



Everest Group PEAK Matrix[®] for Application and Digital Services (ADS) in Life and Annuity (L&A) Insurance Providers 2023

Focus on TCS
January 2023



Background of the research

L&A insurance carriers have continued to face extensive reliance on manual nature of operations and an aging technology stack with a need to meet evolving consumer expectations and a shifting demographic landscape. L&A insurers, therefore, need support from their service providers to accelerate their digital transformation journey enabling data-driven & intelligent workflows, accelerated underwriting, improved omnichannel experience, and faster time-to-market. In the recent years, these insurance carriers have been leveraging emerging technologies such as RPA, AI/ML, and wearables/IoT to achieve business-oriented outcomes and improve the end experience for both policyholders and agents/brokers. Insurance carriers need to undertake a cohesive approach to managing these changes across the organization in order to realize their full benefits. Service providers that can help enterprises to successfully implement this target state vision and overcome challenges in talent shortages, change management, and long-term profitability.

In this research, we present an assessment and detailed profiles of 21 leading IT service providers featured on the Application and Digital Services in L&A Insurance PEAK Matrix®. Each provider profile provides a comprehensive picture of its service focus, key Intellectual Property (IP) / solutions, domain investments, and case studies. The assessment is based on Everest Group's annual RFI process for calendar year 2022, interactions with leading IT service providers, client reference checks, and an ongoing analysis of the insurance IT services market.

This report includes the profile of TCS as featured on the [Application and Digital Services \(ADS\) in Life & Annuity \(L&A\) PEAK® Matrix Assessment 2023](#)

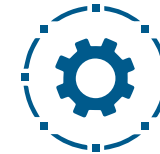
Scope of this report



Geography
Global



Providers
21 leading IT service providers



Services
Application and digital services in L&A insurance

Application and Digital Services (ADS) in Life and Annuity (L&A) Insurance PEAK Matrix® characteristics

Leaders:

Accenture, Capgemini, Cognizant, Infosys, NTT DATA, TCS, and Wipro

- Leaders have differentiated themselves through their well-rounded consulting and execution expertise, combined with their breadth of solutions across the digital technology stack
- L&A clients appreciated the leaders for their ability to act as strategic partners by driving a business-first approach to transformations

Major Contenders:

Atos, Coforge, DXC Technology, EPAM, HCLTech, LTI, Mindtree, Mphasis, Tech Mahindra, Virtusa, and Zensar Technologies

- Major Contenders are differentiating themselves by expanding their partnership ecosystems with hyperscalers (such as Atos, Coforge, and HCLTech) and InsurTechs (such as DXC Technology) to provide contextualized solutions
- L&A clients appreciate the Major Contenders for their technical expertise; Major Contenders are increasingly sharpening their IP, solutions portfolios, and accelerators to assist clients with unstructured data processing, health data integrations, and product development

Aspirants:

