



## Neos provides a home insurance proposition based around smart technology

Neos's connected home proposition helps customers actively protect their homes, reducing claims costs for insurers. Customers value the solution; NPS is +64 and 94% of TrustPilot ratings have been 'Great' or 'Excellent'

### What do they offer?

**To customers:** Neos provides customers with connected technology including smoke detectors, cameras, motion sensors and leak detectors as part of their home insurance policy.

In case of an incident, homeowners are alerted and Neos's 24 hour monitoring team send out tradespeople to rectify the problem.

**To insurers:** Neos operate as an MGA in the UK and as an end-to-end white-label insurance IoT solution in other markets.

Neos's technology reduces claims cost (frequency and severity) as the sensors supplied cover the three main causes of loss – fire, theft and escape of water.

The business claims its proposition also increases customer engagement and retention due to its differentiation from other home insurance policies on the market.

**Traction:** Neos started to get traction in 2017, growing at 1,000% albeit from a low base. With £6m investment and Munich Re onboard as capacity providers, all the components are in place for acceleration in 2018.

**Potential:** Neos is a good example of a trend towards 'embedded insurance'. In other words, rather than thinking narrowly about selling insurance, the company is positioning insurance as the 'backstop' remedy if its attempts to predict and prevent losses have failed.

**The 2018 challenge:** Neos has built great foundations; in 2018 it needs to prove personal lines IoT is a big market. How many customers interested in a premium home insurance solution? Equally, the business needs to prove its economic model: is the cost of connected devices covered by improved loss ratios?

Year founded: **2016**

FTE: **30**

Investment to date: **£6m**

Key investors: **Aviva Ventures, Munich Re, EOS Venture Partners, Gary Lineker**

Public insurance capacity providers: **Munich Re**

Revenue growth 2016-17: **1,000%**

2017 revenue band: **£50k - £1m**

Current countries: **UK**

HQ: **London**

Tech Trend



IoT



Customer experience

Target Insurance Partners



Personal lines

“ The leak was a small one but I hate to think how much damage could've been done if Neos hadn't detected it ”

Patrick M,  
Walthamstow

### The Oxbow Partners view

## What happens?

### For customers

- Customers purchase the product and have the IoT devices shipped out to their home address; there is no up-front fee for the customer
- There is an installation option, if required

### For insurers

- Neos operate as an MGA in the UK and offer an end-to-end white-label insurance IoT solution in other markets
- The insurer covers the cost of the tech, which is amortised over the policy lifetime

## Key Executives

### Matt Poll

#### CEO & Founder

- Commercial Director at More Than (RSA)
- Business Development Director at AXA

### Michael Postle

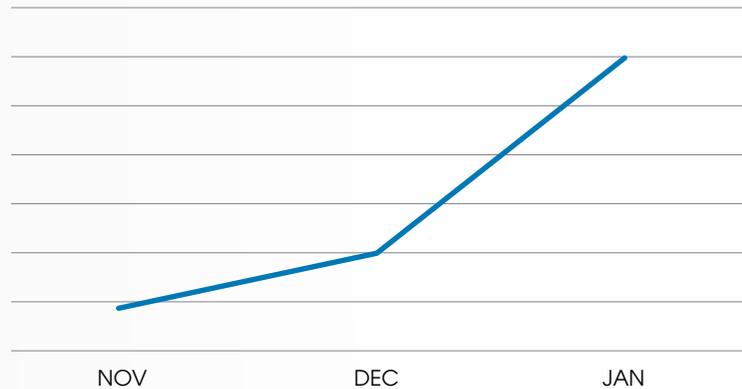
#### CFO

- Personal Lines Strategy Director at RSA
- Corporate Finance at PwC

## Impact

Since launching in August, customer growth has been strong. Customers doubled between November and December, then tripled between December and January.

### Customer Growth Rate



## Case Study 1

**Client situation:** Neos's customer had a significant leak in the kitchen whilst away on business in Switzerland.

**What they did:** Neos's sensors detected the leak and sent the customer an alert via the Neos app. As he did not respond, he was subsequently called by the 24/7 monitoring team. The customer called his wife at home, woke her up and she turned the water off. Meanwhile, the Neos team arranged for an emergency plumber to come out first thing in the morning and fix the problem.

**Impact:** The client was able to save significant damage to his property.

## Case Study 2

**Client situation:** Neos was engaged by Aviva to develop an end-to-end, jointly branded solution in order to offer a fully connected home insurance proposition to their customers.

**What they did:** Neos developed a solution that allowed Aviva to test the market in line with their requirements.

**Impact:** The solution was live with customers within 4 months.

## Future Applications

### Neos plans to:

- Develop their proposition to help customers protect their homes better
- Link with additional market leading smart home providers
- Launch white-label partnerships with tier 1 insurers outside of the UK