Topic: Next-wave Location Profile

Locations Insider™
Market Report: September 2014 – Preview Deck

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Custom research capabilities
- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

1   Banking, financial services, and insurance

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Overview and methodology of the research

Overview of the research

Everest Group's Next wave location profiles provide crisp, yet insightful assessment of emerging / "next-wave" countries or cities for services delivery. These reports help global sourcing practitioners or location strategy professionals stay ahead of competition in understanding global sourcing opportunities in "next-wave" locations.
These reports offer perspectives on:

- Global sourcing profile (e.g., functions supported, market activity) of the location

- Opportunities for enterprises and service providers

- Key drivers and challenges for global sourcing industry

- Overview of talent availability and operating costs (including wage inflation and attrition)

- Key environment risks (e.g., geopolitical, macroeconomic, safety)

The methodology of these reports includes:

- Proprietary tracking and databases on operating costs, labor pool, market activity, and risks

- Year-round tracking of 180+ locations around the world

- Coverage across all offshore, nearshore, and onshore locations across regions (APAC, Europe, North America, LATAM, Africa)

- Over 100 global projects on supporting clients on location decisions

- Executive-level relationships with buyers, service providers, technology providers, and industry associations

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This study provides perspectives on key aspects of the global sourcing market in the location; below are four charts to illustrate the coverage of the report
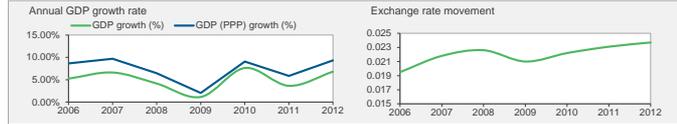
Country/city overview and market activity

Key factoids – geographic and socio-economic

Region	XX
Time zone	XX
Government type	XX
Population (XX)	XX
GDP	XX
GDP per capita	XX
Currency	XX
Corporate tax rate	XX
CPI inflation	XX
Major languages spoken (XXX)	XX
Economic development Agency	XX

Economic indicators

Annual GDP growth rate
— GDP growth (%) — GDP (PPP) growth (%)
15.00%
10.00%
5.00%
0.00%
2006 2007 2008 2009 2010 2011 2012

Exchange rate movement
0.025
0.023
0.021
0.019
0.017
0.015
2006 2007 2008 2009 2010 2011 2012

Talent availability and operating cost

Entry-level talent pool

Annual tertiary graduate pool
2013; '000s

- Total — XX
- IT & engineering — XX
- Finance & business — XX
- Arts, humanities, and others — XX

Operating cost

Annual operating cost per FTE – contact center
2013; US$ '000s

XX — XX
XX — XX
XX — XX

Wage inflation and attrition (CC)
2013; Percentage per annum

Wage inflation — XX
Attrition — XX

Growth drivers, opportunities, and challenges

Relative maturity of functions served

- Primarily leveraged for English-language contact center services delivery to the United States
- Multiple instances of both GICs and service providers providing transactional back-office services
- XXX

Potential opportunities

- Availability of high-quality graduates can drive the growth of the Knowledge Process Outsourcing (KPO) industry
- XXX
- XXX
- XXX
- XXX

Drivers for industry growth

- Cultural affinity with the United States and high proficiency in American-style English
- Attractive cost arbitrage over U.S cities
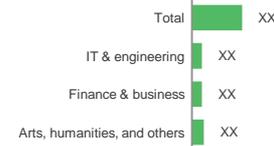- XXX
- XXX
- xxx

Likely challenges

- Global branding as voice BP leader presents a challenge for the visibility and growth of non-voice BP
- XXX
- XXX
- xxx

Risk assessment

Legend: ▉ Highly favorable ▉ Favorable, some concerns ▉ Least favorable

Parameter	Everest Group rating	Comments
Geopolitical[1]	(rating)	• Stable government; ruling party has control of both houses of parliament • Concerns around high incidence of corruption across all levels of government
Macro-economic[1]	(rating)	• Healthy GDP growth driven by strong private sector consumption and net exports • XXX • XXX
Infrastructure	(rating)	• Good-quality infrastructure in business and IT parks in the city • XXX
Safety and security	(rating)	• Security risk is moderate with relatively lower levels of violence, compared to other parts of the XXX • XXX
Regulations and ease of doing business[1]	(rating)	• Some concerns around ease of doing business, with higher time required to start a business • XXX • XXX

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Locations Insider research calendar

Topic	Release date
"Next-wave" location profile: Guatemala	November-2013
"Next-wave" location profile: Cebu	November-2013
Finance & Accounting in Latin America (LATAM)	December-2013
"Next-wave" location profile: Bulgaria	June-2014
"Next-wave" location profile: Peru	June-2014
"Next-wave" location profiles: Romania	July-2014
"Next-wave" location profiles: Chengdu, China	July-2014
"Next-wave" location profiles: Nicaragua	August-2014
"Next-wave" location profile: Vietnam	August-2014
"Next-wave" location profiles: Kenya	September-2014
"Next-wave" location profiles: Sri Lanka	September-2014
"Next-wave" location profiles: Jaipur, India	September-2014
"Next-wave" location profiles: Latvia	September-2014
"Next-wave" location profile: Uruguay	September-2014
Global Locations Annual Report	Q3-2014
Emerging Locations Trends report: Delivery of IT services from the U.S.	Q3-2014
Function Focus: Tier-2/3 locations in India for IT ADM delivery	Q3-2014
Emerging Locations Trends report: Emerging opportunities in tier-2/3 cities in the Philippines	Q3-2014

Appendix: Additional research references

The following documents are recommended for additional insight on 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. **Next-wave Location Profile – Cebu, Philippines** (EGR-2013-2-LP-0999); 2013. This report analyses Cebu (Philippines) offers perspectives on global sourcing profile of Cebu, key opportunities, drivers, and challenges, along with an overview of talent availability, operating costs, and environment risks

2. **Next-wave Location Profile – Guatemala** (EGR-2013-2-LP-0998); 2013. This report on Guatemala offers perspectives on global sourcing profile of Guatemala, key opportunities, drivers, and challenges, along with an overview of talent availability, operating costs, and environment risks

3. **Finance & Accounting in Latin America (LATAM)** (EGR-2013-2-R-1009); 2013. This report analyzes LATAM as a destination for nearshore/offshore FAO services in English language and the region's unique value proposition. The report would help buyers and service providers, who are evaluating entering or expanding their existing footprint in LATAM, to develop a holistic perspective of global services in FAO

4. **Next-wave Location Profile – Peru** (EGR-2014-2-LP-1136); 2014. This report on Peru perspectives on global sourcing profile of Peru, key opportunities, drivers, and challenges, along with an overview of talent availability, operating costs, and environment risks

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

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At a glance

- With a fact-based approach driving outcomes, Everest Group counsels organizations with complex challenges related to the use and delivery of the next generation of global services

- 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

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