

Magic Quadrant for Public Cloud Optimization and Transformation Services

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By Joe Trejo, Christopher Wiles, [and 3 more](#)

Cloud optimization and transformation is proven to drive measurable business outcomes on continuous workload optimization. This research highlights 2026 key trends such as AI/GenAI/agentic AI, and sovereign and multicloud, while helping you select the best-fit providers for your organization.

Market Definition/Description

Gartner defines public cloud optimization and transformation services (PCOTS) as services focused on optimizing and transforming cloud workloads to maximize the value from hybrid multicloud environments. It includes migration, optimization, transformation and ongoing management of public cloud infrastructure and platform services. PCOTS providers help organizations realize ongoing business value through the use of public clouds, such as Amazon Web Services (AWS), Google Cloud Platform (GCP), Microsoft Azure, Oracle Cloud Infrastructure (OCI).

PCOTS providers transform client products, applications, workloads and data to the public cloud to achieve their clients' business outcomes. They promote the use of cloud-native tools, automation, security and platform services. These providers employ globally consistent methodologies for cloud optimization, transformation, and ongoing operations, leveraging integrated automation and tooling platforms enhanced with AI, machine learning, and data and analytics (D&A).

Mandatory Features

The mandatory features for this market include:

- **Comprehensive transformation approach:** The services emphasize application- and infrastructure-focused optimization and transformation, encompassing the key transformational patterns of Gartner's "five Rs" of cloud migration (rehost, revise, rearchitect, rebuild and replace). These prioritize the "revise" or "lift and optimize" pattern to be cloud-optimized and the rearchitect/rebuild patterns to be cloud-native or part of a strategic cloud transformation, which both demand substantial software engineering expertise.
- **Business-outcome-driven engagement:** The service provider's engagement model prioritizes business outcomes. It initiates discussions by understanding clients' business needs and objectives and then translating them into future-proof integrated solutions, rather than focusing solely on technology-specific aspects.
- **Cloud-native and application development expertise:** The services offer a range of application development capabilities that support multiple transformation patterns, with a strong emphasis on cloud-optimized and cloud-native approaches when designing application architectures and operational models. By adhering to these principles, PCOTS providers maximize the benefits of a client's environment, future-proofing autoscalability, resilience, elasticity and efficient resource utilization for the client's solutions.
- **Multicloud expertise:** These services enable organizations to efficiently integrate and manage workloads across multiple public cloud providers by leveraging comparable IaaS and PaaS solutions, ensuring flexibility and innovation.
- **Environmental, social and governance (ESG):** The services address environmental and social sustainability and governance concerns. It also focuses on the ESG impacts of the service in a client's environment.

Optional Features

The optional features for this market include:

- **Continuous workload optimization:** Prioritizing the efficient use of public cloud resources to maximize performance and minimize costs.

- **Cloud-native workload transformation:** Helping clients modernize and migrate applications to better leverage cloud-native capabilities.
- **Integrated tooling platforms:** Providing unified management, monitoring, and optimization, across both optimized and transformed public cloud environments, through a comprehensive platform.
- **Integration of advanced technologies:** Adopting orchestration, automation, artificial intelligence (AI), and machine learning (ML) at an accelerated pace, enabling smarter and more integrated and automated workload management.
- **Hybrid multicloud strategies:** Supporting organizations adopting hybrid multicloud environments, requiring more complex optimization and integration solutions.
- **Enhanced security and compliance:** Emphasizing the integration of security and compliance into optimization and transformation processes.
- **Continuous innovation:** Demonstrating rapid innovation by regularly introducing new features and capabilities to stay competitive.
- **Industry cloud solutions:** Customizing solutions to address specific industry needs and client requirements.
- **Sovereign cloud adoption:** Supporting sovereign cloud solutions to address data residency, privacy, and regulatory requirements, especially for organizations in highly regulated industries and regions.

Magic Quadrant

Figure 1: Magic Quadrant for Public Cloud Optimization and Transformation Services





Gartner

Vendor Strengths and Cautions

Accenture

Accenture is a Leader in this Magic Quadrant. It is a global professional services company focused on reinvention and “human in the lead” AI-enabled transformation, with more than 786,000 employees operating in more than 120 countries. Its FY25 revenue was \$69.7 billion, with PCOTS revenue reaching \$27.4 billion. Its PCOTS customers are split across Microsoft Azure (60%), Google Cloud (35%), AWS (33%) and OCI (25%). It has more than 13,000 hyperscaler expert certifications. Its PCOTS customers are based in Europe (45%), North America (34%), Asia/Pacific (15%), South and Central America (4%) and the Middle East and Africa (2%). Accenture differentiates itself by combining a massive global delivery scale with

proprietary end-to-end agentic AI platforms to execute complex, outcome-driven digital core reinventions.

Strengths

- **Outcome-driven commercials:** Accenture shifts commercial risk away from traditional IT metrics toward tangible business value across its engagements. For clients, this means it actively replaces standard SLAs with highly tailored experience-level indicators that guarantee continuous operational improvement and align provider fees with actual business success. Accenture has elevated this approach, with 92% of its PCOTS engagements now including explicitly contracted business outcome metrics that directly tie provider economics to the client's realized value.
- **End-to-end transformation and unmatched talent scale:** Accenture excels at translating overarching business strategies into executable cloud architectures for massive global enterprises. Supported by sustained investments in continuous learning and an extensive global delivery network, clients continue to benefit from an exceptionally large, dedicated workforce holding multiple certifications across all major hyperscalers, which severely derisks complex, multiyear modernization efforts.
- **Aggressive AI strategy:** Acting as an AI-first organization, Accenture's R&D spending ranks among the highest in the industry. This matters to clients because it allows them to scale autonomous delivery and deeply embed cognitive intelligence across the enterprise life cycle.

Cautions

- **Enterprise deal focus:** Accenture focuses on complex transformations for global enterprises, making it less suitable for tactical projects. Since deep consultative modernization is its priority, stand-alone lift-and-shift executions or rapid data center exits may find other providers better optimized for those specific, high-velocity engagements.
- **Large offshore footprint:** Accenture's delivery model includes significant offshore delivery capacity. Clients requiring highly localized collaboration, continuous on-site personnel presence, or adherence to strict data residency and sovereign compliance mandates should explicitly define their required onshore delivery mix to ensure alignment.
- **Pricing and commercial structure:** Accenture's services are often positioned at a premium relative to peers. As Accenture scales its capabilities, buyers may encounter structural complexity when attempting to differentiate traditional delivery costs from newer, modular

AI agent offerings. Procurement teams should mandate strict transparency during negotiations to accurately isolate and assess the value of embedded AI services.

Brillio

Brillio is a Niche Player in this Magic Quadrant. It is a digital-native technology consulting firm focused on AI, cloud and engineering services, with more than 6,000 employees operating in at least six countries. Its latest publicly visible revenue was undisclosed. It serves clients, in order of magnitude, on Microsoft Azure, AWS, Google Cloud and OCI, and it has more than 100 hyperscaler expert certifications. The vast majority of its PCOTS customers are concentrated in North America, with a significantly smaller presence across Europe and Asia/Pacific. Brillio differentiates itself as an agile, midmarket-focused provider employing AI-led knowledge graphing and experiential commercial models.

Strengths

- **Flexible commercial models:** Brillio distinguishes itself by utilizing versatile pricing structures including outcome-based, deliverable-based, or workload complexity models for most of its customer base. It prioritizes experience-level agreements (XLAs) as an alternative to conventional IT SLAs, linking its service fees directly to business results and end-user satisfaction levels.
- **Holistic, portfolio-led modernization:** Rather than defaulting to basic lift-and-shift infrastructure rehosting, Brillio executes a modernization-first approach. It evaluates workloads based on business criticality and multicloud affinity upfront, providing clients with a validated future-state operational model before intensive migration begins.
- **Agile, AI-led CloudOps for the midmarket:** Brillio brings enterprise-grade automation to midsize enterprises (MSEs). Through its ADAM platform and ARCUS framework, it deploys purpose-built AI agents for continuous IT optimization, resulting in 30% to 40% reductions in manual toil and up to 60% faster provisioning.

