BESTOW

Build vs. Buy: How life carriers can modernize faster, smarter, and with less risk

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Introduction

It's no secret; carriers that delay modernization efforts risk falling behind more nimble competitors, losing efficiency, and failing to meet evolving agent and applicant expectations.

Many of our customers weigh a core question:

> Could we achieve the same results by building internally rather than partnering with a company like Bestow?

The financial logic is tempting: avoid external costs, preserve control, own intellectual property. But the full story is more complex. In practice, a SaaS partnership often yields faster, safer, and more scalable outcomes.

This white paper lays out that story. We'll walk through how internal builds derail, why carriers should focus on differentiation, how SaaS accelerates time to value, how shared innovation compounds over time, and finally, how the right partnership can accelerate success and de-risk modernization.

If you're evaluating build vs. buy, this is your guide to making a modern, capital-efficient, forward-looking decision.

The challenge: projects gone off the rails

Over the past decade, many insurance carriers have attempted to modernize core systems, digital front ends, underwriting engines, or agent portals in-house. The result? Time delays, ballooning budgets, frustrated stakeholders, and in some cases, canceled projects.

Some of the repeating patterns we've seen (and heard about widely in the industry) include:

- **Scope creep and shifting priorities.** What starts as a digital sales journey can quickly expand to include data architecture, back-end integration, reporting, admin systems, and more. With limited internal bandwidth, teams get pulled into fire drills, deprioritizing the very features the business needs most urgently.

- **Delayed deliverables obsolete on arrival.** In many build scenarios, the market (demographics, regulation, competitor features, distribution trends) moves faster than delivery. Our conversations with large organizations reveal that internal builds can often take up to 18 months. A solution that is delayed that long may already be obsolete on arrival (if it arrives at all).

- **Runaway costs and maintenance burden.** Even after launch, building internally means owning every bug, patch, update, and adaptation indefinitely. The cost of ongoing maintenance, technical debt, and versioning often dwarfs initial estimates. And while one survey found 78%[1] of insurance leaders planned to increase tech spending through 2025 and beyond, many firms are also acknowledging difficulty in finding qualified talent with the expertise to manage these efforts effectively.

- **Sunk cost fallacy.** Many carriers get months into a project before the realization strikes that their internal teams can't deliver on time while also doing the important work of maintaining existing systems. Stakeholders may be tempted to dig in and see it through, even when the prudent course may be to stop the bleeding, stabilize the initiative and seek help in recovering lost ground.

None of this is to say a fully in-house build can't be done, but carriers should be honest about their strengths and judicious about where they direct internal resources.

Focus: where carriers should (and shouldn't) build

Given these risks, how should carriers think about what to build and what to outsource? A useful principle is: build to support your core competencies, consider buying or partnering for the rest.

Core competencies

Areas like capital optimization, risk modeling, reinsurance strategy, or unique distribution models likely justify internal investment. Because these are high value and extremely specific to your organization, owning them makes sense.

Commodities or functionalities

For software modules like agent distribution support, quoting and illustration, workflow orchestration, document generation, compliance integrations, or policy administration, it can be more cost-effective to work with a partner with both software and insurance expertise.

Here are some of the benefits of following the above rules of thumb.

- **Avoid distraction from the core business.** Building out specialized technology and capabilities is difficult and requires significant bandwidth, which can take focus away from core business functions.

- **Balance customization vs. maintainability.** With different workflows and needs across verticals, internal builds can become unmanageable or impossible to scale. A strong SaaS partner brings configuration, extension, and upgrade patterns to keep versions manageable and technical debt low.

- **Ownership and control are not absolutes.** A SaaS partnership does not mean giving up control; it means leaning on domain expertise, shared roadmaps, and flexible extensibility, while preserving governance and oversight.

In practice, this mindset leads to sharper investments, lower risk, and more predictable outcomes than attempting to own everything.

Time to value: partnership's speed advantage

One of the most compelling arguments for buying or partnering is the time-to-value benefit. Getting features to market quickly is a competitive advantage. The longer you wait, the more your window of relevance (and ROI opportunity) shrinks.

