Insurance:
to Embed, or not to Embed

INSTECH
LONDON

About InsTech London

InsTech London was founded in 2015 and has grown to become a leading intelligence network that is shaping the future of insurance and risk management. It connects the industry to technology, data, and analytics providers that are driving and influencing change through innovation. The two executive partners, Matthew Grant and Robin Merttens, each have over 30 years experience of bringing new technologies into the global insurance market and draw on an extensive network of consultants and collaborators. Today InsTech London runs regular events (live and digital), a weekly podcast and provides advisory services to its members. We are supported by and grateful to our 130 corporate members and an extended community reaching 20,000 people who keep us honest and informed about what is happening in insurance, technology and beyond.

Report authors

This report has been led by Robin Merttens supported by the InsTech London team and contributions from Simon Torrance and other subject matter experts from around the world.

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InsTech London reports

Embedded Insurance is one of the big themes we believe will be driving change in insurance in the next decade. This is the fifth report to be released. Previous reports are available from the following links:

No-Code/Low-Code – A Bridge from Legacy to Digital? May 2021

Location Intelligence 2021 – the Companies to Watch March 2021

E-Trading Platforms: Challenges, Opportunities and Imperative January 2021

Parametric Insurance – 2021 outlook and the companies to watch October 2020

To learn more about InsTech London, our forthcoming themes, review recordings of our live events or to discuss hosting an event with us, you can find us at **www.instech.london** and contact us at **hello@instech.london**.

If you believe that your business, or another, should be included in future reports, including updates to this one, please do contact us.

Introduction

The team at InsTech London speaks to over 200 different companies from the insurance and innovation community in any given month. We use those conversations to obtain intelligence on who is doing what and to detect trends. From those conversations it became clear to us from the end of last year that Embedded Insurance was going to be a hot topic in 2021 and it is.

Simon Torrance, an independent expert, helped to generate interest in the subject in his excellent foundational analysis published on **LinkedIn**[1] in December last year. Using his experience in digital business models and Embedded Finance, he was able to write the sort of insightful analysis that industry outsiders looking in do best. We are grateful for his help both in generating such interest in the topic and in collaborating with us in the writing of this report.

So, what is Embedded Insurance? We will look at it in all its forms in more detail in the report, but in summary it is the "embedding" of insurance products into the value chains and distribution capabilities of other industries. It is usually an add-on to a main transaction in which insurance is offered and acquired, but can also be a native component of a third party customer experience.

As a concept it is not new to the insurance industry. Many of us have bought legal expenses, travel insurance, event cancellation cover on a website as part of a separate transaction like buying tickets. We have also long understood the power of leveraging the distribution capabilities of other communities through the use of affinity schemes. To date, this was more about designing insurance products around the particular needs of a community of customers or members and distributing it among them, not about making it easier to buy.

So, why all the fuss now? Like many of the trends that determine the future of insurance it is about responding to changing customer needs and leveraging digital technology to enable new and better insurance models. As a business model it has a lot going for it because it benefits the entire value chain – customers, distributors and insurers. Let's look at all this in a lot more detail.

Robin Merttens
Partner, InsTech London

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[1] Link to the report – https://www.linkedin.com/pulse/embedded-insurance-3-trillion-market-opportunity-could-simon-torrance/

Contents

Executive summary

- Embedded Insurance means abstracting insurance functionality into technology in a way that enables any third-party distributor (usually product or service providers in other sectors) to seamlessly integrate insurance products and solutions into their own customer propositions and journeys.

- It is not a new business model – insurers have always relied on third parties for distribution. What it requires is a shift in mindset to see e-businesses, whether they are banks, retailers or e-commerce giants as the agents and affinity partners of the future.

- Insurance has to provide a more digital experience. What customers want are more relevant and personalised products and a better, simpler buying process matched to their time of need. Embedded insurance does this by more efficiently matching the right risk protection solution with the customer in the most appropriate context and in the most convenient way.

- The opportunity is immense. Embedded Insurance will become a major new form of digital distribution. The size of the market for P&C insurance is estimated at more than $722 billion in Gross Written Premium by 2030 (Simon Torrance).

- On a broader societal level, embedded insurance has the potential to help close the protection gap that exists between what people need and what's available to them. It helps to match supply and demand more efficiently.

- Not all kinds of insurances can be embedded. For the most part, products have to be simple, transparent, easily understood and have a simple claims process. There is a difficult balance between providing a low-touch consumer journey and ensuring that the legal and regulatory requirements are met. This challenge is greatly underestimated outside of the insurance industry.

- One of the biggest challenges for the incumbent insurers in exploiting the opportunity lies on the technology side. The constraints of legacy systems limit the ability to create and embed intuitive customer journeys and to plug and play seamlessly in digital ecosystems.

- Embedded also requires insurers to significantly raise their game with respect to data. Succeeding in the digital ecosystems requires being there at the right time with the right product at the right price. Doing so requires real-time customer insight, which can only come from data mastery.

- The headwinds facing incumbent insurers with providing the technology and data capabilities required to do embedded has provided a massive opportunity for new entrants who, seeing this open door, have walked right in. This report profiles a plethora of new digital platforms that provide intuitive customer journeys and are capable of being easily embedded with other platforms using API's.

- Some new entrants have gone beyond just leveraging the capabilities of these new platforms and have also acquired knowledge of the risk lifecycle and have acquired the regulatory status that allows them to conduct insurance. They bring a whole new level of efficiency to the whole process from distribution, application, underwriting, policy management and claims.

- Most insurers with ambitions in the space are required to work in partnerships with platform providers or these technology-enabled MGA's. While this is a natural starting point, there are long term risks which arise from conceding so much of the value chain – everything except the provision of regulated risk capital – to others.

- There are a handful of the more innovative insurers and reinsurers who believe it is the inevitable consequence of the way consumer behaviour and lifestyles are changing, who are investing heavily in meeting the technological and cultural challenges it involves. If they are right to do this, and we think they are, then this massive opportunity is theirs for the taking.

- For those who, having read this report, share our excitement about the opportunity and want to know what to do about it InsTech London is offering an 'Embedded Insurance Strategy Review & Development Workshop' to industry leadership teams to help define where to play and how to win.

Embedded Insurance Technology and Service Providers
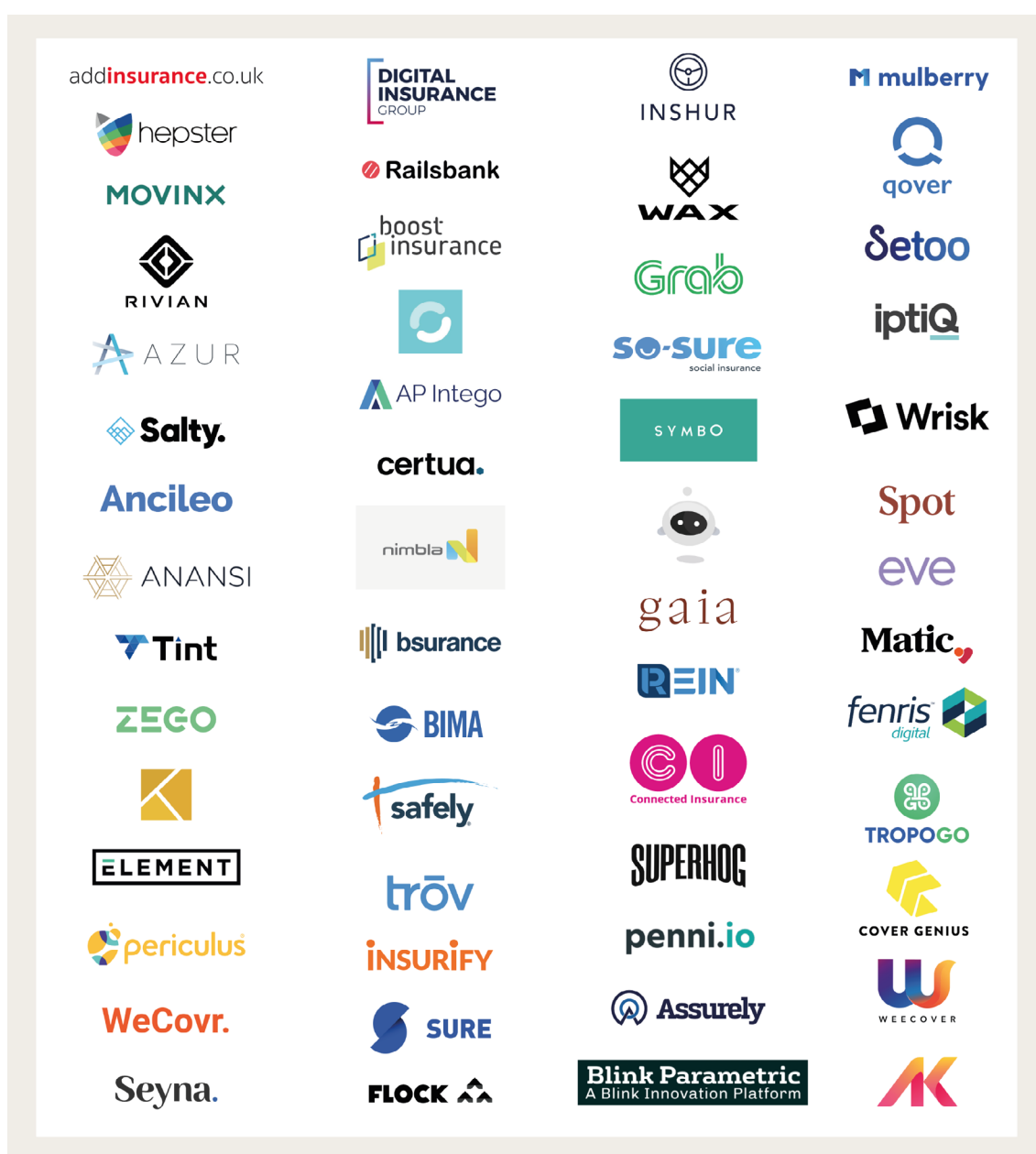
History

The traditional insurance model was to sell through agents, brokers and affinity partners, using the phone, face-to-face and lots of paperwork. The first wave of technology saw retail insurers start to exploit digital tools like websites to sell directly to customers without the need for an agent. The next natural development from that was the emergence of online aggregators for a more efficient one-to-many application process and price transparency.

More recently the focus has been using technology to find ways to cut costs and improve operational efficiency. For an industry that has a tendency to compete on costs, and not service, that has been a high priority. There have been improvements in the customer experience by providing more streamlined ways to process new applications and assess and pay claims. While the customer experience the industry provides has been getting better, it has been falling behind the more immersive, connected and customised engagement provided by others.

We know we need to fix this, but how? Not for the first time, we have much to learn from the broader world of financial services. As a sector, they are several years ahead of insurance in understanding the power of the embedded model. This has been sparked by the FinTech movement in conjunction with the side effects of the Open Banking initiative that has forced the sector into creating a broader, more connected financial services framework. This framework has allowed banks (especially the challenger banks), wealth managers and credit providers to sell their financial products – loans, credit finance, credit cards, and savings schemes direct to the consumer bases served by big retailers, telecoms, e-commerce providers, big tech, and car manufacturers etc. as add-ons to a core transaction.

With insurance being such an obvious service to add on at point of sale, demand for embedded insurance has taken off.

Media mentions of 'embedded lending' & 'embedded finance' skyrocket
Media mentions, 2019 - 2021 YTD (4/30/2021)
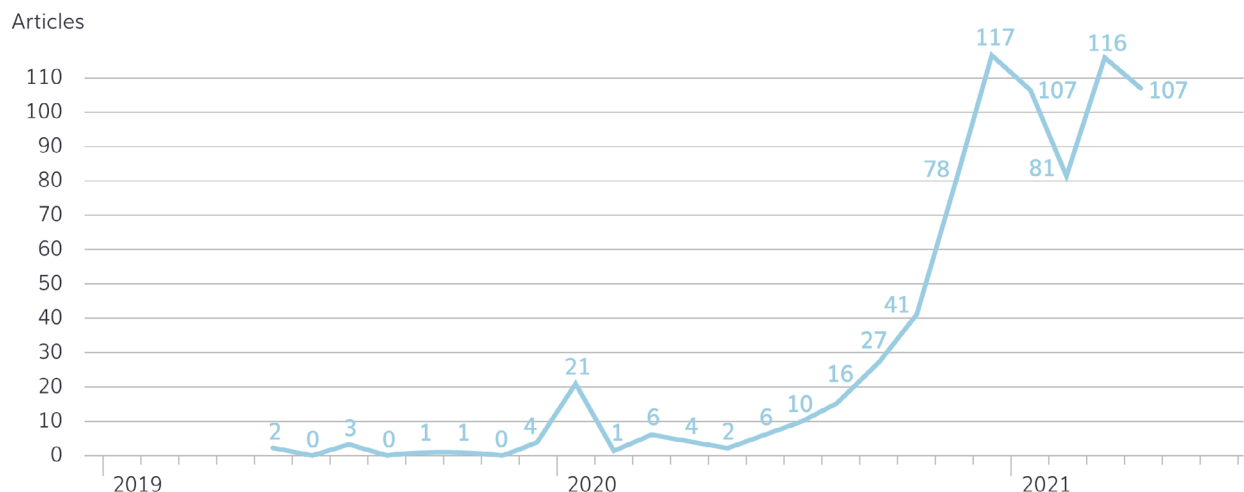
Source: cbinsights.com

What is Embedded Insurance?

