

Market Vista™: 2023 Year in Review and Outlook for 2024

March 2024: Complimentary Abstract / Table of Contents

Market Report
MARKET VISTA™

 Everest Group®

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- ▶ Insurance Information Technology
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- ▶ Insurance Third-Party Administration (TPA) Services
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- ▶ Interactive Experience (IX) Services
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- ▶ IT Talent Excellence
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- ▶ Life Sciences Information Technology
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- ▶ Microsoft Azure
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- ▶ Mortgage Operations
- ▶ Multi-country Payroll
- ▶ Network Services and 5G
- ▶ Oracle Services
- ▶ Outsourcing Excellence
- ▶ Pricing Analytics as a Service
- ▶ Process Intelligence
- ▶ Process Orchestration
- ▶ Procurement and Supply Chain
- ▶ Recruitment
- ▶ Retail and CPG Information Technology
- ▶ Retirement Technologies
- ▶ Revenue Cycle Management
- ▶ Rewards and Recognition
- ▶ SAP Services
- ▶ Service Optimization Technologies
- ▶ Software Product Engineering Services
- ▶ Supply Chain Management (SCM) Services
- ▶ Sustainability Technology and Services
- ▶ Talent Genius™
- ▶ Technology Skills and Talent
- ▶ Trust and Safety
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Benchmarking

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Tracking: providers, locations, risk,
technologies

Locations: costs, skills, sustainability,
portfolios

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Global services market developments in 2023 | summary of key developments

While the global services industry had a strong post-pandemic rebound and recorded double-digit revenue growth in 2021 and 2022, its growth rate declined significantly in 2023, with a revenue growth of 3-5%



Service provider revenue was significantly impacted by a pullback in discretionary spending and project delays/cancellations



In line with the revenue, the headcount growth across most providers was also limited



The GBS model; however, grew significantly, both in terms of new center setups and an increase in headcount in the existing centers



In spite of the top-line pressure, major service providers managed their profitability well



Service providers and mature GBS organizations took advantage of the talent war ceasefire to rebalance their service delivery locations portfolios



Talent development (upskilling/reskilling) gained prominence over talent acquisition



Global services market outlook for 2024 | key trends that will shape the market in 2024



We are entering 2024 with **cautious optimism**.



There are indications of **growth revival in outsourcing**, with green shoots emerging in most disrupted segments.



The **GBS model** is expected to maintain its momentum in 2024.



Enterprises will increasingly **engage with providers** to help them set up, grow, and transform their GBS.



Cost pressures will force GBS and service providers to deploy innovative cost optimization strategies.



Service delivery locations portfolio rebalancing is on the cards.



Talent management and development (and not acquisition) will take center stage.

