

NEAT EVALUATION FOR INFOSYS:

# Procurement Transformation

Market Segment: Overall

## Introduction

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This is a custom report for Infosys presenting the findings of the 2025 NelsonHall NEAT vendor evaluation for *Procurement Transformation* in the *Overall* market segment. It contains the NEAT graph of vendor performance, a summary vendor analysis of Infosys for procurement transformation services, and the latest market analysis summary.

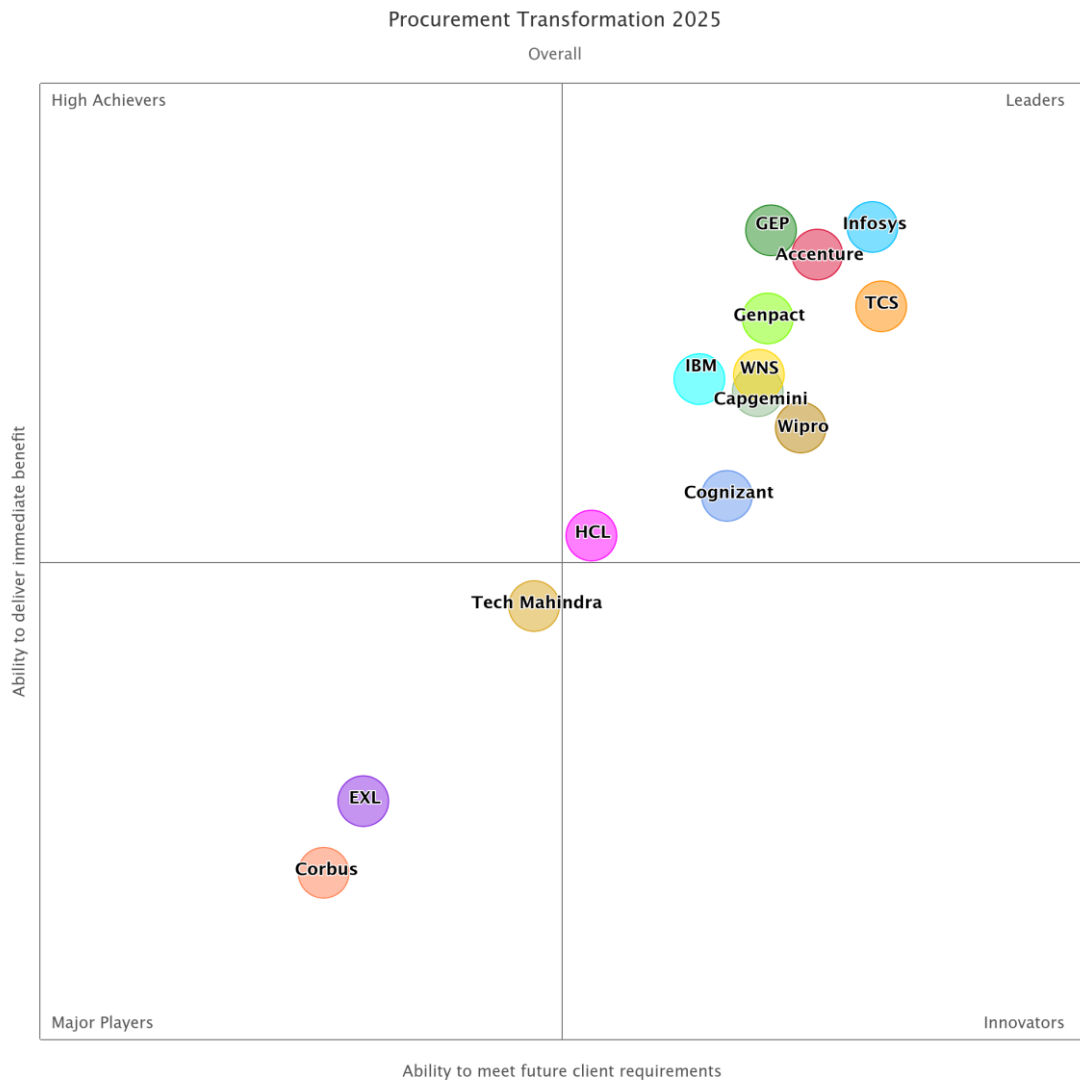
This NelsonHall Vendor Evaluation & Assessment Tool (NEAT) analyzes the performance of vendors offering procurement transformation services. The NEAT tool allows strategic sourcing managers to assess the capability of vendors across a range of criteria and business situations and identify the best performing vendors overall, and with specific capability in consulting & transformation, operations, and sourcing & category management.

