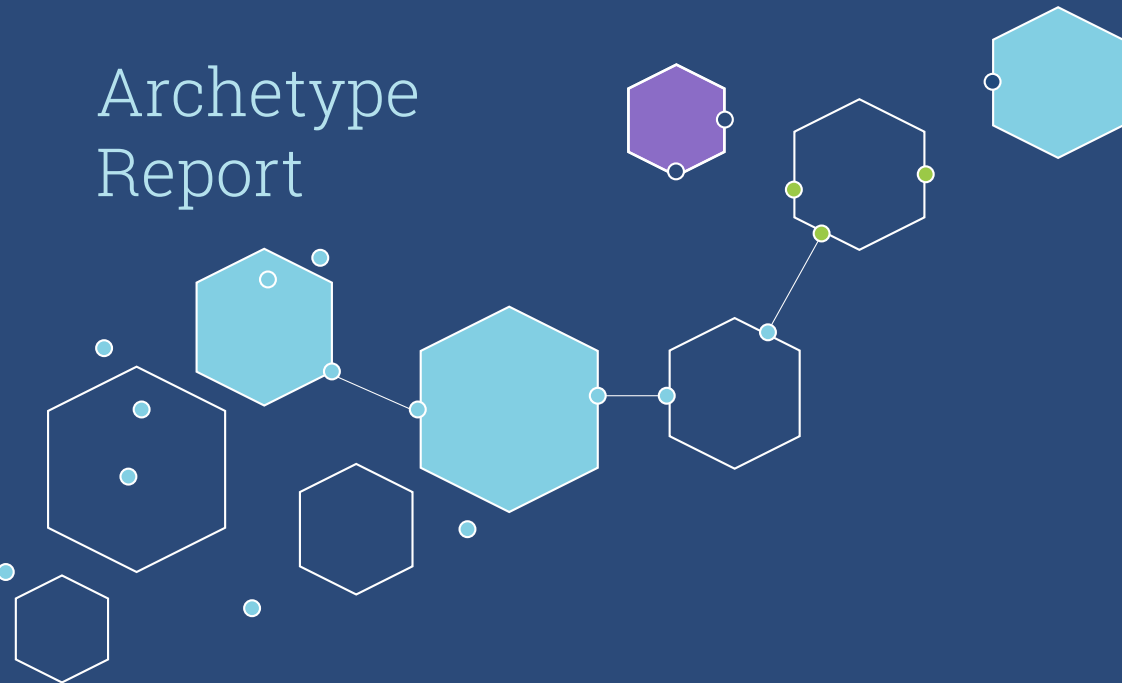


**\*ISG** Provider Lens™

# Digital Insurance BPO Services

Archetype  
Report



A research report  
aligning enterprise  
requirements and  
provider capabilities

October 2019

Customized report courtesy of:

**Infosys**®

## About this Report

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The research and analysis presented in this report includes research from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of May, 2019 for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars (\$US) unless noted.

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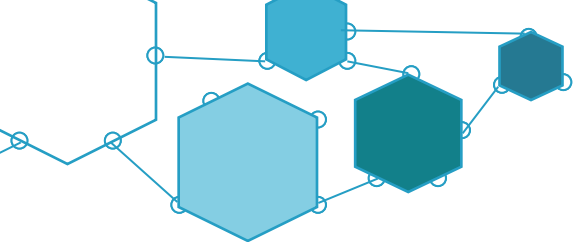
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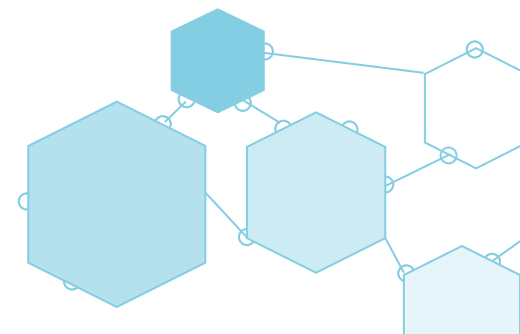
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## EXECUTIVE SUMMARY

### Dynamically Changing Landscape of Insurance Industry

This report analyses the changing buying patterns of enterprise clients in the sourcing world. Enterprises are under tremendous pressure to adapt to changing needs from their consumers. With the emergence of technologies, enterprises are now looking to partner with their service providers to drive changes. In a highly competitive industry such as insurance, enterprises are facing stiff competition. Added to competition are so-called insurtechs, which are disrupting the industry by releasing new technologies and new ways of operating. End users no longer need to contact a call center to purchase a policy or wait for an agent. Today, purchasing a policy is a click away on your mobile device, or you can browse through a marketplace to get the best priced policy.

BPO has traditionally operated in a “lift-and-shift” technology transition model. But with the onset of technology and changing consumer demands, enterprise expectations from their outsourcing partners are changing. The enterprises are turning toward their sourcing partners with an expectation to solve their business problems, improve their brand, impact their top or bottom line, improve customer loyalty or improve customer retention.



Cost savings continue to be one of the reasons for outsourcing but not the topmost reason anymore. In outsourcing engagements, in order to exhibit a partnership relationship, the measurement metrics will differ greatly from traditional metrics. Value-added services will be a great driver for sustainability of relationships.

Also, with changing technology and nature of engagements, improved communication and facetime with sourcing partners will be beneficial. Enterprises are now looking for nearshore/ onshore operations, and engagements are required to have good shoring mix. A pure-play offshoring model for non-critical point solutions continues, but for transformation-related projects, this will likely not be the sole option.

We have identified top business imperatives that help insurers to stay ahead of the competition. We have also looked at these business imperatives from a sourcing engagement perspective and what service providers are currently providing and what more they can provide for successful engagement.

