Oxbow Partners

The Tip of the Iceberg

InsurTech in life and health insurance, pensions and investments

Sponsored by RGAX

ABOUT OXBOW PARTNERS

Oxbow Partners is a management consultancy exclusively serving the insurance industry.

Our consulting business advises insurers, brokers, technology vendors and private equity on growth, operations and technology topics across general insurance, life insurance and pensions. Our Agile Strategy™ approach, sector specialism and commercially-aware teams allow us to deliver projects faster than traditional consultancies.

Our insights business provides actionable market intelligence and technology research to insurers, brokers and other market participants. Our flagship products are UK market intelligence and our Magellan™ insurance technology navigator.

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Thanks

Oxbow Partners would like to thank Christopher Hess for his work on this report and InsurTechs selected for inclusion for their considerable efforts providing information about their businesses.

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Impartiality and objectivity

At Oxbow Partners, we pride ourselves on being both independent and analytical. We received no fee or financial incentive from any of the InsurTechs featured in this report. Our case studies were chosen purely for their illustrative purposes.

Welcome from Oxbow Partners

We are happy to present our report on InsurTech activity in the life, health, pensions and investment sectors ('LHPI').

Oxbow Partners has published analysis of the InsurTech market since 2016. Our focus to date has been general insurance, where the majority of startup activity has been. In this report we shine a light on recent activity and emerging trends in LHPI InsurTech – the visible tip of the iceberg and what might be below the surface.

We have two big observations about LHPI InsurTech.

First, activity varies hugely across the sector. Technology-led change has already changed some parts of the market, like robo-advisory in investments. Other parts of the market have, on the other hand, barely been touched.

Second, we observe that LHPI InsurTech is becoming quickly more prominent. Many incumbents have until now taken a 'wait and see' approach as trends become clearer, but recent activity could be a trigger for a rethink. An example is Prudential Financial's 2019 acquisition of Assurance IQ, a life InsurTech founded in 2016, for $2.3 billion.

At Oxbow Partners, we pride ourselves on being both independent and analytical observers. We continue to believe that insurance as a whole is not about to have an 'Uber moment', the cliché sometimes used to describe an entire industry being turned on its head by an aggressive, technology-led entrant.

The shifts we expect to see are more nuanced – which does not mean to say less pronounced. We believe that the future of the industry will be shaped by the interaction between incumbents and technology companies. Forward-thinking incumbents will be able to build on their competitive advantage by partnering with tech companies or copying their ideas. Experience suggests that technology 'disruptors' who ignore the realities of the established market will not be successful.

Success relies on understanding both sides of the industry – which this report tries to cover. We hope that you find our analysis informative and helpful.

Greg Brown
Partner

Lucy Alphonse
Consultant

Oliver Stratton
Consultant

Welcome from our report sponsor

RGAX is a wholly owned subsidiary of Reinsurance Group of America (RGA) and leverages the talent, resources, and insight of RGA's 40+ years of innovation. As a global company with offices in the Americas, EMEA and Asia, RGAX partners with carriers and entrepreneurs to incubate and accelerate new products and services to advance and expand the life insurance ecosystem.

It is easy to forget the numerous innovations that have already happened in our markets. In many of the territories in which we operate, consumers are offered insurance products instantly and digitally. An increasing number of policies come with value-add benefits such as second medical opinions, online access to general practitioners and so on. Similarly features of many products such as premium guarantees and high claims pay-out rates, which as industry insiders we take for granted, are arguably innovative in themselves.

But several problems and opportunities common across the globe remain unsolved. For example, products remain low touch and hence have low engagement. Data flows from consumers to businesses remain one way, designed to execute a business process rather than being of direct value in and of themselves. Many products still require a salesperson to complete transactions as it is hard to automate the reassurance of a human interaction.

To tackle these problems, the life insurance industry now recognises that successful execution requires a radically different corporate setup, which many industry players have already adopted: dedicated innovation teams, partnerships with start-ups and corporate venture capital, to name a few. This variety in models can make it difficult for those outside the activity to measure what resources are being deployed to drive innovation. At RGAX we recognise the complexity of the ecosystem and believe that transformational change will only occur through the interaction of different specialists, inside and outside the industry.

The following members of the RGAX team have enjoyed the opportunity to contribute to this Oxbow Partners report.

Kate Crick
Market Development
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Emmanuel Djengue
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Development

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Market Development
Director

1. Overview of LHPI InsurTech activity

LHPI InsurTech: Leader or laggard?

Is the LHPI sector an InsurTech leader or laggard? That question is not so easy to answer.

On the one hand, some parts of the market have seen major proposition disruption, arguably eclipsing anything that has happened in general insurance. Vitality, a brand set up by South Africa's Discovery Group, has transformed the life and health insurance product in several countries including the UK and Germany. Oscar is a US-based health InsurTech; founded in 2012, it is now valued at over $3billion.[1]

On the pensions and investment side, companies are forging a path with robo-advisory. These businesses hope to convince customers that the traditional discretionary fund management model is outdated and that an algorithmic solution can provide all the intelligence required to make long-term returns. Investors seem to be positive: Nutmeg raised a £45m round in 2019 from investors including Goldman Sachs.

Many investment houses have embedded these kinds of propositions into their own, following the footsteps of industry pioneer TD Ameritrade and in many markets responding to regulatory requirements like fee caps. Low-cost digital platforms are now an established part of the industry.

But whilst it is easy to point to success stories across the LHPI sector, LHPI InsurTech activity is patchy. In this first section we analyse InsurTech investment and incumbent activity to highlight that it is difficult to make any sweeping statements about the overall state of the industry.

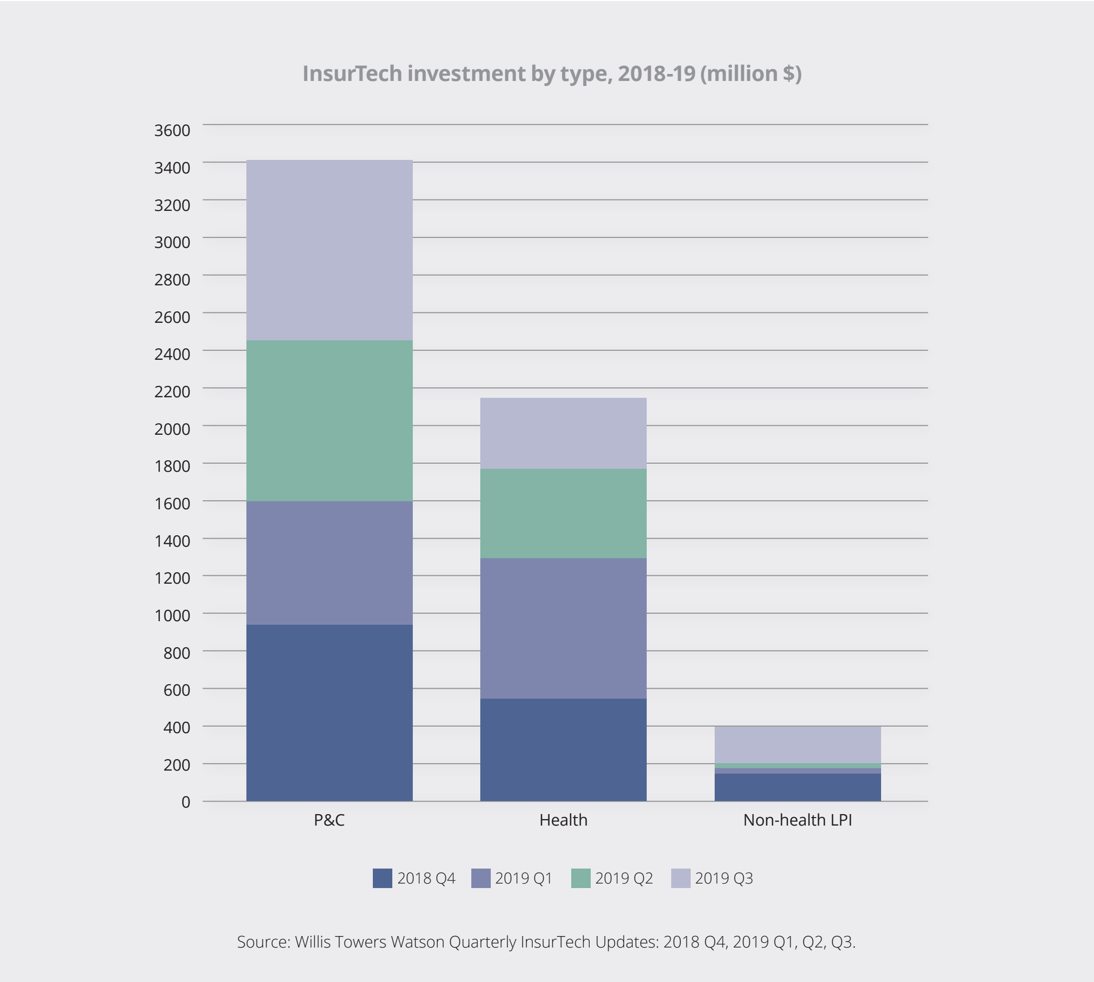
[1] www.businessinsider.com/oscar-health-insurance-startup-enters-new-state-ahead-of-2020-2019-3?r=US&IR=T

LHPI InsurTech investment

At the macro level, data from Willis Towers Watson shows that from 2018-19 (Q4-Q3), though P&C InsurTechs received more funding, LHPI InsurTechs did not lag significantly, receiving around $2.5 billion over four quarters.[2]

However, this top-level data only tells half the story. Looking beneath the surface we see that much of LHPI InsurTech investment is directed towards a small number of large health InsurTechs. Devoted Health and Bright Health raised $300 million and $200 million respectively in the last quarter of 2018 and Clover Health raised $500 million in Q1 2019. If health InsurTechs are excluded, the biggest round was $90 million by life insurer Singapore Life. Similarly, investment is still more atomised in general insurance InsurTech (but starting to gravitate to some emerging 'big beasts', as we noted in our 2019 Impact 25[3]).

