Marketing BPS – State of the Market Report 2021

December 2020: Complimentary Abstract / Table of Contents

EGR-2020-0-CA-4163

Our research offerings for global services

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

- Application Services
- BPS | Banking & Financial Services
- BPS | Healthcare & Life Sciences
- BPS | Insurance
- Catalyst™
- Cloud & Infrastructure
- Customer Experience Management Services
- Contingent Workforce Management
- Data & Analytics
- Digital Services
- Engineering Services
- Enterprise Platform Services
- Finance & Accounting
- Human Resources
- ITS | Banking & Financial Services
- ITS | Healthcare
- ITS | Insurance
- IT Services Executive Insights™
- ITS | Life Sciences
- Locations Insider™
- PricePoint™
- Procurement
- Recruitment Process Outsourcing
- Service Optimization Technologies

Membership information

- If you want to learn whether your organization has a membership agreement or request information on pricing and membership options, please contact us at **info@everestgrp.com**

More about membership

In addition to a suite of published research, a membership may include

- Accelerators™
- Analyst access
- Data cuts
- Pinnacle Model® reports
- PriceBook
- Virtual Roundtables
- Workshops

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

Contents

1.	**Introduction and overview**	**4**
	• Research methodology	5
	• Key information on the report	7
	• Background of the research	8
2.	**Summary of key messages**	**9**
3.	**Evolving marketing BPS trends**	**13**
	• CMO priorities	13
	• Implications for marketing operations	19
4.	**Market overview**	**24**
	• Market size and growth	25
	• Market share by industry	26
	• Market share by geography	27
	• Market share by buyer size	28
5.	**Buyer adoption trends**	**29**
	• Buyer motivation	30
	• Buyer satisfaction	31
	• Process scope	32
	• Delivery model	33
6.	**Service provider landscape**	**34**
7.	**Appendix**	**40**
	• Glossary	41
	• Research calendar	42

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

Rajesh Ranjan, Partner

Manu Aggarwal, Vice President

Aniruddha Kulkarni, Practice Director

Aseem Nousher, Senior Analyst

This report is based on various sources of proprietary information

- Proprietary database of major services providers' marketing BPS contracts
- The database tracks the following elements of each contract:
  – Buyer details, including size and signing region
  – Contract details, including service provider, contract type, TCV & ACV, service provider FTEs, start and end dates, duration, and delivery locations
  – Scope details including share of individual buyer locations being served in each contract, processes served, and pricing model employed

- Proprietary database of marketing BPS service providers (updated annually)
- The database tracks the following for each service provider:
  – Revenue and number of FTEs
  – Number of clients
  – FTE breakdown by business line
  – Revenue breakdown by region
  – Location and size of delivery centers
  – Technology solutions developed

- **Service provider briefings**
  – Vision and strategy
  – Annual performance and future outlook
  – Key strengths and improvement areas
  – Emerging areas of investment

- **Buyer reference interviews, ongoing buyer surveys, and interactions**
  – Drivers and challenges for adopting services
  – Assessment of service provider performance
  – Emerging priorities
  – Lessons learned and best practices

Service providers covered

accenture, Cognizant, CONCENTRIX, EXL, HCL, HGS, Infosys, isobar, MERKLE, stefanini, TATA CONSULTANCY SERVICES, Webhelp, wipro, WNS

Note: We continually monitor the market and update the above list to include emerging service providers
The source of all content is Everest Group unless otherwise specified
Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any contract-specific information collected will be presented back to the industry in an aggregated form only

Background of the research

Organizations are shifting focus from traditional marketing models to digital and data-driven marketing. This shift, caused by the global digital disruption, has created a new market with multiple service providers emerging and attempting to capture market share through innovative approaches. While enterprises primarily look for cost reduction in their marketing portfolio, service providers are tested on their capabilities in building marketing intelligence, omnichannel marketing, and content customization for diverse audiences. However, COVID-19 has brought about another major disruption, resulting in a falling demand and slashing of marketing budgets. Marketers are now compelled to adopt new strategies to address the challenges brought about by the pandemic.

