



Personal AI Agents – Their Role in the Digital Economy and How to Maintain Control

Insurance Industry Edition

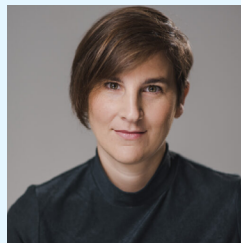
About the authors



Richie Paul
AI and Strategy and
Transformation Leader



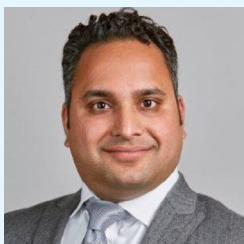
Richie leads IBM Consulting's Generative AI and Strategy Practice where he advises IBM clients on the adoption of Generative AI, the business and technology architectures for transformation, new enterprise strategies, and modernisation initiatives. He is also an advisor to multiple Australian government departments and a contributor to government digital taskforces, including the NSW Government's AI Taskforce. As a strategy consultant, Richie has over 20 years of experience implementing transformational digital business solutions working in multiple industry sectors across Asia Pacific and Europe.



Michal Chorev
Responsible AI Leader



Michal is the AI Governance Lead for IBM Consulting Australia, where she advises clients across all stages of AI adoption, from strategy through implementation and responsible scaling. She guides organisations on establishing ethical AI frameworks, governance structures, and risk management approaches to ensure responsible and compliant AI deployment. Previously at IBM Research, Michal led the successful adoption of AI-based decision support systems for Healthcare and Pharma clients, focusing on explainability, causal inference, and multi-modal prediction capabilities. With over 15 years of experience leading R&D teams in AI and advanced analytics, she brings deep technical expertise combined with practical implementation knowledge. Today, Michal advises clients across multiple industry sectors on how to design and implement trustworthy AI systems that deliver exceptional business value while maintaining ethical standards and regulatory compliance.



Abhishek Bakre
Insurance AI, Strategy and
Transformation Leader,
United States



Abhishek is a Transformation and Growth Leader at IBM Consulting, where he advises Life, Annuities, and Group Benefits insurers across all stages of enterprise transformation—from strategy through execution and scale. He works with CEOs, COOs, CIOs, and business leaders to drive profitable growth, operating efficiency, and differentiated customer and advisor experiences through AI-, data-, and technology-enabled transformation. With over 20 years of experience across IBM and other leading consultancies, Abhishek has led enterprise-scale initiatives spanning operating model redesign, growth acceleration, cost optimization, and M&A integration. His work has delivered measurable outcomes including premium growth, double-digit productivity gains, accelerated claims and onboarding cycles, and faster time-to-market for new capabilities. Today, Abhishek focuses on helping insurers move beyond isolated AI initiatives toward scaled, enterprise intelligence embedded across end-to-end journeys, grounded in strong data foundations, governance, and clear business ownership.



Joseph Royle
Enterprise Strategy Leader



Joe is the AI Strategy Lead for IBM Consulting, where he advises clients in the Banking and Financial Services sector on the responsible design and deployment of AI products, platforms and services. He specialises in enterprise strategy, AI-led business and service design, with deep expertise in designing and scaling AI-enabled digital platforms. Joe has spent his career leading complex digital transformation programs, with a focus on delivering AI solutions that are governable, ethical and aligned to organisational strategy. He is a strategic advisor to clients on AI risk, governance and product/platform design, and plays a leadership role in IBM's design practice, helping organisations adopt AI at scale in a responsible and sustainable way.

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Executive Summary

The rise of personal AI agents marks a structural shift in the digital economy – one that will reshape how consumers discover, evaluate, and purchase insurance across both Property and Casualty (P&C) and Life and Annuities (L&A). Recent consumer research shows **global AI usage growing by more than 60% in just two years⁴**, with nearly half of users now planning to use AI regularly – signaling that agent-mediated discovery is rapidly becoming mainstream rather than experimental. These agents represent the consumer directly, and for many journeys will become the first point of engagement. Product comparison becomes more exhaustive, pricing models face algorithmic scrutiny, and brand loyalty weakens as AI platforms sit between consumers and providers.

For insurers, this creates a dual challenge: **economic compression as AI agents intensify comparison and price transparency, and strategic displacement as AI platforms begin to own consumer intent**. Insurers that do not adapt risk being treated as invisible fulfilment utilities in a new AI operating system. Those that modernize product design, data transparency, operating models, and distribution strategy can preserve relevance and shape emerging standards.

This shift introduces a completely new competitive landscape for the insurance industry. Insurers will increasingly find that their first point of engagement is not a human consumer but a consumer's AI agent, which has different expectations, decision rules, and information requirements. The implications are significant. Product comparison becomes more exhaustive. Pricing models face algorithmic scrutiny. Brand loyalty weakens. And insurers risk being aggregated by AI platforms that sit between consumers and providers.

