

Property and Casualty (P&C) Insurance State of the Market 2023: Discovering Expansion Opportunities in a Demanding Economic Environment

December 2023: Complimentary Abstract / Table of Contents



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- ▶ Revenue Cycle Management
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Background of research

Enterprises have been increasingly turning to P&C insurance BPS providers during the recession to address rising operating costs resulting from higher inflation, which increased claims expenses and rate adjustments for P&C products. Cost reduction has once again become the foremost reason for outsourcing, along with the pursuit of operational efficiency to improve business results. Additionally, key enterprise leaders have delayed decision-making on transformational projects.

Nevertheless, P&C insurance BPS providers are actively seeking opportunities to expand by enhancing their capabilities in less frequently outsourced areas such as underwriting, actuarial analysis, and claims processing, all of which represent substantial cost centers for enterprises. Additionally, they are presenting transformational initiatives to initial adopters of outsourcing that have yet to fully realize the advantages of partnering with BPS providers to boost efficiency and cut costs, enabling them to sustain and improve growth in a challenging environment.

In this research, we provide a comprehensive picture of the P&C insurance market across various dimensions. The analysis is based on Everest Group's annual RFI process, interactions with leading P&C insurance business process service providers and buyers, and our ongoing coverage of the P&C insurance and services market.

Scope of this report



Geography
Global



Industry
Industry-specific P&C insurance BPS, including personal, commercial, and specialty lines



Services
P&C insurance business process services

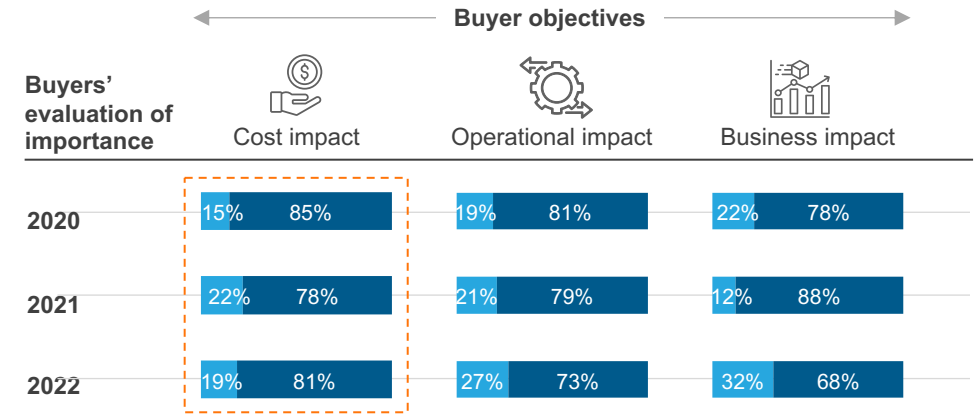


Use cases
Only publicly available information has been used to show insurers' investment areas in this report

Summary of key messages

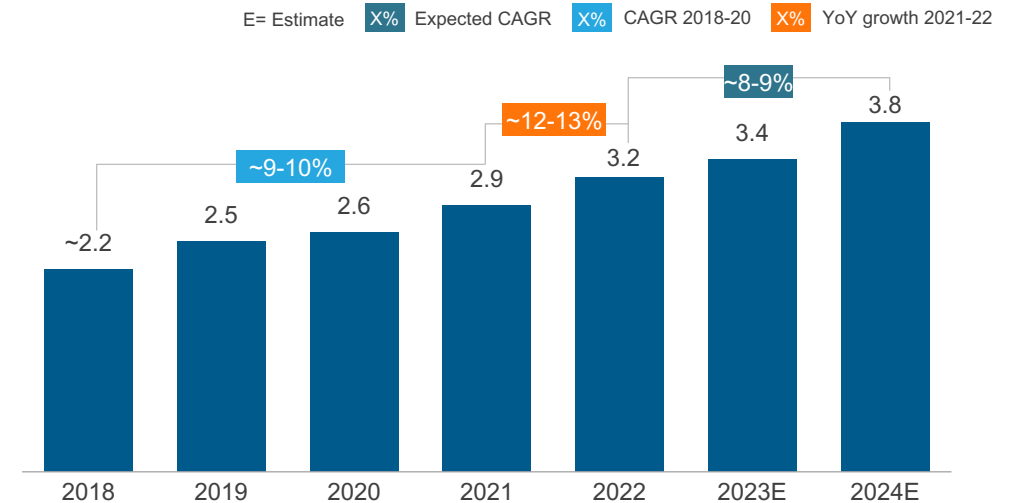
Trends in the P&C insurance industry

- The majority of insurance product lines have been impacted by inflation, supply chain issues, and rising catastrophic risks, all resulting in multi-decade-high combined ratios in these segments
- Given this scenario, P&C insurers are focusing on effectively managing risk, controlling costs, maintaining flexibility, and staying responsive to market dynamics
- In the UK, Lloyd’s market is significantly changing technology to enhance customer experience, drive efficiencies, and foster innovation
- P&C insurers have started to explore generative AI use cases; providers in the insurance ecosystem are increasingly investing in gen AI capabilities to support insurance enterprises

