



Everest Group Data Annotation and Labeling Solutions for AI/ML PEAK Matrix® Assessment 2024

Focus on TELUS International
March 2024



Introduction

Focus on digital transformation post-pandemic and the rise of generative AI is forcing enterprises to scale their AI initiatives. One of the critical parameters for ensuring the success of any AI initiative is access to high-quality curated data to train AI/ML models. Getting access to necessary data and then performing annotation and labelling is a time and cost-consuming activity and is often mired with challenges and issues.

The Data Annotation and Labelling (DAL) Solutions for AI/ML PEAK Matrix® will evaluate service providers that have built data annotation and labelling capabilities through investments in talent (full-time as well as crowdsourced), products and platforms, partnerships, industry expertise, and AI-based annotation and labelling solutions

In this report, we identify service providers who can help enterprises with this crucial activity for AI enablement and have specialized data annotation and labelling capabilities developed through a unique and consistent service delivery blueprint. We focus on service providers that:

- Primarily provide services as per the defined value chain of data annotation and labelling rather than only software products
- Offer data annotation and labelling as a standalone service with a dedicated GTM around it (rather than offering it as an ad-hoc / bundled service)

The full report, includes the profiles of the following 19 leading DAL service providers featured on the Data Annotation and labelling (DAL) Solutions for AI/ML PEAK Matrix:

- **Leaders:** Akkodis, Appen, Centific, TaskUs, TELUS International
- **Major Contenders:** Clickworker, Cloudfactory, CogitoTech, FiveS Digital, iMerit, Innodata, Nextwealth, Sama, Straive, LXT
- **Aspirants:** Desicrew, Digital Divide Data (DDD), Impact Enterprises, Innominds

Scope of this report

Geography: Global

Providers: 19 DAL solution providers

Services: DAL solution

DAL Solutions PEAK Matrix® characteristics

Leaders

Akkodis, Appen, Centific, TaskUs, and TELUS International

- Leaders have displayed a strong vision focused on solving data challenges for their customers to accelerate the AI development life cycle
- Most of the Leaders have developed their own platforms for DAL, data collection, crowdsourcing, and synthetic data generation, among others
- Leaders have invested in building talent development programs to ensure the availability of skilled talent to address complex annotation and industry-specific use cases
- They are at the forefront of innovation and driving change with partnerships, Centers of Excellence (CoEs), and investments in value-added services, expanded offerings, and acquisitions
- Leaders have a strong focus on generative AI/LLM training use cases, spanning across data curation, model tuning, and trust and security

Major Contenders

Clickworker, Cloudfactory, CogitoTech, FiveS Digital, iMerit, Innodata, Nextwealth, Sama, Straive, and LXT

- Major Contenders have the vision to develop end-to-end services across the AI development life cycle and are investing in talent development programs, acquisitions, and a partnership ecosystem to enable the same
- Some of these providers need to focus on building platform capabilities to accelerate time-to-market and enable them to create tailored solutions for specific business requirements
- Major Contenders have shown high confidence in their sweet spots within the DAL services and have a strong base of satisfied clientele within these areas
- They need to supplement their vision and investments with effective communication of success in complex use cases, which requires specialized expertise to enhance their market perception

