WHITEPAPER

Pinpointing Your P&C Personalisation Problem

The advantage doesn't come from the data, it's what you do with it.

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Most property and casualty (P&C) insurers are offering a muted version of personalisation: demographic segmentation, transaction history, third-party data feeds, and increasingly sophisticated targeting. This is helpful, but if nearly everyone in the industry is doing it, there's no differentiation.

Almost 60 percent of customers want personalisation, but they don't fully understand what is possible and you can't offer personalisation if your operating model is a congestion point. Most P&C insurers in EMEA and APAC are running personalisation initiatives on top of operating models that were not built for them. Pricing, underwriting logic, product configuration, and claims feedback sit in separate systems.

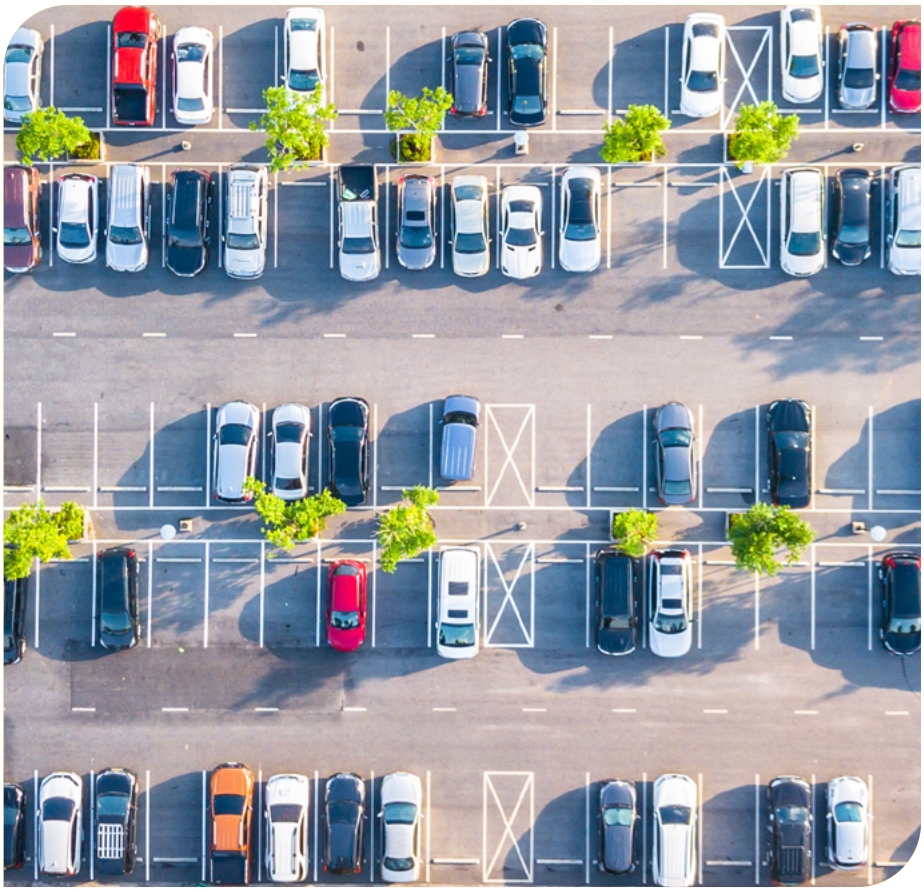
Delivering genuine P&C personalisation requires a platform and capabilities that work together, rather than in isolation. Sapiens can help!

Personalisation Plummets Due to a Price Problem

Open a comparison site and look at motor insurance quotes. The top twenty results in most markets across Europe and Asia Pacific will sit within roughly 2–5 percent of each other. This is also true for home insurance, SME products, and even commercial lines, where brokers effectively anchor the renewal price and insurers work to match it.

Same data, same pricing engines, same claims history feeding the same models. The result, in most cases, is the same price. According to Swiss Re's latest sigma research on the global P&C market, this is not a coincidence. Market concentration has been declining across most major markets, with the top five insurers now holding lower market shares than in 2004 in nine of eleven large markets analysed. More players, more competition, and broadly similar tools create the conditions for price convergence that are structural, not temporary.

