

InsurTech industry attracts \$283M in Q1 2017 as startups flood into small business insurance

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LONDON, May 02, 2017 (GLOBE NEWSWIRE) -- In its inaugural [Quarterly InsurTech Briefing](#), Willis Towers Watson Securities, the investment banking business of leading global advisory, broking and solutions company, Willis Towers Watson (NASDAQ:WLTW), highlights the potential for the \$100 billion small business insurance market to experience transformational digital disruption.

This new research, the first of a series of quarterly reports produced in collaboration with Willis Re and CB Insights, analyzes how the industry is incorporating emerging technologies into existing processes to target friction costs within every aspect of the traditional insurance value chain.

Perhaps surprisingly the report outlines a reduction in the total InsurTech funding in the first quarter of 2017, but suggests this could be a result of the significant investments in 2016 now reaching the product launch phase.

As we reach a phase of 'peak hype' for InsurTech, the industry now needs to focus its attention on sustainable technologies that can increase the insurance value proposition, so that early, perhaps inflated expectations, can be developed into productive applications and innovations that will survive and become profitable business drivers.

The potential, the report highlights, is significant with the small business insurance sector seeing up to 25% of total premium being digitally underwritten by 2020, and this potential has been the driving force behind the significant investments made by many of the industry's biggest players. From Travelers' £400 million acquisition of UK SME insurance broker Simply Business in mid March 2017, to Munich Re's development of Digital Partners, its specialist division focused on investing in and partnering with emerging distribution start-ups, the industry is evidently embracing new technologies.

Rafal Walkiewicz, Chief Executive Officer, Willis Towers Watson Securities, said: "As incumbents face pressure from entrepreneurial businesses targeting friction costs within the traditional insurance value chain and the continued influx of alternative capital into the (re)insurance sector, it is important for industry leaders to demonstrate an open mind, embrace innovation and invest in potential applications.

"(Re)insurance market participants must also not be afraid to "fail fast" if they are going to identify technologies that will help them adapt their existing business models in order to position themselves for success in a streamlined insurance industry that is likely to look much different in the future than it does today."

View the Willis Towers Watson Securities InsurTech Briefing Q1 2017 report [here](#).

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 Capital Markets & Advisory Limited (Registered number 2908053 and ARBN number 604 264 557), an investment business authorized and regulated by the UK Financial Conduct Authority ("WCMAL") and Willis Capital Markets & Advisory (Hong Kong) Limited, a corporation licensed and regulated by the Hong Kong Securities and Futures Commission ("WCMAL (HK)").

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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 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](#)

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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