**# Fintech and domains within the same with a case study**

\* Financial technology, more popularly known as "Fintech", is a new tech that seeks to advance and mechanize the delivery and use of financial services. In depth, Fintech is administerd to help companies, business owners and consyumers better manage their financial operations, processes and lives by utilizing spacialised software and algorithms that are used on computers and, increasingly on smart devices. [[1]](#endnote-1)

There are following domains which may highlight the incorporation of Fintech as a core disruption the heart of business growth.

\* Payments/Billing

\* Capital Investment

\* Investment Management

\* Wealth Management

\* Enterprise Solutions

\* Insurance (InsurTech)

\* Mortgage/Real Estate

\* Personal Finance/Deposits/Online Banking

\* Lending

\* Blockchain and Cryptocurrencies

\* Regulation Technology (RegTech)

\* Open Banking

\* Robo-advising

## Insuretech

Insurtech refers to the use of technology innovations designed to squeeze out savings and efficiency from the current insurance industry model. Insurtech is a combination of the words “insurance” and “technology,” inspired by the term fintech.

The belief driving insurtech companies and investments by venture capitalists in the space is that the insurance industry is ripe for innovation and disruption. Insurtech is exploring avenues that large insurance firms have less incentive to exploit, such as offering ultra-customized policies, social insurance, and using new streams of data from Internet-enabled devices to dynamically price premiums according to observed behavior. Companies in insurtech domain are looking to tackle data and analysis issue head-on. Using inputs from all manners of smart devices, including GPS tracking of cars to the activity trackers on our wrists, these companies are building more finely delineated groupings of risk, allowing products to be priced more competitively.[[2]](#endnote-2)

## Insuretech companies/startups in Canada (with their funding)[[3]](#endnote-3)

\*Mjio (CAD 106 mil.)

\*League (CAD 100 mil.)

\*Dream Payments (CAD 20 mil.)

\*Finaeo (CAD 8 mil.)

\*ProNavigator (CAD 2.2 mil)

\*Covera (CAD 2 mil)

\*ClearRisk (CAD 1 mil)

\*FoxQuilt (CAD 1 mil)

\*Flutterbox (CAD 85k)

\*Brokerlift

## League Inc.

\*Overview and Origin: League Inc. was founded in 2014 and it is headquartered at University Ave area of Toronto downtown district. League started with a vision for the future of healthcare: consumer-centric, personalized, preventative, and always on. It would be driven by data and accessed by app—a front door to healthcare that empowers people to live healthier, happier lives. League is rethinking health by creating a data-rich mobile platform that gives people the power to take control of their health. Members can discover the best new health services and in time, can build a 'league of their own' -- a team of health professionals that work together to deliver personalized programs. Michael Serbinis is a co-founder of the company and serves as the CEO. Dan Leibu and Dan Galperin are the other two co-founders of the company and serve as chief product officer and chief technology officer respectively. He was also involved in co-founding Kobo in 2009, which was acquired by Rakuten in 2012. The idea behind the company is to achieve highest possible level of consumerism in healthcare and health insurance market to provide data-based benefits to employees at very affordable rates. At initial stages, the company wanted to offer a consumer health network, payments and appointment processing and software for employers and insurance providers. However, after studying the health insurance market, the company decided to focus on building the next generation health insurance system, derived by point-to-point data and smart devices. In the initial funding round (Series A) company raised CAD 32 mil. And till date has raised around CAD 100 mil.[[4]](#endnote-4)

### Business Actitvies of League, Inc[[5]](#endnote-5)[[6]](#endnote-6)

North America's leading health operating system, League’s data-driven platform is designed to provide a single access hub for employees to engage with their health, lifestyle and benefit programs. This new "front door" to healthcare eliminates the current sea of point solutions via an integrated ecosystem of many insurance carriers, healthcare partners and HRIS systems, including Workday and Cleveland Clinic. Customers like Unilever, Uber, Shopify, and Lush Cosmetics are amongst the hundreds of employers currently using League to revolutionize their employee experience, drive better benefit utilization and reduce costs.

One of the client for League Inc, Candalife states that League’s HBX platform helps simplify the benefits administration experience and seamlessly integrates into an existing ecosystem of over 100 healthcare partners and human resource information services systems. For plan members, the platform’s consumer-centric design focuses on delivering meaningful benefit communications and education to help them fully understand their health plan options and make the best choices for their unique needs. Supported by a mobile and web app, participating plan members also have access to a digital wallet, health and benefits concierge teams and personalized health programming.

League’s health care operating system delivers data-driven decision making, an engagement tool, and virtual health care delivery. It improves the user, in term employee experience and it includes a very positive impact on employee engagement. It can be applicable to a small organization or a big organization, as it has the model of cafeteria-based-pay-per-use.