Cautions

- **Lack of proprietary vertical/industry solutions:** Unlike larger peers who invest heavily in prebuilt, industry-specific clouds, Brillio relies mostly on hyperscalers' industry cloud offering, with limited development in its own portfolio. Clients with highly complex, industry-specific challenges will need to drive that business logic themselves.

- **Low adoption of proprietary tools:** Market adoption of Brillio's proprietary assets remains low compared to peers. The provider supports only 50 clients on its BrillioOne.ai cloud-native platforms and 40 clients using its ADAM templates and accelerators. These figures are low compared to other evaluated providers.
- **Limited operational scale and innovation gap:** Brillio's revenue growth of 10% trails the average of other providers. Managing roughly 100 to 110 clients and holding just 82 expert-level hyperscaler certifications, Brillio's smaller footprint restricts exposure to complex demands of global enterprises. Missing these massive engagements could widen an innovation gap over time, keeping transformation automation rates behind Tier 1 market leaders.

Capgemini

Capgemini is a Leader in this Magic Quadrant. It is a global business and technology transformation partner with strong cloud, data and AI capabilities, and more than 420,000 employees operating in more than 50 countries. Its FY25 revenue was €22.4 billion, with PCOTS revenue undisclosed. It serves clients, in order of magnitude, on Microsoft Azure, AWS, OCI and Google Cloud. It has more than 4,000 hyperscaler expert certifications. Capgemini did not provide data on PCOTS customers per region. Capgemini differentiates itself through its deep regulatory understanding, sovereign cloud strategy and pure cloud-native modernization focus.

Strengths

- **Agentic-AI-led multicloud transformation:** Capgemini operationalizes its AI-first vision through its Resonance AI Framework and RAISE agentic platform, embedding autonomous workflows directly into hybrid multicloud governance. This deep modernization capability is validated by the provider deriving 65% of its public cloud revenue specifically from complex application refactoring. Organizations can leverage this agent-driven delivery model to accelerate the modernization of monolithic applications into scalable, future-proof microservices.
- **Sovereign cloud and compliance expertise:** Capgemini specializes in digital sovereignty and EU compliance, converting complex privacy laws into secure data and AI architectures. As a trusted partner for regulated industries like defense, it helps organizations reduce risk and accelerate compliance to protect sensitive data.

- **Client-centric adaptability and intelligent operations:** Capgemini's pragmatic, open approach and proprietary platforms facilitate intelligent operations and site reliability engineering across diverse IT landscapes, demonstrating high adaptability to client requirements. This flexibility ensures that organizations can achieve transformation and operational excellence, regardless of their starting point or unique requirements.

Cautions

- **Modular tooling approach:** Capgemini's automation ecosystem heavily integrates diverse third-party market tools alongside proprietary accelerators, rather than enforcing a single, unified proprietary platform. While highly flexible, this modularity can introduce integration complexities during steady-state operations. Organizations should mandate clear interoperability standards and governance SLAs to prevent management overhead from fragmented Day 2 toolchains.
- **Lagging revenue growth:** Capgemini's single-digit revenue growth trails the market, suggesting weaker momentum than aggressive competitors. This slower growth may limit Capgemini's capacity for rapid scaling and innovation investment, a critical factor for organizations requiring high-capacity partners.
- **Slower migration times:** Capgemini's average project delivery and slower migration speeds for large workloads lag top-tier peers. Organizations needing timely migrations for critical initiatives should mandate strict delivery milestones to balance quality and speed, ensuring transformation goals and value realization within expected timelines.

Cognizant

Cognizant is a Niche Player in this Magic Quadrant. It is a technology services provider, with more than 351,000 employees operating in about 40 countries. Its FY25 revenue was \$21.1 billion, with PCOTS revenue reaching \$9.5 billion. Its PCOTS customers are split across Microsoft Azure (42%), AWS (36%), Google Cloud (11%) and OCI (11%). It has more than 5,600 hyperscaler expert certifications. Its PCOTS customers are based in North America (59%), Europe (30%), and Asia/Pacific (11%). Cognizant differentiates itself through deep healthcare domain expertise and value-driven commercial alignment.

Strengths

- **Optimization and FinOps execution:** Cognizant drives strategic TCO reduction using its Skygrade FinOps module in about 60% of its clients, to correlate utilization data with cloud

spend. By executing automated resource governance and per-workload rightsizing, it delivers 30% to 50% cost reductions. Ultimately, this empowers clients to shift from reactive billing to proactive cost control, freeing up capital to fund ongoing strategic IT initiatives.

- **Reliable execution and high satisfaction:** Cognizant demonstrates an Ability to Execute at scale within its established Forbes Global 2000 client base. Generating 88% of its PCOTS revenue from existing clients and achieving a leading 23% year-over-year revenue growth, the vendor delivers integrated platform cross-selling while maintaining a strong client retention rate and high delivery satisfaction scores.
- **Full-stack platform portfolio for agile delivery:** Cognizant bridges execution gaps with an integrated platform ecosystem that includes Skygrade, Flowsource and Neuro IT Operations to accelerate modernization. This approach reduces development cycles by up to 40%, enabling faster time-to-market and lasting cost savings. As an “AI Builder,” Cognizant plans to accelerate legacy modernization using new “tokenized” consumption models.

Cautions

- **Sovereign execution:** While Cognizant leverages regional cloud providers for sovereignty and demonstrates growth in Google Cloud and OCI, its execution portfolio remains concentrated in Azure and AWS. Furthermore, its adoption of hyperscaler sovereign edge platforms trails market peers. Organizations mandating specific public edge deployments like AWS Outposts or Azure Arc should verify the provider’s referenceable platform experience to ensure execution viability.
- **Commercial model mix:** The market prioritizes outcome-based pricing, where providers assume financial delivery risk. Although Cognizant offers hybrid engagements, its continued inclusion of time-and-materials components trails market leaders, which have more rapidly eliminated traditional structures. Because this leaves clients absorbing effort-based risk, organizations should proactively negotiate to ensure proposals incorporate definitive fees-at-risk agreements.
- **Delivery workforce tenure:** Cognizant utilizes automated platforms and centers of excellence to centralize senior expertise. However, its delivery workforce profile warrants careful planning for complex architectural redesigns, as half of its dedicated PCOTS staff possesses fewer than five years of experience. Organizations should contractually govern

execution models to ensure sufficient senior oversight is consistently embedded at critical decision points.

Deloitte

Deloitte is a Leader in this Magic Quadrant. It is a global service provider with more than 470,000 employees operating in more than 150 countries and territories. Its FY2025 revenue was \$70.5 billion, with PCOTS revenue undisclosed. The percentage split of its PCOTS customers is across AWS (45%), Microsoft Azure (42%), Google Cloud (15%), and OCI (12%). It has more than 5,700 hyperscaler expert certifications. Its PCOTS customers are based in North America (43%), Europe (28%), Asia/Pacific (23%), South and Central America (4%), and the Middle East and Africa (2%). Deloitte differentiates itself by combining a consulting-led, cloud-native approach with contracts that are directly tied to achieving measurable business outcomes.

Strengths

- **Cloud-native transformation leadership:** Deloitte uses a transformation-first model, employing event-based AI within proprietary platforms to link agile planning with automated execution. Its cloud-native expertise is reflected in the significant revenue generated from advanced optimization and transformation engagements. This enables organizations to achieve greater automation and long-term value from their cloud investments on a global scale.
- **Strong market momentum:** In 2025, Deloitte achieved a solid year-over-year revenue growth of 20%, underpinned by top-tier projected win rates for its future pipeline. This performance reflects a strong market vision, robust platform adoption and deep trust from large enterprise clients, positioning Deloitte as a preferred partner for transformative cloud initiatives.
- **Delivery scale and workforce stability:** Deloitte operates at a global scale, maintaining a stable and expanding delivery workforce. With ongoing investments in dedicated personnel and an industry-low employee attrition rate, Deloitte safeguards institutional knowledge and ensures consistent, high-quality transformation outcomes for its clients.