Simon Torrance provides this definition: "Embedded Insurance means abstracting insurance functionality into technology in a way that enables any third-party product or service provider in any sector to seamlessly integrate insurance products and solutions into their own customer propositions and experiences. These solutions can be offered as complementary add-ons to the core offering of third party business, at point of sale or point of need (for example, Amazon offering insurance cover for expensive goods at check-out). Or they can be invisible native components – 'ingredients' – of a broader third party offering (for example, free insurance cover as part of Uber's contract with its drivers)."

"The power of the model is that it enables any organisation, not just insurers, to fulfil the insurance needs of the customer at the exact moment in their life when it is most needed. The most obvious example being add-ons which, to quote Capgemini 'is like French fries, a digital side dish suggested as an add-on to the main course. In the years ahead, we will increasingly see more and more businesses ask the question, 'Do you want insurance with that?'"

Given that other sectors are digitally more advanced and already leveraging the power of ecosystems, it should come as no surprise that some, who provide services which are relevant to the insurance customer base, are embedding their products and services into the insurance customer journey. This is not embedded insurance, it is embedded finance coming to insurance and we feature it here as part of the overall theme. **Railsbank** and **Certua** are good examples providing technology platforms that enable the financial services sector to embed payment services, credit cards, credit and savings products into our world. Given the inevitability of this in a digitised and ecosystem-orientated world this too needs to be embraced as an opportunity rather than a threat.

Railsbank use case

SingLife recently worked with Railsbank to offer a combined savings, spending, investment and insurance plan with a Visa debit card and no withdrawal restrictions, to create a closer, daily relationship with its customers and gather more data on their habits. In the past this would have been a complicated, costly and time consuming service to launch. SingLife launched it in a few months.

What problem does it solve?

It solves so many of the issues that the insurance sector faces and in a way that customers and distributors love too. Let's look at these issues in detail:

- **Customers** – insurance needs to give customers a better, more digital experience and to embed insurance more naturally into their lives. What customers really want is a better, simpler buying process and ideally matched to their time of need. Only some insurance products are capable of being delivered in a truly embedded way and they tend to lie at the simpler end of the spectrum (we look in more detail at product fit in section 7C). For the right product it is the customers' dream to buy the right protection at the right time with just a couple of clicks of a smartphone and know that if you need to claim, that will be just as easy too.

- **Distributors** (anyone selling at scale direct to consumers) – retailers, banks, motor manufacturers, landlords, the professions, have long understood the potential of baking insurance into their own offerings as a source of extra revenue. As a rule they don't want to move into that space themselves (as a risk taker) because it is highly regulated, has its complexities and can be risky. The preference has always been for partnerships, but until recently those partnerships involved imposing on your own customers an insurance buying experience that was cumbersome, lacked clarity and was difficult to market. For those who could overcome all that, there was the nightmare of trying to integrate an insurer's old legacy technology into the seller's own delivery platform. In the digital age the technology that enables us to overcome all those issues is now available. As distributors are usually fully digital themselves they are back searching for insurance products they can sell to their customers in return for extra revenue. Embedded insurance provides the answer.

- **Insurers** need to grapple with their distribution costs which are their biggest cost other than claims. They also need cost-effective access to new distribution sources and opportunities. For insurers, integrating their products directly into the sellers' platforms to sell to their customer base represents a cheap and efficient way of acquiring new business and if approached in the right way leads to better risk selection too.

- **Reinsurers** – their bedrock of traditional treaty business is under long term threat and they recognise the need to invest in alternative models and sources. This is one of the reasons reinsurers have been so supportive of the InsurTech scene in general. Embedded insurance provides access to new products and new distribution opportunities that do not disrupt existing clients. It also does so in a way that collapses the value chain and slashes distribution costs.

- **The Protection Gap** – the gap between the amount of insurance that is economically and socially beneficial for individuals, households and companies and the amount of coverage actually bought – is getting wider. From 2000 to 2020 it doubled, according to the Swiss Re Institute, driven by global trends in digitisation, urbanisation, climate change and a lack of effective innovation. Embedded insurance provides more relevant and personalised products, made easier to buy and offered when needed. In other words, it matches supply and demand efficiently and represents a good way to address the protection gap issue.

> "The demand for embedded insurance is already there. Only some insurers see it"
>
> Capgemini

Embedded Insurance Forecast, W'wide P&C, GWP $USD bn
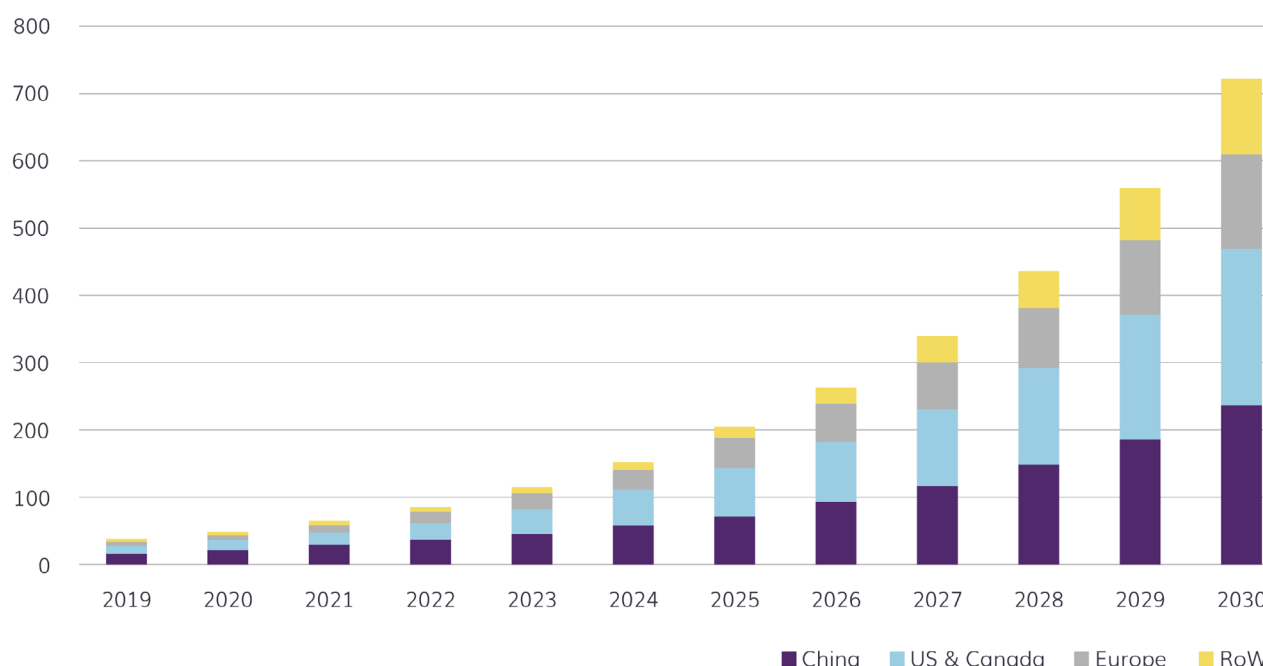
(Copyright Simon Torrance, Nov 2020)

Embedded Insurance is the right thing at the right time, is here to stay and is going to be huge – Simon Torrance estimates $722 billion in Gross Written Premium by 2030. So let's look in more detail at why we say that, how you do it and how early adopters are implementing it.

Why now?

The buzz around Embedded Insurance is the natural consequence of the emergence of several influences, both internal and external. As they have converged over the past 12-18 months they have made the case for embedded increasingly compelling. Those influences are:

● **Embedded Finance** has shown us the way – both how to do it and the extent of the opportunity. The Open Banking initiative, the creation of a new API-enabled technology estate, the emergence of challenger banks and the imperative to provide a truly digital experience has led to the emergence of platforms that enable sophisticated forms of Embedded Finance. They connect services offered by financial services providers via APIs to digital brands and distributors and thereby give them access to tools to rapidly configure financial service products into their own user experiences.

"As a business model, embedded financial services are becoming increasingly mainstream. Embedded insurance is next. With this model, companies can benefit from an improved revenue stream and customer retention. And best of all, consumers and businesses will be able to function much more risk-free"

Andreessen Horowitz

- **Technology** now enables it – just as financial services has FinTech, we have InsurTech. The latter has spawned a new breed of well-funded and entrepreneurial companies free of legacy constraints able to leverage a vast range of technology that makes embedded insurance so much easier to do. These new platforms are microservices, API and mobile enabled, SaaS and Cloud. With that as the basic framework they also provide functionality for configurable digital customer journeys and end-to-end policy administration support.

- **Data** – we now have the data to do it. The world gets ever more joined up with cars, products, machines and humans (through smartphones and wearables) becoming more connected and intelligent, generating new levels of data that can be combined and analysed to enable insurance to be more easily embedded – to enable us to understand what is needed and when.

- **Ecosystems** – digitisation has spawned new digital ecosystems, orchestrated by powerful platform businesses as alternatives to traditional marketplaces. McKinsey estimates that 30% of global economic activity – $60 trillion – will be mediated within these new ecosystems by 2025. There are of course massive ecosystems enabled and run by Amazon, Google, Facebook, Alibaba, Ping An and Tencent, but there are also smaller niche ecosystems emerging in every conceivable walk of life. They provide massive new B2B as well as B2C distribution channels, help match supply with demand and generate huge datasets and insights in real time about the activities and interests of their users, creating ideal markets for embedding insurance.

- **Customers** expect it – as we have already said, buying insurance with a couple of clicks of a smartphone is what customers want and have come to expect. It follows that the search is on for products that can be delivered using this approach which means they have to be relatively simple and transparent. More products than we think can fall into this category with better product design, especially if the product is designed to match the particular risk or issues faced at that moment in time (e-scooter insurance at the moment of hire, cost of wedding ring replacement at point of sale, single invoice financing at point of issue). Now we have the ability to embed the right insurance product at the right time into the overall customer journey, why not do it given it is such an obvious and sensible thing to do?

Liberty Mutual and REIN case study

Liberty Mutual and REIN created an embedded insurance solution to better meet the coverage needs of commercial drone operators, an emerging market expected to be valued at $17 billion US by 2024. **DroneInsurance.com** is a fully digital on-demand commercial drone insurance solution offering both episodic and annual flight liability coverage, available 24/7 and in real-time, and embedded within multiple distribution channels. The fully digital solution was developed in record time – in fact, four-times faster – by blending Liberty Mutual's innovation and problem-solving skills with REIN's flexible data-driven platform. Based on the success of DroneInsururance.com Liberty Mutual is working with REIN to build innovative solutions for other emerging markets, while simultaneously achieving elite underwriting through advanced data visibility and analytics.

The magic ingredients

If you share our view that embedded insurance represents a massive opportunity then what you need next is an understanding of how to do it. We think you need three main ingredients:

A. The right **technology** platform

B. A good source of **distribution**

C. The right **products** to do it with

Let's look at all these in more detail.

A. Technology

There is no way to provide embedded insurance effectively without a modern digital platform to facilitate interaction between stakeholders. That technology must be able to support simple, intuitive digital customer journeys and be capable of being easily integrated with other technology platforms using API's, to not just embed with distribution partners, but also to connect with complementary data sources and other value-adding services.

Insurers wishing to provide embedded insurance products have the choice to:

- **Build** – This can be a complete transformation and rebuild (like Wakam, see section 8A) or put a digital layer on top of legacy (see No-Code/Low-Code report) or spin up a new digital platform which runs parallel to the existing legacy infrastructure and use it for new digital products (like Achmea or more recently Admiral Pioneer).

- **Licence a Platform** – there are several examples listed in the Schedules – **Trōv, Digital Insurance Group, Periculus, BIMA, Setoo, Sure app, Symbo, Sure, Bambi Dynamic, KASKO, Tint.ai, boost, Airkit, Penni.io and Addinsurance** all offer "platforms as a service". These platforms provide the plumbing that abstracts the complexities of the insurance value-chain into APIs and configurable customer journeys and products so that distributor companies can deliver simple and intuitive user experiences to their customers. Unlike the technology enabled MGA's below these platforms are agnostic with respect to who provides the capacity, leaving distributors free to find the best insurer or insurers for each product.

- **Partner** – with a Managing General Agent (MGA) which specialises in embedded insurance. In this model the MGA not only leverages the capabilities of the new platforms described above, but it also acquires knowledge of the risk lifecycle and becomes regulated to conduct insurance – although not take the actual risk which they hand off to an insurer. They handle the whole process from distribution, application, underwriting, policy management and claims. We refer to these companies as "technology enabled MGA's" and they feature prominently in this report, see **Qover, Inshur, Flock, Zego, Wrisk and REIN.**

- **Buy** – this will become a more prevalent model once the extent of the competitive threat of the platforms as a service and technology-enabled MGA's is fully manifest, but it is already underway (e.g. Next Insurance acquiring **AP Intego**, specialists in workers compensation pay-as-you-go infrastructure, to enable Next to sell a wider range of insurance products at point of sale to small business software ecosystems like Intuit, Gusto, Square and Toast).

