Everest Group RESEARCH

Topic: Everest Group's PEAK Matrix™ for Mobility Services in Global Insurance

Focus on Accenture
December 2015

Background and scope of the research

Background of the research

The insurance industry is grappling with increasing customer expectations, eroding margins & pricing pressures, an uncertain economy, and increasing regulatory requirements. To address these challenges, insurance firms are investing in technology solutions and adopting disruptive business models to enhance customer experience, contain costs, improve profitability, and avoid penalties. Both insurers and service providers are investing in mobility solutions to tackle these challenges, improve customer intimacy, empower the workforce to drive efficiencies, and deliver better customer experience. The convergence of mobility technologies with other digital technologies such as advanced analytics, cybersecurity solutions, automation, cloud & open-source technologies, Internet of Things (IoT), and social media have made it possible for insurers to use technology creatively in a manner that solves real business problems beyond "managing the legacy environment".

As the insurance industry is evolving with new business priorities, IT service providers are looking to capitalize on the mobility services opportunity by tailoring their offerings with next-generation technologies, developing in-house solution frameworks/accelerators, collaborating with buyers to invest in innovation, setting up labs and Center of Excellences (CoEs) to demonstrate and evaluate proof-of-concepts, as well as forming alliances with leading insurance-specific mobility product and platform vendors.

In this research, we analyze the capabilities of 12 leading technology service providers, specific to mobility in the global insurance sector. These providers were mapped on the Everest Group <u>Performance | Experience | Ability | Knowledge (PEAK) Matrix</u>, which is a composite index of a range of distinct metrics related to each provider's capability and market success.
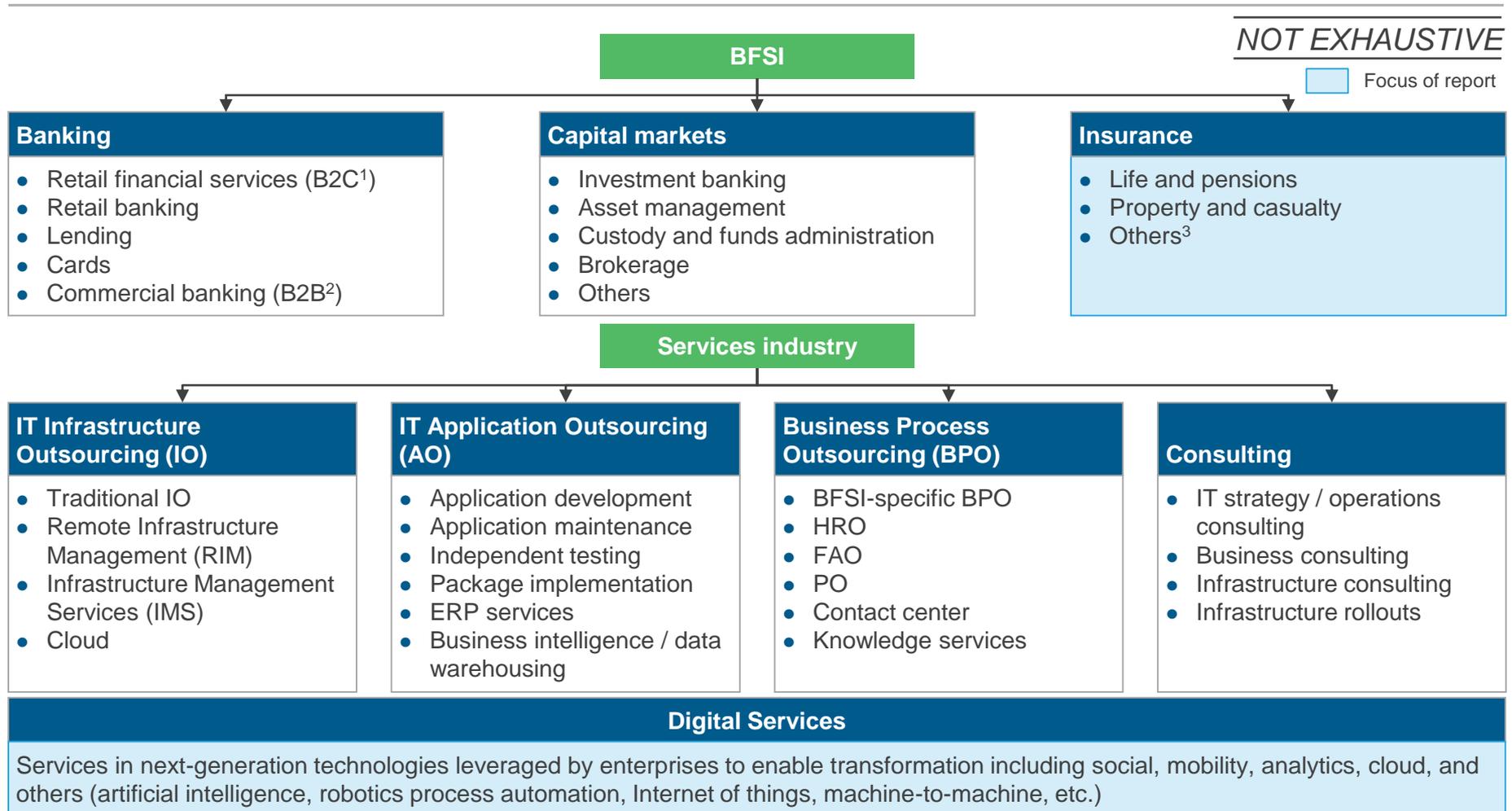
This document focuses on Accenture's mobility services in global insurance experience and includes:
- Everest Group's assessment of Accenture's delivery capability and market success on PEAK matrix
- Mobility services in global insurance profile for Accenture

