Insurance transformation: The new agenda

How leading insurers are driving successful operational and cost transformation

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July 2025

About the authors

Matthew Smith

Matthew Smith is the global lead for insurance strategy and transformation, and Partner with KPMG in the UK. With over 22 years of experience working in the financial services sector, Matthew works with C-suite leaders to navigate industry challenges and drive strategic and transformational change.

Alissa Ristic

Alissa is a Managing Director in KPMG in the US's Customer and Operations practice. With more than 18 years of consulting and insurance experience across the value chain, Alissa works clients to drive digital transformation, enhance carrier speed to market across multichannel distribution models, and enhance customer and operational excellence.

Jonathan Weir

Jonathan is a Partner in KPMG Canada's Management Consulting Advisory practice, based in Toronto. He leads the P&C insurance industry within Management Consulting and has functional expertise in distribution and operational strategies, transformation leadership and implementation, and technology enablement, having worked alongside brokers, service providers, corporates and startups.

Mark Longworth

Mark Longworth is a Partner in KPMG China's Financial Services Management Consulting Practice, and leads the global insurance Advisory business. Specializing in transformational change, Mark has over 30 years experience across financial services, and has led large-scale transformation programs across the financial services industry, across commercial and personal lines.

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Foreword

As the insurance market evolves and new challenges emerge, insurance leaders and decision-makers are looking to improve their organization's agility, flexibility and cost base. The problem is that many insurance organizations have historically struggled to achieve their transformation and cost objectives. This report aims to explain why and, more importantly, how the leading insurers are successfully delivering on their goals.

Based on a recent survey of more than 250 insurance leaders globally and supported by insights from KPMG's global network of insurance professionals and industry leaders from Empire Life and Covéa Insurance, this report explores the objectives, opportunities and complexities influencing insurance transformation. And it digs into the success factors that are driving the most advanced insurers as they strive for operational and cost transformation.

Developed to help Chief Executive Officers, Chief Technology Officers, Chief Finance Officers, Chief Operations Officers and those responsible for operational and cost transformation at insurance organizations, this report provides industry research and actionable insights to help organizations align, accelerate and enhance their transformation objectives.

Transformation never stops and neither does KPMG. On behalf of KPMG's global network of insurance professionals, we encourage you to contact your KPMG team to learn more about the findings of this report or to discuss your own unique transformation challenges.

Frank Pfaffenzeller
Global Head of Insurance
KPMG International

Matthew Smith
Global Lead for Insurance Strategy and Transformation and Partner
KPMG in the UK

Based on a recent survey of more than

250 insurance

leaders globally and supported by insights from KPMG's global network of insurance professionals, this report explores the objectives, opportunities and complexities influencing insurance transformation.

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Insurance transformation: At a glance

Three big transformations at the top of the insurance agenda

- Embedding AI into new ways of working
- Improving data and analytics capabilities
- Addressing cyber security and fraud

Anticipated cost savings are significant for insurance organizations

75% expect to **cut costs by 10% by 2030**

31% want to **cut costs by more than 20%**

Yet successful transformation has been a challenge

Just **25%** have been highly successful in achieving cost-reduction goals

Only **14%** have been highly successful in achieving transformation goals

Not all insurance leaders think they are ready

41% think they are well positioned to grow revenues

36% think they are well positioned to adapt to changing market dynamics

Source: Insurance transformation: The new agenda, KPMG International, 2025

What are the most successful insurance organizations doing differently?

- They have clearly defined cost objectives
- Their cost and transformation objectives are aligned
- They have a centralized or hub-and-spoke approach
- They have earmarked robust budgets
- They have made leadership accountable

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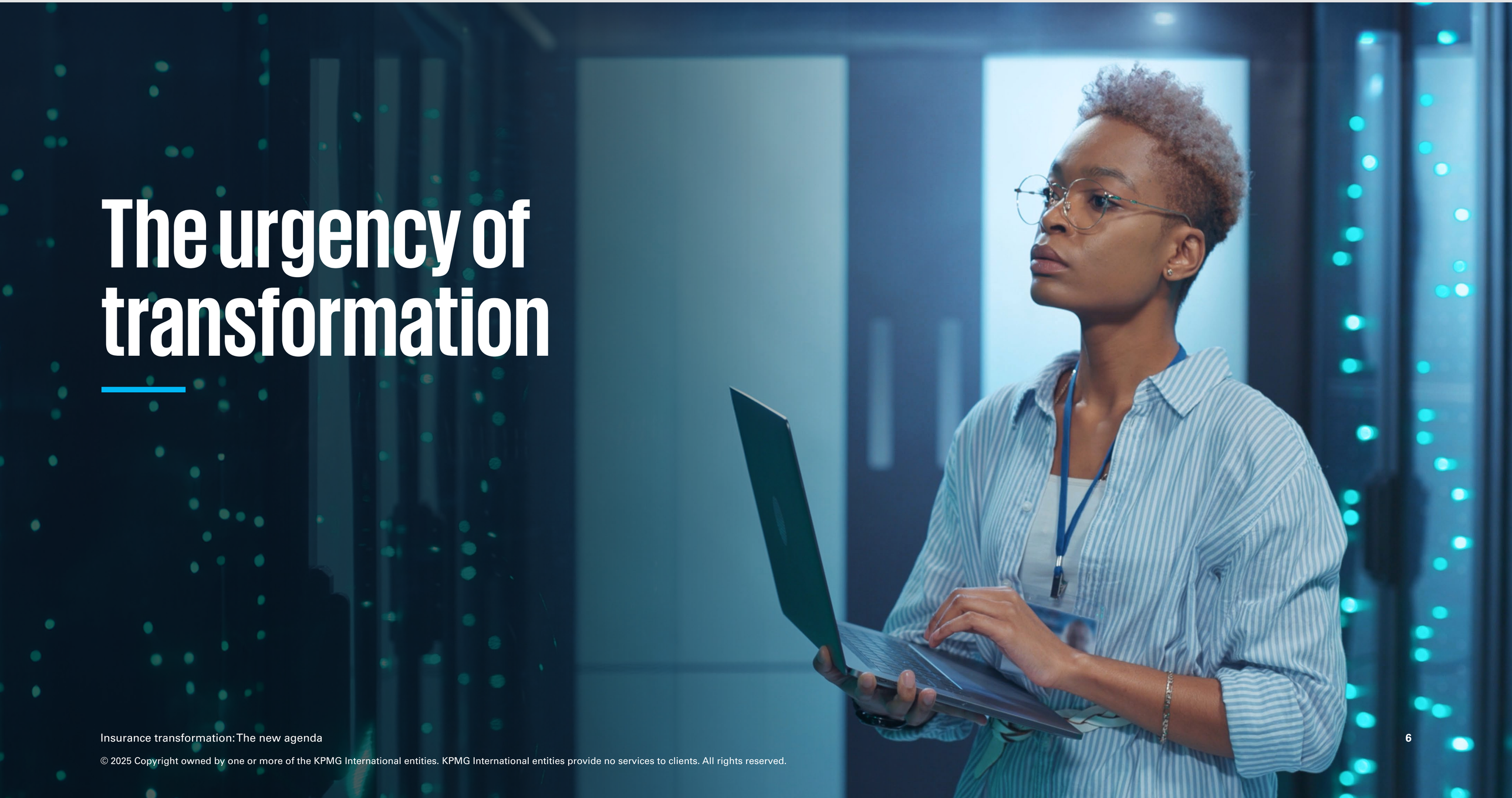
The urgency of transformation



