



Property and Casualty Insurance BPS

Market Analysis
Abstract

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Who Is This Report For?

NelsonHall's "Transforming Property and Casualty BPS with Touchless Processing" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within the P&C business process services (BPS) market
- Vendor marketing, sales and business managers developing strategies to target service opportunities within the P&C services market
- Financial analysts and investors specializing in the P&C services sector.

Scope of the Report

The report analyzes the market for outsourced P&C insurance services and addresses the following questions:

- What is the current and future market for outsourced P&C services, including personal lines, commercial lines and specialty lines?
- What is the size and growth of the outsourced P&C services market?
- What are the market segments for outsourced P&C services and their characteristics? What are the issues, drivers and critical success factors for each segment?
- Within outsourced P&C services, which segments are emerging strongly?
- What are the primary P&C BPS vendor challenges and critical success factors by market segment?
- How are vendor offerings and delivery capabilities changing to meet emerging market needs?
- How are vendors positioned within outsourced P&C BPS market segments?



Key Findings & Highlights

NelsonHall analyzes the property and casualty (P&C) insurance business process service (BPS) market for buyers and vendors of business process services. The report details the market sectors by size and growth in terms of business function, business line, and geography. The report also details drivers and trends of important changes in insurance customer and carrier requirements. The report also details P&C BPS vendor competitor market shares, offerings, delivery, and success factors.

NelsonHall estimates that the global P&C BPS market was \$11.9 bn in 2019 and will grow at CAGR of 5.5% from 2019 through 2023 to \$14.7 bn.

Industry Consumer and Technology Trends

- Millennials have become the most important global demographic, a trend which is key to growth of personal lines, particularly in China
- Amazon, Google, and Chinese tech giants have significant insurance customer data and believe they can take cost out of P&C processes - and significant market share from incumbent P&C carriers
- Analytics/artificial intelligence (AI) is experiencing speedy adoption, and for the short/medium term this technology outstrips all other technologies for potential impact (including blockchain and IoT)

Insurance P&C Carrier Requirements

Key requirements for the buyers of P&C BPS:

- The P&C soundbite “Touchless Processing” is becoming a reality, especially in customer acquisition and servicing
- Risks likely won’t be negated by autonomous or shared vehicles, industrial or infrastructure systems. Instead, PL and CL coverages will have to accommodate new owners of risk
- Carriers and agents anticipate short term growth in DWP for PL (particularly auto) but fear for medium- and long-term growth and profitability using current business and distribution models
- Global regulation and macro-economics drive growth in APAC, CAT- and cyber-related business.
- Dynamic, developing markets for cyber and CAT coverages are driving growth in third party IT and BPS.

Key success factors for the suppliers of P&C BPS:

- Policy Acquisition: carriers prioritize expertise in straight-through processing; omni-channel engagement; and U/W
- Policy Servicing: carriers prioritize expertise in digital transformation, omni-channel engagement; and service speed increase
- Claims administration: carriers prioritize expertise in digital transformation of claims processing; innovative use of RPA/IoT
- Vendors typically organize around CoEs, with recent activity in building out CoEs for U.S. distribution and global CL underwriting

Key Opportunities for the suppliers of P&C BPS:

- Business functions and market segments that remain poorly penetrated by BPS services include CL sales, distribution, and U/W; PL/CL customer service; and claims administration (especially in CL)
- Recent successes by some vendors include contracts in
 - Policy acquisition, esp. in straight-through U/W processing
 - Policy administration services, esp. in PL customer service
 - Outsourcing targeted CL functions, esp. U/W and actuarial
- P&C carriers have embraced automation and digital transformation at a tactical level. Interest in strategic BPaaS offerings is muted, but some carriers have shown interest in wraparound BPaaS offerings.

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Report Length

The report consists of 78 slides in 8 chapters

Vendors Researched

This report includes revenues information for: Accenture, Cognizant, Conduent, DXC Technology, EXL Service, Genpact, Infosys, Mphasis, Sutherland, Tata Consultancy Services, Teleperformance, WNS Global Services

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