Scope of this report
- **Industry:** Insurance (life, annuities, and pension; property & casualty); excludes banking, capital markets, and health insurance
- **Services:** Mobility services
- **Geography:** Global
- **Service providers:** 12 leading service providers with insurance mobility capabilities (list given on page 4)

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This Everest Group report examines the service provider landscape for mobility services in the global insurance sector

NOT EXHAUSTIVE

☐ Focus of report

BFSI

Banking
- Retail financial services (B2C[1])
- Retail banking
- Lending
- Cards
- Commercial banking (B2B[2])

Capital markets
- Investment banking
- Asset management
- Custody and funds administration
- Brokerage
- Others

Insurance
- Life and pensions
- Property and casualty
- Others[3]

Services industry

IT Infrastructure Outsourcing (IO)
- Traditional IO
- Remote Infrastructure Management (RIM)
- Infrastructure Management Services (IMS)
- Cloud

IT Application Outsourcing (AO)
- Application development
- Application maintenance
- Independent testing
- Package implementation
- ERP services
- Business intelligence / data warehousing

Business Process Outsourcing (BPO)
- BFSI-specific BPO
- HRO
- FAO
- PO
- Contact center
- Knowledge services

Consulting
- IT strategy / operations consulting
- Business consulting
- Infrastructure consulting
- Infrastructure rollouts

Digital Services
Services in next-generation technologies leveraged by enterprises to enable transformation including social, mobility, analytics, cloud, and others (artificial intelligence, robotics process automation, Internet of things, machine-to-machine, etc.)

1   Business-to-consumer relationships
2   Business-to-business relationships
3   Includes other insurance functions such as takaful and reinsurance

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Everest Group's BFSI research is based on two key sources of proprietary information

1
- Everest Group's proprietary database of 500+ IT service contracts within BFSI, consisting of major IT service providers with digital scope of work (updated annually)
- The database tracks the following elements of each digital services relationship:
  – Buyer details including industry, size, and signing region
  – Contract details including TCV, ACV, term, start date, service provider FTEs, pricing structure, and deal description
  – Activity broken down separately for banking, capital markets, insurance, and by line of business (for example, investment banking, asset management, custody, fund administration, and brokerage)
  – Scope includes coverage of buyer geography as well as functional activities
  – Global sourcing including delivery locations and level of offshoring

2
- Service provider briefings[1]
- Ongoing interactions with insurance buyers and industry bodies

3
- Everest Group's proprietary database of **operational capability of 20+ BFSI digital technology service providers** (updated annually through primary data collection via service provider RFIs)[1]
- The database tracks the following capability elements for each service provider:
  – Major BFSI clients and recent wins
  – Overall revenue, total employees, and BFSI employees
  – Recent BFSI-related developments
  – BFSI digital technology services delivery locations
  – BFSI digital technology service suite
  – Domain capabilities, proprietary solutions, and intellectual property investments

Service providers covered in the analysis[1]