This paper provides a comprehensive exploration of this shift. It explains what personal AI agents are, where they already operate, how they will evolve, and the risks they pose to consumers and organisations. It finishes with a detailed action plan to help insurers proactively adapt. Those who prepare now will thrive in a future where discovery, selection, and purchase occur through machines. Those who do not may be relegated to invisible fulfilment nodes in a new AI operating system.

Overview and Objective

The purpose of this paper is to examine the growing role of personal AI agents in the digital economy and articulate what this shift means for the insurance sector. It draws on early market examples, emerging technology patterns, and the regulatory and academic discourse now forming around autonomous consumer agents.

The objective is twofold. First, to help insurers understand how these agents reshape customer journeys, product visibility, and distribution models across both P&C and L&A. Second, to provide actionable guidance on how insurers can maintain relevance and control in a marketplace where consumer intent is increasingly mediated by AI systems, rather than traditional channels.

Insurers are at a critical inflection point. Personal AI agents are already researching products, interpreting policy disclosures, comparing conditions, and advising consumers. Their capabilities are accelerating quickly, and a future in which they manage the full cycle of Research, Recommend, and Transact is no longer theoretical. The industry must prepare now for an agent-mediated ecosystem that is rapidly becoming mainstream. These trends mirror patterns already observed in adjacent industries, where AI increasingly shapes consumer intent before human engagement.¹

Definition: Personal AI Agent

This section sets out a clear definition for personal AI agents and explains why terminology matters for insurers. As AI capabilities evolve, the language used to describe them is evolving as well. What distinguishes personal AI agents is that they operate outside the direct control of insurers and act independently on behalf of consumers. Their emergence challenges long-held assumptions about distribution, engagement, and the insurer's role in shaping the customer journey.

Personal AI agents are AI systems that represent an individual user and act on their behalf. They can research, compare, negotiate, and initiate actions across digital services without the user needing to engage each service directly. These agents operate as the consumer's delegated decision-maker and are not controlled by insurers, aggregators, or product providers.

Common and Emerging Terms

This section sets out a clear definition for personal AI agents and explains why terminology matters for insurers. As AI capabilities evolve, the language used to describe them is evolving as well:

- Personal AI agent: The broadest and most widely accepted term. Emphasises user representation.
- Autonomous consumer agent: Highlights independent operation and minimal need for human instruction.
- Third party consumer agent: Underscores that the agent sits outside both the insurer and the customer's data providers.
- AI intermediary or AI broker: Suggests a mediating role analogous to a digital broker that interprets options and makes recommendations.

Definition for This Paper

For the insurance context, we define a personal AI agent as:

An AI system that represents a consumer autonomously in the insurance marketplace, with the capability to research, assess, compare, advise, and potentially transact without the insurer's control or sponsorship.

Insurance Scenario

If a consumer asks ChatGPT to select a car insurance product that suits their driving history, budget, and vehicle, and the agent independently analyses the market and recommends a product, this is a personal AI agent in action. The insurer has no control over how it is ranked or compared.

If the same consumer is looking for the right life or annuity product for their protection or retirement goals, the personal AI agent will independently assess the market. It can review product summaries, compare benefit structures and riders, evaluate premium patterns, and interpret long-term value projections. The agent can align options to a consumer's age, income, family needs, and financial objectives, selecting products that fit their risk tolerance and time horizon.

Across both P&C and L&A, the locus of influence shifts from human-driven research and distribution to machine-driven evaluation. Personal agents—not advisers, brokers, or carrier websites—will determine which insurers surface first, how products are compared, and what ultimately gets recommended to the consumer.

Current Landscape: Personal AI Agents Already Operating Today

While most consumers still complete purchases through traditional channels, AI increasingly governs research, comparison, and decision framing. Studies show that over 70% of consumers rely on AI tools to evaluate options, reviews, and value before making a purchase—mirroring the early stages of insurance decision-making.¹

AI agents already operate in several categories:

A. Travel and Booking Assistants

Systems like Google Gemini, Microsoft Copilot, and ChatGPT travel plug-ins can plan, compare, and book travel. The AI agent searches across vendors, analyses preferences, and completes bookings.

[Insurance relevance: These same capabilities allow a personal AI agent to compare travel insurance policies, interpret exclusions, and select the best option for a user's itinerary.](#)

B. Financial and Shopping Assistants

Apps such as Cleo, Plum, Alexa Shopping Assistant, and Walmart Voice Order assist with budgeting, spending optimisation, and automated purchases. These same tools are beginning to surface basic life and retirement planning recommendations, signalling an early path toward AI-driven guidance in L&A as well.

