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Life insurance distribution: competing for customer access in an advice-led market

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Executive summary

Distribution is fundamental to how life insurers compete and capture value.

Distribution is at the heart of life insurance: it shapes who insurers reach, what they sell and how effectively they build and retain customer relationships. Advice is becoming more central to how value is captured as populations age and individuals take greater responsibility for their retirement. To remain relevant across changing customer journeys, life insurers are adapting their products, capabilities and partnership strategies. Product design, underwriting speed and ease of administration will be key to determine access to distributors and customers.

Ageing and greater individual retirement responsibility are raising the value of financial advice and customer access.

For insurers, timely advice and early engagement with customers in their 50s and early 60s are becoming more valuable. The first large cohorts with wealth accumulated predominantly in defined contribution (DC) plans are retiring this decade. This makes personal retirement decisions more consequential than ever and increases the need for financial advice across retirement income, wealth planning and later-life care. Greater flexibility in decumulation and low annuitisation of pension assets leaves more retirees managing withdrawals, investment and longevity risk themselves. In the UK, for instance, 36% of assets in DC plans in decumulation in 2024 had been accessed as tax-free cash without drawing income.

Independent intermediaries are gaining share, but distribution remains market-specific.

The growing value of advice is supporting independent channels, but distribution remains market specific. Advisers, brokers and other multi-provider intermediaries are gaining ground in many markets, while bancassurance and affiliated agency models remain strong where local conditions favour them. Independent intermediaries distribute about 60% of individual life business in the US, while banks account for roughly two-thirds of life premiums in France, reflecting persistent differences in local market structures and customer relationships.

Scale and consolidation are shifting bargaining power across the distribution chain.

Scale and control of customer access are becoming key sources of bargaining power. Consolidation is creating larger intermediaries, adviser platforms and integrated bank networks with greater influence over distribution. In the US, three private equity-backed intermediaries completed more than 300 publicly announced acquisitions between 2017 and 2025. Scale also makes it easier to absorb rising compliance and technological costs, reinforcing their advantage.

AI may strengthen existing channels, while changing the basis of competition.

AI and digital technology are being deployed to strengthen existing channels and opening new ways to engage customers. In the near term, they may reduce friction in acquisition, underwriting, onboarding and administration, augmenting rather than replacing human advice. This can particularly benefit independent intermediaries by making multi-provider advice more scalable. In the long-term, we see potential for AI to bring underwriting closer to the point of sale, support continuous engagement through health, wellness and retirement ecosystems, and create new customer interfaces.

The customer is likely to be the ultimate winner.

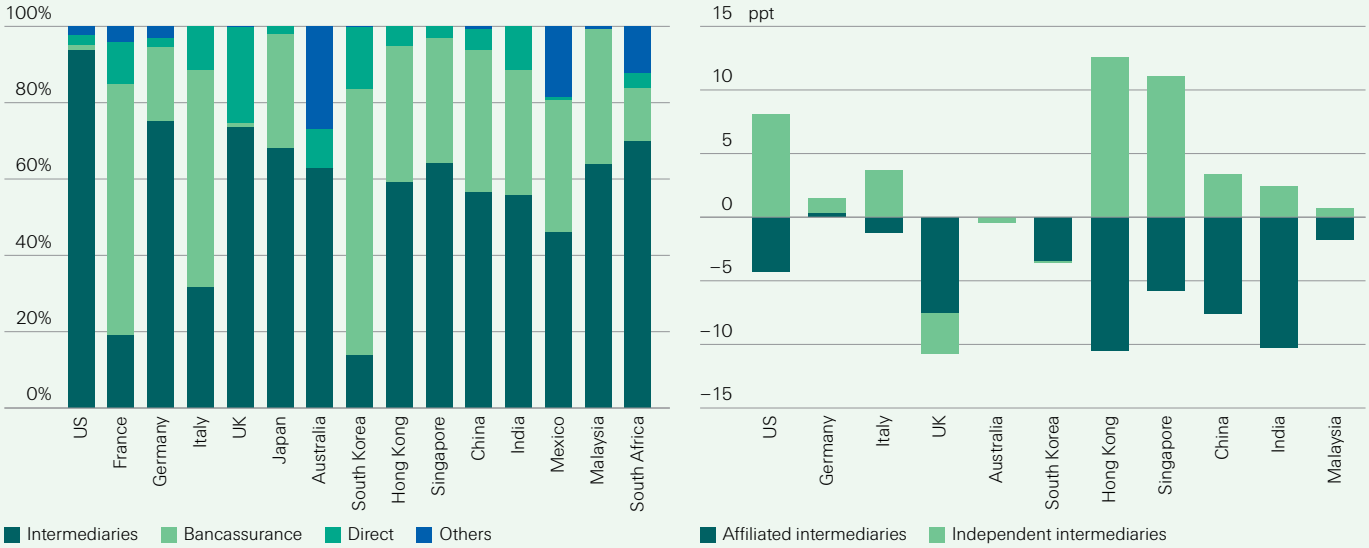
The result will be greater competition across the distribution ecosystem over customer access and the next financial decision. Customers could ultimately benefit as lower distribution friction broadens access to advice, while providers compete through better products, faster underwriting, simpler administration and more integrated solutions for increasingly complex later-life needs.

Key takeaways

Independent intermediaries are gaining ground in many markets as distribution channels remain market-specific.

Distribution structures remain highly diverse across countries. Within these established systems, independent advisers and brokers are gaining share in many markets, while bancassurance and affiliated agency models still dominate where local conditions favour them.

Life insurance distribution channel mix, by country, 2023–25 (left); changes in affiliated and independent intermediary shares from 2019 to the latest available year (right)

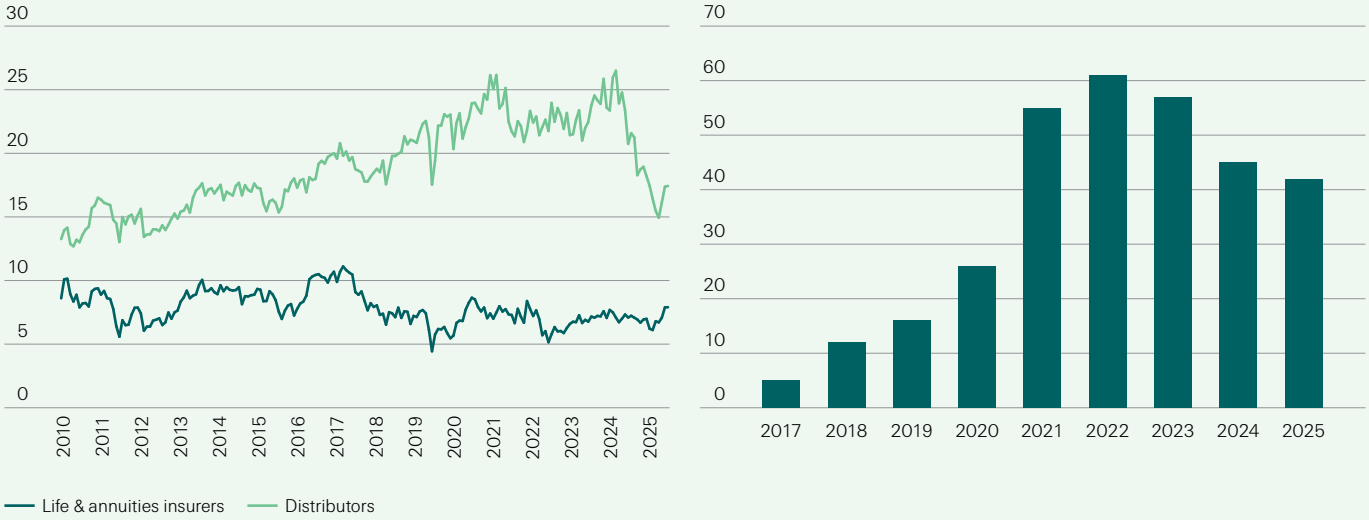


Source: AXCO, LIMRA, national regulators and industry associations, Swiss Re Institute

Scale and consolidation are changing bargaining power and value capture across the distribution chain.

Private equity investment and bank consolidation are creating fewer, larger intermediaries and adviser platforms, while regulation favours firms able to absorb rising compliance and technology costs. For insurers, differentiated products, underwriting and service capabilities are becoming more important to securing distribution access on sustainable terms.

Forward price-to-earnings multiples for US life insurers and distributors, 2010–2025 (left); deal activity by three private equity-backed IMOs in the US by count (right)

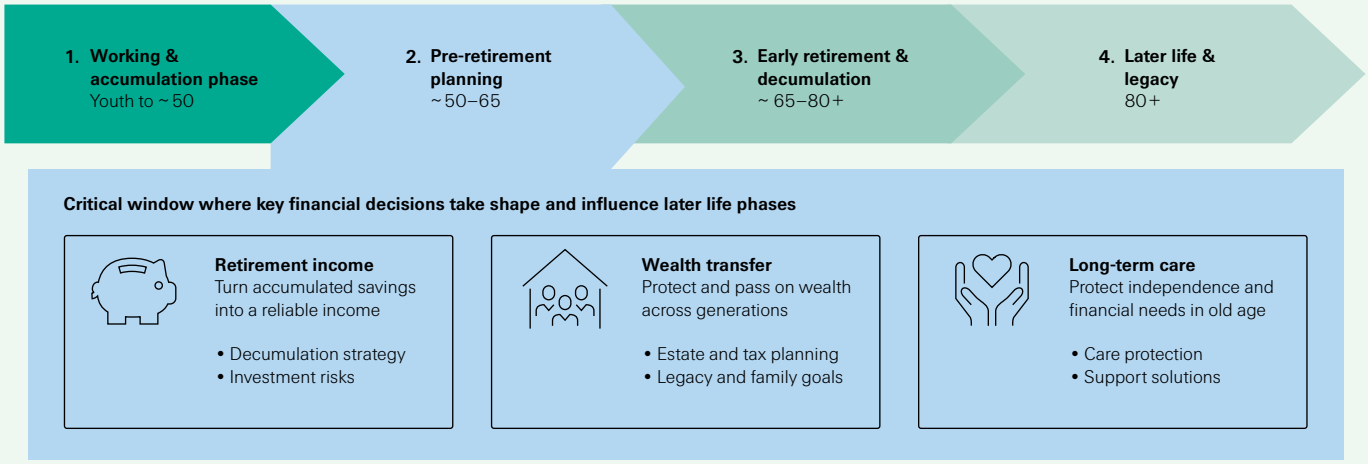


Source: S&P Global, Swiss Re Institute estimates based on publicly announced deals.

The pre-retirement years are a critical engagement window for life insurers.

Many of the financial decisions shaping retirement income, wealth transfer and later-life protection are made during this period. Insurers that successfully combine relevant products, specialised advice and sustained customer engagement can play a greater role in supporting these decisions throughout later life.

Key later-life needs are shaped before retirement



Source: Swiss Re Institute

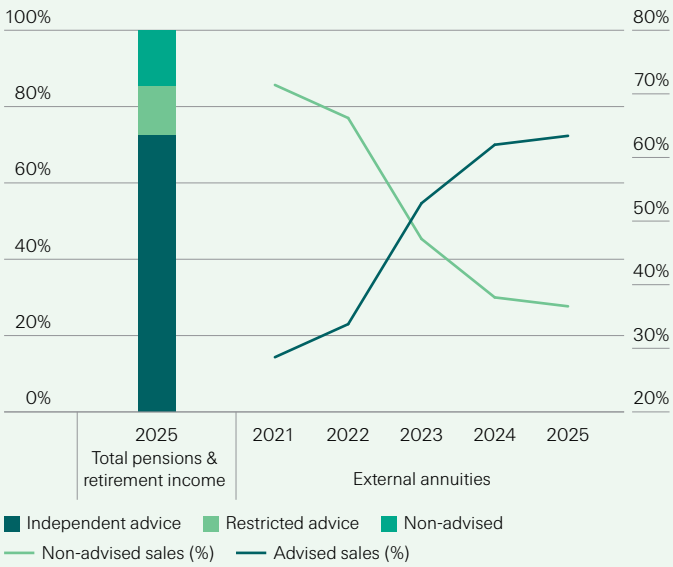
Greater decumulation choice increases the value of advice and competition for retirement assets.

More decumulation pathways increase the complexity of retirement decisions and the value of advice. In more flexible systems, retirement evolves from a one-time product decision into an ongoing financial planning process, increasing competition among insurers, advisers, banks and asset managers.

Markets grouped by type of retirement system (left); UK new pension & retirement income and sales of external annuities, by advisory type (right)

Retirement systems	Decumulation flexibility	Typical markets	Advisory potential
Flexible	Broad choice of drawdown, annuities, and lump sums	US, UK, Australia, Canada	Strong
Hybrid	Mix of annuities and lump sums, with some constraints	Switzerland, Netherlands, Japan, South Korea	Medium
Income-driven	Lifetime income predominates; flexibility mainly in supplementary savings	France, Germany, Italy, Spain	Limited

Strong Medium Limited



Source: ABI data, Swiss Re Institute

AI may improve channel economics while intensifying the contest for the customer interface.

AI and technology are being deployed to improve customer acquisition, adviser productivity, and digital onboarding within existing distribution channels. They also create new sources of competitive advantage by helping intermediaries scale advice while enabling insurers to bring underwriting closer to the point of sale, strengthen customer engagement and build direct customer interfaces.

Share of reported AI and technology initiatives across the life insurance distribution value chain, by product

Life insurance distribution value chain →

AI & technology in:
- **Customer servicing**
- **Operational efficiencies**

	8% Reach and target	**20% Advise and quote**	**10% Underwriting at point of sale**	**11% Onboard and issue**	**31% Engage, serve and retain**	**12% Manage assets**	**9% Pay claims**
	Marketing Lead generation Customer acquisition	Adviser tools Needs analysis Personalised quote	Risk assessment Evidence triage Accelerated underwriting	Digital application e-signature e-payment Policy issuance	Servicing Engagement Wellness ecosystems	Portfolio monitoring In-force asset servicing	Claims management
Life/protection	High	Low	High	High	Medium	Low	Medium
Savings/accumulation	Medium	High	Low	Medium	High	High	Low
Health	Medium	Medium	Medium	High	High	Low	High

AI & technology relevance:

High Medium Low

Note: Based on 197 case studies of the S&P top 50 global life insurers and selected intermediaries, 2022–26. Row 1 numbers are case-study percentages showing where AI/technology is being deployed, not market-wide adoption rates.

Source: Swiss Re Institute

Life insurance distribution: evolving without converging

Distribution is at the heart of life insurance. It shapes who insurers reach, what they sell and how effectively they build and retain customer relationships. Life insurance distribution is evolving within local systems rather than converging towards a single global model. Distribution structures remain highly market-specific, shaped by differences in product design, retirement systems, regulation, institutional arrangements and consumer preferences. We see the growing role of independent advisers, brokers and other multi-provider intermediaries as a structural trend in many markets, particularly where customers require complex advice and value access to products from multiple insurers. Yet bancassurance and affiliated agency channels nevertheless retain substantial market share where local market conditions support them.