Cautions

- **Long-term managed services:** Although Deloitte maintains ongoing account relationships, its role in specific delivery workstreams generally concludes after migration. This reflects

the vendor's strategic focus on complex, cloud-native transformations. Because Deloitte intentionally prioritizes aggressive modernization, organizations should leverage Deloitte for high-impact capabilities while preparing robust internal handover strategies for their ongoing operations.

- **Extended large-scale migration timelines:** Driven by its emphasis on architectural refactoring, Deloitte averages 109 days per workload for massive migrations exceeding 500 workloads, trailing high-velocity peers. Clients with strict, aggressive data center exit mandates must weigh Deloitte's modernization depth against their need for rapid transition schedules, ensuring timeline SLAs are clearly defined.
- **Transformation focus over standard legacy and COTS:** Deloitte emphasizes complex cloud-native engineering over basic rehosting or **commercial off-the-shelf (COTS)** maintenance. Organizations requiring standard lift-and-shift or legacy support should ensure Deloitte's premium modernization focus matches their operational requirements and budget.

DXC Technology

DXC Technology is a Challenger in this Magic Quadrant. It is a global IT services company serving enterprises worldwide, with more than 115,000 professionals operating in more than 70 countries. Its FY25 revenue was \$12.6 billion; however, DXC did not disclose how much of this was attributable to PCOTS. Its PCOTS customers are split across Microsoft Azure (57%), AWS (52%), OCI (19%) and Google Cloud (10%). It has more than 5,200 hyperscaler expert certifications. Its PCOTS customers are based in North America (37%) Asia/Pacific (29%), Europe (27%), South and Central America (4%), and Middle East and Africa (3%). DXC Technology differentiates itself through balanced multicloud expertise and proven execution in complex legacy enterprise environments.

Strengths

- **Legacy modernization and intelligent operations:** DXC reliably migrates massive legacy workloads into stable, cloud-native environments. Its AgenticOps strategy and AI tools enable intelligent, policy-as-code operations that significantly cut development cycles and boost efficiency. This approach helps organizations modernize, while accelerating innovation and maintaining stability.
- **Balanced multicloud expertise:** DXC demonstrates true multicloud proficiency across all major hyperscalers, avoiding single-vendor dependency and enabling flexible, resilient

cloud strategies. This capability is further strengthened by robust, vertical-specific intellectual property, particularly tailored for manufacturing and government sectors, which ensures that solutions are optimized for industry-specific challenges and requirements.

- **Outcome-based pricing and automated service delivery:** DXC offers highly mature, outcome-based commercial models that consistently drive significant operating cost reductions for clients. These models are reinforced by aggressive, highly automated incident resolution SLAs, ensuring clients benefit from predictable costs, rapid issue resolution and improved operational performance.

Cautions

- **New client acquisition:** DXC's growth is heavily reliant on its existing customer base, with nearly all 2025 PCOTS revenue growth stemming from current clients rather than new business. This lack of new client acquisition may show limits on its market vision and could limit exposure to fresh perspectives and innovation, which organizations may value in a long-term services partner.
- **Strategic co-creation:** DXC engages in strategic co-creation deals at a scale below the market average, relying more heavily on repeatable, pattern-based delivery models. To ensure strategic alignment, organizations must mandate co-solutioning workshops. By requiring DXC to collaboratively map these standardized patterns to specific business-value metrics, buyers can successfully tailor the engagement to their unique goals.
- **Junior-skewed workforce:** Many of DXC's dedicated PCOTS staff have fewer than five years of experience. While indicating robust talent pool growth, this distribution requires organizations with intricate modernization needs to proactively stipulate dedicated senior architectural oversight and successfully navigate complex legacy system redesigns.

HCLTech

HCLTech is a Leader in this Magic Quadrant. It is a global technology company spanning IT services, engineering and software, with more than 227,000 employees operating in 60 countries. Its FY25 revenue was U.S. \$14.7 billion, with PCOTS revenue reaching \$8.62 billion. Its PCOTS customers are split across Microsoft Azure (47%), AWS (25%), Google Cloud (17%) and OCI (6%). It has more than 24,200 hyperscaler expert certifications. Its PCOTS customers are based in North America (49%), Europe (36%), Asia/Pacific (13%) and South and Central

America, the Middle East and Africa (2%). HCLTech differentiates itself through its automated remediation scale, a high optimization focus and innovative commercial structures.

Strengths

- **Cloud-native transformation and automated optimization:** HCLTech prioritizes advanced cloud-native transformation targeting automated remediation to ensure sustained operational excellence and ongoing optimization for clients. For organizations, this approach delivers long-term stability and enduring partnership value, as shown by market-leading renewal rates.
- **Industry and large-scale execution capability:** HCLTech utilizes vertical expertise to provide standardized, cloud-native templates for regulated sectors like life sciences and finance. Its ability to execute strategic transformations at scale via DevOps and cloud centers of excellence accelerates time-to-value, compliance and efficiency for complex enterprise cloud journeys.
- **Focused growth and differentiated midmarket strategy:** HCLTech targets midmarket and global clients with tailored commercial models. Its integration of sustainability-linked SLAs and XLAs aligns with modern procurement priorities, delivering measurable value and enhanced satisfaction. This positions HCLTech as a flexible partner for organizations seeking growth and sustainability in their cloud journeys.

Cautions

- **Heavy Azure dependency:** HCLTech's client deployments and tools are significantly concentrated on Microsoft Azure, which may limit its ability to deliver truly agnostic, multicloud solutions for organizations that rely heavily on alternative platforms, such as Google Cloud or OCI. This dependency could restrict flexibility and optimization options for clients with diverse or evolving cloud strategies.
- **Geographic imbalance:** HCLTech's client base is predominantly focused in North America and Europe, resulting in a minimal and less-mature operational presence in regions such as Latin America, the Middle East and Africa. Organizations in these regions should be aware that despite HCLTech's immense overall size and resources, its localized investments, sales focus and support capabilities in their specific geographies remain disproportionately small.
- **Below-average AI productivity gains:** While utilizing its AI Force platform, HCLTech reports a 35% reduction in development cycle times from embedded AI tools, which lags the

market average. Clients prioritizing rapid, AI-driven productivity gains should require the provider to contractually guarantee specific automation-led delivery velocities before committing to large-scale modernization programs.

IBM

IBM is a Visionary in this Magic Quadrant. It is a global technology and consulting company centered on hybrid cloud, AI and infrastructure, with more than 264,000 employees operating in more than 170 countries. Its FY25 revenue was \$67.5 billion. Its PCOTS customers are split across AWS (40%), Microsoft Azure (35%), Google Cloud (10%) and OCI (7%). It has more than 2,900 hyperscaler expert certifications. Its PCOTS customers are based in APAC (37%), North America (33%), Europe (26%), South and Central America (3%), and Africa (1%). IBM differentiates itself through extensive global reach and its “Client Zero” strategy, where it validates digital transformation and AI tools internally before client deployment.

Strengths

- **Global delivery and sovereign expertise:** IBM maintains a mature, globally consistent model powered by a worldwide network of Client Innovation Centers (CICs) and Services Integration Hubs (SIHs) across dozens of countries. This, paired with a sovereign-by-design approach, allows IBM to advise clients in heavily regulated industries that require secure design of sovereign, multicloud and edge solutions.
- **Transformational co-creation and AI vision:** IBM provides consulting-led digital transformation, co-creating potential solutions before the execution of contracts, using its IBM tools and framework. It embeds intelligent automation into its delivery through the IBM Consulting Advantage platform, effectively proving its methodologies internally first (its “Client Zero” approach) to accelerate complex application modernization.
- **Strong application modernization momentum:** IBM successfully captures significant market demand for complex, cloud-native rebuilds, reporting above-average year-over-year revenue growth specifically within its Application Modernization and Migration (AMM) portfolio. This demonstrates strong enterprise trust in its ability to handle deep architectural changes.

Cautions

- **Product-led execution over agnostic operations:** IBM’s practical delivery is deeply dependent on the implementation of its own proprietary and purchased software portfolio.

Buyers caution that this product-centric approach often feels like a technology implementation, rather than a vendor-agnostic optimization partnership. To mitigate lock-in concerns, clients should evaluate IBM's documented IP transfer and tool opt-out rights to preserve unbiased architectural flexibility.