The technology that enables embedded insurance gets better and better. There is no excuse for not having the right technology and neither is it optional. If you have not got a modern platform developed

to deliver insurance in the digital age or are working with someone who does then best leave embedded insurance to others! Embedded insurance and monthly bordereaux are not a good fit.

> ## Trōv case study
>
> In 2019 Lloyds Banking Group (under the Halifax brand) partnered with Trōv to offer an embedded digital renters insurance product designed to meet the needs of the modern connected consumer. Earlier this year, the two parties also launched a contents product designed for renters, tenants, and homeowners, which combines a base monthly subscription policy with on-demand coverage for personal items. The Trōv technology also provides a frictionless claims process with every individual getting a live link that they can access at any time to check the status of their claim and receive a pay-out straight to their bank account. Trōv's technology also provides LBG with detailed analytics on financial reporting and behavioural insights, enabling them to improve underwriting and have a sustainable competitive advantage in the market.

B. Distribution

The best distribution partners are those that:

1. Have a **lot of customers**

2. Have a **trusted brand**

3. Have the ability and **willingness to partner and share data**

4. **Won't try and compete** with you in the future

The most fruitful embedded insurance partner categories to date have been:

- **Big Tech and E-commerce** – for better or for worse Big Tech has earned and retained customers' trust and is involved in many of our lifestyle interactions. They provide a great digital experience, intuitive services, real-time information and good customer complaints handling. The big call you have to make is will they one day come and eat your lunch? So far, Big Tech has been cautious about making inroads into insurance (with exceptions like Google and Verily, Amazon and Acko). In addition, several Big Tech forays into the insurance space did not work out. We think the threat of Big Tech in insurance is overdone, not least because they have plenty of regulatory and compliance issues afoot without stepping into the more heavily regulated financial services space. However, the fact remains that there is a global, cross-industry trend leading to the erosion of traditional brands in favour of new digital ones and the insurance industry has to work out what to do about that. Examples: Next Insurance and Amazon, Safely with AirBnB, and Grab, the Singapore-based super app and its ride-sharing micro-insurance scheme with Chubb.

- **Retailers** – retailers like insurers are under threat from online competition and margins are under pressure. Partnering with insurers as a way of diversifying into financial services and creating new revenue streams is an obvious and attractive strategy, especially if you have high levels of brand loyalty. So for instance John Lewis and Partners is working with reinsurer MunichRe on the ICE Insurtech platform as the first part of a new five-year strategy to generate 40% of profits from non-retail services. Ikea has launched new digital home insurance services in Europe and SouthEast Asia in the UK partnering with **iptiQ** for the technology and Swiss Re providing the capacity. See also **Qover** work with Decathalon on bike rental and **Mulberry Technology** in Schedule 2.

- **Motor/Mobility** – there are two big trends in Motor/Mobility and they are both driving much of the growth in embedded insurance.

  - **Usage Based Insurance (UBI)** – UBER, Deliveroo and others wanted to provide their drivers with a new kind of motor insurance that was not the standard annual motor policy. Something they could embed into the App that manages the drivers and their tasks. This would provide the drivers with the ability to turn insurance on when they started work and off when they finished. This is the gap into which **Zego** and **Inshur** moved and, having successfully delivered what was required and at scale, can expand into other territories and products with ease. Similarly, professional drone pilots want insurance for just when they are flying drones which is where **Flock** cut it's teeth before moving onto broader opportunities in the UBI Mobility space with Jaguar Land Rover. Also working directly with manufacturers are **Wrisk** with BMW and **REIN** with Volvo Financial Services, and Movinx, the 50/50 joint venture between Swiss Re and Daimler Insurance Services.

  - **Sharing Economy** – fewer drivers own cars and more and more are taking advantage of the short-term hire deals offered by the likes of Zipcar, hiyacar, Getaround (ex-Drivy) where insurance is embedded in the terms of the hire. The past year or so has seen a plethora of e-scooter providers like Ginger, Tier and Voi start providing e-scooters for hire in major cities. In the UK it is a legal requirement that e-scooter drivers are insured so it is embedded into the hire terms. This is another **Zego** speciality – they are the MGA that supports all three. Onto, a provider of Electric Vehicles (EV's) on a subscription model recently launched with insurance embedded in the lease terms (provided by Zurich). See also **CI**'s shared usage based mobility product.

Flock case study

THE OUT is a premium car rental service that lets customers hire vehicles and get them delivered to their homes or offices in a couple of clicks. It was launched by **Jaguar Land Rover**'s mobility venture capital arm, InMotion, in 2019. It has engaged Flock to provide a usage-based fleet policy in which THE OUT only pays for insurance when vehicles are on hire. All vehicles are automatically fully comprehensively insured by Flock and ready to drive at the point at which they are delivered to customers.

THE OUT will also use Flock's risk mitigation technology engineered to reduce road accidents. This technology produces insights by combining data from vehicle telematics with a range of other datasets, including decades of accident data, crime reports, and real-time traffic flows.

- **Banks and financial services** – Banks, particularly the new generation of neo banks, are excellent potential embedded insurance distribution partners. They have new digital platforms, are easy to connect to, have a lot of customers and have substantial and relevant data sets at their disposal.

  There's also natural synergy with banking in the area of trade credit financing or invoice financing. So, Barclays has partnered with **Nimbla** to provide invoice insurance to their one million SME clients who now have the opportunity to take out insurance against non-payment of individual invoices in a process that takes a few seconds. Trōv has a tie up by which customers of Lloyd's Bank can buy renters insurance using the Trōv platform for application and claims.

  On a related theme, a blue chip UK FinTech which helps customers access their financial data (including credit report and score) and use it to improve their financial well-being, has an embedded identity theft insurance in its offering using **CPP and Addinsurance**. See also **bsurance** and **Matic**.

C. The right product

Embedded products have to be simple, transparent, easy to understand and have a simple claims process. To work they have to have terms and conditions that are in clear language, not too long and easily understood. On the claims front there is increasing overlap with the emergence of parametric insurance because the embedded client experience requires quick compensation and therefore automated (or near automated) payments. Examples of where this is already working well would include delayed flights (see **Blink Parametric**), natural flooding, and jewellery theft.

It's implicit in the way that embedded insurance works that it will be easily assessed and have auto-calculated premiums, so no quoting, and nearly always a single insurer so no panel to compete on price.

There is always a balance between providing a low-touch consumer journey and ensuring that the legal and regulatory requirements are met. This is never easy. We asked **ICSR**, a specialist insurance consultancy to provide some insight on the issues that need to be considered.

- There can be no dispensing with the need for a customer KYC check which has to be built into the journey.

- In the UK (there are similar requirements in many other jurisdictions) there are suitability requirements which means insurance products must be suitable for the customer's needs. Easy to do when the insurance is designed to protect consumer goods or services at the time of purchase, but not if it is random and added on opportunistically.

- The product will need to be appropriately priced to meet specific requirements around pricing fairness.

- Consumers accept or acknowledge they have read the Terms and Conditions needed to meet FCA requirements for product and status disclosure, as well as be provided with a Data Privacy Notice under UK Data Protection requirements.

- Great care needs to be taken to ensure that there can be no chance of a consumer unwittingly purchasing the product.

- There will need to be a secure payment capability and specific issues to address if the payment is made to a third party and not direct to the insurer.

- Policy documentation must be distributed to the consumer after purchase which requires the collection of delivery details (email, mobile, social media) and the document has to be "permanent, retainable and readable."

None of this is insuperable, but it does mean that the opportunity in the embedded space is limited to the products that can be fitted within this legal and regulatory framework. That does not mean only small and simple as long as the product is an exact fit for what the customer needs at that point of time and the premium can be calculated automatically. For example, **Azur**, Roc Capital and Elmsure Insurance Agency have embedded traditional Builders Risk into the US Fix and Flip market (see case study below).

Much of the content produced about embedded promoting it as a vast opportunity makes light of these regulatory issues suggesting that the insurance industry simply doesn't understand the nature of the digital engagement and has failed to keep pace with the changing times. Some of that is true, but there are also plenty of products that the industry would love to distribute as embedded offerings but are prevented from doing so by their complexity and local law and regulations. On the flip side of that, the high regulatory bar is the first line of defence of traditionalist insurers and is overused as a reason why the embedded opportunity is overblown.

Azur case study

"The US Fix & Flip market is a $130bn market with a requirement for Builders' Risk insurance. The Fix & Flip market is dominated by small residential property investors who acquire older housing stock principally through off-market transactions or foreclosure auctions. A number of US non-bank lenders provide short-term bridge loans to the property investors buying and renovating such properties, including Roc Capital.

The Azur platform, which is built on Salesforce, uses REST API's to integrate with the Roc360 lending platform and pulls up to 150 data points from the API's including address, property type, stories, square foot, build year, etc. ElmSure Insurance Agency, a NYC based P&C agency specialising in Builders' Risk and landlord insurance, accesses this data to provide an instant automated Builders' Risk product with no manual intervention. Endorsements and cancellations are also fully supported and automated. Billing is handled by adding the policy cost to the loan payments.

Examples of Embedded products
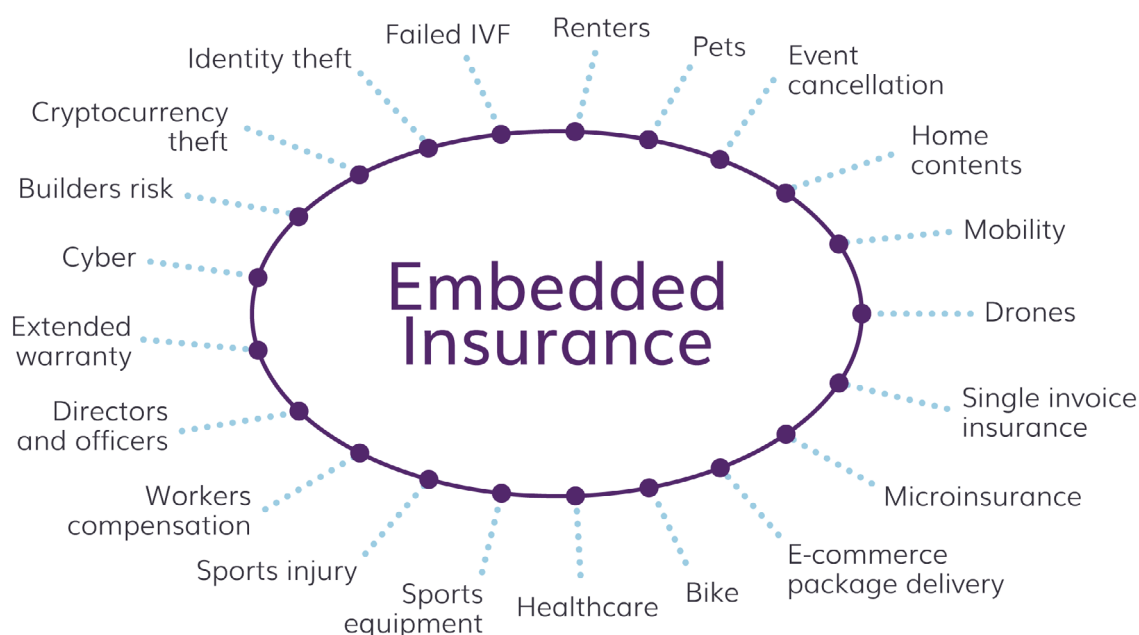
How do insurers/MGA's make the most of the Embedded Insurance opportunity?

Embedded Insurance has opened up access to new addressable market segments with high margins that were too risky or not commercially viable in the past. It is not necessarily attractive to all because it frequently means providing insurance products that did not exist before where there is no historical data to rely on. It also requires using technology and data in new ways.

For those who do wish to exploit the opportunity, how do you set about it?

A. Build it yourself

Rather than provide our own view of how an insurer sets about creating its own embedded insurance capability, we got some tips from Wakam who have had embedded insurance as a strategic priority for the past 6 years and are now Europe's leading embedded insurance provider. Here they are:

- **The right technology**

Wakam spent 5 years building and consolidating a technology platform designed specifically to provide distribution partners the flexibility and connectivity required for the embedded model. For some products partners can even build and market products adapted to their own specific end-users' needs using a dedicated "self-service" capability to configure the parameters that best meet their needs (deductibles, coverage, commission, etc), and the right customer journey. All products can be plugged into Wakam through APIs. The APIs also enable other stakeholders who provide value-adding services or product to connect into the journey. Bound contracts sit in a private blockchain connected to a public protocol to timestamp and automate policy and claims management. There's also a portal that allows partners to see and follow their technical results and premiums.

> "We have barely scratched the surface of this enormous new opportunity both for third party distributors and the insurance industry"
>
> Simon Torrance

- **A quick and slick onboarding process**

The first step is to pre-qualify the product as suitable for embedded – simple, transparent, easy to understand – with simple claims that are also easy to assess and settle. For such products Wakam has a four-stage onboarding process that it uses to design and implement a tailor-made insurance solution with a dedicated team in 6 weeks (3 weeks for simple insurance products).

Phase 1: Seek – define and validate the partner's needs: discuss the outlines of the partnership, the value creation, the operational model, the key stages etc.