Aspirants

Desicrew, Digital Divide Data, Impact enterprises, and Innominds

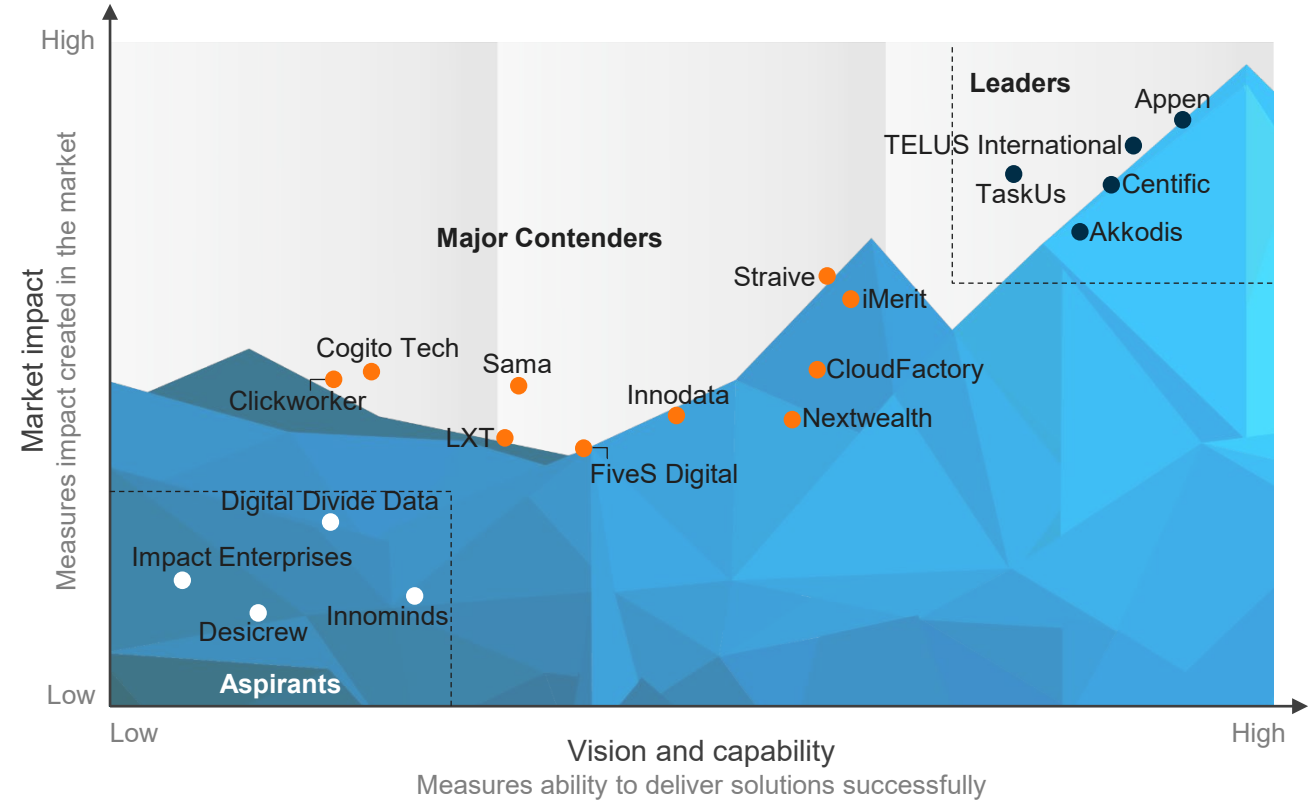
- Aspirants are focused on developing expertise in their preferred annotation use cases / modalities with most investments directed toward workforce management and L&D, among others
- These players differentiate themselves with cost-effective solutions by focusing on low-cost locations.

Everest Group PEAK Matrix®

Data Annotation and Labelling (DAL) Solutions for AI/ML PEAK Matrix® Assessment 2024 | TELUS International is positioned as a Leader

Everest Group Data Annotation and Labelling (DAL) Solutions for AI/ML PEAK Matrix® Assessment 2024¹

- Leaders
- Major Contenders
- Aspirants



¹ Assessments for Innodata, Sama, Impact enterprises, Digital Divide Data excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with buyers. For these companies, Everest group's data for assessment may be less complete
Source: Everest Group (2024)

TELUS International profile (page 1 of 7)

Overview

Company overview

TELUS International is a leading digital Customer Experience (CX) innovator that designs, builds, and delivers next-generation solutions, including Artificial Intelligence (AI) and content moderation, for global and disruptive brands. Its solutions aim to enhance CXs and support digital transformation journeys in various areas, including digital strategy, innovation, consulting, design, IT life cycle, managed solutions, intelligent automation, and end-to-end AI data solutions, including computer vision capabilities. TELUS International caters to a diverse global clientele across electronics, hi-tech and technology, travel & and transport, financial services, and banking, among others.

Key leaders

- Jeffrey Puritt, President and Chief Executive Officer
 - Marilyn Tyfting, Chief Corporate Officer
 - Tobias Dengel, President, WillowTree
 - Mike Ringman, Chief Information Officer
- Gopi Chande, Chief Financial Officer
 - Jose-Luis Garcia, Chief Operating Officer
 - Michel Belec, Chief Legal Officer

