

Nordic Insurtech Report



CLOSING the DIGITAL GAP

Sollers Consulting



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COOPERATION WITH INSURTECHS

Marcin Pluta • Managing Partner and Co-Founder of Sollers Consulting

In recent years, several young insurtech entrepreneurs from the Nordic countries have emerged to help drive a more high-tech approach to insurance. Many of them have offered their services to traditional insurance companies, allowing them to fit in with the trends of high digitalisation of services in Northern Europe.

Sollers has been supporting insurtechs for many years, helping these young companies provide valuable stimuli to both insurers and insurance markets. Now, as insurtechs are entering the next phase of their development, partnerships play an increasingly important role. Therefore, we are pleased to present our Nordic Insurtech Report, providing an overview of the insurtechs operating in the Nordic countries, their business models and the technologies they use. •



NORDIC INSURTECH BY THE NUMBERS

KEY FACTS:

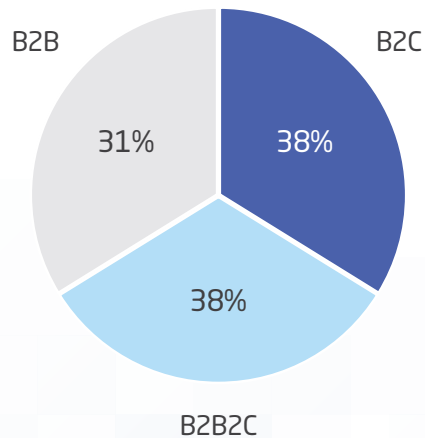
60% of all Nordic insurtechs are registered in Sweden

29 markets are served by Nordic insurtechs

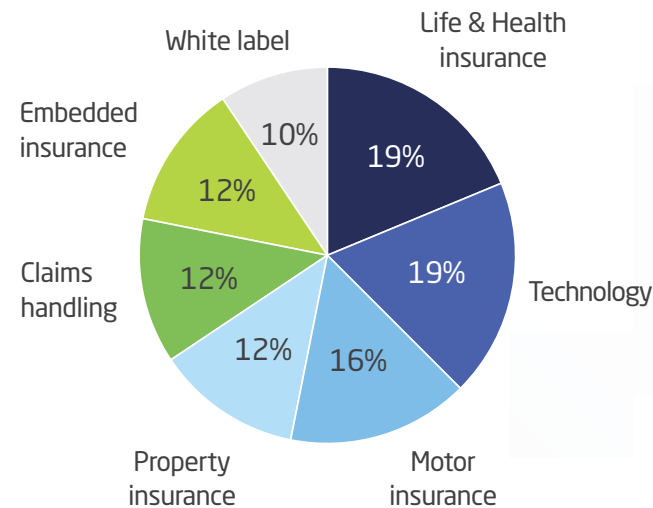
1/3 of all Nordic insurtechs support digital sales



BUSINESS MODEL:

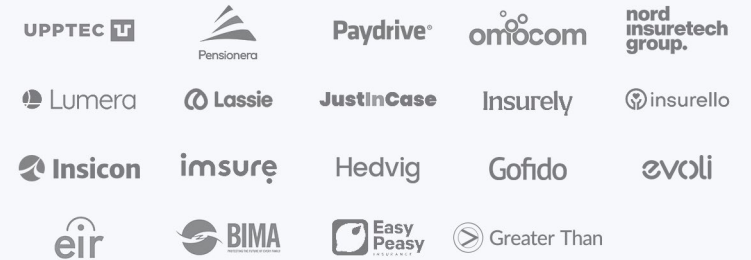


OFFERING CATEGORY:



INSURTECHS IN SWEDEN

Upptec / Pensionera / Paydrive / Omocom / Nord Insurtech Group / Lumera / Lassie / JustinCase / Insurely / Insurello / Insicon / Imsure / Hedvig / Gofido / Evoli / EIR Försäkring / Bima / Easy Peasy Insurance / Greater Than



INSURTECHS IN FINLAND

Wellmo / SmartDrive (Bassadone Automotives Nordic) / Redkik / In4mo / Vakuutuslaskuri



