



## **Big Data and Analytics Services in Global Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2016**

Banking, Financial Services, and Insurance (BFSI) IT Services  
Market Report: January 2017 – Preview Deck

# Our research offerings for global services

## ▶ Market Vista™

Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available

## ▶ BFSI<sup>1</sup> Information Technology

## ▶ PricePoint™

## ▶ BFSI<sup>1</sup> Business Process

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## ▶ Healthcare & Life Sciences BPS

## ▶ Human Resources

## ▶ Application & Digital

## ▶ Recruitment & Talent Acquisition

## ▶ Cloud & Infrastructure

## ▶ Contact Center

## ▶ Global Sourcing

## ▶ Service Optimization Technologies

## ▶ Locations Insider™

## ▶ Transaction Intelligence

## 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

## Subscription information

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

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# Background and scope of the research

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## Background of the research

Enterprises in the insurance industry are restrategizing in the wake of uncertain macroeconomic conditions, destabilizing socio-political instances, and dynamic customer expectations. As they march against industry headwinds, they are looking to improve operational efficiencies, improve time-to-market, drive product differentiation, and stimulate margins & growth. To meet these imperatives, they are leveraging digital technologies and relying on the troves of data at their disposal.

Service providers, on the other hand, are vigorously enhancing their solutions portfolio with targeted offerings that help to address specific challenges faced by enterprises. They are actively demonstrating the value of digital technologies and analytics techniques to enterprises to help them in their digital and analytics adoption journey. Service providers' investments have ranged from focused IP development and expanding partnership ecosystem to analytics-led Centers of Excellence (CoEs) and targeted acquisitions.

**In this research, we analyze the capabilities of 17 leading service providers, specific to 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:**

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

## Scope of this report

- **Industry:** Insurance (Life, Annuities, and Pension (L&P); Property and Casualty (P&C); and reinsurance); excludes banking and capital markets
- **Services:** Analytics services
- **Geography:** Global
- **Service providers:** Includes 17 leading service providers with analytics services capabilities in the insurance sector

# 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)

The service providers were mapped on Everest Group's Performance | Experience | Ability | Knowledge (PEAK) Matrix

