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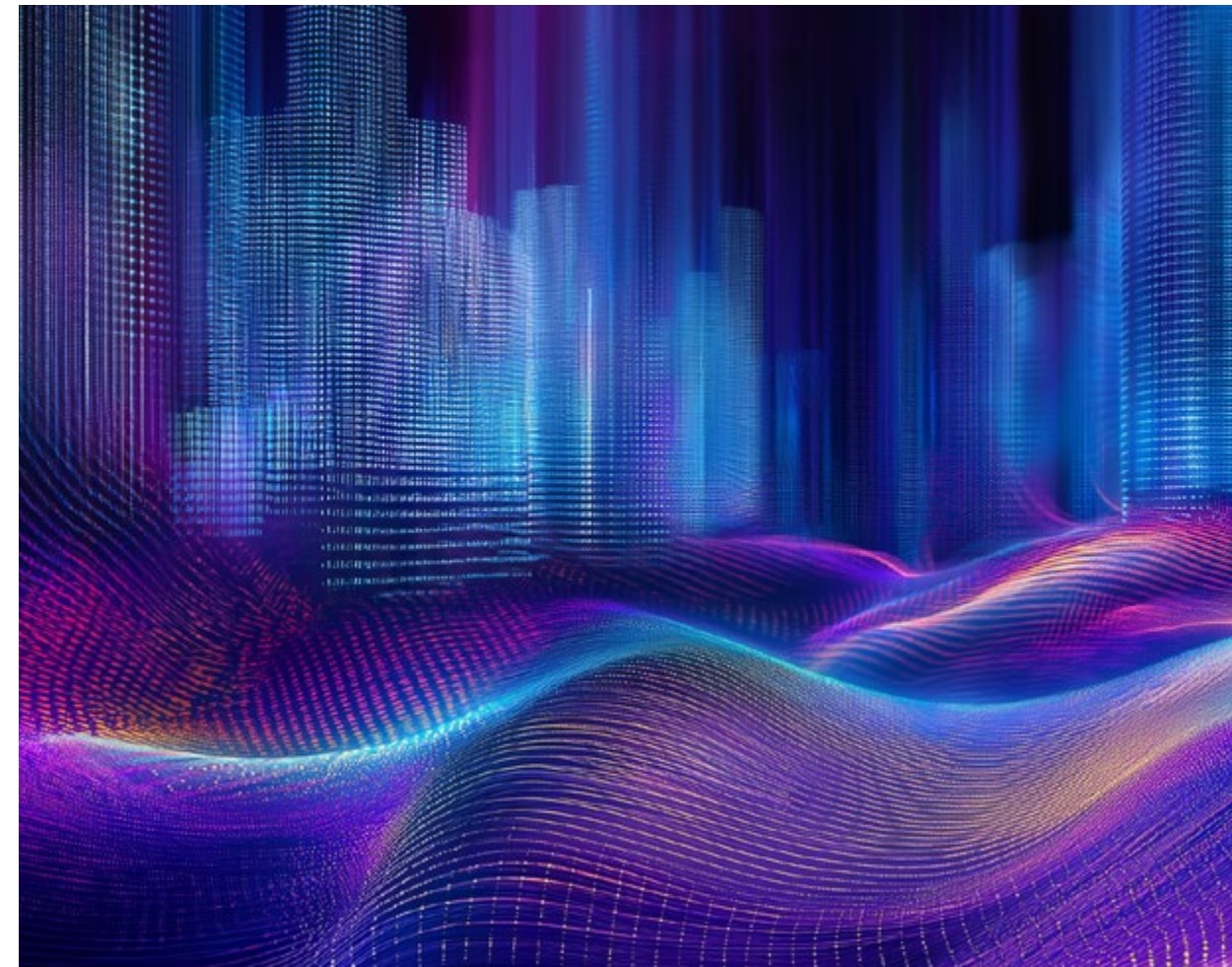
# The AI Advantage: Building Tomorrow's Insurance Enterprise

