



**Digital
insurance**
LATAM

JANUARY 2024

LATAM INSURTECH JOURNEY

Edition N° 7

**Will the ecosystem surpass
500 insurtechs?**

**INSURTECH
ADVISORY
EXPLICIT CONTENT**

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INTRODUCTION

Hugues Bertin - CEO & Founder



Will the ecosystem manage to surpass the 500 insurtechs?

In the last semester, we were discussing that talking about insurtech no longer had the same glamour as in previous semesters.

The great paradox is that, on the one hand, the insurtech ecosystem experiences a notable slowdown with 477 companies, representing a modest growth of +2%, a record failure rate of 13% (equivalent to 60 insurtechs disappearing in 2023), and a financing drought with only 25 million USD this semester, that is, 125 million USD in 2023, representing a 70% decrease compared to 2021.

On the other hand, in this apocalyptic scenario, I have never felt so much enthusiasm in countries to talk about insurtechs.



- In the three countries of the Pacific Insurtech Alliance (AIP), which are Mexico, Colombia, and Chile, the dynamism of the collaborative ecosystem between insurtechs, insurers, and accelerators is at its peak. Imagine that more than 20 insurers or major brokers are partners and active members in one of these three associations, collaborating with over 100 insurtechs. Additionally, it is likely that insurtechs from Central America will join Mexico's AIM.
- In Argentina, the Insurtech Chamber is doing an excellent job in terms of collaboration and supporting the creation of the new Insurtech Chamber in Paraguay.
- In Brazil, the ecosystem remains very robust, and despite 40% of Sandbox insurtechs failing to obtain a license, funding is still available, and competition is intense.

- Major insurance players such as Zurich, RUS, Bradesco, Mapfre, Lloyds, and Alfa are involved in collaboration projects with insurtechs.

I am confident that the ecosystem is experiencing only a temporary pause, as the transformation needs in the insurance sector are immense. Only collaboration between traditional players and technological entrepreneurs can help narrow the insurance gap that Latin American citizens expect.

This collaboration extends beyond the traditional sector (insurers and intermediaries) and insurtechs. Today, more than ever, associations, regulators, reinsurers, investment funds, and sector companies **are co-building the protection of the future.**

Before delving into the content of this Latam Insurtech Journey, I want to thank those who support us. Supporting the insurtech ecosystem in 2024 is contributing to driving the insurance sector in the upcoming world.

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HUGUES BERTIN**

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In this 7th edition of the Latam Insurtech Journey, we are going to discover:

- The 6 predictions for 2024 by Hugues Bertin in the section "Who will be the dragon of 'Distribution 2.0'?"
- Despite a 13% mortality rate among insurtechs, the ecosystem grows by +2%, reaching 477 insurtechs.
- -70% investment in 2023 compared to 2021, with only 125 million USD.
- We will focus on the Pacific Insurtech Alliance.
- The insurtech maps, which are, of course, up-to-date (in advance, we apologize for any possible errors or omissions).
- We will conclude with the last 5 Insurtech VIP Lounge:






- **Kakau (BRA)**, the insurtech that is now a neo-insurer.
- **FLIP! (ARG)**, sustainability at the core of insurtech.
- **Figuro (COL)**, the first personal shopper for insurance, priced like Netflix.
- **Meddi (MEX)**, the health and wellness insurtech for Mexican companies.
- **Ceptinel (CL)**: the regtech that transforms into insurtech.

The two must-attend events of 2024!!

- **EILA - "Insurtech Evolution Latam 2024"** by InsurteChile - September 3rd and 4th in Santiago de Chile
- **ITC Vegas** by InsureTech Connect - October 15th to 17th in Las Vegas

This semester, we want to express our gratitude, especially to José Prado and Nishi for their extensive knowledge of the Brazilian Insurtech ecosystem and their assistance in updating the maps of Brazil.

To our media partners who consistently publish the Insurtech VIP Lounge every month: El Asegurador (MEX), 100% Seguros (ARG), Insurtech-Brazil (BRA), and Connecta B2B/Mercados Tendencias e ITNow (Central America), and to InsurtechNews for including Hugues Bertin in their ranking of the top 50 influencers.

Certainly, thanks to HCS Capital and our colleagues Alex Horvitz, Juan Eduardo Justiniano, Axel Mihanovich, and Matias Tapia.

To the entire ecosystem of the Pacific Insurtech Alliance: Andrea Triat García, Vicky Oubiña, Diego Fernández León, Rodrigo Labbé, Jonathan Alle, Juan Cifuentes, Igal Neiman, Ronny Gonzalez, Ryan Kerr, Matías Stäger, Rodrigo Alfonso, Jessica Tabares, Juan Camilo Gonzalez, Jimy Aparicio, Carolina Losada, José Ricaurte, Isabella Bedoya, the great Oscar Garza Lopez Portillo, and Kathia Ramírez.

A special shoutout to the teams of RGA (Jesus Spinola Grandio, Yazmin Luna, and team), Chubb (Marco Gunn, Rodrigo Valiente, Paula Barifouse, and Micaela Amodio), and Munich Re (particularly Alberto Abalo, Carlos Rodriguez, Max Kückemanns, Fede Tassara, and team).

A Special Big Up to Drake Slaikeu-Lawhead, Bill Harris, Nicole Peck, Hilario Itriago, Pablo Tiscornia, Juan Mazzini, Felipe Ospi, Laura Lopez, Oliver Nuyens, and, of course, the AB Insurtech and the Insurtech Chamber Argentina (Alberto Gabriel, Pablo Luhning, Hugo Yovino, Pablo Sutton, and the entire team).

Additionally, we appreciate everything related to knowledge platforms, such as The Digital Insurer (Singapore), Hugh Terry, Simon Phipps, Malini Nagaria, Belen Etchegoyhen, our great Alumni Ambassador: Santiago Franzini, and the entire team of CDI+Latam / TDI Academia in Latam.

We are kicking off the 7th edition of CDI+Latam in March 2024!





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WHO WILL BE THE DRAGON OF 'DISTRIBUTION 2.0'?

Since this is an early-year article, let's conduct a "back testing 2023" and also make predictions for 2024.

Starting this Year of the Dragon 🐉 for the Chinese, I wonder: What will happen in 2024?

Between 2016 and 2018, we thought that the insurtech world would replace insurers with Trov, Root, Metromile, and Lemonade. This did not happen, and we observe the significant challenges of D2C insurtechs today with an unsustainable CAC and their inability to substantially improve Loss Ratios (as seen with Metromile or Friday Health in the US or Luko in France).

Between 2015 and 2020, the world was concerned about insurers, seen as slow, analog, and traditional. Today, more than ever, the insurance sector demonstrates its resilience, its ability to transform (even though the transformation is slow for some), and its skill in incorporating technology.

Between 2020 and 2022, during the pandemic, there was an expectation that consumers would buy everything with 2 clicks, everything digital, and that traditional intermediation would disappear. However, it did not happen. Intermediation adapted (similar to how taxi drivers adapted to Uber 🤪), increasingly integrating technology and getting closer to the insurtech world.

Also, there was an expectation that reinsurers would disintermediate insurers by integrating a lot of technology. Except for the case of parametric insurance, led by reinsurers, we are not observing in Latin America that reinsurers are much more technological than traditional insurers.

Similarly, it was thought that the "famous millennial" wanted to consume insurance on a usage basis (on-demand insurance, for example), and it did not happen. Now, everyone talks about parametric insurance as a consumer need, but those who follow me know that I question this new hypothesis. Likewise, thinking that embedded insurance will replace traditional insurance, I don't believe it at all.

Sure, it's a relevant trend, okay, but let's not create a Dragon 🐉 that doesn't exist.



Certainly, the evolution of distribution, which we will call Distribution 2.0, remains very relevant. On the one hand, there are new players (Sem Parar, MercadoLibre, Nubank...) and affinity groups, leading to more embedded insurances. On the other hand, there is the OMNI world, with traditional intermediation blending human and digital aspects, incorporating technologies like GenAI and omnichannel approaches (WhatsApp, social media, etc.) organically integrating into insurance ecosystems.

But well, this vision I will share throughout the year, in my conferences, or my classes at the TDI Academy.



Back-testing predictions for 2023

Here, I will be reviewing my predictions made in January 2023 to compare them with the actual events that occurred during the year.



- ✓ **Prediction 1: Sustainability and triple impact as the heart of the innovation strategy.**

Result: 🤔

The investment drought in 2023 forced insurtechs to focus on the basics of Profitability and Risks (100% Markovitz World), delaying several sustainability projects. However, in line with the COP 2023 in Dubai, new projects around the world in the field of carbon credits, such as CarbonPool, are emerging. All Latin American insurers are increasingly communicating about ESG. Additionally, the Betterfly Legacy project, which turns charitable associations in the Betterfly ecosystem into shareholders, is moving in this direction.

- ✓ **Prediction 2: Reduction of protection gaps and more insurance inclusion.**

Result: 👍

All actors in the insurance ecosystem in Latin America have at least one initiative to improve inclusion, such as the case of Cardif Colombia with Leonisa, which seeks to improve women's access to cancer coverage. Parametric insurance, supported by regulators in countries like Chile, Guatemala, or Colombia, is favoring accessibility to insurance. An example is Cardif Colombia with Banco Agrario, protecting small and medium-sized agricultural producers against excess rain, droughts, or floods. In Latin America, the standout insurtech in this area is the Puerto Rican Raincoat, which has raised \$11 million in 4 funding rounds.

✓ Prediction 3: Exponential growth of ecosystems.

Result: 👍

Each actor is advancing in the creation of its own ecosystem, placing the customer at the center and exchanging data-based solutions to provide insured individuals with a comprehensive and seamless experience, combining insurance and services. Most life insurers are including physical, financial, or mental well-being solutions through external collaborations. Service and assistance providers like Grupo MOK, Grupo Asys, or Connect Assistance, which have developed personalized services and technology, are now crucial for distribution and providing services to insurance operators.

✓ Prediction 4: A healthier insurtech ecosystem.

Result: 👍

The insurtech ecosystem maintains an annual mortality rate of approximately 10%, which could accelerate in the coming months.

The scarcity of funding has compelled insurtechs to deliver short-term results and impacts with increased demands from insurers. Most distribution-focused insurtechs have shifted to B2B2C or white-label models to scale more quickly and reduce customer acquisition costs. Additionally, established insurtechs like MeCubro, which have announced an alliance with Ualá (the first Argentine Neo-Bank) and their entry into Peru, continue their expansions.

✓ Prediction 5: More and more embedded insurance.

Result: 👍

In June, for example, Amazon Web Services started including cyber insurance. Likewise, MercadoLibre announced reaching 5 million customers, a significant part probably through embedded insurance. Apple is including Roadside Assistance in its app, which could become a future channel for developing more embedded products. Or the case of Tesla, where 7% of Tesla vehicle owners purchase brand insurance.

Predictions for 2024

1 New distributors (= Bancassurance 2.0) facilitating the development of embedded insurance.

New players will continue to emerge to distribute insurance (products with higher margins than the core product) that meet the specific needs of Latin American consumers. This can be in the form of Stand Alone for the development of "small ticket insurance" as MercadoLibre is doing, or in an embedded insurance model (contextual insurance generally tied to an underlying: travel insurance, purchase protection, warranty extension, delay insurance, etc.). The development of Open Insurance in the coming years will open up bank data to insurers and intermediaries, creating new opportunities for personalized insurance: welcome to Bancassurance 2.0!

Now, the concept of Embedded Insurance is closely tied to new distribution channels, as typically, an alternative distributor seeks to "embed" insurance into its value proposition, either in the purchase of an underlying product or as a stand-alone offering. This is a major trend in the industry that opens up a new path for innovative distribution models. The case of Sem Parar in Brazil is particularly interesting, as Sem Parar, an automatic payment method that streamlines tolls, parking, gas stations, and many other services, is now venturing into distributing insurance (auto, travel, home). In Brazil, it's intriguing to follow the cases of new distributors like Nubank with Hogar insurance, Vivo (Telco), Uber with Covergenius (Mobility), or iFood (Delivery).

2 Digitalization of traditional intermediation (= OMNI Model) that will blend human and digital elements in an omnichannel manner.

Leveraging social media platforms (e.g., TikTok being the 4th e-commerce platform in China or observing the case of SOAP sales in Chile with SOAP Bomberos) and digital tools to enhance customer engagement (e.g., Compara using Generative Artificial Intelligence to improve its conversion rate by 10%). The OMNI model will be integrated into insurers either with their own brand (Broker model) or as white-label (Agent model), and will also develop affinity groups, emphasizing mobile and online platforms, considering the high mobile usage in the region, to enhance customer service. Generative Artificial Intelligence can play a key role in this integration.

3 Regulatory changes as a source of innovation.

We should see new innovations and new players seeking agility to adapt to regulatory changes, which can vary significantly between countries in Latin America, using technology to ensure compliance efficiently.

The 4 new regulatory trends in LatAm are Open Insurance, parametric insurance, inclusive insurance ("microinsurance," distinct from "small ticket insurance"), and facilitating investment in insurtechs by insurers.

4 Collaboration between insurers and insurtech.

Several insurtechs in LatAm are crossing the Death Valley (as in the case of Asistensi, for example), opening up the possibility of M&A operations for the sector (especially in intermediation, such as Inter.Mx acquiring Segurify). But it also presents the opportunity for great alliances, like Metlife and Klimber creating Xcelerator. The development of the AIP - Insurtech Alliance of the Pacific between InsurteChile, the Asociación Insurtech de Colombia - aic, and the Asociación Insurtech de Mexico - AIM, representing 40% of LatAm insurtechs and 200 million inhabitants, will favor and accelerate collaboration between insurers and insurtechs.

