



## InsurTech: A shifting global balance of power

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LONDON, Nov. 01, 2017 (GLOBE NEWSWIRE) -- The [Third Quarterly InsurTech Briefing](#) from Willis Towers Watson, the leading global advisory, broking and solutions company, (NASDAQ:WLTW), examines how technology has the potential to disrupt national insurance markets and alter the global balance of power between (re)insurers in developed markets and those in emerging economies.

The latest research, produced by Willis Towers Watson Securities and Willis Re, in collaboration with CB Insights, considers the future of the global insurance industry and focuses on China and Emerging Asia to illustrate the potential impact of technology innovation on legacy-free insurance markets. The report discusses the potential implications of the modularization of the insurance value chain, as it is broken into smaller and more specialized components, occurring at a time when the industry is also becoming increasingly globalized. The report outlines reasons why companies in emerging markets are often able to bring new innovative solutions to the market more quickly than peers operating in more developed insurance markets. These businesses are also able to attract intellectual and financial capital from partnerships unseen in developed, heavily regulated countries with high penetration of insurance products.

Overall, the report demonstrates that InsurTech investment continues to increase in Emerging Asia. Although the \$312 million of InsurTech funding volume in the third quarter was 68% lower than the record level of \$985 million reported in Q2, interest in the sector remains strong, according to the research from CB Insights. The 48 P&C and L&H transactions in Q3 represent the third most transactions completed in any quarter to date. Notably, six companies in Emerging Asia, including three companies in China, raised capital during the third quarter. Hong Kong based insurance comparison platform CompareAsiaGroup's \$50 million round was the largest transaction in Q3.

Rafal Walkiewicz, CEO of Willis Towers Watson Securities said: "China is the world's third largest domestic insurance market, having recently recorded the most significant growth of any region globally, and we expect that continued growth of insurance in China will be relatively less constrained by existing infrastructure compared to more developed insurance markets. As the Chinese insurance revolution facilitates new mainstream products, like pure protection and product return, the Chinese economy is simultaneously driving the creation of new distribution models.

"Underpinning our analysis of insurance markets in China and Emerging Asia is our fundamental expectation that as the insurance industry becomes increasingly globalized and the value chain is dissected into more specialized critical functions, underlying technology supporting these functions will become increasingly portable across geographic markets. In observing legacy-free markets, like China, we have an opportunity to look forward and see the likely direction of the insurance value chain in the developed world."

Mark Hvidsten, Deputy Chairman at Willis Re, said: "Despite the daily noise about InsurTech, barriers to entry in the insurance industry remain high for the vast majority of InsurTech start-ups. But, irrespective of the limited impact that InsurTechs have had on developed insurance markets, it is becoming increasingly clear that legacy-free markets are proving to be more forgiving for innovative start-ups."

View the Willis Towers Watson InsurTech Briefing Q3 2017 report [here](#)

### About Willis Towers Watson

Willis Towers Watson (NASDAQ:WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 40,000 employees serving more than 140 countries. We design and deliver solutions that manage risk, optimize benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas – the dynamic formula that drives business performance. Together, we unlock potential. Learn more at [willistowerswatson.com](http://willistowerswatson.com)

### About Willis Towers Watson Securities

Willis Towers Watson Securities, with offices in New York, London, Hong Kong and Sydney, provides advice to companies involved in the insurance and reinsurance industry on a broad array of mergers and acquisition transactions as well as capital markets products, including acting as underwriter or agent for primary issuances, operating a secondary insurance-linked securities trading desk and engaging in general capital markets and strategic advisory work. Willis Towers Watson Securities is a trade name used by Willis Securities, Inc., a licensed broker dealer authorized and regulated by FINRA and a member of SIPC ("WSI"), Willis Towers Watson Securities Europe Limited (Registered number 2908053 and ARBN number 604 264 557), an investment business authorized and regulated by the UK Financial Conduct Authority ("WTW Securities Europe") and Willis

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### **About Willis Re**

One of the world's leading reinsurance brokers, Willis Re is known for its world-class analytics capabilities, which it combines with its reinsurance expertise in a seamless, integrated offering that can help clients increase the value of their businesses. Willis Re serves the risk management and risk transfer needs of a diverse, global client base that includes all of the world's top insurance and reinsurance carriers as well as national catastrophe schemes in many countries around the world. The broker's global team of experts offers services and advice that can help clients make better reinsurance decisions and negotiate optimum terms. For more information, visit [willisre.com](http://willisre.com).

### **About CB Insights**

CB Insights is a Pilot Growth and National Science Foundation backed software company that uses data science, machine learning and predictive analytics to help customers predict what's next. CB Insights has built a tech market intelligence platform that analyzes millions of data points on venture capital, startups, patents, partnerships and news media to predict technology trends.

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