1. **Better customer experience** – With channel proliferation, information is not only flowing across various channels but is flowing in abundance and with higher frequency. Adopting omnichannel solutions so that the channels are integrated and the information flow is seamless will be essential to drive enriched customer experience

2. **Digital Enablement** – Adoption of digital technology is the new normal. Enabling end users, agents and other stakeholders with a single source of truth for better user experience is imperative. A lack of progress in adopting technology will hamper the growth of the insurers significantly. Technologies deliver great benefits. Selecting and implementing the technology that is highly beneficial to your consumers is the key step that most enterprises must embark on. Some of the technologies that have made or about to make huge impact on the insurance industry are:

- **RPA and AI making inroads** – Traditional business models are becoming or will soon become irrelevant if operated in the same way. Few years back, robotic process automation disrupted the BPO industry by redefining the nature of jobs in the industry, improving productivity, improving efficiency and saving time and costs. It continues to pave way in making processes more efficient. It is an inevitable adoption, and organizations must have a roadmap to define the automation of repetitive processes. With the infusion of machine learning, the insurance industry has been able to transform the product lifecycle, from purchase to claims, as a touchless process. Machine learning coupled with robotic process automation will enable higher efficiencies, and machine learning will take care of simple decision-making processes, thus minimizing human involvement in routine processes. Today, machine learning can assess the intensity of damages using pictures captured by drones and satellites to process claims, thus, reducing the time significantly.

For example: WNS is exploring the possibility of implementing drone imagery to assess intensity of rooftop damages in areas hit by calamities.

- **Platform-driven approach** – Most insurers are actively looking for avenues to move to the cloud or adopt hybrid cloud infrastructure. Speed, flexibility and scalability continue to be the benefits of moving to cloud. With changing dynamics, insurers must be ready to react quickly to the industry. Focus on cloud technology will enable them to lower costs on legacy maintenance and achieve operational excellence. Insurers gain a competitive advantage with cloud platforms even from a go-to-market strategy, including product launches. Service providers in this industry have built various platforms, BPaaS solutions and plug and play modules.

For example: NTT Data has been able to complete the conversion of 4 million policies for nearly 30 of its clients onto its digitally enabled platform LifeSys™ for policy administration.

- **APIs are the new enablers** – While transformation is critical in today's era and essential for survival against the competition, a lot of insurers are still sitting with legacy systems. With many disparate systems, APIs can enable better communication for a better user experience. Companies like Lemonade and Insly have customer service APIs built to enable online sales, pricing quotes, claims, etc. This will help insurers to transform their businesses in a secure way.
- **Emergence of robo advisors** – There is an increase in the usage of robo advisors with the capability of providing personalized services by understanding the customer requirements. Robo advisors process data from various systems in real-time to give most relevant and personalized services, thus decreasing the turnaround time for policy-related queries. The availability of these advisors is 24/7 and not only will they lead to faster response but they also help in generating more leads.

- **Adoption of social media is on the rise** – Purchase of insurance policies is just a click away. With calls becoming limited to only complex queries, most consumers would like to purchase a policy or manage their claims online either using their mobile app or a social media channel. With increased traffic on social media, insurers are paying more attention to these channels. Studying the social media usage patterns and other behavioral data, insurers can predict and understand customer sentiments to deliver tailored responses achieving personalization goals.
- **Rise of insurtechs** – After the fintechs, it is insurtechs that are looking to disrupt this industry with cutting edge technology to offer to end users. Insurtechs have made innovation easily available and adoption is seamless. More and more insurers are aware of the disruption technology is causing to this industry and at the same time looking for avenues to engage with insurtechs. Outsourcing service providers, on the other hand, are partnering with several insurtechs to build an ecosystem to leverage the technology for its clients to help them with faster go-to-market.

For example, providers like DXC Technology and Cognizant are partnering with several insurtechs to deliver services to its clients.

- **Emerging technology revolution** – Insurers already deal with a lot of data, and with the advent of technology such as wearables or connected cars, data is getting fed to them every second. Whether it is a premium calculation for medical insurance depending on the data from wearables or speeding data from your car that determines your insurance claims, the Internet of things will transform and empower insurers with lot of insights about their consumers.

In property and casualty space, insurers are exploring the adoption of drone technology to assess areas hit by calamities and measure the intensity of damage to your property to

process claims instantly during distress. All of this and more will heavily impact the industry. With increasing end-user expectations for faster response, accuracy, personalized services and, more importantly, the rapid adoption of technology among end users will put immense pressure on insurers to adapt to changing times.

3. **Data Insights are value add drivers** – Using data to derive insights and serve your customers is not new. But it's worth reiterating that this is important because this is one of the critical pillars of success for insurers. Insurers collect large amount of data from consumers every day and every minute. The next challenge that insurers are faced with is how to utilize the data to serve their customers better. Data insights will be essential to enable agents to serve customers better. With the exposure into data points end to end, insurers can strive to deliver personalized services to their customers. Analytics will play a huge role in claims, tackling fraudulent claims, policy serving, pricing, underwriting, etc. With growing numbers in connected devices, technology such as IoT will feed insurers with tons of data. This is will invigorate insurers with firsthand data that will help them with more accurate pricing and risk assessment and help them manage fraudulent claims

When viewed from a sourcing engagement perspective, data insights when proactively delivered by service providers to their clients will be greatly beneficial and help insurers get better at risk assessment. This is one of the critical pillars of successful engagements and, at the same time, one of the key reasons why most engagements don't see the value when not delivered. According to ISG Research, clients state that this is one of the areas of improvement for most service providers. Adding value to the data collected and bringing more meaningful or impactful actions is essential.

4. **Security is not a choice** – Insurance is a highly regulated industry. Securing the information is of prime importance, especially for insurers that deal with sensitive and personal information. Today it's not only the amount of information but also the frequency of the flow of information that has rapidly increased. Securing the data and systems from being vulnerable to attacks must be a high priority on insurers' agenda. Compromise on security can cost the companies dearly. Protecting the data and preventing loss of sensitive data or preventing fraudulent claims is critical to organizations, and technology such as blockchain can help build a secure and trustworthy relationship with customers. Validation and verification of data especially during claim management can be an easy and time-saving process with the usage of lockchain technology. With number of use cases identified, technology such as this can help insurers to secure the data and avoid compromises. With the introduction of regulations such as GDPR and New York Department of Financial Services Cybersecurity Regulation, companies must appoint a chief information security officer or data protection officer. With increasing fraudulent claims, the insurance industry will need to invest to protect data.
- **Talent hunt continues** – Although automation has displaced jobs, people will continue to be the critical factor for success for all companies. The shift in talent and job descriptions has forced organizations to redefine talent strategy. Repetitive and redundant tasks are automated, which leaves the organizations to develop talent who are specialists in their domain to respond to complex queries. Focusing on developing subject matter experts will not only help in solving complex problems but it will also help in bringing technology and aptly apply to functions or processes.



