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Capgemini Financial Services Top Trends 2026 Insurance

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RESEARCH INSTITUTE

Our insurance top trends span three interconnected imperatives



Distribution and engagement

Market dynamics are shifting rapidly...

- As 67% of next-gen insurance customers prefer phygital engagement over traditional channels¹
- With USD 83.5 Tn expected to change hands by 2048, opening new avenues for growth²

...meeting these shifts requires...

- Empowering agents with actionable, data-driven insights
- Partnering with ecosystem players for embedded offerings
- Offering modular policies tailored to customers' lifestyles

...to unlock

- Policyholder satisfaction
- Agent productivity
- Cross- and up-sell opportunities

Operational efficiency

Insurers are struggling with...

- Siloed data and traditional risk models that slow decisions and limit competitiveness
- Surging costs as projected catastrophe losses rise by 5–7% and medical expenses by 10%+ in 2025^{3,4}

...to tackle this, they're focusing on...

- Orchestrating enterprise data for real-time, intelligent insights
- Implementing predictive analytics to enhance risk understanding
- Creating collaborative workflows to enable transparency and faster decision making

...to drive

- Cost reduction
- Streamlined operations
- Improved service quality

Technological innovation

The pace of innovation is intensifying as...

- 88% of insurers are adopting hybrid cloud to modernize their legacy IT infrastructure⁵
- 70% of insurers are increasing GenAI investments to future-proof against market disruptions⁶

...sustaining this momentum demands...

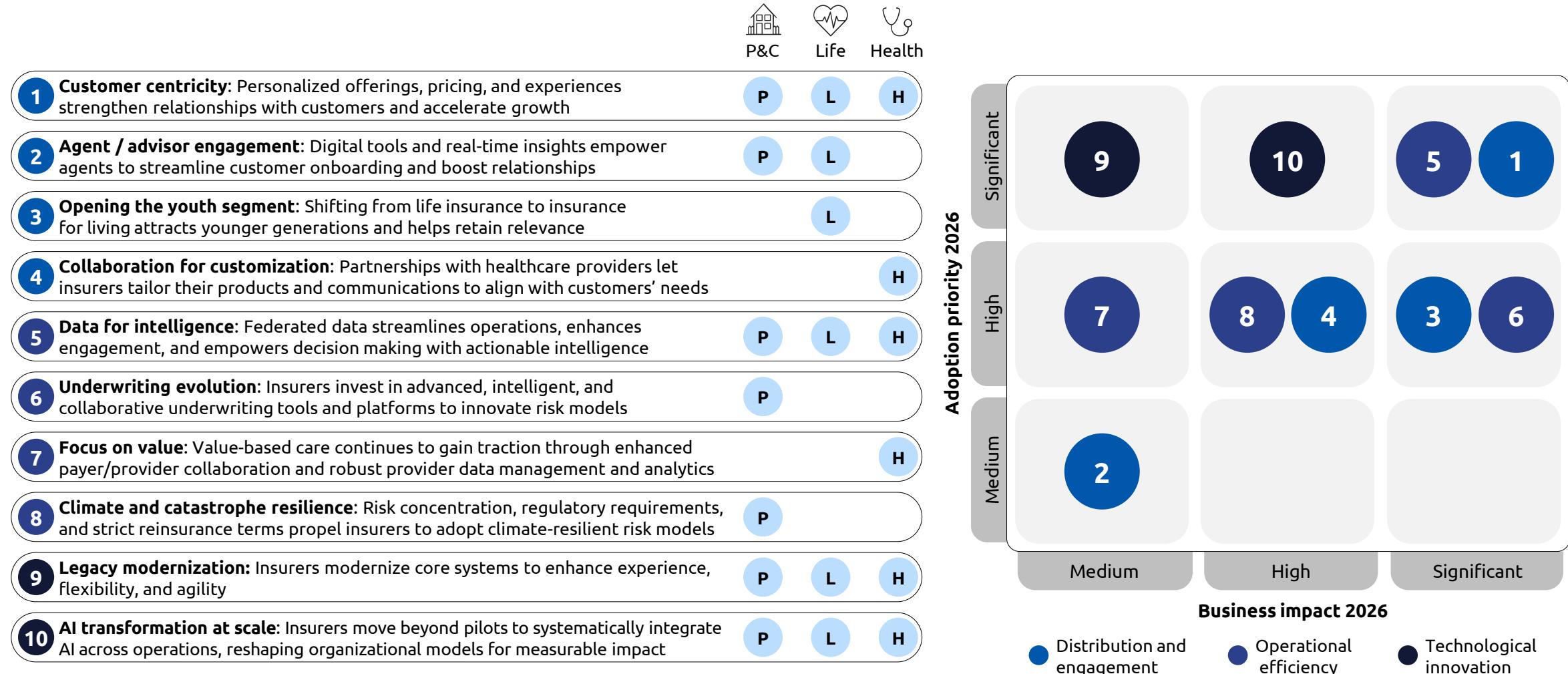
- Implementing cloud-native systems to enhance scalability and innovation
- Deploying AI at scale to overcome functional silos

...to achieve

- Faster time-to-market
- Improved decision making

Source: 1. Capgemini World Life Insurance Report 2026; 2. Capgemini World Wealth Report 2025; 3. Swiss Re; 4. Aon: The Global Medical Trend Rates Report 2025; 5. Capgemini World Cloud Report - Financial Services 2026 Executive Survey; 6. Capgemini AI-powered business operations survey 2025; Capgemini Research Institute for Financial Services analysis, 2025.

Our insurance top trends 2026 – priority matrix



▪ **Adoption priority:** The criticality of a 2026 trend to value creation because of its sector importance.

▪ **Business impact:** Each trend's effect on 2026 sector business as it relates to customer experience (CX), operational excellence, regulatory compliance, or profitability.

Circumstances will vary for each firm depending on business priorities, geography, and other factors.