Evaluating vendors on both their ‘ability to deliver immediate benefit’ and their ‘ability to meet client future requirements’, vendors are identified in one of four categories: Leaders, High Achievers, Innovators, and Major Players.

Vendors evaluated for this NEAT are: Accenture, Capgemini, Cognizant, Corbus, EXL, Genpact, GEP, HCL, IBM, Infosys, TCS, Tech Mahindra, Wipro, and WNS Procurement.

Further explanation of the NEAT methodology is included at the end of the report.

## NEAT Evaluation: Procurement Transformation (Overall)



NelsonHall has identified Infosys as a Leader in the *Overall* market segment, as shown in the NEAT graph. This market segment reflects Infosys' overall ability to meet future client requirements as well as delivering immediate benefits to its procurement clients.

Leaders are vendors that exhibit both a high capability relative to their peers to deliver immediate benefit and a high capability relative to their peers to meet future client requirements.

Buy-side organizations can access the *Procurement Transformation* NEAT tool (*Overall*) [here](#).



## Vendor Analysis Summary for Infosys

### Overview

Infosys offers end-to-end source-to-pay capabilities across consulting, S2P operations, and technology. It provides global delivery with a mix of onshore, nearshore, and offshore capabilities, with ~3,800 sourcing and procurement FTEs serving ~650 clients in 30+ languages from 20+ delivery centers.

In 2012, Infosys acquired Portland Group, a niche consulting company based in Australia. Infosys Portland is now the consulting arm of Infosys procurement services and delivers consulting and strategic work. In 2018, Infosys formed a JV with Hitachi, Panasonic, and Pasona in Japan. It acquired an 81% stake in Hitachi Procurement Service Co. to start a new venture, HIPUS Co. Ltd. HIPUS is positioned to provide consolidation and consortium buying services while delivering savings.

Infosys' procurement offering includes consulting services, managed services, and platform services. It is focused on driving innovation in procurement by leveraging a combination of:

- Category expertise and new skillsets
- Tech strategy and clean data
- Risk and sustainability offerings and capabilities
- Business partnerships and collaborations.

Infosys claims to manage ~\$200bn of spend, with ~\$70bn under sourcing and category management services. In a year, it has delivered ~ \$1.4bn in realized savings across ~ 55,000 sourcing events.

For sourcing and procurement, Infosys continues to focus on indirect categories. For direct categories, the focus has been price forecasting, identifying alternative suppliers, product cost optimization (PCO), and cost analysis, and delivering market intelligence. Within indirect categories, Infosys manages sourcing for its clients including in IT, MRO, professional services, facility management, marketing, HRO, capex, utilities, and travel.

Manufacturing, telecom and media, retail, energy & utilities, and healthcare are the core focus sectors for Infosys' procurement services, collectively contributing ~66% of its procurement revenue. Infosys continues to strengthen its industry and domain capabilities within these key sectors. It remains committed to targeting these and related client use cases to drive further growth in procurement services.

While the U.S. and Europe remain its primary markets, Infosys has been looking to grow its presence in emerging regions such as the Middle East and Asia Pacific, aiming to capture new opportunities.

### Financials

NelsonHall estimates Infosys will generate ~\$205m in FY25 from procurement services; this does not include revenue from downstream accounts payable. The overall procurement services revenue growth rate was ~6% in 2024, whereas procurement consulting and transformation revenue growth was ~12%.



## Strengths

- A robust 360° ecosystem, which covers the procurement landscape across various aspects such as consulting, advisory, and technology, along with domain capabilities
- Continuous innovation and investments in building and strengthening procurement capabilities through the use of in-house resource as well as a partner-led ecosystem
- In-house automation and technology capabilities, along with a vast number of client use cases and domain expertise that enable Infosys to build industry-specific procurement offerings and capabilities further
- Innovative and strong offerings include an aggregator model through HIPUS, autonomous sourcing through AERCHAIN, and sustainability.

