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SPECIAL REPORT

INSURTECH

2020

How agents and brokers can take advantage of the technology that's transforming insurance

INSURTECH 2020



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How are insurtechs poised to transform the insurance ecosystem in 2020 and beyond? IBA spoke to leaders at four pioneering companies to find out

FOREWORD BY APPLIED SYSTEMS

INSURTECH IS extremely important to the advancement of the insurance industry, just as new technology is beneficial to any industry. Because insurtechs typically pinpoint a challenge in the market and create a solution, these businesses are critical to creating efficiency and connectivity for stakeholders in the industry. For this reason and several others, we at Applied Systems felt it was important to support and promote the following report, focused exclusively on technology in the insurance industry.

Insurtechs bring innovation to the market and push insurance stakeholders to consistently evaluate their operations and provide solutions in areas that are challenged, enabling more efficiency within the ecosystem and more connectivity between each stakeholder. Through competition, they also drive more innovation among themselves, from which all stakeholders benefit. Some of the most successful insurtechs to date are the ones that focus on fixing broken processes within the existing insurance ecosystem, not the

ones that are disintermediating agents.

While insurtech used to have a negative reputation, being seen in the industry as a group of businesses looking to disintermediate the independent insurance agency channel, today we are seeing more insurtechs that are further enabling the agency channel. It's important for agents and insurers to know the landscape so they can improve their businesses. It's also important for software providers such as Applied to be aware of potential partner opportunities so that customers will always have access to the most valuable resources available. This report examines all aspects of insurtechs – where they've been, where they currently are and where they're going – and provides valuable insight for our industry.



APPLIED

Taylor Rhodes
CEO
Applied Systems

THE EXPERTS



Taylor Rhodes
CEO
**Applied
Systems**

As CEO of Applied Systems, Taylor Rhodes leads Team Applied and is responsible for the company's overall strategy and operational execution. Rhodes joined Applied in 2019 after serving as CEO of SMS Assist, a cloud-based software platform for

multi-site property management. Prior to that, he was CEO of Rackspace, where he led the company's growth from cloud pioneer to industry leader with more than \$2 billion in revenue. Before heading up Rackspace, Rhodes served as a leader in enterprise, financial and corporate strategy roles at Electronic Data Systems Corporation. A former US Marine Corps infantry officer, Rhodes also serves on the boards of directors for Applied, Zenoss and Liquid Web.



Michael DeGusta
CEO
ClarionDoor

Michael DeGusta is CEO of ClarionDoor, a leading cloud digital distribution platform for insurance. After beginning his career building Apple.com, DeGusta

has been a successful entrepreneur and consistent innovator in the insurance software industry. In 1998, he co-founded and served as chief technology officer of eCoverage, the nation's first online auto insurance company. He then co-founded Steel Card, one of the world's first insurtech companies, which was acquired by Insurity in 2006.



Laird Rixford
CEO
**Insurance
Technologies
Corporation**

As CEO of Insurance Technologies Corporation (ITC), Laird Rixford is responsible for providing strategic direction and leadership for the company. He has a proven executive management track record and has

more than 20 years of experience in entrepreneurship and insurance technology. Rixford joined ITC in 2008 as vice president of product development and marketing when ITC acquired his company, Evolution Designs, and its product, Insurance Website Builder. An expert in insurance technology and marketing, Rixford is a recognized public speaker and has presented at industry events across the US.



James Thom
Senior vice president
of corporate
development and
strategy
Vertafore

James Thom leads Vertafore's corporate development team and guides the company's relationship with other insurtech companies through the Orange Partner program. Thom joined Vertafore in 2017 from McKinsey & Company, where he worked in the New York and San Francisco offices.

THE RISE of the insurtech sector has been nothing short of remarkable – insurtech investment reached an all-time high of \$6.37 billion in 2019, according to Willis Towers Watson. That's up from \$347 million in 2012, when insurtech was just beginning to make waves in the industry. It also represents a considerable jump from just a year prior, when the insurtech sector saw \$4.17 billion worth of investment.

As understanding has expanded about how technology and innovation can lend efficiency, value and support across the insurance sector, so have the underlying principles that govern the insurtechs that bring these technologies to the marketplace. Recently, insurtechs have evolved from offering solutions to make processes faster or more accurate to introducing brand-new concepts aimed at revolutionizing how insurance functions.

Digitization and digital transformation have been embraced within the insurance industry, and insurance companies are increasingly looking to form partnerships with insurtechs to either build products together or to purchase technology solutions that they don't have the operational agility or technical ability to build themselves. Such partnerships allow change to quickly and effectively take place in companies where evolution is often slow to occur and can enable conventional insurance companies to focus on the areas where they lend genuine customer value.

Popular areas of innovation

In a recent interview with *IBA*, Srinivas Rao, senior vice president and global head of technology services at Sutherland, outlined how a lack of automation and old-fashioned business practices have not only cost the Lloyd's market money, but have also impacted the reputation and perception of insurance. However, he noted that the industry's digital transformation is rapidly occurring as many insurance companies capitalize on the opportunities granted by data analytics, machine learning and automation.

A recent survey by NTT Data of 100 senior London market syndicates, brokers and managing agents found that the London market is upping its tech investment to main-

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tain its status as a global insurance leader; investment in IT is set to double in the next three years. Two-thirds of the business leaders surveyed said they're concerned about being left behind in modernization.

The report further outlined that 70% of insurance leaders are looking to invest in robotic process automation (RPA) in the future. More than half are focusing their budgets on artificial intelligence and machine learning, and 73% of insurance leaders believe that RPA could dramatically speed up the manual processes that still dominate back-office operations in insurance.

The potential impact of coronavirus

The coronavirus pandemic has affected every element of the insurance value chain, and the continued effects of this crisis will likely be felt by the industry and the wider economy for a long time to come. The outbreak has the potential to highlight the value proposition of

Where is insurtech making the biggest waves in the insurance ecosystem?

