

# Metromile and Hippo partner to offer bundled auto and home insurance product

Article

The two US-based insurtechs joined forces to offer consumers a bundled auto and homeowners insurance product, which they say will save policyholders 15% with a multipolicy

discount, per [Metromile's press release](#). Consumers will be able to purchase the coverage from either company's platform, and it will initially be offered in eight states, including California and New Jersey.

**The joint product brings together the two leading insurtechs' respective digitally powered solutions.**

- **Home insurtech Hippo offers policyholders smart home insurance and has been on a strong growth trajectory since its 2015 inception.** The insurtech takes a [proactive approach](#) to its home insurance protection using smart home devices, real-time data, and alerts. This reduces the frequency and severity of claims and lets Hippo offer lower premiums and better coverage. The insurtech has enjoyed total written premium growth at a compound annual growth rate of [69%](#) in the last three years and wrote \$405 million in premiums in 2020.
- **Auto insurtech Metromile has also enjoyed sustained policyholder growth in recent years.** [Metromile](#) offers on average 47% cheaper coverage compared with policyholders' previous auto insurance policies by monitoring customers' driving via an IoT device and charging them on a pay-per-mile basis. The insurtech has seen a [76%](#) average annual premium growth rate between 2015 and 2019.

**In the US' extremely competitive P&C market, this partnership will help the two insurtechs better compete through product diversification and lower prices.**

- **Policyholder premiums are [spread widely](#) among several carriers, and incumbents are increasing their tech investments to retain policyholders.** Owing to the intense competition —State Farm is the largest P&C insurer by number of premiums but controls just 9.3% of market share—incumbents are [investing heavily](#) in digital solutions and will grow their tech spend by 7% this year, per Insider Intelligence. This will likely close the digital experience advantage that insurtechs enjoy over incumbents, which might decrease their attractiveness to prospective customers: US incumbents grew their [auto insurance premium market share](#) in 2020, which indicates that their investments are paying off.

**The partnership will help Metromile and Hippo grow their market shares by responding to two key customer demand trends.** [Price dissatisfaction](#) was a key customer attrition factor in the US P&C market in 2020, and offering further discounted policies will appeal to consumers. And adding new lines of insurance will widen the appeal of the two insurtechs to prospective policyholders—product diversification like introducing car and pet insurance has been a key driver of [Lemonade's](#) recent premium growth.

# INSURTECH ECOSYSTEM

## Car Insurance

metromile

bambi  
Dynamic

carrot  
REWARDING INSURANCE

Cuvva

ZEGO

Clearcover

COVERBOX

ROOT

## Home Insurance

Lemonade

kin.

hippo

Brolly

getsafe

neos

Jetty

urban jungle

## Health Insurance

Clover

ottonova

zest health

bright  
HEALTH

OSCAR

alan

zipari

DevotedHealth

## Small Business Insurance

NEXT  
INSURANCE

pie PIE INSURANCE

DINGHY

gusto

insureon

coverwallet

Tapoly

Note: Full-stack insurtechs have a red box around them.

INSIDER  
INTELLIGENCE