March 2025



# Foreword

## Re-Defining Insurance with AI



**John Weber**  
VP Head of US Insurance  
Practice at Wipro

The insurance industry is at a pivotal moment, undergoing a profound transformation as artificial intelligence (AI) revolutionizes how things are done. **This report takes you through the evolving landscape of AI in insurance, exploring how it is streamlining underwriting, enabling faster and more accurate decisions, and ultimately enhancing customer experiences.**

While large insurers are leading the charge—leveraging their robust governance frameworks and vast data resources—many mid-sized and smaller firms face hurdles, from legacy systems to limited AI expertise. Yet, the opportunity AI presents is immense. By improving efficiency and precision, it holds the power to reshape the industry, provided we navigate the challenges of transparency, fairness, and accountability with care.

At the heart of AI innovation lies high-quality data. Insurers are increasingly harnessing diverse data-

sets to refine risk assessments and pricing models. But AI is not just about technology—people remain essential. Skilled professionals are needed to interpret insights, oversee systems, and guide responsible AI adoption. Upskilling teams and collaborating with partners will be critical in bridging gaps and accelerating AI integration. **This report highlights the tangible benefits AI brings to underwriting—from improved risk assessment accuracy and cost savings to enhanced customer satisfaction and faster policy issuance.** While challenges remain, insurers are already taking strategic steps to overcome integration hurdles, manage data quality, and ensure ethical compliance.

**We hope this roadmap provides you with valuable insights and practical recommendations for building a structured AI strategy, supporting your organization to unlock the technology's full potential and secure a competitive edge in an increasingly data-driven future.**

