



# Big Data and Analytics Services in Global Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2015

Banking, Financial Services, and Insurance (BFSI) IT Services  
Market Report: December 2015 – Preview Deck

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- 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

## Subscription information

- The full report is included in the following subscription(s)
  - **BFSI ITO**
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<sup>1</sup> Banking, financial services, and insurance

# Table of contents

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Topic	Page no.
<b>Background and methodology</b>	<b>4</b>
<b>Executive summary</b>	<b>11</b>
• Summary of key messages	12
<b>Big data and analytics services in insurance</b>	<b>13</b>
• Big data and analytics services in insurance – trends	14
• Big data and analytics services across the insurance industry value chain	15
• Implications for buyers	16
• Implications for service providers	17
<b>Big data and analytics services in insurance PEAK Matrix characteristics</b>	<b>18</b>
• Summary dashboard	23
• Big data and analytics services in insurance PEAK Matrix	25
• Big data and analytics services in insurance PEAK Matrix – characteristics	26
<b>Appendix</b>	<b>41</b>
• Glossary of key terms	42
• BFSI ITO research calendar	44
• References	45

# Background and scope of the research

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## Background of the research

The insurance industry is grappling with increasing customer expectations, eroding margins & pricing pressures, an uncertain economy, and increasing regulatory requirements. Insurers are actively looking for opportunities to leverage the vast volumes of available data, both internal as well as from third party sources, to come up with differentiated offerings and counter the industry headwinds.

At the same time, service providers are aggressively investing in enhancing their services/solutions portfolio with targeted offerings that leverage advanced data analytics techniques. There is an increasing trend of service providers strategically partnering with insurers in their analytics adoption journey, helping them articulate benefits of adopting analytics across the insurance value-chain.

Primarily, the current investments are focused in the areas of customer intelligence, client retention, targeted marketing fraud identification and prevention, Usage-based Insurance (UBI), risk management and regulatory reporting. Service providers are organically and inorganically augmenting their capabilities in the domain via focused acquisitions, setting up labs and Centers of Excellence (CoEs) to demonstrate and evaluate proof-of-concepts, as well as forming alliances with leading big data and analytics product/platform vendors.

**In this research, we analyze the capabilities of 14 leading technology service providers, specific to big data and analytics services in the global insurance sector. These providers were mapped on the Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix, which is a composite index of a range of distinct metrics related to each provider's capability and market success.**

**In this report, we focus on:**

- The landscape of service providers for big data and analytics services in insurance
- Assessment of service providers on a number of capability-related dimensions
- Characteristics of Leaders, Major Contenders, and Aspirants on the Everest Group big data and analytics services in insurance PEAK Matrix
- Implications for insurance buyers and service providers

## Scope of this report

- **Industry:** Insurance (life, annuities, and pension; property & casualty); excludes banking, capital markets, and health insurance
- **Services:** Big data and analytics
- **Geography:** Global
- **Service providers:** Fourteen leading service providers with big data and analytics capabilities in insurance (list given on page 9)

# Our research methodology is based on four pillars of strength to produce actionable and insightful research for the industry

- Market thought leadership
- Actionable and insightful research
- Syndicated and custom research deliverables

