



EVALUESERVE
Your Global Knowledge Partner

The Future of Knowledge Process Outsourcing

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Offshoring & Outsourcing Conference

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Presentation Plan

Evalueserve

KPO Business Models

Make or Buy?

Long-term Growth





Evalueserve Overview

Evalueserve –

the largest third-party Knowledge Process Outsourcing (KPO) company in the world

We are a full service research firm and support companies in North America, Europe and Asia.

Founded in December 2000

2,200+ Full-time Analysts


100+ Fortune 1000 Clients

10,000+ Projects

Centers in India, China, Chile

Research in 65 Languages



 Research and Sales Centers, Romania starting May 2008

Deloitte.
Technology Fast500
Asia Pacific 2007 Winner

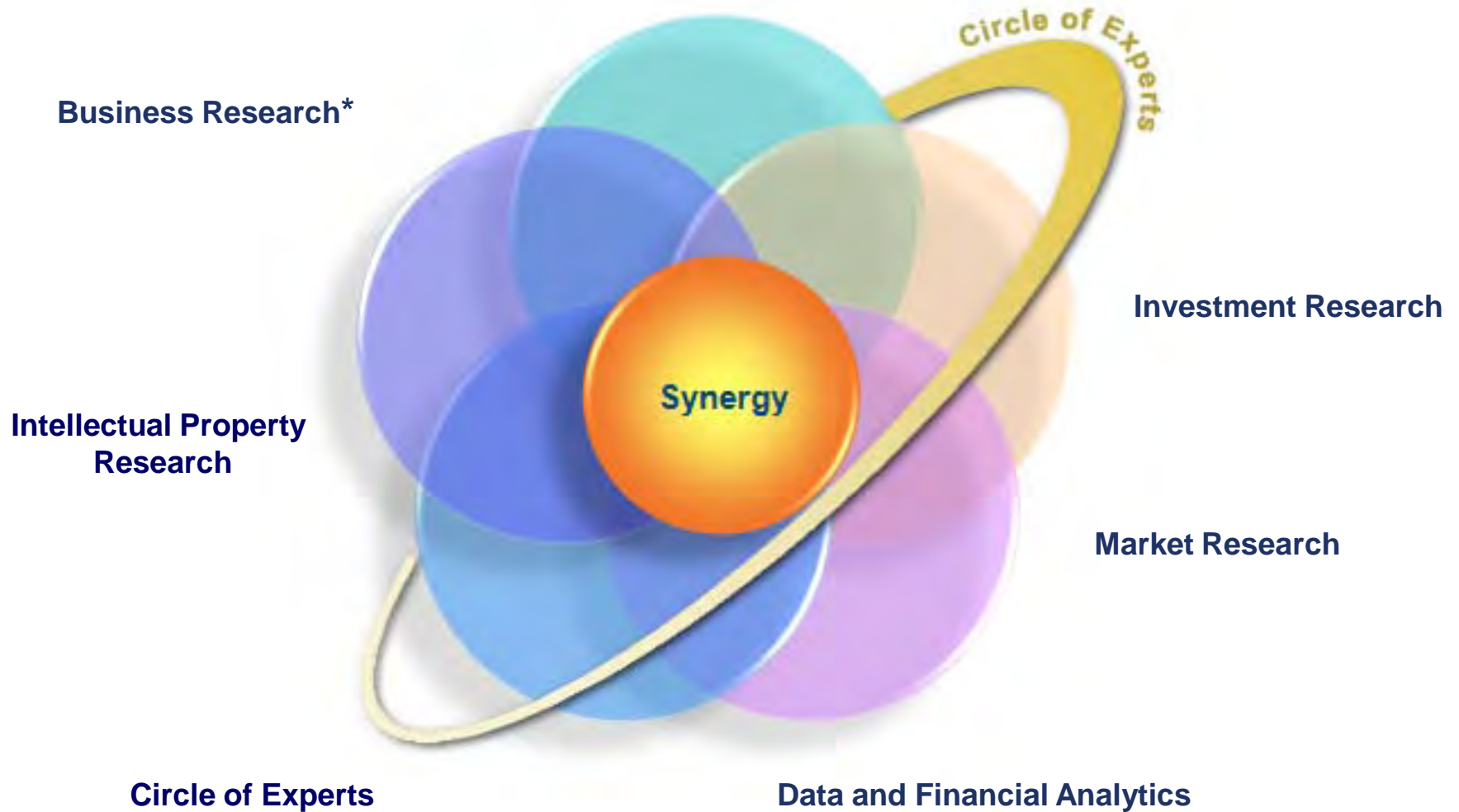


