INSURTECH: HOT 100

As the industry's burgeoning insurtech sector shows no sign of slowing down, we have spent months compiling a list of 100 insurtech firms we believe have the potential to transform the industry—and thus to succeed as companies in their own right.

This list was compiled based on the results of a global online survey which prompted our readers to nominate companies they have been impressed with. This was complemented by the work of our in-house research team and the knowledge of our editorial staff.

The companies featured here are of all sizes and many are far from startups—what they have in common is their ability to make a tangible and positive difference to aspects of the risk transfer industry globally.

Some will make firms more efficient, others will revolutionise the customer experience, others will help insurers make better underwriting decisions; these companies transcend all aspects of the operations of a typical risk carrier.

In this publication, we have published the basic information about these companies. Go online to www.intelliegntinsurer.com for more comprehensive information on each of them, including why our readers nominated them.

100 insurtech firms tipped to transform insurance

Company name	Website	Headquarters	
Aardvark Compare	www.aardvarkcompare.com	Plantation, FL, US	
AdvantageGo	www.advantagego.com	London, UK	
AkinovA	www.akinova.com	London, UK	
AltViz	www.altviz.co	London, UK	
Anivo 360 AG	www.anivo360.com	Zurich, Switzerland	
Aquarium Software	www.aquarium-software.com	Altrincham, UK	
Artificial Labs	www.artificial.io	London, UK	
Assurely	www.assurely.com	New York City, NY, US	
ATOM Digital Solutions	www.atomdn.com	Dubai, United Arab Emirates	
AutoRek	www.autorek.com	Glasgow, UK	
B3i	www.b3i.tech	Zurich, Switzerland	
Bambi Dynamic	www.bambidynamic.com	Tel Aviv, Israel	
Beam Dental	www.beam.dental	Columbus, OH, US	
Betterview	www.betterview.com	San Francisco, CA, US	
Bought By Many	www.boughtbymany.com	London, UK	
C-Quence	www.c-quence.co.uk	London, UK	
Candela Labs	www.candelalabs.io	Bangalore, India	
ChainThat	www.chainthat.com	London, UK	
Chisel AI	www.chisel.ai	Toronto, Canada	
Concirrus	www.concirrus.com	London, UK	
CoreLogic	Symbility	www.symbilitysolutions.com	Irvine, CA, US	
CoverWallet	www.coverwallet.com	New York City, NY, US	
CyberCube	www.cybcube.com	San Francisco, CA, US	
CyberPolicy	www.cyberpolicy.com	San Francisco, CA, US	
CyNation	www.cynation.com	London, UK	
Cytora	www.cytora.com	London, UK	
Digital Fineprint	www.digitalfineprint.com	London, UK	
Digital Insurance Group	www.digitalinsurance.io	Amsterdam, Netherlands	
Dinghy	www.getdinghy.com	London, UK	
DriveQuant	www.drivequant.com	Paris, France	
e2Value	www.e2value.com	Stamford, CT, US	
ELEMENT	www.element.in	Berlin, Germany	
Embroker	www.embroker.com	San Francisco, CA, US	
Envelop Risk Analytics	www.enveloprisk.com	Bristol, UK	
eviid	www.eviid.com	Warrington, UK	
Expert System	www.expertsystem.com	Rockville, MD, US	
Fennech Financial	www.fennech.com	London, UK	
Figo Pet Insurance	www.figopetinsurance.com	Chicago, IL, US	
Fing	www.fing.com	Dublin, Ireland	
FlightClaimEU	www.flightclaimeu.com	Amsterdam, Netherlands	
Flock	www.flockcover.com	London, UK	
FloodFlash	www.floodflash.co	London, UK	
Friendsuranse	www.friendsurancebusiness.com	Berlin, Germany	
Geospatial Insight	www.geospatial-insight.com	London, UK	
GoBear	www.gobear.com	Singapore	
Groundspeed Analytics	www.groundspeed.com	Ann Arbor, MI, US	
GWT Insight	www.gwtinsight.com	Guildford, UK	
Harbor.ai	www.harbor.ai	New York, NY, US	
hepster	www.hepster.com	Rostock, Germany	
Hi Marley	www.himarley.com	Boston, MA, US	

