Digitally Reconfiguring Insurance Operations: Enterprise Adoption, AI Governance, and Growth Pathways in Insurtech

Meta Keywords

insurtech B2B, insurance technology, insurance software platforms, AI in insurance, insurance automation, digital underwriting, claims automation, embedded insurance, insurance cloud, actuarial AI, insurance pricing technology, digital insurance distribution, insurance data analytics, insurance compliance technology, insurance ecosystem, insurance partnerships, insurance procurement, enterprise insurtech, insurance modernization, insurance technology investment

Abstract

Insurtech has moved from a peripheral innovation theme to an enterprise technology layer that can reshape underwriting, policy administration, pricing, claims, distribution, fraud management, customer service, and insurer data architecture. The transition is particularly relevant to business buyers because software selection is no longer confined to digital front ends. Insurers, brokers, managing general agents, reinsurers, corporate risk functions, embedded partners, and technology integrators increasingly evaluate platforms according to their ability to connect core systems, operational data, regulatory controls, and decision workflows. The public May 2026 analysis by Next Move Strategy Consulting places the global insurtech market at USD 30.27 billion in 2025 and projects USD 254.64 billion by 2030, representing a 53.1% compound annual growth rate from 2025 to 2030. The forecast implies a more than eightfold increase in the disclosed market value over the period. This creates a strategic setting in which architecture, data governance, implementation capacity, and commercial scalability become as important as feature-level innovation. Current 2026 evidence also shows a shift toward production-grade artificial intelligence. Guidewire introduced an agentic framework in its Qusar release to allow insurers to build, deploy, and govern AI agents within Guidewire Cloud Platform, while Sapiens launched SapiensAIP as a SaaS platform intended to embed agentic AI across underwriting, policy, billing, claims, and customer engagement. Akur8 expanded from pricing into life and annuity actuarial modeling through its acquisition of Slope Software and deepened ecosystem integration through a Guidewire Marketplace accelerator. Shift Technology renewed a five-year collaboration with AXA covering AI-enabled claims, fraud, and underwriting applications, and Tractable announced a 2026 partnership with Foyer for photograph-based motor claims assessment. Such developments indicate that competitive differentiation is moving toward workflow integration, explainability, interoperability, and controlled deployment rather than standalone automation. Regulation is becoming a design constraint rather than a post-deployment issue. EIOPA's 2026 publications emphasize the interaction between AI, operational resilience, data dependencies, cyber risk, and concentration risk, while the European supervisory authorities' first DORA incident report reinforces the need for resilient ICT controls. In the United States, the National Association of Insurance Commissioners continues to frame AI governance around documented controls and regulatory oversight. The business consequence is a widening procurement scorecard: technology buyers must examine data lineage, auditability, model governance, vendor dependency, security, integration effort, and change management alongside price and functionality. Regional conditions remain heterogeneous. Next Move Strategy Consulting identifies North America as the market leader, Europe as a substantial and expanding market, Asia-Pacific as the fastest expanding region, and the Rest of the World as a field where financial inclusion and technology partnerships can support expansion. The implication for B2B strategy is that go-to-market design cannot be standardized globally. Vendors require region-specific compliance capabilities, partner ecosystems, implementation models, pricing structures, and distribution strategies. Investment priorities are therefore likely to favor modular platforms that can operate across different

regulatory regimes while preserving common data and workflow foundations. Taken together, the evidence points to an insurtech environment defined by platformization, agentic AI, data-centric underwriting and pricing, embedded distribution, claims automation, and tighter technology governance. The principal opportunity for B2B participants lies in converting these capabilities into measurable operating outcomes through scalable partnerships and disciplined deployment. The principal execution risk lies in deploying advanced tools faster than the organization can govern, integrate, and operationalize them. The firms best positioned to capture durable enterprise value will be those that connect innovation to insurer economics, regulatory obligations, and repeatable implementation at scale.

Keywords

Insurtech; insurance technology; artificial intelligence; cloud insurance platforms; digital underwriting; claims automation; embedded insurance; actuarial analytics; insurance pricing; AI governance; insurance distribution; enterprise software; B2B insurance technology

1. Introduction

1.1 Strategic Context

Insurance technology is increasingly being judged by how effectively it improves an insurer's operating model rather than by how visibly it digitizes an individual customer touchpoint. For business decision-makers, the core question is whether technology can reduce manual handoffs, improve decision consistency, expose better data at the point of action, and support compliant expansion into new products and channels. This places insurtech at the intersection of enterprise software, actuarial science, data engineering, artificial intelligence, cloud infrastructure, workflow management, and distribution technology.

The public May 2026 analysis by Next Move Strategy Consulting defines insurtech as the use of digital tools and advanced technologies to modernize insurance products, distribution, and operations. Its framing spans auto, health, business, home, specialty, and travel insurance and identifies artificial intelligence, cloud computing, Internet of Things technologies, blockchain, and big data analytics as transformation enablers. The same source describes digital platforms, aggregators, embedded models, and enhanced carrier channels as components of the operating environment. For a B2B audience, this definition matters because it places technology within the insurance value chain rather than treating it as a stand-alone software category.

Enterprise adoption is consequently becoming a portfolio decision. A carrier may select a core platform, an external rating engine, claims intelligence, fraud analytics, a digital distribution layer, or an AI assistant, but the value of each investment depends on how the component interacts with systems already in production. The business case is strongest when a solution can use governed enterprise data, fit existing controls, reduce process friction, and produce an outcome that can be measured in operating metrics. The procurement process must therefore evolve from feature comparison toward architecture, evidence, vendor resilience, and implementation assurance.

1.2 Research Objectives

The first objective is to establish a current B2B view of insurtech using only market-scale and segmentation information disclosed by Next Move Strategy Consulting, supplemented by 2026 evidence from governmental, supervisory, primary company, and approved media sources. This approach separates commercial market estimates from regulatory and operating evidence. The second objective is to identify where technology adoption changes enterprise workflows and where it creates new governance obligations. The third objective is to interpret regional conditions through the lens of deployment, partnerships, compliance, and institutional capability rather than consumer lifestyle narratives.

A fourth objective is to translate current technology announcements into implications for enterprise procurement. 2026 developments show that vendors are moving from point solutions toward AI embedded in core systems, actuarial platforms, claims workflows, and platform marketplaces. The significance of these moves lies not merely in the novelty of the technology but in the infrastructure required to put it into controlled production. A fifth objective is to outline a forward-looking framework for capital allocation, vendor selection, partnership development, and market entry through the remainder of the decade.

1.3 B2B Scope and Value Chain

The relevant buyer universe is broad. Carriers and insurers purchase systems that support underwriting, policy administration, pricing, claims, billing, service, and distribution. Reinsurers evaluate tools for portfolio analytics, exposure management, reserving, and data exchange. Managing general agents require speed in product configuration and delegated underwriting. Brokers and agents place value on distribution connectivity, data access, comparative workflows, and embedded propositions. Corporate buyers and ecosystem partners may use insurtech capabilities to place insurance within commerce, finance, mobility, or platform transactions.

The value chain also includes systems integrators, data providers, cloud platforms, actuarial software specialists, cybersecurity providers, repair networks, payment infrastructure providers, and supervisory technology stakeholders. In this configuration, a vendor's competitive value can come from being a core platform, a data layer, a workflow component, an interoperability bridge, or a distribution enabler. B2B strategy therefore depends on understanding the role a solution occupies and the switching costs created by that role.

Procurement leaders increasingly face a dual mandate. They must control technology expenditure and implementation risk while also avoiding architectures that constrain future product innovation. A low-cost point solution can create hidden costs when it requires custom interfaces, manual reconciliation, fragmented identity controls, or duplicate data stores. Conversely, a broad platform can reduce integration complexity but introduce longer transformation cycles and greater concentration in a single vendor. A balanced procurement approach evaluates lifecycle economics, not only license or subscription price.

The insurtech ecosystem also changes bargaining relationships. Technology firms may sell directly to insurers, enter through systems integrators, build marketplace connectors, license models to larger platforms, or co-develop products with carriers. These partnership structures can determine the speed at which technology reaches production and the depth of data access available to the vendor. As platform providers add marketplaces and partner accelerators, integration itself becomes a commercial asset.

EIOPA's March 2026 discussion of insurance innovation and investment also places AI within the broader digital transformation of the insurance value chain, with attention to efficiency, customer interaction, decision support, claims management, document processing, fraud detection, and software development. This reinforces the B2B case for viewing AI as an operating capability that spans functions rather than as a single application category.