Phase 2: Qualify – specify with the partner, the product, the operational model and agree on how value will be shared, plus build the API.

Phase 3: Achieve – finalise the insurance offer with the partner, sign a partnership agreement and connect web front-end, APIs and data flows.

Phase 4: Develop – launch the partnership, monitor subscriptions and claims.

- **The right culture**

To succeed in the digital world and work with digital partners requires aligning the cultures. First and foremost this means learning to be curious, be willing to experiment and learn and fail fast. These require a wider transformation plan that goes beyond new technology and involves how the company works and thinks. With Wakam this was part of a broader shift to be a mission-driven company designed to **"enable transparent and impactful insurance".**

Wakam use case

Embedded insurance for jewellery. Partnering with GoodsID Wakam offers theft insurance for Maison Courbet wedding rings. The process is simple: A customer buys a Maison Courbet ring insured by Wakam, a certificate of authenticity including insurance is registered in the GoodsID blockchain. In the event of a theft of the ring with a break-in or assault, the victim reports the theft to the police station, the policyholder sends documents to GoodsID from his client space. GoodsID verifies the information and automatically transmits the claim via API to Wakam. Wakam validates the claim, registers it in its blockchain and indemnifies GoodsID. GoodsID instructs Maison Courbet to recreate a ring identical to the original and a new certificate of authenticity is created. The customer is notified and picks up his new ring at Maison Courbet.

B. Partner with platforms or technology enabled MGA's

The number of insurers prepared to make the kind of long-term commitment and investment in a digital future so that they can easily meet the requirements of embedded insurance is a tiny minority. While many have made tactical forays into the digital world, few have managed the complete transformation to a digital first business. This means that they can only play optimally in the world of embedded insurance in conjunction with partners. This can be done in two ways:

- Wait for "**Platform as a Service**" providers who have teamed up with a source of distribution to bring you opportunities

- The more strategic approach of providing your capacity to the **technology enabled MGA's**.

In all cases these partners source and/or design very specific products for the customers of their distribution partners and then put them on the easily configurable digital platforms they own and operate. In the case of the technology enabled MGA's they go one step further and get the regulatory status that allows them to run the insurance process end-to-end from distribution, application, enabling underwriting, policy management and claims, bind and manage insurance policies. In other words everything except take the underwriting risk.

Qover case study

Revolut is Europe's leading neobank with over 12m customers in 35 countries. It turned to Qover rather than a traditional insurer as the best partner to provide embedded insurance in 32 countries with a single integration. The solution Qover provides is fully integrated into the 'Insurance' section in the Revolut App allowing users to access 3 new insurance products in real-time – 'Plus', 'Premium' and 'Metal' accounts. These plans protect against damage, theft of their purchases, disputes with sellers, and show cancellations due to unforeseeable circumstances (including Covid-19). Using the same tab, Revolut clients can browse their insurances including the summary, details and legal documents. They can also report, track and control claims. A push notification system allows users to be informed at every stage of the claims process. Wakam provide the capacity.

There is almost no other area in the InsurTech start-up world where there is greater opportunity, where there has been more cash invested and more value created over the past 5 years than this new breed of MGA's. Examples of companies who have successfully implemented this model are many of the best-known names in **InsurTech** including **Flock**, **Inshur**, **Qover REIN**, **Wrisk and Zego**. The latter has just become the UK's first InsurTech unicorn.

It is our view that the list above and others who provide the same combination of state of the art digital insurance technology with the MGA model will go on to join Zego in the pantheon of unicorns (unless acquired by an insurer along the way). That's because what they do is something that most insurers themselves are unable to replicate, it is genuinely disruptive and given the valuations and availability of funding there is the obvious opportunity for them to go on and become full stack insurers in their own right once they have learned the ropes.

"Very few large institutions are innovating in a meaningful way... Beyond Marcus, no traditional financial institution has built a new business in the last 15 years"

Jonathan Larsen, Chief Innovation Officer, Ping An

Insights from the frontline

Lessons from China

You cannot write a report about embedded insurance without looking at what is happening in China. Ping An Insurance Group (Ping An) is the leading exponent of the embedded insurance business model in the world today and the biggest insurer on most metrics too. It was founded in 1988 by Peter Ma, who wanted to provide Western-style insurance services to the Chinese market. It started by offering policies across life, health, property and casualty, and was one of the first to offer insurance for private cars in China.

From 2008, Ping An switched its focus to technology and building a platform-based ecosystem. From then on 1% of its profits every year have been re-invested in research and development and they estimate that they will spend a further $14 billion on technology by 2030, most of which will go to seeking to understand how best to leverage AI, cloud and blockchain.

As a result of all this investment Ping An has created a portfolio of platform ventures in adjacent sectors like telemedicine (Good Doctor), automotive sales, banking and real estate which were integrated into its insurance platform. There's also a wealth management platform (Lufax value $36bn), neo insurer ZhongAn (value $7bn) and technology infrastructure platform OneConnect which itself is used by 1400 other financial institutions (value $8bn). Ping An describes its business model as a "technology company with a full set of financial services licences."

These platforms have attracted huge new user bases that provide ideal sources of distribution in which to embed its insurance and other financial services products. With no legacy, little by way of effective competition from incumbent providers and subject to a much lighter regulatory touch than exists in Europe or North America (until recently at least) they have become the dominant channels for originating and maintaining customer relationships representing 40% of all new insurance sales and 500 million users.

However, it is not going to be a one-way ticket to the moon for Ping An. On 29th April 2021 the Chinese authorities summoned 13 of the biggest technology giants in the country for a dressing-down and announced a series of new regulatory measures that will introduce tighter regulations and require the companies to restructure. Some insurance commentators called this a threat to the notion of embedded insurance. We don't see it like that. The move was intended to:

- Check the power of these giant conglomerates and make sure they understand who runs the country

- Get a better grip on rapidly increasingly consumer debt

- Provide a basis for the incumbent financial services providers to fight back.

In practice it means that Ping An may not be vertically integrated across all their financial services platforms and some of the ventures they own may have to be spun off. It is not, however, as some have called it, the premature end to embedded insurance, which will continue to grow both in size and importance in China and across the world.

Ping An fact sheet

The numbers are truly astonishing for a company founded in 1988:

- Market capitalisation – over $200 billion
- Turnover $169 billion
- Profit $20.8 billion
- Assets $1.5 trillion

An investor's perspective

INSURTECH GATE**WAY**

The Insurtech Gateway is an FCA authorised incubator and fund, designed to support insightful founders to solve real problems with scalable solutions. They have seen a lot of embedded insurance pitch decks in the past few years. We asked Stephen Brittain, co-founder, for some insights based on what they have seen and learnt in that time

"We've backed 2 businesses from 45 pitches that could be termed as embedded insurtechs. We've spent 3 years working closely with these teams supporting them with both investment and regulatory authorisations, incubating them from an idea to live and scaling businesses.

The two we said yes to were Coincover and **Superhog** based on the following criteria:

- The insurance was truly baked into the product/service and could not be separated.

- The insurance is a clear value add/differentiator for the customer.

- The cover was clearly delineated from the legal requirements under existing consumer protection laws.

- They sounded nothing like the Payment Protection Insurance (PPI), the financial opt-out services of the past.

- And beyond this list, both teams were clearly fully-committed founders and determined on creating sustainable models for the customer and insurer.

In short, the products sounded relevant and more like the warranted services that the insurance sector has been writing for 150 years, but represented in a modern, digital way. They are clearly covering premium risk areas that would and could be better served with integrated insurance solutions. As a result, they provide robust consumer propositions distributed more efficiently. With both Coincover and **Superhog** we can confidently paraphrase the Ronseal ads of the 20th Century… "it does what it says on the tin".

Our advice to aspiring founders based on the other 43 that we didn't back is:

- We should all be cautious of the promise of easy distribution. It doesn't take long for take up to accelerate in the hands of strong sales teams, and without care the customer and the insurer are left on the hook. An early filter of ideas on customer relevance and protection is strongly advised.

- Point of sale placements sound easy and obvious, but real world common-sense still applies. Like a real world checkout… a plastic bag yes, maybe a chewing gum or a magazine to fill in the waiting time. But don't think this is a browsing shopping experience.

- Our door is always open to Insurtech founders and progressive (re)insurers, so if you resonate with our point of view please get in touch."

A scale-up's perspective

Wrisk

Niall Barton and Darius Kumana, the co-founders of Wrisk offered to provide us with their insights based on the last 5 years experience of being a start-up then scale-up in the embedded space. They found some big differences between the perception and the reality of how these things work on the front line. Here are their 5 "Myths":

- **Myth #1 – The Incumbents**
  We've found that some distribution partners and some global insurers have destroyed the assumed reality of them being slow, bureaucratic and averse to embedding an insurance offer into the digital purchase journey for a customer. On the contrary, there are incumbent global brands who are embracing embedded insurance with impressive pace and delivery.

- **Myth #2 – The Disruptors**
  In contrast, you'd have expected some of the new retail/fintech brands would have instantly grabbed the embedded opportunity. Our experience has been that the speed of adoption by some of these players has been counter-intuitively underwhelming.

- **Myth #3 – The Regulators**
  Junk the stereotypical view that the regulators will be blockers to innovation like embedded insurance. Show a clear path as to the improvement for customers and they'll be your biggest fans.

- **Myth #4 – The Customers**
  The standard response from some established brands is "sorry but the demographics of our customers suggest they won't want to engage for most of their insurance activities via digital or embedded means". Simply not true. We've seen that the adoption has been consistently strong across all age groups.

- **Myth #5 – The Speed to market**
  Embedding insurance so it's nice and easy for the customer and a new channel for the insurer must be fast to deploy? Wrong. Certainly in the early days, calculate the expected timeframe to bring an embedded product to market. Then double it to allow for slippage. Realistically you may end up even doubling that last estimate yet again. Patience and stamina is needed, be warned.

Darius will be publishing his detailed analysis in a report based on the **Wrisk** experience shortly.

> "What makes this space really exciting is the possibility of building something transformational in this new era of open finance/open insurance. Though in its infancy, it may be the catalyst for the industry to effect real change"
>
> Ruta Mikiskaite, Head Client Solutions, UK&Ireland

Incumbent insurers and reinsurers perspectives

We asked Swiss Re and some of the insurers we work with at InsTech London that we know are embedded insurance enthusiasts to provide some insight into their approach to and ambitions for embedded insurance going forward. Here is a selection of responses.

SWISS RE

Swiss Re

For Swiss Re we are just at the beginning of getting the most from embedded insurance given that Open Finance/Open Insurance are heading our way. They are after long term partnerships that can see beyond just insurance.

"Despite the fact that the insurance industry plays a vital role in protecting lives, economic assets and making the world more resilient, those that buy our products still see it as a "grudge" purchase. How can we change that?

Swiss Re thinks that embedded insurance may be one of the answers. Early signs are encouraging. Our experience with it to date is that we have seen big improvements in the customer experience, better data insights and cost reductions. As a result, we are looking for more like-minded distributors and partners to bring additional embedded insurance products to life. Swiss Re's recent initiatives have covered a broad range of insurance products, from home contents insurance with Ikea, to parametric earthquake with CoverGenius and Intuit, to partnerships in the mobility ecosystems across the globe.

Our ideal distribution partner is one that can see beyond insurance as just an additional income stream. We want to form deep and long-term partnerships which leverage digital distribution capabilities and make smarter use of the data to offer fundamentally better insurance services. At Swiss Re we are looking to form these strategic partnerships with both small and large companies in the US, UK and across the globe if they can help us bring new embedded insurance products to the market.

For insurers and reinsurers this is about taking a leap of faith to adopt different pricing models and to enter new market segments. What makes this space really exciting is the possibility of building something transformational in this new era of open finance/open insurance. Though in its infancy, it may be the catalyst for the industry to effect real change because customer data will become easily portable and accessible by multiple parties in the ecosystem."

Ruta Mikiskaite, Head Client Solutions, UK&Ireland

MAPFRE

MAPFRE

For MAPFRE, embedded insurance is just a natural step we need to take to reflect the fact that insurance is becoming more and more real-time and so moves from being about assets to living experiences.

"At MAPFRE, we see embedded insurance becoming an important part of our P&C portfolio in the coming years. For instance, embedded insurance will be the key to the success of shared mobility business models; fleet owners need to be able to tailor the price of the ride to the specific risk of each driver and situation, while at the same time ensuring this micro-subscription process is transparent for the end-user.

In other words, it will not be sufficient just to embed insurance in the sales process, but about insurers needing to do that AND be able to offer real-time pricing and subscription according to who, what, when, and how. In our view, insurance will move from assets to living experiences. This means that individual risk profiles will be based on historic data, real-time data, and predictive models at the same time, and that as part of the same trend B2B insurance plans (like those for fleets) will no longer be calculated as a whole in advance but as a sum of small risks assessed as they happen."

Joan Cuscó, Global Head of Transformation, Mapfre

WAKAM

For Wakam, embedded is how insurance evolves to reflect changing consumer behaviour and the switch from an ownership based economy to one which is usage based.