- **Long-term service retention:** IBM's reported client renewal rate at contract expiration is behind market peers demonstrating stronger long-term retention, despite the provider's large installed base and high percentage of revenue from existing clients. Organizations looking for a long-term partner should ensure their contract with IBM defines sustainable business outcomes.
- **Steady-state optimization:** IBM's continuous, steady-state optimization capabilities are outpaced by market leaders that demonstrate broader maturity and proven depth in automated cloud operations. Although IBM emphasizes its integration of agentic digital workers to drive management productivity, organizations must ensure that continuous cost, performance and reliability SLAs match expectations within their contracts.

Infosys

Infosys is a Leader in this Magic Quadrant. It is a global consulting and technology services company, with more than 330,000 employees operating in 59 countries. Its FY25 revenue was \$20.2 billion; Infosys does not publicly reveal financial metrics specific to its PCOTS practice. Its PCOTS customers are split across Microsoft Azure (62%), AWS (55%), Google Cloud (13%) and OCI (2%). It has more than 3,000 hyperscaler expert certifications. Its PCOTS customers are based in North America (48%), Europe (32%), APAC (17%) and the Middle East (3%), with efforts in expanding its footprint in South and Central America. Infosys differentiates itself through its transformational approach to cloud adoption and client retention, and its proactive "ZeroOps" operational model.

Strengths

- **Deep domain and operational partnerships:** Infosys embeds its domain experts deeply into client environments, focusing on long-term stability rather than highly transactional deals. This approach yields a more than 95% client renewal rate. Organizations benefit from a highly dependable partner that prioritizes deep industry understanding and continuous operational continuity for massive-scale enterprises.
- **High-scale autonomous execution:** Infosys uses its Topaz Fabric and Cobalt to enable a proactive "ZeroOps" model, achieving 90% automation in steady-state operations. This

operational efficiency significantly boosts delivery speed, with more than 80% customers realizing 40% faster development cycles. Enterprises can leverage these autonomous capabilities to accelerate time-to-market while ensuring stable, continuous transformations.

- **Targeted talent upskilling:** Infosys leverages its highly scaled, dedicated workforce to drive talent transformation and continuous knowledge sharing. By utilizing a hub-and-spoke delivery model, Infosys positions innovation centers directly within the enterprise's reach. Clients can actively engage in these sustainable co-innovation and dedicated upskilling programs to elevate their internal personnel alongside the provider's teams.

Cautions

- **Sovereign cloud scale:** Despite having broad hybrid capabilities, Infosys' delivery presence for sovereign cloud is still evolving to achieve local operational sovereignty. Its partnership investments in regional ecosystems are limited at this point; buyers should closely evaluate Infosys' approach to providing highly specialized, localized architectural guidance.
- **Commercial vision and AI pricing rigidity:** Infosys lags leaders in commercial vision, scoring below-average in outcome-based and shared-risk pricing. Clients should note that essential AI services, like GenAI and LLM monitoring, are often billed separately rather than included in base managed services, which may lead to unexpected costs.
- **Lower PCOTS revenue growth:** While Infosys excels at retaining its installed base, its overall PCOTS revenue growth is below average. Its strategy prioritizes existing account consolidation and large enterprise deals over pursuing new client acquisitions, resulting in moderate revenue expansion compared to the broader market. Prospective new clients must rigorously compare proposals against aggressive peers to ensure they receive compelling solutions.

Insight

Insight is a Niche Player in this Magic Quadrant. It is a solutions integrator focused on modernizing infrastructure, cloud and digital operations, with more than 14,500 employees operating in 19 countries. Its FY25 revenue was \$8.2 billion, with PCOTS revenue reaching \$2.6 billion. Its PCOTS customers are split across Microsoft Azure (55%), Google Cloud (38%) and AWS (7%). It has more than 600 hyperscaler expert certifications. Its PCOTS customers are based in North America (74%), Asia/Pacific (15%), Europe (9%), and the Middle East (2%).

Insight differentiates itself through its midsize enterprise dominance and rapid “DevShop” deployment models.

Strengths

- **Strong market vision:** By securing more than 30% growth in public cloud through net-new client acquisition, Insight has outpaced rivals who primarily rely on expanding within their existing customer base. This strong rate of new logo acquisition signals to potential clients that the provider offers market-validated, modern solutions that deliver quick time-to-value.
- **Agile, high-velocity transformation delivery:** Insight differentiates itself with a “start fast, deploy for use, iterate quickly” delivery principle. Utilizing standardized project templates, “DevShop” frameworks, and the capabilities gained from its recent Inspire11 acquisition, Insight rapidly accelerates sprint cycles, avoiding lengthy traditional approaches and methodologies to achieve faster time-to-value.
- **Transformational delivery and consolidated resale:** Insight derives 80% of its public cloud revenue directly from cloud-native transformation and workload optimization. Complimenting strong delivery execution with extensive reseller capabilities allows clients to accelerate modernization while seamlessly simplifying complex multicloud procurement.

Cautions

- **Client automation and AI-driven optimization:** Despite a strong internal “Client Zero” adoption of AI and a large volume of basic machine learning clients, Insight trails the market in deploying advanced automation into its actual customer base. Because continuous, advanced AI optimization is less broadly executed during complex operations compared to market leaders, organizations should strictly verify the provider’s automated execution capabilities and mandate continuous optimization milestones.
- **Commercial and outcome-based execution:** While the market heavily demands shared-risk and deliverables-based pricing for ongoing cloud value, Insight’s commercial execution trails market leaders. Although it frequently utilizes deliverables-based pricing for initial migrations, its slower adoption of true outcome-based pricing limits risk sharing. Organizations should proactively negotiate to ensure proposals incorporate definitive fees-at-risk or pay-on-success agreements.

- **Imbalanced cloud breadth and geographic scale:** Insight's execution footprint remains heavily U.S.-dominated, driving the vast majority of its revenue from North America. Additionally, its cloud capability is concentrated in Azure and Google Cloud; its strategy for OCI relies entirely on third-party vendors, exposing a gap in direct internal capabilities for complex multicloud enterprise estates.

Kyndryl

Kyndryl is a Niche Player in this Magic Quadrant. It is an enterprise technology services provider focused on infrastructure modernization, cloud and resiliency, with about 73,000 employees operating in more than 60 countries. Its FY26 revenue was \$15.1 billion, with PCOTS revenue reaching \$1.4 billion. Its PCOTS customers are split across Microsoft Azure (65%), AWS (22%) and Google Cloud (10%). It has more than 2,900 hyperscaler expert certifications. Its PCOTS customers are based in North America (32%), South and Central America (27%), Europe (25%), Asia/Pacific (16%), and the Middle East and Africa (less than 1%). Kyndryl differentiates itself through its open Kyndryl Bridge orchestration layer, global coverage, and experienced legacy modernization workforce.

Strengths

- **Global delivery and geographic reach:** Kyndryl demonstrates a global delivery footprint, supported by hundreds of delivery centers. This reach allows it to enforce global operating standards while navigating localized regulatory compliance and strict sovereign data residency requirements.
- **Heritage infrastructure and hybrid mastery:** Kyndryl is positioned to handle complex hybrid environments, managing mainframe, private and public cloud assets in a multimodal model. It employs a high percentage of veteran staff with decades of legacy experience, making it an ideal partner for enterprises balancing deep technical debt with gradual modernization.
- **Scale in continuous optimization:** Aligned with the market's shift toward continuous cloud value, Kyndryl excels in steady-state operations and FinOps. It leverages its Kyndryl Bridge platform to generate over 16 million AI-driven insights monthly, driving autonomous operations that deliver an estimated \$3 billion in annualized customer savings globally.

Cautions

- **Lift-and-shift dependency:** Kyndryl struggles to demonstrate an advanced cloud-native transformation vision. A substantial portion of its execution remains firmly anchored in

basic infrastructure lift-and-shift or lift-and-optimize migrations, trailing market leaders that derive the majority of their revenue from deep, agile application refactoring and modernization.