**100
IT Innovators
2006
NASSCOM®**



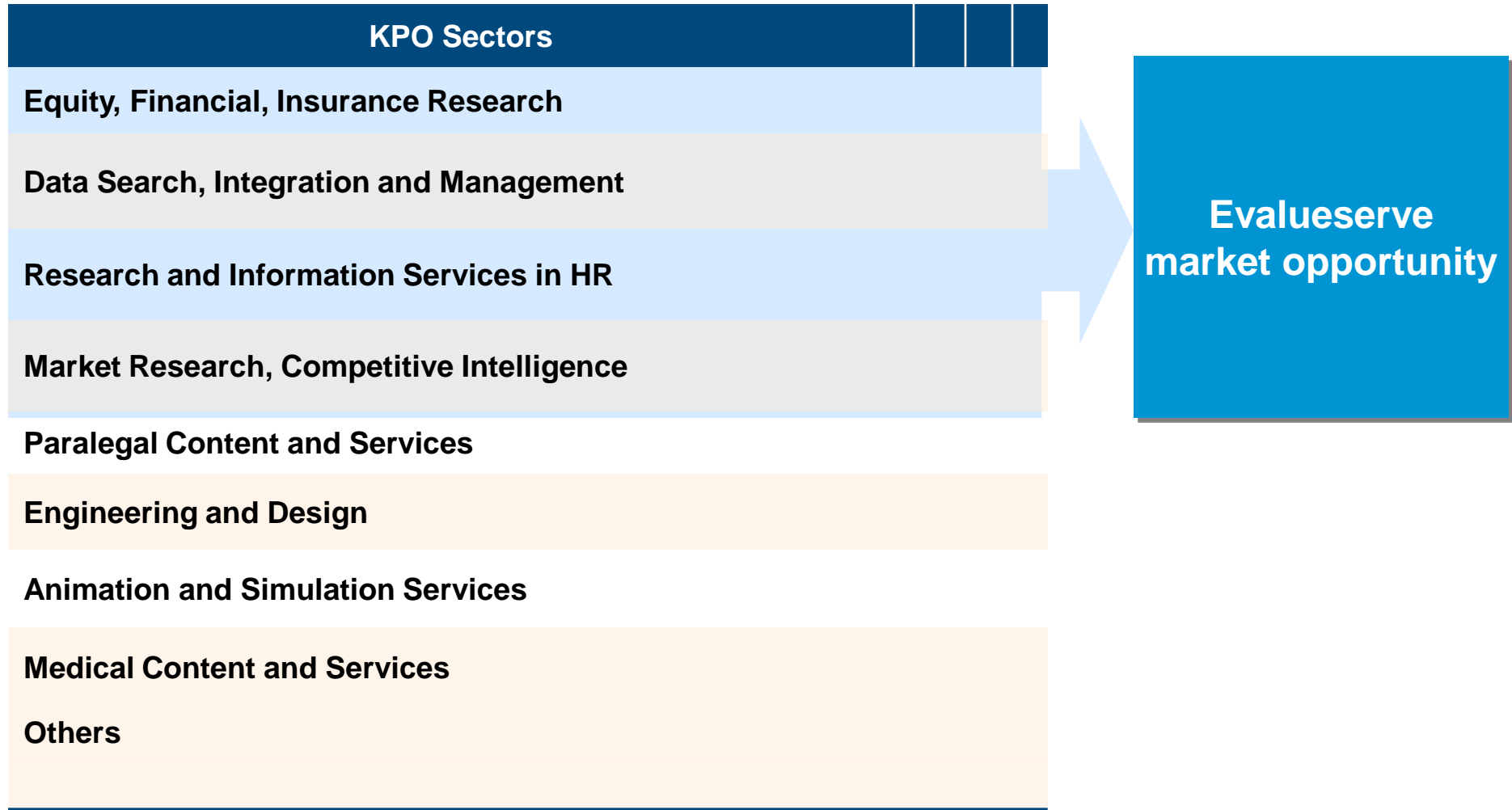


Evalueserve - Services





KPO Sectors



Source: Evalueserve

*Others include e.g. Biotech & Pharma and R&D



Evaluateserve

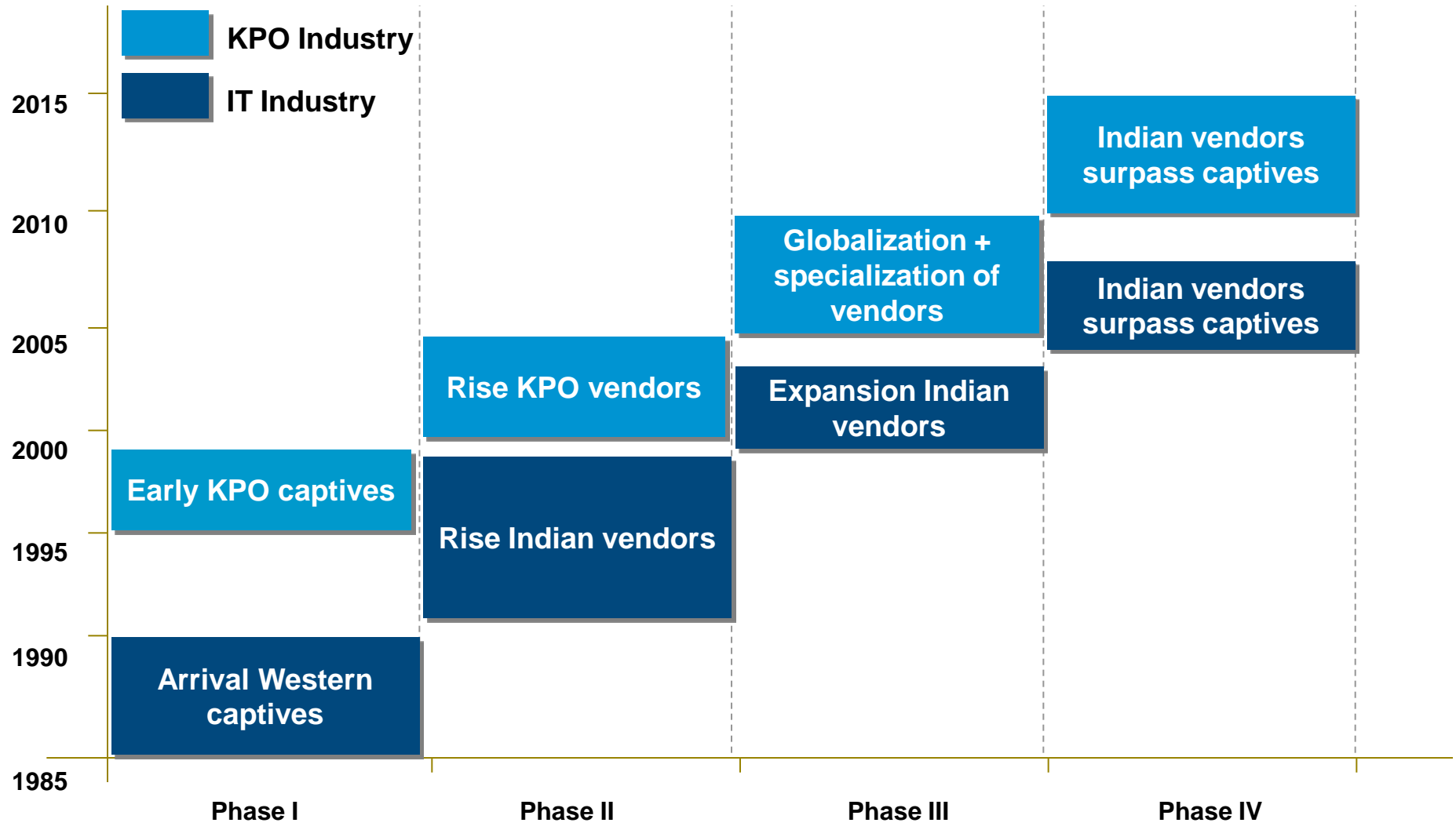
KPO Business Models

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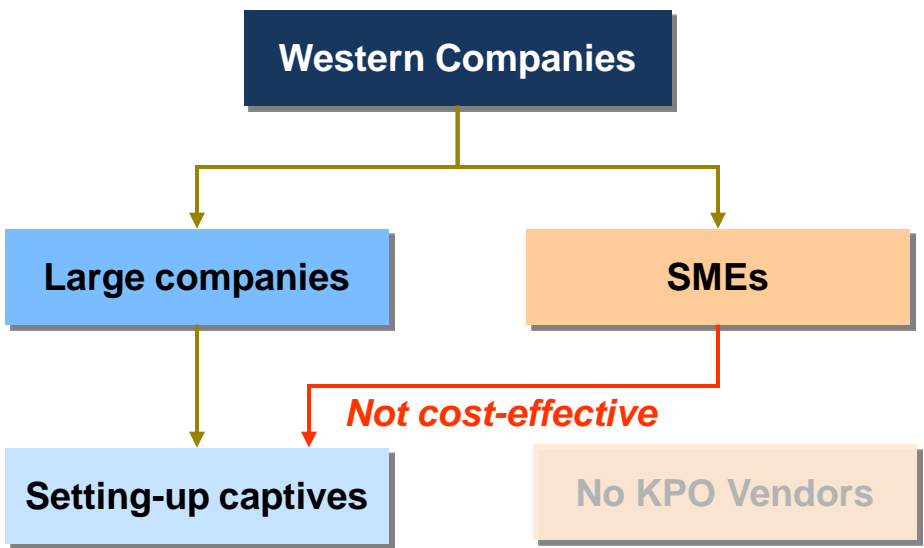
KPO to follow IT model – with a 10-year time lag





