

Everest Group PEAK Matrix[®] for Insurance Analytics and Insights (A&I) Third-party Service Providers 2020

Focus on Cognizant
August 2020



Background and methodology of the research

In recent times, insurance Analytics & Insights (A&I) has emerged as a fast-growing, high-potential market. Insurance enterprises are looking beyond traditional data management services to focus on customer experience. To tap into the dynamically changing consumer needs of today and optimize their product portfolios with targeted offerings, insurers have started leveraging third-party support for analytics services. Service providers, in turn, have started investing in advanced analytics, in addition to visualization and reporting services.

In this research, we present detailed assessments of 17 insurance A&I service providers, based on their vision, capabilities, and market impact, and look at their relative positioning on the Everest Group PEAK Matrix® for Insurance A&I Services. Our assessment is based on Everest Group’s annual RFI process for H2 2019, interactions with leading insurance A&I service providers, client reference checks, and an ongoing analysis of the insurance A&I services market.

This report features 17 insurance A&I service provider profiles, each of which includes:

- Relative positioning of the service provider on Everest Group’s PEAK Matrix® for insurance A&I services
- Service provider market impact
- Service provider vision and capability assessment across key dimensions
- Comments about service providers

Scope of this report:



Geography
Global



Service providers

Accenture, Bridgei2i, Capgemini, CGI, Cognizant, Conduent, DXC Technology, EXL, Genpact, Infosys, Mphasis, NTT DATA, Sutherland Global Services, TCS, Virtusa, WNS, and Xceedance



Services

The report covers vertical-specific A&I services within the insurance space and does not cover horizontal business processes, such as Finance and Accounting (F&A), Human Resource (HR), procurement, and contact center

Introduction and scope

Everest Group recently released its report titled “[Insurance Analytics and Insights \(A&I\) Third-party Services PEAK Matrix® Assessment 2020](#).” This report analyzes analytics services and offerings being delivered in the insurance marketplace and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 17 service providers on the Everest Group PEAK Matrix® for insurance A&I services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix® is a framework that provides an objective, data-driven, and comparative assessment of insurance A&I service providers based on their absolute market success and delivery capability.

Based on the analysis, **Cognizant emerged a Leader on the PEAK Matrix®**. This document focuses on **Cognizant’s** insurance A&I experience and capabilities and includes:

- Cognizant’s position on the insurance A&I third-party services PEAK Matrix®
- Detailed insurance A&I services profile of Cognizant

Buyers can use the PEAK Matrix® to identify and evaluate different service providers. It helps them understand the service providers’ relative strengths and gaps. However, it is also important to note that while the PEAK Matrix® is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements, as well as match them against service provider capability for an ideal fit.

Everest Group PEAK Matrix® for Insurance A&I Services

As part of the Everest Group PEAK Matrix® assessment, we classified 17 insurance A&I service providers as Leaders, Major Contenders, and Aspirants on the basis of their overall vision and capability, and market impact.

Leaders

Three service providers feature in the Leaders category – Cognizant, EXL, and Genpact

Major Contenders

The Major Contenders category has 11 service providers – Accenture, Bridgei2i, Capgemini, CGI, DXC, Mphasis, NTT DATA, Sutherland Global Services, TCS, WNS, and Xceedance