Laird Rixford: Insurtech continues to make waves at the carrier level within the industry. As new entrants enter the market that focus on lines of business outside personal insurance, the carriers are taking notice. Insurtech is now coming to commercial, E&S and even reinsurers. How these companies service agents and clients throughout the life cycle – from quoting to claims – is changing through an influx of new ideas coming from insurtech.

Michael DeGusta: Insurtechs are disrupting the way we think about and approach insurance as a whole. They are forcing insurers and software vendors to think differently about how insurance products are developed, marketed and sold, as well as the overall customer experience. For

are either being adopted by agents and brokers to create more efficiency in their operations, or we're seeing larger software providers acquiring these insurtechs.

In December, Applied Systems acquired Indio, one of the fastest-growing insurtechs in North America, to provide customers with a collaborative and automated data capture experience, increasing the velocity of the insurance application and renewal life cycle while lowering costs and reducing the risk of errors and omissions.

James Thom: Insurtech is about improving both internal agency processes and the relationships agents have with the end insured. For Vertafore and our customers, this means better digital experiences, meaningful data and analytics, and improved processes through modern platforms and APIs. In virtually every other area of our lives, "there's an app for that," and there has been for years. Insurance is catching up, with self-service tools that provide superior convenience, improve data capture and reduce the transactional burden in the industry, thereby freeing up time for more high-value activities.

While the insurance industry is packed with data, it hasn't been historically great at leveraging that data end-to-end across the business. Data and the associated analytics can deliver unprecedented insight that benefits all stakeholders in insurance. For example, agents can use data analytics to get a more complete picture of their clients and make sure they have the coverage they need. Carriers and agents can partner together to reduce the number of questions they ask clients when submitting an application and instead leverage third-party data sources.

In terms of improved processes, for years agents have been bogged down with manual, time-consuming busywork that takes them away from serving as advisors to their clients. Absent technology, simply quoting and closing on a policy is a chore of manually entering and re-entering data into multiple systems, toggling between screens and sharing documents back and forth with the client. Modern platforms can automate many of those processes, enabling agents to get back to serving people rather than paperwork. By creating a smooth digital workflow

"Insurtechs are doing the things that insurers have always wanted to do but never could"

Michael DeGusta, Clarion Door

insurtech, which is innately prepared for the operational changes necessitated by the global lockdown.

If the COVID-19 pandemic has demonstrated anything, it's that almost anything can be done online, including insurance transactions. However, insurance agencies, brokers and carriers are still often falling short when it comes to meeting consumer expectations online. Any failings in this regard will become painstakingly clear during the pandemic and will likely push the industry toward greater adoption of technology and digital innovation.

With that in mind, *IBA* spoke to a panel of experts with deep knowledge of the insurtech space to generate an overview of the current landscape. These experts weighed in on six key questions to examine the impact of insurtech, providing a broad overview of the intricacies and capabilities of this exciting new element of the insurance industry.

too long, the insurance industry has been labeled as slow and inefficient, and insurtechs are breaking that mold. Untainted by decades of tradition, insurtechs are taking full advantage of leading-edge technologies and proving to the industry that there is another way of doing business.

One area in particular is the quoting process – insurtechs are taking that entire process to a whole new level, leveraging technology and third-party data sources to minimize consumer inputs and fill in the gaps. The result is an experience where consumers get a full bindable quote in seconds just by entering their name and address. To sum it up, insurtechs are doing the things that insurers have always wanted to do but never could.

Taylor Rhodes: The insurtechs making the biggest difference in the marketplace are the ones that are supporting the agency distribution channel rather than disintermediating it. We are seeing that these insurtechs

system, automation can help the process move faster, reduce E&O exposure and give the agent more time to get to know the needs of their clients.

Why is it important for agents and brokers to engage with insurtech?

LR: Agents and brokers have been using technology in their insurance operations for years. When the initial wave of insurtechs hit, they came with excitement and the opinion that they could disrupt the existing channel of insurance. Now they are all gone. These insurtechs did not understand the insurance industry. They were from outside the industry. The latest wave of insurtechs has been cultivated from within the industry. As these new providers enter, they have a better purview into the industry and are creating ideas that really supplement the existing workflow of insurance instead of disrupting it.

MD: Given the role of brokers, they need access to a variety of insurance products that will meet the needs and demands of their customers. Insurtechs play a crucial role in meeting that demand, not only from a product innovation perspective, but also from a technology and customer experience perspective.

Insurtechs are producing newer products at a pace that traditional insurers just can't keep up with, which explains why so many insurers are investing in insurtech today. Brokers can take advantage of that by teaming up with insurtechs to broaden their portfolio of products. It allows them to tap into markets that they might not have been able to offer before.

Additionally, in light of the wide variety of insurers and systems brokers deal with, they can really struggle to deliver the seamless experience modern consumers expect. This is another area where insurtechs have dove in to help.

TR: Insurtech is bringing new and improved ways of connecting and communicating within the insurance ecosystem. As competition in the industry is only increasing, with changing consumer preferences and new direct-to-consumer competitors, it's



important for brokers to stay aware of the new technology they can adopt to have a competitive advantage. Insurtechs are creating point solutions for the insurance ecosystem, enabling more efficient policy workflows and creating digital ways to communicate and collaborate with insureds and insurers. These solutions provide new opportunities for agents to enhance operational efficiency and their customer experience.

JT: Insurtech isn't just important for independent brokers – it is essential to meet the demands of end insureds and to remain competitive in an industry that is quickly transforming. In a 24/7 digital world, brokers are turning to insurtech for several reasons: It simplifies and automates the insurance life cycle to help agents be more effective, produc-

tive and efficient; it helps the agency grow by providing insight into industry trends and opportunities that can help agencies expand their book of business; and insurance consumers expect modern technology.

