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## The future of insurance 2035

Anticipating change, building resilience,  
and securing long-term relevance

# Introduction

The future of insurance can be difficult to predict. Evolving regulation, human behavior, and macroeconomic volatility can obscure what lies ahead. The challenge can be even greater today as insurers often confront technological disruption and new types of risk with little historical precedent.

Advances in artificial intelligence (AI) and connected ecosystems are transforming how services are designed and delivered. At the same time, new forms of mobility are redefining risk and coverage.

Demographics are shifting, too. Aging populations<sup>1</sup> and rising chronic conditions<sup>2</sup> are increasing health care needs and costs. Financial inclusion is gaining urgency as insurers look to close the protection gap.<sup>3</sup> And changing consumer lifestyles are raising expectations for more flexible, personalized products.<sup>4</sup>

All of this is unfolding against a backdrop of geopolitical uncertainty, macroeconomic tension, and extreme weather impacts. Meanwhile, evolving public policy and the resulting roles of private-sector organizations, along with regulatory changes, can reshape how services are funded and delivered.

As a result of these megatrends, five transformative shifts may enable insurers to reimagine business models, reshape value propositions, and expand their role beyond protection:

- **Advice will likely become hyper-personalized and embedded across channels**, blending human skills, digital guidance, and AI to profitably reach underserved segments and meet customers where they are.
- **As profit pools shift and industry boundaries blur, insurers may move beyond static products** toward modular, outcome-oriented solutions that combine protection, prevention, wellness, and financial well-being to help deliver flexible and affordable offerings.
- **Servicing may evolve from one-off transactions to proactive relationships**, anticipating needs, tailoring coverage, and engaging customers across preferred channels through connected experiences that blend intelligent technology with human empathy.

- **AI and modern platforms will likely be embedded at the core of the enterprise**, connecting data, digital, and technology into an ecosystem in which integrated capabilities—from underwriting to claims—work together to help deliver speed and efficiency at scale and key parts of the value chain can become fundamentally re-engineered as traditional orthodoxies become challenged (e.g., rise of the Agentic brokerage and underwriter, etc.)
- **Carriers and brokers will likely increasingly augment in-house capabilities through collaborations and mergers and acquisitions (M&A)**, expanding into adjacencies and orchestrating unified, end-to-end experiences that can feel cohesive from the customer's perspective.

Some of these changes may impact both property and casualty (P&C) and life and health (L&H) lines, albeit to varying degrees. Together, they can point to a future in which insurance shifts from a stand-alone product to an integrated, adaptive service that rewards early movers who have the right collaborations and business models.

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# The global outlook

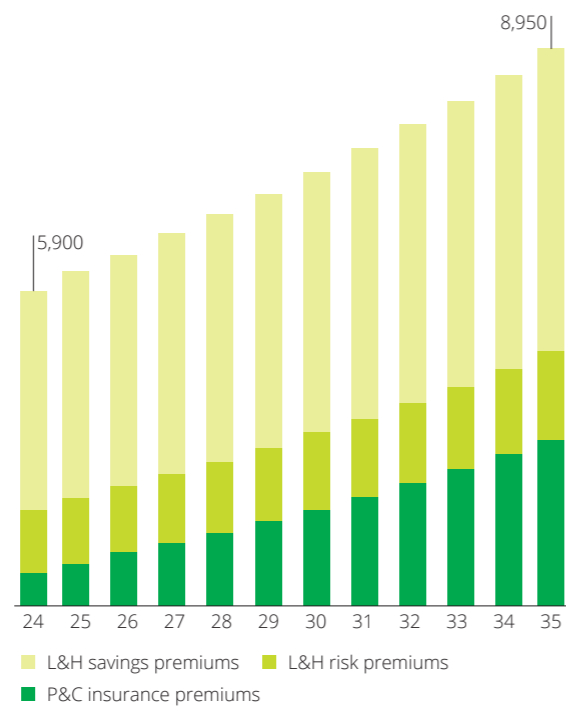
Overall, global insurance premiums are expected to increase 150% between 2024 and 2035. Much of this growth will likely be fueled by rising demand for protection, steady expansion in underserved markets, and digital innovation that's redefining how insurers engage with customers.

In L&H, global premiums grew by 5% in 2024, the strongest growth in a decade—largely driven by demand for savings products. Looking ahead, the market is expected to grow around 3% annually, reaching US\$4.8 trillion by 2035. But the growth mix will likely evolve. As savings growth moderates, protection products, especially in emerging markets such as Asia and Latin America, may take center stage. Health insurance premiums are also set to outpace life insurance across most regions as rising health care costs and strained health care systems increase demand for private health coverage.<sup>6</sup>

P&C has expanded as well, doubling over the past two decades to reach US\$2.4 trillion today.<sup>7</sup> Growth is expected to track gross domestic product, with the market nearly doubling again by 2040.<sup>8</sup> Demand will likely come from rising exposures in two areas. One is property coverage linked to natural catastrophe risks. The other area is increasing complex commercial risks, from cyber threats to supply chain disruptions and environmental challenges.<sup>9</sup>