Aspirants

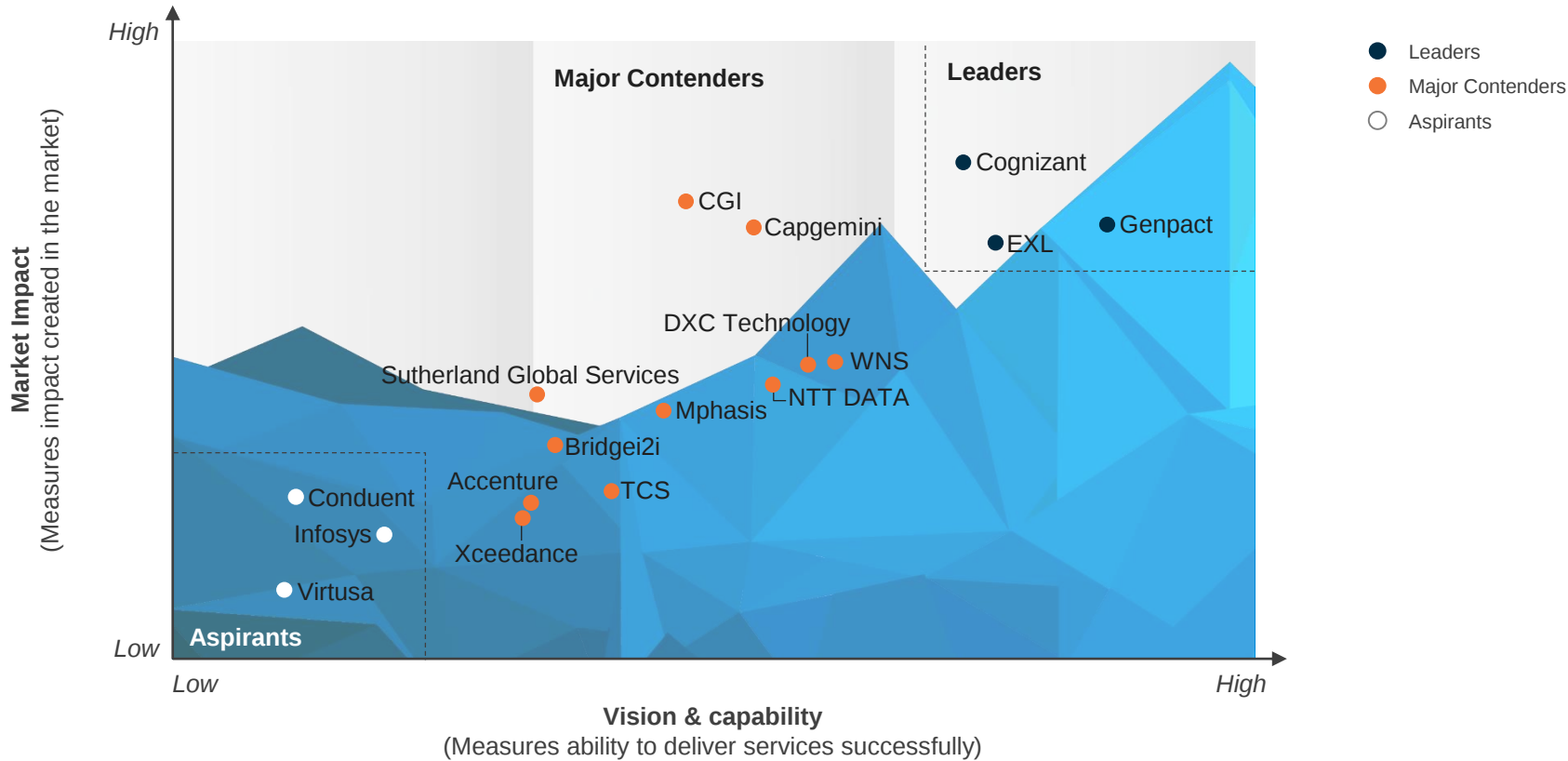
Conduent, Infosys, and Virtusa feature as Aspirants on the PEAK Matrix®

Everest Group PEAK Matrix®

Insurance Analytics and Insights (A&I) Third-party Services PEAK Matrix® Assessment 2020 | Cognizant positioned as Leader



Everest Group Insurance Analytics and Insights (A&I) Third-party Services PEAK Matrix® Assessment 2020



Note 1: Service providers scored using Everest Group's proprietary scoring methodology given on page 26 in the main report

Note 2: Assessment for Accenture, Conduent, Infosys, TCS, Virtusa, and Xceedance excludes service provider inputs and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with insurance buyers. For these companies, Everest Group's data for assessment may be less complete

Source: Everest Group (2020)

Cognizant| insurance A&I services profile (page 1 of 5)

Overview

Company overview

Cognizant is a professional services company that transforms clients' business and technology models for the digital era. It has insurance practice in the industry supported by 40,400+ associates, delivering services for 220+ clients from 100+ delivery centers across North America, Europe, and Asia Pacific. Its helps clients envision, build, and run innovative and efficient businesses.

Key leaders

- Brian Humphries, CEO
- Bret Greenstein, SVP, Global Head of AI
- Ajish Gopan, North America Commercial Head – Insurance, AI & Analytics
- Raman Narasimhan, VP, AI & Analytics, India

Headquarter: Teaneck, New Jersey, United States

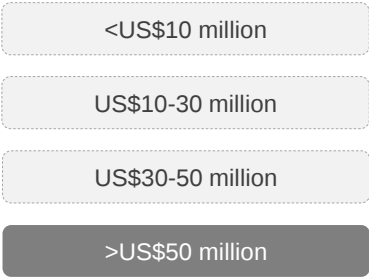
Website: www.cognizant.com

Insurance A&I services talent capabilities

Actuaries	✓	Visualization experts	✓	Evolutionary AI scientists	✓
CAT modelers	✓	Business analysts	✓	Embedded analytics	✓
Data engineers	✓	Anthropologists	✓	Analytical story tellers	✓
Data scientists	✓	Data analysts	✓	Model and dataOps	✓

