

The moment of AI truth for property & casualty insurance: trailblazers see 21% higher revenue growth while broader industry lags

- *The 10% of insurers that have advanced AI capabilities are outperforming peers on revenue growth and share price*
- *Trailblazers are scaling beyond AI pilots through strategic implementation, comprehensive training and explainable AI tools*

Paris, May 5, 2026 – Property & casualty (P&C) insurers face a widening competitive divide, with only 10% of the industry successfully scaling AI, while others struggle to capture meaningful benefits. Now in its 19th edition, the [Capgemini Research Institute's World Property & Casualty Insurance Report 2026](#) suggests the AI maturity gap can be partly explained by the fact that 42% of insurers track no AI metrics. Without a way to measure and validate what works, 60% of insurers remain in the exploration or proof-of-concept stage.

The report shows only a small cohort of insurers are currently treating AI as a core operating capability, rather than a set of tools, by ensuring alignment across strategy and talent, technology foundation, and organizational adoption simultaneously. These insurers are defined as “intelligence trailblazers,” achieving up to 21% higher revenue growth and approximately 51% greater increase in share price over three years.¹

According to the report, trailblazers distinguish themselves from mainstream insurers in several ways. These organizations are nearly four times more likely to invest in change management beyond basic training; nearly three times more likely to have explainable AI infrastructure that drives enterprise-wide confidence; and nearly twice as likely to ensure AI responsibilities are embedded directly into job descriptions creating accountability.

Trailblazers stand in sharp contrast to an industry contending with an ‘architecture mismatch’ – a pattern where technology advances outpace organizations’ ability to effectively integrate it. On average, P&C insurers commit 72% of their AI investments to technology and infrastructure, with only 28% to change management including basic employee and leadership training. As a result, many AI initiatives struggle to deliver their full potential, limiting enterprise-wide impact.

Return on AI investment still largely untracked

Over half (55%) of P&C insurers noted the absence of clear ROI on AI initiatives, with the same number also saying that it is unclear who owns AI initiatives at their firm. As a result, responsibility often ends up in the hands of individuals or small teams, making it impossible to deliver firmwide impact. Even at the team level, impact has been limited: two-thirds (67%) of P&C insurers cite a shortage of AI skills and nearly half (47%) of employees with access to AI tools report that their workday is unchanged, even after 18 months of use.

“The insurance industry is facing its moment of AI truth. Trailblazers are proof that when carriers embed AI into their business strategy from the outset it elevates from an efficiency play into a true competitive advantage that directly impacts the bottom line,” said Kartik Ramakrishnan, CEO of Capgemini’s Financial Services Strategic Business Unit and Group Executive Board Member. *“While many insurers are navigating familiar technical and cultural hurdles, the opportunity ahead is clear. By strengthening data foundations, clarifying ownership, and investing in skills and governance, insurers can move*

¹ These figures conclude Capgemini’s analysis of insurers’ self-assessed maturity across multiple dimensions, combined with self-reported financial performance from 2021-2024. This period captures the full cycle of AI investment, including traditional AI/ML (e.g., predictive models, rule-based systems, and statistical algorithms) as well as foundational capabilities that enabled subsequent GenAI and agentic AI adoption.



beyond pilots and unlock enterprise-wide value. The focus now must be on building the organizational discipline that sustains AI's impact across the business.”

Human-AI collaboration – key for the insurer of the future

While trailblazers have established an immediate advantage through their use of AI, challenges remain for the rest of the industry. Nearly half (49%) of employee time is spent on cross-team collaboration, yet most AI tools still operate at the individual task level. Data readiness also lags, with only 12% of insurers reporting very high maturity, despite heavy reliance on unstructured data. Finally, a growing trust gap persists. Forty-three percent of employees cite job security as a top concern, and only 14% of employees are 'very clear' on how AI fits into their work.

According to the report, there is an opportunity to reimagine the insurer of the future – where executive leadership sets strategic direction and defines the boundaries of human-AI collaboration, skilled employees handle complex operational decisions using real-time insights and AI agents automate routine, repetitive tasks. Within this model, orchestration managers can actively work to align business strategy and AI principles in a way that allows intelligence to scale across large enterprises. To realize this vision, insurers must embed AI into everyday collaboration and decision making, strengthen their data foundations, and redesign workflows for the agentic AI era.

Report Methodology

The Capgemini World Property and Casualty Insurance Report 2026 draws data from three primary sources: the 2026 Global Insurance Executive Interviews, the 2026 Global Insurance Employee Surveys and the 2026 Global Voice of the Customer Survey. These research sources polled 344 senior executives from leading property and casualty insurers, 809 insurance employees across underwriting, claims, agents, and customer service functions, and 1,113 policyholders. The respondents were asked about AI implementation, organizational barriers to scaling, and customer preferences for proactive insurance services. These participants represent major markets across three global regions: the Americas, Europe, and Asia-Pacific.

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