefits Delivered

- **Notably, improved accuracy in extracting unstructured data, with projected accuracy rates exceeding 50 percent, boosting overall document review efficiency**
- **A GenAI PoC indicated major benefits, including a 30 percent boost in productivity, with robust security measures, data masking, role-based access control and auditing practices.**

Orion Innovation

Sweet Spot

- **Customizable GenAI solutions:** Orion specializes in designing and deploying scalable, customized GenAI solutions that integrate smoothly into clients' existing IT environments. It tailors solutions for industries such as healthcare, finance and manufacturing, addressing specific operational challenges in each sector. Its focus on business integration ensures that GenAI solutions are scalable, adaptable and aligned with evolving business needs. This capability empowers clients to improve business performance while ensuring a seamless transition from traditional systems to AI-driven solutions.
- **Innovative GenAI capabilities:** Orion Innovation uses Retrieval Augmented Generation (RAG) and semantic search solutions to enhance content management and IT operations. Integrating RAG within multiagent LLM platforms, Orion enables faster, more efficient retrieval of critical information, particularly in content-heavy industries. Additionally, its AI-powered semantic search for ITSM knowledge bases significantly improves issue resolution, reducing downtime and enhancing service management by providing precise analysis of IT problems. These solutions demonstrate Orion's commitment to optimizing data interaction and streamlining operational workflows through advanced GenAI technologies.
- **Cutting-edge solutions:** Orion partners with hyperscalers such as AWS and utilizes high-performance hardware such as Nvidia H100 and A100 processors to optimize AI performance. Techniques such as FlashAttention, model precision adjustments and caching mechanisms help clients achieve high model throughput, minimize latency and ensure scalable solutions that support large AI deployments. It has successfully integrated AI into automation processes, such as enhancing data ingestion with Azure Open AI and automating complex document processing workflows to improve operational efficiency.

Future roadmap

Orion Innovation is poised for continued growth in the GenAI space over the next 12 months, focusing on the following initiatives:

- Orion plans to develop even more industry-specific GenAI solutions and deepen relationships with vendors such as Nvidia, Databricks and Snowflake, ensuring that its AI solutions are supported by the best infrastructure and align with industry-specific requirements.
- Orion will continue to focus on making AI models more transparent and interpretable so that clients can better understand and trust AI-driven decisions.
- Orion Innovation is committed to offering AI-as-a-service solutions to provide clients with on-demand access to the latest GenAI technologies.

Appendix

Methodology & Team

The ISG Provider Lens 2024 – Generative AI Services research study analyzes the relevant software vendors/service providers in the Global market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

Study Sponsor:
Namratha Dharshan

Lead Author:
Gowtham Sampath, Hemangi Patel and Arjun Das V

Editor:
Ipshita Sengupta

Research Analyst:
Arjun Das V

Data Analyst:
Ilamaran Magesh

Quality & Consistency Advisors:
Loren Absher and Olga Kupriyanova

Project Manager:
Harshita Bhatt

Information Services Group Inc. is solely responsible for the content of this report. Unless otherwise cited, all content, including illustrations, research, conclusions, assertions and positions contained in this report were developed by, and are the sole property of Information Services Group Inc.

The research and analysis presented in this study will include data from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with service providers and analysis of publicly available market information from multiple sources. ISG recognizes the time lapse and possible market developments between research and publishing, in terms of mergers and acquisitions, and acknowledges that those changes will not reflect in the reports for this study.

All revenue references are in U.S. dollars ($US) unless noted.

The study was divided into the following steps:

1. Definition of Generative AI Services market
2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
   * Strategy & vision
   * Tech Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * CX and Recommendation

Lead Author

Gowtham Sampath

Assistant Director and Principal Analyst

Gowtham Sampath is a Senior Manager with ISG Research, responsible for authoring ISG Provider Lens™ quadrant reports for Banking Technology/Platforms, Digital Banking Services, Cybersecurity and Analytics Solutions & Services market. With 15 years of market research experience, Gowtham works on analyzing and bridging the gap between data analytics providers and businesses, addressing market opportunities and best practices. In his role, he also works with advisors in addressing enterprise clients' requests for ad-hoc research requirements within the IT services sector, across industries.