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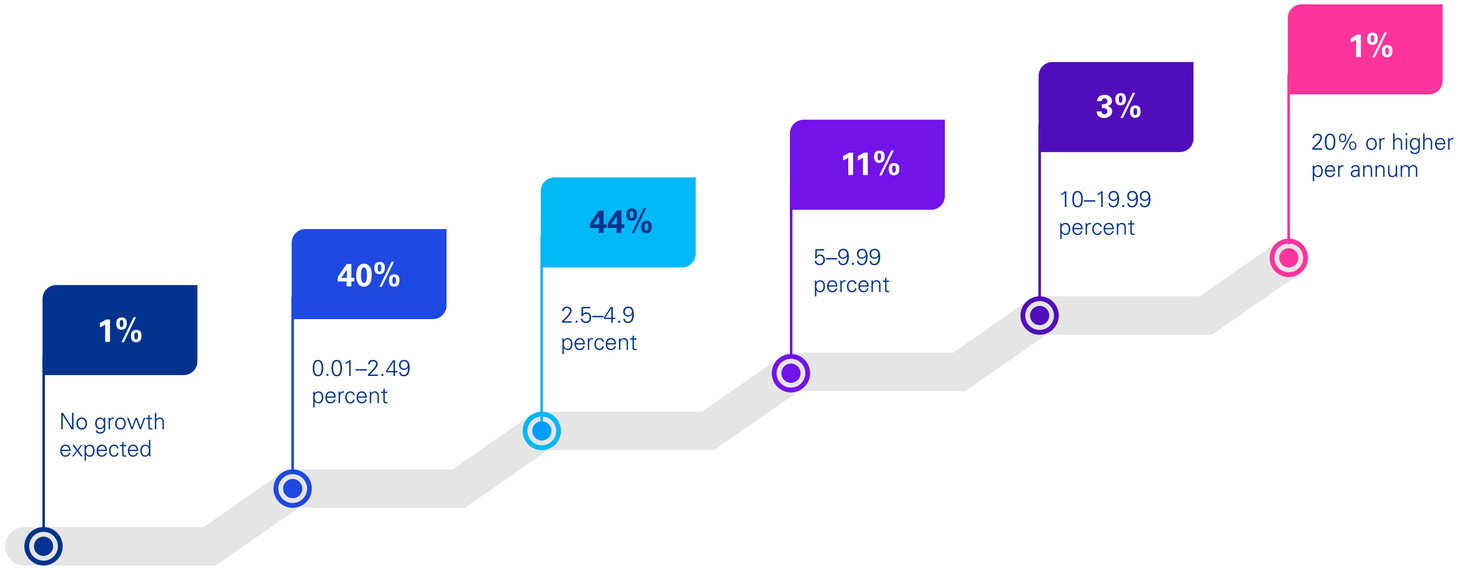
Only 25 percent of transformation and cost initiatives in the insurance sector are considered highly successful by senior executives. On the surface, the industry appears vibrant with organizations adopting new technologies and launching performance-enhancing programs. But beneath this momentum lies a critical question: What sets the true leaders apart? How are high-performing insurance organizations achieving operational efficiency, cutting costs, and building sustainable performance in a rapidly evolving landscape?

Recent data out of the US suggests profitability is up, with combined ratios improving by 5 percentage points in 2024 (to 96.6 percent) and net income up nearly 90 percent over 2023.[1] According to the OECD, insurer profitability improved in 2024 on the back of strong underwriting performance and investment gains.[2]

In the KPMG 2024 Insurance CEO Outlook report, data suggests insurance CEOs are bullish about their growth prospects. In that survey, 73 percent of insurance CEOs said they were confident about their company's growth prospects, with 59 percent predicting that their organization would enjoy earnings growth of more than 2.5 percent over the next three years, and 15 percent expecting earnings growth of more than 5 percent.[3] Growth is clearly on the insurance agenda.

Organizations' earnings outlook in the next three years



Source: KPMG 2024 Insurance CEO Outlook, KPMG International, 2024

[1] Insurance industry posts first profit in four years, Insurance Business, March 19, 2025
[2] Global Insurance Market Trends 2024, OECD, December 17, 2024
[3] KPMG 2024 Insurance CEO Outlook, KPMG International, 2024

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A new reality

Overall industry fundamentals may be strong. However, recent events suggest that the path to growth is becoming more complicated for many insurers. The macroeconomic environment is creating challenges as interest rates fall, fears of a recession mount and the spectre of tariffs harms consumer and investor confidence.

In a recent survey of insurance leaders conducted by Meridian West on behalf of KPMG International, respondents identified their strategic transformation priorities for the next two years. Perhaps not surprisingly, their top priority is to embed AI into new ways of working, followed closely by improving data and analytics capabilities. Both strategies offer insurers new opportunities to transform the organization, improve efficiency and drive out costs. Insurers are also looking to address cyber security risks and better manage regulatory compliance, both prerequisites for enhancing resilience. They also want to improve the customer experience — a goal that will likely be supported by the adoption of new technologies and the management of risk.

"With most insurers enjoying strong margins and cost ratios over the past few years, there has been little impetus to transform the insurance organization in any significant way," adds Bosco Tong, a Director in the Financial Services Management Consulting practice at KPMG Canada. "Yet in the current economic environment, there is a growing recognition that insurers need to become much more efficient and effective if they want to continue to grow the business. Transformation is quickly moving up the agenda."

Areas of strategic importance for insurance organizations

Source: Insurance transformation: The new agenda, KPMG International, 2025

"The rapidly-evolving tariff landscape has forced insurers to dust off their inflation playbooks over the past few months. We are seeing a growing desire among insurers to bring their combined ratios down, increase pricing agility through AI and enhanced data and analytics and improve the customer experience to support their broader growth objectives."

David Montes
Principal, US Deal Advisory and Strategy Insurance Leader
KPMG in the US

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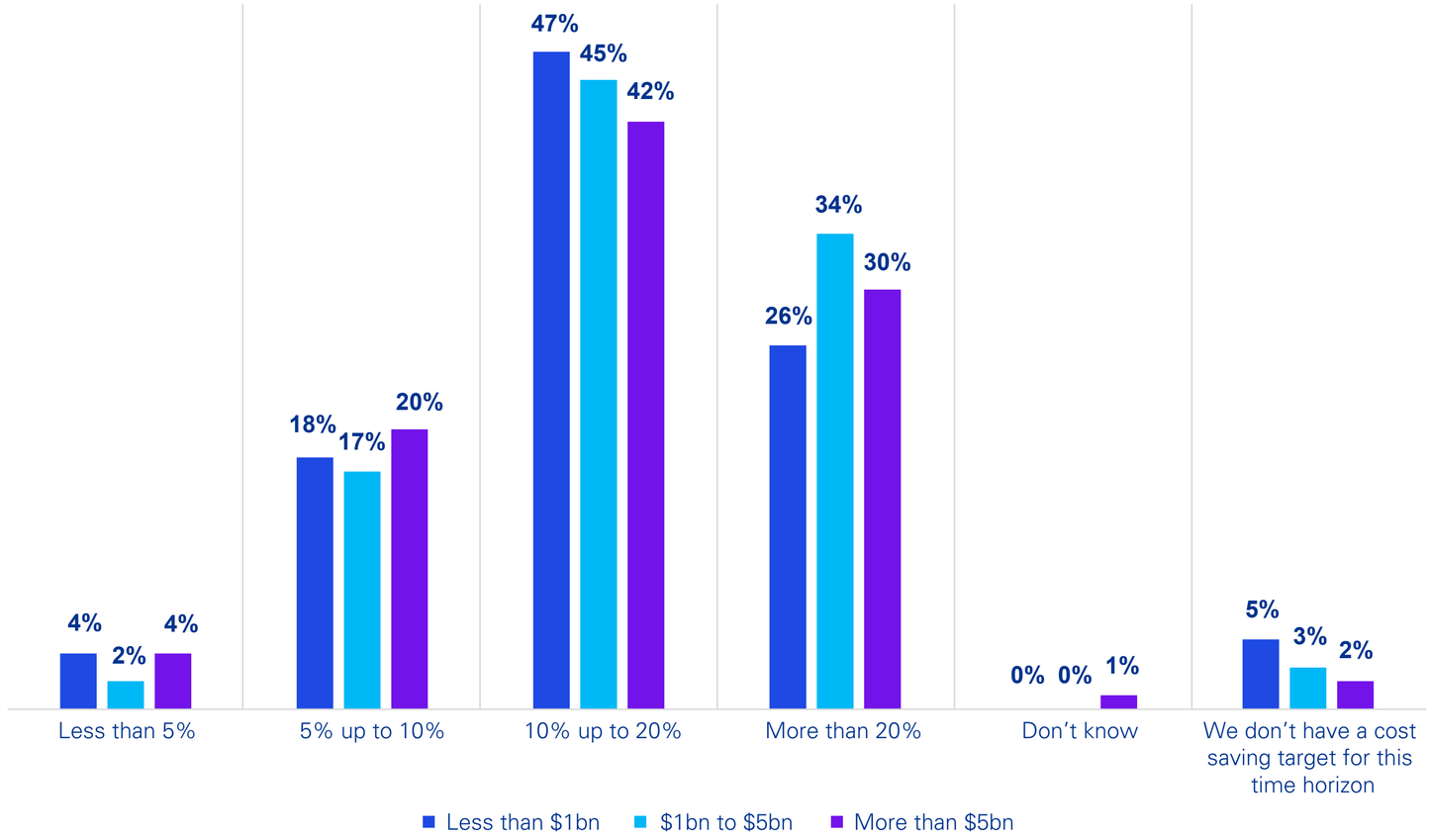
Transforming the cost structure

Our research suggests that insurance leaders expect to achieve significant cost savings as a result of their transformation efforts. In our survey, three-quarters of respondents say they expect to reduce their cost base by at least 10 percent between now and 2030. Nearly a third of respondents have much more aggressive plans, anticipating cost savings of more than 20 percent over the next five years. Mid-sized firms appears to have the greatest ambitions, with nearly 80 percent saying they plan to reduce costs by more than 10 percent, versus 72 percent of large firms and 73 percent of smaller firms.