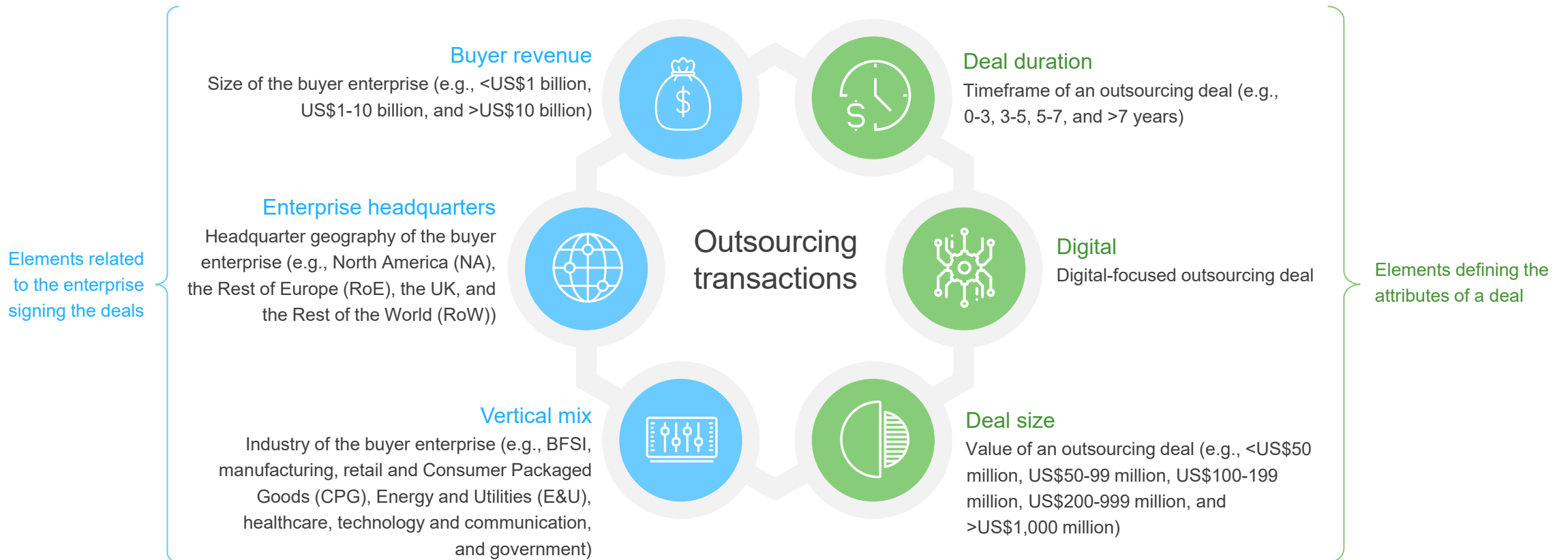
Provider developments | framework for assessment



Outsourcing transactions | framework for assessment

Deal drivers: representative of global services demand from enterprises

Deal attributes: representative of incremental supply provided by providers



Global Business Service (GBS) market activity | framework for assessment

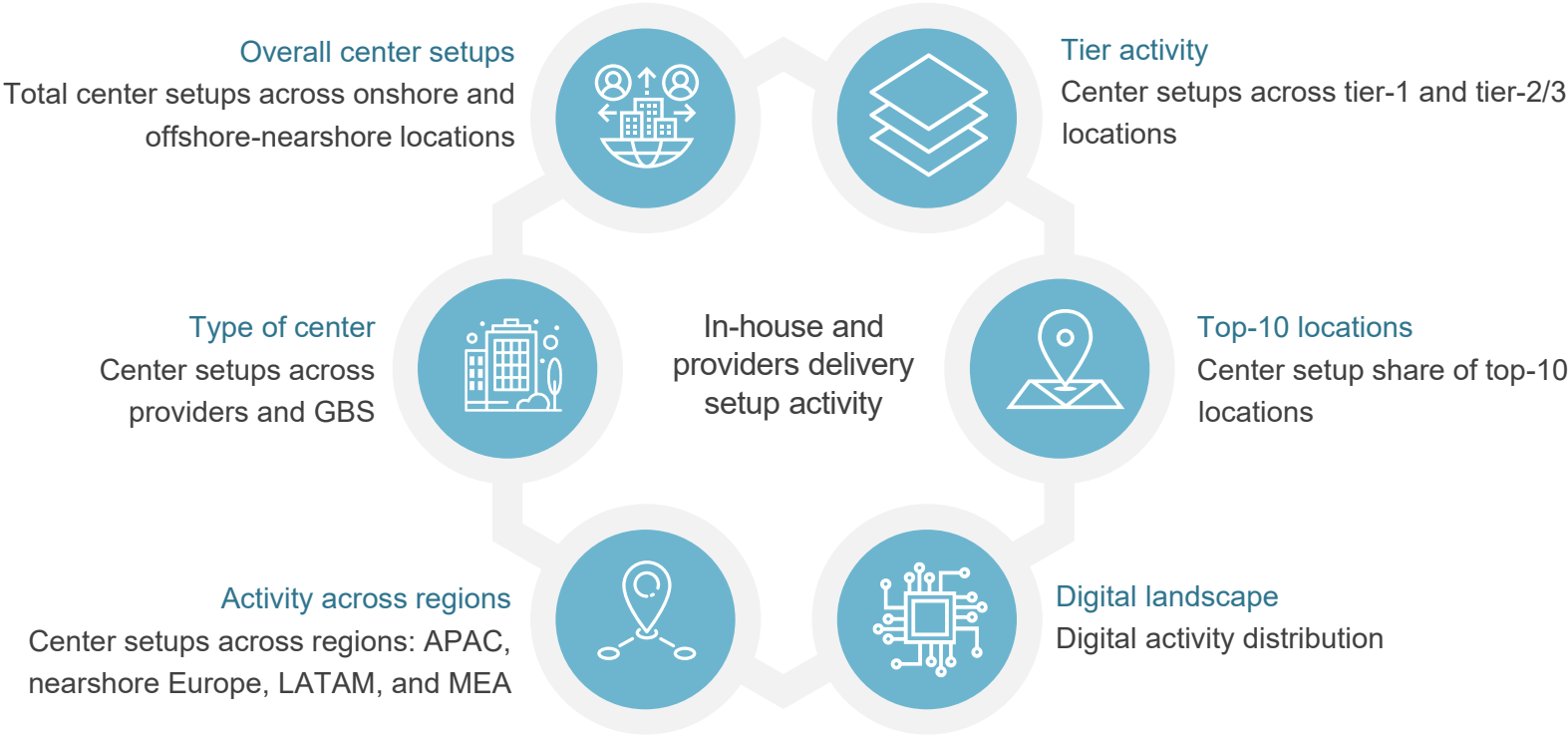
GBS drivers: representative of global services demand from enterprises

