

What's the Deal? Evolving Sourcing Priorities in Trust and Safety

November 2022: Complementary Abstract/ Table of Contents



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Introduction

The increasing content volume and variety on digital platforms, and the evolving regulatory environment, pose various Trust & Safety (T&S) challenges for enterprises. Delivering a superior customer experience for businesses now hinges on the security of users on these platforms. Such nuanced, dynamic, and constantly increasing demand in this space is leading to increased outsourcing deals. In this report, we look at the dynamic enterprise priorities in T&S and how they are evolving. We look at current outsourcing trends including large enterprises driving T&S BPS spend, increase in the number and size of contracts, shortening contract duration, and trends in pricing models. The report closely studies evolving sourcing trends and examines the increasing heterogeneity of enterprises, outsourcing for technology intervention, the potential for cross-tower deals, and openness to creative constructs.

This research provides comprehensive coverage of the T&S market and analyzes it across various dimensions.

In this research, we focus on:

- T&S market overview
- Evolving contractual activity in T&S

Scope of this report



Geography
Global



Industry
All



Services
Trust and safety services

Overview and abbreviated summary of key message

This report examines the increasing T&S outsourcing deals and provides a deep dive into current outsourcing priorities as well as evolving outsourcing priorities.

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








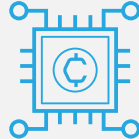



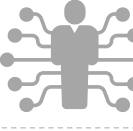


T&S market size

- T&S BPS market is one of the fastest growing BPS markets, aided by increasing content volume and variety, demand for localized content, tech limitations, and dynamic regulatory landscape
- Emerging use cases such as Metaverse, rise of autogenerated content, amongst others are expected to give rise to T&S outsourcing deals

Evolving contractual activity in T&S

- Enterprises are evolving in their sourcing priorities and are looking for strategic partnerships
- Currently big tech and other large enterprises are driving T&S BPS spend to address their priorities of cost and scale
- The T&S BPS space is witnessing increasing number and size of new contracts across different industries
- There is a rise in contracts of shorter duration due to the dynamic nature of the market. Technology offerings, increased operational efficiency, and flexible and agile contracts are some of the probable ways to increase supplier stickiness
- While FTE-based pricing is most prominent for content moderation deals, transaction-based pricing is more common for deals in other T&S areas
- The enterprise outsourcing for T&S services have increasingly heterogeneous needs which provides opportunity to diversify client mix
- As the future of outsourcing involves a combination of humans and technology, IT/BPS providers can partner with tech startups to solve for client business needs
- There is an opportunity for cross-tower deals to leverage synergies with adjacent areas such as CXM, Marketing, HR, among other for benefits such as optimized outsourcing spend, enhanced delivery support, localization of services, innovative outsourcing constructs
- Providers need to be open to creative constructs and become strategic partners. They can diversify client portfolio, move to outcome-based constructs, leverage cross tower deals and focus on technology intervention

This study provides a deep dive into key aspects of the T&S outsourcing market; below are two charts to illustrate the depth of the report

Faced with budgetary pressures, large enterprises will shift to a more strategic sourcing model	Current and evolving sourcing trends in T&S	
 <p>Rising content volumes are leading to an increase in the number and size of new contracts</p>	<div style="display: flex; justify-content: space-between;"> <div data-bbox="1279 431 1847 778"> <h3>CURRENT SOURCING TRENDS</h3> <ul style="list-style-type: none">  Large enterprises are driving T&S BPS spend  Increase in the number and size of new contracts  Reduction in average deal duration  Consistent pricing models </div> <div data-bbox="1857 431 2481 1320"> <h3>EVOLVING SOURCING TRENDS</h3> <ul style="list-style-type: none">  Increasingly heterogeneous enterprise mix  Outsourcing for technology intervention  Potential for cross-tower deals  Openness to creative constructs </div> </div>	
 <p>Market is dynamic and requires diversified client portfolio</p>		
 <p>Budget pressures may drive strategic sourcing priorities</p>		
 <p>The future of sourcing lies in tech + human intervention</p>		
 <p>Multi-tower constructs to extract synergies between various complementary functions</p>		
 <p>New commercial constructs to create value for clients</p>		



Research calendar

Trust and Safety

■ Published
 ■ Planned
 ■ Current release

Reports title	Release date
Content Moderation PEAK Matrix® Assessment 2021	March 2021
Content Moderation Service Provider Compendium 2021	June 2021
Content Moderators: Guardians of the Online Galaxy	August 2021
Play Hard, Play Safe	December 2021
Trust and Safety – Content Moderation Services PEAK Matrix® Assessment 2022	April 2022
Trust and Safety – Content Moderation Service Provider Compendium 2022	May 2022
Taming the hydra: Trust and Safety (T&S) in the metaverse	July 2022
Wisdom of the Crowd: The Gig Delivery Model in Trust and Safety (T&S)	August 2022
Braving New Frontiers: Trust and Safety State of the Market Report 2022	August 2022
What's the Deal? Evolving Sourcing Priorities in Trust and Safety	November 2022
Walking the Trust and Safety Regulatory Tightrope	Q4 2022
A Beautiful Mind: Wellness in T&S	Q4 2022
Key "Tech" away: Technology Ecosystem in Content Moderation (CoMo)	Q1 2023

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