If that is the starting point, then the personalisation story many insurers are telling and investing in deserves scrutiny. With nearly every insurer working from the same inputs, better messaging is not a differentiator. Most insurers have access to good data. The real question is what they are doing with it and how they are standing apart from competitors.



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Parsing Personalisation

The industry has largely delivered on a specific version of personalisation. This includes demographic segmentation, transaction history, third-party data feeds, and increasingly sophisticated targeting. It improves conversion rates and makes customer communications feel more relevant, which is useful. But it is not differentiation, because every competitor has access to the same tools and data sources.

Differentiated personalisation is when data changes decisions. This goes far beyond what you say to a customer:

What you actually offer. Cover selected around the protections genuinely relevant to a customer, rather than a generic menu.

How you price. Pricing that reflects a customer's real, current exposure, rather than the same market figure every competitor lands on.

When you engage with them. An experience that adapts in real time as circumstances change, rather than one that applies a slightly better script to a standard product.

Consumer research supports this approach. A 2025 Deloitte survey on P&C insurance found that **almost 60% of customers want personalised products, but over 70% still believe standard products meet their needs.** That gap between latent demand and insurers not fully understanding what is possible is a real opportunity, but it will only be captured by carriers whose operating models can support it. Swiss Re has made the same observation from a different angle, noting that insurers who can connect data signals (a customer getting married, buying a home, changing jobs) to decisions in real time will be able to proactively guide customers. True leverage comes from connected data ecosystems, not from data acquisition alone.

The sky is the limit.

Capgemini's World Insurance report found that only 5% of insurers globally are delivering truly outstanding customer experience, and that best-in-class carriers achieve 38% higher Net Promoter Scores and 11% lower expense ratios than their mainstream peers. That difference is not primarily explained by customer-facing technology.

It comes down to operating model maturity. McKinsey's research reinforces the commercial stakes: over the past five years, insurance sector leaders in AI and technology have generated 6.1 times the total shareholder return of laggards, a spread wider than in most other sectors. The gap between the carriers getting this right and those still working through it is not narrowing. It is compounding.

The Operating Model is the Congestion Point

Most property and casualty (P&C) insurers in EMEA and APAC are running personalisation initiatives on top of operating models that were not built for them. Pricing, underwriting logic, product configuration, and claims feedback sit in separate systems, updated on separate cycles, governed by separate teams. The signals are there, but they cannot flow into decisions quickly enough to matter.

This is what our Performance Gap framework calls the "Decision Gap": pricing, underwriting, and claims signals become disconnected, risk selection grows inconsistent, and customers end up with products that no longer reflect their actual needs, or risk profile. Personalisation becomes a front-end promise that the back-end cannot keep.