“In Asia Pacific, industry leaders are focused on ‘efficient growth’ where the 1:1 link between cost and bottom line growth are decoupled. The days of hiring tens of thousands of agents and hoping 10 percent of them will drive 90 percent of the growth are over. Now the focus is on finding the best agents and the right products and then empowering them to grow efficiently.”

Mark Longworth
Global Lead for Insurance Advisory and Partner
KPMG China

Target for 2030: Cost saving as a percentage of current cost base by insurer size



Source: Insurance transformation: The new agenda, KPMG International, 2025

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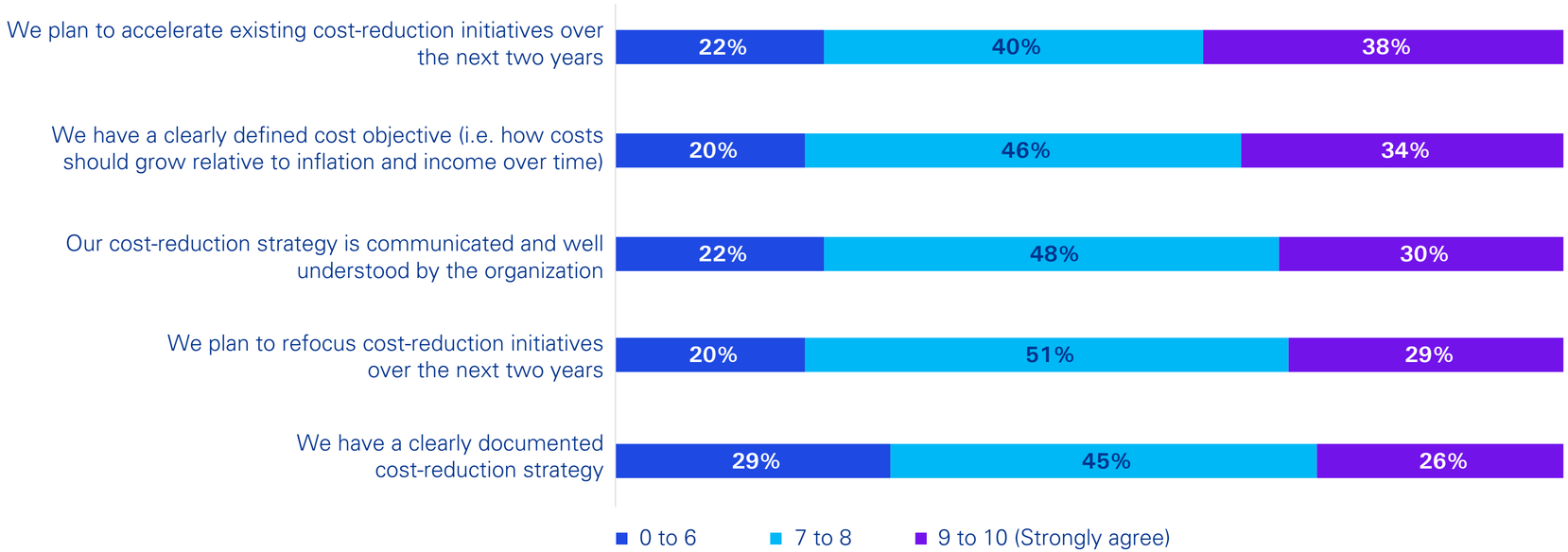
The rapidly changing environment is creating a sense of urgency among insurers globally. According to our data, 78 percent of respondents say they have plans to accelerate their existing cost reduction initiatives over the next two years. Eight in ten say they plan to refocus their cost-reduction initiatives. Larger insurers indicate they plan to be more aggressive in their efforts to reduce costs than smaller insurers. Those based in Europe and Asia are more likely to want to accelerate their efforts than those in the Americas.

"Historically, many organizations default to 'cost out' initiatives to shore up profitability and share prices," says Matthew Smith, Global Lead for Insurance Strategy and Transformation and Partner at KPMG in the UK. "The problem is that these approaches can be relatively unsophisticated and tend to be driven through a financial lens versus an operational efficiency lens, which can lead to more short-term, tactical and often less sustainable outcomes."

Assessment of cost-reduction strategy



Source: Insurance transformation: The new agenda, KPMG International, 2025

78%

of respondents say they have plans to accelerate their existing cost-reduction initiatives over the next two years.

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Industry insights: Empire Life

Alana Hudson
Vice President, Finance at Empire Life

How is Empire Life aligning cost and operational objectives?

Our strategy for aligning cost and operational objectives is based on intentional strategic investment. Business units are empowered to prioritize strategic investments, and it is critical to have the processes and infrastructure to be able to assess and analyze how those investments align with our strategic objectives and associated spend. This approach is beyond simple cost reduction, it's about understanding how our spend aligns with and supports our operational and strategic objectives and outcomes.

What are some of the challenges you face in achieving that alignment?

Data is always a challenge — you want to slice and dice your data in the right way to analyze and focus discussions about your objectives and spend. In transformations more generally, change management is critical to support effective changes to processes and data, leadership alignment, providing clear communication and culture. Effective change management and transformation starts with tone at the top and executive buy-in, particularly when it comes to the upfront spending that often needs to happen in order to achieve long-term goals.

Do you have strong executive support for transformation at Empire Life?

Absolutely. And I'm convinced that's what makes our organization so successful. The support and appropriate challenge from the board and executive leadership has allowed us to r move forward without having to fight for approvals at every step. If we are really spending intentionally and we have that visibility, we can count on having a strong tone from the top through the entire company. You can't be successful without that kind of support.

What advice would you give other insurance leaders?

Don't ever expect the transformation to end. If we want to achieve our long-term goals, we need to be in a constant state of change — always thinking about what's next and what we may need to do differently.

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Delivering the transformation

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Many insurance leaders see the clear linkage between transformation and profitability. In our survey, we asked what activities might deliver the greatest benefit to their organization's profitability.

What we found was that insurance leaders expect to get their biggest bang for their buck from digitalizing key functions, followed closely by the introduction of greater process automation — essentially making the business more efficient. At the same time, our data suggests insurers are also looking to make the business more effective by updating legacy technology architecture and reimagining business processes. That, in turn, should lead to improvements in the cost to serve and cost per customer.

This is leading most insurance organizations to dedicate significant sums of capital to driving transformative outcomes. Indeed, in our survey nearly three-quarters of respondents say they plan to invest more than 15 percent of their Operating Expense (OpEx) budget on transformation activity. Nearly a quarter of our respondents plan to spend more than 30 percent of their OpEx on transformation.

Biggest benefit to profitability for insurance organizations over the next two years

Source: Insurance transformation: The new agenda, KPMG International, 2025

"The key is to make the business more efficient and effective through sustainable transformation. Handing down blunt cost-cutting targets rarely makes for a more effective organization. Real cost transformation comes from doing things better and removing the friction in the ways of working across the enterprise."

Caroline Leong
Partner, KPMG Australia

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Perhaps not surprisingly, the largest proportion of their transformation budgets are earmarked for technology, which is where respondents say they plan to focus about a quarter of their OpEx spend. The remainder would be split equally between process re-engineering (20 percent) portfolio and infrastructure rationalization (19 percent), skills and capabilities (19 percent) and regulatory spend (18 percent).

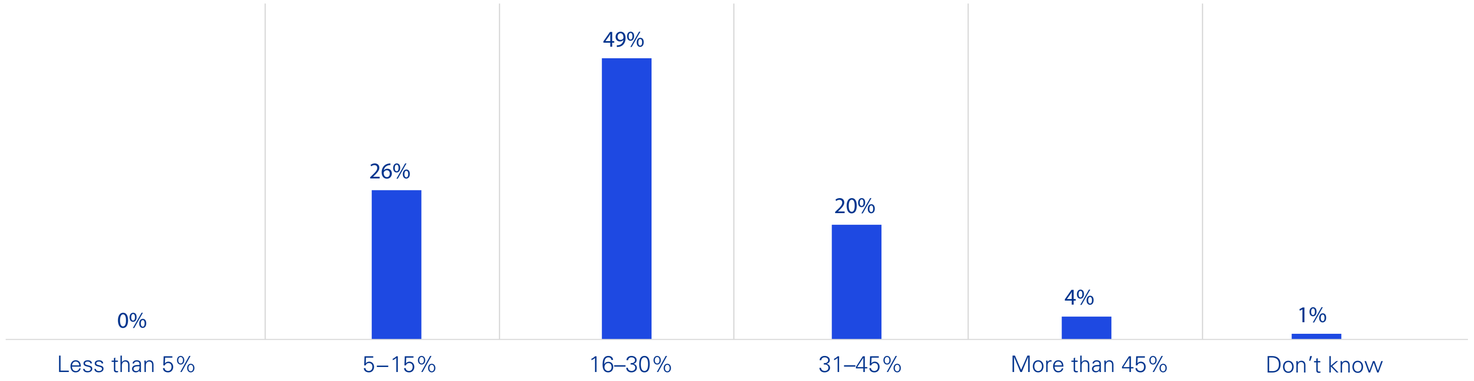
Further reinforcing that view, our survey shows that insurance leaders are seeking transformative outcomes over cost savings. Indeed, most insurers are measuring the success of their transformation and cost initiatives based on realized productivity gains, risk reduction metrics and quality improvements. Reducing the run-rate of the total cost base ranked somewhat lower on the list of success metrics.