**1 Robust definitions and framework**  
(PEAK Matrix, market maturity, and technology adoption/investment)

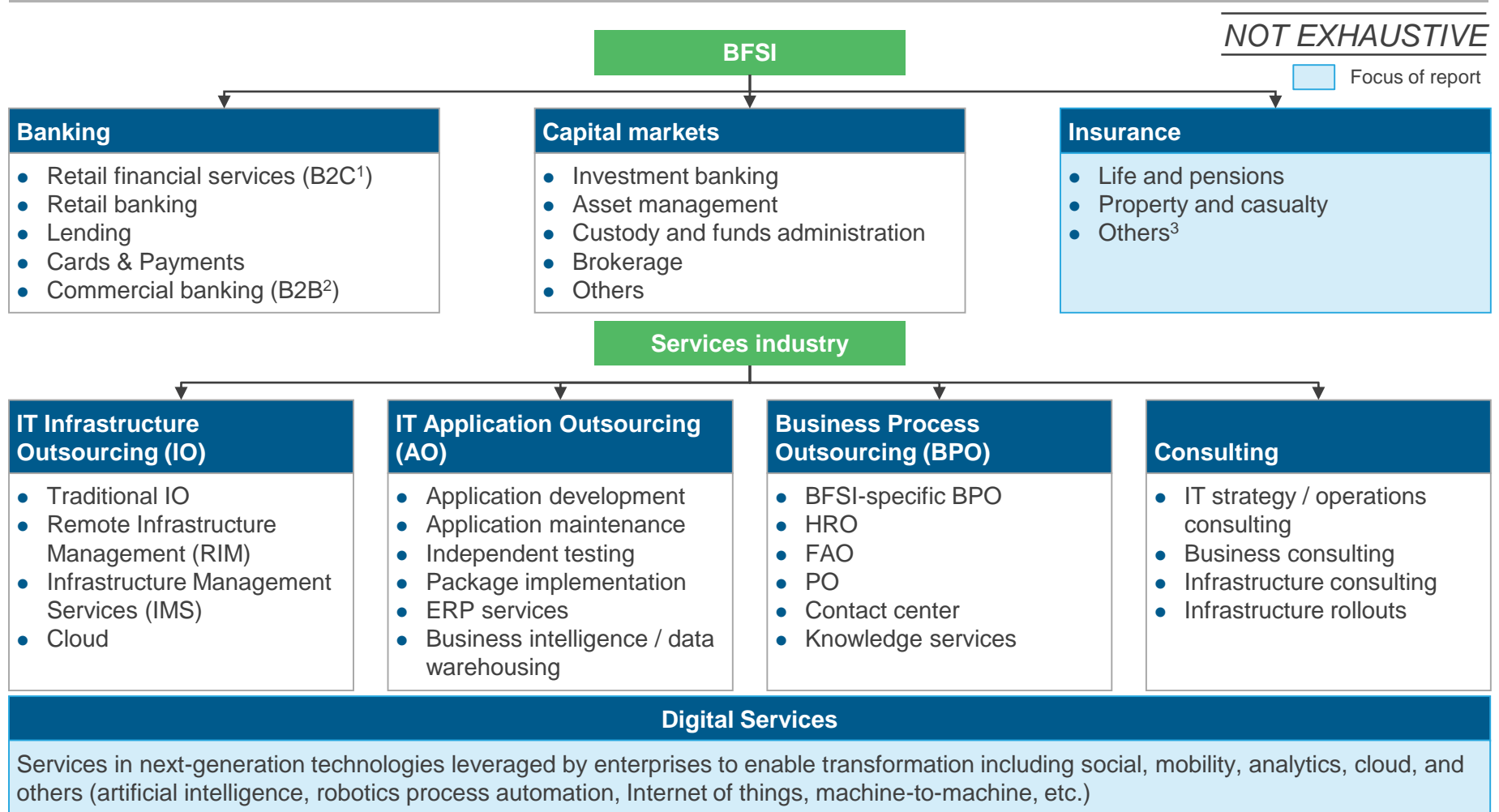
**2 Primary sources of information**  
(Annual, contractual and operational RFIs, service provider briefings and buyer interviews, and web-based surveys)

**3 Diverse set of market touchpoints**  
(Ongoing interactions across key stakeholders, input from a mix of perspectives and interests, supports both data analysis and thought leadership)

**4 Fact-based research**  
(Data-driven analysis with expert perspectives, trend-analysis across market adoption, contracting, and service providers)

