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Institute of Financial Services Zug IFZ

IFZ InsurTech Report 2023/2024

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The IFZ Insurance Summit of the Institute of Financial Services Zug IFZ of the Lucerne School of Business delivers practical insights as well as information on the development and strategic focus of individual players in the Swiss insurance industry. In addition to the presentation of the new edition of the IFZ Insurance report, invited speakers and experts will share and discuss their view on the current development in the insurance sector.

Date: May 15th 2025
Location: Campus Rotkreuz
Intended Audience: insurance specialists and executives from financial institutions and service providers

Information and registration at:

https://www.hslu.ch/de-ch/wirtschaft/agenda/veranstaltungen/2025/05/15/insurance-summit

Contents

Executive Summary

This year marks the third edition of the IFZ InsurTech Report. In it, we collect and analyze information about European InsurTech companies which were active in 2023. The definition of the companies in focus remains unchanged: InsurTechs are companies which specialize in providing services for the insurance industry and which leverage technology to do so. However, they do not carry insureds' risk in their books.

The sample this year grew from 598 to 753 active companies. The vast majority were already active in previous years, but had not yet reached sufficient visibility to be included in the analysis. The companies were domiciled in 28 different countries. They were analyzed according to their focus along the value chain and to the technology underlying their market offering, mirroring the approach of previous editions of the IFZ InsurTech Report.

While the pace of company creation has slowed down significantly, InsurTech companies tend to be long-lived, with more than 20 % of the sample older than 10 years. They tend to be concentrated in a few countries, mainly the United Kingdom, Germany, France, and Switzerland. Their focus lies clearly on core insurance activities such as *Marketing & Distribution*, *Product Development*, *Pricing & Underwriting*, and *Claims & Customer Service*. The preferred technology solution is *Process Digitization/Automation/Robotics*. The results are roughly consistent across Europe, with Switzerland tending to more broadly-based across different technology solutions.

The InsurTech landscape remains somewhat opaque, demanding significant effort to collect and validate the companies to be included in the report. Thus, the IFZ InsurTech Report 2023 provides a valuable addition, serving as an essential reference document within this context.

We hope you enjoy reading this report and find it informative!

Dr. Carlo Pugnetti   Prof. Dr. Florian Schreiber
Lecturer   *Insurance Lead*

1. InsurTech Ecosystems

1.1.   Definition of the Term InsurTech

In this report, we rely on the following definition of InsurTech:

💡 | InsurTech is defined as technological solutions for innovative products, services, and processes which improve, complement, and/or disrupt existing offerings in the insurance industry. InsurTech companies are firms whose main activities, core competencies, and/or strategic focus lie in developing those solutions.

Hence, in order to be classified as an InsurTech company, a firm must offer insurance-specific solutions, demonstrate a certain level of innovation, and be technology-based. In addition, firms must provide these services to insurance companies rather than being an insurer themselves. If a company retains a significant tranche of the risk, they are categorized as digital insurers or classical insurers and are not included in this study. These two categories are the focus of other annual reports by the Institute of Financial Services Zug IFZ. In order to be added to our database, the organization must be recorded in the commercial register of one of the countries of the European Union, Switzerland, Liechtenstein, the United Kingdom, or Norway. Lastly, we limit our attention to businesses that maintain an active website, allowing us to collect and analyze publicly available data. According to our definition, several companies from the FinTech, HealthTech, PropTech, LegalTech, etc. landscapes are not included, as their primary business focus does not lie in insurance.

1.2.   Framework to Classify InsurTechs

The criteria provided in Section 1.1 allow the identification of the organizations in scope for the report. However, a more detailed structure is required to pro-

vide a better basis for analysis and comparisons among clusters. For this purpose, we propose the architecture shown in Figure 1.1. The value chain focus is presented on the horizontal axis, while the technology solutions employed by InsurTech companies are presented on the vertical axis. The technology dimension is ranked, with the sequence from top to bottom representing the level of innovation, measured in terms of maturity.

Within the value chain dimension, companies are categorized according to the specific part of the value chain to which their solutions contribute. Consequently, each company is allocated to one or more of the following categories: *Marketing & Distribution (M&D)*, *Product Development, Pricing & Underwriting (PD&UW)*, *Claims & Customer Service (CS)*, *Asset Management (AM)* or *Infrastructure (Inf)*. These segments of the value chain are depicted in varying shades of blue in the following figures. Abbreviations are always used when there is not enough space to write out the entire text.

The companies in the *Marketing & Distribution* category provide marketing solutions or distribution channels for insurance companies, whereas the *Product Development, Pricing & Underwriting* category comprises InsurTechs that offer products or services to insurance companies in either product development, pricing, or underwriting. Moving forward, *Claims & Customer Service* consists of companies that provide claims management solutions and enhanced customer service effectiveness and efficiency for insurers. Startups categorized under *Asset Management*, on the other hand, deliver solutions for asset management and/or asset liability management. Finally, we allocate companies that provide broader insurance and technology platforms to the *Infrastructure* category.

Companies active in multiple parts of the value chain are assigned to all relevant categories. Consequently, the total count of InsurTech companies across all segments of the value chain exceeds our sample size (as
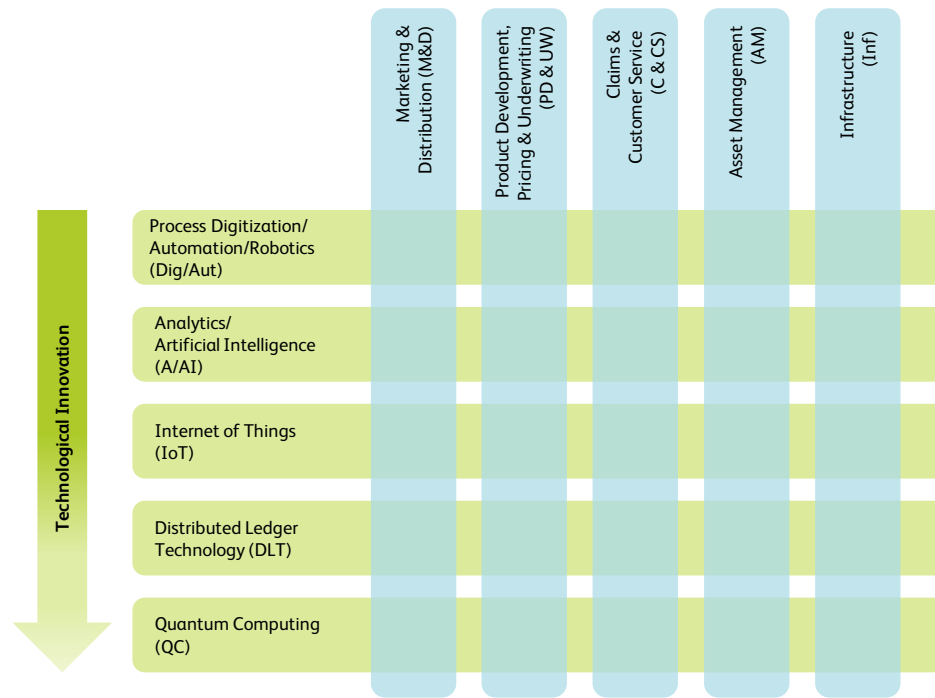
Figure 1.1: The InsurTech Grid by value chain and technology

some of them are counted twice or even three times). Therefore, the figures in the illustrations along value chain elements do not add up to 100 %. This marks a significant departure from the previous editions of the IFZ InsurTech report, making direct comparisons between the 2023/24 edition and previous years not possible.

The second area, technology, aims to classify the InsurTech companies identified according to their primary technology. This area consists of the following five categories: *Process Digitization/Automation/Robotics (Dig/Aut)*, *Analytics/Artificial Intelligence (A/AI)*, *Internet of Things (IoT)*, *Distributed Ledger Technology (DLT)*, and *Quantum Computing (QC)*. Since a distinction between these categories is more obvious than in the value chain area, we refrain from a more detailed explanation. Companies are assigned to one technology category only, with the technology classifications roughly implying increasing degrees of technological sophistication. In contrast to the value chain area, figures along technology therefore add up to 100 %. In the graphs, technology areas are depicted in varying shades of green.

1.3.   Data Collection

Our data set of companies was compiled from a variety of sources. First, we reviewed the InsurTech companies identified in the IFZ InsurTech Report 2022 to ensure they were still active and to detect any changes in a company's business model that warranted reclassification. The website and the entry in the commercial register were checked to determine eligibility for this year's report. This part of the data set was first created in 2021 using databases (Crunchbase; Dealroom.co), newsletters, and several specialized studies as sources. It was then reexamined for the 2022 report. 548 companies were included in the 2023 report from this data set, while 50 companies were deleted. This is mainly due to an inactive website, which signals ceasing or winding down operations. Second, these databases were reviewed for newly-founded companies, or for those that may have been missed in previous years. Third, we researched the InsurTech maps

for all countries in scope published by the respective national InsurTech association, as well as national InsurTech studies. The companies identified were added as appropriate. These last two steps generated an additional 205 companies for the data set, for a total of 753 active companies in the current data set. This is the first year these sources have been included, and their substantial contribution skews the comparison to the previous years. We have therefore opted to limit the year-to-year comparison in the study. Additional sources (ORBIS database, additional InsurTech associations) have been identified but not included in this year's analysis. It is our intention to include these additional sources in the next edition of the report to further enhance the data set.