For more information, contact us at insurance@capgemini.com

Distribution and engagement



Overview

- Customers expect seamless, personalized experiences, which is pushing insurers to rethink their distribution approach. **41% of P&C insurers** say reassessing **distribution strategy** is key to unlocking **growth and productivity**.¹
- Only **8% of customers' surplus funds** are allocated to **increasing life insurance coverage**, highlighting the untapped growth opportunity for **repositioning life insurance** through more **personalized, goal-based engagement strategies** that connect protection to broader financial aspirations.²
- **43% of health insurers** cite the **underuse of preventive services** as a key driver of medical costs. This underscores how critical personalized engagement is in nudging **preventive health behavior** and reducing **overall claim costs** via **early screening and treatment** – transforming health insurers from **claims payers to wellness partners**.^{3,4}

Source: 1. [Capgemini World Property and Casualty Insurance Report 2025](#);

2. [Capgemini World Life Insurance Report 2025](#);

3. [WTW: 2025 Global Medical Trends Survey](#); Capgemini Research Institute for Financial Services analysis, 2025.

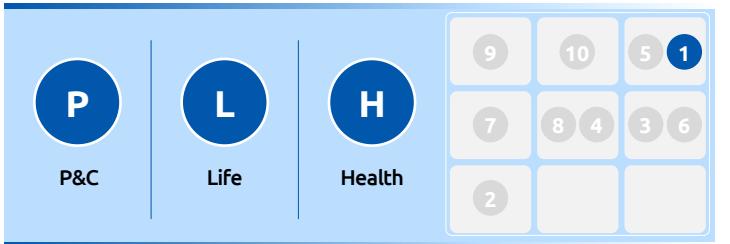
Note: 4. 'Preventive services' refers to services offered for early detection of health problems, such as cancer screening.





Trend 1 Customer centricity

Personalized offerings, pricing, and experiences strengthen relationships with customers and accelerate growth



Background

Policyholders often see insurance as a set of interchangeable utilities, which raises the **risk of commoditization for insurers**. By offering consistent omnichannel experiences and personalized coverage that adapts to individual needs, insurers can compete beyond just price.

Yet, many carriers **lack the integrated data, modern systems, and agent capabilities** to unlock intelligent decisioning that elevates customer relationships from **transactional to advisory**, leaving them vulnerable to competitive displacement.

Evidence

60%

Customers are **willing to share personal data** for **tailored, cost-effective coverage options**, urging insurers to shift from static to personalized, data-driven pricing models.¹

60%

Customers say they **trust insurers more when they're offered a consistent, omnichannel experience**, reinforcing the importance of seamless engagement across customer journeys.²

70%

Insurers report **improved customer retention** by integrating customer service insights across functions and departments, underscoring how personalized experiences drive loyalty and growth.³



Opportunity

Personalization empowers insurers to anticipate evolving customer needs. The pay-off? **Lowered lapse rates and reduced churn** through **adaptive policies with customizable add-ons, plus timely policy upgrades** that are aligned to key life events and lifestyle needs.

Insurers can **elevate customer satisfaction and lifetime value through personalized risk assessments** that drive fair, competitive premiums and faster claims settlement, powered by insights into customer behavior, lifestyle, and evolving risk profiles.



Source: 1. Next-generation Insurance: AI-led Innovation for Elevated CX, Everest; 2. Smart Communications;

3. Capgemini Customer service transformation survey 2025; Capgemini Research Institute for Financial Services analysis, 2025.



Trend 2 Agent / advisor engagement

Digital tools and real-time insights empower agents to streamline customer onboarding and boost relationships



Background

Agents struggle with **disparate workflows and siloed systems** which lack real-time data feeds, forcing them to rely on **manual KYC checks and onboarding processes**. These operational inefficiencies increase administrative burden and limit focus on growth opportunities.

In increasingly competitive markets, carriers risk **losing market share and revenue growth** when their agents **can't match competitors** who are equipped to **deliver instant quotes and personalized recommendations**.

Evidence

67%

Consumers under 40 want **digital access with dedicated advisor support**, yet only **16%** of insurers offer integrated capabilities.¹

65%

Customers are likely to **abandon interactions** when data collection is cumbersome, highlighting the opportunity to empower agents with **unified customer data**.²

85%

Agents view **user-friendly agent and customer portals** as a key consideration when it comes to choosing which **carrier to work with**.³



Opportunity

Policy retention and premium growth can be enhanced by empowering agents with **real-time analytics and recommendation engines** powered by unified customer data, so they can leverage **targeted cross-sell/up-sell prompts** and **deliver personalized product suggestions**.

Equipping agents with **real-time risk assessments, instant quoting, and comprehensive financial planning tools** can **increase conversion rates and average policy sizes** through faster, more informed responses that deepen customer trust.



Source: 1. Capgemini World Life Insurance Report 2026; 2. Smart Communications; 3. Beinsure; Capgemini Research Institute for Financial Services analysis, 2025.



Trend 3 Opening the youth segment

Shifting from life insurance to insurance for living attracts younger generations and helps retain relevance



Background

More than half of under 40s value life insurance as essential for financial security, yet **adoption remains low** as younger consumers **demand financial tools that deliver immediate, tangible value throughout their lives** – while traditional life insurance only pays out at death.

Although insurers offer these types of benefits, they present them as **disconnected add-ons with clunky experiences rather than core lifestyle enablers**. This creates three critical gaps: **delivery complexity, relevance misalignment, and subpar CX** compared to ecosystem competitors.

Evidence

32%

Young individuals cite **life insurance as misaligned with their life stage**.¹

>40%

Individuals under 40 seek **living benefits like cash withdrawals for life events, and health and wellness benefits** from insurers, signaling a rising demand for insurance that delivers lifelong value.¹

USD 83.5 Tn

Estimated to **change hands by 2048** (average **USD 106K** per individual), representing the largest intergenerational wealth shift in history, with **40%** of recipients prioritizing **life insurance as a key investment destination**.^{1,2}



Opportunity

Insurers can **capture market share** by **repositioning living benefits as core value propositions within modular, flexible products**. This approach **enhances customer lifetime value**, **improves Net Promoter Scores**, and transforms insurance from a 'buy-and-forget' product into an active financial tool.

Connected data ecosystems and intelligent platforms can **reduce acquisition costs** and **accommodate underserved segments** by **providing tailored financial guidance**. Additionally, carriers can **partner with ecosystem players** to integrate offerings across various channels.



Source: 1. [Capgemini World Life Insurance Report 2026](#); 2. [Capgemini World Wealth Report 2025](#); Capgemini Research Institute for Financial Services analysis, 2025.



Trend 4 Collaboration for customization

Partnerships with healthcare providers let insurers tailor their products and communications to align with customers' needs



Background

The healthcare ecosystem is **complex**. Why? Hospitals, primary care providers, and insurers lack strong collaboration, **making it harder for insurers to meet the rising demand for personalized products while controlling costs**.