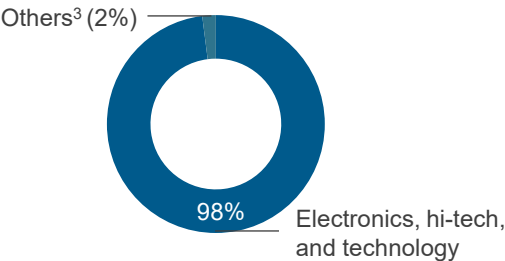
Headquarters: Vancouver, Canada

Website: www.telusinternational.com

DAL practice fact sheet	2022	2023 (H1) ²
Revenue (US\$ million)	Not available	
Number of FTEs	47,488	45,951
Number of gig workers	1,000,000+	1,200,000+
Number of clients	35-45	50-55

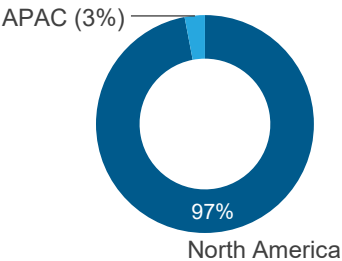
Revenue mix by industry¹

Revenue in US\$ million
100% = Not disclosed



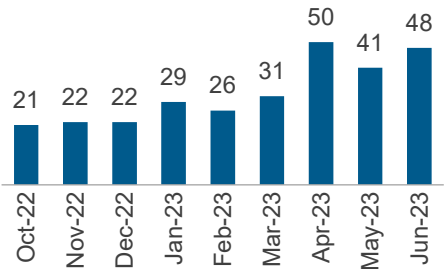
Revenue mix by geography

Revenue in US\$ million
100% = Not disclosed



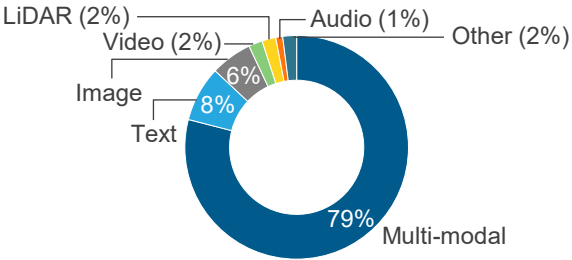
Monthly active gig workforce on the crowdsourcing platform

Numbers in '000s



Revenue mix by work type

Revenue in US\$ million
100% = Not disclosed



¹ All the revenue components add up to a total of 100%
² Till June 30, 2023
³ Others include travel and transport, telecom, manufacturing, and BFSI

TELUS International profile (page 2 of 7)

Key delivery locations



TELUS International profile (page 3 of 7)

Solutions and IPs

Data Annotation and Labeling (DAL) IP overview

GT Studios is a robust enterprise platform with end-to-end data management solutions designed to enhance user experience and productivity throughout the entire DAL journey. It combines the best of ML-assisted data annotation and computer vision capabilities with the professional annotators expertise and this platform features tailored dashboards, retool integration for on-demand analytics, and real-time annotator support. Role-specific reports cater to various user roles, while a user-friendly dashboard provides a quick overview of essential key performance indicators (KPIs).The platform supports customized data visualization with internal dashboards and drill-down capabilities for each annotation project. Data export to excel and integration with external tools such as Tableau are facilitated through an extensible API and additionally, it supports automated reporting as well as enables blending and merging of data from diverse sources through integration with a customer data platform and employing ETL methods for meaningful business insights.

Proprietary IP/solutions/frameworks/accelerators/tools developed internally to deliver DAL services

Solution name	Solution type	Year launched	Details
Experts Engine	Platform	2023	A fully-managed service specializing in sourcing on-demand expertise for GenAI tasks such as data creation, collection, annotation, and validation, enabling the generation of high-quality training datasets for LLMs
Community Management Platform	Platform (crowdsourcing)	2022	A crowdsourcing platform for recruiting, registering, assessing, qualifying, and certifying its managed crowd resources for annotation, collection, evaluation, and fine-tuning projects and workflows
Annotation Workbench	Tools (data labeling)	2021	A suite of tools for audio/speech labeling and transcription, text content creation and labeling, and image and video labeling
Data Collection Apps	Frameworks / tools (data collection)	2020	A framework of applications, tools, and utilities for remote/field audio, speech, image, video and multi-modal collection, using both moderated and unmoderated methodologies and simple and complex scripts, with post-collection processing capabilities.
Ground Truth Studios	Platform (data annotation)	2019	• A proprietary AI-/ML-assisted end-to-end data solutions platform offered as part of managed services model • Includes algorithmic task allocation with experts for high quality response generation through its experts API solution

TELUS International profile (page 4 of 7)

Investments

Other investments to enhance DAL services capabilities, e.g., setting up of new delivery centers/CoEs/innovation labs, trainings/certifications, etc.