These investment disparities are illustrated in the graph below.



[2] Willis Towers Watson Quarterly InsurTech Updates: 2018 Q4, 2019 Q1, Q2, Q3.
[3] www.impact25.com

Incumbent activity

Incumbent adoption of technology-led innovation is similarly varied – for example by region.

In Asia, China is particularly advanced. Ping An, an insurer with a $1billion investment pot for innovation, has developed an AI app ('Good Doctor') which can analyse symptoms and gather medical history to create a patient diagnosis, which is then passed to a specialist consultant for further action. In the P&I space the company uses facial recognition and big data technology to collect annuity payments quickly and securely. There is also considerable activity in Singapore, India and Japan.

North American insurers have made some progress with technology-led innovation. John Hancock has partnered with Vitality and runs a digital financial literacy programme covering topics like estate planning and credit card debt ('My Learning Centre'). SunLife has a chatbot called Ella, which helps clients maximise their benefit plans. They also have an extensive workplace distribution offering incorporating technology to expedite processes and improve user experience. For example, 'e-claims' aims to make claims payments in under 48 hours.

In the UK, it is now commonplace for protection policies to come with a bundle of technology-enabled value-add services such as video-based doctor appointments. And similar to some Asian markets, insurers are exploring 'human telematics' to offer discounts and increase engagement, such as Vida Movida in Spain and of course Vitality.[4] The use of e-underwriting systems to offer instant cover to most applicants is well-established in markets such as the UK.

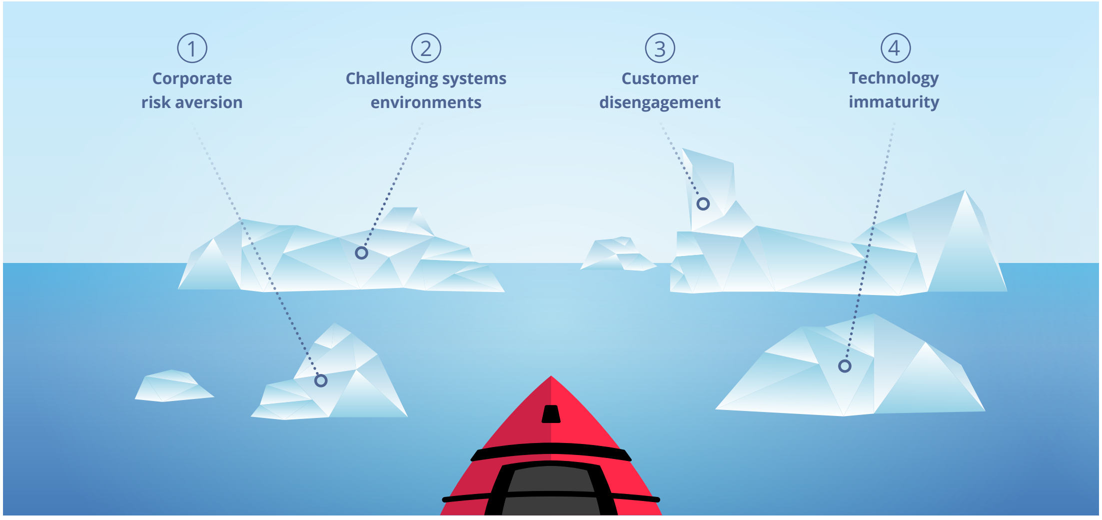
We also see variation in activity between primary carriers and reinsurers. Reinsurers have, generally speaking, been more active investing in and partnering with LHPI InsurTechs. Example teams are SCOR's Life and Health Ventures and RGAX. Munich Re and Swiss Re have been active for years in more 'traditional' areas of innovation such as underwriting engines which are commonly used in many markets across the globe.

Reinsurers, of course, have a privileged position when it comes to innovation. They benefit from access to almost unlimited working capital and have limited legacy operations or technology to work around.

[4] This is largely steps-based at the moment, although expanding over time. For example, yulife reward meditation linked to your Apple Healthkit.

The challenges of innovation in LHPI

The patchiness of InsurTech adoption in LHPI is not surprising; it should not be forgotten that incumbents face several challenges in incorporating new technology into their business models. Incumbents in the non-life space do not face many of these problems quite as acutely.



1. Corporate risk aversion and the cost of uncertainty

The natural risk aversion of most traditional insurers is no secret. This is a strength in underwriting,but becomes a challenge when companies face into uncertainty and need to change.

More specifically to LHPI, the fruits of innovation may not become apparent for many years. Products have a long duration and results from innovations on things like longevity pricing may only become apparent after many years. Sometimes the real or perceived downside risk might be greater than the upside opportunity in the current planning horizon.

2. Challenging systems environments

LHPI books are in force for years – sometimes decades. Even similar sounding products have heterogenous features. Historic M&A activity has consolidated many of these books, but often not systems. This often frustrates innovation by making it hard to access data (e.g. no single view of customer, similar products in multiple systems) or complex and time-consuming to make changes either for pilots or larger implementations (e.g. need to integrate front-end InsurTech with multiple core systems).

3. Customer disengagement

Protection gaps, lack of insurance and underinsurance are common in insurance generally but particularly so in the LHPI industry where products are generally associated with negative events or have durations beyond an individual's planning horizon. A survey conducted by UK insurer Royal London in 2018 found that just 33% of people felt they needed life cover, 24% felt they needed critical illness cover and only 19% saw a need for income protection.

Customer disengagement is being exacerbated by a tough global economic and political environment. This is leading to customers saving less and not favouring long-term investment products; it is becoming increasingly tough for incumbents to find new business opportunities and certainly at a scale which leads to a return given the cost of change.

4. Technology immaturity

Finally, much of the technology that sits behind LHPI InsurTech is not yet sophisticated enough to be truly disruptive. For example, robo-advice is not yet sufficiently trusted to replace advisors or discretionary fund managers at true scale, and health insurance wearables can be gamed.

The RGAX Perspective

'Fail fast' has been a common maxim in tech-related innovation for so long that it has become something of a cliché. However, it is important to remember the context in which most incumbent LHPI businesses operate: new product launches typically cost $1m+ and take 12 months to deliver. So how can you 'fail fast' when the products last for decades?

This has led some to conclude that rapid innovation in many areas of LHPI, particularly those with long policy lifetimes, is simply not feasible. But we take a different view: using new ways of addressing uncertainty such as modern pre-launch customer testing, digital-first product design and taking a portfolio approach to innovation activities, we have seen that enterprises can generate meaningful insights and improvements rapidly.

That is not to say that it is easy. Taking the life insurance sales process as an example, demand is largely created by some form of advice or sales process. While some aspects of this traditional advice process (such as needs calculations) can be readily automated, it is exceedingly difficult to digitise the 'softer' interactions that build confidence and ultimately momentum in the end consumer. But the industry is starting to deploy at scale insights from behavioural science to bridge this gap, and while we should not expect silver bullets, we do expect to see incremental and sustained improvements, particularly in the near-term when automation is used to augment existing human-led processes.

Using tools such as behavioural science in our increasingly digital propositions is long overdue: it is now over six years since the UK's Financial Conduct Authority published their Occasional Paper setting out what behavioural economics can teach us about consumer decision-making in financial markets, but it is still all too common to see customer journeys that seem to pay no heed to the behavioural context they are creating.[5] This is a missed opportunity, and we are happy to see a number of InsurTech innovators, some of whom are described in Section 3, seeking to simplify the sales process and proposition.

