



Big Data and Analytics Services in Global Banking – 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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▶ Locations Insider™

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- 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

Subscription information

- The full report is included in the following subscription(s)
 - **BFSI ITO**
- 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**



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¹ Banking, financial services, and insurance

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Background and scope of the research

Background of the research

The banking industry is grappling with changing regulations, threat from non-traditional financial service firms, rising cost pressures, and demanding customers. Banks are investing in solutions to manage risk, regulations, and expenditures, develop customer insights, and improve efficiency & productivity by leveraging analytics as well as big data.

With the rising volume of high velocity data originating from disparate sources such as retail stores, branches, ATMs, websites, and mobiles it becomes imperative for banks to invest in big data capabilities. Banks are proactively building innovative business models around digital technologies and leveraging big data and analytics to enhance consumer experiences. Data and analytics are a significant part of every business decision taken by banks to drive revenue, control costs, mitigate risk, and develop new targeted products. Banks are looking for strategic partners to assist in developing short- and long-term analytics strategy, empowering decision makers with prescriptive dashboards, and generating predictable analytical models for future planning.

Service providers need to align with rising client expectations, technology disruption, and niche start-up products in order to sustain themselves in this fast evolving marketplace. Service providers are building capabilities through alliances/acquisitions and in-house innovation/investments to come up with solutions to cater to the entire analytics value chain. There is a dire need for service providers to evolve from a traditional analytics player to a partner helping drive growth and efficiency through big data and advance analytics capabilities.

In this research, we analyze the capabilities of 17 leading technology service providers specific to big data and analytics in the global banking 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 analytics services in banking
- Assessment of service providers on a number of capability-related dimensions
- Characteristics of Leaders, Major Contenders, and Aspirants on the Everest Group PEAK Matrix on analytics services in banking
- Implications for banking buyers and service providers

Scope of this report

- **Industry:** Banking (retail banking, commercial banking, credit cards, loans, and mortgages); excludes capital markets and insurance
- **Services:** Big data and analytics services
- **Geography:** Global
- **Service providers:** 17 leading service providers with banking analytics services capabilities

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)

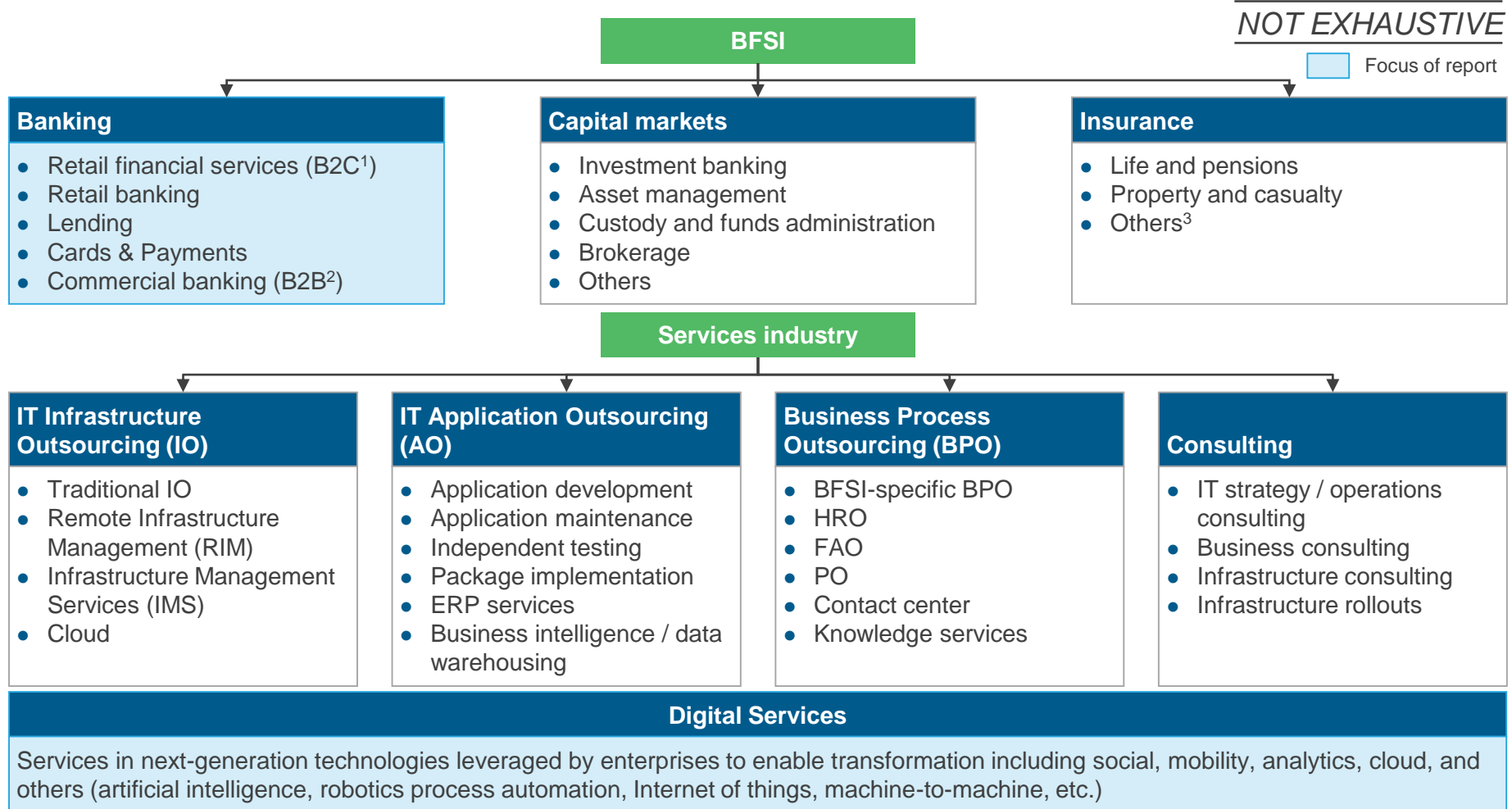
2 Primary sources of information
(Annual, contractual and operational RFIs, service provider briefings and buyer interviews, and web-based surveys)

