

Digital Engineering Services (DES) Midsize providers

Integrated Platform and Application Services

A research report comparing provider strengths,
challenges and competitive differentiators

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The U.S. is moving from AI pilots to agentic systems, unifying silos to self-healing digital threads

The U.S. digital engineering midsize landscape has reached a strategic inflection point, where organizations are transitioning from fragmented experimental cycles to high-velocity, autonomous ecosystems. In an era that is defined by survival of the smartest, the focus has shifted from tactical digital intervention to foundational elimination of intelligence debt across the silicon-to-cloud continuum. This structural mandate unifies R&D, operations and CX into a single, AI-led digital thread, ensuring that every physical asset and digital platform functions as a self-optimizing growth engine.

The business metric-driven mandate

In 2026, the midsize market in the U.S. is defined by operational agility. Enterprises are architecting digital threads, connecting every business metric from R&D and cost

efficiency to warehouse productivity. Leading organizations are those that address these functional silos and transform raw telemetry into self-healing workflows, ensuring that their limited capital delivers maximum, measurable impact across the entire value chain.

U.S. enterprises across sectors are enabling end-to-end traceability through digital threads, ensuring that every automated decision is explainable and secure. As geopolitical tensions strain global supply chains, a renewed domestic push for physical AI and smart manufacturing is emerging. Regulatory shifts are incentivizing the adoption of digital twins not just for design, but also as mandatory dynamic documents for market surveillance and sustainability reporting, effectively merging digital and physical compliance landscapes.

- **From pilot to agentic reality:** The market has moved past isolated AI chatbots to agentic AI autonomous multi-agent systems that plan, act and self-correct, effectively reducing intelligence debt by automating complex, cross-functional workflows.

Scaling **agentic AI** and **digital threads** to unify R&D, operations and CX platforms.



- **The vanishing silo and unified data:**

The walls between R&D, operations and CX are breaking down as organizations adopt a single source of truth, replacing fragmented legacy spreadsheets with real-time, event-driven data architectures.

- **Cloud 3.0 and silicon sovereignty:**

Cloud-first models have evolved into strategic hybrid ones, where enterprises use public cloud for elasticity. However, they move sensitive, high-frequency AI inference to private edge environments or custom-designed silicon to gain better control over performance and data sovereignty.

Enterprise priorities: The era of value orchestration

In 2026, enterprise priorities have shifted from digitizing the past to architecting the future. The primary investment has transitioned toward value orchestration, which extends beyond deploying new tools to integrating them into a cohesive, self-optimizing system. Midsize enterprises are striving to eliminate intelligence debt (the untapped potential trapped in siloed data) by investing significantly

in agentic AI and digital threads. They are moving away from isolated pilots toward a top-down strategy where AI becomes the core infrastructure, managed with the same financial and operational rigor as traditional utilities. The primary goal is to achieve architectural liberation by replacing brittle legacy monoliths with composable, cloud-native platforms that can adapt to market shifts in real-time. Enterprises must strategically invest in and embrace emerging technology trends that unlock new opportunities and drive sustained business outcomes over the long run.

Organizations committing to unrealistic expectations to justify investments eventually experience widespread dissatisfaction with delivered outcomes. Newer initiatives that align stated objectives with achievable outcomes are restoring confidence and strengthening conviction in technology transformations.

In 2026, as AI governance transitions from ethical guidelines to mandatory regulatory compliance, companies are faced with issues related to the log and traceability of automated decisions. Thus, they are cross-training and upskilling the existing staff with the technology

skills required to cater to the growing demand for AI-assisted problem solvers. Consequently, the transformation goal for 2026 is the realization of a phygital enterprise: a state where the silicon-to-cloud lifecycle is fully realized and every physical action is mirrored, analyzed and optimized within a dynamic digital twin. IT/OT convergence is another lever, which enables physical assets and digital systems to remain connected, integrated and orchestrated in synch.

Following is an outline of enterprise priorities in the midsize market:

- **Silicon-to-cloud continuum and hardware-software convergence:**

Enterprises are prioritizing full-stack sovereignty by co-designing custom silicon with cloud-native software. This approach eliminates performance bottlenecks of generic hardware and enables highly optimized end-to-end use cases in which specialized chips at the edge feed real-time data into large cloud-based digital twins for near-instant global optimization.