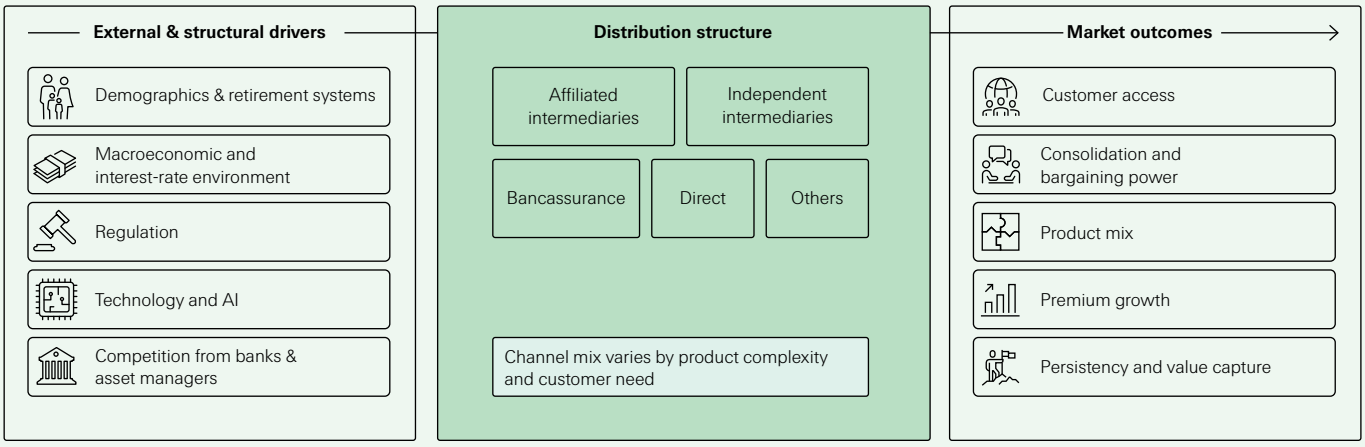
Life insurance is fundamentally a distribution business.

Distribution is a primary driver of life insurance. Products are intangible, long-dated and difficult to compare. Demand rarely materialises without explanation, advice or active engagement. Distribution shapes who is reached, which products are considered, how well coverage matches need and, ultimately, premium volumes and whether policies remain in force. While insurers manufacture products, provide risk capital and manage long-term liabilities, customer access may be controlled by an affiliated agent, an independent adviser, a bank, or a digital platform. Competition among insurers therefore extends beyond the product itself to the channels that control customer relationships.

Multiple external and structural drivers are increasing the strategic importance of distribution.

Several external and structural drivers are increasing the importance of life insurance distribution (see Figure 1). Advice becomes critical as ageing populations take on greater individual responsibility for their retirement and navigate more complex pension and later-life financial decisions. For insurers and distributors, this brings forward the opportunity for engaging customers. Higher interest rates have also strengthened the appeal of savings and annuity products, influencing both demand and distribution incentives. At the same time, consolidation is concentrating customer access among larger distributors. Closer integration of insurance with banking and wealth management can also embed life products within established financial relationships. AI and digital technology are improving how customers are advised and served, while creating new opportunities for insurers and distributors to reach clients, strengthen relationships and gain greater control of the customer interface.

Figure 1
External and structural drivers shaping life insurance distribution



Source: Swiss Re Institute

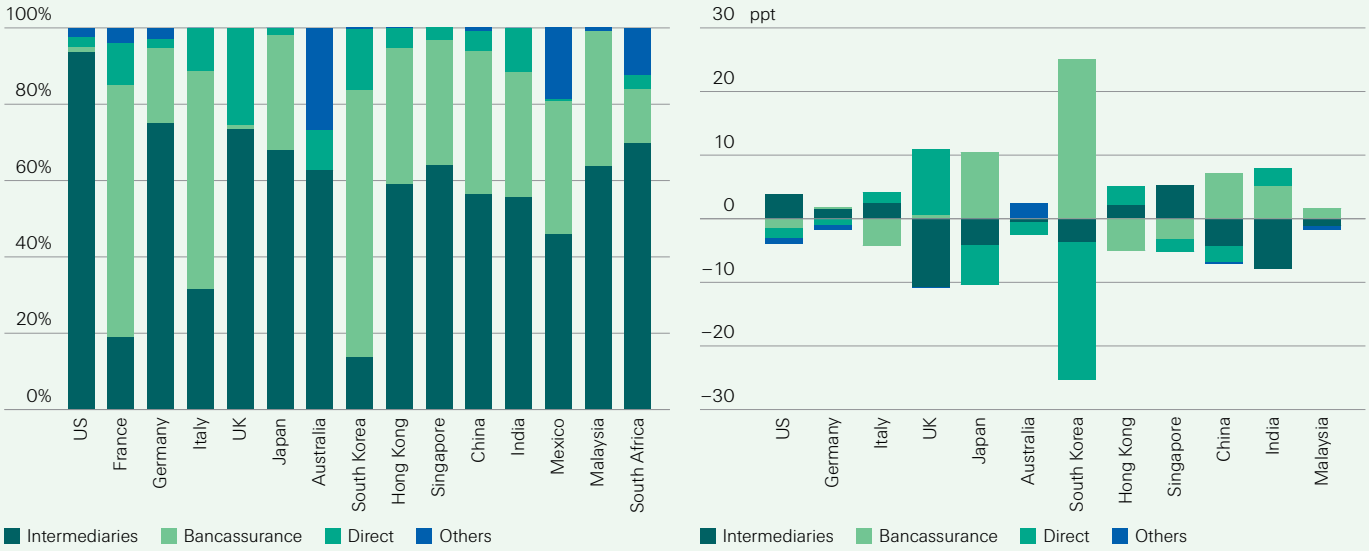
Life insurance distribution is evolving but remains market-specific

Life insurance distribution differs markedly across markets, reflecting local structures and customer needs.

We see life insurance distribution evolving within established local ecosystems rather than converging towards a single global model. Channel structures continue to vary markedly across markets, shaped by national retirement systems, product design, regulatory and institutional frameworks, and consumer preferences. These characteristics define the balance between intermediaries, bancassurance and direct distribution (see Figure 2, left). Since 2019, shifts in channel shares have generally been modest, typically less than 10 percentage points, underscoring the persistence of local distribution structures (Figure 2, right).

Figure 2

Life insurance distribution channel mix, by country (left); changes in distribution channel shares from pre-COVID (right)



Note: Data is based on individual premiums for the US, the UK, Australia, Hong Kong, Singapore, India and Mexico. For rest of the markets, channel mix is based on total life premiums. "Other" includes institutions other than banks. Data ranges from both 2019 and 2023–2025, based on availability. Additional details on the data and distribution channel classifications are provided in Appendices 1 and 2, respectively.
Source: LIMRA, AXCO, national insurance regulators, industry associations, Swiss Re Institute

Intermediaries are dominant where products are complex and customers require personalised advice.

Intermediaries dominate most markets

In most markets in our sample, intermediaries account for more than half of the life insurance premiums. Tied agents, independent advisers, brokers and wealth managers play a leading role in markets where complex customer needs require personalised advice: retirement, protection and wealth-planning. This is particularly evident in the US and the UK, where life insurance forms an integral part of retirement and wealth planning. Intermediaries also distribute more than 70% of new life business in Germany, supported by demand for occupational pensions, disability protection and tax-efficient long-term savings.

Bancassurance thrives on integrated financial relationships.

Bancassurance plays an important role in parts of Europe and Asia

Bancassurance is strong where banks play a central role in customers' financial lives, closely integrating life insurance with savings and wealth management. Banks are effective distributors of savings-oriented products that require relatively limited advice, supported by frequent customer interactions and extensive branch and digital distribution networks. This is particularly true in markets with supportive regulatory and institutional frameworks. Bancassurance is the dominant model in France and Italy, and it also plays an important role across parts of Asia, ranging from 30% in Japan to nearly 70% in South Korea.

Higher interest rates have supported growth of bancassurance in some markets.

The recent growth of bancassurance, particularly in parts of Europe and Asia, has been supported by higher interest rates and favourable stock market performance. These market conditions improved the attractiveness of savings and investment insurance products. In contrast, China's bancassurance market remains important despite low interest rates, while regulatory reforms have broadened bank access and tightened commissions, shifting competition towards product value and service capabilities. In other emerging markets, bancassurance is also benefiting from ongoing insurance deepening and the modernisation of distribution models.

Direct distribution succeeds where advice requirements are limited.

Direct distribution generally has a smaller share

Direct distribution is most effective for simpler protection products and purchasing decisions that require relatively little guidance. In most markets, it plays a limited role in the overall share of individual life insurance distribution, because many products require more personalised advice. Regulatory design can also influence its role. In the UK, customers with smaller pension savings can purchase personal annuities without regulated financial advice, while digital servicing also encourages many retirees to remain with their existing pension provider.[1] In some markets, direct distribution has more relevance in group life insurance, where insurers distribute cover through employers, workplace schemes and corporate relationships.

Together, these channels represent the principal approaches to life insurance distribution, each combining different strengths in advice, product choice and customer convenience (see Table 1).

Table 1
Relative strengths of life insurance distribution channels

Channel		Advice capability	Product choice	Convenience	Key characteristics
Intermediaries	Affiliated intermediaries	Strong	Limited	Medium	▪ Personalised advice for protection and retirement planning. ▪ Typically limited to products from a single insurer.
	Independent intermediaries	Strong	Strong	Medium	▪ Well suited to complex protection, retirement and wealth-planning needs, and holistic advice. ▪ Broad product choice through access to multiple insurers.
Bancassurance		Medium	Medium	Strong	▪ Integrate life insurance with broader banking and wealth-management relationships. ▪ Product choice is broader than tied agents but generally limited to partner insurers.
Direct		Limited	Medium	Strong	▪ Best suited for simple products and straightforward customer needs. ▪ Fast, convenient and predominantly digital customer journeys.

Strong Medium Limited

Source: Swiss Re Institute

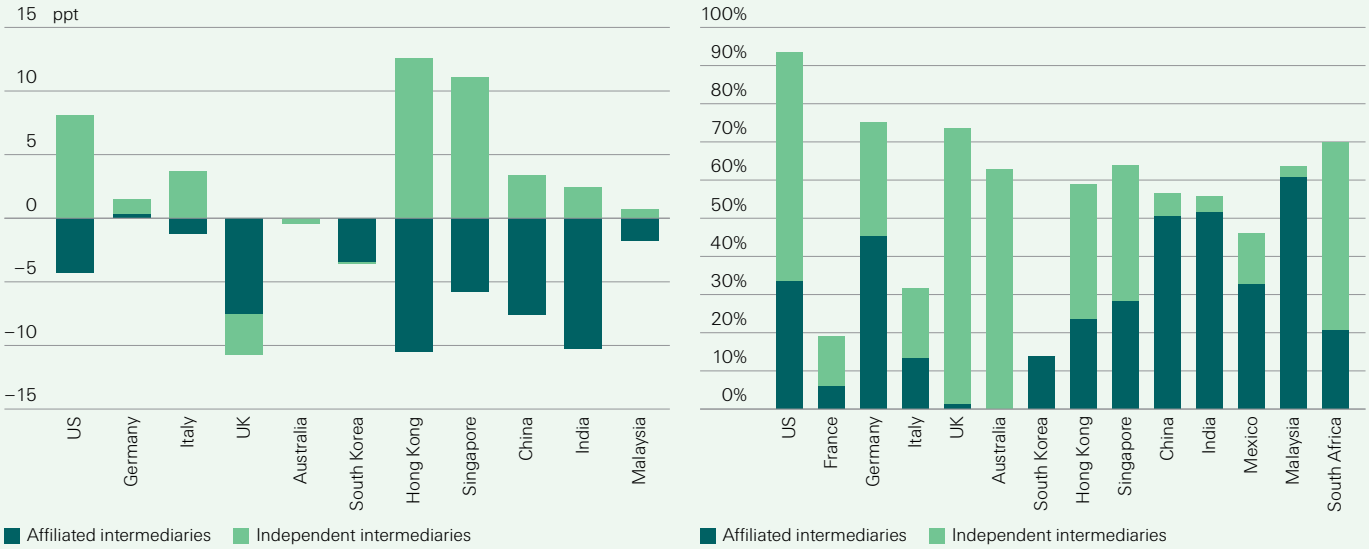
Brokers, independent agents and financial advisers have expanded their share of distribution since 2019.

Independent intermediaries are on the rise

Independent intermediaries are gaining ground across many life insurance markets (see Figure 3, left). Since 2019, brokers, independent agents, and financial advisers have generally expanded their share of distribution, while affiliated intermediaries, primarily tied agents, held steady or lost share. In the US, the share of independent distribution has increased by more than eight percentage points to reach around 60% of individual life business, while affiliated agents have lost more than four percentage points.

[1] *Written evidence from the Financial Conduct Authority (FCA) (PFC0083)*, House of Commons Work and Pensions Committee, October 2017.

Figure 3
Changes in channel distribution from 2019 to latest, affiliated vs. independent intermediaries (left); affiliated vs. independent by country, latest out of 2023–25 (right)



Note: The left chart shows percentage-point changes in affiliated and independent channel shares between 2019 and the latest available year. Shares are based on total life or individual premiums, based on country-level data availability, and include only countries with data for both periods. The right chart shows affiliated and independent intermediary shares in the latest available year (2023–25), based on total new or individual premiums. See Appendices 1 and 2 for data availability and country-specific coverage.
Source: AXCO, LIMRA, national regulators, industry associations, Swiss Re Institute

The trend appears structural rather than cyclical.

We see this trend as structural rather than cyclical, driven by changes in both customer needs and industry supply. Greater individual responsibility for retirement outcomes and increasingly interconnected protection, retirement and wealth-planning decisions are strengthening the need for holistic financial advice. At the same time, consolidation and higher professional requirements are creating fewer, larger intermediary firms with greater capacity to invest in compliance, technology and adviser support. As a result, independent intermediaries are well positioned to benefit because they combine personalised advice with access to products from multiple insurers, although affiliated agency and bancassurance continue to play leading roles in many markets.

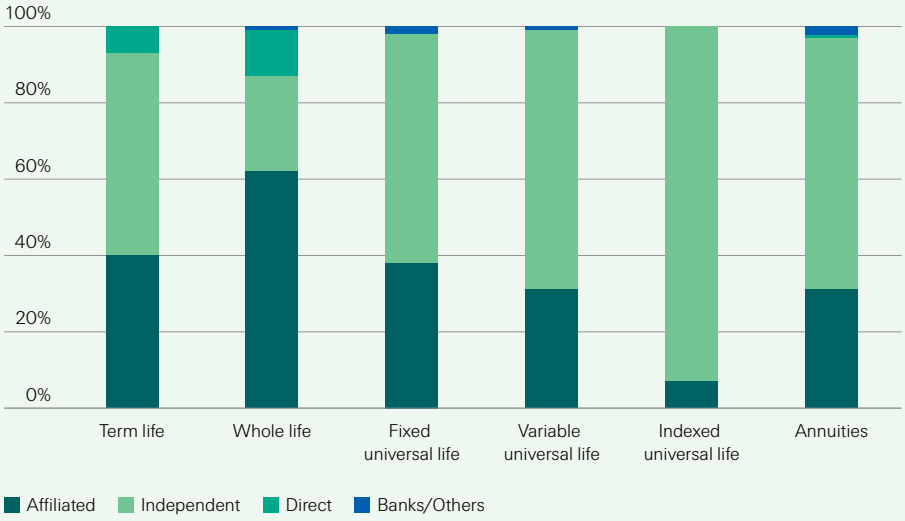
The drivers of independent distribution differ across markets.