Here's how working with a SaaS partner like Bestow accelerates value delivery:

Pre-built capabilities
A platform provider can deliver a base set of modules that are tested and production-hardened. Instead of starting from scratch, adaptation and configuration cut development time dramatically. This approach can reduce development timelines exponentially versus full custom builds.

Flexible architecture
A well-designed SaaS platform supports product, distribution, and system variation through a configurable architecture. That means you can test product tweaks, new workflows, channel variants, or underwriting rules quickly, and without a full rewrite each time.

Integrated solution footprint
By consolidating multiple functionalities (e.g., quoting, underwriting, workflow, agent tools, integrations) into a single platform, you avoid vendor handoffs, contract misalignment, duplicated data transformations, and coordination drag. That consolidation aspect alone can shave months off delivery.

Force multiplier: shared innovation

Technology investments deliver their full potential when they improve over time. That's where a tech partnership model shines: carriers benefit from a compounding feedback loop of product enhancements and innovations.

With shared improvements, everybody benefits

Bestow is perpetually innovating, adding new features, optimizations, integrations, refinements, or analytics insights. Every user on the platform can inherit that improvement (subject to versioning or opt-in). Thus, innovations scale, not duplicate. Over time, the cumulative value of shared enhancements often dwarfs what any one carrier could achieve on its own.

Data and analytics synergies

When multiple carriers operate on a common platform, anonymized performance data (e.g., conversion metrics, distribution patterns, underwriting outcomes) can fuel benchmarking, predictive models, and smarter defaults. While no individual carrier has access to another's data, this anonymized aggregate data at scale offers a collective intelligence that would be extremely expensive (if not impractical) to replicate for a single carrier in isolation.

Avoiding technical debt and version fragmentation

In a multi-tenant SaaS environment, version management, backward compatibility, upgrade paths, and extension patterns are baked into architecture. Individual carriers do not accumulate isolated technical debt. Rather, the vendor handles core upgrades, bug patches, and platform refactoring. Internal builds, by contrast, tend to diverge, proliferating out in branches that make upgrades or further innovation painful if not impractical.

Innovation Velocity

Because a dedicated SaaS vendor supports a broader roadmap, you benefit from R&D, new regulatory adaptation, evolving UI/UX practices, security hardening, and integration expansion. You don't have to resource all of that internally; you benefit from economies of scale. Over the lifetime of a partnership, that advantage compounds.

In short: the SaaS model transforms improvement from a zero-sum internal game into a cumulative engine of innovation.

FIGURE 1: In-house vs. Platform flywheel — how shared insights accelerate results
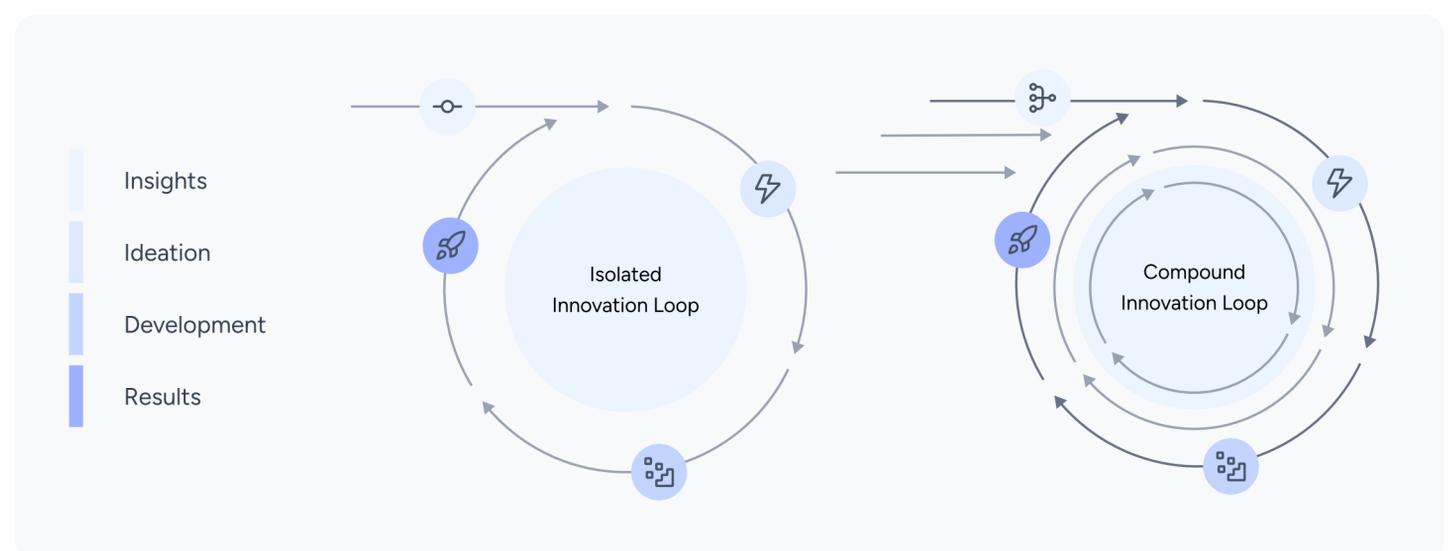
The Bestow difference: a unified, compliant platform with proven success