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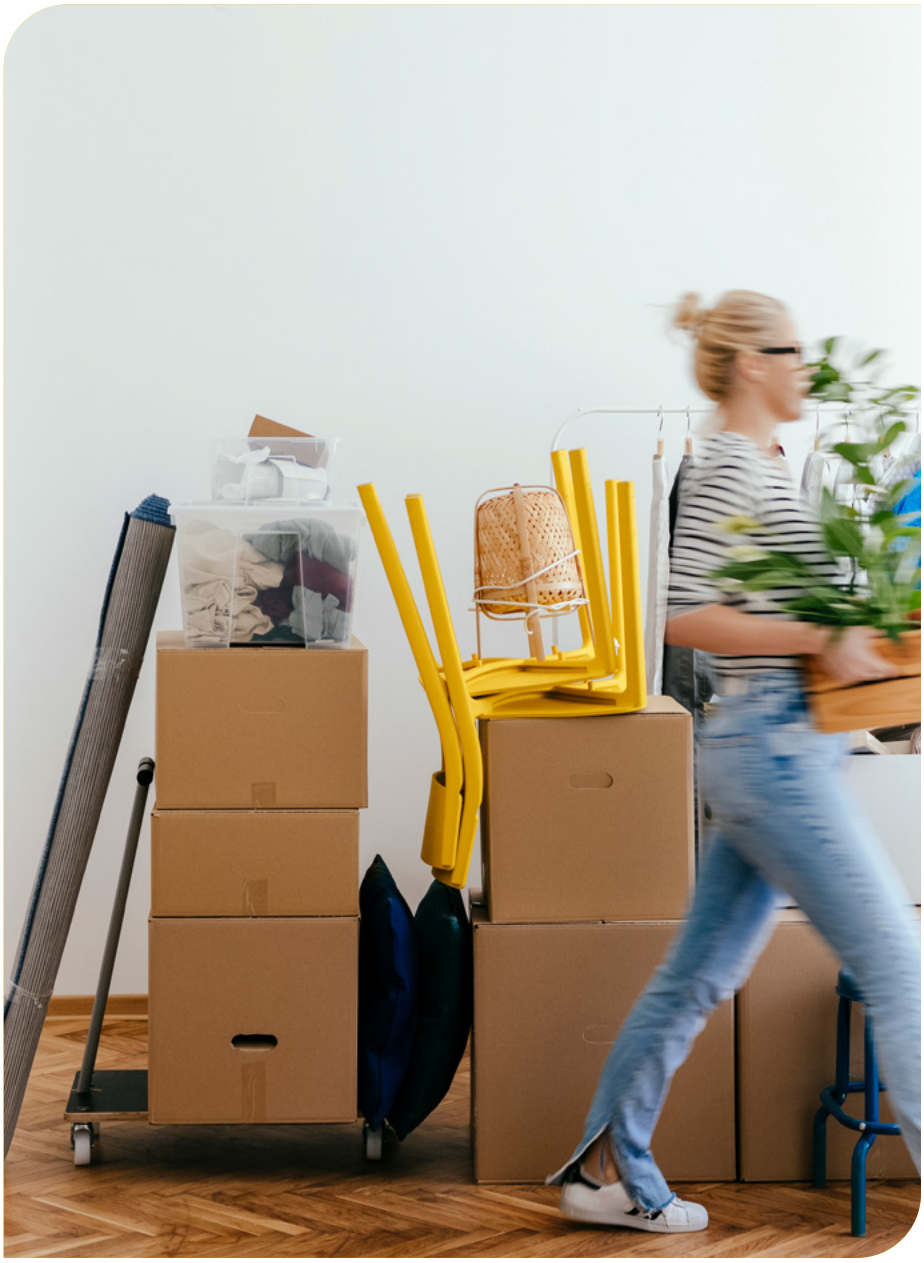

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AI Can Accelerate Problems or Benefits

There is real and justified enthusiasm across the industry for AI-driven personalisation, but there is a risk that many carriers are underestimating. When you embed AI into a fragmented operating model, where decisioning logic is siloed and data does not flow cleanly between functions, you do not fix the underlying problem. You accelerate it.

AI deployed on top of disconnected systems:

- Speeds up flawed underwriting logic
- Scales inconsistent pricing
- Produces bad decisions - faster

A McKinsey survey of more than 50 leaders from the largest European insurer groups found that over half expect gen AI to deliver productivity gains of 10 to 20 percent, premium growth of 1.5 to 3 percent, and improvement in technical results of a similar magnitude. Yet only a third have initial gen AI use cases in production and 60% describe their traditional data as merely "evolving." The ambition is clear, but the foundation that would make it real is, for many, still a work in progress.

