

Embedded insurtech Sure raises mega-round as fintechs are pressured to diversify

Article

The news: US-based Insurtech **Sure** secured a **\$100 million Series C funding round**, giving it a **\$550 million valuation**, per TechCrunch.

More on Sure:

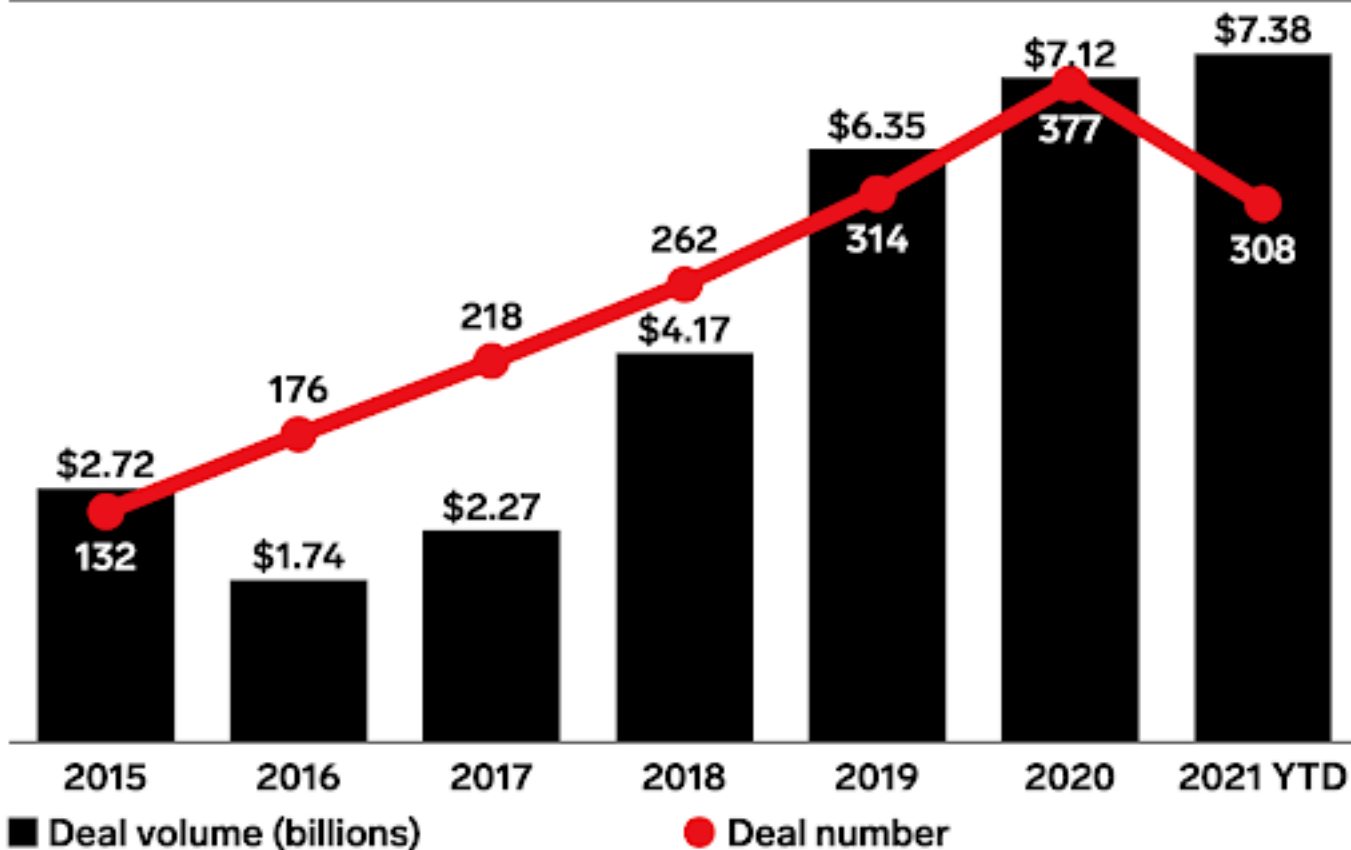
- The insurtech launched as a software as a service platform in 2016 to provide financial institutions and fintechs with digital insurance infrastructure.
- Its service modernizes and digitizes the entire insurance value chain so clients can offer customers a digital experience without paperwork or human interactions.
- Using Sure's API lets clients bring new insurance products to market quicker and cheaper. Its clients include **Chubb, Revolut, Betterment, and Farmers Insurance**.
- Without disclosing hard revenue figures, Sure reported it has been profitable since 2019 and has **grown its annual recurring revenues by threefold every year**.

What's next: With the fresh funding, Sure plans to expand in Europe, Latin America, and Asia, where it wants to open new offices. It will also enhance its solution to further streamline the process of embedding insurance and plans to **triple its engineering workforce** as a result.

Why this might succeed: Insurance products offer fintechs a great additional revenue stream on their road maps to profitability, and incumbent insurers are feeling the heat from innovative insurtechs—two factors that will help boost Sure's client base.

- The US market value of embedded insurance is expected to grow from **\$5 billion** in 2020 to **\$70.7 billion** in 2025, [per](#) Lightyear Capital.
- Adding insurance services to their product suites helps fintechs **diversify** their revenue streams and earn predictable monthly fees.
- And as fintech giants like neobank Revolut and robo-advisor Betterment—which Sure already counts among its clients—move into product lines like insurance, other fintechs will follow suit to remain competitive and offer users a one-stop shop for managing their finances.
- Meanwhile, insurance incumbents are being threatened by insurtechs like **Lemonade**, which **ended** 2020 with **more than 1 million customers**, compounding incumbents' need for more innovative insurance products—especially as customer satisfaction **stagnates**.

Annual Global Insurtech Funding



Source: Willis Towers Watson, "Quarterly InsurTech Briefing Q2 2021," July 29, 2021
Methodology: This data is reported quarterly by Willis Towers Watson.

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