- **Dissolving silos through digital threads:**

A top transformation goal is the elimination of data islands through the implementation of a universal digital thread. By connecting R&D, manufacturing and post-market services into a single, continuous stream of intelligence, organizations are addressing intelligence debt and ensuring that insights from the physical field automatically inform the next generation of digital design.

- **Platform-led phygital ecosystems:**

Platforms that bridge digital and physical assets are garnering investment. Enterprises are no longer building standalone applications but moving toward engineering-integrated platforms that treat factory floors, supply chains and consumer products as nodes within a unified network. This platform-as-the-product strategy ensures that every physical interaction is captured and monetized through a robust, scalable digital backbone.

Empowering the digital evolution

The U.S. digital engineering midsize landscape is characterized by a shift from traditional IT to



Executive Summary

high-velocity, specialized innovation. Unlike larger counterparts, midsize providers offer a blend of agility and deep technical intimacy, acting as strategic catalysts for enterprises looking to modernize at scale without the overhead of global providers. This summary evaluates top-tier providers across three critical pillars of the digital value chain:

- **Augmented design and R&D services:** Leverage AI-driven modeling and simulation to shorten product development lifecycles and enable next-generation hardware and software architectures.
- **Intelligent operations and connected experience:** Fuse IoT, edge computing and data analytics to create seamless, phygital ecosystems that optimize internal efficiencies and elevate customer engagement.
- **Integrated platform and application services:** Build the modern enterprise backbone through cloud-native engineering, microservices and robust API frameworks that ensure long-term scalability and resilience.

In the augmented design and R&D services space, providers are focusing on closing the silicon-to-cloud gap by integrating AI and ML directly into the hardware and software lifecycle.

Simultaneously, the convergence of intelligent operations and integrated platform services is redefining how value is delivered across both digital and physical touchpoints. Midsize specialists are increasingly deploying end-to-end use cases that treat infrastructure as a strategic asset rather than a commodity, facilitating a seamless flow of intelligence from edge devices to enterprise platforms. By architecting platforms that harmonize physical assets with cloud-native applications, these providers enable organizations to eliminate operational friction and respond to market shifts in real-time. This holistic integration ensures that digital transformation is not only an overlay but a foundational capability that powers connected experiences and resilient, platform-led growth.

Provider dynamics: Strategic responses to the intelligence crisis

Midsize service providers in the U.S. have evolved from tactical execution partners to strategic architects of the silicon-to-cloud continuum. To address the pilot fatigue experienced by enterprises, providers are differentiating through architectural liberation, the practice of decoupling legacy monoliths and rebuilding them as modular, event-driven platforms. Their competitive positioning centers on inference economics, helping clients navigate the rising AI compute costs by optimizing model placement across a strategic hybrid infrastructure. By investing in proprietary digital twin libraries and automated test rigs, midsize players are successfully compressing R&D lifecycles and offering a high-touch, agile alternative to the standardized delivery models of larger global integrators.

Partnership strategies have evolved from simple reseller agreements to deep co-innovation ecosystems with specialized AI-native startups and custom silicon designers. Providers are aggressively building agentic workflows and multi-agent AI systems to autonomously manage complex, cross-functional tasks such as supply chain remediation or predictive-to-

prescriptive maintenance with the human-in-a-loop paradigm. To address the growing intelligence debt, they are embedding digital threads into every engagement, ensuring data provenance and traceability remain compliant by design. This shift from project-based billing to outcome-driven, platform-led models enables midsize providers to operate as persistent R&D extensions and directly link their engineering efforts to client top-line revenue growth and operational resilience.

- **Sovereign cloud integration:** U.S. enterprises are prioritizing architectures that address data residency and jurisdictional control. By decoupling from generic, black box public clouds and adopting integrated frameworks, they ensure sensitive IP and AI training data remain within regulated, localized boundaries.
- **The rise of physical AI:** Significant investment is flowing into the convergence of robotics, IoT and edge computing, creating phygital environments where digital twins are used as the primary nerve center for real-world autonomous operations.



- **Trust as a service:** Midsize leaders are positioning themselves as guardians of digital provenance by implementing responsible AI frameworks and knowledge graphs that allow every AI-driven conclusion to be traced to its source and meet stringent transparency mandates in 2026.