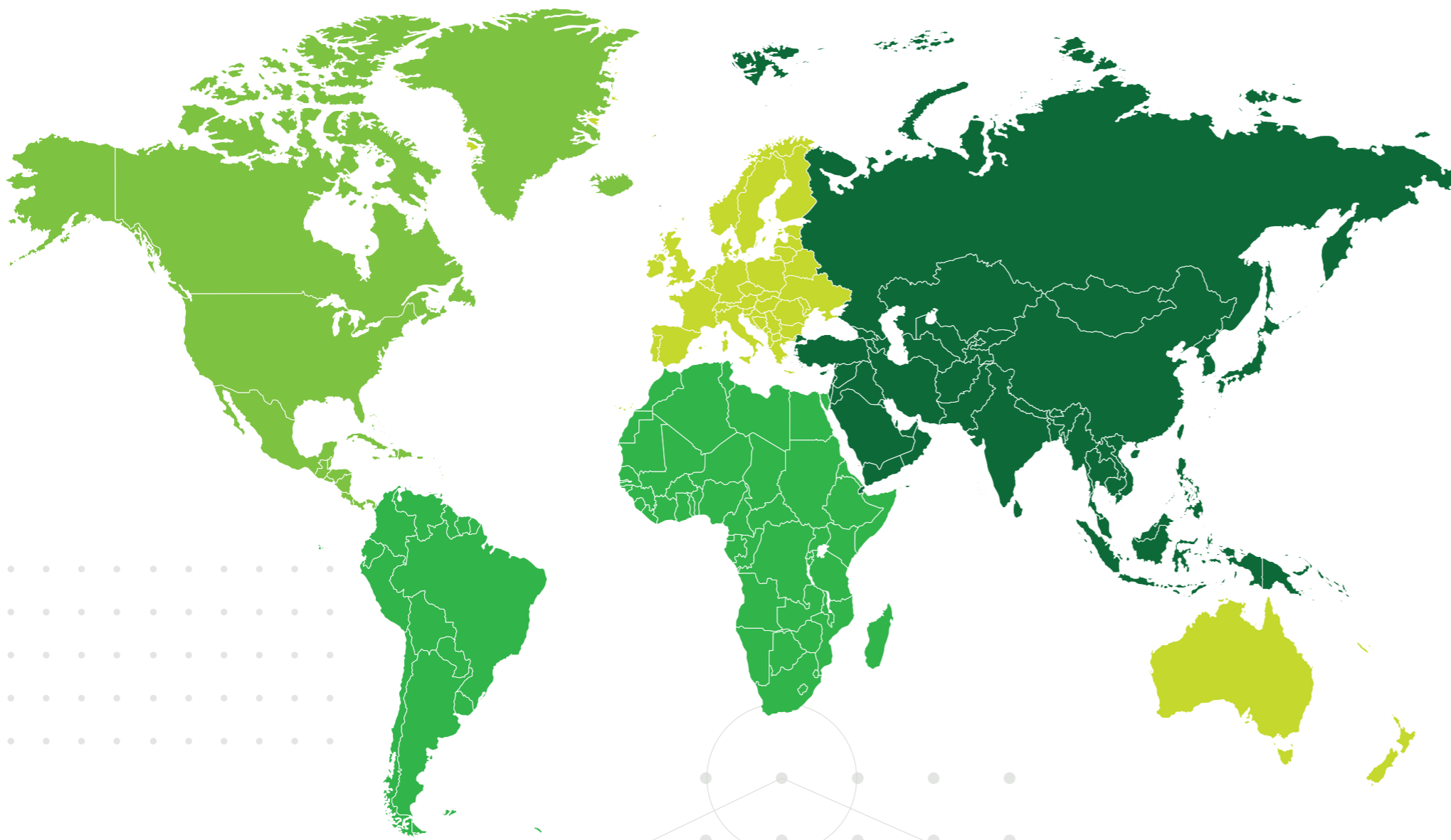
The global insurance market is entering a decade of sustained but uneven growth across the L&H and P&C segments (Figure 1).<sup>5</sup>

**Figure 1: Global insurance premiums (US\$ billions), 2024-2035**



Overall, insurance markets may be set for uneven but sustained growth through 2035, with growth stabilizing in advanced economies while accelerating in emerging markets, driven by aging populations and the rise of the middle class (Figure 2).

**Figure 2: Global growth outlook for regional insurance markets (2025-26)<sup>10, 11</sup>**



Market stabilization ■ ■ ■ Market growth

**North America**

In North America, L&H growth has largely stabilized, but the outlook is improving as structural drivers regain momentum. Rising health care costs and continued expansion of employer-sponsored health plans are supporting premium growth, while higher interest rates are fueling a resurgence in annuities. In P&C, insurers have implemented significant rate increases in response to several years of elevated catastrophe losses and persistent claims inflation. While these actions are strengthening margins, they can also create affordability pressures for consumers, which may remain a key tension in the market.

**Latin America**

Latin America remains a high-growth insurance market, particularly in L&H, with Brazil leading the region's expansion. Low insurance penetration, combined with a rapidly growing middle class, can create substantial upside. Meanwhile, micro-insurance models are emerging to extend coverage to underserved populations. In P&C, rapid urbanization and large-scale infrastructure investments are driving strong demand for commercial lines, supporting growth despite ongoing economic volatility.

**Europe**

Europe is defined by maturity and moderation. In L&H, demand can persist in targeted areas like protection products and supplemental health solutions, but overall growth remains subdued as consumers increasingly question the value of traditional insurance offerings. Strong regulation and market saturation have contributed to stabilization rather than expansion. In P&C, Europe remains highly sophisticated, with advanced digital capabilities and ongoing product innovation, though insurers can face mounting exposure from increasingly frequent extreme weather-related events.

