



State of Insurance Sales 2026

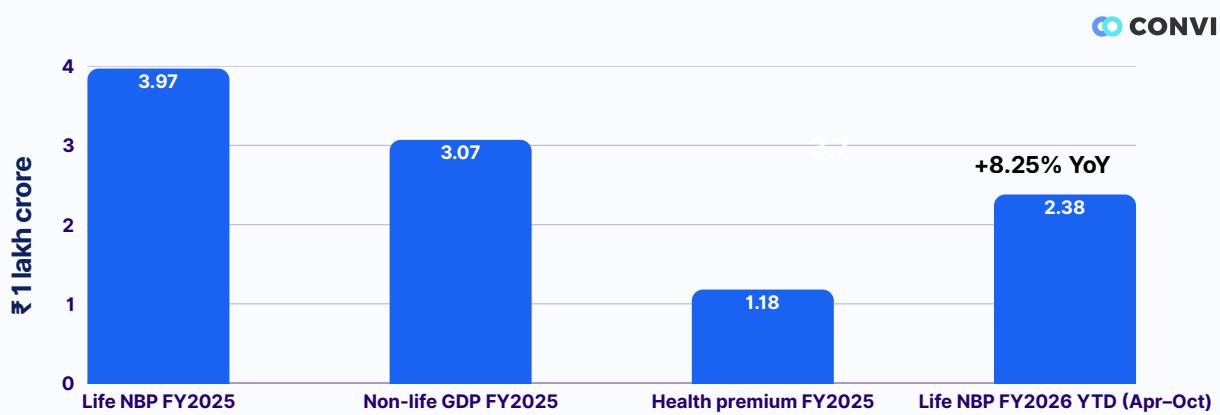
Executive summary

India's insurance market keeps expanding, but the way insurance is sold is changing faster than premium growth. FY 2025 reinforced three realities for sales leaders and distribution heads.

- Premium growth stayed resilient in both life and non-life, led by private insurers and strong demand in health and motor.
- Retention and trust are now growth drivers, not just back-office metrics. Affordability pressure and claims experience are shaping renewal decisions.
- Regulators and public digital rails are pushing the market toward simpler purchase, servicing, and claims, which raises the bar on call quality and disclosure.

For FY 2025, life insurers reported new business premiums of about ₹3.97 lakh crore. Non-life insurers reported gross direct premiums of about ₹3.07 lakh crore for the year. For FY 2026 year to date, life new business premium in the April to October period was about ₹2.38 lakh crore, up about 8.25 percent year on year for the same period.

FY2025 market snapshot, with FY2026 YTD context



1. Market pulse in FY 2025

Life insurance sales: New business premium rose about 5.1 percent year on year in FY 2025 to about ₹3.97 lakh crore. Growth was led by private life insurers, while LIC retained the largest absolute share. Product strategy continued to shift toward protection and retirement, with higher scrutiny on transparency and surrender value practices.

Non-life insurance sales: Gross direct premiums for non-life insurers rose to about ₹3.07 lakh crore in FY 2025 from about ₹2.90 lakh crore in FY 2024. Health and motor continued as the two engines of growth. Health premium in FY 2025 was about ₹1.18 lakh crore, which implies roughly a 38 percent share of total non-life premium.

Health costs and medical inflation remain a sales lever. With medical costs rising and premium hikes visible across retail segments, insurers are being forced to invest in fraud detection, pre-authorisation discipline, and clearer claim communication to protect renewals.

2. What is driving growth

The New Buyer Journey: Digital Discovery with Assisted Closure



Embedded / Partner-led entry points (loans, cards, travel, mobility, commerce) Assisted Closure > Renewal
Risk Point: handoff quality between digital discovery and assisted closure

Better awareness, uneven trust. Risk awareness remains elevated after the pandemic years of 2019 to 2022, but mis-selling, unclear exclusions, and long claim turnaround still drive lapses and complaints.

