

# Willis Towers Watson

## InsurTech transactions reach new peak in Q2; 5-year Life & Health InsurTech investment exceeds \$5 billion

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LONDON, Sept. 20, 2018 (GLOBE NEWSWIRE) -- A total of 71 InsurTech funding transactions during the second quarter of 2018 marks a record high; however, the total of \$579 million invested is down 20% against the prior quarter, according to the new [Quarterly InsurTech Briefing](#) from Willis Towers Watson, the leading global advisory, broking and solutions company, (NASDAQ:WLTW). Q2 also set a new record for the volume of incumbent participation in InsurTech investments.

The latest briefing, produced in collaboration with CB Insights focuses on InsurTech for the Life & Health insurance industry and how the complexity of change occurring within the value chain is much greater than in other insurance subsectors, and the potential positive impact on the quality of life for the customer is substantially more profound. The briefing focuses on three key areas of Life & Health value chain disruption: data, customer and product.

New forms of underwriting data are expanding exponentially as a result of advances in the understanding of the human body and the proliferation of wearable sensors that track activity and monitor behaviours. InsurTech companies are developing tools to harness this data in order to create insightful information that can be used to enhance Life & Health products. As the ecosystem for data and analytics continues to develop, one potential outcome may be greater convergence between Health insurers and Life insurers.

InsurTech firms are also creating more customer-centric life & health insurance products that alleviate the confusion and complexity of the purchasing process while also developing solutions that are tailored to an individual's changing insurance needs. Emerging technology enables the development of customized insurance offerings that better align sales incentives and help to resolve compliance issues. It also creates a more effective distribution channel and can better address the protection gap that results from one size fits all products and rising healthcare costs.

Finally, InsurTech companies are providing access to around-the-clock services using artificial intelligence, machine learning, and chat-bots, all in an effort to place greater emphasis on risk mitigation and prevention. For Life & Health underwriters, they provide increasingly better tools to predict life expectancy and the probability of illness while also providing insurers with an opportunity to develop real time dialogues with their customers to increase engagement and to deliver a value proposition designed to help customers live longer and healthier lives.

"While P&C insurers certainly have a chance to develop real time dialogues with their customers, the opportunity hardly compares with that for Life & Health insurers," says Rafal Walkiewicz, Chief Executive Officer of Willis Towers Watson Securities. "We believe that the eventual winners in the Life & Health industry will be the ones who shift their attention from primarily offering death benefits, investment support and coverage for protection gaps to offering customers a true partnership to live longer and healthier lives."

Greg Solomon, Head of Life & Health Reinsurance at Willis Re International, says: "The application of InsurTech in the Life & Health sector ranges from the explicit use of new technologies to distribute and underwrite insurance policies, to more indirect usage such as wellness, where technology is deployed simply to make policyholders healthier and happier. But everything overlaps. Innovations are either driven by (re)insurers or used by them, or engaged by prospects and policyholders, which affects (re)insurers' experiences. The change will be profound, but many incumbent carriers have some way to travel yet."

### About Willis Towers Watson

Willis Towers Watson (NASDAQ:WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has over 40,000 employees serving more than 140 countries. We design and deliver solutions that manage risk, optimize benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas – the dynamic formula that drives business performance. Together, we unlock potential. Learn more at [willistowerswatson.com](http://willistowerswatson.com)

### About Willis Towers Watson Securities

Willis Towers Watson Securities, with offices in New York, London, Hong Kong and Sydney, provides advice to companies involved in the insurance and reinsurance industry on a broad array of mergers and acquisition transactions as well as capital markets products, including acting as underwriter or agent for primary issuances, operating a secondary insurance-linked securities trading desk and engaging in general capital markets and strategic advisory work. Willis Towers Watson Securities is a trade name used by Willis Securities, Inc., a licensed broker dealer authorized and regulated by FINRA and a member of SIPC ("WSI"), Willis Towers Watson Securities Europe Limited (Registered number 2908053 and ARBN number 604 264 557), an investment business authorized and regulated by the UK Financial Conduct Authority ("WTW Securities Europe") and Willis Towers Watson Securities (Hong Kong) Limited, a corporation licensed and regulated by the Hong Kong Securities and Futures Commission ("WTW Securities (HK)").

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One of the world's leading reinsurance brokers, Willis Re is known for its world-class analytics capabilities, which it combines with its reinsurance expertise in a seamless, integrated offering that can help clients increase the value of their businesses. Willis Re serves the risk management and risk transfer needs of a diverse, global client base that includes all of the world's top insurance and reinsurance carriers as well as national catastrophe schemes in many countries around the world. The broker's global team of experts offers services and advice that can help clients make better reinsurance decisions and negotiate optimum terms. For more information, visit [willisre.com](http://willisre.com).

### About CB Insights

CB Insights is a Pilot Growth and National Science Foundation backed software company that uses data science, machine learning and predictive

analytics to help customers predict what's next. CB Insights has built a tech market intelligence platform that analyzes millions of data points on venture capital, startups, patents, partnerships and news media to predict technology trends.

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