

# Roots in Review

## LLMS, GPT, RAG... OH MY!

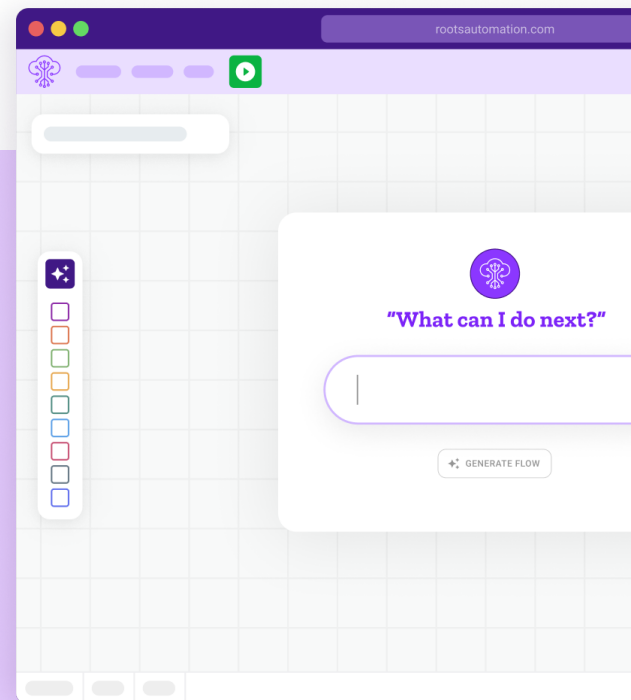
Coming in just behind **'Rizz'**, the Oxford Dictionary named the word **'Prompt'** amongst the top four words of 2023, highlighting Generative AI's impact on the world in 2023.

OpenAI's launch of ChatGPT in 2022 set the stage for rapid advancements in this field of AI, which now holds the power to change the nature of office-based work and how humanity interacts with knowledge, data, and information.

Facing headwinds from increasing social and financial inflation, talent shortages, and challenged combined ratios, insurance leaders increasingly sought to bring Generative AI tools into claims, underwriting, and insurance operations to augment people, improve document processing, and to better handle highly variable data.

However, many faced challenges around security, privacy or simply becoming versed in this new language well enough to translate the meaning of terms like **LLM** (Large Language Model), **GPT** (Generative Pre-Trained Transformer), **RAG** (Retrieval-Augmented Generation), or even more simply, how a Co-Pilot works.

In 2023, Roots worked alongside insurance leaders, tech teams, advisors, analysts and VCs as a trusted translator between their respective organizations and the world of Generative AI via our [Digital Coworkers](#).



# AI-POWERED DIGITAL COWORKERS, POWERED BY INSURGPT™

Our AI-powered **Digital Coworkers** now serve over 25 insurance carriers and 3rd party claims administrators across various underwriting and claims processes and insurance product lines. The value generation for our Customers initially begins with headcount savings but quickly includes revenue growth and reduced claims leakage.

A core capability of our Digital Coworkers has always been their ability to read, extract, and interpret unstructured documents that insurance companies use to transact business. These documents include broker submissions, medical information, and claims correspondence. As the Insurance industry continued to get excited about LLMs, in May, we launched the document reading, extraction, and inferencing capability of our Digital Coworkers, **InsurGPT™**, as a standalone product.

InsurGPT™ classifies almost any insurance document and then extracts anywhere from one to several hundred data points out of a document or e-mail without requiring additional training or configuration, at 98%+ accuracy and typically in under a minute.

While Roots Automation has continued to focus on introducing Digital Coworkers into the quote generation process at carriers, the claim setup process at carriers and TPAs, or document indexing across both company types, our customers regularly ask if we'd be willing to implement Digital Coworkers into other use cases across the Insurance value chain.

As a result of this continued ask and the underlying demand, we announced the [Roots Autonomous Workforce Platform](#) in November.

The Platform will allow our customers to train Digital Coworkers using simple English speech or text and then deploy their newly trained Digital Coworkers across any Insurance process. This includes reading documents via InsurGPT™ and performing the mouse clicks and keystrokes on top of legacy software that every insurance company has in spades.

**Our expertise in building intelligent, AI-powered Digital Coworkers to enable customers to overcome financial, operational, and people challenges positions us as a catalyst for positive change in 2024.**

**We proudly report that Roots has capitalized on these opportunities over the past year.**

# CELEBRATING OUR SUCCESS

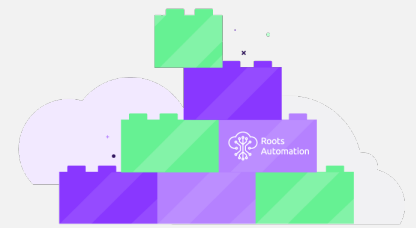


## Strong fundamentals

We expanded our customer base by roughly 50% (year on year) and continued to add Digital Coworkers to existing customer operations. Along that journey, Roots doubled its annual recurring revenue (ARR) and maintained a net promoter score (NPS) between 67 and 73, miles above the industry benchmark of 38.