**Africa**

Africa presents a mixed but evolving picture. L&H growth is evident in pockets, but progress is constrained by affordability challenges, limited access, and low trust in financial institutions. These structural barriers continue to cap penetration. In P&C, the region is emerging as a laboratory for innovation, where insurers are experimenting with micro-insurance and parametric solutions to help close the protection gap and address local risks.

**South Asia**

South Asia is seeing strong momentum in life insurance, supported by rising incomes, sustained economic growth, and rapid digital adoption. These trends are expanding access and increasing consumer engagement. In P&C, growth is concentrated in motor as well as small and medium enterprise (SME) insurance, where penetration remains low, but demand is rising. At the same time, insurers can face significant exposure to weather-related and catastrophe risks.

**Australia**

In Australia, L&H insurance is under pressure as inflation reduces purchasing power. Regulatory changes—particularly around pricing and product oversight—combined with the dominance of superannuation-provided group coverage can constrain market expansion. P&C is mature but highly exposed to natural perils, with meaningful catastrophe risk.

**Southeast Asia**

Southeast Asia is a fast-growing insurance region. L&H growth is driven by a rapidly expanding middle class, aging populations, accelerating digital adoption, and government reforms encouraging greater private-sector participation in health coverage. In P&C, large-scale infrastructure development is fueling commercial demand, though growth is tempered by elevated catastrophe risk and limited local reinsurance capacity.

# Megatrends driving change

As structural tailwinds support continued growth across L&H and P&C insurance, a new set of megatrends is set to determine how fast and how sustainably that growth can be realized.

## Aging population

One in six people in the world will be aged 60 years+ by 2030.<sup>12</sup>

Amid aging populations and rising life expectancies, insurers may need to address growing demand for protection and health services, especially for individuals with high-impact chronic conditions. This shift raises questions about the adequacy of coverage today, alongside evolving needs for property protection, long-term care, and financial security.

## Widening protection gap

Approximately two billion Asians were members of the middle class in 2020, and it is set to increase to three and a half billion by 2030.<sup>13</sup>

A growing middle class and widening protection and retirement gaps calls on insurers to consider how they serve high-risk, catastrophe-prone, and underinsured communities that are disproportionately affected by disparities in wealth distribution, financial access, and adequate protection.

## Evolving lifestyles

Homeownership among Canadians aged 18 to 34 during the last three years, has dropped from 47% in 2021 to 26% in 2024.<sup>14</sup>

In the United States, overall homeownership has declined to 65% in the second quarter of 2025, its lowest level since late 2019, reflecting continued affordability pressures.<sup>15</sup>

Traditional norms and timelines can change as younger generations may rethink asset ownership and delay life events. Consumers increasingly seek products and experiences that can be customized to their own sequence of life stages and milestones.

## Future of mobility

The car sharing market is expected to grow to approximately US\$465 billion by 2032, at a compound annual growth rate (CAGR) of 16.60% between 2024 to 2032.<sup>16</sup>

Mobility is likely to shift toward on-demand and shared transportation as private car ownership becomes less attractive in urban centers. Multimodal travel and sustainability are gaining traction through ride-hailing and carsharing, autonomous and electric vehicles, and micromobility.

## Proliferation of AI and technology

The global wearable technology market is projected to grow to nearly US\$100 billion from 2025 to 2029.<sup>17</sup>

The consumerization of digital technology may accelerate connected ecosystems. Internet of things (IoT), wearables, and sensors are poised to generate continuous data streams, alongside emerging technologies such as generative and Agentic AI, quantum computing, and open data.

## Uncertainty in the global environment

When asked to categorize the outlook for the world over the next 10 years, 57% of risk leaders responded that it was either turbulent, with upheavals and elevated risk of global catastrophes, or stormy, with global catastrophic risks looming.<sup>18</sup>

The future appears impacted by more frequent geopolitical crises, macroeconomic tensions, and impacts such as major supply chain disruptions and cyberattacks. In this environment, volatility could be the new baseline, and resilience can become a defining advantage.

## Worsening climate crisis

If weather patterns stay on the current trajectory, the impact is estimated to reach 7-10% of global gross domestic product (GDP) by 2050.<sup>19</sup>

Environmental impacts are intensifying, with more frequent extreme weather events and natural catastrophes, requiring businesses to innovate for sustainability to satisfy regulations and consumer demands.

## Evolving roles of the public and private sectors

~48% of the global population lacks even basic social protections.<sup>20</sup>

Policy and the roles of public and private sectors are shifting through new commercial and strategic arrangements. These changes can introduce new funding and business models, and can address existing protection gaps in health care, social services, and extreme weather resilience, particularly for underserved and at-risk communities.



# Five shifts driving the future of insurance

In the decade ahead, some organizations may seize this moment to chart new pathways for profitable growth. Through this next wave of change, five transformative shifts may enable insurers to reimagine business models, reshape value propositions, and expand the industry's role beyond protection.<sup>21</sup>

**1 Sales and distribution:**  
Shifting from transactional sales to “always on,” data-driven advice.

Advice may be deeply personalized, contextual, and embedded within interactions and touchpoints. Advisors, brokers, and benefits consultants may use intelligent tools to deliver meaningful insights that help customers manage risk, optimize their protection portfolio, and benefit from personalized guidance across the household or organization.

Human advice and skills will remain important for complex and bespoke needs. However, digital channels will become increasingly prominent for accessing insurance solutions. This will include the use of virtual and digital advice options, as well as dynamic product design and pricing capabilities, which we already see through the gradual disintermediation of advisors in P&C personal lines.

