Michael Santiago

Assignment #1

Case Study

**Overview and Origin**

**Name of company:** Steppie

**When was the company incorporated?**

2014

**Who are the founders of the company?**

Piotr

**How did the idea for the company come about?**

Founders wanted to restructure the insurance industry model and create new contact with customers on more than a "only when something happens" basis by rewarding customers for pro-health related behaviors and shift the focus towards prevention praise instead of compensation for loss.

**Business Activities**

**What specified financial problem is the company or project trying to solve?**

Steppie is trying to change the way insurance companies handle and come in contact with their clients. Instead of renewing contact with customers when a loss occurs, they will focus on praising their customers for healthy behaviors to promote prevention of possible loss or incidents. Thus creating an entirely different and interactive customer relationship based on positive reinforcement.

**Who is the company's intended customer? Is there any information about the market size of this set of customers?**

The intended customer for this company would definitely be individuals that are commitment oriented as well as disciplined enough to appreciate the value in keeping up with their health in order to gain rewards towards their insurance policies that they hold with the company. The market size of this set of customers would more than likely be dependent on geographical as well as demographic situations, as some cities have higher populations which are more health-driven than others.

**What solution does this company offer that their competitors do not or cannot offer? (What is the unfair advantage they utilize?**

Aside from the fact that there are literally no other insurance companies that offer rewards in the fashion that Steppie plans to execute, they are also integrating into iOS & Android's most utilized fitness apps in order to track steps as well as other healthy behaviors that their customers may engage in on their day to day. To this day, I have not seen or heard of any other company in the insurance realm that has even attempted to accomplish such a task. I am sure they will find many barriers and obstacles along the way, but if they can streamline everything to function smoothly, I think this is a huge step forward for the industry as an entirety.

**Which technologies are they currently using, and how are they implementing them?**

They developed an app on iOS and Android and integrated it with the most utilized health tracking apps. They are using Ruby on Rails for backend development and created the Android and iOS app in their native languages, Kotlin and Swift.

**Landscape**

**What domain of the financial industry is the company in?**

InsurTech

**What have been the major trends and innovations of this domain over the last 5-10 years?**

I feel that the insurance industry as a whole has been pretty cut & paste in terms of functionality. What sets companies apart is their route to market as well as their marketing strategies.

**What are the other major companies in this domain?**

* Mass Mutual
* Guardian
* AARP
* John Hancock
* Crump
* Florida Blue
* Aetna

**Results**

**What has been the business impact of this company so far?**

The company has provided an avenue for customers to shift the focus from insurance, for loss compensation purposes, to a commitment to bettering themselves and their health in order to be rewarded and benefit financially from their insurance providers. I believe this is absolutely groundbreaking because no one in the insurance industry has been able to accomplish this thus far.

**What some of the core metrics that companies in this domain use to measure success? How is your company performing, based on these metrics?**

Insurance companies typically gauge their performance and status as a company based on their loss runs and number of claims filed versus time without claims being filed. This company focuses on the prevention of claims through their rewards system and allows their customers to commit to them through their actions and behaviors in order to provide a better overall experience as well as satisfaction level of services provided by the company.

**How is your company performing relative to competitors in the same domain?**

I am sure the company will do significantly well compared to that of their competitors because of the simple fact that they are utilizing gamification elements and rewards to promote a positive change in lifestyle for their customers in order to reduce the probability of diseases and illness which in turn, reduces the costs of insurance-related activites.

**Recommendations**

**If you were to advise the company, what products or services would you suggest they offer?**

I would personally advise this company to establish as many partnerships with local fitness companies in order to facilitate discount-related subscriptions or memberships for their customers in order to assure their participation in not only healthy behaviors such as exercising regularly, but also to ensure that customers will be eligible to receive such rewards immediately upon establishing a relationship with Steppie.

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

This would just be an easy foot-in-the-door scenario for the company to not only take care of and ensure the productivity of their current customers, but also open doors to new customers via their current loyal customers naturally sharing their experience with others. Thus creating an organic referral source via every customer based on the fact that they are receiving rewards as well as discounts to their favorite fitness boutiques.