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

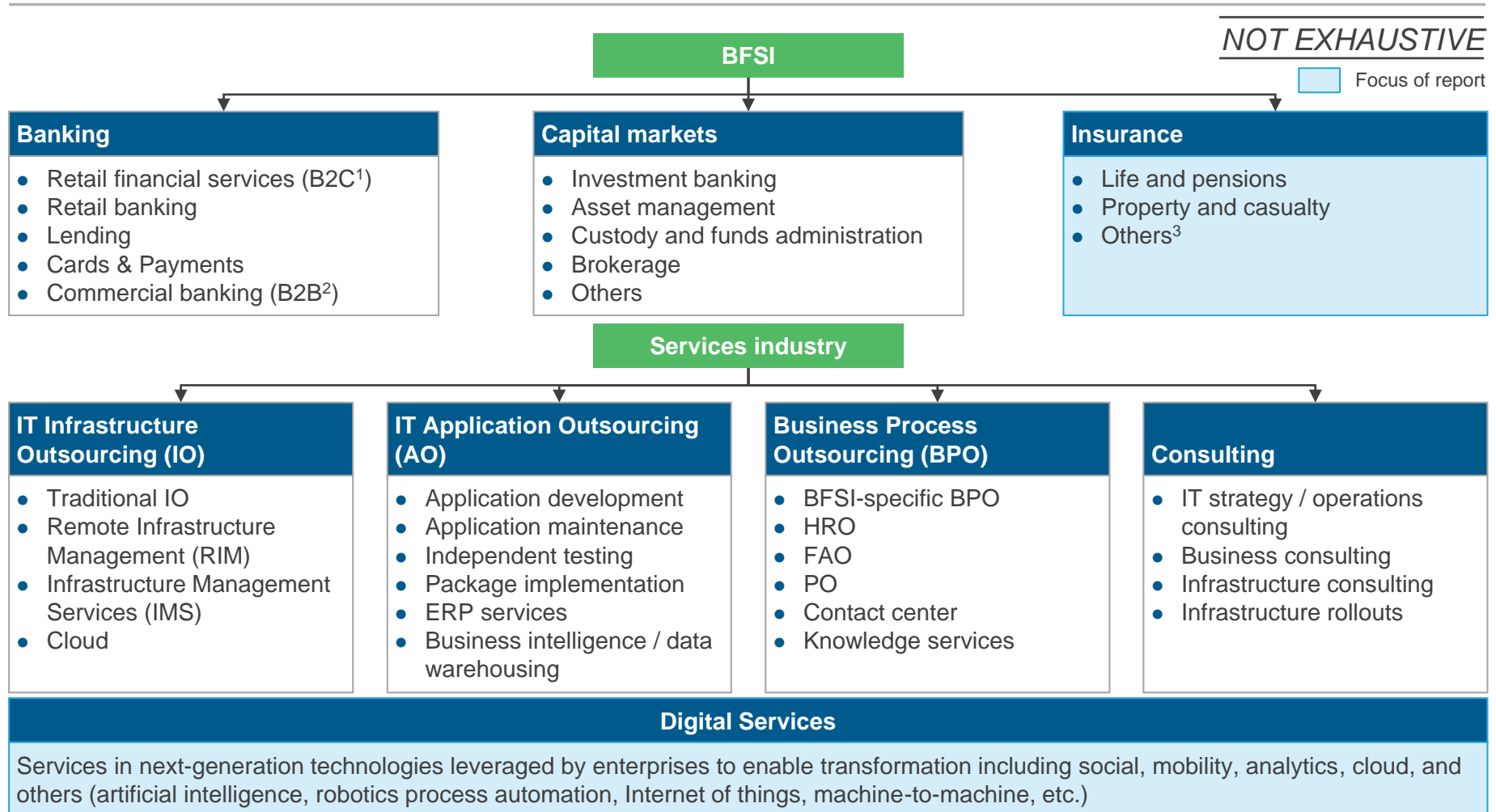
Appendix: respondent profile

**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)
- 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



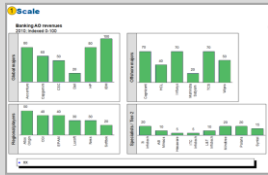
1 Business-to-consumer relationships

2 Business-to-business relationships

3 Includes other insurance functions such as takaful and reinsurance

# This report is a part of the Everest Group's series of reports focused on ITO in BFSI in 2016

## IT Outsourcing in BFSI – Annual Report



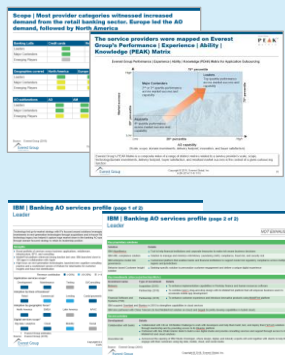
Each report provides:

- An overview of the application services market for the BFSI verticals, capturing key trends in market size, growth, drivers & 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

Focus of report

- Global Banking
- Global Capital Markets
- Global Insurance

## IT Outsourcing in BFSI – Service Provider Landscape and Profiles Compendium



Each report provides:

- Assessment of 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 2016 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
- Capability profiles of service providers capturing their AO services experience in specific subverticals including details such as AO services capabilities, key investments, proprietary solutions, and technological expertise

- Global Banking
- Global Capital Markets
- Global Insurance
- Mobility in Banking
- Mobility in Insurance
- Analytics in Banking
- **Analytics in Insurance**