Por ejemplo, las Rondas de Negocios de InsurteChile en Colombia y en México fueron tremendos éxitos. La Camara Insurtech Argentina está haciendo un gran trabajo también y es posible que Argentina se convierta en un nuevo polo de atracción.

5 Desarrollo de nuevos riesgos relacionados con la Sostenibilidad

Como decíamos, en línea con la última COP 28 en Dubái, se está observando cada vez más soluciones de riesgos climáticos y la nueva tendencia es ayudar a las corporaciones a asegurarse de poder cumplir sus compromisos de "Net Zero Policy" y conseguir los bonos de carbono necesarios para compensar su huella de carbono. En esta línea, CarbonPool, Oka y Kita desarrollan soluciones muy innovadoras y transformadoras.

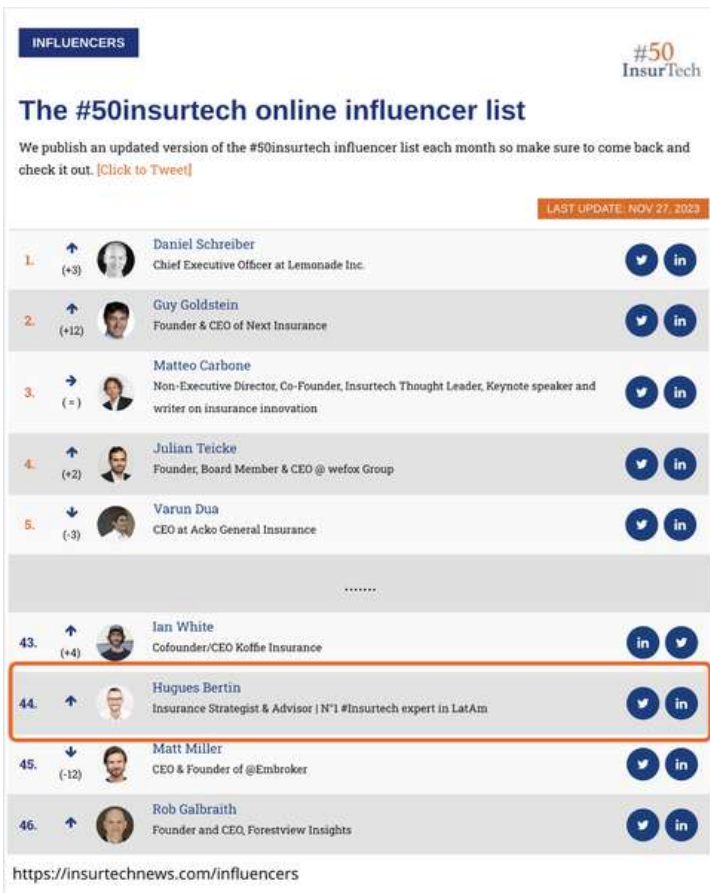


6 La Salud en LatAm está viviendo una revolución y se debería observar cada vez más soluciones de salud...

enfocadas en empresas (desarrollo de los modelos de Employee Benefits) con soluciones que agregan también bienestar físico, mental y financiero. Por supuesto, Betterfly, Fully Ecosystem y Marsh deberían ser muy relevantes, pero también insurtechs como Meddi, Mutuus o Koltin.



En Digital Insurance LatAm, nuestro propósito es: “impulsar el sector asegurador hacia un mundo sostenible a través de la tecnología” y seguiremos apoyando a este tan hermoso sector, el asegurador, tanto como sea posible. Gracias por su apoyo; cada 'like', cada comentario, cada mensaje de apoyo o de soporte es importante para mí.



Once again, I'll take the opportunity to thank InsurtechNews for including me in the Top 50 Insurtech Online Influencers ranking.

Also, I want to congratulate 🌟 the 120 certified participants of the TDI Academy in LatAm (don't miss the start of the next edition of the Mini MBA "CDI+ Latam" starting on March 7!)

🙏 Thank you for the support from the 8,000 followers of Digital Insurance Latam, the 2,500 followers of HCS Capital, my partners Alex Horvitz, Juan Eduardo Justiniano Domínguez, Axel Mihanovich, Matias Tapia Malmus, Gonzalo Delger, and the team at The Digital Insurer: Hugh Terry The Digital Insurer, Simon Phipps, Malini Nagaria, Santiago Franzini, and my colleagues Belen Etchegoyhen and María Victoria Oubiña, to our insurance clients, to all insurtechs and entrepreneurs.





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EXECUTIVE SUMMARY

There are
477
*insurtechs in
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The annual growth is experiencing a significant slowdown, with only a +2%, but it is recovering with the closure of operations that are not profitable or have little impact on the insurance sector.

The annual mortality rate (including pivots) increases to 13%, with more than 60 insurtechs disappearing in 2023.

However, the organic growth is +15%, meaning that 71 insurtechs have appeared or pivoted in the last 12 months.

In 2023, the investment was \$125 million USD, -44% compared to the year 2022.

With only \$25 million USD invested in the second semester, this second financing drought after the second semester of 2022 comes as a surprise.

It is confirmed that local insurtechs (92% of the deaths) have a low probability of survival in case of crisis.

International expansion continues to grow by 21% with an internationalization index of 13%.

LATAM countries continue to attract foreign insurtechs, especially Mexico, Colombia, and Peru. The attraction index reaches 21% (+33% in one year).

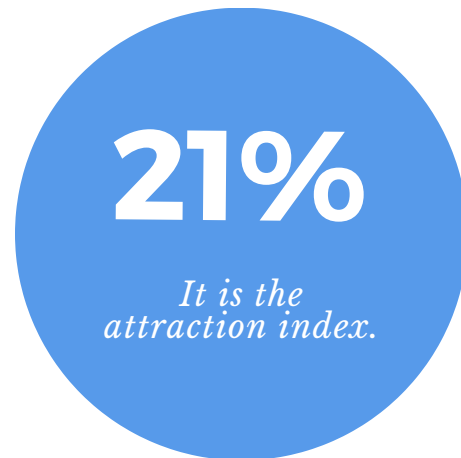
125
*million USD
invested
in 2023*

*Mortality
rate of insurtechs.*
13%

- **15% of insurtechs create new business models** (including full-stack insurtechs).
- **42% of insurtechs are involved in digital distribution.**
- **43% are enablers** and collaborate with (re)insurers and intermediaries.



Argentina: The ecosystem continues to experience a 4% decline with a mortality rate of 15%, especially for insurtechs that have not succeeded in exporting their services. The flexibility of the current regulation could be beneficial for insurtechs.



Brazil: The engine of the region experiences a sharp decline with a mortality rate of 12% (meaning 40% of the insurtechs disappeared in Latam) and an annual growth of only +1% with 194 insurtechs, despite being the country that receives the most investment: 80 million USD (64% of the total). It represents 33% vs 35% before.

Chile: The ecosystem continues to grow (+14% annually), reaching 66 insurtechs and narrowing the gap with Argentina. Despite the lack of funding, representing only 8% of the region, the ecosystem receives recognition from InsurteChile, ProChile, and other government entities, particularly for export (27%).

Peru: With 27 insurtechs, Peru continues its strong growth (+42%) and a high attraction index of 59%. The country has the potential to structure its ecosystem with a powerful association.

Mexico: With a growth of 15%, 114 insurtechs, and an attraction rate of 26%, in addition to representing 21% of the investment directed to the region (including companies like Momento, Crabi, Meddi, Koltin), Mexico has stood out as the market of the year.

Colombia: The ecosystem has resumed its growth (+19%), reaching 62 insurtechs. This increase is due in particular to the dynamism of the ecosystem, which is very collaborative, and the support of the AIC. Colombia is becoming the attraction pole of the region, with 39% of insurtechs being foreign.

Centroamerica: With 20 insurtechs, Central America is starting to enter a stage of existence and is approaching the AIM to be able to join together in a possible guild.



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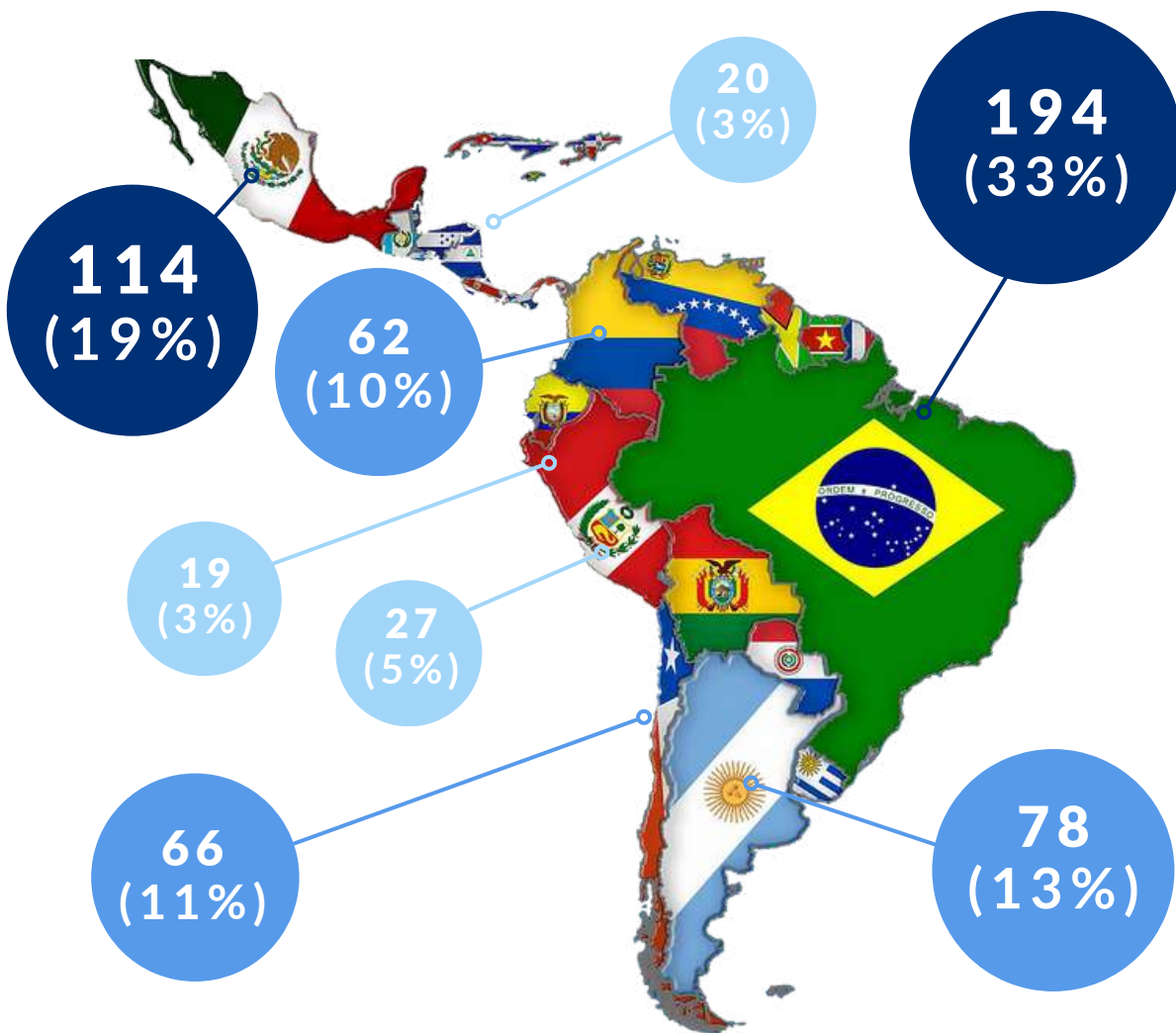
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I. HOW MANY INSURTECHS ARE THERE?

As of now, there are **477 insurtechs in Latin America**. They are estimated to represent 7% of the global insurtech ecosystem but still account for only 3% of the total funding.



33% in Brazil and 67% in Hispanic America.

Other Countries:
14
(2%)



Mathematicians may wonder why the sum of insurtechs from all Latin American countries is not 477.

The answer is that there are more, as an insurtech can operate in more than one country.

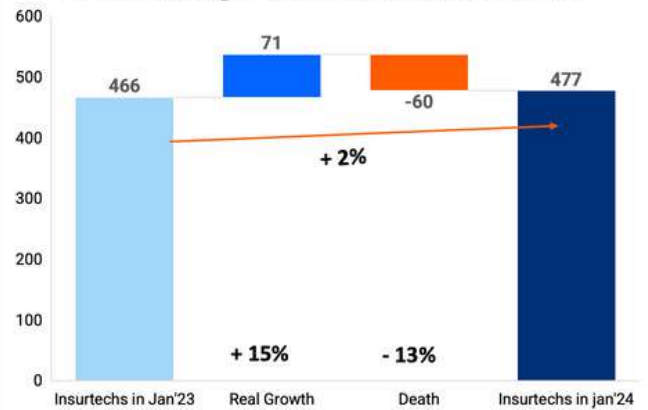
II. HOW DOES THE ECOSYSTEM GROW?

The ecosystem grows by +2% annually, reaching 477 insurtechs.

Knowing that the mortality rate was 13%, the "gross" growth is +15%.

The "Pacific" is driving the continent with Peru (+42%), Colombia (19%), Mexico (+15%), and Chile (+14%).

Growth taking into account insurtech deaths



In the last few months, **71 new insurtechs were born** in Latam, and -60 disappeared.

Brazil is experiencing a growth slowdown (+1%), reaching 194 insurtechs, with 35 disappearing in 2023. Out of the 32 insurtechs from the three insurtech cohorts, 19 were approved to operate as neo-insurers.

Chile maintains robust growth (+14%), particularly in the claims area (Thingstek, Autoinspector, or Jizo).