Strategic Outlook: The Unified Intelligence Era

The future of the U.S. midsize digital engineering space is evolving toward ambient autonomy, where the distinction between physical products and digital intelligence disappears. As the decade progresses, the market will shift from building connected solutions to orchestrating autonomous value chains. Strategic success will no longer be measured by the deployment of cloud platforms but by the ability to reduce intelligence debt across the entire silicon-to-cloud lifecycle. Providers that master inference economics, i.e., minimizing the energy and financial cost of AI while maximizing its real-time edge performance, will emerge as tier 1 partners for modern enterprises.

The trajectory of this market points toward the convergence of digital twins and digital threads into a unified dynamic enterprise nervous system. This evolution will dismantle remaining functional silos, as R&D, manufacturing and CX data flow through a unified, event-driven architecture. For enterprises, the goal is architectural liberation: the ability to swap, scale and evolve digital components without the constraints of legacy technical debt. As regulatory mandates around digital provenance and responsible AI intensify, providers that embed transparency and traceability into the foundational phygital fabric will lead the next wave of industrial and digital transformation.

- **The rise of human-centric agentic ecosystems:** The market is evolving toward a multi-agent economy where autonomous AI systems execute action with humans across the digital and physical environments, from procurement to predictive maintenance, with zero-latency synchronization.
- **Hardware-defined software:** Future engineering will drive reverse convergence, where software requirements define custom silicon architecture. This silicon-to-cloud

integration will support high-performance end-to-end use cases in autonomous transport and remote surgical robotics.

- **From platforms to dynamic systems:** The next frontier is the self-healing enterprise, where integrated platforms leverage continuous feedback loops from digital twins to automatically reconfigure operations in response to geopolitical shifts or supply chain disruptions.

In 2026, the U.S. midsize market will have transitioned from a digital follower stance to a value-native leader. Facing tighter capital constraints, these agile organizations are bypassing legacy transitions of the past decade. Instead, they are adopting agentic AI and cloud-native architectures as key equalizers. By focusing on modularity through MACH-aligned (microservices, API-first, cloud-native and headless) ecosystems, these firms are industrializing innovation across the product lifecycle, effectively competing on speed and precision rather than sheer scale.

The current landscape is defined by the convergence of IT, OT and ET. Midsize leaders are leveraging digital thread platforms to unify siloed data from R&D labs to the factory floor and the end customer. This integration is now a survival mandate, as clean core strategies and model-based systems engineering (MBSE) enable these companies to reduce technical debt while scaling hyperpersonalized experiences. This report outlines and establishes how midsize providers are leveraging these digital tools to drive predictive R&D, self-healing operations and resilient enterprise platforms in the current fiscal year.

2026 marks a defining shift from digital intervention as enabler to autonomous orchestration as the foundational architect of the silicon-to-cloud enterprise.





Provider Positioning

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	Augmented Design and R&D Services	Intelligent Operations and Connected Experiences	Integrated Platform and Application Services
Accion Labs	Product Challenger	Product Challenger	Leader
ACL Digital	Product Challenger	Market Challenger	Market Challenger
Altimetrik	Product Challenger	Not In	Leader
Apexon	Leader	Leader	Leader
Ascension	Not In	Not In	Leader
Bahwan Cybertek	Contender	Contender	Contender
Birlasoft	Leader	Leader	Not In
Bosch SDS	Leader	Leader	Leader
Coforge	Leader	Leader	Leader
Cyient	Leader	Leader	Leader





Provider Positioning

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	Augmented Design and R&D Services	Intelligent Operations and Connected Experiences	Integrated Platform and Application Services
elinfochips	Leader	Rising Star ★	Product Challenger
Happiest Minds	Product Challenger	Product Challenger	Product Challenger
Hexaware	Leader	Not In	Leader
IndX	Not In	Market Challenger	Not In
Infinite Uptime	Not In	Contender	Contender
InfoVision	Contender	Product Challenger	Contender
Innominds	Contender	Product Challenger	Contender
Innover Digital	Contender	Contender	Contender
Intellias	Contender	Contender	Not In
ITC Infotech	Rising Star ★	Product Challenger	Rising Star ★





