

2026 Global AI Report: A playbook for insurance

Turning AI ambition into underwriting advantage,
claims excellence and scalable, compliant growth

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Who is leading in AI?

The insurance industry has moved beyond the stage where innovation labs and isolated pilots signal progress. Today, leadership is determined by whether AI meaningfully improves underwriting accuracy, claims performance, distribution effectiveness and operating efficiency at scale. Insurance is fundamentally a risk business. That makes AI different here than in many other industries. It is not simply a tool for automation; it is a lever for improving risk selection, predicting loss behavior, managing severity and strengthening portfolio performance. Organizations that treat AI as a strategic capability reshape how they evaluate, price, service and monitor risk across the policy lifecycle.

As highlighted in the broader [NTT DATA Global AI Report: A Playbook for AI Leaders](#), organizations typically progress along an AI maturity curve, moving from early experimentation with isolated use cases to enterprise-wide adoption embedded in core processes and decision-making. For insurers, this evolution is not just a technology journey; it directly influences combined ratios, growth quality, and capital efficiency. Insurers that have reached this more advanced stage—aligning with the AI leader cohort identified in the report—are already realizing measurable operational and financial advantages, while those still confined to experimentation are falling behind, widening the performance gap across the industry.

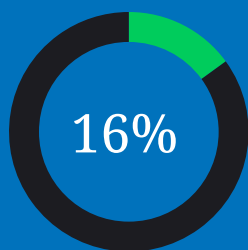
Insurance AI leaders are more likely to:

- Centralize AI governance instead of leaving ownership, standards and risk oversight fragmented across functions
- Rebuild core systems with embedded AI rather than relying on bolt-on models layered onto legacy platforms
- Commit significant, sustained investment to AI instead of treating it as discretionary or experimental spend
- Extend AI into front-office growth and distribution use cases — not just back-office efficiency plays
- Modernize infrastructure and embed regulatory-grade data controls early rather than retrofitting compliance and scalability later

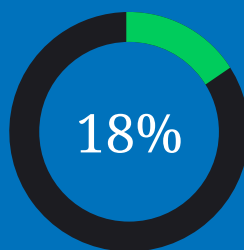
By contrast, laggards tend to keep governance diffuse, underinvest in infrastructure and confine AI to isolated pilots or back-office use cases. They move cautiously without structural change, which limits scale and delays measurable business impact.

Definition of AI leaders and laggards

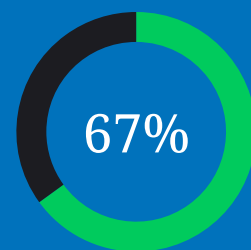
From our **291 insurance respondents**, we identified:



46 as AI leaders



51 as AI laggards



194 as unclassified in the "middle of the bunch"

When we compare AI leaders in this playbook with all other organizations, "all other organizations" includes both the AI laggards and the unclassified organizations — **245 respondents (84%)**.



Levels of AI maturity defined

- **No plans:** Have not yet explored usage in our organization
- **Explorer:** Strategies and plans under consideration, but no adoption or capability
- **Novice:** Starting out; limited experience and/or use cases
- **Enabled:** Use is sporadic and somewhat siloed; feasibility pilots and limited adoption by individual business units in mostly noncore functions
- **Mature:** Use is broad and strategic across business units and functions, with strong governance, best practices and scalable workloads
- **Evolved:** Incorporated into core and noncore business functions as well as continuous service delivery; AI-led innovation accelerates business transformation and advances business outcomes

How insurance AI leaders stand out

Using the same cohort definitions as the broader [2026 Global AI Report: A Playbook for AI Leaders](#), insurance respondents were segmented by AI strategy, maturity and realized value. Organizations were classified as AI leaders, laggards or all other respondents based on their AI strategy sophistication, level of enterprise AI adoption and return on AI investments.

Compared with insurance laggards and all other insurers, insurance AI leaders distinguish themselves in five important ways:

- **They move decisively but embed control up-front:** Insurance AI leaders are far more likely to adopt a “move fast” posture while also centralizing governance so speed doesn’t become a risk. Among leaders, **40.0%** say they “move fast and lead the market,” compared with **29.0%** of all other insurers and just **23.5%** of laggards. At the same time, **67.4%** of leaders follow a centralized AI governance model—enabling them to scale quickly within defined guardrails, rather than relying on fragmented or ad hoc approvals.
- **They back decisions with serious, sustained investment tied to ROI:** Insurance AI leaders report much higher current AI spend and a commitment to keep funding growth — **71.7%** of insurance leaders describe current AI investment as “very significant” and **63.0%** expect a significant increase over the next two years. That spending fuels reusable platforms and capability stacks (not one-off pilots), creating a self-reinforcing investment flywheel that’s hard for laggards to match.

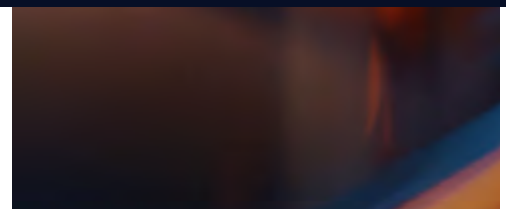


- **They put AI where it can grow revenue and protect margins:** While insurers overall have been cautious about front-office AI, insurance AI leaders push into customer- and distribution-facing use cases: **66.7%** of leaders support front-office interactions (marketing, sales, partner experiences) versus **35.3%** of laggards. Insurance AI leaders pair front-office moves with deep back- and mid-office automation, so resilient operations support growth.
- **They rebuild core systems and modernize architecture rather than bolt things on:** Most insurance AI leaders rebuild applications with embedded AI capabilities (**58.3%**), compared with only **6.5%** of laggards — a structural gap that makes AI-native platforms a competitive differentiator. Rebuilding enables embedded explainability, monitoring and end-to-end integration across underwriting, policy administration and claims.
- **They treat platform, data sovereignty and infrastructure fixes as nonnegotiable:** Insurance AI leaders emphasize scalable, secure stacks (**37.0%** prioritize this) and flag cross-geography data privacy/sovereignty as a top governance concern (**58.7%**). They also surface infrastructure friction candidly — **50.0%** of leaders cite high-maintenance needs as a top infrastructure blocker — and prioritize fixes (data quality, orchestration, compute) so AI can run at scale under regulatory constraints.