- Proprietary contractual database of 1,200+ active BFSI AO contracts (updated annually), including digital services scope of work: social, mobility, analytics, cloud, and others (artificial intelligence, robotics process automation, Internet of things, machine-to-machine, etc.)
- Year-round tracking of 25+ BFSI AO service providers
- Dedicated team for BFSI IT outsourcing research, spread over two continents
- Over 20 years of advising BFSI clients on ITO and BPO decisions
- Executive-level relationships with buyers, service providers, technology providers, and industry associations

# This Everest Group report examines the service provider landscape for big data and analytics services in the global insurance sector



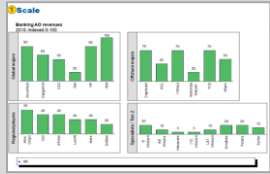
1 Business-to-consumer relationships

2 Business-to-business relationships

3 Includes other insurance functions such as takaful and reinsurance

# This report is a part of Everest Group's series of reports focused on ITO in BFSI in 2015

## IT Outsourcing in BFSI – Annual Report

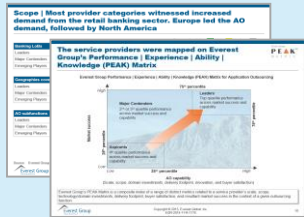


Each report provides:

- An overview of the application services market for the BFSI vertical, capturing key trends in market size, growth, drivers and inhibitors, adoption trends, regional/functional break-outs of the market, emerging themes, key areas of investment, and implications
- Key movements in volumes/values of AO transactions, evolving trends, market dynamics, and emerging priorities of buyers in the last 12 months

- Global Banking
- Global Capital Markets
- Global Insurance

## IT Outsourcing in BFSI – Service Provider Landscape

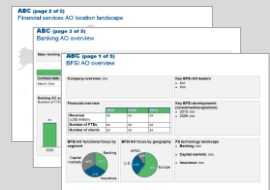


Each report provides:

- Assessment of the service provider landscape in AO services and mapping of providers on Everest Group's PEAK Matrix – as Leaders, Major Contenders, and Aspirants
- Benchmarking scale, scope, domain investments, and delivery footprint of each provider's BFSI-AO practice along with comparative evaluation of their BFSI-AO capabilities
- The 2015 BFSI-AO PEAK analyses focus on identifying the "Star Performers", i.e., providers with the strongest forward movement over time – both in terms of market success and capability advancements

- Global Banking
- Global Capital Markets
- Global Insurance
- Banking and Capital Markets (BCM) in Europe
- Insurance in Europe
- Mobility in Banking
- Mobility Services in Insurance
- Big Data and Analytics Services in Banking
- **Big Data and Analytics Services in Insurance**

## IT Outsourcing in BFSI – Service Provider Profile Compendium



Capability profiles of service providers capturing their AO services experience in specific subverticals. Each service provider profile includes:

- Service provider overview – details of AO services capabilities, key investments, proprietary solutions, and technological expertise
- Functional / Line of Business (LoB) focus
- Transactions overview for application services offerings and delivery footprint