Provider Positioning

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	Augmented Design and R&D Services	Intelligent Operations and Connected Experiences	Integrated Platform and Application Services
KPIT	Product Challenger	Product Challenger	Product Challenger
LTTS	Leader	Leader	Leader
Mastek	Not In	Not In	Product Challenger
Milestone Tech	Contender	Not In	Not In
Mindsprint	Not In	Product Challenger	Product Challenger
Motherson Technology	Product Challenger	Product Challenger	Not In
Movate	Not In	Product Challenger	Not In
Nagarro	Product Challenger	Contender	Product Challenger
Ness Digital Engineering	Not In	Not In	Product Challenger
Persistent Systems	Leader	Leader	Leader





Provider Positioning

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	Augmented Design and R&D Services	Intelligent Operations and Connected Experiences	Integrated Platform and Application Services
Prodapt	Contender	Contender	Market Challenger
Quest Global	Leader	Leader	Leader
R Systems	Not In	Not In	Product Challenger
Randstad Digital	Product Challenger	Product Challenger	Product Challenger
Simform	Contender	Market Challenger	Contender
Softdel	Product Challenger	Product Challenger	Product Challenger
Straive Digital	Not In	Contender	Not In
Sutherland	Market Challenger	Leader	Market Challenger
Tata Elxsi	Leader	Leader	Leader
TechWave	Not In	Not In	Contender





Provider Positioning

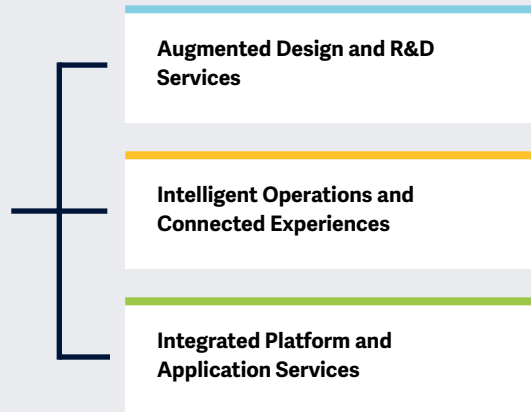
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	Augmented Design and R&D Services	Intelligent Operations and Connected Experiences	Integrated Platform and Application Services
TO THE NEW	Contender	Not In	Contender
UST	Leader	Leader	Leader
Virtusa	Product Challenger	Product Challenger	Leader
VVDN Technologies	Market Challenger	Contender	Contender
Xoriant	Product Challenger	Product Challenger	Product Challenger
Zensar Technologies	Leader	Leader	Leader



Key focus areas of the Digital Engineering Services (DES) Midsize 2026 study

Simplified Illustration Source: ISG 2026



Definition

The ISG Provider Lens® Digital Engineering Services 2026 study offers the following to business and IT decision-makers:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments on their competitive strengths and portfolio attractiveness
- Focus on different markets, including Europe and the U.S.

Our study serves as an important decision-making basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential engagements.

Large Providers are those with revenues exceeding \$2 billion and a workforce of more than 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.

Midsize Providers, on the other hand, generate less than \$2 billion in revenue and typically specialize in 3-4 verticals where they hold strong capabilities and significant revenue share. With a lean workforce of less than 100,000 employees, these providers adopt an agile and flexible approach, making them well-suited to serve both large enterprises and midsize 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.



Scope of the Report

This ISG Provider Lens® quadrant report covers the following three quadrants for services: Augmented Design and R&D Services, Intelligent Operations and Connected Experiences, and Integrated Platform and Application Services.

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

- Transparency on the strengths and weaknesses of relevant providers/ software vendors
- A differentiated positioning of providers by segments (quadrants)
- Focus on the regional market

Our study serves as the basis for important decision-making by covering providers' positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing vendor relationships and potential engagements.

Provider Classifications

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. In case the service requirements from enterprise customers differ and the spectrum of providers operating in the local market is sufficiently wide, a further differentiation of the providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between \$20 million and \$999 million with central headquarters in the respective country, usually privately owned.

- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above \$1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens® quadrants are created using an evaluation matrix containing four segments (Leader, Product & Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens® quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

- **Number of providers in each quadrant:** ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).





Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/ services and follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.





Integrated platform and Application Services

Who Should Read This Section

This report is valuable for providers offering integrated platform and application services in the U.S. to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers based on the depth of their service offerings and market presence.

CIOs, CTOs and platform owners

should read this report to formulate platformization strategies that reduce complexity and increase reliability. The report discusses ecosystem orchestration, API governance, multicloud options and operating models for platform engineering. The guidance helps select partners that deliver common platforms, reusable modules and telemetry-driven service-level objectives (SLOs), aligning product roadmaps with secure, scalable digital foundations.

AppDev and application development and maintenance (ADM) leaders

should read this report to accelerate modernization with CI/CD, infrastructure as code and refactoring strategies. The report outlines code capabilities, reusable components and parallel development aligned to product platform variants. It covers backlog hygiene, value stream metrics and developer experience, helping teams deliver secure, reliable features without compromising velocity.

Enterprise architects

should read this report to gain insights into composable architectures, event-driven integration and containerization. The report covers domain APIs, policy as code and service mesh to standardize interoperability across physical and digital product platforms. It also shows how behavioral intelligence integrates user and device signals into continuous improvement loops, ensuring consistent UX across channels in near real time.

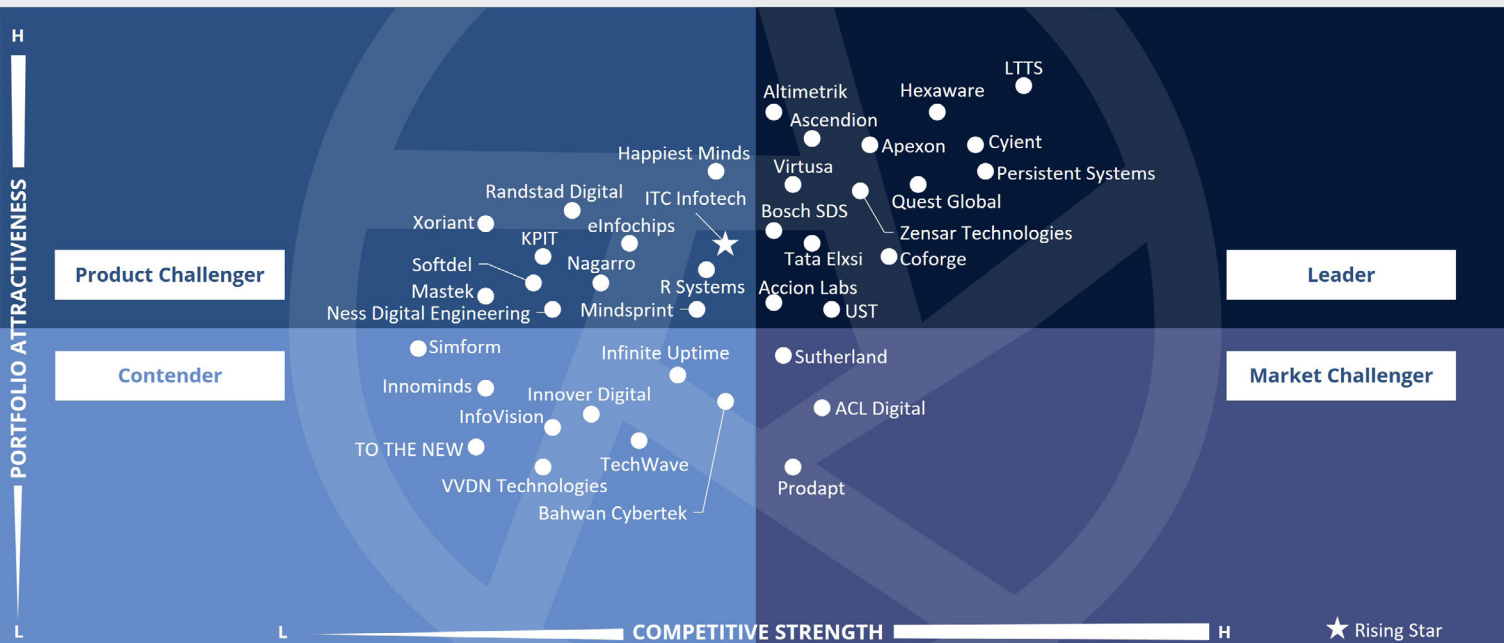
Security and DevSecOps leaders

should read this report to identify controls for GenAI augmentation, supply chain security and runtime protection. The report outlines how to integrate threat modeling, software bill of materials (SBOMs), policy gates and secrets management into pipelines, while applying zero trust patterns and provenance checks across microservices. It helps establish guardrails that enable rapid innovation while maintaining compliance in regulated environments.



