

Insurance Services

A research report comparing provider strengths,
challenges and competitive differentiators

Customized report courtesy of:

kyndryl

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Report Author: Ashish Jhajharia

Reinventing business models is key to sustaining operations and boosting productivity in resilience strategy

Navigating change: Transforming business models for competitive advantage in the North American insurance industry

The transformation of business designs and operating models is a fundamental necessity for North American insurance carriers aiming to sustain competitiveness and effectively navigate the complexities of contemporary market conditions. This imperative arises from several critical factors, including customers' evolving expectations, volatile geoeconomic circumstances and the increasing frequency and severity of property and life losses primarily attributed to climate change.

In light of these challenges, insurance companies in North America must enhance their operational resilience and profitability by continually refining and improving their

business strategies. Altering business models can provide a substantial competitive advantage, enabling insurance carriers to innovate in value creation and capture.

Such transformations necessitate a comprehensive reevaluation of several critical organizational elements, including value propositions, operational processes and revenue models to better meet customer needs. Insurance companies can also meet and exceed evolving market expectations by harnessing emerging technologies and embracing a customer-centric approach.

Furthermore, a commitment to ongoing innovation in business models allows insurance carriers in North America to remain pertinent and agile amidst the dynamic market landscape, which is vital for long-term viability and success. A key benefit of adopting a flexible and adaptable approach to business models is the enhanced ability to quickly respond to external changes. These changes can encompass various influences, such as rapid technological advancements that redefine industry standards, shifts in regulatory frameworks that necessitate compliance

This research highlights how **business model change** sustains **competitiveness** and **productivity**.



adjustments and the evolution of customer preferences that demand a personalized and nuanced service offering.

Strategic agility in insurance: Thriving through change and uncertainty

Insurance carriers in North America are proficient in pivoting and recalibrating their business models and are inherently better positioned to capitalize on new opportunities and mitigate potential risks. For example, during the COVID-19 pandemic, organizations that embraced digital transformation early on could sustain operations, thrive and expand their market presence by transitioning seamlessly to online platforms and remote work models. This strategic agility strengthened the enterprises' resilience against unprecedented challenges, fostering a culture of innovation and growth that positioned them favorably for continued success in the post-pandemic environment.

Navigating innovation: How insurance carriers can thrive in a changing market

The continuous evolution of business models involves a spectrum of changes ranging from incremental improvements to radical

transformations that can significantly disrupt established markets. Insurance carriers in North America can differentiate themselves from competitors by experimenting with innovative approaches, such as adopting new technologies, redefining customer engagement strategies and exploring unconventional distribution channels. This experimentation allows the carriers to leverage disruptive innovations and effectively capture previously overlooked market segments. In contrast, insurance carriers that resist innovation risk becoming obsolete.

Reinvention as a necessity: Staying competitive in a rapidly evolving market

Insurance organizations in North America that anchor their strategies solely on past successes without adapting to the changing landscape often face significant challenges in maintaining market positions, leading to missed opportunities and a diminishing competitive edge. The findings of the Insurance Services 2024 study by ISG revealed a fundamental, albeit challenging, truth: in today's rapidly evolving market, the willingness and ability to reinvent business models are not merely

advantageous but essential for survival. Insurance carriers that neglect ongoing adaptation and reinvention are likely to face competitive disadvantages as more agile and forward-thinking rivals seize the opportunities presented by strategic innovation.

In this context, embracing business model reinvention is critical for long-term success and resilience within the North American insurance sector. To fully harness its benefits, ISG strongly recommends that insurance carriers proactively evaluate and refine their strategic frameworks, acknowledging the need for continuous adaptation and fostering a corporate culture that values experimentation, learning and agility. Leadership should prioritize these initiatives by providing teams with the necessary resources, training and organizational support to drive meaningful and impactful change. By implementing these strategic initiatives, organizations can achieve unprecedented productivity and profitability, positioning themselves as industry leaders while successfully navigating the complexities of a rapidly changing business environment.

Strategic innovations for insurance firms in a volatile market

In an environment characterized by unpredictable market conditions, insurance firms in North America must take a thorough and multifaceted approach to ensure long-term sustainability and competitiveness. Integrating new technology is a particularly effective strategy for insurers to achieve key objectives such as efficiency, profitability and customer satisfaction.

Numerous insurance carriers in North America intend to adapt to shifting macroeconomic factors by enhancing integration within their internal systems. This includes consolidating data management processes, unifying software platforms and improving interdepartmental communication. Many carriers are exploring dynamic pricing models that use real-time data to adjust premiums based on market conditions and individual risk profiles. Insurers also seek to refine their existing underwriting practices by incorporating technology that facilitates data analysis, enabling accurate risk assessments.



Embracing change: The imperative of business model reinvention in the North American insurance sector

Furthermore, leveraging advanced analytics, automation technologies, AI-driven insights and sophisticated pricing and rating modeling platforms can significantly enhance operational efficiency for insurers. These technologies streamline claims processing and improve decision-making capabilities, leading to quick resolutions and superior policyholder satisfaction. Technology can also personalize policyholder experiences, allowing insurers to tailor offerings to meet client's unique needs and preferences. A robust and well-structured technology strategy is paramount to enabling an agile and effective response to fluctuating market conditions.

Investing in cutting-edge insurance technology provides companies with a crucial framework for success. It positions the companies to thrive in the near term while fostering sustainable growth and adaptability in an increasingly complex and dynamic business landscape.

Business model change involves redefining how a company creates, delivers and captures value. In other words, it refers to altering how a company generates revenue, serves customers or introduces new products or services.





Provider Positioning

Page 1 of 7

	Life and Retirement (L&R) Insurance BPO Services	Property and Casualty (P&C) Insurance BPO Services	Life and Retirement (L&R) Insurance TPA Services	Insurance ITO Services	Insurance ITO Services – Midmarket	Insurance ITO Services – Midmarket Next-Gen
Accenture	Leader	Leader	Leader	Leader	Not In	Not In
Actuarial Management Resources	Contender	Not In	Contender	Not In	Not In	Not In
AGIA Affinity	Not In	Not In	Contender	Not In	Not In	Not In
Amwins Connect	Not In	Not In	Product Challenger	Not In	Not In	Not In
Andesa Services	Contender	Not In	Not In	Not In	Not In	Not In
Aspire Systems	Not In	Not In	Not In	Not In	Contender	Contender
Atos	Not In	Not In	Not In	Market Challenger	Not In	Not In
Birlasoft	Not In	Not In	Not In	Contender	Product Challenger	Contender
Capgemini	Not In	Not In	Not In	Leader	Not In	Not In
CGI	Not In	Not In	Not In	Market Challenger	Not In	Not In





Provider Positioning

Page 2 of 7

	Life and Retirement (L&R) Insurance BPO Services	Property and Casualty (P&C) Insurance BPO Services	Life and Retirement (L&R) Insurance TPA Services	Insurance ITO Services	Insurance ITO Services – Midmarket	Insurance ITO Services – Midmarket Next-Gen
Charles Taylor	Not In	Not In	Not In	Not In	Product Challenger	Not In
Cloud4C	Not In	Not In	Not In	Not In	Not In	Product Challenger
Coforge	Contender	Contender	Not In	Product Challenger	Leader	Product Challenger
Cogneesol	Not In	Contender	Not In	Not In	Not In	Not In
Cognizant	Leader	Leader	Leader	Leader	Not In	Not In
Conduent	Not In	Contender	Not In	Not In	Not In	Not In
Coverdell	Not In	Not In	Contender	Not In	Not In	Not In
Davies Group	Not In	Not In	Leader	Not In	Not In	Not In
Driasi	Contender	Not In	Contender	Not In	Not In	Not In
DXC Technology	Leader	Market Challenger	Leader	Market Challenger	Not In	Not In





	Life and Retirement (L&R) Insurance BPO Services	Property and Casualty (P&C) Insurance BPO Services	Life and Retirement (L&R) Insurance TPA Services	Insurance ITO Services	Insurance ITO Services – Midmarket	Insurance ITO Services – Midmarket Next-Gen
Ensono	Not In	Not In	Not In	Contender	Not In	Leader
EPAM	Not In	Not In	Not In	Product Challenger	Leader	Rising Star ★
Espire Infolabs	Not In	Not In	Not In	Not In	Product Challenger	Not In
Eviden (Atos Group)	Contender	Contender	Not In	Product Challenger	Not In	Not In
EXL	Leader	Leader	Leader	Product Challenger	Leader	Product Challenger
Fujitsu	Not In	Not In	Not In	Not In	Not In	Leader
Genpact	Leader	Leader	Leader	Product Challenger	Product Challenger	Product Challenger
GFT	Not In	Not In	Not In	Not In	Not In	Leader
Happiest Minds	Not In	Not In	Not In	Not In	Contender	Not In
HCLTech	Product Challenger	Product Challenger	Not In	Leader	Not In	Not In





Provider Positioning

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	Life and Retirement (L&R) Insurance BPO Services	Property and Casualty (P&C) Insurance BPO Services	Life and Retirement (L&R) Insurance TPA Services	Insurance ITO Services	Insurance ITO Services – Midmarket	Insurance ITO Services – Midmarket Next-Gen
Hexaware	Not In	Not In	Not In	Rising Star	Leader	Product Challenger
Hitachi Digital Services	Not In	Not In	Not In	Contender	Product Challenger	Product Challenger
HTC Global Services	Not In	Contender	Not In	Product Challenger	Leader	Product Challenger
IBM	Not In	Not In	Product Challenger	Market Challenger	Not In	Not In
Illumifin	Leader	Not In	Market Challenger	Not In	Not In	Not In
Infosys	Leader	Product Challenger	Leader	Leader	Not In	Not In
Innovation Group	Not In	Contender	Not In	Not In	Not In	Not In
Iron Mountain	Not In	Not In	Not In	Not In	Not In	Leader
Key Benefit Administrators	Not In	Not In	Contender	Not In	Not In	Not In
Kyndryl	Not In	Not In	Not In	Leader	Not In	Not In





