



Capital Markets BPO – Service Provider Landscape with PEAK Matrix™ Assessment 2017

Banking and Financial Services (BFS) – Business Process Outsourcing (BPO) Market Report – September 2017: Complimentary Abstract / Table of Contents

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Background and methodology of the research

Background of the research

The landscape for capital markets BPO is becoming increasingly competitive as service providers continue to evolve their capabilities and gain market share. The advent of Robotic Process Automation (RPA) is playing a major role in shifting the dynamics of the competitive arena.

The past year witnessed the focus of most service providers shifting from core capital markets offerings to RPA and cognitive automation. While some of the leading providers tried to tap into the automation market by developing their in-house automation capabilities and investing in next-generation cognitive automation technology, others tried to make the most of the RPA opportunity by partnering/collaborating with RPA technology providers such as UiPath, BluePrism, etc.

While focusing on RPA can be a good short-term strategy for the service providers, they also need to identify avenues for the next wave of growth. Moreover, with the industry undergoing disruption from multiple fronts, service providers need to keep their eyes on the emerging technology trends such as blockchain, and be prepared for the impact that these might have on their business.

Scope and methodology:

In this research, we analyze the global capital markets BPO service provider landscape. We focus on:

- Relative positioning of 19 service providers on the Everest Group's PEAK Matrix for capital markets BPO
- Service provider capability assessment across key dimensions
- Service provider comments

Overview and abbreviated summary of key messages (page 1 of 2)

Capital markets BPO is the smallest segment of BFSI BPO, however, it continues to grow the fastest. As a result of rapid growth in evidence, providers are beginning to adopt new strategies to gain market share. This report uses Everest Group's proprietary PEAK Matrix to assess and rate service providers on various dimensions of their capabilities.

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

Everest Group PEAK Matrix for capital markets BPO

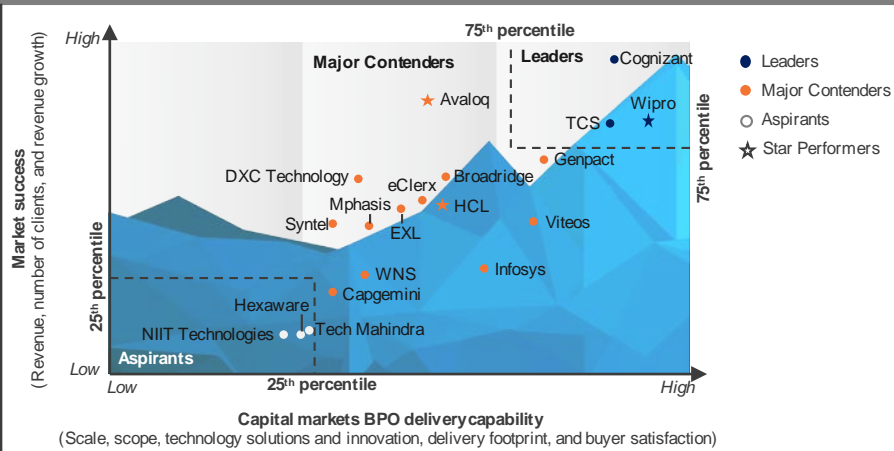
- Everest Group classifies 19 capital markets BPO service providers on Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix into the three categories of Leaders, Major Contenders, and Emerging Players
- Cognizant, TCS, and Wipro are the Leaders. Avaloq, Broadridge, Capgemini, DXC Technology, eClerx, EXL, Genpact, HCL, Infosys, Mphasis, Syntel, Viteos, and WNS emerge as Major Contenders, whereas Hexaware, NIIT Technologies, and Tech Mahindra are the Aspirants on the capital markets BPO Everest Group PEAK Matrix for 2016
- Avaloq, HCL, and Wipro are the “Star Performers” based on their strong forward and upward movement on the PEAK Matrix

Key insights on PEAK Matrix dimensions

- Avaloq is the largest capital markets BPO provider by revenue, while DXC Technology has the highest number of clients
- Avaloq, Cognizant, TCS, and Wipro together accounted for close to 70% of the YOY growth (2015-2016) in capital markets BPO by revenue
- Cognizant, EXL, Genpact, HCL, Hexaware, TCS, Wipro, and WNS all witnessed a service line growth of over 10% by revenue
- While investment banking is the LoB where maximum number of FTEs are engaged, brokerage is the LoB that shows the least presence
- North America is the largest buyer geography for capital markets BPO by revenue
- “Leaders” have a significant presence as well as a more balanced footprint across major geographies. However, the Continental Europe market is largely dominated by Avaloq and DXC Technology

This study offers three distinct chapters providing a deep dive into key aspects of the capital markets BPO service provider landscape; below are four charts to illustrate the depth of the report