2. Market Overview

2.1 Market Definition and Scope

Insurtech can be understood as the business technology layer that enables insurers and adjacent organizations to redesign insurance processes, products, and distribution through software, data, automation, and digital infrastructure. The public Next Move Strategy Consulting page describes the category as covering digital tools used to modernize products, distribution, and operations. This scope is wider than digital sales channels because it includes underwriting, risk assessment, claims, analytics, cloud platforms, and operational workflows.

The category contains both horizontal and insurance-specific capabilities. Horizontal technologies include cloud computing, machine learning, data processing, workflow automation, cybersecurity, application programming interfaces, and artificial intelligence. Insurance-specific applications translate those capabilities into rating engines, policy administration, claims intake, fraud detection, actuarial modeling, document processing, product configuration, and distribution connectivity. B2B buyers need both layers because enterprise value is created when general-purpose technology is adapted to insurance data structures, business rules, and regulatory obligations.

2.2 Market Scale and Forecast

The May 2026 public analysis by Next Move Strategy Consulting states that the global insurtech market was valued at USD 30.27 billion in 2025 and is projected to reach USD 254.64 billion by 2030, with a compound annual growth rate of 53.1% from 2025 to 2030. The report page also states that its analysis period is 2024 to 2030, with 2024 as the base year and 2025 to 2030 as the forecast period. The public page does not state a separate 2026 valuation, so a standalone 2026 market-size figure is not introduced here.

The two disclosed values imply that the market would expand by approximately 8.4 times between 2025 and 2030 if the forecast is realized. That mathematical implication is useful for B2B planning because it signals the potential scale of software procurement, implementation activity, partner ecosystems, data infrastructure, and technical labor associated with insurtech adoption. It does not, however, imply that every product category or geography will grow at the same rate. The report itself identifies different segment and regional structures, which means that growth opportunity needs to be assessed at the level of buyer, deployment model, use case, and geography.

Table 1. Insurtech Market: Key Parameters

Parameter	Detail
Market Size, 2025	USD 30.27 billion
Revenue Forecast, 2030	USD 254.64 billion
Growth Rate	CAGR of 53.1% from 2025 to 2030
Base Year	2024
Forecast Period	2025 to 2030
Analysis Period	2024 to 2030
Countries Covered	28
Companies Profiled	15
Market Share Coverage	Available for 10 companies

For investors and technology suppliers, the forecast creates a demanding execution question: whether addressable growth can be converted into recurring enterprise revenue without a proportional increase in delivery complexity. Fast category expansion can attract new entrants, but enterprise insurance buyers often require long sales cycles, integration testing, data governance, model validation, and change management. The capacity of vendors and partners to support these requirements is therefore a practical determinant of commercial scalability.

2.3 B2B Value Chain

A useful B2B value chain begins with data generation and acquisition. Sources may include policy records, claims histories, telematics, external data, regulatory filings, geospatial information, enterprise financial data, partner feeds, and customer-submitted documents. The next layer is data management, where information is standardized, secured, linked, and prepared for analysis or workflow execution. In a mature operating model, data becomes reusable across underwriting, pricing, claims, fraud, reserving, and customer service rather than remaining trapped in departmental systems.

The decision layer includes rules engines, actuarial models, machine learning models, AI assistants, fraud detection, risk scoring, and workflow orchestration. Above this sits the application layer, including core policy systems, claims management, distribution tools, portals, broker interfaces, and embedded insurance services. Integration connects these layers to payment rails, partner platforms, identity services, document systems, and external ecosystems. Governance spans all layers through access controls, audit logs, model oversight, vendor risk management, cybersecurity, and regulatory reporting.

Commercial relationships follow the technical architecture. A core platform vendor may own the central workflow while specialist vendors provide pricing, claims intelligence, fraud, telematics, or document AI. Marketplace models can reduce the friction of connecting the specialist layer to the core. Systems integrators can absorb implementation and localization work. Reinsurers and MGAs can become high-value buyers because their operating models often require specialized analytics and rapid product configuration. Embedded partners can become distribution multipliers when insurance is integrated into another enterprise transaction.

Table 2. B2B Insurtech Value Chain and Enterprise Role

Value Chain Layer	Primary Enterprise Role	Typical Procurement Question
Data and external signals	Acquire and structure information used for risk and operations	Can the data be accessed, governed, and reused at scale?
Analytics and decisioning	Support pricing, underwriting, fraud, claims, and reserving decisions	Is the output explainable, auditable, and operationally useful?
Core systems and workflows	Run policy, claims, billing, and distribution processes	How well does the solution integrate with existing workflows?
Integration and ecosystem	Connect insurers with partners, data sources, and channels	What is the total integration effort and dependency risk?
Governance and resilience	Manage security, compliance, vendor risk, and operational continuity	Can controls be evidenced continuously rather than only at implementation?

2.4 Applications and Business Dynamics

Application economics differ sharply across the insurance lifecycle. Underwriting and pricing tools can influence risk selection and margin, making model transparency and actuarial governance critical. Claims automation can influence cycle time, labor intensity, and indemnity accuracy, but its value depends on data quality and the ability to route cases appropriately. Distribution technology can improve conversion and reach, yet enterprise buyers must verify whether the channel can operate within product governance, identity, payments, and compliance requirements.

The technology architecture is also shaped by the distinction between systems of record and systems of intelligence. Systems of record maintain policy, claims, billing, and customer information. Systems of intelligence analyze the record to guide decisions or automate actions. Many 2026 product launches are explicitly narrowing the gap between the two. Guidewire's ProNavigator is embedded within core applications, and its Qusar release adds an agentic framework with access to policy, claims, and billing workflows. SapiensAIP similarly positions AI inside core insurance processes. The direction suggests that future procurement will increasingly evaluate not just whether a vendor has AI, but whether AI is contextually grounded in enterprise workflows.

The commercial dynamics also favor interoperability. A vendor that can integrate rapidly with a core platform has a lower adoption barrier than one that requires a bespoke implementation. Akur8's 2026 Guidewire Marketplace accelerator illustrates this principle by connecting PolicyCenter with its Deploy rating engine through a metadata-driven mapping and transformation layer. The commercial benefit is not simply technical convenience. Faster integration can shorten time to revenue for the buyer, lower project risk, and improve the probability that actuarial teams can move from model development to live rating.

2.5 Procurement Economics

B2B procurement should evaluate total cost of ownership over the full contract life. License or subscription charges represent only one component. Other costs include integration, migration, data cleanup, testing, model validation, cybersecurity assessments, regulatory documentation, employee training, process redesign, and ongoing model monitoring. A technology that appears inexpensive at the point of purchase can become expensive if it creates manual workarounds or repeated reconciliation.

The reverse can also occur. A platform with a higher initial cost can produce a lower lifecycle cost when it replaces several disconnected tools, reduces custom interfaces, provides standard controls, and enables repeated deployment across multiple lines of business. The appropriate decision therefore depends on enterprise scale, existing architecture, regulatory perimeter, internal engineering capability, and expected expansion. For investors evaluating vendors, recurring revenue quality and implementation leverage are important because enterprise software value is closely tied to retention, expansion, and the cost of serving additional customers.

3. Market Segmentation

3.1 Segmentation Framework

The public Next Move Strategy Consulting material presents multiple segmentation views. Its headline description organizes the category by offering, line of business, channel, buyer type, buyer size, deployment, and revenue model. The scope section additionally describes classification by type, technology, services, deployment model, enterprise size, end user, and region. Because both structures appear in the supplied source, the B2B interpretation preserves these axes rather than replacing one with an external taxonomy.

Table 3. Insurtech Segmentation and B2B Implications

Segmentation Basis	Categories in Supplied Source	B2B Procurement and Deployment Implication
Offering	Core software platforms; data, analytics, and AI; integration; others	Determine whether the purchase replaces a system of record, adds intelligence, or solves connectivity
Line of Business	Personal lines; commercial lines; others	Assess product complexity, underwriting rules, claims intensity, and data requirements

Channel	Digital direct; broker mediated; embedded; bancassurance	Select integration patterns and operating controls around distribution partners
Buyer Type	Insurer; broker; others; scope also identifies reinsurer, MGA, corporate	Match functionality to authority, workflow, data access, and service-level requirements
Buyer Size	Large; midsize; small	Balance implementation capacity, configurability, support model, and total cost
Deployment	Software as a Service; on premise; hybrid	Align architecture with data governance, security, latency, and modernization strategy
Revenue Model	Recurring subscription and SaaS; other listed models	Evaluate budget predictability, usage exposure, and vendor incentives
Technology	Cloud computing; machine learning; IoT; blockchain and smart contracts; big data and advanced analytics; RPA	Prioritize technologies according to measurable process outcomes and governance readiness
Services	Managed services; support and maintenance; consulting	Determine the level of external delivery capability needed for transformation
Enterprise Size	Large enterprises; SMEs	Adjust buying process, implementation scope, and change management
End User	Carriers and insurers; reinsurers; MGAs; brokers and agents and aggregators; embedded and partners	Set requirements according to the workflow owner and distribution relationship

3.2 Offering Segmentation

Core software platforms occupy the most structurally important position because they anchor enterprise workflows. Policy administration, underwriting and rating engines, claims, billing, and other core capabilities become the reference points against which adjacent technologies must integrate. For buyers, the central trade-off is between modernization speed and architectural continuity. A cloud-native core can support more flexible deployment and faster feature release, but migration from established systems can be costly and operationally sensitive.