- **Migration automation:** Kyndryl champions an “agent-first” delivery model that successfully accelerates initial infrastructure relocations. Yet it reports lower-than-average automation usage across complex modernization phases, compared to its peers. This lag indicates an execution profile that warrants careful capacity planning during mass relocations. As a result, buyers face potential efficiency delays against strict data center exit deadlines and should proactively evaluate the provider’s automated execution capabilities.
- **Reliance on incumbent base:** Kyndryl’s growth strategy focuses on transitioning its 3,000+ legacy clients to hybrid cloud, rather than acquiring new transformation projects. This defensive stance suggests its modernization roadmaps prioritize bridging legacy environments over pure cloud-native refactoring. Consequently, organizations seeking aggressive digital transformation should proactively evaluate Kyndryl’s execution models to ensure they are fully aligned with their pure cloud-native goals.

LTM

LTM is a Niche Player in this Magic Quadrant. It is a global technology consulting and digital solutions company repositioning around AI-centric growth, with more than 87,000 employees operating in more than 40 countries. Its FY25 revenue was \$4.8 billion, with PCOTS revenue reaching \$1.9 billion. Its PCOTS customers are split across Microsoft Azure (46%), AWS (35%), Google Cloud (10%) and OCI (9%). It has more than 3,000 hyperscaler expert certifications. Its PCOTS customers are based in North America (55%), Europe (22%), Asia/Pacific (16%), the Middle East (6%), and Africa (1%). LTMindtree officially rebranded as LTM differentiated itself through high net-new logo growth, strategic FinOps integration, and AI-led cloud transformation and modernization engagements.

Strengths

- **Modernized transformation and FinOps:** LTM focuses on cloud-native transformations, driving 78% of its public cloud revenue from optimization and transformation, rather than simple rehosting. By integrating FinOps into its migration factories, LTM drives approximately 20% TCO reductions. For clients, this ensures that modernization efforts do not just shift technical debt to the cloud, but establish a sustainable and scalable foundation from Day 1.

- **Strategic new client acquisition:** LTM generated 42% of its public cloud revenue growth from net-new clients. For buyers, this rapid new-logo acquisition validates LTM's core vision of AI-powered, platform-led transformation and continuous optimization. This proven market appeal gives organizations confidence that LTM's proprietary ecosystems, including NovaSphere and AgentIQ, are highly competitive and will reliably execute their digital transformation goals.
- **Engineering-led execution and proactive optimization:** LTM uses its BlueVerse AI platform to decouple migration from control and operations layers. This "monitor of monitors" architecture facilitates smoother transitions and self-healing hybrid operations. Clients gain consistent security and operational excellence across hybrid estates even before completing legacy modernization.

Cautions

- **Limited AI-driven productivity gains:** LTM's development-cycle-time reductions from internal AI coding tools are maturing, compared with the cross-vendor market average. This suggests slower progress in scaling automation and realizing productivity benefits. Organizations prioritizing rapid innovation through advanced AI automation can also look for other providers that demonstrate stronger, market-leading outcomes for efficiency.
- **Underdeveloped business consulting:** While excelling in technical execution, LTM places lower emphasis on business roadmap consulting. Reporting only 20% precontract co-creation, it relies heavily on clients to drive their own strategic vision. Consequently, its projected win rate is just 20%, trailing the market average. Clients needing proactive, upfront co-solutioning must be prepared to independently lead their own change management strategies.
- **Limited sovereign and multicloud capabilities:** LTM has a minimal sovereign footprint, lacks edge or air-gapped solutions, and depends heavily on Azure and AWS. Limited support for Google Cloud and OCI makes it less suitable for the defense and public sector, which require broad, agnostic multicloud options.

NTT DATA

NTT DATA is a Visionary in this Magic Quadrant. It is a global IT and business services provider combining consulting, modernization and managed services, with more than 242,000 employees operating in more than 70 countries. Its FY25 revenue was \$29.6 billion, with

PCOTS revenue undisclosed. Its PCOTS customers are split across Microsoft Azure (59%), AWS (57%), Google Cloud (35%) and OCI (6%). It has more than 14,100 hyperscaler expert certifications. Its PCOTS customers are based in North America (29%), Asia/Pacific (28%), Europe (26%), South and Central America (9%), Africa (6%), and the Middle East (less than 2%). NTT DATA differentiates itself through its centralized AI Studio governance model, cloud-native transformation revenue, and rigid policy-as-code enforcement.

Strengths

- **Proven cloud-native revenue focus:** NTT DATA has increased its revenue share from advanced cloud-native transformation from 15% to 44% YoY, moving beyond commoditized migrations. For clients, this demonstrates solid structural capability to modernize applications natively, rather than relying on basic rehosting.
- **Agentic AI investment and governance:** NTT DATA dedicates 61% of its R&D budget to agentic AI, using its AgentOps framework to centrally manage multiagent workflows. In 2025, it deployed LLM agents in 90% of engagements, yielding 35% faster development. For clients, this ensures secure, compliant AI adoption that reliably accelerates software delivery and modernization timelines.
- **Flexible commercial and asset buyout models:** While outcome-based metrics feature in 30% of its PCOTS deals, NTT DATA demonstrates commercial flexibility through targeted financial mechanisms. It utilizes a maturity-aligned FinOps pricing that transitions from fixed fees to savings-linked structures, and executes strategic asset buyouts to unlock capital. Such models provide the upfront funding and pricing flexibility required for complex legacy transformations for clients.

Cautions

- **Automation in complex modernization phases:** NTT DATA utilizes automation for initial discovery and testing; its application yields narrower operational outcomes during complex transformation phases, compared to peers. Consequently, its developer productivity and deployment frequency improvements fall below market averages. Clients must verify developer productivity metrics before engagement to ensure execution for deep modernization.
- **Protracted timelines for massive enterprise estates:** NTT DATA's execution velocity for large-scale migrations remains slow, averaging 180 days per workload for environments exceeding 500 workloads. Buyers should note this pace significantly trails high-velocity

peers, and it can prolong operational disruption, delay business value realization and inflate dual-running infrastructure costs during the transition phase.

- **Limited scale in automated remediation and AIOps:** While NTT DATA's One Platform offers AIOps capabilities, it delivers automated remediation to a limited base of 200 clients. Because this scale trails market leaders, procurement teams must rigorously verify if the vendor can successfully deploy advanced, self-healing AIOps into their specific environments, or rely on slower, manual Day 2 interventions.

Persistent

Persistent is a Niche Player in this Magic Quadrant. It is an AI-led digital engineering and enterprise modernization partner, with more than 26,000 employees operating in 18 countries. Its FY25 revenue was \$1.65 billion, with PCOTS revenue reaching \$1.2 billion. Its customers are split across AWS (70%), Google Cloud (17%) and Microsoft Azure (13%). It has more than 600 hyperscaler expert certifications. Its PCOTS customers are based in North America (74%), in Asia/Pacific (13%) and Europe (12%), with the remaining customers across South and Central America, and the Middle East. Persistent differentiates itself with a highly technical, practitioner-first engineering approach, strong midmarket (MSE) alignment, and proprietary agentic AI platforms for rapid modernization.

Strengths

- **Strong midmarket (MSE) alignment:** Persistent heavily targets midsize enterprises, delivering a highly boutique, practitioner-first engineering experience. It uniquely aligns with the budgets and agile needs of MSEs that are frequently overlooked by larger global system integrators, executing complex digital transformations with a highly collaborative, co-creation mindset.
- **Market momentum and data competence:** Persistent achieved 40% public cloud revenue growth, underpinned by an 85% client renewal rate and low 10.5% attrition rate. Leveraging its iAURA platform, it excels at cloud and data engineering. For prospective clients, this operational stability and data-centric focus ensures reliable, concurrent modernization of complex data estates and infrastructure.
- **Engineering-led transformation and agentic AI:** Persistent utilizes mature proprietary AI platforms, such as SASVA for application modernization and iNimbus for automated cloud migration. These tools effectively accelerate deep refactoring and target-state

architecture design, rapidly converting legacy constraints into deployable, cloud-native code with significant time savings.