“

Insurance is built on judgment — understanding risk, pricing it fairly and standing behind it when it matters most. AI doesn't replace that responsibility; it strengthens it. The real opportunity is to combine human expertise with intelligent systems in a way that makes our decisions smarter, our operations stronger and our promises more reliable.”

Bruno Abril, Global Lead, Insurance Industry, NTT DATA, Inc.



9 key characteristics of insurance AI leaders

This playbook highlights nine defining characteristics of AI leaders in insurance. Together, they illustrate how these organizations convert AI ambition into enterprise-scale impact.

Strategy: Leaders treat AI as a core growth engine and rewire their strategies accordingly.

01 Strategic alignment and speed

Insurance AI leaders fully align their AI and business strategies, and they are in favor of first-mover experimentation.

02 Focused end-to-end approach

These organizations automate core workflows from start to finish to realize value almost immediately, with a particular focus on front-office processes — an area that shows clear growth.

03 Flywheel effect

Insurance AI leaders' success with AI ignites fresh investment. As they increase their investment, they see more results — reinforcing the cycle. However, even though strategic and operational leaders are bullish on new revenue streams from AI, insurance AI leaders remain cautious.

04 Core reinvention

Insurance AI leaders rebuild their core applications with AI embedded in, not bolted on, and they pair a hybrid plug-and-play approach with deep co-innovation.

05 Secure at scale

These organizations design for privacy, sovereignty and the avoidance of geopolitical risk while also addressing infrastructure bottlenecks.

Execution: AI leaders differentiate through resilient foundations, empowered humans, hardwired adoption and governance, and expert partners.

06 Empowering experienced employees

Insurance AI leaders intend to use AI to augment their experienced, highly skilled employees instead of replacing them.

07 Change that sticks

These organizations treat AI as an organizational change, and they maintain a confident, constructive posture in this regard.

08 Governed for scale

These organizations centralize AI-related decisions and have review boards, steering committees, and safety and operational teams. Dedicated CAIOs own AI-related risk.

09 Partner-powered growth

Insurance AI leaders rely on expert partners to accelerate AI value in their organizations, and they are more receptive than others to outcome-based commercial models.

How insurance leaders focus AI on high-value underwriting and claims workflows

Insurance AI leaders do not dilute impact by scattering AI across disconnected pilots. Instead, they concentrate early investment on a set of high-value domains that directly affect financial performance and risk quality. In insurance, underwriting precision, claims severity management, fraud detection, pricing adequacy and distributor effectiveness are the most important.

Rather than layering AI tools onto legacy processes, AI-leading insurers redesign decision workflows end-to-end. They embed AI-generated insights directly into underwriting guidelines, claims triage models, pricing engines, fraud investigation triggers and retention strategies. Decisions are informed in near-real time, improving both speed and accuracy. The outcome is not simply automation; it is intelligent risk orchestration across underwriting, claims, actuarial, compliance and distribution functions.

In this section, we further outline the nine practices — from strategy and governance to technology and execution — that distinguish insurance AI leaders from the rest. These practices explain how leading insurers improve combined ratio performance, accelerate growth and generate measurable returns from AI investments.



The stack: GenAI, agentic AI and enterprise guardrails

In insurance, enterprise AI success depends on more than advanced models. It requires a coordinated technology and governance stack designed to operate under regulatory scrutiny while sustaining underwriting discipline and operational resilience. The foundations are familiar: high-quality data, disciplined data engineering, scalable infrastructure and robust model governance. But in insurance, these foundations must support explainability, auditability and actuarial defensibility from day one.

GenAI (the creator): In insurance, GenAI systems interpret both structured and unstructured information across submissions, policies, claims files, adjuster notes, inspection reports, medical records, emails and regulatory documents. GenAI accelerates document ingestion, surfaces risk insights, and reduces manual review burdens across underwriting and claims functions. It supports:

- Underwriters reviewing complex submission packets
- Claims teams summarizing case files and medical documentation
- Special Investigative Unit teams analyzing fraud indicators
- Compliance teams interpreting evolving regulatory guidance
- Distribution teams preparing broker and client communications

Agentic AI (the doer): Agentic AI extends beyond interpretation into coordinated action across insurance workflows. These systems respond to risk signals, severity indicators, fraud flags and service triggers — executing predefined actions within guardrails. In insurance environments, agentic systems can:

- Trigger secondary underwriting reviews based on risk thresholds
- Route claims for fast-track processing or escalate complex cases
- Initiate fraud investigations based on anomaly detection
- Orchestrate document collection in claims or underwriting
- Optimize pricing adjustments or retention outreach

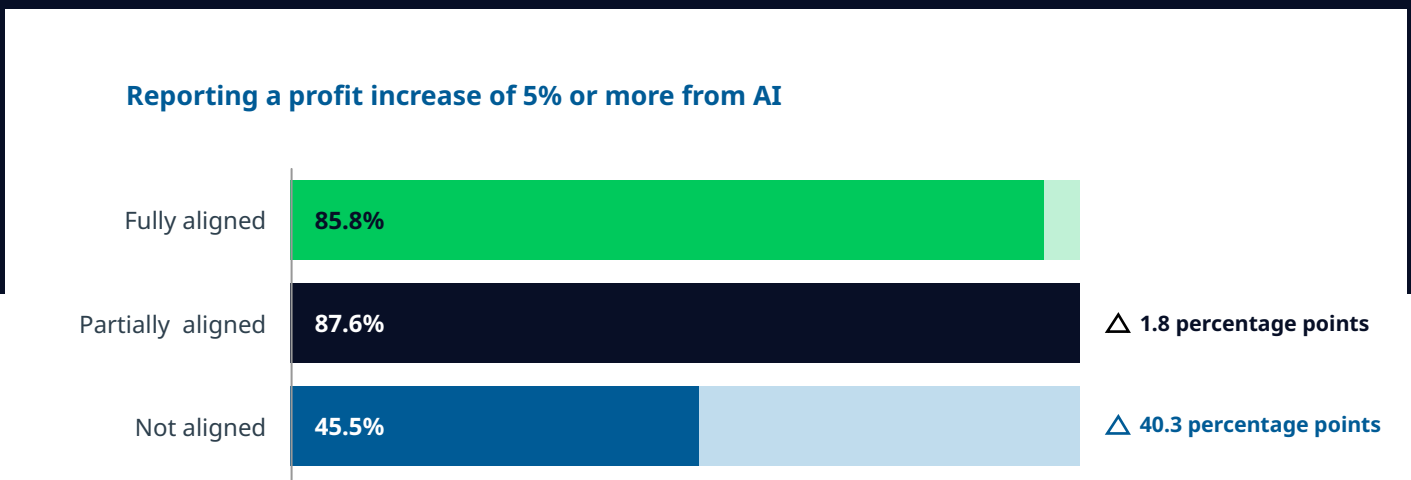
Private, sovereign and sustainable AI (the protector):