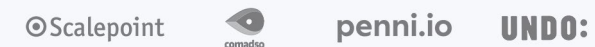
INSURTECHS IN NORWAY

Tillit / Safetywing / Digisure



INSURTECHS IN DENMARK

Scalepoint / Comadso / Penni.io / Undo



INSURTECHS IN THE NORDIC COUNTRIES

INSURTECHS IN SWEDEN

Insurtech	Offering	Business Model	Client group	Markets
Bima	Mobile microinsurance	B2B2C	Private clients	9 markets in Africa and Asia
Hedvig	Digital home insurance	B2C	Private clients	SE, DK, NO, F
Greater Than	Telematic motor insurance	B2B	Insurance companies	SE, UK, F, US, China, JP, Vietnam
Lumera	Life insurance core system	B2B	Insurance companies	SE, NO
Insicon	P&C core system	B2B	Insurance companies	SE, BE, F
Insurello	Claims handling	B2C	Private clients	SE, F, IT
Evoli	Digital motor and home insurance	B2C	Private clients	SE
Lassie	Digital pet insurance	B2C	Private clients	SE, D
Insurely	Digital sales tools	B2B	Insurance companies	SE, UK, F
Paydrive	Telematic motor insurance	B2C, B2B2C	Private clients, Insurance companies	SE, DK
Omocom	Embedded insurance	B2B2C	E-commerce	SE, PT, F, SF, DE, ES
Upptec	Claims automation	B2B	Insurance companies	SE, F, D, US
Gofido	Property insurance	B2C	Private clients	SE
Pensionera	Digital pension advice	B2C	Private clients	SE
Nord Insurtech Group	Digital white label insurance	B2B2C	Insurance companies	SE, NO
Easy Peasy Insurance	Embedded insurance	B2B2C	E-commerce	SE
JustInCase	Life insurance sales	B2C	Private Clients	SE
Imsure	Embedded insurance	B2B2C	Private clients, e-commerce	SE, NO
EIR Försäkring	Digital white label insurance	B2B2C	Digital intermediaries	SE, DK, NO, SF, D

INSURTECHS IN FINLAND

Insurtech	Offering	Business Model	Client group	Markets
Redkik	AI based cargo insurance solutions	B2B	Marine brokers	SF, SE, USA, D
Wellmo	Digital health platform	B2B2C	Insurance companies	SF
In4mo	Claims management	B2B	Insurance companies	SF
Vakuutuslaskuri	Price comparison platform	B2C	Private clients	SF
Bassadone Automotives Nordic	Motor insurance	B2B2C	Car dealers, leasing companies	SF

INSURTECHS IN NORWAY

Insurtech	Offering	Business Model	Client group	Markets
Tillit	Mobile phone insurance, embedded insurance	B2B2C	Private clients, e-commerce	NO, SE
Digisure	Digital white label insurance	B2B2C	General companies	NO
Safetywing	Medical insurance for expats	B2C	Private clients	NO, USA

INSURTECHS IN DENMARK

Insurtech	Offering	Business Model	Client group	Markets
Undo	Telematic motor insurance	B2C	Private clients	DK
Penni.io	Digital distribution solution	B2B	Insurance companies, brokers	DK
Comadso	Price comparison platform	B2B	Online brokers	DK, SE, NO, PL, NL, ES, TR, CZ
Scalepoint	Claims automation	B2B	Insurance companies, MGAs	DK, D, CH

A STORY OF GROWTH AND INNOVATION

The Nordic insurtech landscape has developed a wide range of innovations. The countries of Northern Europe are among the most digitally developed in the world which benefits Insurtechs, as the existing digital infrastructures make it comparatively easy to bring new solutions to market. Insurance start-ups build on experience in their home market and export their innovations to other countries.

The majority of Nordic insurtechs focus on private customers, offering them an advanced, comprehensive and digitally supported insurance solution that goes beyond what customers in Sweden, Denmark, Norway and Finland find with traditional insurers. These young start-ups strive to create a customer experience that sets new standards through partnerships and automation.

Insurance markets in the Nordic countries are characterised by oligopolies, which can lead to inertia and a reluctance to innovate. As young insurtechs can act and change much faster than established insurers

with their inflexible infrastructures, many young entrepreneurs are exploring these possibilities. 12 of the 31 insurtechs listed in this report pursue a B2C business model (details page 5 and 6).

They offer solutions for digital home insurance, telematics-based car insurance and pet insurance, a line of business that Nordic insurers have been paying a lot of attention to lately. Insurtechs' offerings in the Nordic countries are evenly spread across several business areas. Start-ups are active in motor, property, life and health insurance. In motor insurance, the focus is increasingly on telematics, as this new type of motor insurance is still in its infancy there. Overall, the Nordic insurtechs are producing many innovative business models that create new services for customers.

Creating digital insurance

The Swedish insurtech Insurello, for example, offers digital support to private customers when filing a claim. Swedish insurtech Bima distributes life and health insurance sold by physical agents and managed via mobile [\[>>\]](#)



technology in developing countries. The business models of Nordic insurtechs are often not innovative themselves but offer a digital experience that is not available on the markets. Stockholm-based startup Pensionera created a solution for digital pension advice, Norwegian insurtech Safetywing offers health insurance for expats and Finnish insurtech Vakuutuslaskuri has developed an insurance comparison site for private customers.

Collaboration is the key to success

Many Nordic insurtechs support market leaders in improving their digital offering or exploring new business opportunities through digital business models. Ten start-ups covered in this report pursue a B2B2C strategy and look for cooperation models with insurance companies or e-commerce providers.