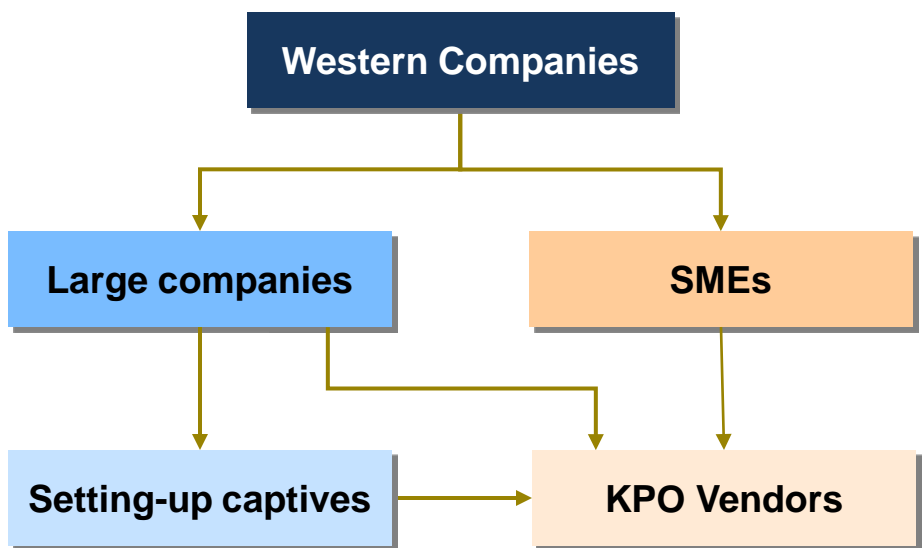
KPO to follow IT model – with a 10-year time lag

Phase I



No offshoring avenues for SMEs in the market

Phase II



Offshoring avenues for SMEs in the market



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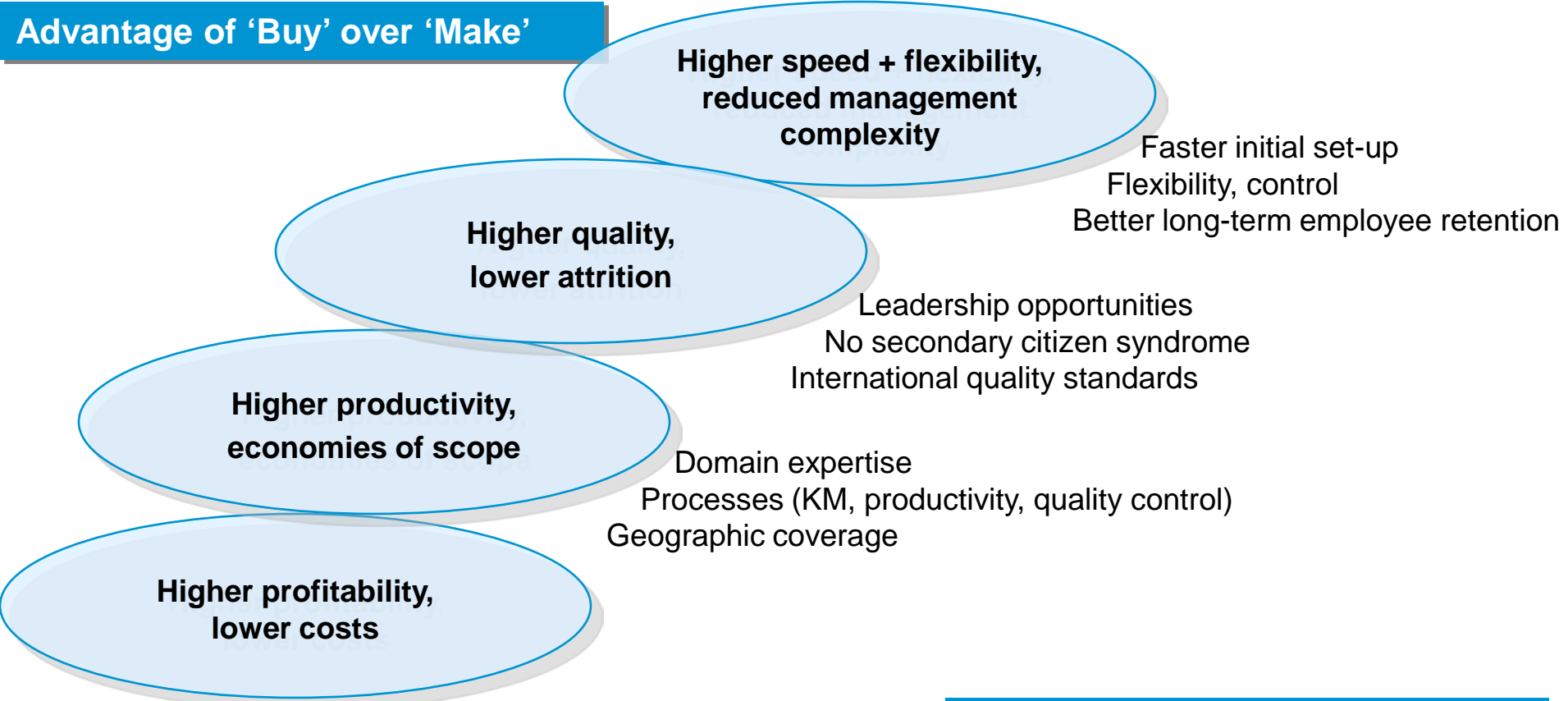
Long-term Growth