[Insurance relevance: Similar logic could optimise annual insurance shopping, monitor premium increases, or recommend policy adjustments based on life events.](#)

C. Early L&A Planning and Advisory Assistants

AI-enabled financial planning tools, such as Fidelity's retirement planning models, Morgan Stanley's advisor copilot, and consumer budgeting platforms like Empower and Monarch, are beginning to analyse income, dependents, financial goals, and time horizons to provide long-term guidance. These systems can estimate protection needs, model retirement gaps, compare basic life insurance options, and project annuity income scenarios.

[Insurance relevance: These early capabilities signal how personal AI agents could evaluate life and annuity products, interpret riders and premium patterns, assess suitability, and recommend protection or retirement solutions before a consumer ever engages a human adviser.](#)

D. Productivity and Digital Life Agents

Systems like Pi, Replika, and Zapier AI coordinate daily tasks, organise documents, and execute workflows.

[Insurance relevance: These agents can store policy documents, manage renewals, or track claims documentation.](#)

E. Consumer Advocacy Agents

Services like DoNotPay act on behalf of users to contest charges, negotiate refunds, or challenge contracts.

[Insurance relevance: An agent could dispute a claim denial, scrutinise a settlement, or automatically identify unfair terms.](#)

F. Early Autonomous Market Agents

Projects like Fetch.ai and SingularityNET demonstrate autonomous machine to machine interactions and negotiation.

[Insurance relevance: Automated query negotiation between consumer agents and insurer agents for instant micro policies, pay per use cover, or IoT contextual insurance.](#)

Personal AI agents are no longer speculative. They are here, and their capabilities are growing. The insurance sector must prepare for their increasing involvement in consumer decision making.

Future Vision: Personal AI Agents in the New AI Operating System

We are witnessing the early formation of a new digital architecture where AI platforms such as ChatGPT become the gateway layer that mediates every consumer intent – including how individuals discover, evaluate, and engage with insurance. Historically, consumers-initiated actions by opening an app, searching online, or visiting a website. Today, intent begins inside an AI agent, and the agent determines which provider, product, or experience best satisfies that intent.

This shift represents more than a UX evolution – it signals a fundamental reordering of the insurance value chain. In adjacent industries, platforms that control AI-mediated discovery and ranking have captured disproportionate influence over pricing, visibility, and margin – foreshadowing similar aggregation dynamics in insurance as AI agents become the gateway to consumer intent.¹

AI as the New Operating System

OpenAI's ability to invoke applications directly inside ChatGPT marks a foundational moment. Instead of visiting an insurer's website, broker portal, or product page, the AI agent interprets the consumer's goals and selects the most appropriate provider based on structured data, product logic, past performance, price, and service signals.

In this paradigm, companies do not lose relevance by being replaced. They lose relevance by being absorbed. AI consolidates the layer where consumer intent begins. Insurers must understand that in this environment:

- The consumer's AI agent becomes their real customer
- Insurers become fulfilment nodes rather than destinations
- Brand preference becomes algorithmic preference
- Discoverability becomes machine centred rather than human centred

This applies across P&C (e.g., auto, home, property) and L&A (e.g., term, permanent life, disability, annuities), where suitability, riders, premium patterns, and long-term projections can now be interpreted by an AI agent with no insurer oversight.

AI Aggregating Intent

Tech platforms have historically consolidated power by controlling the starting point of interaction. Apple owned the home screen. Google owned search. Amazon owned product discovery.

OpenAI and similar platforms are becoming the place where consumers express intent.

When a user asks ChatGPT to find and purchase the best comprehensive car insurance, they are not going to a website. They are expressing an intention that the AI will fulfil through a sequence of decisions. Similarly when the user asks to “find the best life insurance policy for my family” or “compare retirement income options across annuities,” the platform orchestrates the entire evaluation journey. The insurer does not control when or how they appear. This future world is defined by:

- **Research performed by AI:** Agents parse policy structures, coverage limits, exclusions, riders, claims ratios, financial strength ratings, performance histories, surrender fee schedules, and illustration outcomes.
- **Recommendations generated by AI:** Agents rank products using transparent logic aligned to user preferences, risk profile, financial goals, and constraints.
- **Transactions initiated by AI:** Agents manage quoting, identity verification, underwriting steps, payments, renewals, and even beneficiary updates through secure credential frameworks.

The economic implications are profound: insurers risk margin compression, disintermediation, and visibility loss if they do not adapt to machine-mediated discovery and selection.

Implications for Insurance Operating Models

While the mechanics differ across insurance segments, the structural shift is consistent: personal AI agents increasingly influence discovery, comparison, and decision-making, reshaping product design, distribution, and operating models.

