P&C insurance CIOs will find vendors taking differing approaches to innovation, cloud deployment, technical evolution and maturity of platform offerings, creating challenges on how to compare them. CIOs can use this research to identify and evaluate vendors and solutions best suited to their goals.

This Magic Quadrant is related to other research:
View All Magic Quadrants and Critical Capabilities

Market Definition/Description
This Magic Quadrant provides insight into the North American market for P&C core platforms aimed at very large Tier 1 insurers and implementations through small/regional Tier 5 carriers (see Note 1). It does not represent a comprehensive market scan of all vendors offering P&C core systems. Instead, it is a review of established and emerging vendors offering P&C core platforms with broad customer, partner, data and employee-focused capabilities suitable for multiline P&C insurers. The version of the vendor's product(s) evaluated by Gartner for this report is what was generally available as of 31 March 2021.

Gartner defines the P&C insurance platform market as composed of offerings that include elements such as:
Core systems, including core modules for:

- Policy management, which provides full, end-to-end policy management and issuance functionality — including quoting, rating, underwriting, policy generation and statistical reporting.
- Billing management, which supports the entire insurance billing and collections cycle, including functionality, such as electronic bill presentment and payment (EBPP).
- Claims management, which combines claims administration and business process management (BPM) to support every phase of the end-to-end claims process for property and casualty (P&C) insurers, from first notice of loss (FNOL) through settlement and reporting.

- Data repository, which uses a reference data model to centralize data from both core systems that are a part of the platform and other external systems.
- Reporting and analytics, which provides prebuilt dashboards and reports with industry-specific key performance indicators and support for ad hoc analysis.
- Policyholder portal and apps, which provide sales and self-service functions from any device, and enable customers to engage in interactions, ranging from simple account information updates to support for new policy applications and claims submission, and tracking.
- Agent portal and apps, which provide agents with a variety of functions, such as lead management, needs analysis, collaboration with underwriters, account management, policy, billing and claims management capabilities, and agent analytics.
- Supplier portal and apps, which enable collaboration and online transactions with supply chain partners, such as automobile repair shops.
- Integration accelerators, which extend the functionality of the core platform by tapping an ecosystem of third parties offering additional functional capabilities and data sources.
- A venue such as an app store or marketplace that enables customers to search for, and more easily incorporate, technology, data or services from third-party vendors and insurtechs to extend the capabilities of their P&C core platform.
This list above is not exhaustive — the number of technologies that will be incorporated into core platforms will continue to expand over time — but it represents elements that are commonly available at this time.

This research will help CIOs better understand the P&C core platform market in North America and how to evaluate vendors. They'll be able to assess whether specific vendors’ platforms address their current needs and those of their future initiatives. In addition to the vendor’s completeness of vision and ability to execute, Gartner clients often ask practical questions regarding the basic profile of a vendor as a means of understanding a vendor's fit for their preferences. For example, some CIOs prefer small vendors with whom they develop intimate and long-lasting relationships, while others prefer the security of a global presence. In some cases, CIOs are laser-focused on starting up a greenfield with limited insurance product complexity, while others are planning to migrate complex sets of product types. As a result, they will require a vendor to have substantial data migration experience. This Magic Quadrant provides an overview of key vendor characteristics that clients often ask Gartner about to better understand the overall nature of the vendor when making vendor selection decisions.
Magic Quadrant
Magic Quadrant for P&C Core Platforms, North America

Source: Gartner (September 2021)
Vendor Strengths and Cautions

**BriteCore**

BriteCore is a Challenger in this Magic Quadrant. BriteCore has 111 employees and an estimated annual revenue of $15 million to $20 million. BriteCore offers a suite solution that includes core policy, billing, claims, rating and underwriting functionality, in addition to agent and policyholder portals. Britecore supports 54 suite deployments in production in North America, and the vendor has reported 12 new customer wins, all of which are suite wins. BriteCore’s product is developed in Python, with the database layer in Amazon Aurora, and is offered exclusively as SaaS.

In 2021, BriteCore deployed its personal auto product into production for a managing general agent (MGA) client, along with enhancements to its policyholder apps for auto enrollment and greater self-sufficiency functions, such as registering claims disputes.

**Strengths**

- **Sales Execution:** Britecore has had an exceptional number of new suite wins, with 12 new wins and 55 P&C insurers now live in production. The increase in wins and customers in production reduces the vendor viability risk.

- **Cloud:** BriteCore is built on a cloud-native architecture, deployed via Amazon Web Services (AWS), and is supported with an open-source development model. Insurance CIOs seeking a SaaS-ready solution will see this as favorable.

- **Upgradability:** Britecore operates a continuous development cycle, providing incremental updates to clients typically two to four times per week. New features can be released with opt-in functionality administered by clients through configuration settings, allowing clients to manage adoption and timing of new changes for their implementation.

- **Line of Business (LOB) Support:** Britecore’s introduction of support for personal auto will enable it to more readily service multiline Tier 4 and Tier 5 carriers in North America.

**Cautions**

- **Implementation Capacity:** The vendor’s total resource count has reduced by 11% between 2019 and 2020. Given the number of new projects the vendor has in implementation, CIOs will need to assess resource availability carefully ahead of committing to implementation.
Innovation: Britecore's medium-term roadmap themes lack innovation. It predominantly targets functional and technical enhancements for completing its end-to-end business solution suite and next-generation components. CIOs seeking innovative solutions or advanced functionality, such as automation and artificial intelligence (AI)/machine learning (ML), will need to factor in the project costs to undertake the necessary development and integration work.

