

Meet INZMO, building a financial ecosystem for the European rental industry

As part of our quick fire questions series - or QFQs - we spoke to Meeri Savolainen, cofounder and CEO of INZMO on pivoting the business, the burden of rental deposits and the importance of creating a seamless and user-friendly customer experience.

Temps de lecture : minute

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The conception and creation of the company has been a natural progression of ideas and first hand experiences with insurance products and services.

My cofounder and I pivoted the business from what was initially an international bike registry to counter bike theft, to providing online insurance products and a rental deposit guarantee service which is doing away with hefty upfront rental deposits and making life easier for both tenants and landlords in the rental market.

I moved to Germany a few years ago and had to find three months' rent as a minimum for a deposit. It's common practice for tenants to be asked for around 7000 euros in Berlin, which is a great deal of money when you have the expense of relocating on top. It's a significant drain on anyone's finances and particularly now with the cost of living crisis and finances squeezed.

Germany has a very high ratio of renters vs property owners and pressure on tenants is high. Many struggle to find the large deposits needed to

fund their accommodation costs in what is a relatively expensive rental market, and this was the problem we wanted to solve by providing a fairer and more flexible financial solution.

Tell me about the business - what it is, what it aims to achieve, who you work with, how you reach customers and so on?

Moving to a new rental home is exciting. But with every rental home comes a burden of hefty deposits, laborious insurance procedures, and move-in expenses that are a significant financial obligation. 80% of renters in the EU are living paycheque to paycheque with about 35% of their income going on rent and we want to help them.

INZMO is building the financial ecosystem to serve the European rental industry. We aim to own all of the financial services that tenants and landlords need to avoid and reduce rental debts, with the goal of freeing up liquidity and offering more financial flexibility.

On the tenants' side: we help people get into homes faster and deposit-free. We aim to offer all of the potential coverage to protect risks in the household and their income.

For property managers/landlords, it's all about helping them manage renter risk more effectively. It's common practice for landlords to run different credit checks at the beginning of the rental relationship to mitigate risk and ask for high security deposits - managing this is a massive administrative headache.

In Germany there are several landlords who own or manage large portfolios of 1000+ properties. Handling all of those deposits is a time-consuming, and highly regulated, task. INZMO takes this hassle away from landlords as well as the need to transfer large sums of money.

Landlords can also offer the solution to tenants at the point of application and can let their properties out more quickly.

How has the business evolved since its launch? When was this?

As mentioned, I cofounded the company with Risto Klausen, a former professional motorcycle road racer and multiple Estonian and Baltic Champion in the Superbike class. It was Risto's passion for motorcycling that led to an earlier iteration of the company - Bike ID, an international bike registry founded in 2015 to counter bike theft.

To monetise the platform we integrated an app to sell bike insurance and upon realising the potential of easy-to-use online insurance services, we pivoted the business in 2016 to become INZMO (insurance on your mobile).

Today we focus on providing financial services to the European rental industry - an untapped market by most of the large incumbents.

Tell us about the working culture at INZMO

This is best answered by looking at the words our employees use to describe the culture at INZMO: freedom to operate, no micromanaging, ambitious, experienced, friendly atmosphere, challenging, flexible, innovative.

Innovation is key and something we cultivate at INZMO. We are highly collaborative, non-hierarchical, we encourage experimentation and are always open to new ideas. However, a culture that supports innovation is often misunderstood. People think it's just fun, but that's one side of the coin. Some more challenging and less fun behaviours must counterbalance the easy-to-like ones.

As a business we're disciplined and we set high performance standards for our people, while also supporting their development. Exploring crazy ideas that ultimately fail is OK, as long as we've agreed on the place for failure, but mediocre knowledge and skills and poor management are not. And when it comes to leading innovation, the expectation we place on our senior leaders to lead by example, is equally high.

How are you funded?

Our investors include some of Europe's most respected VC firms including Change Ventures and Helvetia Venture Fund. At the moment we're gearing up for a series A fundraise.

What has been your biggest challenge so far and how have you overcome this?

A 2018 research study from Boston Consulting Group revealed that for every dollar received in funding, female founders produce 78 cents in revenue, while male founders return just 31 cents. Yet investors are willing to part with only 4% of funds to female-led startups.

This approach, wildly fueled by prejudice and the perception that women are less successful as entrepreneurs even though the results prove the opposite, is one of the biggest challenges I've faced and continue to face as a female founder. It's a problem that is also exacerbated by the fact that my startup is based in Germany which accounts for a mere 4% of all female founded startups.

However, the perpetual funding challenge has shaped the way I run my startup - and for the better. We've been forced to learn to grow without VC cash, to do more with less and with an approach geared towards responsible and sustainable growth.

I've also learnt to become comfortable with the fact that the road to success is paved with losses, mishaps and mistakes, but it can still take you where you want to go as long as you don't lose sight of your destination. Focus, stay on course and, even better, find yourself a business model that makes money as in order for a female-led company to be attractive to VC money, the company needs to be a high-performing one.

How does INZMO answer an unmet need?

We focus on creating a seamless and user-friendly customer experience. This means simplifying the insurance application and claims processes, providing real-time access to policy information, and offering personalised recommendations or suggestions based on individual needs and risk profiles.

Our goal is to make everything in this experience instant - not only taking out the policy but also claims-handling, which should happen in minutes.

In addition, we aim to develop products that cater to specific market segments or industries by providing specialised coverage in niche areas that are still untapped: i.e. serving renters and landlords with alternatives to cash rental deposits.

What's in store for the future?

We're always working on developing and enhancing our product portfolio. Looking ahead we're planning to integrate AI and machine learning into our platform to take even more friction out of the customer journey and enhance the customer experience.

Our ambition is to become a one-stop shop for the tenant's home insurance needs - from insuring the actual moving process to contents

and consumer electronics insurance. And we want to make everything in the insurance process instant. Not only the purchasing of a policy, but in the future, we also aim to make claim settlements in minutes after receipt of a claim.

What one piece of advice would you give other founders or future founders?

The best advice I've ever received was to ask myself this question before I embark on any project or adventure: "*Why are you doing this?*" - I would definitely offer this piece of advice to fellow / future founders.

The important thing I've learnt about business is not what you do, but why you do it and I've applied this to both my professional and personal life. It helps to eliminate noise around you, gives a purpose and meaning to your actions and motivates you to achieve whatever goal you're working towards. This is how I talk through company objectives with my teams and ensures we're all on the same page and highly motivated.

And finally, a more personal question! What's your daily routine and the rules you're living by at the moment?

My number one rule is that I have to have balance. Achieving balance is an ongoing process that requires constant self-reflection, adjustment, and regular evaluation of priorities. I strive to create a harmonious blend of work, leisure, studying, chores, family, and personal time that aligns with my values and promotes my overall well-being.

Meeri Savolainen is cofounder and CEO of [*INZMO*](#).

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