Aspire Systems, Comarch, and Damco Solutions

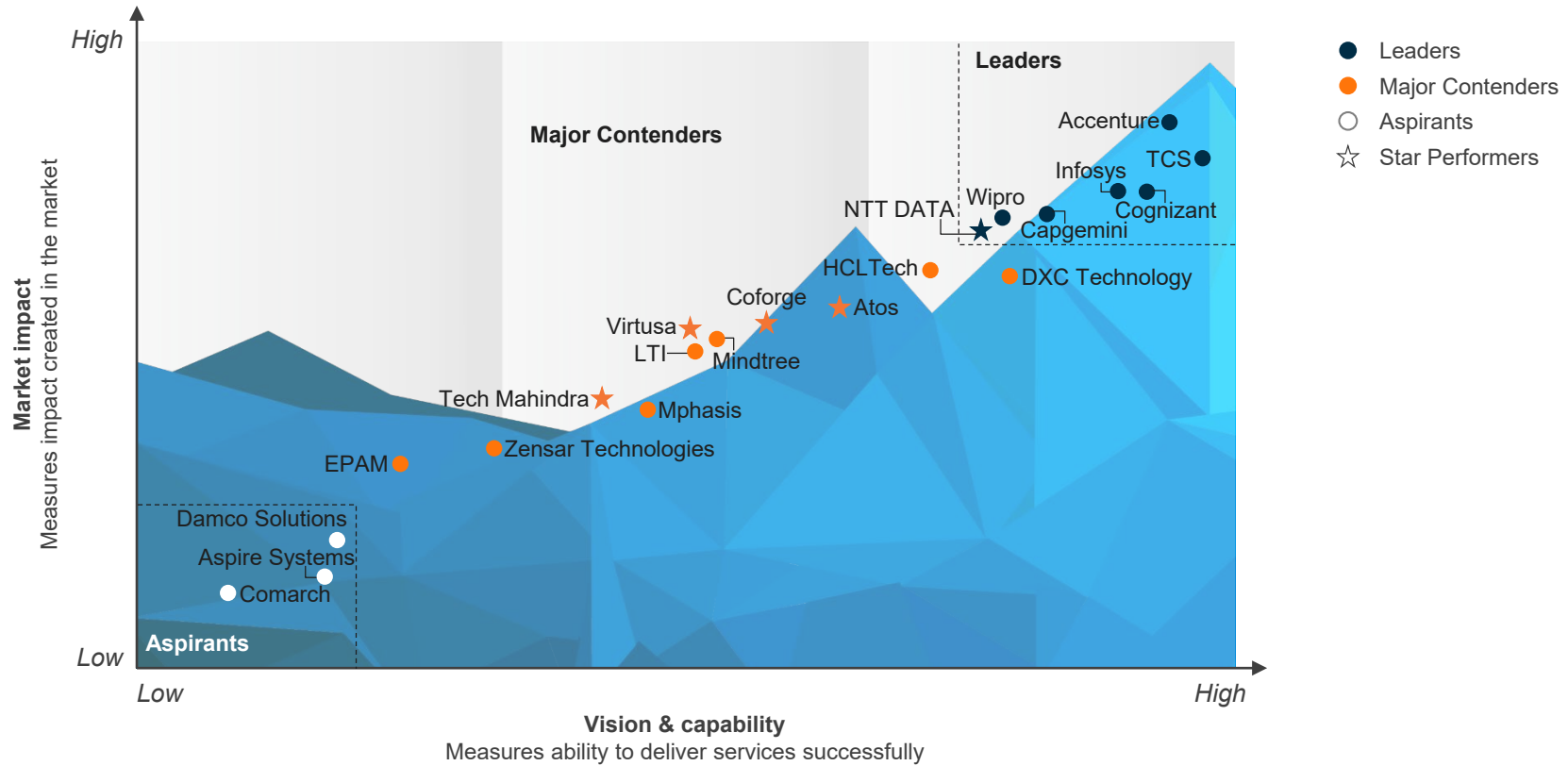
- Aspirants are building capabilities specific to the L&A insurance market, including agent/broker sales enablement, automated workflow management for document processing and data intake, and a superior quoting and illustrations cycle
- Aspirants are also building their SI, implementation, and support capabilities on third-party platforms to improve their value proposition for L&A carriers in the regions they serve



Everest Group PEAK Matrix®

Application and Digital Services (ADS) in Life and Annuity (L&A) Insurance – PEAK Matrix® Assessment 2022 | TCS positioned as a Leader

Application and Digital Services (ADS) in Life and Annuity (L&A) Insurance – PEAK Matrix® Assessment 2022^{1,2}



1 Assessments for Comarch, Damco Solutions, DXC Technology, and EPAM excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, public disclosures, and Everest Group's interactions with insurance buyers

2 Assessment for LTI and Mindtree is based on their individual capabilities before the merger

Source: Everest Group (2022)

TCS | application and digital services in L&A insurance profile (page 1 of 4)

Overview

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Vision for ADS in L&A insurance practice:

TCS is an IT services, consulting, and business solutions organization that has been partnering with many global businesses in their transformation journeys for over 50 years. TCS offers a consulting-led, cognitive-powered, and integrated portfolio of business, technology, and engineering services and solutions. This is delivered through its unique location independent Agile™ delivery model, recognized as a benchmark of excellence in software development.