The combination of digitally savvy clients, digital-first insurance providers, the modern app-based approach to goods and services, and the growth of on-demand access across all sectors means that consumers expect the same experience even from their hometown insurance agency. They want outstanding service with maximum efficiency, and insurtech allows agents to provide that. At its core, insurance is about service and relationships. Agents must evolve to meet the needs and expectations of the people they serve, and insurtech is a key part of that evolution.

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How is insurtech transforming the customer experience?

LR: Insurtech is not transforming the customer experience. It is adapting to the expectations consumers already have of any technology-enabled service they subscribe to. They want instant, anytime access to whatever they are purchasing. If you are not providing this already, you need to, as the insurtechs are trying to do it for you.

MD: Insurtechs are really resonating with the younger, tech-savvy generations, which is an area where most insurers have struggled. They fully understand today's consumer in that they want the ability to purchase products easily, with simple auto-pay options and killer apps. Consumers don't want to answer a hundred questions to get a quote; they want an experience that's as simple as buying something on Amazon. Insurtechs get that and have structured their products to meet that demand.

TR: We are seeing insurtechs pinpoint

agency and consumer needs and create solutions to continue to transform the customer experience. Insurance is historically an industry that required consumers to either physically go to an insurance agency or call their agent in order to be serviced, but some insurtech models are taking those interactions and making them digital, allowing consumers to have the digital experiences they expect to have in today's environment, enhancing the customer experience and giving agents with this capability a competitive advantage.

JT: Many brokers worry that technology will distance them from their clients, but the reality is that customer engagement is multifaceted. Clients expect to be able to access essential information when they need it, and insurtech solutions enable independent agencies to provide that 24/7, on-demand experience.

Giving clients self-service access makes managing policies, payments and more convenient. In a world where consumers are super busy, anything that makes life easier, more automated and requires less hands-on attention is extremely valuable. Now, instead of

waiting for their broker's office to open, calling and possibly waiting again on hold or for a call back, clients can get the information and documents they need on their own schedule. That DIY capability is empowering, and when clients do need advice, taking these transactional interactions out of the equation elevates the broker's position to one of a trusted counselor, rather than just an ID card dispenser.

But agents are also critical; insurance clients rely on the knowledge and experience agents bring to the table when they are faced with complex decisions or need advice. Insurtech solutions are transforming that part of the customer experience as well by reducing the time agents spend on manual processes and transactional tasks, and by giving them the data and information they need to provide the right information to clients at the right time. Ultimately, insurtech is making the customer experience timelier and more satisfying. Clients get the information they need, and brokers can spend less time pushing paper and more time serving as a trusted advisor.

How are things like artificial intelligence, machine learning and robotic process automation changing the insurance value chain?

LR: These are all areas that extensively assist the carriers and provide minimal value to agents and brokers. Using artificial intelligence and machine learning continues to be an expensive proposition for the everyday agency. Therefore, they must focus on technologies that create better enablement for the sales and service channel. Once this is in place, then an agent can begin using these technologies to analyze their data. Once analyzed, they can begin building processes using robotic process automation to supplement the human component of insurance sales and service without replacing it.

MD: It's great that we're thinking and talking about these technologies, but technologies have the most impact where they are solving real problems insurers have. Some technologies, like RPA, are having more practical use today, while others, like





“The insurtechs making the biggest difference in the marketplace are the ones that are supporting the agency distribution channel rather than disintermediating it”

Taylor Rhodes, Applied Systems

blockchain, are still largely in the speculative stage. There are insurers out there that still cannot launch a cyber product, that cannot have more than one vehicle on an auto policy, and machine learning is not going to help them solve those problems.

Modern insurance is all about data, though, and many insurance professionals are frequently dealing with very specific situations they individually encounter only rarely. This combination should allow machine learning to facilitate and guide many transactions.

With regard to automation, RPA is really backward-looking: How do we automate old

systems that lack modern APIs? We at Clarion Door have always been API-first, and we believe that going forward, the focus should be on automating product change and innovation. Most insurers today are more focused on automating transactions, and while that's good, it really doesn't provide that much value. Where we see the main challenge is in the product life cycle – going from a product model into production. That is the process that tends to take the most time for insurers when speed to market is paramount.

TR: There are exciting opportunities for innovation to further advance the insurance

industry into a better, more valuable ecosystem. Technology like AI, machine learning and analytics is creating even more opportunities to simplify insurance and bring more actionable intelligence into day-to-day operations. By using analytics technology and AI to aggregate data, agencies can speed up internal processes, identify holes in their books of business, map out where customers need them most and more.

There is an enormous amount of data created in the insurance industry on a daily basis. Yet the majority of this data has gone untapped. In Applied's role, we have a unique position to provide industry-wide insights and benchmarks that provide intelligence around areas like pricing, premium renewal rates and product trends. We are also looking at things like bringing AI to an agent's fingertips to recommend the right product – the type of coverage, the amount of coverage, the expected price of that coverage and the optimal provider of that coverage – for each of their prospects and customers at the point