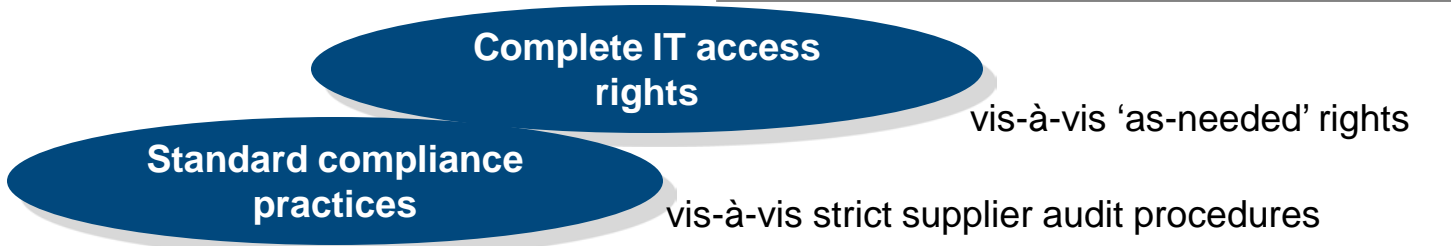


'Buy' better in terms of cost, time and quality

Advantage of 'Buy' over 'Make'

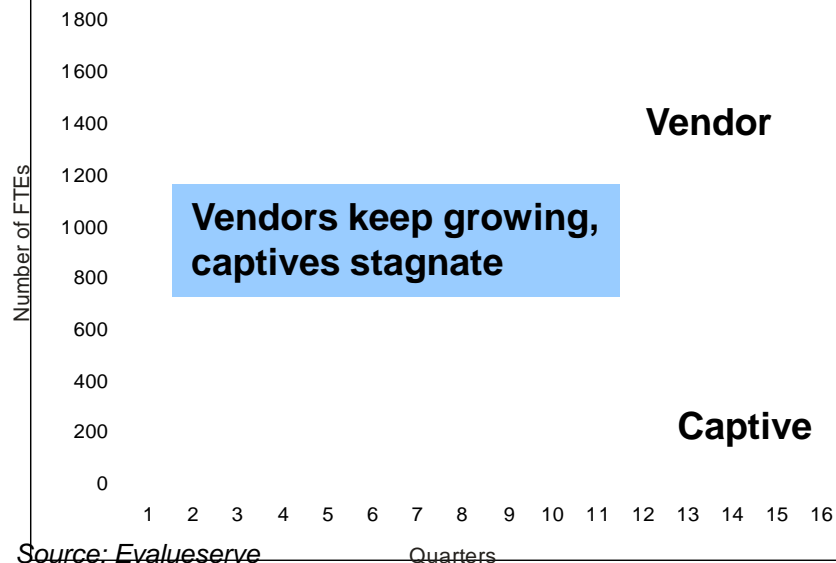
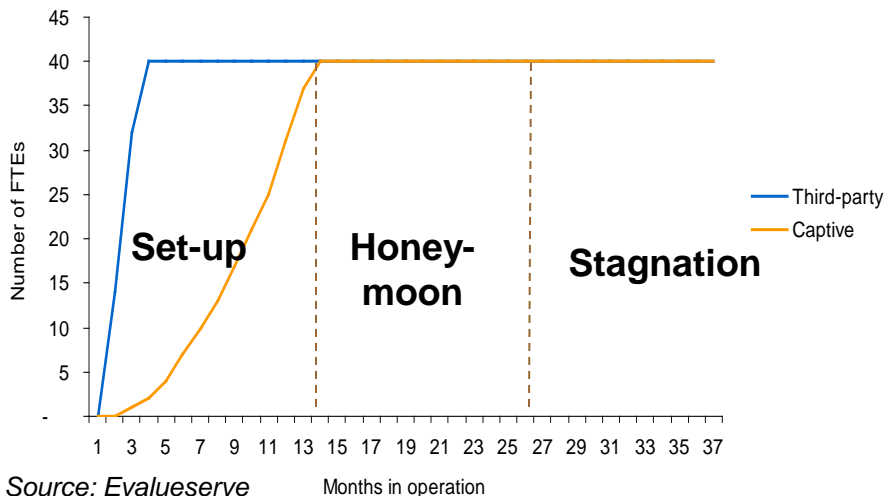


