



RESEARCH REPORT

2025 Strategic Initiatives for MGAs

THE PLANS DRIVING TRANSFORMATION
NOW AND IN THE FUTURE

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ReSourcePro INSIGHTS

ReSource Pro Insights offers a broad range of research and observations on the insurance industry. We provide substantial studies, analysis and perspectives on business and technology strategies and plans across the P&C ecosystem, covering retail agencies and brokers, MGA/wholesalers, carriers, and tech vendors. Our coverage includes distribution, underwriting, policy servicing, billing/payments, and claims business areas, as well as cross-enterprise areas such as strategic initiatives, digital transformation, innovation, customer experience, and talent.

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About this research report

This report is based on ReSource Pro's observations of the Managing General Agent (MGA) market and a survey of industry executives. All diagrams are results from the 2025 P&C Strategic Initiatives Survey, MGAs (n=19).

Companion reports covering strategic initiatives for carriers in the commercial lines and personal lines segments are also available.

The current state of MGAs

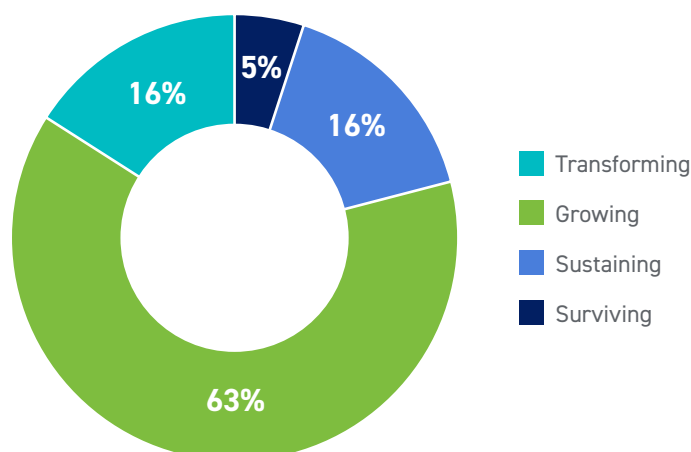
The MGA sector is one of the most diverse areas of the insurance ecosystem. Both startup and established MGAs have been pioneers in addressing emerging risks and are at the forefront of implementing innovative distribution methods, such as on-demand, embedded, and parametric insurance. At the same time, the MGA sector has undergone significant technological transformation. While their core strength remains in deep expertise across industry verticals and strong downstream and upstream relationships, MGAs now leverage advanced technology platforms to enhance their offerings.

Research from ReSource Pro highlights that MGAs are continuing their transformation journeys in 2025, as underlined by these key themes:

- 1. Major focus on data and new products:** All MGAs are focused on developing new, innovative products, which is unsurprising given their business is rooted in insuring complex and hard-to-place risks. Ninety-five percent of MGAs are also progressing with their data and advanced analytics projects – a necessity, especially when considering how many are building out new portfolios of products.
- 2. Underwriting and talent are important areas:** In 2025, more than half of MGAs are piloting or broadly deploying underwriting transformation initiatives with a focus on AI implementation and business process optimization. Talent is also a key area, with about one-third having established leadership and talent development programs.
- 3. Focus on innovation but in earlier stages for AI:** Innovation is one of the top drivers of technology investments for MGA leaders; however, most MGAs are in the earlier stages of AI planning, with 37% in the strategy development phase. This may be due to a shift of MGAs leveraging third-party partners versus building AI technologies from the ground up internally.

The above underscores the maturity of the MGA space and why nearly 80% of MGAs are growing or transforming in 2025, as shown in Figure 1 below. However, considering that 16% are sustaining – experiencing little to no growth and focusing on expense reduction – emphasizes the highly competitive nature of this sector. Navigating technological advancements, evolving customer preferences, diverse product offerings, regulatory challenges, and new entrants means players have to constantly innovate to maintain a competitive edge, and ultimately, some succeed more than others.