GBS attributes: representative of incremental supply supported by new in-house delivery centers



Location activity | framework for assessment

New overall center setups



Provider developments | Market Vista™ Index providers

 Engineering providers

Global providers

Offshore-heritage providers

1 This report covers only IBM Consulting
 2 AKKA and Modis merged to join Akkodis
 3 LTI and Mindtree merged to join LTIMindtree
 Note: Worldline, Atos's payment group, was deconsolidated from Atos' account

Market Vista™ encompasses a suite of offerings

Multiple delivery formats allow global sourcing managers to access information in a way that supports the decision-making process

Market Vista™ offering	Description	Covered in annual membership
Quarterly and annual reports	<ul style="list-style-type: none"> Quarterly report with in-depth coverage of transactions, location, GBS, and provider trends Annual report covering summary of the quarterly reports, along with forward-looking views for the upcoming year 	✓
Industry insight reports	Industry-specific reports covering details on global sourcing adoption in leading enterprises and markets (healthcare, life sciences, CPG, insurance, banking, capital markets, and oil & gas)	✓
Key issues in global sourcing reports	These are unique reports based on annual surveys that capture market sentiments across buyers and providers on key aspects of the global sourcing industry	✓
Location database	Annually updated database of location statistics, e.g., cost, attrition, and inflation rates, for 25 major cities	✓
Blogs/viewpoints	Viewpoints and blogs on contemporary global services issues of interest to enterprises, SSCs / in-house delivery centers, and providers	✓
Analyst consultation	Analyst access for personalized insights and additional perspectives	✓

Research calendar

Market Vista™

	Published	Current release	Planned
Reports title	Release date		
Market Vista™: Industry Insights – Healthcare			October 2022
Market Vista™: Industry Insights – Retail and CPG			December 2022
Market Vista™: Q4 2022			December 2022
Market Vista™: Q1 2023			March 2023
Market Vista™: 2022 Year in Review and Outlook for 2023			April 2023
2023 Key Issues in Global Sourcing			April 2023
Market Vista™: Q2 2023			June 2023
Market Vista™: Industry Insights – Oil and Gas			June 2023
Market Vista™: Q3 2023			September 2023
Market Vista™: Industry Insights – Life Sciences			December 2023
Market Vista™: Q4 2023			December 2023
Market Vista™: Q1 2024			February 2024
Market Vista™: 2023 Year in Review and Outlook for 2024			March 2024
Market Vista™: Q2 2024			Q2 2024
Market Vista™: Q3 2024			Q3 2024
Market Vista™: Q4 2024			Q4 2024

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