SaaS Maturity: BriteCore's operational maturity of its SaaS model is still low. It has limitations on self-service capabilities for promoting changes and tools for managing the environment. Its core support hours are 8 a.m. to 5 p.m. Central Time, with out-of-hours support only available for critical defects. The vendor does not offer service credits for missed SLAs. Insurance CIOs considering SaaS deployment will need to validate that the vendor's capabilities are aligned with their expectations of SaaS solutions.

Resource Mix: At 41%, BriteCore has one of the highest percentage of contractors in its workforce among all the vendors in this year's Magic Quadrant. CIOs will need to carefully validate the depth of experience and the vendor's ability to retain staff engaged on projects.

DRC

DRC is a Niche Player in this Magic Quadrant. DRC has 131 employees and an estimated annual revenue of less than $30 million. DRC's modular solution includes core policy, billing, claims, rating and underwriting functionality, plus agent and policyholder portals. Its core modules are Microsoft .NET applications supported by a common Microsoft (MS) SQL database. DRC currently supports 20 core module deployments in production in North America. DRC secured no new wins for core modules in 2020 and 1Q21.

In 2020, DRC introduced a new build data upload facility, enhanced its scheduled error handling and updated its claims module user experience (UX).

Strengths

Cloud Deployment: The vendor has strategically decided upon Microsoft Azure as its cloud service provider for its SaaS offering. It no longer markets on-premises deployment, and 50% of its clients are live and in production on its cloud. This will be attractive to insurance CIOs seeking cloud deployment for their platform.

Rating: DRCs rating solution utilizes Microsoft Excel for the configuration of rates and rules. Carriers that prefer Excel-based raters will find this especially attractive for its ease of use and familiarity.
Duck Creek Technologies

Duck Creek Technologies is a Leader in this Magic Quadrant. It has 1,300 employees and an annual revenue of more than $212 million. Duck Creek Technologies offers a modular solution that can be deployed as a suite or as individual components covering policy, billing, claims, rating, portal solutions and BI/analytics tools. The vendor has 129 core modules in production and reported 23 new module wins, all of which were for its SaaS offering on Azure. Duck Creek's solution is developed in .NET supporting Microsoft SQL Server databases.

**Caution**

**What-If Analytics:** DRC has developed a sophisticated model and visualization in Power BI for assessing the impact of rate changes. This will be attractive for insurance CIOs that need to support regular changes to rates; for example, for new lines of business where existing actuarial models are limited.

**Specialty Market Focus:** DRC is especially suited to Tier 3 or below specialty lines carriers seeking a simplified solution for handling nonstandard insurance products.

**Cautions**

**Sales Execution:** DRC secured no new wins for core modules in 2020 and 1Q21. This follows well-below-average sales for 2018 and 2019 when compared with the other vendors profiled in this Magic Quadrant.

**Implementation Capability:** The vendor has limited system integrator (SI) partnerships and has previously used SI partners on an ad hoc basis. Insurance CIOs who require an SI partner to handle complex integrations should clarify the availability of local certified resources with experience implementing the DRC insurance platform.

**Vendor Viability:** With only 131 employees, revenue of less than $30 million and only one client in production with the full suite, insurance CIOs will need to ensure they have considered the implications. This includes future vendor viability and the potential impact of merger and acquisition (M&As), including exploring relationships with alternative partners for ongoing support and maintenance.

**Multicurrency Support:** While the vendor targets specialty lines insurers, the platform does not support the ability to process multiple currencies in a single policy required for some of the more complex lines of business.
In 2020, Duck Creek introduced a localization tool to automatically generate content for languages using a translation service and a self-service circular adoption tool for commercial lines templates.

**Strengths**

- **Cloud Maturity**: Duck Creek offers automated deployment pipelines and tools to enable customers to promote configuration changes across environments self-sufficiently. This will be important for CIOs that wish to retain control for change management.

- **Customized User Experience**: Duck Creek has a persona-based design approach to its UI that offers tailored experiences for different roles inside an insurance company, as compared with a one-size-fits-all user experience. This allows for ease of user adoption throughout the company.

- **Integration Flexibility**: Duck Creek Technologies offers insurance CIOs access to a wide range of integrations with partners through the vendor's insurance app store, managed integrations and RESTful API-driven integrations.

- **Industry Content**: The vendor's web-based industry content tool enables business users to self-service manage the adoption and rejection of circular notices for bureau products. This will be important for insurance CIOs tasked with increasing efficiency for industry content adoption and maintenance and improving underwriting accuracy.

**Cautions**

- **Architecture**: Duck Creek is at the early stages of decoupling its core modules into microservices. Releases are typically at the module level and therefore require CIOs to undertake a larger test and validation exercise to adopt the release.

- **Advanced Analytics**: Duck Creek’s analytics solution lacks some of the more advanced capabilities for turning data analytics into automating core processes. CIOs requiring sophisticated advanced and predictive analytics, which use technologies such as AI/ML, should seek alternative analytics solutions.