	Life and Retirement (L&R) Insurance BPO Services	Property and Casualty (P&C) Insurance BPO Services	Life and Retirement (L&R) Insurance TPA Services	Insurance ITO Services	Insurance ITO Services – Midmarket	Insurance ITO Services – Midmarket Next-Gen
LTIMindtree	Not In	Not In	Not In	Leader	Not In	Not In
Mphasis	Not In	Contender	Product Challenger	Product Challenger	Leader	Product Challenger
Nous Infosystems	Not In	Not In	Not In	Not In	Contender	Contender
NTT DATA	Market Challenger	Not In	Leader	Leader	Not In	Not In
Patra Corporation	Not In	Rising Star ★	Not In	Not In	Not In	Not In
Persistent Systems	Not In	Not In	Not In	Product Challenger	Leader	Product Challenger
Publicis Sapient	Not In	Not In	Not In	Not In	Not In	Leader
Quantiphi	Not In	Not In	Not In	Not In	Product Challenger	Not In
Randstad Digital	Not In	Not In	Not In	Not In	Not In	Leader
ReSource Pro	Not In	Leader	Not In	Not In	Not In	Not In





	Life and Retirement (L&R) Insurance BPO Services	Property and Casualty (P&C) Insurance BPO Services	Life and Retirement (L&R) Insurance TPA Services	Insurance ITO Services	Insurance ITO Services – Midmarket	Insurance ITO Services – Midmarket Next-Gen
SelmanCo	Not In	Not In	Product Challenger	Not In	Not In	Not In
SLK Software	Contender	Contender	Not In	Not In	Contender	Not In
Sutherland	Rising Star ★	Leader	Rising Star ★	Not In	Not In	Not In
TCS	Leader	Leader	Market Challenger	Leader	Not In	Not In
Tech Mahindra	Product Challenger	Contender	Not In	Product Challenger	Leader	Leader
Teleperformance	Not In	Rising Star ★	Not In	Not In	Not In	Not In
Trianz	Not In	Not In	Not In	Not In	Contender	Contender
Unisys	Not In	Not In	Not In	Not In	Not In	Leader
UST	Not In	Not In	Not In	Product Challenger	Product Challenger	Product Challenger
Value Momentum	Not In	Not In	Not In	Contender	Product Challenger	Contender





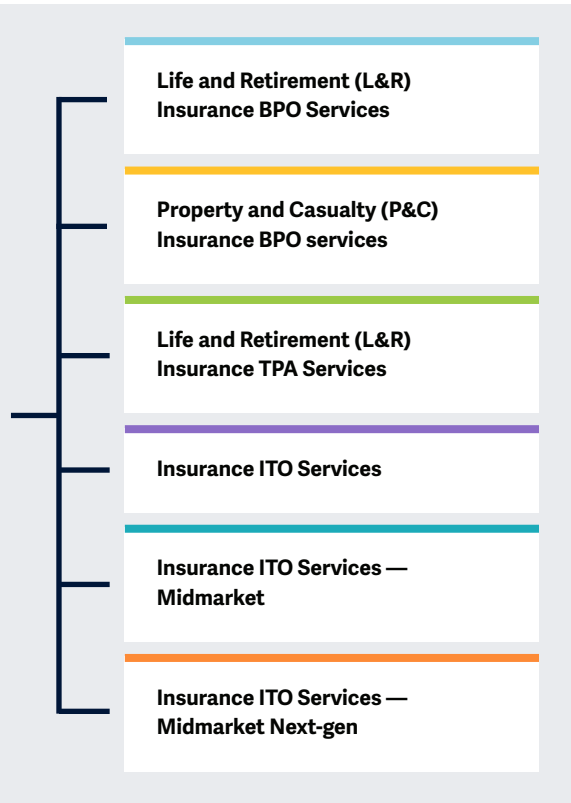
Provider Positioning

	Life and Retirement (L&R) Insurance BPO Services	Property and Casualty (P&C) Insurance BPO Services	Life and Retirement (L&R) Insurance TPA Services	Insurance ITO Services	Insurance ITO Services – Midmarket	Insurance ITO Services – Midmarket Next-Gen
Virtusa	Not In	Not In	Not In	Product Challenger	Rising Star ★	Product Challenger
Winston Benefits	Not In	Not In	Product Challenger	Not In	Not In	Not In
Wipro	Leader	Contender	Product Challenger	Leader	Not In	Not In
WNS	Leader	Leader	Leader	Not In	Not In	Not In
Xceedance	Product Challenger	Leader	Not In	Contender	Product Challenger	Not In
Zensar Technologies	Not In	Not In	Not In	Product Challenger	Leader	Product Challenger
Zinnia	Not In	Not In	Leader	Not In	Not In	Not In



In this study, ISG will assess providers' **ability to support insurance firms** in operational efficiency, customer engagement and agility.

Simplified Illustration Source: ISG 2024



Definition

Insurance organizations continuously need technology maintenance support to run their business as usual (BAU) seamlessly. They seek modern technologies to enhance their process efficiencies and operational effectiveness and help create customer value.

These organizations are in various stages of digital transformation, with some implementing modern or low-code/no-code tools for straight-through processing (STP), embedding intelligence in process automation, exploring enterprise-wide AI and ML applications and migrating from legacy to cloud solutions or even piloting generative AI (GenAI) in parts of their operations.

Insurance organizations are rapidly adopting next-generation technology to enhance operational resilience and delivery capabilities. They are also increasingly partnering with outsourcing and technology service providers to help them achieve their strategic objectives.

These strategic partners help in operational resilience and transform businesses to provide enhanced CX and business outcomes through

improved productivity and cost optimization across the insurance value chain. With the growing emphasis on CX and innovation as key competitive differentiators in the insurance industry, these partners enable insurance organizations to grow their businesses cost-effectively and sustainably in the mid to long run.

Many providers are building long-term, mutually beneficial relationships with insurance firms, enabling them to move up the services value chain. Insurance organizations understand that these strategic partners can create immense value by applying next-generation technologies, innovative business processes and insurance domain capabilities, and they can deliver improved value with a quick turnaround time.



ISG's Insurance Services Framework

Key characteristics of the proprietary framework:

- Encapsulates what enterprises are doing across insurance markets and helps connect them to the ITO, BPO and TPA insurance service providers
- Represents the entire value chain of supply and demand within the market
- Inner tiles represent themes of enterprise objectives
- Outer tiles represent initiatives
- Behind each outer tile is a specific set of capabilities with unique market-leading providers and solutions



*Sourced from Insurance Services 2024 study brochure



Scope of the Report

In this ISG Provider Lens™ quadrant study, ISG includes the following six quadrants:

- Life and Retirement (L&R) Insurance BPO Services
- Property and Casualty (P&C) Insurance BPO services
- Life and Retirement (L&R) Insurance TPA Services
- Insurance ITO Services
- Insurance ITO Services — Midmarket
- Insurance ITO Services — Midmarket Next-gen

This ISG Provider Lens™ study offers IT-decision makers:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments
- Focus on North America market

This ISG Provider Lens™ study offers IT-decision makers: Our study serves as the basis for important decision-making in terms of positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing provider.

Provider Classifications

The provider position reflects the suitability of providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the service requirements from enterprise customers differ and the spectrum of providers operating in the local market is sufficiently wide, a further differentiation of the providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between \$20 million and \$999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above \$1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product & Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens™ quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

- **Number of providers in each quadrant:** ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).





Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/ services and a follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.





Life and Retirement (L&R) Insurance BPO Services

Life and Retirement (L&R) Insurance BPO Services

Who Should Read This Section

This quadrant is relevant to North American enterprises evaluating providers that offer life and retirement (L&R) insurance BPO services. In this quadrant, ISG assesses the current market positioning of providers offering these services in North America based on the depth of their service offerings and market presence.

The L&R insurance BPO services market encounters various macro and micro challenges. The macro challenges include stringent regulatory requirements, economic fluctuations and intense competition, which pressure profit margins and necessitate compliance with evolving data protection laws. The micro challenges involve outdated manual processes that hinder efficiency, resulting in slow policy approvals and poor CX.

To address these challenges, enterprises increasingly embrace automation and digital solutions to streamline operations and enhance service delivery. They also leverage partnerships with BPO providers to focus on core competencies while outsourcing

non-core functions such as claims processing and customer service, among others. This collaboration allows for improved operational efficiency and cost management.

L&R insurance service providers are integral in this transition by offering technology-driven outsourcing solutions, including advanced analytics, regulatory compliance and customer support. Providers help insurers transition to more agile and cost-efficient models and better manage growing complexities.

The North American market increasingly emphasizes personalized insurance products and the adoption of usage-based models. Enterprises also prioritize sustainability initiatives, reflecting broad consumer preferences for responsible business practices.



Technology professionals should read this report to assess the L&R insurance BPO service providers' offerings, capabilities, market presence and latest technologies to better serve enterprise needs.



Digital professionals should read this report to understand the providers' technologies and services supporting the digital transformation of legacy processes to improve CX and deliver value to stakeholders.

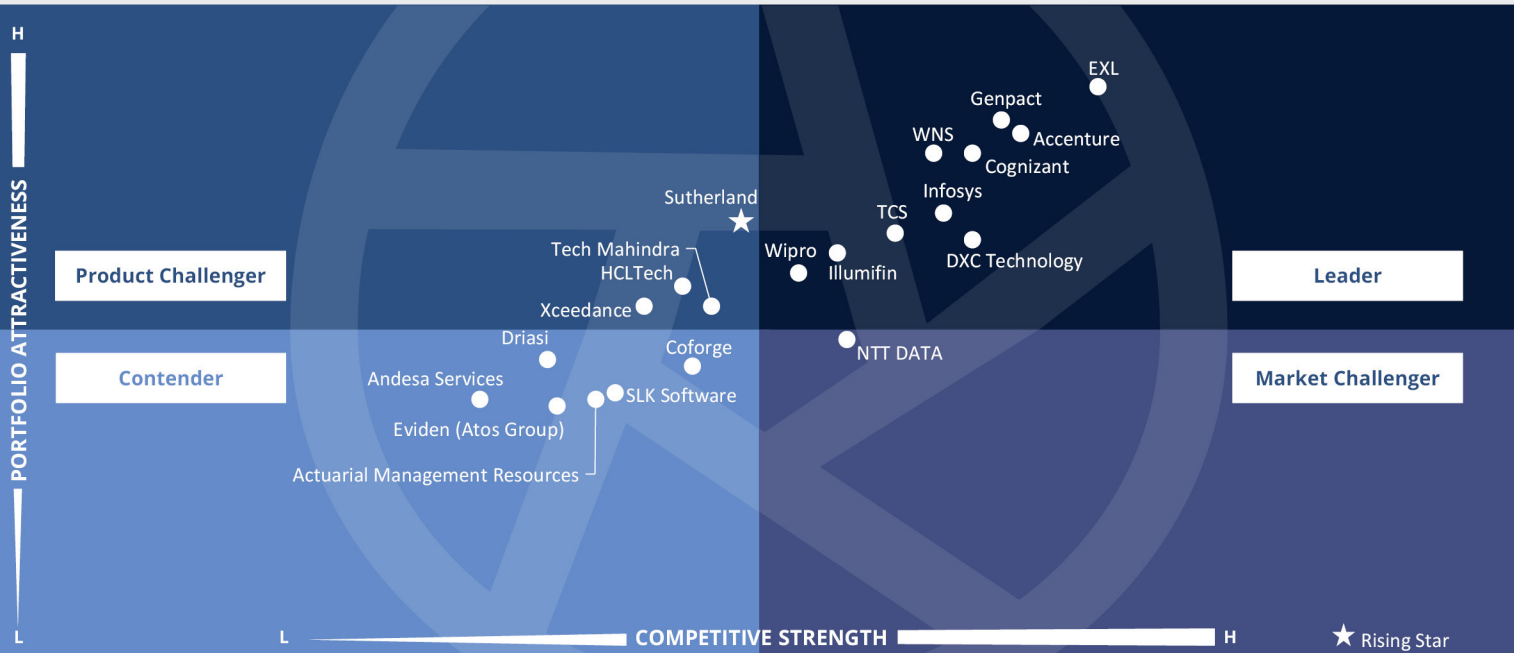


Business professionals should read this report to understand providers' capabilities to build and manage complex business processes, reducing cost and improving CX and process efficiency.