Insurance operates under strict regulatory expectations and heightened sensitivity around personal and financial data. As AI expands both personalization and automation, regulatory exposure increases in parallel. Private AI protects policyholder data, claims histories, underwriting files and proprietary actuarial models. Sovereign AI ensures compliance with jurisdictional data residency and supervisory requirements across global markets. Sustainable AI embeds monitoring, bias detection and performance oversight to ensure long-term defensibility.

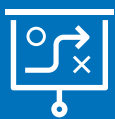
1. Strategic alignment and speed

In a business that is defined by underwriting discipline, claims performance and capital efficiency, AI only generates measurable value when it is tightly linked to enterprise strategy. Alignment determines whether AI improves loss ratios, pricing accuracy and growth quality — or remains confined to experimentation.

Most insurance organizations pursuing a level of strategic alignment between AI and business strategies report a $\geq 5\%$ profit increase from AI (**85.8%** of “fully aligned” organizations and **87.6%** of “partially aligned” organizations).



However, nearly half (**45.5%**) of insurers that lack alignment fail to realize meaningful profit impact. This suggests that strategic anchoring (even if imperfect) dramatically improves the likelihood of financial return.



Strategic alignment: What it means for insurance

For insurance AI leaders, strategic alignment is the difference between experimentation and enterprise impact. When AI is clearly anchored to underwriting performance, claims outcomes and growth priorities, it is far more likely to generate a measurable profit improvement. Without alignment, even technically successful initiatives will struggle to influence portfolio results.

Insurance AI leaders are more likely to:

- Tie each major AI initiative to defined revenue, margin or risk objectives
- Assign accountable business owners, not only technology sponsors
- Treat AI funding decisions with the same rigor as credit or capital allocation decisions
- Measure success in financial terms, not deployment metrics

Strategic alignment enables speed. Among insurance respondents, **40.0%** of AI leaders say they “move fast and lead the market,” compared with **23.5%** of laggards and **29.0%** of all others. In insurance, early deployment builds an advantage that compounds: richer underwriting data, stronger claims pattern recognition, more refined fraud signals and improved customer personalization. Leaders understand that speed (when anchored to business priorities) creates structural differentiation. Once strategic priorities are clear, leaders act decisively.

Aiming to “move fast and lead the market” with AI



A defining behavioral difference between insurance AI leaders and laggards is their posture toward risk and timing. Only **11.1%** of insurance AI leaders say they “let others take the risks first,” compared with **29.4%** of insurance laggards and **18.0%** of all other insurers. This is a meaningful gap. Leaders are nearly three times less likely than laggards to default to a wait-and-see approach.

Willing to “let others take the risks first”



Speed as a competitive advantage: What it means for insurance

In insurance, speed and risk posture are strategic signals. The data shows that AI maturity correlates strongly with decisive action. Leaders do not confuse caution with strategy. They define guardrails early and then move deliberately into priority domains where underwriting precision, claims performance and customer experience can improve.

Insurance AI leaders are more likely to:

- Move first in clearly defined underwriting, claims and distribution priority areas
- Avoid defaulting to “wait-and-see” approaches that delay competitive learning
- Balance regulatory discipline with proactive deployment
- Build early data and workflow advantages that compound over time
- Treat speed as a strategic lever, not a reputational risk

2. Focused end-to-end approach

Insurance AI leaders differentiate themselves not only by adopting AI but by where they deploy it first. In an industry traditionally focused on underwriting discipline and operational efficiency, leaders are increasingly pushing AI into growth-oriented, customer- and partner-facing domains. Rather than limiting AI to internal cost reduction, they extend it into distribution, marketing, broker enablement and policyholder engagement. These are areas where competitive differentiation is visible and measurable.

Our data shows that **66.7%** of insurance AI leaders support AI in front-office interactions (marketing, client and partner experiences), compared with only **35.3%** of insurance laggards and **62.5%** of all other insurers. The nearly 30 percentage-point gap between leaders and laggards is one of the clearest structural differences in the insurance dataset. It signals that front-office AI is a strategic dividing line.



Using AI to support front-office interactions



At the same time, insurance AI leaders continue to modernize operational workflows. Among respondents, **86.7%** of insurance AI leaders support AI in back- and mid-office workflows (automation and optimization), compared with **80.4%** of insurance laggards and **78.8%** of all other insurers. Unlike front-office deployment, where the gap is dramatic, back-office AI adoption is relatively widespread across the industry. This suggests that operational automation is becoming table stakes, while front-office AI remains the stronger differentiator.

Using AI to support back-office and mid-office interactions



Insurance AI leaders recognize that underwriting quality and operational efficiency alone are no longer sufficient. AI-enabled broker support, personalized product recommendations, dynamic pricing refinement and proactive retention strategies are increasingly central to growth and market share. The shift is subtle but significant: from efficiency-first AI to growth-enabled AI.



A focused end-to-end approach: What it means for insurance

In insurance, AI advantage is defined by placement. Organizations that confine AI to workflow automation may improve efficiency. They are, however, unlikely to shift competitive position materially. The largest maturity gap appears in customer- and partner-facing use cases, where differentiation matters most.