Nearly a quarter of our respondents plan to spend more than

30 percent

of their OpEx on transformation.

OpEx invested in transformation



Source: Insurance transformation: The new agenda, KPMG International, 2025

"We are seeing insurers spend significant sums on major technology projects such as modernizing their core underwriting systems, for example. We have also seen a lot of investment flow into emerging technologies, often with mixed results in terms of true efficiency and effectiveness. Big technology budgets don't necessarily lead to big cost improvements."

Matthew Smith
Global Lead for Insurance Strategy and Transformation and Partner
KPMG in the UK

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Beyond technology

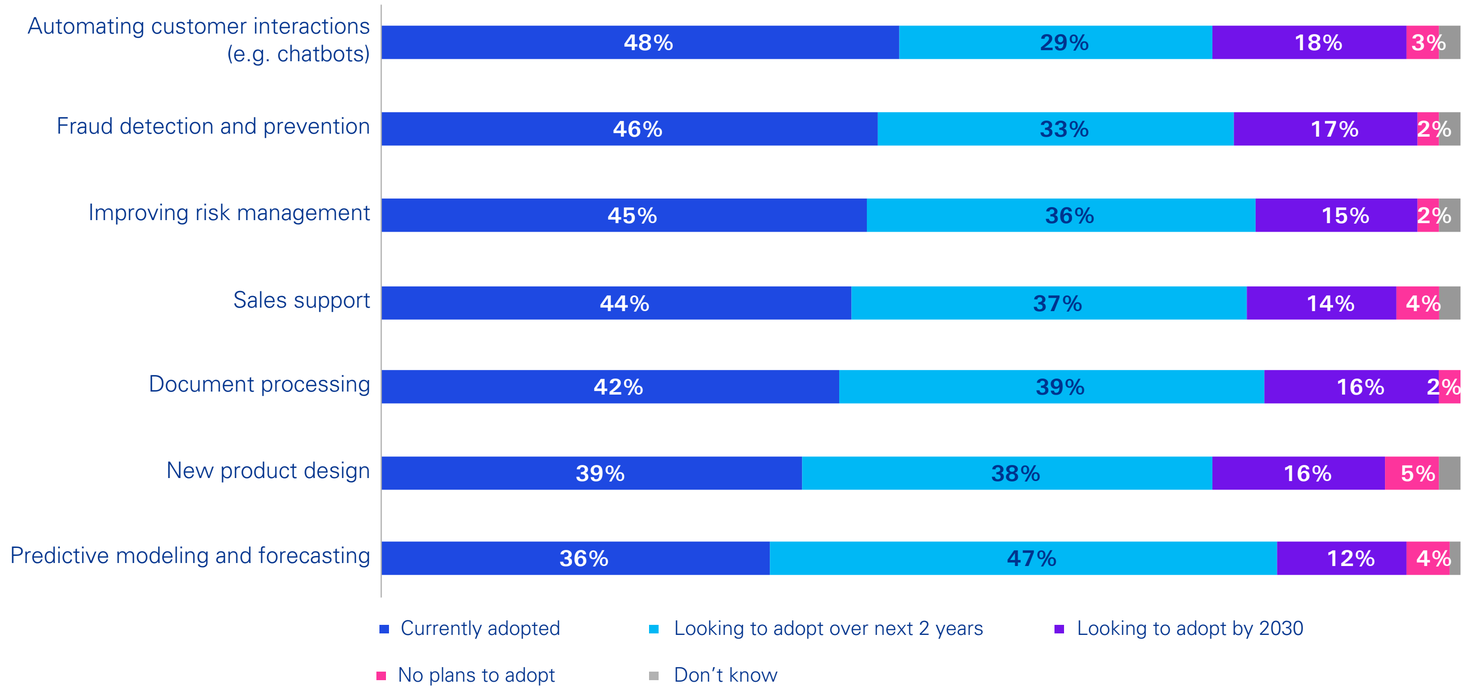
To deliver on their goals, insurers have been implementing a range of new technology-driven approaches aimed at driving transformative outcomes. Nearly eight in ten insurers report that they have either implemented or are about to implement new digital procurement platforms to improve their supply chain management.

Many are also actively implementing AI use cases within specific processes and value streams. For example, 48 percent say they have already adopted AI to improve customer interactions and 29 percent say they will adopt AI in customer interactions within the next two years. A similar number are using automation to enhance their risk management, for example by improving fraud detection and risk management processes.

It's not just new technologies being introduced; it is also new approaches. For example, 40 percent say they have already reinvented parts of their product offering to customers and 38 percent say they are piloting new product approaches (such as parametric insurance products). Partnerships are also taking center stage with 38 percent saying they are engaged in collaborations with startups, 33 percent involved in innovation incubators and 30 percent saying they have acquired an insurtech business.

To support these investments and drive adoption, many leading insurers are coupling their technology investments with workforce transformation initiatives. Forty-two percent of respondents say they have already implemented cross-functional working groups on transformation and an equal number have adopted digital apprenticeship programs. Four in ten have implemented learning and development programs aimed at enhancing transformation and cost-reduction skills and capabilities.

Adoption of AI and automation use cases



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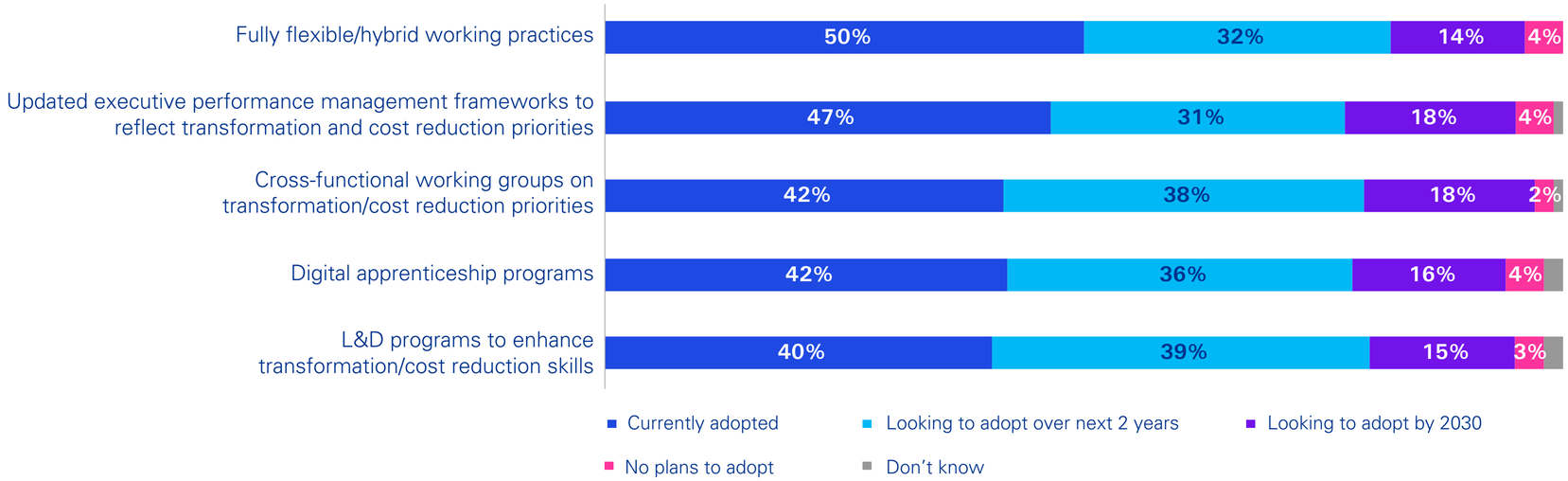
Adoption of workforce transformations



Source: Insurance transformation: The new agenda, KPMG International, 2025

> **"Insurers are significantly increasing investments in advanced technologies and cloud-based solutions to stay competitive and drive operational excellence. However, without parallel efforts to rethink processes around these new solutions and empower the workforce to bring these technologies to life, such innovations are unlikely to deliver the desired gains in cost efficiency and operational effectiveness."**

Simona Scattaglia
Global Insurance Technology Lead and Partner
KPMG in Italy

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Industry insights: Covéa Insurance

Georges de Macedo
Chief Executive Officer
Covéa Insurance

Covéa Insurance has enjoyed a notable turnaround in the past two years. What drove that change?