Poor alignment with providers also weakens insurers' ability to **deliver tailored, consistent communications**, leaving customers confused about their coverage and benefits. This drives up administrative costs through inefficient care utilization and customer service burdens.

Evidence

80%

Healthcare consumers say **consistent messaging across channels** is key to trust, while **73% value personalized communication**.¹



72%

Insurers cite **overuse or misuse of services as a top cost driver**, underscoring the need for provider collaboration to reduce unnecessary spending.²

71%

Insurers rank **collaboration with contracted provider networks** as their **top cost management strategy**, also using it to deliver customized care.²

Opportunity

Guiding customers to chosen providers based on their needs lets insurers **deliver personalized care pathways** while **reducing overuse of services, controlling costs, strengthening profitability, and boosting market position**.

Enhanced provider collaboration enables insurers to **reduce administrative costs** and **improve medical cost management** by aligning communication on benefits and care pathways, using integrated platforms to ensure **coordinated care delivery, minimize duplicate services, and improve health outcomes**.



Source: 1. [Smart Communications](#); 2. [WTW: 2025 Global Medical Trends Survey](#); Capgemini Research Institute for Financial Services analysis, 2025.



Use cases (Americas)



Nationwide (P&C insurance)

- **Context:** Nationwide introduced the *Telematics Property Discount* in June 2025, linking safe driving behavior in its **usage-based insurance program to unlock personalized savings** on homeowners' insurance.
- **Solution:** The program **offers an integrated experience** by automatically granting an average 5% discount on homeowners' policies to customers enrolled in *SmartRide®* or *SmartMiles®* who earn qualifying telematics rewards **based on the driving behavior data**, with over 50% of existing users expected to be eligible.
- **Benefit:** The initiative **enhances customer satisfaction and lifetime value** by offering behavior-based rewards, **strengthens multi-line relationships**, and **improves retention** through proactive, data-driven engagement.¹



Guardian Life (Life insurance)

- **Context:** In October 2024, Guardian Life launched its self-service digital hub *GuardianWell* for its Group Benefits members. It aims to **drive customers to make the most of its benefits** by providing personalized wellness education and **seamless access to resources**.²
- **Solution:** The solution **offers streamlined access to wellness resources** – including caregiver support, mental wellness benefits, and employee assistance programs integrated into the platform – along with **educational content supporting mental, physical, and financial well-being** across life stages.
- **Benefit:** *GuardianWell* **personalizes members' experiences** and helps **drive customer engagement** through enhanced understanding and easy access to wellness offerings.³



Humana (Health insurance)

- **Context:** Humana partnered with DrFirst in August 2025 to **improve care for patients with chronic conditions**, focusing on boosting statin therapy adoption and meeting the Centers for Medicare & Medicaid Services' (CMS') quality metrics.
- **Solution:** The collaboration uses DrFirst's prescription orchestration platform to **enable real-time clinical collaboration**, deliver one-click prescription recommendations, and **streamline workflows** across 270+ integrated EHR systems to **boost adherence, optimize reimbursement, and strengthen provider collaboration**.
- **Benefit:** This initiative **reduces care costs and enhances profitability** by integrating with provider workflows for **timely patient interventions** and better provider-pharmacy collaboration, thanks to an interoperable platform.⁴

Source: 1. [Nationwide](#); 3. [Guardian](#); 4. [Alinvest](#); Capgemini Research Institute for Financial Services analysis, 2025.

Note: 2. 'Group Benefits' refers to employer-sponsored insurance and wellness programs offered to employees as part of their compensation.



Use cases (Europe)



Zurich (P&C insurance)

- **Context:** In April 2025, Zurich Insurance Group partnered with Microsoft, because its commercial teams were **struggling with switching between applications to update CRM data**, creating a risk of outdated information.
- **Solution:** Zurich deployed *Microsoft 365 Copilot for Sales* to streamline workflows by **integrating AI and sales insights into daily workflow tools**, to keep CRM data up to date and reduce the need to switch applications.
- **Benefit:** This transformation **improved retention ratios and sales** by equipping client- and broker-facing teams with relationship insights. It's estimated to **save employees ~14,000 hours every year**.¹



Legal & General (Life insurance)

- **Context:** In July 2025, Legal & General enhanced its *OLP Connect* application platform – a user-friendly tool that **helps advisers manage protection applications seamlessly**.
- **Solution:** This enhancement consolidated key resources into a single, easy-to-access hub, **enabling advisers to securely update payment details, manage arrears, and handle policy changes** directly on the platform.
- **Benefit:** The platform **strengthened adviser efficiency and satisfaction** by making it quicker to search for information, improving access to key tools, and **fostering stronger adviser relationships**.²



WPA (Health insurance)

- **Context:** In April 2025, WPA collaborated with Doctify to launch *HealthcareFinder*, an online tool that **makes it easier for health insurance customers** to access private healthcare consultants.
- **Solution:** This digital tool **lets policyholders search, compare, and choose** medical consultants. It also **streamlined claims and accelerated approvals** by eliminating the need to share provider details when seeking initial treatment approval.
- **Benefit:** The initiative has **enhanced customer satisfaction through price transparency** by matching customers with consultants according to WPA's fee schedule, while helping the insurer control costs and strengthen trust.^{3,4}

Source: 1. [Microsoft](#); 2. [Legal & General](#); 3. [WPA](#); 4. [myTribe](#); Capgemini Research Institute for Financial Services analysis, 2025.

Operational efficiency

Overview

- Amid rising **margin pressures**, escalating **catastrophe losses**, and **intensifying competition**, insurers are sharpening their focus on reducing operational costs and improving service delivery. **45% of P&C insurers** cite **process optimization** as a significant driver of IT investment.¹
- Over **50% of life insurers** consider **digital policy-servicing portals** and **centralized CRM systems** as critical to **streamlining workflows, reducing manual effort, and improving efficiency** to manage escalating operational demands while maintaining margins in a competitive market.²
- By 2028, **67% of health insurers** anticipate that **rising healthcare demands** will cause an increase in costs and a need to scale. Payer-provider partnerships will play a vital role in sharing risk and improving care coordination, while streamlined operations will drive profitability.³

Source: 1. [Top Tech Trends Previsory: Property & Casualty Insurance, 2025 Edition, Celent](#);

2. [Capgemini World Life Insurance Report Executive interviews 2024](#);

3. [WTW: 2025 Global Medical Trends Survey](#);

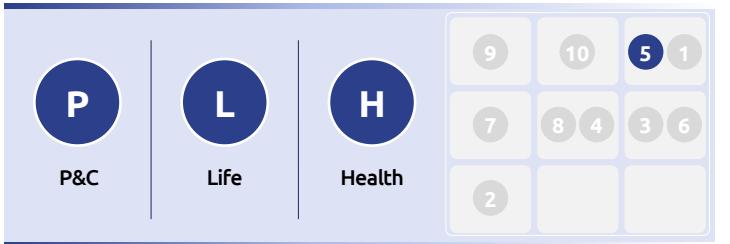
Capgemini Research Institute for Financial Services analysis, 2025.