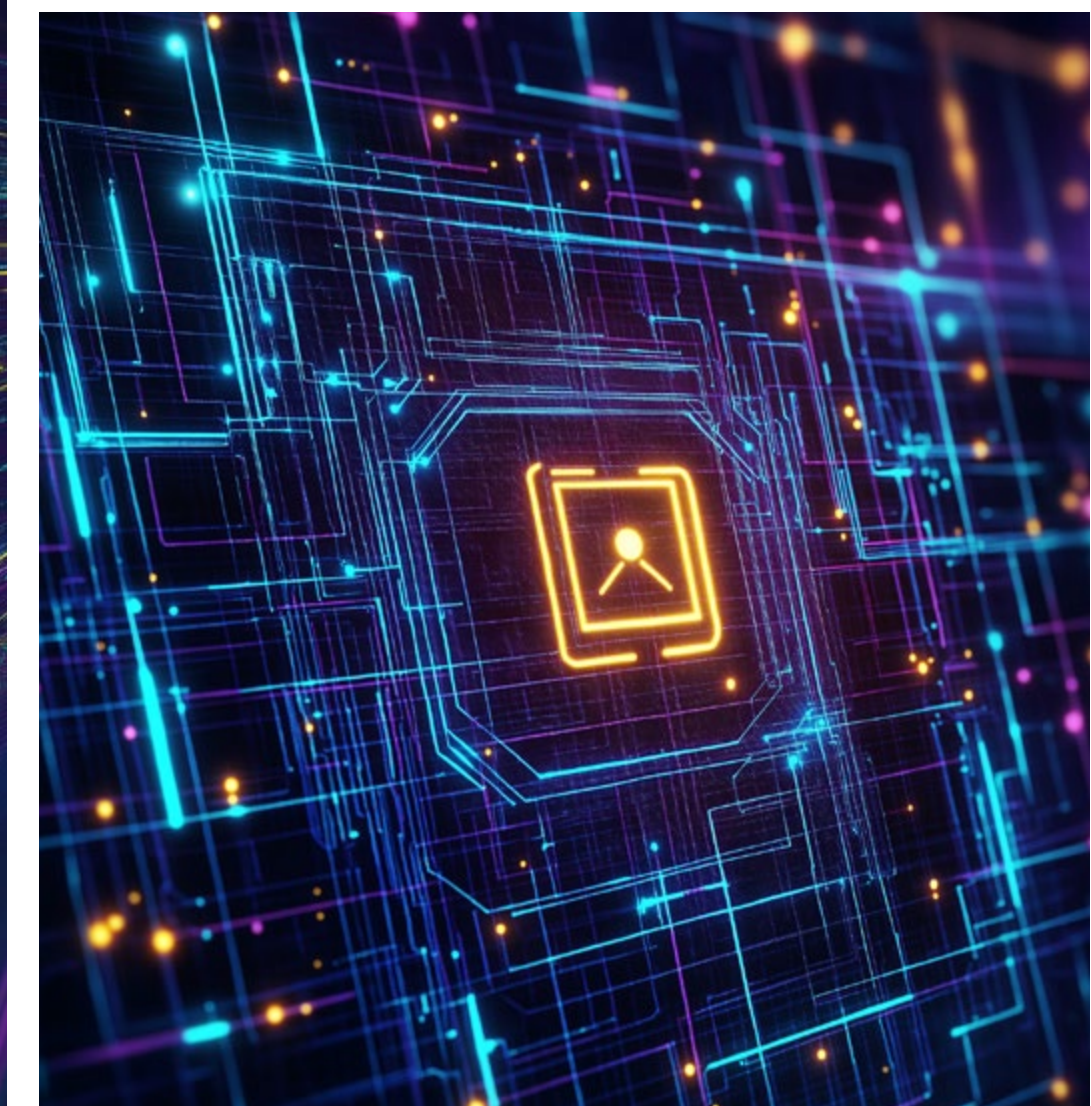


# Executive Summary

The integration of artificial intelligence (AI) into insurance operations signals a fundamental transformation of the industry. As AI technology rapidly evolves, it is revolutionizing core insurance processes, particularly in underwriting, where it enables more precise risk assessment, enhanced operational efficiency, and improved customer experiences. The technology's capabilities are reshaping how insurers evaluate risk, process policies, and interact with customers, marking a significant shift in traditional insurance practices.

Our comprehensive research, based on insights from 100 CXOs and their direct reports in North American insurance firms with minimum annual revenue of \$500M, reveals an industry actively embracing AI's potential. The findings show a two-speed market emerging: while 46% of firms have extensively implemented AI systems, others are still in earlier stages of adoption. This disparity highlights both the progress made and the opportunities that remain in the sector.

The research underscores the magnitude of AI's impact: insurers anticipate significant benefits across multiple areas, with 68% expecting improved risk assessment accuracy and cost savings, 65% foreseeing enhanced regulatory compliance, and 62% predicting higher customer satisfaction levels.