All company websites were reviewed to verify the following information: i) fit with the definition of InsurTech in Section 1.1, ii) company founding after 2009 and before August 2023, and iii) classification of value chain focus and technology area as described in Section 1.2. In addition, companies were classified according to their Line of Business (LoB) and customer segment focus. LoB can be Property & Casualty (P&C), Life & Health (L&H), and Reinsurance (Re). Customer segments can be Commercial (B2B) or Personal (B2C) lines. Unlike value chain and technology classifications, these last classifications are not mutually exclusive, and a company can be active in several LoBs and for several customer segments. Finally, the companies are classified geographically by market as National or International. The classification was conducted using the expert judgment of the authors and validated with cross-expert comparisons and deep-dive random samples. The information reflects the status of the companies at the time of the analysis in October 2023.

2. The European InsurTech Landscape

In this chapter, we first provide an overview of the European InsurTech landscape along the technology and value chain classifications. We then review the year of incorporation of the InsurTechs which are currently active. Finally, we describe the distribution of the InsurTechs by their line of business, their target customer segments, and their geographic scope of operations.

2.1.   Overview of European InsurTechs

The InsurTech Grid presented in Figure 2.1 shows the distribution of European InsurTechs according to their focus by value chain element and technology area, as per October 2023. Of the 753 companies in our sample, 399 (53 %) concentrate on *Marketing & Distribution*, 280 (37 %) on *Product Development, Pricing &*

Underwriting, and 300 (34 %) on *Claims & Customer Service*. Only some 15 (2 %) of the InsurTechs provide insurance-focused *Asset Management* and *Infrastructure* solutions. This is an indication that the focus is on specific core insurance solutions, while more general infrastructure and asset management functions do not appear to require insurance-specific InsurTech solutions. Approximately two thirds of the startups (499 companies or 66 %) draw on *Process Digitization/Automation/Robotics*, while 216 (29 %) employ *Analytics/Artificial Intelligence*. The remaining 38 InsurTechs (5 %) are engaged in either *Internet of Things* or *Distributed Ledger Technology*. This may indicate an emergent evolution of technology deployment from lower to higher innovation categories.

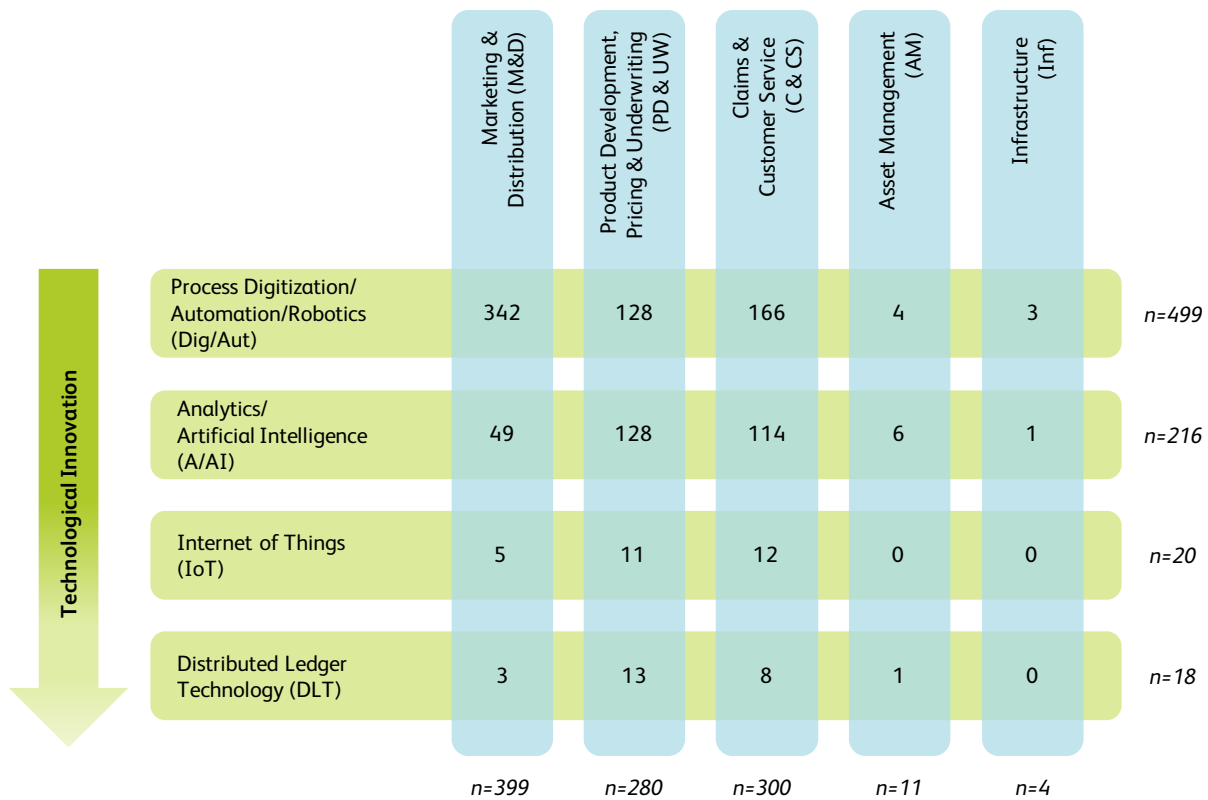| Technological Innovation	Marketing & Distribution (M&D)	Product Development, Pricing & Underwriting (PD & UW)	Claims & Customer Service (C & CS)	Asset Management (AM)	Infrastructure (Inf)	
Process Digitization/ Automation/Robotics (Dig/Aut)	342	128	166	4	3	n=499
Analytics/ Artificial Intelligence (A/AI)	49	128	114	6	1	n=216
Internet of Things (IoT)	5	11	12	0	0	n=20
Distributed Ledger Technology (DLT)	3	13	8	1	0	n=18
	n=399	n=280	n=300	n=11	n=4	

Figure 2.1: Distribution of European InsurTechs along the InsurTech Grid (n=753)

The relative technology mix is also different along the value chain. In *Marketing & Distribution*, 342 (86 %) of the companies focus on *Process Digitization/Automation/Robotics*. This figure drops to 166 (55 %) for *Claims & Customer Service* and to 128 (55 %) for *Product Development, Pricing & Underwriting*. On the other hand, 49 (12 %) InsurTechs rely on *Analytics/Artificial Intelligence* solutions to improve processes in *Marketing & Distribution*. In *Claims & Customer Service* and *Product Development, Pricing & Underwriting*, however, we count a total of 114 (38 %) and 128 (46 %) analytics and AI-driven startups. The remaining two technology categories account for only 24 (9 %) of the companies for *Product Development, Pricing & Underwriting*, 20 (7 %) of the companies for *Claims & Customer Service*, and eight (2 %) of the companies for *Marketing & Distribution*.

In terms of the four technology categories, *Marketing & Distribution* accounts for 342 (69 %) of the 499 companies focusing on *Process Digitization/Automation/Robotics*. Of the remaining InsurTechs, 166 (33 %) and 128 (26 %) are in the areas of *Claims & Customer Service* and *Product Development, Pricing & Underwriting*, respectively. Among the 216 InsurTechs that provide *Analytics/Artificial Intelligence* solutions, 128 (59 %) concentrate on *Product Development, Pricing & Underwriting*, 114 (53 %) on *Claims &*

Customer Service, and only 49 (23 %) on *Marketing & Distribution*. Similarly, the majority of startups offering *Internet of Things* solutions specialize in either *Claims & Customer Service* (12 companies or 60 %) or *Product Development, Pricing & Underwriting* (11 companies or 55 %). Finally, 13 (72 %) of the *Distributed Ledger*-oriented InsurTechs provide solutions for *Product Development, Pricing & Underwriting*.

Figure 2.2 illustrates the distribution of European InsurTech companies by their year of foundation. Prior to 2014, we can observe a relatively stable trend, followed by a rapid acceleration until the peak in 2017 with 117 new companies. Between 2017 and 2021, the number of new InsurTechs is characterized by an equally rapid slow down. Finally, the last two years are marked by even lower numbers, but it is important to interpret these figures with caution, since identifying newly established companies before they introduce offerings to the market is difficult and time-consuming.