In the US, growth has been driven by the rising need for more complex, adviser-led products and insurers outsourcing sales to lower their fixed operational costs. Across Europe, consolidation and higher professional requirements are creating fewer, larger intermediary firms with greater capacity to invest in compliance, technology and adviser support. In Asian markets such as Singapore and Hong Kong, independent advisers and brokers benefit from affluent customers seeking multi-provider comparison, retirement and wealth planning, and cross-border wealth or foreign-currency solutions.

In the US, independent intermediaries distribute more complex products while affiliated ones benefit from established relationships.

US independent intermediaries thrive on more complex products
The value of financial advice tends to increase with the complexity of customer needs. In the US, products requiring greater comparison across insurers, investment choice or retirement planning are generally distributed through independent advisers, while more relationship-based protection products remain closely associated with affiliated agency channels (see Figure 4). The relationship is not uniform, however, and product complexity alone does not determine the distribution channel (see Chapter 2).

Figure 4
US life annualised premiums' market share by product and distribution channel, 2024



Note: Annuities refers to single premium immediate annuities and deferred income annuities.
Source: LIMRA's U.S. Individual Life Insurance and Annuity Yearbooks, Swiss Re Institute

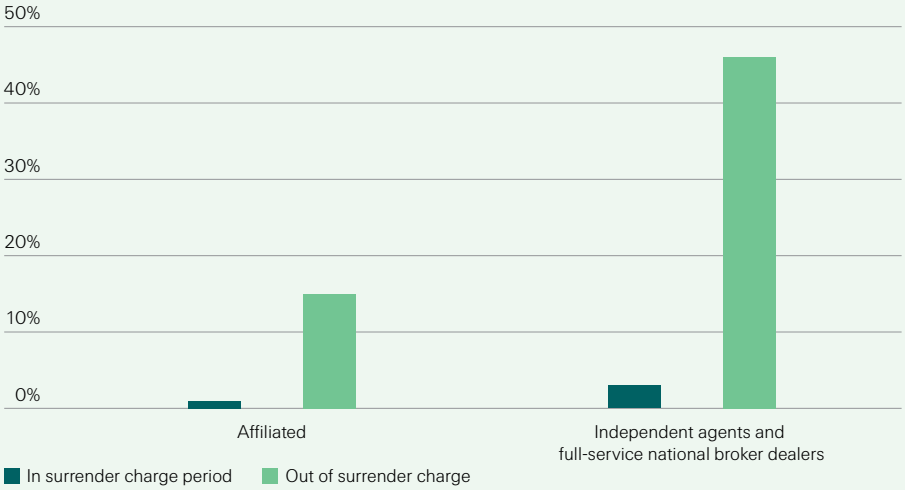
Greater product complexity shifts distribution towards independent advisers...

We see a larger role for independent advisers where US customers need to compare product features, investment options, and guarantees across insurers, although the degree varies by product. It accounts for more than 90% of indexed universal life and more than two-thirds of variable universal life and annuity sales. Fixed universal life has a larger affiliated-agency presence, although independent intermediaries still account for most sales. This partly reflects differences in product design. Unlike indexed and variable universal life, fixed universal life credits interest at a rate set by the insurer rather than linking returns to an external index or investment subaccounts, reducing the investment-comparison element of the sale.

...and potentially higher churn rates.

Fixed-rate accumulation annuities rely heavily on independent distribution and are structurally prone to high churn. This affects stocks, mutuals, and PE-owned insurers alike, but PE-owned are more exposed because these products typically account for a larger share of their business mix.

Figure 5
Fixed-rate accumulation annuities sold through independent channels see materially higher post-surrender churn, 2025



Source: LIMRA's 4Q25 U.S. Annuity Persistency Report, Swiss Re Institute

Simpler products have a more balanced mix; whole life is dominated by affiliated agents.	Simpler protection products such as term life are distributed through a relatively balanced mix of affiliated and independent intermediaries. This reflects their more standardised design and the growth of simplified underwriting and digital distribution. Whole life remains dominated by affiliated agents supported by its relationship-driven sales process and the long-established career-agency systems of mutual insurers.
Life insurance distribution is moving towards hybrid models that combine digital efficiency with trusted advice.	Technology and digitalisation can meaningfully enhance advice but are not likely to replace advisers. We see life insurance distribution evolving towards digitally enabled advice and hybrid fulfilment, reshaping the customer journey from acquisition to servicing and claims. But trusted advisers are likely to remain central for products involving complex protection, retirement and wealth-planning decisions (see Chapter 3).

Value capture and shifting power along the distribution chain

Customer access is becoming more concentrated through different forms of consolidation, from private equity-backed intermediary platforms to integrated bank networks and selective vertical integration. As scale increases, commercial relationships are changing, with larger distributors able to exert greater influence over remuneration, service and other distribution terms. Regulation is reinforcing the importance of scale as scrutiny extends beyond commissions to advice quality, value for money and distributor governance. For insurers, these developments make the terms on which customer access is secured increasingly important. Third-party partnerships and integrated distribution represent different routes to customer access, with different implications for cost and control, while product design also matters where propositions need to fit distributors' platforms and business models.

Customer ownership commands a valuation premium.

Life insurers and distributors play complementary roles in the life insurance value chain with different capital requirements, risk exposures and sources of value (see Table 2). Insurers provide capital and carry mortality, longevity, market and credit risk. Distributors create value through customer access, advice and relationships, supported by a less capital-intensive business model. These differences are reflected in market valuations: distributors traded at a widening premium to life insurers over much of the past 15 years. The gap has narrowed from its early-2025 peak, partly reflecting the normalisation of an unusually wide valuation premium, as distributors' forward earnings multiples fell from elevated levels and life insurers' fundamentals improved (see Figure 6).

Consolidation and regulation are shifting value capture towards large distributors.

Distribution models, intermediary consolidation and evolving regulation are changing value capture across the life insurance distribution chain. As brokers, adviser platforms and bank distribution become more concentrated, larger distributors can gain bargaining power over commercial terms and customer access. Regulators can reinforce this shift by placing greater emphasis on advice quality, product governance and value for money. This raises compliance and oversight requirements and can favour larger intermediaries, as they are able to spread the associated costs across greater scale.

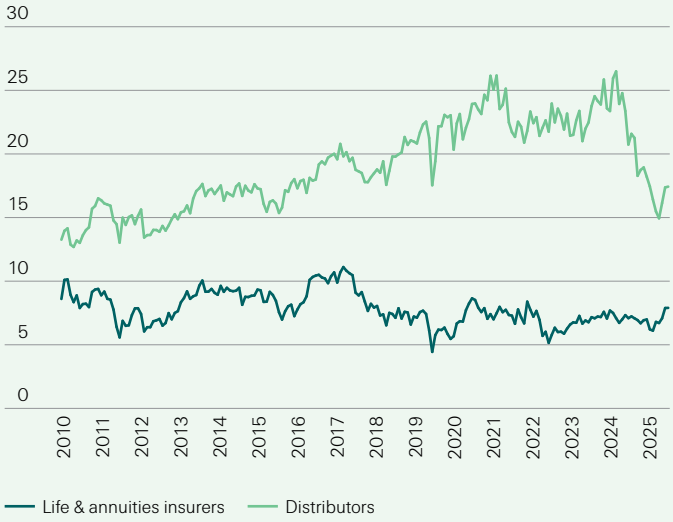
Distribution models can dictate insurer costs.

The remuneration structures of different distribution channels largely determine how and when insurers incur customer acquisition costs. Intermediaries are typically paid through commissions, which can be heavily front-loaded for protection business or paid over time for advised savings and pension products. Bancassurance partnerships may involve large upfront payments for exclusive access to a bank's distribution network, amortised over the life of the agreement. Where regulation separates advice from product commission, customers pay advisers directly. These remuneration structures are set largely by channel design and regulation rather than negotiated policy by policy. When acquisition costs rise, life insurers often bear the immediate pressure, and the effect may later also be reflected in product design, customer pricing or revised commercial terms.

Product design influences value capture.

Product design is also important for value capture. It can influence which products distributors choose to offer and recommend. In open-advice markets, life insurance products compete not only with other insurers, but also with deposits, investment funds, managed portfolios and retirement drawdown solutions. Customer access can then depend on how well an insurer's product and its remuneration type fits the distributor's business model. Products that are easy to compare, administer or integrate into adviser platforms are more likely to secure distribution.

Figure 6
Forward price-to-earnings multiples for US life insurers and distributors, 2010–2025



Note: Forward price-to-earnings for the next twelve months.
Source: S&P Global, Swiss Re Institute

Table 2
Key differences between manufacturers and distributors

	Life insurer	Distributor
Customer relationship	Shared or indirect	Direct/control of customer access
Capital requirement	High	Low
Principal risks	Mortality, longevity, market and credit risk	Conduct, reputation and execution risk
Primary source of value	Underwriting margin, investment income and risk selection	Commissions, distribution fees and customer relationships

In the US, private equity relies on scalable third-party distribution, while...

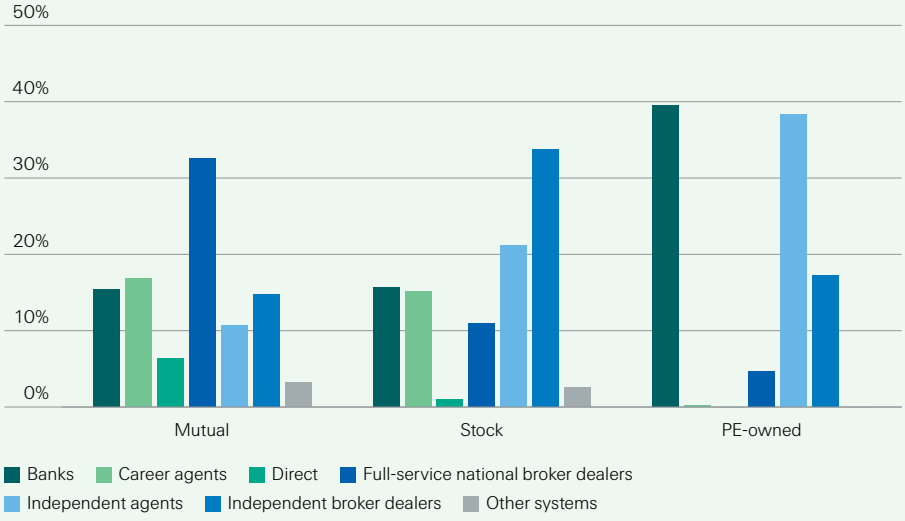
Different insurers rely on different distribution strategies

US life annuity distribution varies markedly by insurer ownership model. The pattern reflects a combination of product mix, inherited distribution capabilities and the economics each owner brings to the business. Private equity-owned insurers are relatively recent entrants to the US annuity market and rely primarily on banks and independent agents. These third-party channels lower barriers to distribution entry by providing immediate access to established customer and adviser networks without the fixed costs of building and operating career-agency channels, enabling faster expansion of distribution.

...mutual and stock insurers diversify differently.

Mutual and stock insurers have taken different routes to distribution scale. Many long-established mutual insurers maintain a diversified set of proprietary channels, leveraging affiliated adviser networks centred on durable customer relationships and broad financial planning, while using broker-dealers and banks to extend their reach. Stock insurers, by contrast, rely more on third-party distribution, particularly independent agents and broker-dealers, giving them access to multiple customer segments without depending on a single proprietary channel.

Figure 7
US individual annuity distribution mix by insurer ownership model, 2024



Note: Shares represent individual annuity sales through each channel among named companies classified by ultimate ownership at year-end 2024. We exclude the category "other systems" given its small share of 3.2% for mutual and 2.5% for stock.
Source: LIMRA, 2024 U.S. Individual Annuity Yearbook, Swiss Re Institute

Fewer, larger, stronger: consolidation in life distribution

Distribution consolidation is shifting bargaining power to larger intermediaries.

Consolidation is building across major life insurance markets, although its form depends on local distribution structures. Insurers that once dealt with a long tail of small agencies, brokerages and adviser practices are now negotiating with a smaller number of larger counterparties that control customer access. In some markets, private capital is aggregating independent channels; in others, bank-led networks are capturing more of the flow, or insurers are buying back parts of the intermediary layer. As distributors gain scale, so does their bargaining power. Larger firms can invest more heavily in technology, compliance and adviser productivity, while their greater scale strengthens their negotiating position on remuneration, product access and insurer support.

Adviser workforce is contracting in some markets.

Alongside consolidation among distribution firms, the adviser workforce has contracted in some markets amid higher professional standards, regulatory requirements and changes in how advice is delivered. Australia, for example, has seen its financial adviser population fall substantially since 2019. In parts of Asia, adviser populations are also changing, although the pattern varies by market, from declining agent numbers to shifts in the composition of their adviser forces.[2,3] A smaller adviser pool increases the importance of adviser capacity and productivity.

[2] *Financial advice in a changing world*, ASIC Newsroom, 19 June 2024
[3] *Singapore's insurance agent numbers wane, appeals fewer since 2015*, Insurance Asia, accessed 26 August 2026.

Table 3
Consolidation developments in life insurance distribution

Consolidation model	How it works	Implications for insurers	Market examples
Private equity aggregation	Private equity consolidates independent distributors into large distribution platforms	Larger intermediaries gain bargaining power over remuneration, product access, data and commercial support	US, UK
Integrated bancassurance	Banks own life manufacturing and distribute proprietary products through captive networks	Customer access becomes more captive, limiting opportunities for third-party insurers	France, Italy, Spain
Vertical integration by insurers	Insurers acquire or build distribution	Greater control over distribution, but higher operating complexity	Canada
Exclusive distribution partnerships	Insurers secure long-term exclusive access to bank networks	Access to large customer bases is secured for a fixed period but requires significant upfront investment	Singapore (HSBC-Allianz)

Source: Swiss Re Institute

Private capital is building scaled distribution platforms

Private equity investments are scaling life distribution networks in the US.

Private capital has been consolidating the independent distribution layer, which has operated separately from life carriers for decades. The investment case combines recurring commission cash flows and low capital intensity with the opportunity to capture scale efficiencies in a fragmented market. This is particularly evident in the US, where just three private equity (PE)-backed independent marketing organisations (IMOs) completed more than 300 publicly announced transactions involving IMOs, field agencies, and advisory groups between 2017 and 2025 (Figure 8, left). Deal activity peaked in 2022 and has since moderated, as the pool of independent targets narrowed and established platforms became more selective. While the consolidation cycle may be past its peak, the market structure it has created is likely to persist.

Scale strengthens distributors' negotiating position.