# Introduction

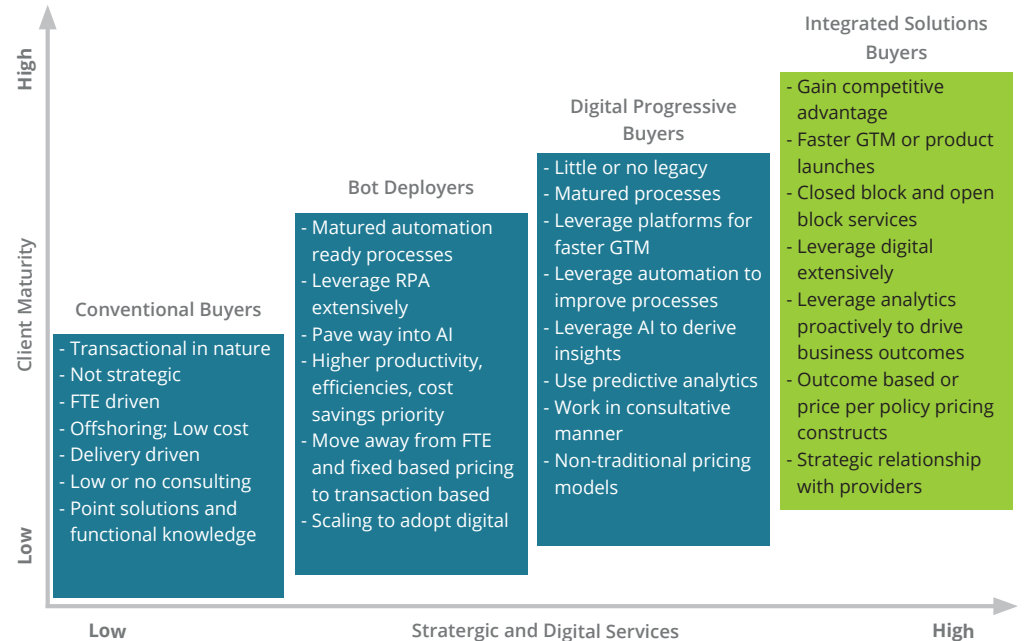
## Buyer Characteristics in the Insurance Industry

In this report, we analyze the evolving buying patterns of enterprises or, in other words, the buyer archetypes of the insurance BPO industry. We reviewed the factors influencing each one of these archetypes, be it external or internal and the impact that bears on the insurers. From conventional buyers, bot deployers, digitally progressive buyers to integrated solutions buyers, not only does the maturity of these buyers vary but their requirements from their sourcing partners also varies.

In our analysis of this industry, we found that these four buyer archetypes are still prevalent in the market. However, the conventional buyers who still operate in a lift-and-shift model by outsourcing noncritical functions are looking to move away from their dependency on FTEs to embracing technology. With RPA being their typical first step toward transformation journey, the enterprises see the need to be agile in this industry.

Bot deployers and digitally progressive buyers are ahead in their technology adoption journey. More inclined to move away from legacy technology and gain the competitive edge, enterprises in these buckets are most certainly catching up with the competition in the market.

Although insurance is a highly regulated industry, that has not been a reason to curb this industry from moving ahead in its digital journey. Integrated solutions buyers are either digital native companies or highly mature insurance companies that have taken the initiative to transform their businesses. Typically, through a top-driven approach, these companies are typically very ahead in the game. Their expectation from their sourcing partners is more strategic and visionary in nature. These enterprises look to engage to drive business in the most efficient way, bearing in mind the importance of customer experience, instead of just offshoring a few functions to gain some cost advantage.





## About This Research

This ISG Provider Lens™ report summarizes the relative capabilities of 12 insurance service providers and their abilities to address the requirements of four typical, frequently encountered categories of enterprise buyers (“archetypes”). Each archetype represents a unique set of business and technological needs and challenges. Our research found no shortage of providers with capabilities adequate to satisfy the Digital Insurance BPO needs across most user archetypes. This is due in large part to two core realities regarding the archetypes:

1. The characteristics of each archetype are moving targets because, while the core requirements rarely change, the relative importance of different requirements can vary based on business and/or technological environment changes.
2. Most enterprises, especially larger firms, tend to include multiple archetypes. As each archetype's requirements evolve based on business and technological changes, so too does the presence and value of each archetype within the enterprise. Therefore, enterprises have an ongoing series of choices when it comes to contact center services provider selection. They will need to strike a balance between optimal business value and relative cost of the provider engagement, integration and management. Market changes, new business models, fluctuating economic factors and other variables will continually add to and subtract from user needs.

This report uses research and analysis from ISG's long-running work with enterprise clients and BPO services providers to identify and examine key changes in, approaches for and buyers of insurance

services. We map the user-side requirements to provider-side offerings and capabilities. Not every user enterprise has the same requirements. In this report, we use four buyer archetypes – detailed in the following sections – to identify and assess buy-side requirements for business value relative to provider-side offerings and capabilities. All revenue references are in U.S. dollars (\$US) unless noted.

The assessment methodology has been developed and refined over several years of working with buyers to understand and articulate their services requirements and from working with services providers to understand how those buyer requirements influence the development of suitable solutions and go-to-market strategies.

This report assesses the capabilities of 12 providers. Some services providers that are typically included in our work are not included in this report because they were unable to or declined to participate. They may be included in future versions of this report, based on merit and on the services providers' willingness to provide current and relevant materials. Readers should not make any inferences based on a services provider's absence from this report.

## How to Use This Report

This report is intended to provide advice founded on ISG's experienced-based, proprietary assessment of services providers' relative suitability to the needs of the typical Digital Insurance BPO customer. This advice is then applied across each of the four archetypes as profiled. No recommendation or endorsement is indicated, suggested or implied. Clients must make the decision to engage with any provider based not only on their specific, current workplace needs but also on other factors such as cost, culture and timing.

This report is organized as follows:

**Client Archetype Descriptions:** This section identifies and describes the most common user-side archetypes that we have identified in our ongoing research and analysis.