"Embedded insurance is completely in step with structural changes in consumer behaviour and in particular the emergence of a booming usage-based economy. Nowadays you can rent just about anything, using things on an as-and-when basis, from videos to scooters, jewellery, and clothing. Our CEO, Olivier Jaillon, has written a book on this subject called the "Intangible Age" which outlines his unshakeable belief in the idea that we are switching from an ownership-based economy to a usage-based one. This is why the insurers of the future will need to adapt so they can protect assets and people in this new normal. "

Franck Pivert, Chief Revenue Officer at Wakam

LIBERTY MUTUAL INSURANCE

Liberty Mutual views embedded insurance as a big growth opportunity within P&C insurance.

"According to some industry experts the embedded insurance space is estimated to be worth $3 trillion by 2030. To put that into perspective, today's global P&C insurance market (by premium income) is worth about half that, at $1.5 trillion.

Given our belief that progress happens when people feel secure, it's critical that we bring seamless risk solutions to our customers and business partners. By utilizing technology to improve the underwriting, distribution and claims process, we can provide them with the tailored solutions and service they need, when they need them. The huge explosion in data sets, advanced analytics capabilities and opportunities to partner with trusted brands where we share clients makes embedded insurance a key part of the future of insurance. We're currently exploring and executing on a number of embedded insurance solutions for our clients in mobility, drones, travel and cargo."

Premal Gohil, Head of Innovation Partnerships and Investments

Third party "embedders" perspectives

Simon Torrance spends a lot of his time advising third party organisations and brands – retailers, telcos, automotive manufacturers, banks, fintechs – about where and how to embed insurance and other financial services into their propositions. He has provided us with this:

"Many traditional companies with large customer bases have been selling insurance as an adjacent product for some time. Those selling high ticket items – like cars or electronic goods – have made good money from doing so. But it takes a long time to set up affinity deals or resale partnerships with insurers, and the products on offer are not always very innovative or good value for customers. And experiences in the sign up and claims processes rarely 'delight'.

Now technology is changing the art of the possible, creating innovations and experiences that were just too difficult in the past.

I find that most third-party organisations and brands are not aware of the extent of what is possible now, even if they have been selling insurance for some time. And there is a long tail of smaller companies for whom it is now feasible to integrate insurance cost-effectively into their overall offer, adding high margin revenue streams and creating greater loyalty to their businesses.

These companies, along with more digitally mature businesses, are being served by a new breed of 'insurtech infrastructure' players (many of whom are listed in this report), who sit in between the incumbent insurance players (risk carriers, underwriters, policy designers) and third party brands, to orchestrate new affordable and relevant solutions for end customers offered at point of need. We have barely scratched the surface of this enormous new opportunity both for these third party distributors and the insurance industry."

Conclusion – to embed or not to embed?

If you have got this far then you will know by now that we see embedded insurance as a massive opportunity for all players in the industry, particularly those that are consumer facing. We go further and say that it is inevitable that the type of insurance products that can be embedded (simple, transparent, easy to understand and a simple claims process) will increasingly be sold this way. It's aligned with what consumers want in the third digital wave and it serves the noble purpose of helping to close the protection gap, particularly in emerging markets.

That leaves insurers on the horns of a dilemma – to embed or not to embed? If you choose the former it involves embracing these new channels and those that run them. That of itself shouldn't be too big a jump to make – insurers have always relied on third parties for distribution – this is just a change in source, not model.

Not for the first time, the bigger challenges lie ahead on the technology side of things. The dependency on and constraints of legacy systems which still dog most insurers limit the ability to plug and play seamlessly in these new digital ecosystems. Developing an API framework that enables insurers to connect with a broad array of distribution partners and the ability to create and rapidly configure intuitive customer journeys are all prerequisites to successful participation in this brave new ecosystem world – as is a willingness to experiment with new products and models. Few insurers can do all those things and many can do none of them.

Insurers also need to up the game with respect to data. The age of annual renewal of consumer policies is nearly over. Consumers have come to expect their digital services providers to be there at the right time with the right product at the right price. To do that requires real-time customer insight and currently few insurers can even handle real time data feeds let alone derive insights from it.

Most insurers therefore face a choice – hand off the technology and the data to third parties (platforms as a service or technology enabled MGA's again) or don't go there at all. But, for those who want to play in digital ecosystems a digital infrastructure and the ability to leverage data analytics at scale need to become core competencies. While the natural reaction might be to leave the end customer relationship, technology and the data insights to others, that is to concede that you can't or won't play in the part of the value chain where all the value lies. Those left to provide just regulated risk capital are in a mugs game – a race to the bottom based only on scale and cost.

How can InsTech London help you?

The purpose of our reports is to provide thought leadership on the major themes and opportunities of the moment. Embedded is one of those and the time is now. We really encourage leadership in insurance to devote time and resources to fully understanding in detail the opportunity and what it involves. Our research suggests that at the moment the industry is only dabbling.

To help with this, InsTech has teamed up with Simon Torrance – one of the world's leading independent experts – to help our community create, review and/or enhance company strategies in this space. Simon's analysis[2] is that there is a market worth $3 Trillion up for grabs over the next 10 years for businesses that enable Embedded Insurance.

Please get in touch if you'd like details of our '**Embedded Insurance Strategy Review & Development Workshop**', which we are offering to leadership teams across the world.

[2] Link to analysis – https://bit.ly/EmbeddedInsuranceSimonTorrance

Company profiles

ADDINSURANCE

Website	https://addinsurance.co.uk/
Funding	Privately funded
Founded	2020
Offices	London

addinsurance.co.uk

AddInsurance was founded by Sam Forster to bring the public cloud technology that underpins the modern customer experience to the insurance industry. Sam has twenty years experience digitising core banking and insurance infrastructure at JPMorgan, Deutsche Bank, BNP Paribas, Barclays, Santander and IBM.

AddInsurance is a cloud MGA aiming to make it easy for fast-growth, online distributors to add insurance to their product mix and cut expense ratios using automation, public cloud and artificial intelligence.

Integration to the AddInsurance platform is easy and uses well-documented and robust APIs (scale to over ten thousand writes a second). It also helps map and manage the compliance reporting requirements associated with distributing new types of insurance products.

Insurers, who partner with AddInsurance as a source of distribution benefit from public cloud adoption and all the operational cost savings, speed to market and other benefits associated with building new products and distribution away from the constraints of in-house IT and legacy infrastructure. AddInsurance also provides support to any distributors integrating with the platform to reduce dependence on in-house IT.

The platform enables cloud MGA environments to be spun up in a few hours. Configuration and integration tasks associated with product launches typically take between two and four weeks to build, test and deploy. Product launches from start to finish are possible in six to eight weeks if there are no external distractions.

Operational costs are low for insurers, with hosting costs typically £0.01 per policy per year for populations of under 250,000 customers, and less for populations over a million. The AddInsurance charging model is on a per transaction basis. The platform can be hosted on Amazon Web Services or Google Cloud. It is used by customers in the UK and Australia, and is available worldwide.

AZUR

Website	https://www.azuruw.com
Funding	£13.3m
Founded	2016
Offices	London

Azur Group is an MGA where the technology and underwriting teams are equally important. This approach of combining cultures has made Azur a more modern underwriting business better able to deliver to market needs.

As a regulated entity, Azur writes High Net Worth Personal Lines products, distributing the products in the UK and Europe through brokers. Azur has built a straight-through-processing platform to handle this business with full content marketing, email drip campaigns, CRM, quote, bind, underwriter desktop, MTAs, renewals, claims, billing and general ledger functionality. The product delivers the asymmetric user experience that is key to modern technology products: low question sets for brokers and their customers, and rich real-time data for the carrier that enables highly segmented underwriting appetite and a rapid response to any changes in the market. Via an API, the underwriting system links to a data science platform providing predictive analytics around propensity to claim and likelihood to win, thus triaging and augmenting the manual underwriting of more complex and larger value risks.

Azur also provides a Platform-as-a-Service for carriers and MGAs globally, building and managing the technology platform for Commercial and Personal Lines products including admitted and non-admitted lines in the US. As part of this offering, Azur has integrated front end broker portals and underwriter desktops into core legacy systems, up to and including outputs for State filings.

Azur's technology is built natively on the Salesforce multi-tenant platform with full API capability, and can integrate with modern REST APIs. This configurable system allows Azur's engineers to work in a no/low-code environment, but to move outside these constraints and cut code where necessary. By operating in an ecosystem and not trying to reinvent the wheel, Azur is able to limit technical debt for itself and its PaaS clients. Insurance products can also be brought to market more quickly, thereby lowering the expense and risk of product innovation. Azur plans to scale its underwriting by adding more lines of business including those contiguous to its HNW offering, and will also continue to build and operate systems for other insurance partners.

BLINK

Website	https://blinkparametric.com/#1
Funding	Seed
Founded	2016
Offices	Cork; Leeds

Blink Parametric
A Blink Innovation Platform

Blink was set up in 2016 and acquired by CPP Group in 2017. Its first product, Blink Travel, is a tool which enables parametric coverage for flight disruption. Customers are given alerts, status updates, service benefit options and compensation for flight delay, all in real time. Insured benefits can be delivered automatically, without the need for the customer to make a claim and there is an option to provide automatic re-booking of cancelled flights and compensation for delayed or lost luggage.

It also now offers Blink Climate, a tool adaptable for factors such as climate change, extreme weather and natural disasters, and Blink Energy, which adapts to risk factors associated with domestic appliances and industrial IoT. The claims process in respect of both products can be fully automated.

Blink does not sell its own insurance policies, but instead provides a platform via an API for insurers and other product providers to embed the Blink proposition into their own brand and infrastructure.

Blink has been supported by a number of insurance partners, including Blue Cross, Manulife and Allianz. Its APIs are designed to integrate easily with its partners' systems and provide a smooth, intuitive and real time customer experience. The technology is cloud-based, adaptable and customisable.

In 2020, it also launched Blink Interruption, which aims to provide immediate liquidity to small and medium-sized businesses which suffer an insured business interruption event. It promises interim pay-outs within days, with further automated payments available to customers as required and specified by the insurer. Blink developed the product working with the Lloyd's Lab after being selected for its fifth cohort. The focus on business interruption came in response to the challenges faced during the Covid-19 pandemic.

CERTUA

Website	https://www.certua.io
Funding	Privately funded
Founded	2016
Offices	London

Certua was formed out of Integrated Protection Solutions, a joint venture with AIG and Swiss Re. Using wealth data to price life insurance contracts, the platform was embedded into the workflow of financial advisers to facilitate a combined wealth and protection advice proposition. The company was formed in 2016 and it has evolved from an insurtech to become a regulated open banking and insurance intermediary, facilitating debt structures for corporate clients.

Certua's platform enables digital connection between businesses, financial institutions, and the capital markets to facilitate the provision of embedded financial services. The company has two broad customer types: distribution partners who have SME or consumer end clients, and manufacturing partners who are typically financial institutions.

Certua's team of machine learning engineers have developed proprietary models for categorising bank transactions and risk assessment within an overall decision-making framework. These models provide the basis for a system that dynamically prices and underwrites risk. The company's infrastructure is cloud based and free of legacy integrations. Every aspect of the stakeholder lifecycle is automated, from product building and configuration to partner onboarding and treasury management. Certua operates on a fully delegated basis from insurance partners, and regulatory compliance is a key design consideration. The company can provide a full suite of APIs, brand configurable web components and micro front ends, and a white labelled portal.

Partners include Beazley where Certua has helped them access existing markets in new ways with an adviser and network portal and embedded Beazley insurance products.

DIGITAL INSURANCE GROUP

Website	https://digitalinsurance.io/
Funding	€15m
Founded	2017
Offices	Amsterdam

DIG provides SaaS to insurers for all of their distribution channels, including embedded insurance solutions. The company's customers are global insurers and their distribution partners include banks, FinTechs, brokers, OEMs, retailers and direct to consumer brands. DIG was founded in 2017 and is active in Europe, Latin America and Asia.

DIG enables customers faced with legacy system issues to quickly launch new propositions on top of their aging technology or they can launch new greenfield approaches. The DIG offering includes a front end suite including Quote & Buy modules for both Life and non-Life products, customer, broker and agent portals, wallets and insurance ecosystems. These solutions are low-code/no-code for quicker implementation and connect to legacy systems or third party services through DIG's API middleware which enables contextual and data-driven solutions. Third party providers include payment services, identity verification check or third-party ecosystem partners. All of DIG's solutions can be delivered as stand-alone applications or can be fully embedded in other products and customer journeys.

DIG has built a new life insurance product that includes health courses, a doctor online, telemedicine, and specific treatments. In another project, DIG has combined a "Vitality offering" with life or health insurance whereby the insurer is 'integrated' into the daily life of a consumer and provides rewards for activity. DIG's solutions bring those together in a customer portal or app.

The company has collaborated with dacadoo and their Health Risk engine to come up with a joint offering that allows the building of a sales funnel that includes wellness-related questions to personalise and offer lifestyle-based insurance. Clients can also be told what they could or should do to get a better quote. This proposition can be used in underwriting or by a sales and marketing team in customer acquisition with targeted discounts.

EVE

Website	https://eve.io/
Funding	$2m seed
Founded	2017
Offices	Munich; London

eve is an insurtech and event tech startup that provides a platform for event organisers to manage their operations with embedded risk monitoring and the ability to purchase event cancellation insurance.