Scale has strengthened distributors' negotiating position. Consolidation has transformed loose collections of agencies into large institutional distribution platforms. By centralising carrier relationships, technology and compliance while broadening product access across life, annuity and retirement businesses, these platforms are becoming the key gateway through which products reach advisers and customers. Integrity's acquisition of Innovative Underwriters,[4] Simplicity's purchase of Concourse Financial Group Agency,[5] and AmeriLife's acquisition of Crump Life Insurance Services[6] illustrate the transition. For insurers, this means dealing with fewer, larger counterparties with greater influence over product access, service, data, support and remuneration.

Private equity is extending its distribution playbook globally.

Private capital is pursuing a similar consolidation strategy in Europe and Asia, although from a lower base and through different routes to scale. Europe offers significant consolidation potential given its fragmented markets and distribution networks, although high barriers to entry and the dominance of incumbents in some markets can make establishing a foothold challenging.[7] Opportunities for private equity investment exist notably in the UK, Germany, and the Netherlands. In the UK, PE-backed platforms helped lift advice-firm transactions from 50 in 2020 to a record 133 in 2025, concentrating influence over which pension and drawdown providers reach clients.[8] Traditional carriers are partnering with scaled, multi-brand intermediaries to reach consumers seeking wider product choice. In Singapore, KKR established Ascend Asia in 2025 around the acquisition of an independent advisory firm, expanding the platform to more than 2 000 consultants by mid-2026.[9,10]

[4] *Integrity to Acquire Innovative Underwriters from Guardian*, Integrity, 19 November 2024.
[5] *Simplicity Acquires Concourse Financial Group Agency from Protective Life*, Simplicity Group, 8 October 2024.
[6] *AmeriLife To Acquire Crump Life Insurance Services*, AmeriLife, 6 January 2025.
[7] sigma 2/2024, Life insurance in the higher interest rate era, Swiss Re Institute.
[8] *IFA sector consolidation rapidly accelerating with 133 deals in 2025*, PA Adviser, 13 May 2026.
[9] *KKR Launches Financial Advisory Platform Ascend Asia in Singapore*, KKR, 30 June 2025.
[10] *Singapore's FA channel pulls ahead – and FWD is moving with it*, Insurance Business, 25 July 2026.

In some markets, banks are tightening control over life distribution.

Banks are tightening control over life distribution

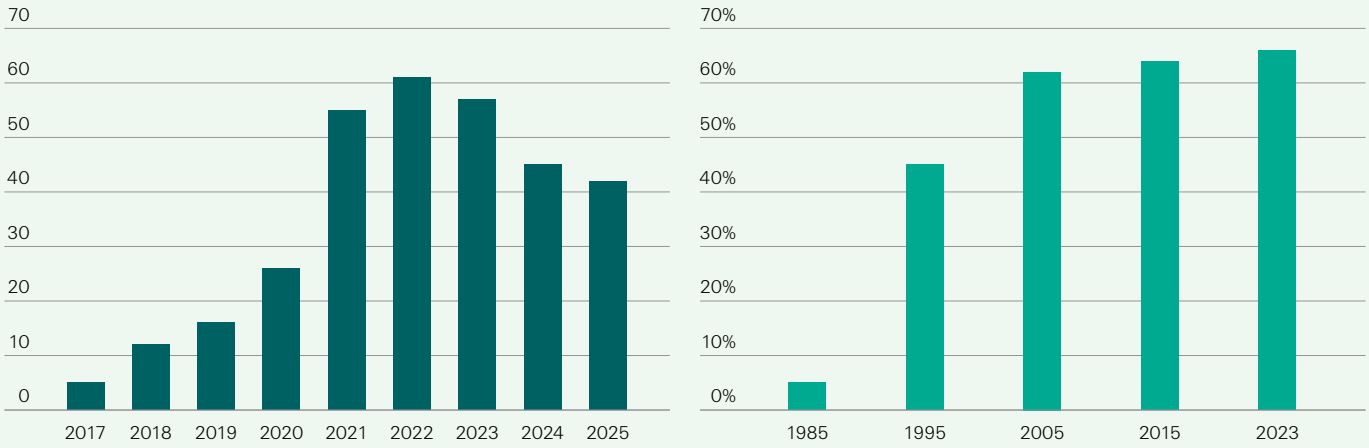
Access to bank distribution is also narrowing. As banks in some markets consolidate, they choose to own life manufacturing rather than rent it from an external partner. In Spain, CaixaBank's takeover of Bankia ended its longstanding bancassurance alliance with Mapfre, subsequently acquiring Mapfre's 51% stake in Bankia Vida and taking full ownership of the life insurer.[11] In Italy, Banco BPM brought life manufacturing in-house by acquiring Banco BPM Vita outright from Covea and exercising a call on Cattolica's stake in Vera Vita.[12] Elsewhere, insurers are securing bank distribution through long-term exclusive partnerships. In Singapore, Allianz agreed in July 2026 to acquire HSBC Life Singapore for around EUR 2 billion together with a 15-year exclusive agreement to distribute protection, health and retirement products across its network.[13] In both forms, fewer bank networks remain independently accessible, raising the value of captive or exclusive access.

France shows the durability of integrated bank-owned life distribution.

France represents a mature version of the integrated bancassurance model. Major retail banks have established proprietary life insurance arms, favouring in-house products over broad third-party partnerships. This closed-loop model allows banks to generate recurring value, influence the customer journey and capture large household savings through their own distribution networks. Market share of bancassurance in France is persistent (see Figure 8, right), illustrating the resilience of the integrated model. While its scale, advice capabilities and customer relationships create high barriers to entry, competitors can still differentiate through product innovation, digital propositions, pricing and targeted customer segments.

Figure 8

Deal activity by three PE-backed IMOs in the US (left); bancassurance market share of life premium in France (right)



Note: Left chart: deal activity by count (based on publicly announced deals).
Source: Swiss Re Institute estimates

[11] *Spain's Caixabank takes over Bankia insurance business from Mapfre*, Reuters, 29 December 2021.
[12] *Banco BPM exercises call option versus Cattolica Assicurazioni on 65% of the capital of Vera Vita and Vera Assicurazioni*, Banco BPM, 29 May 2023.
[13] *Allianz to acquire HSBC Life Singapore and enter a new long-term distribution partnership with HSBC Singapore*, Allianz, 24 July 2026.

Some insurers are reclaiming distribution through vertical integration.

Some insurers are selectively reclaiming distribution

A partly countervailing response is for insurers to reclaim parts of the intermediary layer through vertical integration. In Canada, managing general agencies (MGAs) intermediate an estimated 65% of new individual life and health premiums, and several of the largest have been absorbed by insurers or insurer-backed groups.[14] Great-West Lifeco owns Financial Horizons and Value Partners; Empire Life combined six former BridgeForce companies into TruStone Financial in 2022; and Desjardins acquired IDC Worldsource, one of Canada's largest life insurance MGAs.[15] For some insurers, vertical integration can reduce the pressures of bargaining with external distributors and restore control over customer access. However, it also adds operating complexity and requires the insurer to manage different incentives across manufacturing, advice and sales.

Regulation's role in life distribution economics

Regulation can favour larger insurers.

Regulation can reinforce the ongoing consolidation of distribution by raising compliance, technology and oversight costs. Larger insurers and intermediaries are better able to absorb these costs and invest in the capabilities needed to demonstrate strong controls, advice quality and defensible customer outcomes. For much of the industry's history, distribution was shaped mainly by sales reach and incentive intensity: who could sell, how they were paid and how quickly premium could be generated. That is no longer sufficient. Supervisors are placing greater emphasis on customer outcomes, advice quality, fair value, suitability and product governance.

Table 4
How regulation affects bargaining power in life insurance distribution

Regulatory lever	What it changes	Economic effect	Market examples
Remuneration model	How the adviser is paid	Supports fee-based advisers and platforms; can accelerate consolidation among smaller intermediaries	UK (RDR)
Access to distribution	Which insurers a distributor can partner with	Changes competition for shelf space and the value of distributor relationship	China (bancassurance reforms)
Conduct and disclosure standard	Burden of proof on advice, transparency and compliance	Favours distributors with strong controls and raises costs for weaker firms	US (NAIC Model 275); France (IDD)
Value for money	Product scrutiny and pricing discipline	Increases pressure on insurers and distributors to justify total customer cost	European Union (EIOPA)
Market structure	Oversight of large intermediaries and platforms	Constrains conflicts of interest and increases accountability for scaled distributors	Canada (Ontario MGAs); Japan

Source: Swiss Re Institute

Commission reform changed adviser incentives in the UK.

The most direct intervention is on remuneration itself. The UK's Retail Distribution Review (RDR), implemented in 2013, replaced provider-paid commission with client-agreed advice fees for retail investment products,[16] improving transparency and reducing product-driven sales incentives.[17] It also raised professional standards and encouraged greater use of adviser platforms, contributing to consolidation in parts of the advice market. Pure protection products were largely outside the commission ban and continue to be heavily intermediated. However, the UK Financial Conduct Authority's recent market study into pure protection distribution shows that consumer outcomes and competition remain under scrutiny.[18]

[14] S. S. Carruthers, A. S. Cunningham, *Ontario Consultation on Regulating Life & Health Managing General Agents Launched*, Stikeman Elliott, 14 August 2024.
[15] *Empire Life invests in new subsidiary TruStone Financial Inc.*, Empire Life, 25 May 2022.
[16] A. Petroff, *RDR: The Basics*, Morningstar UK, 26 November 2012.
[17] *Retail Distribution Review – Post Implementation Review*, Europe Economics, 16 December 2014.
[18] *MS24/1: Pure Protection Market Study*, Financial Conduct Authority, 25 August 2024.

Higher standards for customer outcomes favour scale.

Conduct and product standards can raise the cost of distribution, favouring firms with the scale and capabilities to demonstrate consistent advice quality and governance. In the US, the NAIC Model 275 requires annuity producers to act in the consumer's best interest and obliges insurers to maintain supervisory systems supporting that standard, and nearly every state has adopted some version of the model,[19] which raises the burden of proof around recommendations, documentation and oversight. In Europe, regulators are focusing on value for money. The European Insurance and Occupational Pensions Authority (EIOPA)'s 2024 methodology for value-for-money benchmarks for unit-linked and hybrid insurance products is designed to help supervisors identify products that may not deliver sufficient value and to support a more data-driven, risk-based approach.[20] This means embedded acquisition and advice costs must be defensible as part of the overall customer proposition.

France strengthened conduct requirements while preserving commissions.

France also strengthened its conduct requirements for distributors through its 2018 transposition of the EU Insurance Distribution Directive (IDD).[21] The reform increased transparency through commission disclosure, product oversight and governance requirements and a strengthened duty of advice.[22] These measures have raised compliance costs, particularly for smaller brokers and mutual insurers, contributing to market consolidation while preserving commission-based intermediation. Subsequent reforms, such as the Lemoine Law, have intensified competition among distributors without altering the underlying commission model.[23]

Brokers are gaining ground in French protection distribution

The Lemoine Law accelerated broker growth in French credit life.

The 2022 Lemoine Law strengthened brokers' role in French protection distribution by allowing borrowers to switch mortgage insurance providers at any time and by simplifying underwriting for many loans.[24, 25] Lower switching barriers intensified competition in credit life, enabling brokers, comparison websites and digital distributors to gain share from bancassurers. Incumbents responded with more competitive pricing, revised product designs and improved digital customer journeys. While credit life represents less than 10% of the total French life insurance market, it is an important part of the protection market. In 2024, three bancassurance groups accounted for 59% of premiums written in this segment – a fall from 65% in 2019.[26, 27]

Multi-insurer comparison is extending competitive pressure beyond credit life.

Multi-insurer comparison is extending into income protection and other individual protection lines. Lower barriers to comparison and switching are strengthening distributors that can compare providers at scale, while putting pressure on insurers to balance customer value with technical profitability. Insurers are responding with changes to coverage, more flexible contract design, reassessed underwriting standards, occupation-based terms and generous product features as they seek to differentiate while protecting margins.

[19] *Annuity Suitability & Best Interest Standard,* National Association of Insurance Commissioners, 1 November 2023.
[20] *EIOPA presents its value for money benchmark methodology for unit-linked and hybrid insurance products,* European Insurance and Occupational Pensions Authority, 7 October 2024.
[21] See *Insurance Distribution Directive (IDD),* European Insurance and Occupational Pensions Authority, accessed 13 August 2026.
[22] M. van Dijk, *Changing Regulatory Requirements in Insurance Distribution,* MarshBerry, 3 July 2023.
[23] *French Insurance Broker KI Knight France Bidco (Kereis) Assigned 'B' Rating; Outlook Stable,* S&P Global Ratings, 18 December 2025.
[24] *LOI n° 2022-270 du 28 février 2022 pour un accès plus juste, plus simple et plus transparent au marché de l'assurance emprunteur (1),* Légifrance, 28 February 2022.
[25] *French Insurance at the 2026 Horizon: A Strategic Positioning Paper,* France Épargne Research, 2 March 2026.
[26] *Le marché de l'assurance emprunteur,* Xerfi, 24 December 2024.
[27] *Assurance emprunteur: un marché toujours capté par les bancassureurs,* Simulassur

Regulation has changed the economics of distribution in China in recent years.

Regulation can also reshape competition by changing who has access to distribution. In 2024, China's National Financial Regulatory Administration removed the rule limiting each commercial bank branch to partnerships with no more than three insurers, widening access to bancassurance distribution.[28] The change followed tighter bancassurance commission rules introduced in 2023, which reduced average commission rates by an estimated 30%.[29] Together, the measures have broadened insurers' access to bank distribution while reducing acquisition cost through tighter commission rules, enabling more insurers to compete while shifting competition towards product value, service capability and the quality of insurer-bank partnerships.

Regulatory focus is extending to distribution platforms.

The growing influence of intermediaries is also attracting greater regulatory scrutiny. Supervisors are extending oversight from individual advisers to the platforms that organise distribution and the commercial incentives that influence how they place products. In Canada, the Financial Services Regulatory Authority of Ontario has proposed a separate licensing regime for life and health MGAs, introducing standards reflecting their growing influence in the distribution chain.[30] In Japan, the regulator issued a business improvement order in 2025 against a large multi-carrier life agency, after finding that customers had been directed towards insurers partly on the basis of advertising fees paid to the agency rather than customer need.[31]

[28] *Bancassurance market structure changes following removal of cap on insurance partners,* Asia Insurance Review, 15 November 2024.
[29] *Relaxation of Chinese Bancassurance Rule Is More Beneficial to Major Insurers,* Fitch Ratings, 22 May 2024.
[30] *Working towards licensing life and health MGAs in Ontario to further protect consumers,* Financial Services Regulatory Authority of Ontario, 20 October 2025.
[31] 株式会社*FP*パートナーに対する行政処分について, Financial Services Agency, Japan, 6 August 2025.

