



L&P Insurance BPO – Annual Report 2016: Breaking New Grounds

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Annual Report – November 2016 – Preview Deck

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Overview and abbreviated summary of key messages

The global L&P insurance BPO market registered nearly 8% CAGR over the last few years to reach ~US\$1.9 billion. This insurance segment witnessed consistent number of new contract signing. Over the next two years, growth is expected to be driven by increasing adoption within the small-sized buyer segments and higher inclusion of judgment-intensive processes.

While political certainties will drive new contract signings in coming years, increasing expectations of buyers, driven by challenges faced and evolving consumer behavior will enhance scope of service providers' offerings. Digitalization, analytics, RPA, and TPA capabilities are expected to be key differentiators.

Some of the content in this report, among others, are:

State of the market

- Outsourcing is one of the most effective options L&P insurers are pursuing to make their operations cost-effective
- Rise of digital customer
- RPA opening up avenues for further cost-reductions
- L&P insurers can leverage three different models for third-party services depending upon their need and comfort
 - TPAs
 - Pure-play BPO providers
 - BPO service providers with TPA capabilities

Market size and buyer adoption

- While the year 2014 witnessed a relatively sluggish growth rate of around 7%, scope expansion of existing ones and the signing of new deals revived the growth to ~11% in 2015
- North America and United Kingdom continue to be key geographies in the L&P insurance BPO market, with the majority of growth coming from the North American region

P&C insurance BPO trends

- As buyers get more focused on the output/outcome, evolved pricing mechanisms are gaining preference
- Buyers' demand for RPA solutions is increasing. As a result, inclusion of RPA in the scope of contracts is seen more frequently

Service provider landscape

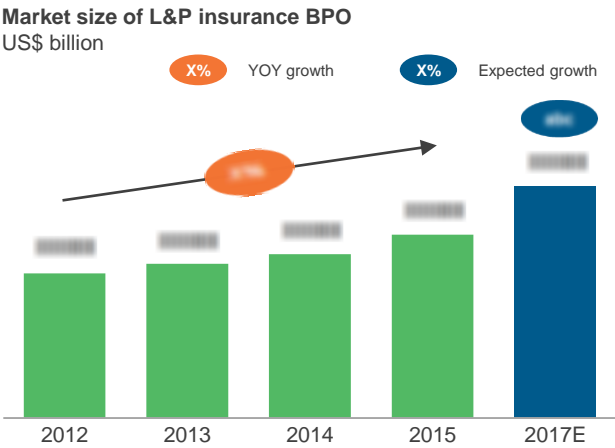
- Market share continues to be concentrated among few service providers, with the top five providers accounting for three-fourths of the market
- Leading service providers registered a high growth rate, leading to a widening of the gap between them and the emerging players

This study offers four distinct chapters providing a deep dive into key aspects of the L&P insurance BPO; below are four charts to illustrate the depth of the report