Development	Details
LLM/Gen AI labeling products	Invested in building advanced solutions for fine-tuning LLMs. Fine-tuning capabilities include supervised fine-tuning, RLHF, multi-modal annotation, prompt creation, and model monitoring
Acquisition	• Acquired WillowTree, a full-service digital provider focused premier digital design, engineering, marketing, and strategy capabilities, bringing in data scientists and consulting experts to bolster AI capabilities • Acquired Playment, a leader in data annotation and computer vision tools and services specialized in 2D and 3D image, video, and LiDAR
Talent investments	Invested in building an in-house technology and ML team to automate data annotation. TELUS International has achieved varying levels of automation across various use cases in CV – image, video, and sensor fusion with this investment
Academic partnerships with universities	Invested in an ongoing partnership program with BITS-Pilani to acquire talent in engineering, product management, and solutions. Through this strategic partnership, TELUS International trained interns on cutting-edge problems in software engineering and ML and absorbed over 20 top-performing engineers

TELUS International profile (page 5 of 7)

Partnerships

Top partnerships

Partner name	Starting year	Details
AWS	2023	Partnered with AWS to support human-in-the-loop services on SageMaker, providing program management and workforce to AWS' large clients that have significant volume of data requiring labeling services

Partnership ecosystem (logos)



TELUS International profile (page 6 of 7)

Case study

NOT EXHAUSTIVE

CASE STUDY 1

Built a multilingual dataset with high-quality data collection and annotation

Business challenge

The client wanted to enable cross-linguistic training where a single ML model understands inputs from many diverse languages. The client required an AI data solutions partner with deep data collection expertise and specialized in large-scale linguistic datasets, who could provide realistic, contextual data for a given NLP task. The project demanded language experts with linguistic translation, validation, or localization abilities to create comprehensive and accurate conversational utterances in specified languages.

Solution

TELUS International offered the client critical support to build the dataset. Its team of experts supervised the project, delivering effective vendor qualification strategies; and custom-engineering training and qualification materials to support data collection with the support of a diverse workforce and collaborative leadership. TELUS AI community produced approximately 60% of the utterances in the dataset. The project, spanning nine months, involved critical tasks such as providing translation inputs for over 50 languages, translating English utterances into local languages, validating utterances or checking translations for accuracy and defining localized expressions for particular prompts.

Impact

- Enhanced the performance of voice-enabled AI assistants
- One million labeled text utterances across 50 languages and diverse domains
- Achieved 3.5 million language tasks
- Achieved 660,000 language prompts

CASE STUDY 2

Built high-quality 3D flash LiDAR datasets for autonomous vehicles

Business challenge

The client required 2D and 3D annotation tools compatible with its proprietary flash **LiDAR** technology, along with robust project management and a secure workforce.

Solution

TELUS International built high-quality 2D and 3D datasets for autonomous vehicles using its AI data solutions. Its fully managed data annotation solution included 3D labeling tools, a skilled project team, and secure delivery. TELUS International delivered faster and more accurate labeling and ensured seamless data integration, while accommodating to changing requirements. It delivered high-quality annotations at a 99.55% recall and precision rate for 3D object detection and segmentation projects.

Impact

- Improved automotive perception via flash LiDAR technology
- Enhanced accuracy, along with a configurable platform to seamlessly store and process such data
- Client's productivity levels quadrupled over a 60-day period
- Three million labels generated monthly
- Delivered 51 million high-quality labels by project-end

TELUS International profile (page 7 of 7)

Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision and capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
								

Strengths

- **Platform-first approach for AI data services:** Telus International has robust platform capabilities with AI/ML -assisted features and automated QA workflows. It has developed its own proprietary data annotation platform – Ground Truth Studios, a crowdsourcing platform, and a framework of applications and tools for data collection
- **Strong focus on electronics, hi-tech, & and technology:** it has strong technical expertise in managing complex use cases within this domain. For example, it offers end-to-end ADAS data expertise covering complex tasks such as sensor assembly and multimodal annotation, among others
- **Investments in R&D:** it has made investments in R&D and developed new labelling features in collaboration with its clients
- **Strong generative AI offering:** it has invested in its generative AI offering called Experts engine. This product has data labelling capabilities to pre-train and fine-tune LLMs and supports RLHF-related tasks