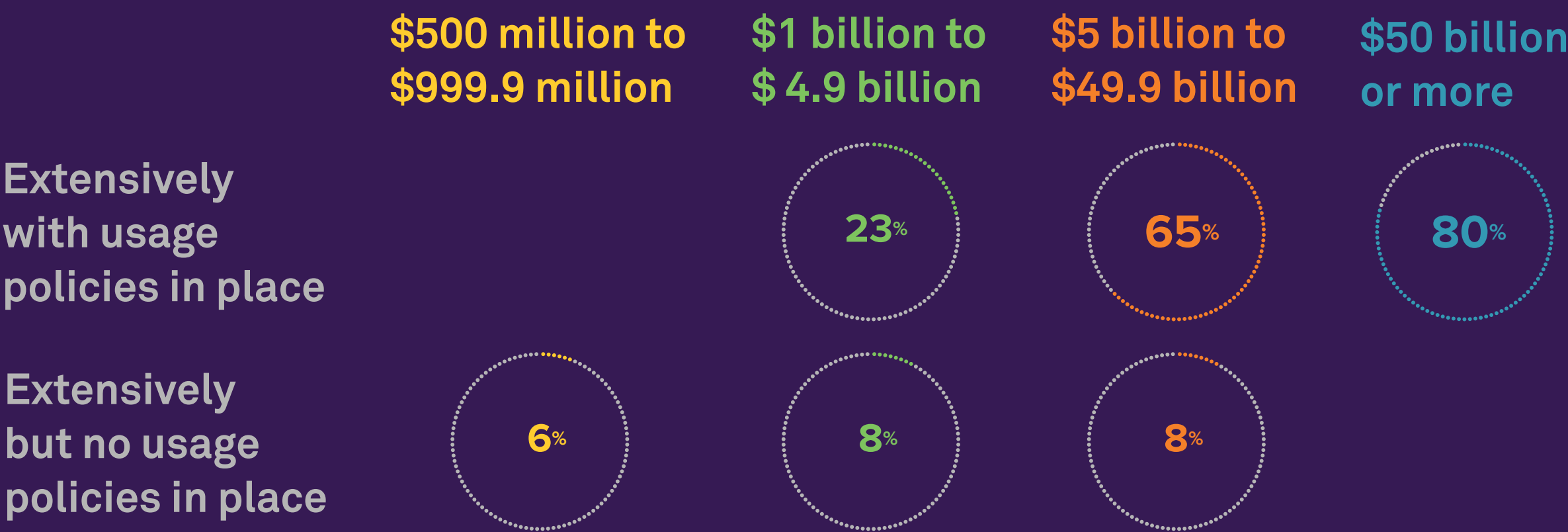




Executive Summary

Current landscape of AI in insurance

How much has your organization integrated AI into insurance underwriting processes?