The distribution opportunity in the silver economy

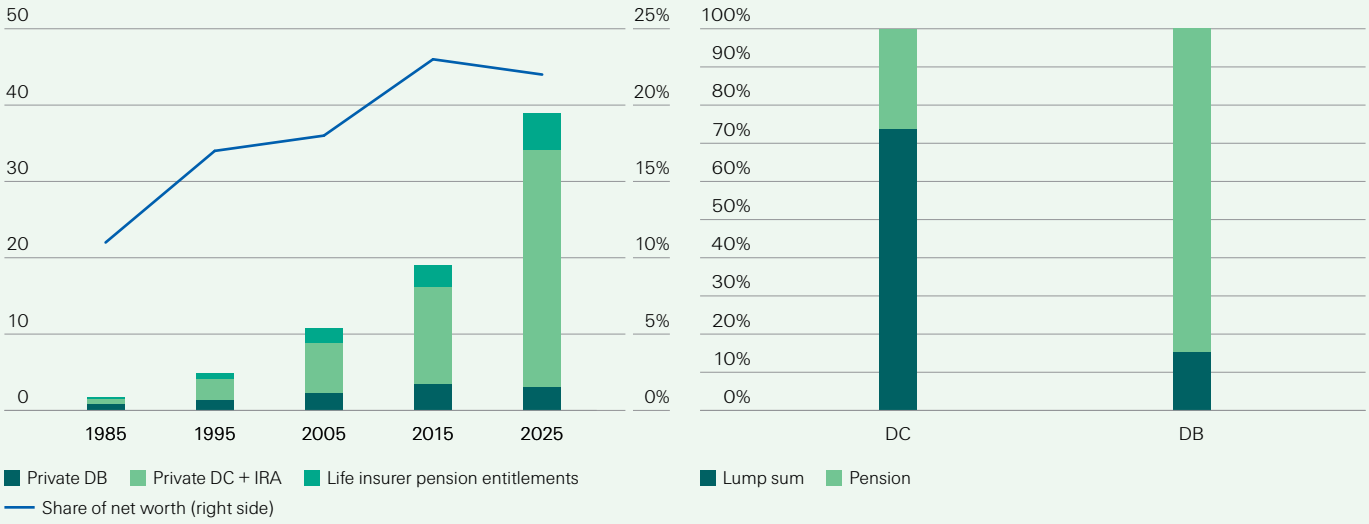
Population ageing and the continued shift from defined benefit to defined contribution systems are moving responsibility for retirement outcomes onto individuals. As retirement decisions become more complex – spanning retirement income, wealth transfer, and later-life protection – trusted advice becomes more valuable and moves beyond product design towards early access to customers, assets under management and the platforms serving pre-retirees. The decisive window is the years before retirement when these decisions are made. Yet insurers rarely hold these relationships alone: advisers, banks and trustees each own part of the decision. The competitive question is therefore not who owns the customer, but who is in the room when the decision is made. Insurers that combine relevant products, specialised advice and sustained customer engagement will be best placed to serve ageing societies.

Retirement responsibility is shifting to individuals.

Longevity, investment and retirement-income risks are shifting from institutional balance sheets to individuals. As populations age and retirement systems undergo structural change, individuals are taking greater responsibility for funding and managing retirement.[32] In many advanced markets, the ongoing shift from defined benefit (DB) to defined contribution (DC) retirement systems increases the role of funded occupational and personal pensions while reducing reliance on guaranteed income provided by employers and public pension systems (Figure 9, left). DC systems generally provide greater flexibility than DB systems over how and when accumulated pension wealth is accessed (Figure 9, right). Over the coming decades, advanced markets will see the first large cohorts retiring with wealth accumulated predominantly in DC plans, making personal retirement decisions more consequential than ever.

Figure 9

US private pension entitlements (DB, DC + Individual Retirement Account, and life insurer reserves) and share of total household net worth (left); benefit choices by type of occupational pension in the UK, averages over 2021–24 (right)



Source: Federal Reserve, OECD, Macrobond, Swiss Re Institute

The future belongs to whoever owns the relationship with the 55-year-old.

As retirement decisions become more complex and span several decades, the value of advice shifts earlier in the customer journey. The most valuable customer relationships are often established before retirement, in an individual's mid-50s, when decisions about income, investment risk, tax planning and wealth transfer begin to crystallise. Many of these decisions are made only once, making the years before retirement a critical window for insurers and advisers (Figure 10). Other protection needs also require early engagement: long-term care insurance, for example, must generally be underwritten

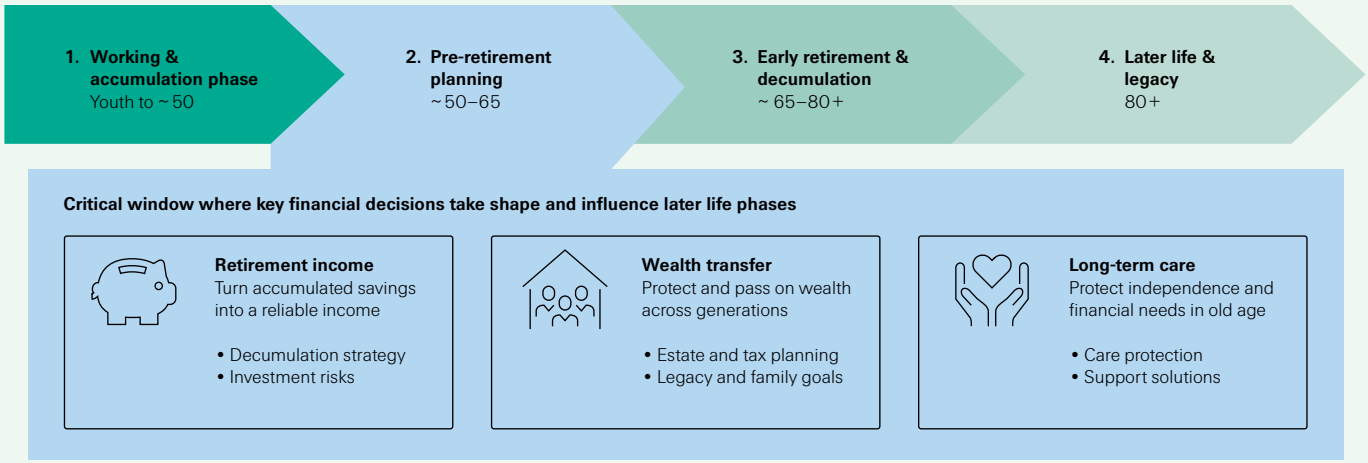
[32] *sigma* 4/2025: Life (span) insurance: accumulation, decumulation and longevity solutions for ageing populations and longer lives, Swiss Re Institute.

years before care is needed. Competitive strength will therefore depend not simply on offering attractive products, but on engaging customers before those decisions are made and ensuring that life insurance solutions are well integrated into the broader advisory ecosystems that shape them. Once established, these relationships can generate decades of customer value through retirement income, wealth management, estate planning and later-life protection solutions.

Different later-life financial needs require different distribution strategies.

Three later-life financial needs – retirement income, inter-generational wealth transfer and long-term care – are reshaping life insurance distribution. Each alters the role of advice, the importance of different distribution channels and the ways insurers compete for customer relationships. There is no single winning distribution model, but successful insurers position themselves at the key financial decisions where insurance can create the greatest value in later life.

Figure 10
Key later-life needs are shaped before retirement



Source: Swiss Re Institute

Decumulation: more pathways heighten the role of advice

Retirement systems differ in decumulation flexibility and the individual's responsibility.

Retirement systems in advanced markets have shifted ownership of longevity and market risk to individuals. This raises the need for financial advice. While public and DB pensions are generally annuitised, differences across countries are largely driven by the role and decumulation rules of funded occupational and personal pensions, particularly DC arrangements. As retirees gain more choice over how to invest and how and when to access retirement savings, decumulation decisions become more complex, requiring individuals to navigate trade-offs between income security, flexibility, taxation, inheritance planning and market risk.

More flexibility increases the value of advice.

We group countries into three broad systems according to the flexibility of retirement wealth decumulation (see Table 5). Where flexibility is greater, retirement planning becomes more advice-intensive, increasing the role of advisers, banks and wealth managers in helping individuals navigate retirement-income decisions. As a result, life insurers compete more actively for retirement assets and advisory relationships. In more regulated and less flexible systems, retirement income remains more standardised, allowing insurers to retain more traditional product offerings and established distribution models for longer.

Table 5
Countries grouped by type of retirement system

Systems	Characteristics	Markets	Advisory potential
Flexible	Funded occupational and personal pension arrangements play a significant role in retirement provision and typically offer broad decumulation flexibility. Retirees can generally choose between lump sums, drawdowns, annuities, or a combination of these, with annuitisation largely voluntary.	United States, United Kingdom, Australia, Canada	Strong
Hybrid	Retirement income is derived from a combination of mandatory public pension entitlements and funded occupational or personal savings. Retirees can access a mix of annuities and lump-sum withdrawals, often shaped by regulatory constraints, default income solutions or tax incentives.	Switzerland, Netherlands, Japan, South Korea	Medium
Income-driven	Retirement income is derived predominantly from mandatory public and occupational pension schemes that are designed to provide lifelong income. Benefits are largely annuitised, with flexible decumulation options typically confined to supplementary voluntary savings.	France, Germany, Italy, Spain	Limited

Strong Medium Limited

Source: Swiss Re Institute

Flexible retirement systems transform the role of distribution.

Flexible systems

In flexible systems, retirement has evolved from a pension payout event into an ongoing financial-management exercise. The role of life insurance distribution therefore extends beyond product selection towards supporting retirement-income decisions throughout later life. In the UK, the 2015 Pension Freedoms reforms gave individuals greater flexibility over how they access DC pension savings. Rather than using accumulated pension wealth primarily to purchase a lifetime annuity, retirees can now withdraw a tax-free lump sum, leave the remaining assets invested and draw income as needed.

Greater flexibility initially reduced annuitisation in the UK, but annuities are recovering as part of increasingly advised retirement strategies.

Retirees are separating the decision to access pension wealth from the decision to generate retirement income. Data from the Association of British Insurers (ABI) show that 36% of assets in DC plans in decumulation in 2024 had been accessed as tax-free cash without drawing income. While the reforms initially led to a sharp decline in annuity demand, individual annuity sales have recovered in recent years, supported by higher interest rates and the growing role of financial advice. Over the next 10 years, we expect annual sales to settle well above the pre-Pension Freedoms high. The growing share of advised external annuity sales (see Figure 11, left) suggests that guaranteed income solutions are becoming more integrated into broader retirement strategies.

In the US, TIAA data show participants favour minimum withdrawals over immediate annuitisation.

The same pattern is visible in the US, where the introduction of multiple retirement income options reduced annuitisation rates as participants gained greater flexibility over how savings could be accessed. Data from the Teachers Insurance and Annuity Association of America (TIAA), one of the earliest large-scale participant-directed retirement systems, show that after distribution choices broadened during the late 1980s and 1990s, the share of participants selecting a single-life or joint-life annuity as their initial distribution option fell from 52% in 2000 to 19% in 2010 before stabilising.[33] The share of participants selecting the Required Minimum Distribution as their first distribution option rose steadily from 10% in 2000 to 52% in 2018.

[33] Ibid.

Table 6
Features of retirement income distribution options: TIAA

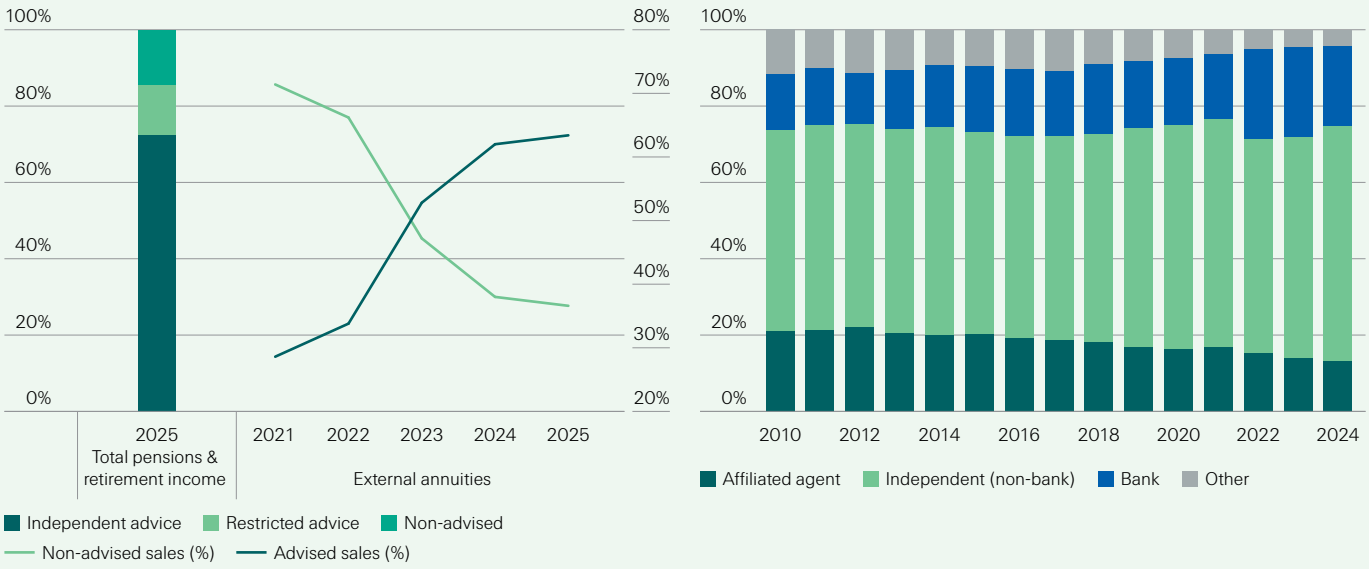
Income type	Initial year	Guaranteed	Life contingent	Mandatory
Life annuity	1918	Yes	Yes	No
Annuity certain/TPA, IPRO	1989, 1991	Yes	No	No
RMD	1991	No	No	Yes
Cash, SWAT	1991, 1996	No	No	No

Note: TPA = transfer payout annuity, IPRO = interest payment retirement option, RMD = required minimum distribution, SWAT = systematic withdrawals and transfers.
Source: Brown, Poterba, Richardson 2023, Swiss Re Institute

Retirement is now an advice process, not a one-time product decision.

Rather than committing to a single retirement-income solution at retirement, participants increasingly opt for minimum required withdrawals while preserving flexibility over future decisions. Together, the UK and US illustrate how greater decumulation flexibility transforms retirement from a one-time product selection to an ongoing advice process. The prominent role of independent advisers in annuity distribution in both markets further highlights the importance of third-party advice channels in connecting customers with retirement-income solutions. For life insurers, the competitive challenge is therefore less about owning the first contact point with customers and more about staying present throughout the customer journey, adding value as financial decisions and retirement needs evolve. Emerging approaches to longevity risk pooling could broaden this range of decumulation options further, offering an alternative between self-managing retirement assets and fully transferring longevity risk to an insurer (see Box: Longevity risk pooling: integrating later-life risks).

Figure 11
UK's new pension & retirement income and sales of external annuities, by advisory type (left); US individual annuity market by distribution channel (right)



Source: ABI, LIMRA, Swiss Re Institute

Longevity risk can be shared between retirees, not just transferred.