A. Implications for P&C Insurance

- **Comparison becomes exhaustive and instant.**
Example: A consumer agent scans premiums, deductibles, exclusions, and claim friction across carriers in seconds.
Implication: Advantage shifts from brand and distribution to machine-visible value and clarity.
- **Pricing is placed under algorithmic scrutiny.**
Example: Agents flag pricing inconsistency across segments and steer low-risk customers away from “unfair” price signals.
Implication: Underwriting precision and transparent pricing logic become margin protection levers.
- **Claims becomes a pre-purchase filter, not a post-purchase moment.**
Example: Agents incorporate service reliability and claims experience signals into the shortlist.
Implication: Claims performance drives acquisition and retention, not just operating cost.
- **The first funnel is no longer yours to own.**
Example: The agent builds the shortlist before the customer ever visits a carrier site or broker.
Implication: Insurers must optimise for AI-mediated discoverability, not just digital conversion.

In P&C, AI agents turn insurance into a machine-evaluated utility - forcing insurers to compete on clarity, fairness, and execution rather than persuasion.

B. Implications for Group Insurance

- **Decisioning shifts from HR-only to employee-level, always-on.**
Example: An employee agent interprets life/disability benefits during marriage, childbirth, or a health event.
Implication: Group insurers must design member journeys and data for continuous AI-guided engagement.
- **Open enrollment becomes an optimisation problem.**
Example: Agents recommend elections by balancing protection gaps, affordability, and employer contributions.
Implication: Machine-readable plan rules and eligibility logic become the new enrollment advantage.

- **Voluntary benefits are the most “agent-comparable.”**
Example: An agent compares supplemental life and disability across carriers and recommends the cleanest value.
Implication: Modular, transparent structures win; opaque products commoditise quickly.
- **Claims and leave become the product.**
Example: Agents guide disability/leave claims end-to-end and shape the member’s perception of the insurer.
Implication: Claims/leave excellence becomes the decisive differentiator in employer retention.

In Group Insurance, AI agents don’t replace HR or brokers - they become the continuous interpreter of value between the insurer and every employee.

C. Implications for L&A Insurance

- **AI reshapes the advice journey before the advisor is present.**
Example: The consumer arrives with an agent-curated shortlist and pre-formed preferences.
Implication: Carriers must ensure AI framing is accurate, suitable, and aligned with advice outcomes.
- **Complexity becomes machine-interpreted—and therefore standardised.**
Example: Agents evaluate riders, surrender charges, guarantees, and funding patterns across products.
Implication: Illustrations, disclosures, and product mechanics must be machine-readable to compete fairly.
- **Suitability risk moves upstream.**
Example: An agent recommends a product that optimises near-term metrics but misfits long-horizon needs.
Implication: Insurers need stronger guardrails, explainability, and suitability signalling for agent-led journeys.
- **Trust becomes algorithmic, not emotional.**
Example: Agents favour insurers with consistent servicing, transparent mechanics, and clean contract structures.
Implication: Machine-visible trust signals matter as much as brand reputation—and may matter more at selection time.

In Retail L&A, AI reshapes advice not by removing the advisor, but by redefining where trust, suitability, and judgement are created.

The Future Lifecycle: Research, Recommend, Transact

Research

Agents will interpret all market data, including:

- coverage limits and exclusions
- riders and premium patterns
- surrender periods and fee structures
- historical claims performance
- financial stability indicators
- regulatory disclosures and suitability rules
- long-term illustration outputs in L&A

Recommend

Agents will provide personalised, transparent reasoning for their choices based on:

- price-performance trade-offs
- risk tolerance
- household structure and income
- longevity goals
- liquidity needs
- retirement timelines

Transact

Agents will be able to:

- negotiate quotes
- submit underwriting data
- manage payments and renewals
- update beneficiary information
- trigger claims or withdrawals
- initiate policy loans or annuity income options

This is not hypothetical — the enabling components already exist in adjacent sectors.

Business Adjustments to Accommodate Personal Agents

To operate effectively in an agent-mediated market, insurers must rethink their business strategy, product architecture, data accessibility, and operating model design. This goes beyond technical enablement; it requires re-positioning the enterprise for a world where machines evaluate offerings with no regard for brand, legacy relationships, distribution channels, or marketing spend.

To integrate, organisations will need to adapt across several dimensions:

Strategic Business Model Adjustments:

With personal AI agents shaping discovery and choice, insurers must rethink their business model. Distribution influence and brand matter less when machines evaluate products on data and clarity. Insurers need to redesign offerings for competitiveness in an algorithm-driven market.

- Reassess distribution economics as AI agents compress acquisition costs and reshape consumer ownership.
- Redefine differentiation beyond branding, focusing on machine-visible value drivers such as claim ratios, coverage modularity, and structured disclosure.
- Modernize L&A constructs—illustrations, surrender values, riders, policy loans—so they can be evaluated and explained by personal AI agents.
- Shift from monolithic products to configurable components that AI agents can assemble for specific consumer needs.

