



Everest Group PEAK Matrix™ for Retail Banking BPO Service Providers

Focus on Wipro
January 2017



Everest Group recently released its report titled “[Retail Banking BPO – State of the Market with PEAK Matrix™ Assessment 2016: Analytics and Innovation at the Forefront in Challenging Times](#)”. This report analyzes the changing dynamics of the retail banking BPO landscape and assesses service providers across several key dimensions.

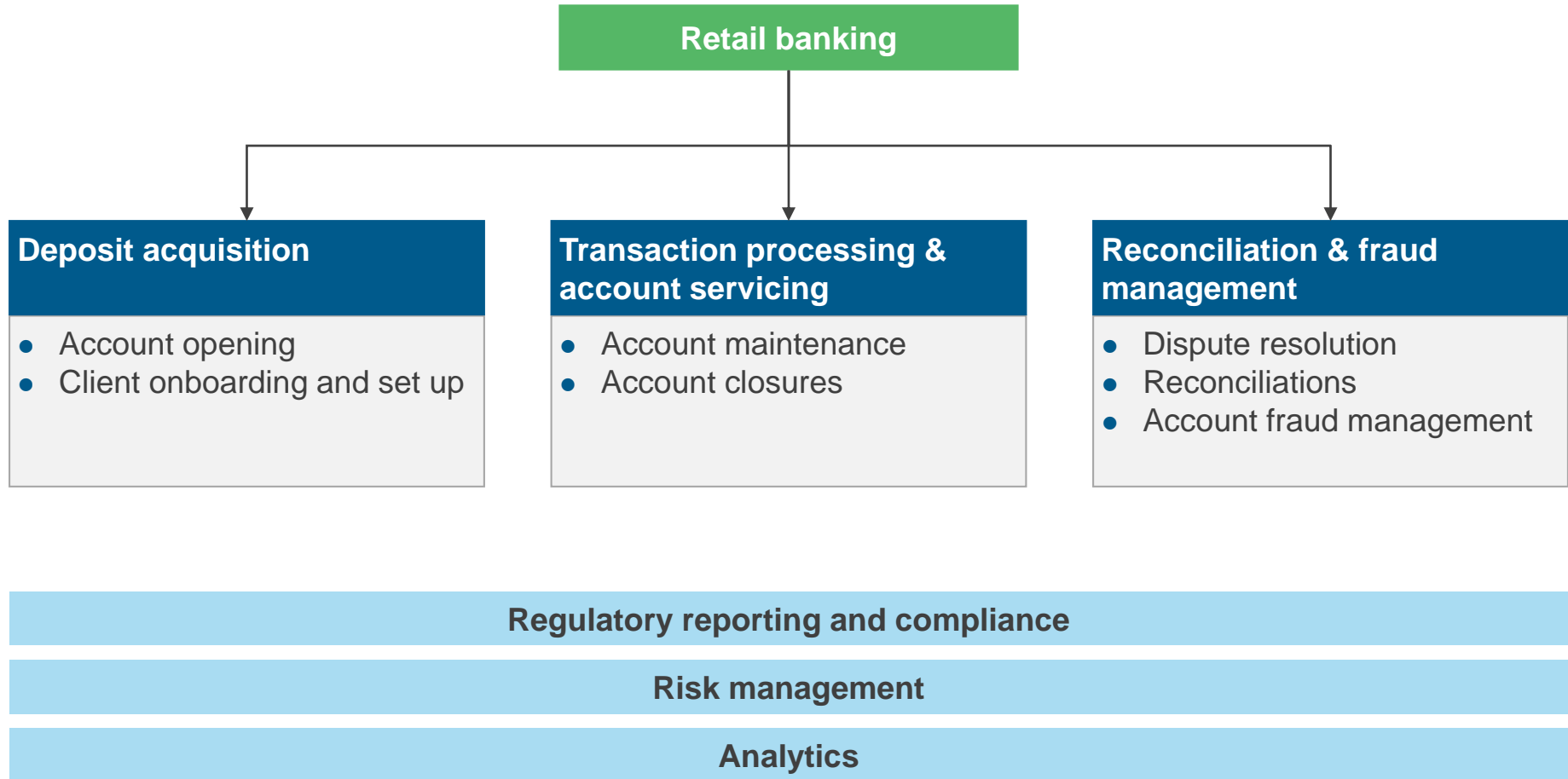
As a part of this report, Everest Group updated its classification of 19 service providers on the Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix for retail banking BPO into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of retail banking BPO service providers based on their absolute market success and delivery capability.