Mexico (+15%) has become an indispensable hub in Latin America. There is significant dynamism in the areas of Health, Employee Benefits, and Wellness.

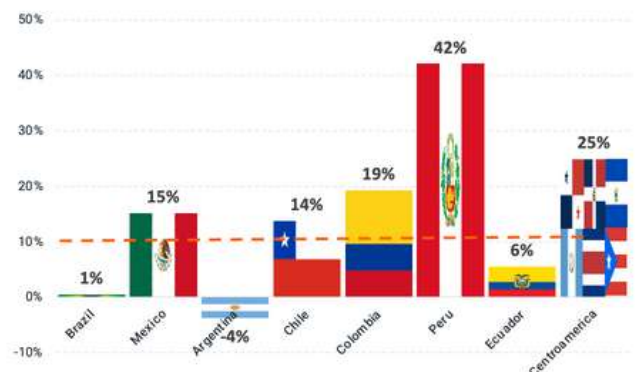
Colombia grew again by +19%, and the great energy is being felt.

Argentina continues to struggle with a decrease of (-4%) and a mortality rate of 20%, but 2024 could see a change in trend supported by regulation.

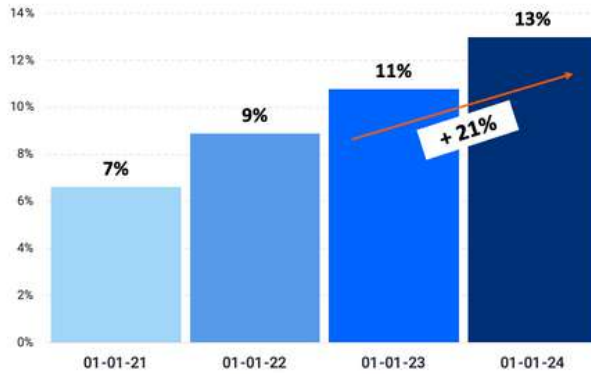
Central America (+25%) and especially **Peru (+42%)** are showing strong dynamism.

Insurtech yearly growth of +2%

Colombia (+19%) and Peru (+42%) are rockstars and Argentina and Brazil are suffering (-4% and +1%)



Internationalization factor



The internationalization index **grew by 21%**, going from **11% to 13%**, meaning that **13%** of insurtechs are multi-Latinas.

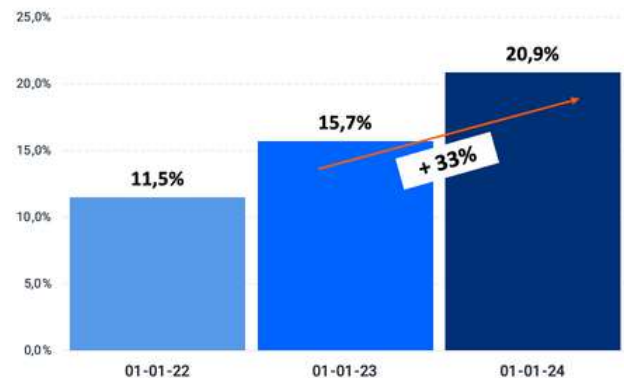
This movement confirms that for survival, international scaling is a natural move.

The growth of this index comes mainly from the ecosystems of Argentina (22%) - the need to export to survive - and Chile (27%) - the need to scale.

Brazil remains a market that exports very few insurtechs (less than 1%).

An increasingly present trend is that insurtechs (B2B services to insurers and brokers model)

Attractiveness factor



develop clients in other countries from their main headquarters without setting up commercial teams, development teams, and even subsidiaries.

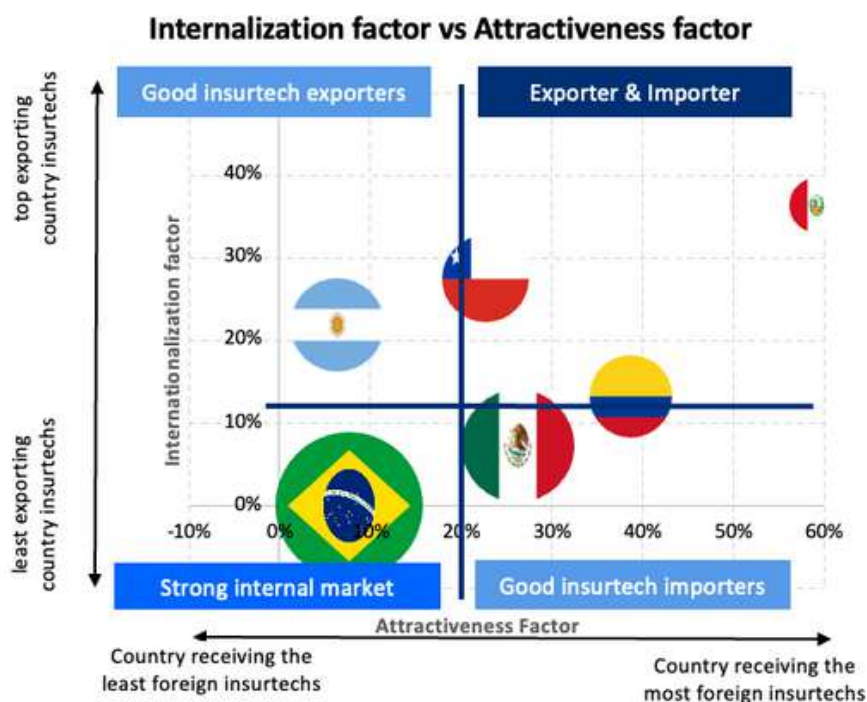
The new attraction index **grew by 33%**, going from **16% to 21%**, meaning that on average, 1 in every 5 insurtechs in the same market is foreign.

Of course, there is a correlation with the internationalization index, but it also takes into account foreign insurtechs coming to Latin America (such as the expansion of Insurama or the arrival of Blitz).

The two attraction poles are Mexico ("The place to be") with **26%** and Colombia-Peru, with **39% and 59%**, respectively.

(*) We define "multi-Latin insurtech" as insurtechs that operate in more than one country.

- Chile and Argentina are countries with insurtechs that export easily, with internationalization rates of 27% and 22%, respectively (i.e., in the case of Chile, 27% of insurtechs are established in other countries).
- Colombia, on the contrary, is a country that attracts a large number of foreign insurtechs with its attraction rate of 39% (i.e., 39% of insurtechs in Colombia are foreign). This trend is also observed in Mexico (26%).
- The Brazilian market, due to its size, remains a predominantly internal market with few insurtechs expanding, and proportionally, there are few foreign insurtechs in the country. However, there is a new significant interest in expanding to Brazil, with success stories such as Klimber or 123Seguro.
- Peru is a country that exports its insurtechs (internationalization rate of 36%), but above all, it attracts foreign insurtechs (attraction rate of 59%), for example, with the arrival of MeCubro in 2023.



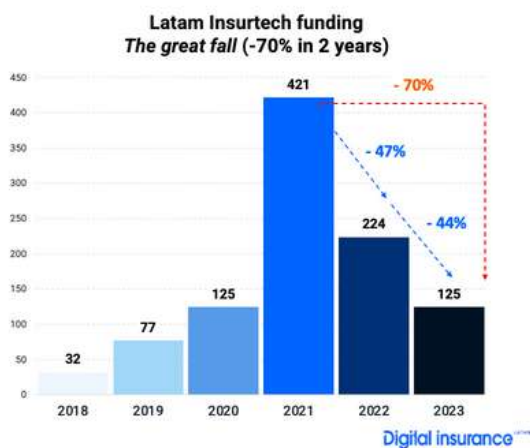
III. FINANCING

2023 was a year of funding drought.

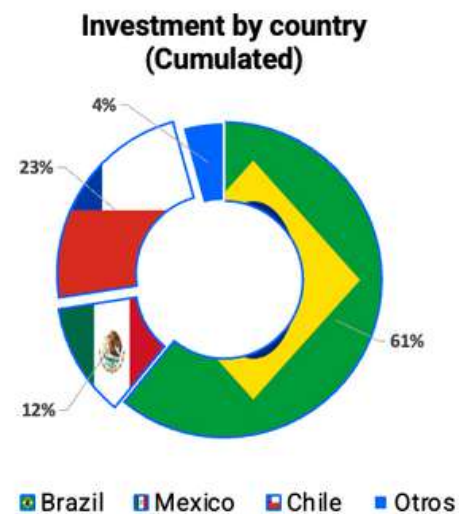
With only 125 million USD, representing a decrease of -44% compared to 2022 and -70% compared to the momentum of 2021, the ecosystem returns to its 2020 levels.

Without funding, can the ecosystem grow? Does the lack of funding indicate a lack of quality in the current insurtechs? These are the questions we will answer.

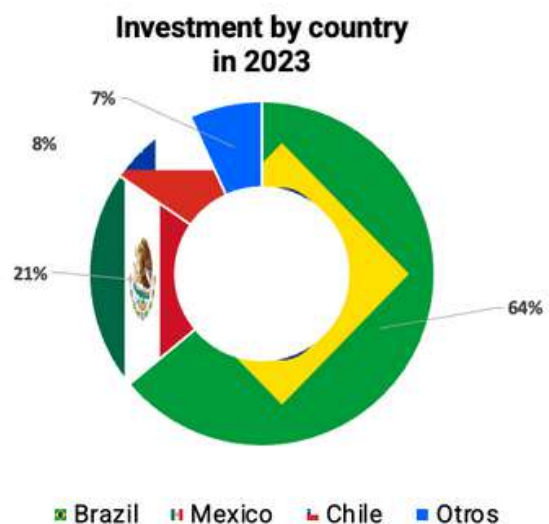
From the beginning, 170 significant deals were identified, marking an average deal size of 6.9 million USD. This does not include low-amount pre-seeds or seeds.



The total estimated investment amount in insurtech is 1.169 billion USD(1), with two main destinations: Brazil (61%) and Chile (23%).



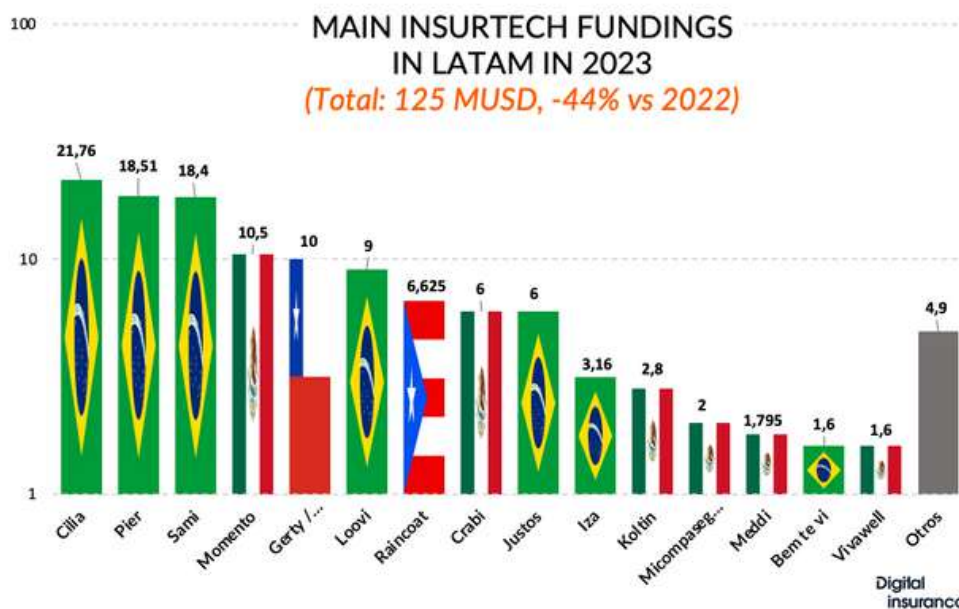
Brazil represents 64% of the total investment in 2023, but Mexico accounts for 21% of the investment directed to the region, displacing Chile from the second position.