Insurance sector	Year of foundation
Travel insurance	2015
Commercial P&C and specialty	1999
Cyber risk and property catastrophe	2017
General insurance	2012
General insurance	2015
Personal lines	2006
General insurance	2013
General insurance	2016
General information	2019
General insurance	1994
General insurance	2018
Motor insurance	2017
Dental insurance	2014
Property insurance	2014
Pet insurance	2012
Commercial insurance	2018
General insurance	1996
General insurance	2015
Commercial insurance	2016
Marine and motor insurance	2012
Property insurance	2004
Commercial insurance	2015
Cyber insurance	2015
Cyber insurance	2016
Cyber insurance	2015
Commercial insurance	2014
Commercial lines	2016
General insurance	2017
Professional indemnity; public liability; business equipment cover; cyber liability; legal expenses cover (included as standard)	2017
Motor insurance	2017
Property insurance	2000
General insurance	2017
Commercial insurance	2015
Cyber insurance	2016
General insurance	2009
General insurance, P&C	1989
General insurance	2017
Pet insurance	2013
Gadget, smart home and cyber insurance	2009
Travel insurance and legal assistance insurance	2016
Drone insurance	2016
Flood insurance	2017
Digital bancassurance	2010
General insurance	2012
General insurance	2014
Commercial P&C insurance	2016
Commercial property	2017
Commercial insurance	2016
General insurance	2018
General insurance	2017

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Company name	Website	Headquarters	
Hokodo	www.hokodo.co/	London, UK	
honcho	www.gethoncho.com	Durham, UK	
Indio Technologies	www.useindio.com	San Francisco, CA, US	
INSTANDA	www.instanda.com	London, UK	
Insurdata	www.insurdata.io	Denver, CO, US	
Insurercore	www.insurercore.com	London, UK	
Insure The Box	www.insurethebox.com	London, UK	
JRNY	www.jrny.ai	Wellington, New Zealand	
KASKO	www.kasko.io	London, UK	
Kin insurance	www.kin.com	Chicago, IL, US	
Kovrr	www.kovrr.com	Tel Aviv, Israel	
Laka	www.laka.co.uk	London, UK	
Lemonade	www.lemonade.com	New York City, NY, US	
Lennoc Flight Intelligence	www.lennoc.com	Arnhem, The Netherlands	
Magenta Insurance	www.magentainsurance.co.uk	Bury St Edmunds , UK	
MAPTYCS	www.maptycs.com	New York City, NY, US	
McKenzie Intelligence	www.mckenzieintelligence.co.uk/	London, UK	
Metromile	www.metromile.com	San Francisco, CA, US	
Mulberry Risk	www.mulberryrisk.com	London, UK	
Neos	www.neos.co.uk	London, UK	
NuvaLaw	www.nuvalaw.com	Cape Town, South Africa	
omni:us	www.omnius.com	Berlin, Germany	
Omnidya	www.omnidya.com	Los Angeles, CA, US	
Pie Insurance	www.pieinsurance.com	Denver, CO, & Washington DC, US	
PolicyGenius	www.policygenius.com	New York City, NY, US	
Praedicat	www.praedicat.com	Los Angeles, CA, US	
Premonition	www.premonition.ai	New York City, NY, US	
Previsico	www.previsico.com	Loughborough, UK	
QOMPLX	www.qomplx.com	Reston, VA, US	
R3	www.r3.com	London, UK	
reask	www.reask.earth	Sydney, Australia	
Relay	www.relayplatform.com	Toronto, Canada	
Safesite	www.safesitehq.com	San Francisco, CA, US	
Shepherd	www.shepherd.fm	Henley on Thames, UK	
Shift Technology	www.shift-technology.com	Paris, France	
simplesurance	www.simplesurance.com	Berlin, Germany	
Skyline Partners	www.skyline.partners.org	London, UK	
Slice Labs	www.slice.is	New York City, NY, US	
sum.cumo	www.sumcumo.com	Hamburg, Germany	
Tapoly	www.tapoly.com	London, UK	
The Floow	www.thefloow.com	Sheffield, UK	
ThreatInformer	www.threatinformer.com	London, UK	
Trōv	www.trov.com	San Francisco, CA, US	
Urban Jungle	www.myurbanjungle.com	London, UK	
Verifly	www.verifly.com	New York City, NY, US	
Web Connectivity Limited (WCL)	www.webconnectivityltd.com	London, UK	
WhenFresh	www.whenfresh.com	London, UK	
Worry+Peace	www.worryandpeace.com	High Wycombe, UK	
Xceedance	www.xceedance.com	Boston, MA, US	
Zego	www.zego.com	London, UK	

