

## Anapi: Insurance for digital startups

INSURTECH



Anapi is an insurtech company that provides relevant insurance to the digital services of any business using its smart API platform. Anapi founder and chief executive officer George Kesselman said insurance needs to be designed differently for the digital world. “We partner with leading insurers and deliver tailored protection via our smart API platform,” he said.

Launched last November 2017, Kesselman said, Anapi solves a fundamental problem in the insurance industry, in which insurance firms have drifted into a more grey territory of helping themselves to make profits first before helping their customers.

He explained that digital startups usually find themselves with no protection because insurance companies do not understand their businesses. “The common painful theme kept coming up. There’s no relevant option to protect ourselves and our customers in digital,” said Kesselman. “Many of the startups had spoken to insurers and felt that insurers either didn’t understand or weren’t interested to help them.”

### Simplifying insurance

At the heart of Anapi’s services is AI technology that simplifies insurance, making it a frictionless experience for startups and users. Kesselman said, “Whilst API is the heart, Sanya is our Reinforcement Learning AI Engine. Sanya is quickly learning about all kinds of things people and businesses are worried about and the best ways to protect them.”

Kesselman said 10 digital startups have already expressed interest in being part of Anapi’s insurance pilot. He added that they are optimistic Anapi’s initial round of funding will fuel the firm for the next 18 months. “Five years from now we aim to become the seamless enabler for digital nano-insurance on a global scale,” Kesselman said. “The future of insurance is digital and we are building it.”



What will happen to Asian firms when they encounter a cyber attack?

## Asia at risk with cyber insurance scarcity

From the stolen personal data of 850 personnel from Singapore’s defense ministry online database portal in 2017 to the 6.4m children’s data stolen from a Hong Kong toy firm in 2015, the number of attacks in the region have been alarmingly growing in number and scope. However, Asia-Pacific’s cyber insurance take-up rate still remains negligible compared to other regions across the globe, with the cyber insurance market heavily skewed to the US at 90% of the total share, Europe at 4%, whilst the rest of the world including Asia is only at 6%.

“Asia-Pacific is a perfect cyberstorm”, Marsh and McLennan analysts noted, with the global growth in internet users, greater connectivity amongst 4G mobile devices, and higher mobile network traffic all driven by Asia-Pacific by 69%, 49%, and 47%, respectively. Amidst all this, it has also become the playground of hackers due to the lack of security measures to come with the growth in digitalisation.

### Weak points

The region has yet to enforce several regulations such as disclosure regulation, the lack of which creates the perception that cyber attacks in the region are relatively lower than those in Europe or US. Insurers have seen this as a point of entry to offer risk management solutions for

companies that find cybersecurity a tall order to do on their own.

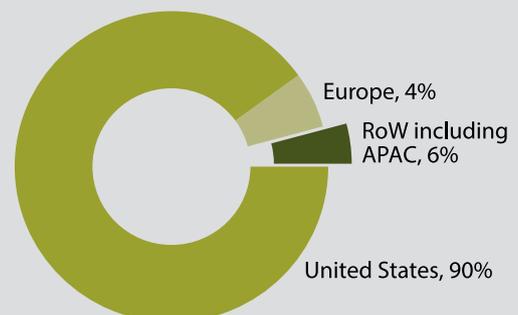
In Singapore, the demand for cyber insurance has increased as companies rush to insure their businesses against data breaches. A PwC survey revealed that Singaporeans also lack the ability to identify the culprits behind cyber attacks, a weak point in risk quantification.

PwC also reported that in Singapore, more than six in 10 organisations have cyber insurance, 37% and 35% of which have made a claim and collected it, respectively. One of them is insurer AIG which came up with its own product called CyberEdge, offering protection against sensitive data breaches (personal and corporate data), computer hacking, dumpster diving, computer viruses, and employee sabotage or error, amongst others.



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### Global cyber insurance market



Source: Marsh & McLennan Companies