The distribution of the companies' focus on stages of the value chain or technology area shows some variation over time, as illustrated in Figure 2.3. However, it is difficult to identify any trends, especially if one disregards the last two years due to their sample size. While there are also variations regarding the distribution of technologies, no clear trend since 2010 can be identified. The premise of this analysis is that technol-
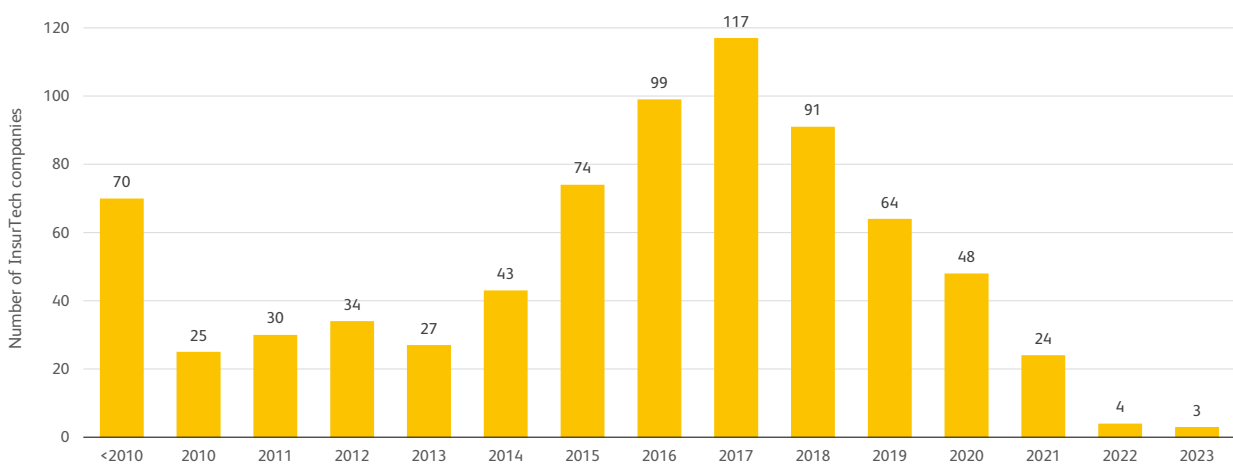

Figure 2.2: Number of InsurTech companies by year of founding

Figure 2.3: Distribution of InsurTech companies by value chain and technology area

ogy areas are ranked in order of increasing innovation. These results, however, show that InsurTechs have not followed this evolution over the last 10+ years. This may indicate that a wave of technological innovation is bypassing insurance-specific solutions. Alternatively, it may mean that the potential for relatively older technologies is not yet exhausted, and meaningful insurance solutions can still be achieved with them.

2.2. European InsurTechs by Line of Business

The distribution of InsurTech companies in Europe by LoB is shown in Figure 2.4. Of the 753 companies identified, 654 InsurTechs offer solutions in Property & Casualty and 407 in Life & Health. Out of these companies, more than 300 are active in both LOBs. A clear minority of 31 companies is active in Reinsurance, establishing a clear focus for InsurTech to support primary insurers. The value chain mix is similar for L&H and P&C, with approximately 40 % in *Marketing & Distribution* and 30 % each in *Product Development, Pricing & Underwriting*, and *Claims & Customer Service*. These figures are lightly skewed towards more emphasis on *Marketing & Distribution* in L&H, likely due to the bigger role that the other steps in the value chain play in P&C. The technology mix is also similar for L&H and P&C, with P&C showing a slightly higher percentage in *Analytics/Artificial Intelligence*. This likely re-

flects the higher focus on *Product Development, Pricing & Underwriting*, and *Claims & Customer Service* in P&C. Both value chain and technology distributions are significantly different for *Reinsurance*. More than 50 % of reinsurance solutions are focused on *Product Development, Pricing & Underwriting*, and more than 60 % leverage *Analytics/Artificial Intelligence*. This reflects the different value proposition of reinsurers.

2.3. European InsurTechs by customer segment

As shown in Figure 2.5, 548 companies are targeting the Business-to-Business insurance transactions as opposed to 326 for Business-to-Consumers, with an overlap of roughly 120 companies which are active in both customer segments. B2B companies are roughly equally split among *Marketing & Distribution, Product development, and Pricing & Underwriting* and *Claims & Customer Service*. In contrast, more than 60 % of B2C companies focus on *Marketing & Distribution* and only just above 10 % on *Product Development, Pricing & Underwriting*. The breakdown by technology also reflects this difference: while 60 % of B2B companies leverage *Process Digitization/Automation/Robotics*, the corresponding share among B2C companies is 84 %. The opposite holds true for *Analytics/Artificial Intelligence* solutions with relative shares of almost 40 % among B2B companies and 11 % among B2C companies.
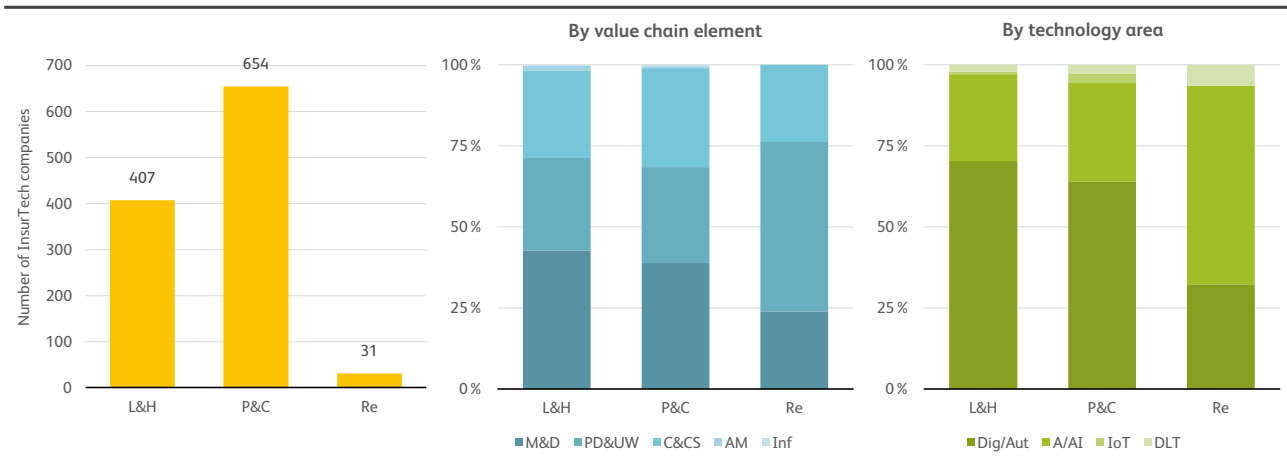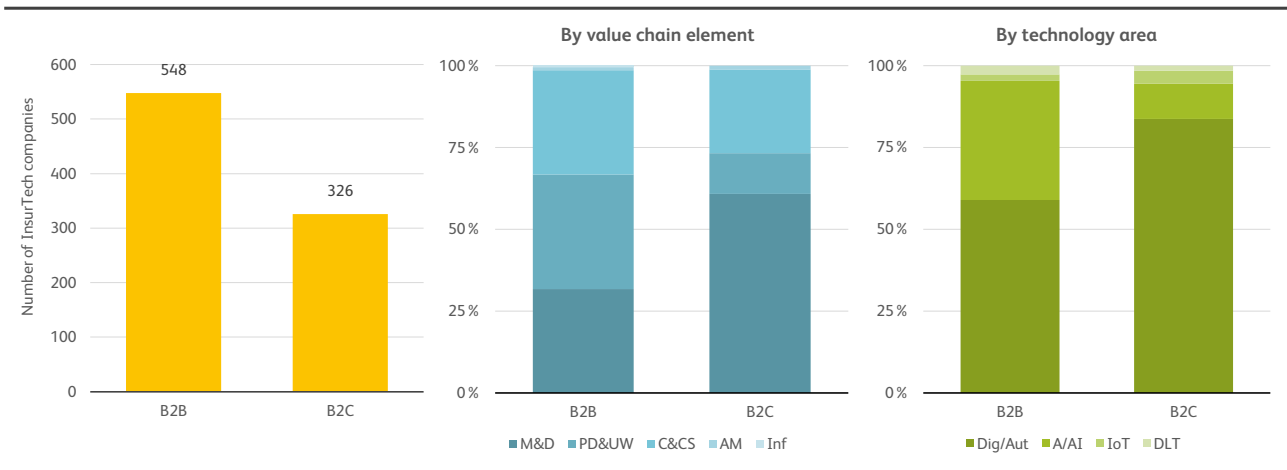
Figure 2.4: InsurTech companies by Line of Business

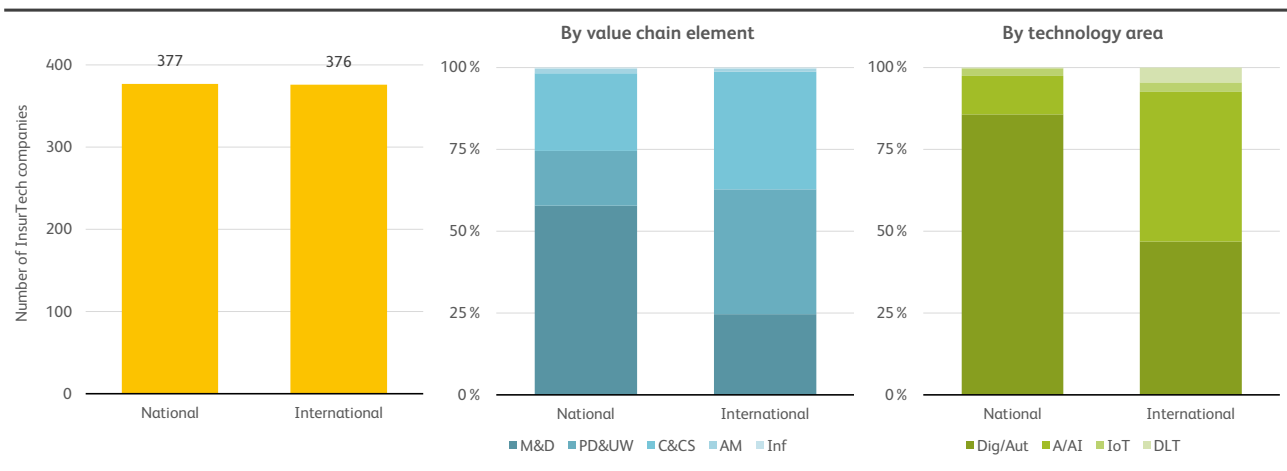
Figure 2.5: InsurTech companies by customer segment