ADS in L&A insurance revenue



Number of active clients for ADS in L&A insurance



Delivery footprint

Ranges for FTEs: <50, 50-100, 100-500, >500

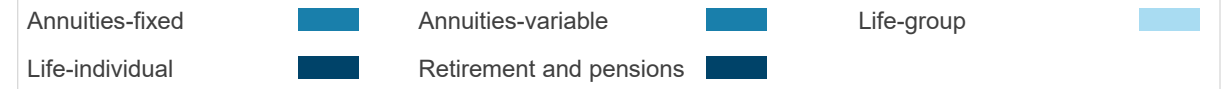
Region	Key cities	No. of FTEs
North America	New York, Boston, Canada, Atlanta, LA, and Philadelphia	N/A
United Kingdom	London, Ireland, Edinburgh, Bristol, and Manchester	N/A
Rest of Europe	Amsterdam, Stockholm, Finland, Brussels, and Zurich	N/A
Asia Pacific	Chennai, Bangalore, Sydney, the Philippines, and Pune	N/A
Latin America	Bogota and Mexico	N/A
Middle East & Africa	Dubai, Johannesburg, and Cape Town	N/A

1 N/A – not available

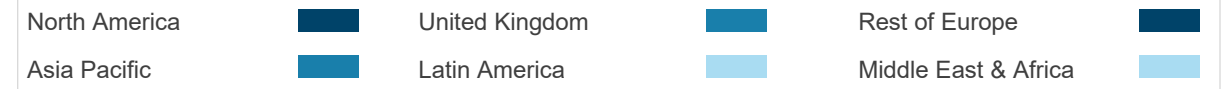
ADS in L&A insurance revenue mix

Low (<15%) Medium (15-30%) High (>30%)

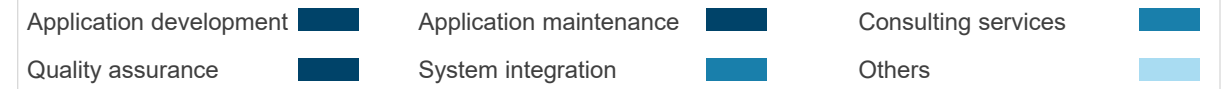
By Line of Business (LoB)



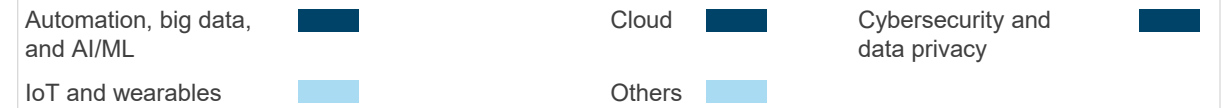
By geography



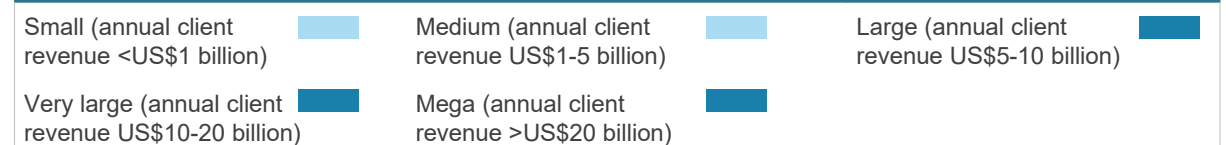
By services scope



By digital services segment



By buyer size



TCS | application and digital services in L&A insurance profile (page 2 of 4)

Key solutions and investments

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Top five proprietary solutions/frameworks/accelerators/tools developed internally to deliver application and digital services to L&A insurance clients

Solution name	Details
Customer experience solutions	Enables intelligent and conversational claims and personalized & interactive video statements, enroute TCS offers a personalized, customer-centric, and connected portal
Future underwriting frameworks	Offers next-generation SaaS on Azure; the TCS digital wellness & health framework is for continuous underwriting using wearables
Cognitive operations	Offers a no-code model-building platform for citizen data science; TCS Tides expedites risk assessment and other back-office processes using iCR and ESG integration solutions. It enables investment managers to procure non-financial data easily from leading data sources including ESG data providers on the AWS Data Exchange
Actuarial advisory & business services	Prioritized investments in actuarial services by providing training and certification of actuarial SMEs and building solutions, tools, and frameworks to address pain points in actuarial business/IT areas
Innovation as a service	TCS Agile Innovation Cloud and Paceports enable insurers to discover their future direction through innovation; Future of Business where experts helping customers look for ideas in horizon 3; and TCS CO-Innovation Network (COIN) brings the right partners (start-ups, InsurTechs, and academia) to partner in innovation