## Challenges

- Though Infosys has come up with some innovative offerings like Infosys Marketplace and Autonomous Sourcing, it should focus on faster market penetration and rapid adoption of these solutions
- It could also work on improved and rapid adoption and penetration of tools such as HIPUS, AERCHAIN
- Procurement consulting services represent a relatively small portion of the overall portfolio, with high growth potential in high-value advisory engagements
- Infosys should accelerate cross-selling and upselling existing solutions to current clients, and maximize ROI from existing and future investments in procurement capabilities.

## Strategic Direction

Infosys is focused on enhancing its procurement capabilities to meet the evolving demands of global organizations. Target areas include market expansion, reimagining and launching next-generation procurement offerings, and building partnerships.

Key areas of focus are:

- Expanding high-end advisory capabilities across key global markets, including Europe, the Americas, APAC, and the Middle East, along with the expansion of HIPUS and consortium buying models in the U.S., Mexico, and EU
- Reimagined next-generation procurement operating model design and implementation services with the help of autonomous sourcing solutions and GenAI-based procurement technologies for more efficient spending, contract, and market intelligence
- Enhanced sustainable procurement offerings across consulting and managed services, accompanied by its digital transformation offerings
- Driving adoption of tools such as the Digital Category Cockpit for strategic procurement collaboration and the Infosys Benchmarking Navigator for internal and external client benchmarking
- Continuing to strengthen its partner ecosystem with key technology alliances, including new collaborations with Aerchain, AkiroLabs, Celonis, Zycus, and ServiceNow



- A strong emphasis on upskilling its workforce and enhancing domain expertise through partnerships with ISM and IIPMR for certification programs
- Developing next-gen AI and automation solutions; Infosys has launched a center of AI and automation in Poland in collaboration with IBM.

## Outlook

Infosys' procurement services will continue to develop as it explores next-gen procurement offerings. Expect to see further innovation in its procurement offerings and technology to drive better efficiency and effectiveness through:

- Expanding consulting services into new regions and untapped geographic markets
- Investing in industry and domain expertise to develop tailored, industry-specific offerings
- Strengthening digital transformation capabilities across the procure-to-pay value chain, including category management, autonomous sourcing, analytics, and process mining
- Deploying GenAI use cases and proofs-of-concept to support more effective and efficient sourcing and category management
- Deepening partnerships with platforms like Akirolabs, ServiceNow, Zycus, Axiom, and TYS to co-create tech-enabled procurement solutions.

## Procurement Transformation: Market Summary

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### Overview

Procurement transformation services are evolving rapidly, driven by enterprise priorities around cost efficiency, digital enablement, ESG compliance, and strategic value creation. Organizations are no longer satisfied with transactional support alone, as they seek partners who can enable end-to-end transformation through digitalization, intelligent automation, and advisory-led redesign of their operating models.

A major market shift is underway, transitioning from managed source-to-pay (S2P) services to strategic, platform-centric, and AI-enabled procurement. Vendors are embedding technologies such as RPA, AI, and GenAI across sourcing and P2P to enable autonomous procurement workflows, ranging from automated RFP creation to supplier recommendation engines and guided buying experiences, while leveraging GenAI and autonomous sourcing and procurement.

Client expectations are transforming, too. ~67% of buyers have digitalization initiatives planned, with a focus on procurement intake and orchestration, Ariba platform optimization, and GenAI-based insights. GenAI adoption is gaining traction, with initial use cases in spend analytics, but is expected to scale across contract analytics, category management, and supplier risk profiling.

The future is clearly touchless, insight-led, and ESG-aligned. Vendors are investing in integrated platforms, co-developed digital ecosystems, and proprietary solutions that combine operational efficiency with user-centric design. Procurement is being reimaged as a key driver of business value, supporting growth, resilience, and enhancing the stakeholder experience.

Key industry shifts include increased demand from mid-market and high-growth verticals such as BFSI, retail, and energy, as well as a geographic expansion in the APAC and LATAM regions. Outcome-based pricing models and platform BPaaS are also gaining favour, indicating growing maturity.

To succeed, vendors must overcome persistent challenges: legacy platform integration, data quality issues, and the need for deeper industry and domain expertise. Procurement transformation today demands more than tools: stakeholder alignment, change management, and a vision for future-ready operating models.

