



Guidebook for Blockchain Adoption in Insurance: A Compilation of Insights from 30+ Projects

ITS | Insurance

Annual Report – March 2019: Complimentary Abstract / Table of Contents

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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

Table of contents

Topic	Page no.
Background and scope	4
Summary of key messages	6
Everest Group "BINGO" framework for blockchain adoption	8
• B: Business value articulation	10
• I: Invest in the right use case	15
• N: Network effect for scaling blockchain	22
• G: Guide to technology investments	28
• O: Overcome challenges	34
Blockchain use case compendium	38
Appendix	46
• Glossary of terms	47
• Research calendar	48
• References	49

Background and scope of the research

Everest Group's Insurance IT Services research team tracking the enterprise blockchain adoption journey brings a guidebook for enterprise executives leading blockchain initiatives in the insurance industry to:

1. Build a fact-based business case for blockchain investments by presenting an analysis of 30+ blockchain case studies
2. Guide investments to extract maximum value by studying current value delivered and building pragmatic hypothesis on potential value
3. Demystify the blockchain technology landscape and identify the right set of partners for your business use case
4. Identify challenges that enterprises face on their blockchain journey to guide the blockchain adoption strategy
5. Identify data and network participants to support scaling of blockchain ecosystems to gain from the network effect



In this report, we studied 30+ blockchain case studies to identify the blockchain adoption journey for lead steers in the industry and build a guidebook for adoption



BINGO framework for blockchain adoption



The 4Ts of blockchain benefits



Build competitive advantage via blockchain initiatives

Scope of this report



Industry
Insurance



Companies
Market activity and investments by 200+ global enterprises



Geography
Global



Use cases
10+ distinct blockchain use cases

A summary of findings from the blockchain adoption story so far in the insurance industry



The blockchain hype is dying and the real business use cases are gaining steam

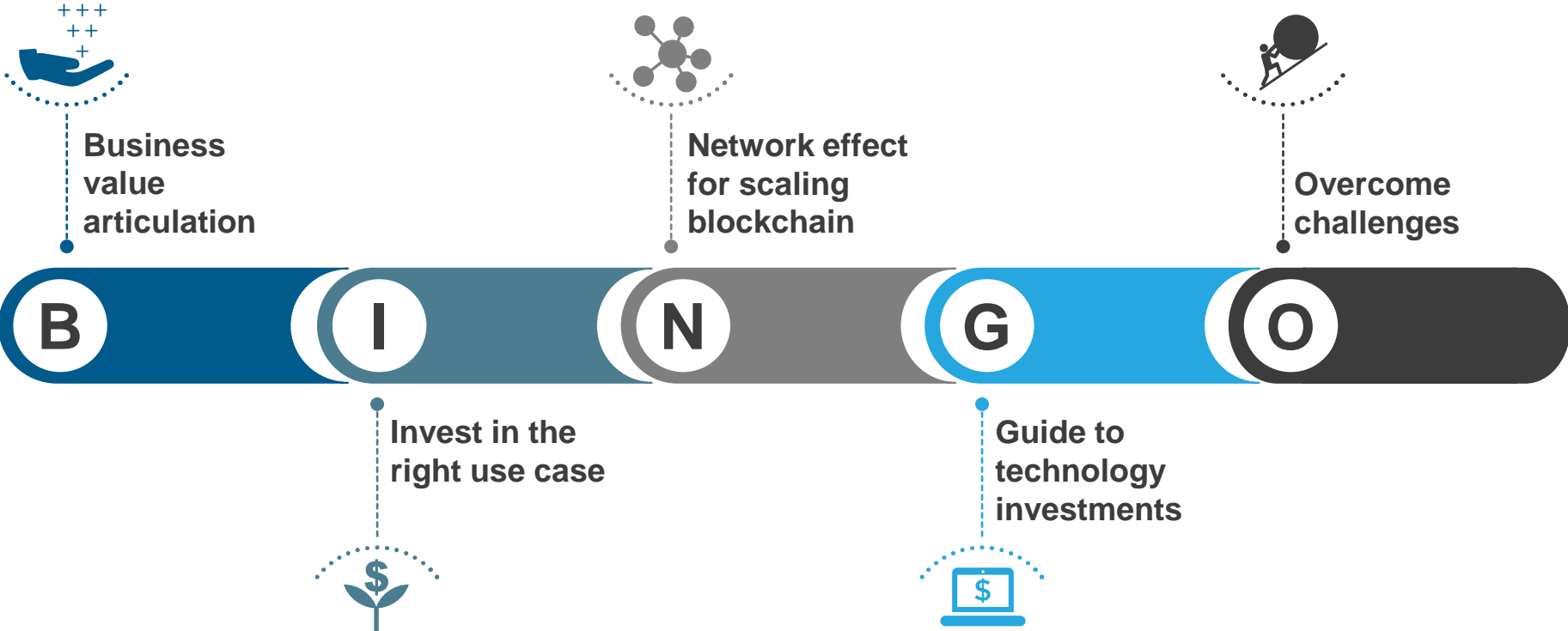
Study of 30 projects indicates that P&C insurance is witnessing the maximum adoption