1. Assessment for Accenture, CSC, and IBM excludes service provider inputs, and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with insurance buyers
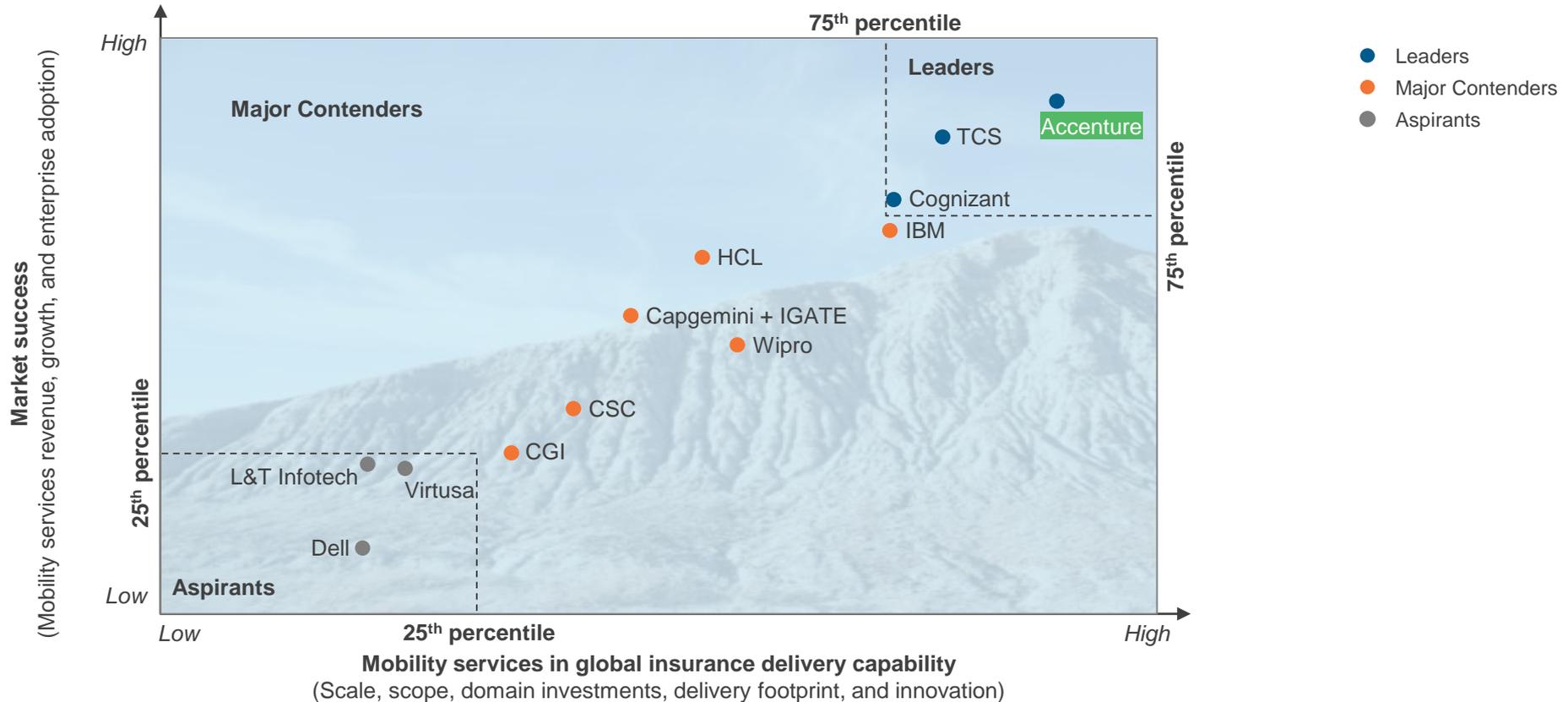2. Capgemini acquired IGATE in April 2015; the combined business unit has been analyzed as part of this assessment
Note: Everest Group continuously monitors market developments and tracks additional service providers beyond those included in the analysis
Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information, that is contract-specific, will be presented back to the industry only in an aggregated fashion

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Accenture is positioned as a Leader on Everest Group PEAK Matrix for mobility services in global insurance – 2015

Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix for mobility services in global insurance[1,2]

Legend:
- Leaders
- Major Contenders
- Aspirants

Plotted points:
- Accenture (Leader)
- TCS (Leader)
- Cognizant (Leader)
- IBM (Major Contender)
- HCL (Major Contender)
- Capgemini + IGATE (Major Contender)
- Wipro (Major Contender)
- CSC (Major Contender)
- CGI (Major Contender)
- L&T Infotech (Aspirant)
- Virtusa (Aspirant)
- Dell (Aspirant)

X-axis: **Mobility services in global insurance delivery capability**
(Scale, scope, domain investments, delivery footprint, and innovation)
Low — High, with 25th percentile and 75th percentile markers