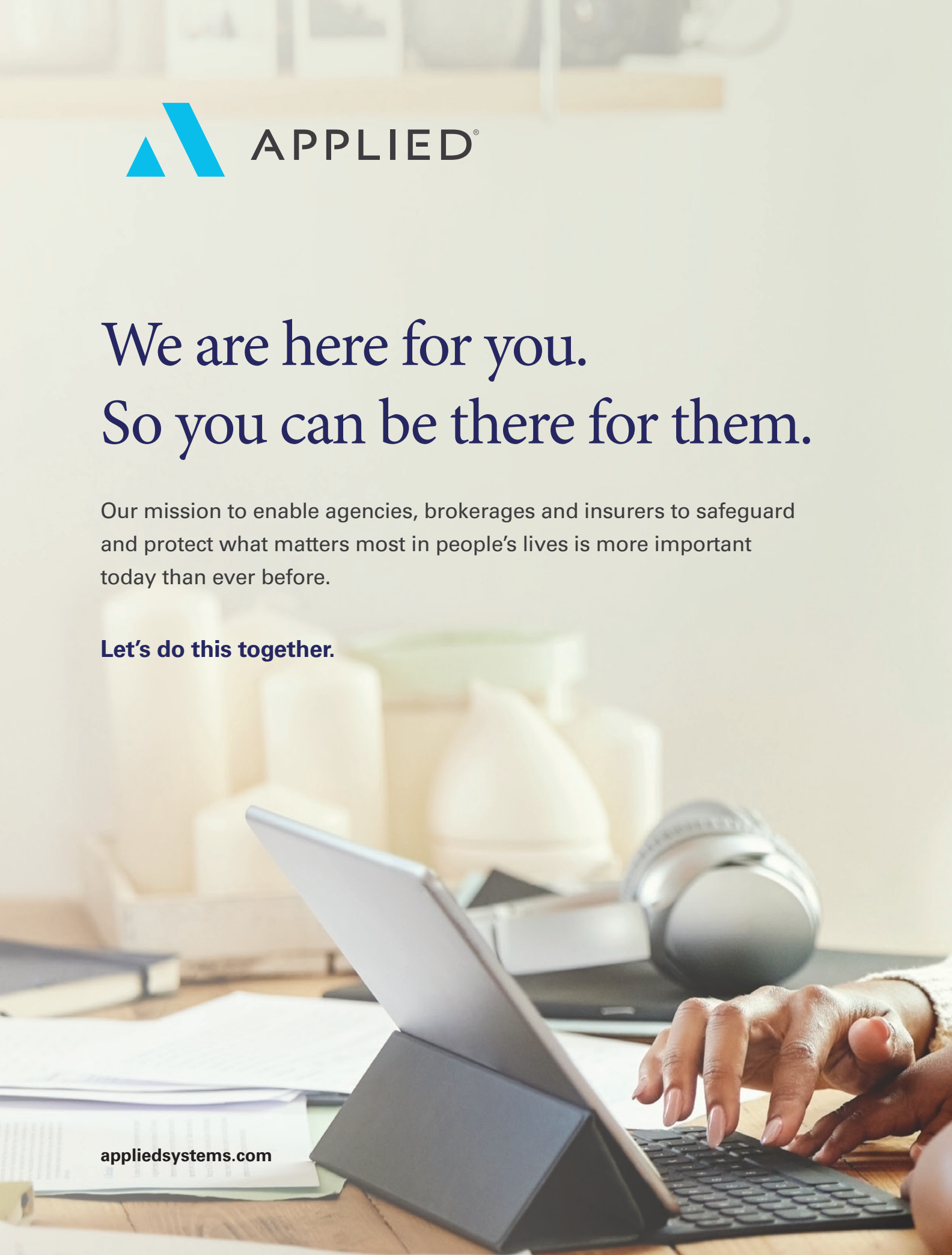


We are here for you. So you can be there for them.

Our mission to enable agencies, brokerages and insurers to safeguard and protect what matters most in people's lives is more important today than ever before.

Let's do this together.

appliedsystems.com





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SOME
THINGS
WORK
BETTER
TOGETHER



of sale. Or machine learning that helps insurers and agencies better align based on size of business opportunities and underwriting focus to mutually drive profitable growth.

JT: Insurance has historically been a very paper-heavy industry with many repetitive and routine tasks. Insurtech has stepped in to help streamline and automate that process with AI, machine learning and robotic process automation, and these solutions are driving several big changes.

With AI solutions and process automation, insurers can handle more work with the same amount of resources. This clears a bottleneck that often causes customer frustration, allowing companies to rapidly screen for fraud and automatically pay some claims instantly.

With the ability to analyze data, carriers and underwriters can better assess the economic value of risk and arrive at appropriate levels of coverage

What should agents and brokers consider when deciding whether to partner with an insurtech firm or solution?

LR: They must always understand that their client is theirs. The first question must be, “How does this technology enrich my client’s experience with me?” Once you can answer that, you can begin looking inward to understand how that technology can build your agency further.

MD: There are many factors that need to be considered when partnering with insurtechs; however, the most important is defining what challenges you have and how this insurtech is going to solve them. It doesn’t make sense to partner with an insurtech just for the sake of partnering or a PR campaign.

“[Consumers] want outstanding service with maximum efficiency, and insurtech allows agents to provide that” **James Thom, Vertafore**

and premium costs for policies. Rather than relying on conjecture and actuarial forecasts, insurers can make decisions on real, documented data. This not only improves the confidence and lowers the risk of decision-making, but also creates more transparency in the relationship with the end insured. Clients can see that carriers are making coverage decisions and setting premium based on objective data rather than hunch and intuition.

With AI, carriers and agents can have a better understanding of each other’s objectives and goals. Agencies can see where carriers have interest in writing new business and can conduct client outreach accordingly. Carriers can see which agencies are having success with certain types of policies and focus their efforts on winning more business with those and providing more support for agencies that could use a boost.

These solutions also remove friction logistically – rather than submitting individual RFPs for new client policies through multiple systems, agencies can submit client data and see a selection of options from multiple carriers all in one place. This speeds the process and helps agents deliver faster, more thorough customer service.

Does the insurtech offer a product that you know is in demand or that might be more competitive than what you’re currently able to offer? We are seeing more insurtechs open up new insurance markets that we have not had before, and this can be a game-changer for many brokers. Access to a variety of more competitive products is the lifeblood for brokers, so if insurtechs have products that can broaden your portfolio, partner with them.