### Buy-Side Dynamics

As procurement transformation accelerates, the dynamics of the buy side are undergoing a significant evolution. Business decision-makers are increasingly moving beyond cost containment to view procurement as a strategic lever that can deliver value in terms of efficiency, compliance, ESG, user experience, and digital innovation. To realize this potential, buyers must understand how to leverage the vendor ecosystem effectively, adopt flexible engagement models, and drive measurable outcomes at speed.

#### Shifting priorities and expectations

Procurement leaders today are aligning their priorities with broader organizational goals—focusing on cost optimization, risk resilience, process automation, sustainability, and speed to market. More than 67% of organizations have digital transformation initiatives underway over the next 24 months, with a strong emphasis on platform optimization (e.g., Ariba),



orchestration layers, and GenAI-powered insights. Clients seek solutions that go beyond transactional support, driving end-to-end source-to-pay transformation through embedded technologies, intelligent workflows and proprietary tools.

Buyers are also prioritizing category expertise, domain-led consulting, and access to analytics and benchmarking for informed decision-making. Traditional models of outsourcing are giving way to consulting-led engagements and transformation-as-a-service constructs that bring both advisory and execution under one roof.

### **Innovative commercial models for shared success**

With a shift toward outcome orientation, buyers are increasingly exploring commercial models that incentivize delivery partners to drive business results. While FTE-based pricing remains dominant, there is growing adoption of hybrid models, including transaction-based pricing, gain-sharing, and milestone-linked contracts.

These models enable scalability, predictability, and shared accountability. For example, clients can link vendor compensation to metrics like PO cycle time, savings realization, platform adoption, client satisfaction, and cash flow. Vendors are also offering BPaaS offerings, combining platform, people, and process in a single construct that aligns well with buyers seeking faster deployment and ROI.

Buyers must ensure commercial terms include flexibility to adapt to changing priorities, allowing co-innovation (especially for GenAI use cases), and including provisions for continuous improvement.

### **Driving immediate and long-term outcomes**

Organizations that successfully leverage vendor partnerships achieve both immediate benefits and long-term value. Immediate benefits include improved savings realization, reduced cycle time, increased adoption of platforms, improved compliance, and enhanced visibility of spend. Over time, a well-structured procurement transformation journey can unlock deeper savings, elevate stakeholder experience, enhance supplier resilience, and align procurement closely with business strategy.

By approaching vendors not just as service providers but as transformation partners, by focusing on developing an ecosystem, and by adopting fit-for-purpose commercial models, CPOs can unlock procurement's potential as a strategic business enabler.

## **Market Size & Growth**

NelsonHall estimates the size of the global procurement transformation services market to be ~\$2.9bn in 2025 and projects annual growth of ~5% to reach an estimated market size of \$3.7 billion by 2030.

This growth is primarily driven by the rising demand for efficiency, cost savings, compliance, spend visibility, and an enhanced user experience. North America is expected to continue leading, holding a 48% share in 2025. However, the most dynamic expansion is anticipated from APAC and LATAM, which are forecast to grow at a CAGR of 11–15%.

Industry verticals such as BFSI, retail, energy, and high-tech are emerging as key growth sectors, moving beyond the traditionally dominant manufacturing sector. The mid-market and first-time outsourcers are significantly contributing to the surge in demand, while mature enterprise clients are showing flat or marginally declining outsourcing expenditures, instead shifting their focus to digital enablement and transformation.



## Success Factors

Critical success factors for vendors within the procurement transformation market are:

- Industry experience:
  - Vendors with deep industry knowledge offer more relevant category strategies and insights
  - Industry-specific expertise enables faster time-to-value and better alignment with regulatory and supply chain nuances
  - Clients benefit from selecting vendors who understand their unique procurement challenges and business environment.
- Change management capabilities:
  - Transformation success requires more than technology availability; agility, organizational adoption and leadership sponsorship are key driving factors
  - Vendors focus on structured change management frameworks to drive stakeholder engagement and ensure process adoption are critical to the program's success
  - Clients need strong internal sponsorship and the ability to act on vendor recommendations for meaningful impact.
- Maturity of tools & digital accelerators:
  - Vendors with proven digital tools (e.g., GenAI use cases, spend analytics, orchestration platforms) can accelerate impact
  - The deployment of digital accelerators enables automation, visibility, and an improved user experience
  - Clients should prioritize vendors with modular, scalable, and rapidly deployable, pre-built solutions.
- Collaborative engagement:
  - Clients should focus on treating vendors as strategic partners, not just service providers
  - Collaboration should include co-innovation, pilot programs, and shared learning to solve targeted challenges
  - Outcome-based and flexible commercial models ensure shared accountability and continuous value delivery.
- Governance and communication:
  - Clear governance structures and regular communication with alignment on goals and progress
  - Client and vendors must commit to transparency, agility, and proactive issue resolution.