■ Strategy & consulting services ■ BI & visualization services ■ Advanced analytics services ■ Others

Size of insurance A&I services practice



Mix of insurance A&I services



Recent developments

2019: Invested in developing its talent pool through insurance-focused trainings such as Guidewire, DuckCreek, and other administration platforms, in addition to trainings on Artificial Intelligence (AI) and analytics technologies, California Consumer Privacy Act (CCPA), and other regulatory compliance tools. Cognizant customized its platform solutions such as Intelligent Data Works (IDW) and BigDecisions® to host insurance specific applications and data modernization utilities

2019: Invested in partnerships with Amazon Web Services (AWS), Google, Microsoft, and IBM to develop modern data engineering and analytics platforms for its clients. In addition, Cognizant also recruited several service line specialists and enterprise architects with AI and analytics experience from insurance companies. Cognizant's solutions such as Platinum, Interactive Exposure Maps, Property Insights, iVALUE, Maximus, and Jupiter have been implemented at several insurance companies to generate significant business outcomes

Cognizant| insurance A&I services profile (page 2 of 5)

Client portfolio

Strengths	Areas of improvement
- One of the leading players in the insurance A&I services market, growing at a double-digit rate. Has a large and well-expanding client base - Current portfolio is well diversified across various buyer sizes and has a well-distributed presence across P&C and L&P insurance markets - An AI-driven approach through its data modernization platform helps in accelerating outcomes from data ingestion to insights generation. Its broad range of digital solutions, backed by external and internal strategic investments, positions it well in terms of its technology assets - Current scope of services is well-balanced across advanced analytics, data visualization, and strategy and consulting services, with a larger revenue share from advanced analytics services - Buyers appreciate Cognizant for its technical and domain expertise and overall proactiveness during their engagements	- Most of the company's revenue is attributed to embedded analytics deals from IT/BPO engagements, with few standalone wins, which may limit opportunities to create a stronger referenceability/positioning for its standalone analytics service offerings in the market - With its clientele largely concentrated in North America, it may currently not be well placed to cater to enterprises looking for third-party support in Asia Pacific, the UK or Continental Europe - The company's delivery is entirely restricted to offshore locations that may be a hindrance in ensuring client proximity, access to sophisticated talent, and ability to deliver transformational data and analytics projects - Buyers have highlighted the need for more clarity in the firm's current documentation process. They have also pointed out room for improvement in integrating its resources with the client's onsite staff
Insurance A&I services mix by line of business¹ Percentage of revenue >40% 10-40% <10% Property & Casualty (P&C) Life & Annuity (L&A) Others (such as brokers/MGAs) Insurance A&I services mix by Buyer size Percentage of revenue >40% 10-40% <10% Small-sized buyers (annual revenue < US\$5 billion) Mid-sized buyers (annual revenue US\$5-10 billion) Large-sized buyers (annual revenue > US\$10 billion) <tr><td> Insurance A&I services mix by functional areas %age of revenue >20% 10-20% <10% Actuarial analytics Sales and distribution Intermediary management Underwriting Claims Operational analytics Customer service analytics Insurance A&I services mix by geography Percentage of revenue >40% 10-40% <10% North America United Kingdom Continental Europe Latin America Asia Pacific Middle East & Africa </td></tr>	Insurance A&I services mix by functional areas %age of revenue >20% 10-20% <10% Actuarial analytics Sales and distribution Intermediary management Underwriting Claims Operational analytics Customer service analytics Insurance A&I services mix by geography Percentage of revenue >40% 10-40% <10% North America United Kingdom Continental Europe Latin America Asia Pacific Middle East & Africa
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Cognizant| insurance A&I services profile (page 3 of 5)

Delivery landscape

Insurance A&I services delivery locations



Cognizant| insurance A&I services profile (page 4 of 5)