AI and modern core platforms can profitably reach customer segments left underserved by traditional channels. Insurers can also leverage new embedded distribution channels to more naturally meet customers where they are.

**2 Product and pricing:**  
Evolving from protection products to outcome-oriented solutions that expand profit pools.

As profit pools shift and industries converge, insurers may need to evolve from selling static products to delivering modular, outcome-oriented solutions that blend protection with prevention, wellness, and financial well-being. This shift could redefine the product value proposition. Solutions should be flexible, affordable, and designed to improve outcomes, whether through integrated health diagnostics tied to critical illness coverage or connected-home services that prevent property loss.

**3 Customer engagement:**  
Moving from reactive interactions to proactive, personalized and human-centered experiences.

Existing servicing models may shift from episodic transactions to always-on relationships. These relationships could be proactive and personalized, and drive engagement that anticipates life events, incentivizes lifestyle changes, and tailors coverage dynamically. Digital-first engagements may be the foundation, while human touch remains important in the moments that matter.

It may be important to meet customers where they are, and how they want to engage across channels, ecosystems, and life stages. and distributors may need to tailor experiences to the unique needs of each consumer or business segment, based on where they sit on the “spectrum of trust.” Regardless of where customers fall, insurers and distributors will likely need to create connected experiences that blend intelligent technology, human empathy, and meaningful interactions that in turn help deliver sustainable value, differentiation, and loyalty.

**4 Operations:**  
Reimagining insurance operations through emerging technology and AI.

AI will likely no longer be seen as a discrete capability. Instead, it will be embedded in an insurance organization's DNA, and scaled horizontally across functions, workflows, and roles.

Modern core systems that allow for greater scalability and speed-to-market may replace legacy systems. The organizations that may thrive in the future of insurance could be those that integrate human skills and modern platforms with intelligent automation to help drive efficiency, personalization, and trust. This could include interconnected health care journeys at the time of a claim or enhancing underwriting precision through predictive analytics.

Success could depend on how well insurers and brokers connect their data, technology, and people to deliver impact at scale across the organization. Individually, each capability is valuable, like claims intake, triage, or fraud detection, but the real power comes when they're connected. When these parts share information and learn from one another, value begins to compound, decisions get faster, experiences improve, and the system gets smarter over time.

**5 Strategic collaborations and M&A:**  
Accelerating innovation and value expansion through ecosystem collaborators.

As the boundaries between adjacent arenas could continue to blur, insurers can't always win alone. To stay competitive, carriers and brokers should think differently about how and where they source capabilities. This means building resilient and highly differentiated capabilities in-house, while collaborating when it enables speed-to-market and access to niche capabilities, or extends reach into new ecosystems.

Those that expand their value equation could foster strategic collaboration across arenas such as health, financial services, retail, original equipment manufacturer (OEMs), and technology providers. This is even more true for organizations that embed AI in their solutions.

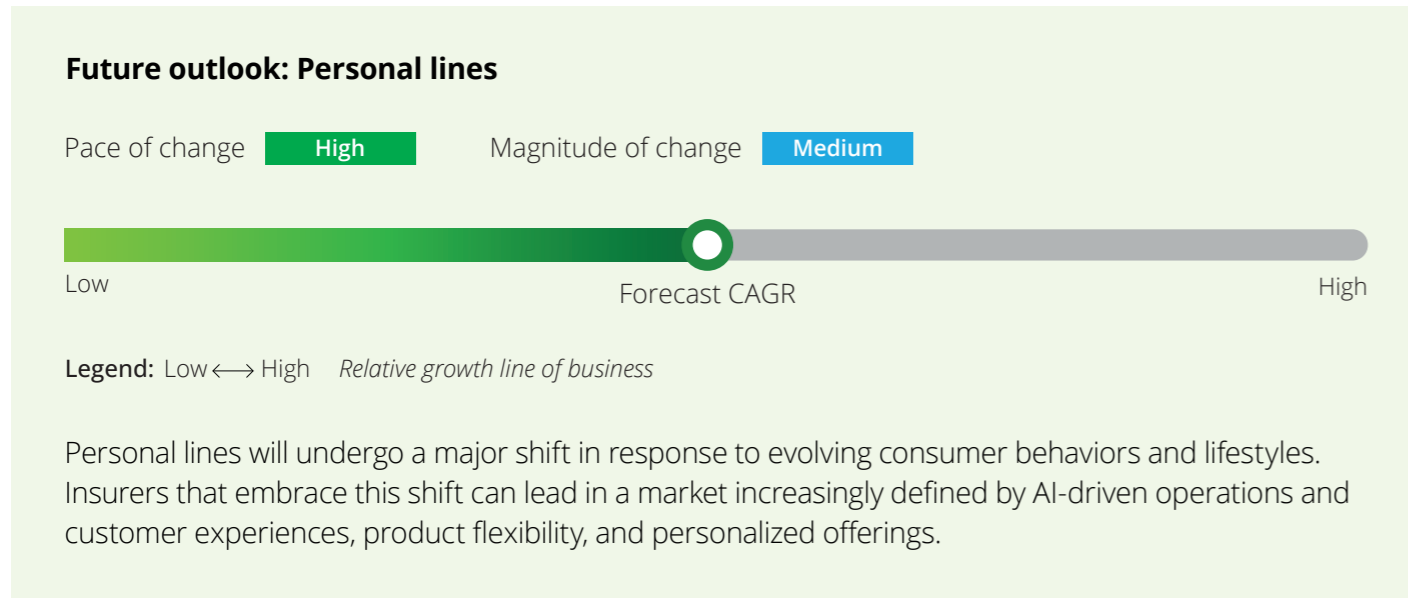
The result? They'll deliver holistic, data-driven experiences that meet evolving customer needs. In this future, insurers are not just protectors but orchestrators of connected well-being and value creation, focusing in-house skills on value chain functions that could deliver tangible value and unique means of differentiation.