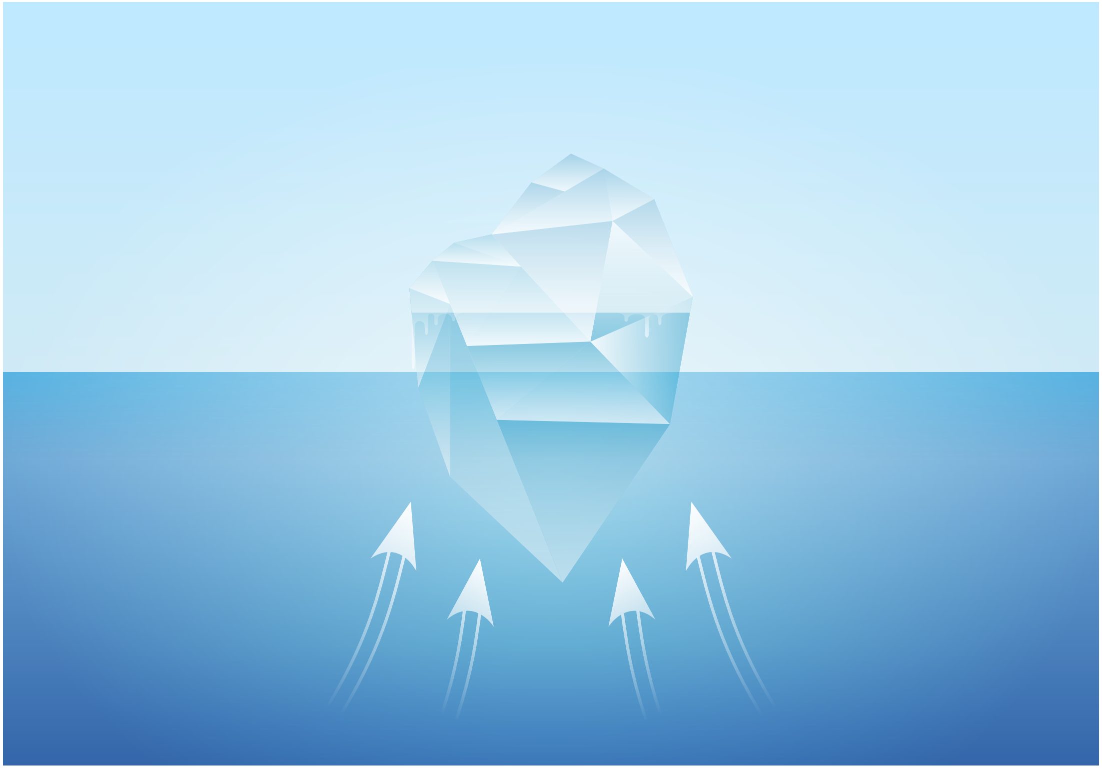
So while these challenges are certainly real, we see lots of reasons to be optimistic that none are insurmountable and indeed many of the InsurTechs mentioned in this report are doing just that today.

RGAX

[5] www.fca.org.uk/publication/occasional-papers/occasional-paper-1.pdf

2. Four forces that are preparing the ground for technology-led change

Despite these challenges, we see a significant opportunity for technology-led innovation in LHPI and believe activity will be catalysed by four forces, which we describe in this section.



1. Adjacent Influences

Innovation in adjacent sectors is having a significant impact on InsurTech activity in LHPI. Pensions and investments have been influenced by activity in the asset management sector, while life and health insurance has been influenced by activity in the health sciences and technology sectors. Equally, the recent focus on the insurance industry as a target for innovation has brought increased attention from technology vendors with potentially useful insurance applications.

2. The knowledge and advice gap

Retirement provision is in focus around the world. Governments are confronted with an ageing population caused by increased life expectancy and decreasing birth rates; shareholders are finding their pensions obligations balloon as their company scheme members live for longer in a challenging investment environment. In many markets this is leading to state and company policy changes, putting responsibility on the individual for their retirement planning.

Given the size of the sums at stake and the complexity of available options, individuals at all levels of society require help to navigate the processes of accumulation and decumulation. But regulation has made this harder too. In 2012, the UK government introduced the Retail Distribution Review (RDR) which prevents financial advisors from offering 'free' financial advice while suggesting investments on which commissions are earned. While advice services are readily available for more wealthy clients, there is an increasing need to provide advice to the mass and mass-affluent segments in a cost-effective way.

3. Consumer expectations and behaviour

Customers increasingly want to deal with providers that are transparent and trustworthy. In 2018, 76% of customers expected companies to understand their needs and expectations, and 84% of customers said being treated like a person, not a number, is very important to winning their business.[6] Companies need to balance this with the need for efficiency – and therefore need to craft digital propositions that achieve everyone's objectives.

Recent regulation and legislation will likely continue to increase focus in this area. Consumer confusion around pensions – and an estimated £400m sitting unclaimed in the UK – led the UK government to announce a 'Pensions Dashboard' project in 2016. This is a consolidation service that enables people to view the details of all their pensions in one place. Similarly, European open banking legislation, which came into force in January 2018, could change the level of customisation that consumers expect from financial product offerings.

4. Evolution in distribution

Distribution is becoming increasingly digital across both the buying and administration parts of the value chain. Most LHPI incumbents have started responding to this evolution in distribution, offering some products to be purchased online directly. For example, Legal & General sells products on its UK consumer website; others like Swiss Re's iptiQ offer their digital products through online intermediaries.

This shift to digital channels does not imply the abandonment of human contact, but rather its augmentation. For instance, the largest robo-advisor in the world, Vanguard's Personal Advisor Service, provides automated portfolio creation and management but also pairs every client with a human wealth manager who oversees the portfolio and is available for one-on-one discussions and advice sessions. The result is a hybrid offering that augments, but does not eliminate, human advice. Similar augmentation can be seen in the health and life insurance space, where sophisticated wearable technology does not replace underwriting altogether, but rather paves the way for data-driven underwriting that offers an enhanced understanding of risk.

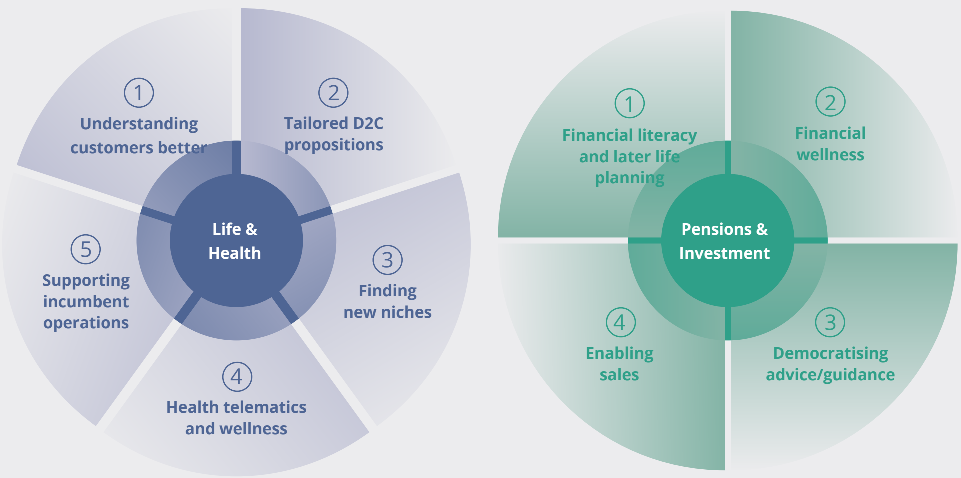
The result

Taken together, we believe these trends make the technology-led change much more likely. LHPI incumbents will need to use advances in technology to meet these new demands in the market or risk losing competitive advantage. Equally, more opportunities will present themselves as advances in adjacent sectors begin impacting LHPI.

6 www.cnbc.com/2018/10/16/cnbc-exclusive-cnbc-transcript-blackrock-chairman-and-ceo-larry-fink-speaks-with-cnbcs-squawk-box-today.html

3. Below the surface, emerging activity in LHPI

For life and health (L&H) and pensions and investment (P&I), we observe that almost all InsurTech activity is clustered around nine categories. These categories are all early stage and will therefore evolve both in the short term and in the long term. Analysis of each trend is provided in this section.



Distribution vs. supplier InsurTechs

The key to understanding InsurTech is to remember that the term covers two fundamentally different types of business.

- **Distribution InsurTechs:** These companies are trying to acquire customers through distribution and proposition innovation.
- **Supplier InsurTechs:** These companies are developing technology which could help insurers, reinsurers or advisors do business more effectively. They require insurers, reinsurers and advisors as customers.

Life and health 1: Understanding customers better

InsurTechs that provide better customer insight emerged across the value chain.

For example, one group of companies is focusing on the early (e.g. pre-sale) stages, providing lifestyle and health analytics on potential customers for marketing, risk selection, underwriting or product customisation.

Lapetus Solutions is one such company. It uses machine learning to estimate characteristics such as life expectancy. It is most famous for its 'selfie analysis' product, which went viral on social media as people wanted to see how old they looked – according to a bot, at least. (This is, of course, a great way to train an algorithm.) In 2018 the firm partnered with L&G in the US. Use cases for the technology currently include lead generation, risk estimates and life settlement assessments, but in time it is possible that more of the application and underwriting process could be done without the applicant having to provide their own data.

Focusing on understanding customers post-sale are companies like 100Plus, which helps insurance customers to monitor and manage their health. The company's first offering was an emergency watch with the capability to trigger an emergency response when it detects its wearer is in danger, but their proposition now extends to include a Blood Pressure Cuff, Digital Weight Scale, and Blood Glucose Monitor. 100Plus has partnerships with North American insurer TransAmerica and with SCOR Life and Health Ventures.

Further along the value chain are InforceHub and Atidot (both Members of the Oxbow Partners Impact 25). These companies give insurers information about the likely behaviour of existing customers to increase cross-selling or retention. InforceHub provides a customer analytics and decisioning platform to insurers with a view to improving their back-book profitability. The company recognises the value of human interaction, and much of it work centres of using data to enhance the productivity of agents. The firm has 10 pilots in train and has worked with several major insurers, including AXA and Zurich.

Atidot uses AI and machine learning to analyse insurers' data and provide strategic insight. Importantly, it can extract raw and unstructured data from legacy systems. For example, Atidot helped a mid-size D2C life insurance carrier in South Africa predict the lapse propensity of its customers and the expected impact of a discount on the policyholder decision.