Trend 5 Data for intelligence

Federated data streamlines operations, enhances engagement, and empowers decision making with actionable intelligence



Background

It's increasingly **complex** for insurers to manage **vast volumes of unstructured and semi-structured data** from claims evidence, customer interactions, and medical records. This delays key business decisions and limits how competitively they can respond in fast-moving markets.

As data volumes grow, fragmented systems and inconsistent data models **limit interoperability and accessibility**, underscoring the **need for federated ecosystems and data mesh architectures** to enable insight-driven decisions throughout the insurance value chain.

Evidence

70%

Insurers identify **data integrity and quality as a key challenge**, limiting their ability to transform fragmented data into valuable insights to drive better business outcomes.¹



69%

Insurers are **embedding data and insights into their core business workflows** and enabling **business-led data ownership**, to accelerate new product and service launches in the market.²

42%

Insurers are already using **GenAI in data management to drive data democratization** across their firms, creating intuitive interfaces that let users easily access, explore, and act on their data.²

Opportunity

Insurers can **enhance data synergy and democratization** through enterprise data marketplaces. This empowers decision making through **improved risk assessment, streamlines operations** by preventing fraud and expediting genuine claims, and **boosts profitability** by reducing claims leakage.

Advanced data analytics let insurers **optimize pricing** and **create personalized policies** that cater to individual needs and lifestyles, **driving retention and premium growth**.

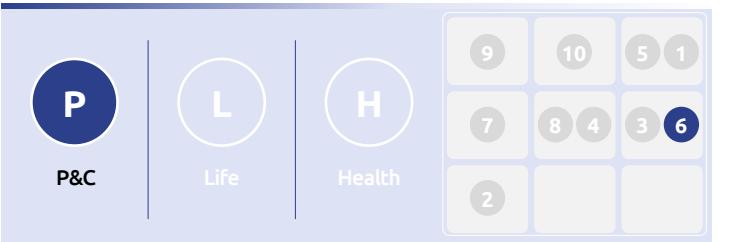


Source: 1. Capgemini Cloud Survey of Financial Services Firms 2024; 2. Capgemini Data-powered enterprises survey 2024; Capgemini Research Institute for Financial Services analysis, 2025.



Trend 6 Underwriting evolution

Insurers invest in advanced, intelligent, and collaborative underwriting tools and platforms to innovate risk models



Background

Relying on **rule-based, static underwriting models** built on legacy systems limits insurers' access to real-time data, slows automation, and hinders **cross-functional collaboration** – all of which are key for assessing dynamic risks and liability exposures.

The **absence of intelligent insights** prevents insurers from **leveraging AI/ML and predictive analytics**, hindering timely, precise assessment of complex risks such as **large commercial portfolios and catastrophe-prone regions**.

Evidence

56%

Underwriters rely on **static guidelines** – like PDFs and spreadsheets – which exemplifies their **struggle to assess complex risks**.¹

35%

Underwriters note that **AI/ML and predictive models** enhance their risk understanding.²

68%

Insurers who implemented advanced underwriting technology reduced their **loss ratios** and **improved their profits**.³



Opportunity

Integrated underwriting platforms help **capture profitable customers** by enabling **precise risk assessments** and **better pricing**. This is achieved through real-time evaluation and **collaborative workflows**, which **speed up decisions** and strengthen portfolio quality.

By leveraging **GenAI alongside predictive analytics**, these platforms summarize unstructured submission data, automate underwriting narratives, and surface key risk exposures. The result? **Less time on manual reviews, improved quote accuracy, and better market responsiveness**.



Source: 1. Federato; 2. Capgemini World Property and Casualty Insurance Report 2024;

3. Capgemini World Property & Casualty Insurance Report 2024 Global Insurance Executives' Survey; Capgemini Research Institute for Financial Services analysis, 2025.



Trend 7 Focus on value

Value-based care continues to gain traction through enhanced payer/provider collaboration and robust provider data management and analytics



Background

Healthcare systems are struggling with **rising costs, fragmented care delivery, and increasing demand for better patient outcomes**. Collectively, this is pushing insurers and providers to explore models that **align incentives with better value for patients, while controlling escalating medical expenses**.

Poor integration and limited data-sharing across care settings hinder collaboration. This **increases medical claims and administrative costs** for insurers, and reduces their ability to demonstrate ROI from outcome-driven care.

Evidence

40%

Customers are willing to **share personal health data** in exchange for **personalized advice or better coverage**, reinforcing demand for value-based, data-driven insurance.¹



43%

Insurers note that customers' low engagement with preventive services is a key cost driver, highlighting the **need for value-based models** that emphasize **proactive care and early interventions to reduce avoidable, high-cost claims**.²

>80%

Payers in the US report that AI and advanced data management tools **enhance efficiency** and **reduce admin costs in value-based care**.³

Opportunity

Insurers can **lower the costs of medical claims, improve patient outcomes, and increase customer engagement** by using interoperable provider data and predictive analytics. This lets them **track patient outcomes, benchmark provider performance, and implement outcome-linked, value-based contracts**.

Insurers who include **shared accountability** and **clear performance metrics** in their provider agreements can **build trust, align incentives with care goals, and reduce unnecessary usage to improve cost control and profits**.



Source: 1. Swiss re; 2. WTW: 2025 Global Medical Trends Survey; 3. Reveleer: The State of Technology in Value-Based Care: 2025 Report; Capgemini Research Institute for Financial Services analysis, 2025.



