

# Global Locations State of the Market 2021: Embracing Uncertainties in a Disrupted World | Key Trends Shaping the Landscape

November 2021: Complimentary Abstract / Table of Contents



# Our research offerings

This report is included in the following research program(s):

## Locations Insider™

- ▶ Application Services
- ▶ Banking & Financial Services BPS
- ▶ Banking & Financial Services ITS
- ▶ Catalyst™
- ▶ Clinical Development Technology
- ▶ Cloud & Infrastructure
- ▶ Contingent Workforce Management
- ▶ Conversational AI
- ▶ Cost Excellence
- ▶ Customer Experience Management Services
- ▶ Cybersecurity
- ▶ Data & Analytics
- ▶ Digital Adoption Platforms (DAP)
- ▶ Digital Services
- ▶ Engineering Services
- ▶ Enterprise Platform Services
- ▶ Finance & Accounting
- ▶ Financial Services Technology (FinTech)
- ▶ Global Business Services
- ▶ Healthcare BPS
- ▶ Healthcare ITS
- ▶ Human Resources
- ▶ Insurance BPS
- ▶ Insurance ITS
- ▶ Insurance Technology (InsurTech)
- ▶ Insurance Third-Party Administration (TPA) Services
- ▶ Intelligent Document Processing (IDP)
- ▶ Interactive Experience (IX) Services
- ▶ IT Services Executive Insights™
- ▶ Life Sciences BPS
- ▶ Life Sciences ITS
- ▶ Locations Insider™
- ▶ Marketing Services
- ▶ Market Vista™
- ▶ Mortgage Operations
- ▶ Multi-country Payroll
- ▶ Network Services & 5G
- ▶ Outsourcing Excellence
- ▶ Pricing-as-a-Service
- ▶ Process Mining
- ▶ Procurement
- ▶ Recruitment Process Outsourcing
- ▶ Retirements Technologies
- ▶ Rewards & Recognition
- ▶ Service Optimization Technologies
- ▶ Supply Chain Management (SCM) Services
- ▶ Talent Excellence GBS
- ▶ Talent Excellence ITS
- ▶ Technology Skills & Talent
- ▶ Trust and Safety
- ▶ Work at Home Agent (WAHA) Customer Experience Management (CXM)
- ▶ Workplace Services

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](mailto:info@everestgrp.com)

Learn more about our  
**custom research capabilities**

Benchmarking

Contract assessment

Peer analysis

Market intelligence

Tracking: service providers, locations, risk, technologies

Locations: costs, skills, sustainability, portfolios

# Contents

<b>1. Introduction and overview</b>	<b>5</b>
• Research methodology	6
• Key definitions and inclusions	7
• Key questions addressed by this report	8
<b>2. Summary of key messages</b>	<b>9</b>
• Asia Pacific	11
• Nearshore Europe	12
• Latin America and Caribbean	13
• Middle East and Africa	14
<b>3. Key market highlights</b>	<b>15</b>
• Global services market landscape	16
– Global services revenue and growth	17
– Global services headcount and growth	18
– New offshore-nearshore centers established	19
• Share of delivery centers by revenue and headcount	21
• Breakup of new centers by region and function	23
• New center set-up activity for digital services	26
• Onshore and offshore GBS and service provider landscape	29

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

**Sakshi Garg**, Vice President

**Sumit Kumar**, Senior Analyst

**Aastha Bisht**, Analyst

# Contents

<b>4. Details of global business service delivery</b>	<b>32</b>
• Detailed global services market overview	33
• Detailed overview by geography	34
– Asia Pacific	34
– Nearshore Europe	35
– Latin America and Caribbean	36
– Middle East and Africa	37
• Center set-up activity by type of location	38
<b>5. Appendix</b>	<b>40</b>
• Framework	41
• Glossary	42
• Research calendar	43

# Our research methodology is based on four pillars of strength to produce actionable and insightful research for the industry

01

## Robust definitions and frameworks

Risk dashboard, key risk and developments, exchange rates

02

## Primary sources of information

Annual contractual and operational RFIs, service provider briefings and buyer interviews, web-based surveys

03

## 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

04

## Fact-based research

Data-driven analysis with expert perspectives, trend-analysis across market adoption, contracting, and service providers

Year-round tracking of 300+ locations globally

Large repository of existing research for locations

Over 30 years of experience advising clients on strategic IT, business services, engineering services, and sourcing

Executive-level relationships with buyers, service providers, technology providers, and industry associations