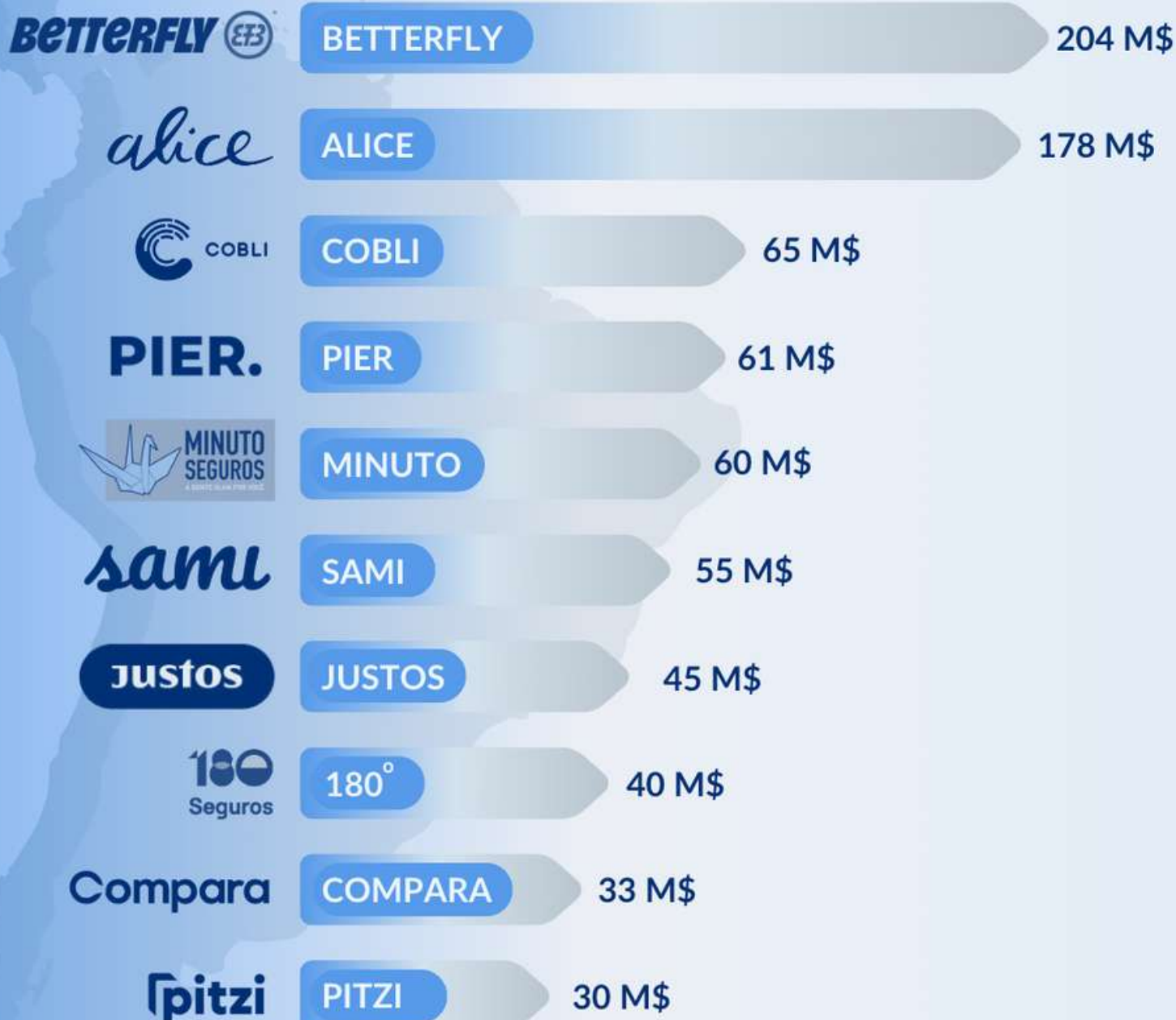
(1) Fuente: Crunchbase / Pitchbook / información propia – tomar en cuenta que muchas inversiones son confidenciales

Las mayores inversiones del año fueron principalmente para Full-Stack (80%):

- **Cilia (21,8 MUSD):** The Brazilian insurtech focused on simplifying the work of car workshops, parts suppliers, regulators, and insurers. The round was led by Cloud9 Capital and Mercado Libre.
- **Pier (18,5 MUSD):** A Brazilian neo-insurer offering insurance for cars and mobile phones to its 100k customers.
- **Sami (18,4 MUSD):** A pioneering insurtech and primary care startup in Brazil.
- **Momento (10,5 MUSD):** A Mexican neo-insurer specializing in car insurance with personalized plans and flexible payments.
- **Gerty / Healthatom (10 MUSD):** The Chilean insurtech that improves the quality and access to health for individuals.
- **Loovi (9 MUSD):** Exiting the sandbox in Brazil, a neo-insurer for auto insurance.
- **Raincoat (6,5 MUSD):** From Puerto Rico, a parametric insurance for covering damages related to climate catastrophes such as hurricanes.
- **Crabi (6 MUSD):** Mexican neo-insurer for auto insurance.
- **Justos (6 MUSD):** Neo-insurer for auto insurance in Brazil.
- **Iza (3,2 MUSD):** Brazilian neo-insurer that received its license to offer insurance for freelancers.
- **Koltin (2,8 MUSD):** Health insurance for seniors in Mexico.

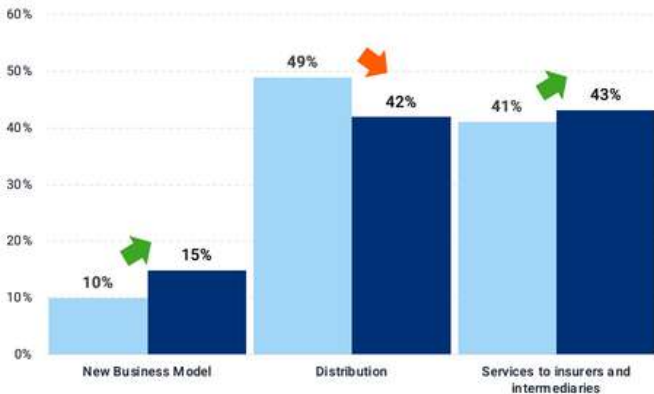


D.

TOP 10: INSURTECHS DE LATAM
CON MAYOR FINANCIAMIENTO

IV. WHAT DO INSURTECHS DO?

New Business Model is decreasing



(A) NEW BUSINESS MODELS (15%)

With 'only' 59% of the insurtechs from the Brazilian Sandbox approved, the proportion of neo-insurers decreases from 41% to 35%.

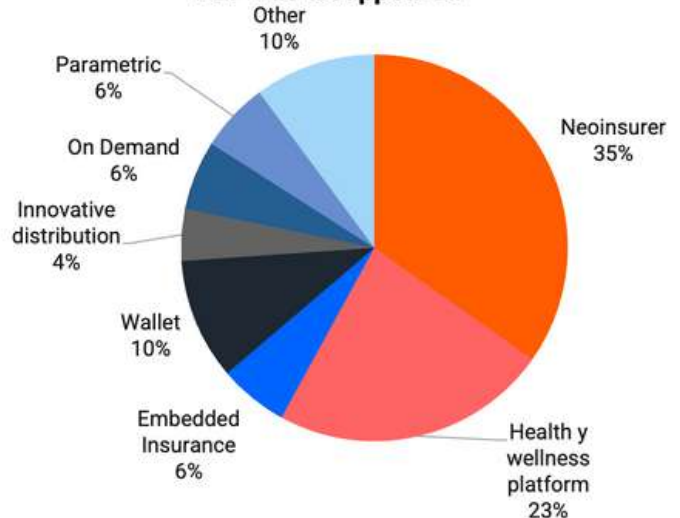
The line separating healthtechs from insurtechs becomes increasingly fluid. A new wave of health and wellness platforms emerges with Betterfly, along with new players like Welbe, Momentu, Kodda, Health Insurtech, and VivaWell, or strategic changes with high added value like Fully Ecosystem, Meddi, or Zenda.la.

The Innovative Distribution model emerges in Mexico with players like Kinsu (reference model), MiCompa (WhatsApp-based model), and BerrySafe (renewal-based model).

This model enhances the new, increasingly digital intermediation called "OMNI."

The P2P insurance, which was once considered a disruptive trend, has disappeared from all of Latin America.

Decrease in neoinsurer: From 41% to 35%
P2P has disappeared



(B) DISTRIBUTION (42%)

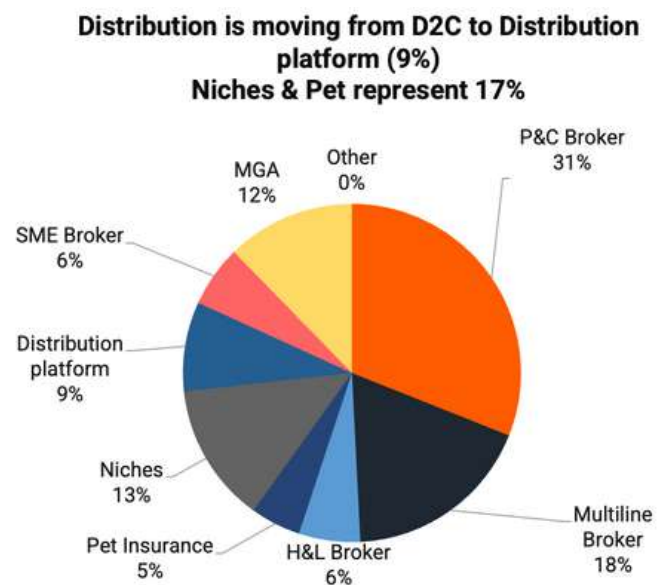
In the "Distribution" pillar, it is estimated that half of these actors are traditional intermediaries transitioning into insurtechs.

The significant movement is that many insurtechs pivoted towards a "Distribution Platform" model (8%) to accelerate digital sales in distribution channels (Xcelerator model with Metlife and Klimber) or Segurarse in Brazil.

A new trend is "Pet" with 4% of insurtechs in Latam, mainly in Chile, Brazil, and Argentina, and niche insurances (13%) such as Bicycle, Cell Phones, Surety, Cyber, and Transportation.

The MGA model (value proposition with a single insurer operating almost as white-label with no price comparison) represents 12% of the distribution.

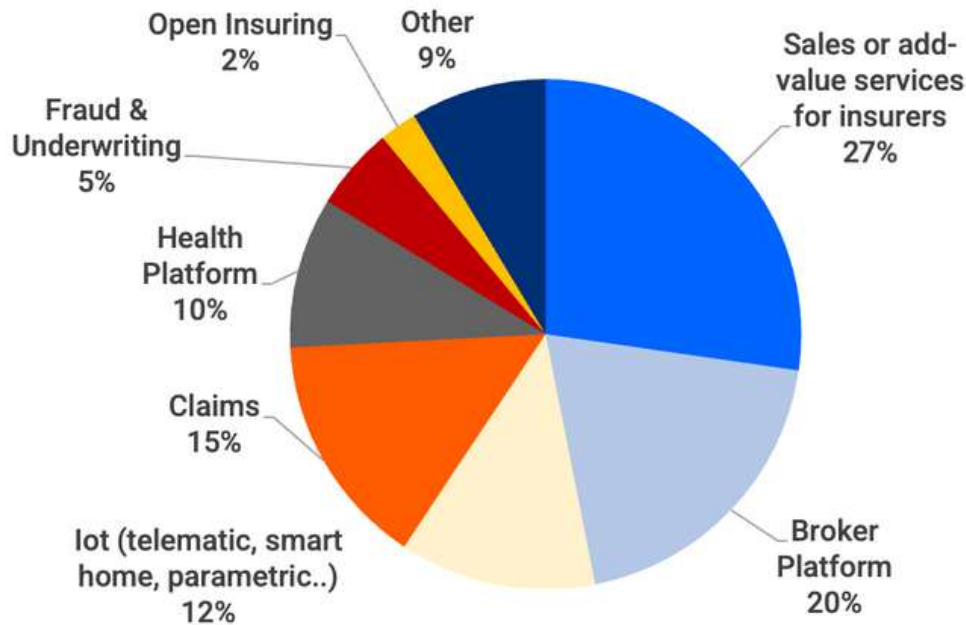
Only 5% of distribution-focused insurtechs are geared towards the SME sector. Will Latu Seguros in Brazil shake up this segment?



(C) SERVICES TO INSURERS AND INTERMEDIARIES (ENABLERS OR FACILITATORS) (43%)

In the 'Enablers' section, 15% of the solutions support the digitization of the claims process. In Health, SOAT, or SOAP, LISA Insurtech manages to automate up to 100% of claims and 80% on average.

New: "Open Insuring Insurtech" born in Brasil
Health and wellness platform more and more relevant



The health sector, both in distribution and in value-added services for insurers, becomes very relevant, representing 10%, with major players such as Gerty, Medismart, and Everhealth from Spain.

In line with the evolution of regulations, we observe the emergence of a new category of insurtechs, the 'Open Insuring,' representing 2%. This category should grow with advancements in Open Data regulation in Colombia, Mexico, and Chile.

CONCLUSION for insurtechs:
don't forget the golden rules.

Digital Insurance

REGLA DE ORO

6 tips para tener una insurtech exitosa 2.0

 **Hugues Bertin**
 @digitalinsurancelatam
 @HCScapital

Fintechs tend to have a real focus on the customer experience and technology, which is the foundation of a great embedded insurance experience. They don't divide technology from customer experience.



77%

of financial executives in Latin America agree that embedded insurance will turn from a nice-to-have to a must-have for financial organizations.

56%

of consumers globally believe they are underinsured.

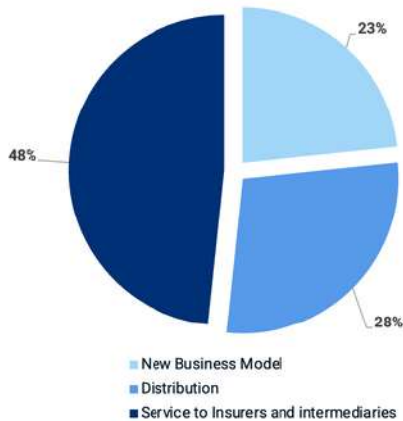
62%

of consumers in Latin America expressed interest in purchasing more insurance that not only protects their "stuff," but also their lifestyle (such as personal cyber, pet insurance and travel delay).



V. DEATH OF INSURTECHS

Death by Business Line

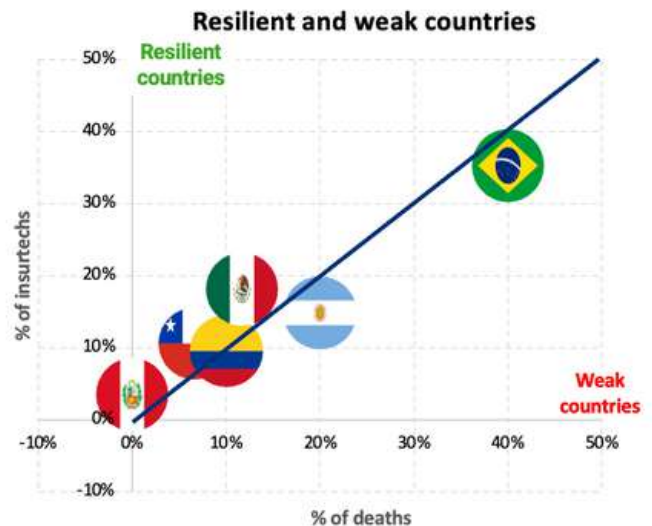


- In proportion, new business models, representing 15%, have a higher failure rate (23%).
- Distribution, representing 42%, showed greater resilience, with only a 28% failure rate. This is because many distribution-focused insurtechs (D2C) successfully pivoted towards distribution platform models.