When carriers choose to partner instead of build, big results can follow quickly, but not all partners are created equal.

Bestow is purpose-built to render fragmented vendor ecosystems obsolete. While highly configurable, the end-to-end infrastructure of the platform eliminates integration debt, data silos, and coordination overhead and bottlenecks.

Beyond product and process complexity, life carriers also face an unrelenting set of compliance burdens that spans multiple domains: insurance regulations vary by jurisdiction, payment standards are updated constantly, security protocols demand vigilance, and data governance requirements are rapidly evolving. Each of these areas requires deep subject matter expertise, but some tech vendors lack the proficiency your in-house teams have built over years, leaving you vulnerable. Bestow, built and led by industry veterans, helps relieve this burden. Our platform is built to remain compliant across all relevant domains.

Additionally, partners less steeped in the nuances of insurance often underestimate critical details or misinterpret edge cases, leading to costly reworks or capabilities that fail to truly serve the business. Workflows, configurations, underwriting decisioning, and audit trails are not generic software problems. Bestow understands the complexities, nuances, and requirements of the insurance industry, because that's where we come from.

These snapshots illustrate how Bestow helped leading life insurers blow their own outdated expectations out of the water, bringing new products and digital experiences to market in months.

FIGURE 2: Case study Customer A: digital D2C term experience | FIGURE 3: Customer B: digital agent-led final expense experience

D2C TERM EXPERIENCE	AGENT-LED FINAL EXPENSE EXPERIENCE
20% Increase in term life sales YoY	**2x** Increase in final expense sales
6 month Implementation timeline	**61%** Agent adoption in first quarter

Conclusion

Modernization is a must. But the how of that modernization often separates winners from casualties. Ultimately, attempting to build everything internally can leave a trail of missed deadlines, cost overruns, and frustrated stakeholders.

By contrast, choosing the right tech partner — one that offers domain depth, modular architecture, shared innovation, and a track record of success — allows carriers to:

- Preserve focus on their core competencies

- Accelerate time to market and ROI

- Leverage shared enhancements for compounding advantage

- Avoid fragmented vendor ecosystems and integration issues

- Reduce TCO while spurring growth

If you're evaluating build vs. buy, the question isn't purely financial; it's strategic. How quickly can you get value in agents' hands? How well can you maintain and evolve over time? How much internal risk do you want to bear? If you're grappling with these questions and tired of standing pat, we should talk.

More from Bestow: Learn how our unified acquisition platform lets carriers easily launch digital-first journeys for applicants and agents.

Let's talk

Never worry about a blown timeline or bloated budget for an in-house tech build ever again. Bestow's platform is built to meet you where you are and take you where you want to go—all in a matter of months.

[1] Arizent, Digital Insurance Predictions 2025