Data, analytics, and AI offerings differ because they can generate value without replacing a system of record. These products may be introduced in targeted workflows and scaled after performance is established. Their procurement requirements are consequently centered on data access, model governance, explainability, and integration into operational decisions. A model that produces a good offline score but is not used by underwriters or claims teams does not generate enterprise value. The procurement test is therefore operational adoption, not model novelty.

Integration offerings address a persistent enterprise constraint. Insurance systems often accumulate specialized applications, acquired businesses, regional products, and multiple distribution channels. Integration vendors can reduce the complexity of connecting these assets. Their commercial importance is likely to rise as insurers adopt more AI components because every new model, assistant, or external data source creates an additional interface and governance boundary.

3.3 Channel Segmentation

Digital direct channels are most relevant when an insurer or intermediary controls the digital distribution surface. Enterprise buyers typically prioritize straight-through processing, identity integration, quote and bind workflows, and data consistency. Broker-mediated channels require strong document, quote, submission, and servicing connectivity, as well as support for human judgment. Embedded channels create more complex dependencies because insurance becomes part of a partner's transaction, requiring shared product governance, data exchange, and revenue settlement.

Bancassurance combines insurance with financial distribution and therefore creates a layered operating environment involving insurer, bank, technology provider, and payment infrastructure. The B2B implication is that a platform may need to expose modular services rather than a single end-user application. APIs, partner-specific controls, configurable products, and auditable decisioning can become differentiators because they allow a channel partner to preserve its own front-end experience while the insurer maintains control over underwriting and compliance.

3.4 Buyer Type and Buyer Size

Large insurers can support longer transformation programs and often require multi-line deployment, extensive security assurance, and global or regional localization. Midsize carriers may prioritize rapid adoption, integration simplicity, and measurable return from a smaller set of use cases. Small insurers and smaller brokers may place more value on SaaS delivery, managed services, and low implementation overhead. Vendors that offer a single commercial model to all three groups may struggle because their service costs and buying cycles differ materially.

The buyer type also determines value realization. An insurer may evaluate a pricing engine through loss ratio, rate adequacy, filing speed, and actuarial cycle time. A reinsurer may emphasize data aggregation, scenario analysis, and reserving. An MGA may care about speed to launch a product and delegated underwriting controls. An embedded partner may focus on partner APIs, quote latency, policy issuance, and reconciliation. A technology provider should therefore market around the economic job to be done rather than a generic claim of digitization.

3.5 Deployment and Revenue Model

The supplied source identifies SaaS, on premise, and hybrid deployment models. SaaS is structurally attractive where organizations want standardized updates, lower infrastructure management overhead, and faster feature adoption. On-premise deployment can remain relevant where institutions require tighter control over infrastructure, data residency, or operational dependencies. Hybrid deployment can provide a transition path in environments where core systems remain internal while newer analytics or distribution layers move to cloud services.

Revenue models listed in the supplied source include recurring subscription and SaaS, perpetual license and maintenance, one-time implementation fees, transaction and usage fees, revenue share and commission, and hardware unit sales and device subscriptions. From a procurement perspective, recurring models can shift spending toward operating budgets while usage-linked models can align cost with transaction activity. Buyers should nonetheless model exposure under high-growth and low-growth cases because a transaction-based vendor can become more expensive as adoption increases, even when the underlying business benefit is positive.

3.6 Technology and Services Segmentation

The source names cloud computing, machine learning, IoT, blockchain and smart contracts, big data and advanced analytics, and robotic process automation. These technologies support different operational objectives. Cloud provides elastic infrastructure and software delivery. Machine learning supports pattern

recognition and predictive decisioning. IoT enables real-time external signals in areas such as usage-based or connected-risk models. Blockchain and smart contracts can support specific trust and execution models where shared records add value. Big data and advanced analytics support risk modeling and portfolio intelligence. RPA targets repetitive process steps where full application modernization is not yet feasible.

The service categories of managed services, support and maintenance, and consulting are especially relevant in markets where internal engineering and actuarial resources are constrained. A vendor that can combine software with implementation or managed operations may reduce deployment friction. Yet outsourcing does not remove accountability. The buyer remains responsible for understanding control design, vendor dependencies, and business continuity. Service scope should therefore be explicit, measurable, and auditable.

3.7 End User Segmentation

Carriers and insurers remain the broadest enterprise technology buyer group because they own underwriting, policy, claims, distribution, and service operations. Reinsurers have distinct analytics needs associated with portfolio risk and capital management. MGAs need configurable and fast-to-deploy systems because their operating model depends on delegated underwriting and market responsiveness. Brokers, agents, and aggregators require connectivity, data access, and workflows that support placement and service. Embedded partners need product and API capabilities that allow insurance to function inside another commercial journey.

This segmentation suggests that a successful insurtech vendor may need multiple commercial entry points. Direct sales can target large insurers, channel partnerships can reach brokers or embedded platforms, and system integrator alliances can accelerate implementation. A single product can remain technically consistent while the commercial proposition changes by end user.

4. Market Drivers

4.1 AI Moving Into Core Insurance Workflows

A principal driver is the migration of AI from experimental projects into operational insurance processes. Guidewire's 2026 product releases place AI directly within policy and claims workflows and introduce an agentic framework on its cloud platform. Sapiens' September 2026 launch similarly describes a SaaS platform that embeds agentic AI across underwriting, policy, billing, claims, and customer engagement. These moves matter because they reduce the organizational distance between AI and the decisions that determine premium, reserve, claim handling, and service costs.

The business case for workflow-embedded AI is stronger than the business case for isolated tools when the system can provide context from enterprise records and return an action that fits the existing process. A claims assistant that can access policy conditions, claims history, and workflow status can address a real operating task. An AI tool that requires users to copy information into a separate environment may create another manual step. Enterprise buyers are therefore likely to prefer contextual AI with authorization, logging, and workflow integration.

4.2 Cloud and Legacy Modernization

Cloud adoption is another structural driver because insurers need technology environments capable of continuous updates, scalable data processing, and integration with modern APIs. The driver is not cloud for its own sake. Its business importance arises when cloud delivery reduces the friction of product configuration, data integration, analytics deployment, and security maintenance. Guidewire's 2026 customer announcements show the role of cloud as a foundation for subsequent AI expansion, including deployments intended to establish data and workflow foundations for AI-driven claims.

Legacy modernization also creates a replacement cycle. Older systems may contain valuable business rules and institutional knowledge but can make it difficult to introduce new capabilities quickly. Modernization can create a bridge between these assets and new technologies. The strongest projects treat migration as a controlled redesign of data, processes, and governance rather than a technical replacement exercise.

4.3 Real-Time Digital Transactions and Embedded Distribution

Insurtech expansion is also driven by the integration of insurance into digital transaction environments. Embedded models can place cover inside banking, mobility, commerce, and other partner journeys. For B2B buyers, the appeal is distribution efficiency and contextual relevance, while the implementation challenge is the need to synchronize product configuration, eligibility, payment, policy issuance, claims, and partner reconciliation.

Real-time payment infrastructure can strengthen this model by reducing the time between financial events and insurance events. The commercial opportunity is greatest where a partner already owns a high-frequency transaction flow. The insurer can then use technology to convert that flow into a scalable distribution channel. The principal enterprise concern is governance across the partner boundary, because data rights, customer consent, commission accounting, fraud controls, and operational resilience become shared responsibilities.

4.4 Regulatory Clarity as a Commercial Enabler

Regulatory development can support adoption when it clarifies expectations around AI, data, and operational resilience. EIOPA's 2026 publications describe AI as moving toward established use across financial services and emphasize governance, resilience, cyber risk, and reliance on external technology providers. This suggests that the market is transitioning from a period in which AI could be treated as a discretionary innovation project toward one in which controls are part of the production architecture.

