

# Late-stage insurtechs take lion's share of record-breaking Q2 funding

Article

**The news:** Global insurtech funding reached **\$4.8 billion** in Q2 across **162 deals**, per Willis Towers Watson (WTS). And with a great Q1, insurtechs have already raised **\$7.38 billion** in

2021, compared with **\$7.12 billion** for all of 2020.

### Here's what drove funding activity in Q2:

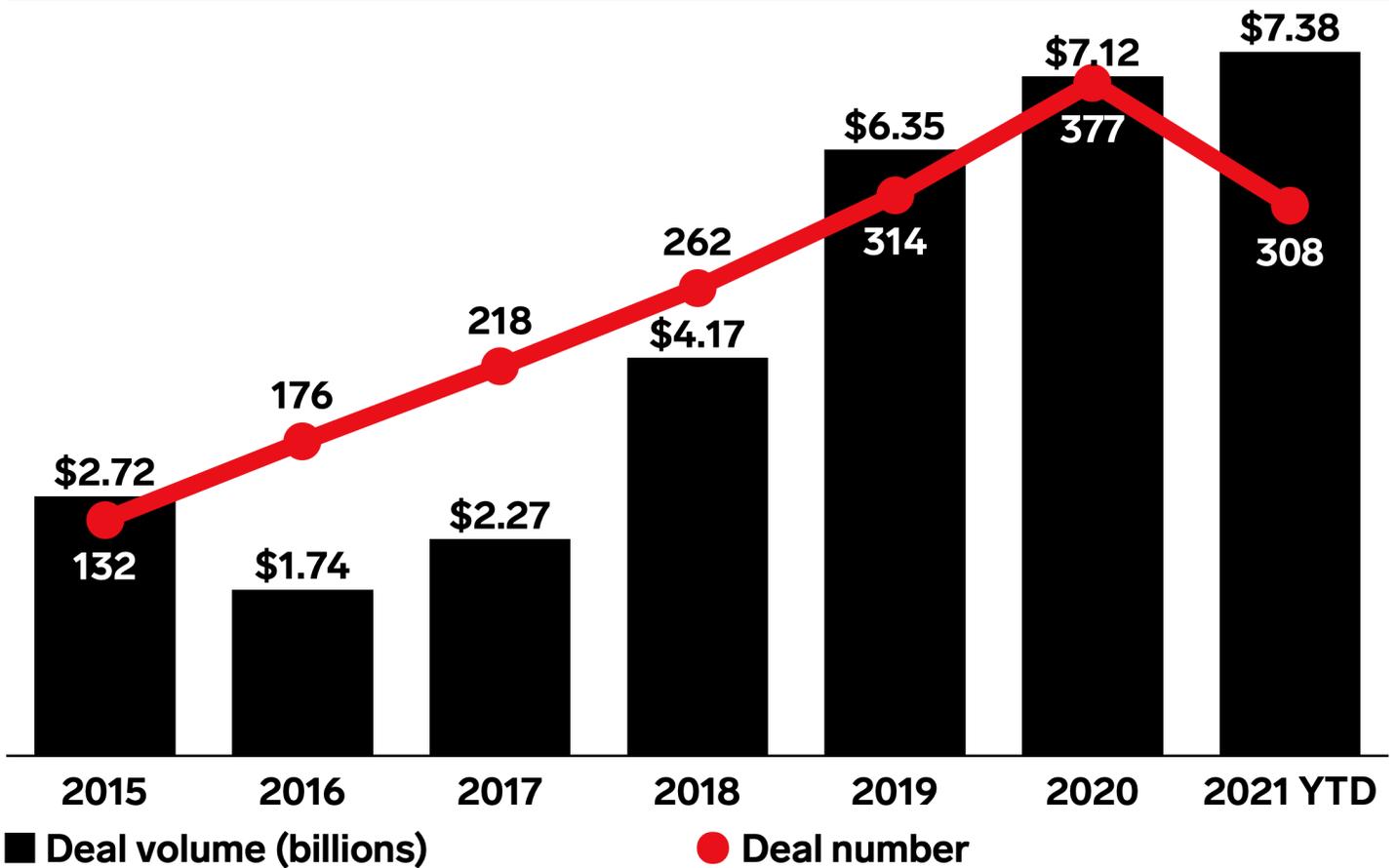
- **Mega-rounds.** Just **15 insurtechs** raised **\$3.3 billion**, or **two-thirds** of total Q2 funding. The funds were mostly later-stage deals to power insurtechs' geographical expansion: Europe-based [wefox](#) raised **\$650 million**, one of the largest Series C rounds on record, and pet insurtech [Bought By Many](#) and insurance SaaS provider [Shift Technology](#) scored Series D rounds of **\$350 million** and **\$220 million**, respectively.
- **Distribution.** Insurtechs focused on distribution (digital brokers and MGAs) accounted for **10 of the 15** mega-rounds and **55%** of all deals. They use tech to help customers digitize insurance sales, like via price comparison site [The Zebra](#) or commission-less life insurer [Ethos Life](#).
- **Geography.** Insurtechs from 35 countries raised funding, compared with 26 countries last quarter. New markets to make it on the insurtech funding map included Botswana, Mali, and Turkey.

**The future of the insurtech space:** Despite early-stage deals composing **57%** of all deals, the concentration of funding volume among later-stage players calls into question younger startups' longevity.

In 2020, WTS estimated that **184 insurtechs** globally were close to or had shut down since 2010. It now puts this number at **456**. To calculate this, they looked at startups that have raised less than **\$10 million** overall, have not exited or raised capital in more than two years, and are outside the top **25%** in **CBInsights'** tech company health metric, [Mosaic Score](#).

The number of insurtechs stagnating will likely increase as established players draw from their combined **\$3.3 billion** in capital to make acquisitions and collaborate to consolidate and block out newcomers. In Q2 alone, B2B insurtech [Cambridge Mobile Telematics](#) [acquired](#) [True Motion](#) to work with **21 out of the 25** largest US auto insurers and reach 20 countries. And [Metromile](#) and [Hippo](#) [partnered](#) to offer consumers a bundled auto and homeowners insurance product.

# 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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