API-First and Data Accessibility Strategy:

The emergence of personal agents will force businesses to rethink how their digital assets and information are exposed to external systems. Just as the rise of search engines prompted organisations to adopt search engine optimisation (SEO) practices—structuring metadata, improving content clarity, and aligning with indexing algorithms—the rise of AI-driven personal agents will require a comparable discipline: Search Agent Optimisation (SAO).

From Human-Readable to Machine-Negotiable Information:

Traditional web content has been designed for human consumption, with secondary consideration for search engine crawlers. In contrast, personal agents operate primarily through APIs, structured data, and semantic understanding. For businesses, this means designing content and data not just to be read, but to be negotiated and acted upon by autonomous agents representing consumers.

Key technical implications include:

A. API-First Architecture:

Today, most insurer product and performance information remains locked in unstructured formats, limiting how accurately AI agents can interpret, compare, or recommend offerings. All major customer-facing functions—quoting, billing, claims, support, and product information—should be accessible via secure and well-documented APIs. This approach allows personal agents to perform actions (e.g., request a quote, file a claim) directly, rather than relying on screen scraping or manual form filling.

This requires standardized interfaces (e.g., OpenAPI specifications, OAuth 2.0 for secure access), orchestration layers for task execution, and middleware capable of managing multiple agent interactions within an ecosystem.

B. Semantic and Structured Data Exposure:

Beyond APIs, businesses will need to provide rich metadata and machine-readable context within their digital touchpoints. This could include:

- Schema.org or equivalent semantic markup extended for AI consumption.
- JSON-LD or RDF-based data representations that allow agents to extract structured information efficiently.
- “Agent-friendly” documentation layers that describe not only data formats but also business logic, pricing rules, and policy constraints.
- Shift from monolithic products to configurable components that AI agents can assemble for specific consumer needs.

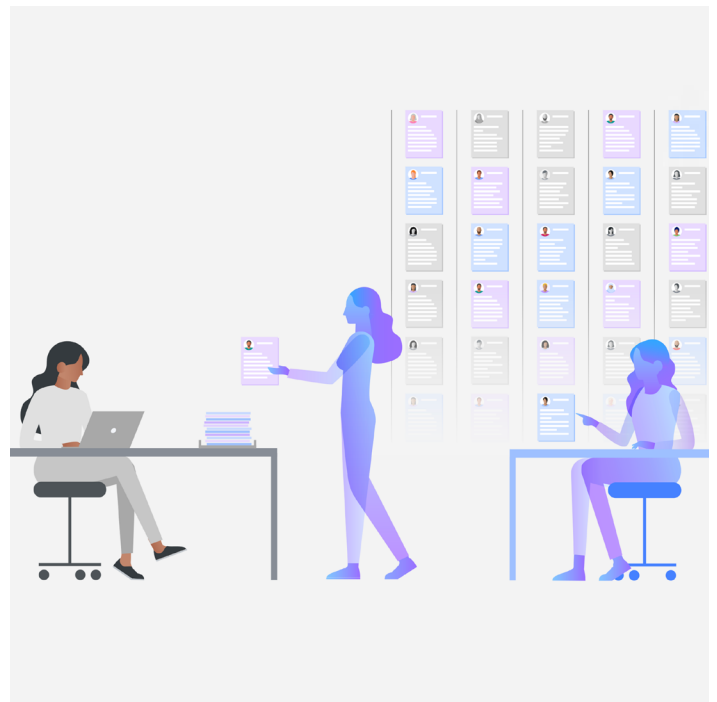
C. Search Agent Optimisation (SAO):

In the same way that companies once optimised web pages for Google’s crawlers, they will now optimise information for AI agents. This involves:

- Creating agent-readable summaries and structured explanations of offerings.
- Maintaining canonical data endpoints that agents can query for authoritative information.
- Implementing metadata descriptors that signal trustworthiness, freshness, and compliance—helping agents rank and select reliable sources automatically.

Organisations will need to support emerging specification files such as LLMs.txt, which allow companies to publish rules, boundaries, and preferred data sources specifically for large language models and AI agents. This gives agents a consistent way to understand what information is authoritative, how they are allowed to interact with it, and how organisations prefer their data to be consumed.

Looking ahead, customers will increasingly delegate purchasing decisions directly to their personal agents. A typical instruction might be: “Find ethical, responsible companies to buy from. I like fast and low-hassle services.” The agent will carry this context forward into every search, comparison, and negotiation. To be selected, an organisation’s values, service attributes, and product characteristics must be clearly represented in a way that the LLM can match to these stated customer preferences. Alignment between a customer’s expressed values and the signals an organisation publishes will become a critical competitive factor.