## Outlook

The future of procurement is being redefined by a convergence of digital innovation, strategic business alignment, and growing pressure to deliver measurable outcomes. As organizations seek to navigate complex supply chains, rising costs, regulatory demands, and ESG imperatives, procurement is shifting from a transactional back-office function to a forward-looking business enabler. The outlook is centered on building agile, insights-led, and touchless procurement organizations that can respond swiftly to market dynamics and internal business needs. Procurement leaders are increasingly expected to partner with business units, drive enterprise-wide cost savings, ensure supplier resilience, and deliver on broader goals such as sustainability, diversity, and innovation.

Technologies like AI, GenAI, advanced analytics, and intelligent automation are set to fundamentally reshape procurement operations. The emergence of autonomous procurement capabilities such as AI-powered sourcing co-pilots, virtual category managers, and GenAI-driven contract analytics will enable procurement teams to make faster, smarter, and more strategic decisions. Procurement platforms are evolving into intelligent ecosystems that integrate orchestration layers, supplier marketplaces, and real-time dashboards. The adoption of SaaS-based, modular procurement platforms is expected to continue rising, enabling flexible, scalable, and globally harmonized operations. The future will also see increased use of predictive analytics to anticipate risks, manage demand volatility, and enable scenario planning for supply disruptions or price fluctuations.

To fully realize the promise of future-ready procurement, organizations must focus on aligning strategy, people, processes, and technology. This includes leveraging vendors for redesigning operating models, embedding digital capabilities, investing in procurement talent, and building strong vendor ecosystems. The rise of outcome-linked commercial models and BPaaS offerings will further accelerate procurement transformation by offering faster deployment, accountability for results, and integration of platform and process. ESG and responsible sourcing will also become core to delivering procurement value, not a peripheral objective. Overall, the future of procurement is autonomous, integrated, insights-led, and strategically aligned, and it will play a critical role in driving enterprise competitiveness and resilience.



## NEAT Methodology: Procurement Transformation

NelsonHall's (vendor) Evaluation & Assessment Tool (NEAT) is a method by which strategic sourcing managers can evaluate outsourcing vendors and is part of NelsonHall's *Speed-to-Source* initiative. The NEAT tool sits at the front-end of the vendor screening process and consists of a two-axis model: assessing vendors against their 'ability to deliver immediate benefit' to buy-side organizations and their 'ability to meet future client requirements'. The latter axis is a pragmatic assessment of the vendor's ability to take clients on an innovation journey over the lifetime of their next contract.

The 'ability to deliver immediate benefit' assessment is based on the criteria shown in Exhibit 1, typically reflecting the current maturity of the vendor's offerings, delivery capability, benefits achievement on behalf of clients, and customer presence.

The 'ability to meet future client requirements' assessment is based on the criteria shown in Exhibit 2, and provides a measure of the extent to which the supplier is well-positioned to support the customer journey over the life of a contract. This includes criteria such as the level of partnership established with clients, the mechanisms in place to drive innovation, the level of investment in the service, and the financial stability of the vendor.

The vendors covered in NelsonHall NEAT projects are typically the leaders in their fields. However, within this context, the categorization of vendors within NelsonHall NEAT projects is as follows:

- **Leaders:** vendors that exhibit both a high capability relative to their peers to deliver immediate benefit and a high capability relative to their peers to meet future client requirements
- **High Achievers:** vendors that exhibit a high capability relative to their peers to deliver immediate benefit but have scope to enhance their ability to meet future client requirements
- **Innovators:** vendors that exhibit a high capability relative to their peers to meet future client requirements but have scope to enhance their ability to deliver immediate benefit
- **Major Players:** other significant vendors for this service type.