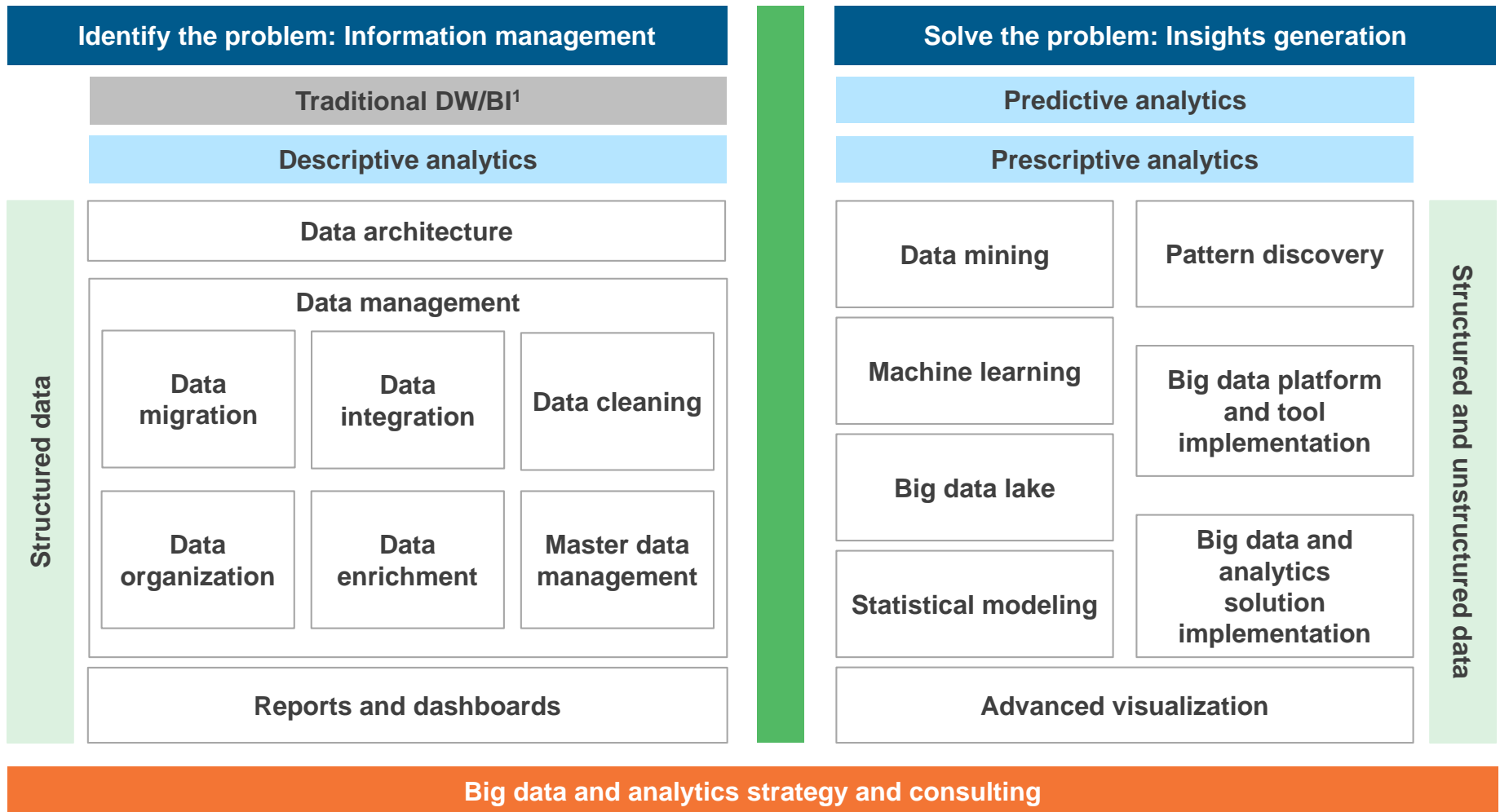
## Enterprise Digital Effectiveness with APEX Matrix



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

- APEX Matrix for Digital in the U.S. retail banks
- APEX Matrix for Digital in Europe retail banks

# Our definition: Big data & analytics services



## Big data and analytics strategy and consulting

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



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

1

- Everest Group's proprietary database of 500+ IT service contracts within BFSI, 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 briefings<sup>1</sup>
- 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)<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 Analysis for NTT DATA Services, formerly Dell Services, is based on capabilities before being acquired by NTT DATA. Analysis for CSC is based on capabilities before its merger with HPE Services