Advantage of 'Make' over 'Buy'



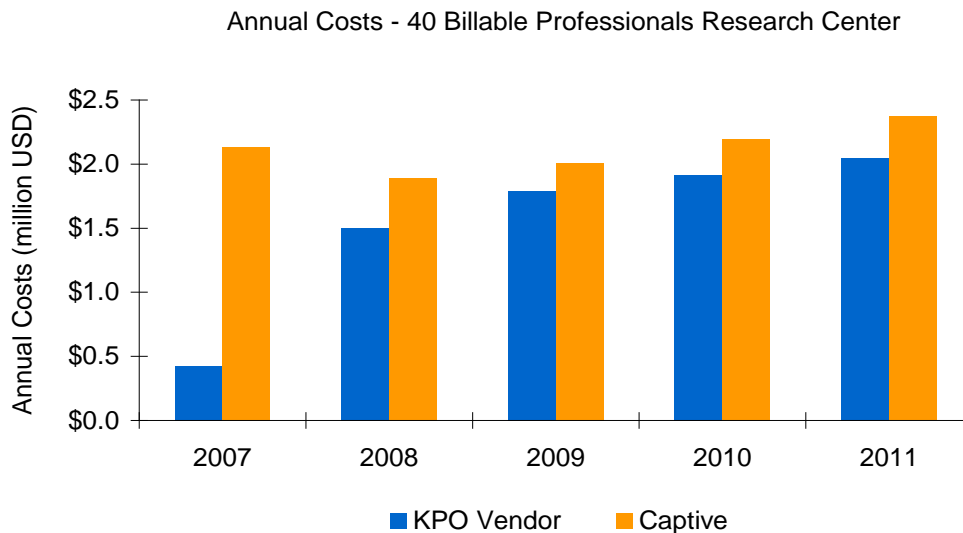


Captive vs. Vendor – Building 40 FTE Research Center



Fully loaded annual costs* stand-alone 40 FTE Research Centers

Source: *Evalueserve Analysis*
 *Assumptions: 11 billable professionals in Yr 1, 36 in Yr 2, 40 in Yrs 3+, same effectiveness/quality





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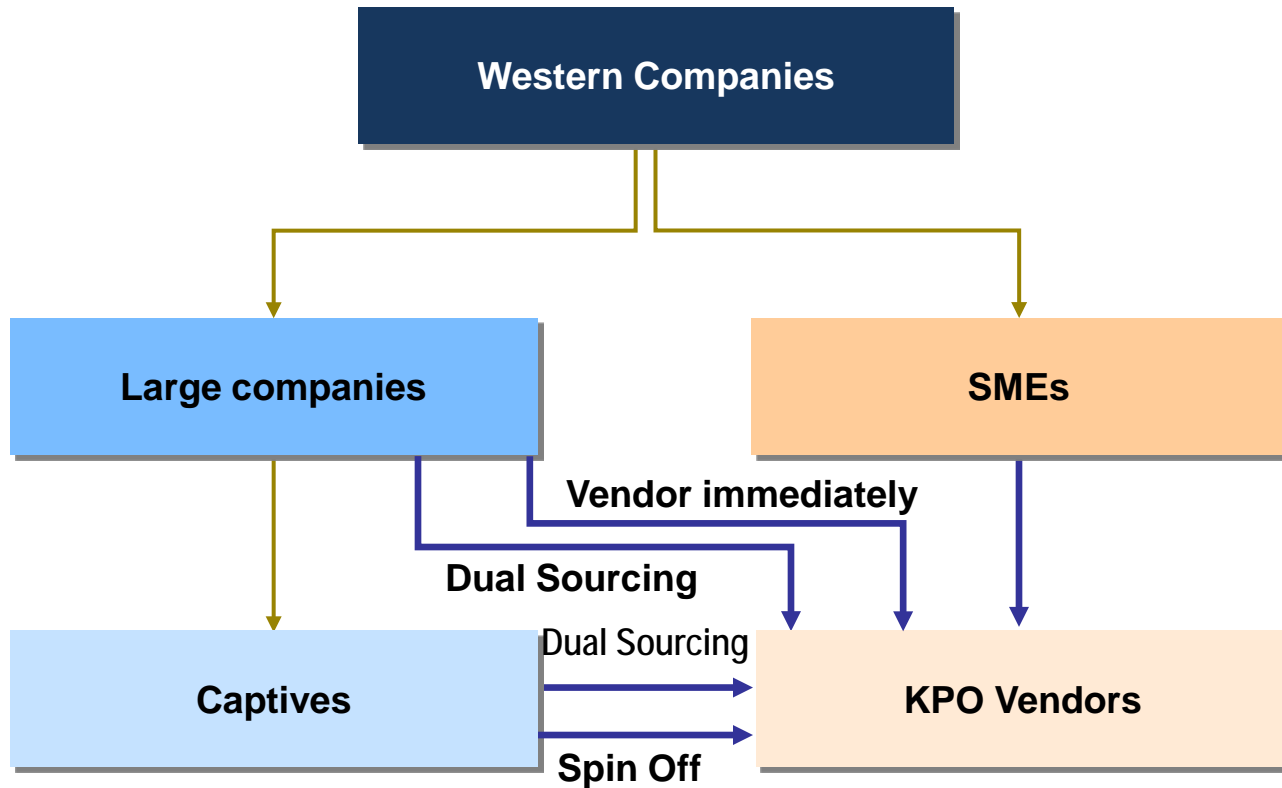
Long-term Growth