- Global Banking
- Global Capital Markets
- Global Insurance

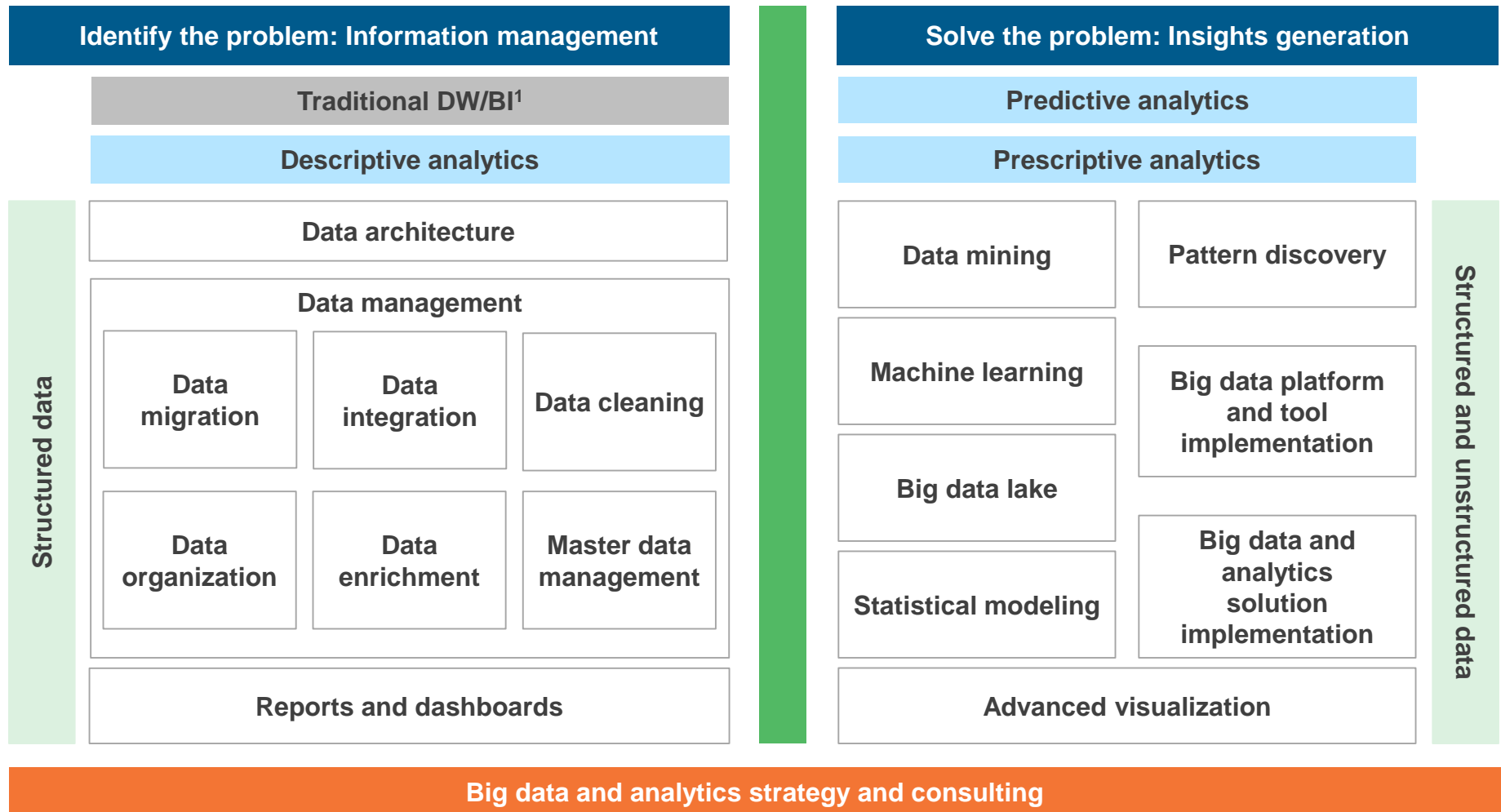
## Enterprise Digital Effectiveness with APEX Matrix



Two reports as part of an "open source" evaluation of digital effectiveness of the largest retail banks in United Kingdom and United States and mapping them on Everest Group's APEX Matrix – as Leaders, Optimizers, Innovators, and Aspirants

- APEX Matrix for Digital in U.S. retail banks
- APEX Matrix for Digital in UK retail banks

# Our definition: Big data and analytics services



<sup>1</sup> This PEAK Matrix assessment excludes traditional DW/BI



# Everest Group's BFSI research is based on two key sources of proprietary information

1

- Everest Group's proprietary database of 500+ IT service contracts within BFSI, consisting of major IT service providers with digital scope of work (updated annually)
- The database tracks the following elements of each digital services relationship:
  - Buyer details including industry, size, and signing region
  - Contract details including TCV, ACV, term, start date, service provider FTEs, pricing structure, and deal description
  - Activity broken down separately for banking, capital markets, insurance, and by line of business (for example, investment banking, asset management, custody, fund administration, and brokerage)
  - Scope includes coverage of buyer geography as well as functional activities
  - Global sourcing including delivery locations and level of offshoring

