# UK insurance market accelerates growth through API-first platforms and embedded insurance



The UK insurance market is undergoing a significant transformation as it embraces modern, solutions-oriented technologies that reshape how business is managed and distributed. At the heart of this evolution lies the rise of API-first platforms, which are rapidly moving from a mere technical feature to the backbone of contemporary insurance distribution. These platforms enable more agile, collaborative, and customer-centric approaches, replacing traditional, siloed systems that hampered speed and innovation. The shift is driven by consumer expectations for choice, simplicity, and speed, with APIs providing the necessary flexibility for insurers and brands to meet these demands and gain a competitive edge.

This transformation is particularly visible in the rise of embedded insurance, where coverage is integrated directly into the customer journey across a variety of sectors. No longer confined to retail, embedded insurance is expanding rapidly into financial services, mobility, and travel industries. This expansion is supported by the development of open APIs that allow seamless product creation, management, and distribution, embedding insurance exactly when and where consumers need it. Regulatory frameworks such as the Consumer Duty further drive this change, demanding greater transparency and improved customer outcomes, which align closely with the inherently customer-focused nature of API-driven distribution.

The embedded insurance market is experiencing exponential growth on a global scale. Recent reports estimate the global embedded insurance market was worth around USD 10.45 billion in 2025 and project it could reach between USD 40 billion to nearly USD 950 billion by 2030, depending on the metrics and market segments considered. This rapid growth is characterised by a compound annual growth rate (CAGR) often exceeding 30%, signalling a robust expansion far outpacing traditional insurance growth trajectories. Key drivers include the migration from standalone policies to integrated digital protection, the rise of fintech and insurtech partnerships, and increasing consumer preferences for digital-first, automated insurance solutions.

Technology is playing a crucial role in supporting this growth, particularly as embedded insurance requires platforms that are not only flexible but also resilient and scalable. Insurers are urged to rethink their tech foundations, adopting flexible product engines that can launch and adjust products quickly, while utilising data analytics to continuously optimise customer experience and product performance. Furthermore, the integration with business partners must be extensive and nuanced, tailoring coverage and pricing precisely to distinct market segments. The regulatory focus on customer outcomes and data privacy also means that infrastructure must be compliant and capable of handling high volumes of products seamlessly.

The ecosystem fostering this change includes dynamic new players such as managing general agents (MGAs), who are benefiting from substantial backing and experienced underwriters migrating from established companies. These MGAs, supported by bespoke technology providers, are disrupting traditional delegated authority and embedded models, accelerating innovation and opening fresh avenues for growth. This collaborative and open approach is helping to solve persistent market pain points, especially around distribution and operational efficiency, contributing to a faster, smarter, and more customer-focused insurance landscape.

Looking ahead, the UK market is poised for further expansion, with companies like Root establishing a stronger foothold through new offices and partnerships. Their aim is to support a broad spectrum of clients—including insurers, MGAs, and brands—in launching innovative products swiftly to meet evolving market demands. The ultimate ambition is to build an insurance ecosystem that delivers real value to customers by combining speed, adaptability, and greater collaboration, ensuring long-term growth aligns with enhanced customer protection and satisfaction.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://insurance-edge.net/2025/07/02/the-growth-model-how-api-first-platforms-are-powering-the-future-of-insurance/), [[4]](https://www.bcg.com/publications/2025/building-tech-framework-for-embedded-insurance)
* Paragraph 2 – [[1]](https://insurance-edge.net/2025/07/02/the-growth-model-how-api-first-platforms-are-powering-the-future-of-insurance/), [[4]](https://www.bcg.com/publications/2025/building-tech-framework-for-embedded-insurance), [[7]](https://www.bcg.com/publications/2025/embedded-insurance-success-get-your-tech-stack-right)
* Paragraph 3 – [[2]](https://www.mordorintelligence.com/industry-reports/embedded-insurance-market), [[3]](https://binariks.com/blog/embedded-insurance-trends-opportunities/), [[5]](https://virtuemarketresearch.com/report/embedded-insurance-market), [[6]](https://coinlaw.io/embedded-insurance-industry-statistics/)
* Paragraph 4 – [[4]](https://www.bcg.com/publications/2025/building-tech-framework-for-embedded-insurance), [[7]](https://www.bcg.com/publications/2025/embedded-insurance-success-get-your-tech-stack-right)
* Paragraph 5 – [[1]](https://insurance-edge.net/2025/07/02/the-growth-model-how-api-first-platforms-are-powering-the-future-of-insurance/), [[4]](https://www.bcg.com/publications/2025/building-tech-framework-for-embedded-insurance), [[7]](https://www.bcg.com/publications/2025/embedded-insurance-success-get-your-tech-stack-right)
* Paragraph 6 – [[1]](https://insurance-edge.net/2025/07/02/the-growth-model-how-api-first-platforms-are-powering-the-future-of-insurance/), [[4]](https://www.bcg.com/publications/2025/building-tech-framework-for-embedded-insurance), [[7]](https://www.bcg.com/publications/2025/embedded-insurance-success-get-your-tech-stack-right)
* Paragraph 7 – [[1]](https://insurance-edge.net/2025/07/02/the-growth-model-how-api-first-platforms-are-powering-the-future-of-insurance/), [[5]](https://virtuemarketresearch.com/report/embedded-insurance-market), [[6]](https://coinlaw.io/embedded-insurance-industry-statistics/), [[7]](https://www.bcg.com/publications/2025/embedded-insurance-success-get-your-tech-stack-right)