Based on the analysis, **Wipro emerged as a Leader**. This document focuses on Wipro’s retail banking BPO experience and capabilities. It includes:

- Wipro’s position on the Everest Group retail banking BPO PEAK Matrix
- Detailed retail banking BPO profile of Wipro

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, and match them against service provider capability for an ideal fit.

Everest Group's view of the retail banking BPO value chain

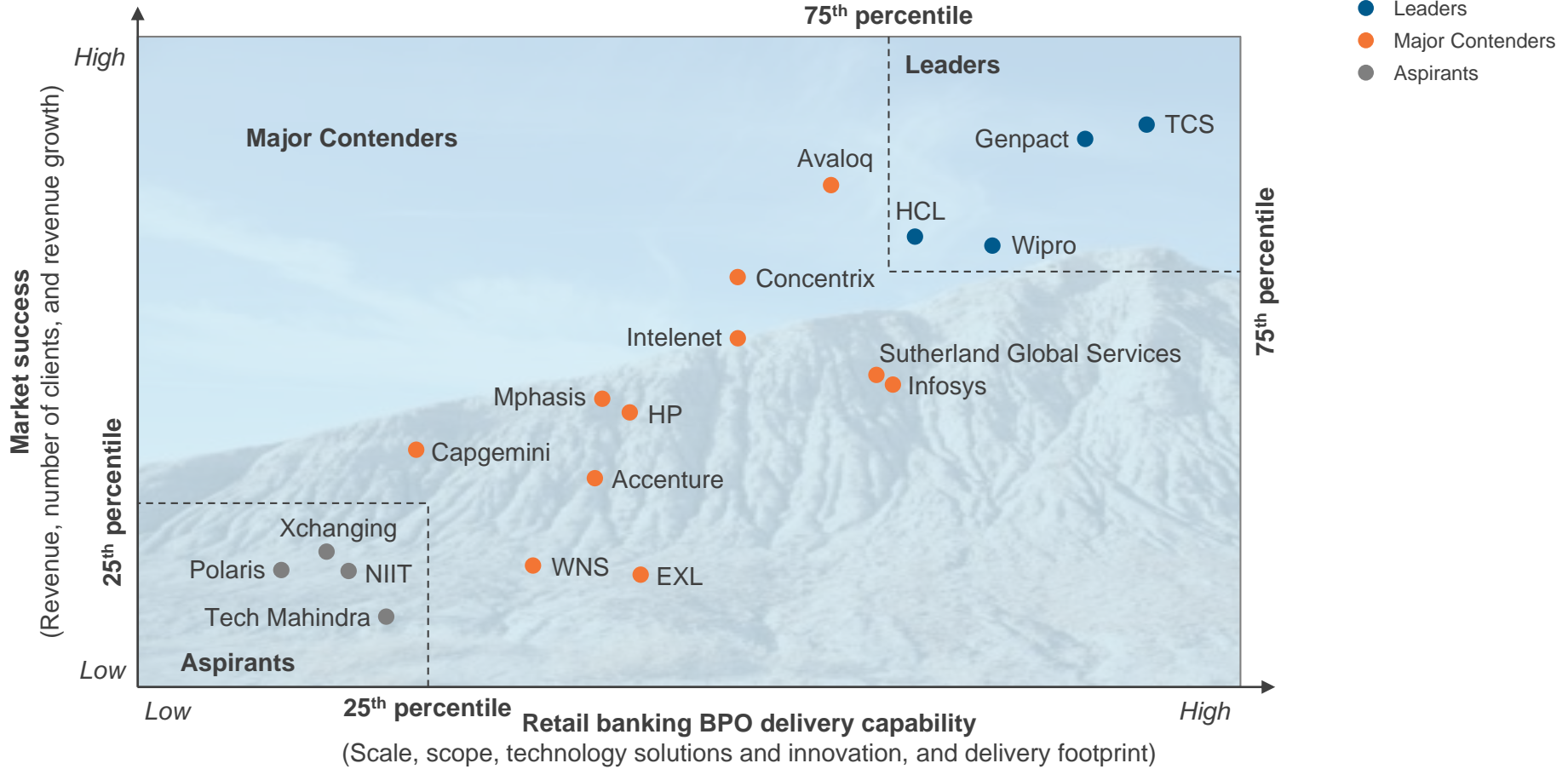


Source: Everest Group (2017)

Everest Group PEAK Matrix – 2016 retail banking BPO market standings

Performance | Experience | Ability | Knowledge

Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix¹ for retail banking BPO



¹ Service providers scored using Everest Group's proprietary scoring methodology

Note: Service provider assessments are based on data collected through December 31, 2015. Any changes in capabilities due to M&A activity after this date are not reflected in the current analysis

Source: Everest Group (2017)

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Everest Group assessment¹

Measure of capability: ● Best-in-class ◐ Not mature ■ Leaders ■ Major Contenders ■ Aspirants

Delivery capability					Market success
Scale	Scope	Technology and innovation	Delivery footprint	Overall	
◐	●	◐	◐	◐	●

Strengths

- Wipro enjoys significant presence in the important United Kingdom market
- It leverages a balanced delivery mix, with good coverage of offshore, nearshore, and onshore locations, to provide services to its clients
- It has shown healthy growth in revenue and number of FTEs in the retail banking segment

Areas of improvement

- There is scope for improvement in its revenue per FTE in this segment
- Though it earned appreciable revenue, it has a limited number of clients. It should look to win contracts from new clients to mitigate its concentration risk