It has built a SaaS platform for the management of large-scale live entertainment including issue tracking & resolution, risk alerts & mitigation support and staff management & communication. This is provided free to event organisers and then leverages the data captured from the platform together with data mined from independent sources (weather, venue details, location of essential facilities, etc) to help event organizers to manage their own risk as well as provide carriers with what they need to better understand and therefore underwrite event risk.

The traditional event insurance experience of purchasing, using and claiming on a policy has been fully digitised so the application, communication and policy administration is all handled within the eve insurance portal. Eve's current focus is on event cancellation insurance with plans to expand to include the entire range of event exposure, i.e. Public Liability, Equipment Cover, etc.

Understandably, eve had a very quiet year in 2020 but in 2019 powered over 850 events with some of the largest promoters in the world, e.g. Live Nation. With twice the number of events expected in 2022 than 2019 combined with the post pandemic resourcing constraints this will make the insurance of events riskier than ever before. As a tech company built by event experts, eve will use its specialist knowledge to provide event professionals with a platform to manage events day to day, provide real-time alerts to mitigate their risk and partner with insurers to evaluate and develop event risk insurance solutions.

eve has raised an unannounced seed round of $2M from private investors including Stripe, executives from Sky and one of Guggenheim's founders.

FLOCK

Website	https://flockcover.com/
Funding	£6.1m
Founded	2015
Offices	London

Flock is a London-based insurtech providing insurance and risk management to commercial vehicles, ranging from all-electric motor fleets to medical delivery drones. The company believes the insurer of the future will actively help customers reduce incidents instead of only being there when something goes wrong.

Flock's roots are in academia and data science, arising from research papers at Imperial College London and Cambridge University. Flock launched Europe's first pay-as-you-fly drone insurance product in 2018, and now insures thousands of commercial drone pilots and connected motor fleets with a range of data-driven insurance and risk management products. Flock's risk intelligence engine uses real-time, third party and proprietary data sets to price policies. This analysis is also provided to Flock's customers to help them improve safety, leading to further insurance savings in the future.

Flock can automatically analyse the size and safety of a fleet of vehicles, and provide a usage based policy tailored to each customer. Flock considers itself 'telematics agnostic' and is building a system that extracts data directly from fleet and flight management systems without the need for any additional hardware. In the motor fleet industry, Jaguar Land Rover's luxury leasing company The Out has embedded Flock's insurance into its leasing product, meaning all vehicles hired by their customers arrive fully insured by Flock. Another motor customer, elmo, has done something similar for its fully electric self-drive hire product. Customers can pay a single monthly fee for an electric car with insurance, maintenance and charging included as standard. In the drone space, Flock has built partnerships with major drone OEMs who embed the company's insurance in their offering, so customers can start flying fully insured from day one.

Flock is BIBA's official drone scheme provider and helps brokers around the world distribute data-driven drone insurance. In the motor space, the company is ramping up to launch its Motor broker portal.

INSHUR

Website	https://inshur.com/uk/
Funding	$11.6m
Founded	2016
Offices	New York; London; Brighton

INSHUR is an insurtech startup founded in 2016, offering insurance to the commercial auto industry. The INSHUR platform uses information about average trips, locations and driver ratings to calculate the price of each driver's policy, which is then available for them to buy. The company partnered with Uber in 2020, with the aim of meeting the demand from drivers who wanted a more flexible insurance product. The partnership is part of a driver loyalty programme called Uber Pro. Through data-sharing and real-time analysis, INSHUR is able to better analyse risk and reflect that in risk pricing. Drivers can log into INSHUR's app using their Uber ID, scan their licence, select a type of insurance and pay for the policy, all within a few minutes. Drivers who are a part of the Uber Pro programme can benefit from up to a 20% discount from the normal price of an INSHUR policy, and gain free no claims discount protection. INSHUR's relationship with Uber will allow it to further develop technology, data and real-time usage based risk assessment capabilities so as to reward the safe and highest rated professional drivers.

INSHUR operates from offices in New York, Brighton, and Amsterdam, and has a capacity partnership backed by Munich Re in the USA and the UK and WAKAM in the Netherlands. Other insurance partners include Clear Blue Insurance Group.

NIMBLA

Website	https://www.nimbla.com
Funding	In series A
Founded	2016
Offices	London

Nimbla was founded by Flemming Bengtsen in 2016 with a strong purpose to digitise trade credit insurance which aligns the interests of suppliers, funders and insurers to provide real-time risk information sharing, risk pricing and fraud detection. Embedding their API generates a network effect in improved underwriting, increased transparency and risk mitigation by triggering legal and collections activities. Headquartered in London with an entity in The Netherlands to service European business, Nimbla has very quickly established a core network of globally recognised Bluechip distribution partners.

In order to deliver the insurance to the underserved SME community, Nimbla has developed a digital quote and bind trade credit platform to enable them to access a product traditionally out of their reach; remarkably only 4% of SMEs currently buy this type of insurance. Additionally, the technology enables financial institutions to make faster decisions speeding up the funding of invoices and digitising the end-to-end process. Acceptance of both supplier and buyers can be performed instantly and embedded within the digital onboarding and underwriting. Crucially, the product also has a Fraud Flag which alerts possible double financing as well as detecting other types of fraud.

Nimbla's partners include broking giants AJG and Marsh as well as financial institutions such as Barclays and Starling Bank. Lending software Dancerace is the latest to embed Nimbla's technology to give seamless access to the lenders on their platform to the quote and bind trade credit product.

PERICULUS

Website	https://www.periculus.com/
Funding	Initial investment from Lowers Risk Group and in the middle of current capital raise
Founded	2020
Offices	Purcellville, VA

Periculus offers a digital risk management solution, developed to serve global financial institutions and their global merchant network. The company offers a customer journey that integrates a 'risk' tech stack, insurance carrier underwriting relationships and an ecosystem of service providers. This helps businesses of all sizes to quickly assess, quantify, and manage digital risk in one place.

The company provides a suite of digital risk management services and cyber insurance tailored to meet the needs of each member business and available through a link or widget. In less than 10 minutes, Periculus enables members to obtain core security solutions and cyber insurance in one integrated journey. It also enables non-insurance distribution channels with a turn-key solution to offer their customers a combination of cyber insurance and cyber security services.

Periculus has partnered with Mastercard to leverage its cyber risk quantification platform, Cyber Quant, enabling a risk-based, quantitative approach for underwriting cyber insurance premiums. Periculus' proprietary underwriting engine is designed to integrate existing carrier rating methodologies with Cyber Quant. Periculus is embedded across Mastercard's merchant ecosystem helping it to acquire banking partners. It also collaborates with Mastercard on several new initiatives such as Mastercard's Digital Doors and Trust Center. As a co-branded solution, Periculus is designed to meet the needs of a variety of potential partner types and a pathway to peace of mind for all end customers, from underwriting though to claims management.

Periculus has also partnered with EnvelopRisk, which is its global reinsurance underwriting partner. It supports Periculus' initiatives outside of North America where the company enables its customers to quickly launch, support and scale a cyber insurance program. This includes the underlying technology platform and integrated services capabilities through to cyber reinsurance capacity and global claims handling capabilities. Other partners include Merchant Information Systems and Lowers Risk Group.

QOVER

Website	https://www.qover.com
Funding	$41.7m
Founded	2016
Offices	Belgium

Qover was founded in 2016 with the aim of opening up new frontiers for the insurance sector. From the start, Quentin Colmant and Jean-Charles Velge, the co-founders, had a very clear vision of insurance of the future: it must be global and integrated. The co-founders' aim was to build an 'insurance-as-a-service' platform capable of meeting the rapidly evolving needs of today's global businesses.

Qover designs, builds and distributes digital insurance solutions across 32 European countries to help fast-growth companies. Its insurance solutions are available in real-time through APIs or white labelling that can be easily and quickly integrated into its partners' digital platforms. Qover's solutions are diverse and suitable for every type of online business. Sectors in which the company is operating today include the gig economy, fintech, proptech, bike and travel industry. Qover's embedded offerings for fintechs include purchase protection, refund protection and ticket cancellation. Solutions for the gig economy are tailored to specific needs, and the offering includes rider accident and rider liability.

Due to the digitisation of the entire value chain, Qover is able to launch tailor-made and competitive products in less than a month. For this purpose, Qover teams up with top insurance companies in order to offer its partners the best coverage on the market at the most attractive price. Qover's long-standing partners include Deliveroo, Revolut, Wolt, Decathlon, Cowboy, Angell and Immoweb.

RAILSBANK

Website	https://www.railsbank.com/
Funding	$51.4m
Founded	2016
Offices	Headquartered in the UK and has offices in Singapore, the Philippines, Australia, Malaysia, Vietnam, Sri Lanka, the US, Germany, and Lithuania

While all the huge majority of the companies featured in this report are providing embedded insurance or the technology that supports it, Railsbank is a banking-as-a-service and embedded finance platform. It is bringing embedded banking to insurance. It was founded in 2016 by Nigel Verdon, founder and former CEO of Currency Cloud, and Clive Mitchell, former Chief Information Officer of Bourne Leisure. Their mission was to make financial services accessible to everyone by giving "access to global banking with 5 lines of code".

Its customers use Railsbank's APIs as building blocks to deliver finance products for their own end users. It is used to embed a broad range of financial services into the insurance ecosystem. It is an open finance platform that enables insurers (and any other product providers) to rapidly prototype, launch and scale financial products such as bank accounts, payment systems, card issuance and insurance. It includes banking-as-a-service, cards-as-a-service, credit as a service and apps that manage and distribute money in real time. It all provides more basic building blocks like ledgers and accounts, licensing, Payment Initiation Services (PIS), Know Your Customer (KYC) and Know Your Business (KYB). It has partnerships with AWS, Plaid, Paceline, Yimba.

Investors in the latest $37m round of funding included Moneta Capital, CreditEase, Clocktower Technology Ventures, Singapore Life, Firestartr, Visa and Global Brain.

REIN

Website	https://www.rein.ai/
Funding	$18.3m
Founded	2015
Offices	Maynard, Massachusetts

In 2015, REIN co-founders Steve Rabbit and Jason Griswold learned that insuring a small commercial drone could be more complex than insuring a manned aircraft. They set out to solve this problem by creating an insurtech platform for global brands and insurance carriers to create data-powered insurance programmes for emerging products such as drones. Today, REIN has expanded its solution to other products in the mobility and autonomy verticals starting with a connected insurance programme with Volvo Financial Services.

REIN's insurance technology platform is API and data driven allowing insurers and brands to build insurance programmes quickly and flexibly, glean actionable insights from data, better understand evolving and emerging risks and embed insurance products within multiple customer points of sale.

It also powers straight-through processing and includes tools that can be used individually or together to allow organisations of all sizes to incrementally layer in technology and insurance components as and when required. The tools include AI-powered data analytics, billing, FNOL chat service, jurisdiction management, ratings and underwriting, sanctions service, endorsements, pricing, regulatory compliance, authentication service, reporting, API suite and document generation.

REIN is collaborating with Volvo Financial Services on a digital insurance solution for select US markets. The connected insurance programme uses customised data-driven solutions to simplify and streamline the customer experience. This digital platform is designed to allow customers to manage their commercial trucking coverages from a mobile phone, tablet or computer. In the future, the programme will use real-time data from 'connected vehicles' to provide additional services, such as the provision of connected claims services and better risk assessment. The offering will expand nationwide in the US, with future global expansion planned for the commercial transport industry. REIN has also recently announced a collaboration with Trux, a heavy construction logistics platform. The embedded insurance offering will enable dump truck drivers to easily secure insurance – ultimately increasing efficiency and preventing downtimes.

Liberty Mutual has launched an emerging risk insurance programme and expanded its data analytics capabilities in partnership with REIN. In 2018, Liberty Mutual and REIN launched an embedded insurance offering in the emerging risk space, and today they are developing and launching various digital insurance offerings in emerging markets and verticals.

TRŌV

Website	https://www.trov.com/
Funding	$114m
Founded	2012
Offices	Danville, California; New York; London

Trōv's platform allows financial institutions, emerging mobility companies, and insurance incumbents to embed insurance products within other digital experiences. It is white-label software with APIs that covers the insurance process end-to-end and enables brands to deploy a range of modern property and casualty insurance solutions. Trōv also provides carrier partnerships, supporting professional services to facilitate digital insurance product distribution, implementation, and support services.

Trōv's embedded insurance uses REST APIs to look after the complexities associated with insurance products and surface them in a simple way. The technology manages quoting, reporting, notifications, cancellations, adjustments, binding, underwriting, rating, taxes, and compliance. It also provides user experience guidelines and user interface libraries to simplify the pathway to launch and allow partners to integrate insurance within their own platform.

Trōv currently offers renters' insurance either as embedded via Trōv APIs or as a fully hosted white-label solution. Partners can brand the experience, and to make it available only need to post a link on their website. Trōv renters' insurance is flexible enabling users to turn insurance on and off for individual items at any time via its web portal. The fully digital claims solution enables easy and transparent communication between the customer and claims agent.