Trend 8 Climate and catastrophe resilience

Risk concentration, regulatory requirements, and strict reinsurance terms propel insurers to adopt climate-resilient risk models



Background

Traditional risk models – limited by a **lack of granular, forward-looking climate data** – fail to capture the **rising severity of secondary perils** and growing exposures from **population shifts into high-risk zones**. This **drives loss volatility** and **erodes underwriting accuracy**.

Amid rising uncertainty, regulatory mandates on scenario analysis and capital adequacy – plus **tighter reinsurance terms and higher attachment points for secondary perils** – are upping compliance pressure and capital strain, making climate-resilient risk models essential.

Evidence

41%

Global insured catastrophe losses in 2024 were caused by **Severe Convective Storms (SCS) peril**.¹

70%

The **global population will live in urban centers** by 2050, creating dense concentrations of people, wealth, and infrastructure in vulnerable regions that heighten the catastrophe risk exposure.²

71%

Insurers say they're either already or planning to factor commercial **customers' climate adaptation and mitigation practices** into underwriting, for more accurate risk differentiation.³



Opportunity

Advanced climate models strengthen portfolio resilience and **reduce loss volatility** by combining high-resolution hazard mapping, real-time climate data, and predictive analytics within underwriting platforms to **improve pricing accuracy** and **strengthen capital adequacy** against secondary peril losses.

Climate-resilient underwriting enables **sustainable growth in hazardous areas** through **precise risk segmentation and proactive adaptation partnerships with insureds**. This reduces claims volatility while **capturing profitable business** that competitors with static models can't effectively assess or price.



Source: 1. Gallagher Re; 2. Capgemini World Property and Casualty Insurance Report 2025; 3. Marsh; Capgemini Research Institute for Financial Services analysis, 2025.



Use cases (Americas)



US Insurer (P&C insurance)

- **Context:** A leading US P&C insurer partnered with Capgemini to **centralize its property data** from multiple sources.
- **Solution:** Through this partnership, they enriched their property data with **third-party data** that enabled **geo-spatial analytics**. This gave them a **data-driven property portfolio, backed with account-level analysis and decision making**.
- **Benefit:** The solution let the insurer identify **concentration risk** across their portfolio by a **specific peril** – such as earthquake or wildfire – with **multimillion dollar missed limits**.



US Insurer (Life insurance)

- **Context:** In September 2025, a global life insurer partnered with Capgemini to **accelerate digital channel adoption for acquisition** through real-time personalization and improved distribution efficiency.
- **Solution:** Through this partnership, they developed a unified customer data platform that integrated **customer profile data and event data**, and tracked interactions across channels. Collectively, this enhanced **real-time personalization** and **accelerated acquisition** through digital channels.¹
- **Benefit:** The solution **enhanced marketing agility** by reducing how long it took to **retarget campaigns from one day to five minutes, increased quote generation by 60%, and improved email open rates by 24%**.^{2,3}



Independence Blue Cross (Health insurance)

- **Context:** In November 2024, Independence Blue Cross (IBX) implemented the *Epic Payer Platform* with its network providers to **streamline data exchange, close care gaps, and enhance member health outcomes**.
- **Solution:** Through the platform, IBX and its network can **access real-time, synchronized clinical information to enhance care team collaboration and patient outcomes**, while providing participating health systems and providers with comprehensive patient care data.
- **Benefit:** This initiative **boosted customer engagement and trust** through better cost transparency, and **improved operational efficiency** by reducing administrative burden.⁴

Source: 3. [Capgemini World Life Insurance Report 2026](#); 4. [PR Newswire](#); Capgemini Research Institute for Financial Services analysis, 2025.

Note: 1. 'Event data' refers to time-stamped records of customer actions or behaviors across digital touchpoints, including clicks, page views, purchases, and email interactions; 2. 'How long it took to retarget campaigns' refers to the interval between a customer's interaction with the insurer (e.g., visiting a website or clicking an advertisement) and the initiation of retargeted ad delivery.





Use cases (Europe and APAC)



Allianz (P&C insurance)

- **Context:** In February 2025, Allianz UK developed a GenAI solution **to help underwriters navigate lengthy documents and resolve queries** more efficiently during the underwriting process.
- **Solution:** To support underwriters, Allianz UK introduced *BRIAN*, a GenAI-powered assistant that analyzes underwriting guides and delivers concise, accurate responses to underwriters' queries. This **streamlines information retrieval and speeds up decision making**.
- **Benefit:** The solution **eliminated manual searches, saving 65,000 minutes** (about 135 working days) and **improved efficiency** by letting underwriters **focus on risk analysis, customer relationships, and pricing strategies**.^{1,2}

APAC Insurer (Life insurance)

- **Context:** In April 2025, an APAC insurance leader partnered with Capgemini to **streamline user experience and simplify core operational processes** for their new business, policy servicing, and life and health insurance claims.
- **Solution:** Through this partnership, they developed a low-code/no-code cloud workflow application to **streamline operations, minimize reliance on legacy systems, shorten policy issuance timelines**, and provide a seamless user experience (UX).
- **Benefit:** This application **reduced dispute resolution and processing times** by 50%, improved **claims assessment efficiency** by 70%, and **accelerated growth** by enabling 65% of new business and 35% of point-of-sale transactions through straight-through processing.³



Bupa (Health insurance)

- **Context:** In June 2025, Cleveland Clinic London and Bupa UK Insurance **partnered to launch a first-of-its-kind, value-based care pilot** and a “no-shortfall” guarantee on consultant fees.
- **Solution:** The pilot has **replaced traditional fee-for-service payments with outcome-based payments**, linking provider compensation to measurable patient health improvements, while ensuring Bupa members **incur no additional consultant fees** beyond their coverage.
- **Benefit:** The initiative **improved patient wellness, enhanced care quality, and strengthened cost control** through outcomes-driven payments, while **boosted insurer-provider collaboration** delivered consistently high-value care.⁴

Source: 1. Allianz; 2. Insurtech Insights; 3. Capgemini; 4. Cleveland Clinic; Capgemini Research Institute for Financial Services analysis, 2025.



Overview

- Nearly **50% of P&C insurers** are either already investing in, or planning to invest in, **modernizing their IT systems** to enhance GenAI capabilities.¹ The goal is to automate **underwriting workflows**, accelerate **product innovation**, and unlock **new avenues for growth**.
- **Legacy technology** is holding carriers back from **automating operations** and **personalizing policies and pricing**. In fact, **41% of life insurers** cite **technology limitations** as a key barrier to achieving their business goals – like **reducing operating costs** and **achieving growth**.²
- **56% of health insurers** cite **care overuse** from poor coordination across facilities as a key driver of **rising medical costs**.^{3,4} This makes **AI-powered automation** a critical factor in **streamlining care, reducing redundancy, and controlling costs**.

