



## **Topic: A PEAK into the Leaders, Major Contenders, and Emerging Players**

Banking, Financial Services, and Insurance (BFSI) Outsourcing  
Market Report: December 2012 – Preview Deck

# Our research offerings for global services

## Subscription information

- The full report is included in the following subscription(s)
  - Banking, financial services, insurance
- In addition to published research, a subscription may include analyst inquiry, data cuts, and other services
- If you want to learn whether your organization has a subscription agreement or request information on pricing and subscription options, please contact us:
  - [info@everestgrp.com](mailto:info@everestgrp.com)
  - +1-214-451-3110

## Market Vista

Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available

Banking, financial services, insurance

Healthcare

Finance & accounting

Procurement

Information technology

Cloud Vista

Human resources

Recruitment process

Global sourcing

PricePoint

Service provider Intelligence

Transaction Intelligence

## Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies

# Background and methodology of the research

---

## Background of the research

The insurance BPO market has witnessed its highest activity in the last two years. The number of insurance contracts signed in 2011-2012 was more than double the number signed during the peak of the global economic downturn of 2008-2009, which also affected insurance companies severely. As the market expands, insurers are looking at BPO as a key tool to cut costs, improve operations, and manage regulations. Service providers are, in turn, differentiating their offerings through better technology, strong delivery capabilities, and the ability to serve niche segments.

## Scope and methodology

In this research, we analyze the global insurance BPO service provider landscape. We focus on:

- Relative positioning of 10 service providers on Everest PEAK Matrix for insurance BPO
- Service provider market success
- Service provider capability advancements
- Emerging service provider trends
- Implications for insurers and service providers

# Table of contents (page 1 of 2)

---

Topic	Page no.
<b>Section I: Introduction and methodology</b>	<b>8</b>
<b>Section II: Summary of key messages</b>	<b>12</b>
<b>Section III: Everest Group PEAK Matrix for insurance BPO</b>	<b>16</b>
• Summary	17
• PEAK Matrix for insurance BPO	19
• Service provider assessment	21
<b>Section IV: Insights into PEAK Matrix dimensions</b>	<b>22</b>
• Summary	23
• Market success	26
• Scale	28
• Scope	30
• Technology	34
• Delivery footprint	35

# Table of contents (page 2 of 2)

---

Topic	Page no.
<b>Section V: Emerging service provider trends</b>	<b>37</b>
• Summary	38
• Platform-based BPO offerings	40
• Increasing focus to tap the U.S. closed books insurance opportunity	42
• Inclusion of complex processes in insurance BPO contracts	44
• High degree of onshoring	46
• Managing regulations and risks	48
<b>Section VI: Implications for key stakeholders</b>	<b>50</b>
• Implications for buyers	51
• Implications for service providers	52
<b>Section VII: Appendix</b>	<b>53</b>
• Glossary of key terms	54
• Research agenda	55
• References	57

# Overview and abbreviated summary of key messages

(page 1 of 2)

---

This report uses Everest Group's proprietary PEAK Matrix to assess and rate service providers for insurance BPO on various dimensions of their capabilities. It also discusses key emerging trends in insurance BPO.

**Some of the findings in this report, among others, are:**

## Everest Group PEAK Matrix for insurance BPO

- Everest Group classifies 10 insurance BPO service providers on Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix into the three categories of Leaders, Major Contenders, and Emerging Players
- The 2012 Insurance BPO PEAK Matrix positioning is as follows:
  - Leaders: EXL Service, TCS, and WNS
  - Major Contenders: Genpact, HCL, Infosys, and Wipro
  - Emerging Players: Capgemini, Cognizant, and Serco

## Key insights on service provider delivery capability

- Leaders account for about 60% of the overall insurance BPO market in terms of revenue and are growing at a healthy rate. EXL Service is the biggest player in the U.S. BPO insurance market and TCS in the UK BPO insurance market.

# Overview and abbreviated summary of key messages

(page 2 of 2)

## Key insights on service provider delivery capability (continued)

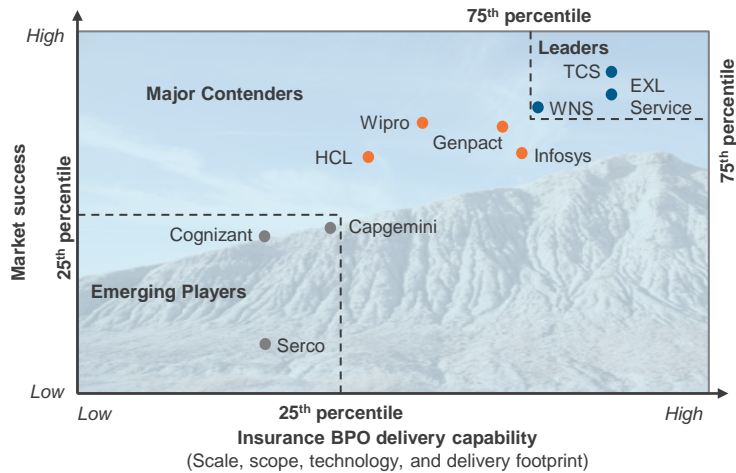
- Leaders hold a clear advantage over Major Contenders and Emerging Players in their scale of operations
- There is significant variation across service providers when their relative capability across L&P and P&C segments and their market success across different geographies is assessed
- Leaders and Major Contenders have a significantly higher number of delivery locations and more global delivery presence than Emerging Players