“Value begins to compound, decisions get faster, experiences improve, and the system gets smarter over time.”



# Market outlook by line of business

The pace and magnitude of change will likely vary by product line, creating distinct scenarios across major segments.<sup>22</sup>



**Customer**

As home and auto insurance become increasingly commoditized, sustainable growth could depend on differentiated, end-to-end customer experiences.

This is supported by investment in brand and marketing, as well as loyalty and retention programs, in an increasingly competitive marketplace.

In advanced markets, rising consumer expectations could drive demand for seamless, personalized experiences beyond annual renewals, while insurers expand into prevention and ongoing engagement.

At the same time, increasing insurability constraints could lead to a sharper focus on concentration risk and growth in lower-catastrophe regions.

In emerging markets, lower commoditization could enable differentiation through affordable, simple products, including micro-insurance, supported by digital tools and education that help build trust and informed participation.

**Distribution models**

Distribution could shift as the traditional advisor or broker role is increasingly disintermediated. Digital-first, omnichannel distribution and service could become table stakes. Advice could move from human led to digitally led, with human support enabled by AI-driven recommendations.

In advanced markets, distribution shifts from traditional broker channels toward direct and digitally enabled models. This trend is supported by investment in AI and digital tools, driving the emergence of Agentic brokers and aggregators. New distributors, including original equipment manufacturers, retailers, and digital platforms—embed insurance into broader offerings through ecosystem collaborations.

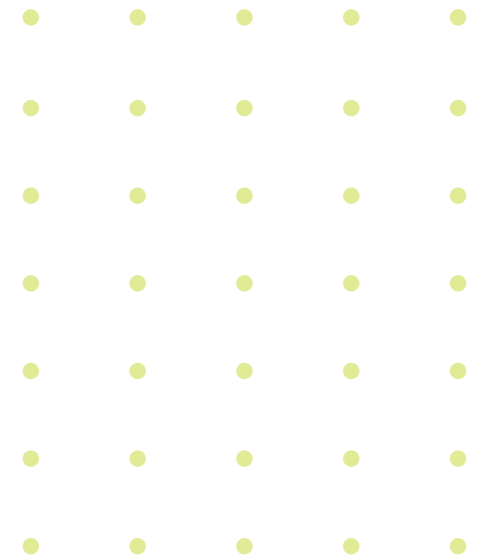
In emerging markets, innovative and mobile-first distribution models could expand reach and penetration, while local agents remain important where digital literacy and access are limited.

**Product**

As asset ownership changes, traditional product categories could evolve, driving demand for renter’s insurance, usage-based coverage, and more flexible payment structures such as subscription models and adjustable policies. These changes can pressure margins while creating new opportunities for differentiated value.

In advanced markets, insurers expand into adjacent markets to help deliver more holistic, lifestyle-aligned protection, while declining risk pooling and greater personalization could reshape products and pricing. Growth in high net-worth segments could drive demand for specialty coverage and differentiated service, alongside flexible policies that adapt to delayed life events.

In emerging markets, demand rises for modular, adaptable products, with homeownership remaining aspirational and car ownership continuing to grow in select regions despite expanding multimodal transportation options.



“In emerging markets, lower commoditization could enable differentiation through affordable, simple products, including micro-insurance, supported by digital tools and education that help build trust and informed participation.”

### Future outlook: Commercial lines

Pace of change **Medium**

Magnitude of change **High**



**Legend:** Low ←→ High *Relative growth line of business*

Commercial P&C insurance sees steady global growth as businesses may face more complex risks and seek adaptive coverage. Demand rises for solutions that go beyond traditional policies to help address emerging risks, as increasing AI usage and cyber risk across businesses could create protection opportunities for innovative insurers.

#### Customer

Advances in technology and process improvements could enable differentiation in commercial insurance to be more relationship-driven. Tailored risk solutions and advisory services become important to help address both emerging and traditional exposures. Growth depends on insurers' continued ability to manage new risks, create stickiness through value-added services (like risk mitigation), and remain competitive on price, without having to scale the cost base.

In advanced markets, insurers could sharpen their focus on emerging risks through adapted offerings, expanded coverages, and enhanced risk mitigation services, supported by greater investment in specialized skills for mid-sized and large corporates. Digital platforms and automation could scale micro and small business segments, while excess and surplus lines may broaden risk coverage and reinsurers absorb a growing share of transferred risk.

In emerging markets, sector-level segmentation enables tailored solutions, with differentiation in micro businesses and small-to-mid sized enterprises driven by education, trust, and community engagement.

“Human skills remain essential for complex placements, increasingly supported by data-driven and AI enabled tools, as disintermediation could reshape the value chain.”

#### Distribution models

Commercial distribution diversifies, blending traditional advisory models with digital broker platforms and ecosystem collaborations. The rise of business-to-business-to-consumer models, embedded insurance, and sector-specific collaborations may require incumbents to adapt to new acquisition channels.