Figure 2.6: InsurTech companies by market

2.4.   European InsurTechs by market

Figure 2.6 shows the breakdown between the different geographical market focuses (International vs. National) for the InsurTech companies in the data set. These are almost exactly evenly split in numbers (377 vs. 376 companies), albeit with significantly different profiles. Looking at the breakdown along the value chain, 60 % of the national companies focus on *Marketing & Distribution* vs. 25 % of the international companies, reflecting the national and language-dependent nature of insurance sales. Conversely, 17 % of national companies focus on *Product Development, Pricing & Underwriting* vs. 38 % of international companies. Finally, 24 % of national companies and 36 % of international companies focus on *Claims & Customer Service*. The split by technology is also substantially different: national companies are overwhelmingly based on *Process Digitization/Automation/Robotics* (86 %), whereas international companies are evenly divided between *Process Digitization/Automation/Robotics* and *Analytics/Artificial Intelligence*. In summary, these results indicate the opportunity for a greater level of scalability across different countries for pricing and underwriting analytical platforms.

2.5.   European InsurTechs by country

All countries polled in this study show some activity in the InsurTech space, as illustrated in Figure 2.7. Most InsurTechs are domiciled in larger countries, with the United Kingdom leading with 194 companies, followed by Germany with 114, and France with 77. Switzerland is in fourth place and continues to have a very vibrant scene for InsurTechs with 66 companies. Spain and Italy receive honorable mentions with 43 and 38 companies, respectively. The second key finding is the geographical spread of InsurTechs in Europe. This indicates a general interest from the market to develop and adopt these solutions and an overall healthy financial and regulatory environment for these companies.

These positive insights notwithstanding, countries show a very different rate of InsurTech activities when scaling the picture to their relative size. Figure 2.8 shows the number of InsurTech companies per million inhabitants by country, with the scale capped at 2.5 companies per million. This figure is double the average for Europe at 1.27 companies per million inhabitants, and it is capped to avoid small countries with few companies and even fewer inhabitants from skewing the picture and therefore the key messages. The results underline that InsurTech companies are partic-
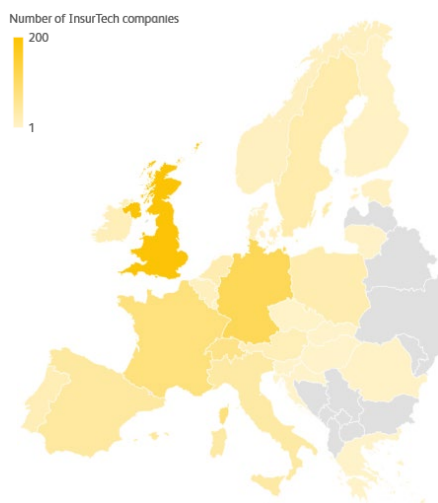

Figure 2.7: Number of InsurTech companies by country
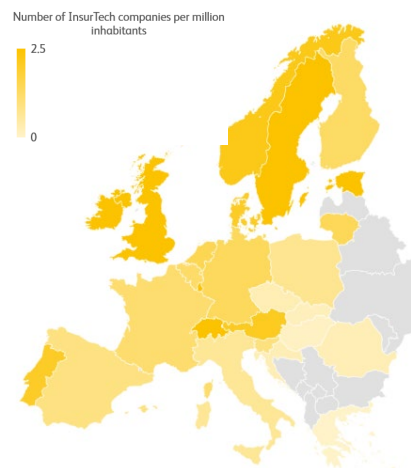
Figure 2.8: Number of InsurTech companies per million inhabitants by country

ularly popular in the United Kingdom, Switzerland, and the Nordic countries. Ireland, Austria, Portugal, and the Netherlands also rank above the average. Among the larger countries, only Germany scores above the continental average. In particular, Eastern Europe does not seem to provide an attractive domicile for InsurTechs. In Chapter 4, we provide a more detailed analysis of the various InsurTech regions.

3. The Swiss InsurTech Landscape

In this chapter, we first provide an overview of the Swiss InsurTech landscape along the technology and value chain classifications. We then review the year of incorporation of the active InsurTechs. Finally, we describe the distribution of the InsurTechs by line of business, customer segment, and geographical scope of operations. For the scope of our analysis, we have also included the two InsurTech companies operating from Liechtenstein in the sample for Switzerland.

3.1. Overall view of Swiss InsurTech landscape

The overall distribution of Swiss InsurTech companies along the two dimensions of value chain element and technology area is shown in Figure 3.1. The sample consists of 66 companies. Of these, 31 InsurTechs (47 %) are active in *Marketing & Distribution*, 27 (41 %) in *Product Development, Pricing & Underwriting*, and 24 (36 %) in *Claims & Customer Service*. For both *Asset Management* and *Infrastructure*, only minimal or no activity was identified. This mirrors the overall distribution for Europe and confirms the dearth of dedicated insurance offers for *Asset Management* and *Infrastructure*. In the technology dimension, 35 (53 %) startups focus on *Process Digitization/Automation/Robotics*, 21 (32 %) on *Analytics/Artificial Intelligence*, and 5 (8 %) each on *Internet of Things* and *Distributed Ledger Technology*. These results also roughly mirror those for the overall European InsurTech landscape, and may reflect

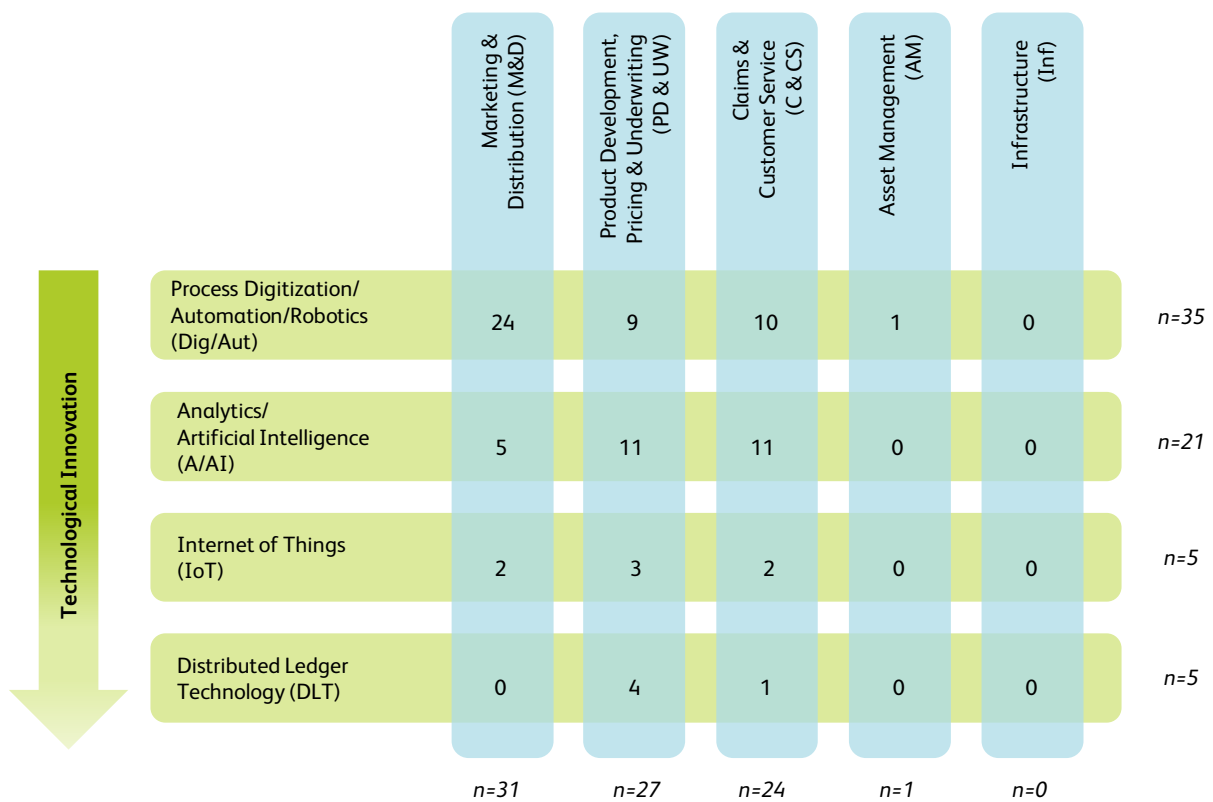| Technological Innovation	Marketing & Distribution (M&D)	Product Development, Pricing & Underwriting (PD & UW)	Claims & Customer Service (C & CS)	Asset Management (AM)	Infrastructure (Inf)	
Process Digitization/Automation/Robotics (Dig/Aut)	24	9	10	1	0	n=35
Analytics/Artificial Intelligence (A/AI)	5	11	11	0	0	n=21
Internet of Things (IoT)	2	3	2	0	0	n=5
Distributed Ledger Technology (DLT)	0	4	1	0	0	n=5
	n=31	n=27	n=24	n=1	n=0	

Figure 3.1: Distribution of Swiss (CH/FL) InsurTechs along the InsurTech Grid (n=66)

a slow evolution of technology towards higher innovation categories.