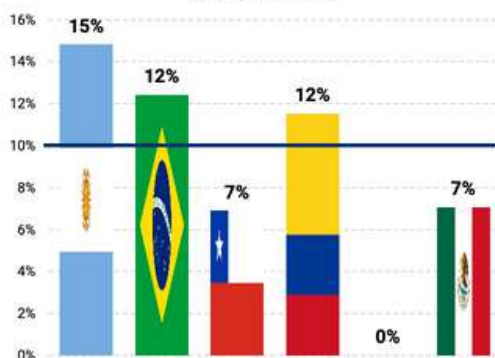
Monitoring the mortality rate teaches us some non-obvious lessons.

Some key takeaways:

- 92% of failed insurtechs are local, indicating they couldn't expand beyond their country of origin.
- Argentina and Brazil have been the most affected countries by these failures.



Mortality Rate



By country, we observe an overrepresentation of Brazil, Argentina, and Colombia with a mortality rate of 12%, 15%, and 12%, and a relative resilience in Chile (7%) and Mexico (7%).

Driving innovation forward

Innovation is the tool to confront the challenges of the future. Your bold ideas can be the answer. We share all our global and local knowledge to serve the Latin American markets and support the various industry players in shaping their strategic vision.

Design the future with us!

© Hiramán/Getty Images



VI. OVERVIEW OF EACH COUNTRY



ARGENTINA

The ecosystem continues to experience a 4% decline with a 15% mortality rate, especially for insurtechs that have not managed to export their services. The flexibility of the current regulation could be beneficial for insurtechs.



BRAZIL

The engine of the region experiences a sharp decline with a mortality rate of 12% (i.e., 40% of the vanished insurtechs in Latam) and an annual growth of only 1% with 194 insurtechs, despite being the country that receives the most investment: 80 million USD (64% of the total).



COLOMBIA

It has resumed its growth (+19%), reaching 62 insurtechs. This increase is due to the dynamism of the ecosystem, which is highly collaborative, and the support of the AIC. It is becoming the magnet of the region, with 39% of insurtechs being foreign.



CHILE

It continues to grow (+14% annually), reaching 66 insurtechs and narrowing the gap with Argentina. Despite the lack of funding, representing only 8% of the region, the ecosystem receives recognition from InsurteChile, ProChile, and other government entities, particularly for export (27%).



MEXICO

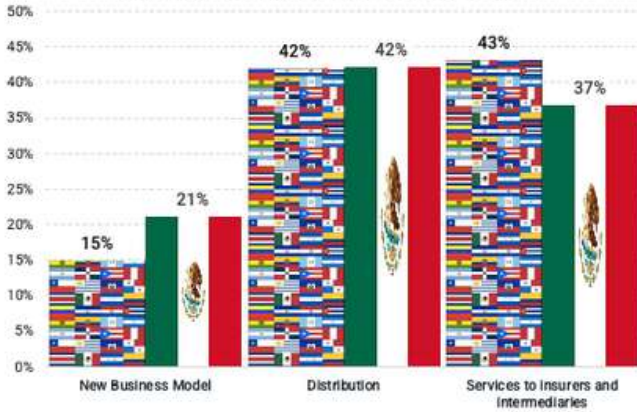
With a growth of 15%, 114 insurtechs, and an attraction rate of 26%, in addition to representing 21% of the investment directed to the region (including companies like Momento, Crabi, Meddi, Koltin), Mexico has stood out as “the market of the year”.



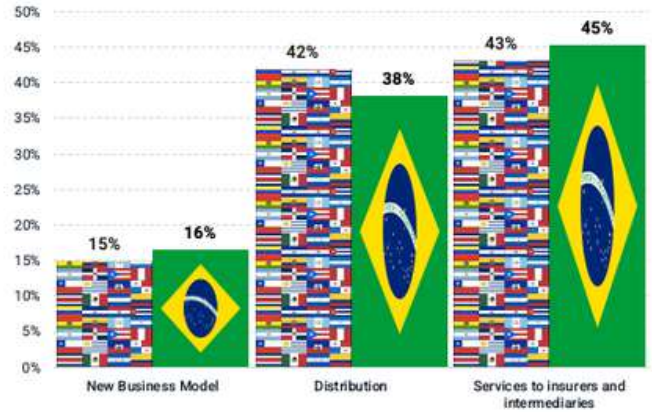
PERU

With 27 insurtechs, it continues its strong growth (+42%) and a high attraction index of 59%. The country has the potential to structure its ecosystem with a powerful partnership.

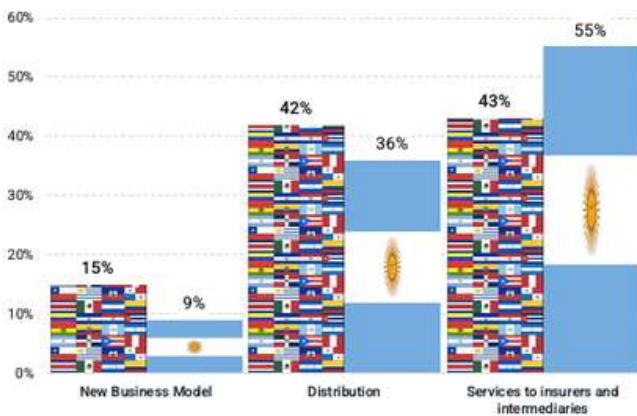
Mexican ecosystem is "disruptive" with 21% of new business model, especially wellness platform and innovative distribution



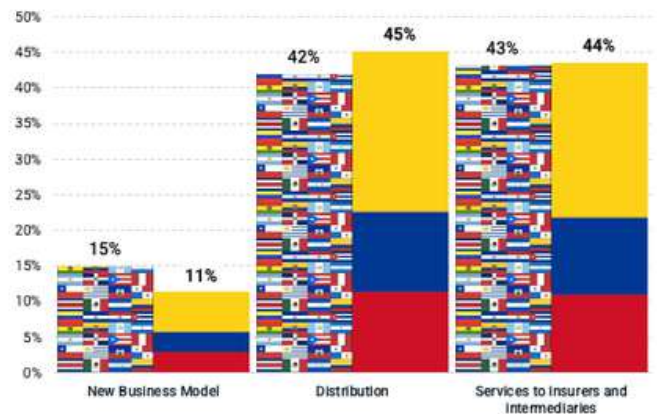
The Brazilian market is taking a pause in its growth (+1%) despite numerous new neoinsurers



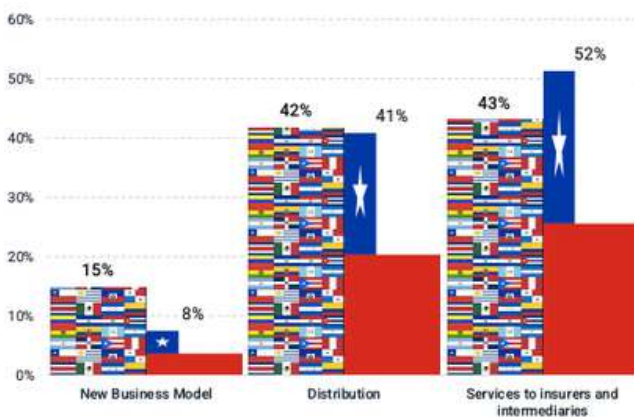
Argentinean ecosystem is downsizing (-4%), except in new business model



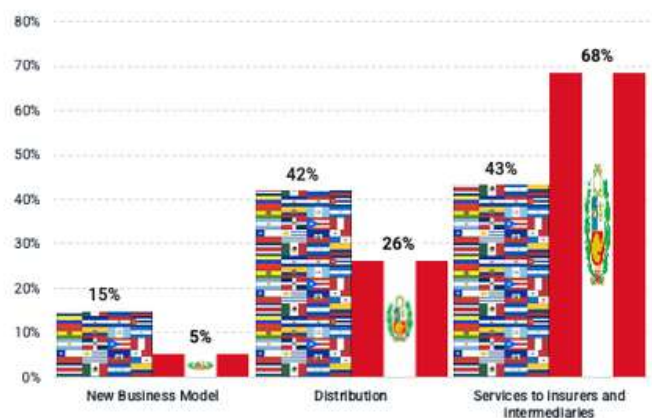
Colombian ecosystem is a motor of growth with the support of Insurtech Association AIC (+19%)



Sustainable growth (+14%) partially driven by InsurteChile



Peru with 27 insurtechs is growing again (+42%)



VII. FOCUS ON THE AIP ALIANZA INSURTECH DEL PACIFICO

Why does AIP exist?

AIP is born out of the need to unify efforts among the associations of its member countries to:

- Connect their insurtech and insurance ecosystems.
- Share experiences and knowledge.
- Jointly drive innovation in the insurance sector.
- Leverage regional scale for greater impact.

What is the AIP?

The AIP is not an association, but rather, an Alliance of 3 non-profit associations that may continue to add more.



What is its purpose?

To co-build the future insurance sector in Latin America through innovation and technology, aiming for greater financial inclusion and scalability of insurtech ventures.



What is AIP's mission?

To promote the transformation of the insurance sector in member countries through connection, co-building, and knowledge exchange among insurtech ecosystem players, aiming to drive innovation, financial inclusion, and sustainable growth in the industry.

Who are the associates?

As the AIP is an alliance between the 3 insurtech associations of Colombia, Chile and Mexico, all associates are participants in this great ecosystem that is under construction:

GOLD: belongs to the three associations.

SILVER: belongs to two of the three associations.

BRONZE: belongs only to one association.

Gracias a los mas de 130+ asociados que están co-construyendo la protección del futuro

ASOCIADO ORO	ASOCIADO PLATA
tutenlabs	FRAUDKEEPER, CEPTINEL, CONNECT, VERTECH, medismart, KLIMBER, insurama, JOOYCAR, 123seguro, Seguros Falabella, Deloitte, HCS CAPITAL, Southbridge, SBS
ASOCIADO BRONCE	

ORO: pertenece a 3 asociaciones
 PLATA: pertenece a 2 asociaciones
 BRONCE: pertenece a 1 asociación

actualizado al 31/1/2024





EVOLUCIÓN INSURTECH LATAM.

Hotel Best Western Marina, Santiago de Chile

September 3rd and 4th, 2024

**BECAUSE WE BELIEVE YOU HAVE TO BE PART OF
THIS GREAT EXPERIENCE**

WE INVITE YOU TO REVIEW OUR VALUE PROPOSAL



VIII. MAPS

INSURTECH JANUARY '24







LATAM



INSURTECH (290 Start-ups)

America Latina (exc. Brazil) – Jan. 2024

Digital insurance

LATAM

Publica libremente tu contenido en nuestro canal Youtube
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New business model

Neolinsurer clupp, crabi, sofia, unu, momento	Telematic MGA SEGURO X KILOMETRO, miituo, canbu	On-demand mecubro, activar	Wellness Platform BETTERFLY, webe, mutuo, VivaWell, fully, health, meddi, zendata, momentu, Kadda	Parametric MICRO, Raincoat, Blue Marble	Smart Wallet sagurapp, contigo, healf, Bruno, Quilo, Copalinsurera	Innovative distribution MI Compa, kinsu, Derrysafe	Embedded Ins. Journes, carvuk, TRUSTRENT, AutoChilango
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Distribution

Multiline broker Asor Shop, Seguros123, onelife, seguros.com.ec, ACTO, Figuro, ASSEGURONLINE, intermx, Seguron, Seguros.com, Seguro Inteligente, WOO, WETSEGUROS, AutoSeguro, gemiseguro, Compara	P&C Broker Asegurama, seguro simple.com, ESTOY SEGURO, mejorseguroauto.com, asegurabien, Ahoraseguros.mx, Ahoraseguros.com.mx, Online, angard, teca, BUSOO, VIP, FIU!, KAYUH, GerúSeguros, SU SEGURO FACIL, MULTISSIST, GORILA SEGUROS, ClekSeguros, comparemejor, asegurado, 100preseguro, aseguramonte, COMPARA ENCASA, SmartBroker, comparavla, VERTECH, AsegurateAqui.com, nevero.cl, guros, coru, Seguros, CompreSeguros.com	Health and Life MGA vivaexpres, güri, KOLTIN, MUTUUS, EVA, Acto, XSISI, sincero, amerins	SME Broker FINFAST, surexs, simplee, Wayra	Referral noovo, Cyber, Kyber
H&L broker seguralia, Mapsalud, QuePlan.cl, katmy, yoko.	P&C MGA Loop, sostengo, armonia, Tru!, Super, insurama, Segurocell, iglu, safe, lemon, quilo	Travel seg:rú, luseguro, devieje, SOU, compare	Travel aseguratubici.mx, BICI	Bicycle aseguratubici.mx, BICI
Pet power, cactus, ALO, gúru, WOOF, Amigo	Distribution platform InsureHero, monokera, Segurarse, klare, Embed, Stere.io, KLIMBER, 123SEGURO, seküre, NUBLOO	Surety CAUCION, nowo, GARANTIA SEGURO, AGUO & REPA & FIDES	Micro asa cuberto, RS, soapik.cl, soat	SOAP / SOAT Eprezto