Longevity risk pooling: integrating later-life risks

Longevity risk-sharing pools (LRSPs) are an emerging decumulation solution offering an alternative to either self-managing retirement assets or fully transferring longevity risk to an insurer. Participants share longevity risk collectively: assets released when members die earlier are redistributed among survivors as "mortality credits", increasing their retirement income. Because the insurer does not need to guarantee all future payments, these arrangements can be more capital efficient, while leaving participants with greater investment risk than a traditional guaranteed annuity.[34]

US policy is opening DC plans to longevity pooling.

US policy developments could make such solutions easier to incorporate into DC plans. An August 2025 Executive Order explicitly included LRSPs among lifetime-income investment strategies within its definition of alternative assets for 401(k) and other DC plans.[35] In March 2026, the Department of Labor proposed a safe-harbor framework clarifying how 401(k) fiduciaries can prudently select investment options covered by the Executive Order, potentially reducing regulatory and litigation barriers to newer solutions such as LRSPs.[36] The proposal remains under consideration.

Occupational systems already pool longevity risk collectively.

Risk pooling itself is not new. Occupational pension systems already pool longevity risk in markets such as Switzerland and the Netherlands. The Netherlands' new DC pension framework, which entered into force in July 2023, retains collective risk sharing through solidarity or risk-sharing reserves even as pension entitlements become more individualised.[37] The US opportunity is different, as it adapts collective longevity pooling to a market where retirees have substantial discretion over their assets.

Insurers could provide longevity expertise while asset managers run investments.

For US insurers, LRSPs could both compete with and complement traditional annuities. By separating investment management, longevity pooling and income guarantees, they could create new models in which asset managers run the investments while insurers provide longevity expertise and targeted guarantees.

In hybrid systems, greater flexibility can outpace access to advice.

Hybrid systems

In hybrid systems, greater flexibility within occupational pensions creates new opportunities for life insurers to expand their role in retirement provision. In the Netherlands, as pension funds transition to the new DC framework, participants in Flexible Pension Arrangements (FPRs) will be able to choose between a reviewable pension and a fixed annuity, opening a new market for life insurance competition and distribution. In Switzerland, the growing share of occupational pension benefits taken as lump sums (see Figure 12, right) suggests that retirees are increasingly exercising flexibility, but it also points to a potential advice gap, as many pre-retirees and retirees may be making complex decumulation decisions without sufficient financial guidance. Hybrid systems illustrate the risk that growing flexibility could outpace advisory support available to meet it.

Competition for retirement assets starts before retirement.

In Japan and South Korea, employer-funded and personal retirement savings offer both lump-sum and annuity options. Life insurers compete with banks and securities firms for retirement savings and advisory relationships long before the decumulation phase. In South Korea, bancassurance is an important channel for retirement savings and annuity products, allowing banks to play a central role in distributing insurers' retirement solutions.

Even limited pension flexibility creates scope for advice.

Income-driven systems

Even where public pensions remain the primary source of retirement income, greater flexibility within smaller supplementary funded retirement savings arrangements is creating niche opportunities for life insurance advisory. In France, the tax-advantaged voluntary retirement savings plan (ie, "Plan d'Epargne Retraite", or PER) allows benefits to be taken as a lump sum, a life annuity, or a combination of both, with the share of lump-sum withdrawals rising over time (see Figure 12, middle). Similarly, in Germany,

[34] Ibid.
[35] *Executive Order 14330, Democratizing Access to Alternative Assets for 401(k) Investors, The White House,* 7 August 2025.
[36] *Fiduciary Duties in Selecting Designated Investment Alternatives, proposed rule, US Department of Labor,* March 2026.
[37] *Solidariteitsreserve en risicodelingsreserve,* De Nederlandsche Bank, accessed 13 August 2026.

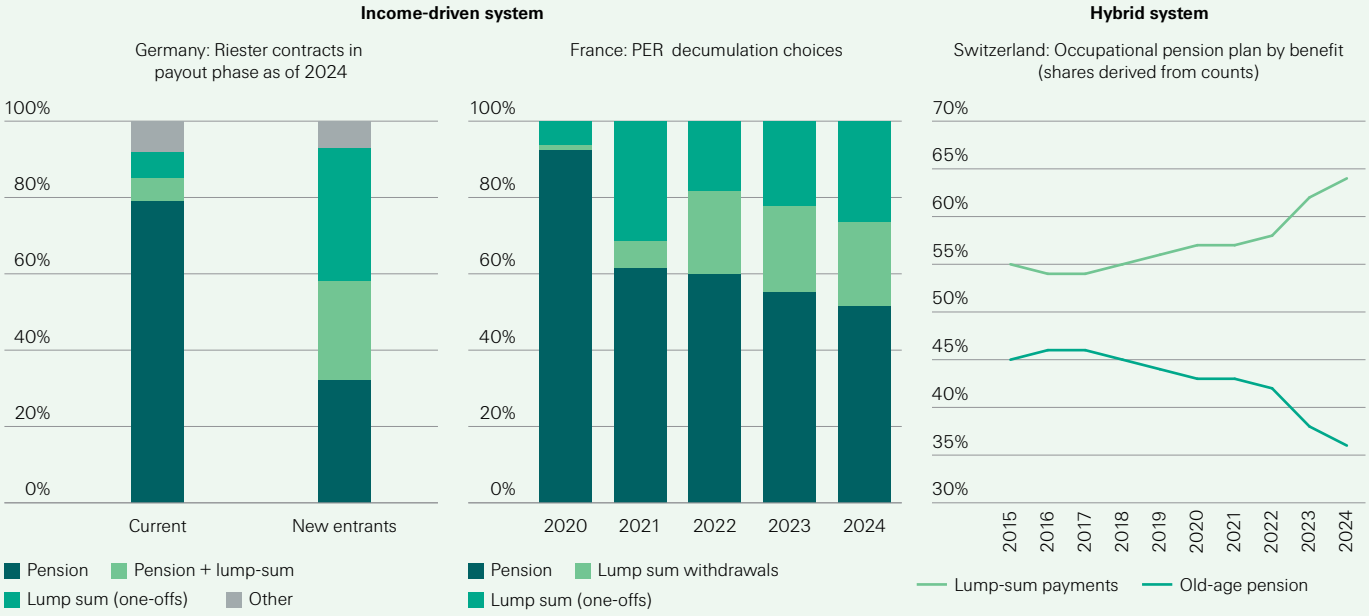
recent cohorts of Riester policyholders entering retirement show a growing preference for combining annuity payments with partial lump-sum withdrawals (see Figure 12, left). Although these supplementary arrangements remain relatively small compared to public pensions, they illustrate that even limited flexibility creates a need for retirement advice.

Private wealth generates new opportunities for retirement planning.

Retirement planning also extends into broader private wealth. In Spain, fiscal incentives allow individuals over 65 to convert accumulated private wealth into retirement income through tax-qualified reinvestment annuities. This has encouraged insurers and banks to develop retirement-income solutions distributed primarily through bancassurance-led advisory channels.

Figure 12

Germany's Riester contracts in payout phase, 2024 (left): France's PER decumulation choices (middle); Switzerland's occupational pension plan by benefit (right)



Note: By assets, a retiree who chooses the 30% lump sum + annuity appears in the statistics with a very large payout in the first year because the lump sum and annuity are reported together.
Source: BdF, FFA, FSO, Swiss Re Institute

The role of advice for inter-generational wealth transfers

Wealth transfer is becoming a core need...

As a growing share of wealth is concentrated among older generations, succession planning is playing a more prominent role alongside decumulation planning. Inheritance, estate planning and wealth transfers are becoming increasingly important components of life insurance distribution, particularly among affluent and high-net-worth (HNW) customers. This broadens the role of life insurance beyond risk protection.

...increasing demand for advice...

Unlike retirement-income planning, wealth transfer has no single relationship holder: private bankers, lawyers, fiduciaries, tax advisers and trustees, each own part of the decision alongside insurance specialists. As these decisions become more complex, advisers are playing a growing role in helping households integrate wealth-transfer objectives into broader retirement plans. This changes the competitive landscape for life insurers, whose products now compete with liquid bank assets, managed portfolios, credit and trust structures, and who may hold none of the stages of the customer relationship outright. This is particularly evident in markets such as the UK, the US and South Korea, where life insurance is increasingly embedded within broader wealth management propositions and distributed through advice-led channels.

...and creating new competitive requirements for life insurers.

To remain relevant within these advisory ecosystems, insurers need products that provide reliable estate liquidity, minimise lapse risk, accommodate trust and beneficiary structures and integrate with fee-based wealth management and fiduciary platforms. Succession planning can also extend customer relationships across generations. By engaging families ahead of wealth transfers, advisers and financial institutions can help beneficiaries understand and prepare for the financial decisions associated with inherited wealth, supporting continuity of advice across generations and strengthening long-term customer value.

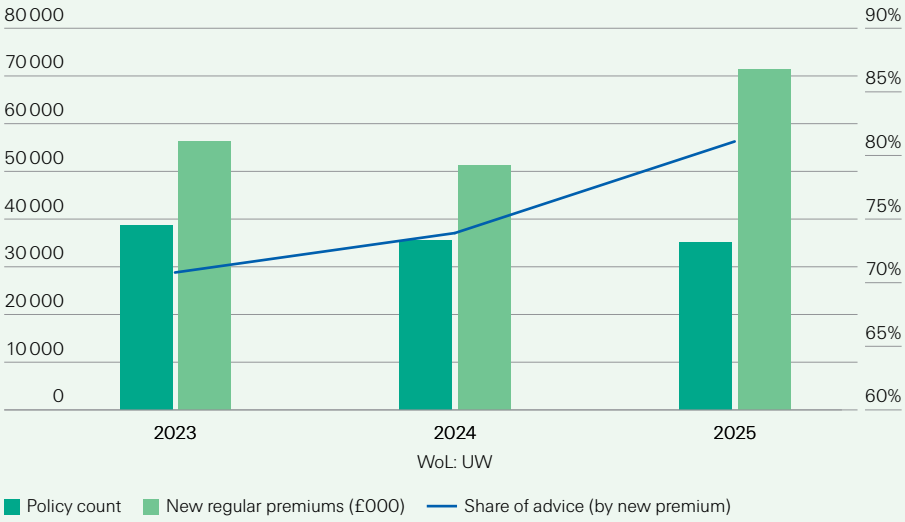
Life insurance can support the coming wave of inter-generational wealth transfer in the US.

In the US, the prospect of an unprecedented inter-generational wealth transfer could increase the role of life insurance within estate planning and wealth management. Cerulli estimates USD 124 trillion will transfer between households and charities between 2024 and 2048,[38] creating demand for advice on tax-efficient succession planning. For high-net-worth households, advisers can increasingly integrate life insurance into sophisticated planning structures.

In the UK, inheritance tax reform is renewing interest in whole-of-life insurance.

In the UK, proposed inheritance tax reforms are extending retirement planning beyond income generation towards wealth transfer and estate planning. The inclusion of unused DC pension assets within the scope of inheritance tax from 2027 has prompted (pre) retirees to reassess how pension assets fit within broader legacy objectives, increasing demand for tax-efficient wealth transfer strategies. One consequence has been renewed interest in whole-of-life insurance as a means of providing liquidity to meet inheritance tax liabilities and preserve wealth for beneficiaries. The share of advised whole-of-life underwritten policy sales rose from 71% in 2023 to 81% in 2025 (see Figure 13), showing how life insurance distribution can support financial decision-making for silver economy customers.

Figure 13
Whole of life underwritten insurance by policy count, new regular premium and share of advice in the UK



Source: ABI, Swiss Re Institute

Life insurance can provide liquidity for inheritance-tax liabilities.

In South Korea, real-asset concentration among older households creates liquidity needs for inheritance-tax payments, supporting demand for whole-of-life insurance. Real assets accounted for 75.8% of household assets in 2025 and are concentrated among those aged 50–59.[39] Inheritance tax rates can reach 50% and commonly fall between 30–40% for properties in the capital city.[40] Whole-of-life policies can help fund these liabilities while offering premium tax credits, underscoring the importance of advice-led wealth-transfer planning, especially for the affluent and HNW households.

[38] *U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2024: The Great Wealth Transfer: Capturing Money in Motion*, Cerulli Associates, 2024. Note: USD 18 trillion is forecast as philanthropic transfers, while USD 105 trillion is forecast to transfer between households.
[39] *The Survey of Household Finances and Living Conditions (SFLC) in 2025*, Ministry of Data and Statistics, 04 December 2025.
[40] *Korea, Republic of - Individual - Other taxes*, PWC, 02 July 2026.

Succession planning drives HNW life insurance demand.

The HNW opportunity: reinforcing advice-led distribution in Asia
The HNW segment is becoming strategically important for life insurance distribution in Asia. Succession planning needs are expanding rapidly, while insurance penetration within HNW wealth portfolios remains relatively low, creating significant growth potential. Our recent survey finds that many insurers target double-digit market growth in the near term.[41] At the same time, distribution is highly relationship-driven, with business often originating through private banks, family offices and professional advisers. Access to clients and the trust required to execute large transactions can take years to build, giving early movers a competitive advantage.

Tax policy shapes life insurance distribution.

The segment is also among the most advice-intensive areas of insurance distribution, requiring expertise in wealth transfer, tax and liquidity planning, policy structuring and cross-border considerations. Growth in the HNW market therefore reinforces the value of specialist advisory distribution and strengthens the role of insurance within broader wealth management ecosystems. Capturing the opportunity will require advice-led channels to deepen their expertise as client needs become more sophisticated.

LTC insurance distribution: no one-size-fits-all solution

LTC insurance is sold, not bought.

As individuals take greater responsibility for managing later-life risks, long-term care (LTC) becomes another important financial decision alongside retirement income and wealth transfer. However, later-life protection products such as LTC remain a niche segment globally. Success stories tend to be concentrated in markets that combine protection gaps and supportive tax incentives.[42] LTC products face two structural challenges: they are often sold rather than actively sought out by consumers, and they need to be purchased early in the accumulation phase, precisely when awareness of future care needs is at its lowest. Uptake is further constrained when products are perceived as overly complex, poorly distributed or unaffordable, which is why simple, relevant propositions matter as much as effective advisory support.[43]

Private LTC has different routes to market.

We identify three routes to market: translating consumer needs into insurance uptake through advice and distribution, embedding protection within retirement and life insurance ecosystems, and complementing public long-term care provision.

Route 1:
Translating latent consumer needs into uptake through advice and distribution

Consumer perceptions shape demand, but distribution determines uptake.

Consumer perceptions help define protection needs, but advice and distribution are what convert them into uptake. This is reflected in Europe, where the private LTC market grew by more than 50% in nominal terms between 2012 and 2024 to exceed EUR 1 billion in annual premium volume.[44] Market development, however, has varied considerably across countries, reflecting differences in public provision, consumer perceptions and distribution.

Europe's largest LTC market still lacks specialist advice.

- **France** illustrates how a clear consumer understanding of dépendance (loss of autonomy) can support demand for private LTC insurance. Swiss Re consumer research suggests that consumers associate LTC coverage with maintaining independence and avoiding becoming a burden on family rather than with covering unexpected care costs.[45] Together with a clearly defined protection gap, good product design and affordable cover, this has supported Europe's largest private LTC market (see Figure 14, left).[46] Distribution, however, is concentrated in bancassurance and agency networks, with limited specialist advice. Product complexity and strict benefit eligibility make it challenging to explain and sell, highlighting the need for more dedicated senior-focused advisory.

