

JEL Classification: G22, G28, L86.

INFLUENCE OF INSURTECH ON THE DEVELOPMENT OF THE INSURANCE MARKET

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Abstract. *The article examines approaches to the interpretation of the InsurTech concept, attempts to characterize the features of InsurTech companies, and offers an author's definition. The state of the InsurTech market was assessed, including: changes in the dynamics of investment volumes and the number of startups. The role of InsurTech companies as catalysts of changes in the interaction models between insurance providers and customers, pricing policies, and overall, the transition of the insurance industry to a new "risk reduction and prevention" strategy is justified.*

Keywords: *digitalization, insurance market, business processes, insurance technology companies (InsurTech companies), insurance sector, innovative business models.*

The introduction of digital technologies in the insurance market is directly related to the emergence of a wide group of new players, which in scientific and analytical sources began to be summarized by the term InsurTech starting in 2010. However, the place and role of these companies in the transformation of business processes on the market is constantly changing and requires attention from scientists.

This article discusses the impact of InsurTech on the insurance market and how it is helping to shape the future of the industry. The article also highlights some of the challenges and opportunities that come with the adoption of Insurtech, such as data security, privacy concerns, and the need for collaboration between Insurtech startups and traditional insurance companies.

The article examines the approaches to the interpretation of the InsurTech concept offered by some researchers, international financial and analytical organizations. An attempt to characterize the features of InsurTech companies, their segmentation was made, and an author's definition of the concept was proposed. The state of the InsurTech market was assessed, including: changes in the dynamics of the volume of investments involved and the number of startups. Successful projects that have attracted the largest amounts of investment and InsurTech business models that are actively developing and attracting the interest of investors are studied.

During the conducted analysis, it was found that a significant proportion of InsurTech companies are working on the improvement and transformation of

business processes related to the marketing and distribution of insurance products. They directly provide or sell insurance services aimed at narrow customer segments and usually offer only one insurance product (auto insurance, animal insurance, property insurance, etc.). A review of InsurTech startups that have appeared on the domestic insurance market over the past few years confirms the global trend: the most common InsurTech business model in Ukraine is online platforms and marketplaces that offer customers quick service in finding the necessary insurance product.

The conducted research made it possible to single out and justify the

challenges faced by classical insurers, which previously had practically no external competitors. The author discusses the role of InsurTech companies as catalysts of changes in the interaction models between insurance service providers and clients, pricing policy and, in general, in the transition of the insurance industry to a new strategy of "risk reduction and prevention".

Overall, the article highlights the potential for Insurtech to drive innovation and growth, while also acknowledging the challenges that must be overcome to ensure its successful implementation.

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