



# **Property and Casualty Insurance BPO – Annual Report 2016: The Dawn of Transformational Era – Adapt and Evolve to Succeed**

Banking, Financial Services, and Insurance (BFSI) Outsourcing  
Annual Report – September 2016 – Preview Deck

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<sup>1</sup> Banking, financial services, and insurance

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# Overview and abbreviated summary of key messages

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The global P&C insurance BPO market registered nearly 17% CAGR over the last few years to reach ~US\$1.4 billion. This insurance segment witnessed consistent number of new contract signing. Over the next two years, growth is expected to be driven by increasing adoption within the small-sized buyer segments and higher inclusion of judgment-intensive processes.

While political certainties will drive new contract signings in coming years, increasing expectations of buyers, driven by challenges faced and evolving consumer behavior will enhance scope of service providers' offerings. Digitalization, analytics, RPA, and TPA capabilities are expected to be key differentiators.

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

### State of the market

- Driven by macroeconomic and regulatory pressures, P&C insurers are taking cost-takeout measures
- Rise of digital customer
- P&C insurers being plagued by rising incidents of fraud
- P&C insurers can leverage three different models for third-party services depending upon their need and comfort
  - TPAs
  - Pure-play BPO providers
  - BPO service providers with TPA capabilities

# Overview and abbreviated summary of key messages

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### Market size and buyer adoption

- While year 2014 witnessed a relatively sluggish growth rate of around 12%, new deals and scope expansion of existing ones revived the high growth trend in 2015
- Political uncertainties on account of impending U.S. elections and referendum for BREXIT, resulted in cautious adoption in 2014 and 2015

### P&C insurance BPO trends

- Platform-based technology solutions are witnessing an increased leverage, especially in the small-sized buyer segment
- Buyers' demand for analytics and RPA solutions has increased

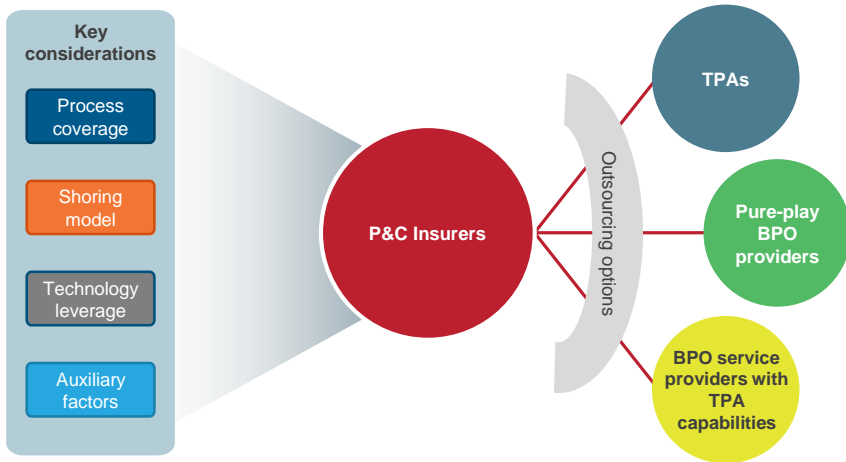
### Service provider landscape

- The service provider landscape continues to be competitive in North America, and somewhat monopolistic in United Kingdom
- Consolidation of service providers has shown emergence

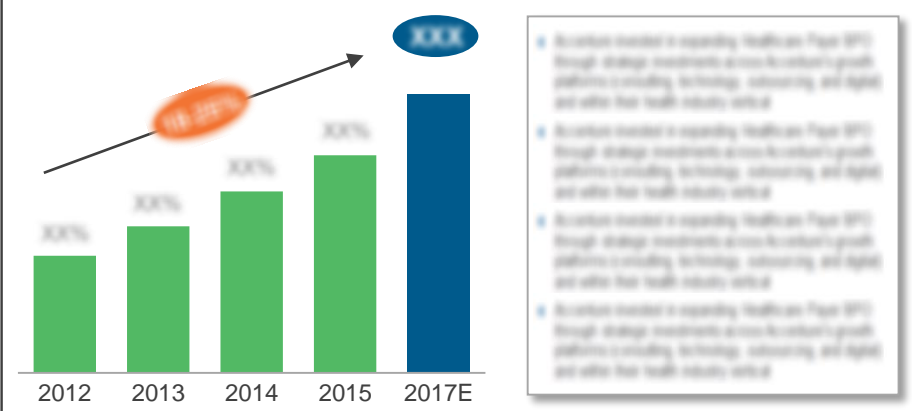
1 Product development and business acquisition