In addition, Trōv offers insurance solutions for emerging mobility and fleet operators, including embedded experiences via its APIs, context-based insurance coverage, and risk management technology. Trōv's technology platform leverages connectivity and real-time data to deliver accurate, intelligent insurance coverage and offers a robust claims interface that is fast, simple, all-digital, and transparent. Fleet companies utilize Trov's technology to mitigate risk, reduce costs and create a seamless experience for the end-user. Its customers include Waymo, Groupe PSA, Lloyds Banking Group, Suncorp, Hyundai, and Honda.

WRISK

Website	https://www.wrisk.co
Funding	Series A raise of £4.6 completed May 2021
Founded	2016
Offices	London

Wrisk is a technology-enabled insurance business that transacts all of its business through its own FCA-authorised MGA subsidiary. Wrisk's founders, Niall Barton and Darius Kumana, have combined their deep tech expertise and insurance industry knowledge to provide digital insurance products on a subscription-basis for the automotive sector. After an initial trial on a B2C basis, the company now focuses all of its efforts on the B2B2C sector, and thus the consumer insurance experience for customers of major brands.

Wrisk provides insurance for BMW and MINI in the UK. The Wrisk subscription insurance offering, BMWFlex and MINIFlex, is surfaced to customers purchasing new or approved used cars. By highlighting products and offers within the car buying journey, both digital and analogue, and providing signposting within the wider BMW digital ecosystem, Wrisk helps highlight insurance as part of the total cost of vehicle ownership. Wrisk's embedded model works well in this B2B2C environment with lower acquisition costs and particularly high engagement levels. Integrations allow Wrisk to be in the right place at the right time by embedding products or platforms within the BMW customer base and serving them relevant insurance products at the point of sale or at other appropriate times in the customer life cycle. Wrisk is continuing to enhance the customer experience and improve pricing fidelity by integrating with other BMW systems to access relevant data.

Wrisk's insurer partners include Munich Re and the Allianz Group. In the rapidly changing world of mobility, the partnership with Allianz provides Wrisk with introductions to major automotive brands, many of which are now in discussions to deploy the Wrisk platform to support their customer needs.

ZEGO

Website	https://www.zego.com/
Funding	$200m
Founded	2016
Offices	London

Zego is a commercial motor insurance provider for vehicle fleets and self-employed drivers and riders. It combines technology with data sources to offer insurance products to businesses in the UK and Europe. Zego offers usage-based insurance (UBI) to fleets operating across a number of sectors, including private hire, courier and micro-mobility. It offers a fully integrated, technology-enabled solution which can be embedded within a company's sign-up process to ensure their end users automatically have the cover they need for as long as they need it.

Zego uses APIs to connect its platform directly to the software that manages large-scale fleets. This provides real-time information as to when vehicles are in use. Its custom policy management system then prices and creates policies on the fly, providing cover by the minute when vehicles are on the move. It has partnered with telematics service provider ABAX to capture the data that powers its usage-based insurance policies for motor fleets.

Its policies for self-employed drivers are integrated with partners including Uber. The driver's Zego account is connected to the Uber platform and Zego collects the data it needs to insure the driver automatically. Zego also integrates with food delivery services Deliveroo, Just Eat and Uber Eats.

Zego is also partnered with e-scooter firm Dott to cover their fleet of vehicles across Europe. Zego's policy is integrated into Dott's sign-up process, which ensures all their users have comprehensive cover, with Dott absorbing the cost of the insurance rather than the riders. Then last year, Zego partnered with Ginger to support the first trial of e-scooters in the UK. Its integrated solution offers Ginger real-time data analysis, so they can better understand the behaviour of their riders, improve their safety and reduce the risk of accidents.

Other partners include vehicle movement firm Engineius and grocery delivery companies Getir and Dija. On the carrier side of things, Zego has partnered with Wakam to help accelerate its international development and provide its flexible insurance solutions across several European countries.

AIRKIT

Website	https://www.airkit.com
Funding	$28m
Founded	2017
Offices	Palo Alto, California

Airkit is a low-code customer engagement platform, aiming to enable any company to create hyper-personalised digital customer experiences. Through using the Airkit platform, end-to-end customer journeys can be created across multiple different channels including embedded. The platform provides built-in analytics to monitor user engagement and can connect via APIs to any system. It has been developed with the aim of simplifying the building of customer apps, which it does through offering pre-built templates. Target customers are digital-first businesses in banking, insurance, travel and consumer services.

ANANSI

Website	https://www.withanansi.com/
Funding	£250k
Founded	2018
Offices	London (remote team)

Anansi provides a platform that automates insurance products for e-commerce businesses. The platform takes data that merchants are already sharing with a variety of different applications and uses it to facilitate automated insurance. Anansi's first product is Offcourse Cover, which provides goods in transit insurance embedded within e-commerce platforms. This product allows businesses to track where parcels are in the delivery process, and the insurance provides compensation for all delays and lost packages. Anansi also offers customers the option to co-create solutions for their specific business needs.

ANCILEO

Website	https://ancileo.com/
Funding	Unknown
Founded	2016
Offices	Singapore

Ancileo is a software-as-a-service provider for insurance. It offers technology solutions to integrate insurers' products with their distribution partners. These include APIs to embed insurance into different channels, claims automation and policy management with a white-label customer interface. Ancileo powers AXA Partners' digital embedded insurance solutions in travel insurance across Europe, the Middle East and Asia.

AP INTEGO

Website	https://apintego.com/
Funding	Unknown
Founded	2013
Offices	Waltham, Massachusetts; Fairport, New York; Pleasanton, California; Denver, Colorado

AP Intego, recently acquired by Next Insurance, offers embedded insurance solutions for small businesses in the United States. It uses APIs to connect its platform and policies, which include workers' compensation, general liability and commercial property, to its distribution partners and hosts an online customer dashboard for policy management. AP Intego has partnered with financial software companies such as Wave, OnPay and QuickBooks to offer workers' compensation insurance to their customers. It has also partnered with restaurant management platform Toast on various business insurance products.

ASSURELY

Website	https://www.assurely.com/
Funding	$3m
Founded	2016
Offices	Austin, Texas

Assurely brought together founders and executives from different insurtechs to specialise in underwriting customised products. It is an MGA backed by AXA XL. Its first product, TigerMark, is a directors' and officers' liability policy for technology-enabled capital raising activities such as crowdfunding, and has been integrated into several crowdfunding portals including truCrowd and Vertalo. In 2020 it announced an embedded insurance-as-a-service platform for the commercial market.

BAMBI DYNAMIC

Website	https://bambidynamic.com/
Funding	$6m
Founded	2017
Offices	Tel-Aviv, Israel

Powered by data & connectivity, the Bambi Insurance Platform provides assembling, embedding, and operating personalized insurance products. It specialises in On-Demand and UBI solutions for motor and non-motor insurance products in Property & Casualty insurance especially the emerging risks created by the new mobility models such as EV's, connected vehicles, MaaS, Shared and Smart mobility in addition to enhancing and personalizing existing products for private and commercial vehicles. With omni-channel capabilities (web, mobile apps) it offers a full technology suite including underwriting, pricing, policy admin, operations and initiation of claim processes.

BIMA

Website	https://bimamobile.com
Funding	$200.6m
Founded	2010
Offices	London

BIMA provides mobile-delivered health and insurance products, with a focus on emerging markets. Through providing affordable health insurance, the company is closing the protection gap for 35 million Africans. 75% of BIMA's customers are accessing insurance for the first time. Through its health hub approach, customers have access to a set of integrated health services, including health programmes for managing chronic illnesses, discounts at pharmacies and drug delivery. Its health wallet for funding medication-based expenses has also been extended to masks and hand sanitisers during the pandemic. Underwriter partners include Allianz and Prudential.

BOOST

Website	https://boostplatform.io
Funding	$17m
Founded	2017
Offices	New York, NY

Boost is an insurtech development platform, designed to help technology companies offer digital insurance products to their customers. The platform Boost offers is an infrastructure-as-a-service (IaaS) platform, and its aim is to reduce the cost of building and managing an insurance business. Boost enables companies to offer insurance products through a fully embedded experience within their own front-end environments. Boost's API-driven policy administration system can rate, quote, bind, and issue insurance policies, as well as manage them throughout the full lifecycle.

BSURANCE

Website	https://www.bsurance.com/en/
Funding	€4.5M
Founded	2017
Offices	Vienna

bsurance is an insurtech MGA focused on delivering embedded insurance solutions to banks, utilities and retailers. This is done at the point of sale, and solutions can be implemented within apps, web shops or cashier systems. bsurance handles the technical implementation where all processes are digital including policy creation, premium collection and claims handling. bsurance creates solutions for clients based on their needs, using real-time data analytics. Insurer partners include UNIQA, Munich Re and AXA Partners.

CI

Website	https://connectedinsurance.ai/
Funding	Bootstrap, pre-seed
Founded	2019
Offices	

CI integrates connected insurances into any digital platform strategy. It transforms conventional insurance products into connected insurance offering personalised and usage-based coverages embedded within mobile apps or websites. The company's AI-based continuous underwriting technology enables it to predict risk and exposure from early on, differentiate between high-risk transactions to low-risk transactions, and continuously optimise its risk models. CI's insurance solutions include personalised fleet insurance and on-demand riders' insurance, which is embedded into a shared-mobility app that offers real-time quotes. CI also provides a digital life insurance solution which offers click to purchase and a smart prevention chatbot. The product is designed to be embedded into digital banks or distributed with electronic devices. CI's partners include SwissRe and Apollo Lloyd's syndicate.

COVER GENIUS

Website	https://www.covergenius.com/
Funding	$ 22.3m
Founded	2014
Offices	New York, San Francisco, London, Amsterdam, Tokyo, Singapore, Seoul, Kuala Lumpur, Manila and Sydney

Cover Genius is a global insurance technology company with a vision to protect the customers of the world's largest online companies. It counts some of the world's biggest online brands including Booking Holdings, eBay, Intuit, Descartes, ShipRush, Wayfair, Shopee, Skyscanner, and AXS among its partners.

Cover Genius' technologies include XCover, its insurance distribution platform which provides end to end insurance capability, BrightWrite, an analytics platform responsible for dynamic product recommendations and pricing optimization and XClaim for instant payment of claims approved in XCover. All are available from a single API call. Cover Genius is licensed to sell insurance in over 60 countries and 50 US States.

ELEMENT

Website	https://www.element.in/
Funding	€66m
Founded	2017
Offices	Berlin; Nuremberg

ELEMENT develops customised and embedded digital insurance solutions for various distributors. Its product range includes home contents, pet, cyber and car rental insurance. Its APIs are used to integrate into partner systems and it offers a white-label customer portal and license-free marketing videos. ELEMENT has partnered with Signal Iduna to create a home contents and liability insurance product for fans of German sports club Borussia Dortmund. It has also partnered with Vodafone to offer cyber security insurance to Vodafone customers, and with Volkswagen Financial Services on vehicle leasing coverage.

FENRIS DIGITAL

Website	https://fenrisd.com
Funding	$4.4m
Founded	2016
Offices	Richmond, Virginia; New York City

Fenris Digital is an analytics platform which uses data sources to streamline the digital quoting process. Its offering includes a pre-fill API, which fetches applicant data and populates a form in advance for the client to confirm rather than requiring them to enter it manually. It also has a product called LicenseSnap, which captures information about a customer by scanning the back of their driving licence. These technologies can be applied to embed personal, commercial and life insurance at the point of purchase to improve the customer application journey.

GAIA

Website	https://gaiafamily.com
Funding	$3m seed round
Founded	2019
Offices	London

Gaia was founded in 2019, out of the founder's own personal experience with IVF. One in two couples drop out of IVF due to the high costs and lack of information around their chance of success. Nader, Gaia's founder, left his 14 year career with Citigroup and Goldman Sachs to start the company, which focuses on removing the biggest barrier to starting a family - which is the financial cost.

Gaia uses data to offer IVF patients personalised financial plans to help them access their optimal treatment pathway. The product is an embedded insurance, financing and payment solution which is integrated into UK clinics. A machine learning IVF predictive model feeds automated risk scoring and assesses the risk of no live birth. The online quote and bind system allows patients to build and choose insurance coverage at the point of sale. In terms of financing, Gaia allows patients to split treatment costs into small monthly payments. Payment solutions can be integrated into all clinics, which allows them to get paid for treatment upfront - Gaia handles all the billing and payments to various vendors. The company also offers members personalised insights into their fertility journey and access to a qualified medical advisor for support. Gaia's partners include Fertility Network UK - the largest fertility charity in the UK - and The Fertility Show.

GRAB

Website	https://www.grab.com/sg/
Funding	$12.1 billion
Founded	2012
Offices	Singapore; Phnom Penh, Cambodia; Petaling Jaya, Malaysia; Yangon, Myanmar; Makati, Philippines; Bangkok; Vietnam

Grab is a mobile application providing a platform for deliveries, mobility and financial and other services in Southeast Asia. The app had 187 million users as of June 2020. Its fintech arm, Grab Financial Group, announced in 2021 that it had sold over 100 million insurance policies in the last two years. Its products include ride sharing micro-insurance for customers and health insurance and inpatient hospitalisation insurance products in Indonesia. Grab is partnered with regional and global insurers such as Chubb, PFI Mega Life and PT Asuransi Simas Jiwa.