Operations professionals should read this report to understand service providers' relative positioning and discern the right partners for higher ROI and business performance improvements.





The Life and Retirement (L&R) Insurance BPO Services quadrant evaluates service providers that help insurers enhance **customer value propositions (CVP)** throughout the policyholder journey. This enables them to **operate efficiently** and improve **policyholder experiences** while **transitioning toward AI readiness**.

Ashish Jhajharia



Life and Retirement (L&R) Insurance BPO Services

Definition

Insurance BPO Services

BPO is a category in which providers manage processes on clients' behalf, thereby enhancing processes through digitalization and integrating emerging technologies such as intelligent automation, advanced analytics, GenAI, AI and ML.

Digitalized operations incorporate second-generation processes to provide speed, cost and accuracy benefits. The insurance BPO services quadrant covers these outsourced insurance operations services, including customer care centers, new business support, underwriting, policyholder services, claims processing, actuarial, analytics and front-, back- and middle-office insurance processes.

Life and Retirement (L&R) Insurance

L&R insurance covers outsourcing services such as consulting, technology enablement, policy administration systems (PAS) and managed services for insurance products, including life, annuity and supplemental benefits.

ISG will evaluate L&R outsourcing providers based on their support in areas such as backend services, front- and middle-office operations and technology enablement services for different insurance products.

The focus is on insurance offerings, with firms modernizing services and improving customer management and technology enablement in each functional area. These offerings are key to enhancing CX across the L&R lifecycle, from purchasing to post-sales services. Service providers help insurance firms digitalize their BPO operations to boost CX, reinvent business designs and improve L&R services.

This study will cover various life insurance, annuities and supplemental benefits products and services as illustrated.

simplified illustration

Life Insurance	Annuities	Supplemental Insurance
Term life	Fixed annuities	Accidental death & dismemberment
Whole life	Variable annuities	Critical illness
Universal or adjustable life	Fixed indexed annuities	Hospital indemnity
Variable life	Immediate annuities	Short and long-term disability
Variable-universal life	Deferred annuities	Dental, Vision, Cancer and Other

Source: ISG 2024



Life and Retirement (L&R) Insurance BPO Services

Eligibility Criteria

1. **Provide managed services for L&R**, covering one or more products specified in the preceding table
2. **Expertise** in managing **end-to-end L&R processes**
3. **Expertise** in enablement with **digital technologies** such as intelligent automation, data analytics and cloud computing
4. **Offer innovative solutions** through various forms (including pricing and delivery models) and types of partners (such as insurtechs, industry players and technology and digital specialists)
5. **Translate experience and expertise** into tools and reusable components, including playbooks, assessments, templates and blueprints
6. **Substantiate industry experience** through references and use cases across **North America, Europe (including the U.K.) or ANZ**
7. **Ability to execute** multiple insurance **L&R BPO projects** across functional areas, with at least one project underway in the current year



Life and Retirement (L&R) Insurance BPO Services

Observations

North American life and retirement (L&R) insurers have increasingly embraced innovative insurance solutions in recent years. The impact of inflation has compelled policyholders to reassess their coverage amounts or reallocate their pension fund investment portfolios to enhance their coverage's adequacy, value and quality.

L&R insurers must adopt a more service-oriented and value-driven approach to effectively respond to policyholders' rapidly changing demands and expectations. Meeting the dynamic requirements of current policyholders and potential customers necessitates implementing seamless, multichannel interactions and a comprehensive insurance strategy.

The modern insurance industry faces various challenges, including the unpredictability linked to increased risks from climate change-related natural disasters, such as more frequent Category 5 hurricanes, flash floods and prolonged wildfires. These conditions necessitate proactive measures and the exploration of new coverage options.

Furthermore, navigating a landscape characterized by stringent regulatory requirements, evolving operating procedures, and the need for product innovation and market expansion introduces additional complexities and elevates compliance costs.

L&R insurers are confronted with rising costs, data security concerns and outdated systems, making it essential to address these challenges to support policyholders and ensure long-term care sustainability. The aging population in North America creates a demand for more tailored retirement and annuity solutions. In response, insurers are partnering with L&R BPO providers to reduce operational costs, streamline functions, enhance flexibility and improve the policyholder experience (PX), thereby increasing value for policyholders.

From the 67 companies assessed for this study, 21 qualified for this quadrant, with 10 being Leaders and one a Rising Star.



Accenture has a robust and highly adjustable proprietary intelligent automation technology and an NLP tool. The firm's ability to utilize AI, ML, sophisticated analytics and deep subject expertise gives it a competitive edge in acquiring and managing large insurance clients.



Cognizant has many insurtech collaborations for L&R product onboarding support. It has developed next-generation contact centers and related analytics for improved participant experience. One of its key insurance BPO services is Cognizant® Automated Retirement Operations (CARO™).



DXC Technology works with L&R insurers to rethink business processes for better CX, streamlined business processes, reduced costs and improved agility. More than 13,000 of its business process specialists work in 100 countries with 225 insurance customers.



EXL combines extensive subject expertise, digital dexterity and predictive analytics skills across the insurance value chain, allowing L&R insurers to improve outcomes and CSAT.



Genpact assists L&R insurers in adopting quick automation and digital technologies in areas with the highest returns. The firm specializes in actuarial solutions.



illumifin entirely focuses on the North American L&R insurance industry, giving the firm a thorough awareness of the domain and allowing it to provide the finest solutions and outcomes for L&R insurance clients.



Infosys has revolutionized its L&R clients' business processes using domain-driven analytics, embedded end-to-end automation and cloud-based technology solutions.



Life and Retirement (L&R) Insurance BPO Services



TCS draws its strength in L&R BPO from a strong European background and a comprehensive portfolio of end-to-end services and solutions. It has access to a global team of insurance industry professionals supporting North American L&R endeavors.



Wipro aims to assist its North American L&R BPO clients in accelerating and innovating on the cloud, enabling them to provide new insurance products, services and business models at a low TCO.

WNS

WNS focuses on hyperautomation and creating innovative propositions through data wrangling and natural language processing (NLP). The firm operates an actuarial excellence center that uses its core skills to win clients.



Sutherland (Rising Star) has transformed the business processes of its L&R clients through domain-driven analytics, comprehensive end-to-end automation and cloud-based technology solutions.





Property and Casualty (P&C) Insurance BPO Services

Property and Casualty (P&C) Insurance BPO Services

Who Should Read This Section

This quadrant is relevant to North American enterprises evaluating providers that offer property and casualty (P&C) insurance BPO services. In this quadrant, ISG assesses the current market positioning of providers offering these services in North America based on the depth of their service offerings and market presence.

The P&C insurance BPO services market faces several challenges, including fluctuating climate change, natural catastrophes, economic conditions, regulatory changes and rising inflation, which impact consumer spending on insurance products. Low interest rates affect insurers' investment returns, prompting adjustments in pricing strategies.

Micro challenges involve the need for technological advancements to meet customer expectations for personalized and efficient services. The increasing demand for digital platforms for policy management and claims processing further complicates operational efficiency.

To overcome these challenges, enterprises invest in technology and automation to streamline operations and enhance CX. Collaboration with insurtech companies is also becoming common, allowing traditional insurers to leverage innovative solutions.

P&C insurance BPO service providers offer specialized solutions that incorporate advanced technologies such as AI, ML and automation to help insurers improve claims processing, policy administration and customer service while ensuring compliance with evolving regulations.

In the North American market, there is increasing emphasis on data-driven decision-making and personalized CX through omnichannel platforms that integrate AI-driven chatbots, mobile apps and personalized communication.



Technology professionals should read this report to assess the P&C insurance BPO service providers' offerings, capabilities, market presence and latest technologies to better serve enterprise needs.



Digital professionals should read this report to understand providers' technologies and services supporting the digital transformation of legacy processes to improve CX and deliver value to stakeholders.