- **SaaS Bundling**: Duck Creek’s SaaS offering includes bundled pricing for platform components, such as portals, data hubs and BI/analytics. Insurance CIOs considering the SaaS model should ensure they are not paying for shelfware.
EIS

EIS is a Visionary in this Magic Quadrant. EIS has approximately 1,000 employees and an estimated annual revenue of $50 million to $75 million. EIS Suite includes core policy, billing, claims, rating and underwriting modules, mobile/portal offerings for policyholders and agents, and a data repository and BI/analytics. EIS Suite was developed in Java with Java Database Connectivity (JDBC) drivers. EIS currently supports eight full suite deployments in production in North America and a single policy and billing deployment. The vendor reported one new policy module win in 2020.

In 2020, EIS introduced enhancements to its auto usage-based insurance (UBI) product, improvements to its apps and introduced multicurrency capabilities for its claims module.

Strengths

- **International Deployment:** Duck Creek has limitations on the line-of-business prebuilt content, integrations and localizations for countries outside of North America. Insurance CIOs requiring a platform for global deployment will need to factor in the cost of configuration and customization required for deployment in other countries.

- **R&D Investment:** EIS has a strong R&D investment plan, with 34% of overall revenue being allocated to R&D activity across five major themes: market expansion, platform expansion, ease of deployment, integration and customer experience (CX) tools. Insurance CIOs seeking a strong, forward-looking R&D ambition will do well to evaluate the EIS evolution of its platform.

- **Support for UBI:** The vendor has enhanced its support for auto UBI, including a new trip dispute handling process. This will be attractive to North American P&C insurance CIOs looking for proven capabilities for new auto UBI offerings.

- **Upgradability:** Eighty percent of EIS customers are on a major release, generally available since 2019. The vendor has moved to a continuous delivery model and offers software releases every three weeks. This will be important for CIOs keen to avoid the accumulation of functional and technical debt.

- **Product Management:** The system supports rapid development of new products — using a centralized product configurator — which enables rules to be built in at product level. Customers retain full control over application management and configuration and may choose to have as much or as little support from EIS as they prefer.
**Cautions**

- **Sales Execution**: EIS has had consistently low sales execution in North America for a number of years. The vendor secured only one new policy module win for a Tier 5 insurer in 2020, and one policy and one billing win in 2019. Insurance CIOs will need to assess the vendor’s ongoing viability for North America.

- **Cloud Maturity**: All upgrades and changes to configuration for EIS cloud deployments have to be supported by the vendor. This makes EIS’s SaaS offering unsuitable for insurance CIOs seeking greater autonomy and self-sufficiency for SaaS.

- **Customer Engagement**: The vendor struggled to move from in-person to virtual engagement with its user group. Its annual user group was canceled in 2020, and prior to that, the vendor had only held one conference. CIOs seeking to leverage the power of community to influence the vendor roadmap will have to determine alternative channels for engagement with other EIS users.

- **Limited LOB Support**: The vendor’s LOB experience remains weighted toward conventional personal and commercial lines, with limited support for specialty and no support for workers’ compensation. This will impact deployment time frames for new and existing customers electing to be early adopters to deploy these LOBs into production.

**Guidewire (InsuranceNow)**

Guidewire (InsuranceNow) is a Challenger in this Magic Quadrant. Guidewire Software has 2,600 employees and annual revenue of more than $740 million. Guidewire offers two P&C core platforms. The first of these is InsuranceNow, which is a bundled cloud-only offering. Guidewire supports 34 deployments of the InsuranceNow suite in production in North America. The vendor reported six new suite wins in 2020 and 1Q21. InsuranceNow is developed on a Java stack and runs in AWS, utilizing Aurora for its database and Amazon Redshift as the data warehouse.

In 2020, the vendor extended the coverage of its REST APIs, introduced a consumer sales portal, embedded Looker reports and made enhancements to the workflow for claims.

**Strengths**

- **Target Market**: InsuranceNow offers attractive core capabilities with out-of-the-box support for policy, billing and claims functionality for most standard lines of insurance for Tier 4 and 5 P&C insurance companies seeking a SaaS solution. Over 95% of InsuranceNow clients are Tier 4 and 5 insurers.
Speed to Market: Guidewire offers its InsuranceNow GO proposition with preconfigured products, processes, integrations and content for homeowners and personal auto insurance lines. CIOs seeking a rapid deployment for these lines of business will find this attractive.

R&D Roadmap: InsuranceNow clients will benefit from Guidewire's R&D investment in its cloud platform capabilities and data and analytics solutions, as more of these capabilities are offered preintegrated. The formalization of release content, cadence and delivery will provide CIOs with better insight into the future direction of the platform.

Marketplace: InsuranceNow customers can go to the Guidewire Marketplace and find validated apps from trusted partners. CIOs can use these partner apps to accelerate innovation and drive their business forward.

Cautions

Digital Portal Maturity: CIOs will need to note that the InsuranceNow consumer sales portal is a recent addition and only supports a subset of lines of business (homeowners and personal auto). The service portal has a limited set of self-service functions. For example, it does not support consumer self-service changes to billing.

Market Positioning: InsuranceNow competes against Guidewire's InsuranceSuite for Tier 3, 4 and 5 P&C insurers covering selecting lines of business. The ambiguity in market positioning has increased as InsuranceNow benefits from a number of shared R&D initiatives that cover both platforms, and both platforms have reported wins for Tier 4 and Tier 5 carriers in recent years. Buyers will need to ensure the product offering they are being proposed matches business and IT ambitions.

Implementation Partners: Guidewire typically manages the implementation and delivery of all initial InsuranceNow implementations. It only has one certified SI partner and is in the early stages of certification for a second SI. CIOs should validate the vendor's availability of resources to support implementation and ongoing changes during the selection process.