HEPSTER

Website	https://hepster.com/
Funding	€13m
Founded	2016
Offices	Rostock, Germany

hepster is an MGA operating in Germany and Austria, aiming to become Europe's leading player for embedded insurance products. Their B2B model is complemented by a B2C web shop. Hepster is a fully API-driven, cloud based & modular insurance solution covering the full insurance value chain that can be used to quickly build and deploy digital insurance products to partner's requirements. The current portfolio, which is being expanded, includes protection for bike, e-bike, electronics and sports equipment.

INSURED FINANCE

Website	https://insured.finance/
Funding	unknown
Founded	2020
Offices	

Insured Finance is a decentralised peer-to-peer insurance marketplace based on the Polkadot blockchain, with funding from Moonrock Capital and Vendetta Capital. Market participants can request or provide coverage on a wide variety of cryptocurrency assets. Claims are fully collateralized and payouts are instant. It plans to launch an 'insured storage vault for NFTs', and it has partnered with NFT marketplace DigiCol to embed insurance into the DigiCol platform, and has ambitions to do the same with other digital asset trading platforms.

INSURIFY

Website	https://insurify.com/
Funding	$29.6m
Founded	2013
Offices	Cambridge, Massachusetts

Insurify is a US price comparison website for motor, home and life insurance. Its services are available directly to consumers or as a white-label product for distribution partners. In April, it partnered with Toyota Insurance Management Solutions to offer its price comparison service to customers, dealerships and employees of Toyota. Insurify has also partnered with digital banks and car dealerships.

IPTIQ

Website	https://www.iptiq.com/
Funding	US$ 40m invested
Founded	2016
Offices	Based Zurich, active in 10 countries

iptiQ is a stand alone division of Swiss Re which provides a B2B2C digital insurance platform for distributors to use to customize and provide insurance products to their customers. It is an end-to-end, omni-channel solution that enables digital sales by both customers and intermediaries including customer servicing and intermediary portals all enabled by data-driven underwriting and the latest technology and behavioural science. The aim of the proposition is to allow Swiss Re to partner with trusted brands who want to sell insurance to their customers. The offering spans both Life and Health as well as Property and Casualty lines and is currently being used by over 40 partners in 10 different countries including IKEA, Samsung and UBS.

KASKO

Website	https://www.kasko.io
Funding	£2.5m seed (currently raising Series A)
Founded	2015
Offices	London, Hamburg and Riga

KASKO is a London-based startup offering "Insurtech as a Service". The company provides insurers with an end-to-end modular platform, which helps to bring new or existing products to the digital market. The platform can be used in combination with its policy admin system or as an engagement layer on top of existing systems. It operates between digital customer touchpoints and legacy IT systems, and aims to provide an easy integration experience into any of these already existing systems. KASKO is used by over 40 insurers, with more than 290,000 policies bound over the platform. The company's insurance customers include Allianz, Baloise, Co-op Insurance, Swiss Re and Zurich.

MATIC

Website	https://matic.com
Funding	$31m
Founded	2014
Offices	Columbus

Matic is a technology driven insurance agency that integrates with mortgage lenders. Customers looking for home or auto insurance can connect with Matic through their bank, mortgage lender, servicer or auto finance company. After requesting a quote, Matic will use customers' information to match them with the best policy. The technology reduces the time it takes to compare and purchase policies from an average of two to three days to minutes. After purchasing a policy through Matic, the company will continually compare policies before renewal, ensuring customers always have the best rate. Carriers in Matic's network include Lemonade, Allstate and Safeco Insurance.

MOVINX

Website	https://movinx.com/
Funding	Unknown
Founded	2020
Offices	Berlin

Movinx was created by Swiss Re and Daimler Insurance Services as a 50/50 joint venture in 2020. It offers motor insurance products designed to embed with car manufacturers and mobility providers. Its ambition is to allow insurance to support new automotive technologies including autonomous cars. Movinx is an MGA with a platform that hosts its services and integrates with the systems of both reinsurance and distribution partners. This includes a customer interface for contract and claims management.

MULBERRY

Website	https://www.getmulberry.com/
Funding	$10m
Founded	2018
Offices	New York

Mulberry Technology offers product warranties for e-commerce companies in the US. Mulberry embeds its policies into the vendor's platform with APIs so that customers can opt-in to protection at the point of purchase, and it has developed pre-built plugins for retailers using e-commerce platforms Shopify, Magento and WooCommerce. Retailers can choose to prompt customers to buy protection before or after the transaction. Customers can use Mulberry's dashboard to manage the details of their policies, file and track claims. Its partners include Houzz, Breville and Poly & Bark.

PENNI.IO

Website	https://penni.io/
Funding	€5.7m
Founded	2016
Offices	Copenhagen

Penni.io enables insurers and their distribution partners to embed insurance solutions, anywhere. Their vision is to fundamentally change the way people engage with insurance. Penni.io is dedicated to creating great online customer journeys with the ambition to become the leading platform for digital distribution of insurance solutions. Their white label solution, called Penni Connect, enables insurers to sell any insurance products online through any distribution channel. Penni Connect provides the ability to build embeddable widgets as well as a check-out frontend for end-customers. Penni.io uses data analytics, behavioural science and machine learning to gain insights that make sure the customer experience and the conversion rates are continuously optimized.

RIVIAN

Website	https://rivian.com
Funding	$8.2bn
Founded	2009
Offices	US; UK; Canada

Rivian is an electric vehicle startup that is launching its own in-house insurance programme, which will be embedded into its digital ordering process. As well as insurance for the vehicle, the insurance programme will give customers the option to cover their home and recreational equipment, such as boats, dirt bikes and campers. The programme will be integrated with the Rivian vehicle platform and Driver+ safety suite, which aims to provide personalised, data-driven coverage. Rivian's insurance products are underwritten by, among others, Nationwide Mutual Insurance Company.

SAFELY

Website	https://safely.com/
Funding	Aiming for $12-15m
Founded	2013
Offices	Atlanta

Safely is an insurtech company providing insurance with a guest screening solution for the vacation and short-term rental market. The company's policies are designed to cover a customer's home and assets only when needed. Insurance is embedded with each reservation on a "per-night" basis. Coverage includes the property, its contents, and the guest. Through its guest screening process, Safely looks for convicted felons, Interpol wanted persons and identity fraud, and also runs the primary guest through its database of guests who have previously caused damage. From this information, the customer has the right to decline a guest. Companies that have embedded Safely into their management systems include Airbnb and Vrbo.

SALTY.

Website	https://wearesalty.com/
Funding	$34.7m
Founded	2019
Offices	Salt Lake City, Utah

American start-up Salty sells embedded auto insurance and is planning to expand into homeowners', renters' and pet insurance products. Its software-as-a-service platform uses AI and machine learning to analyse customer data, sort through the offerings of multiple carriers and present a quote at the point of purchase. Its carriers include Progressive, Nationwide and MetLife and it has partnered with dozens of US auto dealerships. Salty recently acquired Purple Insurance and is integrating Purple's lead generation and marketing capabilities into its platform.

SETOO

Website	https://setoo.com/
Funding	€10.3m
Founded	2017
Offices	UK; France; Israel

Setoo provides an insurance as a service platform that enables online businesses to independently develop and distribute tailor-made protection products that can be automatically embedded into the digital journey of the customer on a related purchase. This approach of offering a "white label" solution to third-party distributors in the travel and leisure industry includes one-click underwriting and claims-free or parametric settlement of losses. The company has been supported by AXA Next Lab and through Kamet and has received $12 million of funding. Clients include lastminute.com, omio, WeSwap and campings.com.

SEYNA

Website	https://www.seyna.eu/
Funding	€14m
Founded	2018
Offices	Paris

Seyna is a technology platform and insurance company for creating and distributing embedded insurance products. It currently operates in France, focused on property and casualty risks. Current products include rent, cyber, pet and theft insurance. Its APIs integrate insurance products into the partners' platforms. Seyna works with brokers including Aon and Gras Savoye and reinsurers including Hannover Re, Swiss Re and Munich Re. Its investors include GFC, Allianz and Financière Saint James.

SO-SURE

Website	https://wearesosure.com/
Funding	$8.7m
Founded	2016
Offices	London

SO-SURE is an MGA, backed by Munich Re, that offers mobile phone and contents insurance through an app. The app uses AI and image recognition to enable customers to create a contents inventory through their mobile phone camera. It has a social component: when customers connect their policies with other customers, they can earn up to 80% cashback on their premiums if no one in the network makes a claim. SO-SURE is working with Wakam on contents insurance, and has partnered with online-only challenger bank Starling to offer phone insurance to customers who use Starling's marketplace app.

SPOT

Website	https://www.getspot.com/
Funding	$8m
Founded	2017
Offices	Austin, Texas

Spot offers accidental injury insurance coverage to supplement traditional health insurance. It is an MGA backed by Pan American Life Insurance Group, Mutual of Omaha and Liberty Mutual. Spot has partnered with various sport and activity groups and resorts to offer injury coverage to their customers in an effort to increase distribution particularly to younger people. These partners include USA Cycling, National Collegiate Rugby, athleteReg and National Ski Patrol.

SUPERHOG

Website	https://superhog.com
Funding	Unknown
Founded	2019
Offices	Stockbridge

SUPERHOG, sister company of GUARDHOG Technologies, is a digital trust platform that enables hosts, operators and guests to more confidently transact in the short-term rental space. The platform has been created to independently verify all parties, with its tools used to highlight risky or unverified participants. SUPERHOG provides a £1 million guarantee against damage and liability on all bookings between its members. A range of other benefits include guest protection and a £1,000 virtual damage deposit. The platform uses AI, predictive analysis and machine learning. Guesty, Kigo and Hostaway have all integrated with SUPERHOG, and insurer partners include Oasis Collections and TrustedHousesitters.

SURE

Website	https://www.sureapp.com
Funding	$23.1m
Founded	2014
Offices	New York

Sure helps companies power API based digital insurance programs, allowing for embedded insurance distribution without the need for additional IT resources. Sure's technology includes rating, quote and bind, policy issuance, premium collection, CRM policy administration and reporting. The Sure platform is easily configurable so that it can provide its clients with a flexible streamlined and branded customer experience. Companies using Sure include Chubb, Mastercard and Revolut.

SYMBO INSURANCE

Website	https://www.symboinsurance.com/
Funding	$9.4m
Founded	2017
Offices	India (Mumbai), Singapore

Symbo provides a technology platform which is used by individual agents, third-party administrators, brokers, insurers and corporates across India and Southeast Asia. The platform enables the distribution, purchase and administration of a wide range of insurance products. Across both reinsurance and direct insurance (general and life, personal and commercial). In India, Symbo is focused on context-based, customer-need-oriented insurance. The company aims to simplify insurance for customers, helping them to buy covers based on their individual needs. Insurer clients include AXA and Bajaj Allianz.

TINT.AI

Website	https://www.tint.ai
Funding	Seed
Founded	2018
Offices	San Francisco, California

Tint is a modular insurance platform that provides the tools required to launch and manage Property & Casualty insurance programmes. It aims to enable any company to embed insurance into its own products and services. The platform uses no-code technology to allow risk managers and business owners to manage embedded insurance programmes without engineering resources. It supports traditional underwriting methods like rating tables whilst also supporting 21st century data analytics technology using AI. The modules offered within the platform include an underwriting engine, AI-powered underwriting, low touch policy admin and an insurance marketplace which helps companies find insurance and data partners required to launch and improve their products.

TROPOGO

Website	https://tropogo.com/
Funding	Angel Round
Founded	2019
Offices	UK; India; Kenya

TropoGo specialized in drone risk management using its vertical SaaS Product called TropoGoDash. The focus is on providing flexible insurance buying options based on the flying behaviour of drone users which insurers are able to offer at the point of sale and point of service through API integration. TropoGo also provides a risk management platform and claims fraud analytics.

WAX INSURANCE

Website	https://wax.insure/
Funding	Seed round
Founded	2018
Offices	Based out of NYC

Wax provides insurance for collectibles including among other things art, memorabilia, wine, silverware, watches, musical instruments and stamps. Users can upload their collectibles into a digital vault using an Apple or Android device by simply taking a photo of their prized possession. The user can then select any item they would like to insure and instantly be given a quote with the ability to check out in real-time. Fraud mitigation capabilities are provided by the WAX integrity score which uses machine learning and pattern recognition to determine customer risk profiles updated in real-time as new data inputs are added.

WECOVR

Website	https://wecovr.com/
Funding	Bootstrapped
Founded	2019
Offices	London

WeCovr is a tech platform and an FCA-authorised insurance provider. Amongst other things it offers a platform that businesses or insurers can use to design and provide embedded insurance through multiple channels from API's to mobile and web apps. Some of its embedded insurance products are new to market, for example the first-ever by-the-hour motor excess cover called Parking Peace of Mind for customers of JustPark.

WEECOVER

Website	**https://weecover.com/en/**
Funding	Unknown
Founded	2019
Offices	Barcelona

Weecover is a specialist digital embedded insurance solutions provider to corporates, consumers and distribution partners. Weecover facilitates insurance onboarding processes at the time of purchase, aiming to do so "with just one click". The company currently provides insurance solutions for bike and pet insurance solutions through the portals WeePets and WeeMove. The company is currently working on creating solutions for sporting events, musical instruments, event cancellation and nautical insurance.

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