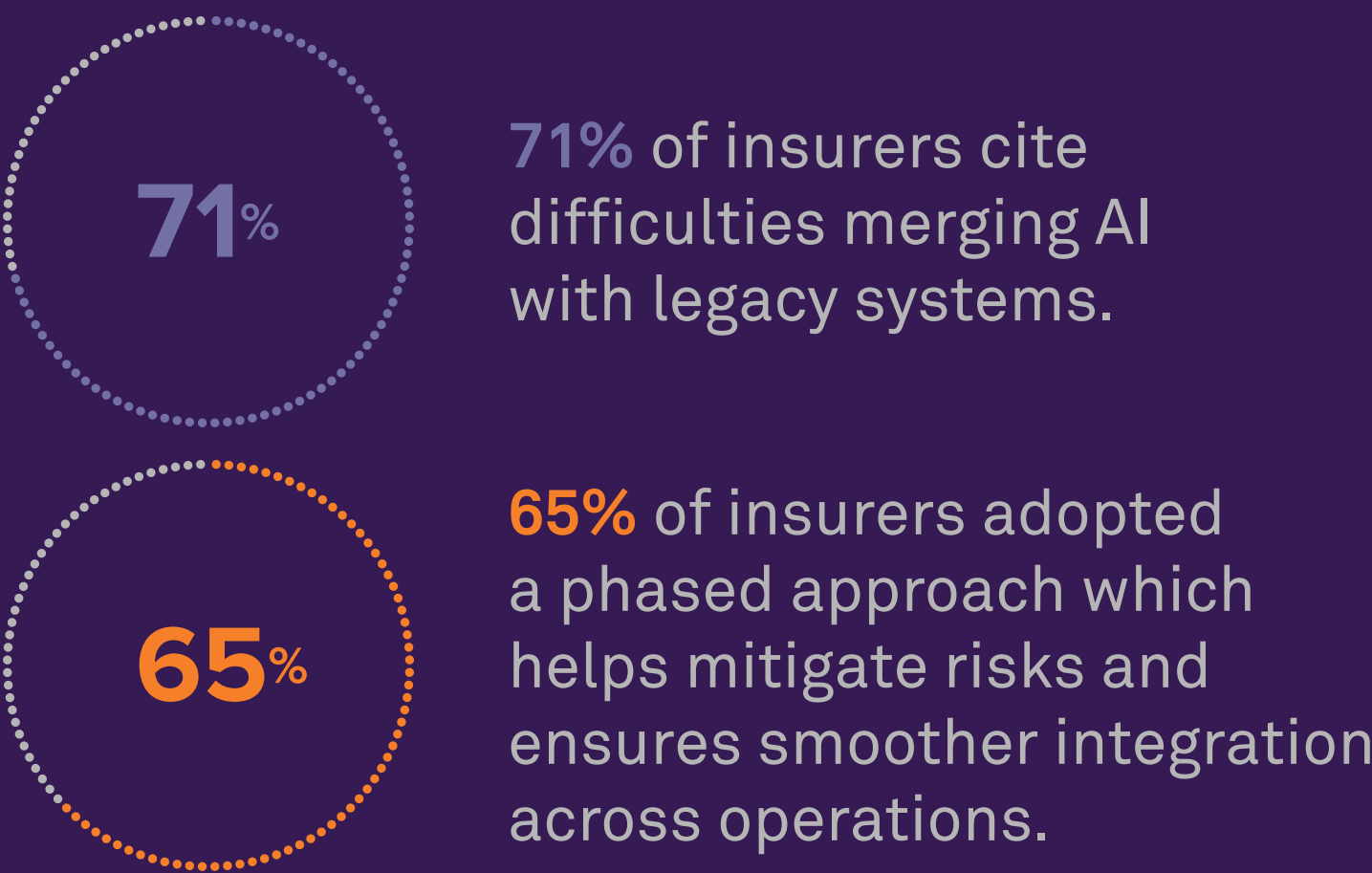


Future Benefits of AI in Underwriting

How much do you agree or disagree with the following statements about the role of AI across all activities and processes in your firm?



Challenges of AI adoption



Investment projections

What proportion of your financial year's IT spend is allocated to AI technologies in your firm?

(Mean average %increase of IT spend allocated to AI)

Current Financial Year (2024)

Next 1 - 2 years

Next 3 - 5 years



# Executive Summary

These findings emphasize AI's potential to transform core insurance operations while creating new opportunities for innovation and growth. This technological evolution comes at a crucial time for the insurance industry, which faces mounting challenges including regulatory pressures, rising operational costs, increasing customer expectations for personalized services, and the need for more efficient risk assessment processes. AI emerges as a critical tool for addressing these challenges, with insurers planning to increase their AI investment from current levels of 8% of IT budgets to 20% within 3-5 years.

The research reveals that success in AI adoption requires a strategic approach, with firms focusing on robust data management, ethical governance frameworks, and comprehensive training programs. As the industry continues to evolve, those insurers that effectively leverage AI while maintaining strong governance and ethical practices will be best positioned to lead in an increasingly competitive and dynamic market.



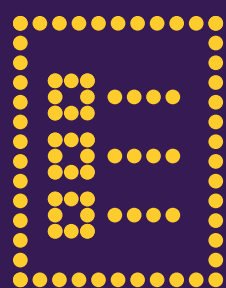
## About Wipro

Wipro Limited is a leading technology services and consulting company focused on building innovative solutions that address clients' most complex digital transformation needs. Leveraging our holistic portfolio of capabilities in consulting, design, engineering, and operations, we help clients realize their boldest ambitions and build future-ready, sustainable businesses. With about 230,000 employees and business partners across more than 60 countries, we deliver on the promise of helping our clients, colleagues, and communities thrive in an ever-changing world.

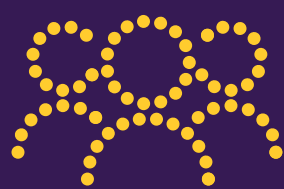
# Study Detail



**North America**  
**100 Total Respondents**



**Methodology**  
Online Survey



**Audience Profile**  
CXOs and their direct  
and indirect reports  
in insurance firms  
with minimum annual  
revenue of \$500M



**Fieldwork Dates**  
October – November  
2024



**Property & Casualty (P&C) Insurance**  
(inclusive of commercial, speciality,  
auto, home, workers compensation)



**Life and Annuities (L&A) Insurance**



**Reinsurance**



**MGA (Managing General Agent)**



The research has been conducted by [Coleman Parkes Research](#).

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The report has been custom designed in partnership with Coleman Parkes by [Station Montréal Design Bureau](#).



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