The relative technology mix is different along the value chain elements. In *Marketing & Distribution*, 24 (77 %) of the companies focus on *Process Digitization/Automation/Robotics*, whereas only 10 (42 %) do so in *Claims & Customer Service*. An even lower figure (9 companies or 33 %) is observed for *Product Development, Pricing & Underwriting*. The picture is reversed for *Analytics/Artificial Intelligence*: 11 companies in this technology area concentrate on *Claims & Customer Service* and on *Product Development, Pricing & Underwriting*, accounting for 46 % and 41 % of these value chain elements, respectively. Only five (16 %) of the companies focusing on *Marketing & Distribution* leverage this technology. The remaining two technology categories taken together accounted for seven (26 %) of the companies in *Product Development, Pricing & Underwriting*, three (13 %) of those in *Claims & Customer Service*, and two (6 %) of those in *Marketing & Distribution*.

Within each technology category, *Marketing & Distribution* accounted for 24 (69 %) of all companies focusing on *Process Digitization/Automation/Robotics*, followed by *Claims & Customer Services* and *Product Development, Pricing & Underwriting* with relative shares of 29 % (ten companies) and 26 % (nine companies),

respectively. Just one company (3 %) focused on *Asset Management*. On the other hand, of the companies drawing on *Analytics/Artificial Intelligence*-based solutions, eleven (52 %) are active in either *Product Development, Pricing & Underwriting* or *Claims & Customer Service*, and a further five (24 %) are active in *Marketing & Distribution*.

Most of the companies leveraging *Internet of Things* and *Distributed Ledger* technology, on the other hand, are active in *Product Development, Pricing & Underwriting* (three companies for 60 % and four companies for 80 % of the sample, respectively). For *Internet of Things*, a further two companies (40 %) operate in each of *Marketing & Distribution* and *Claims & Customer Service*. While these results mirror roughly the overall distribution for European InsurTechs, Swiss InsurTechs tend to be slightly more evenly distributed with respect to their technology focus. This is especially visible in the proportion of companies in the last two technology areas, and will be analyzed in more detail in Section 3.6.

The distribution of Swiss InsurTechs by their founding year, as shown in Figure 3.2, shows a smaller peak in 2011, followed by a larger and more sustained rate of company creation between 2015 and 2019, peaking in the years 2018 and 2019. The number of foundations then drops again, albeit to a rate roughly equivalent to the smaller peak in 2014. The figures for the last two
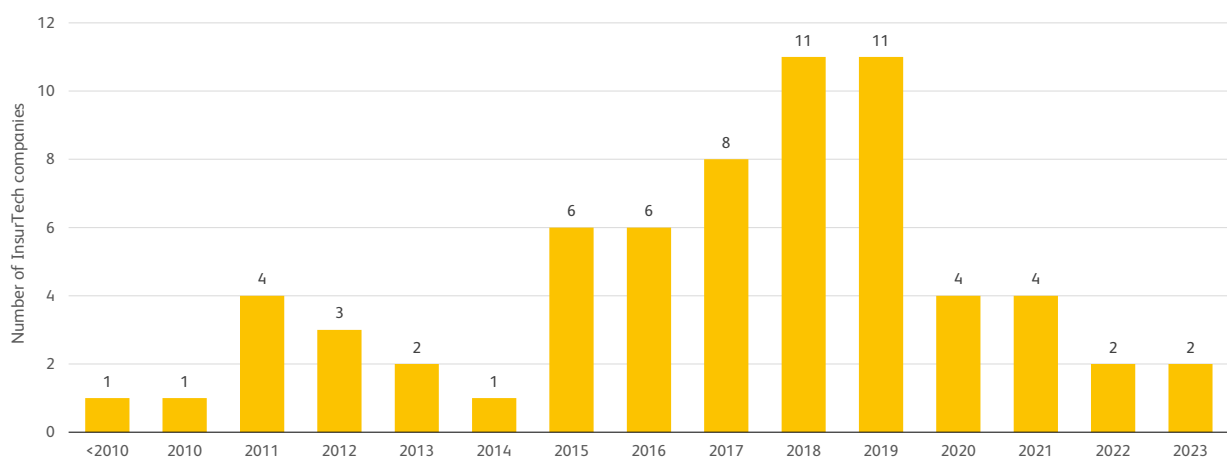

Figure 3.2: Swiss (CH/FL) InsurTech companies by year of founding

Figure 3.3: Swiss InsurTech companies by value chain and technology area

years are probably underestimated, as it is difficult to collect information on companies that are not yet active on the market. This distribution is similar to the rest of Europe. However, Switzerland shows lower relative activity prior to 2010 and a peak in activity delayed by one to two years.

There are significant variations in the value chain element focus over time, as shown in Figure 3.3. Like in Europe, however, it is difficult to identify a clear trend. The picture is also unclear with regard to the technologies adopted.

3.2. Swiss InsurTechs by Line of Business

The vast majority of the 66 Swiss InsurTechs are active either in Property & Casualty (58) or Life & Health (44), as shown in Figure 3.4. Of these, 36 are active in both LoBs. Only three companies are active in Reinsurance. The distribution along the value chain is comparable for both P&C and L&H, with around one third of the companies operating in each of the areas of *Marketing & Distribution*, *Product Development*, *Pricing & Underwriting*, and *Claims & Customer Service*. InsurTechs targeting Reinsurance do not include *Claims & Customer Service*. The distribution of technology solutions is also similar for P&C and L&H, with more than half of the solutions in *Process Digitization/Automation/Robotics*, and around one third in *Analytics/Artificial Intelligence*. However, P&C has a

slightly higher proportion of *Internet of Things* and *Distributed Ledger Technology*. The technology for Reinsurance matches the value chain focus, with one third in *Process Digitization/Automation/Robotics*, and two thirds in *Analytics/Artificial Intelligence*. These data are generally consistent with those for Europe.

3.3. Swiss InsurTechs by customer segment

As shown in Figure 3.5, almost 90 % of Swiss InsurTechs (57 companies) offer solutions for Business-to-Business interactions, while only just above one third offer solutions for Business-to-Consumer processes. These two groups differ significantly with regards to their value chain focus, with B2B companies distributed evenly between *Marketing & Distribution*, *Product Development*, *Pricing & Underwriting*, and *Claims & Customer Service*. On the other hand, among the B2C-oriented startups, *Marketing & Distribution* accounts for around one half of the companies, with the rest evenly distributed between *Product Development*, *Pricing & Underwriting*, and *Claims & Customer Service*. From a technology perspective, around half of B2B and B2C companies utilize *Process Digitization/Automation/Robotics*. The remaining half is accounted for by *Analytics/Artificial Intelligence*, whereby this share is relatively higher for B2B companies (35 %) and lower for B2C companies (25 %).
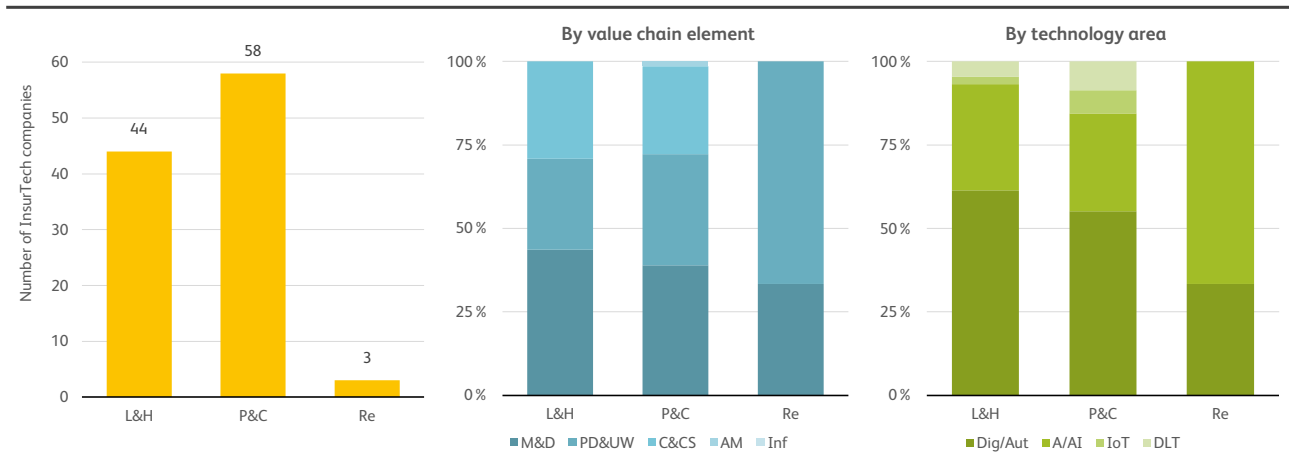
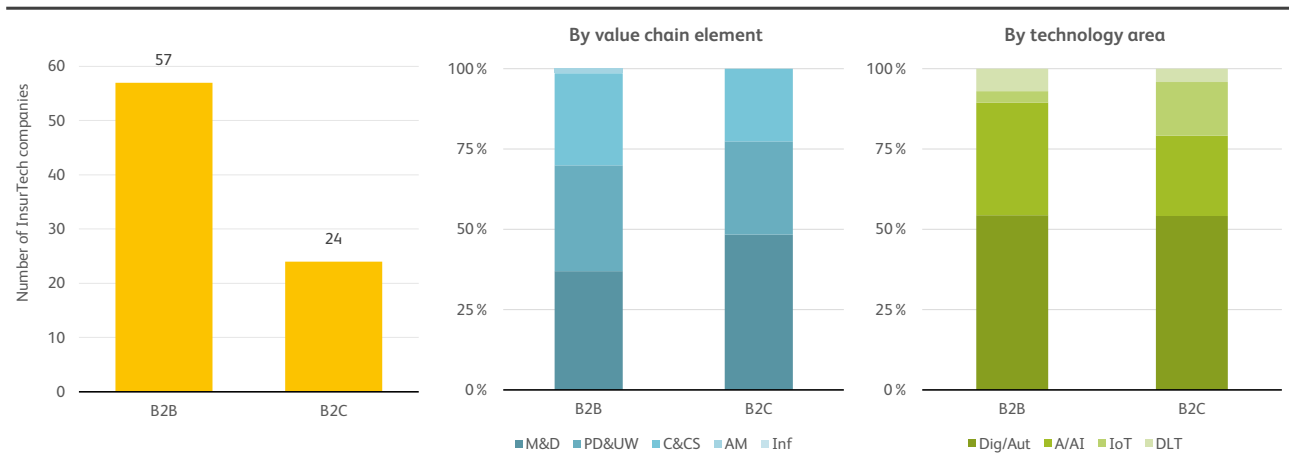Figure 3.4: Swiss InsurTechs by Line of Business

