Future Finance

Future Finance Innovation Lab

Insurance & LLM Research Sprint Summary Report

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Photos taken by FinTech Wales

Challenge Statement

How might the insurance ecosystem respond to changing customer behaviour as consumers increasingly use Large Language Models (LLMs) to research and compare products, shaping expectations and decisions before they reach comparison platforms or insurers?

Future Finance convened a group of 10 experts from across insurance, comparison platforms, AI businesses and academia to explore how increasing consumer use of Large Language Models (LLMs) may affect the insurance customer journey.

Run in partnership with **Fintech Wales** and **AI Wales**, the session brought together representatives from organisations including Confused.com, Howden, Acuity Law, Taught by Humans, Go.Compare, Wealthify, Training Matters and the University of Bristol. An independent consultant curated and facilitated the half day workshop.

The original scope centred on the consumer-facing insurance journey, particularly comparison platforms and primary insurers. While wider implications for reinsurers and other parts of the ecosystem were recognised, these were not the primary focus.

One question underpinning the session was if the emerging challenge was primarily about the LLM technology itself, or about the changing behaviours and expectations of customers using it. The Sprint therefore focused on where LLMs are beginning to influence customer journeys, what consumers may be doing differently as a result, and which emerging issues could form the basis of a subsequent hackathon.



Methodology

The Research Sprint used a facilitated, collaborative process designed to develop the initial broad challenge area into clearly defined and actionable hackathon problem statements. Following initial introductions and context setting, participants worked through four main stages, shown below.

1. Consumer Journey Mapping

The group developed a shared view of the existing consumer insurance journey. The intention was to establish the journey before introducing AI, then overlay where consumer use of LLMs was entering/influencing it.

2. Customer Behaviours & Expectations

Participants identified ways in which consumers' actions, assumptions and expectations may be changing as LLMs become part of research, comparison and decision-making.

3. Issues & Root Causes

Behavioural changes were translated into potential problems for consumers, insurers and comparison platforms. These were discussed and tested, to assess the impact and suitability for a hackathon.

4. Challenge Statements

Priority issues were developed using a Hackathon Challenge Canvas Template covering the problem, desired future state, scope and constraints. These were then tested for clarity, relevance, and focus.

Findings

The Research Sprint highlighted how consumers are beginning to incorporate LLMs throughout research, clarification, comparison and evaluation, often alongside existing channels. This can make the journey faster and more conversational but also means consumers may arrive at comparison sites, brokers and insurers with expectations and assumptions formed in environments that have different levels of access to product information, accountability and regulatory responsibility.



The discussion combined evidence from participants' professional experience with emerging observations about consumer AI use. Participants regularly distinguished between behaviours they were directly observing and areas where evidence remained limited.

Three closely connected factors emerged as the strongest areas for further exploration:

Consumer AI Proficiency

The consumer's ability to interact effectively with AI

Information Quality

The accuracy and completeness of the information available to the LLM

Consumer Assumptions

The assumptions consumers subsequently carry into the regulated insurance journey

The hackathon should explore interventions that help consumers benefit from the accessibility and convenience of LLMs while improving the quality, accuracy and usefulness of the information supporting their insurance decisions.

1. Consumer Journey Mapping

Life Insurance



The group chose to focus on a specific insurance product area. Participants felt that customer triggers, research behaviour, comparison activity and purchasing processes vary substantially between products. Car insurance was considered relatively transactional and well-established from a comparison perspective. In contrast, life insurance was viewed as a more complex purchase involving greater levels of education, consideration and, in many cases, human interaction. The group therefore agreed to use life insurance, with some consideration of income protection, as the primary lens for the Sprint.

Life event or trigger → Review existing position → Research → Compare → Evaluate → Decide → Price & Terms → Purchase → Qualification Period → Re-evaluate → Manage / reassess → claim

Typical triggers included marriage, buying a house and other significant changes in personal circumstances. These could prompt customers to review what protection they already had, speak to friends or advisers and begin researching available options. Participants stressed that the journey was not linear. Research, comparison and evaluation were seen as highly iterative, with customers regularly moving backwards and forwards between stages. Some may never emerge from this loop at all. This was particularly evident around evaluation and decision-making.

