



Analytics in Global In-house Centers (GICs): Running Deep and Wide

Global Sourcing (GS)
Market Report: April 2015 – Preview Deck

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¹ Banking, financial services, and insurance

Background and scope of the research

Background of the research

Analytics is a topic of frequent discussions across industries because of its potential to create value for organizations. The ever increasing use of Internet, mobile, and social media creates huge amounts of data. With the advancement in technology, organizations now have affordable and efficient data storage and processing systems, which can capture and process colossal amounts of data. These advances in technology, combined with people's expertise, can deliver vital insights for the growth of organizations and industries. Thus, organizations are increasingly leveraging analytics for a variety of purposes, from launching new products based on market insights, to optimizing supply chain after forecasting demand, to devising strategies to mitigate risks identified from historical records. Many organizations have formed dedicated teams in their Global In-house Centers (GICs) for delivering analytics services. There are some interesting differences in the scope and scale of analytics services delivered from GICs across verticals.

In this research, we analyze the current market size of analytics services delivered from GICs, industry-specific GIC analytics trends, key drivers for analytics, and key delivery locations landscape.

Scope of this report

- | Market overview and deep-dive into four verticals:
 - Banking, Financial Services, and Insurance (BFSI)
 - Consulting and professional services
 - CPG and retail
 - Technology

- | Geography: Global locations covering all offshore/nearshore geographies

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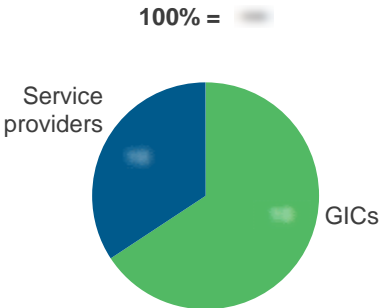
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This research provides market overview of the analytics services delivered from GICs

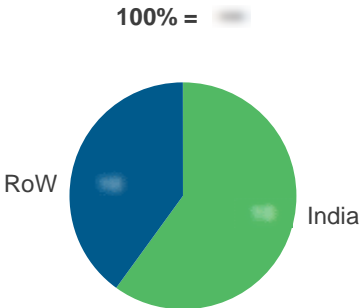
Analytics market overview

Analytics services market size
2014; Number of FTEs in '000s



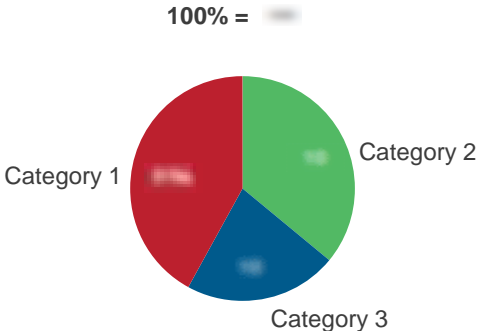
Location footprint

Distribution of global GIC analytics market by delivery geography
2014; Number of FTEs in '000s



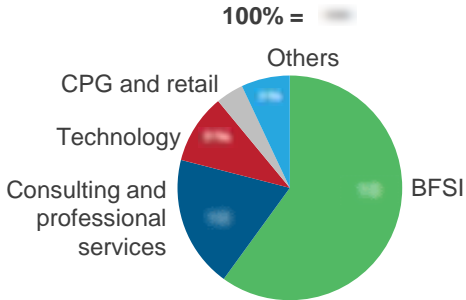
Outcome-based segmentation of analytics work

Global GIC analytics market by categories of analytics services
2014; Number of FTEs in '000s



Vertical-wise split up

Global GIC analytics market size by verticals
2014; Number of FTEs in '000s

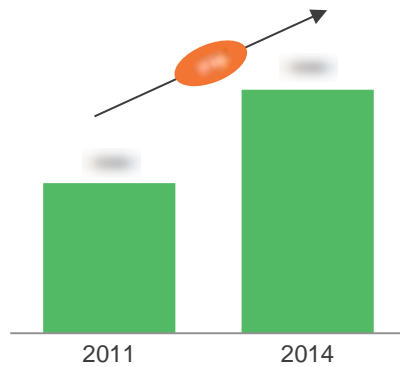


Source: Everest Group (2015)

Report focuses on in-depth analysis of four verticals: Banking, Financial Services & Insurance (BFSI), CPG & retail, technology, and consulting & professional services

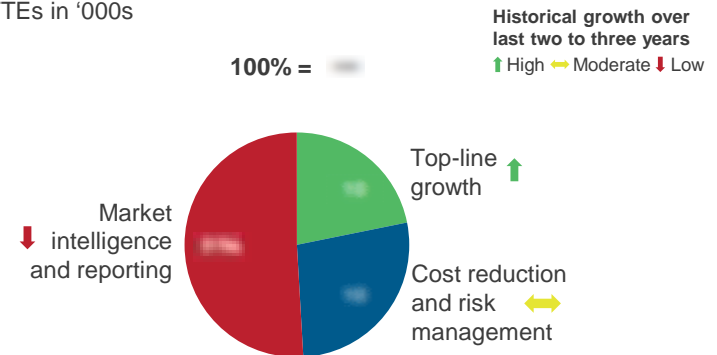
Vertical-specific historical growth

Historical growth in BFSI GIC headcount supporting analytics
2011-2014, Number of FTEs