Insurance sector	Year of foundation
Commercial insurance	2018
Car insurance	2014
Property & casualty	2016
P&C (general insurance)	2012
Property insurance	2017
General insurance	2015
Motor insurance	2010
General insurance	2016
General insurance	2015
Homeowners insurance	2016
Cyber risk modelling	2017
Bike insurance	2017
Renters & homeowners insurance	2015
Aviation & passenger insurance	2005
Property insurance	1992
General with focus on property insurance	2015
Claims; exposure management; catastrophe insurance	2011
Motor insurance	2011
General insurance	2017
Home insurance	2016
Insurance claims	2016
General insurance	2015
General insurance	2018
Workers' compensation insurance	2017
General insurance	2014
Casualty insurance	2012
General insurance	2014
Flood insurance	2019
Risk modelling; cyber insurance; underwriting-as-a-service; MGA platform	2015
General insurance	2016
Catastrophe risk modelling	2018
Property & casualty insurance	2018
Construction; industrial; manufacturing; and transportation	2012
Property insurance	2015
General insurance	2014
General insurance	2012
Parametric insurance	2017
General insurance	2015
General insurance	2010
Commercial insurance	2016
Motor insurance	2012
Cyber insurance	2016
General insurance	2012
Contents insurance	2016
Drone; gig economy; independent workers & freelancers	2015
General insurance	2003
Residential property insurance	2012
General insurance	2015
Property/casualty insurance	2013
Motor insurance/commercial lines	2016

Insurtech:
should you believe the hype?

Everyone is talking about insurtech, but apart from its being a useful portmanteau term, does the reality live up to the hype that surrounds it? *Intelligent Insurer* **asks those in the know.**

Around the year 2015, the term insurtech was coined to refer to companies using technology to improve insurance. This was far from a new concept: tech firms for many years had sought to use digital innovation to improve the industry model through efficiencies, innovation and better analytics.

Fast-forward half a decade and this now established sector continues to generate an impressive amount of fanfare. They cover a vast range of innovations, from digital platforms that merge big data, automation and machine learning to reduce human labour, to satellite imagery that marries property data with artificial intelligence (AI) and cloud computing to enhance pricing, and automated chatbots set up to deal with customer queries.

The investment is coming thick and fast. In the first half of 2019, insurtech firms raised a record $3 billion in new funding, according to figures published in September 2019 by Hampleton Partners, which advises on technology mergers and acquisitions. Its data showed that developments such as usage-based insurance—one example is known as pay-as-you-drive— were boosting demand in the sector.

GROWTH BUT WANT LIMITS?

The insurtech sector is now experiencing exponential growth. Hampleton's figures also show that fundraises increased 27 percent in 2018, with 257 deals completed compared with 202 the previous year.
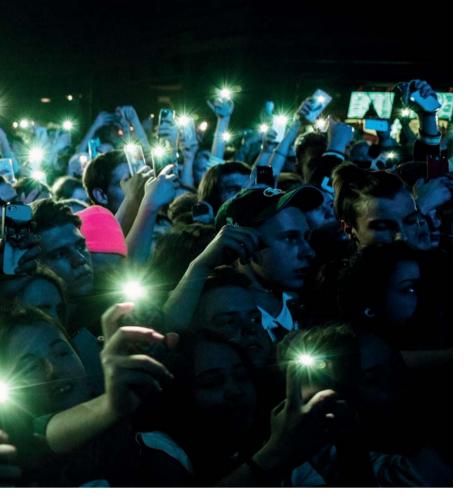
Figures released by Willis Towers Watson in July 2019 painted an equally buoyant picture, showing that insurtech investment had climbed to $1.4 billion in the year's second quarter. It said this was the fourth consecutive quarter where investments had exceeded $1.2 billion, adding that global investment in this area had remained at high levels. The value of investments in property/casualty-focused firms rose by 283 percent compared to the second quarter of 2018, with life and health rising by 259 percent.