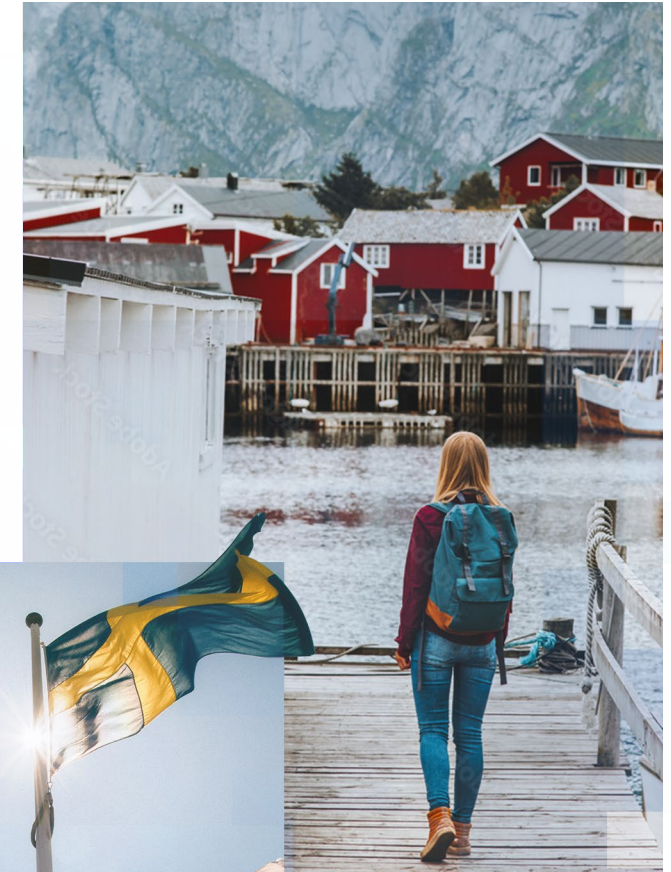
The Finnish company Wellmo offers a digital health platform that measures and analyses health-related activities of private customers. There are nine young companies that help insurers to use modern technologies. They focus on core systems (Insicon, Lumera) and sales tools (Insurely), but digital claims management tools (In4mo, Scalepoint, Upptec) are also very popular.

Swedish insurtech Haidrun is one of the few companies in the world offering support for blockchain use.

Cooperation is a central activity of B2B and B2B2C insurtechs and is especially important for sales. For example, Swedish company Omocom cooperates with a refurbisher from Portugal, Norwegian insurtech Digisure works with Norwegian Instabank, the Finnish startup Redkik cooperates with US insurers such as Roanoke Insurance, Howden and Chubb, while Swedish Gofido offers its digital home insurance through the Swedish portal House:ID.

Collaboration between insurtechs, established insurers and service providers bodes well for the development of the market.

The number of technological partnerships is increasing as insurtechs look to complete their offering. Swedish insurtech Paydrive, which specialises in telematics, has entered a strategic partnership with Infobric Fleet, a ride-sharing company. Danish insurtech Undo, launched by Tryg, has signed a cooperation agreement with Swedish insurtech Insurely. These trends in collaborative work between insurtechs, established insurance companies and service providers bode well for the further development of [\[>>\]](#)



the market, the increasing quality and ease of use of insurance products.

Swedish start-ups expand internationally

Insurtech activity is particularly strong in Sweden, which is home to 19 of the companies covered in this report. There are considerably fewer insurtechs in Denmark, Norway and Finland, with 4-5 companies hailing from each country.

The drive to expand internationally is particularly strong in Sweden. A frontrunner of international operation is Bima, which operates in Ghana, Tanzania, Bangladesh, Cambodia, Indonesia, Malaysia, Pakistan, the Philippines and Sri Lanka. Bima is the best-funded start-up in the Nordics and has raised a capital of 130 million\$. Last year, however, it reached a turning point and exited several Latin American markets. Like Bima, other insurtechs are also pursuing opportunities abroad, expanding to neighboring Nordic countries (Hedvig, Tillit), the US (Safetywing, Greater Than Upptec, Redkik), East Asia (Greater Than) or other European countries (Insurello, Insurely, Omocom). However, there are also several Insurtechs that focus exclusively on their national market.

Insurtechs in Northern Europe have been quite successful in funding, but funding has

not reached the level it has in the US and Germany. There are six insurtechs with double-digit funding amounts (measured in millions of US dollars), but Bima is the only company that has exceeded this amount. The sums raised by Swedish insurtechs are much higher than those in Denmark, Norway, and Finland.

As the capital markets enter a new phase, investors are expected to focus more on financial results than growth and innovation.