Participants described a potential "black hole" where customers had obtained indicative prices or product information but then disappeared from the observable journey while considering their options. Decision paralysis, complexity and the difficulty of understanding financial products were all suggested as contributing factors. The life insurance journey also differs from simpler online insurance purchases because digital comparison does not necessarily lead directly to purchase. Participants noted that a substantial proportion of sales can involve telephone conversations, advisers, medical information or further underwriting before the final terms and price are confirmed.

LLMs

When LLM use was overlaid onto the journey, the group explored the assumption that AI was replacing parts of the existing process altogether. Participants did not report a complete abandonment of stages (e.g. use of comparison sites), describing LLMs as increasingly being used alongside existing channels, particularly during research, interpretation and validation. One comparison-platform perspective suggested that referral traffic from LLMs was growing but remained small, while informational search behaviour appeared to be changing more noticeably.

The group identified several emerging uses:

- asking an LLM questions instead of, or before, conducting conventional web searches;
- using AI to summarise or translate policy documents into plain English;
- bringing AI-generated information or questions into conversations with brokers and insurers.
- using LLMs to prepare questions before speaking to an insurer or adviser;
- asking for comparisons between providers or products;
- validating information received elsewhere;

The group agreed that stages of the journey are being accelerated, compressed or reshaped by LLMs. Consumers can move through research and initial evaluation more quickly and may arrive at formal comparison or advice channels having already developed expectations and assumptions about products, prices or providers.

2. Customer Behaviours & Expectations

The group clustered the changes they were observing into four interconnected areas.

A) LLMs are becoming part of the research process

Participants felt consumers were increasingly turning to LLMs during research, potentially in place of individual online searches or as a way of synthesising multiple sources.

This may reduce reliance on friends, family or other human sources of informal advice and gives the consumer a continuous conversational tool through which they can explore increasingly detailed questions.

Rather than visiting individual websites sequentially, consumers can ask longer and more contextual questions and use an LLM to bring information together. This creates a potentially faster research experience but also makes it harder for insurance providers and comparison sites to understand which information has influenced the customer before they arrive.



B) Comparison is happening differently

Consumers are also beginning to use LLMs to compare providers, products, features and indicative prices.

It was noted that there is an important distinction between an indicative price generated or referenced by an LLM versus an actual insurance quote. Insurance pricing depends upon individual risk and underwriting, so an AI-generated estimate can create unrealistic expectations for consumers.

The group also discussed consumers using AI to investigate insurers more broadly, including reputation, press coverage, claims experience and perceived strengths and weaknesses.

C) AI is used for clarification and preparation

One of the clearest uses identified was the translation of complex documents, terms, and other materials. Consumers may upload policy wording or other documents and ask an LLM to summarise them, explain terminology in plain English, highlight areas of concern or suggest questions to ask a provider.

This creates the potential for customers to enter conversations better prepared. However, the group stressed that apparent knowledge is not necessarily the same as genuine understanding. Consumers may arrive using more sophisticated terminology without understanding how those terms work operationally or legally within insurance - One participant illustrated this risk with a client who arrived with 11 AI-informed questions about policy quotes. Ten were based on US information and referenced the wrong type of liability insurance!

D) Customers arrive with AI-shaped assumptions

One significant change the group are seeing is that consumers are forming assumptions over the course of a continuing AI conversation.

Participants described the customer potentially moving through research, comparison, clarification and evaluation within the same conversational context. Information accumulates and the consumer forms conclusions and beliefs as they progress. One participant compared this to a "ladder of inference", where observations progressively turn into conclusions and ultimately influence the decision.

The result may be a customer arriving at a comparison platform, broker or insurer with:

- an expected price;
- a preferred product;
- assumptions about what cover they need;
- views about particular providers;
- prepared questions;
- an expectation that information provided by the insurer will confirm what the LLM has already told them.

3. Issues & Root Causes

The workshop explored the issues arising from changing customer behaviours, assumptions, and expectations. Three connected and relevant issues emerged.