Services to insurers and intermediaries

Claims autoinspector, tutenlabs, REDFASTRACK, Bdeo, leverbox, GLASSY.COM, custodian, LISA, JIZ, utrace, LASYNISTRO, Hqs, EnPartes.com, Valua, autoreclamo, TECNORED, claims, SimipiSeg, Willay	Risk and Data Aleph, Fraud, FRISS, CEPTINEL, Shift Technology, FRAUDKEEPER, EMETAG, Health & wellness platform, doc-dac, Paganod, Gerty, Warami, ZENDER, EVER HEALTH, MeetingDoctors	Telematic (IoT) SAIVE, car, LOCATION, WORLD, FLEETUP, JOOYCAR, SATCAR, BAC, METRICLES, wise city, airbag, Encontrack	Exchange Platform nask, covery, VAIF, winse, eva, IoT (other), muvu, Smartway, DUKELARE, VITALITY, DRIXIT, AccuHealth, Vitality, blipconnection	Brokers platform BA-BA, Wokan, emilian, wnk, KURT, WOW, agentemotor, crosor, agentelep, AdminIE, hica, Agenthas, certux, PASAP
Services credivalores, CrediSeguro, lvi, VOZY, ALMAYA, Finsu, ubiqs, DATAR, wipo, FAD, NS, verificador, PAST-POM, conect, mop, resonante, Salva, PlexoTech, Teggium, FINESA, inventiva, WAN, wip, copsis, uanotaco				

Insurtech Platinum Support		Insurtech Gold Support	
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INSURTECH

(78 Start-ups)

Argentina – Jan. 2024

Digital insurance

LATAM

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Envíanos tu video a marketing@digitalinsurance.lat

New business model

<p>On-demand insurance</p>	<p>Wellness platform</p>
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Distribution

<p>P&C Broker</p>	<p>Distribution platform</p>	<p>MGA model</p>	<p>Travel Broker</p> <p>Microins.</p>	<p>Surety Broker</p> <p>Pet Insurance.</p>
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Services to insurers and intermediaries

<p>Claims</p>	<p>IoT (other)</p> <p>Fraud</p>	<p>Reins. platform</p> <p>Health platform</p>	<p>Telematic (IoT)</p> <p>Exchange Platform</p>	<p>Brokers platform</p> <p>Services</p>
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<p>Insurtech Platinum Support</p>	<p>Insurtech Gold Support</p>
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INSURTECH



































(194 Start-ups)

Brazil – Jan. 2024

Digital insurance
LATAM

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Envie seu vídeo para marketing@digitalinsurance.lat

New business model

Health 	Freemium 	Neolnsurer 	Agro 	On-demand 	Multiline 	Auto 
Distribution						
P&C broker 	Multiline broker 	Health and life MGA 	Bicycle 			
Pet Insurance 	H&L broker 	MGA model 	Distribution platform 			
Marketplace 	Employee Benefits 	SME & Freelancer 	Burial 			
Claims 	Underwriting 	Agro 	IoT (other) 	Brokers platform 		
Telematic (IoT) 	Fraud 	Health platform 	Exchange Platform 	Services 		
Open insuring 	Workforce comp. 	Reins. platform 	Recognition 	Sales services 		





INSURTECH

Chile – Jan. 2024

Digital insurance
LATAM

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New business model

<p>Embedded insurance</p>	<p>Wellness platform</p>	<p>On-demand insurance</p>	<p>Wallet</p>
---------------------------	--------------------------	----------------------------	---------------

Distribution

<p>Surety Broker</p>	<p>Multiline Broker</p>	<p>Marketplace</p>	<p>Referral</p>	<p>Distribution platform</p>	<p>Pet Insurance</p>
<p>P&C Broker</p>	<p>Seguros</p>	<p>Health Broker</p>	<p>H&L MGA</p>	<p>P&C MGA</p>	
<p>SME Broker</p>	<p>SOAP</p>				

Services to insurers and intermediaries

<p>Claims</p>	<p>Fraud</p>	<p>Exchange platform</p>	<p>IoT (Other)</p>	<p>Broker platform</p>
<p>Telematics</p>	<p>Health platform</p>	<p>Services</p>		

Insurtech Platinum Support

Insurtech Gold Support

COLOMBIA



COLOMBIA

INSURTECH (62 Start-ups)

Colombia – Jan. 2024

Digital insurance
LATAM

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New business model

Parametric insurance

MiCRO **Raincoat** **Blue Marble**

Wellness platform

BETTERFLY **mutuo**

Insurance wallet

segurapp

Distribution

Multiline Broker

Figuro
segurocanguro.com

Travel

segurú

P&C Broker

Compara
BUSQO
COMPARA EN CASA
comparamejor

tú primo ro
SU SEGURO FACIL
teca

MGA Model

VERTECH
vivaexpres
qun

Distribution platform

monokera
123 seguro
sekure
NUOLOO
COVER GENIUS
Stere.io
KLIMBER

Health and Life Broker

seguralia
QueSeguro.co

Cyber

Kyber

SOAT Broker

Eprezto **RS**
comparabien

Services to insurers and intermediaries

Claims

leverbox
tutenlabs
LISA
Willay

Telematic

wise city
SEGURO X KILOMETRO

Fraud

CEPTINEL

Health Platform

doc-doc
OSIGU
medismart
kom care ips
EVER HEALTH
gerty

Brokers platform

agentemotor
certux
emilian

Services

blitz
wiiipo
Finsu
CrediSeguro
wip
credivalores
FINESA
VOZY
Teggium

Insurtech Platinum Support


RGA **CHUBB**

Insurtech Gold Support

Munich RE **HCS CAPITAL**







INSURTECH

(114 Start-ups)

Mexico – Jan. 2024

Digital insurance

LATAM

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New business model

<p>NeoInsurer</p> <p>momento clupp</p> <p>sofia crabi</p>	<p>Wellness platform</p> <p>momentu meddi welbe</p> <p>BETTERFLY Kodda</p> <p>zendala HEALTH VivaWell</p>	<p>Telematic MGA</p> <p>caribu miituo</p> <p>SEGURO X KILOMETRO</p>	<p>Embedded Ins.</p> <p>AutoChilango Journey</p>	<p>Innovative distribution</p> <p>Mi Compa kinsu Berrysafe</p>	<p>Smart wallet</p> <p>bruno healf</p> <p>baptuseguro</p>
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Distribution

<p>P&C broker y aggregator</p> <p>Rastreator.mx comparabien guros</p> <p>comparaYa KAYUM segurosautos.com.mx</p> <p>mejorsegurodeauto.mx GuruSeguros seguro simple.com</p> <p>Online FIU! La Tienda de Seguros Online Ahorraseguros.mx</p> <p>coru go COMPARA EN CASA GORILA SEGUROS</p>	<p>Multiline broker</p> <p>Seguro Inteligente inter.mx</p> <p>genioseguro ACTO</p> <p>Seguros123.com</p> <p>AutoEvaluat woow</p>	<p>H&L MGA</p> <p>Acto xsisi MUTUUS</p> <p>eva guri KOLTIN</p>	<p>SME Broker</p> <p>simplee surexs</p>	<p>Bicycle</p> <p>aseguratubici.mx</p>
<p>H&L broker</p> <p>yoko. kalmy</p>		<p>P&C MGA</p> <p>insurama ZU RU</p> <p>VERTECH Tryger Súper</p>	<p>Pet</p> <p>guau</p>	<p>Surety</p> <p>nowo</p>
<p>Distribution Platform</p> <p>COVER GENIUS 123seguro KLIMBER</p> <p>InsureHero NUBLOO</p>				



Services to insurers and intermediaries

<p>Claims</p> <p>tutenlabs LISA</p> <p>leverbox Bdeo</p> <p>Hgs custodian</p>	<p>Risk and Data</p> <p>Aleph</p>	<p>Fraud</p> <p>Shift Technology FRAUDKEEPER</p>	<p>Telematic</p> <p>FLEETUP BLIC</p> <p>Encontract IVAN DRIVE</p> <p>airbag JOOYCAR SAIVE</p>	<p>IoT</p> <p>LUXELARE</p>	<p>Broker platform</p> <p>Agenthas S Q T P</p> <p>agenteTap BA BA</p> <p>ClickSEGUROS</p>	<p>Health platform</p> <p>DOC24 OSIGU</p> <p>Ever HEALTH MeetingDoctors</p> <p>gerty medismart Pogamed</p>	<p>Services</p> <p>DATAQ verificando avi FAD</p> <p>v+zy blitz</p> <p>PAST POST copsis inventiva</p>
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Insurtech Platinum Support

Insurtech Gold Support





(27 Start-ups)

Peru – Jan. 2024

Digital insurance
LATAM

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New business model

On-demand insurance

Employee benefits

Distribution

Broker (health)

SME broker

Broker & Aggregator P&C

Aggregator

MGA model

Distribution Platform

Broker & Aggregator P&C

SOAP / SOAT

Services to insurers and intermediaries

Claims

Health platform

Telematic (IoT)

Exchange platform

Services

Insurtech Platinum Support

Insurtech Gold Support





INSURTECH

(19 Start-ups)

Ecuador – Jan. 2024

Digital insurance
LATAM

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New business model

Wellness platform

Distribution

<p>Multiline broker</p>	<p>MGA Model</p>	<p>Distribution Platform</p>
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Services to insurers and intermediaries

<p>Claims</p>	<p>Health and wellness platform</p>	<p>IoT (exc. telematic)</p> <p>Telematic (IoT)</p> <p>Exchange Platform</p>	<p>Services</p> <p>Broker Platform</p>
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<p>Insurtech Platinum Support</p>		<p>Insurtech Gold Support</p>	
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CENTRAL AMERICA

INSURTECH (20 Start-ups)

Centramerica – Jan. 2024

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New business model

Neoinsurer

Wallet

Parametric insurance

Distribution

P&C Broker and Aggregator

MGA model (mobility)

Services to insurers and intermediaries

Claims

Telematic (IoT)

Broker Platform

Fraud

Health platform

Services

Insurtech Platinum Support

Insurtech Gold Support

IX. INSURTECH VIP LOUNGE

By Hugues Bertin





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5	Ceptinel

MAP BASED ON THE INSURTECH VIP LOUNGE



INSURTECH LATAM MAP

Based on Insurtech VIP Lounge – Jan. 2024

Digital insurance LATAM

We invite you to freely publish your content on our YouTube channel. Send us your video to: marketing@digitalinsurance.lat

In this map, we showcase key insurtechs from Latin America who participated in our Insurtech VIP Lounge feature.

Example



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The Insurtech VIP Lounge is a monthly article published by main insurance media in the world.

We thank you for the support, especially for insurtechs



New business model

Neoinsurer 	Wellness Platform 		
Embedded insurance 	On-demand 	Sandbox 	Decrease in reinsurer: From 41% to 35% P2P has disappeared

Distribution

H&L MGA 	Broker 	P&C MGA 	SME Broker
Distribution platform 			
Distribution is moving from D2C to Distribution platform (9%) Niches & Pet represent 17% 			

Services to insurers and intermediaries

Claims 	Telematic 	Fraud 	Broker platform
IoT (other) 	Underwriting 	Health & wellness platform 	Services
New: 'Open Insuring Insurtech' born in Brazil Health and wellness platform more and more relevant 			

Insurtech Platinum Support



Insurtech Gold Support





Kakau, the Brazilian insurtech that today is a neo-insurer - July '23

Brazil continues to innovate, thanks to the Sandbox, with more and more 100% digital insurers. Today it is a pleasure to meet with Henrique Volpi, CEO and Co-Founder of Kakau, a historic insurtech in Brazil that recently had approval from Susep to be a neo-insurer.

To begin, Henrique tells me that Kakau is an insurance company that was born in the digital world, offering insurance for mobile phones and later expanded to include bicycle insurance. Its main mission is to democratize and debureaucratize insurance, so that it is more accessible to the Brazilian population. Its ambition as a company is to incorporate the most innovative technologies into Kakau products, creating simple, intuitive and intelligent protections.

Its operation has had an excellent performance with some metrics that stand out are its excellent company index in "Reclame Aqui" with a score of 8.4. Additionally, their internal NPS study showed a total of 80% brand advocates. Finally, they also highlight Kakau's accident rate, which in the first five months of 2023 was 30.4%.





Henrique says that it is normal that other companies also see this opportunity in the Brazilian insurance sector and enter this market, which is very positive for the end consumer, as long as they become advantages for him, since competent companies are considering more accessible and technological solutions.

I am interested in understanding how they go about reducing fraud since it is easy to say: “my cell phone broke or it was stolen.” He explains to me that they have Kakau Sonar, a proprietary risk analysis scoring that evaluates an insurance proposal and identifies a fraudster before they become a customer. In this way, they manage to greatly reduce the margin of fraud in claims. They have obtained excellent results in this regard, maintaining the financial health of the company and a low and constant accident rate for a considerable time.

In addition, they have technologies such as: “One Second Claim” that uses PIX technology and the automation of documentation analysis to speed up the compensation payment process, reducing the waiting time for its policyholders to receive their compensation up to three times. that the claim has been approved and Digital Fix, which carries out an intelligent analysis of the damage to the insured property to help in the calculation of repairs and, consequently, in the calculation of compensation.

Regarding their alliance with Pitzi, Mercado Libre and Amazon have an alignment of interest with Kakau since they are all companies committed to providing a good experience to the end customer and adding innovation to their solutions. Its objective is to monitor the turnover rate (Churn) and reduce CAC, prioritizing a great customer experience.

As for the future of Kakau, Henrique tells me that they have a strong interest in expanding their presence in the protection and monitoring of sensitive data. For them, it is a growing field, especially with the increase in digitalization and concerns about privacy and information security.

This would open up opportunities to provide insurance solutions and related services that help protect and secure the sensitive data of individuals and businesses.





Flip!, sustainability at the center of insurtech - August '23

We have long been discussing how sustainability has become a key driver of innovation in the insurance industry. Today, we have the pleasure of meeting with an extraordinary entrepreneur, Eric Leuemberger, CEO of Flip!, an insurance expert who decided to have an impact on society and leave his mark to change the world.