The scoring of the vendors is based on a combination of analyst assessment, principally around measurements of the ability to deliver immediate benefit; and feedback from interviewing of vendor clients, principally in support of measurements of levels of partnership and ability to meet future client requirements.

Note that, to ensure maximum value to buy-side users (typically strategic sourcing managers), vendor participation in NelsonHall NEAT evaluations is free of charge and all key vendors are invited to participate at the outset of the project.

*Exhibit 1***‘Ability to deliver immediate benefit’: Assessment criteria**

| Assessment Category | Assessment Criteria   |
|---------------------|---|
| Offerings           | Procurement operating model and redesign<br>Procurement Transformation capability<br>Direct sourcing and category management capability<br>In-direct sourcing and category management capability<br>Tail Spend Management<br>Contract management and administration<br>Spot buy services<br>PR to PO processing<br>Procurement compliance<br>Procurement operations transformation<br>Sustainability Operations offerings<br>Sustainability Transformation offerings<br>Circular procurement<br>Autonomous sourcing offerings<br>Risk management offerings  |
| Delivery Capability | Scale of sourcing and category management delivery<br>Application & availability of sourcing and category management platforms<br>Scale of tail spend management delivery<br>Application & availability of tail spend management platforms<br>Scale of contract management delivery<br>Application & availability of CLM tools and technology<br>Scale of procurement operations delivery<br>Application & availability of procurement operations tools and technology<br>Scale of Sustainability services within procurement<br>Application & availability of sustainability tools and technology<br>Availability of proprietary tools<br>Delivery capability in support of the Americas<br>Delivery capability in support of EMEA<br>Delivery capability in support of APAC |
| Client Presence     | Scale of client base: BPS/Transformation<br>Scale of client base: sourcing and category management<br>Scale of client base: tail spend management<br>Scale of client base: procurement contracting<br>Scale of client base: procurement operations<br>Scale of client base: Sustainability services<br>Number of clients in the Americas<br>Number of clients in EMEA   |

*Continued...*

|                   |   |
|-------------------|---|
| Benefits Achieved | Number of clients in APAC   |
|                   | Number of global/multi-country clients                            |
|                   | Level of cost savings Delivered                                   |
|                   | S2P process cost savings or transformation                        |
|                   | Improved standardization, consistency of sourcing and negotiation |
|                   | Improved sourcing turnaround time                                 |
|                   | Improved spend under management                                   |
|                   | Improved contract visibility                                      |
|                   | Improved procurement digitalization                               |
|                   | Reduced tail spend  |
|                   | Improved turnaround times or processing time                      |
|                   | Improved process compliance                                       |
|                   | Improving PO and invoice processing accuracy                      |
|                   | Sustainability roadmap and transformation                         |

*Exhibit 2***‘Ability to meet client future requirements’: Assessment criteria**

| Assessment Category                     | Assessment Criteria  |
|---|--|
| Partners and Technological Advancements | Existing partners and technology alliances                                     |
|   | Ability to evolve services   |
|   | Perceived commitment to transformation   |
| Market Momentum                         | Client wins in the past 18 months  |
| Investments                             | Investment in analytics tools and capabilities                                 |
|   | Investment in category management capability                                   |
|   | Investment in sourcing capability  |
|   | Investment in Sourcing tools and platforms                                     |
|   | Investment in transformation capability  |
|   | Investment in self-service delivery  |
|   | Investment in tail spend management tools and platforms                        |
|   | Investment in contract life cycle management capability                        |
|   | Investment in procurement operations tools and capabilities                    |
|   | Investment in RPAs and process automations                                     |
| Ability to Deliver Innovation           | Investment in process mining   |
|   | Investment in sustainability tools and capabilities                            |
|   | Investment in autonomous sourcing capability                                   |
|   | Mechanisms in place to deliver client innovation                               |
|   | Extent to which client perceives outcome and transformation has been delivered |
|   | Suitability of vendor to meet future needs of client                           |
|   | Use of next-gen technology and reimagine process                               |



For more information on other NelsonHall NEAT evaluations, please contact the NelsonHall relationship manager listed below.



[research.nelson-hall.com](https://research.nelson-hall.com)

#### Sales Inquiries

NelsonHall will be pleased to discuss how we can bring benefit to your organization. You can contact us via the following relationship manager:

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