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

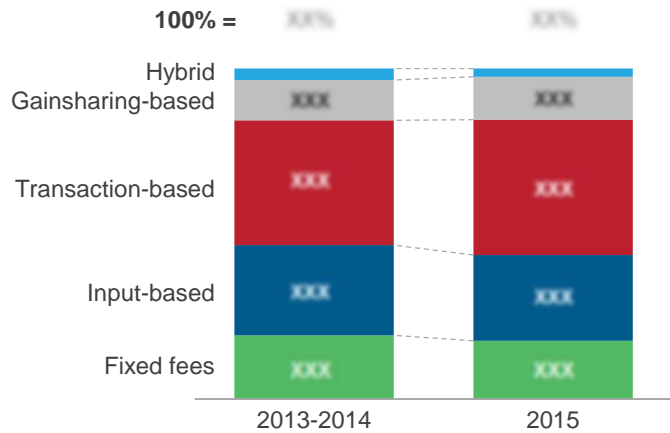
## State of the market



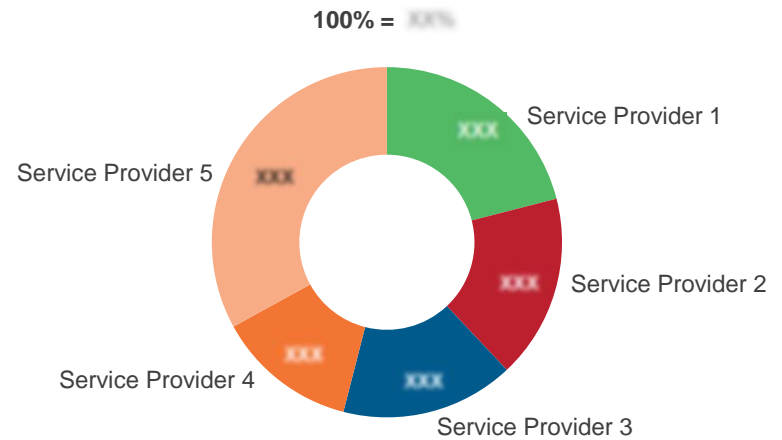
## Market size of P&C insurance BPO US\$ billion



## Pricing structure in P&C insurance BPO contracts



## Market share by P&C insurance BPO and its processes



Source: Everest Group (2016)

# BFSI BPO research calendar

■ Published ■ Current

Topic	Release date
Risk Management – Looking Beyond the Transactions, Credit Leading the Way .....	March 2016
Banking BPO Service Provider Landscape with PEAK™ Matrix Assessment .....	June 2016
P&C Insurance BPO Service Provider Landscape with PEAK™ Matrix Assessment .....	June 2016
Capital Markets BPO Service Provider Landscape with PEAK™ Matrix Assessment 2016 .....	July 2016
L&P Insurance BPO – Service Provider Landscape with PEAK Matrix™ Assessment 2016 .....	August 2016
Banking BPO Annual Report – Riding on the Digital wave and Advancing in Automation .....	September 2016
P&C Insurance BPO – Annual Report 2016: The Dawn of Transformational Era – Adapt and Evolve to Succeed .....	September 2016
Capital Markets BPO Annual Report .....	Q4 2016
L&P Insurance BPO Annual Report .....	Q4 2016
Wealth Management BPO .....	Q4 2016
Retail Banking BPO Service Provider Landscape with PEAK™ Matrix Assessment .....	Q4 2016
Banking BPO Service Provider Profile Compendium .....	Q4 2016
Capital Markets BPO Service Provider Profile Compendium .....	Q4 2016
L&P Insurance BPO Service Provider Profile Compendium .....	Q4 2016
P&C Insurance BPO Service Provider Profile Compendium .....	Q4 2016



# Additional BFSI BPO 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. Property and Casualty Insurance BPO – Service Provider Landscape with PEAK Matrix™ Assessment 2016** ([EGR-2016-11-R-1813](#)); 2016. This report uses Everest Group's proprietary PEAK Matrix to assess and rate service providers for property and casualty insurance BPO on their market success and various dimensions of their delivery capabilities. It also highlights the key emerging trends in the P&C insurance BPO market and the key implications for buyers and service providers
- 2. Life and Pensions Insurance BPO – Service Provider Landscape with PEAK Matrix™ Assessment 2016** ([EGR-2016-11-R-1871](#)); 2016. This report examines the global L&P insurance BPO market and its service provider landscape. It provides detailed analysis of the capabilities and market performance of service providers and their relative position on the Everest Group PEAK Matrix. It will assist key stakeholders (insurance providers, service providers, and technology providers) understand the current state of the L&P insurance BPO service provider landscape
- 3. Insurance BPO Annual Report 2015: RPA and Analytics Powering the Next Wave of BPO Expansion** ([EGR-2015-11-R-1598](#)); 2015. This report provides an overview of the insurance BPO market, including adoption trends across geographies and insurance segments, key solution characteristics, service provider landscape, and areas of service investments
- 4. Property and Casualty Insurance BPO Service Provider Profile Compendium 2015** ([EGR-2016-11-R-1656](#)); 2016. This report provides accurate, comprehensive, and fact-based snapshots of major P&C insurance BPO service providers. Each profile includes scale, scope, technology solutions, delivery locations, and Everest Group's assessment of the provider

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