

# roosta

Telematics for the Home



**Roel Peeters**  
Co-founder & CEO  
peeters@roostlabs.com  
+1 408 623-7070

2017

# The Roost Home Telematics Platform

provides the end-to-end hardware, software and data solution  
enabling the transformation of the Property Insurance industry

## Roost at a glance

Founded in  
**June 2014**

HQ in Sunnyvale, CA

Shipping since  
**November 2015**

**100,000+**  
data sensors sold

Strategic funding from VC and insurance investors  
RPM, DCM, USAA, Aviva, DesJardins, Fosun



# Major shift in Property Insurance business

## Technology Drivers

- Mobile
- Cheap, connected sensors
- Cloud & Big Data

→ IoT delivers finger on the pulse of your home



## Strategic Implication

- Increased consumer engagement
- Direct loss reduction by lowering fire/water damage

Indemnification business → Protection business

# Roost Transforms the Customer Experience



## Yesterday's Home Insurance

- Communication channel is often limited to snail-mail
- Customer interaction limited to pragmatic or negative events
  - New policy set-up
  - Claims processing
  - Billing upon policy renewal

## Tomorrow's Home Insurance

- Joint responsibility for safety by minimizing peril events
- Enables digital mobile connection
- Positive engagement leading to:
  - Greater lifetime value of your “connected” customer
  - Increased loyalty and higher customer retention

Funding originates from the Retention/Acquisition budget

# Home Perils cause \$42B in annual claims (US)

80 million US insured Households by 100+ carriers



Fire

Severity: \$39,791  
Frequency: 0.38

\$9.8B



Water Leaks

Severity: \$7,958  
Frequency: 1.86

\$9.6B



Wind Rain

Severity: \$8,041  
Frequency: 3.13

\$16B



Theft

Severity: \$3,786  
Frequency: 0.47

\$1.2B

**\$42B in Annual Claims (US only)**

Sources: <http://www.iii.org/fact-statistic/homeowners-and-renters-insurance> - weighted average claims 2010-2014 in the U.S.

# Roost Transforms Insurance Pricing



## Yesterday's Home Insurance

*"Claims-based post-factum analysis of risk factors"*

- Focus on resulting claims
- Top-down – narrowing risk pools:
  - Correlated properties
  - Credit score
  - Home characteristics at time of policy

## Tomorrow's Home Insurance

*"Risk decomposed based on actual perils"*

- Focus on prevention & mitigation
- Bottoms-up:
  - Individual, unique property characteristics
  - Actual user and occupancy data
  - Continuous monitoring of peril-related data
  - User prevention behavior

Funding originates from the Underwriting budget



# Roost Smart Battery Solution for Property Insurance

## In case of fire event

### When you're at home

- You will mitigate the situation

### When you're NOT at home

- Roost will notify you so immediate action can be taken
- Immediate, positive correlation between response time and size of insurance loss

- At less than \$4/yr, immediate ROI on insurance fire peril
- Positive, on-going customer engagement
- Ideally suited for customer acquisition and retention offers

- \$35 MSRP
- \$10 replacement battery
- Easy self-install
- 3-5yrs battery life





# Roost Smart Battery Saves Upstate NY Home



“We would have lost everything if it weren’t for the Roost Smart Battery”  
- Homeowner, Donna S.





# Smart Water Leak & Freeze Detector

Addressing \$10B in yearly claims (US only)

## Mitigation for preventable leaks

- Most water leaks originate in specific locations
  - Under sink, dishwasher, water heater, washer, behind refrigerator
- Freeze prevention – temperature sensor used to warn of freezing conditions

- Includes temperature & humidity sensors
- Leverages Roost app and notification service
- Cost-effective solution





# Desjardins Pioneering Smart home with Largest IoT Deployment

Objective: Increase policyholders engagement through mobile-first strategy

All Desjardins policy holders are eligible for a free Roost Smart Water Leak Detector

- Desjardins Insurance Group
- 2<sup>nd</sup> Largest Insurance Company in Canada
- 4M policy holders



# “Home Insurance in a Box”

- Changes Insurance company/Policyholder relationship
- Promotes prevention and provides protection against losses
- Seamlessly integrate into home insurance policy at key touch points
- Simple home owner self install
- Verified activation and on-going engagement

Addresses  
the major  
perils:

- Fire Safety with Roost Smart Batteries
- Water leaks with Roost Water Detectors



# Why Roost?

Experienced, proven team

Well-rounded product portfolio

Recognized thought leadership

Highly reviewed products, shipping in volume

Single-minded focus on helping the insurance industry take advantage of the IoT revolution



# About Roost

Roost is a start-up technology company headquartered in Sunnyvale, CA. We have developed a unique, patented, home telematics platform that delivers the ultimate in installation simplicity & the most affordable way for Property Insurers to enter the smart home space and take advantage of the IoT revolution.



Mobile  
alarm  
notifications



“So easy, even an  
adult can set up”