- It should work on developing platform-based solutions to offer greater value to its clients

¹ Based on contractual and operational information as of December 2015
 Source: Everest Group (2017)

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Retail banking BPO – overview

Company overview: Wipro Ltd. is an information and technology company that delivers solutions in the fields of technology, consulting, and outsourcing. It has a workforce of over 140,000, serving clients in more than 175 cities globally. In addition to a wide array of IT services, it also offers business process services through Wipro BPO.

Key leaders

- Azim H. Premji, Chairman
- Jatin Dalal, Chief Financial Officer
- Shaji Farooq, Senior Vice President – Finance Solutions
- Trupti Mukker, Global Head – Banking, Insurance, and Mortgage BPO

Headquarters: Bengaluru, India

Website: www.wipro.com

Suite of services

- Mortgage
- Cards & payments
- Data management
- Enterprise banking

	2013	2014	2015
Revenue (US\$ million)	N/D ¹		
Number of FTEs	N/D	N/D	650
Number of clients	4	4	4

Recent acquisitions and partnerships

- **2012:** Acquired Promax, an analytics firm in Australia focusing on trade promotion, management, and optimization solutions
- **2011:** Entered into a strategic agreement with Temenos to jointly deliver core banking ASP Service

Recent developments

- **2014:** Developed OpusPanorama, a proprietary web-based due diligence and risk management software
- **2013:** Launched the first-ever retail banking digital marketing study in association with Efma

¹ Not disclosed

Source: Everest Group (2017)



Source: Everest Group (2017)

Key retail banking BPO engagements

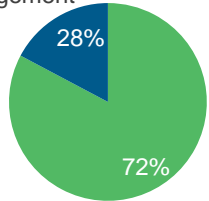
Client name	Region	Client since
Leading UK-based MNC bank	United Kingdom	2015
A leading financial institution in South Africa	Middle East and Africa	2011
Leading North American bank	North America	2002