## Key definitions and inclusions

### Countries included in delivery locations landscape analysis

- Global services market by revenue:** total services exports of all countries in the world. Includes notional revenue from in-house / shared services organizations as well as revenue from third-party IT services and Business Process Service (BPS) providers. Does not include revenue from domestic (national) markets
  - Business Process Services (BPS): includes voice business processes (also contact center), non-voice business processes, industry-specific business processes, and knowledge-based processes
  - Information Technology (IT): includes IT-Applications Development and Maintenance (ADM), infrastructure, testing, helpdesk, next-generation (cloud, mobility, social media, etc.), and other services related to information technology. Excludes engineering and IT-R&D services
- Global services market by headcount:** estimated headcount (in terms of Full Time Equivalents – FTEs) involved in global services exports (see above) in 38 leading delivery locations listed below:

Region	Country	
<b>Asia Pacific (APAC)</b>	India	
	The Philippines	
	China	
	Malaysia	
	Singapore	
<b>Nearshore Europe (NE)</b>	Belarus	Lithuania
	Bulgaria	Poland
	Croatia	Portugal
	The Czech Republic	Romania
	Estonia	Scotland
	Hungary	Serbia
	Ireland	Slovakia
	Latvia	

Region	Country	
<b>Nearshore Europe (NE)</b>	Ukraine	
<b>Latin America &amp; the Caribbean (LAC)</b>	Argentina	Guatemala
	Brazil	Honduras
	Chile	Jamaica
	Colombia	Mexico
	Costa Rica	Peru
	El Salvador	Uruguay
<b>Middle East and Africa (MEA)</b>	South Africa	
	Mauritius	
	Morocco	
	Egypt	
<b>North America</b>	Canada	

## Key questions addressed by this report



In the wake of the global pandemic, how has the global services market grown and how is it likely to trend in the future?



How has the global services market performed in key geographies/locations?



How well have the sourcing models and functional delivery incorporated the widespread digital transformation?



What does the future state of reshoring look like?

## Overview and abbreviated summary of key messages

The Global Locations State of the Market Report 2021 is a unique and comprehensive guide to understanding the nuances of the global services locations landscape and interpreting locations-related developments and trends to frame locations strategy. The broader report has three parts – Key Trends Shaping the Landscape, Risk Watch, and Locations PEAK Matrix®. It presents insights about the size and growth of the global services market, update of locations activity, changes in risk profiles of locations, and an analysis of the relative maturity, arbitrage, and potential of locations for multiple functions.

This specific part of the report is focused on the section - Key Trends Shaping the Landscape

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

### Key trends shaping the landscape

#### Growth of global services market

- The global services market experienced a tepid growth in 2020 primarily due to COVID-19-induced business uncertainties, macroeconomic slowdown, delay in commissioning projects in the pipeline owing to rising cost pressures, and uncertainties around global trade conflicts.
- However, the market rebounded in 2021 and is poised to grow further in 2022, driven by factors such as a strong recovery, increased demand for value-added and digital services, and higher offshoring/nearshoring by enterprises

#### Evolving location trends

- Enterprises are planning to grow their offshore/nearshore service delivery portfolios given the strong business resiliency showed by global services players during the pandemic. Asia Pacific continues to remain the destination of choice for service delivery, with the highest number of new center setups in 2020, followed by Nearshore Europe

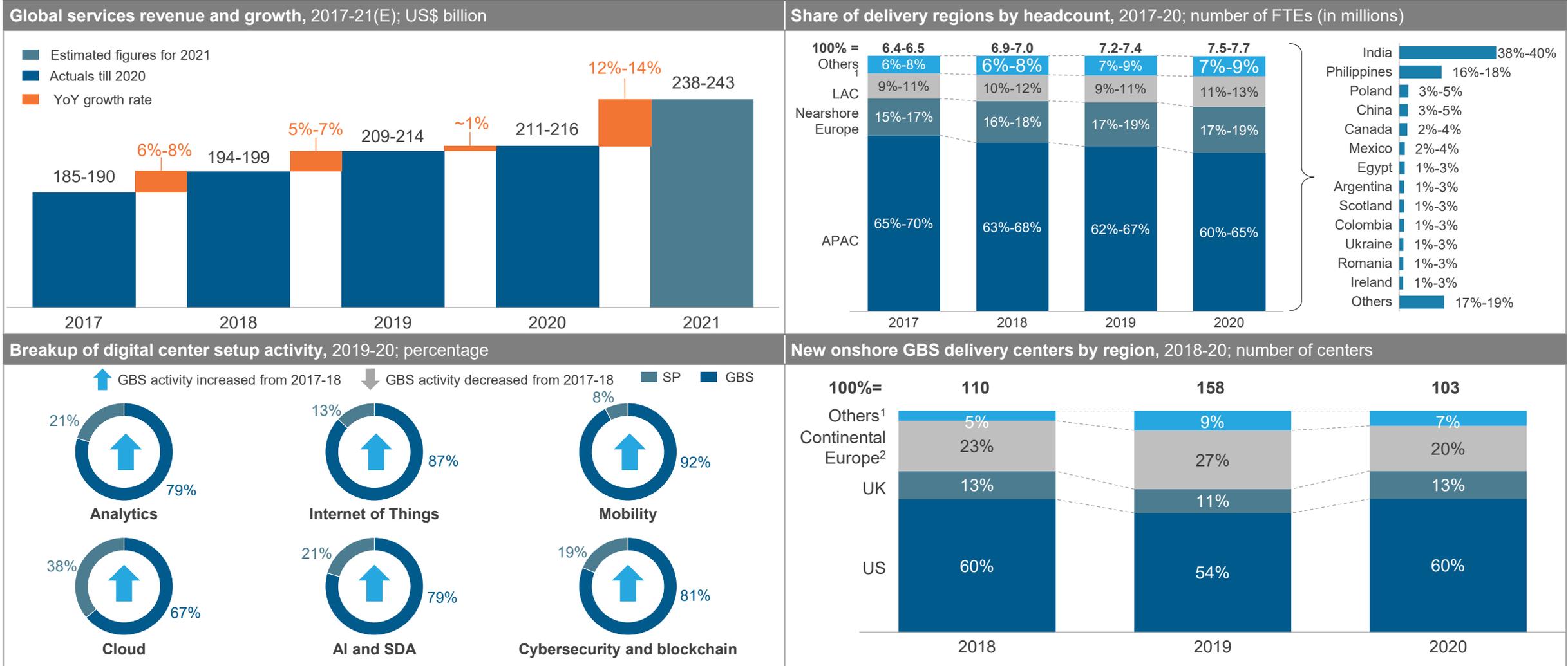
#### Shifting sourcing models and services mix