Insurers will need to partner with blockchain ecosystems to scale beyond POCs

Identifying data and network participants to reimagine processes leads to higher ROI

Hyperledger Fabric, Ethereum, and Corda are the key blockchain technology platforms

Everest Group has identified a five-step structured framework to guide enterprise blockchain adoption journey



This study offers a deep dive into key features of blockchain technology, types of blockchain use cases being adopted, types of blockchain ecosystems, and business benefits witnessed

Blockchain's 4T feature

Feature leveraged (low) Feature leveraged (high)



Trust and security

Blockchain drives trust and security in transactions between multiple parties through its iron clad data validation technique



Transparency and auditability

Blockchain offers transparency and auditability through its distributed ledger structure, offering users complete control over the information being shared



Traceability and insights

Blockchain strengthens traceability by replacing slow and complex data sets for processes



Transaction and automation

Blockchain is streamlining processes by removing intermediaries, resulting in smooth transaction

Types of use cases being adopted by industry

Alpha in the room

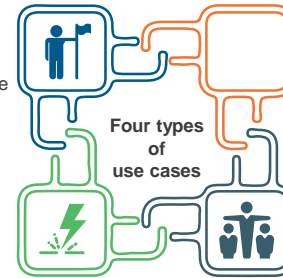


Use cases driven by market leaders/authorities, who have disproportionate advantage over their partner firms, with an objective to drive efficiency and experience

Disruptors



Use cases are leveraging blockchain to disrupt existing processes and drive new business models



Bottom line collaborators



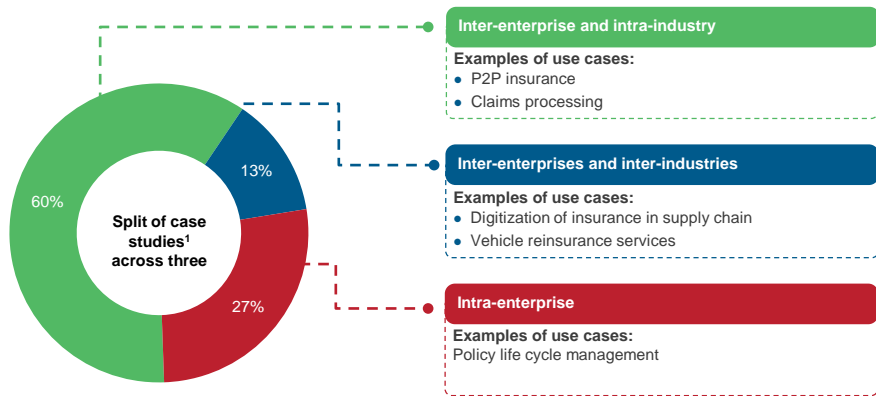
Use cases are driven by peer firms with prime objective to defend margins and drive innovation in the business model

Disintermediation avoiders

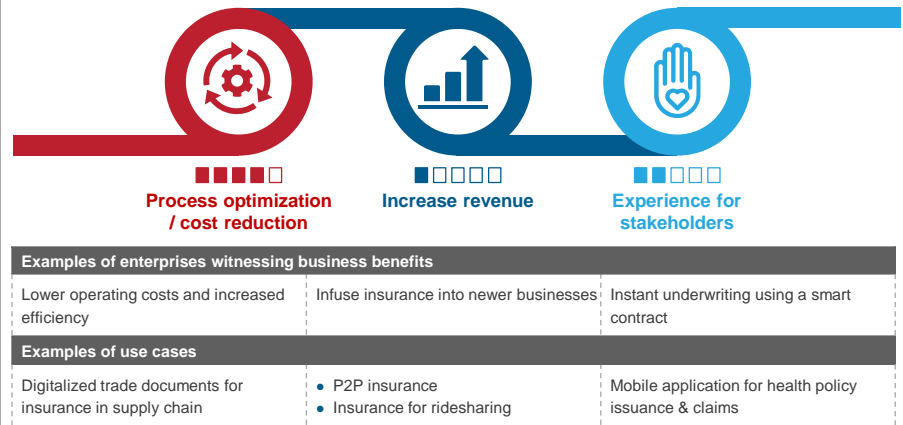


Use cases are driven by enterprises which act as intermediaries to protect their playing field and leverage blockchain to deliver value-added services

