ZYWAVE

Accelerating Carrier Growth & Profitability
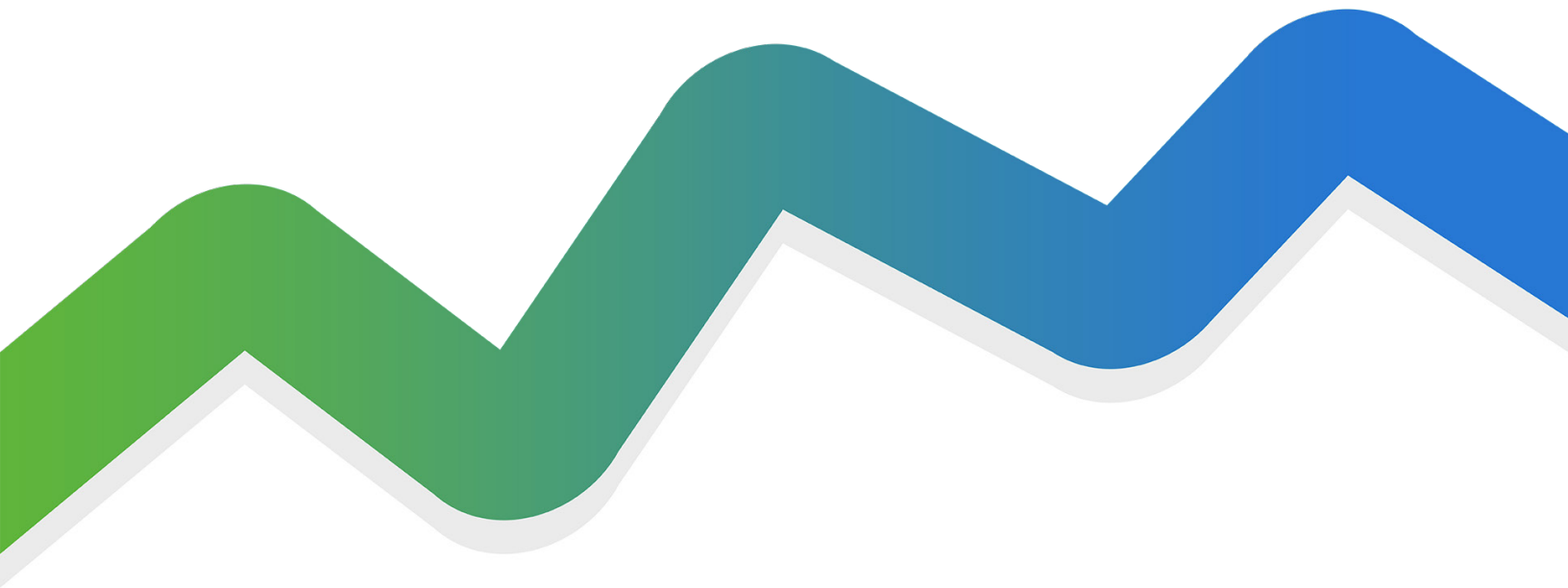
w/ API-BASED COMPARATIVE RATING PLATFORMS

Guide for Insurance Leaders
Q2 2025

THE ONCE-STEADY STATE OF THE INSURANCE MARKET IS BECOMING MORE COMPLEX AND UNPREDICTABLE.

Today's market is facing an escalating risk trajectory, where the types, causes and costs of risk are compounding. Carriers are experiencing escalating loss ratios, market insolvency and greater competition, putting more pressure on profitable growth. At the same time, technology is moving quickly, and consumer expectations are soaring.

Traditional operating models cannot keep pace with the increasing complexity, uncertainty and risk in the market. All these factors are forcing the industry to evolve — to find new channels for growth and new ways for the insurance supply chain to work together to continue growing. Digital distribution is one area where both carriers and brokers can make a huge impact on their bottom lines by evolving their operating models and leveraging an extensive ecosystem to expand their reach.

This paper outlines how insurance companies can deliver more quotes faster than ever before through partnerships with industry-leading comparative rating platforms. Comparative rating software funnels carrier quotes directly to the agents and brokers who need them, enabling insurers to scale at high speeds by tapping into pre-existing distribution networks.

These platforms also have the power to position carriers directly in front of the growing number of policy seekers demanding point-of-sale insurance options, and the data that the raters possess can be analyzed and used to inform smarter market, product development and rating strategies.

In the following pages, experts from Zywave, a technology company that specializes in insurance software, highlight how their digital distribution network allows for easier quoting for agencies and brokerages and increases both carrier reach and risk selectivity.

What is a Comparative Rater?

Comparative raters simplify the process of shopping for insurance coverage.

In the past, agents and brokers needed to navigate multiple carrier systems and scattered data sources while collecting quotes and binding policies. Comparative raters — like **Zywave's TurboRater** — are applications that bring all that information into one unified insurance quoting tool.

But these raters aren't only standalone platforms.

Application programming interfaces (APIs) enable agencies and service providers to embed data from a comparative rater within their business processes. That's exactly how TurboRater's robust quoting database is integrated into agent and broker tech stacks and workflows across the country.

"Technology is expanding," said Michael Miller, senior product manager at Zywave. "It's creating a lot of these new, more creative solution opportunities. And that's where APIs really shine."

CPQ Quote

Carrier	CARRIER	CARR
🚫	**$825.00**	**$750.00**
The carrier has declined to quote this risk.	Annual Premium This quote requires you to refer to an underwriter.	Annual Premium
Learn More	Refer Quote	View Quote

How Do Carriers Benefit from a Comparative Rater?

