

Life & Annuities (L&A) Policy Administration Platform Market Landscape and Technology Provider Profiles

September 2021: Complimentary Abstract / Table of Contents



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

Ronak Doshi, Partner

Aaditya Jain, Practice Director

Keerthi Vuchula, Senior Analyst

Vigitesh Tewary, Senior Analyst

Mehul Khara, Senior Analyst

Shrey Kalawatia, Senior Analyst

Satwik Tripathi, Analyst

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Background of the research

The COVID-19 pandemic and the resulting economic fallout have adversely impacted L&A insurance businesses, leading to demand stress, revenue compression, and profitability pressure. Challenges get compounded as carriers face high degree of manual operations, siloed technology landscape with legacy core systems, and inability to realize value from IT investments due to presence of antiquated systems built on old technology stack. Core modernization has, thus, become a strategic mandate for L&A insurers to shed the legacy burden and embark on the modernization journey. Driving cost-efficiency, increasing operational agility, and enhancing customer experience are value levers pushing the business case for L&A insurers to invest in a platform-first digital operating model. The potential of transforming their expensive mainframe-based IT environments to a digital technology architecture founded on cloud is immensely attractive for L&A carriers to achieve their business objectives.

The L&A insurance policy administration technology providers are looking to tap into this market opportunity by focusing investments on building a modern technical architecture enabling extensive API integrations, supporting rapid product configurations with out-of-the-box functionality across life and annuities products for individual and group insurance lines, and investing in cloud readiness capabilities to transition from a pure-play product vendor to a software plus services player. In addition, technology providers are focused on enabling digital innovation for their L&A carrier clients by cultivating a well-rounded partner ecosystem.

In this report, we cover the capabilities of leading policy administration technology platform providers in the global L&A insurance industry including a detailed profile for each technology. Additionally, we have analyzed the L&A insurance policy administration platform market and outlined key investment themes and implications for technology providers.

Scope of this report:



Geography
Global

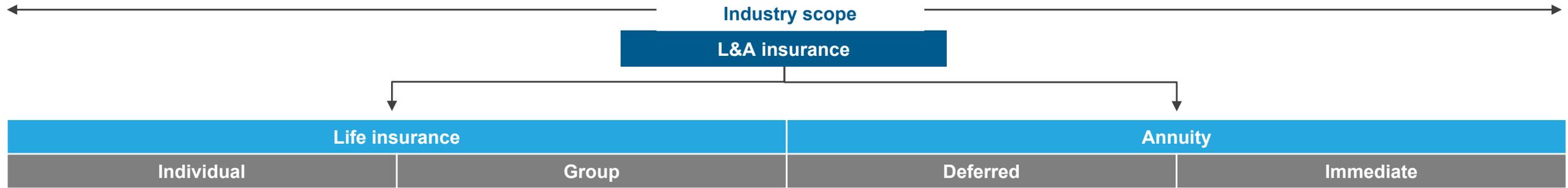


Platform providers
18 L&A policy administration
technology platform providers



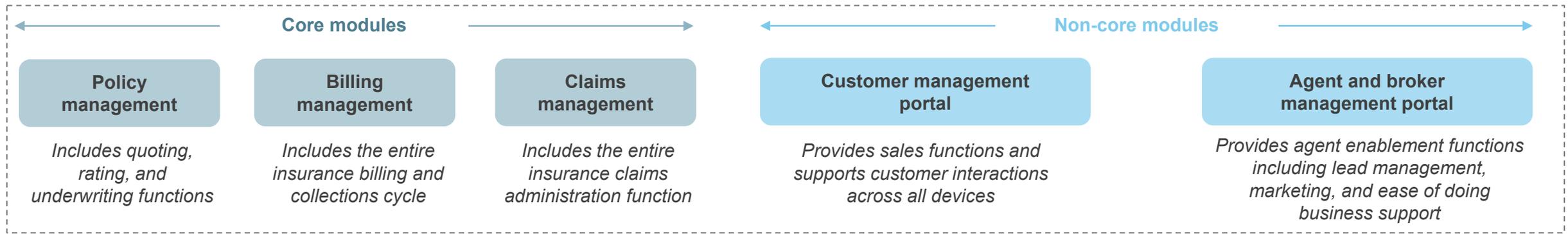
Line of businesses
L&A insurance

Scope of research for policy administration platforms in L&A insurance industry market report



Scope of this research includes the entire suite of your L&A insurance policy administration platform modules:

ILLUSTRATIVE



Note: The view of core and non-core modules mentioned above is illustrative and may not capture your entire product suite. Added to that, the product nomenclatures could also be different. Please note that your entire L&A insurance product suite qualifies for this research. Only bear in mind that by core products, we refer to those product modules that are necessary for supporting core insurance operations.