In advanced markets, digital-native broker platforms and ecosystem collaborations could gain share in micro and small business segments, while digitally enabled managing general agents could drive growth in specialty lines. Human skills remain essential for complex placements, increasingly supported by data-driven and AI-enabled tools, as disintermediation could reshape the value chain.

In emerging markets, mobile-first and agent-assisted models—supported by collaborations with banks, telecommunications providers, and supply chain aggregators—could expand reach, with digital onboarding and automated underwriting improving scale and access.

#### Product

As catastrophe risk rises and emerging risks scale, commercial products become more adaptive and modular. Risk convergence—particularly across commercial auto, supply chains, and cyber—could drive demand for more complex, usage-based, and parametric coverage.

In advanced markets, demand rises for tailored solutions aiming to address emerging risks such as autonomous fleets, drone delivery, and cyber exposure. Alternative capital grows to support increasing catastrophe risk and peak risk-transfer needs.

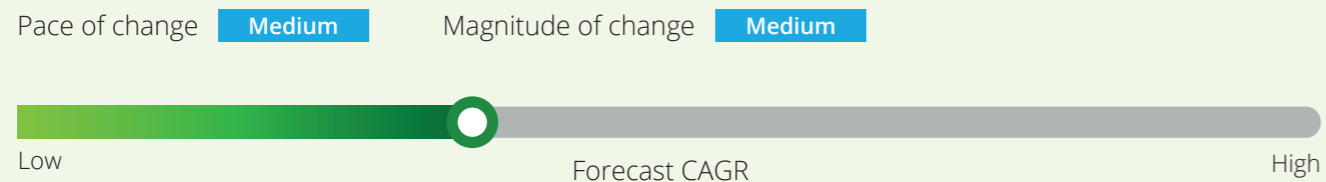
Rate growth is concentrated in high-risk property and liability lines, pushing insurers to differentiate through collaborations, telematics, predictive analytics, and AI-augmented advice rather than legacy offerings.

In emerging markets, simple and flexible products may remain important for first-time buyers and small enterprises, alongside expanded protection for weather, supply chain, and public health risks.





### Future outlook: Life insurance



Legend: Low ↔ High *Relative growth line of business*

The life insurance market is positioned for strong growth, driven by greater penetration in underserved mass-market segments, ongoing wealth creation among high net worth (HNW) and ultra-high net worth (UHNW) customers, and emerging markets through improved consumer engagement and quality of service.

“Insurers may evolve from passive risk protectors into proactive collaborators in health and financial wellness, using real-time data and personalized engagement to support prevention, resilience, and long-term security.”

#### Customer

As consumers live longer and become more comfortable sharing data, expectations may rise. Insurers may evolve from passive risk protectors into proactive collaborators in health and financial wellness, using real-time data and personalized engagement to support prevention, resilience, and long-term security.

In advanced markets, rising consumer expectations could drive demand for hyper-personalized, digital-first experiences integrated across health, wealth, and insurance. Wellness-linked products may expand through greater use of health and lifestyle data. Tailored wealth and asset management solutions for HNW and UHNW clients could become a key growth engine.

In emerging markets, a growing middle class could accelerate first-time adoption. This trend is supported by mobile-first access, trust-building efforts and, in wealthier segments, use of life insurance for investment and wealth transfer.

#### Distribution models

Distribution evolves into technology-enabled ecosystems, with consumer-facing digital platforms embedding insurance into everyday journeys. At the same time, advisors may shift toward complex financial needs, with an emphasis on enabling confidence and adding value while wealth planning specialists could deliver holistic solutions.

In advanced markets, life insurance distribution is dominated by hybrid digital-advisor models that combine digital convenience with human skills, supported by AI and advanced analytics to improve productivity and targeting. Employers and open banking ecosystems could become key distribution channels, embedding life insurance within broader financial, health, and wellness journeys.

In emerging markets, micro-insurance and mobile-first, embedded distribution could expand access at scale. Meanwhile, digital education tools, chatbots, and automated advice may democratize understanding, build trust, and accelerate penetration among underserved populations.

#### Product

Life insurance may shift from point-in-time policies to flexible solutions that adapt to behavior, lifestyles, and financial goals. Coverage becomes more health-integrated and longevity-focused, using real-time data, dynamic pricing, and alternative risk transfer to remain relevant and resilient.

In advanced markets, life insurance products become more dynamic and holistic, with premiums and rewards adjusting based on real-time data and expanded benefits that blend protection, investment, and tax optimization. Ancillary services and holistic advice may become standard, particularly for business owners and HNW individuals using life insurance for estate and succession planning.

In emerging markets, demand may remain focused on affordable coverage for core risks, with growing interest in multipurpose products that integrate health, savings, or funeral benefits.



### Future outlook: Health insurance

Pace of change **High**

Magnitude of change **High**



Legend: Low ←→ High *Relative growth line of business*

Robust growth in health coverage may be fueled by global system capacity constraints, rising health awareness, and greater comfort engaging with benefits providers. Combined with aging populations and chronic disease management, these pressures could drive new business and service models across both workplace and personal settings.

#### Customer

Health insurers could evolve from passive claims payers to active architects of care, bridging service gaps and guiding personalized health journeys. Integrated care models, real-time health data, and predictive analytics could enable proactive wellness management, earlier intervention, and better outcomes.