**Assessments by Archetype:** These sections first detail each of the client archetypes, along with the types of service offerings that each typically requires to realize the most business value. Each archetype section includes our assessment of the relevant capabilities and positioning of the services providers surveyed and interviewed. It covers the relative suitability of the providers for each archetype based on the information they have provided to ISG. These assessments are developed using the data, analysis and comparative methodology described in the methodology section.

**Methodology:** In this section, we outline and explain how we developed and applied the data, analysis and insights provided in this report.

**Please note:** *This report presents services providers' known capabilities in the context of user enterprises' typical project needs (which are categorized as specific archetypes). This report is not meant to rank providers or to assert that there is one top provider with capabilities that can meet the requirements of all clients that identify themselves as an archetype.*



## CLIENT ARCHETYPE DESCRIPTIONS

Client archetypes used in this report (and in our ongoing advisory and consulting engagements) represent the various types of clients ISG has observed and how we classify them according to their relative outsourcing maturity and objectives. Each client archetype encapsulates the typical characteristics of a specific type of buyer that is looking to outsource one or more processes or functions. The use of archetypes enables us to develop sets of characteristics and needs that can be applied uniformly and repeatedly across multiple environments, industries, provider types and other variables within one service line.

The archetypes are not meant to be comprehensive examinations of all potential or likely client situations and requirements. They are meant to provide a simple, relevant and repeatable set of user-side requirements against which a similarly simple, relevant set of provider capabilities can be assessed.

The archetypes included in our reports are based on the most current marketplace knowledge regarding prevalent buy-side goals, resources, initiatives and requirements. Archetype characteristics are also developed (and refined over time) based on our advisory and consulting work with enterprise clients and IT service providers, and on our global business IT market research and advisory programs.



## CONVENTIONAL BUYERS

This archetype represents point solution buying behavior with a focus on non-critical transactions and parts of insurance processes. The objective of clients falling under this archetype is to reduce the cost of transaction processing by leveraging offshore labor arbitrage.

## BOT DEPLOYERS

These clients are keen on cost savings, accuracy and higher efficiencies. Their processes are matured to implement robotic process automation. These clients are a step ahead of conventional buyers, whose processes can accommodate basic rule-based automation, and instead have the potential to automate several processes. These buyers are inclined to leverage cognitive technologies for better insights and analytics.



A3

### DIGITALLY PROGRESSIVE BUYERS

These clients are looking to embark on the digital journey. Processes are matured and have little or no burden of legacy. They are looking for providers that can bring digital solutions to improve processes. They are looking to leverage emerging technological solutions like cloud platforms, robotic process automation, bring elements of IoT and cognitive technologies extensively

### INTEGRATED SOLUTION BUYERS

These clients are looking to outsource end-to-end insurance services including complex functions typically through a third-party provider. The objective is to achieve better outcome by minimal investment on the enterprise front. They may want to offload closed blocks, and/or use the provider's digital platform for future new open blocks. These clients are looking for a strategic partnership.

A4



# Digital Insurance BPO services Archetypes



## CONVENTIONAL BUYERS

This archetype represents point solution buying behavior with a focus on non-critical transactions and parts of insurance processes. Scaling on the digital track is not the topmost priority for these clients. Many functions are still handled internally, and the broad objective of clients falling under this archetype is to reduce cost of transaction processing by leveraging offshore labor arbitrage. These clients are not looking to expand employee strength and infrastructure for these functions and prefer to outsource these functions. From a digital curve perspective, these buyers are open to adopting basic rule-based automation to improve efficiencies and lower the cost.



## Conventional Buyers Client Objectives

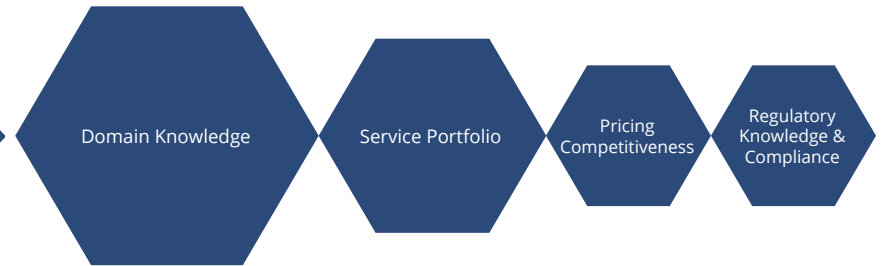
- Achieving cost efficiencies through offshore labor arbitrage;
- Transactional relationship with service providers;
- Looking to leverage skill sets and not add to existing set up;
- Offshore non-critical and non-core processes;
- Leverage basic rule-based automation to enhance operational efficiencies;
- Engage with providers that offer insurance services across functions;
- Partner with providers with global presence;
- Partner with providers who have regulatory knowledge and are compliant.



Fig 1

## Conventional Buyers' Influence of Provider Capabilities

■ Increase in future influence    ■ Decrease in future influence



Size based on relative current importance in the archetype profile



## Fig 2 Conventional Buyers Leaders

● Score 4 out of 4    ◐ Score 3 out of 4    ◑ Score 2 out of 4    ◒ Score 1 out of 4

Of the 12 services providers included in our research, we found 5 that stand out above the others as matching conventional buyers based on our assessment of their capabilities as described in the methodology section in the appendix. These 5, referred to as Archetype Leaders, and their relevant capabilities are presented in Figure 2, and briefly examined in the following sections.

A	Domain Knowledge	Service Portfolio	Pricing competitiveness	Regulatory knowledge & Compliance
Capgemini	●	◑	◑	●
EXL	●	●	◑	●
Infosys	●	●	◑	●
NTT DATA	●	●	◑	◑
WNS	◑	●	◑	●

*Note: The service providers listed are arranged in alphabetical order. No ranking is implied.*

## Infosys

Infosys is one of the prominent players in the insurance BPO market and has been offering services in this domain since 2002. Catering to more than 120 global clients, the firm offer services spanning across all insurance segments such as life, annuities, healthcare, property and casualty. The insurance BPO unit employs over 13,000 agents distributed across 22 delivery locations. With the acquisition of McCamish in 2006, the firm has successfully exhibited its domain knowledge and strong offerings in the life and annuity space. It also offers an end-to-end integrated platform to insurance carriers.