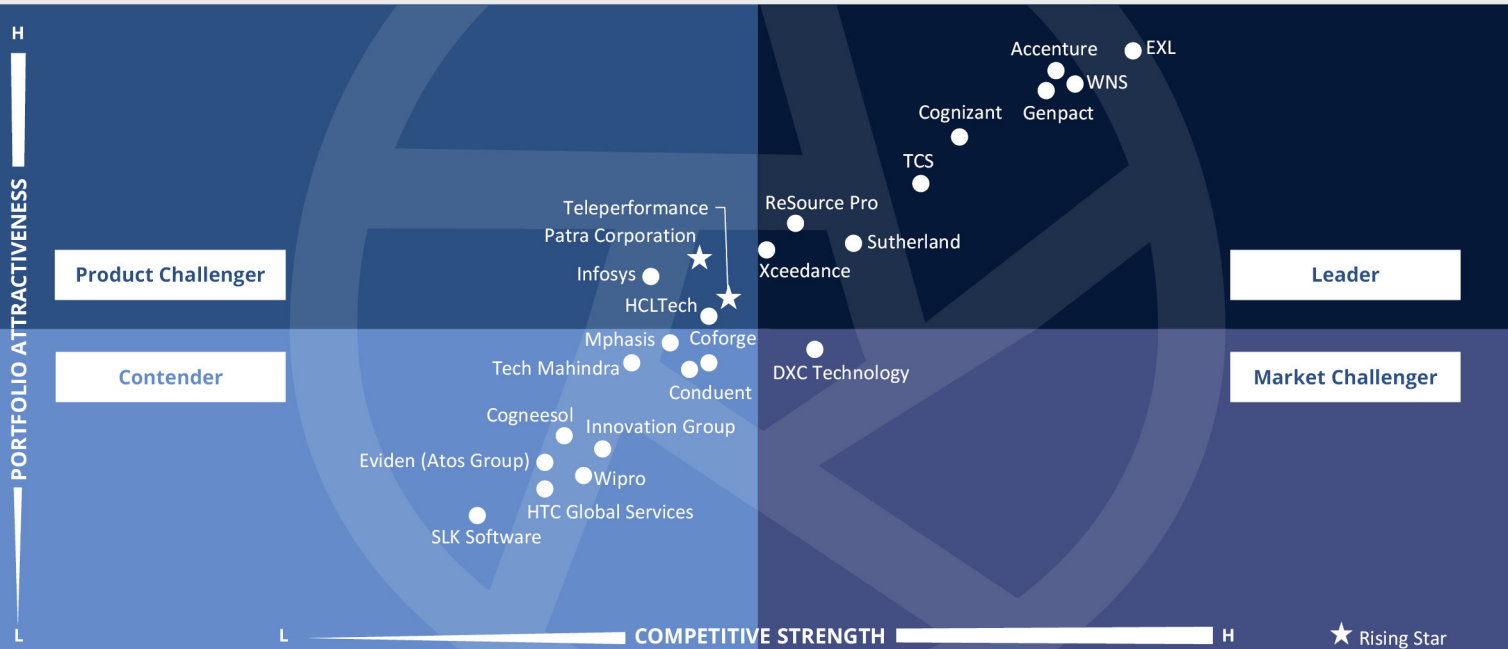


Business professionals should read this report to understand providers' capabilities to build and manage complex business processes, reducing cost and improving CX and process efficiency.



Operations professionals should read this report to understand service providers' relative positioning and discern the right partners for higher ROI and business performance improvements.





P&C insurers are **prioritizing** partners with **advanced data analytics** capabilities to drive **transformation**, enhance **decision-making**, **mitigate risks** and seize **market opportunities**. This quadrant focuses on providers supporting insurers throughout the P&C insurance value chain.

Ashish Jhajharia



Property and Casualty (P&C) Insurance BPO Services

Definition

Insurance BPO Services

BPO is a category in which providers manage processes on clients' behalf, thereby enhancing processes through digitalization and integration of emerging technologies such as intelligent automation, advanced analytics, GenAI, AI and ML.

Digitalized operations incorporate second-generation processes to provide speed, cost and accuracy benefits. The insurance BPO services quadrant covers these outsourced insurance operations services, including customer care centers, new business support, underwriting, policyholder services, claims processing, actuarial, analytics and front-, back- and middle-office insurance processes.

Property and Casualty (P&C) Insurance

P&C outsourcing services include consulting, technology enablement and managed services across the P&C insurance coverage areas, including auto, theft, property and natural catastrophes.

ISG will evaluate P&C outsourcing providers based on their support across areas such as backend services, front- and middle-office operations and technology enablement services for different P&C insurance products.

Insurance firms focus on modernizing services and improving customer management and technology enablement in each functional area, which is key to enhancing CX across the P&C lifecycle, from purchasing to post-sales services. Service providers help insurance firms transform their BPO into digitalized operations to boost CX, reinvent business designs and improve P&C services.

This study will cover an array of P&C insurance products and services, as illustrated:

simplified illustration

Personal Lines	Commercial Lines	Specialty Lines & Other
Homeowners and Renters	Surety & Fidelity	Pet Insurance
Travel and Accident	Property	Parametric & Index
Boat and Watercraft	Worker's Compensation	Umbrella and Excess
Motor/Auto/Bike (comprehensive)	Inland and Overseas Marine	Fleet Telematics
Personal Drone	General Liability	On-Demand/Exclusive type Coverage
Mobile Home	Commercial Auto	Commercial Cyber
Cyber and eWallet	Errors & Omissions	Embedded Insurance
Mortgage Protection	Business Interruption Insurance	Trade Credit Insurance
Identity Theft protection	Crop-hail Damage	Digital Assets

Source: ISG 2024



Eligibility Criteria

1. Offer **transaction processing** or **managed services for P&C services**, covering one or more products specified in the preceding table
2. Expertise in **managing end-to-end P&C insurance processes**
3. Expertise in enablement with **digital technologies**, including intelligent automation, advanced analytics and cloud computing
4. Offer **innovative solutions** through various forms (including pricing and delivery models) and types of partners (such as insurtechs, industry players and technology specialists)
5. **Translate experience and expertise** into tools and reusable components, including playbooks, assessments and blueprints
6. **Substantiate industry experience** through references and use cases across **North America, Europe (including the U.K.)** or ANZ
7. **Execute** multiple insurance **P&C BPO projects** across functional areas, with at least one project underway in the current year



Property and Casualty (P&C) Insurance BPO Services

Observations

The P&C insurance BPO service provider market in North America is evolving rapidly, driven by regulatory changes and technological advancements. Key regulations, such as the McCarran-Ferguson Act, influence state-level insurance operations, while the AI Act in Canada and the National Artificial Intelligence Initiative Act in the U.S. promote ethical AI use and innovation, ensuring transparency and accountability in AI applications.

As BPO providers enhance their digital capabilities, they are developing specialized insurance points solutions such as subrogation and service recovery as companies seek efficient ways to manage claims processes and improve CSAT.

The adoption of generative AI (GenAI) and AI copilots is transforming the P&C insurance value chain by automating underwriting processes, personalizing customer interactions and optimizing claims management and predictive analytics for risk management. North American insurers are leading the

way with the higher adoption of AI, ML and RPA, enhancing CX through advanced digital channels and automation.

As P&C BPO service providers integrate these advanced technologies, they navigate a complex regulatory landscape and position themselves as key players in their clients' transformation journeys. The focus on innovation through AI will be crucial for maintaining competitiveness in this rapidly evolving market, enabling providers to deliver tailored solutions that meet the demands of modern insurance operations.

This 2024 report identifies a total of 24 providers in the market, with Accenture, Cognizant, EXL, Genpact, ReSource Pro, Sutherland, TCS, WNS and Xceedance recognized as Leaders. ReSource Pro and Xceedance have newly entered the Leader quadrant this year. Infosys and HCLTech are positioned as Product Challengers, while Teleperformance and Patra are identified as Rising Stars. DXC Technology is rated as the Market Challenger. The Contenders in the quadrant include Coforge, Conduent,

Mphasis, Tech Mahindra, Innovation Group, Cogneesol, Wipro, HTC Global, Eviden (Atos Group) and SLK Software.

From the 67 companies assessed for this study, 24 qualified for this quadrant, with nine being Leaders and two Rising Stars.



Accenture's highly configurable AI capabilities, backed by advanced analytics and domain expertise, give it a strong competitive edge in attracting and retaining relationships with large insurance clients.



Cognizant provides end-to-end business process services (BPS) through a global delivery model, leveraging a strong suite of technology tools and solutions supported by analytics and automation to transform traditional processes in the P&C insurance sector.



EXL leverages industry-leading domain expertise and unique data assets to deliver superior CX. Its flexible engagement models and solution-driven approaches drive business growth and operational transformation, allowing the firm to differentiate itself from competitors.



Genpact's strategic partnerships, advanced technology integration and expanded delivery capabilities have uniquely positioned it in the P&C insurance BPO space, enabling client transformation and driving market success.



ReSource Pro is expanding its P&C insurance business and technology solutions capabilities through organic and inorganic investments, offering a mix of point solutions and broad transformation initiatives to deliver value for diverse clients.



Property and Casualty (P&C) Insurance BPO Services



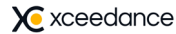
Sutherland P&C insurance has been a key strength area for Sutherland Insurance. Sutherland is committed to continuously enhancing its business operations by leveraging proprietary digital solutions, robust partner ecosystem and flexible engagement models.



TCS capitalizes on collaborations between IT and BPS expertise from global client engagements, delivering value to insurance clients through comprehensive transformation programs that enhance efficiency, innovation and business outcomes.

WNS

WNS has deep expertise in managing end-to-end P&C insurance services. The firm's analytics solutions, powered by hyperautomation, AI and ML, facilitate seamless CX and have been pivotal in its wins across North America.



Xceedance, with a core focus on insurance, is committed to delivering superior CX through subject-matter expertise and technical innovation underpinned by a multishore delivery strategy.

Patra

Patra, a specialist provider focused on P&C insurance, has developed deep domain knowledge and strong technology capabilities that enable it to effectively manage complex insurance processes within the insurance distribution segment.



Teleperformance combines a large global delivery footprint with high-touch and high-technology solutions, providing insurance clients with the ability to deliver extraordinary CX across the entire insurance customer lifecycle.





Life and Retirement (L&R) Insurance TPA Services

Who Should Read This Section

This quadrant is relevant to North American enterprises evaluating third-party administrators (TPAs) that offer insurers complete, end-to-end insurance operation services, ranging from basic policyholder services to claims administration. In this quadrant, ISG assesses the current market positioning of TPA insurance service providers in North America based on the depth of their service offerings and market presence.

The L&R insurance TPA services market faces several challenges, including regulatory compliance, economic volatility and increasing competition from traditional and non-traditional players. The industry grapples with legacy systems that hinder operational efficiency and a talent shortage in the insurance-technology interface. Micro challenges include improving CX and streamlining claims processing as consumers demand faster and more personalized services.

To address these issues, enterprises invest in digital transformation initiatives and partner with TPAs to enhance operational capabilities while reducing costs. By leveraging advanced technologies such as AI and automation, insurers can improve service delivery and adapt to the changing market demands.

TPA insurance service providers support these enterprises by offering comprehensive solutions encompassing policy administration, claims management and regulatory compliance. They also provide fraud detection tools and data security measures to safeguard sensitive information. In North America, trends indicate a shift toward digital TPAs that facilitate scalability and operational efficiency. Insurers increasingly focus on innovative partnerships to enhance customer engagement and streamline processes, reflecting a broad industry trend toward modernization and agility.



Technology professionals should read this report to assess L&R insurance TPA service providers' offerings, capabilities, market presence and latest technologies to better serve enterprise needs.