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

They could easily just integrate it into their already existing app and either run ads for certain partnerships or have an entire section dedicated to the partnerships that have been established and that are readily available for clients to use and take advantage of. This would of course make it much easier for their clients to initiate action for themselves instead of someone "selling" them on additional services.

**Why are these technologies appropriate for your solution?**

They are appropriate because it streamlines the process and although the strategy of the company is to be more in contact with its clients, it gives a hands off approach to clients subscribing to additional services without having to have them "sold" to them. It also gives clients more of a sense of empowerment knowing that they willingly chose to participate in those partnerships or "deals" and are much less likely to have any buyer's remorse afterwards. It sets the insurance company up for success also knowing that their clients are already taking steps in the right direction of preventing possible future claims.

**Addendum**

*Sources:*

https://pitchbook.com/profiles/company/171021-61#overview

https://www.businessinsider.com/insurtech-fintech-providers-2021

<https://www.businessinsider.com/fintech-companies-startups>

Research Study of FinTech Company Zillow and its Domain Mortgage/Real Estate. Okechukwu Udebuike. Due: June 6, 2021.

Title: FinTech Zillow and the Domain Mortgage/Real Estate

Overview and Origin: Zillow’s founders Barton got the inspiration for funding Zillow when he was working at Microsoft, and he realized that the real estate industry would be transformed.aw an opportunity to empower people with knowledge and information and make it radically easier for people to move. The introduction of the Zestimate, our proprietary valuation algorithm, combined with advanced technology, content and connections, has turned Zillow into a household name.

Today, the millions of people who rely on Zillow to start their home search can now rely on Zillow and its affiliates to help them finish it — with the same transparency, reliability and confidence they have come to expect from real estate’s most trusted brand. We are early in this expansion, but we are well on our way.

* Name of company: Zillow Group
* When was the company incorporated? December 2004
* Who are the founders of the company? Rick Barton and Lloyd Frink
* How did the idea for the company (or project) come about? Barton got the inspiration for funding Zillow when he was working at Microsoft, and he realized that the real estate industry would be transformed.
* How is the company funded? Zillow makes money by charging property management companies to advertise their listings on the Zillow Rental Network. Zillow offers Premier Agent Websites, which include free premium designs, a multiple listing service search, and a domain name.

How much funding have they received? $96.6 Million

**Business Activities:**

* What specific financial problem is the company or project trying to solve? Zillow is trying to financially equip more people to purchase homes.
* Who is the company's intended customer? Everyone who is ready to purchase home. Is there any information about the market size of this set of customers? It is estimated to $40 billion. What solution does this company offer that their competitors do not or cannot offer? (What is the unfair advantage they utilize?). Zillow benefits from the power of network effects. By developing the most popular means of searching for real estate, it attracts buyers and sellers in a virtuous cycle.
* Which technologies are they currently using, and how are they implementing them? (This may take a little bit of sleuthing–– you may want to search the company’s engineering blog or use sites like Stack share to find this information capabilities to process large data sets in near real time, create features, and train and score millions of machine-learning models. Zillow uses Node and they implement by running Zillow's machine-learning algorithms using Spark on Amazon EMR, Zillow can quickly create scalable Spark clusters and use Spark's distributed-processing.

**Landscape:**

* What domain of the financial industry is the company in? ListHub
* What have been the major trends and innovations of this domain over the last 5-10 years? ListHub will Power Listing Distribution for Lone Wolf Customers
* What are the other major companies in this domain? Trulia

**Results**

* What has been the business impact of this company so far? By acquiring the various brands complementary to its core business, Zillow Group has created a dominant hub for U.S.-based real estate internet traffic.
* What are some of the core metrics that companies in this domain use to measure success? Running a profitable business requires careful attention to detail. How is your company performing, based on these metrics? Measure variables that you can influence. Provide guidance to answer your most important questions.
* How is your company performing relative to competitors in the same domain? Data points in order to illustrate this trend. Data related to for-sale listings are generally the best indicator of real-time housing market activity.

**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!). So they can make people to rely on zestimate with their estimation.
* Why do you think that offering this product or service would benefit the company? By giving the real estimate, it will help people to know what their real budget is when looking for house themselves.
* What technologies would this additional product or service utilize? Real time calculator.
* Why are these technologies appropriate for your solution? By giving the real estimate of a house to the people.