Solutions

NOT EXHAUSTIVE

Proprietary IP/solutions/frameworks/accelerators/tools developed internally to deliver A&I services to insurance customers	
Solution name	Details
AI-powered causality engine	An AI-powered engine that enables users to connect predictive signals in their data to focus on what matters and identify the actions to achieve business outcomes
BigDecisions®	A platform integrating pre-built elements across the Data and Analytics (D&A) value chain and enabling quicker realization of objectives. The three major components include enterprise data lake that consists of pre-built workbenches for entire data management lifecycle, enterprise analytics constituting of pre-built analytical apps that are relevant for industry-specific use-cases, and AI essentials to implement cognitive services
Cognizant Optima Intake™	A configurable platform built for insurance that enables automatic document identification, extraction of multi-format data while improving the quality and efficiency of any data intake process. It supports end-to-end automated Indexing, Splitting, and Labeling (ISL), Data Extraction (DE), and data transformation from structured, semi-structured, tabular, and unstructured documents using a patented library of extraction algorithms
Cognizant Optima MedWise™	A complete framework for medical necessity review, combining a software platform with clinical services delivered by registered nurses that comes with full integration and staff training. It provides the ability to establish an evidence-based claim level treatment plan that is easily modified and updated as claims progress. It also enables a single comprehensive historical view of a claimant's approved injuries, anticipated treatment plan, and progression of medical care
Intelligent Data Works (IDW)	A foundry of tools for data modernization created by Cognizant for complimentary use by its clients, who are undertaking data modernization journey. The IDW foundry accelerates data modernization efforts by up to 50%-80% through automated code generation utilities, upgrading ability to assess large data sets for migration, automate validation, and testing during and post migration to cloud
Learning Evolutionary Algorithm Framework (LEAF™)	An AI platform that uses the advanced algorithms, deep learning, and distributed computation technology to tackle complex problems and derive meaningful results. LEAF™ makes it possible to discover new solutions that optimize several business objectives at once thus augmenting human decision-making. It also allows businesses to apply Evolutionary AI™ to scale and optimize their current solutions

Cognizant| insurance A&I services profile (page 5 of 5)

Investments and partnerships

NOT EXHAUSTIVE

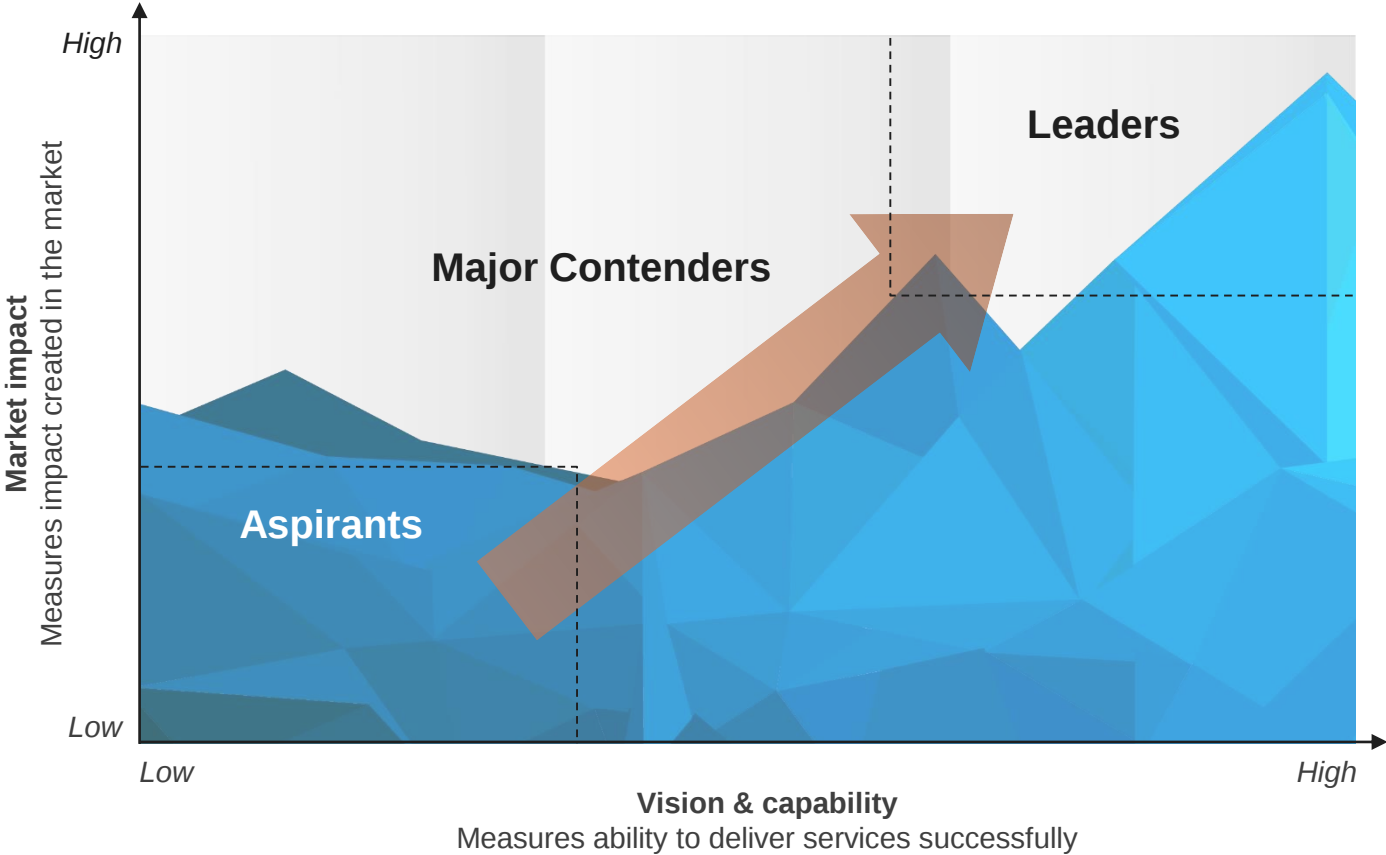
Key investments to enhance capabilities for delivery of insurance A&I services	
Investment type	Details of how the investment augments insurance A&I services delivery capabilities
Acquisition	Acquired Contino, Sentient, and Softvision to strengthen its capabilities in digital transformation initiatives, with Contino’s capabilities in building cloud platforms, legacy application transformation, enterprise DevOps, and advanced analytics; Sentient’s evolutionary AI offering; and Softvision's capabilities in pod-based agile delivery models
Center of Excellence (CoE)	Cognizant has a dedicated Research and Development (R&D) organization (Global Technology Office (GTO)) that innovates with new technologies, generates, and brings offerings to market. Its global innovation ecosystem is supported by R&D centers and innovation labs dedicated to AI services such as collaboratories, digital labs, Digital Systems (DS) and deep learning lab, AI labs, and AI CoE. Some of the CoEs are big data CoE, digital analytics CoE, and AI CoE, in addition to the collaboratories in New York, London, Amsterdam, and Melbourne
Partnership	Cognizant’s key partners are Microsoft, IBM, Google, and AWS. Cognizant is a cloud premier partner for Google, premier consulting partner for Amazon, premium business partner for IBM, and has a 360-degree relationship with Microsoft. By collaborating with these firms, Cognizant has developed numerous innovative solutions. Cognizant also has strategic partnerships with Validic and Guidewire, whose platforms help Cognizant to drive digital transformation journeys of insurance clients
Talent development	Cognizant developed partnerships with various academic institutions and digital talent acquisition firms through Cognizant US foundation to help develop digital literacy and reduce the digital talent availability gap. Learning and Development (L&D) industry bodies such as the association for talent development, Brandon Hall group, and the learning and performance institute have recognized its work. Cognizant’s Dallas-based platform by Per Scholas provides training in high-demand technology and business skills