Re-engineering Customer Journeys:

Personal agents will increasingly act as intermediaries between customers and businesses. Enterprises should design their customer engagement models to accommodate agent-to-agent interactions—where a customer’s AI negotiates, compares products, or files claims on their behalf—requiring streamlined digital workflows and standardized data exchange protocols.

A further shift will be the move toward dynamic and personalised user interfaces. Rather than static webpages or fixed app flows, the interface presented to a customer will be generated on demand based on context provided by their personal AI. Google has already published an early format for this type of dynamically generated UI. In practice, the customer never interacts with a single “canonical” interface; instead, their agent requests the exact components needed for the user’s goals, preferences, and permissions. Businesses will need to design interaction models, content fragments, and UI components that agents can assemble in real time to create a tailored experience for every user.

Main considerations include:

- Duty of disclosure: ensuring AI agents can understand and communicate all obligations clearly on behalf of consumers.
- Informed consent: enabling consumers to delegate actions to AI agents with transparent boundaries and auditability.
- Data collection consent: defining what information agents may gather, share, or infer, and under what conditions.
- Identification of vulnerable customers: establishing protocols so AI agents recognise situations requiring human oversight or intervention.
- Financial advice boundaries: clarifying when an AI agent’s recommendation may cross into regulated advice, especially in L&A.

This applies across P&C (e.g., auto, home, property) and L&A (e.g., term, permanent life, disability, annuities), where suitability, riders, premium patterns, and long-term projections can now be interpreted by an AI agent with no insurer oversight.

Operating Model Adjustments Across P&C and L&A:

With personal AI agents driving more decisions, insurers need operating models built for machine-to-machine execution, not human navigation. Underwriting, claims, product rules, and servicing must be transparent, structured, and API-enabled across P&C and L&A.

- Underwriting: Introduce API-exposed rules engines enabling agent-driven data exchange and pre-assessment.
- Claims: Enable machine-readable adjudication logic and parametric triggers where applicable.
- Actuarial & Product: Maintain canonical machine-parsable product definitions to ensure consistent interpretation by external agents.
- Policy Servicing: Automate agent-to-insurer workflows for updates, beneficiary changes, loans, and withdrawals in L&A.

Delivery Model and AI Stewardship Shifts:

The IT and business functions will need to collaborate closely to manage a new ecosystem of external AI actors. This includes establishing AI partnership programs, enhancing cybersecurity capabilities to detect malicious or non-compliant agents, and redefining customer service roles to focus on oversight and exception handling rather than routine transactions.

Ethical and Regulatory Readiness:

Businesses will need clear frameworks for consent management, data sharing, and accountability. This may involve new contractual models defining liability between personal agents, their users, and service providers, as well as compliance with evolving AI regulations (such as the EU AI Act or sector-specific guidelines).

Consumer Risks When Using Personal AI Agents

As personal AI agents take on more of the research and decision-making process, consumers face new risks that extend beyond traditional digital privacy and security concerns. These agents act autonomously, interpret complex insurance information, and execute actions on behalf of users—creating fresh challenges around fairness, accountability, and suitability. Insurers must understand these risks to protect consumers and shape emerging regulatory expectations.

This risk is amplified by a growing trust paradox. While more than half of consumers report being comfortable sharing personal data with AI systems, over 80% simultaneously express concerns around privacy, misuse, and lack of transparency—heightening the importance of consent, governance, and explainability when AI agents act on a consumer’s behalf.

Key risks include:

- **Privacy and Data Protection:** Agents require detailed personal data to operate effectively. This creates new exposure risks in situations involving health records, claims history, telematics, and identity documents.
- **Security and Identity:** If compromised, an AI agent could purchase policies, cancel cover, or initiate fraudulent claims on behalf of the user.
- **Bias and Manipulation:** Agents may favour insurers who have commercial partnerships with the AI platform or whose product metadata is easier for the AI to parse.
- **Accountability Gaps:** Errors by a personal AI agent raise unresolved legal questions. If an agent selects an inadequate policy or misinterprets an exclusion, who is responsible?
- **Over Reliance:** Consumers may delegate decisions entirely to their agent, not reviewing policy fine print, exclusions, or claim obligations.
- **Interoperability and Lock In:** Vendors may create closed ecosystems that lock consumers into proprietary agent frameworks, limiting choice.
- **Suitability & Misalignment of Advice (Critical for L&A):** AI agents may recommend products that fail suitability standards or cross into regulated advice, creating uncertainty around liability.
- **Misinterpretation of Complexity:** AI agents may hold deeper, more continuous insights about consumers than insurers, creating imbalance in negotiation and decision-making.