Limitations

- **Price competitiveness:** some referenced clients perceive that TI has high pricing and it could be more cost-competitive. Enterprises seeking cost-efficient engagements need to evaluate its pricing constructs carefully
- **Lack of feedback mechanisms:** some of its clients have noted that it lacks feedback mechanisms on delivery quality. This might result in missed opportunities to enhance annotation quality and accuracy
- **Limited focus on partnerships:** while TI has partnerships with Impact Sourcing Service Providers (ISSPs) for hiring, it has a limited focus on developing partnerships with hyperscalers and other technology providers, which might impact its ability to provide comprehensive solutions
- **Concentrated portfolio:** TI has significant experience in serving clients within North America, especially in the electronics, hi-tech, and technology industry. Enterprises in other geographies or industries may need to evaluate its capabilities carefully

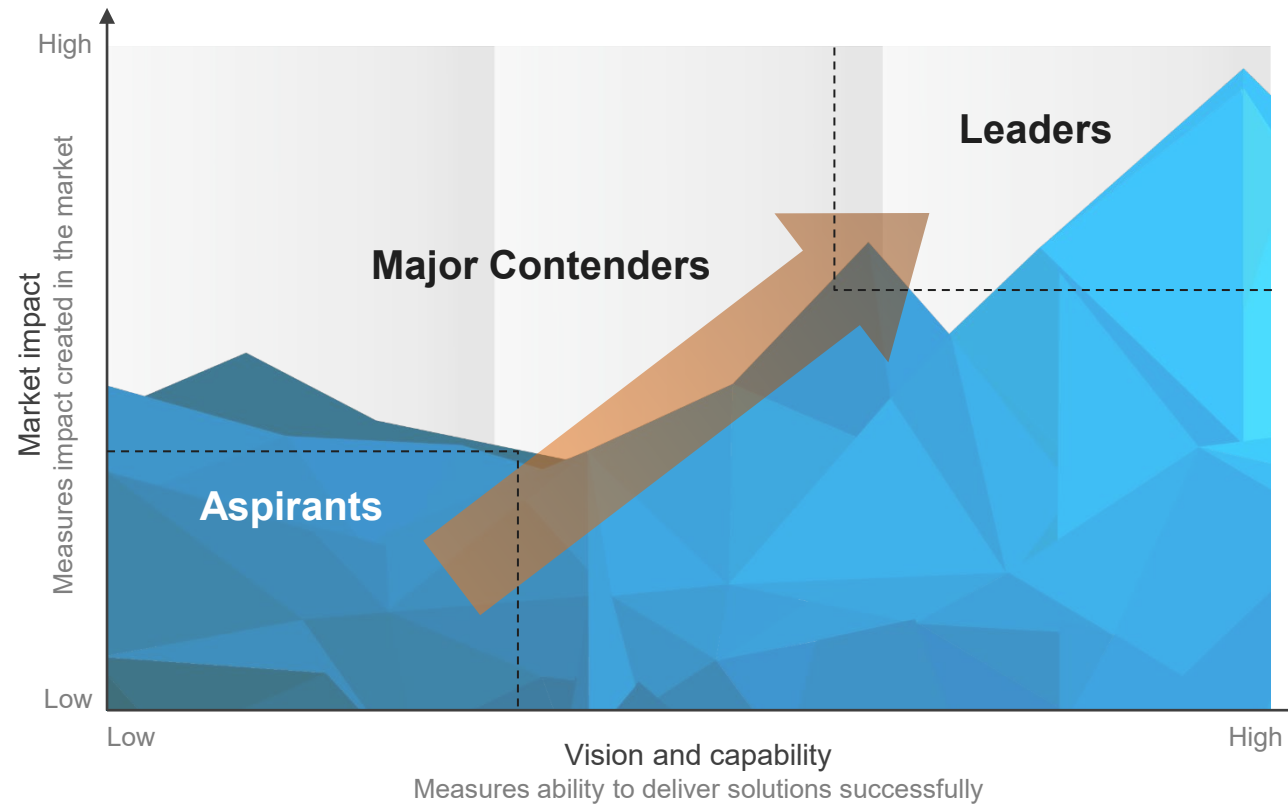
APPENDIX

PEAK Matrix framework

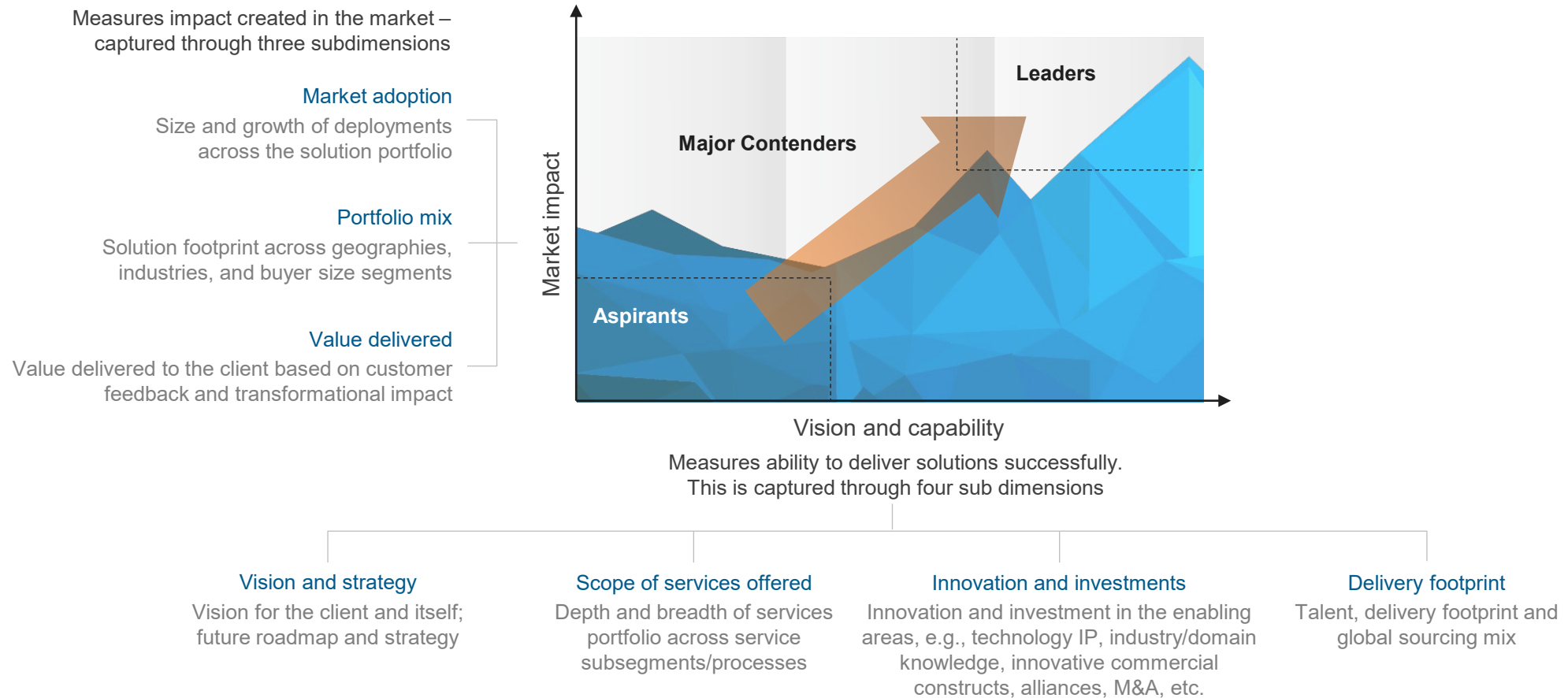
FAQs

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

Everest Group PEAK Matrix



Solutions PEAK Matrix® evaluation dimensions



FAQs

Q: Does the PEAK Matrix® assessment incorporate any subjective criteria?

A: Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

Q: Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?

A: No. The PEAK Matrix highlights and positions only the best-in-class providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition.

Q: What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

A: A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

Q: What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

A: Enterprise participants receive summary of key findings from the PEAK Matrix assessment

- For providers
 - The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
 - In addition, it helps the provider/vendor organization gain brand visibility through being included in our research reports

Q: What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

A: Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:

- Issue a press release declaring positioning; see our citation policies
- Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
- Use PEAK Matrix badges for branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with Everest Group; please contact your CD or contact us

Q: Does the PEAK Matrix evaluation criteria change over a period of time?

A: PEAK Matrix assessments are designed to serve enterprises' current and future needs. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality and to serve enterprises' future expectations.

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