A common frustration we face in our co-development work is when all attention is focused exclusively on the shortening of the underwriting process for protection products, when other aspects of the journey may be equally or even more important. For example, where we have deployed a well-presented digital underwriting journey, whether through a mortgage broker, an incumbent insurer's online D2C site or at a startup insurer, we find that drop-offs are negligible after the first underwriting question. This has convinced us that reducing the number of steps is not the sole route to better underwriting journeys and is why we are attracted to solutions which use data and technology to increase the engagement and transparency of the process as well.

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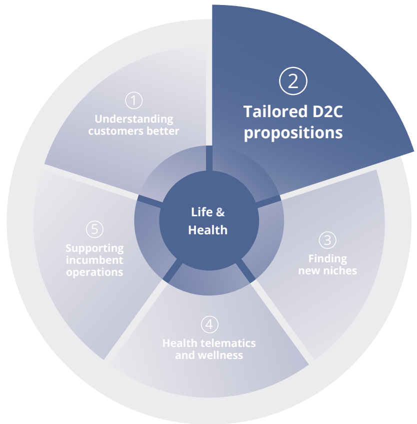
Life and health 2: Tailored D2C propositions



Complex product requirements will continue to be served via offline, advised channels for quite some time. However, technology is developing and consumers' trust in it is increasing, and so we have seen several life and health InsurTech firms successfully use innovative technologies to make it quicker and easier for customers to buy insurance products.

For example, one group of companies is focusing on the early (e.g. ottonova, a German 'full stack' digital private health insurer, is a good example. Its app provides policyholders with a digital concierge service (e.g. allowing policyholders to book appointments, get support when abroad), a personal medical timeline (e.g. past appointments, prescriptions) and an automated claims handling process, including the ability to make claims by photographing receipts and uploading them. It also licences its platform to incumbents such as German health insurer Süddeutsche Krankenversicherung (SDK).

Anorak provides a different method of enabling complex propositions to be sold digitally. The firm's platform offers users fully automated and regulated life insurance advice and this can be provided by distribution partners. Anorak asks users a series of questions, presents cover options based on user needs and then scans the market to find policies that match. The company have partnered with Starling Bank, Nutmeg, and London & Country.

Getsurance, a German InsurTech underwritten by RGA, takes a slightly different approach, simplifying not only the process of buying products, but the products themselves. The firm offers occupational disability cover and protection policies such as cancer insurance. They have a simple underwriting model that does not require complex health underwriting; it assesses the risk based on the reported severity of an applicant's previous health issues.

A final example of L&H InsurTech simplifying sales is Direct Life. The firm is a regulated intermediary, and their 'Buy Now' service uses a specially developed question set to ascertain whether an insurer would definitely accept or reject an application, or whether further information would be needed to make a decision. Clean lives are then offered immediate cover with no further questions. Direct Life also offers software called 'Life Quote' to intermediaries to improve efficiency.

We do not believe that making protection journeys easier is the only driver of significant market growth, but we do believe it remains an important element in a digital proposition. Many InsurTech businesses we work with have found efficient and effective ways to test digital propositions. Their data-driven approaches move the conversation from being opinion-based to data-driven, greatly enhancing the effectiveness of the product development process.

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Life and health 3: Finding new niches

InsurTechs in the life and health space have begun to offer more targeted propositions, often aimed at segments whose needs have traditionally been underserved.

Sherpa is a good example. The business targets the self-employed and SMEs who do not enjoy employer-arranged benefits packages. Co-founder Chris Kaye notes that these product bundles are complex and can take many hours to establish. Sherpa makes it easier for customers to access these product bundles and charges a flat fee (currently £5/month) instead of a traditional commission structure. This enables its users to make savings on their policies. It has partnered with insurers Scottish Friendly and Gen Re to administer and underwrite its products.

Equipsme also simplifies the sale of health insurance by offering affordable health insurance to the c.95% of businesses who have ruled out offering private medical insurance (PMI) as an employee benefit due to cost and complexity. Plans including private physiotherapy and GP appointments begin at £7 per month. The company charges the same for each employee aged 16 to 69, and there is a simple three-year pre-existing health conditions exclusion. Thus, unlike the vast majority of health insurance providers, Equipsme does not need to ask customers any medical questions.

Inclusivity Solutions offers digital (or mobile) insurance solutions in emerging markets targeted at low to middle income consumers who are often excluded from traditional protection products. Products are distributed via a network of partners such as mobile network operators and banks and the insurance risk is underwritten by local insurance partners. The company's services also include a technology platform that facilitates the customer journey from registration to claims processing, as well as in-country operational support and product development. The firm currently have live products in Rwanda, Kenya and Cote D'Ivoire and are looking towards other emerging markets in Eastern Europe, Asia and Latin America.

Though early stage, Kraydel is converting elderly users' televisions into a communication hub capable of voice and video calls. This increases the user's social engagement, brings peace of mind to the family, and offers better access to services such as care and health. The firm is currently working with RGAX to develop its first insurance proposition.

Many life insurance products are highly flexible. For example, policyholders can select the amount of cover or change the policy's term, and so one product can be tailored to many unique circumstances. However, this is a double-edged sword as products run the risk with non-expert consumers of being so broad that their specific utility is lost. That is why we are excited by the propositions emerging that target particular segments, especially when those segments are under-served by existing channels.

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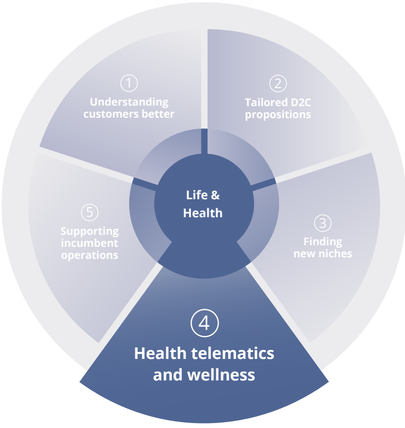
Life and health 4: Health telematics and wellness



Health telematics was an early mover in the broader InsurTech world, and more recently 'wellness' has become a theme. Many of the companies in this section offer B2B2C propositions and therefore enable incumbents to provide enhanced propositions.

Quealth is a SaaS application that scores its users health and also aims to encourage changes in behaviour to promote healthy living. The app scores users' risk of contracting chronic non-communicable diseases (NCDs) like cardiovascular disease, dementia and diabetes, which are influenced by lifestyle. The company's new feature 'Health Days', tracks how a user's behavioural changes contribute to their overall health. For insurers, Quealth, offers data to enrich the underwriting process, gamification, and claims management capabilities.

dacadoo develops technology solutions for insurers and corporate health services to enable digital health engagement and health risk quantification. The company provides a white-label health engagement platform, offering points and rewards for activity. dacadoo also offer a risk engine which enables (re)insurers to obtain mortality and morbidity forecasts using as few as four self-reported data. In April 2019, dacadoo announced a pilot with PartnerRe.

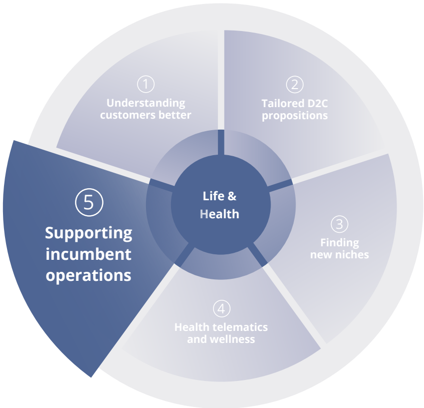
yulife, another Oxbow Partners' 2019 Impact 25 Member, uses gamification and rewards to enhance employee wellbeing, whilst selling group risk products. Employees can earn 'yucoin' on yulife's app by doing things like meditating or walking. These can be exchanged for discounts on brands like Amazon, NowTV, Asos, Bloom & Wild and Sainsbury's or can be donated to charity. The company was set up by the former CEO of PruProtect in the UK (now trading as VitalityLife), and policies are underwritten by AIG.

CXA Group offers flexible employee benefits through a SaaS platform, which is also white-labelled by banks and insurers for the distribution of insurance to corporates and their employees. CXA Group enables users to choose their own benefits from over 1,000 wellness products across 14 categories, including gym equipment, health supplements and holidays. Employees pay using the platform's eWallet, which is funded by the employer and topped up by money released through the drawing down by employees of duplicate insurance policies provided by their spouse's employers or national healthcare insurance.

InsurTechs addressing mental wellness have also emerged. Thrive is used by Aviva and LV= and is approved by the UK's National Health Service. The app helps users with things like calm breathing training and sleep improvement techniques. Users can also seek help and speak to a graduate psychologist and seek further support. Thrive is intended to encourage mental wellbeing, enable early intervention and promote quick recovery, all of which can reduce overall health claims cost to insurers.

An intriguing feature of the protection industry is that so many of the things that we do (e.g. medical underwriting, risk rating) are considered somewhat tedious, yet they directly relate to things that are of great interest to people on a day-to-day basis (e.g. their health, how they compare to others, their family's financial wellbeing).