Top five partnerships/alliances/M&As/JVs leveraged to deliver application and digital services to L&A insurance clients

Name	Type of investment	Details
Low-code / No-code platforms	Partnership	Partnered with platforms such as Innoveo and Outsystems, to train associates in these systems to help insurers deliver new journeys for stakeholders in a short time
AI start-ups	Partnership	Partnered with many AI start-ups – Personetics, Atidot, Infrd, and ForwardLane, and is also working on PoCs with customers
Postbank Systems AG (PBS)	M&A	Acquired PBS was the internal IT provider for Postbank AG, a subsidiary of Deutsche Bank, catering for the German retail banking market. PBS has approximately 1,500 employees across nine locations in Germany.
Pramerica Systems Ireland Ltd.	Partnership / M&A	To expand its global delivery capability, TCS established a global delivery center in Ireland to provide Prudential with a range of business and technology services
Academia research program	Partnership	Built partnership as part of the DATOM ecosystem program. This helps customers in benchmarking data maturity and understanding maturity within and across industries

TCS | application and digital services in L&A insurance profile (page 3 of 4)

Key case studies










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Case study 1	Large life insurer headquartered in the US	Case study 2	Fortune 200 financial services firm	Case study 3	Leading Fortune 500 life insurer
<p>Business challenge The client was burdened with legacy applications, including ETL for batch processing and IBM Bus for data processing. This made integration complex, customization difficult, and enhancements challenging leading to slower time to market.</p> <p>Solution The solution offered consisted of the following:</p> <ul style="list-style-type: none"> • Spring boot microservices-based architecture with reusable components, resulting in container orchestration • Real-time APIs enabling the applications to scale up to the requirements and making them cloud ready • CI-CD enabled DevOps enabling automated deployment • Automated test suites built using SOAP UI <p>Impact</p> <ul style="list-style-type: none"> • Enabled faster time to market by 20-30% to help launch products and services • Enabled new business onboarding functionality in one month instead of six to eight months • Enabled expedited multi-state launches of the application • Achieved zero production defects 		<p>Business challenge The client's underwriting platform was unable to provide the necessary insights to transform the underwriting philosophy and culture. The client wanted to have a digital transformation program focused on data engineering.</p> <p>Solution TCS implemented a new data engineering platform with personalization. Some facets of the solution offered included:</p> <ul style="list-style-type: none"> • Customizing the industry data model to align with business needs and developing appropriate architectural patterns, i.e., a fit-for-purpose architecture • Automating manual processes • Usage of cloud technologies <p>Impact</p> <ul style="list-style-type: none"> • Increased STP processing by 30% • Reduced operational risk as a result of low manual intervention • Used expensive third-party data by the underwriters effectively and built fraud models • Increased productivity of top agency producers significantly 		<p>Business challenge The client wanted to cater to a broader market, resulting in the acquisition of a legacy new business platform, which led to issues such as the following:</p> <ul style="list-style-type: none"> • Time-consuming and cost-intensive new business processes • Bottlenecks such as manual interventions involved in the underwriting process, which hampered the process velocity • Overall impact on the business, as competitors offered quicker processing time <p>Solution</p> <ul style="list-style-type: none"> • TCS offered a solution blueprint aligning to the customer's existing technical platform of the system of records • Enabled a digitized paper-based underwriting process • Enabled digital signature in the policy document for insurers and insureds • Facilitated the online delivery of policy documents to customers via email <p>Impact</p> <ul style="list-style-type: none"> • Saved 90% underwriting effort • Reduced processing time from 30 days to two days • Increased customer satisfaction by completing 60% underwriting requirements within 24 hours of delivery 	

TCS | application and digital services in L&A insurance profile (page 4 of 4)