Company is using artificial intelligence for data driven automated decision making. It has also said that the company is using next level encryption to avoid any data-breaches, safeguard end-user data in very particular manner. It can be assumed that given, the same person’s data will be saved in a very particular manner again and again, for value based, AI powered decision making, blockchain technology might be used (however company has not disclosed any particular technology for such encryption and access pattern). The company also uses GPS activated smart device apps to give rich, location-based user experience to design health care requirements. Based on their digital interaction and contractual information sharing with more than 100 health care insurance providers, they might be using blockchain contracting for such activity. [[7]](#endnote-7)

## Landscape:[[8]](#endnote-8)

\* League Inc, is an insuretech company and trying to create next generation data driven, health care delivery and self-designable health care plans for different sized corporations/companies. They also have a transparent health care operating system, which provide all information to employees of corporations.

\* Following are the major trends and innovations of the insuretech domain over the last 5-10 years:

\*\* usage of mobile and smart devices to deliver services as well as collect data

\*\* building digital eco-system to play a part as a preventer and a partner of the end user

\*\* Using internet of things to collect enough data to predict the risk as well as improve ROI

\*\* Usage based insurance

\*\* On-demand insurance

\*\* Cybersecurity

\*\* Artificial intelligence and data usage

\*\* Digitalization

\* Following are the major insuretech companies in Canada:

\*\*Mjio

\*\*League

\*\*Dream Payments

\*\*Finaeo

\*\*ProNavigator

\*\*Covera

\*\*ClearRisk

\*\*FoxQuilt

\*\*Flutterbox

\*\*Brokerlift

## Results

\* Business impact of League Inc:

Business impact has transformed how group insurance was selected and delivered in different corporations. It has also delivered a large commercialization platform for even smaller companies to provide group insurance benefits to their employees. They have given design it all, insurance operating system both for employees and employers, which helps to reduce time spent on benefits administering, and improves the user interface. Given the outreach in the major corporations, League has partnered with more than 100 different healthcare insurance providers to deliver design and deliver their personalized products within groups insurance system.

\* What are some of the core metrics that companies in this domain use to measure success? How is your company performing, based on these metrics? [[9]](#endnote-9)

\*\* As the technology based companies in the insuretech domain are new and still in the initial round of investment, their revenue data is not openly available. It can only be predicted by seeing their outreach and customer acquisition, commercial partners and funding achieved.

\*\* Given the company is around 5 years old and has already partnered with all major health care providers and acquired many innovative and traditional corporations as their customers, the company is doing very well. They have also achieved CAD 100 mil. seed funding and stand 2nd in Canadian market in receiving funding and market recognition.

## Recommendations

\* If you were to advise the company, what products or services would you suggest they offer? (This could be something that a competitor offers, or use your imagination!)

\*\* Given current unprecedented situation in the health care market due to pandemic outbreak at international level, League Inc. can use their data in a very safe manner to create partnership with health care providers to plan and predict the resource requirement. At this time, Canada is facing heavy shortages of Vaccines and medications. In collaborations with pharmaceutical industries and employers, who are willing to pay extra for generating favourable and safe work environment, League Inc can design vaccine delivery network. It can also collaborate with government agencies and University health network to predict number of doctors and caregivers required in particular health risk domain based on their data collected from individual user.

\* Why do you think that offering this product or service would benefit the company?

\*\* Given how data driven the company tends to be and their user experience and product delivery system depends on accurate prediction of the data: more and diverse data availability can safeguard company’s risk analysis on the trends of product where they would like to offer health care products.

\*\* The company will develop intrinsic data-sets in collaboration with the government and University health network, which can provide them strong customer base in coming time.

\*\* Company can provide the data based on per use pay to different pharma companies under stringent confidentiality agreement, where they can generate positive cash flow and pay for their repository and digital expense.

\* What technologies would this additional product or service utilize?

\*\* I think company is already using, AI for data based predictions, IoT to collect and generate point to point data and Blockchain for encrypted and incremental data saving and data sharing. I believe, these technologies in combination with legally acceptable, digital end user agreement to protect data breaches at every level can provide a safeguard for any future litigations and anti-competition action.

1. <https://www.investopedia.com/terms/f/fintech.asp#:~:text=Financial%20technology%20(Fintech)%20is%20used,and%20use%20of%20financial%20services.&text=When%20fintech%20emerged%20in%20the,systems%20of%20established%20financial%20institutions>. [↑](#endnote-ref-1)
2. <https://www.investopedia.com/terms/i/insurtech.asp> [↑](#endnote-ref-2)
3. <https://www.insurancebusinessmag.com/ca/news/digital-age/top-10-insurtech-companies-in-canada-214331.aspx> [↑](#endnote-ref-3)
4. <https://betakit.com/mike-serbinis-gives-all-in-lesson-for-startup-founders-at-techto/> [↑](#endnote-ref-4)
5. <https://www.canadalife.com/about-us/news-highlights/news/canada-life-now-offering-leagues-health-benefits-experience-platform.html> [↑](#endnote-ref-5)
6. <https://league.com/blog/create-a-better-employee-experience-with-a-health-operating-system/> [↑](#endnote-ref-6)
7. hbr.org/hbr-analytic-services [↑](#endnote-ref-7)
8. <https://www.futuremind.com/blog/insurtech-technology-trends-shaping-insurance> [↑](#endnote-ref-8)
9. <https://league.com/ca/resources/> [↑](#endnote-ref-9)