Internationalization Gaps: InsuranceNow is designed for the U.S. market only and supports only English and U.S. currency. While internationalization was on past product roadmaps, it has now been deferred from future releases. Buyers with users and business in other countries considering a single platform will have to look elsewhere.
Guidewire (InsuranceSuite)

Guidewire (InsuranceSuite) is a Leader in this Magic Quadrant. Guidewire’s second platform InsuranceSuite is a modular solution covering policy, billing, claims, rating, portal solutions and BI/analytics tools. Guidewire supports 294 deployments of its core modules in North America. The vendor reported 18 policy, 14 billing and 13 claims wins in 2020 and 1Q21. The platform has been developed in Java supporting SQL Server and Oracle Databases for on-premises deployment and AWS Aurora for its SaaS offering.

In 2020, the vendor has delivered an embedded intelligence solution to automate core processes, a UBI solution and self-service console for managing cloud deployment, and improved the experience for developers using its APIs.

Strengths

- **Platform Vision**: Guidewire has the most extensive platform capabilities for the non-life-insurance market. In addition to the core modules, the vendor has a comprehensive data and analytics solution, a suite of portals for different user types, a predictive analytics solution and the greatest number of partner solutions offered through its insurance app store. This makes the vendor attractive for non-life-insurance CIOs seeking a complete core platform solution from a single vendor.

- **Sales Execution**: For the fifth year running, Guidewire has secured the highest number of new wins for its insurance core modules. With the most wins in North America and in new countries and regions in Europe, Latin America, Asia and Africa, the vendor is demonstrating its ability to support new markets and scale globally. Guidewire accounted for 29% of new wins in North America in 2020 and 1Q21, across the vendors profiled in this report.

- **Implementation Partners**: Guidewire has an expansive network of technology and service partners. The vendor has more than 10,000 formally certified SI consultants, the highest number out of the vendors profiled in this research, enabling insurance CIOs to access a broad range of partners for implementation globally.

- **R&D Investment**: Guidewire invests over $200 million in R&D annually, accounting for 35% of its total revenue. This is quantitatively substantially higher than all other market competitors. CIOs keen to adopt a platform with multirelease roadmaps, backed by committed investment and delivery, will find this attractive for ongoing viability.

Cautions
Insuresoft is a Challenger in this Magic Quadrant. Insuresoft has 125 employees and an estimated annual revenue of $20 million to $30 million. Insuresoft’s Diamond Platform is an all-in-one solution with core policy and billing, a stand-alone claims module, product configuration engine, policyholder and agent portal solutions, and a data and analytics solution. Diamond is developed in Microsoft VB.NET and C# and supports an MS SQL database. Insuresoft currently supports 40 full-suite customers in North America and reported three new full-suite wins in 2020. The vendor’s SaaS offering is hosted via Azure.

In 2020, Insuresoft introduced new digital payment options for its claims module, upgraded its integration APIs and made some UI improvements.

**Strengths**

- **Target Market:** Insuresoft is a strong candidate for insurers with gross written premiums of $250 million and below. It offers core system modules with solid fundamental capabilities along with good levels of support for most of the major personal and commercial lines of insurance. This makes Insuresoft attractive to smaller insurers with more limited resources.
**Prebuilt Integrations:** Insuresoft has extended the number of prebuilt integrations to third-party solutions for the exchange of data during different process workflows. These include integrations for supporting fraud and loss history, CRM, financial systems, geocoding, value estimation and call center telephony systems. This will help CIOs with reducing implementation efforts.

**Upgradability:** Ninety percent of Diamond customers are on a major release, generally available since 2019. All customers also have a direct upgrade path to the latest version as product releases are cumulative. The vendor offering bimonthly product releases will resonate with insurance CIOs keen to avoid the accumulation of technical debt.

**Pricing Flexibility:** The vendor offers both traditional licensing models and innovative pricing models, such as a price per policy or price per claim. This pricing flexibility allows CIOs, working in conjunction with their CFOs, the ability to select the pricing, maintenance and support fee structure that best suits their requirements and potentially shift some capital expenditure (capex) spend to operating expenditure (opex).

**Research and Development:** Insuresoft’s allocation of 15% of its resources to R&D is below the average for this market. Insurance CIOs will need to assess the vendor’s roadmap and its ability to deliver to ensure it can keep pace with market changes.

**SaaS Maturity:** Operational maturity of the SaaS model of the Insuresoft platform is still low. The vendor’s SaaS offering has limitations on self-service capabilities for promoting changes between environments. It does not offer 24/7 access to manned support or service credits for missed SLAs. Insurance CIOs considering SaaS deployment will need to validate the vendor’s capabilities are aligned with their expectations of SaaS solutions.

**Implementation Capacity:** Insuresoft was acquired by Volaris Group in 4Q19. Since the acquisition, the vendor has had significant changes in its resource profile, including the separation of its Red Hawk subsidiary, leading to a 30% reduction in total headcount. CIOs should validate the vendor’s availability of resources for implementation and ongoing support during the selection process.
Insurity

Insurity is a Niche Player in this Magic Quadrant. Insurity has just over 600 employees and an estimated group revenue of over $300 million annually. Insurity Decisions Suite includes core policy, billing and claims modules, a rating engine and a data platform. Decisions Suite was developed in .NET and supports Microsoft SQL Server databases. The vendor currently supports 98 core module deployments in North America and reported one policy module win in 2020.