When I joined Covéa Insurance two years ago, we were in a loss position. Since then, the leadership team has focused the organization on two main objectives. The first is to focus on underwriting better risks for the organization. The second objective is to drive efficiency — we either want to do the same things at lower cost, or do them at the same cost but with better outcomes. I'm happy to report that we delivered a record-breaking profit in 2024 as a result of our transformation activities.

What role did the Covéa Group play versus the UK business in driving that transformation?

With EUR27.7 billion in written premiums and EUR20.5 billion in equity, Covéa Group has a strong market presence. So, we leveraged their global relationship with providers and accelerated our initiatives by adopting some of the tools that were already used within the group. Decision-making and oversight remained with the UK team, which had dedicated resources leading the transformation and overseeing local activities. This approach gave us the best of both worlds — drawing on the Group's scale and capabilities, while maintaining local control and agility.

Is your executive team aligned around accountability for the transformation?

Alignment and accountability has been key to our success. To measure performance of the business, the leadership team introduced common KPIs, targets and objectives, and shifted to working together as members of a unified committee accountable for the performance of the entire company as opposed to leading individual departments. This cultural and structural shift was significant — and ultimately, a key driver of our success.

What have you learned from your experience?

Two key principles stand out. First, I would say to foster innovation — not by simply investing in new technology, but by encouraging new ways of working, evolving cultural norms, and building new capabilities, processes, and governance structures. Technology can support this, but it should not drive it. Second, is to continuously challenge your teams on what they are aiming to achieve. Monitor progress closely, and be prepared to make tough decisions when outcomes fall short. At the heart of both principles comes accountability.

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Unlocking over US$1 billion in savings: A global insurer based in North America

For a global insurance organization based in North America, years of ongoing cost reduction efforts were tried and implemented. However, costs continued to creep back into the business due to poor governance and control. As a result, the CEO created a vision to achieve cost efficiencies and reached out for external support. The organization called on KPMG's network of insurance professionals to help.

Working across 15 different business units, KPMG professionals helped the insurance organization identify US$1.6 billion in potential savings across seven cost levers. With an initial focus on achieving tactical savings and quick wins that could be used to help fund further cost-transformation activities, KPMG examined the organizations' sourcing and procurement, resource optimization and operating model to deliver more than US$500 million in quick wins.

Initiatives spanned driving enterprise change from technology application/hardware optimization, role optimization to streamline the organization, and automation and digitization to enable a new operating model. To enable cost sustainment, KPMG defined and implemented robust portfolio management, expense management and risk management processes. Processes enabled continued and controlled repeatability of cost containment and savings initiatives.

KPMG's work enabled the insurer to secure more than US$1 billion in combined savings, with an additional US$600 million in savings earmarked for future years for further reinvestment and growth.

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Removing barriers

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Transforming the insurance organization and cost base is not easy. In fact, very few industry leaders say their past efforts have fully achieved their transformation and cost goals. Only around a quarter of respondents to our survey say their past efforts have been 'highly successful' in achieving their cost-reduction goals and just 14 percent say they have been 'highly successful' in delivering on their broader operational transformation goals.

Our survey highlights that smaller firms seem to struggle more than their larger peers to achieve a high level of success. Those based in the Americas report marginally higher levels of success achieving cost-reduction goals than those in other regions, but are slightly less successful at achieving their transformation goals.

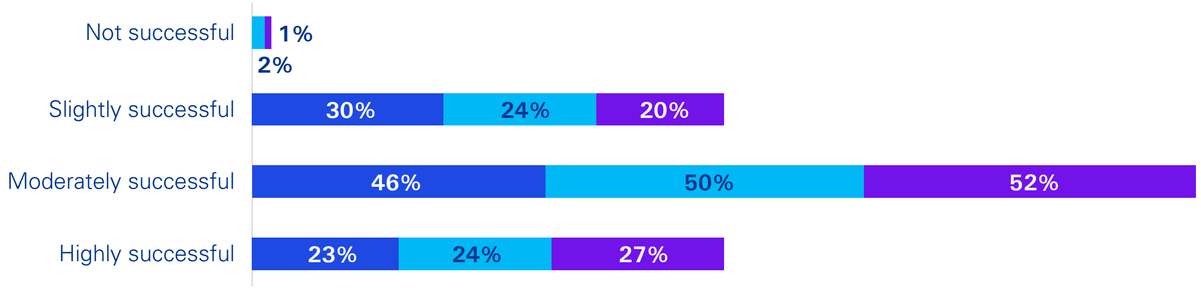
Perhaps more worryingly, our data suggests that many insurance executives lack confidence in their organization's ability to adapt. Just 41 percent think they are well positioned to grow their revenues over the next two years. A similar number voice confidence in their ability to improve profitability. Around a third (36 percent) say they are well positioned to adapt to changing market dynamics.

"Thoughtful planning within business units is required to avoid arbitrary budget reductions that often creep back after the program is complete. For example, addressing the root causes of inefficiency is a great way to identify savings opportunities, but it also ensures the initiatives are sustainable in the long term by increasing productivity and efficiency at the same time."

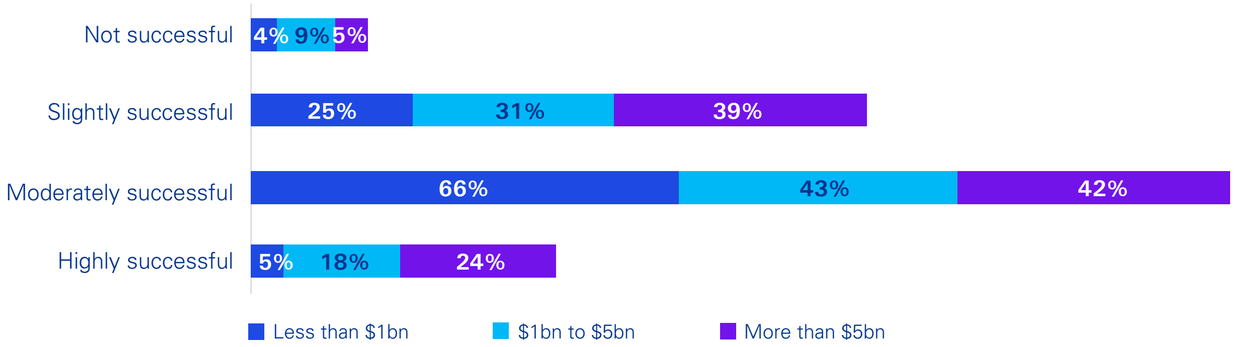
Jonathan Weir
Management and Consulting Partner, KPMG Canada

Success of past transformation efforts by insurer size

Cost-reduction goals



Transformation goals



Source: Insurance transformation: The new agenda, KPMG International, 2025

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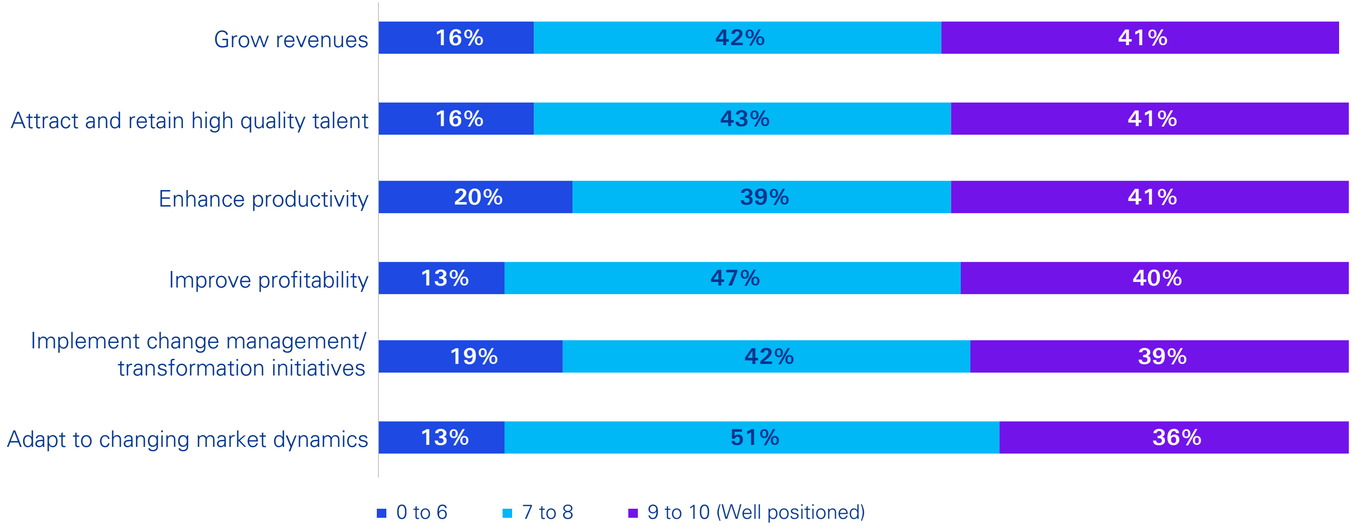
Larger insurance organizations — those with global revenues of more than US$5 billion — believe they are better placed than their peers to adapt to the new demands on their business. More than half of large insurers say they are well positioned to improve profitability (versus a third of mid-sized organizations). And larger firms are more than 50 percent more likely than small firms (those with less than US$1 billion in revenues) to say they are prepared to adapt to changing market dynamics.