Insurance AI leaders are more likely to:

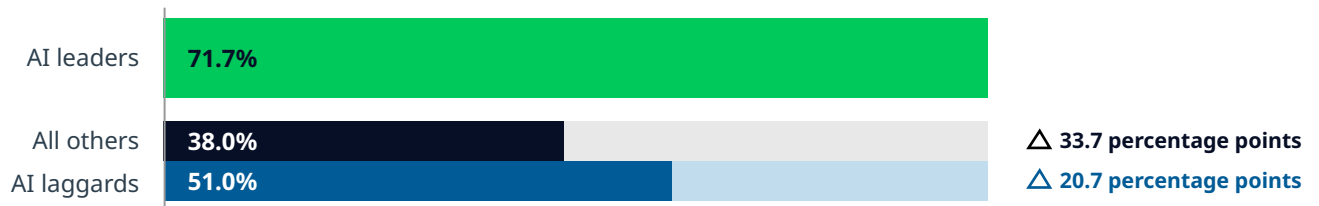
- Prioritize front-office AI in marketing, broker enablement and customer engagement
- Continue strengthening back- and mid-office automation to support scale and resilience
- Redesign underwriting and claims workflows end-to-end rather than automating isolated tasks
- Embed AI directly into pricing, risk selection, claims triage and retention processes
- Balance growth-focused deployment with regulatory guardrails and human oversight
- Measure impact across revenue growth, loss-ratio performance, cycle time and experience quality

3. Embrace the flywheel effect

Insurance AI leaders separate themselves not simply by spending more but by spending earlier, converting results faster and compounding advantage over time. The investment gap in insurance is pronounced: **71.7%** of insurance AI leaders describe their current AI investment as “very significant,” compared with **51.0%** of insurance laggards and only **38.0%** of all other insurers.

This is not a marginal variation. It reflects a fundamentally different posture toward AI. Leaders treat AI as a core strategic capability embedded into underwriting, claims, fraud detection and distribution, not as discretionary innovation funding.

Very significant AI investment (current)



However, the future investment signal is equally revealing: **63.0%** of insurance leaders plan a significant increase in AI investment over the next two years, compared with **54.9%** of insurance laggards and **40.0%** of all other insurers.

Planning a significant increase in AI investment in the next two years



While laggards are increasing spending, insurance AI leaders have a structural advantage. Their earlier investments have already produced operational learning, improved data assets, refined workflows and organizational confidence. In insurance, this creates a self-reinforcing cycle. This is the insurance AI flywheel: Initial capital creates measurable performance impact; performance impact unlocks additional funding; funding deepens capability; deeper capability drives greater competitive separation.

Organizations that delay important investments may still increase budgets later. However, they do so without the same accumulated data maturity, workflow integration or cultural adoption. Catching up becomes structurally harder.



The flywheel effect: What it means for insurance

Insurers build a sustainable AI advantage through disciplined capital allocation, followed by disciplined reinvestment. Initial investment signals priority. Continued investment (fueled by measurable underwriting, claims and growth impact) signals conviction.

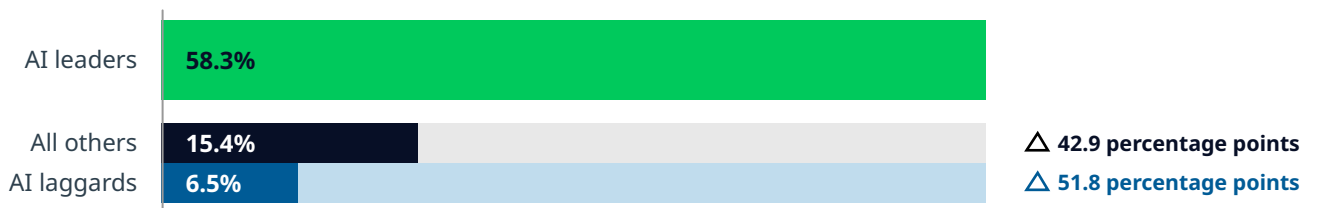
Insurance AI leaders are more likely to:

- Commit significant upfront capital to high-impact underwriting, claims and distribution domains
- Convert early performance gains into expanded funding and scaled deployment
- Build reusable platforms and data foundations that compound over time
- Increase investment based on measurable portfolio impact, not experimentation volume
- Avoid treating AI as a fixed innovation budget disconnected from core performance

4. Core reinvention

Insurance AI leaders modernize far more aggressively and structurally than their peers. Unlike industries that rely heavily on bolt-on experimentation, insurance AI leaders rebuild core applications with embedded AI capabilities. Among respondents, **58.3%** of insurance AI leaders report rebuilding applications with AI embedded directly into core systems, compared with only **6.5%** of insurance laggards and **15.4%** of all other insurers. This is one of the largest deltas in the entire insurance dataset.

Rebuilding core applications with embedded AI (not bolted on)



By contrast, reliance on bolt-on approaches is minimal among insurance AI leaders. Only **8.3%** of insurance AI leaders primarily augment existing applications with AI add-ons or APIs, versus **21.2%** of all other insurers (AI laggards bolt on even less than leaders at **6.5%**). While augmentation has a role, it is not the dominant strategy among insurance AI leaders. In insurance, where underwriting accuracy, claims defensibility, auditability and regulatory oversight are central, incremental add-ons rarely provide sustained advantage. AI-native cores do.

Augmenting existing applications with AI add-ons or APIs



At the same time, insurance AI leaders do not rely solely on internal rebuilds. Among respondents, **50.0%** of insurance leaders use hybrid deployment models (plug-and-play solutions combined with co-innovation), compared with **33.3%** of insurance laggards and **42.5%** of all other insurers. This balanced approach allows insurers to accelerate deployment in standardized areas while retaining flexibility for strategic differentiation.

Using hybrid AI deployment (plug and play with co-innovation)





Even more telling, **47.8%** of insurance AI leaders pursue bespoke co-innovation solutions with a strategic IT partner, compared with **31.4%** of insurance laggards and **40.8%** of all other insurers. Partner-led innovation appears to play a more decisive role in insurance AI leadership than in other industry AI leadership. Given the complexity of legacy policy systems, actuarial models, claims platforms and regulatory requirements, co-innovation with experienced partners becomes a force multiplier — particularly when rebuilding AI-native cores.