The commercial effect is two-sided. Clear expectations can reduce uncertainty for technology buyers and vendors, but they also increase the value of compliance-ready technology. Vendors that provide explainability, auditability, model inventories, role-based controls, and evidence of human oversight can reduce procurement friction. Compliance capability therefore becomes part of product design and can influence competitive differentiation.

4.5 Data as a Reusable Enterprise Asset

Insurance has always been data intensive, but the economic value of data rises when it can be reused across workflows. EIOPA's 2026 discussion of AI in insurance highlights applications across fraud detection, customer service, claims management, and data analysis. The opportunity for insurers is to create a common data foundation that allows multiple use cases to share inputs and governance rather than building isolated data pipelines.

Reusable data also improves investment efficiency. A clean claims dataset can support fraud analytics, reserve analysis, repair estimation, and customer service. A governed underwriting data layer can support pricing, product development, and portfolio monitoring. The driver is therefore not simply more data, but more economically productive data.

5. Market Challenges

5.1 AI Governance and Explainability

Advanced AI creates a governance challenge because insurers must explain decisions, monitor model behavior, and demonstrate that controls are effective. EIOPA's 2026 work emphasizes that the use of AI across the insurance value chain can increase cyber and operational risks and reliance on external technology

providers. The National Association of Insurance Commissioners also describes AI use across underwriting, pricing, customer service, claims handling, marketing, and fraud detection and continues to emphasize governance and regulatory oversight.

For procurement teams, governance should be treated as a product capability. Buyers need clarity on training data, data residency, model updates, audit logs, access rights, monitoring, incident response, and responsibility for false or harmful outputs. Vendors that cannot answer these questions create downstream risk for the insurer even when their core model performs well.

5.2 Cyber and Operational Resilience

Digital concentration can create operational dependencies. The European supervisory authorities reported in 2026 that ICT risks are increasingly borderless and interconnected under the DORA incident reporting framework. EIOPA has separately highlighted how frontier AI can intensify cyber risk. This is significant for insurtech because insurers increasingly depend on cloud infrastructure, external data, AI model providers, and interconnected workflows.

The practical challenge is to design for failure. Buyers should ask how quickly a system can fail over, how data is restored, how critical workflows continue during outages, and how vendor incidents are escalated. Resilience also requires visibility into subcontractors and shared infrastructure. A procurement decision that considers only the direct vendor may underestimate concentration risk.

5.3 Integration and Data Fragmentation

Integration remains one of the most persistent constraints because insurance technology stacks are rarely greenfield environments. Acquisitions, product-specific systems, regional operations, and partner channels create fragmented data and process logic. New insurtech tools can increase fragmentation when they add another data store or interface without fitting the target architecture.

The challenge becomes more acute with AI because models need reliable data and clear access permissions. If underwriting data is not synchronized with policy records, an AI assistant may provide outdated context. If claims images and structured claims data are stored separately, automation can be limited. Integration quality therefore influences AI performance as much as model sophistication.

5.4 Implementation Capacity and Change Management

Insurance technology projects fail to deliver full value when the organization underinvests in implementation and adoption. New software changes roles, approval paths, exception handling, controls, and performance metrics. Underwriters and claims professionals must trust the system enough to use it, while internal technology teams must be able to maintain the integration.

The growing number of AI releases in 2026 increases the risk of initiative overload. Multiple pilots can consume data science and IT resources without producing scalable outcomes. A disciplined portfolio approach is therefore important. Insurers should define a limited set of priority workflows, establish measurable baselines, and scale only those deployments that demonstrate operating value and control readiness.

5.5 Cost, Vendor Dependency, and Commercial Complexity

Enterprise contracts often combine subscription fees, transaction charges, implementation services, and third-party data costs. This structure can make future spending difficult to forecast. Usage-based pricing can be attractive when adoption is uncertain, but it may create cost escalation as the solution becomes strategically important.

Vendor dependency is another concern. A specialist platform can become deeply embedded in a critical process, making switching expensive. Buyers should therefore evaluate data portability, interface standards,

exit provisions, service-level commitments, and roadmap transparency. The objective is not to avoid dependence altogether, which is unrealistic in many enterprise environments, but to make dependency visible and manageable.

6. Market Opportunities

6.1 Agentic AI as an Enterprise Workflow Layer

The 2026 transition toward agentic AI creates an opportunity to automate multi-step insurance workflows rather than single tasks. Guidewire's Qusar release and SapiensAIP both illustrate a move toward agents that can operate in the context of insurance applications. The enterprise opportunity is largest where the workflow contains repeatable steps, structured data, clear controls, and well-defined escalation points.

Potential use cases include policy document interpretation, submission triage, underwriting research, claims summarization, exception routing, compliance checks, and service workflow preparation. The most scalable architecture is likely to combine agentic automation with human approval rather than attempting unrestricted autonomy. That approach allows insurers to capture efficiency while preserving accountability for high-impact decisions.

6.2 Actuarial and Pricing Modernization

Akur8's 2026 acquisition of Slope Software demonstrates an expansion of actuarial technology from P&C pricing into life and annuity modeling. The acquisition is important strategically because it suggests that specialist actuarial platforms can broaden into more of the insurance modeling lifecycle. Its partnership with Guidewire also shows how actuarial capabilities can be connected directly to policy administration workflows.

For buyers, the opportunity is to reduce the gap between model creation, regulatory interpretation, implementation, and live rating. A modern actuarial platform can create value not only through better model performance but also through transparency, auditability, and shorter deployment cycles. This matters in markets where rate changes must be supported by documented analysis and governance.

6.3 Claims Automation and Connected Repair Ecosystems

Claims represent a high-value opportunity because they combine large data volumes, operational labor, and external service networks. Tractable's 2026 collaboration with Foyer illustrates the use of image analysis to assess motor damage from photographs and facilitate faster handling of minor incidents. Such solutions can create value across insurer, adjuster, and repairer workflows when the outputs can be integrated into existing claims processes.

The broader opportunity is ecosystem orchestration. Claims technology can connect insurers, repair networks, parts suppliers, lenders, and policy administration systems. CCC's 2026 description of its platform emphasizes connected businesses and AI-enabled workflows across the P&C insurance economy. This model suggests that network effects can become commercially important when a platform links multiple participants and accumulates structured operational data.

6.4 Embedded Insurance Infrastructure

Embedded distribution offers a B2B growth path for technology providers that can package insurance capabilities as modular services. The required components include eligibility logic, product configuration, quote and bind, payments, policy issuance, claims handoff, reporting, and partner settlement. Vendors can add value by abstracting these capabilities into APIs and administrative tooling that partners can adopt without rebuilding insurance infrastructure.

The strongest partner strategies will likely focus on repeatable verticals where the transaction flow is stable and risk can be well characterized. Technology providers can reduce market entry costs by offering standard integration patterns for banking, mobility, commerce, and other partner ecosystems. Insurers can benefit by expanding distribution without building each channel from scratch.

6.5 Compliance and Regulatory Intelligence

A growing opportunity exists around technology that converts regulatory information into operational intelligence. Akur8's acquisition of Matrisk in January 2026 added AI-driven regulatory filing search and market intelligence capabilities to its pricing platform. This is relevant because actuarial decisions depend not only on models and data but also on understanding filing requirements, rate changes, and market context.

Regulatory intelligence can become a reusable enterprise service. The same structured information can support pricing, product development, compliance review, market monitoring, and management reporting. Vendors that can transform unstructured regulatory material into auditable, searchable workflows may occupy a valuable position between information management and decision support.

6.6 Partnerships, Alliances, and M&A

Partnerships are a logical growth mechanism because no single vendor can provide every insurance capability. Guidewire's ecosystem strategy, Akur8's partnership with Guidewire and Verisk, Shift Technology's long-term agreement with AXA, and Tractable's insurer collaborations show how distribution and integration can be as important as product development. Buyers gain access to complementary capabilities, while vendors gain enterprise credibility and implementation pathways.

M&A can accelerate the same process. Akur8's acquisition of Slope expanded its addressable actuarial scope, while the earlier 2026 acquisition of Matrisk added regulatory intelligence. For investors, the strategic test is whether acquisitions deepen workflow ownership, add reusable data, or expand cross-sell potential rather than simply adding another point solution.

The International Association of Insurance Supervisors' July 2026 Global Insurance Market Report also identifies the impact of advances in AI and technology on insurers' cyber resilience as a 2026 supervisory theme. This adds a risk-management dimension to technology adoption: the same tools that increase automation can alter the threat surface and deepen dependence on external technology providers.