Tapping into an extensive distribution network is the chief benefit insurers receive from comparative raters. Carriers get significantly more at-bats with potential policyholders by being placed in front of thousands of agents who regularly use the raters, explained Alexander Hamilton, director of sales at Zywave.

"Those are actual human beings in home offices and insurance agency offices all across the country," he said.

Zywave works with some of the largest API-driven agencies in the U.S. By including quotes within workflows that these agencies use and leverage daily, carriers of any size can essentially place their products in the shopping aisle next to industry powerhouses.

The alternative? Being omitted from consideration by not being included on the platform alongside competitors. In addition to restricting growth, opting out of a high-volume comparative rating platform like TurboRater impedes a carrier's ability to be nimble and quickly capitalize on market conditions.

Leveraging partners like Zywave positions carriers to take advantage of market changes and protects them from downside risks as capacity, reinsurance and other conditions morph.

Increased Scalability, Selectivity & Profitability

In just their second month with Zywave, a new startup carrier that operates in a single state had more than 2,000 new policies bridged to them through the TurboRater platform.

"I can't imagine a world where a carrier would have that sort of reach without leveraging a solution like TurboRater," Hamilton said. "They were able to take advantage of the demand side that we've figured out and have submissions flowing through, and they were able to place their products alongside some of the largest names in the industry."

This empowers carriers to aggressively scale and become major players while letting the tech do the work. And because they have a larger pool of risks to choose from, carriers can be more selective in the risks they take on. More opportunities mean more selectivity — and better portfolio diversification.

In the past, a carrier's footprint could largely be attributed to the quality of relationships its marketing representatives formed with agents and brokers — an inefficient, time- and money-consuming model for scaling. Comparative rating technology now has the potential to seamlessly plug carriers directly into agencies that are driving demand in any given area.

Embedded Insurance Opportunities

As buying behavior changes and e-commerce skyrockets, today's consumer-savvy carriers increasingly want their coverage options available to potential policyholders at specific points of sale. Comparative raters can make this happen.

Whether that's by calculating an auto quote before a buyer drives off the lot at a car dealership or shopping property coverage after a couple secures a home loan at a credit union, carriers can capitalize on spots in sales cycles when enough information is available to accurately quote insurance products, and the consumer is primed for purchase.

"It's a very natural thing to be able to take that data and inject it into our rating and distribution platform," Hamilton explained, "and then get quotes back from the market from various carriers. What's cool about that is you're essentially meeting the consumer where they want to be met."

Zywave recently partnered with a top credit union to do just this.

Located in Santa Rosa, California, Redwood Credit Union's insurance arm implemented Zywave's personal lines quoting API into the credit union's auto loan quoting process. The API directly connects RCU's loan application to Zywave's personal lines quoting engine, allowing members to request auto insurance quotes at the same time they are applying for an auto loan online.

The newly implemented solution worked so well that the increased volume of quotes for auto insurance and resulting sales paid for the API within just six months.

Consumers are demanding increased access to embedded insurance opportunities. Partnering with Zywave puts carriers squarely in front of the increasing number of potential policyholders purchasing insurance in new ways.

Comparative Raters as Data Sources

Increasing at-bats isn't the only way insurers benefit from comparative raters.

The data that moves through platforms like TurboRater can also shape expansion strategies and portfolio management. At Zywave, a separate product called **Market Basket** anonymizes millions of quotes channeled through TurboRater, creating an invaluable resource for carriers exploring the potential of new markets. Market Basket enhances rate-making processes and product development to ensure the right rates and premiums to risk fit a market and yield profitability.

As an example of this data in action, last year, Zywave partnered with a regional, auto-centric carrier exploring the possibility of entering a new market — the state of South Carolina. But before entering the market, leadership wanted to ensure it would prove profitable.

The carrier commissioned Market Basket data before beginning the rate-filing process and determining agency partners. Fortunately, the data provided by Market Basket showed the business was there, reaffirming the opportunity.

"If our data had shown that the total addressable market wasn't appetizing enough, then that exercise could have potentially saved them hundreds of thousands of dollars," Hamilton said. "Or maybe shifted their eyes to entering another market instead. In this instance, it validated their business case and proved the decision would be profitable."

These datasets can also be tapped to make rapid adjustments to rating strategies. For example, insurance companies can leverage data to continuously model how news headlines, such as new legislation or extreme weather, will affect their bottom lines. Through data from comparative raters, they can better understand exactly where their submission volumes come from, how competitive they are in those areas, and how business activity could change based on market conditions.

Parting Quotes

"I think more than ever, non-traditional players are going to have a larger and larger seat at the table than the incumbent, large carriers," Hamilton said. "At least the ones that are investing in their tech stacks and their ability to distribute their products."

"From weather patterns to technology trends, drivers are pushing demand for new types of products," Miller said. "We've rebuilt our tech stack to make it super flexible, dynamic and agnostic so that we can support any line of business across any industry. And we can do so in a way that it can get to market as fast as possible and react to some of these rapid changes in the industry."

About Zywave

Zywave is the largest enabler of digital quoting in the insurance industry. In 2024, across all lines of business, Zywave's quote volume grew by 16%, and premium quoted increased by 31% over the prior year.

Personal lines quotes are sourced from more than 200 insurers on the company's TurboRater tool. Auto, homeowners, condominium, renters, dwelling, fire and motorcycle policies can be quoted either in-app or via API integration, with more lines expected to be added soon.

Carriers with legacy technology or more traditional, manual underwriting processes may be reluctant to adopt new technology and jump into a digital distribution network. Zywave helps insurers build tech stacks, accelerate digital transformations and make growth goals tangible realities.

Visit **Zywave.com** for more information.

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