Infosys has established a delivery footprint with a good mix of offshore and onshore capabilities. In addition to demonstrating its domain knowledge, Infosys also presents digital technologies and implementation at scale. From mobile-first solutions, AI for underwriting, platforms to compliance and fraud detection, the firm has been able to successfully blend technology and domain expertise.

The Infosys logo is displayed in a large, blue, sans-serif font. The word "Infosys" is written in a bold, lowercase style. A registered trademark symbol (®) is located at the top right of the letter 's'.

## OTHER NOTEWORTHY PLAYERS – CONVENTIONAL BUYERS

Some other providers scored high in or more areas that are important for the conventional buyers client. However, they were not categorized as leaders for this archetype because they did not rate high in enough categories.

Noteworthy providers (services providers with a high score in one or more categories) for conventional buyers clients are:

**Fig 3** Other Noteworthy Players – Conventional Buyers



### Domain Knowledge

Accenture  
Cognizant  
Datamatics  
DXC

### Service Portfolio

Accenture  
Cognizant  
Datamatics  
DXC  
SE2  
Sutherland

### Pricing Competitiveness

Cognizant  
Datamatics  
DXC  
Genpact

### Regulatory knowledge & Compliance

Genpact  
SE2

# A2 BOT DEPLOYERS

These clients are keen to explore all opportunities of automation. Their processes are far matured to implement robotic process automation and advanced automation. These clients are a step ahead of conventional buyers, whose processes can accommodate basic rule-based automation, and instead have the potential to leverage advanced automation. Narrow AI technologies such as neuro-linguistic programming (NLP) have paved the way, and intelligent optical character recognition (OCR) can be applied too. With higher accuracy, productivity gains and higher efficiencies being a priority for these clients, they are ready to embrace automation.

# A2 Bot Deployers Client Objectives

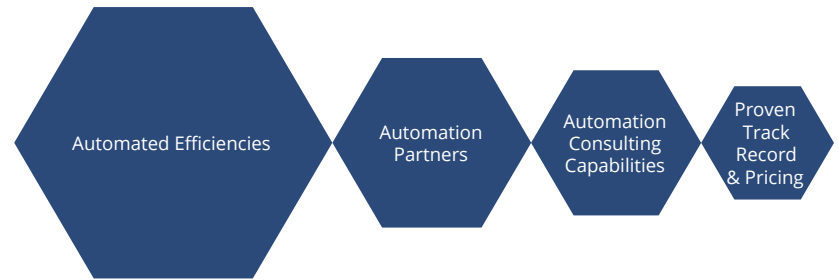
- Leverage either partner products or proprietary solutions to automate processes;
- Automate processes across various functions;
- Adopt narrow AI technologies to further process efficiencies and lower costs;
- Achieve higher productivity gains and faster turnaround time;
- Leveraging combination of proprietary and partnership solutions;
- Reliance on service providers to define the roadmap for automation.



Fig 4

## Bot Deployers' Influence of Provider Capabilities

■ Increase in future influence    ■ Decrease in future influence




Size based on relative current importance in the archetype profile

## Fig 5 Bot Deployers Leaders

● Score 4 out of 4    ● Score 3 out of 4    ● Score 2 out of 4    ● Score 1 out of 4

Of the 12 services providers included in our research, we found 5 that stand out above the others as matching the bot deployers based on our assessment of their capabilities as described in the methodology section in the appendix. These 5, referred to as Archetype Leaders, and their relevant capabilities are presented in Figure 5, and briefly examined in the following sections.

	Automated Efficiencies	Automation Partners	Automation Consulting capabilities	Proven Track Record & Pricing
Capgemini	●	●	●	●
Cognizant	●	●	●	●
DXC	●	●	●	●
EXL	●	●	●	●
WNS	●	●	●	●

*Note: The service providers listed are arranged in alphabetical order. No ranking is implied.*

## OTHER NOTEWORTHY PLAYERS – BOT DEPLOYERS

Some other providers scored high in or more areas that are important for the bot deployers client. However, they were not categorized as leaders for this archetype because they did not rate high in enough categories.

Noteworthy providers (services providers with a high score in one or more categories) for bot deployers clients are:

Fig 6 Other Noteworthy Players – Bot Deployers



### Automated Efficiencies

Datamatics  
Infosys  
NTT DATA

### Automation Partners

Genpact  
NTT DATA  
SE2  
Sutherland

### Automation Consulting Capabilities

Accenture  
Genpact  
Infosys  
NTT DATA  
SE2

### Proven Track Record & Pricing

Datamatics  
Infosys

# A3 DIGITALLY PROGRESSIVE BUYERS

These clients are looking to embark on the digital journey. Processes are matured and have little or no burden of legacy. They are looking for providers that can bring digital solutions to improve processes. They are looking to leverage emerging technological solutions like cloud platforms, robotic process automation and want providers to bring elements of IoT and cognitive technologies. With matured processes, these clients can adopt platforms that provide end-to-end solutions. Bearing in mind business agility, process efficiencies, higher returns, and many more such measurable outcomes, these clients are ready to transform how they respond to their customers. Most certainly, customer experience is their top priority, and they are embracing changes to adapt to changing customer behavior. To stay relevant and gain the competitive edge, these clients are looking to also reap the benefits of technology implementation by relying on their partners to not just streamline processes and implement technology, but to also gain insights into data that will drive business efficiencies.



# A3

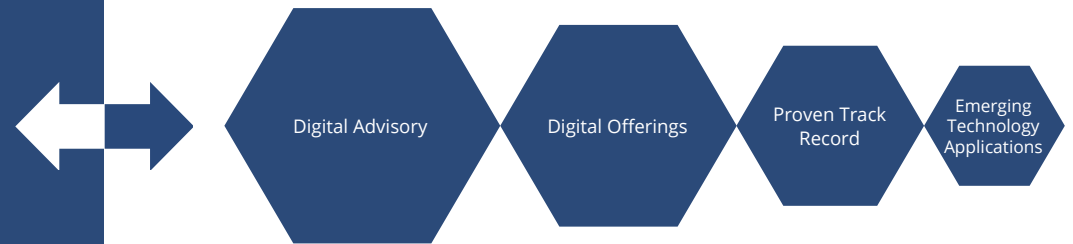
## Digitally Progressive Buyers Client Objectives

- Customer experience is priority;
- Leverage platforms for faster GTM;
- Leverage automation to improve processes;
- Leverage AI to derive insights;
- Use predictive analytics;
- Work in consultative manner;
- Non-traditional pricing models.