In advanced markets, health insurers may move beyond claims payments to play a more active role in care delivery, using vertically integrated models, public-sector collaborations, and digital tools to help improve outcomes and efficiency. Demand may grow for tailored coverage for chronic and mental health conditions, supported by telemedicine, wearables, and predictive analytics that aim to shift care from reactive treatment to proactive wellness.

In emerging markets, products may be increasingly focused on regional health risks, with coverage expanding to include prevention, outpatient services, vaccinations, and telehealth.

#### Distribution models

Distribution integrates digital platforms into both traditional and emerging channels. This enables on-demand access while accelerating virtual clinical and advisory services.

In advanced markets, health insurance distribution is often increasingly driven by digital and telehealth platforms. These complement brokers and employers, embed coverage into care settings, and integrate insurers with providers to help deliver more personalized, data-driven experiences.

In emerging markets, mobile-first and agent-supported models—enhanced by offline-first applications—could expand access in low-connectivity areas, while embedded distribution through physical care hubs and everyday transactions could accelerate penetration. Public-private partnerships remain important to scaling access and advancing health equity.

#### Product

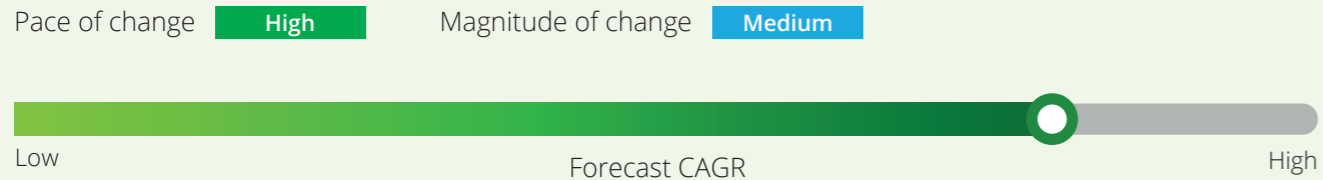
Health insurance could evolve to include care facilitation, wellness incentives, and coverage for emerging care models—enabled by analytics and connected health ecosystems.

In advanced markets, health insurance products may become broader and consumer-aligned, integrating mental health, outpatient services, and personalized medicine. Predictive analytics and interoperable data may enable earlier risk identification, proactive intervention, and reduced catastrophic costs, while value-based care and digital therapeutics could improve long-term outcomes.

In emerging markets, simplified and cost-efficient plans tailored to regional risks could prioritize primary care and prevention, with coverage expanding gradually as healthcare infrastructure and localized delivery capabilities mature.

“Public-private partnerships remain important to scaling access and advancing health equity.”

### Future outlook: Savings and retirement



Legend: Low ←→ High    *Relative growth line of business*

As retirement gaps may widen and disparities persist, the savings and retirement market is poised for growth. Consumers seek high-yield, flexible, personalized solutions to help preserve and grow long-term security. Insurers respond with advanced analytics, tailored advice, and integrated digital platforms to help improve retirement readiness.

#### Customer

Financial planning becomes more personalized and flexible. Younger consumers may begin saving later but seek higher returns through more risk-accepting portfolios and new advisory channels. Fixed retirement ages may give way to flexible income strategies, integrated with health considerations to support longer lifespans.

In advanced markets, changing work patterns and longer careers could drive demand for adaptive decumulation solutions and integrated wealth and health offerings. Younger consumers may favor self-directed, technology-enabled investing, while demand grows for tax-advantaged savings, income guarantees, and downside protection amid market volatility. HNW and UHNW clients may require sophisticated, cross-border advice.

In emerging markets, lower trust in institutions could fuel community-based retirement models, while digital leapfrogging could expand access to scalable advice and micro-savings platforms.

#### Distribution models

Insurers operate within open, interconnected financial ecosystems, competing with banks, digital platforms, and embedded finance providers that often control the customer relationship. Market leaders aim to integrate seamlessly into everyday financial life while anchoring distribution in the workplace. By leveraging employer trust, they deliver holistic savings, retirement, and protection solutions that support employees' long-term financial health and longevity.

In advanced markets, insurers should integrate into financial journeys dominated by large technology and financial technology platforms, forming strategic collaborations and ensuring interoperability while navigating evolving data privacy and regulatory requirements. Platforms could increasingly influence saving, spending, and investment behavior, shaping long-term financial outcomes.

In emerging markets, mobile wallets, telecommunications providers, and super apps may serve as primary access points, driving mass-market adoption through embedded insurance. Resolving digital identity challenges could unlock significant underserved demand and enable personalized, real-time solutions.

**“By leveraging employer trust, they deliver holistic savings, retirement, and protection solutions that support employees’ long-term financial health and longevity.”**

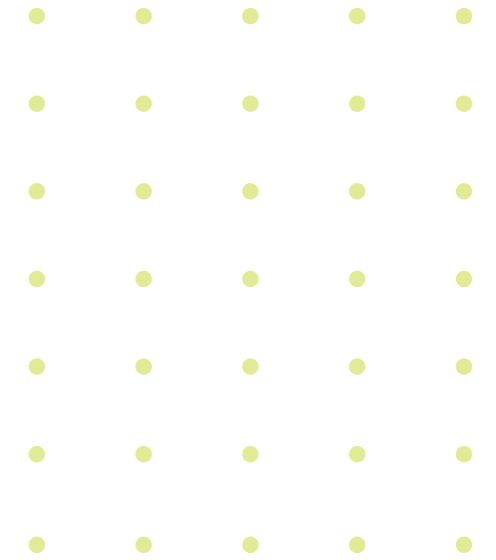
#### Product

A major shift in global wealth is underway, which may require products that balance intergenerational needs, manage volatility, and support both liquidity and legacy transfer. As more wealth concentrates in real estate and private assets, insurers could play a larger role in financial resilience.