Types of blockchain ecosystems



Examples of business benefits derived from blockchain projects



In this section we list down 11 use cases across Insurance industry to bring out proof points of blockchain adoption

Guide to read this section








High activity
 Moderate activity
 Limited activity

Defines the meaning of color coding of icons mentioned below. For example, traceability & insights has high activity, while increasing revenue has limited activity in the use case

Insurance record management

A blockchain-based solution to provide a single access point for all the participants such as admin node, reinsurer, broker, bank, and client

Defines the name of blockchain use case along with a short description

Driver: Alpha in the room <i>Defines the dominant driver for the use case (refer to page 27 for definition)</i>		Ecosystem: Inter-enterprise (across industry) <i>Defines the dominant type of ecosystem for the use case</i>		Production readiness: 63% <i>Provides a comparative score measuring the extent of projects moving toward production readiness or already live</i>		
Blockchain properties leveraged				Business benefits		
 Trust & security	 Transparency & auditability	 Traceability & insights	 Transactions & automation	 Process optimization / cost reduction	 Increase revenue	 Experience for stakeholders
<i>Color of the icon defines the level of activity of the feature in this use case</i>				<i>Color of the icon defines level of the business benefit in this use case</i>		
Top platforms		Hyperledger Fabric <i>Defines the top three platforms leveraged for this use case</i>				

Research calendar – Insurance IT Services

■ Published ■ Planned □ Current release

Flagship Insurance ITS reports

Release date

Property & Casualty (P&C) Insurance Digital Services PEAK Matrix™ 2019 – Reimagining Products And Stakeholder Experience	December 2018
Life & Pensions (L&P) Insurance Digital Services PEAK Matrix™ 2019 – Leapfrogging the Digital Transformation Stage	December 2018
Insurance IT Services – State of the Market Report 2019	Q2 2019
Insurance Report Card – IT Outsourcing Transaction Trends 2019	Q2 2019
Insurance IT Services Profiles Compendium 2019	Q2 2019
Next-generation IT Infrastructure Services in Insurance – PEAK Matrix™ Assessment 2019	Q2 2019
Application and Digital Services in P&C Insurance – PEAK Matrix™ Assessment 2019	Q3 2019
Application and Digital Services in L&P Insurance – PEAK Matrix™ Assessment 2019	Q3 2019

Thematic Insurance ITS reports

Guidebook for Blockchain Adoption in Insurance: A Compilation of Insights from 30+ Projects	March 2019
State of Cloud Adoption in Insurance 2019	Q2 2019
IoT in Insurance – Top 30 Trailblazers	Q3 2019
BigTech Wars – Core Products in Life Insurance	Q4 2019

Note: For a list of all Insurance ITS reports published by us, please refer to our [website](#) page.

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 or complementary content that may be of interest

1. **Blockchain Services PEAK Matrix™ Assessment 2019: Race to Make Enterprise Blockchain Real** ([EGR-2018-31-R-2836](#)); 2019. In this research, we assessed the vision & capability and market impact generated by 27 service providers for blockchain services capabilities. These providers were mapped on the Everest Group PEAK Matrix™, which is a composite index of a range of distinct metrics related to each provider's vision & capability and market impact to identify Leaders, Major Contenders, and Aspirants
2. **Blockchain: Is It the Silver Bullet?** ([EGR-2018-27-V-2567](#)); 2018. Analyzes high-potential use cases for blockchain – the major ones in banking and financial services include trade finance, KYC, syndicated loans, and corporate action
3. **Unblocking Blockchain Adoption – A Prioritization Framework for Business Processes** ([EGR-2017-3-V-2418](#)); 2017. In this research, we lay out a prioritization framework that is intended to assist enterprises as they navigate the tricky terrain of blockchain in business processes.

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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 empower 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.

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