Digital professionals should read this report to understand providers' technologies and services supporting the digital transformation of legacy processes to improve CX and deliver value to stakeholders.

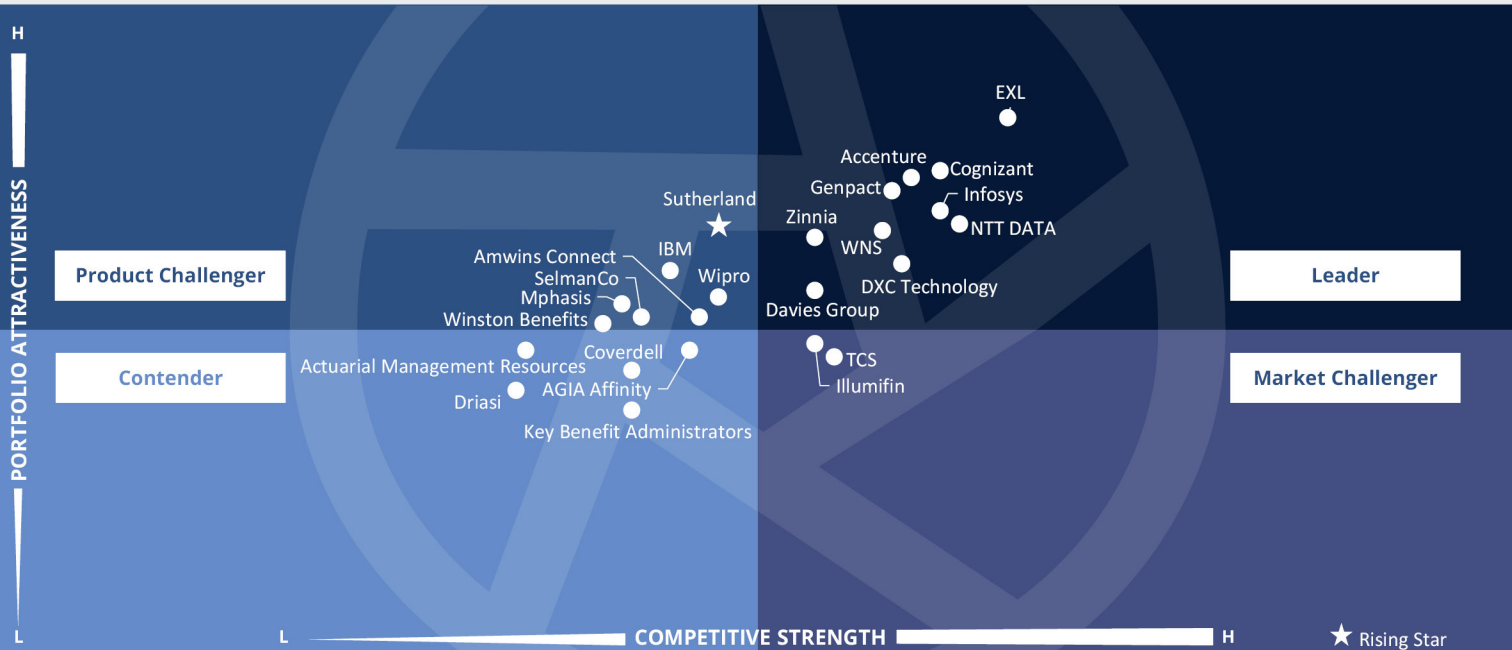


Business professionals should read this report to understand providers' capabilities to build and manage complex business processes, reducing cost and improving CX and process efficiency.



Operations professionals should read this report to understand service providers' relative positioning and discern the right partners for higher ROI and business performance improvements.





The Life and Retirement (L&R) Insurance **TPA Services** quadrant evaluates **BPaaS providers** for L&R insurers, assessing their **market position, service offerings, client mix, capabilities, competitive advantages, deal wins and client retention.**

Ashish Jhajharia



Life and Retirement (L&R) Insurance TPA Services

Definition

The BPO and ITO services are combined to provide insurance companies with an all-encompassing business process as a service (BPaaS), typically through a licensed provider or third-party administrator (TPA). This service typically includes PAS, which is covered as part of the separate Provider Lens™ study — Insurance Platform Solutions.

ISG defines BPaaS as a subset of BPO that includes the PAS, ongoing technological support for the PAS and business processing support for insurance products. BPaaS providers typically offer personnel and processes via the internet, frequently using automated technologies that enable them to operate on a pay-per-policy service model. Because pricing is based on consumption, BPaaS allows insurers to have a variable cost structure that lowers headcount and labor costs and scales as necessary, potentially leading to significant cost savings.

Licensed TPAs offer most BPaaS solutions. These providers vary based on size, scope of offerings and experience. Their offerings range from basic policyholder services and claims administration for closed business blocks to complete end-to-end insurance operations and administration for open business blocks. These open block services encompass all aspects of people, processes and technologies, including actuarial, product development, underwriting, collections, billing and new business acquisition and enrollment.

ISG will assess BPaaS or TPA providers based on criteria that include the extent of support offered across insurance types, including life, annuity and supplemental products and services.

Eligibility Criteria

1. Ability to provide **TPA services for L&R** (such as life, annuity and supplemental) products
2. Expertise in **managing end-to-end processes**
3. Expertise in **technology enablement through a processing platform and digital technologies** such as intelligent automation, advanced analytics and cloud computing
4. Offer **innovative solutions** through various forms (including pricing and delivery models) and types of partners (such as insurtechs, industry players and technology and digital specialists)
5. **Translate experience and expertise** into tools and reusable components, including playbooks, assessments, templates and blueprints
6. **Substantiate industry experience** through references and use cases across **North America**
7. **Ability to execute multiple insurance BPaaS projects** across functional areas, with at least one project underway in the current year



Life and Retirement (L&R) Insurance TPA Services

Observations

Life and retirement (L&R) insurance companies enhance customer services and adapt to policyholder needs, moving beyond traditional operations to stay competitive. Digital transformation is key, allowing insurers to digitalize processes and meet new digital demands throughout the insurance value chain. Notable advancements include implementing proprietary and commercially off-the-shelf (CoTS) platforms that improve operational efficiency, such as straight-through processing (STP) and cost-effectiveness.

Insurers are leveraging data analytics to enhance pricing models and expand value-added customer services. While traditional insurers work to modernize their operations, they are shifting from mass manufacturing to an ecosystem-oriented approach that prioritizes relationships with policyholders and partners. The outsourcing and technology landscape in the insurance industry is rapidly evolving, moving beyond basic transaction processing. As CX becomes a vital competitive

edge, insurers can achieve more cost-effective growth through strategic alliances in their transformation efforts.

Technology providers are increasingly seeking long-term partnerships with insurance organizations to enhance service offerings. Third-party administrator (TPA) services and their business process-as-a-service (BPaaS) capabilities offer diverse options for life insurance and retirement insurers, focusing on both closed and open book businesses.

To stay relevant, TPA solution providers are enhancing their technology capabilities and transforming their platforms to be cloud-agnostic, ensuring seamless integration into insurers' ecosystems. This transition adds value by providing advanced analytical insights and enabling interoperability within a broader ecosystem.

From the 67 companies assessed for this study, 24 qualified for this quadrant, with ten being Leaders and one a Rising Star.



Accenture's position in the L&R insurance TPA services market remains strong. Its constant ability to improve solutions by combining the Accenture Life Insurance & Annuity Platform (ALIP) and SynOps offers the firm a substantial advantage in attracting and maintaining large L&R TPA clients.



Cognizant is expanding its SaaS insurtech collaborations to provide more sophisticated solutions to insurers seeking L&R TPA services.

Davies Group

Davies Group works with L&R insurers and risk-bearing entities to assess the financial and operational impacts of risk, driving success and profitability through its TPA services offerings.



DXC Technology is an established insurance technology service provider with a long history of dominance in the L&R insurance markets in North America and a sizable customer base for L&R TPA.

EXL

EXL maintains its top position in L&R TPA services in the U.S. The organization has the skills to successfully serve its L&R TPA and BPaaS clients.



Genpact provides insurance customers with various end-to-end services across the value chain, including L&R TPA capabilities. The firm advanced from a Rising Star to a Leader in 2022 and has maintained its leadership position since then.



Life and Retirement (L&R) Insurance TPA Services

Infosys®

Infosys provides the power and capabilities of its unique McCamish platforms to L&R TPA clients.

NTT DATA

NTT DATA is an experienced L&R TPA supplier in the U.S. insurance markets. Its LifeSys™ platform has a track record of supporting the operations of L&R TPA clients.

WNS

WNS offers a compelling value proposition and outcome-driven commercial models based on a platform-agnostic strategy, enabling its L&R TPA clients to realize their business objectives.

Zinnia®

Zinnia® has maintained excellent traction in L&R TPA markets with its newly acquired capability in this competitive category.

SUTHERLAND

Sutherland's (Rising Star) BPaaS model integrates its insurance industry-leading expertise, business process excellence and digital engineering capabilities to provide a comprehensive solution tailored specifically to the unique needs of L&R insurers.





Insurance ITO Services

Who Should Read This Section

This quadrant is relevant to North American insurers evaluating providers of insurance ITO services. In this quadrant, ISG assesses the current market positioning of providers offering insurance ITO services in North America based on the depth of their service offerings and market presence.

The insurance ITO services market faces significant challenges, including digital disruption, regulatory complexities, cyberthreats and the need for enhanced cybersecurity. The push for digital transformation is reshaping the market, requiring insurers to adopt modern IT systems while staying compliant with evolving data privacy laws. At the micro level, legacy systems, high operational costs and scalability issues hinder efficiency and adaptability to new technologies and evolving customer expectations.

To address these challenges, enterprises are modernizing their IT landscapes by adopting cloud-based platforms, leveraging automation and enhancing cybersecurity. They are increasingly outsourcing IT services to improve operational efficiency, reduce costs and focus on core business functions.

Insurance ITO service providers play a crucial role by offering tailored technology solutions, cloud migration, data management and enhanced cybersecurity services. These solutions help insurers transition to modern and agile IT environments while maintaining regulatory compliance.

In North America, insurers are rapidly embracing cloud computing, AI-driven automation, advanced analytics and cybersecurity-focused outsourcing. They are also exploring partnerships with insurtech firms to drive innovation and competitiveness in an evolving landscape.



Technology professionals should read this report to assess insurance ITO service providers' offerings, capabilities, market presence and latest technologies to better serve enterprise needs.



