RIMAC







G-Lab 2019 Lima, Peru

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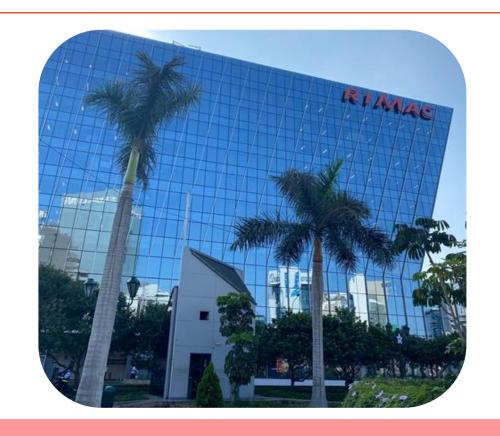
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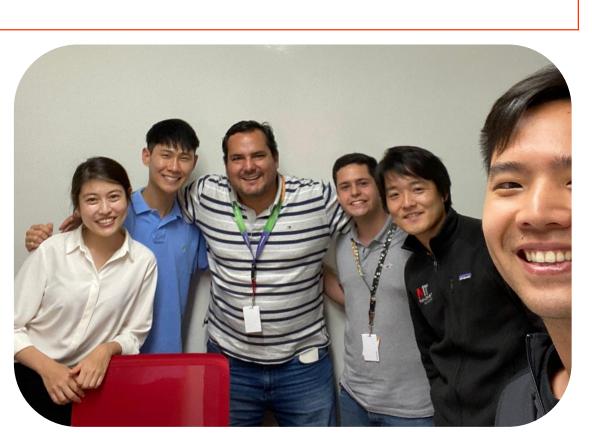
Company Background

- RIMAC is one of the largest insurance companies in Peru (\$1.5B revenue, 600 employees), owned by Breca.
- In the last 3 years, the company has developed several Artificial Intelligence & Data Analytics models that helps its own insurance business, such as churn and cross/up selling models.
- It has a dedicated division consisting of data analysts and date scientists and has been evaluating the spin off opportunity of its analytics expertise beyond for internal use.

Project Objective

To evaluate the spin-off opportunity for RIMAC's Al Division and blueprint high level go-to-market strategy for this potential spin-off.





Analysis and Recommendation

Our team took the following 3-step approach to address the questions to answer - why / where / how to enter the US AI/Analytics market for insurance companies.

Market Landscape Al/Analytics market itself is growing fast and especially in the U.S.

The market already has a infrastructure with investment, which give RIMAC a opportunity to grow as a spin-off Al/Analytics player

U.S. has been pioneering the market in the insurtech industry

Insurance is one of the leading industries for Al/Analytics based on use case development

RIMAC can generate much more value in Latin America

after entering into the high-bar market

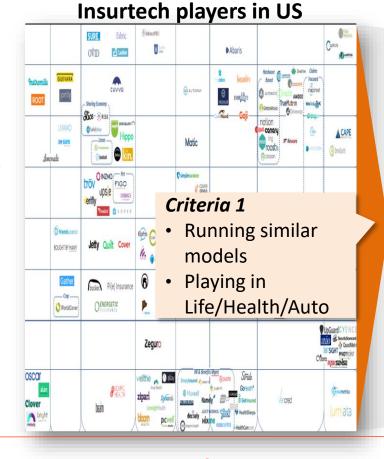
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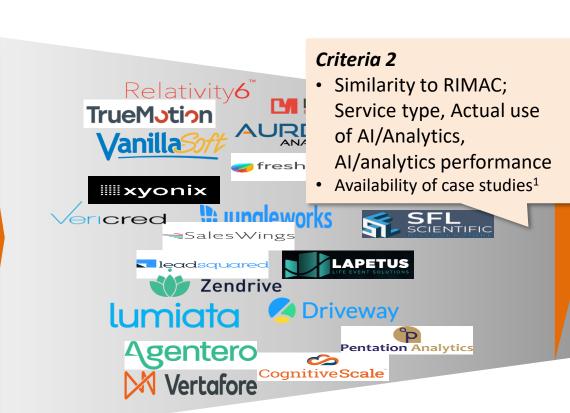


- US is the biggest market in insurance industry worldwide (Market size: **\$1.2T vs. \$150B** of Latin America in 2018)
- US has the highest number of AI companies and AI venture capital funding has skyrocketed to \$5B in 2017 with CAGR 75% from 2012
- Most AI/Analytics use cases support financial services and insurance industries
- Al spend in insurance is expected to grow 24% CAGR between 2019 and 2022 (Insurance industry is expected to spend \$1.1B on AI, growing to \$2.6B in 2022)
- After building up success cases in the US as the high-bar entry market, RIMAC would be able to re-enter to Latin America to generate more value
- RIMAC can build up partnership models with various types of niche players

Competitive **Analysis**

- ☐ To unlock the growth potential, RIMAC should keep focus on its current strength in Life, Health, and Auto insurance
- ☐ To benchmark other potential competitors, most players horn their edges competitive compared simplicity, data-analytics incumbents; technologies, agility and collaborate with incumbents as well as insurers through diverse partnership models.







Top 6 picks of Insurtech companies

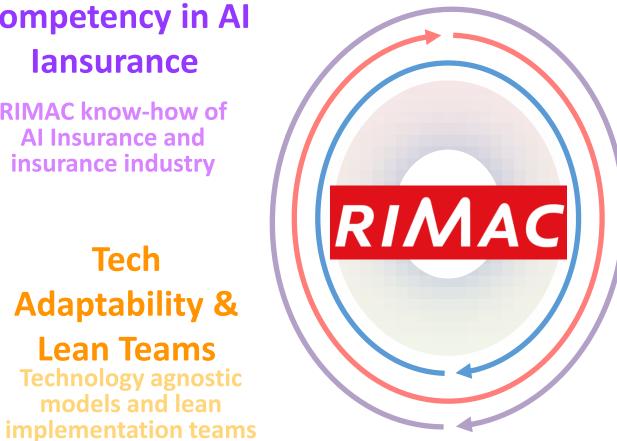
Go-tomarket **Strategy**

- team identified RIMAC's competitive edge; experience in Al insurance, low cost structure, tech adaptability, data resources. RIMAC needs to develop its go-to-market strategies; pricing, product mix, customer segmentation
- Should use a combination of different pricing strategies based on its low cost structure and strong talent pool
- Should prioritize vehicle insurance product given with RIMAC experience and compatibility
- Should prioritize potential customers based on feasibility (small or mid-sized) and brand power/reputation in the market

Competency in Al lansurance

RIMAC know-how of Al Insurance and insurance industry

Tech **Adaptability & Lean Teams Technology agnostic** models and lean



Competitive Cost Structure

Less expensive labor structures & RIMAC capital backing to acquire new customers

Underutilized Data Resources

Potential compatible data from adjacent industries