Pursuing bespoke co-innovation with a strategic IT partner



In insurance, the differentiator is not customization alone. It is the combination of AI-native architecture, hybrid deployment and strategic co-innovation. Together, these choices enable sustained scale.



Core reinvention: What it means for insurance

In insurance, architecture is strategy. The largest maturity gaps appear not in pilot counts or model experimentation but in whether AI is embedded into core underwriting and claims systems. For insurers, incremental modernization delivers incremental value. AI-native core platforms (reinforced by partner-led innovation) create structural competitive advantage that becomes increasingly difficult to replicate.

Insurance AI leaders are more likely to:

- Rebuild core underwriting, claims and policy systems with embedded AI capabilities
- Avoid over-reliance on bolt-on AI add-ons that limit long-term scalability
- Use hybrid deployment to balance speed with integration discipline
- Pursue strategic co-innovation with trusted partners to accelerate transformation
- Design platforms that embed explainability, auditability and regulatory controls from inception

5. Scalable and secure: Sovereign and private AI

Insurance AI leaders understand that architecture is not a technical afterthought; it's a strategic prerequisite for scale. Our data shows that **37.0%** of insurance AI leaders prioritize scalable and secure technology stacks, compared with **23.5%** of insurance laggards and **24.9%** of all other insurers.

While the percentage may not represent a majority, the AI leadership gap is significant and wider in insurance than in many other industries. In a sector defined by regulatory oversight, actuarial defensibility and auditability, platform maturity is a defining marker of AI readiness.

Prioritizing scalable, secure technology stacks



Insurance AI leaders also distinguish themselves in how proactively they address cross-geography data privacy and sovereignty. Among respondents, **58.7%** of insurance AI leaders flag cross-geography data privacy or sovereignty as a top governance concern, compared with **45.1%** of insurance laggards and **55.1%** of all other insurers. Notably, insurance AI leaders mirror global AI leaders in prioritizing sovereignty concerns. Insurance AI laggards trail both their industry peers and the broader market.

Flagging cross-geography data privacy or sovereignty as a top governance concern



As AI embeds further into underwriting decisions, claims adjudication, fraud detection and personalized engagement, data movement and jurisdictional compliance become matters of regulatory scrutiny. Insurance AI leaders anticipate this complexity early. They embed residency controls, data lineage tracking and jurisdiction-aware governance into system design, rather than retrofitting controls after deployment friction arises.

In multinational insurance groups, especially, sovereignty is not an abstract compliance concept. It determines whether AI models can be deployed consistently across markets.



Scalable and secure AI across geographies: What it means for insurance

For insurers, AI advantage is not solely about smarter models. It is about building platforms strong enough to sustain regulatory confidence while enabling enterprise-wide scale. Organizations that test new things without investing in secure, compliant systems often have approval delays or audit problems.

They may also need to change their plans when they move beyond testing. Infrastructure (not algorithms) is the primary bottleneck.

Insurance AI leaders are more likely to:

- Invest early in scalable, secure and observable AI platforms
- Embed model governance, explainability and monitoring directly into deployment pipelines
- Design systems that satisfy regulatory and audit expectations before scaling
- Integrate data residency and jurisdictional controls into architecture from inception
- Treat sovereignty and privacy as foundational design principles, not compliance overlays

6. Empowering experienced employees

Every technology revolution is also a human one. AI is no different in this regard. It is, however, progressing a lot faster. Where previous transformations have advanced over decades, this one is unfolding in years.

Agentic AI redefines human work. Instead of job descriptions, organizations define roles in terms of decision loops: data intake, interpretation, action and evaluation. Some loops are fully automated; others remain hybrid, with human oversight.

As a result, the workforce of the future will be collaborative ecosystems where humans define purpose and parameters while agents execute and optimize.

AI leaders in insurance (**29.4%**) are more likely to empower experienced employees with AI tools compared to all other insurers (**23.4%**), enabling a clearer shift toward higher-value strategic work while junior staff take on AI-augmented tasks. While some laggards report similar levels of empowerment, this does not reflect the same depth or maturity of adoption, which reinforces the broader capability gap between leaders and the rest of the market.

Empowering experienced employees with AI tools



Rebalancing talent portfolios

Workforce planning must now account for three new labor categories that, over time, will define new internal hierarchies:

- 01 **Augmented employees:** Knowledge workers, analysts and engineers who leverage AI tools to achieve step changes in productivity
- 02 **Supervisory operators:** Oversee agentic systems and are responsible for monitoring, escalation and ethical compliance
- 03 **AI-native professionals:** Specialists in prompt engineering, data governance, model evaluation and economic optimization



7. Change management to make AI adoption stick

Insurance AI leaders understand that architecture and governance alone do not guarantee impact. AI only delivers value when underwriting, claims, actuarial and distribution teams embed it into daily decision-making. Our data shows that **41.3%** of insurance AI leaders assert effective change management to scope, scale and embed AI in workflows, compared with **33.3%** of insurance laggards and **35.5%** of all other insurers. The gap is meaningful, but narrower than in some other industries.

This reflects an important nuance in insurance: AI leaders excel in platform readiness, governance rigor and secure architecture. However, the insurance industry overall places slightly less formal emphasis on change management as a scaling lever compared to other industries.

In practice, this means many insurers have strong technical foundations but face slower behavioral adoption. Underwriters must trust AI-generated risk insights. Claims adjusters must rely on triage models. Distribution teams must integrate AI recommendations into broker and client conversations. Without structured enablement and workflow redesign, even high-performing models can remain underutilized.

Using effective change management to scope, scale and embed AI in workflows





Organizational mindset also differentiates leaders from laggards. Among respondents, **55.6%** of insurance AI leaders express strong positive sentiment toward AI (confident, excited, or amazed), compared with **41.2%** of insurance laggards. At the same time, this figure is lower than the **69.0%** reported across all other insurers. Rather than signaling hesitation, this may reflect a more pragmatic, emotionally grounded approach to managing expectations around AI — one shaped by being further along the execution curve.

Feeling positive sentiment toward AI (confident, excited, amazed)



Insurance AI leaders directly confront model validation requirements, regulatory reviews, workforce retraining and integration complexity. Leaders move beyond hype toward disciplined scaling. Confidence in this context is grounded in governance, measurable results and lived implementation experience — not aspirational belief.