In advanced markets, aging populations with wealth concentrated in real estate and private assets could drive demand for liquidity-focused retirement solutions, alongside growth in index-linked savings, pension de-risking, and modernized wealth-transfer infrastructure.

Pressure on pension systems and the rise of alternative and digital assets may prompt new approaches to protection, payments, and legacy planning.

In emerging markets, first-generation wealth creation could increase the need for financial education and simple legacy solutions, while high intergenerational dependence could drive demand for products that support shared risk and household resilience.





# Implications across the value chain

Regardless of region or line of business, several implications will likely resonate across the industry as insurers reimagine offerings and operating models. Here's what may define 2035.<sup>23</sup>

## Discovery and distribution

are embedded in everyday life and personalized via predictive life-event modeling. Mobile-first, IoT-enabled distribution expands reach in underserved segments. Reputation, transparency, and social impact may define market leaders as consumers gravitate toward brands aligned to their values.

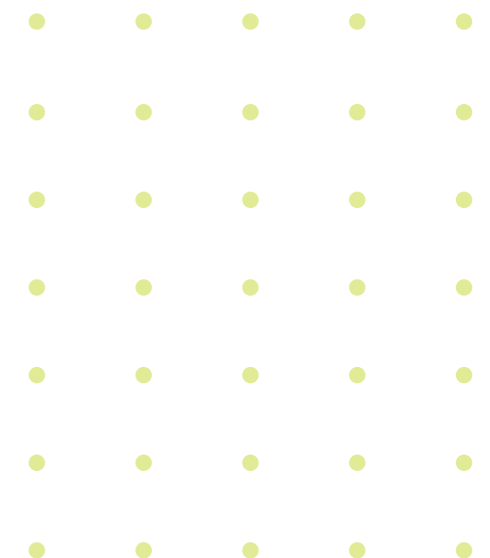
**Products and pricing** are fully modular, with coverage adjusting dynamically in real time based on behavior and multi-dimensional risks (like pandemics, extreme weather events, or socio-political instability). Coverage increasingly rewards proactive risk management and well-being. Fee-generating mitigation services may become a core growth lever.

**Underwriting** takes a "risk architecture" approach, focusing human skills on complex, multi-factor exposures while routine risks are automated. Continuous monitoring via IoT, satellite, social, and economic data could support real-time repricing. Predictive simulations may optimize portfolios for catastrophic and emerging risks.

**Claims** become proactive, automated, and integrated. AI and IoT data could streamline intake and validation, enabling near-instant payouts for simple claims while insurers may intervene to prevent losses. At moments of stress and duress, rapid human engagement remains important, ensuring empathetic support alongside automation. Blockchain-enabled records may enhance trust and reduce fraud, while resolution integrates repair, health care, or replacement services.

**Service and engagement** move from reactive support to context-aware interactions. AI agents could anticipate milestones and recommend coverage and financial solutions in real time. Insurance may become inseparable from health, mobility, smart home, and wealth ecosystems, enabling continuous protection and hyper-personalized interventions.

**Operating models** center on ecosystem orchestration, coordinating across governments, fintechs, health, mobility, and environmental networks. Traditional business models may no longer be sustainable, driving a business and operating model evolution into new models that are enabled by technology, data interoperability, and digital platform ecosystems. Strategic collaborations, AI-enabled workflows, and selective outsourcing could drive efficiency and agility. Workforces include both humans and AI agents. Organizations may continuously simulate long-term, interconnected risks across trends.





# Taking bold action today for a rewarding tomorrow

The global insurance industry stands at a crossroads. Over the next decade, insurers likely face not only significant transformation but a redefinition of their purpose amid a convergence of external drivers:

- Demographic shifts
- Societal change
- Advances in AI and technology
- Extreme weather impacts
- Mounting macroeconomic, regulatory, and geopolitical pressures

Together, these drivers are challenging legacy business and operating models and encouraging market participants to reinvent themselves.

By 2035, the industry will likely have shifted from primarily focusing on risk transfer to becoming a cornerstone of prevention, resilience, and long-term financial security. While insurers have shown adaptability in recent years, the road ahead is expected to be more challenging as megatrends will likely accelerate and intensify. The convergence of these megatrends means that their impact can no longer be looked at in isolation. What often matters is the compounding effect. Reacting to change will likely not be enough; winning will likely require the ability to anticipate disruption, adapt quickly, and align offerings to the needs of individuals, businesses, and societies navigating unprecedented uncertainty.

Insurers, policymakers, and ecosystem collaborators should act now. Bold experimentation, cross-industry collaboration, and resilient business models could be important to securing growth and relevance through 2035 and beyond. The defining question is how quickly each participant can respond—and how decisively business models evolve to align with the winning archetypes of the future.



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**Methodology**  
This paper combines primary qualitative insights with secondary research to help explore the future of the insurance industry through 2035.

Deloitte Global conducted in-depth interviews with Deloitte firm insurance leaders around the world. The interviews were designed to help build forward-looking perspectives.

Deloitte Global also conducted secondary research, such as industry reports, market, economic and demographic data and policy publications.

# Endnotes

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