Digital professionals should read this report to understand providers' technologies and services supporting the digital transformation of legacy processes to improve CX and deliver value to stakeholders.

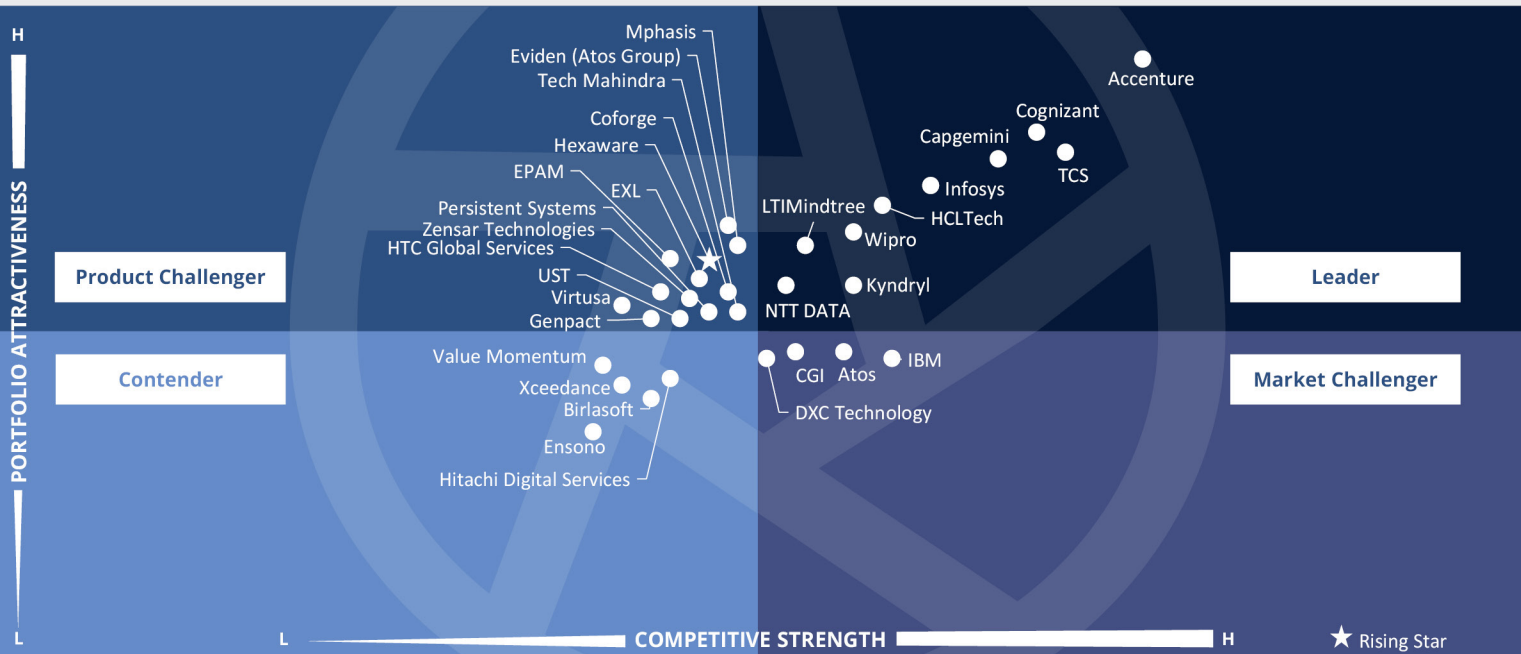


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Operations professionals should read this report to understand service providers' relative positioning and discern the right partners for higher ROI and business performance improvements.





North American insurance carriers are more interested in the **technology operationalizing capabilities** of ITO service providers. The Insurance ITO Services quadrant assesses these providers' market positions, emphasizing their **competitive strengths** and service **portfolio attractiveness**.

Ashish Jhajharia



Definition

The Insurance ITO Services quadrant includes providers that offer traditional and modern digital services. Insurance firms observe immense scope and urgency in transforming their legacy businesses using modern digital technologies. They seek providers with the necessary IT skills to reinvent themselves.

These transformation programs can lead to vast operational improvements for businesses and enable a competitive advantage for insurance firms. This study covers technology support and business transformation programs that are ongoing or implemented across operational parts of their value chain.

ITO service providers help insurance firms manage multiple services to improve profitability, optimize costs and provide enhanced CX and operational engagements by transforming their front-to-back offices through digital technologies.

These providers have expertise in system integration and business transformation, with sophisticated IT capabilities and digital technologies such as GenAI, AI or ML. They have an advantage in agility, growth and cost, enabling them to fulfill the market's needs.

ISG will evaluate ITO service providers based on their ability to support insurance firms, digital changes and adoption of business transformation services involving insurance-specific exponential technologies for enhanced business designs and transformational outcomes.

Eligibility Criteria

1. Provide **ITO services for insurance firms**, reinsurers, digital/virtual insurers and brokers
2. Expertise in **managing end-to-end transformation**
3. Expertise in **technology enablement and business architecture** using digital technologies, including AI and ML, GenAI, intelligent automation, advanced analytics, cloud computing and other applications such as core insurance systems
4. Offer **innovative solutions** through various forms (including pricing and delivery models) and partners (such as enterprise insurtechs and system integrators)
5. **Translate experience and expertise** into tools and reusable components, including playbooks
6. Substantiate **industry experience** through references and use cases across **North America, Europe (including the U.K.) or ANZ**
7. **Execute multiple insurance ITO projects** across functional areas, with at least one project underway in the current year



Observations

Insurance carriers in North America face significant challenges, including macroeconomic factors such as geopolitical risks, rising social inflation, economic deceleration and changing consumer behaviors in insurance purchases and renewals, especially with increasing auto and homeowners insurance costs. They should integrate modern technologies while addressing data security issues and regulatory compliance. Legacy systems hinder the adoption of new processes, and IT services must focus on protecting sensitive consumer information.

The ascendant presence of insurtech has necessitated that traditional insurers enhance their legacy technologies to elevate customer service offerings. As North American insurance carriers strive to manage expenses effectively, their profitability continues to be adversely affected.

For these carriers, the pursuit of top-line growth remains a paramount objective. Therefore, they collaborate with IT service providers and implement digitally oriented

business models to explore additional growth opportunities and provide clients with enhanced digital experiences.

Additionally, numerous insurers in North America are transitioning their applications to the cloud to augment operational efficiency, flexibility and scalability. These companies leverage digital channels, intelligent automation, and GenAI using AI, ML and NLP to achieve cost reductions, improve policyholder experience (PX) and streamline cost structures.

In this context, ITO service providers in the region are making substantial investments in pre-curated intelligent ecosystems designed to support their insurance clients' growth and cost optimization efforts. They offer advanced business capabilities that extend beyond straight-through processing (STP) by integrating more intelligent technologies and innovative methodologies.

From the 67 companies assessed for this study, 32 qualified for this quadrant, with 10 being Leaders and one a Rising Star.



Accenture has an extensive presence and local insurance industry experience, along with significant capabilities in executing a comprehensive range of ITO services that drive results.



Capgemini provides a comprehensive portfolio spanning the entire insurance value chain. Its Capgemini Engineering unit resolves C-suite-level issues in the insurance space.



Cognizant focuses on serving large and midsize North American insurers while broadening its offerings through collaborations with hyperscalers. The firm assists clients in identifying transformation possibilities for insurers with its ITO services.



HCLTech has a defined set of capabilities to navigate the changing paradigm using the *Insurer of the future* construct.



Infosys has been active in the North American region for over two decades, steadily building its insurance ITO services business.



Kyndryl stands out for its sustained growth through its insurance ITO capabilities and a strong focus on nurturing long-term client relationships.



Insurance ITO Services



LTIMindtree's ITO service team continues to focus on developing verticalized services for the entire North American insurance spectrum.

NTT DATA

NTT DATA has been expanding its ITO services offerings and has demonstrated significant skills in the North American insurance industry with proprietary solutions, frameworks and partner ecosystems.



TCS has a long history in the North American ITO service sector and offers a comprehensive spectrum of services and solutions. It has access to a vast team of insurance industry specialists worldwide.



Wipro is an India-based service company that was the first to provide insurance as a fundamental business worldwide. It offers a spectrum of insurance ITO services.

HEXAWARE

Hexaware (Rising Star) provides cutting-edge insurance IT services and solutions that empower North American insurers, reinsurers, brokers and managing general agents (MGAs) to deliver exceptional CX.



Kyndryl



“Kyndryl assists insurance carriers and financial market leaders in optimizing their IT workloads, aiming to elevate the quality of CX.”

Ashish Jhajharia

Overview

Kyndryl is headquartered in New York, U.S. It has more than 80,000 employees and operations across 100 countries. In FY24, the company generated \$16.1 billion in revenue, with Principal Markets as its largest segment. Kyndryl is a top IT infrastructure service provider that focuses on strengthening and improving foundational systems that drive the digital economy. The company works closely with partners and clients worldwide to create customized solutions that help businesses achieve peak digital performance.

Strengths

Modernize to drive business priorities: Kyndryl is deeply dedicated to accelerating modernization efforts to closely align with insurance carriers’ business priorities. By modernizing core IT infrastructure, the company aims to streamline workloads and operations, fostering a culture of continuous innovation across the entire organization. This modernization effort also involves enhancing systems, tools and software, focusing on increasing efficiency and reducing costs.

Innovate for exceptional CX: Kyndryl collaborates closely with insurance carriers to develop and implement an industry-aligned enterprise data model, thereby facilitating the transformation of its data assets. This strategic initiative complements the insurer’s

ongoing endeavors to enhance CX, optimize employee productivity and fortify data management and security.

Build a secure financial ecosystem: Kyndryl’s automated solution streamlines and reliably recovers from disasters to enhance business operations. By implementing resiliency orchestration, the insurance carrier can achieve an 80 percent reduction in switchover and switchback times.

Caution

Kyndryl is rapidly shifting from traditional IT infrastructure services to a comprehensive array of end-to-end IT services, encompassing business consulting and core systems integration. The sooner this capability build-up transformation happens, the more critical it is to the company’s future.





Insurance ITO Services — Midmarket

Who Should Read This Section

This quadrant is relevant to North American insurers evaluating midsize service providers that offer insurance ITO services. In this quadrant, ISG assesses the current market positioning of midsize providers offering insurance ITO services in North America based on the depth of their service offerings and market presence.