It’s important to ensure that whatever insurtech you are partnering with is structured for the long term, which we call future-proof. The key is to make sure their solution is built with an API-first architecture. Finally, ensure that the insurtech has a smooth and streamlined approach to their business and has the tools to support customers in a modern, efficient way. From a broker perspective, it’s not just about the quality of the products, but ensuring that customers will be satisfied with the overall service.

TR: Before looking for any technology, brokers should consider the problem they’re wanting to resolve and then research which solution would be best for their particular business. Each business has its own workflows, so it’s important to ensure you are choosing the solution that will integrate



well into current processes.

Additionally, ensure you then will be able to get the support needed to implement and learn the new solution. Implementation and learning a new software are critical to the success of a new business process. Just as an agent works to provide the highest level of customer service, a technology company should be delivering a personalized and seamless customer experience as well.

JT: There are a lot of players in the market, and more are emerging every day. Brokers must evaluate solutions based on their needs today and moving forward, not just on what the provider promises. Brokers should ask themselves and prospective providers several questions.

First, what problem is this solving? Is it a solution to a real issue or just a new way of doing the same thing? Just because you *can* do something doesn't mean you should.

Second, how will this help me spend less time on repetitive, manual tasks? The purpose of insurtech is to reduce the time spent on paperwork and manual processes so that you can spend more time engaging with clients. Anything that adds to

your workload is probably not a good solution.

Third, how will this work with my existing technology? Will it integrate smoothly? It's important when you're implementing new technology that it plays well with others and won't create new technology silos in your business.

Fourth, will this streamline a workflow? Simplifying processes not only makes things easier and faster, but can also cut operational costs. One small example: Some agencies have seen their postage costs more than cut in half by switching to digital document signature and sharing. These small savings can add up quickly to make for overall more efficient business operations.

Finally, will this make me a better risk advisor to my community and customers? This should really be the goal of any insurtech decision. The real value of a client/agent relationship comes from understanding the client's needs and delivering the recommendations and products to minimize their risk exposure. Whether it's data insights, digitizing a workflow or delivering self-service, improving the client relationship must always be the ultimate goal.



Like working with a **Wholesale & Specialty Insurance Association member** to find a custom solution to a nonstandard risk. WSIA members will help you craft cost-effective, innovative solutions for your specialty and nonstandard risks. Combining the strength of the former AAMGA and NAPSLO organizations, WSIA members are your source for expert solutions.



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What's next for insurtech?

LR: Insurtechs will circle back to agencies and brokers soon. Again, they will attempt to disrupt their distribution channel. This is where the money is. However, agents and brokers who supplement their existing process with technology now will be ahead of the game when they do. The same technology available to the insurtechs is just a simple reach away for agents. It's time that they take the leap.

MD: Insurtechs have already made significant contributions to the insurance industry, but most of that has been in the P&C market, more so on the personal lines. I think we will see more insurtechs focusing on the commercial and life markets, where the purchasing process is still behind the tech curve.

Many commercial products still require extensive data entry – think commercial property, for example – that can take quite some time to assess those risks. Using readily available data sources, insurtechs are positioned to apply the approaches used on personal lines to commercial lines, stream-

lining the quoting process and providing a better customer experience.





TR: Insurtech is going to see continued investment from insurers, venture capitalists and private equity firms because there are many facets of the insurance ecosystem that insurtechs are helping to improve. As with Indio, expect to see continued partnership of insurtechs with established software providers to provide access to new innovation, resources and scale.

JT: Connectivity across the distribution channel, as well as data analytics on churn and loss analysis and predictions, are on the horizon for insurtech. Connectivity between a carrier and agency and an end insured is constantly evolving and aiming to be a smoother process. Insurtechs across the board are working to make sure the process is connected from start to finish.

Using data and analytics to analyze churn will help an agent or agency owner be able to predict which customers they might lose in a given year, and therefore how much new business they should write in a year to balance out the churn rate. Similarly, data around win/loss rates with producers helps an agency

WHAT IS INSURTECH ANYWAY?

Insurtech, or insurance technology, refers to the use of technological innovations designed to promote savings and efficiency beyond the traditional insurance industry model. By leveraging state-of-the-art technology and third-party data sources, insurtechs minimize consumer inputs and fill in the gaps, taking the insurance process to a whole new level.

-  Insurtech first emerged around 2010
-  The sector is on track to achieve a compound annual growth rate of more than 41% by 2023, according to market research firm Technavio
-  The latest trend gaining momentum in the insurtech market is the integration of Big Data and artificial intelligence
-  One of the biggest hindrances to the growth of insurtech is regulatory and economic uncertainty

“The same technology available to the insurtechs is just a simple reach away for agents. It's time that they take the leap”

Laird Rixford, ITC

owner know which producers are more effective than others so they can better equip their staff. Supplying agents with the data they have always had in a more accessible way enables them to be better risk advisors and help those in their community when they need it most.

BUYER'S GUIDE



APPLIED®

customer service and a single network for market access and service.

APPLIED SYSTEMS

Founded: 1987

Headquarters: University Park, IL

Leadership: Taylor Rhodes, CEO

● Tell us about Applied Systems.

What's your key area of focus?

Taylor Rhodes, CEO: Applied provides cloud-based insurance software around the world that supports the distribution channel, seamlessly connecting the insured and agency and carrier stakeholders. Our technology automates the exchange of information and data throughout the insurance life cycle among agents, brokers, insurers and consumers, delivering a connected experience between all participants in the insurance ecosystem. This means greater connectivity within an agency or brokerage, greater connectivity with insurer partners and greater connectivity to the insured.

● How do your products work?