Risks for Organisations: When Personal AI Agents Become Customers

As personal AI agents take over more of the consumer journey, insurers face new organisational risks. Machine-led engagement shifts control of customer relationships, data flows, and decision-making, while introducing liabilities and behaviours outside traditional oversight. AI agents function as independent intermediaries, bringing exposures legacy risk and compliance models cannot fully address.

Importantly for insurers, AI adoption is already strongest among Gen X and Boomer demographics—the same groups that account for a disproportionate share of life, retirement, and group insurance decisions—accelerating the relevance of these organisational risks.¹

- **Loss of Direct Customer Relationship:** AI agents mediate engagement, weakening brand influence and emotional loyalty.
- **Reduced Data Visibility:** Agents share minimal information, limiting an insurer’s ability to personalise, segment, or assess risk with context.
- **Contractual Ambiguity:** Disputes may arise over whether a consumer genuinely authorised an agent’s decision.
- **Adversarial Agent Behaviour:** Autonomous agents may programmatically exploit pricing algorithms or underwriting rules.
- **Regulatory Exposure:** Emerging AI regulations may hold insurers accountable for how they interact with third party agents.
- **Market Restructuring:** AI agents may aggregate consumer demand, negotiate collectively, and compress margins.
- **Reputation Risks:** Errors in agent to insurer interactions may be attributed to the insurer.
- **Suitability and Advice Risk (L&A-Relevant):** AI agents may recommend products that cross into regulated advice or fail suitability standards, creating uncertainty over who holds liability.
- **Information Asymmetry Between AI Agents and Insurers:** AI agents may accumulate deeper consumer insights than insurers, creating negotiation and decision-making imbalances.

Action Plan Recommendations for Insurers

To remain visible, competitive, and selectable by personal AI agents, insurers must operationalize a modernization agenda that enhances both internal capabilities and external interoperability. The following actions elevate the insurer's strategic posture:

- **Build API First and Machine-Readable Insurance Products:** Make all policy elements—coverage definitions, exclusions, riders, pricing logic, illustrations—machine-parsable to enable accurate evaluation by AI agents.
- **Develop AI Ready Pricing and Product Models:** Shift to configurable components and dynamic pricing so agents can tailor products to consumer needs in both P&C and L&A.
- **Implement Digital Identity and Agent-Safe Consent Frameworks:** Ensure secure, auditable delegation for AI-initiated actions such as quote/bind, claims filing, or policy servicing.
- **Strengthen Machine Readable Trust Signals:** Publish performance metrics, claims ratios, service levels, and product disclosures in structured formats AI agents can verify.
- **Build Insurer-Owned AI Agents and Direct AI Channels:** Develop first-party AI agents that interact directly with consumer agents, preserving carrier presence, enabling richer data exchange, and ensuring differentiated experiences in an AI-led marketplace.
- **Partner with AI Platforms to Influence Interoperability and Ranking Standards:** Engage with major AI ecosystems to shape how products are indexed, evaluated, and surfaced—ensuring fair representation, compliant data exchange, and alignment with emerging algorithmic standards.
- **Reinforce Risk, Compliance & Governance for Agentic Markets:** Prepare regulatory pathways for AI delegation, suitability, advice boundaries, and cross-agent liability—particularly critical in L&A.
- **Invest in Data Quality, Explainability, and Transparency:** Clear, structured information becomes a competitive advantage, improving ranking and selection by personal AI agents. and decision-making.

This action plan positions insurers to maintain control and relevance as AI becomes the new distribution and advisory layer.

Countering the Aggregation Risk: How Insurers Avoid Becoming Invisible

AI platforms are rapidly becoming the new aggregators of consumer intent. When consumers express needs inside systems like ChatGPT, those platforms determine which insurer or product is surfaced, compared, and ultimately selected. Unless insurers take deliberate action, they risk becoming invisible fulfilment utilities in an AI-led marketplace. This risk is reinforced by declining brand insulation: nearly half of consumers report willingness to abandon brands over price when value is unclear, and a similar proportion actively recommend new brands—behaviours that AI-driven discovery is likely to accelerate.