Vertical-specific segmentation of analytics work

BFSI GIC analytics market by categories of analytics services
2014; FTEs in '000s



Vertical-specific analytics activities

BFSI: GIC maturity for key analytics activities pertaining to top-line growth
■ High maturity ■ Medium maturity ■ Low maturity

Key activities	GIC maturity
Loyalty program optimization	High maturity
Cross-sell targeting	High maturity
Activity 3	High maturity
Activity 4	Medium maturity
Activity 5	Medium maturity
Activity 6	Medium maturity
Activity 7	Medium maturity

Vertical-specific analytics activities

BFSI: GIC maturity for key analytics activities pertaining to cost reduction and risk management
■ High maturity ■ Medium maturity ■ Low maturity

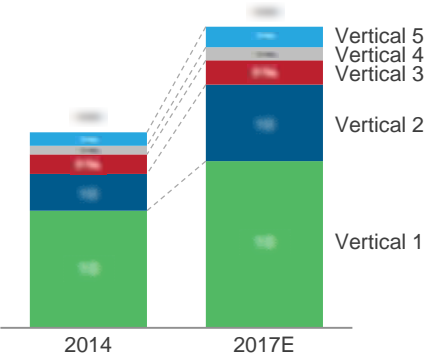
Key activities	GIC maturity
Credit risk management	High maturity
Fraud detection	High maturity
Activity 3	High maturity
Activity 4	High maturity
Activity 5	High maturity
Activity 6	Medium maturity
Activity 7	Medium maturity

Source: Everest Group (2015)

The report also provides our perspective on future outlook and emerging trends in analytics services supported from GICs

Projected headcount growth

Projected growth of GIC analytics headcount 2014-2017(Estimate); Number of FTEs in '000



Key trends

1

Move towards increasing scope of analytics work supported by GICs

2

Consolidation of analytics as *shared services within GICs* having common reporting and governance structure

3

Leverage additional information sources and explore new talent models to build new analytics capabilities within GICs

Future outlook

Vertical-wise projected growth including headcount growth and increase in effectiveness

Vertical	Growth outlook			Overall growth
	Headcount growth		Increase in effectiveness	
Vertical 1	Medium maturity	+	High maturity	Medium maturity
Vertical 2	High maturity	+	Medium maturity	High maturity
Vertical 3	Medium maturity	+	High maturity	Medium maturity
Vertical 4	Low maturity	+	High maturity	Medium maturity

Source: Everest Group (2015)

GS research calendar

Published Current

Topic	Release date
Evolution of the GIC Model: Do GICs Really Add Value Beyond Cost Arbitrage?	October 2014
Global In-house Center (GIC) Landscape in BFSI Sector	October 2014
How Cost Competitive are Global In-house Centers (GICs)?	October 2014
Webinar Deck: The Business Case for Impact Sourcing	October 2014
Viewpoint: Economies of Scale in Global Services – Realities and Limitations	December 2014
Viewpoint: Cracking the Hybrid Code	December 2014
Viewpoint: Organizational models for governing GICs	January 2015
Global In-house Center (GIC) Landscape Annual Report 2015	March 2015
Adoption of Hybrid Sourcing in GICs – Driving Impact through GIC-Service Provider Collaboration	April 2015
Analytics in Global In-house Centers (GICs): Running Deep and Wide	April 2015
Viewpoint: Global Business Services	Q2 2015
Landscape Report: GIC landscape among UK firms	Q2 2015
Landscape Report: GICs leading the way for enterprise digital transformation	Q3 2015
Landscape Report: F&A services delivery from GICs	Q3 2015

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. **Global In-house Center (GIC) Landscape Annual Report 2015** ([EGR-2015-2-R-1431](#)); 2015. This report provides a deep-dive into the GIC landscape and an analysis of the GIC trends in 2014, comparing them with the trends in last two years. The research also brings out key insights into the GIC market across locations, verticals, and functions. It concludes with an assessment of the hybrid sourcing constructs
2. **Evolution of the GIC Model: Do GICs Really Add Value Beyond Cost Arbitrage?** ([EGR-2014-2-R-1254](#)); 2014. As GICs look to play a more strategic role within the organization, it becomes crucial to identify areas where more business impact can be created in addition to just cost arbitrage. It is also equally important to articulate, quantify, and communicate the value addition to the parent organization. This report assesses the current state of the GIC market in terms of maturity of model and aims to help GICs in their maturity journey by identifying value addition levers and providing a framework to help quantify the business impact created
3. **Global In-house Center (GIC) Landscape in India – Three Decades of Value Creation for Global Enterprises, Geared Up to Deliver More** ([EGR-2014-2-R-1225](#)); 2014. This report provides a deep-dive into the GIC landscape in India and an analysis of the trends in the last 42 months (2011 to H1 2014) and compares them with the trends within the overall GIC activity in India. The research also brings out key insights about the Indian GIC market across key cities, verticals, and functions and concludes with an assessment of the strategic opportunities for India-based GICs

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

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