A) Consumer AI proficiency and prompting

The quality of information consumers receive can depend heavily on how they ask questions and interact with an LLM. Participants argued that the input strongly influences the output. Customers who fail to provide relevant context, do not know what questions to ask or cannot distinguish between general information and insurance-specific terminology may receive information that is incomplete or misleading. This could disproportionately affect consumers with lower levels of financial or digital literacy and some vulnerable customer groups.

However, the group also identified a significant evidence gap. There is limited visibility into individual consumer conversations with LLMs, making it difficult to understand precisely how people are prompting systems, what responses they are receiving and how those responses subsequently affect their decisions.

Industry experience suggested customers were not necessarily arriving better informed. One participant described customers as sometimes knowing "slightly bigger words" without understanding how the terminology related to the insurance industry.

The issue therefore comes down to how well consumers understand AI, how well they understand financial products, and how effectively they use/prompt the LLM.

B) LLMs lack accurate/current product knowledge

A second major issue was the underlying product knowledge available to the LLM. Participants highlighted examples where models returned information that was outdated, incorrect or based on inappropriate product types. One participant described a model continuing to provide inaccurate information about their financial products more than a year after changes had been introduced. In insurance, this problem is particularly important because product wording, regulation, contract interpretation and individual insurer requirements can be highly specific. Several underlying causes were discussed, shown below.

Training data may be outdated	**Product information may not be structured in ways that LLMs can easily retrieve**	**The model may not have access to current insurer information**
Information may relate to another country	**The model may rely disproportionately on particular public sources**	**Commercially sensitive information may not be available to the model**

The group felt the issue was especially significant at the comparison stage, where consumers may explicitly ask an LLM to distinguish between products or providers and expect a high level of accuracy.

This also creates a visibility issue for businesses. Participants discussed how LLMs may be more likely to surface some organisations or sources than others, creating a new form of search optimisation. However, the group felt this wider issue was too broad to tackle within the hackathon.

C) Responsibility, motivation and accountability

The third issue was that an LLM and a regulated insurance provider do not necessarily have the same objectives, responsibilities or accountability.

Participants questioned what the LLM is ultimately optimising for. A provider or broker has responsibilities relating to the customer's eventual outcome, whereas a general-purpose LLM may primarily be optimised to provide a plausible, useful and engaging response to the immediate question.

One participant summarised the tension as the difference between producing an answer within a conversation and considering what happens to that customer many years later.

This creates a potential gap between where consumers get information and where responsibility sits. If an LLM gives inaccurate or misleading information, comparison sites, brokers and insurers may then have to correct those misunderstandings later in the regulated customer journey.

The group saw this accountability question as something that affects the whole customer journey, but that this wider regulatory and policy question was unlikely to be solvable within a one-day hackathon.

Prioritisation



Issues were next plotted on a matrix according to impact, urgency and hackathon potential. Several broader challenges (e.g., LLM visibility, indicative pricing and financial literacy) were considered important but either too broad, insufficiently distinct or difficult to address within the hackathon format.

The strongest hackathon themes centred on three connected challenges, shown below.

1. Consumer proficiency and prompting
2. The assumptions consumers subsequently carry into the regulated insurance journey
3. Access to accurate product information

The final section of the Sprint asked groups to convert the prioritised issues into structured hackathon challenges.

4. Challenge Statements

> How might we ensure consumers receive accurate up-to-date information on insurers products and services?

Theme	Trust and customer understanding
Problem Statement	Consumers are receiving inaccurate, outdated or unmoderated information about insurance providers, products and services before they reach an informed professional. This matters because it can create misinformation, undermine trust in the insurance industry and lead to missed sales or unsuitable decisions.
Desired State	Consumers can use LLMs as part of their research while still arriving at insurers with realistic expectations and a clear understanding of what needs to be validated. Where misunderstandings exist, they can be identified and addressed quickly without undermining trust.
Scope	• Life insurance and income protection journey
Constraints	• Ensuring LLMs are kept updated • In line with FCA best practice

How might we create frameworks or workflows that ensure all users, no matter their proficiency, get accurate, useful information to aid their life insurance purchases and decisions?