Retail banking BPO FTE mix by segment

FTEs in numbers

100% = 650

Reconciliation & fraud management

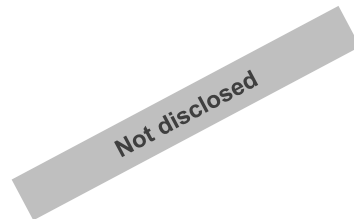


Transaction processing & account servicing

Retail banking BPO revenue mix by geography

Revenue in US\$ million

100% = Not disclosed

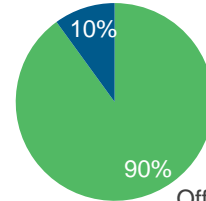


Retail banking BPO FTE split by delivery location

FTEs in numbers

100% = 650

Onshore

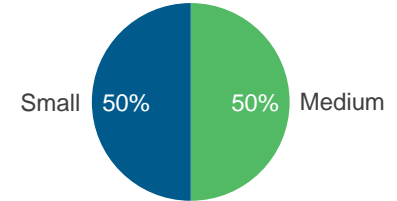


Offshore

Retail banking BPO number of contracts by buyer size¹

Number of active contracts

100% = 4



¹ Buyer size is defined as large (>US\$10 billion in revenue), medium (US\$5-10 billion in revenue), and small (<US\$5 billion in revenue)

Note: Based on contractual and operational information as on December 2015

Source: Everest Group (2017)

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Retail banking BPO – technology solutions/tools and risk management & regulatory reporting

Application	Year launched	Description	No. of BPO clients
Apollo	2015	A new fraud control and anomaly detection platform to enable financial institutions and banks address challenges in managing fraud, risk, and compliance. Apollo relies on real-time anomaly detection through surveillance of big data analytics and machine learning	N/A ¹
Collection and recoveries	2015	A solution for collection and recoveries that includes various technology levers such as robotics, AI, and analytics tools that can be deployed at different stages of the collections lifecycle	2
Fraud & AML management	2015	Enterprise-Know Your Customer (e-KYC), an automation solution developed for global financial institutions, built on the company's artificial intelligence platform "Wipro HOLMES". This solution is being offered as Business-Process-as-a-Service (BPaaS)	5
RPA	2015	Robotic Process Automation (RPA) helps organizations to optimize cost and enhance customer experience by eliminating human errors. RPA has been a shot-in-the-arm for outsourced processes as it reduces costs associated with labor, which is the fulcrum of the service industry today	2
Data analytics		Analytics capabilities to capture insights on consumer behavior, performance, drivers for delinquency	N/A