Life and health 5: Supporting incumbent operations



Many of the businesses we have discussed so far are trying to build their own customer base and are sourcing their own capacity ('Distribution InsurTechs'), whether directly or B2B2C. There is also a group of Supplier InsurTechs that are building platforms to help incumbents improve their own operations.

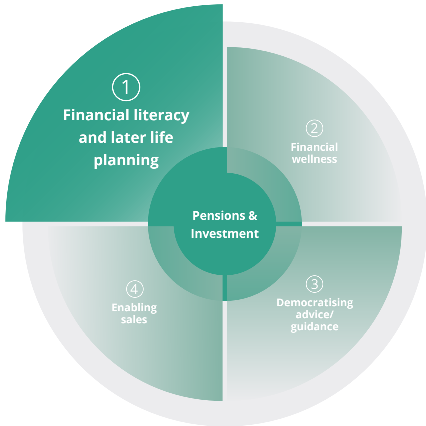
UnderwriteMe, through its Protection Platform, offers users the ability to quote, underwrite, compare and sell protection. They also offer an underwriting rules engine (with offline capability in Asia), claims rules engine and business analytics. Current partners include Scottish Widows, Royal London, AEGON and AIG, and the Protection Platform is used by over 500 firms.

INSTANDA, featured in Oxbow Partners' 2018 Impact 25 report, have extended their platform to the life, protection and health markets for both retail and corporate businesses. INSTANDA is a cloud-based core insurance system and the extension of their platform to cover products such as life, income protection, critical illness and accidental death offers end-to-end policy management capabilities to incumbents in the life and health sector. This includes front end multi-channel distribution, customer journeys, pricing and underwriting, document creation and management and administration and payment management amongst other features.

For many years reinsurers have participated in this area, for example with electronic underwriting solutions such as AURA or our reinsurance administration platform TAI. Streamlining operations not only reduces costs for carriers and ultimately consumers, but also pushes out the frontier of innovation possibility. Lowering the cost of any potential failure to achieve scale increases businesses' appetite to experiment with new channels. The ability to tap into the myriad enterprises who can help us scale products quickly and cheaply is essential to our transformation efforts at RGAX.

RGAX

Pensions and investment 1: Financial literacy and later life planning



In Section 2 we observed that increasing responsibility for retirement planning is being placed on the individual and that this is resulting in a major 'knowledge gap'. Several technology companies have emerged in recent years to address this gap and help consumers become more financially literate.

Society of Grownups is one example. Set up in 2014 by Mass Mutual, who invested $100 million in the company in 2015, it is more of a 'spin-up' than a startup. The business provides courses, calculators and articles to help young people understand financial planning better. Society of Grownups initially offered physical workshops and courses on financial education and opened its first location in Boston in 2014. However, in 2016, the company underwent a strategic shift after deciding that it would have more success and would be able to reach more people online than through its physical stores. Society of Grownups is now an exclusively digital offering.

At the extreme end of later life planning, Everplans allows users to organise, securely store, share and keep up-to-date all the critical information that their family may need in the event that something happens to the user. This includes anything from wills to insurance policies to passwords. Insurance companies and agents are using Everplans as an engagement platform that facilitates meaningful ongoing touchpoints with customers.

A more niche-interest proposition is provided by SafeBeyond, which offers a 'digital time capsule', where you can create 'personalised future messages for your loved ones'. These messages can be triggered on certain dates, events or locations – so next time you go to Brighton your phone might ping with a message from your late mother telling you how she always used to think of you when she watched the sun go down on the beach. The site also offers a digital vault, but its insurance activities are currently limited to 'emotional life insurance' – preserving the meaningful moments in life for future generations.

There is high potential for later-life planning solutions which use a customer's data to help establish what they need, identify any gaps and effortlessly take action to remedy them. InsurTechs are well placed to help incumbent industry players distribute such solutions to their users.

RGAX

Pensions and investment 2: Financial wellness

An emerging group of B2B2C financial wellness propositions are gaining traction. Companies in this space offer financial wellness in various guises, including offering employees guidance, advice, or opportunities to purchase various financial products.

Salary Finance gives employees access to simple, good value loans, savings and other financial products that are linked to salary. All of their products are underpinned with easy access tips, tools and guides. Co-founded by the former Head of Google UK & Ireland, the company operates B2B2C via employers, enabling firms to cultivate a loyal and productive workforce by helping with their financial needs. In May 2019 Salary Finance partnered with Tesla to roll out employee benefits.

Another B2B2C financial wellness business is Wealth Wizards. The company has two offerings: a digital IFA (the first in the UK) called MyEva. The other is an automated, white-label financial advice engine called Turo. The former is a web-app chat bot that employers can license for their employees. MyEva performs a 'financial health check' (a series of questions to determine financial priorities) on its users and based on responses gives guidance and advice to users on topics such as how much they should contribute to their workplace pension and how to build up longer term savings and investments. LV= took a majority stake in Wealth Wizards in 2016 and in May 2018, Wealth Wizards won the 'Technology Innovation of the Year' at the UK Pensions Awards.

There are parallels between the opportunities and challenges in health-related wellness and financial wellness. In both segments, many potential customers are aware of the need to act, but only some of these know what to do and even fewer have both the confidence and motivation to take those positive actions. We've invested in understanding the behavioural drivers behind these decisions (and non-decisions) so that we can help create the right context for consumers to take positive actions.

RGAX

Pensions and investment 3: Enabling sales

The pensions and investments industry is notorious for long and complex sales processes, leading to the establishment of several InsurTechs that try to address this concern.

Blueprint Income offers a marketplace of retirement products, including annuities and personal pensions. It offers products from several insurers, including Pacific Life, AIG, Principal and Mass Mutual, and enables users to compare product features, prices and financial ratings. For users that are unsure which products are best suited for them, Blueprint Income has a guided sales process in which customers are asked a series of simple questions about their retirement aspirations (e.g. planned age of retirement, desired monthly income) and then shown various contribution options relevant to their responses.

Pension Playpen also compares and consolidates products, but with a B2B2C model. The company allows employers to compare defined contribution (DC) pensions to make an informed decision about which to choose for their auto-enrolment pension. Pension Playpen assesses the company's workforce, taking into account age, earnings, and turnover, and quotes the best-suited pension options back to the employer. The company then facilitates a due diligence certificate for employers.

Age Wage – established by the same founder as Pension Playpen – gives customers a score of their pension's value for money by analysing their historic pension contributions and charges. This score is intended to give customers the knowledge they need to make ongoing decisions, for example should they buy an annuity or drawdown. Like Pension Playpen, Age Wage seeks to make the process of buying pensions as simple and straightforward as possible, largely through informed decisions and easy to use software. Age Wage is currently in beta testing and will launch to the public soon.

Another company focusing on quick and easy company pensions is Smart Pension, whose digital platform enables employee enrolment into a DC workplace pension scheme. It has more than 600,000 members on its platform. The firm was initially founded to enable companies to comply with the UK government's Auto Enrolment initiative, which mandates that companies must contribute a minimum percentage of their employees' salary to their pensions. It now also has a broader DC offering to larger companies looking to switch provider. Smart Pension announced strategic investment from Legal and General in 2016, and more recently in February 2019 announced backing from JP Morgan.

Several companies enabling sales through robo-advice propositions have also emerged. These have mostly clustered around the distribution end of the value chain (discussed in the next section of this report), but there are a few examples of companies that have also developed B2B white-label propositions. Finabro, a member of Oxbow Partners' 2019 Impact 25, is one example. Focused on the central European pensions market, the company provides an innovative pensions platform focused on employers and employees and offers full digital processing as well as pensions products. These are offered either as ETF-based robo-advisor or more classical capital life insurance products. The company also offers non-wrapped investment products. ETFmatic, which originally launched with a D2C robo-advisory proposition, is another example. Though initially focused on distribution and customer acquisition, the company quickly realised that its full stack of regulatory permissions and its modular, API enabled platform presented them with a B2B opportunity. They now specialise in equipping other companies with all they require to launch their own client-facing digital onboarding, goal creation and portfolio management apps.

A final example is Hatch.AI, whose proposition is focused on ‘advisor enablement’. Hatch.AI’s white-label platform uses natural language processing and machine learning to give advisers a better insight into the goals and risk appetite of their clients. The result is financial advice which is complemented by technology to enable enhanced personalisation; ‘Human+’ as Hatch.AI describes it. The company’s platform also provides a slick dashboard providing extensive information on customers; integration with open banking allows customer profiles to be pre-filled. In this way Hatch.AI enables sales by freeing advisor time both through the automation of non-value-adding tasks and through enhancing face-to-face time.

A common theme of many solutions is making information more accessible and digestible to the end user, with the expectation that this will increase confidence and encourage positive action. Whether this will be sufficient or just one necessary step in a larger process remains largely unproven, as perhaps evidenced by the variety of approaches discussed above.

RGAX

Pensions and investment 4: Democratising advice/ guidance

Despite recent regulatory reviews of automated investment services, the pensions and investment industry has seen an explosion in the number of robo-advisors since the 2008 financial crisis. Robo-advice involves the automation of any part of the wealth management process, for example portfolio construction and investment decisions. Many have emerged in recent years to address the 'knowledge gap' experienced by those who cannot afford financial advice and as such have been distribution-focused.