Start-ups' revenues have been comparatively low, with Swedish insurtechs reporting revenues between 400.000 and 1.6 m US\$, and the number of customers per insurtech is between 20,000 and 60,000. This, however, does not hinder the growth of insurtechs, which have reported revenue increases between 30 and 40 % annually.

The high growth has led to several insurtechs in other markets becoming part of established insurance companies or merging, creating stronger and more efficient entities. The creation of niche services, with which insurtechs fill gaps in the offerings of established insurance companies, only to later partner with said insurance companies or be acquired outright, is a pattern that more and more Nordic insurtechs are following. •

Use case:

A new core system for P&C

Insicon is one of the most mature insurtechs in the Nordics. Founded in 2009, it has expanded its technological capabilities from a core policy administration system for P&C insurers, to sales, claims and billing. Following a B2B business model, the Stockholm based insurtech serves several small and mid-sized insurers in the Nordics and other countries.

The Swedish insurers ICA and Svealand are among Insicon's clients. Unlike traditional systems, Insicon's low code solution allows insurers to configure all parts of a business process without support from their IT teams.

Sollers Consulting partners with Insicon since 2021. "Insicon's systems i2i is gaining traction in many Nordic countries, but we also see significant prospects in other European countries," comments Marcin Pluta, Managing Partner at Sollers Consulting. •

„INSURTECHS HAVE MADE INSURERS AWARE OF THEIR SHORTCOMINGS”

Slawek Gdyk • Lead Consultant at Sollers Consulting

How is the Nordic insurance sector developed technologically?

Insurers in Denmark, Sweden, Norway, and Finland profit on the elevated level of digitalisation in these countries. Northern European countries have set up very many electronic data standards. This has pushed technical advancement as companies needed to modernize to use this data. This allows insurers for easier process management and automation. There is a lot of wellstructured and easily available data to use.

Where do you see the most important value of insurtechs for the insurance industry?

The wave of insurtechs coming up has made insurers aware of their shortcomings in digitalisation. Companies have increased their efforts in this area and clients will profit

from that as well as the insurers. But in insurtech there is more than a psychological factor. One third of all the insurtechs in the Nordics follow a business-to-business strategy and the success we see on their side demonstrates that they help insurers to profit from modern technologies. Insurtech companies and their small teams help insurers also to change the way they work. Speed and agility have become important.

What about insurtechs: Where do you see their opportunities and where are the challenges?

It is important for insurtechs to balance the expectations of investors and the realities of the market. There is still a digital gap between insurers and other industries, but insurance markets are characterized by inertia. Clients do not change their insurer often. In Germany, many Insurtechs have [\[>>\]](#)



developed B2B concepts in parallel to their B2C business models. In practice, it is easier to find one or two large business customers than 1 million private customers. In this way, insurtechs have evolved from challengers to partners of established insurers. Not only do they offer special digital solutions, but they also cooperate

with established players in sales or back-office solutions. Partnership and competition run side by side in parallel.

There is a considerable focus on embedded insurance. How do you see this business model?

There is considerable potential in embedded insurance. It makes insurance capabilities easily usable for companies outside the insurance sector. This is also true for banks when they establish digital bancassurance. With embedded insurance and digital bancassurance the insurance business moves closer to the customer. I am convinced that this might turn out a challenge for established insurers. •



Embedded insurance

Embedded insurance is a value-added service on top of a core product or service offering. Products sold in an embedded insurance model are simple offerings. As clients tend to be complacent regarding their personal risk management embedded insurance offers attractive business opportunities for insurers.

Four Nordic insurtechs covered in our report offer this model. Embedding insurance directly into the customers trips offers opportunities for both innovation and optimization. Sollers has developed a technology solution dedicated to embedded insurance, which has helped companies inside and outside the insurance industry to complete their product offering.

Embedded Insurance establishes affinity distribution used for many years in the insurance industry in a digital world. Digitalisation allows for a direct link of insurance with a particular product or service. With the right solution in place sales processes become simpler, easier to set up and change and the sales experience matches much better to customer expectations. •



About Sollers Consulting:

Sollers Consulting is a consultancy and software integrator. The company supports insurers, banks and leasing companies in transforming their business through the use of modern technologies. Since its foundation in 2000, Sollers has helped around 100 financial groups such as Allianz, AXA, BNP Paribas Cardif, Basler, Generali, Zurich, Santander Consumer Bank, Aviva, Liberty, Beazley, VHV, VIG, NN, Warta, Amica and ING to expand their digital capabilities.

The company provides support in setting up embedded insurance and bancassurance operations and specialises in core systems, cloud, automation, data and other solutions for the financial sector. Sollers Consulting works with more than 15 technology providers including Guidewire Software, Fadata, Oracle, AWS, Google Cloud and Microsoft. Over 900 business and IT specialists from Poland, Germany, France, Japan, Spain and many other countries help financial institutions reap the benefits of digitalisation.

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