Y-axis: **Market success** (Mobility services revenue, growth, and enterprise adoption)
Low — High, with 25th percentile and 75th percentile markers

Quadrants: Leaders, Major Contenders, Aspirants

1   PEAK Matrix specific to IT outsourcing relationships for mobility services in the insurance sector (life & pensions, property & casualty, reinsurance, etc.); excludes banking, capital markets, and healthcare

2   Since this is the inaugural PEAK Matrix evaluation for mobility services in insurance, no Star Performers have been identified

Note: Assessment for Accenture, CSC, and IBM excludes service provider inputs and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with insurance buyers

Source: Everest Group (2015)

Accenture | Mobility services in insurance profile
Leader

Headline assessment

An industrialized portfolio of mobility assets, deep domain & technology capabilities, and an acquired set of strong design capabilities has enabled Accenture to create a differentiating position in the market. It is positioned as a Leader on the inaugural mobility services in insurance PEAK Matrix.

Analyst comments

- Accenture's approach of partnership with its clients and driving tangible business outcomes is driven by the Mobility Center of Excellence (MCoE) approach for managing and executing mobility programs. CoEs provides enterprises with the requisite skills & resources to manage mobile solutions quickly and efficiently
- Alongside the MCoE model, Accenture also has MCoE jump-start capabilities that can rapidly assess the challenges that organizations face in adopting mobility programs and the steps to address them
- Accenture leverages its rich ecosystem of mobility partners to provide independent advice on the mobility solutions for its clients, together with a range of in-house technology-specific tools and enablers
- **Marquee clients:** Leading Indian life insurer

PEAK Matrix dimensions assessment

Dimension	Rating
Market success	●
Scale	●
Scope	●
Innovation	◑
Domain investments	●
Delivery footprint	◔

Key IP (solutions, tools, frameworks, etc.) – Mobility

- Mobile Wallet/Payments: The Accenture Mobile Wallet platform integrates advanced analytics and big data capabilities, with security elements
- Mobile loyalty and offers: The Accenture Mobile Wallet platform utilizes recommendation tools to enable loyalty and offer use cases across industries
- Enterprise mobility business solutions: Accenture provides insurance industry-focused enterprise mobility business solutions
- Application factory model: Accenture uses a wide range of tools, processes, and assets to industrialize and accelerate application development, testing and maintenance services. Examples of tools: Accenture ROSA (Remote, Offshore, Simulate, Automate) test framework

Key partnerships – Mobility

- Samsung: Accenture established global strategic relationship to simplify the development, delivery, and management of Samsung KNOX enterprise mobility solutions
- SAP: Strategic relationship to develop and deploy mobility solutions
- Crittercism: Accenture expanded its mobile application management capabilities through an alliance with Crittercism

Key investments (acquisitions, innovation labs, CoE's)– Mobility

- Established two digital insurance solution centers in United States and United Kingdom
- Accenture has strengthened its hybrid cloud and mobility capabilities in Europe by acquiring full ownership in Solium, a Madrid-based technology company in July, 2015
- Accenture established the Innovation Center for Mobility in Barcelona

Source: Everest Group (2015)

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Appendix

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FAQs (page 1 of 2)

Does the PEAK Matrix assessment incorporate any subjective criteria?
- The Everest Group's PEAK Matrix assessment adopts an objective and fact-based approach (leveraging service provider RFIs and the Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider briefings

Is being a "Major Contender" or "Aspirant" on the PEAK Matrix an unfavorable outcome?
- No. PEAK Matrix highlights and positions only the best-in-class service providers in a particular functional/vertical. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is in itself a favorable recognition

What other aspects of the PEAK Matrix assessment are relevant to buyers and providers besides the "PEAK Matrix position"?
- The PEAK Matrix position is only one aspect of the Everest Group's overall assessment. In addition to assigning a "Leader", "Major Contender" or "Aspirant" title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric level assessment and associated commentary is helpful to the buyers in selecting particular providers for their specific requirements. It also helps providers showcase their strengths in specific areas

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What are the incentives for buyers and providers to participate / provide input to the PEAK Matrix research?
- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own "profile" that is published by Everest Group as part of the "compendium of PEAK Matrix providers" profiles

What is the process for a service provider to leverage their PEAK Matrix positioning status ?
- Providers can use their PEAK Matrix positioning in multiple ways including:
  – Issue a press release declaring their positioning/rating
  – Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
  – Quotes from the Everest Group's analysts could be disseminated to the media
  – Leverage the PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- **The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated PoC at Everest Group**

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From **insight** to *action*.

About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com and research.everestgrp.com.

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