Digital Engineering Services - Mid-tier Providers Integrated Platform and Application Services

U.S. 2026



This quadrant assesses the providers' ability to build a platform of virtual and physical architectures with **agent-native infrastructure**. It evaluates legacy modernization abilities using **self-refactoring code** to ensure platform-led enterprise agility.

Shirish Kulkarni



Integrated Platform and Application Services

Definition

This quadrant evaluates providers' ability to design, build and manage digital platforms and applications that serve as the foundation for scalable, secure and intelligent enterprise operations, covering lifecycle management for both physical and virtual aspects of the product. The focus is on modular, cloud-native and API-driven architecture that enable rapid innovation, seamless integration and consistent UX.

Providers in this quadrant are expected to deliver platform-as-a-product capabilities, orchestrate digital ecosystems, and support microservices, containerization and behavioral intelligence. The quadrant also covers real-time experience management, multi-platform integration and the use of GenAI for content development, knowledge curation and platform augmentation.

The goal is to assess how providers help enterprises shift from product-centric to platform-centric models, enabling plug-and-play operations, simplified maintenance and enhanced reliability across the value chain.

Eligibility Criteria

1. Using **digital ecosystem orchestration platforms** to build and operate common platforms that reduce complexity and accelerate time to market
2. Delivering **integrated digital technology platforms** that connect systems, hardware and software across multi-disciplinary, cross-functional enterprise environments
3. Having the ability and implement **API strategies, microservices and containerized solutions** for scalable platform engineering
4. Using **cloud-native platforms and digital-native design** to support smart and connected product development
5. Applying **behavioral intelligence and predictive analytics** to real-time data from users and devices
6. Synchronizing **UX** across platforms in real time to ensure consistency and responsiveness as a feedback loop for continuous improvement across the value chain
7. Delivering **ADM capabilities** for platform and app modernization, including DevSecOps and CI/CD
8. Demonstrating experience in **multi-platform integration, code capability** and reusable module development running in parallel and in close sync with physical product platforms to support the iterations and product variants
9. Proven success in using **GenAI** for platform augmentation, content development and intelligent knowledge curation in customer-centric use cases



Integrated Platform and Application Services

Observations

The Integrated Platform and Application Services quadrant in 2026 notes that U.S. midsize enterprises are increasingly seeking out-of-the-box architectures. As organizations struggle with the prohibitive costs of legacy technical debt, provider positioning is now dictated by the ability to offer self-refactoring application environments. We observe that providers that have invested in agent-native infrastructure are displacing traditional cloud-migration specialists.

The year has been marked by capabilities focused on sovereign cloud platforms and automated code remediation tools, reflecting the need for hyper-secure and elastic foundations for agentic AI. Compared to last year, the providers ahead of the curve have demonstrated internal first-customer benefits, quantifying in USD how platform-led modernization has reduced their own operating costs while showcasing their revenue impact externally. The distinction between application development and infrastructure management has blurred, giving rise to sovereign AI fabrics

that enable U.S. enterprises to move workloads autonomously across hybrid environments based on real-time regulatory and cost triggers. From the 46 companies assessed for this study, 39 qualified for this quadrant, with 15 being Leaders and one Rising Star.

Accion Labs

Accion Labs is an innovation-first engineering partner specializing in rapid prototyping and modernizing legacy product stacks using AI-integrated software development lifecycle (SDLC) practices.

Altimetrik

Altimetrik is advancing to be a modernization powerhouse that re-architects legacy systems into clean core AI-native platforms using automated accelerators and a practitioner-led engineering approach.



Apexon modernizes legacy portfolios into AI-native platforms, specializing in cloud-native development and high-compliance application services for regulated industries.