Scalable Capital builds and manages personalised, globally diversified ETF portfolios for consumers, and the firm's product is at the more sophisticated end of robo-advisory. For example, whilst most advisors bucket customers into broad risk categories (i.e. low, medium, high), Scalable Capital constructs bespoke investment portfolios. The business also runs risk projection models and adapts portfolios to the risk regimes of its markets and adapts portfolios to volatility in the market. Scalable Capital has investment from BlackRock, Tengelmann Ventures and Holtzbrinck Ventures and currently has over €1.5 billion in assets under management.

Blooom is a robo-advisor managing employer-sponsored retirement accounts in the US. The platform provides quick and free automated analysis of customer retirement accounts and offers optimisation for a fixed fee per managed account. At the heart of Blooom's project is a desire to offer financial planning assistance to those unable to afford the services of an IFA.

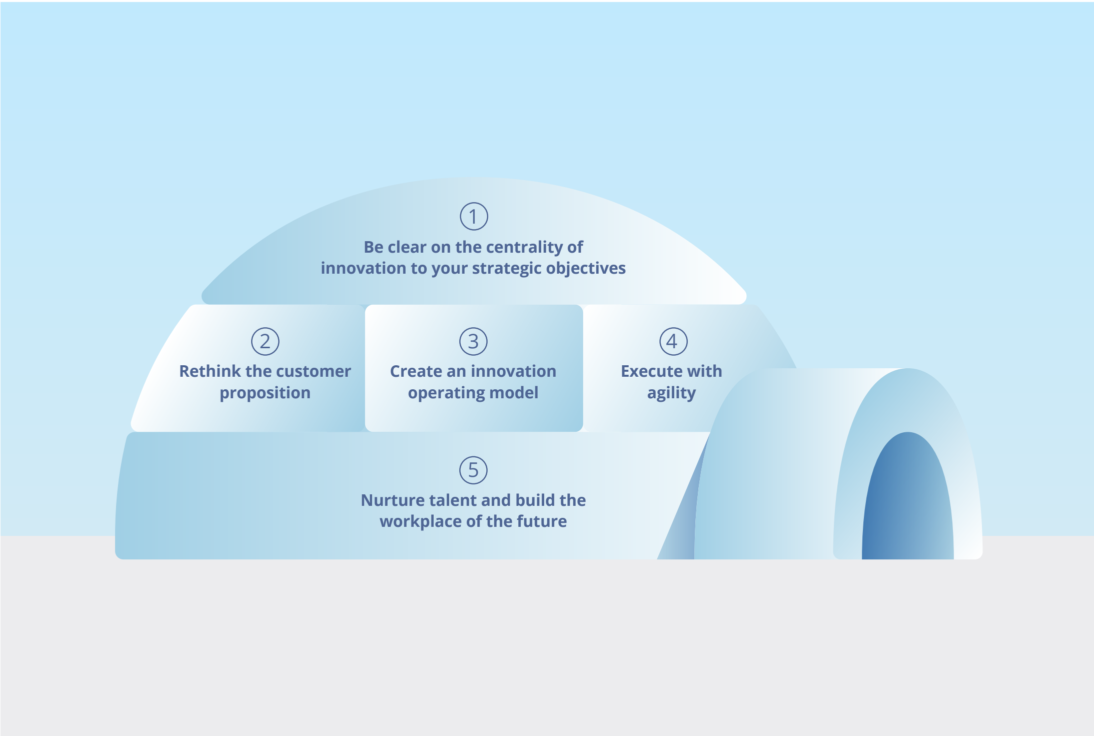
Plum does daily analytics on its users' linked bank accounts to understand spending and income patterns and provides a personalised savings and investment service. It also has an insights service that will track and categorise spending and monitor bill payments to give users the opportunity to switch to a cheaper provider should they be overpaying. Its algorithm was developed with help from scientists from MIT and CERN and has integration with Facebook Messenger. It currently has over 500,000 users.

Multiply provides financial advice to mass market customers in the UK through a free app. The company has been through the FCA Sandbox and is regulated to an equivalent standard as a human financial advisor. The app provides specific recommendations across multiple life insurance and investment products. It also has services such as an emergency fund calculator and a pension contribution planner. The company does not charge users but does earn a commission or referral fee should users buy recommended products, with the exception of investment products where the company is expected to launch its own platform soon.

Whether in L&H or P&I, it is crucial to consider not only the visible aspects of traditional processes, but the invisible ones. Industry players have become increasingly adept at automating the rational, evident processes: gathering information, calculating results, executing transactions and so on. But traditional processes entail so much more which ultimately creates the necessary confidence in the consumer to transact now rather than delay. As such it is no surprise that many InsurTechs who started with a purely D2C, digitisation strategy have either pivoted or expanded into B2B2C strategies.

RGAX

4. How incumbents should respond



We believe that conditions are right for technology-led innovation to accelerate in LHPI. We outline five actions incumbents should take to gain competitive advantage.

1. Be clear on the centrality of innovation to your strategic objectives

Most incumbents do not currently have a clear understanding of how innovation and technology-led change can help them achieve their long-term goals. Most partnerships, for example, still originate from a convincing sales pitch rather than from a focused scouting mission by the insurer; as a result, the innovation or technology modernisation portfolio risks lacking focus.

Incumbents need to determine what level of importance they attach to innovation: do they believe it is an existential question, a strategic opportunity or a tactical tool? This direction-setting decision at board level will then determine a framework for actions that can be taken; for example should the company be a pioneer or fast-follower with regard to the adoption of new technologies or propositions, and what is the right portfolio of initiatives?

2. Rethink the customer proposition

Insurers need to think hard about their proposition and competitive positioning. It is particularly important to consider how the competitive peer group is evolving. A decade ago a UK life insurer might have been competing principally against companies such as Standard Life and Prudential. The peer group then expanded to include traditional asset managers such as Fidelity, and then broadened again to include the new generation of lower-cost direct players such as Hargreaves Lansdown and global heavyweights such as Vanguard. In the future Scalable Capital and Blooom might be the most feared competition.

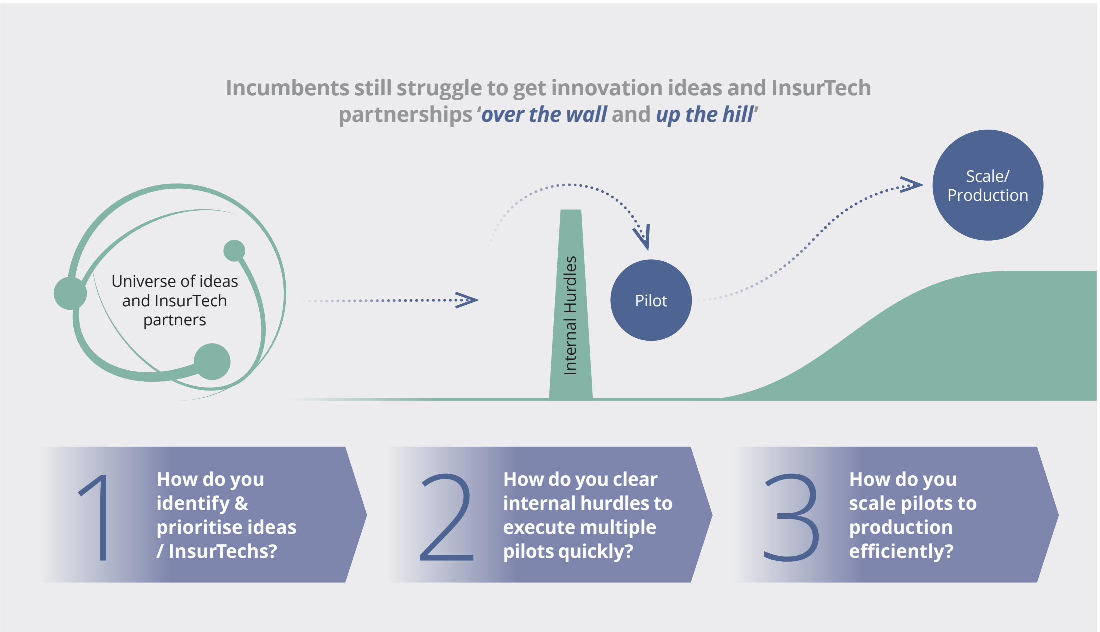
Incumbents can reflect on the aspects of their proposition that are most in need of investment. Naturally, a good understanding of the external technology landscape – both established and emerging – is required to guide them to viable solutions.

3. Create an innovation operating model

Many incumbents have focused their innovation efforts on specific activities like startup scouting and corporate venture investment. We believe this to be too simplistic: as the cliché says, 'ideas are worthless'. Instead, the challenge for any innovator is converting an idea into a plausible business model, and diffusing that idea in the business. We call this the 'innovation value chain' and a key enabler is an effective innovation operating model.

All too often we see businesses whose governance processes have been set up to reject innovation – for example long-winded procurement and legal processes or an incentive structure that prioritises 'jam today'.

Companies should build effective end-to-end innovation operating models that allow them to integrate and scale ideas quickly in the organisation – something we sometimes call 'getting them over the wall and up the hill.'



4. Execute with agility

Strategy and operating models don't, in themselves, generate value. The practical realities of innovation often produce unforeseen opportunities or complications, for example because customers behave differently to expected or because internal challenges constrain action. Innovators need to be able to handle uncertainty.