Preparedness to achieve key outcomes over the next 2 years



Source: Insurance transformation: The new agenda, KPMG International, 2025

> **“On one hand, insurers recognize that their operating environment is changing rapidly. But, at the same time, they recognize that their past efforts have not delivered the results they were expecting. Insurance leaders know they need to improve the way they go about transforming the organization if they want to deliver on their expected goals.”**

Harry Dee
Director
KPMG in the UK

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Cutting through complexity

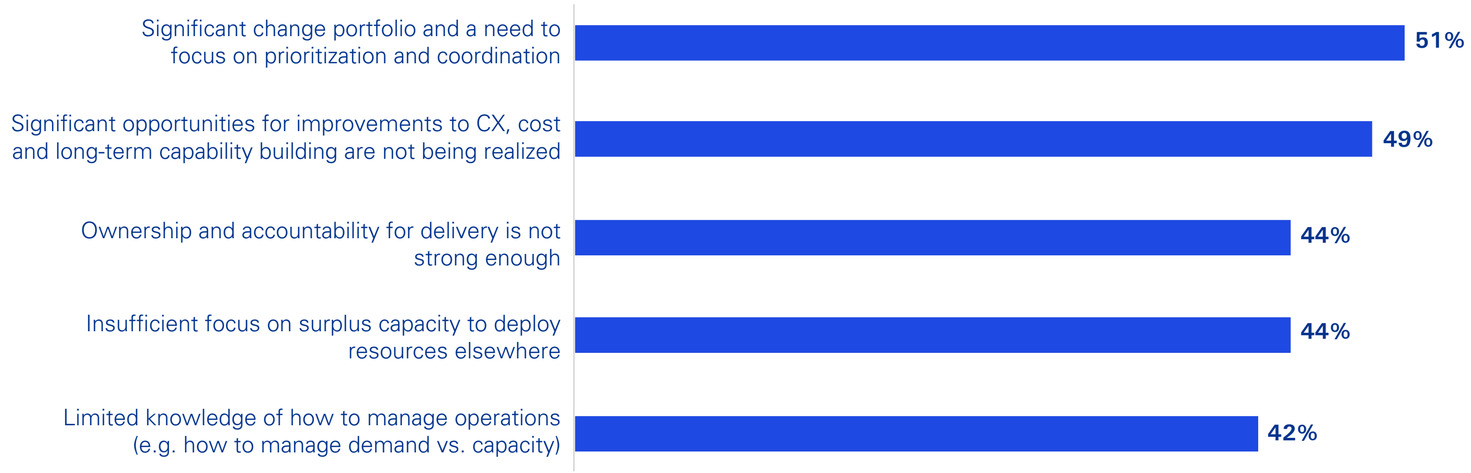
Why are insurers struggling to achieve their cost and transformation goals? Our survey reveals that the biggest challenges seem to stem from an inability to get their arms around their entire change and transformation agenda.

The majority of our respondents say that they struggle with the complexity of it all — they face significant change portfolios but lack focus on prioritization and coordination. Many also say that ownership and accountability for delivery is not strong enough within their organizations. Smaller insurers say significant opportunities for improvements to customer experience (CX), cost and long-term capability building are not being realized.

"Insurance leaders face a broad agenda of transformation pressures — to improve their digital landscape and the technology they are using, to provide a better customer experience, to drive productivity and efficiency — while, at the same time, facing significant pressure to reduce costs," notes Konark Joshi, a Director in the Insurance Advisory practice at KPMG in Singapore. "For many CTOs and CFOs, that leads to a set of conflicting priorities that need to be understood and aligned in order to achieve transformation goals without increasing costs."

At the same time, many report that strategic blind spots are limiting the sustainability of their transformation and cost-reduction activities. Only around a third of insurers say their cost objectives are well defined (smaller organizations claim greater levels of clarity) and just 35 percent say their transformation and cost objectives are 'fully aligned' within their organization (but smaller organizations are less likely to say they are fully aligned).

Barriers to transformation over the next two years



Source: Insurance transformation: The new agenda, KPMG International, 2025

35% of insurance leaders say their transformation and cost objectives are 'fully aligned' within their organization (but smaller organizations are less likely to say they are fully aligned).

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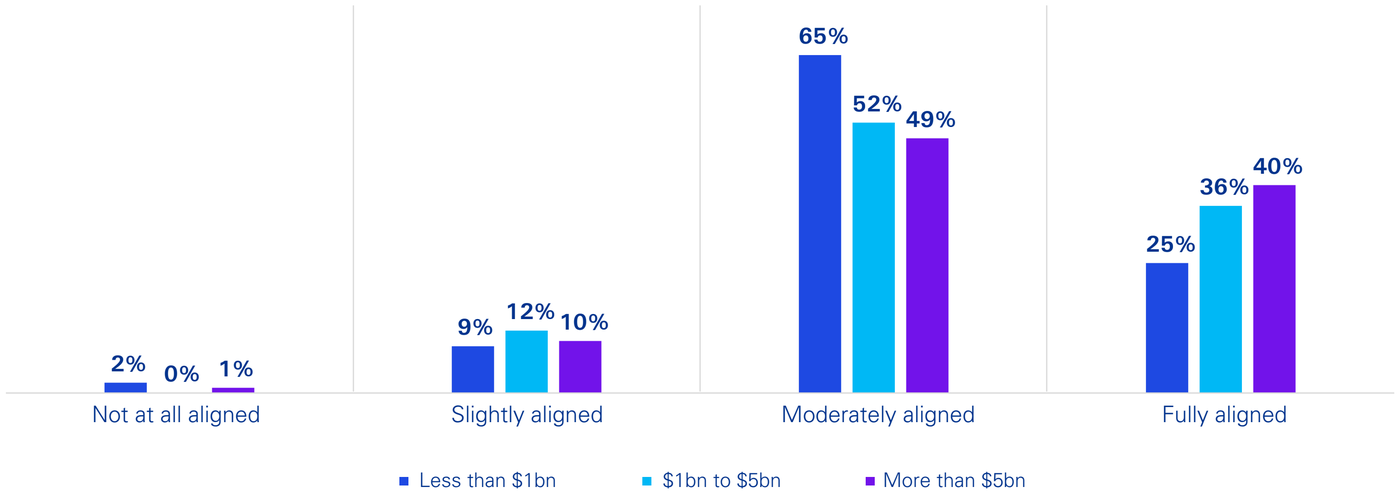
Our data suggests that — for many organizations — the approach to transformation is leading to siloed initiatives and outcomes. Less than four in ten respondents say that their transformation and cost efforts are being executed through a centralized model where initiatives are assessed, planned and prioritized at the enterprise level. One in five say they employ a 'hub-and-spoke' approach where strategies are prioritized centrally but executed at a geographic or functional level.

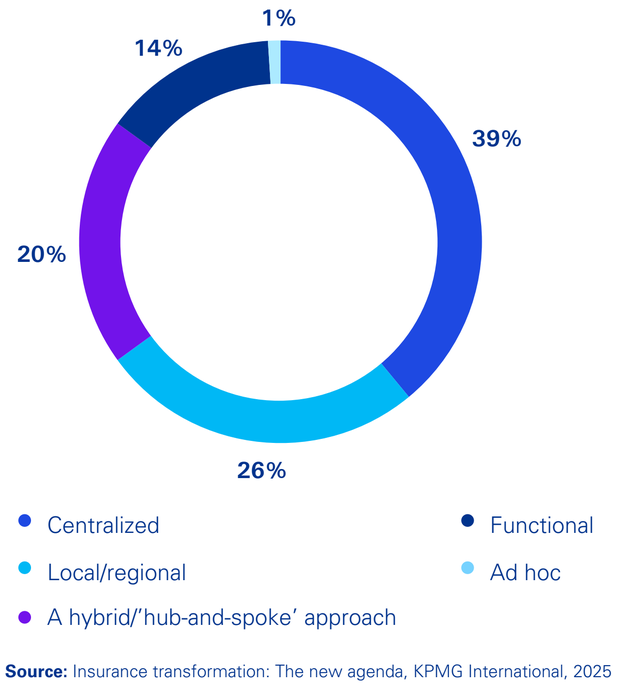
"Depending on your size and geographic coverage, a centralized approach can add new complexities to transformation. In Asia, the need may be quite different depending on where you are focused — different markets have different cost bases, products and customer expectations," notes Mark Longworth. "Many regional and global insurers will likely struggle to achieve a truly centralized approach to transformation across their markets."