The midmarket for insurance ITO services faces distinct macro and micro challenges that impact operational effectiveness. Macro challenges include evolving regulatory frameworks and increasing competition from insurtechs, which demand rapid adaptation and innovation. Micro challenges involve outdated legacy systems and seamlessly integrating new technologies.

Insurance enterprises prioritize digital transformation initiatives, invest in modern IT infrastructure and enhance data analytics capabilities to address these challenges. This proactive approach allows them to better meet customer expectations and navigate regulatory complexities.

Midsize ITO service providers assist insurers by offering tailored solutions that incorporate advanced technologies such as AI and cloud computing. They help streamline processes, enhance customer engagement and ensure regulatory compliance.

North America is seeing a growing trend in adopting data-driven decision-making, particularly in underwriting and claims processing, using AI models. Insurers are increasingly leveraging real-time data to personalize offerings, reflecting a shift toward customer-centric models that enhance competitiveness in a rapidly evolving market.



Technology professionals should read this report to assess insurance ITO service providers' offerings, capabilities, market presence and latest technologies to better serve enterprise needs.



Digital professionals should read this report to understand providers' technologies and services supporting the digital transformation of legacy processes to improve CX and deliver value to stakeholders.

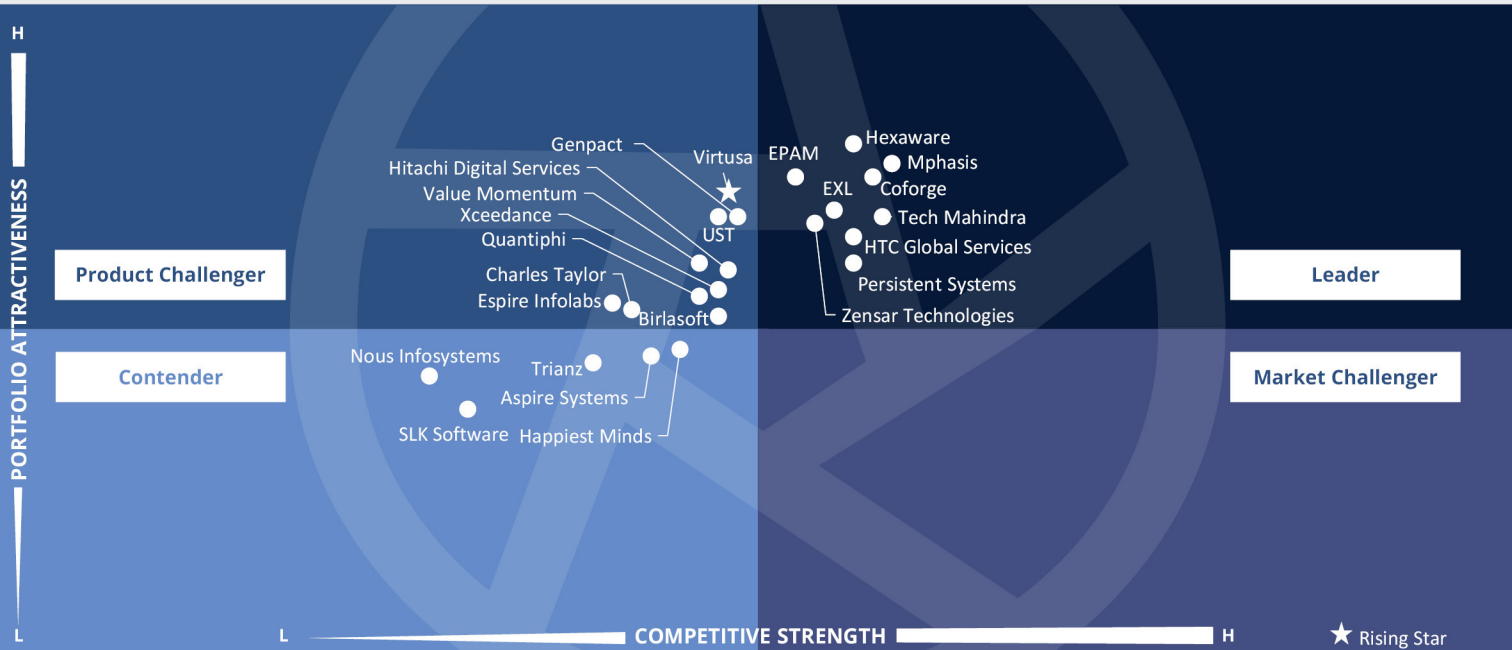


Business professionals should read this report to understand providers' capabilities to build and manage complex business processes, reducing cost and improving CX and process efficiency.



Operations professionals should read this report to understand service providers' relative positioning and discern the right partners for higher ROI and business performance improvements.





Midmarket ITO services providers (under \$500 million in global insurance ITO revenue) are **evolving and growing much faster than the industry average**. This quadrant evaluates the providers' market positions, highlighting **competitive strengths** and service **portfolio attractiveness** in North America.

Ashish Jhajharia



Definition

The Insurance ITO Services quadrant includes providers that offer traditional and modern digital services. Insurance firms observe immense scope and urgency in transforming their legacy businesses using modern digital technologies. They seek providers with the necessary IT skills to reinvent themselves.

These transformation programs can lead to vast operational improvements for businesses and enable a competitive advantage for insurance firms. This study covers technology support and business transformation programs that are ongoing or implemented across operational parts of their value chain.

ITO service providers help insurance firms manage multiple services to improve profitability, optimize costs and provide enhanced CX and operational engagements by transforming their front-to-back offices through digital technologies.

These providers have expertise in system integration and business transformation, with sophisticated IT capabilities and digital technologies such as GenAI, AI or ML. They have an advantage in agility, growth and cost, enabling them to fulfill the market's needs.

ISG will evaluate ITO service providers based on their ability to support insurance firms, digital changes and adoption of business transformation services involving insurance-specific exponential technologies for enhanced business designs and transformational outcomes.

ITO service providers participating in the midmarket quadrant should have global insurance ITO services revenues between \$20 million and \$499 million.

Eligibility Criteria

1. Provide **ITO services for insurance firms**, reinsurers, digital or virtual insurers, brokers
2. Expertise in **managing end-to-end transformation**
3. Expertise in **technology enablement and business architecture** using digital technologies, including AI and ML, GenAI, intelligent automation, advanced analytics, cloud computing and other applications such as core insurance systems
4. Offer **innovative solutions** through various forms (including pricing and delivery models) and partners (such as enterprise insurtechs and system integrators)
5. **Translate experience and expertise** into tools and reusable components, including playbooks
6. Substantiate **industry experience** through references and use cases across **North America, Europe (including the U.K.) or ANZ**
7. **Execute multiple insurance ITO projects** across functional areas, with at least one project underway in the current year



Insurance ITO Services – Midmarket

Observations

Midmarket ITO service providers, characterized by their annual global insurance ITO revenue of under \$500 million, are experiencing remarkable growth far exceeding the industry's average trends. This segment has become a vibrant and dynamic marketplace as these providers swiftly adapt to the fast-paced changes brought about by technological innovations and their clients' shifting needs. The providers' ability to respond effectively to these developments highlights their agility and positions them as key players in a rapidly evolving landscape.

The quadrant analysis delivers an in-depth evaluation of various players' current market standings, emphasizing crucial competitive advantages such as remarkable operational efficiency, exceptional customer service and cutting-edge service innovations. Furthermore, it examines the overall appeal of their service portfolios, which encompass a wide array of solutions meticulously designed to cater to the specific demands of the North American market.

The North American region is notable for its rich diversity of industries and varied regulatory landscapes, presenting unique opportunities for midmarket ITO providers to differentiate themselves and seize new business ventures. These firms are strategically positioned to excel in a progressively competitive environment by capitalizing on their agility and specialized expertise.

From the 67 companies assessed for this study, 24 qualified for this quadrant, with nine being Leaders and one a Rising Star.

Coforge

Coforge is a trusted partner for global insurers, providing innovative solutions that simplify the insurance business and support insurers on their digital transformation journey.

EPAM

EPAM provides essential support to insurers in navigating the complexities of emerging technologies, heightened customer expectations and the dynamic nature of regulatory requirements.

EXL

EXL helps insurers provide superior CX and achieve profitable growth with great speed-to-market and efficiency.

HEXAWARE

Hexaware assists insurers in becoming more digital, nimble and responsive to the evolving insurance industry landscape.



HTC Global Services' vision articulates impact far beyond business and commerce, communicating a unique global and interconnected perspective to insurance enterprises.



Mphasis blends domain expertise with core and emerging technological know-how to drive value for demanding insurance clients.



 **Persistent**

Persistent Systems' world-class solutions help insurers succeed in a highly competitive industry environment by meeting growing customer expectations and optimizing operational processes.

**Tech
Mahindra**

Tech Mahindra empowers insurers with expertise, accelerators and methodologies to transform and build advanced capabilities, enabling agility, innovative products, personalized customer engagement and digital platform advantages.

 **ZenSar**

Zensar Technologies powers Insurance Transformation with Experience-led Engineering for its North American insurance clients.

virtusa

Virtusa (Rising Star) ensures seamless excellence in the North American insurance industry with advanced digital solutions, solving business pain points for its clients.





Insurance ITO
Services – Midmarket
Next-gen

Who Should Read This Section

This quadrant is relevant to North American insurers evaluating midsize service providers that offer next-generation insurance ITO services. In this quadrant, ISG assesses the current market positioning of midsize providers offering next-generation insurance ITO services in North America based on the depth of their service offerings and market presence.

The midmarket for next-generation insurance ITO services faces unique macro and micro challenges. Macro challenges include adapting to rapid technological advancements, evolving regulatory requirements and increasing competition from insurtech companies. Micro challenges involve integrating cloud, data and security services into legacy systems while ensuring data privacy and compliance.

Insurance enterprises are investing in modernizing their IT infrastructure and adopting Agile methodologies to overcome these challenges. They are focusing on data-driven decision-making to enhance CX and streamline operations.

Midsize next-generation ITO service providers assist by delivering specialized solutions that address these challenges. They offer cloud migration services, advanced data analytics and robust cybersecurity measures tailored to the insurance industry's needs.

In North America, insurers are increasingly relying on cloud-based platforms to enhance operational efficiency and scalability. They are also prioritizing partnerships with ITO providers to leverage innovative technologies that drive competitive advantages in a rapidly changing market landscape. This collaboration enables insurers to focus on core competencies while effectively navigating complex industry demands.



Technology professionals should read this report to assess insurance ITO service providers' offerings, capabilities, market presence and latest technologies to better serve enterprise needs.