He is also authoring thought leadership research, whitepapers, articles on emerging technologies within the banking sector in the areas of automation, DX and UX experience as well as the impact of data analytics across different industry verticals.

Lead Author

Hemangi Patel

Senior Manager and Principal Analyst

Hemangi has more than 10 years of experience in the field of strategy research and consulting space especially within ICT sector. She has proven her excellence in delivering projects, that include quality analysis, extensive primary and secondary research, market entry and go-to-market strategy, competitive benchmarking and company analysis, and opportunity assessment. Here at ISG, Hemangi leads research activities for service provider intelligence report in the areas of BPO focused on customer experience and contact center services.

Hemangi holds her bachelor's degree in commerce from Mumbai University and MSc in economics from Symbiosis International University, Pune.

Co-lead Author

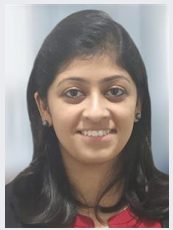
Arjun Das V

Assistant Manager & Lead Research Specialist

Arjun Das is an Assistant Manager & Lead Research Specialist with ISG and is responsible for supporting and co-authoring Provider Lens™ studies on Enterprise Service Management, ServiceNow Ecosystem, and Generative AI. He supports the lead analysts in the research process and authors the global summary report. Arjun also develops content from an enterprise perspective and collaborates with advisors and enterprise clients on ad-hoc research assignments as well.

Arjun has helmed his current role since 2020. Prior to this role, he has worked across several syndicated market research firms and has more than ten years of experience across research and consulting, with major areas of focus in collecting, analysing and presenting quantitative and qualitative data. His area of expertise lies across various technologies like IoT, Gen AI, and blockchain.

Study Sponsor



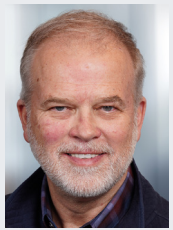
Namratha Dharshan

Chief Business Leader

Namratha brings over 19 years of market research experience, leading the ISG Provider Lens™ program focused on BPO and AI and Analytics. Namratha also leads the India Research team and is a speaker on ISG's flagship platform, the ISG Index. She leads the ISG Provider Lens BPO charter that includes coverage on AI, GenAI and analytics. The program includes more than 20 different reports. She is also responsible for delivering research on service provider intelligence. As part of her role, she heads a team of analysts and manages the delivery of research reports for the Provider Lens™ program.

She is principal analyst and is responsible for authoring thought leadership papers and service provider intelligence report in the areas of BPO focused on customer experience and contact center services. She has also authored other horizontal service line reports like finance and accounting and vertical focused reports for insurance. She is also part of Senior Leadership Council for India Research and represents a team of over 100 research professionals.

IPL Product Owner



Jan Erik Aase

Partner and Global Head – ISG Provider Lens™

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a partner and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

ISG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens™ research, please visit this webpage.

ISG Research™

ISG Research™ provides subscription research, advisory consulting and executive event services focused on market trends and disruptive technologies driving change in business computing. ISG Research™ delivers guidance that helps businesses accelerate growth and create more value.

ISG offers research specifically about providers to state and local governments (including counties, cities) as well as higher education institutions. Visit: Public Sector.

For more information about ISG Research™ subscriptions, please email contact@isg-one.com, call +1.203.454.3900, or visit research.isg-one.com.

ISG

ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 900 clients, including more than 75 of the world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including AI and automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis.

Founded in 2006, and based in Stamford, Conn., ISG employs 1,600 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.

For more information, visit isg-one.com.

ISG Provider Lens™

NOVEMBER, 2024

SWEET SPOT: GENERATIVE AI SERVICES