## Emerging service provider trends

- Platform-based BPO offerings, increasing focus on the U.S. closed books BPO market, inclusion of complex processes in insurance BPO contracts, higher degree of on shoring, and regulatory and risk management BPO are the current trends in the insurance BPO market

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

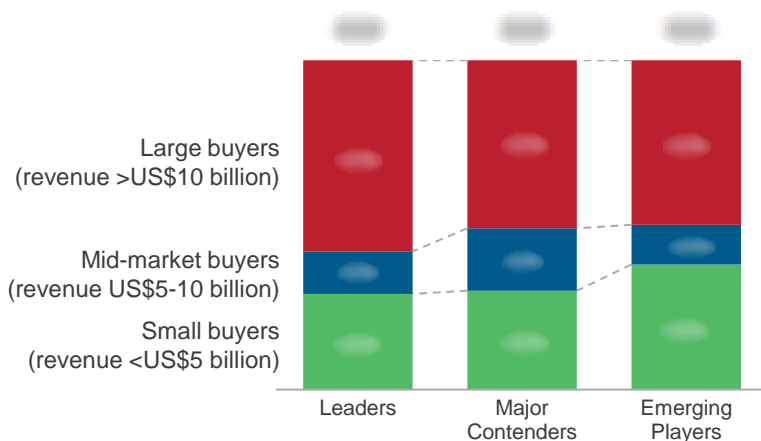
### Insurance BPO PEAK Matrix 2012



### Delivery capability

Service provider	Delivery capability				Market success	Overall
	Scale	Scope	Technology capability	Delivery footprint		
Service provider 1	High	Medium-High	High	High	High	High
Service provider 2	High	Medium-High	High	Medium-High	High	High
Service provider 3	High	High	High	Medium-High	High	High
Service provider 4	High	Medium-High	Medium-High	High	High	High
Service provider 5	High	High	High	High	High	High
Service provider 6	Major Contenders	Medium	High	Medium	High	High
Service provider 7	Major Contenders	High	High	Medium	High	High
Service provider 8	Major Contenders	Medium	High	Medium	High	High
Service provider 9	Major Contenders	Medium	High	High	High	High
Service provider 10	Major Contenders	Medium	Medium	Medium	High	High
Service provider 11	Major Contenders	Medium	High	High	High	High
Service provider 12	Emerging Players	Medium	Medium	Medium	High	High
Service provider 13	Emerging Players	Medium	Medium	Medium	High	High
Service provider 14	Emerging Players	Medium	Medium	Medium	High	High

### Scope



### Emerging trends





# BFSI Outsourcing research agenda (page 1 of 2)

Published Current

Topic	Release date
Trade Reconciliations Business Process Outsourcing (BPO)	May-2012
Report Card for the Indian IT Majors – Pecking Order Analysis of the "WITCH" Group	June-2012
IT Application Outsourcing (AO) in Banking – Trends and Future Outlook	June-2012
BFS BPO Annual Report 2012 – Strong Growth Post the Downturn	July-2012
Application Outsourcing (AO) in Banking: PEAK Matrix Provider Landscape – Evolution at Play	August-2012
IT Application Outsourcing (AO) in Insurance – Navigating Business Challenges through Technology	September-2012
A PEAK into the Leaders, Major Contenders, and Emerging Players of the Banking BPO Market	October 2012
Applications Outsourcing in Banking – Service Provider Profile Compendium	October 2012
Global Sourcing Trends in the U.S. Mortgage Industry	October 2012
IT Application Outsourcing (AO) in Capital Markets Annual Report – Change is the only constant	October 2012
Webinar Deck: PEAK into the BFSI Outsourcing Market	October 2012
Application Outsourcing (AO) in Insurance: PEAK Provider Landscape – Policies for Growth and Differentiation	October 2012
Insurance Business Process Outsourcing (BPO) Market 2011-2012 – Annual Report	November-2012

# BFSI Outsourcing research agenda (page 2 of 2)

Published
  Current

Topic	Release date
A PEAK into the Leaders, Major Contenders, and Emerging Players of Capital Markets BPO .....	November-2012
Banking BPO Service Provider Profile Compendium .....	November-2012
A PEAK into the Leaders, Major Contenders, and Emerging Players of Insurance BPO .....	December -2012
BFSI BPO Service Provider Profile Compendium – Capital Markets BPO .....	Q4-2012
BFSI BPO Service Provider Profile Compendium – Insurance BPO .....	Q4-2012
Service Provider Landscape for IT application services in Capital Markets – PEAK report 2012 .....	Q4-2012
IT Application Services in Insurance – Service Provider Profile Compendium 2012 .....	Q1-2013
IT Application Services in Capital Markets – Service Provider Profile Compendium 2012 .....	Q1-2013