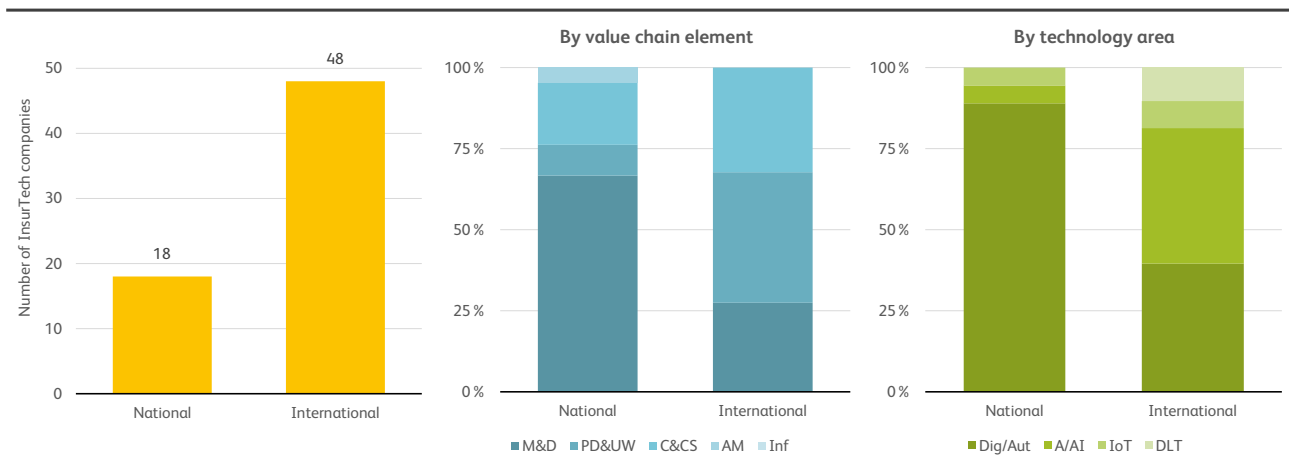Figure 3.5: Swiss InsurTech companies by customer segment

Figure 3.6: Swiss InsurTech companies by market

The remainder of the companies tend to draw on *Internet of Things* solutions. While we see that Swiss B2B companies are similar to European InsurTechs in both dimensions, Swiss B2C companies differ significantly. That is, they are more evenly distributed across the different elements of the value chain and of the technology areas.

3.4.   Swiss InsurTechs by market

Almost three quarters of Swiss InsurTechs operate internationally, while the remaining quarter focuses on the domestic market, as shown in Figure 3.6. The focus among the nationally-oriented companies lies predominantly in *Marketing & Distribution*, with around one fifth concentrating on *Claims & Customer Service*. The value chain focus is more evenly distributed among international companies, with around one third in each of *Marketing & Distribution*, *Product Development, Pricing & Underwriting*, and *Claims & Customer Service*.

The domestic companies rely almost entirely on *Process Digitization/Automation/Robotics* technology, while international companies use *Digitization/Automation/Robotics* and *Analytics/Artificial Intelligence* at around 40 % each. The remainder is evenly split between *Internet of Things* and *Distributed Ledger*. These results are in line with the broader European InsurTech scene.

3.5.   Swiss InsurTechs by Canton

Swiss InsurTechs are mainly domiciled in two Cantons. Table 3.1 shows that a total of 39 companies (59 %) have their headquarters in the canton of Zurich and eleven (17 %) are based in the canton of Zug. The remaining 16 InsurTechs are distributed across nine cantons and Liechtenstein, with no canton accounting for more than four companies. This distribution reflects the presence of insurance companies (Zurich) or an advantageous tax regime (Zug) rather than the size of the canton. The density of companies per million inhabitants, therefore, varies considerably between the cantons, from over 80 in Zug to single-digit figures. Moreover, the canton of Zug is also home to Crypto Val-

ley. This creates a virtuous circle of capital and talent and is another possible explanation for the high rate of InsurTechs choosing the canton of Zug.

Canton	Number of InsurTechs	Number per million inhabitants
Zurich	39	24.7
Zug	11	83.9
Basel City	4	20.3
Geneva	3	5.8
Liechtenstein	2	50.9
Fribourg	1	3.0
Glarus	1	24.1
Grisons	1	4.9
Solothurn	1	3.5
St. Gallen	1	1.9
Ticino	1	2.8
Vaud	1	1.2
Total	**66**	**13.1**

Table 3.1: Swiss InsurTech companies by domicile

3.6.   Swiss InsurTechs in comparison to Europe

The Swiss InsurTech scene is different from its European counterpart. Not only is it much more focused on addressing international insurance markets, but it also does so with a different focus on stages of the value chain and technology, as Figure 3.7 shows. Swiss companies place considerably less emphasis on *Process Digitization/Automation/Robotics* and more on all other, more innovative technologies. The relative weighting of *Internet of Things (IoT)* and *Distributed Ledger Technology*, with +5 percentage points, is unique among the countries in our sample. The focus on the stages of the value chain is also slightly different, with more companies offering solutions for *Product Development/Pricing/Underwriting* than their European peers.
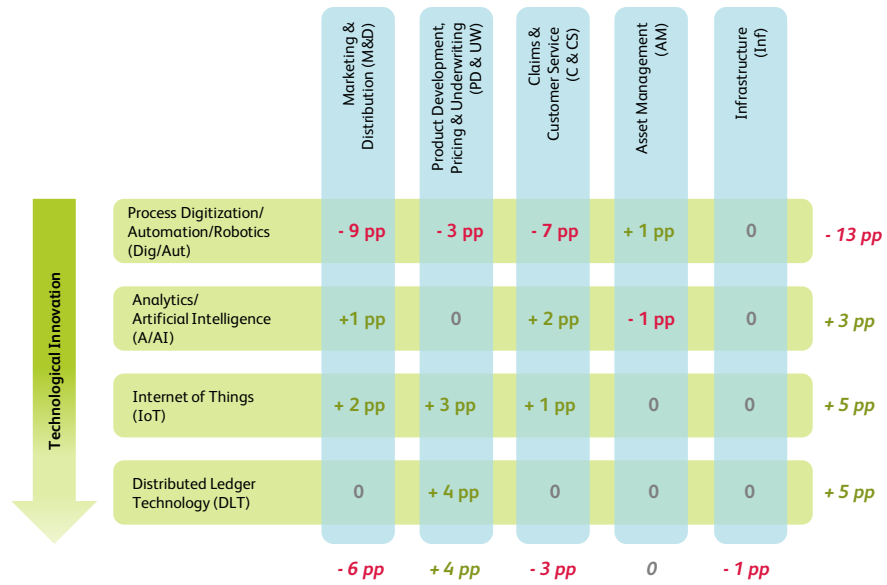
Technological Innovation	Marketing & Distribution (M&D)	Product Development, Pricing & Underwriting (PD & UW)	Claims & Customer Service (C & CS)	Asset Management (AM)	Infrastructure (Inf)	
Process Digitization/ Automation/Robotics (Dig/Aut)	- 9 pp	- 3 pp	- 7 pp	+ 1 pp	0	- 13 pp
Analytics/ Artificial Intelligence (A/AI)	+1 pp	0	+ 2 pp	- 1 pp	0	+ 3 pp
Internet of Things (IoT)	+ 2 pp	+ 3 pp	+ 1 pp	0	0	+ 5 pp
Distributed Ledger Technology (DLT)	0	+ 4 pp	0	0	0	+ 5 pp
	- 6 pp	+ 4 pp	- 3 pp	0	- 1 pp	

Figure 3.7: Distribution of Swiss vs. European InsurTech companies

4. Regional Characteristics of the European InsurTech Landscape

The European InsurTech landscape varies considerably depending on the country in which the companies are based. In this section, we group the countries by region to mitigate the effect of small sample sizes and analyze the differences in the ecosystem. The regions are compared and contrasted, both along the elements of the value chain and the technology areas.