In 2020, the vendor launched its virtual assistant solution, invested in its analytics solutions and made some operational changes.

Strengths

- **Digital Experience**: The vendor’s solution to portals for agents and policyholders is through direct access to the core application. They lack innovative capabilities for contextualization and personalization of experiences and are not suited to volume usage. Insurance CIOs seeking sophisticated digital customer experiences will need to seek alternatives and integrate to core modules using the vendor’s APIs.

- **Industry Content**: The Insurity solution comes preconfigured with bureau content for Insurance Services Office (ISO) rates. Bureau content changes for rates are included as part of regulatory maintenance. Insurity supports automatic updates based on state, rate and form impact if required. This will be important for insurance CIOs tasked with increasing efficiency for industry content adoption and maintenance and improving underwriting accuracy for commercial lines insurance.

- **Adaptable GUI Design**: Decisions Suite includes a screen designer featuring a drag-and-drop layout, making it suitable for business users, and 100% of configuration is supported through GUI-based tools. CIOs looking to empower their business users for simple UI changes will find this especially attractive.

- **Support for Workers’ Compensation**: Decisions Suite is supporting 37 workers’ compensation customers in production, the largest volume of the vendors included in this report. Insurance CIOs considering modernization options for workers’ compensation should include Insurity in their RFI and RFP evaluations.

- **Data and Analytics**: Insurity has a strong focus on data and analytics through its acquisitions of SpatialKey and Valen. It is using the data insights from these acquisitions to support improved underwriting, portfolio management and claims processing. This makes Insurity viable for insurance CIOs seeking a platform with integrated solutions for data intelligence.
Cautions

- **Platform Strategy:** Insurity has made a number of acquisitions in recent years, with five further acquisitions in 2020 and one in 1Q21. This means it now supports and maintains six core insurance systems for P&C insurance carriers in North America. CIOs will need to seek complete clarity of the solution being proposed and validate the vendor’s intentions to integrate the acquired solutions with Decision Suite as part of their assessment.

- **Sales Execution:** Insurity has had relatively low sales to net new clients for its flagship Insurity Decisions Suite platform. The vendor secured only one new policy module win for a new client in 2020.

- **Availability of Resources:** Insurity customers have raised concern on the availability and quality of resources available to support implementations and provide ongoing support. Insurance CIOs considering Insurity should seek contractual assurances and SLAs for resource availability and quality.

- **Claims Deployment:** Claims account for only 11% of Insurity Decision module implementations, and the vendor only has two full-suite deployments of the platform in production. In some cases, it supports customers with other claims solutions outside of the Decisions Suite, such as its ClaimsXPress offering, which is not natively integrated with Decisions Suite. Insurance CIOs will need to map their claims module requirements against the claims capabilities for both Decisions Suite and ClaimsXPress to assess suitability.

Majesco

Majesco is a Leader in this Magic Quadrant. Majesco has over 2,000 employees and an estimated annual revenue of $200 million. Its P&C Core Suite includes core policy, billing and claims modules. It also includes a digital experience platform with mobile and portal offerings for both policyholders and agents, and a BI/analytics package. Its core modules have been developed in Java, supporting both SQL and Oracle Databases. The vendor currently supports 156 core modules in production, of which 26 deployments are for the full suite. It reported 30 core module wins across 2020 and 1Q21.

In 2020, Majesco increased the footprint of its APIs and microservices, and added an upgrade assistance tool to support the automatic merging of capabilities for its billing and claims modules.

Strengths
Integration Capabilities: Majesco's extensive suite of REST APIs and the decomposition of its core suite into microservices will make it attractive to CIOs seeking strong integration capabilities into internal and external systems.

Cloud Deployment: Insurance CIOs seeking cloud deployment will find Majesco's improved self-service tools for managing upgrades and improvements in security, such as data encryption in transit and at rest, reassuring for maintaining self-sufficiency and control. Sixty percent of the vendor's client base is on its cloud offering.

Product Training: Majesco has created a product portal solution offering access to release notes, certifications, manuals and short multimedia courses all available from within the application. As release cadences increase, these tools will become increasingly important to ensure new functions and features are being adopted by users.

Implementation Partners: Majesco continues to transition from a vendor that preferred undertaking its own investments to one that works with SI partners. With over 700 certified resources with its SI partners, it now has the third-largest number of SI resources. This will be important for insurance CIOs seeking flexibility and choice for implementation and ongoing maintenance and support.

Cautions

Research and Development: Majesco allocation of 16% of its revenue to R&D is below the average for this market. Its headcount for R&D resources has decreased by 29% from 2019 to 2020. Insurance CIOs will need to assess the vendor's ability to deliver to its roadmap and the longer-term implications of this change in R&D investment.

Insurance Marketplace: The vendor’s insurance app store has less content and fewer partners than other vendors offering similar capabilities. The vast majority of the content is for data solutions integration from vendors such as Verisk and LexisNexis.

Release Cadence: While Majesco offers monthly upgrades for its cloud customers, these are not fully automated. CIOs must become far more adept at change management and testing upgrades to keep pace, or face accumulating shelfware.
OneShield (Enterprise)

OneShield (Enterprise) is a Niche Player in this Magic Quadrant. OneShield has 234 employees, with an estimated annual revenue of $30 million to $40 million. OneShield Enterprise includes policy, billing and claims modules, a rating engine, a data repository and a BI/analytics package. Enterprise has been developed in Java and supports Oracle Databases. The vendor currently supports 36 core modules in production and reported one new suite win in 2020.