Cautions

- **Managed services scale:** While Persistent possesses strong project-based transformation capabilities, it manages a comparatively lower number of public cloud managed services clients than market peers. Because its steady-state operations footprint is narrower, organizations seeking expansive, long-term continuous optimization should verify the provider's operational capacity to ensure alignment with their specific scale requirements.
- **Geographic and multicloud concentration:** Although Persistent is expanding its presence in Europe and Asia/Pacific, its execution footprint remains highly concentrated in North America. Furthermore, even though it demonstrates capabilities across the top three hyperscalers in specific modernization tasks, its overall portfolio remains significantly driven by AWS, and its adoption of OCI currently trails market averages. Organizations with complex, globally distributed multicloud estates should verify Persistent's regional and specific hyperscaler coverage.
- **Commercial model mix:** Despite the market's strategic shift toward outcome-based, shared-risk pricing models optimized for ongoing cloud value, Persistent's broader commercial portfolio reflects a more traditional approach. Although it successfully leverages IP-led pricing in specific engagements, Persistent utilizes time-and-materials structures more frequently than market peers. Consequently, clients seeking advanced commercial flexibility should proactively collaborate to ensure proposals include definitive risk-sharing agreements.

Tata Consultancy Services

Tata Consultancy Services (TCS) is a Leader in this Magic Quadrant. It is a global IT services and consulting firm with delivery scale, with more than 580,000 employees operating in 55 countries. Its FY26 revenue was \$30 billion, with PCOTS revenue undisclosed. Its customers are split across Microsoft Azure (41%), AWS (32%), Google Cloud (25%) and OCI (11%). It has more than 13,100 hyperscaler expert certifications. Its PCOTS customers are based in North America (46%), Europe (32%), Asia/Pacific (16%), the Middle East (3%), and South and Central America (2%). TCS differentiates itself by leveraging proprietary, agentic-AI driven platforms to automate the entire cloud transformation life cycle, from initial assessment through ongoing operations..

Strengths

- **Industrialized AI-assisted execution:** TCS completed nearly 1,000 DevOps enablement and infrastructure as code (IaC) engagements in 2025 by pairing its Integrated Quality Management System (iQMS) with its proprietary Agentic SDLC, achieving a 40% reduction in development cycle times. For clients, this highly industrialized, AI-augmented factory model compresses transition timelines, ensuring reliable and predictable delivery for complex, high-volume cloud migrations.
- **Optimization and knowledge transfer:** Deriving 35% of its public cloud revenue from workload optimization, TCS utilizes its FinOptimizer platform to rightsize hybrid environments continuously. This execution is supported by 485 dedicated cloud centers of excellence (CCoE). Clients benefit from sustained cost optimization paired with active enterprise team training, promoting operational independence.
- **Self-funded transformation models:** TCS self-funds transformation frameworks that identify upfront cloud savings to consolidate siloed vendors, reporting up to 50% savings on service costs in certain engagements. For organizations, this approach provides assurance of predictable costs, allowing them to fund further digital initiatives without requiring new capital investment.

Cautions

- **Cloud-native and autonomous execution:** While TCS maintains proprietary agentic platforms and deploys LLM-based autonomous agents at an above-average rate, the cloud-native architectures needed to maximize these capabilities remain in a maturing phase. As TCS' deployment of managed containers and serverless functions trails peer averages, organizations seeking self-healing automation should ensure the provider explicitly outlines these advanced architectures in delivery contracts.
- **Co-solutioning alignment:** Although TCS achieves a highly successful client renewal rate, indicating long-term satisfaction, its adoption of continuous co-creation models evolves at a more conservative pace than peers. As its volume of precontract and postcontract co-solutioning engagements trails market averages, organizations should establish clear outcomes, SLAs and governance frameworks to ensure partnership alignment throughout the transformation life cycle.
- **Broad market positioning:** TCS' messaging frequently highlights its broad operational footprint, rather than isolating niche service capabilities or disruptive innovation strategies.

Clients with highly specialized, experimental digital transformation requirements must evaluate TCS' specific domain expertise to ensure it aligns with needs beyond standard, high-volume execution.

Tech Mahindra

Tech Mahindra is a Niche Player in this Magic Quadrant. It is a global technology consulting and digital solutions company with deep telecom and enterprise heritage, with more than 149,000 employees operating in more than 90 countries. Its FY26 revenue was \$6.4 billion, with PCOTS revenue reaching \$2.3 billion. Its PCOTS customers are split across Microsoft Azure (44%), AWS (42%), Google Cloud (10%) and OCI (4%). It has more than 11,100 hyperscaler expert certifications. Its PCOTS customers are based in North America (55%), Europe (25%), Asia/Pacific (14%), the Middle East (4%), and South and Central America and Africa (2%). Tech Mahindra differentiates itself with exceptional revenue growth, deep industry-led expertise, and an aggressive pivot to agentic AI.

Strengths

- **Industry-led domain expertise:** Tech Mahindra uses proprietary industry-specific data models and customized cloud solutions for telecom and manufacturing. It combines hyperscaler platforms with prebuilt architectures to help resolve regulatory and operational issues. For clients, this approach fast-tracks modernization for asset-heavy industries and simplifies complex cloud architecting.
- **Sovereign and air-gapped solutions:** Tech Mahindra deploys specialized regional partnerships and air-gapped infrastructure across Europe and Asia/Pacific, meeting stringent data residency and isolation requirements. For organizations in highly regulated or defense sectors, this ensures critical modernization complies with strict jurisdictional mandates while retaining the operational agility of modern cloud architectures.
- **Revenue growth and new client acquisition:** Tech Mahindra achieved an industry-leading 38% revenue growth for its Google Cloud business in 2025, with 40% of its overall cloud growth driven directly by net-new client acquisition. For prospective clients, this steady market expansion indicates a competitive provider capable of sustaining continuous corporate investment and long-term operational stability for multiyear transformations.

Cautions

- **Limited cloud-native transformation mix:** Tech Mahindra derives 33% of its PCOTS revenue from workload optimization, but only 15% from cloud-native transformation, trailing the 41% peer average. Furthermore, its 28% reduction in development cycle times lags market averages. Organizations seeking aggressive, pure cloud-native refactoring may find execution capabilities less aligned with highly disruptive modernization goals.
- **Above-average staff attrition:** Tech Mahindra reported a 16% attrition rate for its dedicated public cloud workforce, which sits higher than the 11% peer average evaluated. Clients planning large-scale, multiyear cloud transformation programs should establish strict transition and knowledge retention SLAs to ensure they do not experience delivery delays due to engineering resource turnover.
- **Low volume of dedicated FinOps engagements:** Tech Mahindra reported executing a low volume of dedicated FinOps engagements compared to peers. Organizations with complex multicloud environments must thoroughly verify the vendor's proven capacity to scale specialized financial governance practices globally, as this ensures their ability to handle sprawling Day 2 optimization requirements effectively.

Wipro

Wipro is a Leader in this Magic Quadrant. It is an AI-powered technology services and consulting company, with about 226,000 employees and business partners operating in 65 countries. Its FY26 revenue was \$10.5 billion, with PCOTS revenue reaching \$5 billion. Its PCOTS customers are split across Microsoft Azure (46%), AWS (35%), Google Cloud (17%) and OCI (2%). It has more than 5,000 hyperscaler expert certifications. Its PCOTS customers are based in North America (48%), Europe (32%), APAC (16%), the Middle East (3%), and in Africa and South and Central America (1%). Wipro differentiates itself by pioneering autonomous agentic workflows, executing highly portable forward-deployment models, and driving domain-led cloud strategies.

Strengths

- **Continuous FinOps and cost optimization:** Wipro excels in postmigration management. Using its Slice 2.0 framework and WINGS platform, it moves beyond basic reporting to autonomously target “zombie” footprints and strictly manage unit economics. By executing continuous, policy-driven rightsizing, Wipro consistently achieves 30% to 50% infrastructure cost optimizations for its clients, ensuring that sprawling hybrid environments maintain long-term financial sustainability and efficiency.

- **Predictable migration velocity:** Wipro's Cloud Studio migration factory delivers high-speed execution for large-scale data center exits. Averaging 28 days per workload for environments exceeding 500 workloads (outperforming the 62-day market average), this rapid structured delivery ensures adherence to strict transition schedules, minimizing the costly overlap of dual-running legacy and cloud infrastructure.
- **Automated engineering workflows:** Wipro leads in cloud-native management by natively embedding WEGA's multiagent AI systems directly into its engineering workflows. This reduces development cycle times by 35% to 40%. For clients, this automated model ensures modernization tasks are executed with high consistency and speed, accelerating time-to-market for new cloud-native applications.