7. Emerging Technology Trends

7.1 Agentic AI and Governed Automation

Agentic AI is becoming a distinct enterprise design pattern. Instead of producing a single answer, an agent can interpret a task, retrieve authorized information, use business tools, and prepare or execute a sequence of actions. Guidewire's Qusar release explicitly positions an agentic framework for insurer-controlled deployment. SapiensAIP likewise organizes AI across multiple insurance processes. The technology trend is therefore toward controlled orchestration inside core systems.

The procurement implication is a shift from model selection to agent management. Insurers need tools that specify which actions an agent can take, which data it can access, which workflows require human approval, and how activity is logged. The value of agentic AI will depend on whether these controls are built into the platform rather than added through manual oversight.

7.2 Explainable Machine Learning for Pricing

Transparent machine learning remains strategically relevant because insurers need models that can be understood, validated, documented, and used in regulated environments. Akur8's 2026 customer announcements repeatedly emphasize transparent outputs and data-driven pricing decisions. That positioning

reflects a practical market requirement: actuarial teams must balance predictive performance with model governance and business explainability.

This trend favors tools that allow actuaries to retain control while improving model-development speed. The enterprise advantage is not only faster analytics but a stronger bridge between data science, actuarial review, regulatory filing, and production deployment.

7.3 Computer Vision in Claims

Computer vision is extending automation into physical-loss assessment. Tractable's 2026 Foyer deployment uses photographs to support motor claims analysis, illustrating how visual data can become an operational input rather than a document attachment. The broader trend is toward turning images into structured claims evidence.

For insurers, adoption depends on data quality, edge-case handling, repair-network coordination, and clear escalation paths. The technology performs best when combined with rules and human review rather than treated as a stand-alone decision maker. Integration into repair workflows can also increase the value of the solution by shortening the distance between assessment and action.

7.4 AI-Enabled Core Platforms

The boundary between core insurance software and AI tooling is narrowing. Guidewire's ProNavigator places AI assistance directly inside core applications, while Qusar adds an agentic layer. SapiensAIP similarly extends a core insurance platform with AI tools. These approaches reduce context switching and can improve user adoption because AI assistance appears at the point where work is performed.

For B2B buyers, integrated AI may also simplify governance because identity, permissions, data access, and workflow context can be managed through the core platform. The potential trade-off is greater vendor concentration. Procurement teams should therefore assess whether embedded capabilities are interoperable with third-party models and whether data remains portable.

7.5 Regulatory and Compliance Intelligence

The rising volume and complexity of regulation create a market for tools that help insurers interpret, monitor, and operationalize requirements. Akur8's 2026 expansion into regulatory filing intelligence provides one example. The opportunity is broader than compliance search. A mature regulatory intelligence service can connect external rules with internal products, pricing models, controls, and evidence.

7.6 Cloud-Native Integration and Marketplaces

Technology marketplaces are becoming an important mechanism for reducing integration barriers. Akur8's August 2026 Guidewire Marketplace accelerator is designed to connect PolicyCenter with the Deploy rating engine. This trend can improve time to implementation and reduce custom interface development. For platform vendors, a strong marketplace can also increase ecosystem density and create indirect switching costs by making it easier to adopt complementary applications.

Table 4. Emerging Technology Trends and Enterprise Applications

Technology Trend	Description	Enterprise Relevance
Agentic AI	AI agents execute governed multi-step tasks using authorized enterprise context	Can reduce manual coordination across underwriting, claims, billing, and service
Explainable actuarial AI	Machine learning with transparent outputs for pricing and reserving	Supports faster modeling while preserving actuarial and governance review

Computer vision	Image analysis converts visual evidence into structured claims information	Can accelerate assessment and reduce manual inspection for suitable claims
AI-enabled core platforms	AI assistance is embedded into policy and claims workflows	Reduces context switching and improves access to relevant enterprise data
Regulatory intelligence	AI and search transform filings and external rules into usable intelligence	Supports pricing governance, compliance monitoring, and market analysis
Cloud marketplaces	Standardized extensions connect specialist applications to core platforms	Reduces integration effort and broadens ecosystem choice

In Asia, an OECD, Asian Development Bank Institute, and Insurance Regulatory and Capacity Strengthening initiative held a 2026 roundtable that included a dedicated session on digitalisation and the future of insurance. For B2B technology suppliers, the inclusion of digitalisation alongside insurance and retirement savings policy discussions indicates that technology adoption is being considered as part of sector development rather than only as an IT procurement topic.

8. Regional Analysis

8.1 North America

The public Next Move Strategy Consulting analysis identifies North America as the market leader, supported by U.S. digital incumbents and platform vendors that are scaling AI-first insurance and distribution. The region also benefits from a mature software ecosystem, deep enterprise technology procurement capabilities, and an established concentration of insurance technology vendors. For B2B participants, this creates a high-value reference market where product credibility can be established through large insurer deployments.

Regulatory conditions remain a central design consideration. The National Association of Insurance Commissioners' 2026 materials describe AI use across underwriting, pricing, customer service, claims, marketing, and fraud detection and emphasize the need for regulatory attention. A May 2026 Journal of Insurance Regulation article further reviews AI and insurance regulation, including state approaches and regulatory guidance. The implication for technology suppliers is that U.S. commercialization requires strong evidence of governance, model oversight, and documented controls.

Guidewire's 2026 activity illustrates the region's emphasis on platform-led AI. ProNavigator was launched as an AI assistant embedded in core insurance workflows, and Qusar introduced an agentic framework for insurers. CCC's 2026 results and corporate materials likewise emphasize SaaS, AI-enabled workflows, and a connected P&C ecosystem. These developments suggest that North American competition increasingly centers on the ability to combine AI with a deep workflow footprint.

For procurement leaders, North America provides access to a wide vendor ecosystem but also raises the bar for enterprise readiness. Buyers can compare multiple specialist and platform options, increasing pressure on vendors to demonstrate measurable outcomes, integration speed, security, and implementation capacity. Partnerships with core platform providers, systems integrators, and data vendors can materially influence market access.

8.2 Europe

Next Move Strategy Consulting describes Europe as a substantial and expanding regional market, with open insurance and embedded finance initiatives supporting innovation. The 2026 European regulatory environment adds another dimension. EIOPA's September 2026 publication describes AI as moving from

experimentation toward established use and highlights cyber, operational, and concentration risks associated with increasing AI dependence. Its June 2026 DORA incident report also reinforces the need for coordinated ICT incident management and resilience.

European procurement is therefore likely to place unusually strong emphasis on governance, auditability, and operational resilience. AI tools used for risk assessment and pricing must be evaluated not only for accuracy but also for how decisions can be explained and documented. Technology vendors may need to provide stronger evidence of data lineage, human oversight, model change management, and third-party risk controls.

Europe also offers favorable partnership conditions for embedded models because banks, insurers, platforms, and intermediaries can create shared data and distribution ecosystems. The business opportunity is to build reusable interfaces that allow multiple partners to connect without creating a separate technology stack for each market. Compliance localization remains essential because product governance and supervisory expectations can vary by jurisdiction even within the broader European framework.

A further opportunity is cross-border specialization. Vendors that can combine a standardized product core with country-level data, language, regulatory, and filing capabilities may be able to expand more efficiently than vendors that operate separate architectures for each market. This favors modularity and strong configuration management.

8.3 Asia-Pacific

Next Move Strategy Consulting identifies Asia-Pacific as the fastest expanding regional market, citing rising digital adoption, mobile-first ecosystems, super-apps, digital wallets, cloud-native platforms, and insurer-fintech partnerships. The region's diversity creates a wide range of enterprise conditions, from highly digitized insurance markets to markets where technology adoption remains more selective.

2026 business activity supports the importance of actuarial modernization in the region. Akur8 announced a collaboration with Malaysia-based Tune Protect in April 2026 to strengthen general insurance pricing capabilities, while its broader 2026 expansion into life and annuity actuarial modeling illustrates the development of reusable technology across product lines. These developments point toward a regional opportunity for specialist vendors that can adapt sophisticated technology to local operating requirements.

The enterprise challenge in Asia-Pacific is localization. Technology must fit local products, data practices, regulatory structures, languages, distribution models, and payment environments. A platform architecture that separates shared software components from local configuration can reduce deployment costs. Strategic partnerships with local insurers, brokers, and financial technology firms can also lower market entry barriers.

For investors, the region offers a combination of high growth potential and execution complexity. The most defensible strategies may be those that prioritize a small number of anchor markets and build a reusable regional architecture instead of attempting broad geographic expansion immediately.

8.4 Latin America

Next Move Strategy Consulting groups Latin America within the Rest of the World and describes the region as a setting where financial inclusion initiatives and partnerships among insurers, fintech innovators, and telecom operators can support expansion. The commercial opportunity is closely linked to digital distribution and the ability to serve underserved or fragmented customer groups through lower-cost operating models.