The rise in investment speaks for itself, but how important is insurtech to the future of re/insurance?

Hannover Re executive board member Michael Pickel is clear about the potential.

"Insurtech is an unprecedented source of innovation for insurers and reinsurers. Therefore it should be key for every company in our industry to stay as close to developments in that space as possible," he says.

"The success of a number of insurtechs also marks the first time I can think of that a larger number of new players are entering the insurance market. That

opens up a lot of opportunities for us as a reinsurer."

Pickel adds that he has seen a shift in the sector, from lots of companies with consumer offerings to many more with a business-to-business model, operating as service providers for existing insurers. A good example of this concerns the handling of data. "Insurtechs offer solutions to transform and analyse data in new ways and make it the basis for higher efficiency and new products," he says.

Others in the sector are equally effusive about its potential. Luca Marighetti, group head tech transformation at Swiss Re, says current technological advances change everything.

"On the one hand, the automation of knowledge work will allow for significant productivity improvements," Marighetti tells us. "On the other, technology is affecting the size and nature of risk pools."

The most obvious advantage for the reinsurer is the application at scale of advanced data analytics in everything it does. Marighetti explains that "this is a journey we started three to four years ago, and which will take a decade to complete—assuming it will ever end".

BEHIND THE HYPE

It's a complicated picture, clouded further by insurtech projects or integration initiatives that don't add value.

Willis Re's global head of insurtech, Andrew Johnston, says: "Where we see insurtech adding almost zero value—beyond simply propagating the hype—is around the adoption of technology for technology's sake, with no real concern for the

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Michael Pickel,
Hannover Re

business and service proposition it ought to support.

"What is perplexing is the number of incumbent businesses who have made bad technology bets (both investment and adoption) trying to pursue technology which, even hypothetically, was only going to add limited value.

"Decision makers in re/insurance entities know our industry better than anyone else, and yet one can't help but think that the insurtech hype, with its buzzwords and unrealistic promises of expense ratio nirvana, temporarily blinkered and confused many."

The issue of who drives the direction of insurtechs is also raised by Ryan Jones, head of innovations at BMS Group. He believes insurtech is still in the early stages of development in commercial lines of insurance.

"Platforms that enable more transparency and speed across the transaction are more common in the market today," Jones tells us. "The question would be whether commercial insurance buyers take more control over these platforms.

"We think experts and experience are still the key drivers to big and complex risk transfer exercises. They will also be amplified by analytics and the easier access to diverse capital. Personnel and skillsets are expected to evolve to include more technologists as well."

A LIFE OF ITS OWN

If so much of the potential is still to be realised, the question remains—has insurtech been overhyped?

"For sure, the number of new ideas has decreased," says Pickel. "We think it is an expected development that there is a phase of proving the demand for new solutions. Nevertheless, we still see the value of these innovations for our industry."

Johnston agrees. "Insurtech is definitely overhyped and hugely overvalued, and I think it has taken on a bit of a life of its own.

"If you look at the valuations some of these companies have relative to the business they're writing, or the potential impact they can have on the industry from a financial perspective, there is not a lot of rationale that you can derive."

He adds that the broader range of insurance software, not to be confused with insurtech (see box on page 50 for definition) is of enormous value, but insurtech has become overhyped by people conflating the two terms.

Jones agrees that insurtech has been hyped, but he adds "it has also been broadly undervalued".

"In an industry that is facing certain types of disruption, it can be difficult to remain objective," he says. "It can be even more challenging to accurately assess and consistently exploit the commercial opportunities when new technology is introduced."