The countries with the largest number of companies (United Kingdom, Germany, Switzerland, and France) are analyzed separately. The remaining countries are divided into four regions: Nordic countries, Western Europe, Southern Europe, and Eastern Europe, as shown in Figure 4.1. Finland, Sweden, Norway, and Denmark form the Nordic countries. Italy, Spain, Portugal, and Greece are grouped together as Southern Europe. Western Europe includes Ireland, the Netherlands, Bel-

gium, Luxembourg, and Austria. Eastern Europe comprises the Baltic States, Poland, the Czech Republic, Slovakia, Hungary, Romania, Slovenia, and Croatia. Due to the number of companies in both Germany and Switzerland, we have decided not to create a DACH region. The data for Liechtenstein has been combined with that for Switzerland.

4.1.   Regional focus by value chain

Figure 4.2 illustrates that *Marketing & Distribution* is a particular focus in France and Southern Europe. In these two regions, this stage of the value chain is 21 and 19 percentage points above the European average. Germany and the Nordic countries are also above the European average, albeit in the low single-digit range. Eastern Europe is slightly below the average,
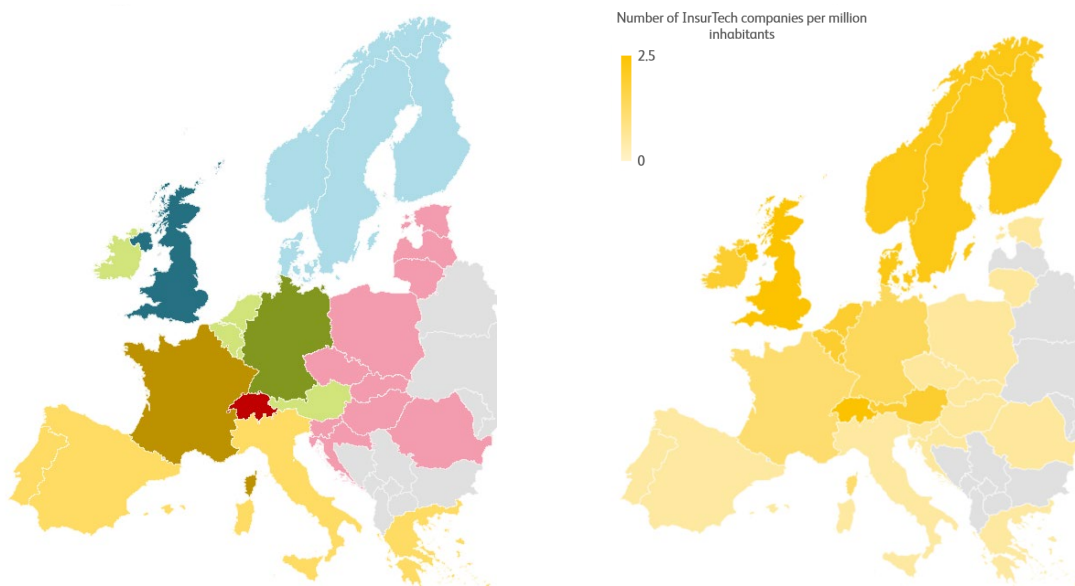

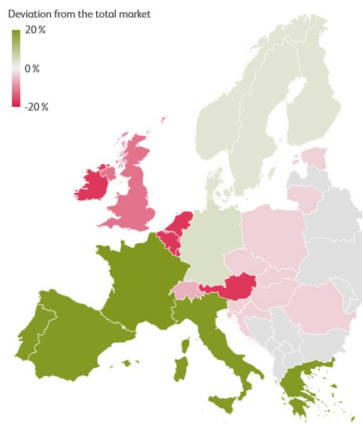Figure 4.1: Regional segmentation and company density per region

Figure 4.2: Regional focus for Marketing & Distribution (delta in percentage points)

Figure 4.3: Regional focus for Product Development, Pricing & Underwriting (delta in percentage points)

as is Switzerland. The United Kingdom and the rest of Western Europe are underrepresented in this stage of the value chain in the double-digit range.

The United Kingdom and Western Europe focus particularly on *Product Development, Pricing & Underwriting* as can be seen from Figure 4.3. In the UK, this stage of the value chain is 13 percentage points above the European average, in Western Europe nine percentage points, and in Switzerland four percentage points. The rest of Europe is below the average, with France and the Nordic countries below it by double digits.
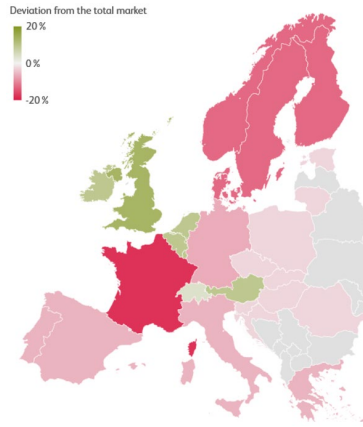
Figure 4.4 shows that *Claims & Customer Service* is more important in Western and Eastern Europe, albeit only by six percentage points in both cases. The other regions are slightly below average, with a similar margin. The outlier is France, where *Claims & Customer Service* is 13 percentage points below the European average.

The analysis for the remaining two elements of the value chain has been omitted from this report, as the overall focus among European InsurTechs is quite narrow.
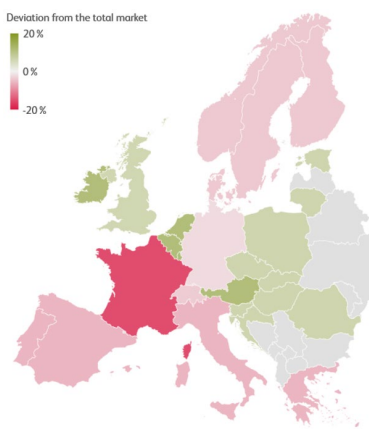

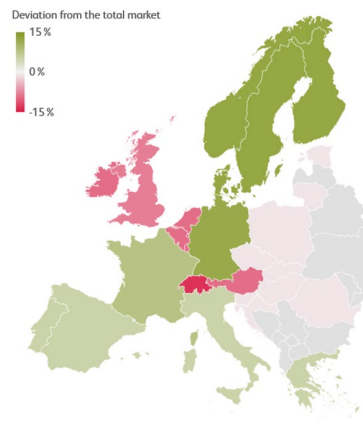Figure 4.4: Regional focus for Claims & Customer Service (delta in percentage points)

Figure 4.5: Regional focus for Process Digitization/Automation/Robotics (delta in percentage points)
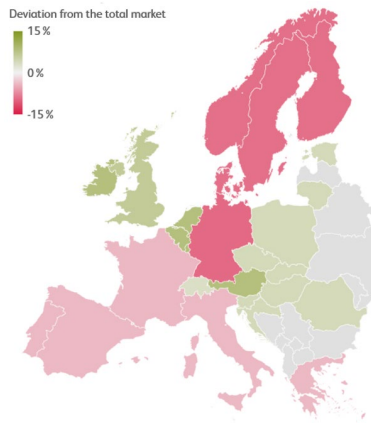
Figure 4.6: Regional focus for Analytics/Artificial Intelligence (delta in percentage points)

4.2.   Regional focus by technology area

In both Germany and the Nordic countries, the focus is on *Process Digitization/Automation/Robotics*, as shown in Figure 4.5. In both regions, this technology takes center stage, with 12 percentage points more than the European average. In France, the figure is eight percentage points and in Southern Europe five percentage points. Eastern Europe is just below the European average. In the rest of Europe, this technology is significantly less popular in relative terms: by -8 percentage points in the United Kingdom, -9 percentage points in Western Europe, and -13 percentage points in Switzerland.

The regional profile for *Analytics/Artificial Intelligence* is considerably different, as shown in Figure 4.6. In Western Europe, the focus on this technology is eight percentage points higher than the European average, in the United Kingdom by six percentage points, and in Eastern Europe and Switzerland by three to four percentage points. France and Southern Europe are slightly below the average. Germany and the Nordic countries, on the other hand, are nine percentage points below the average.