2026 regional digital development priorities provide a supporting context. The Inter-American Development Bank has continued to emphasize digital integration, interoperable digital services, stronger regulation, connectivity, and firm capabilities in the region. For insurtech vendors, these conditions increase the potential value of APIs, digital identity, data-sharing infrastructure, and partner-led distribution.

Technology adoption in Latin America can be accelerated through partnership models because insurers may not want to build every capability internally. Banks, payment firms, telecom operators, and digital platforms can become distribution or infrastructure partners. This makes commercial orchestration a central part of the B2B strategy. Vendors that can integrate with local payment and identity systems may have an advantage in reducing deployment friction.

8.5 Middle East and Africa

The Rest of the World analysis by Next Move Strategy Consulting includes the Middle East and Africa and identifies technology-driven collaborations and financial inclusion as opportunities. The region contains both high-income insurance markets with sophisticated enterprise systems and underpenetrated markets where mobile-first and partner-led models can be more appropriate.

2026 developments illustrate the role of institutional investment. The African Development Bank approved a USD 510,000 grant in April 2026 to Morocco's Insurance and Social Welfare Supervisory Authority to support innovative technologies and financial inclusion in insurance. In June 2026, the African Development Bank also approved a USD 125 million equity investment in the African Trade Insurance Agency to expand trade, credit, and political risk insurance capacity. These actions do not measure insurtech revenue directly, but they show the importance of technology and risk-transfer infrastructure within broader regional insurance development.

South Africa provides a practical enterprise example. In June 2026, Guidewire announced that Santam had gone live on Guidewire cloud to modernize core operations and build a foundation for broader AI and automation. For vendors, the lesson is that enterprise cloud modernization can precede more advanced AI adoption. In markets with heterogeneous levels of technology maturity, the first commercial opportunity may therefore be core modernization, data consolidation, or workflow digitization rather than advanced autonomous AI.

Table 5. Regional Market Characteristics and B2B Implications

Region	Key Characteristics	B2B Implications
North America	Market leader; strong insurer software ecosystem; active AI platform development	Compete on enterprise governance, integration depth, measurable operating outcomes, and ecosystem partnerships
Europe	Substantial and expanding; open insurance and embedded finance; strong resilience and AI oversight focus	Build privacy, auditability, operational resilience, and regulatory localization into product design
Asia-Pacific	Fastest expanding; mobile-first ecosystems; insurer-fintech partnerships	Use modular localization, partner-led distribution, and scalable cloud architecture
Latin America	Digital integration and financial inclusion opportunities; fragmented operating environments	Prioritize interoperability, digital identity, payment connectivity, and local partnerships
Middle East and Africa	Heterogeneous maturity; financial inclusion and risk-transfer initiatives; modernization opportunities	Balance core-system modernization with selective AI, local partnerships, and resilience requirements

Guidewire's September 2026 financial results described continued customer expansion around its core offerings and increasing emphasis on pricing and AI-focused products. In competitive terms, the observation

matters because it links product expansion with customer commitment rather than treating AI as a stand-alone demonstration. Platform vendors can strengthen commercial defensibility when new AI capabilities are distributed through an installed core-system base.

9. Competitive Landscape

9.1 Competitive Structure

The public Next Move Strategy Consulting page names Oscar Health, ZhongAn Online P&C Insurance, CCC Intelligent Solutions, Root, Guidewire, Duck Creek Technologies, Sapiens International, Majesco, Waterdrop, bolttech, Coalition, Cover Genius, Shift Technology, Tractable, Cambridge Mobile Telematics, Quantexa, Akur8, wefox, NEXT Insurance, and Alan among the major insurtech players. The market is therefore not a single-vendor arena. It includes digital insurers, core software platforms, AI specialists, pricing providers, embedded insurance firms, cyber insurance technology companies, and analytics platforms.

The same source states that 15 companies are profiled in its report scope while naming more firms in its key-player list. Because the public page does not reconcile those two counts, no attempt is made here to infer which companies are included in the profiled subset. For B2B readers, the more important strategic point is that the ecosystem contains multiple competitive archetypes with different sources of defensibility.

9.2 Platform Vendors

Guidewire represents a platform-centered approach in which core insurance workflows become the distribution point for adjacent AI capabilities. Its April 2026 ProNavigator launch embeds AI guidance in InsuranceSuite and InsuranceNow, while the August 2026 Qusar release introduces an agentic framework with access to policy, claims, and billing data and workflows. The September 2026 West Bend announcement further connects cloud deployment with an AI-ready claims data foundation.

Sapiens is also moving toward an integrated platform model. Its September 2026 launch of SapiensAIP positions a SaaS architecture with agentic tools across underwriting, policy, billing, claims, and customer engagement. The competitive implication is that platform vendors can capture value by owning the context in which AI operates. That position can reduce integration friction but also makes vendor interoperability and data portability more important procurement questions.

9.3 Claims and Connected Workflow Specialists

CCC Intelligent Solutions focuses on SaaS and AI-enabled workflows in the P&C insurance economy. Its 2026 quarterly reporting emphasizes continued adoption of AI-based solutions and the role of data, workflows, and ecosystem connectivity. The strategic value of this model is network reach: when a platform links insurers with repairers, automakers, suppliers, and other businesses, each additional participant can strengthen the operational usefulness of the network.

Tractable illustrates a more specialized claims approach centered on computer vision. Its May 2026 collaboration with Foyer uses photographs to support motor claims assessment. The opportunity for specialists is to own a narrow high-value workflow while integrating with existing cores. Their competitive challenge is maintaining relevance as core platform vendors increasingly add native AI functions.

9.4 AI, Fraud, and Decisioning Specialists

Shift Technology remains an important specialist model because its 2026 five-year renewal with AXA covers AI-driven decisioning in claims, fraud detection, and underwriting. The duration of the renewed relationship signals the commercial importance of long-term enterprise partnerships for AI providers. Such

relationships can reduce vendor churn and create deep process knowledge, but they also raise the bar for delivery credibility and governance.

Akur8 demonstrates another specialist route, focused on actuarial pricing and reserving. Its 2026 acquisitions and alliances broaden the platform from pricing into life and annuity modeling, regulatory intelligence, and core-system connectivity. The strategy expands the addressable workflow while preserving an actuarial center of gravity.

9.5 Digital Insurers and Embedded Models

Digital insurers such as Oscar Health, ZhongAn, Root, NEXT Insurance, Alan, Waterdrop, and wefox occupy a different competitive archetype because they operate insurance businesses as well as technology-enabled processes. Their strategic relevance lies in demonstrating how technology can be integrated with product design, distribution, underwriting, and servicing. Embedded specialists such as bolttech and Cover Genius similarly compete through the ability to connect insurance products to external commercial ecosystems.

B2B buyers should distinguish between buying technology from a digital insurer and buying technology from a software vendor. The former may provide operating-model knowledge and product expertise, while the latter may provide greater architectural neutrality. The best partner structure depends on whether the buyer seeks technology alone, co-development, product capacity, or distribution.

9.6 Competitive Differentiation in 2026

The most visible 2026 differentiators are moving toward AI embedded in workflows, interoperability with core platforms, regulatory intelligence, and partner ecosystems. Product claims about AI alone are becoming less distinctive because multiple vendors now offer machine learning or generative and agentic capabilities. Enterprise value will increasingly depend on how well the technology performs within a governed operating environment.

Table 6. Competitive Landscape and Business Relevance

Company	Primary Focus Evident in 2026 Activity	Key Business Relevance
Guidewire	Core P&C insurance platform; embedded AI; agentic framework	Workflow context, cloud modernization, and controlled AI deployment
Sapiens	Core insurance software with AI-native platform capabilities	Broad process coverage and integration of AI into core systems
CCC Intelligent Solutions	SaaS and AI-enabled P&C insurance workflows	Connected ecosystem, claims automation, and network data
Shift Technology	AI-enabled claims, fraud, and underwriting decisioning	Specialist decision support with long-term enterprise relationships
Tractable	Computer vision for claims and repair workflows	Visual damage assessment and claims acceleration
Akur8	Actuarial pricing and reserving AI; regulatory intelligence	Pricing modernization, transparency, and actuarial workflow integration
Coalition	Cyber risk and active insurance technology	Technology-enabled cyber risk management and insurance linkage

Cambridge Mobile Telematics	Telematics-oriented insurance technology	Connected risk signals and usage-driven underwriting potential
Quantexa	Data and analytics for risk intelligence	Data-centric decisioning, fraud, and relationship intelligence
bolttech	Embedded insurance ecosystem and distribution	Partner-led insurance infrastructure and cross-channel enablement
Cover Genius	Embedded protection and digital distribution	Insurance integration into commerce and platform journeys
NEXT Insurance	Digital small-business insurance operations	Digitally enabled commercial insurance distribution and servicing

10. Recent Industry Developments

10.1 Guidewire's AI Platform Expansion

In April 2026, Guidewire launched ProNavigator, an AI assistant embedded directly into its InsuranceSuite and InsuranceNow applications. The company described the product as providing role-specific intelligence to underwriters, claims adjusters, billing specialists, and customer service representatives. In August 2026, the Qusar release expanded the approach through an agentic framework that allows insurers to build, deploy, and manage AI agents on Guidewire Cloud Platform. The developments indicate a move from separate AI tools toward AI functions embedded within core insurance workflows.

