

Car insurance finetch start up Driverly boosted with six-figure pre-seed investment round

Cardiff-based subscription-based car insurance fintech, Driverly, has been boosted with a significant six-figure pre-seed investment round.

The Development Bank of Wales has invested £250,000 in equity into the start-up as part of a £525,000 pre-seed investment round that also involved serial entrepreneur Manuel Santiago as an angel investor, and Duncan Russell, a former chief finance officer at Admiral Financial Services.

Driverly's service tracks users' driving, with new subscribers downloading the Driverly app and taking an initial test drive to provide data on their driving habits.

It then offers users a price for their insurance based on the app's assessment of their driving, with the subscription price locked in for the first three months.

Driverly continues to monitor the customers' driving behaviour throughout their policy term, and adjusts prices based on this behaviour and market conditions. There are no additional fees for customers, including cancellation fees.

As well as basing costs directly on customers' driving, Driverly also rewards good drivers with digital "acorns" as part of its rewards programme, which they can convert into vouchers or discounts.

The service has already proven popular with younger or new drivers, who normally face much higher car insurance costs

than other age groups.

Armin Kia, co-founder and chief executive of Driverly and former head of business planning and development at Admiral Financial Services – part of FTSE 100 Admiral Group – said: “We’re really glad to have been supported by the Development Bank of Wales, which will help us to further develop our technology and enter the car insurance market on a strong footing.

“Car insurance is a cost which all drivers have to face, but our approach to insurance gives drivers – particularly new or younger drivers – the flexibility they need as their living costs have increased everywhere else. Our monthly policy affords these customers flexibility, with the guarantee of zero fees.

“We look forward to getting our app and our service to more and more users, and are very grateful for the Development Bank’s support.”

Jack Christopher, assistant investment executive at the Development Bank, said: “We’re impressed with Driverly’s disruptive approach to car insurance. Their behaviour and performance-centric approach is disrupting the normal top-down method, which dictates how much drivers should pay based on factors like demographics or location.

“Driverly is among a number of thriving Welsh fintech companies we have been pleased to support with pre-seed investment, and we look forward to being a part of their journey.”

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