[41] The high net worth insurance market in APAC, Swiss Re Institute, 08 October 2024.
[42] *sigma 4/2025: Life (span) insurance: accumulation, decumulation and longevity solutions for ageing populations and longer lives*, Swiss Re Institute.
[43] *Grey clouds or silver linings? The views of Germany and France's "silver economy" consumers and the challenges for Life & Health*, Swiss Re, 18 June 2026.
[44] This covers only France, Italy, Germany and Spain, referred together as the European group for simplicity.
[45] Swiss Re, 18 June 2026, op. cit.
[46] Swiss Re Institute, 22 October 2025, op. cit.

In Germany, concern about care costs has not converted into cover.

- **Germany**, by contrast, demonstrates that strong consumer concern about future care costs does not automatically translate into broader insurance uptake. Swiss Re research finds that concern remains high and confidence in statutory provision is weakening, yet coverage remains limited following reforms that expanded statutory LTC benefits.[47, 48] Adviser-led distribution offers a route to converting that latent demand, through simple and affordable LTC solutions offered alongside retirement and financial planning.

Route 2:
Embedding protection within retirement and life insurance ecosystems

Retirement and employer ecosystems can expand LTC distribution.

Embedding LTC covers within existing retirement and employer-benefit ecosystems is a second route to market. Italy illustrates this approach: LTC protection is distributed through group channels such as employer welfare programs, occupational funds and supplementary pensions, while individual retail demand is concentrated in hybrid life and health products. Agent networks play a prominent role, accounting for around 70% of sales in 2025. Italy's share of the European private LTC market increased from 6% in 2012 to 30% in 2024 (see Figure 14, left).

Life and annuity platforms provide another route to market.

The US shows that LTC covers can also be embedded with annuity and life insurance platforms. Following the decline of the standalone LTC market during the 2000s and early 2010s, insurers increasingly embedded LTC benefits within life insurance and annuity products rather than selling dedicated LTC policies. Today, more than 90% of new US LTC policies are sold as hybrid life or annuity products. The shift allows insurers to use established life insurance distribution channels and to position LTC protection as part of broader retirement and estate planning discussions rather than a standalone purchase.

Route 3:
Complementing public long-term care provision

Public provision defines the role of LTC insurance.

Complementing public LTC provision is a third route to market. Singapore combines a mandatory public LTC scheme with strong uptake of supplementary private coverage, with insurers differentiating through enhanced benefits such as earlier payout triggers and dementia riders. In South Korea, comprehensive public provision has shifted innovation towards hybrid products combining LTC with critical illness, indemnity and life cover, while China is expanding public LTC insurance alongside complementary commercial solutions. Japan's comprehensive public system, by contrast, leaves only a limited role for supplementary private insurance.

There is no one-size-fits-all solution for private LTC market development.

There is no one-size-fits-all solution for private LTC market development. The experience across markets shows that consumer perceptions shape demand, embedding protection within retirement and life insurance ecosystems expands distribution, and public provision determines where protection gaps remain and where private insurers can create value.

[47] Swiss Re, 18 June 2026, op. cit.

[48] In 2017, a reform of the statutory long-term care insurance system (SPV) expanded benefit eligibility while establishing the Pflegegrade (care grades) framework as a common eligibility standard across public and private LTC coverage. This strengthened the supplementary role of private LTC insurance but also reduced some of the perceived need for additional coverage. Following the reform, Germany's share of European private LTC premiums declined to 18.5% in 2024.

Figure 14

Private LTC premiums in key European markets, 2012–2024, EUR million (left); public LTC expenditure projections in OECD countries, % GDP (LTC health component) (right)

Source: FFA, ANIA, GDV, ICEA, OECD, Swiss Re Institute

From product selection to long-term customer engagement

Later life risks require more integrated solutions.

As retirement systems become more flexible, life insurers compete not only on product design, but also on their ability to support customers' financial decisions over long horizons. Decisions about how much wealth to convert into retirement income, preserve for beneficiaries or retain for potential care needs are different dimensions of the same later-life financial challenge. This creates opportunities for solutions that combine or pool different risks, including hybrid products and approaches that share longevity risks. Public-private partnerships also have an important role to play in enabling private-market solutions, as longevity-related pension, health and care needs can ultimately create significant contingent liability for public-sector balance sheets.

Future growth depends on staying relevant across customer relationships.

Recent growth in life insurance has shown that insurers do not always need to own the customer relationship to accumulate assets. Developing products for banks, broker-dealers, and other distributors has generated substantial sales, particularly in US tax-deferred accumulation markets. That model may not capture future growth. The years before retirement will become a more important engagement window, and this is when the most consequential financial decisions about retirement income, long-term care and inter-generational wealth transfer begin to take shape, often across several advisers and financial institutions rather than one. What matters is less whether insurers own the customer relationship than whether they are present and add value in the financial decisions that shape later life outcomes.

AI and technology are reshaping life insurance distribution

AI and technology are strengthening existing life insurance distribution channels by improving customer acquisition, adviser productivity and digital onboarding. These capabilities may particularly benefit independent intermediaries by reducing administrative burdens and supporting more efficient and scalable multi-provider advice, while human advice remains a source of differentiation for complex decisions. Over time, insurers can also use technology to bring underwriting closer to the point of sale, build direct customer interfaces and extend engagement beyond policy issuance. For customers, these developments can mean less friction, more personalised support and faster decisions. Our review of 197 AI and technology initiatives shows that deployment spans the customer journey, with the greatest concentration in post-sale engagement and servicing, followed by advice and quotation. The opportunity therefore goes beyond automating individual activities: technology can improve how customers are acquired, advised and served over time.

AI investment is accelerating across the insurance industry.

Generative AI is being deployed across a growing range of insurance activities, including distribution. External estimates suggest that large US insurers could increase spending on AI to over USD 2.8 billion by 2028, up from around USD 300 million in 2023.[49] Surveys by European Insurance and Occupational Pension Authority (EIOPA) indicate that 65% of European insurers report using GenAI today, with a further 23% expecting to adopt it within the next three years.[50] Yet many initiatives remain at the proof-of-concept stage, and only around one-third of reported generative AI use cases have reached production.[51] AI is becoming part of operating models, although large-scale deployment remains at an early stage.[52]

AI may strengthen intermediaries and insurers at the same time.

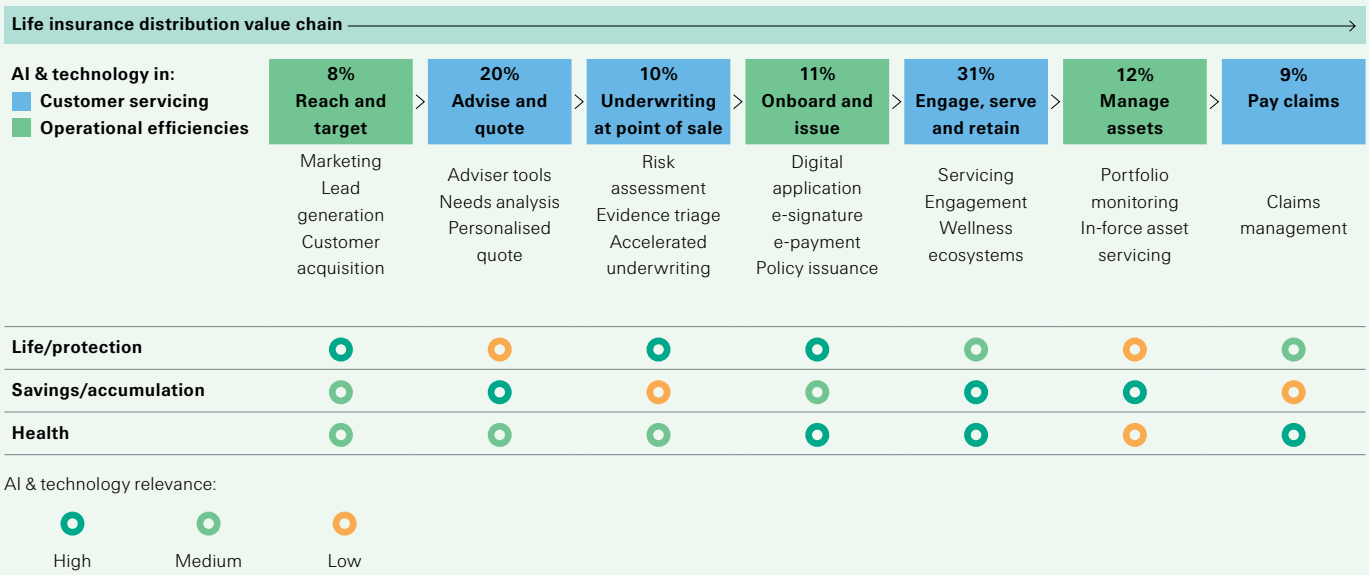
Swiss Re Institute's analysis points to two related ways in which AI and technology may reshape life insurance distribution. They may particularly strengthen independent intermediaries by making multi-provider advice easier to deliver at scale and reducing administrative burdens. At the same time, they can allow insurers to interact directly and more frequently with customers, build digital ecosystems and potentially control the primary customer interface. These developments can coexist, but they are also changing how insurers and intermediaries compete for customer relationships, data and influence over future financial decisions.

AI deployment extends beyond acquisition to ongoing customer engagement.

AI and technology are being deployed to improve the distribution process, by increasing efficiency and speed within existing channels, while enabling more customer engagement after the sale. Swiss Re Institute reviewed 197 publicly reported initiatives announced by leading global life insurers and selected intermediaries between 2022 and 2026 (see Figure 15). The largest share of reported initiatives relates to engagement, servicing and retention (31%), followed by advice and quotation (20%). Applications also differ by product: technology is particularly relevant to acquisition and underwriting in protection, while savings, retirement and health offer greater scope for continuing engagement. For customers, these capabilities can mean faster decisions, less friction and more timely and personalised support across the insurance journey. The case studies identify where insurers and distributors are deploying AI and digital technology across the customer journey, but do not measure market-wide adoption or commercial success.

[49] *Life insurers eye AI gains in costs, claims*, Bloomberg, 28 July 2025.
[50] *Generative AI Market Survey: Outlook, Use Cases and Risk Management*, European Insurance and Occupational Pensions Authority, February 2026.
[51] Ibid.
[52] C. R. Cole, S. G. Fier, C. Marzen, *Artificial Intelligence and Insurance Regulation*, Journal of Insurance Regulation, vol. 45, 2026.

Figure 15
Share of reported AI and technology initiatives across the life insurance distribution value chain, by product type



Note: Based on 197 case studies of the S&P top 50 global life insurers and selected intermediaries, 2022–26. Row 1 numbers are case-study percentages showing where AI/technology is being deployed, not market-wide adoption rates.

Source: Swiss Re Institute

First impact: strengthening existing distribution channels

AI is improving the economics of existing distribution channels.

The first impact of AI and technology is to strengthen existing distribution channels. Current initiatives focus on reducing friction across the sales journey by identifying higher-intent prospects, extending adviser capacity and removing manual work from application and policy issuance. These capabilities can help insurers and distributors to process more opportunities with less delay and administrative effort, while directing scarce adviser time towards customer-facing activity.

AI may improve lead quality, not just lead volume.

AI is being used to support lead quality and customer acquisition

The aim is not simply to generate more leads. At the top of the sales funnel, AI can identify intent, prioritise prospects and route customers towards an adviser or digital process. Insurers with richer data, and the ability to integrate it into distribution workflows, are better placed to determine whom to approach, when to engage and which proposition may be relevant. Prudential Advisors, for example, has embedded generative-AI-derived customer insights and propensity models into its lead-generation platform combining internal and third-party data to enrich customer profiles and help advisers prioritise potential clients.[53]

Digital platforms are moving product education earlier in the journey.

Digital comparison and education platforms perform a similar role from the customer side, allowing prospective buyers to review products, compare prices and narrow their options before contacting an adviser. In Germany, CHECK24 helps customers to compare around 400 term-life tariffs before they seek advice.[54] These platforms do not remove advisers from the process: they change the point at which advice begins, by enabling customers to enter the conversation better informed. They also mark its boundary as most of these platforms work for standardised products while complex products still require human advisers.

[53] *Prudential plc full year 2024 results: building towards our 2027 strategic objectives*, Prudential plc, 20 March 2025.
[54] *Risikolebensversicherung: Testsieger im Vergleich*, CHECK24, accessed 30 July 2026.

AI search may affect how customers discover insurance.

AI may also change how customers discover insurance online. In the US, Globe Life recently linked weaker direct-to-consumer sales to the growing use of AI-powered search, which the company said reduced the effectiveness of traditional paid-search advertising.[55] It remains, however, too early to determine whether this represents a broader industry trend.

AI can help expand adviser capacity

AI and technology can redirect adviser time towards customers.

Adviser-support tools increase the time advisers can devote to customers by reducing the non-selling work attached to each interaction. One set of applications supports advisers during customer conversations. Generative-AI assistants can retrieve product information, summarise customer histories and suggest responses in real time. AIA Life Korea has introduced an AI-assistant that provides response recommendations, inquiry classification and summaries of current and previous customer interactions.[56] A second set automates work around the meeting: Prudential Financial reports that Agentforce can record meeting notes and follow-up tasks, saving advisers up to half a day of sales time each week.[57]

AI may strengthen the role of independent intermediaries.

These capabilities may particularly strengthen independent intermediaries. By improving the scalability of independent advice, technology may reinforce the shift towards independent intermediaries identified in Chapter 1. Independent advisers typically need to compare products across several insurers while managing greater information, compliance and administrative demands compared with tied agents. AI-supported product research, customer analysis and post-meeting administration may reduce these burdens and could allow advisers to serve more customers without sacrificing access to multiple providers.

Ease of doing business can become a competitive advantage.

Ease of doing business is becoming an important source of competitive advantage. In open distribution, insurers compete not only on product price and features but on how easily their products can be researched, quoted, underwritten and administered. AI-supported product information, integrated workflows and faster underwriting reduce friction for advisers, making products easier to recommend and place. Insurers that create unnecessary friction risk becoming interchangeable product manufacturers.

Digital onboarding and issuance are becoming baseline capabilities

Digital onboarding and issuance increase speed, cost efficiency and conversion.

For many leading insurers, digital submission has moved from pilot to baseline capability. Digital onboarding and issuance lower processing costs, shorten the time to issue and reduce customer drop-off benefits that matter most in high-volume and lower-premium segments, where manual processes can undermine the economics of the sale. Prudential reports that around 96% of new business in parts of Asia and Africa is submitted digitally, with 78% using electronic payment and 74% processed through automated underwriting.[58] In Canada, iA Financial reports that around half of new life sales use a redesigned digital journey spanning application through contract delivery.[59] As these capabilities become standard, competitive advantage shifts from digitising individual steps to controlling the integrated customer journey and the data it generates.