Ascendion

Ascendion is striving to become a modernization specialist that replatforms legacy systems into agentic AI-native ecosystems, using the AAVA™ platform to ensure transparency, security and high-velocity code migration.



Bosch SDS modernizes enterprise structure into AI-native platforms, specializing in cloud-to-edge connectivity, cybersecurity and ERP-driven operational agility.



Coforge provides AI-native cloud-modernization and platform engineering, specializing in low-code/no-code and cloud-native transformations for the global mid-market.



Cyient provides AI-native platform engineering and application modernization, specializing in migrating legacy systems to cloud-native, software-defined architectures for the industrial enterprise.



Hexaware integrated platform and application services focus on RapidX-led modernization, strong low/no-code depth, scaled cloud-native delivery and AMS—engineering convergence.



Integrated Platform and Application Services



LTTS, as a global ER&D provider, bridges the gap between hardware and software. It specializes in cloud-native application development, platform engineering and AI-led digital integration, helping enterprises modernize legacy systems into scalable digital ecosystems.



Persistent Systems builds and modernizes software-defined platforms, specializing in legacy-to-cloud migration and data monetization for high-compliance industries.



Quest Global specializes in integrated software platforms that unify hardware, embedded systems and cloud layers.

Tata Elxsi

Tata Elxsi modernizes legacy estates into AI-native platforms, specializing in cloud-based connected care and high-compliance software.



UST is strongly driving modernization as a focus that replatforms legacy cores into AI-first ecosystems for secure and scalable growth using digital frameworks.

Virtusa

Virtusa is quickly becoming a platform engineering specialist that modernizes legacy systems into future-ready digital cores using AI-augmented tools, MACH architectures and a clean core cloud strategy.

zensar

By fusing its product engineering culture with a deep-rooted expertise in legacy systems, **Zensar Technologies** serves as a bridge for enterprises looking to transition from reactive IT maintenance to becoming proactive, AI-native organizations.

ITC Infotech (Rising Star)

ITC Infotech (Rising Star) is aiming at being a modernization specialist, replatforming legacy cores into AI-native digital foundations. It employs a clean core strategy to reduce technical debt and accelerate innovation and industrial-grade business agility.



Altimetrik



"Altimetrik, a strong player, delivers enterprise-grade engineering through its proprietary Digital Business Methodology. This approach transcends simple application development and creates high-performance, AI-enabled ecosystems."

Shirish Kulkarni

Overview

Headquartered in Southfield, U.S., Altimetrik was acquired by TPG in 2024. It recently integrated SLK Software to broaden its scale. Altimetrik is an AI-first digital engineering services firm with a global workforce exceeding 10,500 practitioners managing and serving Fortune 500 leaders. It has 18 engineering centers in 17 countries. Its application services reduce technical debt and make legacy systems AI-ready. The company's platform modernization approach involves more than merely moving to the cloud; it reengineers the digital core to support multi-agent AI systems, real-time inferencing and secure, scalable growth.

Strengths

AI-augmented quality engineering: Through its API test automation accelerators and Test Case Optimizer, Altimetrik uses autonomous AI agents to execute and maintain testing cycles. By decreasing validation timelines from weeks to mere hours, it provides high-fidelity assurance for mission-critical finance and retail platforms.

Full-spectrum AI SDLC covering engineering and CX delivery: Altimetrik's six-pillar service model spans AI PDLC co-creation, digital experience design, AI engineering, agentic SDLC development, workflow orchestration and human-agent experience design, covering the complete software and product delivery lifecycle.

Accelerator-led modernization: Altimetrik's high-velocity Cloud Migration Accelerator automates the provisioning and governance of complex cloud resources. Its Agentic Engineering framework delivers AI-powered end-to-end legacy modernization through platform assessment, design-to-code and development. It accelerates the time-to-cloud by evaluating legacy workloads and converting them into standardized, compliant Terraform code. This approach ensures that infrastructure is inherently governed, allowing enterprises to shift from monolithic silos to agile, AI-ready cloud environments.

Caution

Altimetrik's rapid expansion through the SLK integration and a broad multi-vertical portfolio introduces execution risk in maintaining consistent delivery quality across geographies and regulatory contexts.