Cautions

- **Proprietary platform velocity:** Wipro's Cloud Studio, WEGA, and WINGS platforms are modular and integrate into existing client environments, its highest development cycle reductions rely on these proprietary engines. Consequently, clients choosing to fully opt out of Wipro's platforms in favor of exclusively using their own toolchains should verify if the provider can replicate its automated delivery velocities and cost optimizations.
- **Cloud-native transformation mix:** While Wipro's proprietary frameworks deliver automated migration velocities, its revenue derived from cloud-native transformation is below peer averages. Because its portfolio focuses on other migration patterns, organizations targeting microservice decomposition should verify assigned engineering teams possess referenceable refactoring experience, rather than infrastructure migration capabilities, to support architectural transformations.
- **Concentrated industry scale:** Wipro delivers domain-specific cloud solutions, but its execution scale is predominantly concentrated within its top two vertical industries: financial services and retail. Organizations operating outside these sectors may encounter fewer prebuilt accelerators. Consequently, clients in other industries must explicitly validate Wipro's capabilities to effectively deliver and coordinate complex multicloud operations for their specific domain to ensure integrated, cooperative service delivery.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

- DXC Technology
- Kyndryl

Inclusion Criteria

For inclusion in this Magic Quadrant, vendors must have all three validations per hyperscaler.

Amazon Web Services:

- Validated for the AWS Managed Service Provider partner program
- Validated for the DevOps Consulting Competency
- Validated for the Data & Analytics Consulting Competency

Google Cloud:

- Validated for the Managed Services Provider initiative
- Validated for the Application Development — Services specialization
- Validated for the Data Analytics — Services specialization

Microsoft Azure:

- Validated for the Azure Expert MSP certification
- Validated for the Azure: DevOps with GitHub on Microsoft Azure
- Validated for the Azure: Analytics on Microsoft Azure specialization

Must have one of the following ML/AI certifications on a primary or secondary hyperscaler:

- Amazon Web Services: Validated for Machine Learning Consulting Competency
- Google Cloud: Validated for Machine Learning Services specialization
- Microsoft Azure: Validated for AI and Machine Learning specialization

Multicloud capability: Must have at least 20% PCOTS client revenue on two or more of the following: AWS, Microsoft Azure, Google Cloud or OCI.

Must have 10% or more PCOTS clients or PCOTS clients revenue in at least three of the below regions:

- Asia/Pacific (including China/Japan/Australia/New Zealand)
- Europe
- The Middle East and Africa
- North America
- Central and South America

Revenue must be above \$300 million annually, with 25% or more PCOTS revenue.

Honorable Mentions

The providers that are most relevant to our clients were selected for evaluation in this Magic Quadrant. However, the decision not to evaluate a provider does not mean that the provider lacks viability. The following are noteworthy providers not included in the formal analysis. These providers could be appropriate for clients, contingent on their requirements.

We have grouped these Honorable Mentions into the following classifications:

- Other large managed service providers
- Regionally focused service providers
- Boutique/emerging service providers

Other large managed service providers:

- PwC is a large (370,000 employees) global services network operating in 149 countries, offering cloud transformation through a business-first approach to leveraging cloud.

- UST, with 30,000 employees serving over 30 countries, provides digital transformation, leaning on cloud-native and application development capabilities.

Regionally focused service providers:

- CDW has over 15,000 employees; its clients are primarily in North America, and it offers cloud migration and modernization skills on Microsoft Azure, AWS and Google Cloud.
- Hexaware has more than 33,500 global employees and 68 delivery centers, offering automation and AI driven legacy modernization, cloud transformation, and end-to-end cloud services primarily in North America, APAC, and Europe on AWS, Azure, Google Cloud and OCI.
- Reply, with 16,000 employees, is specialized in cloud consulting, system integration and digital services, operating primarily in Europe.

Boutique/emerging service providers:

- Centroid, with 500 employees, provides AI- and ML-driven cloud modernization services to North and South America, with a strong focus on OCI and Oracle workloads across all of the major hyperscalers.
- Effectual, with fewer than 500 employees, offers highly specialized AWS skills and capabilities (such as generative and agentic AI, as well as modernization), primarily in North America.
- Onix, with 2,000 employees, uses an IP-led services approach with a strong presence in North America and EMEA markets, specializing in Google Cloud modernization, GenAI and digital transformation.

Evaluation Criteria

Ability to Execute

We evaluate vendors' Ability to Execute in this market by using the following criteria:

Product or Service: Managed service providers are evaluated on their current service capabilities, including both human-powered and automated capabilities. These capabilities include proven deep and broad expertise as an MSP partner with the DevOps or App Dev

competencies, and data and analytics capabilities.They also include high-quality delivery of cloud-native solutions, emphasis on use of hyperscale provider tools, distributed cloud support, and professional and application services.

Overall Viability: MSPs are evaluated on the overall financial health of the company, their level of investment in this market and indicators of business success.

Sales Execution/Pricing: MSPs are evaluated on the quality of their sales team, proposal quality and value for money.

Market Responsiveness and Track Record: MSPs are evaluated on two aspects of their track record: successful delivery in this market and rapid delivery of support for new hyperscale provider capabilities.

Marketing Execution: MSPs are evaluated on the market’s awareness of their brand, prospective customers’ understanding of the MSP’s value proposition in this market, the quality of marketing campaigns, and other efforts such as social media participation.

Customer Experience: MSPs are evaluated on the quality of their contracts and associated delivery documentation, as well as the quality of the service experience for both traditional and cloud-native use cases.

Operations: MSPs are evaluated on their ability to consistently meet commitments and SLAs to their customers. MSPs were also evaluated on their ability to maintain adequate human and automation resources, and to offer flexibility without compromising reliability and delivery of services.

The weight of each criterion is reported in the following table.

Ability to Execute Evaluation Criteria	
<i>Evaluation Criteria</i>	<i>Weighting</i>
Product or Service	High
Overall Viability	Low
Sales Execution/Pricing	Medium

<i>Evaluation Criteria</i>	<i>Weighting</i>
Market Responsiveness/Record	Medium
Marketing Execution	Low
Customer Experience	High
Operations	High

Source: Gartner (July 2026)

Completeness of Vision

We assess vendors' Completeness of Vision in this market by using the following criteria:

Market Understanding: MSPs are assessed on their understanding of key aspects of the market and their ability to articulate how these aspects impact their strategy. The aspects included transformation services in the context of cloud-native and digital business operations in hyperscale cloud providers, as well as in the context of organizations that are migrating existing workloads onto hyperscale providers. Another aspect evaluated was how DevOps tools, data and analytics, AI, and other automation are used in transforming clients.

Marketing Strategy: MSPs are assessed on their ability to articulate their position in the market and their competitive differentiation, and to communicate these messages clearly and consistently, both internally and externally, to a bimodal audience.

Sales Strategy: MSPs were assessed on their understanding of the buyer centers for the market and the way that these different buying centers want to engage with sales, as well as their partner and channel strategy.

Offering (Product) Strategy: MSPs were assessed on the breadth, depth, quality and differentiation of their service roadmaps in this market, including cloud-provider-specific capabilities, multicloud capabilities, hybrid IT capabilities and contracting.

Business Model: MSPs were assessed on their value proposition for organizations focused on “pure-play” public cloud transformation, as well as hybrid services that include cloud and noncloud infrastructure. Their value proposition was also assessed for transformational services in conjunction with broader modernization solution capabilities, such as application management or managed services that go beyond lift-and-shift.

Vertical/Industry Strategy: MSPs were assessed on their ability to offer targeted services for focus areas. This includes regulated workloads and verticals such as healthcare, government and Payment Card Industry (PCI)-compliant e-commerce; big data, analytics and IoT use cases; and digital business transformation.

Innovation: MSPs were assessed on the level of investment in the future of their business. This criterion includes aspects such as the deployment of engineering resources (especially for automation), investment in personnel training and certification, labs, innovation hubs, partnerships, and alliances.