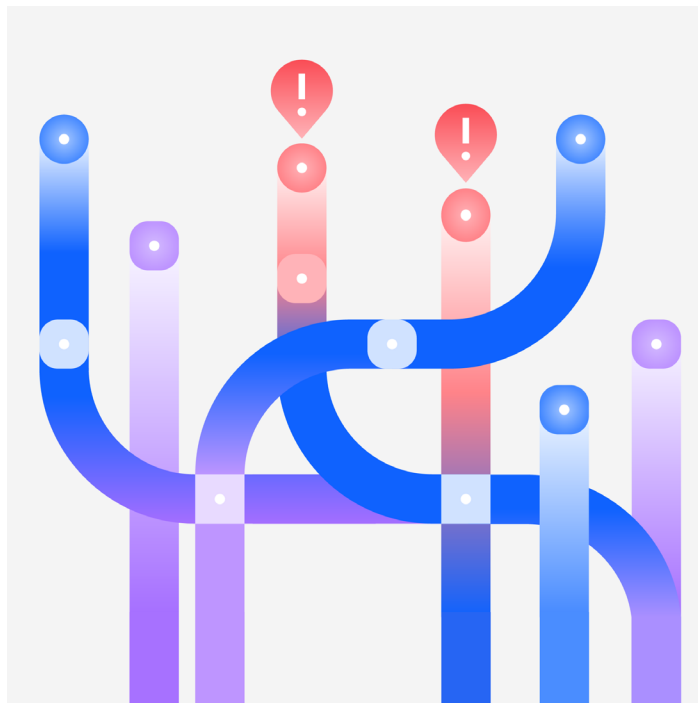
Strategies to Counter Aggregation:

To remain visible and differentiated, insurers must take strategic and operational steps that strengthen their position within AI ecosystems:

- **Reposition Business Strategy for an AI-First Distribution Model:** Shift strategic focus from human-led acquisition to algorithmic selection, ensuring the business competes on machine-visible value rather than brand or distribution muscle.
- **Modernize the Operating Model for Machine-to-Machine Interaction:** Enable real-time, structured, and API-driven workflows across underwriting, claims, product governance, and servicing so AI agents can reliably interpret and act on insurer data.
- **Ensure Discoverability Through Structured, High-Fidelity Product and Performance Data:** Expose clear, consistent, machine-readable information on product structures, claims performance, financial strength, suitability rules, and long-term outcomes.
- **Create Modular, Differentiated Product Components:** Design contract structures, riders, and coverage elements that personal AI agents cannot easily commoditize, especially across L&A where complexity can be a competitive advantage.
- **Build Insurer-Owned AI Agents and Direct AI Channels:** Deploy first-party AI agents that engage consumer agents directly, preserve the carrier's presence in the engagement layer, and enable richer data exchange.
- **Partner with AI Platforms to Influence Interoperability and Ranking Standards:** Engage proactively with major AI ecosystems to shape how insurer data is indexed, evaluated, and ranked, ensuring fair representation and compliant data exchange.
- **Use Internal AI to Strengthen Pricing, Underwriting, Claims, Illustrations, and Service:** Match the sophistication of external agents by improving internal decision quality, cost efficiency, and cycle time—reinforcing competitiveness in machine-evaluated environments.

The Strategic Imperative

As seen in adjacent industries, those who adapt early to AI-mediated discovery will define the next era of growth. If insurers do not shape how their products are interpreted, ranked, and transacted by personal AI agents, then personal AI agents will shape the insurers' relevance. The balance of power in the insurance market is shifting to those who control the surface where intent begins. Insurers must proactively establish their visibility, trust, and value within this new operating system.



Conclusion

Personal AI agents will transform how consumers buy, manage, and interact with insurance across both P&C and L&A. This introduces significant risks—economic, strategic, regulatory—but equally powerful opportunities for carriers willing to modernize and compete on machine-visible value.

Insurers that succeed will combine structured product data, interoperable APIs, transparent pricing and performance, and AI-driven operating models. They will participate in and help shape the new AI operating system rather than be subsumed by it. The future insurer must serve two customers: the human and their personal AI agent.

Those who adapt early will lead the next era of growth.

With special thanks



Adam Makarucha
Data Platform Customer Success
Engineer Lead



As an AI Engineer and team leader Adam is driven by the pursuit of creating groundbreaking solutions that can help solve some of the world's most pressing issues. He has been with IBM for over 8 years in various roles, as an AI researcher, AI solution specialist, and now brings his expertise to the IBM Client Engineering team in Australia. His passion for innovation has enabled him to work closely with customers to craft data and AI solutions that can enable them to maximize their business growth. Presently, Adam's central focus revolves around harnessing the potential of generative AI to automate the routine tasks that we all encounter in our daily work lives.



Vlad Vereshchagin
Suncorp Consumer Insurance Australia,
Head of Digital Customers



Vlad has been with Suncorp for 17 years, leading large-scale digital and technology transformation across customer-facing environments. He is responsible for the development and optimisation of digital platforms across the Suncorp Group, spanning digital sales, service, and claims experiences across web, mobile, and conversational AI channels. John also sets the roadmap for digital experience standards and accessibility, and oversees critical digital foundations, including telematics solutions, customer identity management, and payment gateway services. Outside of work, Vlad is a passionate motoring enthusiast and an active contributor to the Shannons brand and broader motoring community.

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