Figure 1. The Percentage of MGAs in Various Company Modes



Key business drivers for tech investments

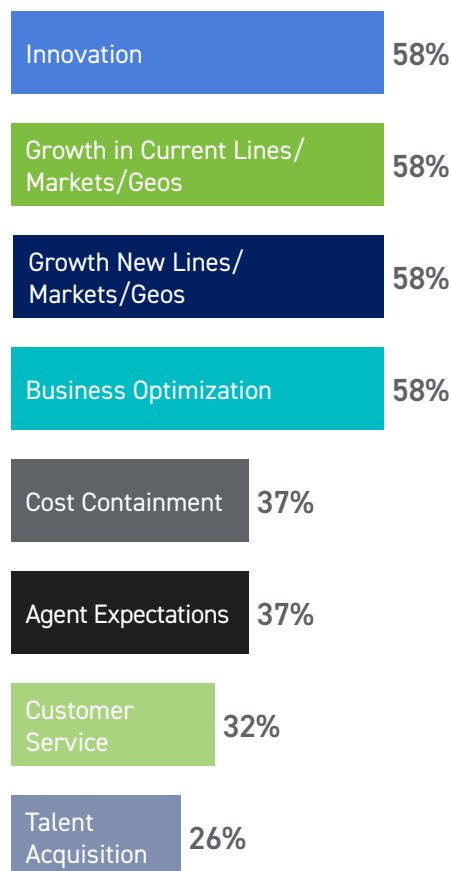
We asked MGA executives to rank their primary drivers of technology investment, with results displayed in Figure 2.

Innovation, growth in current and new lines/markets/geographies, and business optimization are the most important drivers. These are all in line with the mandate many MGAs strive by – to offer new offerings to underserved markets. Business optimization is key for all, but it may be a stronger focus for larger incumbent MGAs that are looking to streamline operations and enhance efficiency to improve performance and profitability.

Nearly one-third of MGAs aim to enhance customer service capabilities with their technology investments this year. Given that many related initiatives have already been deployed, the surrounding technologies in these areas may already be embedded in the MGA tech stack.

Lastly, although talent is a key strategic initiative for MGAs this year (which we will explore later in the report), it is not necessarily a top driver of technology investments. However, it is important to note that attracting, retaining, and developing talent are essential for success, even if they don't significantly influence technology investment decisions.

Figure 2. Top Business Drivers of Tech Investments in 2025 for MGAs
(Percent of MGAs Citing)



Strategic initiatives for MGAs in 2025

Over the years, we have tracked the industry's activity in 14 strategic initiatives (Figure 3), with seven labeled as traditional and seven as transformational. In 2025, we added cybersecurity due to its increasing importance and visibility among the C-suite. It's important to emphasize that classifying initiatives as traditional does not lessen their significance or potential impact on transformation; rather, it highlights their longstanding presence in strategic plans. Transformational initiatives have emerged over the past five to ten years, providing new opportunities for strategists and senior leaders.

This research report covers MGAs' plans for 2025 across these key initiatives. A critical caveat to note is that some initiatives may be more important to certain MGAs than others. The plans outlined in this report are representative of the entire MGA ecosystem, including incumbents and startups.

Figure 3. Traditional and Transformational Strategic Initiatives for MGAs

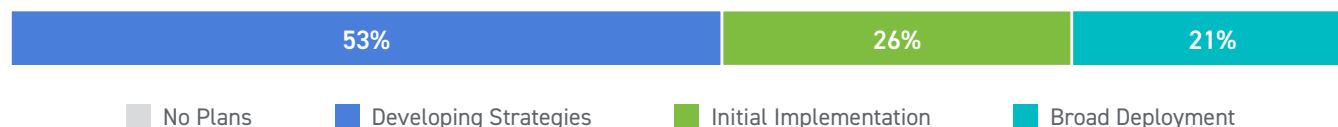


MGAs' top priorities

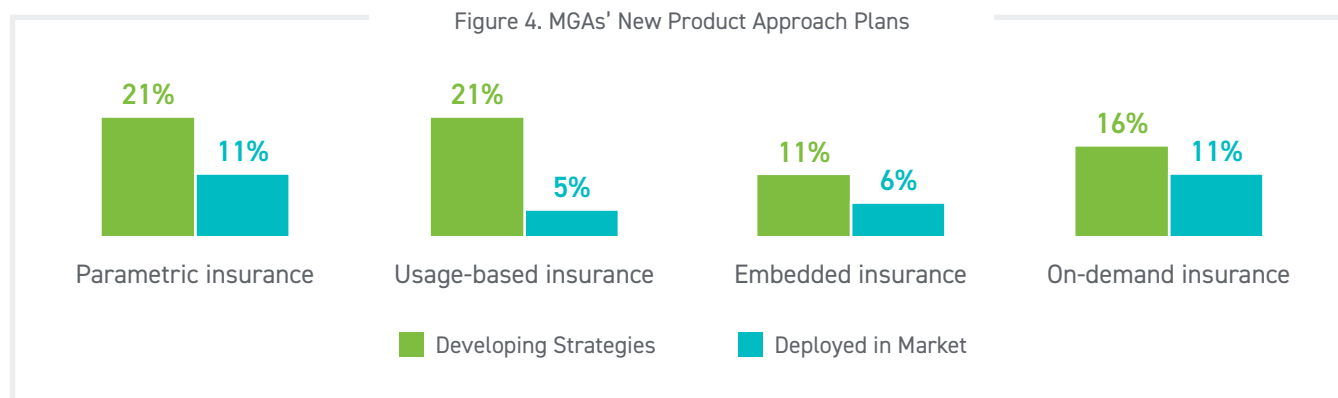
The following five strategic initiatives are garnering the most activity across MGAs in 2025.