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## Bibliography

1. <https://insurance-edge.net/2025/07/02/the-growth-model-how-api-first-platforms-are-powering-the-future-of-insurance/> - Please view link - unable to able to access data
2. <https://www.mordorintelligence.com/industry-reports/embedded-insurance-market> - This report analyses the global embedded insurance market, which reached USD 10.45 billion in 2025 and is projected to grow to USD 40.99 billion by 2030, with a compound annual growth rate (CAGR) of 31.43%. The growth is driven by the migration from standalone policies to integrated protection within digital journeys, facilitated by API-first architectures that shorten product-launch cycles and improve underwriting accuracy. The market is expanding beyond retail into financial services, mobility, and travel sectors, with North America leading in revenue share and Asia-Pacific experiencing the fastest growth.
3. <https://binariks.com/blog/embedded-insurance-trends-opportunities/> - This article discusses the rapid expansion of the embedded insurance market, projected to grow from $210.90 billion in 2025 to $950.59 billion by 2030, reflecting a 35.14% CAGR. The growth is driven by increasing demand for seamless, integrated insurance at the point of sale, expansion of fintech and insurtech partnerships, and rising consumer preference for digital-first, automated insurance solutions. The article highlights the dominance of travel insurance, the rise of pet insurance, and the emergence of usage-based and on-demand insurance models in sectors like health, travel, and automotive.
4. <https://www.bcg.com/publications/2025/building-tech-framework-for-embedded-insurance> - This article explores how embedded insurance is transforming consumer interactions with insurance products by digitally bundling coverage with various products and services online. It highlights the rapid acceleration of sales, higher attachment rates, and margins compared to traditional insurance. The piece emphasizes the need for insurers to build resilient, agile, and future-ready platforms to support the dynamic needs of the embedded-insurance market, noting that traditional insurers must compete with digital-native businesses that are already making swift headway in this arena.
5. <https://virtuemarketresearch.com/report/embedded-insurance-market> - This report provides an overview of the global embedded insurance market, valued at USD 100 billion in 2024 and expected to grow at a CAGR of 19.5% from 2025 to 2030, reaching USD 243.69 billion. The market is driven by the integration of insurance products into various goods and services, such as electronics, travel, automobiles, and financial services, enabling customers to purchase insurance seamlessly at the point of sale. Advancements in AI and machine learning are making embedded insurance more personalized, efficient, and accessible, enhancing the overall customer experience.
6. <https://coinlaw.io/embedded-insurance-industry-statistics/> - This article presents key growth milestones in the embedded insurance industry, including a global market value of $3.8 billion in 2023 and an expected 40% CAGR from 2024 to 2030. By 2026, embedded insurance premiums in sectors like automotive and healthcare are projected to exceed $700 billion. Over 70% of consumers are open to embedded insurance offers when seamlessly integrated into their purchase journeys. The article also notes that digital platforms and e-commerce channels now account for over 45% of embedded insurance policies sold globally, illustrating the shift toward digital-first distribution models.
7. <https://www.bcg.com/publications/2025/embedded-insurance-success-get-your-tech-stack-right> - This article discusses the need for insurers to rethink their technological foundations to compete in the growing embedded insurance market. It emphasizes the importance of collaborating extensively with business partners regarding coverage, pricing, and customer experience tailored to each business’s specific products and user base. The piece highlights the necessity for a flexible product engine that can go live rapidly and adjust products dynamically, along with data analytics to monitor, test, and optimize offerings in real time, and scalable, compliant infrastructure to deliver high volumes of products rapidly while prioritizing data privacy and protection.