Fig 7

## Digitally Progressive Buyers' Influence of Provider Capabilities

■ Increase in future influence    ■ Decrease in future influence



Size based on relative current importance in the archetype profile

Fig 8

## Digitally Progressive Buyers Leaders

● Score 4 out of 4

◐ Score 3 out of 4

◑ Score 2 out of 4

◒ Score 1 out of 4

Of the 12 services providers included in our research, we found 5 that stand out above the others as matching the Digitally Progressive Buyers based on our assessment of their capabilities as described in the methodology section in the appendix. These 5, referred to as Archetype Leaders, and their relevant capabilities are presented in Figure 8, and briefly examined in the following sections.

A3	Digital Advisory	Digital Offerings	Emerging Technology Applications	Proven Track Record
Cognizant	◑	●	◑	●
DXC	●	●	●	◑
EXL	◑	◑	●	●
Infosys	●	◑	●	●
WNS	●	●	◑	◑

*Note: The service providers listed are arranged in alphabetical order. No ranking is implied.*

## Infosys

Infosys' McCamish capabilities bring innovative services for its insurance clients particularly in the life insurance space. Operating in this domain for over two decades, the objective is to offer a life and annuity platform that is touchless, reduces time to market, increases operational efficiency and provides a holistic digital customer experience. Infosys McCamish VPAS® is a fully integrated solution with pre-built plug-and-play options that can enhance the customer experience. With more than 1,000 pre-configured solutions, Infosys assures its clients with a speed to market of five months. Infosys' recent partnership with Pan-American Life Insurance group will leverage the VPAS platform to provide policy administration services for the insurer's newly launched product.

From front office chatbots to value-driven insights using its in-house platform called Nia™, Infosys houses robust automation capabilities including its EDGE suite of products. The firm helps enterprises in reskilling their agents through a newly launched learning tool called WINGSPAN. Available anytime and anywhere, this next-gen mobile-first solution is embedded with machine learning capabilities that recommend relevant training. As insurtechs continue to disrupt the industry, Infosys has partnered with Charles Taylor to deliver and co-innovate insurance solutions.

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## OTHER NOTEWORTHY PLAYERS – DIGITALLY PROGRESSIVE BUYERS

Some other providers scored high in or more areas that are important for the digital progressive buyers client. However, they were not categorized as leaders for this archetype because they did not rate high in enough categories.

Noteworthy providers (services providers with a high score in one or more categories) for digital progressive buyers clients are:

**Fig 9** Other Noteworthy Players – Digitally Progressive Buyers



Digital Advisory	Digital Offerings	Emerging Technology Applications	Proven Track Record
Accenture	Genpact	Capgemini	Genpact
Capgemini	SE2	NTT Data	Datamatics
Genpact		SE2	
NTT Data			
SE2			
Sutherland			

# A4 INTEGRATED SOLUTION BUYERS

These clients are looking to outsource end-to-end insurance services including complex functions typically through a third-party provider. The objective is to achieve better outcomes through minimal investment on the enterprise front. They may want to offload closed blocks, and/or use the provider's digital platform for future new open blocks. These clients are looking for strategic partnership that is outcome-driven. They have a long-term roadmap for digital transformation and looking to leverage emerging technology, especially big data and analytics, to enable better decision making and effective management of customers. Clients falling under this archetype are looking for solutions and frameworks that are specific to their verticals and that will help them address both process and regulatory requirements when it comes to Insurance outsourcing. Operating in a highly regulated environment, these clients are constantly looking for avenues to improve security measures and explore the possibilities of blockchain to secure their network.

# A4 Integrated Solution Buyers Client Objectives

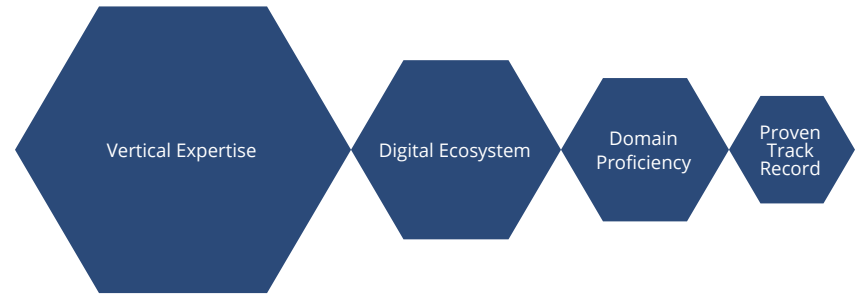
- Gain competitive advantage;
- Faster GTM or product launches;
- Closed block and open block services;
- Leverage digital extensively;
- Leverage analytics proactively to drive business outcomes;
- Outcome based or price per policy pricing constructs;
- Strategic relationship with providers.



Fig 10

## Integrated Solution Buyers' Influence of Provider Capabilities

■ Increase in future influence    ■ Decrease in future influence



Size based on relative current importance in the archetype profile

## Fig 11 Integrated Solution Buyers Leaders

● Score 4 out of 4    ◐ Score 3 out of 4    ◑ Score 2 out of 4    ◒ Score 1 out of 4

Of the 12 services providers included in our research, we found 5 that stand out above the others as matching the Integrated Solution Buyers based on our assessment of their capabilities as described in the methodology section in the appendix. These 5, referred to as Archetype Leaders, and their relevant capabilities are presented in Figure 11, and briefly examined in the following sections.

A4	Domain Proficiency	Digital Ecosystem	Vertical expertise	Proven Track Record
Capgemini	◑	◑	●	●
Cognizant	●	●	◑	●
EXL	●	●	◑	●
Infosys	●	◑	●	◑
WNS	◑	●	◑	●

*Note: The service providers listed are arranged in alphabetical order. No ranking is implied.*

## Infosys

Leaders of this archetype display their holistic approach toward transformation of this industry vertical by offering end-to-end services that are integrated with digital technologies. Infosys thus qualifies as one of the leaders in this archetype. With a blend of onshore and offshore capabilities, the firm brings a suite of digital technologies to its customers. The acquisition of McCamish demonstrates Infosys' high degree of domain expertise. In addition to its industry partnerships, it also has suite of proprietary solutions ranging from platforms to robotics, including its well-known AI platform called Nia™. Infosys applies a very holistic approach in designing a strategic roadmap for insurance clients. The firm offers a whole suite of digital technologies, business process reengineering and infusing automation/AI, helping its clients reskill talent with the help of its AI-driven Wingspan solution and deliver locally with its localization strategy. Be it the conversion of 30 million policies with IT modernization, policy administration transformation with its established and comprehensive VPAS solution or helping client improve their rankings in the market, Infosys has served various clients across life and P&C with appreciable benefits.