New, innovative products and services

MGAs are distinguished in their market by their ability to serve specialty risks, with many offering programs tailored to solve specific problems within target verticals. This year, all MGAs are engaged in new product and service strategies, with almost half in the pilot or deployment phases.



MGAs are also at the forefront of emerging insurance models that are revolutionizing insurance coverage structure and delivery. Among the MGAs with new products already on the market, 11% have parametric and on-demand insurance, respectively, deployed (Figure 4). For example, parametric insurance is gaining popularity due to its ability to deliver faster claims processing and transparency when payouts are triggered based on predefined, verifiable parameters, such as a natural disaster reaching a certain intensity. Several MGAs are also looking at usage-based insurance, which is rife with opportunities among some insureds in the small commercial space.



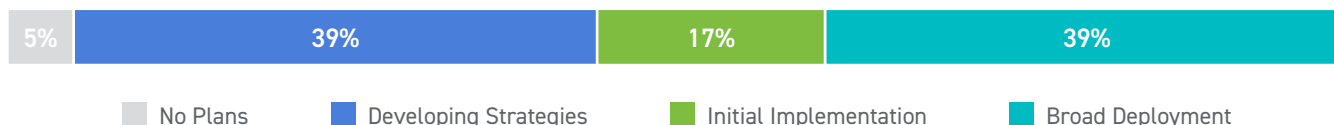
Data and advanced analytics

Data and analytics are essential for nearly every insurance function and are especially vital for capitalizing on AI capabilities. As data volume, variety, and velocity have increased rapidly in recent years, insurance organizations are exploring new ways to manage data and implement new tools to analyze and leverage that data. More than half of MGAs recognize the power of data and are deploying initiatives across enterprises, with only 5% indicating no plans at all. Data extraction from imaged and unstructured documents is MGAs' top focus in this area, followed by data ingestion from both structured and unstructured documents.



Customer experience

Insurance is a relationship business, so delivering exceptional customer experiences (CX) is at the forefront of MGAs' plans in 2025, with 95% engaging in CX initiatives. MGAs have several lenses to focus on when thinking about their CX transformation, such as considerations for agent/broker partners and other distribution partners. Primarily, the top priority for improving the customer experience is enhancing outbound customer communications, such as offering digital options. Over 40% of those engaging in CX initiatives are also investing in distribution/product management solutions and enhancing customer analytics to support policyholder needs better.



Underwriting transformation

Increasingly, MGAs are playing an essential role in the shifting distribution landscape as independent agents, brokers, and wholesalers seek assistance in reaching new underwriting partners. As such, MGAs are focused on advancing their underwriting capabilities. Research from ReSource Pro and InsurTech NY in 2024 shows that 80% of insurtech MGAs (founded in 2010 or later) hold underwriting authority.¹ It follows that across the MGA spectrum, nearly one-third have fully implemented underwriting transformation plans, with 26% in the initial stages and 37% in the strategy development phase.



When delving into specific plans for underwriting transformation, MGAs are mostly looking at ways to leverage AI, as shown in Figure 5. Potential opportunities include inserting GenAI into systems to guide both next-best actions and offer risk assessment as well as AI to help simplify data capture and validation. Optimizing business processes, automating submissions, and new data sources are also among MGAs' top plans for transforming underwriting.

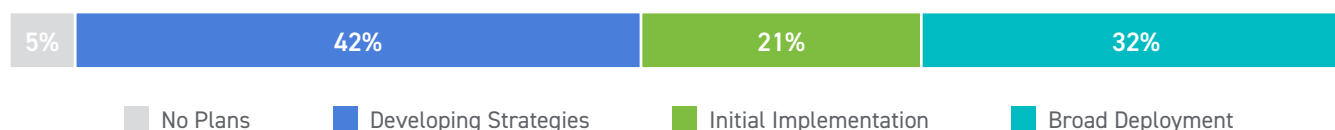
Figure 5. MGAs' Plans for Transforming Underwriting



¹"Insurtech MGAs: At the Forefront of Innovation." Resource Pro and InsurTech NY. November 2024.