Geographic Strategy: MSPs were assessed on their ability to expand their offerings beyond their home region, serving the needs of multinational businesses, as well as adapting their offerings to other geographies and meeting country-specific requirements.

The weight of each criterion is reported in the following table.

Completeness of Vision Evaluation Criteria	
<i>Evaluation Criteria</i>	<i>Weighting</i>
Market Understanding	High
Marketing Strategy	Medium
Sales Strategy	Medium
Offering (Product) Strategy	High
Business Model	Medium

<i>Evaluation Criteria</i>	<i>Weighting</i>
Vertical/Industry Strategy	Medium
Innovation	High

Source: Gartner (July 2026)

Quadrant Descriptions

Leaders

Leaders have a consistent track record of delivering high-quality, cloud optimization, cloud transformation, professional and managed services that thoughtfully exploit the capabilities of a multicloud environment. They are well-positioned to deliver leading-edge services into the future and to indicate the direction of the market.

Challengers

Challengers have a track record of successfully delivering cloud optimization and transformation services, but have a less-defined and still-maturing view of market direction. Challengers have a solid base of clients that are satisfied with the services provided. They have potential to become Leaders if they expand their vision.

Visionaries

Visionaries are well-positioned for the future, but could improve, increase or scale their delivery capabilities. Their track record of successful delivery and/or execution to their customers over a multiyear period needs to improve.

Niche Players

Niche Players have not yet achieved broad success in the market. Providers in this category can be a perfect fit for some organizations because of their focus on a specific area of the market. Some are limited in geography, or might not provide a full spectrum of transformational services, while others might be relatively new to the market.

Context

The PCOTS market is evolving rapidly, shifting its focus to continuous workload optimization. Vendor capabilities now prioritize unified platforms, harnessing generative AI (GenAI) and agentic AI for autonomous modernization. Simultaneously, rising geopolitical complexities demand robust cloud sovereign solutions for secure data residency, creating large deltas in delivery efficiency and measurable business outcomes.

Gartner believes that the quality of a customer's transformation partner is the biggest influence on long-term value realization and overall cloud satisfaction. As hybrid and multicloud adoption grows, relying on partners with comprehensive tooling platforms and advanced technologies becomes essential. These elite partners drive unified management, automated workload optimization, and industry-specific configurations that continually modernize legacy IT systems.

As discussed in [Beware of Public Cloud Migration Cost Traps](#), inefficient migrations and failures to transform operations are to blame for immense cloud cost overruns. Rapid lift-and-shift approaches that lack continuous optimization often fail to deliver the anticipated agility, resulting in a higher total cost of ownership. Provider shortcomings during postmigration operating model modernization directly contribute to dissatisfaction.

To mitigate these significant risks, customers must ensure measurable business outcomes are contractually defined and hold providers accountable for continuous efficiency. Organizations must demand that agentic AI automates operations and optimizations to accelerate delivery speed and lower costs, while robust sovereign cloud architectures guarantee strict data compliance. By integrating these capabilities for value-based outcomes, customers realize the full potential of their cloud investments.

Gartner's Magic Quadrant analysis offers must-have support for making informed decisions on selecting the right providers. This Magic Quadrant assesses the Ability to Execute and Completeness of Vision of 17 PCOTS providers. The information and analysis helps organizations select a provider for continuous cost-efficiency, intelligent workload optimization and modernized operations that support critical functions and maximize business value.

Market Overview

The public cloud optimization and transformation services (PCOTS) market is evolving rapidly, focused on optimizing and transforming cloud workloads to maximize value from hybrid multicloud environments. Advances are driven by integrated tooling platforms harnessing AI, automation, orchestration and intelligent analytics.

Current Market Landscape

Service providers in the PCOTS market are broadening their portfolios to address the intricate requirements of organizations, embracing hybrid, multicloud, and sovereign cloud approaches across IT and operational technology environments. There is a notable trend toward investing in unified platforms that combine cloud-native solutions with third-party applications, enhanced by orchestration, automation, artificial intelligence, advanced analytics, and proprietary accelerators. As a result, the market landscape is rapidly evolving, with service providers differentiating themselves through comprehensive, integrated offerings that deliver greater efficiency, scalability, and cost savings. This shift is intensifying competition, accelerating innovation, and prompting organizations to reevaluate their technology strategies to remain agile and competitive.

Service providers in this market must exhibit the following capabilities:

- **Customer-centric approaches:** Solutions are being customized to address specific industry needs and client requirements.
- **Focus on business outcomes:** Services are increasingly tailored to deliver measurable business value, such as improved agility, scalability and cost-efficiency.
- **Increased focus on continuous workload optimization:** Organizations are prioritizing the efficient use of public cloud resources to maximize performance and minimize costs.
- **Continued emphasis on workload transformation:** Services are helping clients modernize and migrate applications to better leverage cloud-native capabilities.
- **Development of integrated tooling platforms:** Comprehensive platforms are emerging to provide unified management, monitoring and optimization across cloud environments.
- **Integration of advanced technologies:** Adoption of orchestration, automation, AI, machine learning (ML) and intelligent analytics is accelerating, enabling smarter and more integrated and automated workload management.

- **Enhanced security and compliance:** There is a growing emphasis on embedding security and compliance into optimization and transformation processes.
- **Growth of hybrid and multicloud strategies:** Companies are adopting hybrid and multicloud environments, requiring more complex optimization and integration solutions.
- **Sovereign cloud adoption:** There is rising demand for sovereign cloud solutions to address data residency, privacy and regulatory requirements, especially for organizations in highly regulated industries and regions.
- **Vendor collaboration and ecosystem expansion:** Partnerships between cloud providers, service vendors and technology firms are expanding to offer more comprehensive solutions.
- **Continuous innovation:** The market is characterized by rapid innovation, with providers regularly introducing new features and capabilities to stay competitive.
- **ESG considerations:** Providers are increasingly integrating environmental, social and governance (ESG) criteria, such as sustainability, energy efficiency and ethical practices, into cloud optimization and transformation services.

Leading providers distinguish themselves through strong consulting and solutioning capabilities, guiding clients from early business objective discussions to co-created, future-proof solutions. This business-outcome-driven engagement model moves beyond technology alone, focusing on delivering measurable value.

Differentiation also comes from specialized offerings in security, compliance and sovereignty, addressing stringent regulatory requirements. ESG-focused services are gaining prominence as sustainability and responsible cloud practices become client priorities. Strategic alliances with cloud vendors and technology partners further enable providers to deliver comprehensive, innovative and customer-centric solutions in a highly competitive market.

Market Outlook

The PCOTS market is evolving rapidly as service providers address the increasing complexity and scale of cloud adoption. Providers are moving beyond traditional infrastructure-focused approaches to deliver holistic, integrated solutions across hybrid and multicloud environments. The market is experiencing accelerated adoption of automation, AI and intelligent analytics, enabling smarter workload management, predictive analytics and

proactive, architecture-driven cost optimization. While earlier service delivery models relied on labor arbitrage for cost savings and delivery, today's PCOTS providers are prioritizing automation and advanced technologies to deliver greater value.

The market landscape has evolved beyond traditional large managed service providers to include a new wave of specialized public cloud consultancies, niche technology firms and industry-focused solution providers. This diversification is further accelerated by the rise of industry cloud initiatives, which have encouraged the entry of vertical-specific experts and innovative startups, resulting in a more dynamic and competitive ecosystem tailored to address unique sector requirements. This diversification of the market landscape offers significant differentiation by enabling organizations to select partners that best align with their specific business needs, industry requirements and technological challenges.

Security and compliance have also become central pillars in the evolution of the PCOTS market. As organizations migrate mission-critical workloads to public cloud platforms, the need for robust security frameworks and adherence to regulatory requirements has intensified. Service providers are expanding their offerings to include continuous security monitoring, automated compliance checks and advanced threat detection, ensuring that clients can confidently operate in highly regulated industries. This focus on security and compliance not only mitigates risks, but also enables organizations to unlock new cloud capabilities while maintaining trust and meeting industry standards.

⊕ Evidence

⊕ Evaluation Criteria Definitions

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