TR: Applied's Digital Agency software consists of a single management system, mobile technology, insurer connectivity and the cloud. The fully integrated software enables agencies to create higher-value business transactions and deliver superior customer experiences throughout the entire insurance life

cycle. By leveraging integrated software applications that enable agents and brokers to manage their entire business, digital agencies operate more efficiently, better leverage insurer relationships, improve customer service, and accelerate growth and profitability across all lines of business.

● What problem are you solving in the insurance ecosystem?

TR: The insurance industry is riddled with paper-driven manual processes, often creating inefficient workflows and poor customer experiences. These challenges start in the internal operations of the independent agency, including back-office processes such as policy administration, accounting and the management of customer relationships.

These inefficiencies extend to an agent's insurer relationships when digital technology isn't utilized to connect the stakeholders. Agents then have to individually contact insurers and rely on fax and mail to complete the policy purchase process. Finally, the customer experience amounts to in-person and over-the-phone communications, requiring insureds to contact their agent for everything. Applied technology enables agencies to reshape their business with three core focuses: a foundational system to manage their entire business, omnichannel

● Why should agents and brokers use your products?

TR: Applied technology seamlessly integrates the agency management system, mobile capabilities and insurer connectivity. Our customers further benefit from connectivity to IVANS, joining the more than 32,000 agencies and more than 420 insurers in the IVANS network. Additionally, Applied offers 24/7/365 support, enabling our customers to effectively automate their businesses and seamlessly connect to their insureds and insurers.

● What's next for Applied Systems?

TR: We're beginning to expand our focus to the agent's front office, extending our value proposition to the carriers and surrounding all of these focus areas with intelligence and value. As for the front office, we are currently heavily focused on automating the commercial lines submission process after our acquisition of Indio. As this is a particularly paper-heavy process for agents, making the paper applications digital will speed up the process and create ease of doing business for insureds.

We are also introducing more automation into sales operations, bringing new technology designed specifically to manage prospecting, pipeline and renewals. We are deepening our connectivity with IVANS, creating a seamless ecosystem to change the way insurance is shopped, rated, quoted and bound. And we are using AI, machine learning and data to enhance these capabilities and make agencies smarter in their decisions and their daily workflows.

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clariondoor

CLARIONDOOR

Founded: 2010

Headquarters: Santa Barbara, CA

Leadership: Michael DeGusta, CEO

● Tell us about ClarionDoor. What do you do?

Michael DeGusta, CEO: ClarionDoor is disrupting insurance distribution with an enterprise-proven, cloud-only, modern front-line distribution platform for rating, quoting, issuance and forms. Our mission is to develop and deliver modern, cost-effective solutions that not only solve current industry challenges, but also position insurance companies for the future. With roots in insurance technology and automation, our solutions have helped insurers, MGAs and brokers in the US, Australia, New Zealand, Asia and the UK automate product changes, streamline the front-line point of sale and seamlessly distribute products to their partner channels.

● What's your key area of focus in the insurance ecosystem?

MD: We believe that for too long, insurance software systems have

either tried to do everything, or they've prioritized the needs of the back office – policy administration, accounting, billing – and that it was time for a solution that focused on the needs of product

“Insurers can create, launch and distribute products in weeks rather than months or years, which enables them to focus on the business”

innovation, sales and distribution. This is where we focus at ClarionDoor: providing solutions that enable insurers to automate product innovation, streamline point of sale and seamlessly distribute products to any channel.

● How do your products work?

MD: ClarionDoor's suite of products includes CD Rating, CD Quoting Portal, CD Issuance and CD Forms Service. All of our solutions are built on an API-first and -always architecture, are cloud-only and hosted exclusively on AWS. Our products work together to provide a full digital solution for front-line distribution or can

be integrated with other core systems and industry data services.

● What problem are you solving in the insurance ecosystem?

MD: One major challenge for every insurer is speed to market, and we recognized early on that trying to launch products in 'do it all' systems actually takes insurers longer. At ClarionDoor, our software is designed to solve that problem so insurers can create, launch and distribute products in weeks rather than months or years, which enables them to focus on the business.

● Why should insurance companies use your products?

MD: They are API-first and -always and enable going live in weeks. We have 100% referenceable clients and zero failed projects. Only one person is needed to implement your project, and there's nothing to install, no infrastructure to manage. The simple monthly subscription-based model has no hidden fees and offers real-time data analytics and tracking.

● What's next for ClarionDoor?

MD: We are continuing to develop innovative solutions that solve real industry problems that insurers are facing today and preparing them for the future. In 2020, we will officially be launching two new products: CD MGA Hub and CD Tracker.

CD MGA Hub revolutionizes the MGA quoting process, providing MGAs a platform where quote data is entered once and rated on multiple carrier portals without rekeying any data. CD Tracker brings business intelligence to a new level, providing insurers with product performance metrics that can manage aspects of the business, all in real time.

STILL RATING MANUALLY?

Automate your rating with ClarionDoor

clariondoor

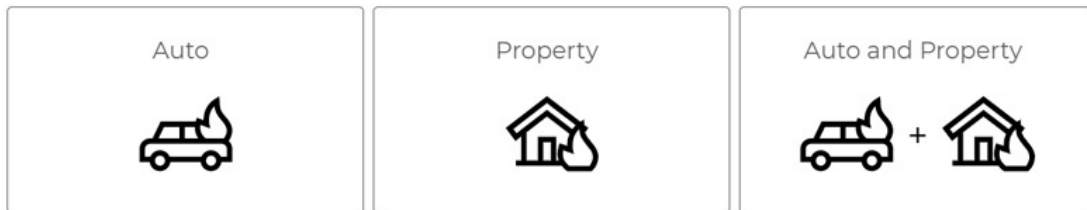
API-first, cloud-only insurance solutions
for rating, quoting, issuance, and forms.

clariondoor.com
sales@clariondoor.com
+1 570-645-5050

INSURTECH 2020



What are you looking to insure?