The Infosys logo is displayed in a large, blue, sans-serif font. The word "Infosys" is written in a single line, with a registered trademark symbol (®) positioned at the top right of the final letter 's'.



## OTHER NOTEWORTHY PLAYERS – INTEGRATED SOLUTION BUYERS

Some other providers scored high in or more areas that are important for the integrated solution buyers client. However, they were not categorized as leaders for this archetype because they did not rate high in enough categories.

Noteworthy providers (services providers with a high score in one or more categories) for integrated solution buyers clients are:

**Fig 12** Other Noteworthy Players – Integrated Solution Buyers



### Domain Proficiency

Accenture  
DXC  
Genpact  
NTT DATA

### Digital Ecosystem

DXC  
NTT DATA  
SE2

### Vertical expertise

Genpact  
SE2

### Proven Track Record

Genpact  
NTT DATA  
SE2

## SERVICE PROVIDERS ACROSS ARCHETYPES

	Conventional Buyers	Bot Deployers	Digitally Progressive Buyers	Integrated Solutions Buyers
Accenture	✓✓	✓	✓	✓
Capgemini	*	*	✓✓	*
Cognizant	✓✓✓	*	*	*
Datamatics	✓✓✓	✓✓	✓	□
DXC	✓✓✓	*	*	✓✓
EXL	*	*	*	*
Genpact	✓✓	✓✓	✓✓✓	✓✓✓
Infosys	*	✓✓✓	*	*
NTT DATA	*	✓✓✓	✓✓	✓✓✓
SE2	✓✓	✓✓	✓✓✓	✓✓✓
Sutherland	✓	✓	✓	□
WNS	*	*	*	*

★ = Leaders

✓ = Noteworthy Providers (number of check marks indicate the degree of alignment with the capability requirements of each client archetype)

□ = Not In (the Service Provider wasn't considered a leader in any of the capability requirements for this archetype)

NOTE: All Service Providers evaluated for this report have the abilities to service all four archetypes, only those with the best fit to the capability requirements were identified as Leaders or Noteworthy Providers

## GUIDANCE

### Enterprise Leadership Actions

- 1. Adoption of customer-centric approach** – Consumer usage patterns, behavior, sentiments, buying patterns, adoption of technology and many more things demand how enterprises must change their strategy to respond. Adoption of customer-centric approach is the topmost business imperative. Insurers today, are grappling with challenges in keeping up with the pace of change around them. Some of the digital native insurers have been able to strike a balance, but many legacy players in this industry are still struggling to reinvent themselves. Evaluating your customer needs and redefining your company strategy to suit your consumers is quintessential.
- 2. Construe your transformation roadmap** — Having a defined roadmap of technology adoption defines the true value of digital transformation. Today there are myriad of technologies available in the market. Enterprises must gauge what technology is most suitable for their company along with adoption roadmap. Most enterprises today, invest and adopt technology without clearly understanding the true potential, value or benefits. Understanding the need for technology and making the right investment is critical.
- 3. An open mindset to embrace changes** – According to ISG Research, most sourcing engagements are prone to failures due to lack of communication and due to misalignment on the end goals between enterprises and service providers. Often this is due to poorly constructed outsourcing contracts that do not reflect modern sourcing terms and conditions. A lack of flexibility and open mindset to allow changes will inhibit service providers from bringing value-driven changes. Coming

to consensus on the end goals and working cohesively with your sourcing partner is important. An open mindset to allow experts to make changes or seek advice to adopt changes and contracting best practices would greatly benefit insurance carriers.

## Provider Leadership Actions

- 1. Moving away from traditional pricing models** – Most enterprises are faced with challenges on ongoing sustainability of their existing outsourcing engagements. With automation paving way, FTE based measurements are quickly becoming irrelevant and this is especially true when it comes to BPO. Enterprises are seeking more partnership relationships to drive this journey. Service providers must reformulate how contracts are priced as the expectations on outcome-based pricing and end-to-end “price per policy” increases from enterprises.
- 2. Strategic partnerships** – With the rapid pace of change, enterprises are struggling to adapt. Thus, their reliance on their sourcing partners to help them drive change will be much higher. Today, a large number of enterprises have moved away from lift-and-shift models and are looking to service providers to help them in redefining their transformation roadmap. Enterprises are looking for more of a strategic partnership with their outsourcing providers and expect them to drive initiatives or bring more visionary services to table. Making innovation a priority will help service providers manage their relationships with enterprises successfully.
- 3. Technology implementation** – Service providers have plethora of technologies to offer to its enterprise clients, but it's not just implementation of technology. It is also about the value these technologies can bring to these enterprise clients. Articulating the message on value that enterprises can derive with the implementation of technology is extremely important, whether it is cost savings, faster product launches, accurate data analytics, fixing leakages etc. According to ISG Research, a lack of communication of these messages tends to lead to the failure of contractual relationships or leads to frustrations from both parties. Often technology is dumped to make progress in the digital route but without realizing the true benefits and potential. With increased expectations from digital, laying down the right path of transformation and constant communication will be quintessential for sustaining relationships and building the trust.
- 4. Organizational change management** – As much as digital transformation is driven by technology adoption, it is also hugely dependent on mindset and culture change for a successful journey. Helping enterprises with the adoption of technology or helping them with training, reskilling or rebadging employees is essential to drive the change. Helping enterprises to accept the change comfortably without disrupting or causing minimal changes to the existing setup is beyond technology adoption. Hence, having a robust organizational change management practice is a key requirement for service providers.