In 2020, OneShield introduced some registration and authentication changes, the ability to create product bundling and some changes to its security framework.

**Strengths**

- **Target Market:** OneShield has identified small- to medium-size commercial and specialty lines insurers as its ideal target market for Enterprise. Its sales in the last two years have been in this market sector. Insurance CIOs seeking legacy modernization options for smaller commercial and specialty lines should evaluate Enterprise.

- **Single Configuration Interface:** The vendor’s platform supports a high degree of self-sufficiency through its central OneShield Designer tool, which supports both product and portal configuration delivered through a single interface. Over 80% of the client base is operating without requiring the vendor’s professional services to support ongoing maintenance activities.

- **Implementation Experience:** OneShield leads all implementations, including project governance, project management and business analysis and has increased its consulting and professional services headcount by 11% in 2020. It has good experience of supporting commercial and specialty lines use cases and offers prebuilt content to enable faster implementation. Insurance CIOs seeking to work directly with a vendor for its implementation will find this attractive.

- **Multicountry Support:** Enterprise is suitable for CIOs that need to support multiple countries or jurisdictions on a single instance. It enables accounts to be set up in different currencies and supports multiple currencies within a single policy.
**Cautions**

- **Roadmap:** OneShield's medium-term roadmap for Enterprise has limited intention of delivering innovative and differentiating capabilities. Instead it focuses on addressing functional, integration and data capability gaps in its offering, such as integrating payment vendors and transitioning to coarse-grained APIs. Insurance CIOs should validate the vendor's roadmap and seek assurances on the delivery of any required roadmap items ahead of committing to a project.

- **Architecture:** Enterprise has dependencies on older technologies, such as Ext JS for scripting and a heavy dependency on Oracle for its database. The vendor has only started its journey to a microservices architecture; with just a single rating service in pilot insurance, CIOs should expect to have to deal with major technical upgrades or face accumulating technical debt.

- **Digital Portals:** The vendor's portal solutions for agents and policyholders are based on direct access to the core application. Load balancing and the management of connection pools for traffic and performance are managed manually. This will make these solutions unsuited to higher volumes of users for self-service.

- **Upgrade Cadence:** Enterprise is still reliant on a traditional release cadence, with the vendor launching a major release once every 18 to 24 months. Insurance CIOs will therefore have to factor in the effort of large upgrades and the associated testing into their total cost-of-ownership calculations.

**OneShield (Market Solutions)**

OneShield (Market Solutions) (OMS) is a Niche Player in this Magic Quadrant. It is the second OneShield platform included in this report. OMS is supported by 41 employees and includes a module for policy and billing and separate claims modules, portal capabilities for policyholders and agents, a data repository, and a BI/analytics package. OMS has been developed in .NET and supports an SQL database. The vendor currently supports 26 core modules in production, of which seven are full suites and reported four new suite wins in 2020 and 1Q21.

In 2020, OneShield introduced support of out-of-sequence endorsements, a spreadsheet-based reserving solution for claims and integration with Pentaho for reporting and analytics.

**Strengths**
SaaS: OMS is offered as a SaaS-only solution with a single price, which includes license, maintenance, hosting, support, upgrades, implementation and an allotted number of hours for managed services. The vendor is in the process of migrating all workloads to Azure.

Automatic Upgrades: The SaaS offering includes automatic upgrades four to six times per year, making it attractive to CIOs intent on mitigating functional and technical debt.

Sales Execution: With four new suite wins in 2019, and four in 2020 and 1Q21, the vendor is achieving higher-than-average sales for OMS, enhancing the overall market viability of the proposition.

Low-Cost Option: OneShield markets OMS as a low-cost option, with its cited typical cost for implementation and additional services lower than other vendors. However, the cost will vary according to scope and complexity of the project.

Cautions

Resource Availability: With only 41 employees supporting this platform across all functions, including its SaaS deployment, access to resources for implementation, maintenance, support, R&D and managed services will be a concern for CIOs considering OMS.

Digital Portal Maturity: OMS offers only basic self-service functions and tools for engagement in its portal solutions. This makes it less suitable for CIOs seeking to support high degrees of self-service for agents and policyholders.

Self-Service Configurability: Much of the product modifications are done through various files such as XMLs, rules files, and database metadata entries requiring access to OneShield professional services resources. It is therefore less suitable for CIOs that require a high degree of self-sufficiency for managing changes through configuration.

Personal Lines Support: OMS is not proven for supporting a broad range of personal lines insurance. It has only one customer in production for personal auto and no coverage for any other personal lines insurance.
Sapiens

Sapiens is a Niche Player in this Magic Quadrant. Sapiens has total revenue of $382 million annually and approximately 3,500 employees, of which 483 support CoreSuite for Property & Casualty. Sapiens CoreSuite for Property & Casualty consists of policy, billing and claims modules, portal solutions for agents and policyholders, a data repository and a BI/analytics package. CoreSuite for P&C core modules are Java EE applications that support SQL Server and Oracle Databases. Sapiens currently supports 39 core module deployments in North America and secured 17 new core module wins through 2020 and 1Q21.

In 2020, Sapiens released some enhancements to its core modules, including support for UBI, containerization for cloud deployment and enhanced its DXP and data solutions.