2

- Service provider briefings<sup>1</sup>
- Ongoing interactions with insurance buyers and industry bodies

3

- Everest Group's proprietary database of **operational capability of 20+ BFSI digital technology service providers** (updated annually through primary data collection via service provider RFIs)<sup>1</sup>
- The database tracks the following capability elements for each service provider:
  - Major BFSI clients and recent wins
  - Overall revenue, total employees, and BFSI employees
  - Recent BFSI-related developments
  - BFSI digital technology services delivery locations
  - BFSI digital technology service suite
  - Domain capabilities, proprietary solutions, and intellectual property investments

## Service providers covered in the analysis<sup>1</sup>



TATA CONSULTANCY SERVICES



1 Assessment for Accenture, CSC, and IBM excludes service provider inputs, and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with insurance buyers

2 Capgemini acquired IGATE in April 2015; the combined business unit has been analyzed as part of this assessment

Note: Everest Group continuously monitors market developments and tracks additional service providers beyond those included in the analysis

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information, that is contract-specific, will be presented back to the industry only in an aggregated fashion

# This report contains insights on the big data and analytics services in insurance service provider landscape

The report provides a comprehensive assessment of the service provider landscape in big data and analytics services for insurance and maps various providers on Everest Group's PEAK Matrix. The report further examines the distinctive characteristics of different service provider clusters i.e., Leaders, Major Contenders, Aspirants, and recognizes the key implications of the rapidly evolving big data and analytics services landscape for insurance buyers and service providers.