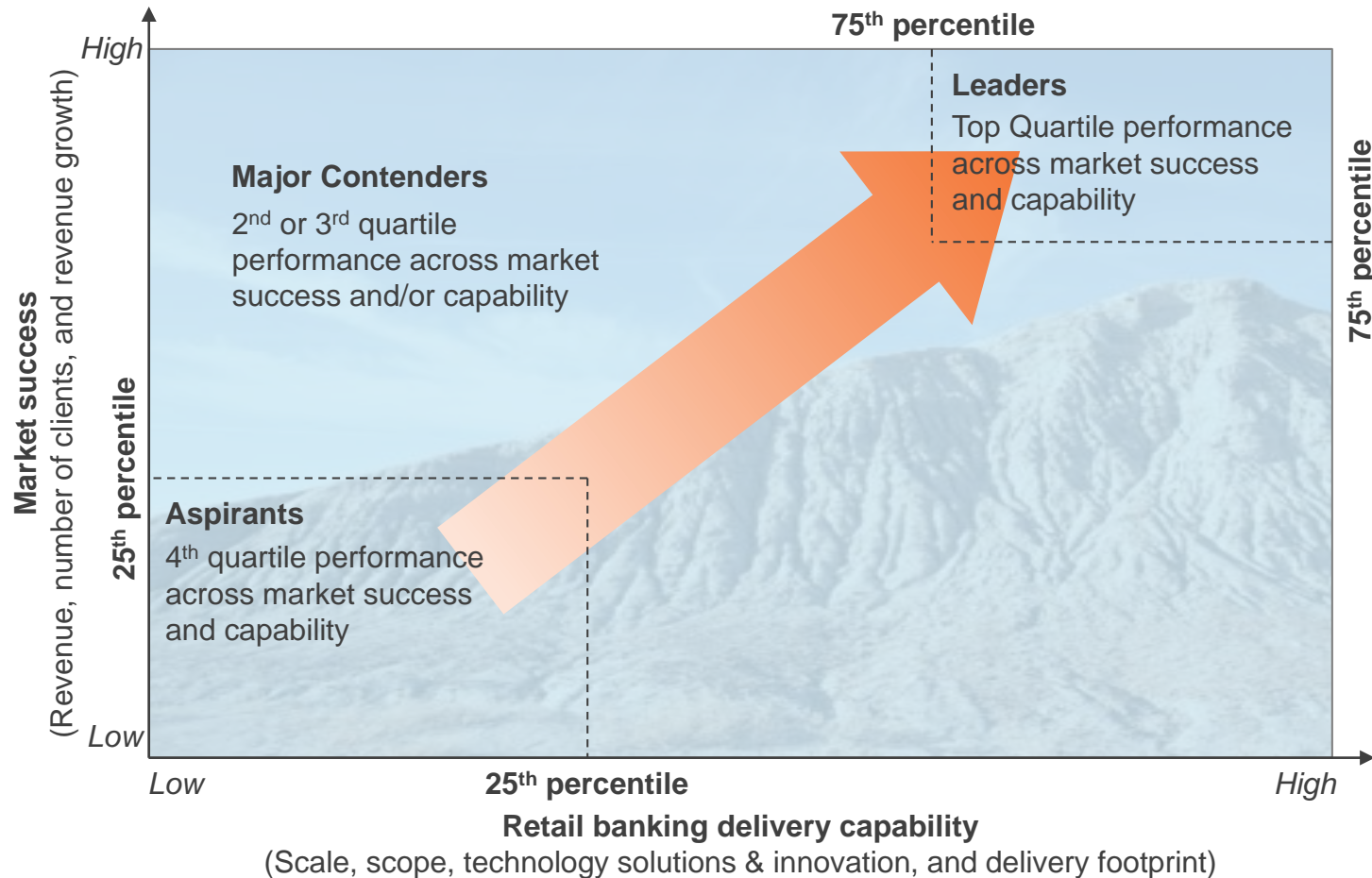
Risk management support	Description	No. of BPO clients
Operations risk	<ul style="list-style-type: none"> Implements controls towards information security and BCP risks in all accounts as part of contractual obligations Operational risk analyst conducts operational control testing for the entire insurance and Payment Protection Insurance (PPI) operations 	5
Regulatory risk	A dedicated risk and compliance team to ensure enough controls to mitigate regulatory risks	1

¹ Not available
 Source: Everest Group (2017)