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

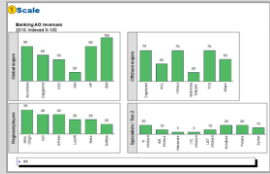
This Everest Group report examines the service provider landscape for big data and analytics services in the global banking sector



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

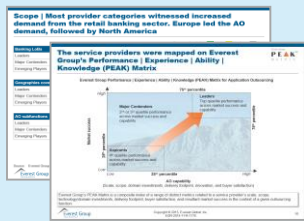


Each report provides:

- 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

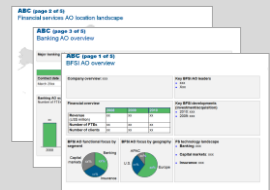


Each report provides:

- 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 Matrix 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

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

- Big Data and Analytics Services in Banking
- Big Data and Analytics Services in Insurance

- Global Banking
- Global Capital Markets
- Global Insurance

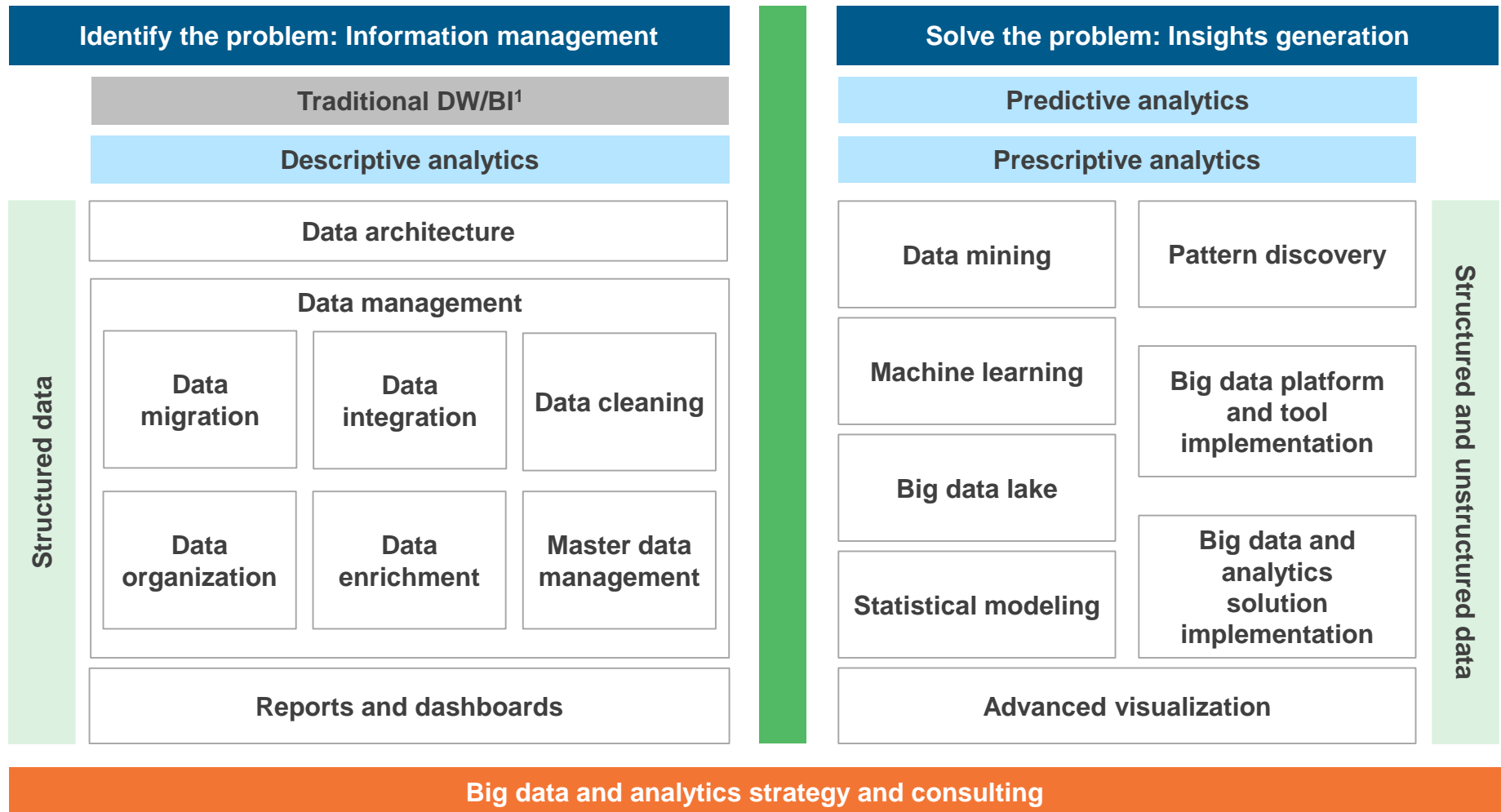
Enterprise Digital Effectiveness with APEX Matrix