Alignment of cost-reduction strategy by organization size



Source: Insurance transformation: The new agenda, KPMG International, 2025

Execution of transformation and cost reduction



Source: Insurance transformation: The new agenda, KPMG International, 2025

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Unlocking success

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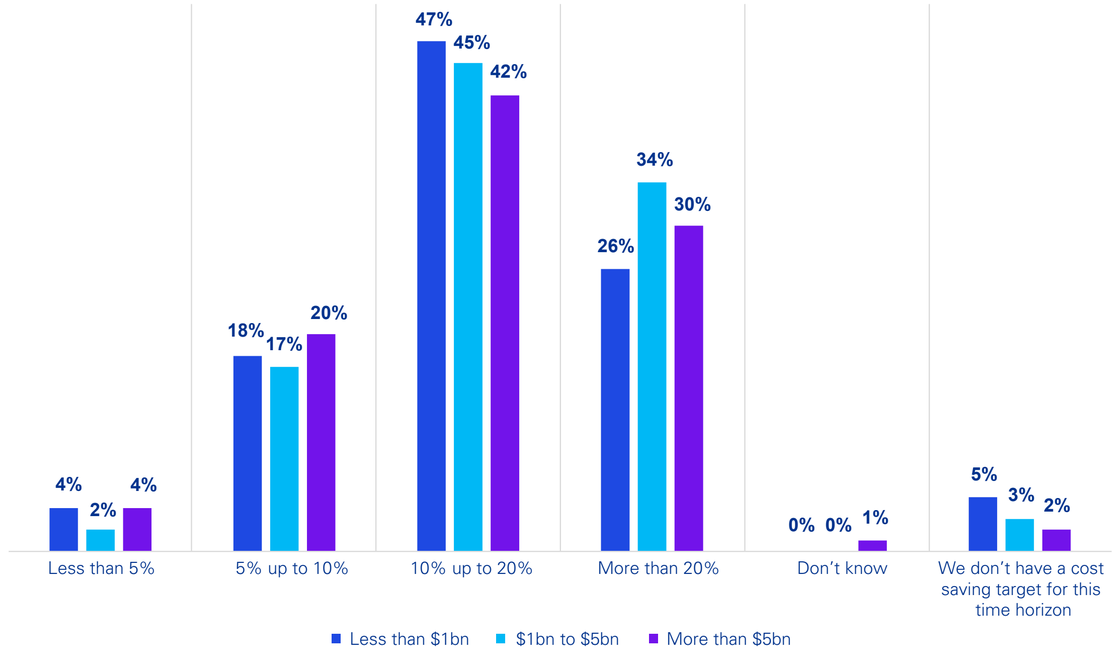
The big question, therefore, is what are the most successful insurance organizations doing to achieve their objectives? Achieving clarity and alignment between cost and transformation objectives is key. The most successful organizations are more than twice as likely as their moderately successful peers to say they have clearly defined cost objectives. Somewhat tellingly, just 9 percent of those admitting 'limited' success say their cost objectives are well defined. Two-thirds of the most successful insurers say their cost and transformation objectives are fully aligned, versus around a quarter of those who enjoyed just moderate or limited success.

"More enlightened organizations are starting to make the transformation more visible by centralizing and visualizing their broad scope of transformation programs within a 'mission control' capability and connecting their objectives more clearly to daily tasks through value driver trees and better alignment between transformation and productivity objectives," notes Matthew Smith. "They are also the ones looking end-to-end at the value chain and taking steps to really understand the drivers of cost and complexity."

Target for 2030: Cost saving as a percentage of current cost base by insurer size



Source: Insurance transformation: The new agenda, KPMG International, 2025

"The size and scale may influence the complexity of the transformation, but it doesn't influence the rate of success. The best indicator of success is having the right fundamentals in place — a clear understanding of the products and segments you want to serve, visibility into the end-to-end value chains that deliver to those segments and the right business architecture to execute lasting change."

Robert Fisher
Vice Chair, Advisory
KPMG in the US

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Structured to succeed

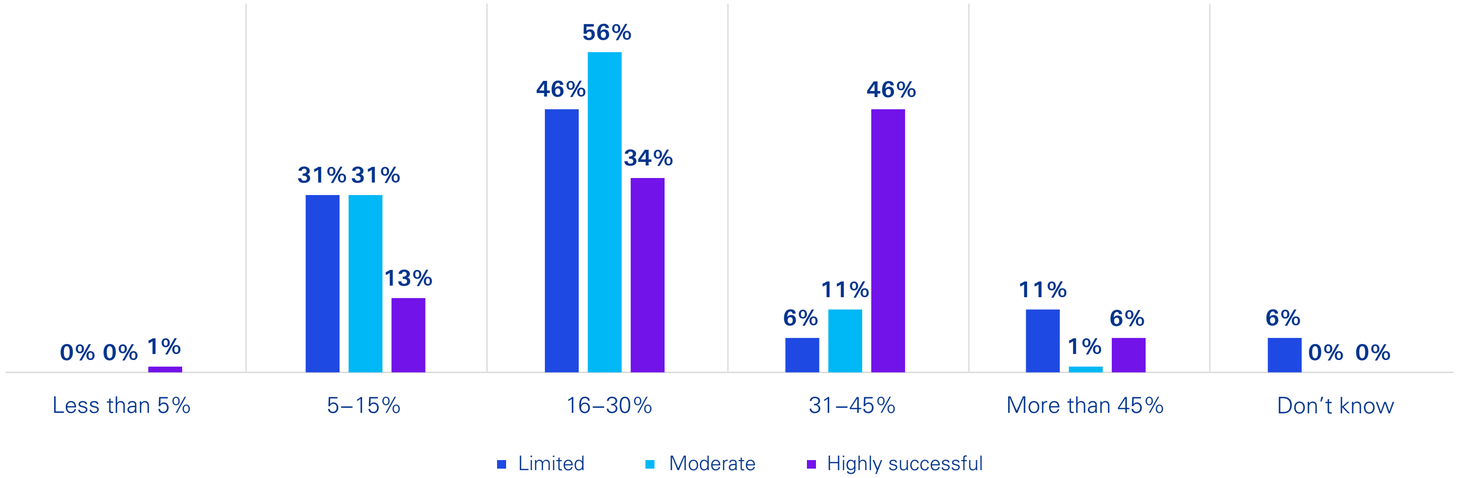
KPMG data and experience suggest that proper resourcing and clear structures also seem to be critical to success. More than half (56 percent) of the most successful insurers say they invest a significant portion (30 percent) of their OpEx budget into transformation, versus 11 percent of moderately successful organizations that say the same. And more than half (53 percent) of the most successful insurers say they adopted a centralized approach to transformation and cost reduction, versus just 23 percent of the least successful organizations.

"Our clients are unlocking value by creating in-year cost savings to help fund out-of-year transformation initiatives," adds Robert Fisher, Vice Chair, Advisory at KPMG in the US. "We are helping insurers use AI to take costs out and improve the customer experience, which in turn provides them with a strong base upon which they can fund their longer-term cost savings and transformation initiatives."

As a result, the most successful insurers have more aggressive and ambitious cost and transformation objectives. Nearly nine in ten of the highly successful insurers are planning to achieve cost savings of at least 10 percent by 2030, versus 71 percent of those reporting only moderate past success. And more than half of the most successful organizations say they plan to accelerate their cost-reduction initiatives over the next two years.

It is worth noting that the size of organization seems to have little bearing on success. Twenty-six percent of large firms, 27 percent of small firms and 29 percent of medium firms reported being highly successful in achieving their past transformation objectives. And while APAC insurers reported slightly higher levels of success, the difference in quantity of highly successful companies between the three regions was less than 5 percent.

OpEx invested in transformation — by success rate



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5 key takeaways

KPMG's global insurance network has deep experience working with insurance leaders around the world and across sectors to achieve operational and cost transformation objectives. That experience and data from our most recent survey highlight five key takeaways to help insurance organizations achieve measurable and sustainable transformation outcomes.

01.

Set a clear vision for change

Define a clear vision that aligns your cost and transformation goals with your overall business strategy. Start by identifying your target customers, how you intend to serve them, and the products or services they need. Analyze the root causes of inefficiency and define what "good" looks like, and link operational improvements directly to cost savings. With this foundation, design a holistic change program that can be sequenced and executed, potentially using in-year savings to fund longer-term transformation.

02.