Appendix

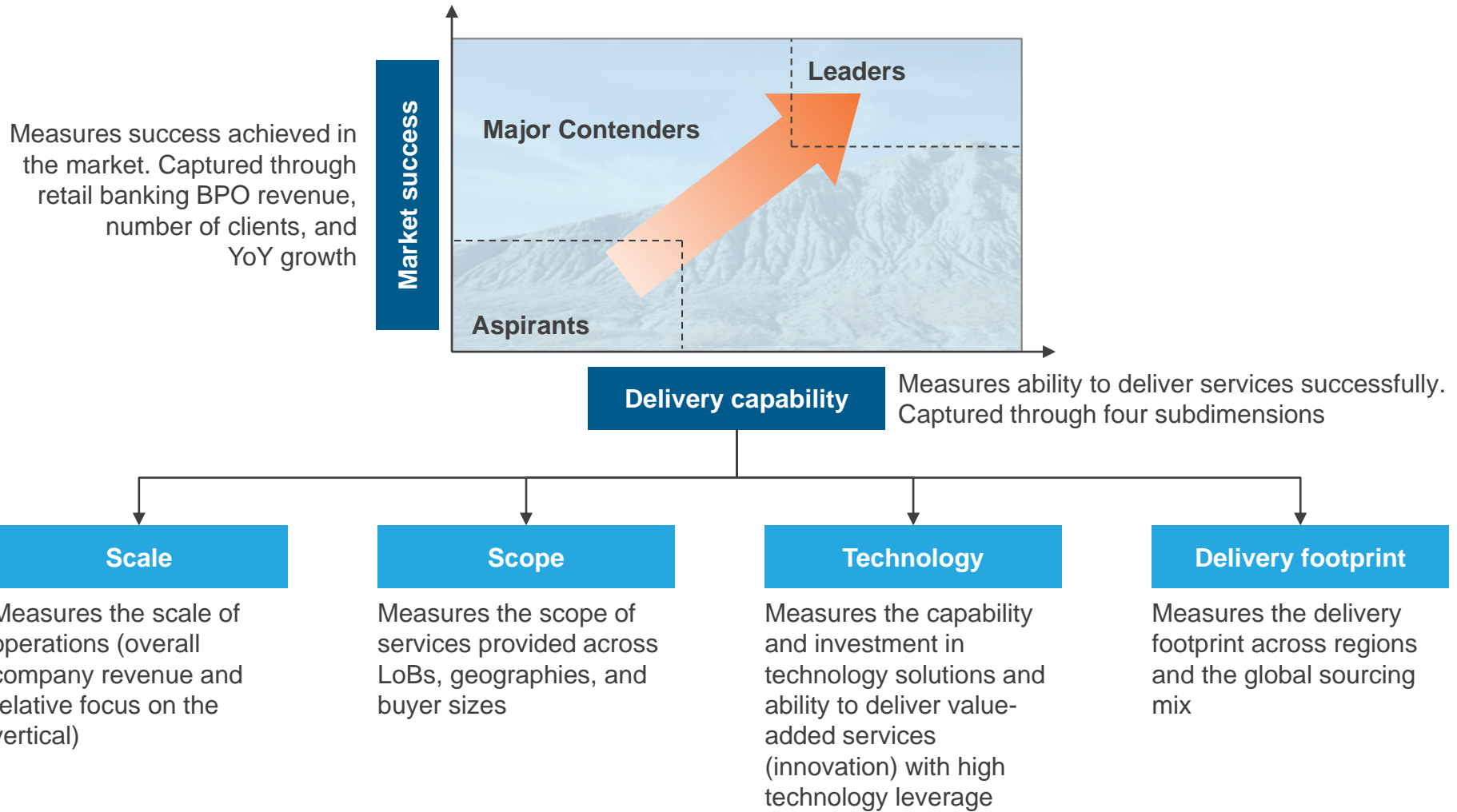
Everest Group classifies the retail banking BPO service provider landscape into Leaders, Major Contenders, and Aspirants on the Everest Group PEAK Matrix

Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix¹



¹ Service providers scored using Everest Group's proprietary scoring methodology

Service providers are positioned on PEAK Matrix based on evaluation across two key dimensions



Does the PEAK Matrix assessment incorporate any subjective criteria?

- The Everest Group’s PEAK Matrix assessment adopts an objective and fact-based approach (leveraging service provider RFIs and the 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 briefings

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

- No. PEAK Matrix highlights and positions only the best-in-class service providers in a particular functional/vertical. 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 in itself a favorable recognition

What other aspects of the PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

- The PEAK Matrix position is only one aspect of the 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 to the buyers in selecting particular providers for their specific requirements. It also helps providers showcase their strengths in specific areas

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

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers 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 to leverage their PEAK Matrix positioning status ?

- Providers can use their PEAK Matrix positioning in multiple ways including:
 - Issue a press release declaring their positioning/rating
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from the Everest Group’s analysts could be disseminated to the media
 - Leverage the 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**



About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com and research.everestgrp.com.

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