



Closing the Protection Gap with Embedded Insurance

Interview Ivo Thijssen, CEO of Harmony Financial Services

Imagine the scenario: You walk out of the store with a brand-new smartphone. Minutes later, it slips from your hand, the screen shatters, and you're left with an expensive paperweight—and no insurance. It's a scenario that plays out thousands of times daily, yet most consumers only think about protection after it's too late.

Harmony Financial Services is changing that equation. Rather than treating insurance as an afterthought, the company embeds coverage directly into the purchasing experience, meeting customers at the precise moment they need it most.

We spoke with Ivo Thijssen, CEO of Harmony, about how embedded insurance is reshaping consumer expectations, why timing matters more than ever, and where the industry is headed next.

From Finance to Insurance Tech

Thijssen has spent 15 years at the intersection of finance and technology—starting in management consulting on digital transformation for financial services, then moving into insurance to design and setup a new digital x-border business, and leading B2B2C partnerships across Europe.

"What drew me to insurance was recognizing it as one of the last major financial services sectors that hadn't been truly transformed by technology, and is often inward focused rather than on distribution partners," he explains. "The opportunity to build modern solutions for an essential but underserved market was compelling."

When the CEO role at Harmony opened up, three factors convinced him to take it. "First, Harmony is a scaleup with proven track record; they can manage complex risks like smartphone insurance profitably at scale—something that defeats many insurers, whilst having scale that most startups in this space will take 5-10 years to build," Thijssen says. "Second, they've built complete platform infrastructure—from e-commerce plugins to POS integration and digital claims. Third, the timing is perfect. The market is transitioning back from hype to reality, and having proven infrastructure, operational track record, and financial stability to be a long-term partner is what wins now."

Solving Practical Problems

The embedded insurance industry faces a split between traditional insurers and insurtechs. Traditional insurers are retrofitting legacy systems with APIs—expensive and slow, or building new platforms on SAAS solutions, typically also too expensive and slow for embedded solutions.

Insurtechs have modern technology but often lack insurance expertise, risk capacity, and operational maturity to deliver at scale.

Harmony positions itself differently. "We combine genuine insurance capability—we underwrite our own risks, manage our own claims, have 25 years of experience—with a purpose-built platform," Thijssen says. "We're not digitizing legacy processes; we built for embedded insurance from the ground up."

The company's solutions address practical needs. For e-commerce merchants, Harmony provides pre-built plugins for WooCommerce, Shopify, Odoo—they can add insurance to checkout in hours, not months. For enterprise retailers, the company integrates into POS systems or back-office operations through APIs. For partners that don't want or need integrations, Harmony provides ready to use portals. For all partners, the company handles the entire insurance lifecycle—quoting, policy issuance, administration, servicing, billing, claims management.

But Thijssen emphasizes that technology alone isn't enough. "Most importantly, we focus on partner results rather than our standard product. We custom design products for our partners value propositions and positioning; and we support their organizations with monitoring, training and sales support – focusing on bottom line results, rather than only a product on the shelf. Many embedded insurance programs don't deliver the maximum impact because competitors stop after delivering the initial solution."

Closing the Protection Gap

Harmony focuses on product protection—smartphones, consumer electronics, home technology and other valuable products. The company has insured 1.5 million devices.





"Millions buy expensive devices but can't afford to replace or repair it," Thijssen notes. "We offer comprehensive coverage at checkout for around €10-15 per month. No application, instant coverage. We've also built repair networks that get devices back to customers in days, not weeks."

The company provides three types of solutions. First, specifically designed, tightly integrated solutions for medium to large size retailers and distributors, emphasizing long-term partnerships, training partner teams, optimizing for their customer base, and adapting to their workflows. Second, standardized products and portals for smaller retailers; after onboarding they can start in days. Third, services to others in the insurance value chain, for example managing backbooks of product insurances for insurers.

When asked what customers truly need from embedded insurance experiences, Thijssen identifies three things: "Genuine simplicity—protection as a single checkout decision with sensible defaults; transparent value—clear coverage with no fine print surprises; and claims that actually work—fast, digital-first experiences with clear communication and actual payout. For many of our partners insurance creates return visits and customers that are served better when something happens, leading to better customer satisfaction, retention and future sales."