In this report, we focus on:

- Evolving marketing BPS themes: CMO priorities and implications for marketing operations
- Market overview
- Buyer adoption trends
- Service provider landscape

Scope of this report:

Geography
Global

Service providers covered
Accenture, Cognizant, Concentrix, EXL, HCL, HGS, Infosys, Isobar, Merkle, Stefanini, TCS, Webhelp, Wipro, and WNS

Services
Marketing BPS

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

This report examines the 2019 marketing BPS state of the market and provides an overview of the CMO priorities, and their implications for marketing operations. It focuses on the major adoption trends in the industry, and the categories of service providers emerging in the market..

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

Evolving marketing BPS themes

- The COVID pandemic has significantly altered customer behavior. As a result, identifying and tracking the shifting behavior has become a key CMO priority
- The increasingly clear link between Customer Experience (CX) and brand valuation means that CX is now on the marketer's radar
- Even as marketing budgets are being slashed due to COVID, marketing teams are under pressure to increase conversion rate
- As digital marketing makes it possible to track more metrics, marketers are looking at prioritizing the critical ones
- A robust operational engine is a necessity to meet CMO priorities
- CMOs can own the CX journey with a combination of talent, data, technology, and engaging content
- Developing a MarTech utilization strategy can ease the pressure on marketing budgets
- Implementing agile marketing in organizations can improve the CX and increase the RoI
- Organizations need to leverage new delivery models and multidisciplinary roles in marketing

Market overview

- Despite the impact of COVID, marketing BPS is likely to grow quickly in the near term based on factors such as an accelerated shift of marketing spend to digital channels and recessionary cost pressures in the short term
- The marketing BPS market grew at a 20% CAGR from 2017-2019, reaching a total of US$ 5 billion; we expect it to grow at 14% from 2019-2022
- North America continues to be the largest adopter of marketing BPS, though its share has been declining.
- Large buyers continue to be the foremost adopters of marketing BPS. Adoption is also increasing among small and medium-sized buyers

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

Buyer adoption trends

- Buyers are increasingly expecting service providers to deliver operational impact such as increasing efficiency in service delivery operations and processes
- Buyers expect significant improvement in service providers' analytics and technological capabilities
- Content management is the most adopted service. Service providers are augmenting their content management capabilities by acquiring smaller creative agencies and upgrading in-house technology
- Campaign design and content production are primarily delivered onshore, while support services are delivered offshore. India, China, and the Philippines are the most popular offshoring locations

Service provider landscape

- Three major categories of service providers are emerging based on their background: digital agencies, IT/BPOs, and pure-play BPOs
- Digital agencies hold a significant share of the market, followed by the IT/BPOs, with pure-play BPOs holding the smallest share
- Digital agencies mostly deliver services from onshore locations, while pure-play BPOs have strong delivery presence in offshore locations. IT/BPOs have a more balanced delivery network, spread across onshore and offshore locations

This study provides a deep dive into the various dimensions of growth of the marketing BPS market; below are four charts to illustrate the depth of the report

Evolving marketing BPS themes

Intelligent systems
AI/ML systems to understand structured and unstructured data, visual dashboards to enable real time decision making;

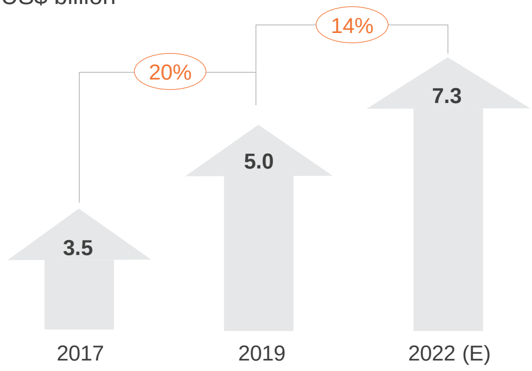
Skilled talent
Multi disciplinary team of digital marketers, creative strategists, MarTech specialists and data scientists