Enterprise sourcing considerations – Leader

Measure of capability:  Low  High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
								

Strengths

- TCS has a well-diversified revenue base across North America, Europe, and the UK and other geographies, in addition to a balanced presence across onshore, nearshore, and offshore locations among its peer set
- Deep domain expertise, customer context awareness, and innovation pedigree utilizing TCS' CoIN (co-innovation) ecosystem have enhanced TCS' relevance as a trusted advisor and end-to-end transformation partner
- TCS' continued focus on investments in developing solutions and accelerators such as Insurance Agent 720 analytics solution to enhance agent experience, ESG integration solution built on AWS to measure ESG for investment analysis, and leveraging the acquisition of BridgePoint Group to improve domain knowledge across the retirement and pensions value chain have strengthened its value proposition for L&A insurers

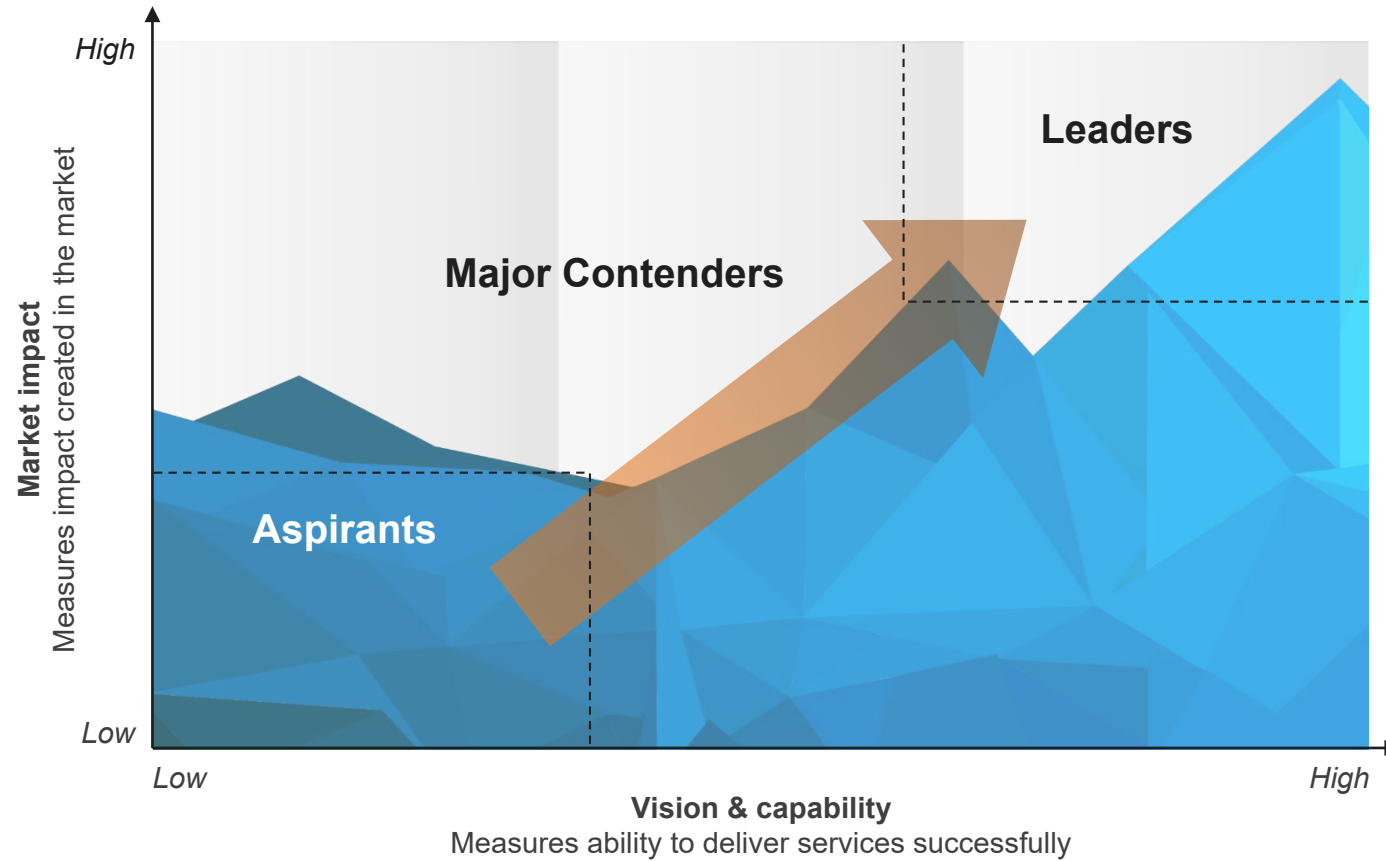
Limitations

- TCS should look to enhance its market positioning with respect to peers via partnerships and develop joint GTM strategy with leading L&A insurance core platform providers
- Clients have expressed concerns about TCS' limited ability to manage a steady state of resources and attrition in certain engagements; it should look to improve its value proposition and talent retention to maintain consistent experience for its clients

Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

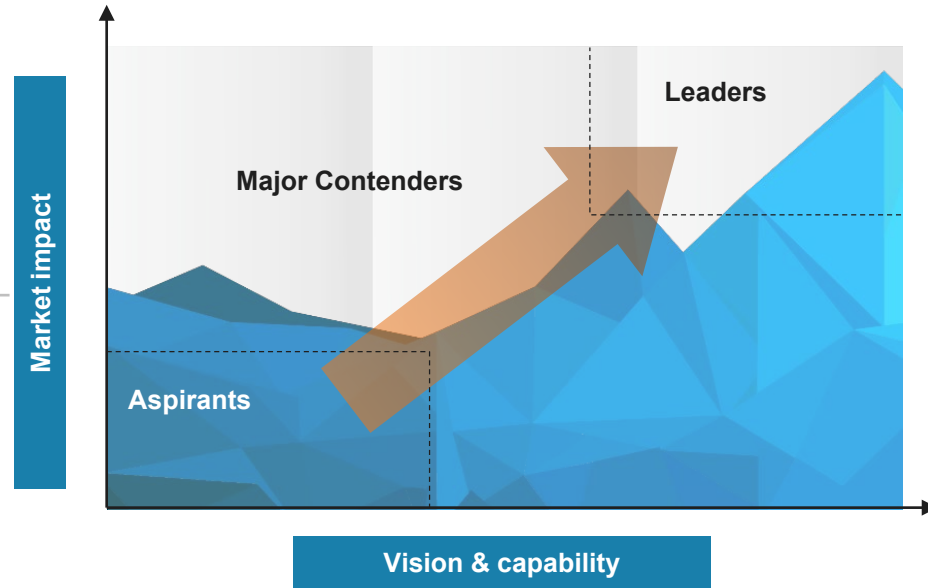
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
Number of clients, revenue base, YoY growth, and deal value/volume
- Portfolio mix**
Diversity of client/revenue base across geographies and type of engagements
- Value delivered**
Value delivered to the client based on customer feedback and transformational impact