To begin we will review the beginnings of Flip!. In July 2021, just days before starting what would initially be a sabbatical for Eric, he met for coffee with someone who would radically change his plans, the co-founder of a start-up that helps reduce living costs for low-income people through the disintermediation of the distribution chain and the rescue of food at risk of waste.

After that tremendous conversation and learning about his story and purpose, he knew that this was the change, “the flip,” that he wanted in his life.

This is how Flip! was born, with the possibility of having a blank page and the freedom to create a vision, a company, with the search for a purpose so great that it is for life, addressing problems that matter to you and that you live or lived. in first person.

Today this insurtech powers companies with wellness plans and employee benefits with social and environmental impact, strengthening their employer brand, promoting a culture with purpose and achieving greater engagement and productivity in their teams.



WELLNESS CORPORATIVO

Planes de bienestar con impacto real



Eric tells me that what he values and differentiates them is the speed and depth with which they address problems. They seek to solve three extremely challenging objectives:

(1) **Physical and mental well-being**, implementing programs that promote healthy habits. Its differential approach consists of the combination of virtual reality exercises to train the mind, personalized guidance by health coaches and more than 60 healthy workshops and activities such as yoga, Pilates and active breaks. (2) **Promote responsible consumption** and (3) **carry out actions for the climate**, offering insurance.

Employees insure their home, laptop, bicycle and pets and the more they protect, the more they save on the cost of insurance and receive credits and benefits to consume sustainable products at TiendaFlip. They also help mitigate the footprint they generate when transported. They insure their cars, estimate their carbon footprint and plant trees to absorb the CO₂ they generate.

Finally, corporate gifts and rewards schemes can also promote local and inclusive employment. Companies have the flexibility to create their own recognition scheme and give gifts to support more than 30 social and environmental enterprises. They disseminate and activate the benefits throughout the year on more than 35 key sustainability and well-being dates, providing HR with the resources and communication channels necessary to do so effectively.

The innovation they create is the ecosystem of solutions they call PaaS (Purpose as a Service) in which they integrate more than 30 entrepreneurs and impact organizations, more than 60 well-being professionals and 3 insurers that support them strategically. PaaS is a service to its customers, and partners to help them change the world. It has been proven that companies committed to society and the environment are more efficient, innovative and have 24% lower turnover according to a recent Gallup study.

People's well-being is not only a concern and priority to live happier lives, it also represents between 10% and 15% of the cost of global economic production.

From the beginning, they were clear that Argentina was the operational base and the market in which to test the value proposition and the team. Now, August 2023, they launched in Spain, just a year and a half after launching in Argentina! The strategy is to address global problems and execute it madly, always trying to enter the market with one foot in, and knowing it beforehand. For that, Eric has been living in Spain for a year.

Today, they are very close to reaching zero churn or investor in the voluntary insurance portfolio, 3 out of 4 users share the experience they had with friends or family and managed to have 6% of their portfolio come from organic referrals, without taking actions to promote it. In addition, they have 83% product activation, purchasing a sustainable product at TiendaFlip or making a donation to mitigate their carbon footprint,

experiences that strike an emotional chord, generating high engagement. As for the clinically validated wellness program they offer, they are effective in reducing stress by 40% in the first month and 35% of the smoking population quit. Behind these metrics are happier and healthier people. For 75% of Argentines and 80% of Spaniards, two markets in which they are, physical and mental health is a priority to achieve a happy life and a person who quits smoking, depending on age, can add up to 10 years to your life.

Making such a significant impact on people's lives, actively contributing to a more just society or taking action to regenerate the environment not only makes you proud, it inspires and encourages you to actively collaborate with those people and organizations that work for a better world.





Figuro, the first insurance personal shopper at the price of Netflix - September '23

Colombia has been experiencing a tremendous insurtech effervescence for 1 year, and one of its most important players is Figuro, a new insurtech with the potential to be one of the most relevant in Latam in the coming years. In addition, it is one of the founding companies of the Colombian Insurtech Association. Today I have the pleasure of meeting again with Juan Camilo González, its founder, to find out more...

Figuro was born at the end of 2021 with a clear vision: to reinvent the way in which people purchase insurance by making it simple, flexible and accessible to everyone.

The Figuro logo is displayed in a bold, blue, sans-serif font. The letter 'i' has a unique design with a dot that curves around the top of the letter. A registered trademark symbol (®) is located to the upper right of the 'o'.

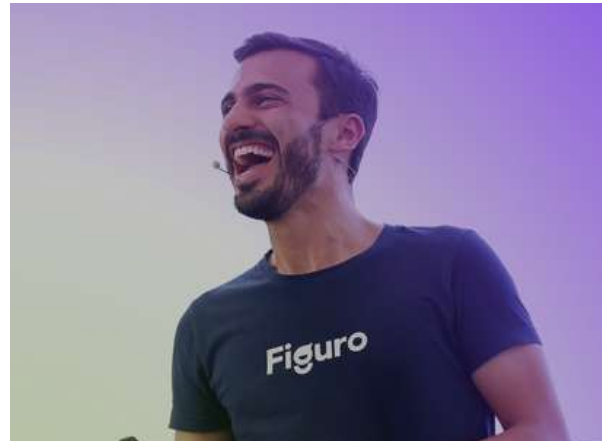
Born with the mission of freeing clients from the financial stress that unexpected events can cause, she began her career as an insurance "Personal Shopper", offering personalized advice focused on the unique needs and preferences of each client, free of bias. commercial. This initial focus and its direct experience with consumers have paved the way for a natural evolution: expanding its business model to also empower insurance agents and brokers with its innovative platform.

They started by taking what is considered a "hidden cost" in many loans – lien insurance – and turned it into an opportunity to empower the customer and start a conversation about insurance. Through their Debtor Life Insurance offer, they allowed their clients to save considerably on

comparison with traditional credit insurance at lower costs than a Netflix subscription. They soon expanded their catalog to include life, health, vehicle, bicycle, pet, travel and home insurance.

The first key to Figuro's success is offering a completely digital process, eliminating the need for paper and physical signatures, managing the change with financial entities and assisting in the defense of the client's rights in the event of any delay or problem. The digitalization of processes has ensured that the marginal cost of adding new products tends to be reduced, optimizing the business model.

This system ensures that its clients always have access to the best options, without limitations, allowing them to guarantee their principles of transparency and a choice that is not based solely on speed or price, but on a real assessment of needs. of each client. At the end of the day, this meticulous and focused approach is what sets them apart and puts them in a unique position.



A second key is to create quality content, directed and focused on financial education, as a basis for attracting clients. By presenting the purchase of insurance as a sustainable financial decision, they have managed to differentiate themselves from the traditional advisory model and offer a unique perspective in the market, minimizing the need to invest heavily in paid advertising.

In addition, the constant measurement of customer satisfaction allows Figuro to continually improve. Today they have a median and mode satisfaction of 5/5. Even compared to competitors, 80% of users with previous insurance value Figuro more, highlighting its consistency in usability, effective customer service, digitalization, cost savings and clear communication.

In summary, it has been very important for Figuro to provide the same experience regardless of the insurance industry; an experience focused on ease of use, efficiency in customer service, digitalization, education, cost savings, variety of options (with filters) and communication.

To date, they have managed to reduce the interactions necessary to sell a policy by 70%, reduce sales staff by 80%, and lower their Customer Acquisition Cost (CAC) by 10% compared to competitors. In a year and a half, they entered the top 10% of insurance intermediaries in Colombia, with more than 1.5 million USD in premiums - a figure that has taken others in the sector 15 years to build.

In a strategic move to amplify its impact in the sector, Figuro has begun offering its platform to traditional insurance agents and brokers. This platform provides these professionals with access to the technology and streamlined processes that have built Figuro's success, allowing them to more agile policy management and an optimized user experience for their clients.

Figuro is one of the founding insurtechs of the AIC (Insurtech Association of Colombia) which has the mission of accelerating innovation and technological development in the Colombian insurance sector. Its objective is to promote the country as an insurtech leader in Latin America, promoting spaces that unite entrepreneurs, companies and clients to advance innovative solutions and close the insurance gap in the country.





Con Figuro, trascendimos de una agencia tradicional a una InsureTech líder. En 2 años, incrementamos nuestras comisiones por 10, llegando al Top 10% de asesores en Colombia. Atendemos a más de 4,000 clientes con un equipo de menos de 6.

Regarding the Colombian insurtech ecosystem, Juan Camilo sees a clear advantage: they are witnessing the emergence of innovative and disruptive founders who, instead of simply digitizing existing processes, seek to transform them. Considering that in the last 10 years fintech revolutionized the savings account and credit landscape in Colombia, it is reasonable to expect that insurtech will have a similar impact in this decade, especially with its rich talent base and growing digital audience.

However, challenges persist such as updating the regulatory environment, standardizing processes such as SARLAFT and expanding insurtech beyond large cities, in addition to the task of gaining trust and interest from local investors.

Their ambition has always gone beyond the borders of Colombia, which is why they are already advancing in markets such as Mexico and Chile. There, they are establishing strategic connections with agents who are adopting Figuro's platform as their “operating system” for insurance marketing. This year they closed a Pre-Seed round above market standards, which has allowed them not only to perfect their technology, but also to confirm the value and relevance of their proposal in the sector. With each initiative, Figuro reinforces its influence and strengthens its role as an insurtech leader in the region.





Meddi, the health and wellness insurtech for Mexican companies - October '23

Medidi is everything I love! A Mexican insurtech that aims to democratize health insurance in the country thanks to technology.

Today I meet with Pablo Aguirre, its CEO, with whom we will discover about the world of Employee Benefits, the revolution that Perks are experiencing in Latam... and more!

To start, what is Meddi? Meddi is a comprehensive health platform offered as a software license for companies and their employees that promotes healthy habits and facilitates early detection of diseases.

Its 4 main functions are: taking care of the company, where they help it comply with all health and regulatory responsibilities and build an employer brand that stands out for its commitment to the well-being of its collaborators, while at the same time saving money. The care of the collaborator and his family, using technological tools, promotes the prevention of diseases, allowing collaborators to accumulate points that they can convert into money within the Meddi ecosystem to continue taking care of their health and facilitating the early detection of diseases.



Caring for and healing employees and their families, since in the event of illness or any health situation that affects their quality of life and productivity, they offer services such as telemedicine, in-person consultations, medications, laboratory studies and dental care, without this represents a total expense for the collaborator. Coverage against unforeseen events, ensuring the peace of mind of employees, with coverage designed to address the main needs that can generate an economic impact, such as a serious illness, an accident, an unforeseen event in the home, car or belongings, and even the death of a loved one.

Today, they have +540,000 users served through their b2b and b2b2c channels and, an interesting fact that Pablo tells me, is that +74% of their users had never had preventive coverage or any type of health-related insurance, wow! They are reducing the gap in access to quality health for those who need it most.

With respect to well-being, various scientific studies have already shown that prevention is profitable. Their insurance partners give a profit margin to prevention, which translates into lower costs for users who follow their preventive recommendations. In fact, at Meddi they are developing models that allow us to corroborate the effectiveness of treatments and the quantitative impact of habits on health and their cost.

In Mexico, the offer of individual health insurance is limited. There are few Specialized Health Insurance Institutions (ISES), which can make it difficult to find adequate coverage for individual needs. Its SAAS responds to a market need. Companies today seek to attract and retain the best talent, at the same time they have regulatory challenges regarding health, which implies risks of fines or costs that they normally seek to cover through multiple suppliers. Meddi is the answer to that need not only in the market in Mexico, but in LATAM.



Sustainability is a crucial driver of innovation at Meddi and technology plays a vital role in promoting it. Pablo explains how it allows them to reach a greater number of people, increasing the impact of their health and well-being initiatives. In the most needy social spheres, carry out more effective monitoring of the health of its users, which makes them intervene in a timely manner and prevent complications, implement more effective prevention strategies, which reduces the burden of diseases and improves the quality of life of its users, improve the triage process, ensuring that its users receive the right care at the right time, better control the use of its services and prevent fraud, which contributes to the financial sustainability of the product.

Recently, they have incorporated an investor with extensive experience in the insurance and reinsurance market worldwide, who has taken over as Chief Product Revenue Officer, which will allow them to develop new products based on data and local epidemiology. This reinforces its commitment to innovation and adaptation to the specific needs of users. In addition, they are working to grow in the area of financial protection, which includes insurance, savings and credit, and incorporating science and medical devices that will help them monitor and diagnose, as well as improve their relationship with users. Their lead investor in the last round, MDR, has provided them with several technological resources to strengthen their proposal and make it unique in the world.

Looking to the future, Pablo tells me that they are not limited to Mexico, but that it is already planned for 2024, which could be the first stage of their international expansion, to those countries with similar health schemes, through their current clients. that already have a presence in these American countries.

Also, they are looking to establish links with investors for their future financing series, especially those interested in impact issues, InsurTech and Health, and contact media that are interested in creating content about InsurTech to work together.



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Ceptinel: The regtech that becomes in insurtech - January 2024

I remember Ceptinel in 2016, when it was just a promising startup; Without a doubt, the first No-Code I saw work. Now, after various strategic pivots and the investment from HCS Capital, it stands as one of the top five RegTech companies worldwide. Ceptinel has established itself as a main player in the insurance ecosystem, becoming a prominent insurtech. Today, I am very pleased to meet with Gerardo Schudeck, CEO of Ceptinel.