'Agile' has also become something of a cliché in recent times and, despite all the noise, there are very few examples of regulated companies becoming genuinely agile. Nonetheless the principles of Agile are important for innovative incumbents.

Incumbents must think more quickly about opportunities, shorten decision-making processes and quicken execution. Agility requires management teams to take decisions based on quality analysis of narrower questions, and to progress based on confidence rather than (false) certainty. Implementation must be seen as a continuous learning process rather than the dogged embedding of a signed-off strategy. Execution moves from being hierarchical and functionally-led to teams of empowered, multi-skilled colleagues.

5. Nurture talent and build the workplace of the future

It is no secret that the insurance industry as a whole has an image problem. Historically poor customer service, mandated products (e.g. car insurance) and reports of sexual harassment at major firms and markets have all contributed to negative perceptions. Perhaps as a direct result, the industry struggles to attract talent. The industry's reputational problem is perhaps even more acute for LHPI firms where propositions seem removed from the life of a young twenty-something.

In order to recruit top talent, incumbents will need to put time and effort into recruiting and cultivating the workplace of the future. This is particularly relevant given that many incumbents are already recruiting for industry-agnostic talent like data scientists. On this front, incumbents will be competing with the likes of technology giants like Google, Amazon, and Facebook for employees.

RGAX conclusions

RGAX and our partners are privileged to be tasked with delivering transformational change to industries that help our customers live longer, healthier, and more financially secure lives. While change can be uncomfortable, we must not lose sight of the vital importance of the services and security we provide to our customers. The influx of outside talent through InsurTech across the globe is encouraging and, when combined with the domain-specific expertise in our industry, will help us meet the expectations of under-served markets and attract new customers.

However, traditional approaches used by incumbents are often inadequate for tackling many of today's challenges. Tools have been developed to deal with these more traditional problems – categorised as 'tame' – by Keith Grint, Professor at Warwick Business School. These are known problems with known solutions that are best with a structured, managerial, and logical approach.

But the problems described in this report are in fact 'wicked': complex problems that hold a multitude of other problems within them, with no known solution. These problems require greater collaboration and leadership to solve, incorporating various skillsets, market participants and even different industries.

Addressing our market's 'wicked problems' is not straightforward, as there are no beaten paths to follow. If we had to choose three things from this report that we think will help readers succeed, they would be:

1. Identify whether you are dealing with a 'tame' or 'wicked' problem and adapt your approach accordingly. Applying a tame mindset to the wrong problems can lead to leaders becoming the 'permafrost layer', through which no progress can be made regardless of the quality of concept.

2. Ensure that the context for your consumers is set consciously. The context in which users make decisions can greatly influence their eventual choice, so use the tools and insights from behavioural economics to set this actively and deliberately, for the benefit of the end consumer. When in doubt, test it with real people, in the real environment in which they will have to make the choice as fake environments lead to fake conclusions.

3. Understand the difference between novelty and innovation. Whether an idea is good or bad, it often comes down to timing: many things that have been tried before and failed did so simply because markets, consumers or technology were not ready yet. Remember that a product, service or process can be innovative even if it is simply a better-executed version of something you've seen before.

Appendix: InsurTech company data

Name: Lapetus solutions
Description: Lapetus Solutions uses machine learning to estimate individual characteristics such as life expectancy
Date founded: 2015

Key investors: 2Aflac Ventures, Cloudeura, Plug & Play, SixThirty
Investment to date: $6.4m
HQ: Wilmington, NC
Number of customers: In-flight with >10 global POCs. 3 recurring revenue clients
Key insurance clients / partners: Legal & General, Burdette Direct, Coventry, Montage (Life Settlement funds)
Number of FTEs: 17
Revenue band: $100k-$1m

Name: InforceHub
Description: InforceHub provides a customer analytics and decisioning platform to insurers with a view to improving their back-book profitability.
Date founded: 2017

Key investors: Co-founders
Investment to date: None
HQ: London
Number of customers: 10 customers
Key insurance clients / partners: AXA, Allianz, Zurich
Number of FTEs: 6
Revenue band: £100k-1m

Name: Atidot
Description: Atidot provides an analytics product to help life insurers optimize their portfolio
Date founded: 2016

Key investors: The D.E. Shaw Group, BankHapoalim, Moneta Seeds, Vertex Ventures
Investment to date: $6m
HQ: Tel Aviv
Number of customers: 9
Key insurance clients / partners: iPipeline, Surify, Sapiens, Tech Mahindra, EXL, Microsoft, PWC, KPMG, BCG
Number of FTEs: 15
Revenue band: £50k-£1m

Name: Ottonova
Description: ottonova is a German 'full stack' digital private health insurer
Date founded: 2015

Key investors: B-to-V, Debeka, Holtzbrinck Ventures, Vorwerk, Tengelmann Ventures
Investment to date: £33.1m
HQ: Munich
Number of customers: N/d
Key insurance clients / partners: Süddeutsche Krankenversicherung (SDK)
Number of FTEs: 95
Revenue band: £1m to 5m

Name: 100Plus
Description: 100Plus is an ecosystem of remote patient monitoring devices for seniors on Medicare.
Date founded: 2011

Key investors: 8VC, Maveron, WTI, Correlation Ventures, Subtraction Capital, Sidekick Fund, Plug and Play Ventures, Scor Global Life, SVTech Ventures, Transamerica Ventures, China Rock Capital Management, Band of Angels, Henry Kravis, George Roberts, Ali Partovi, Hadi Partovi, Dr. Oz, Michael G. Rubin, Barry Volpert, Harold Ludwig, Josh Kazam, Tony Robbins, Shlomo Ben-Haim, Russell Okung, Fred St. Goar, Alloy Product Development, Ammunition Group
Investment to date: $14m
HQ: San Francisco
Number of customers: n/d
Key insurance clients / partners: SCOR Life & Health ventures, TransAmerica
Number of FTEs: 15
Revenue band: N/d

Name: Equipsme
Description: Equipsme is a health plan provider for businesses
Date founded: 2017

Key investors: Baronsmead Venture Capital Trusts (Managed by Gresham House), RGAx, Angel Investors
Investment to date: £2.7m
HQ: London
Number of customers: n/d
Key insurance clients / partners: AXA PPP, Medical Solutions, Health Assured and Thriva
Number of FTEs: 8
Revenue band: n/d

Name: Anorak
Description: Anorak offers a fully automated and regulated life insurance advice SAAS platform
Date founded: 2016

Key investors: Kamet (AXA's startup studio)
Investment to date: £9m
HQ: London
Number of customers: n/d
Key insurance clients / partners: Starling Bank, Nutmeg, London & County
Number of FTEs: 20
Revenue band: £100k-1m

Appendix: InsurTech company data

Name: Getsurance
Description: Getsurance offers occupational disability cover and protection policies such as cancer insurance
Date founded: 2016

Key investors: RGA, Investitionsbank Berlin
Investment to date: €2.5m
HQ: Berlin
Number of customers: n/d
Key insurance clients / partners: RGA
Number of FTEs: 11
Revenue band: n/d

Name: UnderwriteMe
Description: UnderwriteMe provides an Underwriting Rules Engine (URE) for life insurers to automate the underwriting and pricing of protection policies, and a comparison service, called the Protection Platform, for intermediaries
Date founded: 2012

Key investors: Wholly owned by Pacific Life Re (February 2018)
Investment to date: Undisclosed
HQ: London
Number of customers: Over 500+ firms using the Protection Platform - URE. 22 insures across Europe, Asia and Australia
Key insurance clients / partners: Aegon, Canada Life, AIG, Scottish Widows, LV=, Royal London, Old Mutual Wealth, The Exeter, HSBC, Sottish Friendly, Virgin Money, Post Office, Budget, Churchill
Number of FTEs: 40+
Revenue band: £5m+

Name: Direct Life
Description: Direct Life aims to simplify the process of selling life insurance through its online offering and 'Life Quote' software
Date founded: 1990

Key investors: RGAX
Investment to date: n/d
HQ: Chichester
Number of customers: Over 1.000 businesses
Key insurance clients / partners: RGAX, confused.com, MORE TH>N, Admiral, Quilter, Openwork
Number of FTEs: 110
Revenue band: £5m+

Name: Sherpa
Description: Sherpa offers protection to people who have recently become self-employed
Date founded: 2016

Key investors: High Net Worth individuals including leaders from the insurance industry
Investment to date: $2.3m
HQ: Malta
Number of customers: Sherpa has so far given advice on life insurance to over 3,000 individuals
Key insurance clients / partners: Scottish Friendly, Gen Re
Number of FTEs: 19
Revenue band: £100k+

Name: Inclusivity Solutions
Description: Inclusivity Solutions offers digital insurance solutions to emerging customers in emerging markets
Date founded: 2015

Key investors: Goodwell investments, RGAX, Umkhati Wenthu Ventures
Investment to date: $3.5m
HQ: Cape Town
Number of customers: 600,000
Key insurance clients / partners: Tigo, Belife, Radiant, Britam, RGA/RGAX, Airtel Rwanda, Equity Bank Kenya, Orange Cote d'Ivoire
Number of FTEs: 17
Revenue band: £100k-1m

Name: Kraydel
Description: Kraydel empowers its users to live independently and be more resilient by enabling communication and wellbeing monitoring through users' existing televisions
Date founded: 2016