Everest Group PEAK Matrix™ for capital markets BPO

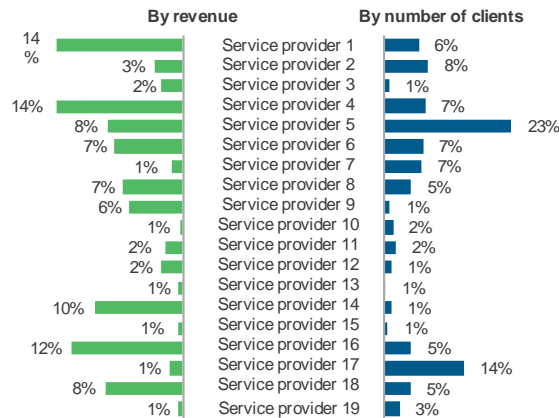


Capability assessment

Service provider	Delivery capability						Market success
	Scale	Scope	Technology solutions and innovation	Delivery footprint	Buyer satisfaction	Overall	
Service Provider 1	🟡	🟡	🟡	🟡	🟡	🟡	🟡
Service Provider 2	🟡	🟡	🟡	🟡	🟡	🟡	🟡
Service Provider 3	🟡	🟡	🟡	🟡	🟡	🟡	🟡
Service Provider 4	🟡	🟡	🟡	🟡	🟡	🟡	🟡
Service Provider 5	🟡	🟡	🟡	🟡	🟡	🟡	🟡
Service Provider 6	🟡	🟡	🟡	🟡	🟡	🟡	🟡

Market success

Global capital markets BPO provider market share



Everest Group's remarks on service providers

Strengths

- As one of the largest capital markets BPO players by revenue and having undergone substantial service line growth, XXX is a Major Contender and a Star Performer on the capital markets BPO PEAK Matrix
- It is one of the leading providers of technology-led BPO offerings and possesses a holistic suite of technology capabilities including end-to-end integrated platform solutions, especially in the wealth management space
- It has a high overall buyer satisfaction rating, with relationship management, innovation, and domain expertise highlighted as key strength areas by the clients

Areas of improvement

- While XXX has started to witness some traction from the Asia Pacific market, it has a long way to go in establishing its presence in other major geographies such as North America
- It needs to broaden its portfolio to cover other Lines of Business (LoBs) such as investment banking and get more traction in the small- and mid-sized buyer segments
- Owing to its onshore-based delivery model, XXX does not leverage low cost nearshore or offshore delivery locations
- Buyers expect XXX to further improve its approach in transition and implementation management

Source: Everest Group (2017)

Research calendar – Banking and Financial Services (BFS) - Business Process Outsourcing (BPO)

Published
 Planned
 Current release

Flagship BFS BPO reports

Release date

Banking BPO Service Provider Landscape with PEAK™ Matrix Assessment	June 2017
Banking BPO Annual Report 2017: Disruption Does Not Discriminate – Banks Exploring New Technologies to Offset Existing Challenges	September 2017
Capital Markets BPO Service Provider Landscape with PEAK™ Matrix Assessment	September 2017
Mortgage BPO Service Provider Landscape with PEAK™ Matrix Assessment	Q4 2017
Banking BPO Service Provider Profile Compendium	Q4 2017
Capital Markets BPO Service Provider Profile Compendium	Q4 2017

Thematic BFS BPO reports

Release date

Mortgage BPO State of Market Report 2015 – Curve of Time to Meet Mortgage Again?	May 2015
Banking Business Process Outsourcing in Europe - Poised for Primetime	May 2015
Risk Management – Looking Beyond the Transactions, Credit Leading the Way	April 2016
Retail Banking BPO – State of the Market with PEAK Matrix™ Assessment 2016	December 2016
Risk management – \$300 Billion – Enough to Buy Facebook, or Pay for Your Regulatory Mistakes	March 2017
Cards & payments – Changing Market Dynamics for Cards Issuers	March 2017
Trade finance of the future – A Blockchain story	July 2017
Automation in banking viewpoint	Q4 2017

Note: For a list of all Banking and Financial Services (BFS) - Business Process Outsourcing (BPO) reports published by us, please refer to our [website page](#)

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. \$300 Billion – Enough to Buy Facebook, or Pay for Your Regulatory Mistakes** ([EGR-2017-11-V-2123](#)); 2017. While risk management has been around for a long time, it is only in recent times, particularly in the aftermath of 2008 financial crisis, that it has emerged as a central topic of interest for banks, regulatory bodies, and the wider public. In this report, we focus on three categories of risk management – market, liquidity, and regulatory risk management, as well as the global sourcing landscape for them. Among the topics covered are the nuances of the global sourcing landscape for liquidity and market risk, and how banks should respond to a new regulation
- 2. Capital markets BPO Annual Report 2016 – Managing Risk and Unlocking Efficiency through Technology** ([EGR-2016-11-R-1979](#)); 2016. This report assists key stakeholders (buyers, service providers, and technology providers) understand the changing dynamics of the capital markets BPO market and help them identify the trends and outlook for future. In this backdrop, this report provides comprehensive coverage of the global banking BPO market including detailed analysis of market size & growth, buyer adoption trends, solution characteristics, and service provider landscape
- 3. Capital Markets BPO – Service Provider Profile Compendium** ([EGR-2017-11-R-2052](#)); 2017. The objective of this compendium is to provide key stakeholders a snapshot of the offerings and capabilities of 14 major capital markets BPO service providers. Specifically, the report allows service providers to compare their areas of strength and those of development with other service providers in the marketplace. It also helps existing and potential buyers of capital markets BPO services to assess the service providers on the capabilities that they desire

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About Everest Group

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