Digital professionals should read this report to understand providers' technologies and services supporting the digital transformation of legacy processes to improve CX and deliver value to stakeholders.

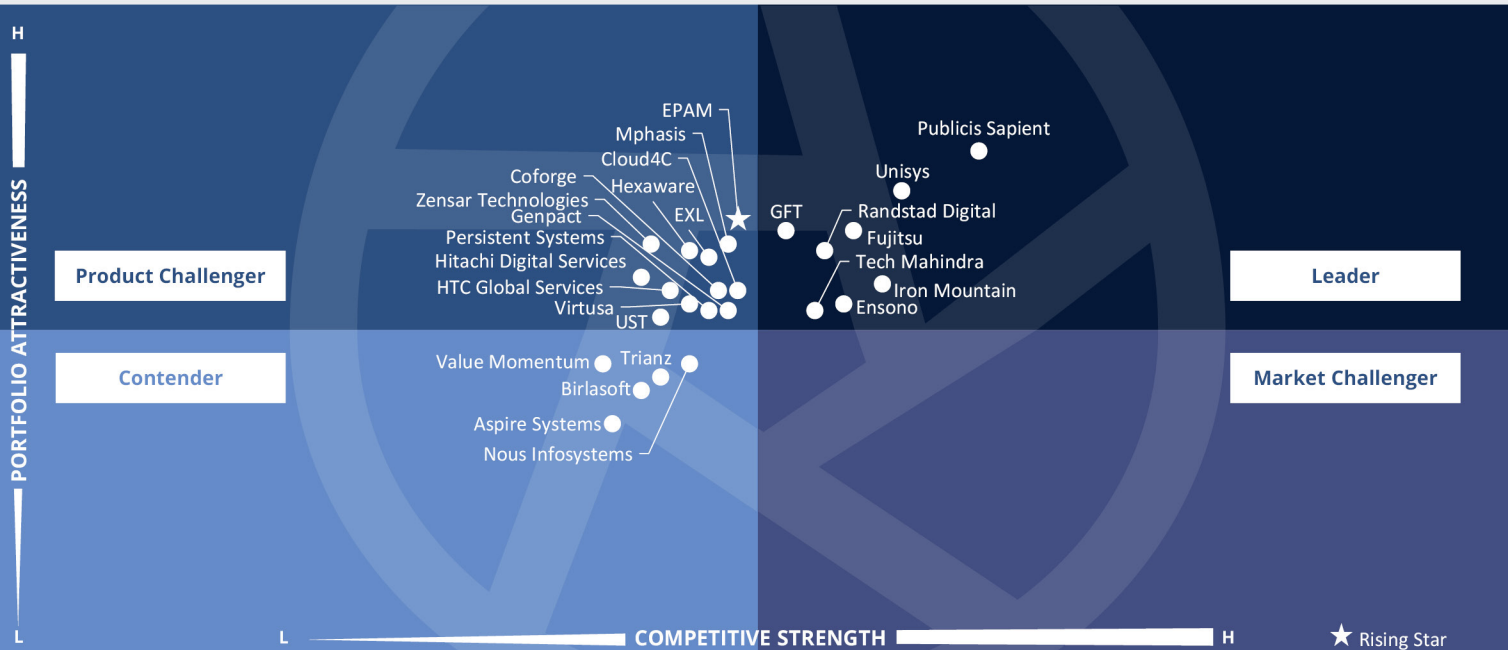


Business professionals should read this report to understand providers' capabilities to build and manage complex business processes, reducing cost and improving CX and process efficiency.



Operations professionals should read this report to understand service providers' relative positioning and discern the right partners for higher ROI and business performance improvements.





Midmarket next-generation ITO providers with global insurance ITO revenues under \$500 million are utilizing advanced technologies, such as cloud computing, data management, infrastructure and cybersecurity, to prepare North American insurance enterprises for AI readiness.

Ashish Jhajharia



Insurance ITO Services – Midmarket Next-gen

Definition

The Insurance ITO Services — Midmarket Next-gen quadrant evaluates providers that offer services specific to the cloud, data and security segments in the insurance ITO services market.

ITO service providers participating in this quadrant should have global insurance ITO services revenues between \$20 million and \$499 million.

ISG will evaluate next-gen providers of insurance ITO services based on their ability to support insurance firms, digital changes and the adoption of business transformation services. These services involve insurance-specific cloud, data and security exponential technologies for improved business designs and transformational outcomes.

We will also note aspects of this quadrant related to the Lloyd's of London RLC segment for the European market.

Eligibility Criteria

1. Demonstrate consulting, technology implementation, operationalization and maintenance expertise through the **use of next-gen digital technologies specific to the cloud, data and security** segments
2. Provide **next-gen ITO services** for insurance firms, reinsurers, digital and virtual insurers, and brokers
3. Expertise in **managing end-to-end transformation**
4. Offer **innovative solutions** to the ITO next-gen market through various forms (including pricing and delivery models) and ecosystem partners
5. **Translate experience and expertise** into tools and reusable components, including playbooks
6. Substantiate **industry experience** through references and use cases across **North America, Europe (including the U.K.) or ANZ**
7. **Ability to execute multiple insurance ITO next-gen projects** across functional areas, with at least one project underway in the current year



Insurance ITO Services – Midmarket Next-gen

Observations

Midmarket next-generation ITO service providers with global insurance ITO revenues below \$500 million are emerging as key players in the technology landscape. These companies are actively adopting and implementing various advanced technologies, including sophisticated cloud computing solutions, modern data management systems, scalable infrastructure and comprehensive cybersecurity frameworks. Cloud computing enables these providers to offer flexible and scalable services that can adapt to the rapidly changing needs of their insurance sector clients. By utilizing data management tools, they can enhance data analytics capabilities, allowing insurance companies to better understand customer behavior and optimize their services.

Furthermore, robust infrastructure solutions facilitate seamless operations, ensuring systems remain available and efficient despite fluctuating demand. Cybersecurity measures are increasingly vital in today's digital environment, and these ITO providers are

equipped with state-of-the-art defenses that safeguard sensitive information and maintain compliance with industry regulations.

As North American insurance enterprises look to modernize their operations, these advanced capabilities are essential for preparing them to effectively integrate AI. This integration promises to enhance decision-making processes, improve CX and drive innovation within the industry, ensuring these companies can thrive in a competitive market.

From the 67 companies assessed for this study, 26 qualified for this quadrant, with eight being Leaders and one a Rising Star.

Ensono

Ensono, demonstrating exceptional flexibility and a steadfast commitment as a true partner, empowers insurance organizations to enhance their operations, adapt to changing environments and drive innovation.



Fujitsu employs a human-centric approach to digital transformation within the insurance sector, prioritizing individuals in all of its initiatives. This strategy emphasizes the importance of understanding and addressing people's needs as the foundation for effective technological advancements.

GFT

GFT fosters market growth by providing AI-driven insights and delivering customized solutions that yield immediate benefits for insurance providers.

Iron Mountain

Iron Mountain's comprehensive Inventory Governance solution empowers insurers to thoroughly assess their acquired physical and electronic data, allowing them to make informed decisions about which records to retain and which to dispose of.

Publicis Sapient

Publicis Sapient assists insurance providers in maintaining relevance and developing experiences that engage policyholders and enhance their overall lives.



Randstad Digital empowers insurance companies to expedite their digital transformation initiatives, thereby acquiring a competitive advantage in the marketplace.



Insurance ITO Services – Midmarket Next-gen



Tech Mahindra enables insurance companies to enhance their preparedness for next-generation cyber resilience.




Unisys empowers insurance companies to enhance their CX, respond effectively to market disruptions and transform their foundational processes, capabilities and technologies.

EPAM

EPAM (Rising Star) takes a digital-native approach to reduce risk and business impact for insurers.





Star of Excellence

A program, designed by ISG, to collect client feedback about providers' success in demonstrating the highest standards of client service excellence and customer centricity.



Appendix

The ISG Provider Lens 2024 – Insurance Services research study analyzes the relevant software vendors/service providers in the North America market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

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The research and analysis presented in this study will include data from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with service providers and analysis of publicly available market information from multiple sources. ISG recognizes the time lapse and possible market developments between research and publishing, in terms of mergers and acquisitions, and acknowledges that those changes will not reflect in the reports for this study.

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

The study was divided into the following steps:

1. Definition of Insurance Services market
2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
 - * Strategy & vision
 - * Tech Innovation
 - * Brand awareness and presence in the market
 - * Sales and partner landscape
 - * Breadth and depth of portfolio of services offered
 - * CX and Recommendation



Author & Editor Biographies

Lead Author



Ashish Jhajharia
Lead Author

Ashish has experience and learnings from more than two decades in the global insurance and reinsurance industry, with leading management consulting firms and in various capacities. He has been involved in a spectrum of assignments related to strategic research, changes in regulatory frameworks, business and digital transformation, customer experience reinvention, operating model and business design, core systems replacement, and sourcing strategy.

With ISG, he is leading the ISG Provider Lens™ (IPL) Insurance Services and Platforms Study for the U.S. and Europe (including the U.K.) regions.

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Sandhya Navage is a research specialist at ISG and is responsible for supporting and co-authoring Provider Lens™ studies on power and utilities services, insurance BPO and IT services, and payroll services. She supports the lead authors in the research process and authors the global summary report. She also develops content from an enterprise perspective and collaborates with advisors and enterprise clients on ad-hoc research assignments. She has been associated with ISG since 2021.

Prior to this role, she worked with IT/BPO and financial services companies and has more than twelve years of experience in market research. She has experience in creating actionable insights and value-added competitive analysis for multiple industries including insurance, banking, financial services, manufacturing and energy, and utilities.



Author & Editor Biographies



Study Sponsor

Iain Fisher
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Iain leads ISG's Future of Work, Customer Experience and ESG solutioning redefining business models and operating models to drive out new ways of working with a CX and ESG focus. He joins up end to end value chains across a number of markets and advises clients on where digital and technology can be used to maximize benefit. A regular Keynote speaker and online presenter, Iain has also authored several eBooks on these subjects.



IPL Product Owner

Jan Erik Aase
Partner and Global Head – ISG Provider Lens™

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a partner and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.



iSG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens™ research, please visit this [webpage](#).

iSG Research™

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iSG

ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 900 clients, including more than 75 of the world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including AI and automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis.

Founded in 2006, and based in Stamford, Conn., ISG employs 1,600 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.

For more information, visit isg-one.com.





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