- The nature of services delivered and sourcing models adopted are transforming amid digital winds of change. Given increasing digitalization, companies are focusing more on building skills in and delivery of IT-related services, particularly through the GBS model

#### The rise of reshoring

- Reshoring continues to grow amidst data protection, portfolio optimization, and increased demand for business continuity planning. There is evidence of sustained need for front-office and back-office integration, strong digital-ready workforce, and increased regulatory oversight

# This study provides a deep dive into key aspects of global services market; below are key charts to illustrate the depth of the report





# Research calendar

## Locations Insider™

■ Published
 ■ Planned
 ■ Current release

### Flagship reports

	Release date
Location Spotlight – Cali, Columbia	March 2021
Global Locations State of the Market 2021: Embracing Uncertainties in a Disrupted World   Risk Watch	March 2021
Location Spotlight – Hungary	June 2021
Location Spotlight – Thailand	July 2021
Location Spotlight – Croatia	August 2021
Location Spotlight – Latvia	August 2021
Location Spotlight – Ghana	August 2021
Location Spotlight – Queretaro, Mexico	November 2021
<b>Global Locations State of the Market 2021: Embracing Uncertainties in a Disrupted World   Key Trends Shaping the Landscape</b>	<b>November 2021</b>
Global Locations State of the Market 2021: Embracing Uncertainties in a Disrupted World   Locations PEAK Matrix	Q4 2021
Location Spotlight – Sri Lanka	Q4 2021
Location Spotlight – Uruguay	Q4 2021

### Thematic reports

	Release date
Leading European Locations for Global Delivery of Engineering Services	October 2020
Data & Analytics Handbook – Delivery Location Strategy to Steer Through Digital Disruption	November 2020
Talent Handbook on Cybersecurity Skills	June 2021

Note: For a list of all of our published Locations Insider™ reports, please refer to our [website page](#)



Everest Group is a research firm focused on strategic IT, business services, engineering services, and sourcing. Our clients include leading global companies, service providers, and investors. Clients use our services to guide 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 [www.everestgrp.com](http://www.everestgrp.com).

## Stay connected

### Website

[everestgrp.com](http://everestgrp.com)

### Social Media

-  @EverestGroup
-  @Everest Group
-  @Everest Group
-  @Everest Group

### Blog

[everestgrp.com/blog](http://everestgrp.com/blog)

### Dallas (Headquarters)

[info@everestgrp.com](mailto:info@everestgrp.com)  
+1-214-451-3000

### Bangalore

[india@everestgrp.com](mailto:india@everestgrp.com)  
+91-80-61463500

### Delhi

[india@everestgrp.com](mailto:india@everestgrp.com)  
+91-124-496-1000

### London

[unitedkingdom@everestgrp.com](mailto:unitedkingdom@everestgrp.com)  
+44-207-129-1318

### Toronto

[canada@everestgrp.com](mailto:canada@everestgrp.com)  
+1-647-557-3475

*This document is for informational purposes only, and it is being provided "as is" and "as available" without any warranty of any kind, including any warranties of completeness, adequacy, or fitness for a particular purpose. Everest Group is not a legal or investment adviser; the contents of this document should not be construed as legal, tax, or investment advice. This document should not be used as a substitute for consultation with professional advisors, and Everest Group disclaims liability for any actions or decisions not to act that are taken as a result of any material in this publication.*