INSURANCE TECHNOLOGIES CORPORATION (ITC)

Founded: 1983

Headquarters: Carrollton, TX

Leadership: Laird Rixford, CEO

● Tell us about ITC. What do you do?

Laird Rixford, CEO: ITC is a software company that provides websites, marketing, comparative rating, and agency management software and services to insurance agents and brokers across the United States.

● What's your key area of focus in the insurance ecosystem?

LR: Our focus is on helping independent insurance agents and brokers be more efficient and helping them with their digital marketing so that the agent or broker can succeed and grow.

● How do your products work?

LR: Insurance Website Builder enables agents and brokers to control their website content through an easy-to-use administration console when they build their sites using this program.

AgencyBuzz is an agency marketing automation tool that agents and brokers can use to nurture prospects and clients with consistent communication so they stay top of mind.

TurboRater is a browser-based personal lines comparative rating system that has all the needs of carriers, agents or brokers selling personal lines in one rating platform.

“We help agents improve the workflows in their operations so they have more time to focus on what they do best: selling insurance”

TurboRater for Websites is a turnkey solution that allows agents and brokers to offer their website visitors a fun, engaging insurtech experience while they're shopping for a personal lines insurance policy online.

Agency Matrix is a browser-based agency management system that is easy to use and helps agents improve their efficiency.

● What problem are you solving in the insurance ecosystem?

LR: We help agents improve the workflows

in their operations so they have more time to focus on what they do best: selling insurance. We also help agents build a strong online presence and improve their visibility online so they can get more traffic to their website and more leads.

● Why should agents and brokers use your services or products?

LR: We strive to make sure our technology is the best in its categories and are continually working to ensure we stay on top of what our clients need and want from their solutions. We believe agents and brokers should use the technology that is the right

fit for them. This is why we've integrated TurboRater with more than 30 different management systems.

We believe our products provide such a value to our clients that we don't require long-term commitments.

● What's next for ITC?

LR: Just keep getting better and continue working on and improving our technology to meet our clients' needs and any changes in the market.

TECHNOLOGY THAT SETS YOU FREE



WEBSITES | MARKETING | RATING | MANAGEMENT

At ITC, we strive to earn your business every month through excellent technology and quality service. Whether you use our rating or management system or have one of our websites, we don't require long-term commitments. Find the technology that is the right fit for your agency and that supports you and your goals, whatever they may be. Contact us today for a free consultation.



GetITC.com

(800) 383-3482

INSURTECH 2020



lytx®

LYTX

Founded: 1998

Headquarters: San Diego, CA

Leadership: Brandon Nixon, president and CEO

● Tell us about Lytx. What do you do?

Adam McCarty, vice president, marketing and growth initiatives: Lytx is a global provider of machine-vision- and artificial-intelligence-powered video telematics, analytics, productivity, and safety solutions for commercial, public sector, and field services fleets. Using a driving database of 120 billion miles and growing, along with proprietary machine vision and AI technology, we help protect and connect thousands of fleets and more than 1.3 million drivers worldwide.

● What's your key area of focus in the insurance ecosystem?

AM: Lytx harnesses the power of video to help commercial, public sector and field service fleets see what happened in the past, manage their operations more efficiently in the present and improve driver behavior to change the future. Our services and programs span driver safety, risk detection, fleet tracking, compliance and fuel management.

Video can show very quickly – and objectively – exactly what happened in

an incident and who is at fault, making it an incredibly valuable asset for any insurance situation. Even when an organization's driver is found to be at fault, having video helps enable a quick settlement so the insurance carrier doesn't end up spending more time and resources than needed.

● How do your products work?

AM: Our driver safety program combines video capture and risk detection with tools proven to create lasting behavior change and improve fleet performance. The program is powered by our DriveCam Event Recorder, which mounts to the windshield of a vehicle and is able to capture video via both outward- and inward-facing lenses. The DriveCam devices' built-in algorithms distinguish normal driving from risky behaviors and upload events directly to the Lytx cloud.

From there, captured video clips are analyzed by both our proprietary AI and highly trained professional analysts. Then, once the clips are analyzed, categorized and tagged, they are delivered directly to our clients' dashboards and ranked so fleet managers, safety managers and driver coaches can focus on coaching the most important things first.

We also offer a fleet tracking service, which allows organizations to oversee their fleet operations from anywhere with cellular connectivity. With the service, clients are able to locate, track and manage their vehicles in real time to respond faster, maximize productivity and optimize field service efficiency.

● What problem are you solving in the insurance ecosystem?

AM: Our fleet solutions help fleets reduce claims and keep their drivers, cargo and roadways safe. The Lytx Driver Safety Program helps fleets take a more proactive approach to safety by identifying risky driving behaviors before they lead to a collision. The program is proven to help prevent collisions and save lives. And as a result, our clients experience, on average, a 50% to 80% reduction in claims costs.

● Why should agents and brokers be interested in your products?

AM: Lytx's video telematics solutions are shown to help improve drivers' behavior behind the wheel, helping to significantly reduce expenses associated with collisions and claims. We have helped our clients save in excess of an estimated \$1 billion on claims costs to date [based on internal industry benchmark data collected from clients]. We currently work closely with more than 40 national and regional insurers, which offer our technology to their members as another way to support their customers. Cultivating safer, more efficient drivers is a smart investment for fleets and insurance brokers alike.

● What's next for Lytx?

AM: New enhancements to our machine vision and artificial intelligence [MV+AI] technology have enabled us to identify specific patterns of driving behavior to detect high-risk behaviors, like cell phone and seatbelt use. It can also be configured to identify behaviors like smoking, eating or drinking, which are important for fleets of oil haulers or transit vehicles to detect and track. This technology is incredibly precise in spotting these behaviors without picking up other irrelevant movements in the vehicle. We're continuing to evolve these technologies and believe we have only just scratched the surface of what's possible. We're continuing to enhance our MV+AI technology as we work closer toward our goal of no commercial driver ever being the cause of a collision.