Two reports as part of an "open source" evaluation of the 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



¹ 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 LOB (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 briefings¹
- Ongoing interactions with banking 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)¹
- 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 analysis¹



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 banking 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 banking service provider landscape

The report provides a comprehensive assessment of the service provider landscape in big data and analytics services for banking 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, and Aspirants, and recognizes the key implications of the rapidly evolving big data and analytics services landscape for banking buyers and service providers.

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

PEAK Matrix characteristic for analytics services in banking

- Analytics solutions have grown tremendously in their sophistication, as well as in the consequent business impact they create. While basic reporting continues to be a must-have for banks, predictive and prescriptive analytics solutions can be leveraged to elicit powerful insights
- Majority of the leading banks have implemented analytics solutions; these solutions are targeted at better marketing, increasing customer value, controlling customer churn, and fraud management amongst others
- Leaders have an established practice with vertical-specific teams and wide solution portfolio.
- Major Contenders include a mix of players with growing solutions portfolio across the analytics value chain as well as players with strong offerings in niche areas.
- Aspirants need to augment their current service offerings with capabilities in advanced analytics and consulting, and offer innovative pricing models

Implications for buyers and service providers

- Buyers need to include big data & analytics as part of core business strategy and hence big data & analytics initiative should be CEO driven rather than CIO driven
- Service providers need to grow its capability to serve and support buyers in their end-to-end big data & analytics journey starting from consulting to implementation & modelling and support. They should also help banks measure ROI in much effective and efficient way.

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 Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2015	December 2015
Big Data and Analytics Services in Global Banking – 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 Banking – Service Provider Landscape with PEAK Matrix Assessment 2015: Rise of the Challengers** ([EGR-2015-11-R-1479](#)), 2015. This report provides a comprehensive assessment of the service provider landscape in AO services for banking 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 banking AO practice. Finally, the 2015 banking AO PEAK Matrix analysis focuses on identifying the “Star Performers,” providers with the strongest forward movement over time in terms of market success and capability advancements
- 2. IT Outsourcing in Banking – Annual Report 2015: Riding the Digital Wave** ([EGR-2015-11-R-1496](#)), 2015. This report provides an overview of the Application Outsourcing (AO) market for the banking 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 banking AO deals
- 3. Mobility Services in Global Banking – Service Provider Landscape with PEAK Matrix Assessment 2015:** ([EGR-2015-11-R-1632](#)); 2015. This report provides a comprehensive assessment of the service provider landscape for mobility services for in the banking market and maps the service providers on Everest Group’s PEAK Matrix. It also benchmarks the scale, scope, innovation, domain investments, and delivery footprint of each provider’s mobility services in banking practice.

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