Source: 1. [P&C Insurance Dimensions: IT Pressures & Priorities 2025](#), Celent, 26 February 2025;

2. [Life Insurance Dimensions: IT Pressures & Priorities 2025](#), Celent, 27 February 2025;

3. [WTW: 2025 Global Medical Trends Survey](#);

Capgemini Research Institute for Financial Services analysis, 2025.

Note: 4. 'Facilities' refers to patients, providers and insurers





Trend 9 Legacy modernization

Insurers modernize core systems to enhance experience, flexibility, and agility



Background

Legacy systems create a growth ceiling: **monolithic architecture, siloed processes, and complex applications limit insurers' ability** to launch new products, enter emerging markets, and scale operations that drive revenue growth.

Despite rising IT investments, legacy systems are **draining budgets** on maintenance and incremental changes, **slowing modernization** and **stopping insurers from delivering personalized CX**. Ultimately, this holds them back from capturing value in dynamic insurance markets.

Evidence

72%

Insurers cite **data integration with legacy systems** as a significant barrier to innovation.¹



50%

Insurers **acknowledge being behind schedule in phasing out legacy systems** and fully modernizing their operations.²

78%

Insurers are **leveraging cloud to drive operational efficiency** and unlock agility with faster service delivery, reduced costs, and greater operational flexibility.¹

Opportunity

Cloud-native systems **streamline operations and enhance CX** through omnichannel engagement, real-time data insights, and automated workflows, **elevating satisfaction and driving long-term customer value**.

GenAI help firms **modernize legacy systems more quickly**, by decoding complexities and uncovering business logic and dependencies. This enables faster product launches across all lines, and **drives revenue growth through rapid innovation and ecosystem partnerships**.



Source: 1. [Capgemini Cloud Survey of Financial Services Firms 2024](#); 2. [Earnix: 2024 Industry Trends Report](#); Capgemini Research Institute for Financial Services analysis, 2025.



Trend 10 AI transformation at scale

Insurers move beyond pilots to systematically integrate AI across operations, reshaping organizational models for measurable impact



Background

AI pilots are still confined to individual functions – relying on **limited data, hindering scalability** and **cross-functional portability** – leaving them failing to unlock enterprise-wide transformation.

This disjointed approach to AI integration **creates long-term technical debt**, leading to **inconsistent operational models** and **governance standards** that limit agility and interoperability.

Evidence

49%

Insurers have **deployed GenAI – either fully or partially – across functions**, indicating a strong momentum towards scaled adoption.¹



40%

Insurers are leveraging **GenAI in data management** to transform **complex analyses into precise, actionable narratives** that propel data-driven decision making and execution.²

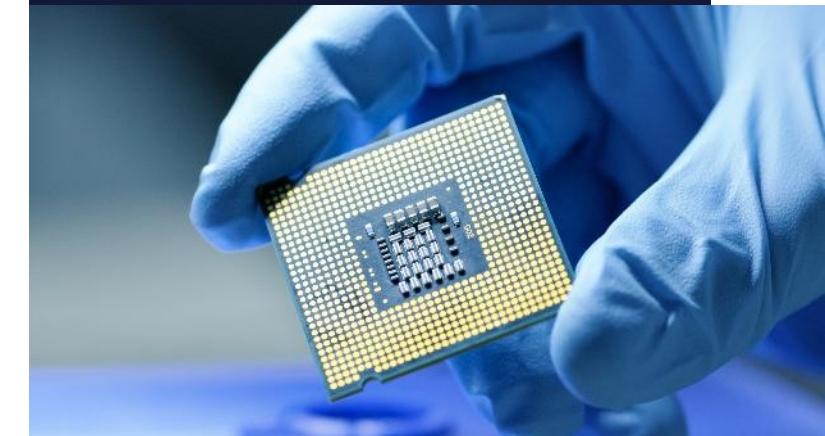
46%

Insurers believe that AI has the most positive impact on **underwriting and risk profiling**, followed by claims (20%) and customer service (18%).^{3,4}

Opportunity

Enterprise-wide AI **breaks functional silos** by tapping into data across customer, agent, and underwriter touchpoints, to generate actionable insights that **accelerate product design, reduce time-to-market, and drive growth**.

AI at scale empowers insurers to act in real time through predictive models that **automate decisions, refine pricing, and strengthen risk monitoring** across portfolios for **greater efficiency and profitability**.



Source: 1. [Capgemini AI-powered business operations survey 2025](#); 2. [Capgemini Data-powered enterprises survey 2024](#) 3. [Globaldata Survey, GlobalData, 21 July, 2025](#); Capgemini Research Institute for Financial Services analysis, 2025.

Note: 4. Insurers surveyed in Q3 2025.



Use cases (Americas)



AXA XL (P&C Insurance)

- **Context:** In April 2025, AXA XL's Americas Middle Market unit **adopted a cloud solution to accelerate and simplify policy issuance** by reducing manual processes and facilitating broker engagement.
- **Solution:** AXA XL implemented Guidewire *PolicyCenter* on Guidewire Cloud Platform to **reduce manual processes by digitizing policy administration, enabling brokers to rate, quote, bind, and issue policies** across all 50 US states.
- **Benefit:** The modernization supports AXA XL's **growth plans** through **product and geographic expansion**, by improving **speed to market and reducing policy processing time** from **over a week to just days**.¹



Sammons Financial Group (Life Insurance)

- **Context:** In April 2025, Sammons Financial Group (SFG) adopted *Agentforce* by Salesforce to **enhance customer service efficiency**, as agents previously had to navigate multiple systems, resulting in long hold times and delayed query resolutions.
- **Solution:** *Agentforce* is an enterprise agentic AI platform that **automates workflows and delivers real-time insights** for agents to **handle routine inquiries, reduce call hold times, and free service teams** to focus on complex customer needs.
- **Benefit:** This transformation is expected to **cut routine inquiry costs by 50%, resolve 20% of inquiries autonomously**, and deliver 24/7 personalized service, **enhancing profitability and customer satisfaction**.²



Cigna Healthcare (Health Insurance)

- **Context:** In June 2025, Cigna Healthcare introduced a suite of AI-powered digital tools to **simplify health-insurance interactions and help customers better understand** their coverage and costs.
- **Solution:** The tool's features include a GenAI virtual assistant for **conversations and claims support, personalized in-network provider matching, real-time cost-tracking, simplified claim submissions**, and enhanced plan-selection features accessible via the myCigna member portal.
- **Benefit:** These tools are expected to **boost customer satisfaction and loyalty** while **reducing attrition and service costs**. Two-thirds of customers have already engaged proactively with the AI assistant, and over 80% found it helpful.³

Source: 1. [AXA XL](#); 2. [Salesforce](#); 3. [Cigna Healthcare](#); Capgemini Research Institute for Financial Services analysis, 2025.