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

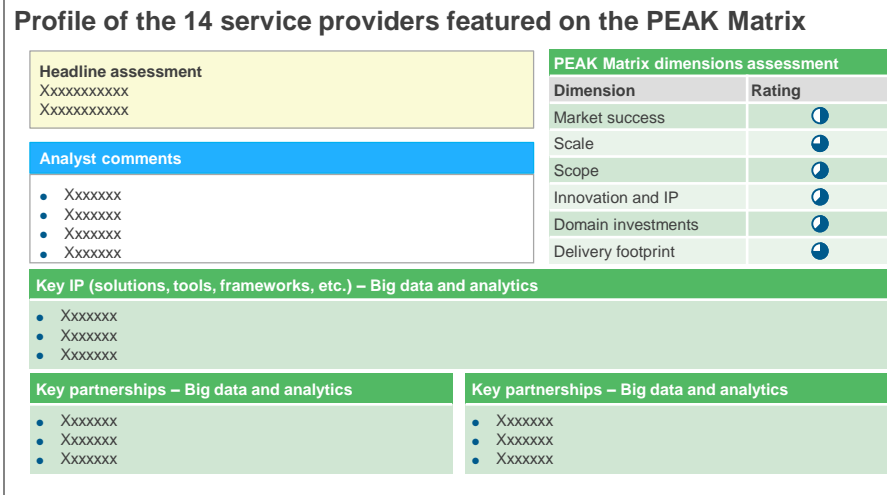
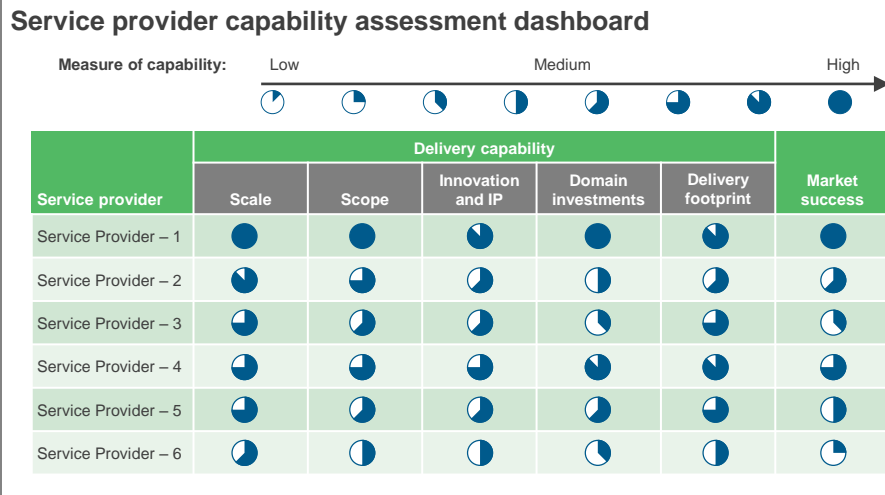
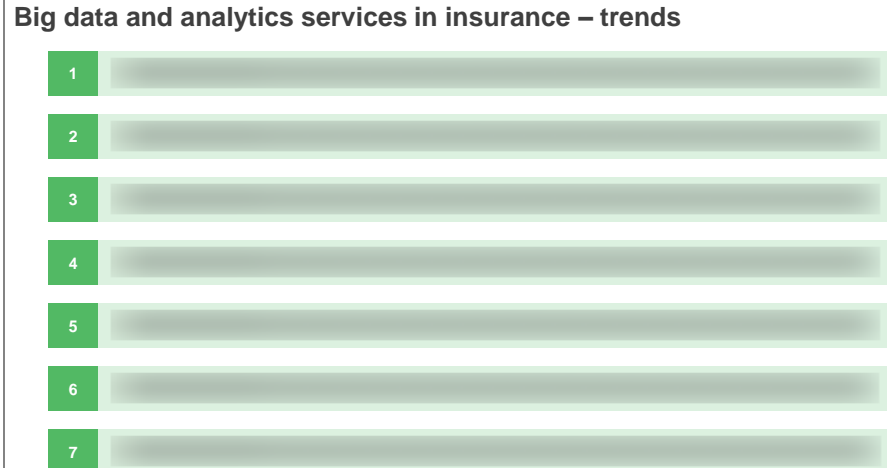
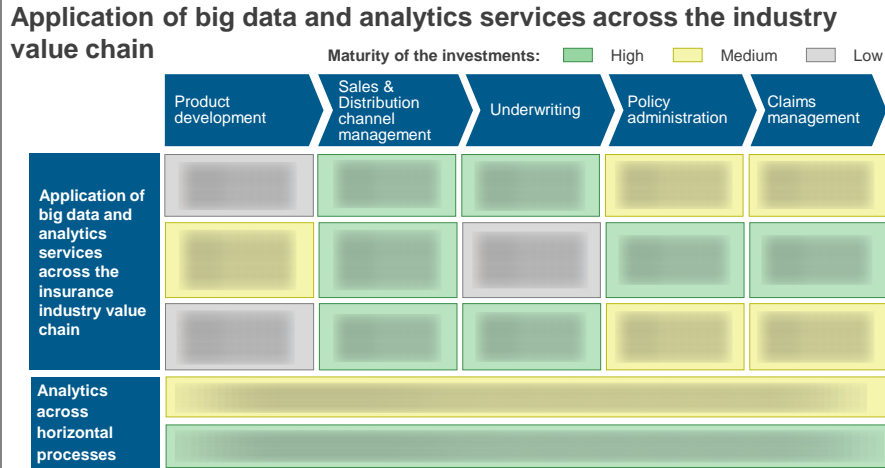
## PEAK Matrix characteristic for big data and analytics services in insurance

