



QBE
Insurtech

Corporate Case Study: Techstars Network Engagement Program



QBE gets insurtech innovation—and a startup culture injection—with the Techstars Network Engagement Program

SUMMARY

Insurance giant QBE sought to identify and engage with top-tier startups to future-proof their business. With a global view into the startup world, the Techstars Network Engagement Program has helped them engage rapidly and in a meaningful way with founders and companies—and get a startup culture injection.

BACKGROUND

QBE Ventures looked to startups for expansion and efficiency

As a top global property and casualty (P&C) insurance carrier, QBE knows transformational innovation is critical to serving its customers. To that end, the company's venture arm, QBE Ventures, sought engagements with startups to introduce new technologies and ideas.

"We recognized that to accelerate our adoption of digital and emerging technology, we needed to mature in the way we engaged with the startup ecosystem," says Ted Stuckey, managing director of QBE Ventures. "We wanted to seek out startups that provided us with access to differentiating capabilities, so we could grow or expand into new markets, or drive operational and process efficiencies."

CHALLENGE

Possibilities spanned everywhere and everything, and corporate culture was a liability

With innovation potentially impacting any part of the insurance value chain, and with a presence spanning more than 30 countries, Stuckey explains, “There wasn’t a well-defined geographic or market segment in which to really focus our scouting or engagement efforts.”

Culture was another hurdle. “Most big companies think they’re in charge—that they can dictate things and drive processes,” says Stuckey. “When you’re interacting with a startup, you have to have a completely different mindset.”



SOLUTION

Techstars identified high-potential partners—even some that caught QBE off-guard

QBE Ventures chose the Techstars Network Engagement Program for its ability to connect them with a broad view of the startup landscape. Techstars enabled them to identify and quickly vet an ongoing flow of potential partners.

Understanding QBE at a granular level was the first step for Techstars: who they are, their strategies, their challenges, and what they're looking for. The Techstars Network Engagement Program manager, the liaison between QBE and the startups they worked with, used this understanding to identify partners with the highest potential, then put QBE in the right situations at the right times—"with folks who we were never even thinking of, but who could actually add a lot of value," says Stuckey.

"We're not going in with preconceived notions of what we're looking for. We're working with a network that has access to the best, the brightest entrepreneurs anywhere in the world. And we're confident that if we put forth the effort, there's a really good chance we'll connect with a company, a founder, or an idea that could have a massive impact on us," says Stuckey.

This played out in the company's partnership with Nimbla, an invoice insurance startup that enables businesses to check the risk of non-payment on invoices and protect the ones they're worried about. Startups offer a unique vantage point on innovation opportunities that corporations might not otherwise see. "Nimbla caught us all off-guard," says Stuckey. While it's still early, the Nimbla platform is ultimately expected to power QBE's go-to-market strategy for a new target market.

“ There’s basically nobody else in the world that can provide the geographic reach that Techstars can, and few have access to the caliber and quantity of entrepreneurs that they bring into their program. For us, it was a natural fit. ”

—TED STUCKEY, MANAGING DIRECTOR OF QBE VENTURES

BENEFITS

Exposure to the right startups has QBE looking ahead to a massive impact

“Our goal is to be the partner of choice for startups,” says Stuckey. “You can’t do that without going through a wide variety of engagements and learning along the way. We’ve been able to do this in a very short amount of time with Techstars.”

They’ve done more than just learn. QBE Ventures has made major inroads toward transformational innovation, particularly with Nimbla. “We went to the trade credit team with this idea,” says Stuckey. “It wasn’t even on their radar, but we knew this was legit. We had that confidence largely because of the Techstars brand behind them. That helped us push this concept into the business—and we believe it is going to make a massive impact on our business.”

“The really cool part about working with Techstars is that so many of them—the Techstars Network Engagement Program manager included—are founders. And because we have this trusting

relationship, it’s very easy for them to challenge us on our responsiveness with startups,” he says. “Sometimes it really just takes an independent third party to call you out in order for change to happen.”

With the Techstars Network Engagement Program, “We get a master’s course in engaging with startups,” says Stuckey. QBE now has the experience—and the internal processes—to engage with startup companies quickly going forward.

The biggest impacts have been to the big picture. “Our relationship has challenged our business around the globe to think differently about how they do what they do,” Stuckey says. “Nimbla came before a group of people who have made a career in the insurance industry, and inspired them to recognize alternative ways of doing things, alternative ways of using data, and alternative ways of providing benefits to our customers. That collaboration has really pushed them to do something new in the market and to run their business differently. They’ve seen a vision of who they can be as a business 5, 10, 15 years down the road.”

“ We really think of Techstars as an extension of the team. They can articulate who we are and what we’re looking for. And the companies they bring back to us—which in the first year numbered over 500—are legitimate opportunities with the potential to have an impact. ”

—TED STUCKEY, MANAGING DIRECTOR OF QBE VENTURES

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—TED STUCKEY,
MANAGING DIRECTOR OF QBE VENTURES

3 Reasons the QBE-Nimbla Relationship Works

Flemming Bengtsen, founder and CEO of Nimbla, explains what it takes for a corporate/startup relationship to be successful.

A SPONSOR ON THE CORPORATE SIDE

“There’s always a slight disparity in the speed at which we need to work.” As an advocate within the enterprise, QBE Ventures has been essential. He adds, “The tech is what we know; the risk is what we know. But in terms of the operations and the legals and all the rest of it—it’s all about leveraging what they have already and getting them to help us.”

A MEDIATOR

“Culturally, it can be very different. Having somebody in the middle who can effectively broker that relationship is very powerful.” The Techstars Network Engagement Program Manager fills this role for Nimbla and other startups for QBE Ventures. Bengtsen continues, “For a corporation that wants to leverage smaller startups to bring in some sort of innovation, culture is probably one of the most involved things.”

COMMITMENT

“There’s a lot of lip service paid to wanting to engage with startups. They have to actually mean it.” Once they’re committed, he says, “The Techstars Network Engagement Program is really good way of finding out very quickly whether the fit is right. You know the companies have been through a certain amount of rigor. They know what they’re doing, and they’ve been very well screened.”