To begin, Gerardo tells me that Ceptinel is a technological services company immersed in the RegTech and insurtech world, which supports society and organizations from different industries to combat corruption. Specifically, its transactional monitoring solution applies to the prevention of money laundering and terrorist financing, fraud prevention (both internal and

external), market abuse, continuous monitoring (audit and internal control), and risk management. They were born as a RegTech that later entered the insurtech world because, as Gerardo tells me, they saw a need in the insurance industry, which is also a tremendous opportunity, to take charge of risk management and compliance on specific issues related to prevention of fraud and the prevention of money laundering and financing of terrorism.



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el Fraude y los Delitos Financieros



Failure to manage these issues not only generates financial losses, but also losses at the level of reputation and image. This is accompanied by the regulatory obligation, on the part of regulators, to take charge of these issues.

The Association of Certified Fraud Examiners (ACFE) says companies lose about 5 percent of their annual revenue to fraud; If we take this to the insurance industry, fraud accounts for around 10 percent of all claims costs. However, an upward change is observed in terms of the increase in the percentage of claims suspected of being fraudulent. For reference, in the United States, in the last three years, fraud takes away from the industry more than US\$300 billion a year, while non-medical insurance fraud costs the American family between US\$400 and US \$700 a year, in increased premiums.



It recognizes that the majority of Ceptinel's founders and managers come from the insurance industry, which is why it motivates them to remain linked to it and contribute to its digital transformation. That is a relevant point, since they know their processes, their pains and also the challenges they currently have, specifically in technology issues. Regarding his product, he comments that it has: a short implementation time (two to four months), total autonomy over the system, No-Code programming, they are not “black box”, which is very well received by functional areas, automated processes, traceability of events and alerts, management panel for alerts and case follow-ups and support; as well as permanent support for clients through their service experience processes.

In insurance, when we talk about fraud, we talk about internal fraud and external fraud. In all of his conversations with insurance companies, the priority in fraud management is focused on the external. Examples of this are what clients or policyholders can make in health reimbursements, also providers (doctors, clinics, health centers), workshops that work in the settlement of car accidents and service providers. What should not be forgotten is that there is a metric that says that around 80 percent of external fraud cases have an internal component, either failures in control processes or even the participation of collaborators. Given the above, Gerardo tells me that his recommendation is that the insurance industry takes charge of both sources of risk, that is, it is a transversal management. Regarding internal fraud, when they have spoken with clients or potential clients, they have carried out pilots. In simple terms, they offer them one or two control rules and mention that, if they find internal fraud events, the pilot will be successful. In at least two cases, after having encountered these events, they have transformed a pilot into a “new client.

Today, it has clients in Chile, Peru, Panama and Venezuela, with expansion plans in Latin America for the next three years. By 2024, they hope to have the first implementations in Colombia and Mexico, and continue to deepen their traction in the four mentioned countries. Their idea is that in the medium term they will be prepared to enter the United States. They have contracts with five insurance companies and two reinsurers. Its solution has been implemented in companies associated with the following industries: Banking, Insurance, Pension Fund Administrators, General Fund Administrators, Stock Brokers, Compensation Funds (Social Security), Fintech and Automotive Companies.



On the product side, since 2023 they have been working on bundling by industry and deepening their rules library, while adding solutions linked to risk management in specific topics (for example, risk management associated with economic crimes law of Chile). So, if you want to help Ceptinel, do not hesitate to introduce this great startup to Operations Managers, Risk Managers, Compliance Managers, General Managers or even Boards of Directors.





TDI ACADEMY: Your path to leadership in digital insurance

The Digital Insurance
learning platform.

What is TDI Academy?

TDI Academy is an online platform specialized in digital insurance, dedicated to providing a global and up-to-date view of the challenges and opportunities in the insurance world. Our mission is to empower professionals and insurance companies in Latin America to propel themselves towards the future of the industry.

Presence in Latin America



The value of studying with TDI Academy

- A global and up-to-date view of the challenges and opportunities in the world of digital insurance in Latin America.
- Case studies and concrete examples from the industry to apply knowledge in a practical manner.
- High-quality learning resources that grant you access to the most updated knowledge in the industry.
- A strategic partnership with Digital Insurance Latam, combining insurance expertise with digital innovation to empower professionals and companies in the realm of digital insurance.

PROGRAMS



Our flagship program, the leading certificate in digital insurance specifically adapted to the Latin American market. Through case studies and concrete examples from the industry, we will equip you to lead the digital transformation in the insurance industry.

It combines theory with practice and includes live classes coordinated by Hugues Bertin.



A fully flexible programme option, consisting of learning pathways with digital badges to mark progress that includes an option to earn your CDI Certificate.



An entirely on-demand program option, with asynchronous methodology and a 1-hour individual meeting with Hugues Bertin at the end of the program.



A collective & high impact learning experience to empower & engage to your senior leaders. Consists in a combination of a group learning experience with content tailored with live virtual sessions and with on-demand and online access to all programme content.

A hand is shown from the bottom left, holding a glowing, semi-transparent globe. The globe is covered in a network of white lines and dots, with several orange dots highlighting specific locations. The background is a dark blue gradient with bokeh light effects.

X. ANNEX

*What is an insurtech?
How are maps read?*

WHAT IS AN INSURTECH?



The word "Insurtech" is "fashionable" but unfortunately, **there is no official definition of the concept in the world**, therefore, our intention in this report is to define a concept that will try to be the most consensual possible without having the pride to consider it like the truth. This concept was defined from our work and the many international meetings we had during the last 4 years.

Within our meetings, we discovered that some actors gave priority to the concept of innovation or added value to the value chain over the tech part, then including non-tech start-ups. Other actors include insurtechs in their maps by self-declaration of the same and without analyzing objective technical criteria.

Although we value this criterion of "it is insurtech that feels insurtech", we have considered a more demanding classification in terms of technology and potential to affect the industry.

In conclusion, we will define Insurtech as a **"technology start-up that innovates in the insurance value chain and in its periphery"**, although this definition quickly achieves a consensus, it forces us to better define each concept behind each word.

To define and make a definition transparent is also to dare to define what it is and also what it is not from the point of view of said definition. It is for this reason that they will discover missing insurtechs from other reports, radars or associations and, on the contrary, some insurtechs members of associations that do not meet the criteria of this report.

So please accept our apologies to all the tremendous undertakings, insurers, software factories that help the transformation of the sector, that ask us to be included in these radars but that unfortunately do not meet the minimum criteria.

We are learning all the time so it is possible that we will improve our screening semester by semester. We thank our audience for their tolerance and input.

USE OF THE CONCEPTS ASSOCIATED WITH THE DEFINITION ITSELF

The concept of "Start-up" means that, by definition, it is an **enterprise** - that is, it is "the beginning of an activity that requires effort or work, or has a certain importance or scope".

Therefore, being an insurtech must be less than 10 years old (1) in general.

Also, in this concept of "Start-up" there is the concept of "**independence**", that is, a business unit of a bank or an insurance company will hardly be considered as Insurtech.

In the concept of start-up, **entrepreneurs and founders have a key role for success** and are generally majority shareholders or with significant weight, this is one of the criteria analyzed to be Insurtech (2).

"...of **technology**": technology plays a preponderant role in an insurtech. It is very likely that a start-up that is not "tech" will be excluded from the radars or if it does not have its own technology it will be more difficult to consider it as Insurtech. We are surprised that some ventures define themselves as Insurtech without even having a website, right?

(1) Now, there are exceptions such as the case of 123Seguro in Argentina, which started in 2010 and which, from our point of view, has all the characteristics of Insurtech.

(2) For example, Lemonade beyond its IPO continues to be "Insurtech" in this sense due to the preponderant role played by the founders Daniel Schreiber and Shai Wininger.

“... innovates in the insurance value chain”: this concept is broad, but it allows us to include all the undertakings that accompany insurers, intermediaries and even reinsurers and that focus on innovation.

“...and in its periphery”: this amplifies our scope since, for example, a telematics, prevention or services solution could be considered as outside the insurance value chain, however, with this appendix, all undertakings that contribute to the evolution of insurance are included in order to improve the customer experience or the insurance value chain itself.

USE OF THE CONCEPTS ASSOCIATED WITH THE DEFINITION ITSELF

Using a frequently used categorization, we divide the insurtechs into 3 main categories:

A) NEW BUSINESS MODELS

B) DISTRIBUTION

C) SERVICES TO INSURERS AND INTERMEDIARIES (ENABLERS)

1) In the case of categories (A) and (B), we are talking about insurance and protection products, sold digitally to an end customer (individuals or legal entities).

Now what is a digital sale? Here we enter another world without defined concepts, therefore, we will define digital sales as a sale that has at least 80% of its process through an internet channel, app, social media, chatbot or voicebot and that offers the possibility (and not the obligation) the customer to buy 100% online.

- Therefore, it will always be difficult to include enterprises that have physical presences and branches.
- On the other hand, in some cases we will accept health protection solutions regardless of whether or not it is regulated by the insurance regulatory entity

In these verticals, we will include intermediaries who distribute other types of products when we understand that the venture has a focus and knowledge mainly on insurance (4).

2) In case (C), the ventures have more focus on B2B since their clients are generally (Re) insurers and Intermediaries. In this context, we are going to include undertakings that have a product and discard consulting firms or service providers such as exclusive Data and Analytics teams that work to measure.

There are also solutions that may also be useful to other verticals (Finance, Retail etc ...) included.

On the other hand, software resellers or large software factories (5) that distance us from the start-up concept are excluded.



(4) For example, this is the case of ComparaOnLine - an insurtech of Chilean origin - which also distributes automotive loans.

(5) We recall that the “insurtech” concept has no ambition to make a value judgment on the proposal of large providers of the insurance sector

CONCLUSION

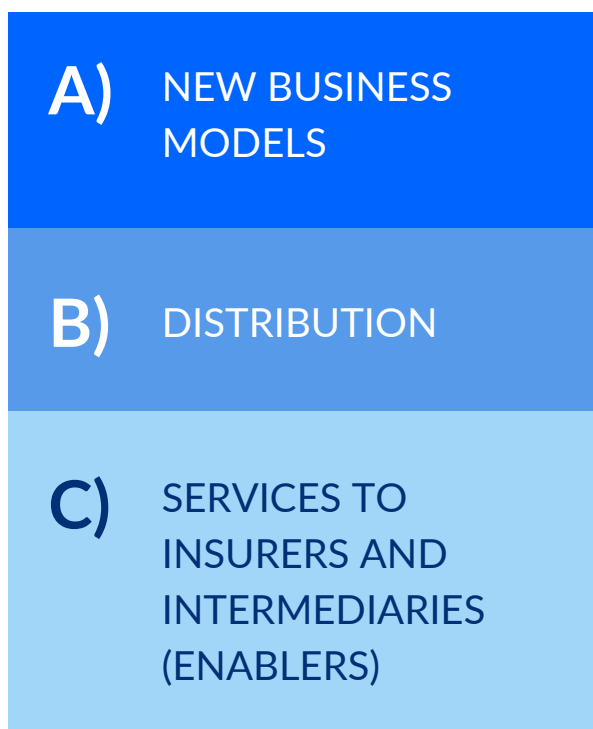
Defining what an Insurtech is possible from the definition of "technology start-up that innovates in the insurance value chain and its periphery" and on the other hand the limits are liquid and each undertaking has an intrinsic score that does more insurtech than another (a little more entrepreneurial, a little more tech, a little more digital, a little more innovative...). Therefore, we have tried to assemble the insurtechs maps since 2019 in the most coherent and homogeneous way possible according to the criteria described previously.

Defining insurtechs also means playing the role of the "gorilla at the door of the nightclub", and unfortunately, this intrinsic score mentioned previously excludes some companies or ventures that define themselves as Insurtechs. We clarify that we do not have the ambition to issue a value judgment on the quality of the contribution to the transformation of the insurance sector, but rather to try to objectively define what an insurtech is based on its own definition.



II. HOW ARE THE MAPS READ?

For each map of each country, we use 3 main categories:



(A) NEW BUSINESS MODELS: We made the decision to separate in this category the "insurance distributors" that provide some degree of innovation.

For example, we include neo-insurers (also called "full-stack insurtech") that are the only ones that compete directly with insurers or telematics solutions that distribute insurance or embedded insurance models. In all cases, they have direct access to customers in the B2C model.

(B) DISTRIBUTION: they are generally all marketplaces, digital brokers, MGA-like models (6) and other types of intermediaries that distribute insurance to individuals or legal entities in partnership with traditional insurers. This type of model involves intermediaries that enter the insurance sector, but also many more traditional intermediaries that become insurtechs.

(6) The MGA (managing general agent) model is a regulated model in several markets (UK, US ...). Here, in the radars we speak of MGA Model as a product distribution model where the products are designed by the insurer in almost-exclusivity for the distributor, in which there is no price comparison with several insurers and where the brand of the insurer is secondary (or it can even be almost white label). For example, in the case of Klimber in Argentina that distributes Seguros de Prudential Seguros, Klimber's client has only one choice of insurance company for a type of product and it is the Klimber brand that is highlighted.

(C) SERVICES TO INSURERS AND INTERMEDIARIES:

These “ENABLERS” offer a technological solution for one part of the insurance value chain. In this case, we discover solutions around the digitization of claims, fraud detection, telematics solutions and internet of things in general, health platform, platforms for intermediaries or platforms for insurers. Creativity is infinite.



INTERNATIONALIZATION

We had to answer the question of whether an insurtech should be on a country map. For example, is an “enabling” insurtech from Europe that works with an insurer from Peru an insurtech from Peru?

In the same way that we had to define what an insurtech is, we now take a criterion to define what an Insurtech of a country is. In the event that the enterprise is from the country, it is easy, now by definition, insurtechs are multi-countries, therefore, to be included in the map of a country it must have a company name or business and service teams in the country. **This definition is questionable especially in the post-covid world where borders have less relevance than before but so far it makes sense.**

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