## A growing brand

Our brand continues to be recognized as a leading voice for **AI in Insurance** with 100% YoY increase in website visitors, 20+ byline articles published in major industry and business media, and a very strong LinkedIn engagement rate of 10% (smashing the industry benchmark of 2%). Guidewire, Forum Ventures, Datos-Insights, SONR and many more recognized our thought and product leadership by ranking Roots as a leader (top 5 or better) within their respective market rankings and assessment reports.



Our continued involvement in industry events and grass-roots campaigns, such as '[Celebrating Women in Insurance](#),' ensures Roots remains deeply connected with the ever-evolving dynamics of the industry and acts as a catalyst for positive change in the areas that matter most.



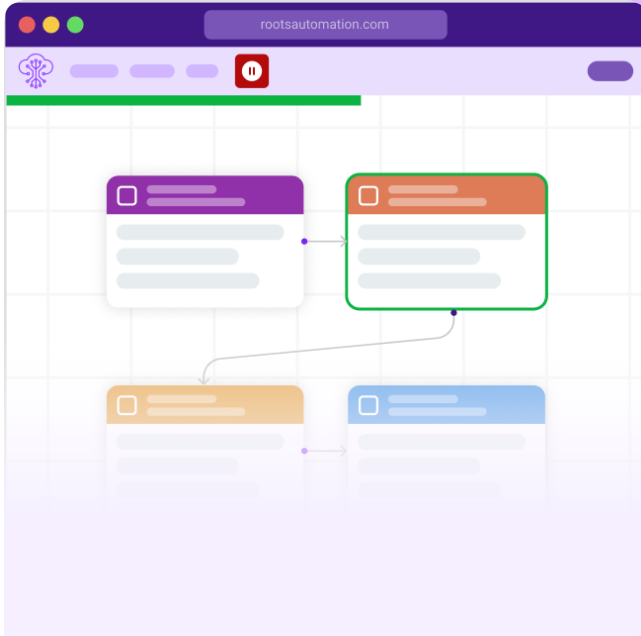
## People power

We further strengthened our team with a variety of industry and technical experts across the insurance and technology industries. These include additions to our leadership team with **David Geevaratne**, EVP of Sales, and **Patrick Bounaix**, VP of Engineering.

- David brings proven experience scaling companies at our stage and fresh perspectives on transitioning from selling products - Digital Coworkers – to selling platform – the Roots Platform.
- Patrick, who also came with prior start-up and scaling experience, has continued to professionalize our Engineering department as we transition the underlying technology stack to the platform.

We also welcomed **Anand Rao** as the company's first Independent Board Member. Anand is currently a Distinguished Service Professor of Applied Data Science and Artificial Intelligence at Carnegie Mellon University. Prior to his work with CMU, Anand was the Global AI lead at PwC for 13 years.

**Our team's hard work and dedication has positioned Roots as a leader in InsurTech, and we are immensely proud of what the team has achieved together and alongside our customers and investors.**



## LOOKING TO THE FUTURE WITH OPTIMISM

As we look to 2024, we remain confident in our ability to play a pivotal role in helping leaders across Insurance improve efficiency, customer experience, and business resilience.

2024 will be the year in which we see the rise of the **Autonomous Workforce** – AI-powered Digital Coworkers trained by subject matter experts across insurance using the World's best programming language – English.

### As we look across the Insurance industry, we expect:

#### Augmented Claims Processing

AI will review multimodal claims documents – policies, photos, site assessment reports, and medical records - to determine coverage, tactics, and expedite payouts. This could significantly reduce processing times and improve the customer experience.

#### Automated risk assessment and policy pricing

AI will quickly analyze vast amounts of data to quickly assess risk and generate quotes in Commercial insurance product lines. This will accelerate the underwriting process.

#### New types of insurance products

AI will enable insurers to develop and price niche insurance policies for specialized risks (e.g., parametric insurance) that weren't operationally or financially viable before. This opens new revenue opportunities for companies and coverage options for customers.

**Digital Coworkers are at the center of these improvements across the Industry. We've enabled the humans in insurance to focus on the actions and activities that nurture an insurance company's brand while also helping to improve profitability.**

# FINAL THOUGHTS

As we continue to capitalize on our position as AI leaders in Insurance, we are working hard to ensure that Digital Coworkers built on the Roots Platform continue to be **SAFE**, meeting the standards of the evolving regulatory environment, and as **SMART** as the best people working in the Insurance industry, today.

Over the next twelve months, we expect to make large strides toward Artificial General Intelligence for the Insurance industry (AGI for Industry), where Digital Coworkers are as knowledgeable and capable as the 30-year industry veterans who are nearing or have already earned their well-deserved retirements.

We are proud that our team navigated challenges over the past year to position our company for continued leadership, and we are buoyed by the opportunities before us to further our mission to make work more human by continuing to meld machine intelligence with human ingenuity.

## Bring on 2024!

Warm regards,

Chaz & John  
Co-Founders  
Roots Automation

**Roots Automation**  
AI for Insurance

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