Summary of key messages



The L&A insurance policy administration platform market witnessed 13-15% growth in 2020, driven by insurers' pursuit to drive rapid IT modernization with COVID-19 acting as a catalyst. The growth is expected to normalize at 8-10% CAGR by 2022 as carriers look to refocus and scale their core modernization efforts



North America captures the lion's share in the L&A policy administration platform market, followed by Europe and UKI region; individual life products is the dominant line of business globally, having more than half of the overall market share



Heavy investments in cloud deployment and cloud-readiness capabilities to power SaaS platform models and enabling digital innovation through rapid integrations with the ecosystem (such as data/solution providers, digital natives, and InsurTechs) by nurturing strong API capabilities are the key investment themes for L&A core technology providers



L&A core technology providers are strategically focusing on developing non-core platform capabilities using a combination of digital levers (AI/ML, big data, and analytics) to drive differentiation with peers

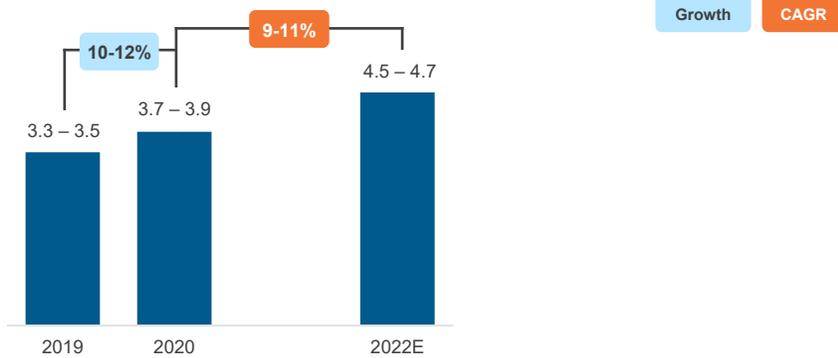


Going forward, investments in developing a comprehensive partnership ecosystem to drive value-added capabilities to L&A clients and support implementations across the globe can be the key source of competitive advantage for core technology providers

This study offers four distinct chapters providing a deep dive into policy administration platforms in L&A insurance market; below are four charts to illustrate the depth of the report

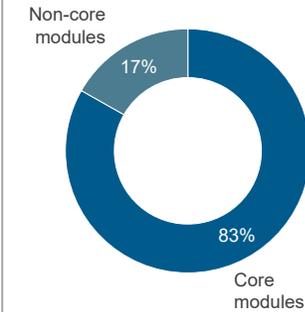
Overview of the policy administration platform provider in L&A insurance market

L&A insurance policy administration platform provider market size
2019-22E; US\$ billion

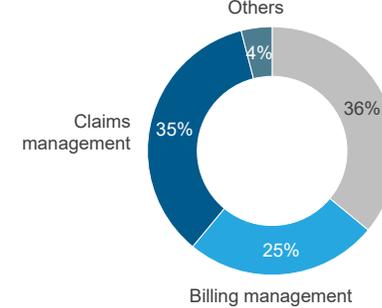


L&A policy administration platform providers focus on improving non-core modules

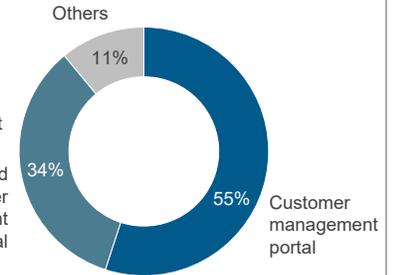
L&A platform deployment split by modules
2020; Percentage of total deployments



L&A platform deployment split by core modules
2020; Percentage of total deployments



L&A platform deployment split by non-core modules
2020; Percentage of total deployments



Key investment trends in cloud strategy by policy administration platform providers