# Additional BFSI BPO research references

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

1. **Insurance Business Process Outsourcing (BPO) Market 2011-2012 – Annual Report** ([EGR-2012-11-R-0781](#)); 2012 This report discusses the global non-voice, third-party, industry-specific insurance BPO industry, providing coverage across market size and growth, solution characteristics, and the service provider landscape for the market
2. **IT Application Outsourcing (AO) in Insurance – Navigating Business Challenges through Technology** ([EGR-2012-11-R-0744](#)); 2012. This report provides an overview of the application services market for the insurance vertical, capturing key trends in market size, growth, drivers and inhibitors, adoption trends, regional/functional break-outs of the market, emerging themes and key areas of investment, and implications for key stakeholders. The focus in 2012 is also to capture the key movements in volumes/values of insurance-AO transactions, evolving trends, market dynamics, and emerging priorities of buyers in the last 12 months
3. **Closed Books Insurance BPO: The Curious Divide across the Atlantic** ([EGR-2012-11-V-0665](#)); 2012. This viewpoint analyzes the key underlying drivers behind closed books insurance BPO, the divide between United States and United Kingdom in closed books insurance BPO adoption across key dimensions, the future outlook and trajectory of these two markets, and implications for stakeholders
4. **The Two Billion Dollar (and some more) Giant: Implications of TCS's Insurance BPO deal with Friends Life** ([ERI-2011-11-V-0612](#)); 2011. This breaking viewpoint analyzes this deal and presents insights on why the deal came to be signed, why this was expected, what this portrays about the UK insurance BPO market, why this deal is significant for both insurers and BPO service providers and the trends that it affirms, how this deal will impact TCS in terms of scale, profits, future outlook, and things to watch out for

For more information on this and other research published by Everest Group, please contact us:

**Saurabh Gupta**, Vice President:

[saurabh.gupta@everestgrp.com](mailto:saurabh.gupta@everestgrp.com)

**Rajesh Ranjan**, Vice President:

[rajesh.ranjan@everestgrp.com](mailto:rajesh.ranjan@everestgrp.com)

**Skand Bhargava**, Senior Analyst:

[skand.bhargava@everestgrp.com](mailto:skand.bhargava@everestgrp.com)

**Rishabh Gupta**, Senior Analyst:

[rishabh.gupta@everestgrp.com](mailto:rishabh.gupta@everestgrp.com)

**FS BPO Team:**

[FSBPOresearch@everestgrp.com](mailto:FSBPOresearch@everestgrp.com)

**Everest Group**

Two Galleria Tower

13455 Noel Road, Suite 2100

Dallas, TX 75240

Phone: +1-214-451-3110

Email: [info@everestgrp.com](mailto:info@everestgrp.com)

# Everest Group

## Leading clients from **insight** to **action**

Everest Group is an advisor to business leaders on the next generation of global services with a worldwide reputation for helping Global 1000 firms dramatically improve their performance by optimizing their back- and middle-office business services. With a fact-based approach driving outcomes, Everest Group counsels organizations with complex challenges related to the use and delivery of global services in their pursuits to balance short-term needs with long-term goals. Through its practical consulting, original research, and industry resource services, Everest Group helps clients maximize value from delivery strategies, talent and sourcing models, technologies, and management approaches. Established in 1991, Everest Group serves users of global services, providers of services, country organizations, and private equity firms in six continents across all industry categories. For more information, please visit [www.everestgrp.com](http://www.everestgrp.com) and [research.everestgrp.com](http://research.everestgrp.com).

### Dallas (Corporate Headquarters)

[info@everestgrp.com](mailto:info@everestgrp.com)  
+1-214-451-3000

### Toronto

[canada@everestgrp.com](mailto:canada@everestgrp.com)  
+1-416-865-2033

### India / Middle East

[india@everestgrp.com](mailto:india@everestgrp.com)  
+91-124-496-1000

### New York

[info@everestgrp.com](mailto:info@everestgrp.com)  
+1-646-805-4000

### London

[unitedkingdom@everestgrp.com](mailto:unitedkingdom@everestgrp.com)  
+44-207-129-1318

## Stay connected

### Websites



[www.everestgrp.com](http://www.everestgrp.com)  
[research.everestgrp.com](http://research.everestgrp.com)

### Twitter



@EverestGroup  
@Everest\_Cloud

### Blogs



[www.sherpasinblueshirts.com](http://www.sherpasinblueshirts.com)  
[www.gainingaltitudeinthecloud.com](http://www.gainingaltitudeinthecloud.com)