

Cuvva (INSEAD, 2018)

- Full Name of the Case: Cuvva: Disrupting the Market for Car Insurance
- Teaching Note(s) Available? Yes
- Cases are available through The Case Centre (Reference no. 318-0048-1)

Founded in 2015 by Freddy Macnamara, Cuvva is a London-based “*insurtech*” (i.e., “insurance” and “technology”) startup. It provides short-term car insurance—such as hourly car insurance for users who drive infrequently, or who are using a car borrowed from a friend or family member—through a mobile app. In December 2019, the startup raised 15m BP in series A financing.

The case describes the origins of the company, its customer value proposition and its segments, before going into an analysis of the UK car insurance market. Compared with the supply chain of traditional car insurance, which has numerous layers and players, Cuvva’s business model relies on a technology-enabled business model innovation that disintermediates the traditional supply chain and helps users to quickly purchase temporary car insurance.

The case can be used for analyzing Cuvva’s business model and the different sources of value creation into which it taps, thus providing a good fit with **Chapter 2** (how business models create value in new ways), and a nice link between **Chapter 1** (why business models matter) and **Chapter 3** (importance of mindset), because the founder has adopted an unorthodox, bold and unencumbered approach to an industry that has not changed in 120 years. The case allows students to quantify the Cuvva’s total addressable market (in other words, its potential for value creation).

MBA students will be able to relate to Cuvva’s value proposition, as car ownership has become increasingly less popular among younger drivers. Being able to purchase temporary car insurance on short notice is a tangible customer pain point that can be addressed through an innovative business model; this will allow students to understand how they, too, could address opportunities for business model innovation in other industries. Executives will be pushed to think hard about how to develop a valid strategic response to the challenges raised by “digital invaders” into their home turf.