Theme	User AI proficiency, context, prompting and choice of model
Problem Statement	The information consumers receive from LLMs is not always accurate, reliable or regulated, and the quality can vary depending on how they interact with the tool, including the prompts they use, the context they provide and the model they choose. This matters because poor information can lead to unsuitable insurance purchases, frustration, mistrust of providers and additional work for brokers.
Desired State	Consumers can get the needed accurate information and understanding necessary to support better insurance decisions and purchases.
Scope	• must meet consumers in the environments they are already using rather than necessarily attempting to replace existing general-purpose LLMs. • Life insurance and income protection journey.
Constraints	• Consider FCA regulation where relevant. • Conversations should not be shared – agreed summaries are okay.

How might we improve the quality and accuracy of the advice consumers receive from LLMs?

Theme	Large Language Model Accountability
Problem Statement	Consumers cannot always trust the advice they receive from LLMs because these tools are not designed to consider the long-term outcomes of the information they provide. This matters because poor or misleading advice can lead to worse decisions and experiences for consumers, while creating additional challenges for comparison sites and insurers.
Desired State	Consumers understand how to best use LLMs to help them on their journey
Scope	• Life insurance and income protection journey • Focus on mainstream LLM platforms
Constraints	• Do not replace existing LLMs • Do not consider existing regulation

Convergence around a shared challenge



In the final discussion, participants noted that the three challenge statements were variations on a common theme. Each addressed a different point in the chain:

How consumers ask questions → the information the LLM can access → the answer the consumer receives → the assumptions they form → how those assumptions affect later insurance decisions.



Hackathon Challenge

Scope

How might we help consumers get accurate, useful and trustworthy insurance information when using LLMs, so they can make better-informed decisions?

- Life insurance and income protection for individual consumers.
- The customer journey from initial research through to approaching a comparison site, broker or insurer.
- Consumers who are already using LLMs such as ChatGPT, Claude or Copilot to research, understand or compare insurance.
- Solutions that could improve the quality of information, questions, understanding or preparation before the consumer reaches an insurance professional.
- The three issues identified in the Research Sprint: the quality of information varies depending on how consumers use and prompt LLMs; LLMs may not have access to accurate, current or UK-specific insurance information; consumers can arrive at insurers or comparison sites with assumptions already shaped by AI.

Teams can choose which part of this problem they want to tackle. They might focus on the consumer interaction with the LLM, improving or validating the information available, helping consumers identify gaps or misunderstandings, or supporting the handover into the regulated insurance journey. High-level consumer journey shown below.

Life event or trigger → Review existing position → Research → Compare → Evaluate → Decide → Price & Terms → Purchase → Qualification Period → Re-evaluate → Manage / reassess → claim

Hackathon Challenge

Constraints

How might we help consumers get accurate, useful and trustworthy insurance information when using LLMs, so they can make better-informed decisions?

- Work with the LLMs consumers already use, rather than relying on people moving to an entirely new AI platform.
- Recognise that LLM outputs may be inaccurate, incomplete, outdated or based on information from other markets/countries.
- Avoid relying on access to confidential or proprietary insurer data that would not realistically be available.
- Protect consumer privacy. Full AI conversations should not automatically be shared with insurers or comparison platforms, although consumer-approved summaries or information could be shared.
- Recognise the boundaries around regulated financial advice. Any solution moving into regulated advice would need to meet the appropriate requirements.

What success could look like

A strong solution should help a consumer reach the next stage of their insurance journey with better information, more realistic expectations and a clearer understanding of what still needs to be checked or validated.

Other considerations

Teams should consider how they will demonstrate that their proposed solution improves consumer outcomes, including how it could be tested and what success would look like.



Next Steps

The Hackathon will take place on 20 October 2026.

Ahead of the session, it is recommended to:

Finalise the hackathon brief

Confirm the single challenge statement, scope, constraints and considerations from the Research Sprint.

Prepare the hackathon teams

Share the customer journey, underlying problem areas and relevant evidence so teams start from a common understanding.