Change management for AI: What it means for insurance

In insurance, sustainable AI impact depends on two forces working together: structured change management and grounded executive confidence. Organizations that invest heavily in architecture but underinvest in workforce enablement risk stalled adoption. Conversely, enthusiasm without operational discipline can create compliance and execution risk.

Insurance AI leaders are more likely to:

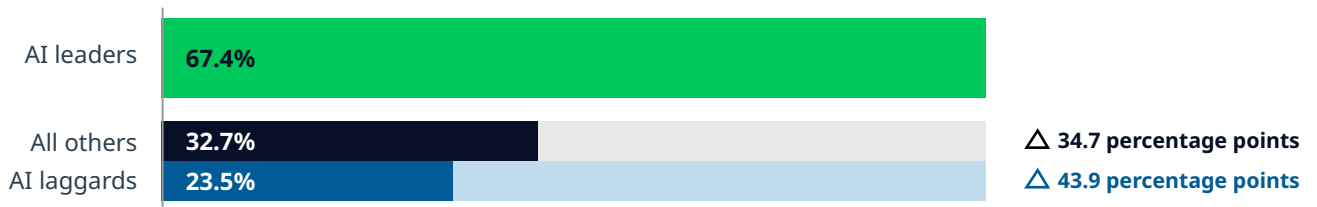
- Treat AI adoption as a formal transformation program, not a technology rollout
- Embed AI into underwriting, claims and distribution workflows with clear accountability
- Invest in workforce enablement and AI fluency across frontline roles
- Communicate progress transparently to build trust and reduce resistance
- Demonstrate executive confidence grounded in governance, results and risk discipline

8. Governed for scale: Centralized, formalized governance with dedicated CAIOs

Insurance AI leaders see governance as the foundation for scalable control, rather than an administrative overhead. Among respondents, **67.4%** of insurance AI leaders follow a centralized AI governance model, compared with only **23.5%** of insurance laggards and **32.7%** of all other insurers.

The governance gap between leaders and laggards is significantly wider in insurance than in the broader market. In a sector defined by underwriting accountability, regulatory scrutiny, actuarial defensibility and claims auditability, decentralized experimentation does not scale cleanly.

Following a centralized AI governance model



Compared with their cross-industry peers, insurance AI leaders have moved more decisively toward centralized governance. This reflects the industry’s regulatory intensity and the need for consistent standards across underwriting, claims, pricing, fraud and customer engagement models.



Centralized AI governance: What it means for insurance

In insurance, centralized governance accelerates scale rather than slowing it down. Without enterprise standards, model validation processes and defined risk controls, expanding AI into underwriting and claims is fragmented and difficult to supervise.

Insurance AI leaders are more likely to:

- Centralize AI oversight early to reduce duplication and inconsistent controls
- Standardize model governance across underwriting, claims and distribution
- Define enterprise approval pathways before scaling use cases
- Treat governance as an enabler of speed under regulatory scrutiny



As AI adoption matures, AI steering committees are becoming more common across insurance. Among respondents, **50.0%** of insurance AI leaders report having an AI steering committee with executive sponsorship and cross-functional representation, closely aligned with **52.9%** of all other insurers. This suggests that both leaders and the broader market are formalizing decision-making structures to guide AI adoption. At the laggard level — where only **42.0%** report having such a committee — governance structures appear less established.

Have an AI steering committee



AI steering committees: What it means for insurance

In insurance, governance structures only create value if they translate into clear authority and faster decision cycles. Committees without defined decision rights create friction rather than scale.

Insurance AI leaders are more likely to:

- Codify roles, responsibilities and decision rights within steering bodies
- Align funding authority with underwriting and claims priorities
- Ensure governance bodies accelerate — not delay — deployment
- Integrate legal, risk and security functions into scalable approval workflows



Insurance AI leadership also differentiates itself at the executive level. Among respondents, **84.8%** of insurance AI leaders have a dedicated Chief AI Officer (CAIO), compared with **45.1%** of insurance laggards and **59.2%** of all other insurers. The nearly 40 percentage-point gap between leaders and laggards underscores how strongly executive ownership correlates with AI maturity in insurance.

Have a dedicated CAIO



The CAIO mandate

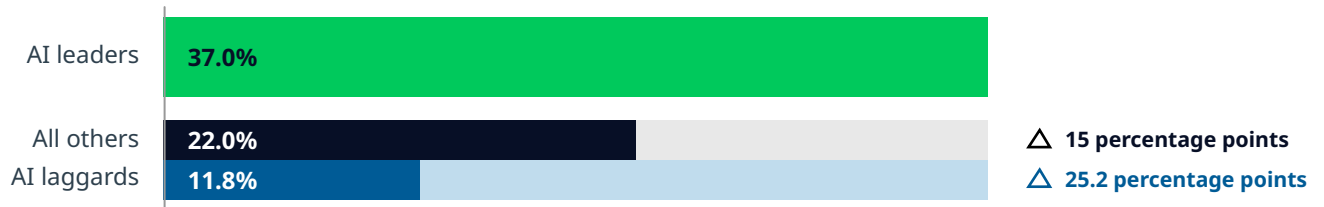
The emergence of the CAIO marks a turning point in enterprise leadership. As a board-level strategist charged with fusing business and technology agendas, the CAIO adds real value to change management.

The 3 mandates of the CAIO

- 1. Strategic orchestration:** Align AI investments with business outcomes and risk appetite
- 2. Operational integration:** Embed AI safely into production systems, with observability and cost discipline
- 3. Cultural translation:** Demystify AI for the board and educate technical teams on economic implications

The distinction becomes sharper when examining risk accountability. Among respondents, **37.0%** of insurance AI leaders' CAIOs own enterprise AI risk, compared with only **11.8%** of insurance laggards and **22.0%** of all other insurers.

Have a dedicated CAIO who owns enterprise AI risk



Compared with cross-industry peers, insurance AI leaders are more likely to both appoint a CAIO and assign enterprise AI risk accountability to that role. This reflects the sector's regulatory intensity and the need for clear decision rights when AI influences underwriting, pricing, claims decisions and fraud adjudication.