For enterprise buyers, the shift reduces one category of integration work because the AI capability is delivered within the established application environment. It also changes governance requirements because AI actions can affect critical workflows. The procurement question becomes how much control insurers retain over models, data access, permissions, and agent behavior.

10.2 SapiensAIP Launch

Sapiens announced its AI-native Autonomous Insurance Platform on September 14, 2026. The company describes a modern SaaS platform with agentic tools across underwriting, policy, billing, claims, and customer engagement and a three-layer architecture spanning experience, intelligence, and foundation capabilities. The launch reflects a broader movement toward AI becoming part of the insurance application stack rather than a separate analytics component.

10.3 Akur8 Expansion Through Acquisitions and Partnerships

Akur8 acquired Matrisk in January 2026 to add AI-driven regulatory filing search and market intelligence. In March 2026, it acquired Slope Software, extending its actuarial capabilities into life and annuity insurance. In August 2026, its Guidewire Marketplace accelerator was launched to connect Deploy with PolicyCenter and reduce custom integration requirements. Together, these moves show a strategy of expanding workflow scope while reducing barriers to enterprise adoption.

10.4 Shift Technology and AXA Renewal

Shift Technology announced in March 2026 that it and AXA had renewed their strategic partnership for five years, extending collaboration across 15 countries and AI-driven processes in claims, fraud detection, and underwriting. The development is relevant because it demonstrates the importance of long-term deployment

relationships for specialized AI vendors. Enterprise insurance technology is often too embedded in operational processes to be treated as a short-term pilot.

10.5 Tractable and Foyer Motor Claims Partnership

In May 2026, Foyer and Tractable announced a strategic partnership using image-based AI to support motor claims management. The solution analyzes photographs of damage to facilitate immediate assessment of suitable claims. The business implication is that visual AI can be embedded into a claims workflow while reducing administrative and physical inspection steps for simpler cases.

10.6 CCC Intelligent Solutions 2026 Operating Momentum

CCC's second-quarter 2026 results described continued deployment of AI operationally at scale and emphasized the role of data, workflows, ecosystem connectivity, and guidance capabilities. The company's positioning illustrates a network-based approach to insurtech, where a broad set of participants can transact and exchange information through shared technology infrastructure.

10.7 Santam Cloud Modernization

In June 2026, Guidewire announced that Santam had gone live on Guidewire Cloud in South Africa. The deployment was described as a foundation for continuous innovation and broader use of AI and automation across underwriting, claims, and customer service. The development demonstrates the sequencing that often underlies transformation in established insurers: core modernization and reliable data come before broad AI scaling.

10.8 2026 Insurance Distribution and Regulatory Change in India

In September 2026, Reuters reported that India's Insurance Regulatory and Development Authority had proposed changes to insurance commission structures, including lower first-year commission limits for certain health and life insurance products and other distribution reforms. The proposal illustrates why insurtech providers operating in distribution must treat commercial regulation as part of product design. Changes in compensation structures can affect channel economics, partner incentives, and the business case for digital distribution.

10.9 Supervisory Focus on AI and Cyber Resilience

In July 2026, the European Supervisory Authorities supported an ESRB warning on systemic cyber risks from frontier AI models. The authorities noted that AI-driven tools can increase the speed and severity of cyber attacks and emphasized the role of DORA and the AI Act in the EU risk framework. IAIS also identified digital innovation, AI, SupTech, and operational resilience as priorities in its 2026 to 2027 roadmap. These developments indicate that AI governance is becoming an industry-wide supervisory concern rather than a technology procurement detail.

11. Future Outlook

11.1 2026 to 2027: From Pilot Density to Production Discipline

The near-term outlook is likely to be shaped by the need to convert AI experimentation into controlled production. The 2026 launches from Guidewire and Sapiens suggest that vendors are building AI into the platforms where work already occurs. At the same time, regulatory bodies are increasing attention to model governance, operational resilience, and cyber risk. This combination should favor use cases with clear process ownership and measurable outcomes.

The strongest deployments are likely to be those that can be bounded by business rules and human approval. Underwriting assistance, claims triage, document processing, fraud investigation support, and actuarial

research are examples where AI can augment professional judgment while maintaining a clear control structure. The commercial challenge will be to establish evidence that the tool improves speed or accuracy without creating new material risk.

11.2 2027 to 2028: Platform Consolidation and Interoperability

As the number of AI tools increases, insurers are likely to face tool sprawl. Multiple assistants, models, data pipelines, and specialist applications can create duplicated capabilities. This should increase demand for platform orchestration, common governance layers, and marketplaces. Vendors that can serve as integration points may capture more value than vendors that provide isolated functions.

Interoperability can also become a competitive requirement. Buyers may demand support for standard APIs, portable data structures, model interchange, and transparent logging. This does not mean that all components will become interchangeable. Deep workflow context can remain a source of differentiation, but interfaces should allow insurers to add or replace specialist capabilities without rebuilding the entire architecture.

11.3 2028 to 2030: Risk-Adjusted Automation

By the later years of the forecast period, the market opportunity is likely to depend less on whether AI is present and more on where automation is economically and regulatorily justified. High-volume low-variance workflows can support greater automation, while high-impact or low-frequency decisions may retain stronger human controls. This creates a risk-adjusted automation model in which the level of autonomy is matched to consequence, reversibility, and data quality.

The value of technology will therefore be measured through a wider set of indicators. These can include cycle time, manual handling rate, pricing model development time, claims leakage, fraud detection yield, service productivity, deployment frequency, control effectiveness, and cost to serve. A mature enterprise technology strategy should define these metrics before scaling.

11.4 Investment Priorities

Investment is likely to concentrate in four capability clusters: cloud-native core platforms, governed AI, data and decision infrastructure, and ecosystem integration. Each cluster supports the others. Cloud provides deployment scale, data provides context, AI provides decision support, and integration enables those capabilities to reach business processes and distribution channels.

For investors, recurring software economics should be considered alongside implementation leverage and customer concentration. A vendor with strong product adoption but very high services intensity may have less scalable economics than one that can deploy through standard connectors. Acquisitions are likely to remain attractive where they add adjacent workflows, reusable data assets, or access to new buyer groups. The Akur8 acquisitions in 2026 provide examples of this expansion logic.

11.5 Regulatory Outlook

Regulation is likely to become more operational. Supervisors are increasingly focused on how AI is used inside insurance processes, how decisions can be governed, and how technology dependencies affect resilience. DORA-related reporting and EIOPA's AI work indicate that technology governance is moving into routine risk management. Insurers should therefore expect more scrutiny of model inventories, third-party dependencies, cyber controls, data practices, and human oversight.

11.6 Commercialization Model

The most durable commercialization models are likely to combine subscription software with implementation accelerators, ecosystem partnerships, and specialized services. This structure can reduce adoption friction without forcing every buyer into a fully customized deployment. Platform marketplaces,

partner networks, and preconfigured integrations can become important assets because they convert technical compatibility into a repeatable sales motion.

For new entrants, the opportunity is to choose a narrow problem with clear economic value and build deep compatibility with the systems insurers already use. For established vendors, the opportunity is to extend from core workflows into AI, data, and ecosystem services. For investors, the strategic signal is whether a company can turn a single point solution into a durable platform relationship.

11.7 Enterprise Readiness and Scaling Discipline

Enterprise readiness should be treated as a measurable capability rather than a descriptive label. A buyer can test readiness through five linked questions: whether the technology can enter the target architecture without disproportionate custom work, whether data can be governed throughout the lifecycle, whether users can operate the capability within defined decision rights, whether the vendor can sustain service performance at scale, and whether the deployment can survive regulatory or business model change. These questions convert an abstract assessment of technological sophistication into a procurement framework that can be evidenced during due diligence.