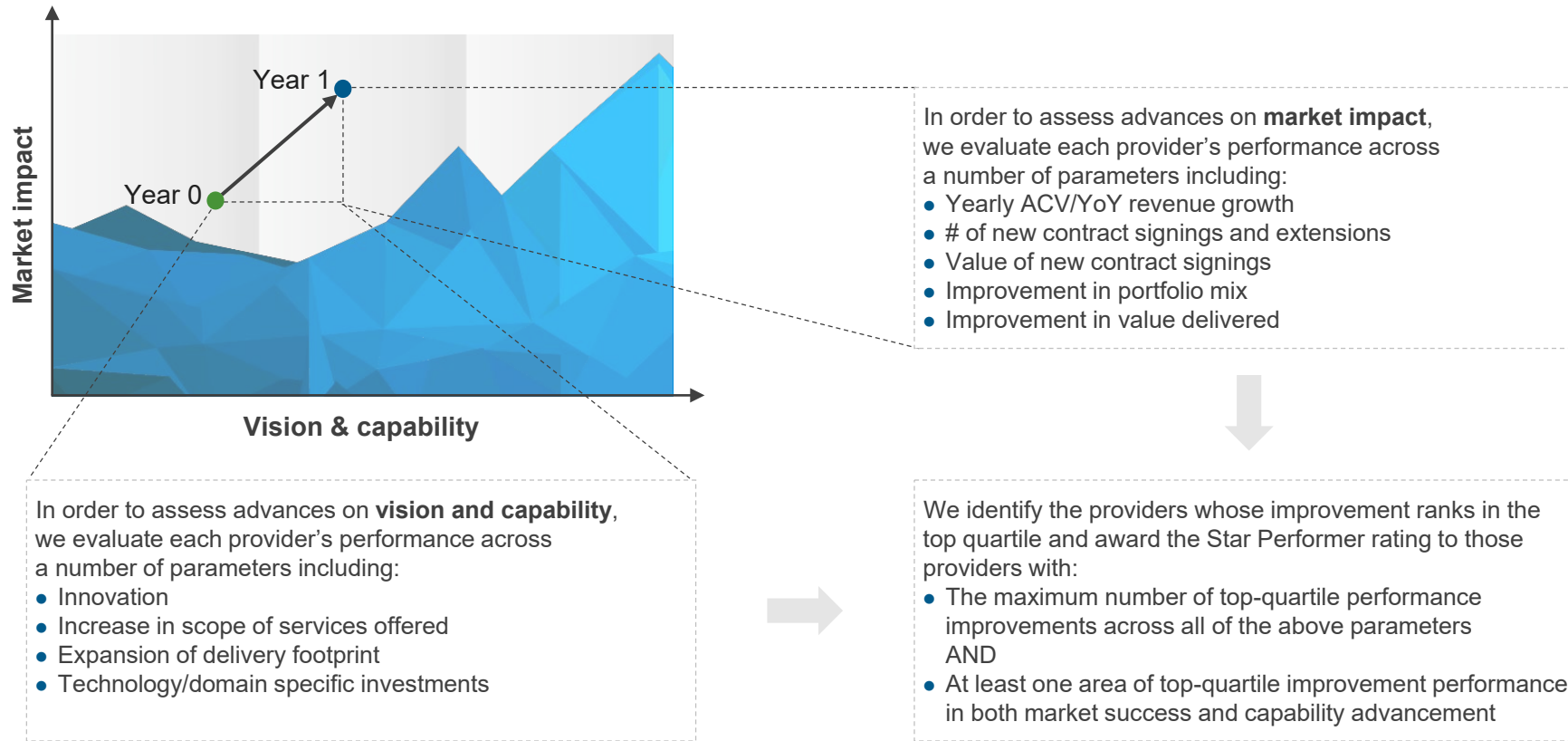
Measures ability to deliver services successfully. This is captured through four subdimensions

- Vision and strategy**
Vision for the client and itself; future roadmap and strategy
- Scope of services offered**
Depth and breadth of services portfolio across service subsegments/processes
- Innovation and investments**
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.
- Delivery footprint**
Delivery footprint and global sourcing mix

Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

Methodology

Everest Group selects Star Performers based on the relative YoY improvement on the PEAK Matrix



The Star Performers title relates to YoY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?

No. The PEAK Matrix highlights and positions only the best-in-class providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition.

What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Enterprise participants receive summary of key findings from the PEAK Matrix assessment
- For providers
 - The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
 - In addition, it helps the provider/vendor organization gain brand visibility through being included in our research reports

What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

- Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:
 - Issue a press release declaring positioning; see our [citation policies](#)
 - Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
 - Use PEAK Matrix badges for branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with Everest Group; please contact your CD or [contact us](#)

Does the PEAK Matrix evaluation criteria change over a period of time?

PEAK Matrix assessments are designed to serve enterprises' current and future needs. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality and to serve enterprises' future expectations.



Everest Group is a leading research firm helping business leaders make confident decisions. We guide clients through today's market challenges and strengthen their strategies by applying contextualized problem-solving to their unique situations. This drives maximized operational and financial performance and transformative experiences. Our deep expertise and tenacious research focused on technology, business processes, and engineering through the lenses of talent, sustainability, and sourcing delivers precise and action-oriented guidance. Find further details and in-depth content at www.everestgrp.com.

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