Dedicated CAIOs and enterprise AI risk ownership: What it means for insurance

In insurance, AI risk must be managed with the same rigor as underwriting, reserving and operational risk. Executive-level ownership signals maturity and enables confident scaling. For insurers, AI maturity is increasingly defined by who owns it and who owns the risk.

Insurance AI leaders are more likely to:

- Formalize the CAIO role with defined authority across business and technology
- Assign clear enterprise accountability for AI risk and model governance
- Align AI oversight with enterprise risk management frameworks
- Elevate AI governance to board-level visibility
- Consolidate decision rights to reduce approval friction and regulatory ambiguity

9. Co-creating value with partners

Insurance AI leaders understand that in a complex, regulated industry, partnerships accelerate capability — but only when structured deliberately. Among respondents, **39.1%** of insurance AI leaders focus on external collaborations (with industry experts, service providers and government advisors), compared with **25.5%** of insurance laggards and **35.5%** of all other insurers.

Focusing on external collaborations



Insurance AI leaders align closely with cross-industry best practices in leveraging external ecosystems. While partnership-driven AI acceleration is now common among top global performers, the leader-laggard gap in insurance remains meaningful. In an industry where underwriting models, claims systems, fraud detection and regulatory compliance intersect, external expertise often speeds execution and de-risks transformation.

However, partnership alone does not create an advantage. What differentiates insurance AI leaders is how intentionally they integrate partners into governed operating models.



External collaboration: What it means for insurance

In insurance, partnerships amplify speed and specialization. However, governance determines whether collaboration scales safely. Strategic collaboration strengthens execution, but disciplined integration sustains advantage.

Insurance AI leaders are more likely to:

- Use external experts to accelerate underwriting, claims and data modernization efforts
- Integrate partner solutions into centralized governance and model risk frameworks
- Treat partnerships as capability multipliers, not accountability substitutes
- Maintain enterprise oversight over data, compliance and AI risk

Insurance AI leaders also distinguish themselves in how they structure commercial partnerships. Among respondents, **50.0%** of insurance AI leaders adopt revenue- or gain-sharing models, compared with **41.2%** of insurance laggards and **46.9%** of all other insurers.

Compared with other industries, insurance organizations are generally more willing to adopt gain-sharing commercial structures. This reflects a structural industry strength: Insurers can often quantify AI value clearly — whether in loss ratio improvement, claims leakage reduction, fraud savings or retention uplift.

Open to partnership-centric procurement such as revenue sharing or gainsharing



Insurance AI leaders extend this advantage by applying these commercial models more deliberately and at greater scale. Rather than treating gainsharing as experimental procurement, they use it to align incentives around measurable underwriting and claims outcomes.



Partnership-centric procurement: What it means for insurance

In insurance, gainsharing works because value can be measured precisely. When either underwriting performance, claims cost reduction or fraud detection impact is quantifiable, incentive alignment becomes a strategic tool.

Insurance AI leaders are more likely to:

- Tie partnership compensation to measurable underwriting, claims or growth outcomes
- Use gainsharing models to align incentives around portfolio performance
- Apply commercial innovation selectively — where value attribution is clear
- Avoid overcomplicating procurement before demonstrating operational impact



A checklist for finding an expert partner for well-governed AI

Scaling AI in insurance requires more than strong models. As insurers embed AI into underwriting decisions, pricing engines, claims adjudication, fraud detection and distribution workflows, the emphasis shifts from experimentation to defensible, regulator-ready execution.

Insurance operates under continuous scrutiny from regulators, rating agencies, reinsurers, auditors and boards. AI systems influence risk selection, reserving assumptions, claims fairness and customer outcomes. Tolerance for opaque models, weak governance or fragmented oversight is low.

Insurance leaders, therefore, seek partners who combine innovation with actuarial defensibility, regulatory fluency and production-grade resilience. The right partner does not simply deploy AI tools; they help embed responsible AI across underwriting platforms, claims systems, data pipelines and enterprise governance frameworks.

An effective insurance AI partner integrates models, platforms, controls and change enablement into a cohesive operating model built for compliant scale.

Selection criteria for service providers who prioritize responsible AI should include:



Proven experience in regulated risk environments, including underwriting, claims, fraud or financial services model governance



Security, privacy and sovereignty controls by design, including jurisdiction-aware deployment and data lineage transparency



AI-native platform integration expertise, including embedding AI into core policy, claims and pricing systems rather than layering bolt-on solutions



Operational integration strength, including ensuring AI augments underwriting and claims professionals rather than disrupting workflow continuity



Multimodel and multicloud capability, including reducing vendor, geographic and data residency lock-in



Change management and workforce enablement capability, including helping frontline teams trust and adopt AI outputs



Deep model governance and explainability frameworks, including validation protocols, bias monitoring, audit trails and documentation suitable for regulatory review



Ecosystem depth, including partnerships with hyperscalers, insurtech platforms, data providers and regulatory advisors



Clear enterprise AI risk alignment, including integrating with CAIO, chief risk officer (CRO), actuarial and compliance oversight structures



Local regulatory expertise with global scale experience, which is especially critical for multinational carriers that navigate jurisdictional differences



Gainshare or outcome-based commercial flexibility, including aligning incentives around measurable underwriting, claims or growth impact

AI leadership is now synonymous with insurance leadership

More than 2,500 senior leaders worldwide (including nearly 300 insurance respondents) inform our global AI research. Their insights and our research confirm a fundamental shift in insurance: AI has moved from experimentation at the margins to the core of underwriting performance, claims outcomes, growth strategy and regulatory resilience. AI is no longer simply a digital modernization initiative. Insurers embed AI within the operating model itself.

Insurance AI leaders distinguish themselves structurally. They align AI directly to underwriting profitability, claims efficiency and distribution growth. These leaders centralize governance early, appoint dedicated CAIOs with enterprise risk accountability and build AI-native core platforms rather than relying on bolt-on solutions. They prioritize scalable, secure architectures designed for regulatory-grade deployment across jurisdictions.

The research data is clear:



In insurance, AI leadership is defined by architecture, governance and capital conviction. Leaders move decisively, but not recklessly.