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

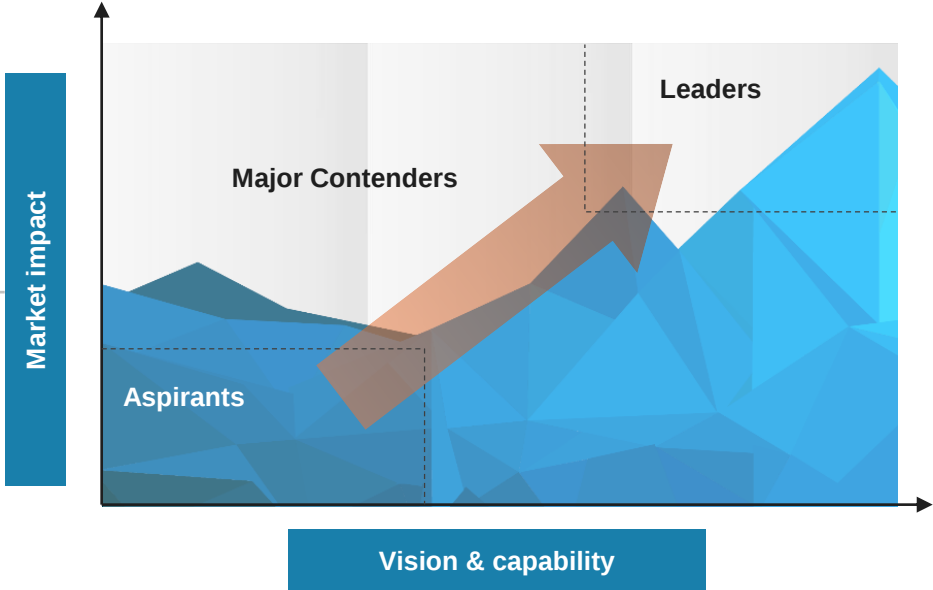
Number of clients, revenue base, YOY growth, and deal value/volume

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

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/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 service 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 PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

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

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

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
 - Issue a press release declaring their positioning. See [citation policies](#)
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

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

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. 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 as well as serve the future expectations of enterprises



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