Use cases (Europe and APAC)



Allianz (P&C insurance)

- **Context:** In February 2025, Allianz developed an AI solution to help customer care agents in Germany **navigate an extensive knowledge library to address inquiries**, which had led to inefficiencies and delays in processes.
- **Solution:** Allianz launched *Enterprise Knowledge Assistant (EKA)*, an AI-driven chatbot that **simplifies the time-consuming process of navigating an extensive knowledge repository**, enabling call centre agents and operational experts to **answer customer queries instantly with over 90% accuracy**.
- **Benefit:** Processing up to 90k paragraphs of texts into manageable insights, EKA **empowers agents with instant, precise information, enhancing productivity** and freeing them up to focus on more complex customer needs.¹



Aviva (Life insurance)

- **Context:** In August 2025, Aviva partnered with Microsoft **to modernize its legacy hosting platform, streamline processes, and improve customer engagement**.
- **Solution:** Aviva modernized its **legacy hosting platform** by migrating its **core policy system, Bamboo**, to Microsoft Azure to **overcome inefficiencies, increase agility, strengthen data security and resilience**, and elevate CX.
- **Benefit:** This modernization delivered **4x operational efficiency with 80% faster response times**, delivering quotes on comparison sites **in under five seconds**, and **enhancing customer service**.²



AIA (Health insurance)

- **Context:** Faced with **challenges in processing medical insurance claims due to manual paperwork and extensive documentation**, AIA launched a **multi-tiered AI solution** in July 2025 to streamline operations and reduce delays.
- **Solution:** AIA adopted **GenAI-powered image recognition and auto-adjudication**, alongside an **AI-based fraud, waste, and abuse detection system** with 20+ risk indicators to automate claims and flag high-risk cases.
- **Benefit:** This solution **boosted NPS and operational efficiency**, with **straight-through processing rising to 73%** (up from 22% in 2020), **auto-adjudication to 75%** (up from 41%), and **claim turnaround times reduced from over two days to less than 25 minutes**.³

Source: 1. [Allianz](#); 2. [Microsoft](#); 3. [InsuranceAsia](#); Capgemini Research Institute for Financial Services analysis, 2025.



Partner with Capgemini

Unlock the full potential of your customer data

Employ **best-fit customer data strategy**, implemented through a **purpose-built enterprise data and AI platform**, to unlock efficiency, agility, and sustainable growth with customer intelligence.

Leverage **Data Products and Customer Intelligence Hub Capabilities** to publish impactful insights to the value chains, through a secure, scalable data architecture in a multi-cloud context.

Evolve with new insurance models, new customer data, and regulatory developments. Capgemini accelerates value delivery with a **pre-built insurance data model on your preferred tech stack**. This unlocks generative and agentic AI use cases, driving transformative customer outcomes capitalizing the newly accessible data and insights.

Create signature moments centered on empathy, led by AI

Create signature moments in your customers' service journeys with an **AI-first strategy for a deeply personalized policy service delivery, prioritizing value exchange**.

Deploy **agentic AI as a one-stop-shop for all your customer servicing needs** across their preferred channels, with human agents on-hand for scenarios that need enhanced empathy.

Evolve your contact center processes with AI agents, to make them swift and efficient. Capgemini enables you to **envision, build, and deploy AI agents on your preferred technology stack**. We streamline your servicing workflows using our deep expertise in insurance contact centers to deliver faster, more efficient operations.

Take ease of doing business to the next level powered by digital agency

Formulate a **technology-driven agent/broker experience strategy** as a competitive edge.

With Capgemini, diagnose structural IT challenges and design a **comprehensive blueprint integrating ecosystem capabilities, process transformation, and AI enhancements** for operational success.

Design a **fully integrated agency distribution ecosystem, powered by AI**, enabling automation, personalization, and seamless experiences that drive success. Further elevate experience and efficiency across the sales value chain with agentic and generative AI interventions for better business outcomes.

Invest in advanced, intelligent, and collaborative underwriting tools and platforms to innovate risk models

In a shifting risk landscape, insurers need a **unified solution** that integrates advanced risk signaling, authority-controlled pricing, policy manuscript, and external report ordering.

Capgemini's **Underwriting Workbench leverages AI and automation** to help you reduce manual effort, deliver actionable insights, and enhance risk narratives. It supports your granular portfolio decisions, Nat Cat impact assessment, proactive loss control, and continuous monitoring.

With **machine learning-driven book management and location risk intelligence**, insurers gain timely, data-powered insights. This enables faster market response and agility to adapt to emerging risks – driving better outcomes through agentic and generative AI interventions.

Ask the experts



Shane Cassidy

Insurance Business Unit Leader
shane.cassidy@capgemini.com

Shane is the head of Capgemini's Global Insurance Business Unit. Shane has been at the forefront of digital disruption and innovation for two decades, identifying and developing solutions to address the market evolution.



Julien Assouline

Managing Director of Financial Services,
Capgemini Invent
julien.assouline@capgemini.com

Julien leads Financial Services for Capgemini Invent. He has more than 25 years of experience working in the industry, both as a consultant and as an executive in banking. He supports his clients in defining and executing strategic transformation initiatives.



Kiran Boosam

Global Portfolio Leader for Insurance
kiran.boosam@capgemini.com

Kiran leads Capgemini's Global Insurance Portfolio. A seasoned expert in P&C and life insurance, Kiran evaluates industry trends, forecasts insurance CXO strategies, develops tailored innovative portfolios, and enables our clients to leverage the strengths of the Capgemini group, external ecosystems, and emerging technologies.