Appendix

The ISG Provider Lens® 2026 – Digital Engineering Services (DES) Midsize providers study analyzes the relevant providers in the global market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

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The research and analysis presented in this report includes research 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. The data collected for this report represent information that ISG believes to be current as of May 2026 for providers that actively participated and for providers that did not. ISG recognizes that many mergers and acquisitions may have occurred since then, but this report does not reflect these changes.

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

The study was conducted in the following steps:

1. Definition of Digital Engineering Services (DES) Midsize providers market
2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities and use cases
4. Leverage ISG's internal databases and advisor knowledge & experience (wherever applicable)
5. Detailed analysis and evaluation of services and service documentation based on the facts & figures received from providers and other sources.

6. Use of the following key evaluation criteria:

- * Strategy and vision
- * Innovation
- * Brand awareness and presence in the market
- * Sales and partner landscape
- * Breadth and depth of portfolio of services offered
- * Technology advancements



Author and Editor Biographies

Lead Analyst



Shirish Kulkarni
Senior Lead Analyst

Shirish Kulkarni brings in a vast and well-rounded experience of 30 years from Global Corporations with the DNA of leveraging IT for Business Transformation. Last 7+ years, he has been sharing his entrepreneurial learnings for Small and Medium Businesses to better business effectiveness and efficiencies. He has a unique blend of experience covering contributions in Consultancy & Advisory, Innovation & Transformation, R&D center of an Indian automaker, customer management, and support, exposure to the end-to-end product development lifecycle from renowned organizations from inception to stabilization, and finally inward / outward-looking experience in a services organization.

He has been instrumental in driving a global domain practice in the space of Manufacturing Excellence by identifying it as a white space in comparison with the competition and creating the whole of GTM (Go-To-Market) Strategy with the thought process of offerings, solutions to success stories on the Global Landscape with close interaction with the Research & Advisory firms. He specializes in the areas of Business Innovation & Technology changes, possessing an ability - to build a Larger Picture by Connecting Dots, to drive changes from Concept to Realization, to work on Inner Conviction, to question the Status-Quo, aiming to optimize Business Operations.

Research Analyst



Sachin Kamgonda Birajdar
Senior Research Analyst

Sachin Birajdar joined ISG as a Senior Research Analyst in November 2024. Based in Pune, India, he holds an MBA in Marketing from Savitribai Phule Pune University. Sachin brings over five years of experience in market research, competitive intelligence, and strategic advisory, specializing in the ICT domain. His expertise spans both qualitative and quantitative research, covering technology areas such as information security, imaging and print solutions, and digital transformation technologies.

At ISG, Sachin contributes to the Digital Engineering Services study, where he focuses on analyzing market trends, provider capabilities, and innovation strategies that

drive next-generation engineering and platform services. He has a proven track record of conducting end-to-end research projects, from client briefings and primary research to data modeling and insight-driven reporting.

Prior to joining ISG, Sachin worked at IDC (International Data Corporation) and Quadrant Knowledge Solutions, where he led multiple research and consulting projects, delivering market insights that supported clients' go-to-market



Author and Editor Biographies

Study Sponsor



Iain Fisher
Director, Research

Iain Fisher is ISG's head of industry research and market trends. With over 20 years in consulting and strategic advisory, Iain now focuses on cross industry research with an eye on technology led digital innovation, creating new strategies, products, services, and experiences by analysing end-to-end operations and measuring efficiencies focused on redefining customer experiences. Fisher is published, known in the market and advises on how to achieve strategic advantage. A thought leader on Future of Work, Customer Experience, ESG, Aviation and cross industry solutioning. He provides major market insights leading to changes to business models and operating models to drive out new ways of working.

Fisher works with enterprise organizations and technology providers to champion the change in customer focused delivery of services and solutions in challenging situations. Fisher is also a regular Keynote speaker and online presenter, having authored several eBooks on these subjects.

IPL Product Owner



Jan Erik Aase
Partner and Global Head – ISG Provider Lens®/ISG Research

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.



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. 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](#).

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.

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The firm, founded in 2006, is known for its proprietary market data, in-depth knowledge of provider ecosystems, and the expertise of its 1,600 professionals worldwide working together to help clients maximize the value of their technology investments.

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REPORT: DIGITAL ENGINEERING SERVICES (DES) MIDSIZE PROVIDERS