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Guidewire 'Apple app store of insurance' set for boost in 2019

Guidewire chief executive Marcus Ryu is expecting its 'plug and play' platform to encourage partnerships with quality insurtechs this year



The Guidewire platform where insurtechs can 'plug and play' is on course for a strong 2019.

The platform, called Guidewire Marketplace, allows insurtechs to plug in and then Guidewire insurance customers can quickly and easily use their services – a bit like how customers download apps on the Apple's App Store.

And to make it easier for insurtechs to get onto Guidewire's platforms, the San Francisco-based tech firm is pushing for customers to use the newly-developed DevConnect.

DevConnect is like a DIY kit for insurtechs.

They get the tools, documentation, business services and application programming interface to join Guidewire platforms, including Marketplace.

DevConnect innovation

Guidewire chief executive Marcus Ryu predicts around a dozen insurtechs will have integrated using DevConnect by the end of the year.

Ryu hopes DevConnect will encourage quality insurtechs to join Guidewire platforms and get a powerful distribution network of global insurance firms.

"We expect to have somewhere in the order of a dozen partners that are synched up through DevConnect and are ready for live production with customers.

"This is our expectation by the end of the year. The potential universe is not thousands, arguably, it's not even hundreds, but it is still a reasonable number that have to be enabled," Ryu said.

Ryu said that a big benefit of more insurtechs joining via DevConnect, is that the technology gets stronger.

“The API gets more and more robust and comprehensive. We are still at the relatively early stage of that across our products. We have a lot to learn from enabling different partners for different use cases,” he says.

Asked about how Guidewire fared against competitors on the concept of a marketplace for insurtechs, Ryu said building the concept required a level of scale that not many insurance technology companies had.

Ryu said in general, the insurance technology market that offered core systems – such as claims, policy, bill process and customer management – had not changed that dramatically over the years.

“I think it’s because it’s a challenging functional domain to build software for, and it requires a lot of technical expertise, a lot of domain expertise as well.

“The competitive landscape has not changed that dramatically, or meaningfully, in quite a few years. What really matters is how each of us, as vendors, provide not only advanced digital functional state-of-the-art but also make implementation easier and managing the applications easier.”

Guidewire 2019 UK developments

In the UK, many of the top insurers use some or all of Guidewire’s main products including Aviva, Zurich, Allianz, Hastings, Admiral and Direct Line.

LV= is undergoing an IT transformation this year with Guidewire at the heart of its plans.

Speaking to *Insurance Times* earlier this year, LV= general insurance chief executive Steve Treloar spoke of moving the direct business from the old platform to the new Guidewire platform.

“This move onto the new, more modern Guidewire platform allowed us to make a variety of changes in 2018, all of which contributed to our growth.

“We were able to redevelop our website, but we were also able to put our multicar product out there and I think that has contributed to the growth a lot.”

The implementation of the new Guidewire software system cost the company a total of approximately £100m over three years, most of which, Treloar says, was for “the people cost of doing the work”.

“This was a substantial investment in our business, but I think it really sets us up well for the future.”



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