Architecture readiness begins with interfaces and data structures. A solution that relies on undocumented dependencies can become difficult to scale across lines of business or jurisdictions. Buyers should request interface documentation, data dictionaries, security boundaries, integration patterns, and explicit descriptions of which functions are configurable. The 2026 emphasis on platform marketplaces and accelerators reinforces the economic value of this discipline. Standardized connectors reduce project variability, and lower implementation variability can improve forecast accuracy for transformation budgets.

Operational readiness requires a clear ownership model. The business should know who owns model performance, who approves material changes, who handles exceptions, and who can suspend automated activity. For agentic systems, this becomes especially important because an AI agent can move across multiple workflow steps. The most useful control design separates the right to recommend from the right to execute and distinguishes reversible administrative actions from decisions with material financial, underwriting, or claims consequences.

Data readiness is equally important. AI adoption increases the value of consistent identifiers, structured claims records, usable policy histories, and documented data provenance. It also increases the cost of poor data because errors can be amplified through automation. Enterprise data programs should therefore connect technology procurement with data-quality objectives. Rather than treating data cleanup as a separate IT project, buyers can define data requirements as contractual implementation milestones and link acceptance criteria to measurable completeness, accuracy, timeliness, and lineage.

Workforce readiness is not simply a training issue. When AI changes the sequence of work, the organization must decide which tasks disappear, which new tasks emerge, and which controls become the responsibility of professional staff. An underwriter using AI for submission triage, for example, may spend less time searching for information and more time reviewing exceptions. A claims team using computer vision may spend less time on routine assessment and more time on complex cases. The economic outcome depends on whether job design, performance measures, and escalation pathways are redesigned alongside the technology.

Vendor readiness should also be tested under stress. Contracting teams can assess incident response, business continuity, subcontractor dependencies, product roadmap governance, and exit provisions. The purpose is not to eliminate all third-party risk. Insurance technology depends on specialized vendors, cloud infrastructure, and data providers. The goal is to keep dependency visible and to ensure that a business-critical workflow has a credible continuity plan. EIOPA and the European Supervisory Authorities' 2026 work on ICT

incidents, AI-enabled cyber risk, and operational resilience makes this an increasingly material procurement dimension.

Scaling discipline connects these readiness measures to capital allocation. An insurer can establish staged deployment gates: proof of technical fit, controlled pilot, limited production, expansion to adjacent workflows, and enterprise rollout. Each gate should require evidence appropriate to the risk of the use case. Low-consequence administrative automation may scale rapidly, while AI that influences pricing, coverage, or claim outcomes may require stronger validation and monitoring. This staged model can reduce the risk of both premature scale and indefinite experimentation.

For technology vendors, enterprise readiness can become a growth asset in its own right. Documentation, implementation accelerators, reference architectures, audit tooling, model governance, and partner certifications shorten the distance between contract signature and production value. A vendor that invests in these capabilities may improve both sales conversion and customer retention because the technology becomes easier to deploy and harder to replace. In an environment where many firms can demonstrate AI functionality, deployment reliability can become a more durable source of differentiation than feature novelty alone.

12. Conclusion

12.1 Key Findings

The current insurtech environment is defined by the convergence of enterprise software modernization, artificial intelligence, cloud infrastructure, data reuse, embedded distribution, and tighter technology governance. The public May 2026 analysis by Next Move Strategy Consulting places the market at USD 30.27 billion in 2025 and forecasts USD 254.64 billion by 2030 at a 53.1% compound annual growth rate. The implied scale of expansion creates a large potential demand pool for platforms, specialist applications, data services, integration, and managed technology.

The most consequential change in 2026 is the migration of AI into the systems where insurance decisions and operations occur. Guidewire and Sapiens are integrating AI and agentic capabilities into core platforms, while Shift Technology, Tractable, Akur8, and CCC demonstrate specialist approaches centered on fraud, claims, actuarial pricing, and connected P&C workflows. The common thread is not AI novelty but operational embedding.

Regulation and resilience are becoming equally important. EIOPA, the European Supervisory Authorities, IAIS, and the National Association of Insurance Commissioners are increasing attention to AI governance, ICT resilience, cyber risk, and third-party dependencies. This means that compliance readiness must be evaluated alongside technology functionality. Vendors that cannot demonstrate governance capabilities may encounter longer sales cycles or narrower deployment scope.

12.2 Strategic B2B Recommendations

Enterprise buyers should begin with workflow economics. Each proposed technology investment should have a clear business owner, a measurable baseline, an integration plan, and an explicit control framework. Procurement should model total lifecycle cost and exit risk, not only purchase price. For AI, the buyer should require clear definitions of data access, model behavior, human oversight, audit logging, and change management.

Technology vendors should build for interoperability. Standard connectors, marketplaces, APIs, and preconfigured integrations can reduce the biggest barriers to enterprise adoption. Product strategy should prioritize explainability and operational controls as first-class features. Commercial teams should align

propositions with the economic role of each buyer, because the value case for an insurer differs from that of a broker, MGA, reinsurer, or embedded partner.

Investors and corporate strategists should evaluate the durability of growth pathways. The most defensible businesses are likely to combine a recurring revenue model with deep workflow integration, differentiated data or decision capabilities, strong partnerships, and credible implementation economics. M&A can accelerate this process when acquisitions expand an existing workflow rather than creating disconnected product silos.

12.3 Industry Implications

The next phase of insurtech is likely to be defined by controlled scale. The market opportunity is substantial, but enterprise insurance technology remains constrained by integration complexity, regulatory accountability, cyber risk, and organizational capacity. Growth will therefore accrue to platforms and specialists that can transform innovation into repeatable deployment.

The operating model of successful B2B insurtech will increasingly look like an ecosystem rather than a stand-alone application. Core platforms, data providers, AI vendors, actuarial systems, integrators, brokers, embedded partners, and insurers will interact through standardized interfaces and shared governance. The resulting competitive landscape will reward firms that can become trusted components of this ecosystem while preserving transparency, resilience, and measurable business value.

12.4 Decision Framework for B2B Stakeholders

Insurers and brokers can organize investment decisions around business process ownership, economic value, control intensity, and ecosystem fit. Process ownership identifies the function that will change, such as underwriting, claims, pricing, distribution, or servicing. Economic value clarifies the expected outcome, such as lower handling cost, faster cycle time, improved pricing governance, broader distribution reach, or stronger fraud controls. Control intensity determines the level of human oversight, validation, logging, and monitoring required. Ecosystem fit addresses the interfaces and partner relationships needed for the capability to work in production.

For investors, a similar framework can be applied at the company level. The first dimension is recurring enterprise value, reflected in the ability of a vendor to remain embedded in critical workflows and expand with its customers. The second is product adjacency, meaning the ability to extend from one high-value use case into related workflows without rebuilding the commercial model. The third is ecosystem leverage, which includes core platform integrations, marketplaces, systems integrator relationships, data partnerships, and insurer reference deployments. The fourth is governance credibility, which becomes more valuable as AI adoption moves into higher-consequence decisions.

For new market entrants, the appropriate entry strategy is usually narrower than the addressable market. A specialist can select one workflow where data is available, value is measurable, and integration is repeatable. The objective should be to prove a narrow economic outcome and then expand through adjacent functions or a partner ecosystem. The 2026 activity of Akur8, for example, demonstrates a model in which pricing capability is broadened through actuarial adjacencies, regulatory intelligence, and core-system connectivity. Such expansion creates a pathway from specialist value to broader enterprise relevance.

For established software vendors, the strategic decision is whether to build, partner, or acquire. Building is suitable when the capability is close to existing data and workflows and can be delivered without excessive duplication. Partnering is useful when specialist expertise is required but a modular interface can preserve customer choice. Acquisition is more compelling when the target adds a strategically important workflow, proprietary data, or a distribution relationship that would take materially longer to develop internally. The

2026 sequence of acquisitions and partnerships across the sector illustrates that ecosystem construction is itself a competitive strategy.

For corporate procurement teams, the final discipline is comparability. Vendors should be evaluated using the same evidence categories: implementation effort, data requirements, control design, integration dependencies, operating support, commercial model, roadmap, and exit provisions. This creates a common decision language across IT, actuarial, underwriting, claims, finance, risk, compliance, and procurement. It also limits the risk that an attractive technical demonstration becomes the dominant factor in a decision that should ultimately be based on enterprise economics and risk.

A practical consequence is that insurtech procurement is becoming a cross-functional governance exercise. The highest-value technology decisions connect operational owners with technology architecture, actuarial and risk functions, legal and compliance, information security, and finance. When these functions evaluate a solution together, the buyer can distinguish between a capability that is technically impressive and one that is economically deployable. That distinction will matter increasingly as the category expands and as AI functionality becomes more common across competing vendor portfolios.

13. References

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