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 & analytics services in insurance service provider landscape

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The report provides a comprehensive assessment of the service provider landscape in big data & 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, and Aspirants, and recognizes the key implications of the rapidly evolving big data & 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 & analytics services in insurance

- As the insurance enterprises march against profitability and growth challenges, there is an increased inclination towards leveraging big data & analytics tools/technologies across back-, mid-, and front-end business operations
- Customer intelligence/segmentation, usage-based insurance premiums, fraud detection, targeted marketing, and real-time claims processing are major focus areas for analytics investments
- Leaders have demonstrated a keen focus to leverage convergence of technologies and innovating on next-generation analytics (predictive & prescriptive analytics, cognitive technologies, etc.) to achieve differentiation
- Major Contenders are focusing on developing targeted analytics solutions and expanding their partnership ecosystem to augment their capabilities
- Aspirants have an evolving solution portfolio, with spikes across specific areas of the analytics services spectrum

## Implications for buyers and service providers

- Insurance firms need to up their game on analytics initiatives beyond discrete adoption to an enterprise-wide role; they should look to evaluate the return on investments and consistently monitor the efficiency of investments with new metrics
- Service providers should look to offer a vertical-specific contextualized value-proposition and innovate on engagement constructs to drive adoption of their next-generation offerings



# BFSI ITS research calendar

Published
  Current

Topic	Release date
IT Applications Outsourcing in Insurance – Service Provider Profiles Compendium – 2015 .....	January 2016
Blockchain in BFSI – Looking Beyond the Hype .....	March 2016
IT Outsourcing in Banking – Annual Report 2016 .....	June 2016
Digital Effectiveness in U.S. Retail Banking – APEX Matrix™ to Identify the Digital Banking Leaders 2016 .....	July 2016
IT Outsourcing in Global Banking – SPL with PEAK Matrix™ Assessment 2016 and Profiles Compendium .....	August 2016
Digital Effectiveness in Europe Retail Banking – APEX Matrix™ to Identify the Digital Banking Leaders 2016 .....	August 2016
IT Outsourcing in Global Capital markets – Service Provider Landscape with PEAK Matrix™ Assessment 2016 .....	September 2016
IT Outsourcing in Capital Markets – Annual Report 2016 .....	October 2016
Mobility in Banking – Service Provider Landscape with PEAK Matrix™ Assessment 2016 .....	November 2016
IT Outsourcing in Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2016 .....	November 2016
Big Data & Analytics Services in Global Banking – Service Provider Landscape with PEAK Matrix™ Assessment 2016 .....	December 2016
IT Outsourcing in Insurance – Annual Report 2016 .....	December 2016
Big Data & Analytics Services in Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2016 .....	January 2017
Mobility in Insurance – Service Provider Landscape with PEAK Matrix™ Assessment 2016 .....	Q1 2017

# 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 2016 and Profiles Compendium** ([EGR-2016-11-R-1997](#)); 2016. 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 expertise & innovation, buyer satisfaction, and delivery footprint of each provider's insurance AO practice. Finally, the 2016 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. **IT Outsourcing in IT Outsourcing in Insurance – Annual Report 2016: Disrupt or be Disrupted** ([EGR-2016-11-R-2026](#)); 2016. 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 analyses key trends in market size & growth, demand drivers, adoption & scope trends, emerging priorities of buyers, key investment themes, and future outlook for 2016 with regards to such large insurance AO deals
3. **Big Data and Analytics Services in Global Banking – Service Provider Landscape with PEAK Matrix Assessment 2016: Rush For The New Gold** ([EGR-2016-11-R-1970](#)); 2016. This report provides a comprehensive assessment of the service provider landscape for big data & analytics services 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 analytics capabilities in the banking sector.

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## About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at [www.everestgrp.com](http://www.everestgrp.com).

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