The regional analysis for the remaining two technologies is influenced by the relatively low frequency of adoption of these two technologies in the market. Regarding *Internet of Things* (Figure 4.7), Switzerland
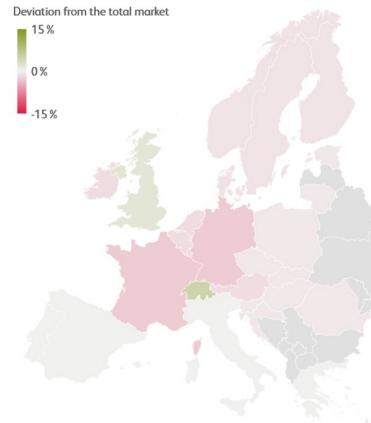
Figure 4.7: Regional focus for Internet of Things (IoT) (delta in percentage points)

stands out with an implementation rate more than twice as high as the market, but a moderate deviation of five percentage points. Germany and France, on the other hand, are three percentage points below the European average with almost no companies drawing on this technology.

A similar picture emerges for *Distributed Ledger technology*. Switzerland is well above the continental rate and five percentage points above in absolute terms. There is also some activity in Western Europe, but almost none in Eastern Europe and the Nordic countries (Figure 4.8).

Figure 4.8: Regional focus for Distributed Ledger Technology (delta in percentage points)

5. Conclusions and Outlook

The 2023 edition of the IFZ InsurTech Report highlights several significant insights for the InsurTech community and the insurance industry overall.

Widely distributed footprint: while the top three countries (the United Kingdom, Germany, and France) account for just over half of all InsurTech companies, all 28 countries in the sample we analyzed were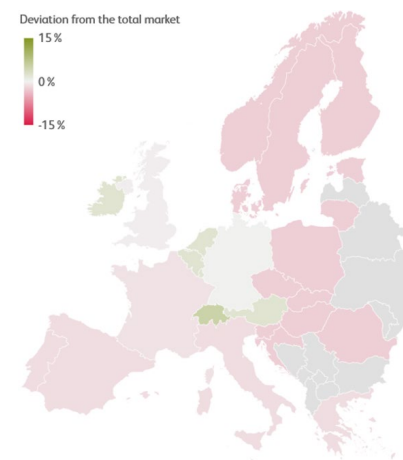 home to at least one InsurTech. Notably, especially relative to country size, InsurTechs are domiciled widely across Europe, with healthy ecosystems particularly in the Nordic countries and Switzerland. In addition, more companies are pursuing an international strategy than a national one. This indicates a broad interest in the sector and a healthy environment for innovation.

Slowing pace of company creation, but long staying power: The rate of company creation has decreased by three quarters since its peak in 2017 and is now back to the long-term rate of 20-30 new companies per year. This may be due to the normal cyclicality in company creation, which depends on the availability of funding and technological innovation. On the other hand, more than 20 % of the companies in our sample are older than ten years, indicating a relative long-term stability in this market.

Focus on core insurance processes: Most InsurTech startups concentrate on three core components of the insurance value chain for specialized solutions. *Marketing & Distribution* solutions tend to be geared towards B2C customers and have a national focus. *Product Development, Pricing & Underwriting*, on the other hand, have a clear international focus, while *Claims & Customer Service* is more or less evenly distributed across several categories of the analysis. We found only few insurance-specific solutions for *Asset Management* and *Infrastructure*.

Slower pace of technology adoption: Most of the companies surveyed are focusing on the first areas of technological innovation. These are *Process Digitization/Automation/Robotics* and *Analytics/Artificial Intelligence*. The former is particularly popular for customer-facing processes, while the latter is more often used to improve product and claims processes. *Internet of Things* and *Distributed Ledger Technology* accounted for less than 5 % of the companies in our sample, and this figure is not evolving over time.

This may be interpreted in several ways. The first interpretation is that the value-adding potential of more mature technologies has not yet been fully captured due to the long product and regulatory cycles in the insurance industry. There is therefore still little need for the introduction of new technologies. On the other hand, it could be that insurance does not offer the most compelling business case for early adoption, so that other industries are being targeted first by new market entrants.

Regional differences: The European InsurTech scene is not homogeneous. Southern Europe and France are particularly focused on *Marketing & Distribution*, but not on *Claims & Customer Service*. In terms of technology, the focus is on the use of *Process Automation/Digitization/Robotics*. Germany and the Nordic countries also draw on this technology extensively. The United Kingdom and Western Europe are more reliant on *Analytics/Artificial Intelligence* and focus more on *Product Development/Pricing/Underwriting*. Together with Eastern Europe, they are also more focused on *Claims & Customer Service*.

Switzerland plays an important role: Switzerland's profile in the InsurTech sector is unique. First, it has the highest rate of company creation among the larger countries. Second, it has the most balanced portfolio in terms of technology areas and elements of the value chain. This points to some of Switzerland's key advantages: a stable and low-tax environment which, combined with a large and successful local insurance indus-

try, incentivizes both locally focused solutions and the establishment of larger international offerings. However, these findings must be tempered by the relatively higher visibility of Swiss companies for the authors, which makes it easier to include lesser known and newer companies in the sample.

Lack of transparency: The sources for the report continue to be fragmented. In addition to some broader databases, there are several reports and InsurTech maps, each focusing on a different country and often written in the national language. Moreover, the information available varies widely and reflects the marketing focus of individual companies. Information often only becomes available when companies start to become active with products and not when they are founded. The very low number of new companies in 2022 and 2023 is probably at least partly due to this phenomenon. This increases the importance of this report as a snapshot of the InsurTech space.

Appendix: Overview country and absolute numbers of each dimension

Region	N	Density	M&D	PD&UW	C&CS	AM	Inf	Dig/Aut	A/AI	IoT	DLT
UK	**194**	**2.88**	**80**	**98**	**89**	**1**	**2**	**113**	**68**	**9**	**4**
Germany	**114**	**1.36**	**65**	**35**	**43**	**3**	**1**	**89**	**22**	**0**	**3**
France	**77**	**1.13**	**57**	**15**	**19**	**2**	**0**	**57**	**19**	**0**	**1**
Switzerland, FL	**66**	**7.49**	**31**	**27**	**24**	**1**	**0**	**35**	**21**	**5**	**5**
Southern Europe	**105**	**0.52**	**76**	**33**	**36**	**0**	**0**	**75**	**26**	**3**	**1**
Spain	43	0.90	33	14	16	0	0	30	12	1	0
Italy	38	0.64	27	13	12	0	0	26	9	2	1
Portugal	21	2.01	13	6	8	0	0	16	5	0	0
Greece	2	0.02	2	0	0	0	0	2	0	0	0
Cyprus	1	1.10	1	0	0	0	0	1	0	0	0
Western Europe	**84**	**1.90**	**30**	**39**	**43**	**0**	**0**	**48**	**31**	**1**	**4**
Netherlands	26	1.47	11	10	14	0	0	18	7	0	1
Austria	19	2.10	6	7	11	0	0	12	7	0	0
Ireland	19	3.73	6	9	8	0	0	12	5	1	1
Belgium	14	1.20	5	8	7	0	0	4	9	0	1
Luxembourg	6	9.19	2	5	3	0	0	2	3	0	1
Nordics	**61**	**2.23**	**34**	**15**	**22**	**4**	**1**	**48**	**12**	**1**	**0**
Sweden	30	2.86	13	7	11	4	0	22	7	1	0
Norway	12	2.20	8	3	6	0	1	11	1	0	0
Denmark	12	2.03	9	2	2	0	0	11	1	0	0
Finland	7	1.26	4	3	3	0	0	4	3	0	0
Eastern Europe	**52**	**0.56**	**26**	**18**	**24**	**0**	**0**	**34**	**17**	**1**	**0**
Poland	27	0.71	16	10	10	0	0	17	9	1	0
Estonia	8	5.93	2	3	6	0	0	5	3	0	0
Romania	5	0.26	2	3	4	0	0	4	1	0	0
Lithuania	4	1.41	2	0	2	0	0	3	1	0	0
Czech Republic	3	0.28	1	0	2	0	0	1	2	0	0
Slovenia	2	0.95	1	1	0	0	0	2	0	0	0
Hungary	1	0.10	1	0	0	0	0	1	0	0	0
Slovakia	1	0.18	1	0	0	0	0	1	0	0	0
Croatia	1	0.26	0	1	0	0	0	0	1	0	0
Total	**753**	**1.27**	**399**	**280**	**300**	**11**	**4**	**499**	**216**	**20**	**18**

Density = Number of InsurTech companies per million inhabitants
M&D = Marketing & Distribution, PD&UW = Product Development, Pricing & Underwriting, C&CS = Claims & Customer Service, AM = Asset Management, Inf = Infrastructure,
Dig/Aut = Process Digitization/Automation/Robotics, A/AI = Analytics/Artificial Intelligence, IoT = Internet of Things, DLT = Distributed Ledger Technology

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Acknowledgements

We would like to thank our partners for their advice and financial support. Special thanks go to Ersilia Perpignano for her invaluable work in researching and analyzing the data.