Samantha Chow

Global Life and Annuity Industry Leader
samantha.chow@capgemini.com

Samantha is a global expert in life, annuity, and benefits. With nearly three decades of experience, she leads transformation across the industry through AI innovation, technology modernization, and customer-centric strategies. A recognized thought-leader, she helps insurers redefine distribution, strengthen engagement, and build future-ready organizations.



Troy Awsumb

Global Healthcare Industry Lead
troy.awsumb@capgemini.com

Troy has nearly two decades of experience transforming the operating capabilities of businesses in the healthcare ecosystem. As the Global Industry Lead for Healthcare, he uses his expertise to develop insights and solutions that weave together business models, technology, data, and operations. As a thought leader he works with payers, providers, retail health, technology firms, startups, and PE/VC firms.



Lotfi Baccouche

Global Head – Insurance Practice,
Capgemini Invent
lotfi.baccouche@capgemini.com

Based in London, Lotfi leads Capgemini Invent's insurance practice globally. He advises major insurance firms on business strategies and operating models. He supports insurance firms in improving their operational efficiencies and risk profiles by developing and leading technologically enabled business transformations.



Rémi Tordeux

Insurance Practice Head, FS France and
Continental Europe
remi.tordeux@capgemini.com

Rémi has served the insurance industry for over 20 years working for worldwide leaders in consulting and technology. Leading strategic initiatives and transformation programs enabled him to develop an expertise in insurance business and the IT platforms supporting insurance operations, both with custom-built solutions as well as market software solutions. He has strong experience working in international projects from Europe and Asia.



Luca Russignan

Global Head of Capgemini Research Institute
for Financial Services
luca.russignan@capgemini.com

Luca specializes in strategic foresight for the financial services industry, with over 15 years of experience with industry-leading consultancies and insurers. At Capgemini, he examines emerging opportunities and risks across the banking and insurance sectors, translating complex trends into actionable insights for senior executives across the UK, US, Italy, and APAC.

Key contacts



Global

Shane Cassidy

shane.cassidy@capgemini.com

Kiran Boosam

kiran.boosam@capgemini.com

Julien Assouline

julien.assouline@capgemini.com

Ian Campos

ian.campos@capgemini.com

Australia and New Zealand

Alon Ellis

alon.ellis@capgemini.com

Roshnai Chaudhuri

roshnai.chaudhuri@capgemini.com

Belgium

Jan Verlinden

jan.verlinden@capgemini.com

Patricia Boydens

patricia.boydens@capgemini.com

Sanjay Jhamb

sanjay.jhamb@capgemini.com

France

Rémi Tordeux

remi.tordeux@capgemini.com

Thibaut Legrand

thibaut.legrand@capgemini.com

Germany

Alexander Pusch

alexander.pusch@capgemini.com

Florian Förster

florian.foerster@capgemini.com

Joachim Rawolle

joachim.rawolle@capgemini.com

India

Aarti Rao

aarti.a.rao@capgemini.com

Rajesh Kumar Sinha

rajesh-kumar.sinha@capgemini.com

Sanjay Pawar

sanjay.c.pawar@capgemini.com

Satyajit Nath

satyajit.nath@capgemini.com

Ujjwalita Preejush

ujjwalita.preejush@capgemini.com

Italy

Luca Antonini

luca.antonini@capgemini.com

Matteo Bonati

matteo.bonati@capgemini.com

Japan

Atsushi Terasawa

atsushi.terasawa@capgemini.com

Kazuhira Takewa

kazuhira.takewa@capgemini.com

Takahiro Sasaki

takahiro.sasaki@capgemini.com

Latin America

Renata Ramos

renata.ramos@capgemini.com

Ricardo Acacio

ricardo.acacio@capgemini.com

Nordics

Helen Jensen

helen.jensen@capgemini.com

Jimut Basa

jimut.basa@capgemini.com

Johan Bergström

(Sweden, Finland, Denmark)
johan.bergstrom@capgemini.com

South East Asia

Alexis Klein

alexis.a.klein@capgemini.com

Laurent Liotard-Vogt

laurent.liotard-vogt@capgemini.com

Sreepad Kamath

sreepad.kamath@capgemini.com

Spain

Antonio Luis Nuñez Pitera

antonio-luis.nunez-pitera@capgemini.com

Jordi Valls Ribas

jordi.valls-ribas@capgemini.com

The Netherlands

Jeroen van 't Hoog

jeroen.van.t.hoog@capgemini.com

Jimut Basa

jimut.basa@capgemini.com

UK

Lotfi Baccouche

lotfi.baccouche@capgemini.com

Sree Vishala Ravipati

sree-vishala.ravipati@capgemini.com

Wendy Williamson

wendy-laird.Williamson@capgemini.com

USA and Canada

Jennifer Evans

jennifer.evans@capgemini.com

Samantha Chow

samantha.chow@capgemini.com

Satish Weber

satish.weber@capgemini.com



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2025 calendar



Trends Books 2025	World Retail Banking Report 2025	World P&C Insurance Report 2025	World Wealth Report 2025	World Life Insurance Report 2026	World Payments Report 2026	World Cloud for FS Report 2026
<ul style="list-style-type: none">• Banking: Retail Banking, Wealth, Payments, Leasing, Capital Markets,• Insurance: P&C, Life, Health• FS: Sustainability	<p>Attract, engage, and delight Spin the customer centricity flywheel</p>	<p>Scale for tomorrow, today The aging demographic pivot demands strategic P&C insurance transformation</p>	<p>Sail the great wealth transfer Setting a course to win Next-gen HNWIs</p>	<p>From life insurance to insurance for living Rethinking relevance for the under 40s</p>	<p>The (not-so) silent takeover Winning back merchants means playing differently</p>	<p>From process automation to industry reimagination Unlock large-scale growth with cloud-powered AI agents</p>
7 Jan 2025	11 Mar 2025	22 Apr 2025	04 Jun 2025	15 Sep 2025	25 Sep 2025	12 Nov 2025
11 th edition	21 st edition	18 th edition	29 th edition	4 th edition	21 st edition	3 rd edition

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Cloud for FS	From process automation to industry reimagination	Sustainability	Sustainability



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[Luca Russignan](#)

Global Head
Capgemini Research Institute
for Financial Services
luca.russignan@capgemini.com



[Chayan Bandyopadhyay](#)

Head of Operations
Capgemini Research Institute
for Financial Services
chayan.bandyopadhyay@capgemini.com

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