Make leadership accountable and achieve visibility

Leadership should be onboard, aligned and accountable for transformation goals. A siloed approach can often lead to wasted resources and missed objectives. Increase visibility across the organization to ensure efforts are coordinated. Leverage tools and frameworks, such as mission control centers and value driver trees, can enhance oversight and enable transformation leaders to reprioritize and adapt initiatives as the organization evolves.

03.

Improve and leverage your data to achieve your goals

Unstructured or poor-quality data often prevents insurance organizations from identifying inefficiencies and making informed decisions. Explore how to establish strong data management practices to gain deeper insights into policyholders and claim, developing a single source of truth to enable better cost control, reduce reliance on legacy systems, and support smarter reporting.

04.

Consider your key processes before jumping into technology solutions

Don't rush to implement technology without first evaluating your core processes — in some cases, outsourcing or managed services may offer greater efficiency. Ensure your transformation is successful by investing in change management, capability building, and workflow redesign. Consider how these align with your strategy, processes and technology enablement from the outset.

05.

Align your culture to your transformation objectives

Culture plays a critical role in the success of any transformation initiative. Without the right cultural foundation, even the most well-designed strategies and technologies can fail to deliver their intended impact. To support transformation, organizations should foster a culture that embraces change, continuous improvement, and accountability. Reinforce core principles such as regular coaching, standardized best practices, and aligning team capacity with demand.

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How KPMG can help

At KPMG we believe transformation starts with people. Our global network of experienced insurance professionals provides clients with deep industry knowledge, actionable insights and implementation expertise, helping to realize the full potential of their people and technology, and working together to achieve successful transformation. Because when people and technology are in harmony great things happen.

KPMG people can make all the difference on your transformation journey. Together we can help you to orient your business around the customer, optimize functions for a new era, manage enterprise risk and regulation for a safer future, rise to a new level of value creation, and create an environment for managing ongoing change.

Contact your local KPMG member firm to learn more about how KPMG can help you successfully transform your insurance organization.

KPMG awards/credentials will be positioned here, to reinforce our capabilities in the transformation space.

Recognized as a leader

HFS Horizons: Leader in Generative Enterprise Services, 2025

Forrester Wave™: Leader in Oracle Services, Q1 2025

Verdantix Green Quadrant: Enterprise Risk Management Consulting Services 2025

IDC MarketScape: Worldwide Business Consulting Services, 2024

Gartner® Magic Quadrant™: Leader in Finance Transformation Strategy Consulting, 2024

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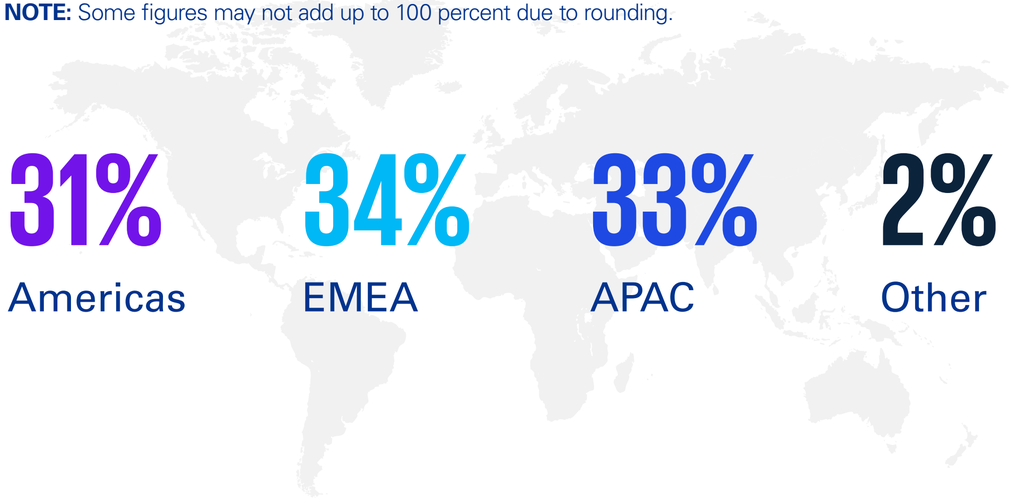
Methodology

Data for this report was collected by Meridian West in an online survey of 251 insurance leaders conducted between February and April 2025. One-on-one interviews were conducted with eight KPMG subject matter expects, in addition to two industry leaders from Covéa Insurance and Empire Life.

All respondents have annual revenues over US$100M and 38 percent of the total companies surveyed have more than US$5 in annual revenue. The survey included respondents across three regions (EMEA, APAC and the Americas).

A quarter of respondents identified as C-suite executives with the remainder holding key senior positions, including Vice President (31 percent), Director (21 percent) and Executive Management (20 percent). All respondents are directly responsible for transformation initiatives within their organization.

NOTE: Some figures may not add up to 100 percent due to rounding.



31% Americas

34% EMEA

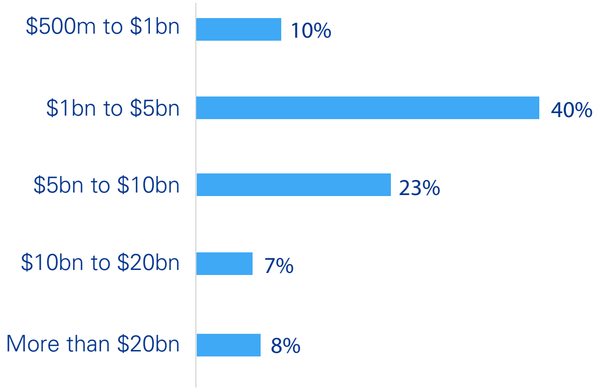
33% APAC

2% Other

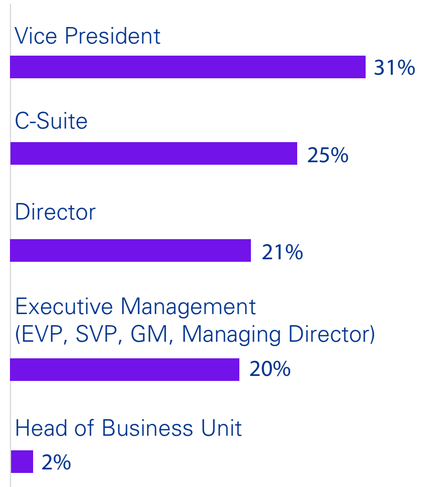
78% of respondents reported annual revenue in excess of US$1 billion

45% are from C-Suite or Executive Management roles

Company revenue



Respondent seniority



Top 5 functional areas

43% Finance

25% Technology

15% General management/ Administration

5% Operations

4% Procurement/ Supply chain

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Contact us

Frank Pfaffenzeller
Global Head of Insurance
KPMG International
E: fpfaffenzeller@kpmg.com

Scott Shapiro
Head of Insurance, Americas region and Partner
KPMG in the US
E: sashapiro@kpmg.com

Erik Bleekrode
Head of Insurance ASPAC region and Partner
KPMG China
E: erik.bleekrode@kpmg.com

Jacques Cornic
Head of Insurance EMA region and Partner
KPMG in France
E: jcornic@kpmg.fr

Sadi Gul
Associate Partner, Insurance
KPMG in Japan
E: sadi.gul@jp.kpmg.com

Caroline Leong
Partner, Operations Advisory
KPMG Australia
E: cleong1@kpmg.com.au

Mark Longworth
Global Lead for Insurance Advisory and Partner
KPMG China
E: mark.longworth@kpmg.com

Alissa Ristic
Managing Director, Insurance Advisory
KPMG in the US
E: alissaristic@kpmg.com

Simona Scattaglia
Global Lead for Insurance Technology and Partner
KPMG in Italy
E: sscattaglia@kpmg.it

Matthew Smith
Global Lead for Insurance Strategy and Transformation and Partner
KPMG in the UK
E: matthewg.smith@kpmg.co.uk

Jonathan Weir
Management and Consulting Partner
KPMG Canada
E: jonathanweir@kpmg.ca

The authors would like to acknowledge the following experienced leaders from across KPMG's global insurance network who contributed their time and insights to the development of this report:

Alan McCormick

Bosco Tong

Caroline Leong

David Montes

Harry Dee

Konark Joshi

Nadia Orawski

Paul Jones

Robert Fisher

Sadi Gul

Simona Scattaglia

Volker Sieg

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Contact us

Javier Olaso
Partner in charge of Insurance
KPMG in Spain
E: jolaso@kpmg.es

Amalio Berbel
Chairman of KPMG Insurance
KPMG in Spain
E: amalioberbel@kpmg.es

Alberto Esteban
Partner responsible for
FS Strategy & Transformation
KPMG in Spain
E: albertoesteban@kpmg.es

Mikel Campo
Partner, FS-Insurance Consulting
KPMG in Spain
E: mikelcampo@kpmg.es

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Designed by Evalueserve.

Publication name: Insurance transformation: The new agenda | Publication number: 140038-G | Publication date: July 2025