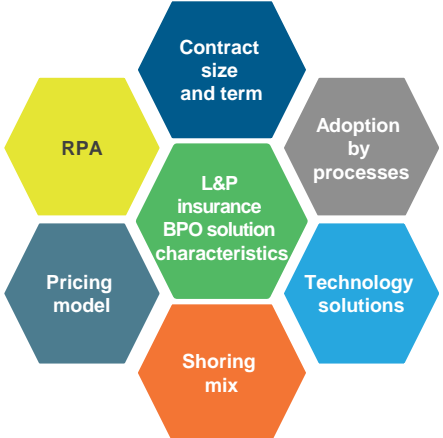
State of the market



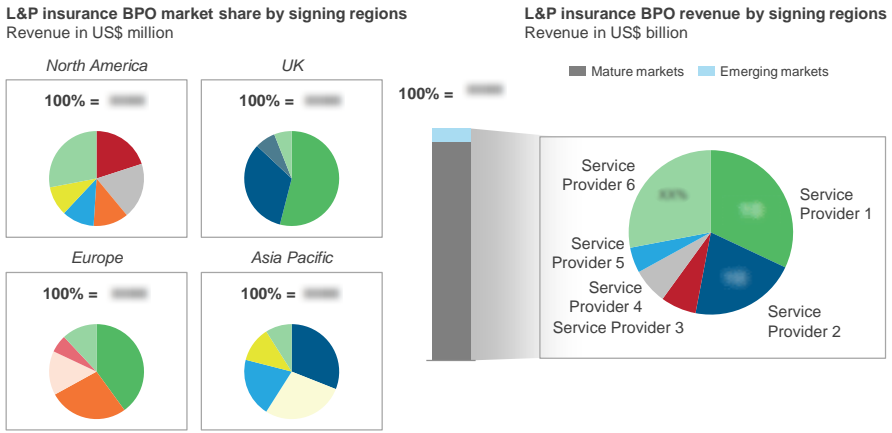
Market size and growth



L&P insurance BPO solution characteristics



Service provider landscape



Source: Everest Group (2016)

BFSI BPO research calendar

Published Current

Topic	Release date
Risk Management – Looking Beyond the Transactions, Credit Leading the Way	March 2016
Banking BPO Service Provider Landscape with PEAK™ Matrix Assessment	June 2016
L&P Insurance BPO Service Provider Landscape with PEAK™ Matrix Assessment	June 2016
Capital Markets BPO Service Provider Landscape with PEAK™ Matrix Assessment 2016	July 2016
Life and Pensions Insurance BPO – Service Provider Landscape with PEAK Matrix™ Assessment 2016	August 2016
Banking BPO Annual Report	September 2016
P&C Insurance BPO Annual Report	September 2016
L&P Insurance BPO Service Provider Profile Compendium	November 2016
L&P Insurance BPO – Annual Report 2016: Breaking New Grounds	November 2016
Capital Markets BPO Annual Report	November 2016
P&C Insurance BPO Service Provider Profile Compendium	Q4 2016
Wealth Management BPO	Q4 2016
Retail Banking BPO Service Provider Landscape with PEAK™ Matrix Assessment	Q4 2016
Banking BPO Service Provider Profile Compendium	Q4 2016
Capital Markets BPO Service Provider Profile Compendium	Q4 2016

Additional BFSI BPO research references

The following documents are recommended for additional insight into the topic covered in this report. The recommended documents either provide additional details on the topic or complementary content that may be of interest:

- 1. Life and Pensions Insurance BPO – Service Provider Landscape with PEAK Matrix™ Assessment 2016** ([EGR-2016-11-R-1871](#)); 2016. This report examines the global L&P insurance BPO market and its service provider landscape. It provides detailed analysis of the capabilities and market performance of service providers and their relative position on the Everest Group PEAK Matrix. It will assist key stakeholders (insurance providers, service providers, and technology providers) understand the current state of the L&P insurance BPO service provider landscape
- 2. Property and Casualty Insurance BPO – Service Provider Landscape with PEAK Matrix™ Assessment 2016** ([EGR-2016-11-R-1813](#)); 2016. This report uses Everest Group's proprietary PEAK Matrix to assess and rate service providers for property and casualty insurance BPO on their market success and various dimensions of their delivery capabilities. It also highlights the key emerging trends in the P&C insurance BPO market and the key implications for buyers and service providers
- 3. Life and Pensions Insurance BPO Service Provider Profile Compendium 2015** ([EGR-2016-11-R-1696](#)); 2016. This report provides accurate, comprehensive, and fact-based snapshots of major L&P insurance BPO service providers. Each profile includes scale, scope, technology solutions, delivery locations, and Everest Group's assessment of the provider
- 4. Insurance BPO Annual Report 2015: RPA and Analytics Powering the Next Wave of BPO Expansion** ([EGR-2015-11-R-1598](#)); 2015. This report provides an overview of the insurance BPO market, including adoption trends across geographies and insurance segments, key solution characteristics, service provider landscape, and areas of service investments

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