

# How Socotra positioned a European InsurTech for international growth

## Leading InsurTech Providing Insurance-as-a-Service Platform

### HEADQUARTERS:

Zurich, Switzerland

### BUSINESS FOCUS:

Enabling non-insurance companies to launch a white-label P&C insurance product

### CUSTOMERS:

Large companies and recognizable brands

### GWP:

\$12M USD

### GEOGRAPHICAL PRESENCE:

Switzerland



## Opportunities and Challenges

- Market opportunity to expand in Europe blocked by home-grown technology
- Needed to get to market quickly with an affordable solution
- Required a powerful and configurable core platform to build digital product offering

## Socotra Solution

- Instant access to fully functional environment to validate technology and business value
- Open APIs and modern core to rapidly develop a complex insurance-as-a-service platform
- Cloud-native design to get latest features and upgrades without costs or downtime

## Results



Three to four year reduction in implementation timeline



\$750K to \$1M savings for maintenance and upgrade costs (every four years)



\$500K savings in implementation costs



Expected GWP growth to \$200M in two years



“To broaden [our reach], we need to have more distribution partners, more insurance customers, and more insurance products. To scale up, we needed to have a completely different base on which to do that. With Socotra, we can easily scale new partners and products.” - Digital CTO



## International expansion and GWP growth required moving beyond home-grown systems

Based in Switzerland, this leading European insurtech provides a proprietary insurance-as-a-service platform that enables companies with no insurance infrastructure or expertise to launch white-label property and casualty (P&C) insurance products with unprecedented speed and simplicity. The insurtech’s customers maintain large client bases and recognizable brands, which they plan to leverage to launch an insurance business. The company’s platform integrates and automates all aspects of the insurance lifecycle, providing a low-cost, easy-entry insurance solution for its customers to add to their portfolio of services.

While the company currently maintains \$12M in gross written premiums (GWP) annually, they

identified a lucrative market opportunity to expand across Europe, representing \$200M to \$400M in GWP. However, the company’s existing technology could not support this expansion beyond the limited portfolio of P&C products it offered to businesses in Switzerland. To seize this opportunity, the insurtech needed a flexible and affordable backend system to quickly build proprietary P&C solutions for customers.

Familiar with Mambu, the banking industry’s cloud platform, the Digital CTO set out to identify the equivalent in insurance. He found a number of cloud-based providers, all of which charged high upfront costs, lacked flexibility, took four-to-five years to implement, and had legacy architecture. In addition to the initial cost of implementation, these providers charged \$750K to \$1M every four years for periodic upgrades, which also required significant downtime.

“At the beginning, the idea was to have a local supplier and build our own insurance system. We had limited time and resources, and we didn’t understand the complexity. We looked at other providers in the market but if you wanted an out-of-the-box solution, it was in the \$500K to \$1M range, not including implementation, and that was not a price we were willing to pay.” - Digital CTO

## Demonstrating immediate value with instant access to Socotra's modern core platform

The company's technology strategy was to build a platform that would enable the rapid launch of new products without the need for significant development or customizations to the existing ecosystem. **This strategy would strengthen the insurtech's advantage of speed and agility over its primary competitors, which consisted of large insurance companies.** For a solution promising speed, scale, and agility, the company turned to Socotra.



"The new platform had to have demonstrated success. We had no room for failure and minimal time. Socotra was quickly able to produce a test instance, which was very important and positive to see."

- Digital CTO



## Driving speed-to-market, scale, and cost savings with Socotra

Most core system implementations require three to four years. With Socotra, however, the insurtech was able to leverage open APIs to accelerate that timeline and integrate the platform with their white-label proprietary P&C products in one third the time.

Since integrating with Socotra, **the insurtech is now developing new products three times faster than before—in just four weeks for most products, and six to eight weeks for complex ones.** Socotra enables the insurtech to easily configure and launch insurance products with essential, out-of-the-box insurance functionality for managing the entire policy lifecycle, including underwriting and rating, policy administration, reporting, billing, claims, and more. Additionally, the insurtech's call center is operating more efficiently as it receives fewer service requests.

To verify Socotra's capabilities and the value it could provide, the insurtech requested access to the platform to conduct deeper analysis. As the only insurance core platform offering instant and free trial licenses, **Socotra quickly activated a unique and fully functioning environment so the insurtech could begin testing the very next day.** This speed of access was representative of how Socotra is truly an off-the-shelf product. The insurtech was able to quickly validate the technology and—convinced of its value—decided to partner with Socotra.

Socotra's cloud-native architecture also offers multi-tenancy and continuous, automatic, and free upgrades without downtime or risk of data loss.



With Socotra, the company is on track to **save approximately \$750K to \$1M every four years** in upgrade and maintenance costs.

By leveraging Socotra's modern core platform for its innovative proprietary products and services, this insurtech is now positioned to compete in the broader European market. Building on the flexibility and limitless scalability of Socotra, **the company expects massive GWP growth from \$12M to \$200M over the next two years.**



What Socotra does well is focus on the data model and the core need for a lot of customers. It was easy to say how much we take from Socotra and what we focus on ourselves that we do well.” - Digital CTO



## Key Results

### Faster and more affordable implementation



Three to four year reduction in time required for implementation compared to industry alternatives



\$500K in savings from implementation compared to industry average

### Ongoing cost reductions and efficiencies



\$750K to \$1M in savings from elimination of maintenance and upgrade costs every four years



More efficient call center operations with fewer service requests due to the standardized platform provided by Socotra

### Market expansion and increased GWP



Expected GWP growth from \$12M to \$200M over two years as the insurtech seizes a lucrative market opportunity to expand across Europe

## About Socotra

Socotra is bringing unparalleled speed and ease to insurance technology. With Socotra’s modern core platform, global insurers and insurtech MGAs can accelerate product development, reduce maintenance costs, and improve customer experiences. Socotra provides open APIs, a product-agnostic data model, and out-of-the-box capabilities to manage the entire policy lifecycle, making insurance innovation faster, easier, and more affordable.