Comprehensive customer data
Comprehensive and reliable customer data using first- & third-party sources

Engaging content
Personalized, social, and shareable content in engaging platforms like short videos

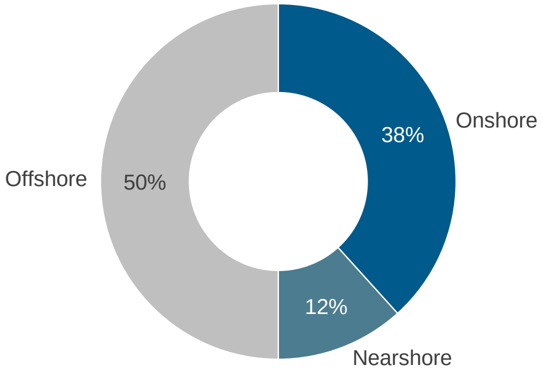
Market overview

Market BPS market size
Total marketing spend in US$ billion



Buyer adoption trends

FTEs by location
2019; Percentage of FTEs



Service provider landscape

Digital agencies
- Digitas
- isobar
- MERKLE
- publicis sapient
- VMLY&R

IT-BP providers
- accenture
- Cognizant
- HCL
- Infosys
- stefanini
- TATA CONSULTANCY SERVICES
- wipro