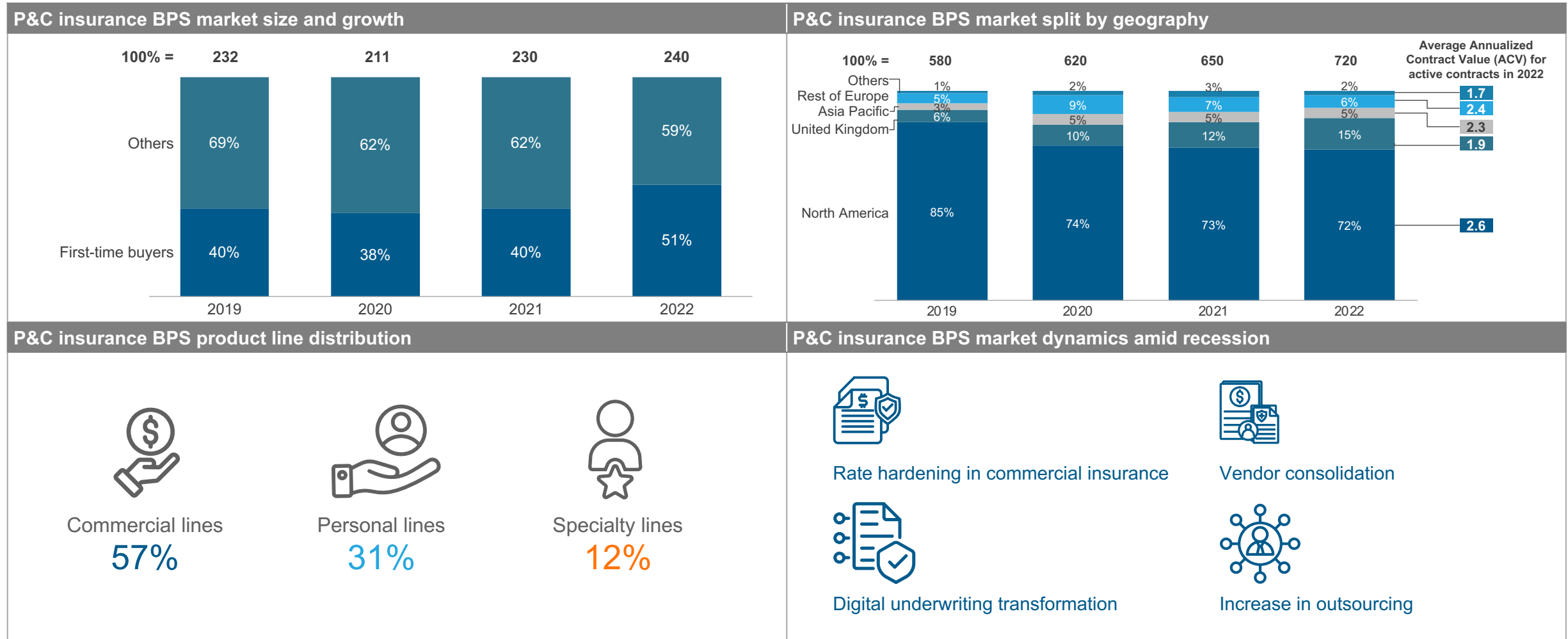


Deal trends in P&C insurance BPS

- The P&C insurance BPS market grew at a healthy rate, with most carriers looking to outsourcing for cost optimization and transformational needs
- The US and UK markets have been more open to outsourcing for P&C insurance BPS, although demand has been rising in Asia Pacific
- The recessionary environment has increased the inclination to outsource among the traditional and legacy buyer segments
- Incorporating technology across P&C solutions has helped automate repetitive, rules-based tasks, reducing manual labor and processing time and speeding policy servicing and reporting



This study offers four distinct chapters providing a deep dive into key aspects of Insurance BPS market; below are four charts to illustrate the depth of the report



Research calendar

Insurance Business Process

■ Published
 ■ Planned
 ■ Current release

Reports title	Release date
Property and Casualty (P&C) Insurance BPS – Service Provider Landscape with Services PEAK Matrix® Assessment 2022	April 2022
Property and Casualty (P&C) Insurance BPS – Service Provider Compendium 2022	May 2022
Property and Casualty (P&C) Insurance State of the Market Report 2022: Emerging and Evolving Sourcing Strategies in a Post – COVID Era	June 2022
Digital Platform & Augmentation Suite (DPAS) in Insurance BPS PEAK Matrix® Assessment with Provider Landscape 2022	September 2022
Life and Annuities (L&A) Insurance State of the Market Report 2022: A Pathway to Exploring Growth Opportunities Amid a Turbulent Macro Environment	October 2022
Know What’s Changed: The Modernization Spirit Looms in Life and Annuities TPA-Insurer Partnerships	January 2023
Digital Platform and Augmentation Suite (DPAS) in Insurance BPS – Provider Compendium 2023	February 2023
Digital Underwriting: How to Drive Intelligence and Speed Across the Underwriting Life Cycle	February 2023
Life and Annuities (L&A) Insurance BPS and Third-party Administrator (TPA) PEAK Matrix® Assessment 2023	May 2023
Life and Annuities (L&A) Insurance Business Process Services Provider Compendium 2023	September 2023
Property and Casualty (P&C) Insurance BPS PEAK Matrix® Assessment 2023	September 2023
Life and Annuities (L&A) Insurance State of the Market: Capitalizing on Pockets of Opportunities to Ensure Long-term Growth	November 2023
Property and Casualty (P&C) Insurance State of the Market 2023: Discovering Expansion Opportunities in a Demanding Economic Environment	December 2023
Property & Casualty (P&C) Insurance BPS – Service Provider Compendium 2024	Q1 2024
Generative AI's Paradigm Shift: P&C Insurance Reimagined	Q1 2024

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