They know that:

1. Early profit impact fuels reinvestment
2. Reinvestment strengthens platforms and governance
3. Governance enables compliant scale
4. Scale deepens competitive advantage
5. All of this builds a reinforcing cycle

Insurance AI leaders are less likely to “let others take the risks first.” They are far more likely to embed AI into front-office growth domains, underwriting workflows and claims adjudication processes.

At the same time, insurance AI maturity reflects a shift in mindset. Insurance AI leaders exhibit confidence grounded in operational reality, not hype. They understand that AI scaling requires workforce enablement, explainability, regulatory foresight and sovereign-aware architectures. In a business defined by risk selection and fiduciary accountability, AI must be defensible as well as powerful.

Looking ahead, AI is becoming a foundational capability for insurers. Ratio resilience, pricing precision, claims defensibility, fraud mitigation, distribution effectiveness and regulatory credibility will depend increasingly on how effectively insurers embed GenAI, agentic AI and AI-native platforms into their core systems. The future of insurance is not solely digital. It is intelligent, governed and platformed.



[Visit our AI for Insurance website and connect with our experts to chart a path.](#)



“

The real question for insurers isn't whether to invest in AI — it's how to embed it into underwriting, claims and growth in a way that's governed, scalable and built to last. Those who do will move from incremental improvement to real competitive advantage.”

Bruno Abril

Global Lead, Insurance Industry
NTT DATA, Inc.



Explore our research data in detail

Our 2026 Global AI Report survey is another milestone in primary research and thought leadership from NTT DATA. Additional expert and executive insights will follow. Ask us how our comprehensive global research data, coupled with our consulting and services expertise, can support your organization's success, and look out for more soon.

About the research

Our primary research spans 35 markets in 5 regions, across 15 industries

A balanced sample of 2,567 global respondents (including 291 insurance respondents), comprising key decision-makers from large IT (53%) and non-IT (47%) enterprises — mostly in C-suite roles.

North America 575

Canada: 75

US: 500

Latin America 300

Argentina: 50

Brazil: 50

Chile: 50

Columbia: 50

Mexico: 50

Peru: 50

Europe 745

Austria: 30

Belgium: 75

France: 75

Germany: 115

Italy: 75

Luxembourg: 30

Netherlands: 75

Portugal: 50

Spain: 75

Switzerland: 30

UK and Ireland: 115

Africa 75

South Africa: 75

Asia Pacific 872

Australia: 112

China: 50

Hong Kong: 50

India: 115

Indonesia: 50

Japan: 110

Malaysia: 50

New Zealand: 30

Philippines: 50

Singapore: 75

South Korea: 30

Taiwan: 50

Thailand: 50

Vietnam: 50

The research in numbers

Business functions

- CEO | **10%**
- CAIO | **4%**
- IT | **31%**
(5% software engineers)
- IT security | **11%**
- Digital | **6%**
- Operations | **21%**
- Non-IT support | **17%**
(legal/compliance, risk, finance, HR, etc.)

Expertise

- IT: **31%**
- Operations: **21%**
- CEO and/or CAIO: **14%**
- IT security: **11%**
- Digital: **6%**
- Legal, risk and compliance: **6%**
- Finance: **5%**
- HR: **3%**
- Marketing: **3%**

Includes:

- Principal decision-maker/part of decision-making team: **94%**
- Decision or budget influencer: **6%**

Organization size

- 2,501 to 5,000: **5%**
- 5,001 to 10,000: **11%**
- 10,001 to 15,000: **33%**
- 15,001 to 50,000: **34%**
- 50,001+: **17%**

Role levels

- C-suite: **79%**
- VP/Head of/Director: **15%**
- Senior Manager: **6%**

The C-suite includes:

- CIO or CTO: **16%**
- CEO: **10%**
- COO: **8%**
- CCO or CXO: **8%**
- CDO: **6%**
- CISO: **6%**
- Chief Risk/Compliance/
Legal Officer: **6%**
- CFO: **5%**
- CAIO: **4%**
- CHRO: **3%**
- CMO: **3%**
- Chief Software Engineer: **2%**
- Other C-suite: **2%**

Industries

- Automotive: **11%**
- Banking and investment: **12%**
- Consumer packaged goods: **7%**
- Energy and utilities: **4%**
- Healthcare: **5%**
- Higher education and research: **5%**
- Insurance: **11%**
- Life sciences and pharmaceuticals: **4%**
- Logistics, travel and transportation: **5%**
- Manufacturing: **11%**
- Mining and natural resources
(including oil and gas): **7%**
- Public sector: **4%**
- Retail and ecommerce: **5%**
- Supply chain: **4%**
- Telco, media and technology: **5%**

Research methodology

All content in our 2026 Global AI Report series is based on independently sourced research data. Participants were selected via random sampling on the basis that they had a direct or indirect influence on their organization's AI requirements or decision-making authority in that regard.

The research data was gathered via an online questionnaire that ran in September and October 2025. Research was conducted for NTT DATA by Strat7 Jigsaw Research, an international strategic-insight agency with an exclusively senior team.

Data integrity, validation and analysis were performed by NTT DATA's specialist in-house Primary Research and Benchmarking Team in conjunction with Jigsaw Research. Data and outliers were validated using standard research-industry rules, disciplines and best-practice approaches. The global data is presented at a 99% confidence level with a 3% margin of error.

Meet the AI mandate head-on

NTT DATA is one of the world's leading AI and digital infrastructure providers, with unmatched capabilities in enterprise-scale AI, cloud, security, connectivity, data centers and application services.

We are committed to accelerating client success and positively impacting society through responsible innovation. Our full-stack, end-to-end portfolio of AI services and solutions incorporates models, data and platforms, secure ecosystems, and governance, compliance and ethics frameworks.

We curate AI ecosystems for organizations in every industry, and our Smart AI Agent™ Ecosystem matches industry-specific agents to business processes.

With our local expertise and global reach, we are the smart choice for helping you make AI strategy your business strategy and accelerate toward an AI-native state.

Visit nttdata.com to learn more.

NTT DATA is a \$30+ billion business and technology services leader in AI and digital infrastructure. We accelerate client success and positively impact society through responsible innovation. As a Global Top Employer, we have experts in more than 70 countries. NTT DATA is part of NTT Group.