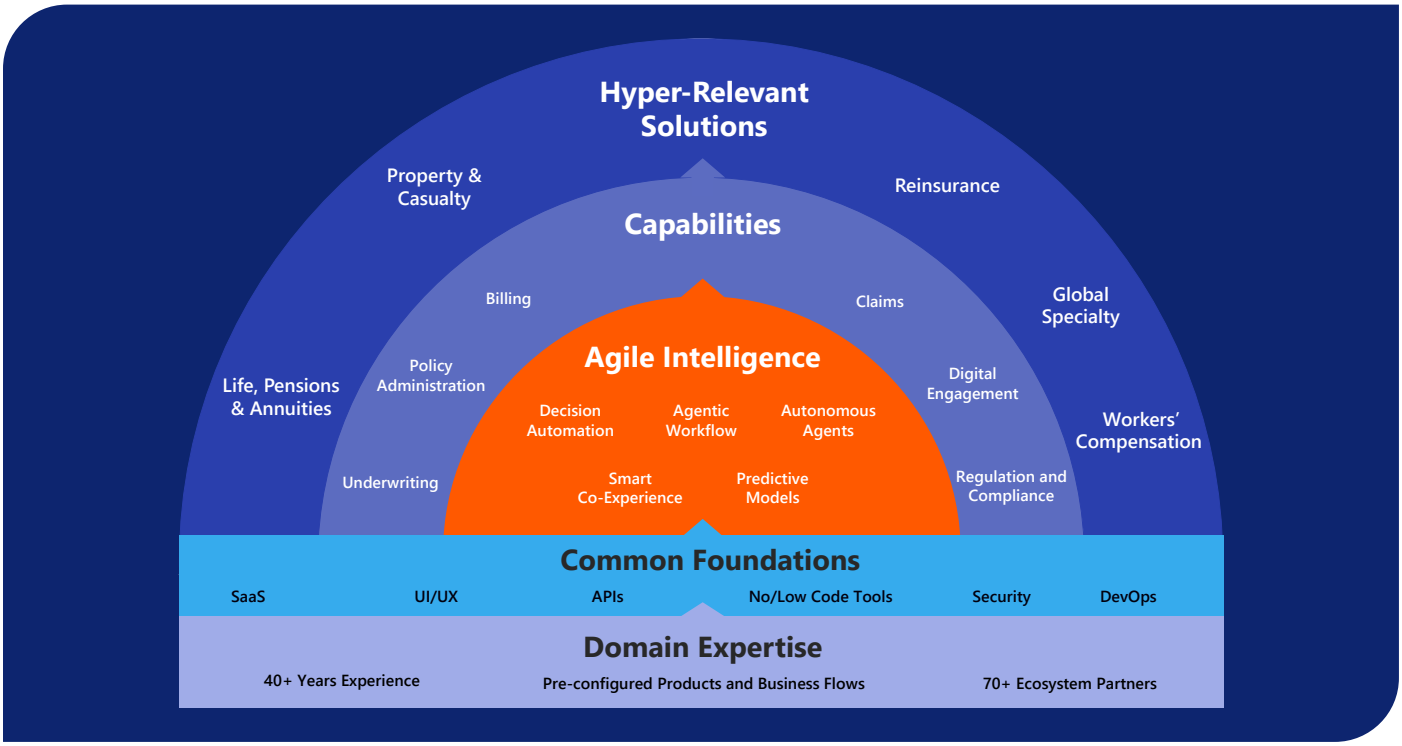
P&C insurers who will make AI work for personalisation are those embedding it directly into the core of their policy administration and decisioning infrastructure, creating systems where every interaction generates a signal. That signal informs the next decision and the product and pricing logic adapts continuously as a result.

Personalisation stops being a feature and becomes the way the business runs.

Sapiens' Personalisation Platform

Delivering genuine P&C personalisation requires capabilities that work together, rather than in isolation: cover selection based on a customer's actual profile rather than a generic menu, adaptive product logic that evolves as circumstances change without requiring cancellation and reissuance, real-time pricing that reflects current exposure data, and product versioning that allows continuous updates without disrupting the existing book of business. **The technical components exist, but what most insurers are missing is an operating system that connects them.**

The Sapiens Insurance Platform for P&C is built around this principle. Rather than layering personalisation tools onto existing systems, the platform connects policy administration, data, AI-driven decisioning and product configuration into a single integrated environment, so that signals from every customer interaction can flow into the next decision automatically. **The aim is to give business teams the ability to act on what they know, when it matters, without waiting for IT delivery cycles to catch up.**



Fix Your Operating System Problem

The personalisation gap in P&C insurance is real, but it is not at its core a data or a technology issue – it's an operating system problem. The insurers who will close it will stop treating personalisation as a customer experience initiative and start looking at it as an operating model outcome. When data changes decisions at every point in the value chain, and those decisions adapt continuously as customer and market signals shift, personalisation stops being something you do to customers. It becomes the way the business runs.

This is just the starting point. Download the "The Performance Gap: Why Operating Models Now Define Competitive Outcomes in Insurance" whitepaper for a much deeper dive. If you'd like to talk through what this means for your business, request a call from a Sapiens expert.

About the Author

Graham Gordon is Director of Value Engineering & Product Strategy at Sapiens. With deep experience across P&C insurance markets in EMEA and APAC, Graham works closely with insurers navigating the shift from legacy operating models to dynamic, data-driven platforms. In a recent industry panel, Graham challenged the assumption that personalisation is primarily a data problem. He made the case that for most P&C insurers, the real gap lies much closer to home.