Key investors: RGAX, VCs, Angel investors
Investment to date: $3.1m
HQ: Belfast & London
Number of customers: 3 clients
Key insurance clients / partners: RGAX, NHS, telecoms
Number of FTEs: 10
Revenue band: £100k-1m

Appendix: InsurTech company data

Name: Dacadoo
Description: Dacadoo offers a white-label platform to insurers
Date founded: 2010

Key investors: Undisclosed
Investment to date: Undisclosed
HQ: Zurich
Number of customers: Working with 30 life and health insurers globally
Key insurance clients / partners:
Reinsurers: Partner Re, Hannover Re
Life: Irish Life, T&D Holding, Generali Hellas
Health: Menzis, Sanagate, Sanitas
Corporate wellness: Optum, Aon
Number of FTEs: 95
Revenue band: Undisclosed

Name: INSTANDA
Description: Instanda is a natively SaaS digital insurance platform
Date founded: 2012

Key investors: Undisclosed
Investment to date: Undisclosed
HQ: London
Number of customers:
c.50 clients globally / c.15000+ users
Key insurance clients / partners: Talanx (HDi), Hiscox Europe, Argo Global, Markel (US & UK) Zurich UK, 5 other top 10 global carriers (confidential); leading brokers incl. Ed broking, Integro
Number of FTEs: c100
Revenue band: £5m+

Name: Yulife
Description: yulife is a gamified B2B2C group risk distribution platform
Date founded: 2016 (launched to market January 2019)

Key investors: Creandum Funds. MMC Ventures, Notion Capital ,Anthemis Exponential Ventures, RGAX, Local Globe
Investment to date: £13m
HQ: London
Number of customers: Over 100 businesses
Key insurance clients / partners: AIG
Number of FTEs: 40
Revenue band: £1m-£5m

Name: CXA Group
Description: CXA offers employee benefits through its 'insurance, flex benefits and wellness ecosystem' SaaS platform, which is also white-labelled by banks and insurers for the distribution of insurance to corporates and their employees.
Date founded: 2013

Key investors: HSBC, Singtel Innov8, Muang Thai Fuchsia Ventures
Investment to date: $58m
HQ: Singapore
Number of customers: 400,000 employees across 600 companies
Key insurance clients / partners: Insurers, banks, HR firms
Number of FTEs: 250
Revenue band: Undisclosed

Name: Quealth
Description: Quealth is a SaaS application that scores its users health
Date founded: 2015

Key investors: RGAX
Investment to date: £3m
HQ: London
Number of customers: 69 customers / approx 100,000 users
Key insurance clients / partners: RGAX
Number of FTEs: 12
Revenue band: £100k-£1m

Name: Thrive
Description: Thrive provides employers with an app with tools to help employees with their mental health
Date founded: 2012

Key investors: Undisclosed
Investment to date: c. £2m
HQ: London
Number of customers: Supporting over 1 million people
Key insurance clients / partners: Aviva, LV=, amazon, mencap, NHS
Number of FTEs: Under 20
Revenue band: £100k-1m

Name: Society of Grownups
Date founded: 2014

Key investors: MassMutual
Investment to date: $100m
HQ: Massachusetts
Number of customers: N/A
Key insurance clients / partners: MassMutual
Number of FTEs: N/A
Revenue band: N/A

Appendix: InsurTech company data

Name: Everplans
Description: Everplans allows users to organize, store, share and update the important information they need during their lives
Date founded: 2012

Key investors:
RGAX, Scout Ventures, Transamerica Ventures
Investment to date: $22m
HQ: New York
Number of customers: 50,000
Key insurance clients / partners: Symmetry Financial Group, Transamerica, Kansas City Life, RGA, Raymond James
Number of FTEs: 19
Revenue band: N/A

Name: SafeBeyond
Description: SafeBeyond offers a 'digital time capsule' where you can store personalised messages for loved ones to access in the future
Date founded: 2014

Key investors: Atooro Fund
Investment to date: $1.15m
HQ: Las Vegas
Number of customers: N/A
Key insurance clients / partners: N/A
Number of FTEs: N/A
Revenue band: N/A

Name: Salary Finance
Description: Salary Finance offers digital aid with debt management and general financial wellness
Date founded: 2015

Key investors: Legal & General, Blenheim Chalcot
Investment to date: Undisclosed
HQ: London
Number of customers: n/d
Key insurance clients / partners:
Metrobank, SAGA, NHS, BT
Number of FTEs: n/d
Revenue band: n/d

Name: Wealth Wizards
Description: Wealth Wizards is a digital financial advice provider with a direct to consumer and software-as-a-service proposition
Date founded: 2015
Key investors: LV= has majority stake
Investment to date: Undisclosed
HQ: Leamington Spa, UK
Number of customers: 7000 users
Key insurance clients / partners: LV=
Number of FTEs: 78
Revenue band: £1m-5m

Name: Blueprint Income
Description: Blueprint income offers a marketplace of retirement products, including annuities and personal pensions
Date founded: 2014
Key investors: Core Innovation Capital, NextView Ventures, Plug & Play
Investment to date: $2.8m
HQ: New York, USA
Number of customers: N/A
Key insurance clients / partners: Pacific Life, AIG, Principal, Mass Mutual
Number of FTEs: N/A
Revenue band: N/A

Name: Pensions Playpen
Description: Pensions Playpen is a DC pensions comparison service for employers
Date founded: 2013
Key investors: Undisclosed
Investment to date: N/A
HQ: London
Number of customers: N/A
Key insurance clients / partners: Aegon, L&G, Royal London, Aviva
Number of FTEs: N/A
Revenue band: N/A

Appendix: InsurTech company data

Name: Smart Pension
Description: Smart Pension is one of the UK's leading workplace pension providers. It also provides its workplace savings platform technology and services to strategic global partners
Date founded: 2014

Key investors: JP Morgan, Legal & General
Investment to date: £18.3m
HQ: London
Number of customers: 600,000
Key insurance clients / partners: Legal & General
Number of FTEs: c.220
Revenue band: £5m+

Name: Finabro
Description: FINABRO is a digital pension platform focused on corporate pensions, connecting product providers, brokers, companies and their employees. Current focus is on German-speaking Europe
Date founded: 2016

Key investors: UNIQA
Investment to date: £1.5m
HQ: Vienna
Number of customers: Undisclosed
Key insurance clients / partners: Helvetia, Zurich, UNIQA
Number of FTEs: 12
Revenue band: £100k-1m

Name: Age Wage
Description: Age Wage scores pensions pots tohelp people assess their value for money
Date founded: 2018

Key investors: Henry Tapper, Chris Sier, John Roe
Investment to date: £0.5m
HQ: London
Number of customers: 240
Key insurance clients / partners: Morningstar; Retirement line
Number of FTEs: <10
Revenue band: <£100k

Name: Scalable Capital
Description: Scalable Capital builds and manages personalized, globally diversified ETF portfolios for customers
Date founded: 2014

Key investors: BlackRock, Tengelmann Ventures, Holtzbrinck Ventures
Investment to date: €66m
HQ: Munich, Germany
Number of customers: 50,000
Key insurance clients / partners: ING Germany, Siemens Private Finance, Openbank (Santander Group's digital bank), Targobank (French Crédit Mutuel Group), Oskar (product of finanzen.net)
Number of FTEs: 110
Revenue band: N/A

Name: Blooom
Description: Blooom is a robo-advisor managing employer-sponsored retirement accounts in the US
Date founded: 2013

Key investors: Undisclosed
Investment to date: Undisclosed
HQ: Kansas, USA
Number of customers: c22,000
Key insurance clients / partners: N/A
Number of FTEs: N/A
Revenue band: N/A

Name: Plum
Description: Plum, a 'finance savvy chatbot' does analytics on users' bank accounts and provides a savings and investment service
Date founded: 2016

Key investors: European bank of Reconstruction and development, VentureFriends
Investment to date: $7.5m
HQ: London
Number of customers: 500,000+
Key insurance clients / partners: N/A
Number of FTEs: 29
Revenue band: Undisclosed

Appendix: InsurTech company data

Name: Multiply.ai
Description: Multiply offers automated financial advice to mass market customers in the UK
Date founded: 2016

Key investors: Octopus Ventures
Investment to date: £4.5m
HQ: London
Number of customers: 15,000
Key insurance clients / partners: Undisclosed
Number of FTEs: Undisclosed
Revenue band: Undisclosed

Name: ETF Matic
Description: ETFmatic offers both a D2C and B2B2C robo-advisory proposition
Date founded: 2014

Key investors: Angel investors
Investment to date: $2.5m
HQ: London
Number of customers: >30k served across 32 countries
Key insurance clients / partners: 7 partners
Number of FTEs: 30
Revenue band: >£1m from existing partners

Name: Hatch AI
Description: Hatch AI helps financial advisors with non-value-adding tasks and helps them to obtain better insights about their clients
Date founded: 2016

Key investors: EU investment (SUMMA)
Investment to date: £10m
HQ: Edinburgh
Number of customers: N/A
Key insurance clients / partners: University of Edinburgh
Number of FTEs: 6
Revenue band: N/A

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There is more to InsurTech activity in the Life, Health, Pensions and Investments industries than meets the eye, and this is just the just the tip of the iceberg

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