[55] Global Life says consumer AI use driving DTC decline, Life Annuity Specialist, 27 July 2026.
[56] *AIA Life Insurance officially launches generative AI-based counseling support platform 'AICSR (AI CSR Assistant)'*, AIA Life Korea, 8 June 2026.
[57] *Agentforce helps Prudential's retirement sales team focus on customer and advisor connections.*, Salesforce, accessed 13 August 2026.
[58] Prudential plc, 20 March 2025, op. cit.
[59] *iA Financial Group Accelerates the Digital Transformation of Individual Life Insurance*, iA Financial Group, 8 April 2026.

Beyond productivity: creating new capabilities and sources of competitive advantage

In the long term, AI may create new competitive advantages.

The longer-term effect of AI and technology is expected to lie in creating new sources of competitive advantage rather than improving existing ones. Proprietary underwriting can reduce decision times, digital ecosystems can create post-sale engagement and shared-data interfaces can position a firm as the gateway through which customers manage products from several providers. Each capability affects the balance of power between product manufacturers and those controlling customer access.

AI assists in reducing the time between lead generation and an underwriting decision

AI is bringing underwriting closer to the point of sale.

AI is enabling insurers to process medical and other underwriting evidence more efficiently and bring risk decisions closer to the point of sale. The first generation of accelerated underwriting reduced evidence requirements for straightforward cases through rules engines and external data. Newer applications use AI to extract and summarise richer evidence, potentially extending faster decisions to a broader range of applicants while retaining human review for complex risks.

Faster underwriting decisions can improve the customer journey.

The distribution value lies in providing a decision while the customer remains engaged. Manulife Canada's MAUDE platform combines adaptive questioning with AI-supported underwriting to reduce turnaround times for less complex applications from around 24 hours to 15 minutes.[60] Legal & General's OLP Connect reports that around 79% of submissions receive an immediate underwriting decision, with post-sale medical evidence requested for only a small proportion of customers.[61] Faster decisions make an insurer's products easier for advisers to place and reduce the risk of customers dropping out before issuance.

Human oversight in underwriting remains essential.

The advantage lies not in maximising automation but in combining faster decisions with disciplined referral, monitoring and human oversight. Swiss Re's review of more than 37 000 audited accelerated-underwriting policies found average estimated mortality slippage of around 15%, with outcomes varying substantially across programmes. Programmes accelerating more than half of eligible applicants experienced approximately twice the mortality slippage compared with those accelerating fewer than 40% of eligible cases.[62] The strategic question is therefore where to set the acceleration threshold, not whether to accelerate.

Continuous engagement and digital interfaces can strengthen customer relationships

Technology can make customer relationships more continuous.

Continuous engagement allows insurers to remain engaged long after the initial sale, potentially reducing reliance on the distributor as the primary customer contact. Life insurance relationships have traditionally been episodic, with customers interacting mainly when purchasing a policy, making changes or submitting a claim, leaving long periods with little or no engagement. Digital technology is changing this pattern by connecting more of the customer journey and creating opportunities for ongoing, needs-led engagement across health, wellness, protection and retirement (see Figure 16). These interactions can also generate richer customer information to support more personalised advice and service.

Engagement opportunities differ across protection and savings.

The opportunity differs by product. Protection products such as term life benefit primarily from faster acquisition, underwriting and issuance, but have traditionally generated limited customer interaction after purchase. Savings and retirement products, by contrast, already involve more regular engagement through contributions, portfolio reviews and retirement planning, creating more opportunities for insurers and advisers to support changing customer needs over time.

[60] *Manulife Canada Delivers Faster Life Insurance Approvals with AI Integration and Enhanced Digital Application*, Manulife, 29 January 2026.
[61] *Instant decisions with dynamic underwriting*, Legal & General, accessed 27 July 2026.
[62] *Accelerated Underwriting in Focus*, Swiss Re, 12 September 2024.

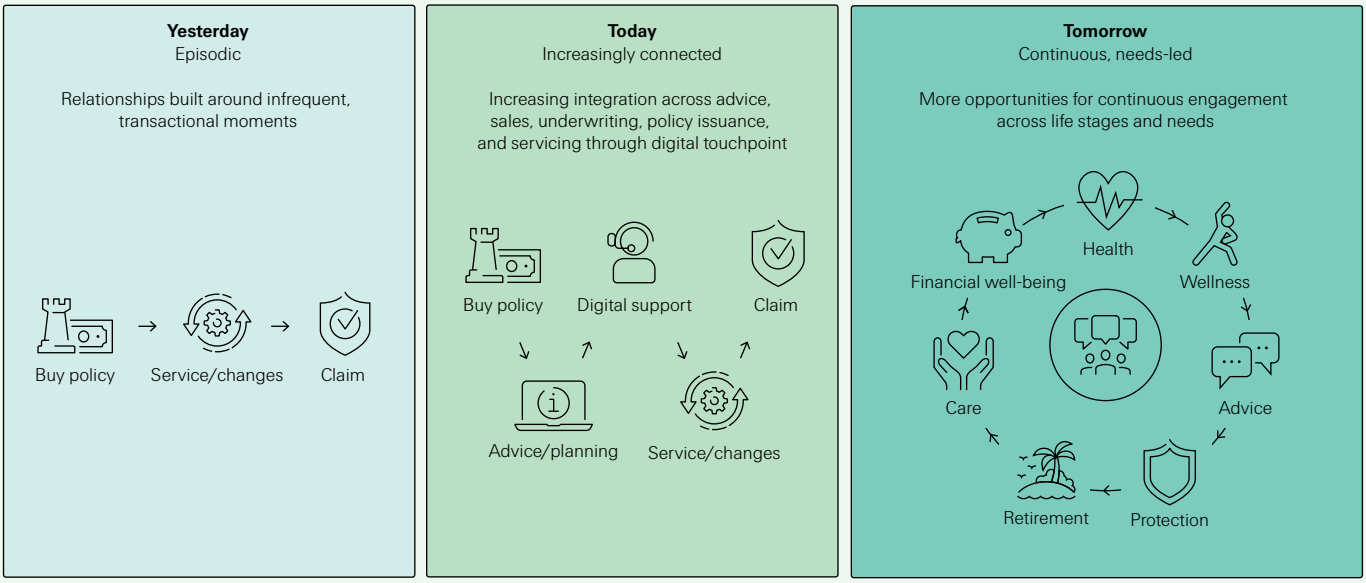
Digital ecosystems can strengthen customer engagement.

Digital ecosystems strengthen these ongoing relationships. Vitality (UK) uses personalised health pathways to encourage healthier behaviours,[63] while Aviva DigiCare+ (UK) combines digital health services with ongoing customer support.[64] Ping An's experience points to the potential at scale: customers using its health and senior-care ecosystems held nearly 3.38 contracts and higher assets than customers outside those ecosystems. They also accounted for nearly 70% of the group's life new business value in 2025.[65] These platforms create more opportunities for contact, but engagement generates value only when it improves advice, service, retention, personalisation or customer outcomes.

Digital interfaces may become a strategic asset.

Digital interfaces extend this competition beyond engagement alone. As customers hold protection, savings and retirement products across multiple providers, value may accrue to the organisation providing the primary customer interface rather than to the one manufacturing the underlying policies. Singlife's BetterView, built on Singapore's SGFinDex consent-based financial data-sharing infrastructure, illustrates how this contest is playing out in practice. The platform provides customers with a consolidated view of insurance policies held across multiple insurers through a single interface and helps them identify coverage gaps.[66] By doing so, it demonstrates how an insurer can compete for the customer interface rather than solely for the underlying product sale. Together, continuous engagement and digital interfaces are intensifying competition across the customer journey, raising strategic questions for both interface builders and product manufacturers about where value is created and captured.

Figure 16
Evolution of customer engagement in life insurance



Note: The pace, depth and ownership of engagement vary by product, channel and market.
Source: Swiss Re Institute

[63] *Vitality and Google Partner to Bring AI-Powered Health Solutions to Millions*, Vitality, 4 November 2025.
[64] *Protection customers embrace rapid digital health support as Aviva DigiCare+ demand rises*, Aviva plc, 30 April 2026.
[65] *Ping An Reports Significant Improvements in Operating Profit in 9M 2025, Life & Health NBV Robustly Increases 46.2% YoY*, Ping An Insurance (Group) Company of China, 28 October 2025.
[66] *SGFinDex – View Your Insurance Portfolio in One Place*, Singlife, accessed 27 July 2026.

Human advice remains a source of differentiation

Human judgement remains important for complex financial decisions.

AI can improve access to information, support needs analysis and make advice more efficient, but its impact varies with the complexity of the decision. Life insurance products often require customers to make long-term decisions under uncertainty, weighing product features, exclusions and trade-offs against protection, savings and retirement income alongside individual financial circumstances. The OECD has found that personalised financial advice can improve consumers' understanding and confidence when making complex financial decisions.[67] AI can support product explanation and scenario analysis, while advisers remain important where customers need help interpreting trade-offs, resolving competing priorities and adapting decisions as circumstances change.

Regulation is raising governance expectations for AI deployment.

Regulatory expectations are evolving with AI

Regulatory expectations are also evolving as AI becomes more embedded in life insurance distribution. Supervisors are placing greater emphasis on model governance, testing, bias management, explainability, vendor oversight and audit trails, particularly where AI affects underwriting, pricing, recommendations or customer outcomes. These requirements increase the need for clear accountability, monitoring and escalation in higher-impact applications. In the US, the National Association of Insurance Commissioners model bulletin on insurers' use of AI sets expectations for governance and risk-management programmes proportionate to potential consumer harm.[68] Similar expectations are emerging in other jurisdictions, reinforcing the need for insurers to demonstrate that AI-supported decisions are transparent, explainable and appropriately governed.

Trust depends on accountability, not just AI accuracy.

Trust depends on accountability, not just AI accuracy

Trust depends not only on the accuracy of technology but on the accountability of the decision-making process. A recent Swiss Re survey of nearly 3 000 consumers across seven countries found 81% globally trust their insurer with personal data in a GenAI environment, but that a divide is emerging: 22% have grown more negative about data sharing since the rise of GenAI tools.[69] Among those with concerns, 53% cited data security and privacy, while 47% feared data misuse or AI errors.[70] Nearly two thirds of consumers still preferred human interaction, particularly for complex transactions such as claims.[71] Greater consumer knowledge of how insurers use AI directly correlates with higher trust levels. Customers are therefore more likely to accept AI where outcomes can be explained, challenged and reviewed.

[67] J. Mosher, *Designing the payout phase for defined contribution pensions to better meet financial needs in retirement*, OECD Pensions Outlook 2024, OECD Publishing, 2 December 2024.
[68] *Implementation of NAIC Model Bulletin: Use of Artificial Intelligence Systems by Insurers*, National Association of Insurance Commissioners, accessed 7 July 2026.
[69] *Consumer trust and data sharing in the age of Generative AI: survey insights*, Swiss Re, March 2025.
[70] Ibid.
[71] Ibid.

Appendix 1: Distribution data coverage, reference year and premium types by country

Country	Latest year used	Premium type
US	2024	New business premiums, calculated as the weighted sum of individual life and individual annuity new premium market shares, with group business excluded. For annuities, only single premium immediate annuities and deferred income annuities are included, serving as an approximation of the annuity market.
UK	2025	New business premiums, calculated as weighted premium shares of individual annuities; pension & retirement income excluding both individual and bulk annuities; investment & savings; and protection & LTC.
France	2023	Total life premiums, based on available premium-written shares/premium-income distribution data and qualitative desk research.
Germany	2024	New business premiums.
Italy	2025	Life gross written premium/premium income shares by distribution channel.
Japan	2024	New business premiums.
Australia	2023	Gross policy revenue. We used 2023 data to maintain comparability with the historical channel mix, given the transition to IFRS 17 that year.
South Korea	2024	Life new business premium share by distribution channel.
Hong Kong	2025	Total new business premiums, calculated as the sum of annualised premiums and single premiums.
Singapore	2025	Weighted new business premium share by distribution channel.
China	2024	Total aggregate premiums.
India	2024	New individual business premiums.
Mexico	2024	New individual business premiums.
Malaysia	2023	Conventional life new business premium share by distribution channel, combining annual and single premium business.
South Africa	2023	New business premiums.

Sources: Relevant regulators, Swiss Re Institute

Appendix 2: Mapping reported distribution channels into the sigma taxonomy

Countries	Intermediaries			Direct		Others
	Affiliated intermediaries	Independent intermediaries	Bancassurance	Direct	Digital	
US	Career agent	Independent agent	Banks	Direct response		Other systems
	Affiliated agents	IBD		Direct		Other
		Independent agents				
		FSNBD[1]				
UK	Restricted advice	Independent advice	of which: Bancassurance	Direct[2]/Pure direct	Non-advised aggregators	Introduced/Third-party distributor
	Advised single-ties	Advised intermediary firms				
	Non-advised single-ties	Non-advised intermediary firms				
France	Agent	Broker	Bancassurance	Direct		Other
Germany	Tied/group agents	Brokers	Credit institutions	Direct sales and comparison portals		Other distribution channels
	Multi-tied agents					
Italy	Agents	Authorised financial advisers	Bank branches/ bancassurance	Direct sales		
		Brokers				
Japan	General agencies/ insurance agents		Financial-institution agencies/bancassurance	Others, including online/internet		
	Own sales staff/sales representatives					
Australia		Ordinary individual: advised		Ordinary individual: non-advised		Superannuation business
South Korea	Solicitors	Brokers	Bancassurance			Others
	Agents					
Hong Kong	Agents (excluding banks)	Brokers	Banks	Direct		Others
Singapore	Tied representatives	FA representatives	Bank representatives	Others (products sold without intermediaries)	Online Direct Channel	
China	Personal agency	Professional insurance agency	Banking & postal agency	Corporate direct distribution		Other concurrent business insurance agency
		Insurance Broking Business				

Notes:

[1] For the US: In the US FSNBD channel, the definition is: Full-Service Broker-Dealer — Full-service broker-dealers have an extensive national (and international) branch network system. Registered reps/advisors are employees of the company. Examples include Merrill Lynch, Morgan Stanley, UBS Financial Services Inc., Wells Fargo Advisors, and Edward Jones. Here, FSNBD has been classified under independent intermediaries rather than bancassurance.

[2] For the UK's Direct channel, it refers to non-advised/execution-only sales where customers make a purchase without regulated financial intermediaries.

Countries	Intermediaries		Bancassurance	Direct		Others
	Affiliated intermediaries	**Independent intermediaries**		**Direct**	**Digital**	
India	Individual agents	Brokers	Corporate agents-banks	Direct selling	Common Service Centres (CSCs)	Others if any
	Corporate agents-others	IMF			Online	
	MI agents				Web-aggregators	
	Point of sales					
Mexico	Individual agents	Corporate agents/ brokers	Bancassurance /bank branches		Telemarketing	Mass distribution/ retail/affinity
	Insurer internal sales force[3]				Internet	Payroll deduction
						Commercial partners/ embedded
						Other
Malaysia	Agency	Brokers	Bancassurance	Direct /online		Other forms of distribution
		Independent financial advisers/IFAs				
South Africa	Agent	Brokers and IFAs	Bancassurance	Direct		Other

[3] For Mexico, the Insurer internal sales force is defined as affiliated tied insurance agency, similar to Japan's own sales staff.
Source: Relevant regulators, Swiss Re Institute

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