Leadership and talent development

Developing and retaining talent is not just critical for MGAs – it is consistently a top initiative across the insurance industry, especially as the ongoing wave of Baby Boomer retirements creates significant leadership and skill gaps. Almost all MGAs are rolling out talent development initiatives, with over 40% planning programs, such as mentorship programs, leadership workshops, job shadowing, continuing education and learning opportunities, and more. As the insurance landscape rapidly evolves, it will become increasingly important for all companies to upskill and reskill employees to meet current and future business and customer needs. Technical skills, data literacy, AI, advanced analytics, and leadership are quickly becoming essential competencies for success within the MGA sector now and in the future.



Other critical initiatives

In addition to the strategic initiatives above, MGAs are also pursuing projects in other areas that are advancing their transformation journeys, albeit less aggressively.

Given that a cyberattack occurs every 39 seconds or an average of 2,200 times a day, according to Astra Security, it is unsurprising that 79% of MGAs have **cybersecurity** activities underway, with nearly half in broad deployment. Seventy-one percent of MGAs have activity in **AI technologies**, with the majority in the earlier stage of developing strategies. **Core modernization of policy and billing systems** is also a key initiative for MGAs, with about two-thirds engaging in projects and most having completed core additions or upgrades in recent years.

Considering more than half of MGAs are focused on growing their lines of business, markets, and geographies (Figure 2), some may employ new distribution channels to meet those goals. Today, nearly half of MGAs are broadly deploying or initially implementing new or expanded **distribution partnerships**. Many insurtech and incumbent MGAs offer in-house claims services, with offerings expected to grow over the next few years. It follows that in 2025, two-thirds of MGAs are focused on **claims transformation** initiatives from developing strategies to broad deployment.

Deploying new business models, investing/partnering with insurtechs, connected world technologies, and establishing a greenfield insurer/digital brand, while critical for some MGAs, are of lesser priority for the majority of the segment in 2025.

Call to action

There are significant opportunities for MGAs ready and willing to adapt, innovate, and embrace new technologies and approaches to insurance. As you refine your strategic initiatives for 2025, keep the following in mind:

1. Increase attention on foundational activities that support all initiatives

Standardizing and optimizing processes, improving the data environment, and modernizing current systems are critical for positioning your organization for success in the near and long term. As MGAs increasingly look to innovate, they must ensure that they've laid solid foundations in people, processes, and technology.

2. Be intentional and strategic in your approach to innovation

When pursuing innovation, it is critical to remain grounded and maintain a focus on your business goals and operational roadmap. Getting caught up in the hype around new and emerging technologies can be easy. Instead, prioritize investments in innovation that will directly enhance the customer experience, improve operational efficiency, and enable the development of new products and services.

3. Take a multi-disciplinary approach to talent

The skill sets and competencies needed to succeed in the insurance industry are changing, and traditional approaches to talent management are no longer sufficient. MGAs must adopt a multi-disciplinary approach to talent to drive innovation and sustained growth. This means recruiting and developing individuals with diverse skillsets, knowledge, and perspectives and fostering a collaborative environment where employees can continue to learn and contribute their unique expertise.

4. Have a heightened awareness of and proactively monitor the external environment

The financial markets, economic environment, climate/CATs, and changes brought on by the new administration/federal government will undoubtedly impact the insurance industry, customers and partners, and insured risks. Monitor these changes to ensure you can adjust your business plans and strategies as needed.

5. Aggressively seek new partnership opportunities

As the distribution landscape evolves and the needs of specific customer segments change, it will be vital to find new partners to reach preferred markets as well as new underwriting partners for those markets.



ABOUT RESOURCE PRO

Focused exclusively on the insurance industry, ReSource Pro is a trusted strategic operations partner to insurance organizations seeking to increase their productivity and profitability. With a global team of more than 10,000 employees, ReSource Pro operates at the critical intersection of people, process, technology, and data to serve more than 1,800 clients across the carrier, broker, and MGA segments – consistently earning a +96% client retention rate for over a decade. It offers expert advisory services, proven business process management optimization and transformative data and technology solutions. It was recognized in 2024 by Inc. 5000 as one of the fastest growing companies in the US.

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