- Insurance firms are actively looking for opportunities to generate more value out of the expanding data volumes, resulting from cheap storage availability and advances in hardware technology
- To tap this growing opportunity, service providers are aggressively investing in developing vertical-specific solutions, especially in the areas of customer intelligence, client retention, fraud identification and prevention, risk management, and regulatory reporting to solve business problems, reduce costs, and drive efficiencies
- Leaders are leveraging both organic as well as inorganic route to enhance their proprietary portfolio with differentiated offerings for advanced analytics as well as gain access to niche technologies and specialized talent
- Major Contenders are focusing on setting up CoEs and training their resources on partner technologies to augment their capabilities for big data and analytics

## Implications for buyers and service providers

- Buyers need to include big data and analytics as part of core business strategy based on business objectives and the needs of the customers & employees rather than technology considerations
- Service providers need to assist buyers on their end-to-end big data and analytics adoption journey and help insurers to realize RoI on the analytics technology investments

# This study offers insights on the key aspects of the big data & analytics services in insurance service provider landscape; below are four charts to illustrate the depth of the report



Source: Everest Group (2015)

# BFSI ITO research calendar

Published Current

Topic	Release date
Digital Effectiveness in U.S. Retail Banking – Introducing the APEX Matrix™ to Identify the Digital Banking Leaders .....	July 2015
Digital Effectiveness in UK Retail Banking – Introducing the APEX Matrix™ to Identify the Digital Banking Leaders .....	July 2015
IT Outsourcing in Capital Markets – Annual Report 2015: Steering Through the Chaos .....	August 2015
IT Outsourcing in Capital Markets – Service Provider Landscape with PEAK Matrix Assessment 2015 .....	August 2015
IT Outsourcing in Banking – Service Provider Profile Compendium 2015 .....	September 2015
IT Applications Outsourcing in Capital Markets - Service Provider Profiles Compendium – 2015 .....	September 2015
IT Outsourcing in Banking and Capital Markets in Europe – SPL with PEAK Matrix™ Assessment 2015 .....	November 2015
IT Outsourcing in Global Insurance – Annual Report 2015 .....	November 2015
IT Outsourcing in Global Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2015 .....	November 2015
Mobility in Global Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2015 .....	November 2015
Mobility in Global Banking – Service Provider Landscape with PEAK Matrix™ Assessment 2015 .....	November 2015
Big Data and Analytics Services in Global Banking – Service Provider Landscape with PEAK Matrix™ Assessment 2015 .....	December 2015
Big Data and Analytics Services in Global Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2015 .....	December 2015
IT Applications Outsourcing in Insurance – Service Provider Profiles Compendium – 2015 .....	Q1 2016

# Additional 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. **IT Outsourcing in Global Insurance – Service Provider Landscape with PEAK Matrix Assessment 2015: Driving Differentiation through Digital** ([EGR-2015-11-R-1615](#)); 2015. This report provides a comprehensive assessment of the service provider landscape in AO services for insurance and maps the providers on Everest Group's PEAK Matrix. It also benchmarks the scale, scope, domain investments, buyer satisfaction, and delivery footprint of each provider's insurance AO practice. Finally, the 2015 insurance AO PEAK analysis focuses on identifying the "Star Performers," providers with the strongest forward movement over time in terms of market success and capability advancements
2. **Mobility Services in Global Insurance – Service Provider Landscape with PEAK Matrix Assessment 2015:** ([EGR-2015-11-R-1626](#)); 2015. This report provides a comprehensive assessment of the service provider landscape for mobility services for in the insurance market and maps the providers on Everest Group's PEAK Matrix. It also benchmarks the scale, scope, domain investments, and delivery footprint of each provider's mobility services in insurance practice.
3. **IT Outsourcing in Insurance – Annual Report 2015: The Digital Frontier** ([EGR-2015-11-R-1611](#)); 2015. This report provides an overview of the Application Outsourcing (AO) market for the insurance industry, through an in-depth analysis of large-sized AO contracts (i.e., contracts over US\$25 million in TCV and over three years in duration). The report analyzes key trends in market size & growth, demand drivers, adoption & scope trends, emerging priorities of buyers, key investment themes, and future outlook for 2015 with regards to such large insurance AO deals

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