**Strengths**

- **Digital Suite**: Sapiens is increasing the number of capabilities that it can offer to clients beyond the core modules. These include a DXP platform, incorporating a chat tool to enable collaboration between different parties and a configuration tool to enable different screens and properties to be connected to create new journeys. This will be important for CIOs executing a best-of-suite strategy for their digital platform.

- **Vendor Viability**: Strong execution of sales, M&A and ongoing revenue from existing clients have ensured constant growth in the vendor's global financials for the past five years.

- **Growing Ecosystem of Partners**: Sapiens has consistently increased the number of ecosystem partners and insurtechs providing preintegrated capabilities. This will help CIOs enhance implementation efficiency and time to market for new products and services.

- **Integration Capabilities**: Sapiens API conductor and REST API library enable easier integration with internal and external systems.

**Cautions**

- **Digital Experience Platform**: Sapiens’ Digital Experience Platform is an independent solution that has been integrated with core modules. Insurance CIOs should validate the depth of integration, and prebuilt content and support for insurance lines of business to ensure it supports their expectations for real-time processing.
Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

OneShield (Market Solutions)

Dropped

Insurity (Bridge Specialty Suite)

Inclusion and Exclusion Criteria

To qualify for inclusion in this Magic Quadrant assessment the vendor's P&C core platform must:

- Include modules or functionality that provide end-to-end policy, billing and claims management capabilities for supporting P&C insurance for a range of personal, commercial and specialty LOBs.
Include at least three of the five following elements in production:

- Separate preintegrated portals and apps for customers, agents or suppliers.
- A separate data repository.
- Separate preintegrated reporting and analytics.
- Integration accelerators, which extend the functionality of the core platform. Integration accelerators include access to software development kits (SDKs) and developer portals.
- Deployment models, the ability for the vendor to support deployment models beyond on-premises implementation. These deployments may be the vendor's own traditional hosting with managed application services or more sophisticated vendor offerings that are truly software as a service.
Have at least five North American P&C insurers in production with policy, billing or claims modules as of 31 December 2020:

- A vendor client is defined as an insurer that has executed a contractual agreement and has implemented one or more core modules (policy, billing and/or claims) within the vendor’s core platform.

- Only one client per registered organization can be included. This means that a separate client can be achieved for the same overarching client deploying the system with separately registered subcompanies in different territories.

- A client that has deployed the system more than once for different channels or product lines does not constitute a new client.

- A project is not still in initiation/blueprint or scoping and, therefore, open for cancellation. (The project has fully commenced, and the insurer is using the modules in support of an active book of business for the 2020-2021 underwriting year.)

- The client has contracted directly with the vendor — not to include indirect relationships through a white labeling or third-party administrator (TPA)/business process outsourcing (BPO) arrangement.

- Clients do not include health insurers, life insurers and noninsurers, such as managing general agencies (MGAs), TPAs or self-insured.

- Must be live in production in North America as of 31 December 2020. For the purpose of this research, the following countries are included in scope: Canada and the U.S.
Support in production with insurer customers at least four of the following personal or commercial LOBs:

- Personal auto
- Homeowners
- Renters
- Dwelling/fire
- Personal liability (including umbrella)
- Commercial auto
- Commercial package policy
- Business owner's policy
- Commercial general liability
- Commercial property

Have at least two new P&C insurer customer wins in North America for policy, billing or claims (excluding upgrades or expansion within existing customers) over calendar years for 2019 and 2020.

Offer core modules that are currently being marketed by the vendor. Clients on unsupported, not upgradable, or alternative core systems or core modules should not be included in the numbers.

Not included in this Magic Quadrant are solutions that focus exclusively on a single LOB (for example, offering support only for workers’ compensation or certain specialty lines, with no planned expansion into other LOBs).

This Magic Quadrant is specific to North America and does not apply to other regions.
## Evaluation Criteria

### Ability to Execute

**Table 1: Ability to Execute Evaluation Criteria**

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Source: Gartner (September 2021)
Completeness of Vision

Table 2: Completeness of Vision Evaluation Criteria

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Source: Gartner (September 2021)

Quadrant Descriptions

Leaders

Each vendor offers strong core system functionality, SaaS options for deployment, mobile and portal and data platform capabilities, and a broad range of LOB experience and maturing API integration capabilities. Moreover, each is building out a broader ecosystem around its core offering.

Challengers

Each vendor offers cloud-based solutions with comprehensive core system capabilities that can be deployed rapidly. The breadth of their platform capabilities and LOB coverage is narrower than the Leaders, and all have been highly successful among Tier 4 and 5 North American insurers.
Visionaries

These vendors offer strong core system functionality and broader platform capabilities and have demonstrated a flair for innovation. Its level of execution is lower due to factors such as fewer customer wins and limited production experience in certain segments, but it demonstrates vision and potential.

Niche Players

Each vendor has key strengths that make it a strong candidate in certain market segments. Each has limitations (such as LOB coverage, breadth of functional coverage or production experience, or experience with only certain tiers of insurers, or in supporting lower volumes in production) that make it less suitable for a broader range of opportunities.