Basis for Long-term growth

▣ Shift to vendor model

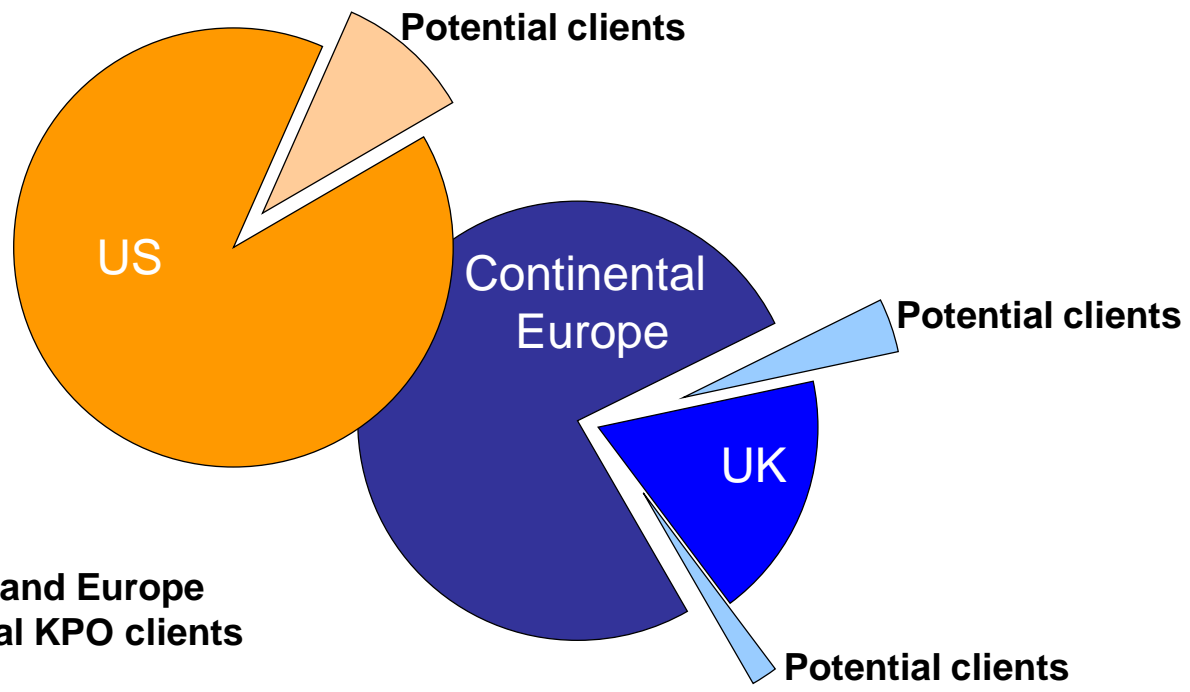




Growth - Basis

Basis for Long-term growth

▣ SMEs driving long-term growth

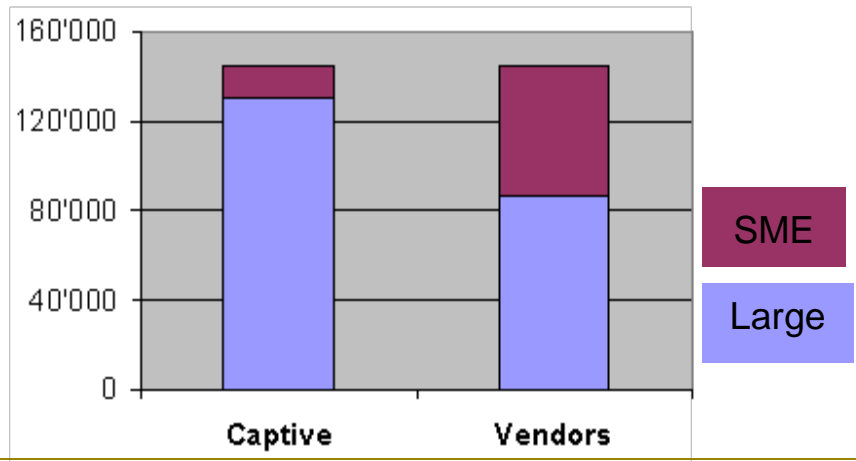
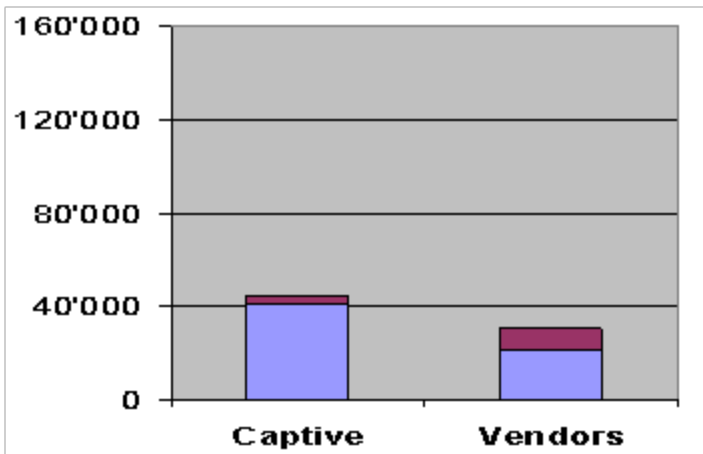


10 million SMEs in US and Europe
0.5 to 1 million potential KPO clients

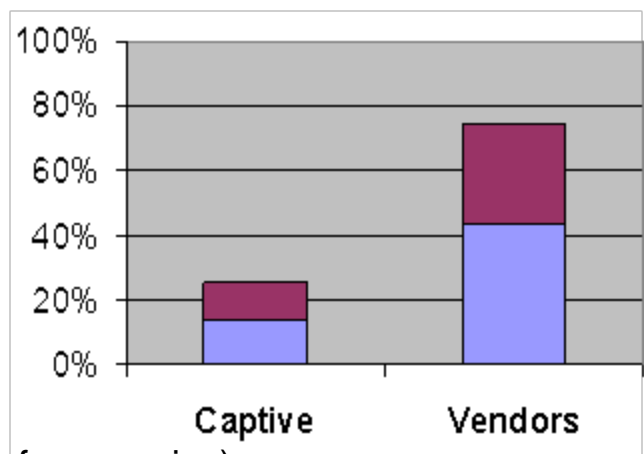


Growth - Scenario 2010

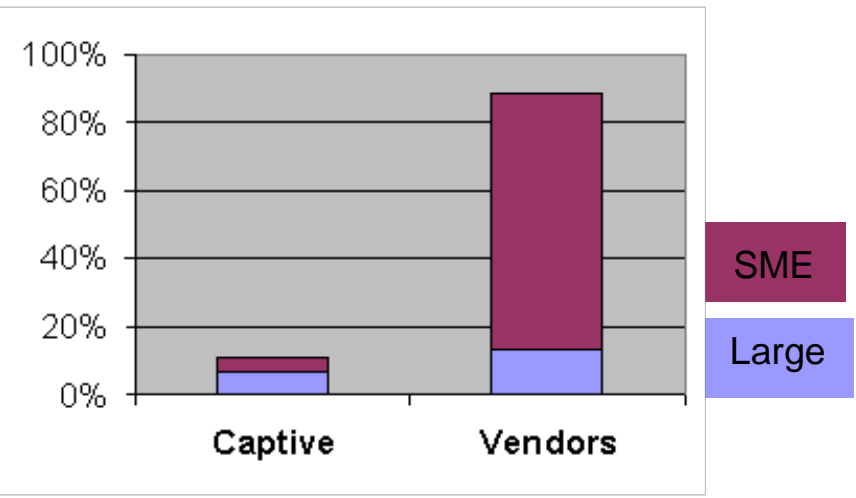
KPO Professionals 2006 - 2010



KPO models used 2006 - 2010



(Shares of companies)





Summary

By 2010 in KPO we expect

- the vendor model - 'Buy' - to surpass the captive model - 'Make' - because better in terms of cost, time and quality
- capacity additions by vendors surpass additions of captives
- growth of number of KPO professionals from 75.000 to 250.000/290.000
- SMEs become the most important growth drivers for vendors

Challenge for vendors to globalize and develop scalable processes.



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