Transform Your Fleet with Video Telematics

With the right technology and data-driven insights, you can gain a more holistic view of your fleet operations, manage your safety culture and make dramatic improvements to safety, productivity, and costs. Help ensure your entire fleet gets home safely with video.



COLLISIONS

With video telematics, you know exactly when, where and what happened.



CONFIRMATION

Video provides service verification.



COMPLIANCE

Video evidence helps you confirm your fleet's compliance to regulations.

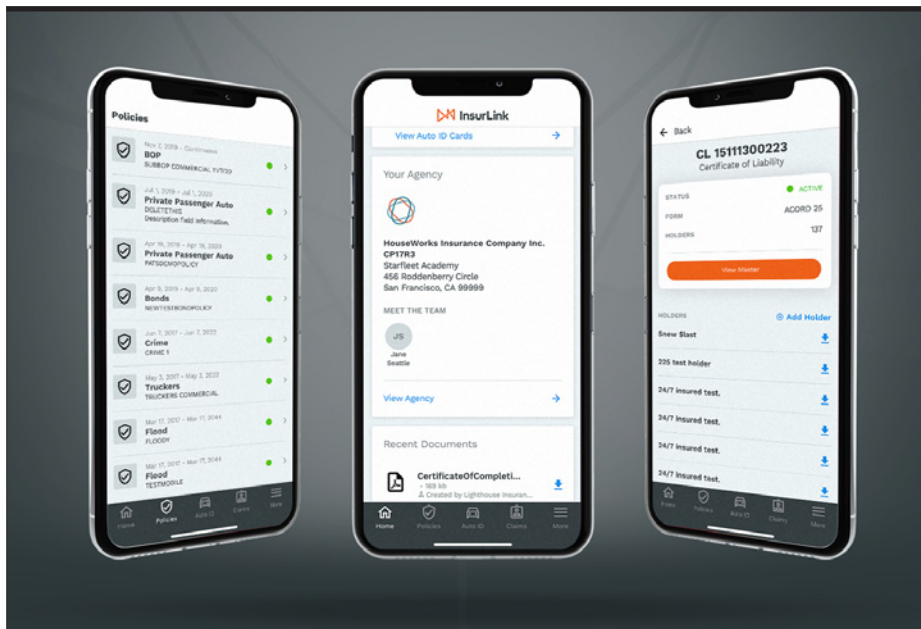


INCREASED INTELLIGENCE

Operate smarter with the ability to predict risk and maximize efficiency.

Visit lytx.com/safe to learn how you can optimize your fleet.

INSURTECH 2020

**VERTAFORE****Founded:** 1969**Headquarters:** Denver, CO**Leadership:** Amy Zupon, president and CEO

● **Tell us about Vertafore. What do you do?**

James Thom, SVP of corporate development and strategy: For over 50 years, Vertafore has built insurance technology to simplify and automate the insurance life cycle so that our customers can focus on what matters most to them: people. Vertafore's solutions for agency management, client management, ratings, regulation, compliance and connectivity empower simpler, smarter insurance distribution for every stakeholder. More than 20,000 agencies, 1,000 carriers and 23 state governments rely on Vertafore to streamline their workflows, improve efficiency and drive productivity. We are fiercely devoted to customer success, a continual focus on excellence and a commitment to delivering modern, innovative insurtech solutions.

● **What's your key area of focus in the insurance ecosystem?**

JT: Simplifying and automating the distribution channel for all stakeholders.

● **Can you tell us about one of your products and how it works?**

JT: InsurLink provides clients with

“Clients are using a variety of tools to interact with service providers, so why shouldn't they be using them with their insurance agent?”

24/7 self-service digital access to the information they need the most. The end result is higher client satisfaction, lower E&O risk and more time to advise clients and grow your business.

● **What problem are you solving in the insurance ecosystem?**

JT: Insurance is evolving – the key is staying ahead. Agencies and carriers are

increasingly reliant on digital marketing, and carriers and brokers are racing to build or acquire new capabilities to improve the customer experience and the speed of distribution. Our solutions focus on making insurance simpler and smarter for the entire distribution channel. By simplifying and streamlining repetitive tasks, we give agents more time to focus on what matters most: people.

● **Why should agents and brokers use your products?**

JT: Giving clients a personalized digital experience keeps your agency ahead of the competition while preserving the relationship focus that got you where you are today. With companies like Amazon and Netflix reshaping consumer expectations, we're seeing a marketplace power shift from institutions to customers. Buyers now expect to be able to research solutions online and to communicate and interact with brands digitally, regardless of the industry. Clients are using a variety of tools to interact with service providers, so why shouldn't they be using them with their insurance agent?

● **What's next for Vertafore?**

JT: We have three pillars that we are focused on: unlocking the power of data, optimizing distribution management and modernizing

the agency. There are many aspects to modernizing the agency, but we are most focused on client digital experience and an agency's connectivity to its carriers. In a world of 24/7 access to anything at one's fingertips, agencies can rely on technology to help streamline routine tasks like distributing ID cards, giving them more time to enhance a customer's experience and be a risk advisor. **IB**

Simple. Modern. Mobile.

Your clients have 24/7 needs.
Now, your agency can meet them.

- Secure, intuitive client app
- Aligns with your branding
- Real-time AMS sync

Providing your customers with self-service access to their insurance information has never been more important. With the InsurLink™ app, clients can view their policy information, auto ID cards, certificates, and more — whenever and wherever they need. The end result? Higher client and agent satisfaction, lower E&O risk, and more time to advise your clients and grow your business. **It's InsurTech that empowers you to focus on what matters most — people.**

LEARN MORE

vertafore.com/insurlink