Context

Each vendor profiled here markets a platform with a comprehensive set of core modules for policy, billing and claims management, along with an expanded set of capabilities supporting the customer and agent experience via digital channels, data management and analytics. Many capabilities (in particular traditional core system capabilities) are similar, but there are key differences:

- Support for and degree of flexibility offered to customers, production experience with cloud-based deployment, including private cloud or public cloud, managed services and service-level agreements.
- The technical architecture, ability to deploy modules independently, languages used for coding, databases supported, and the design and maturity of integration APIs.
- The range of LOBs and product types they have experience supporting.
- Actual production experience with all core modules and related components (such as rating engines or underwriting workstations).
- Full availability and actual production experience with platform capabilities outside the core modules — such as mobile and portal capabilities, data management, and BI/analytics.
- Approach to implementation, varying from waterfall to full agile.
- Availability and certification of implementation partners.
- Number, coverage and ease of access to partner solutions and services.
Gartner has observed an increasing level of interest from insurers in P&C core platform vendors supporting public cloud deployment of their core platforms. However, most of the vendors in this market cannot be classified as true SaaS vendors as they deploy their core systems single tenanted, and contracts are based on term agreements with minimum usage criterion.

**Market Overview**

While it was predicted that the COVID-19 pandemic would impact sales execution across enterprise software, the P&C core platform market remained remarkably resilient. Overall, new core module wins in 2020, on a like-for-like basis with 2019, were down by 11%. However, there were marked differences in the sales execution of the vendors in the Leaders quadrant versus the other quadrants. The three vendors in the Leaders quadrant accounted for 50% of all new module wins in 2020 and 1Q21. The leading vendor, Guidewire, accounted for 23% of the new wins in the same period. Overall, there has been an increase in full-suite implementations (policy, billing and claims) in 2020 over the prior years. This increase is greater for Tier 3 and below insurers, where CIOs have less complex IT environments and are looking for native and seamless integration between their core platform modules. They are also looking at these platforms as an end-to-end solution for their business processes, including policyholder and agent portals, data repositories, and BI/analytics.

Cloud deployment has become ubiquitous in the North America market. Ultimately, 97% of the deals where a vendor secured new wins in 2020 and 1Q21 were for cloud deployment. However, there are marked differences in the cloud models and services being offered by vendors. The differences include:

- Geographical reach of the vendor and its partner ecosystem.
- Private vs. public cloud deployment.
- SLAs and the presence and calculation of service credits.
- Options for disaster recovery.
- Access to test environments.
- Self-sufficiency for promoting configuration and code changes between environments.
- Access to performance metrics and log files.
Integration points and tools for connecting internal and other third-party systems that reside outside of the vendor’s cloud.

Upgrade cadence and contractual commitments to upgrade, and the level of automation for testing upgrades.

P&C insurance CIOs considering vendor SaaS solutions in this market will need to undertake extensive validation of the software and services being offered to ensure that they meet IT and business ambitions for agility, reliability and flexibility.

Innovation and experimentation with new and emerging technologies, such as AI/ML, is less of a feature in vendor plans than in previous years. As core functional capabilities for policy, billing and claims become commoditized, product roadmaps from vendors gravitate around three key themes:

- **APIs** — All of the vendors in this year’s Magic Quadrant have made progress toward the greater availability and coverage of REST APIs. Leading vendors also have app stores and content exchange portals, which provide certified and supported integrations with third parties. This supports CIOs with enabling faster integration. Some of the vendors have also created developer portals, providing SDKs that utilize the APIs to foster innovation from customers and partners.

- **Cloud** — Leading vendors are making investments offering greater self-sufficiency tools for managing the application and environments. These are particularly important to Tier 1 and Tier 2 insurers that have complex IT environments and require greater control over change management. Vendors are also making architectural changes in efforts to move toward being more cloud-native. This is being achieved through containerization, typically for vendors that wish to remain cloud-agnostic, and development of microservices.

- **Data and Analytics** — Vendors have either made acquisitions or developed solutions that use data to provide deeper customer and operational insights in efforts to improve customer experience and operational efficiency. The investment in data solution centers on three main areas: improving underwriting, claims fraud identification and automating core processing tasks, such as workflow allocation. In addition, some vendors are working on predictive analytics to provide real-time insights and recommendations for next best action for users.
Gartner advises P&C insurance CIOs against simply selecting vendors that appear in the Leaders quadrant. All selections should be buyer-specific, and vendors from the Challengers, Niche Players or Visionaries quadrants may be better matches for an insurance company’s business goals, IT budget, risk appetite, local country needs and line of business or functional requirements.

**Note 1: Tiers**

**Description of Tiers**

- Tier 1: More than $5 billion in direct written premium (DWP)
- Tier 2: $1 billion to $5 billion in DWP
- Tier 3: $500 million to $1 billion in DWP
- Tier 4: $250 million to $500 million in DWP
- Tier 5: Less than $250 million in DWP

**Evaluation Criteria Definitions**

**Ability to Execute**

**Product/Service:** Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

**Overall Viability:** Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

**Sales Execution/Pricing:** The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.
Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.
Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

Document Revision History

Magic Quadrant for P&C Core Platforms, North America - 19 October 2020
Magic Quadrant for P&C Insurance Core Platforms, North America - 10 September 2019
Magic Quadrant for P&C Core Platforms, North America - 9 October 2018
Magic Quadrant for P&C Core Platforms, North America - 28 September 2017
Magic Quadrant for Property and Casualty Insurance Policy Management Modules, North America - 23 December 2014

Recommended by the Authors

Some documents may not be available as part of your current Gartner subscription.

How Markets and Vendors Are Evaluated in Gartner Magic Quadrants

Tool: Evaluate Insurance Core System Modernization Options With Gartner’s TIME and Decision Models

Insurance CIO’s Guide to Core System Replacement
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