# Appendix



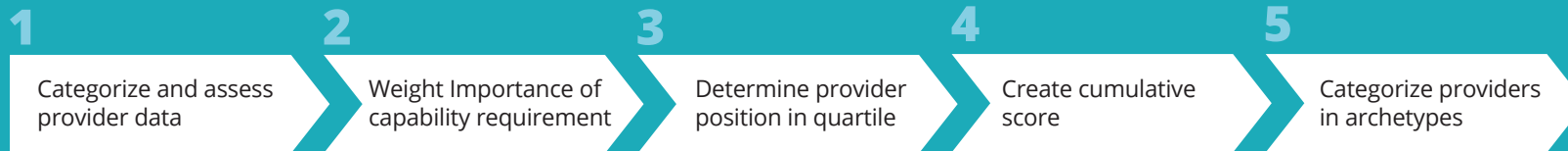
## APPENDIX

### Methodology

As previously noted, this report uses four archetypes archetypical sets of buy-side client requirements to assess the relative suitability of Digital Insurance BPO services providers. Data regarding the providers' capabilities and positioning was provided to ISG via briefings, ISG advisor interviews and surveys of service providers, including client references if appropriate.

Digital Insurance BPO services providers (SPs) shared their data across different Digital Insurance BPO service dimensions through the research initiatives noted above. These dimensions cover their technological competence, preferred engagement models, the scope of work performed, service capability, functional expertise and industry and regional presence.

### Report Methodology







## Methodology Details

- 1 The data provided by the services providers were categorized and assessed according to the Digital Insurance BPO services requirements described for each of the four archetypes client archetypes. In cases in which provider descriptions and data were not worded as precisely as our archetype requirements, our Digital Insurance BPO services analysts relied on their expertise and experience to classify provider capabilities.
- 2 Each archetype capability requirement was weighted based on its relative importance to that archetype's typical requirements. Weightings for each archetype's requirements add up to a total of 100 percent. Specific weightings are not disclosed in this report. The relative importance of each capability requirement is depicted in illustrations at the beginning of each archetype section using differently sized "hexagon" icons.
- 3 Once the relative ability of each services provider was assessed for each of the archetype requirements, each provider was then positioned in a relevant quartile (e.g., top 25 percent, second 25 percent and so on). The top quartile was awarded a numerical "capability score" of 4/4; the second quartile earned a score of 3/4, the third quartile earned a score of 2/4, and the fourth quartile earned a score of 1/4. Those with no capabilities to meet the archetype requirements were not included in the assessment.
- 4 Provider capability scores from Step 3 were then multiplied by the weightings developed for each client archetype requirement in Step 2. The results for each provider were then totaled to develop a cumulative score for each service provider. These cumulative scores are not disclosed in this report.
- 5 The cumulative scores were then used to identify the services providers most well suited for each archetype's requirements. These providers are listed alphabetically and briefly profiled in each archetype section. Where relevant, additional services providers with noteworthy capabilities are also mentioned (e.g., providers that may have scored well on a specific requirement but not across all the requirements for that archetype).

*Please note: This report simply presents services providers' known capabilities in the context of the typical project needs of user enterprises. It is not meant to rank providers or to assert that there is one top provider with abilities that meet the requirements of all clients that identify themselves with a particular archetype.*

Fig 13 Provider Capability Scores as Harvey Balls

Score	Harvey Ball representation
Score 4 out of 4	
Score 3 out of 4	
Score 2 out of 4	
Score 1 out of 4	

The cumulative score for each of the selected services providers against each archetype requirement is represented using Harvey Balls. For example: if a provider is assessed with a score of 4 out of 4, then a full Harvey Ball is used to represent their capability against that requirement. Similarly, if a provider is assessed a score of 1 out of 4, then a one-quarter Harvey Ball is used, as shown in below.



## Additional Relevant Digital Insurance BPO services providers

The capabilities of 12 providers were assessed in this report. Some services providers that are typically included in our work are not included in this report. Some of the companies that were not included were not able to participate and others declined. Providers that do not offer a full portfolio of Digital Insurance BPO services have not been included in the study. They may be included in future versions of this report, based on merit and on the services providers' willingness to provide current and relevant materials. Readers should not make any inferences about a services provider's absence from this report.

## Appendix: Additional Relevant Digital Insurance BPO Services

Other Relevant Service Providers	Headquarters Country
Atos	France
TCS	India
Wipro	India

# Authors



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Namratha Dharshan is Assistant Director and one of the Principal Analysts for ISG. With more than 13 years of experience working with both service providers and consultants, Namratha has developed expertise in business processing outsourcing contact centers, specializing in customer experience. Her research focuses specifically on the customer experience as it relates to digital transformation, omnichannel, analytics, AI and automation.



## Dennis Winkler, Author

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Dennis offers over 20 years of experience as a global sourcing leader with multi-industry experience. He has advised hundreds of companies on their sourcing strategies and set up shared service centers and business process outsourcing relationships around the globe. Additionally, he has also advised on the largest US Insurance TPA and BPO deals and has worked with numerous insurance clients including Transamerica, ING/VOYA, CNO, Global Atlantic, Assurant and others. His experience also includes leading multiple RPA engagements assisting clients to set-up internal RPA Centers of Excellence or source RPA from a provider. He is a thought-leader on GBS, BPO, RPA, negotiations, governance and benchmarking.

Dennis has also created global shared service organizations for clients, including onshore, offshore, greenfield and brownfield sites. Activities included design and transition strategy, site selection strategy, process improvement and offshore enablement; RPA and other technology enhancements, transition work planning, risk mitigation planning, validation of the recruiting and retention plans, determination of work splits-retained and off-shored work activities, detailed process design, change readiness assessment and mitigation, SLA and governance development and implementation, knowledge transfer planning and execution, education sessions on offshoring best practices, and overall transition and mitigation oversight. Led change management, including developing communication content and roll-out strategy on these culture shifting projects.

# Editor



## Jan Erik Aase, Editor

Director

Jan Erik Aase is a director and principal analyst for ISG. He has more than 35 years of collective experience as an enterprise client, a services provider, an ISG advisor and analyst. Jan Erik has overall accountability for the ISG Provider Lens™ reports, including both the buyer-centric archetype reports and the worldwide quadrant reports focused on provider strengths and portfolio attractiveness. He sets the research agenda and ensures the quality and consistency of the Provider Lens™ team.

# ISG Provider Lens™ Archetype Report: Digital Insurance BPO Services

## October 2019

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