Pure-play BP providers
- CONCENTRIX
- EXL
- HGS
- WNS

Research calendar

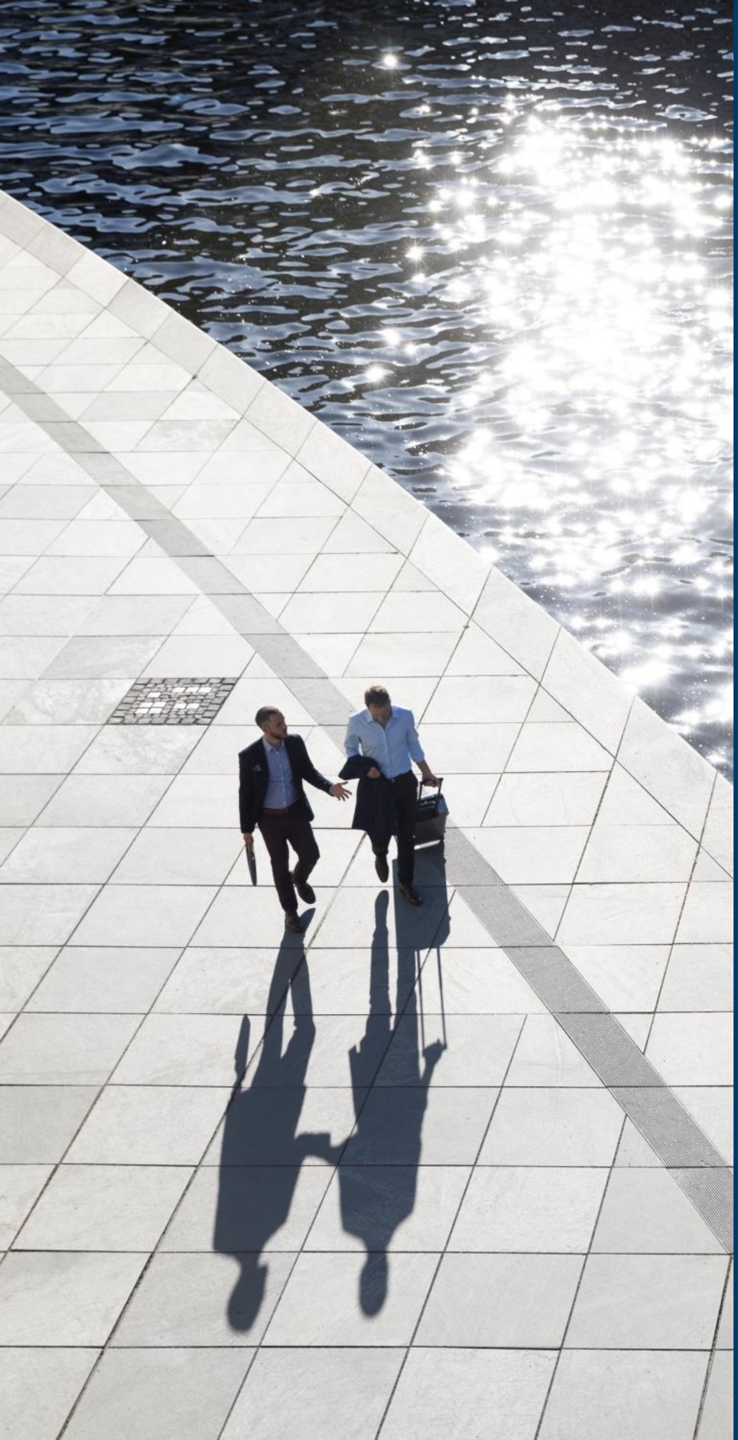
BPS

Published Planned Current release

Flagship BPS reports	Release date
Multi-Process Human Resources Outsourcing (MPHRO) Annual Report 2020 – Preparing for a Digitally Enabled Decade	January 2020
Supply Chain Management (SCM) Business Process Outsourcing (BPO) Service Provider Compendium 2020	February 2020
Intelligent Automation in Business Processes (IABP) – Solution Provider Landscape with Solutions PEAK Matrix® Assessment 2020	March 2020
Procurement Outsourcing (PO) – Service Provider Landscape with Services PEAK Matrix® Assessment 2020	June 2020
Customer Experience Management (CXM) – Service Provider Landscape with Services PEAK Matrix® Assessment 2020	June 2020
Marketing BPS Services PEAK Matrix® Assessment 2020	August 2020
Marketing BPS Service Provider Compendium 2021	November 2020
Marketing BPS State of the Market Report 2021	**December 2020**

Thematic BPS reports	Release date
Unlocking the Digital Potential in Talent Acquisition	January 2020
Clinical and Care Management (CCM): Is the Value-based Elixir Really Working?	January 2020
Orchestrating Successful WAHA-based Delivery	January 2020
Impact of Recession on the Business Process Services (BPS) Industry	March 2020
The Next Frontier in KYC and AML: Intelligent Automation-led Transformation New	June 2020
Collaboration to Beat Disruption: Future of Contingent Workforce Management (CWM)	June 2020

Note: For a list of all of our published marketing BPS reports, please refer to our website page



Everest Group®
With you on the journey

Everest Group is a consulting and research firm focused on strategic IT, business services, engineering services, and sourcing. Our clients include leading global enterprises, service providers, and investors. Through our research-informed insights and deep experience, we guide clients in their journeys to achieve heightened operational and financial performance, accelerated value delivery, and high-impact business outcomes. Details and in-depth content are available at **everestgrp.com**.

Stay connected

Website
everestgrp.com

Social Media
@EverestGroup
@Everest Group
@Everest Group
@Everest Group

Blog
everestgrp.com/blog

Podcast
DigitalRealITy

Apple Podcasts | Google Play | STITCHER | TUNE IN

Dallas (Headquarters)
info@everestgrp.com
+1-214-451-3000

Bangalore
india@everestgrp.com
+91-80-61463500

Delhi
india@everestgrp.com
+91-124-496-1000

London
unitedkingdom@everestgrp.com
+44-207-129-1318

New York
info@everestgrp.com
+1-646-805-4000

Toronto
canada@everestgrp.com
+1-416-388-6765