Reality Check Phase

Embedded insurance is positioned as a massive growth opportunity. Asked whether it will deliver on that promise, Thijssen responds: "Yes, but the timeline and winners might surprise people."

"Embedded insurance will absolutely grow dramatically—the logic is compelling," he says. "Every significant purchase is an opportunity to embed protection, and the economics work when done properly."

However, Thijssen sees the industry in a challenging phase.

"We're in the 'Reality Check' Phase. There was enormous hype, lots of venture capital deployed, big market predictions. Many early efforts haven't delivered—pilots that never scaled, unit economics that don't work, partnerships that dissolved when reality hit."

"The growth will come, but from companies that solve hard operational problems, not those with flashiest demos," he continues. "You need profitable unit economics at scale, effective risk management that actually works under pressure, and genuine value for customers and partners. That's harder than it looks, which is why so many early movers have struggled."

His timeline: "Over 5-10 years, embedded insurance moves from experimental to standard. Winners will have proven platforms, real insurance capability, and patient capital—not companies raising the biggest rounds or making the biggest promises."

As for traditional agents and brokers, Thijssen sees a continued but evolving role. "Agents remain essential for complex insurance requiring advice and customization, albeit that will also further digitize swiftly. For most consumer solutions digital distribution will be the norm."

If you qualify bankassurance as embedded, that can be one of the winning channels if executed right. Embedded insurance addresses simple, standardized products where the embedded experience is superior."

Infrastructure as the Future

When discussing technological advancements shaping the future, Thijssen focuses on one concept: frictionless commerce. "Frictionless commerce is king, which applies to all processes and experiences," he says.

"I expect that frictionless will see a rapid evolution in the next period with various new AI tools, platforms and services changing. Embedded insurance will need to be there where the customer is, whilst that will change. It means continuous experimentation and adaption – I'm really looking forward to being on the forefront of what this will bring."

Over the next five years, Thijssen predicts embedded insurance will become infrastructure—"as standard as payment processing." Every significant retail category will have embedded protection options, and consumers will expect them.

The shift happens through three dimensions. "Category expansion beyond devices into mobility products, home services, subscription services, B2B equipment. Any valuable product or service sold digitally will have embedded protection. Personalization through dynamic pricing based on individual risk factors, usage patterns, and preferences—this requires sophisticated data and ML capabilities we're building now. And invisible insurance where protection automatically comes with purchases, priced appropriately for each product, with complexity disappearing into infrastructure."

Harmony is preparing by building product-agnostic platform capabilities. "Our pricing engines, risk models, claims systems, and integration tools work across categories," Thijssen explains.

"We're investing in data and ML capabilities so we can enter new markets quickly and price accurately from day one."

"We're also building partnerships proactively with technology providers, retailers in new categories, and complementary financial services to become the embedded insurance infrastructure layer powering protection across multiple verticals."

For underserved populations, Thijssen sees particular promise. "Embedded insurance is especially suitable for the underserved. Most of our products cover immediately, are billed monthly and can be cancelled monthly. It provides affordable, immediate, focused protection, just on what you need protected for how long. And all this is proactively offered to the consumer when most relevant."

Leadership Principles

As CEO, Thijssen outlines four leadership principles that will guide him at Harmony. "Customer obsession over product obsession—every decision starts with 'does this make the customer's life better?' If we're not delivering genuine value, technical sophistication doesn't matter. For embedded we need to focus on two customers; the consumer and the distribution partner, and have the relentless focus on both of them."

'Sustainable growth over growth at any cost—profitable unit economics and disciplined expansion build enduring companies. The insurtech world has been dominated by companies prioritizing speed over profitability, leading to spectacular failures. We're building for the long term.'

"Investing in people who understand both insurance, distribution and technology—a rare combination requiring investment in training, growth opportunities, and culture where people do their best work. And staying grounded in operational excellence—we succeed by processing policies accurately, handling claims quickly, and managing risk competently. The basics done excellently matter more than brilliant strategy executed poorly. These principles guided me in previous roles and will continue at Harmony as we build embedded insurance infrastructure for the future."

To learn more about Harmony Financial Services visit, www.harmony.nl