In many cases, he says, it is still as much about who you know as what you've built. "We've seen good ideas fall hard to the cultural inertia in our well-established industry. And quite often, the commercial expectations of insurtech don't align well with the current insurance model."

Returning to the definition of insurtech, Swiss Re's Marighetti says: "If we mean insurance startups attacking incumbents (such as Lemonade), then the topic is certainly overhyped."

He says insurance is a very complex business, and barriers for new entrants are extraordinarily high.

But, he adds: "If by insurtech we mean the application of new technologies in insurance-relevant spaces, I believe we are still at the beginning of a long journey, and that most insurance companies still have to grasp the full consequences.

"What keeps me awake at night is not the occasional 'overhyped' insurtech attacker, but rather how competing incumbents might be able to apply technology at scale ahead of us. Given the long lead-times of such applications, by the time we see the impact it will take years to catch up."

There is one dissenting voice in the crowd. It belongs to Justin Davies, head of EMEA at Xceedance. "Insurtech has not been overhyped. It is absolutely critical that the re/insurance industry accepts that it must evolve or it will wither on the branch," he says.

There are some re/insurers who recognise this, he says. Others are paying lip service but will not commit to the necessary evolution, and then there are those who are letting it pass them by. But even he admits "it is true that some individual insurtech companies have been overhyped".

EVOLUTION VERSUS REVOLUTION

The debate is very much part of the evolution, says Neil McGeachie, managing director of Barbican Group Operations Services. To make his point, McGeachie points to Gartner's famous hype cycle, which charts the ups and downs common to new technologies.

After the initial phase, known as the 'innovation trigger', the cycle's four distinct phases begin with 'peak of inflated expectations'—the stage McGeachie believes we're currently at. The next phase is the 'trough of disillusionment', where those involved acknowledge that expectations have exceeded what is possible, and then comes the 'slope of enlightenment'. Finally we get to the 'the plateau of productivity', where the benefits of the new technology start to become apparent.

"I believe that initiatives such as the Lloyd's Lab [the insurance giant's dedicated insurtech hub] will be central to our efforts to access and understand the true potential that insurtech offers," McGeachie says.

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"Technology is going to become a strategic vertical for every single insurance company in the world at some point."

Andrew Johnston, Willis Re

"Only by bringing together industry practitioners and insurtech innovators into an environment that fosters new ideas will we really get to grips with what is possible, and what is inflated expectation."

A collective environment promotes greater industry-level consensus, he adds.

"We cannot continue to chip away at particular aspects of the insurance process in isolation. We must work together to understand how we can bring insurtech to market in a much more beneficial and productive way, that will improve our industry for both practitioner and more importantly the end customer."

Putting new technology to use will always generate contrary opinions and initial resistance, says Mark Appleton, director of global and major risks at HDI Global. He says it's clear that the insurance industry is no different from other financial industries, albeit sometimes a slower adopter of new technology.

"With this in mind, it seems clear that there will be diverse and powerful influences on the future processes in the industry, which will have some effect on the way that business is conducted," Appleton tells us.

He predicts the change will have "a marked effect on intermediation and risk pooling, leading to more efficient capital flows which may serve to address the increasing volatility in the insurance results globally".

Willis Re's Johnston concludes: "The increasing reliance on technology in the re/insurance industry is set to continue. Whether part of that technology, or at least the culture of adopting technology at pace, is still referred to as insurtech in years to come is unclear. In any case, technology is going to become a strategic vertical for every single insurance company in the world at some point—if it's not already." ∎

What is **insurtech?**

W illis Re's global head of insurtech Andrew Johnston describes insurtechs as businesses that have been created with the express interest of deriving savings and creating efficiencies in known insurance models.

In the common parlance, insurtech and insurance technology have become synonymous. However, as Johnston adds, "there are some subtle and some not so subtle differences".

Insurance software differs from 'insurtech' in that it is much broader than the recent cadre of businesses. Software covers processing, business process enhancement and specific core functional parts of the insurance value chain.

"We think that the value of technology, and the role of technology in the future of our industry is enormous, but we are imploring our clients not to make the mistake of lumping the two together," Johnston says.