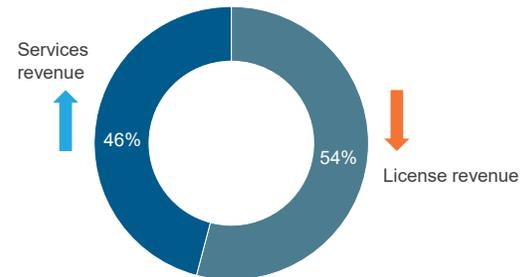
Proportion of L&A platform providers featured in this report

Cloud-based strategy	Cloud-agnostic strategy	Cloud-native strategy
<ul style="list-style-type: none"> The majority of L&A platform providers are investing in cloud, enabling their platform offerings to reap the advantages of cloud flexibility, scalability, and elasticity without undertaking significant redesigning effort to architect their applications for cloud These platform offerings have strategic cloud partner(s) and may be deployed across a few hyperscalers or are currently hosted only on a private cloud architecture By making offerings cloud-based, platform providers can quickly scale up to meet surges in demand for carriers and increase application availability 	<ul style="list-style-type: none"> Some L&A core platform providers, having recognized untapped business value left behind by the usage of the multi-cloud models due to creation of cloud silos, have been taking a Cloud-Agnostic Managed Services (CAMS) approach to drive better enterprise value from cloud Platform providers are offering cloud-agnostic deployments where carriers can use their own cloud, deploy the platform in a hybrid cloud environment of their choice, or use the provider's private cloud option CAMS model helps drive cost optimization for carriers, coupled with additional benefits including business agility, business resilience, and enhanced customer and user experiences 	<ul style="list-style-type: none"> Very few platform providers have L&A policy administration platforms which are completely cloud-native – their offerings are built for the cloud rather than altered to fit in the cloud These cloud-native platforms are completely microservices-driven and API-enabled, running under Kubernetes or in Docker containers, and completely coded using modern languages Cloud-native platforms harness the full potential of emerging technologies (data analytics, AI/ML, etc.) and leverage the unique capabilities of hyperscalers, thereby providing true source of competitive advantage for carriers

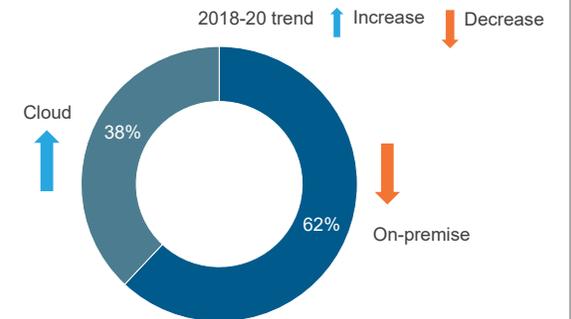


Cloud paradigm becoming a secular trend for L&A platform providers

Split by revenue sources of L&A insurance policy administration platform providers
2020; Percentage of total revenue



L&A insurance policy administration platform deployment split – on cloud vs. on-premise
2020; Percentage of total deployments



Research calendar

Insurance IT Services

■ Published
 ■ Planned
 ■ Current release

Flagship reports

Release date

Insurance Business Model Innovation Enablement Services PEAK Matrix® Assessment 2020	November 2020
Insurance Business Model Innovation Enablement Services – Service Provider Compendium 2020	December 2020
Application and Digital Services (ADS) in Life and Annuities (L&A) Insurance – PEAK Matrix® Assessment 2021	December 2020
Application and Digital Services (ADS) in Life and Annuities (L&A) Insurance – Service Provider Compendium 2021	January 2021
Insurance IT Services – State of the Market 2021: Future-readying insurance business through continuous digital unraveling	January 2021
Life & Annuities (L&A) Policy Administration Platform Market Landscape and Technology Provider Profiles	September 2021
Insurance platform services PEAK Matrix assessment 2021	Q3 2021
Insurance platform services – Service provider profile compendium	Q3 2021
Digital experience platforms in Insurance – Product PEAK Matrix assessment 2021	Q3 2021
Application and digital services in P&C insurance – Services PEAK Matrix assessment	Q4 2021
Digital claims solutions PEAK Matrix assessment 2021	Q4 2021

Thematic reports

Release date

Life & Annuities (L&A) Insurance Core Platform Software Adoption Trends – Unlocking Efficiency and Growth for L&A Insurers	December 2020
Cloud as a change catalyst in Insurance	May 2021
Digital Transformation in the London Insurance Market	July 2021
Digital experience solutions in the retirements industry – Market report	Q4 2021

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everestgrp.com/blog

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

Toronto

canada@everestgrp.com
+1-647-557-3475

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