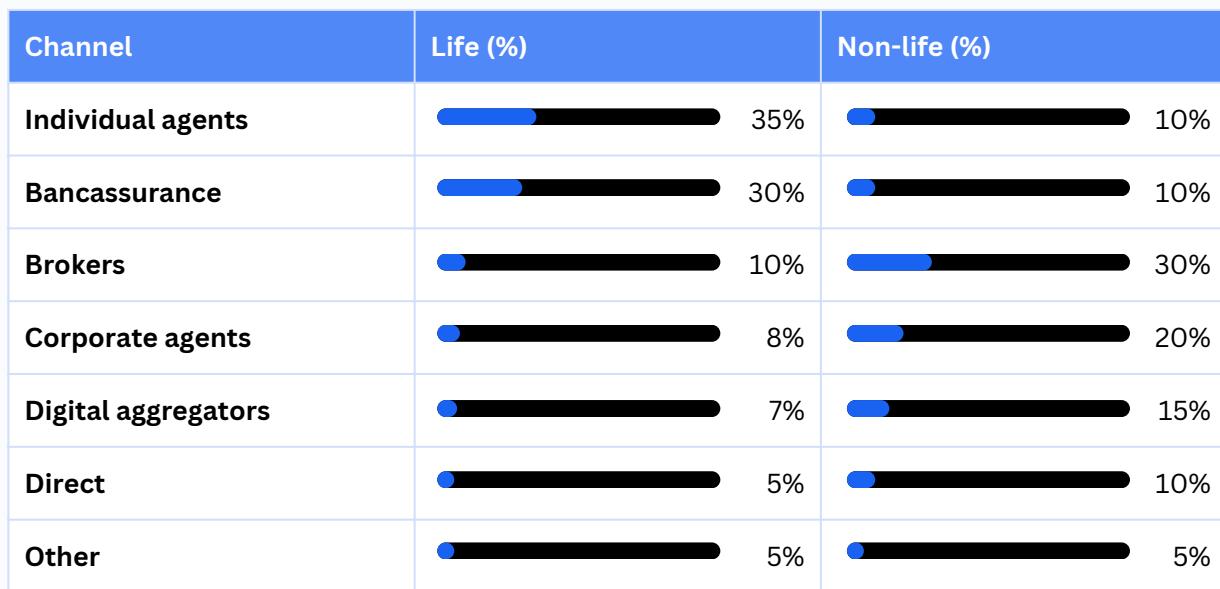
Shift in product mix. In life, growth is tilting toward protection, annuities, and guaranteed savings. In non-life, retail health, and individual motor are expanding, while corporate group health remains pressured by loss ratios.

Digital first discovery with assisted closure. Many customers start online but still want human guidance to close. The ability to hand off smoothly between digital and assisted channels is now a conversion advantage.

Embedded and partner-led sales. Insurance is increasingly bundled with loans, cards, travel, mobility, and commerce. This lowers purchase friction, but shifts the challenge to renewals and disclosure quality.

3. Distribution, inclusion, and sales blockers

How India buys insurance: channel mix for life vs non-life



Readable comparison (not color strips). Replace % values with IRDAI / council channel mix for FY2024–FY2025.

How India buys insurance

India remains a multi-channel market. Agents and bancassurance dominate life sales. Brokers, corporate agents, and digital aggregators play a vital role in non-life.

Public digital rails for scale

Bima Sugam is designed to make buying, servicing, and claiming interoperable across insurers. If executed well, it can lower acquisition costs and standardise servicing, while making comparison easier for buyers.

Bima Vahak proposes women centric last mile distribution to expand reach with local trust. Bima Vistaar aims to package a simple bundled cover to reduce complexity and enable scaled selling through digital and community distribution.

What is holding back momentum

Affordability and retention. Premium increases can lift urgency but also increase drop-offs and lapses.

Claims experience bottlenecks. Delays in documentation, hospital coordination, or claim investigation erode goodwill and future conversion.

Protection gaps in MSMEs and agriculture. Products exist, but distribution and servicing remain thin. Low-touch servicing and clear communication are required to scale these segments.

4. The new insurance buyer

Buyers want clarity, not complexity. They expect simple explanations of exclusions, riders, waiting periods, and claim steps.

They also expect speed. Faster onboarding, fewer documents, and proactive communication during claims are now part of the brand promise.

This raises the value of high-quality conversations across sales, renewal, and claim journeys.

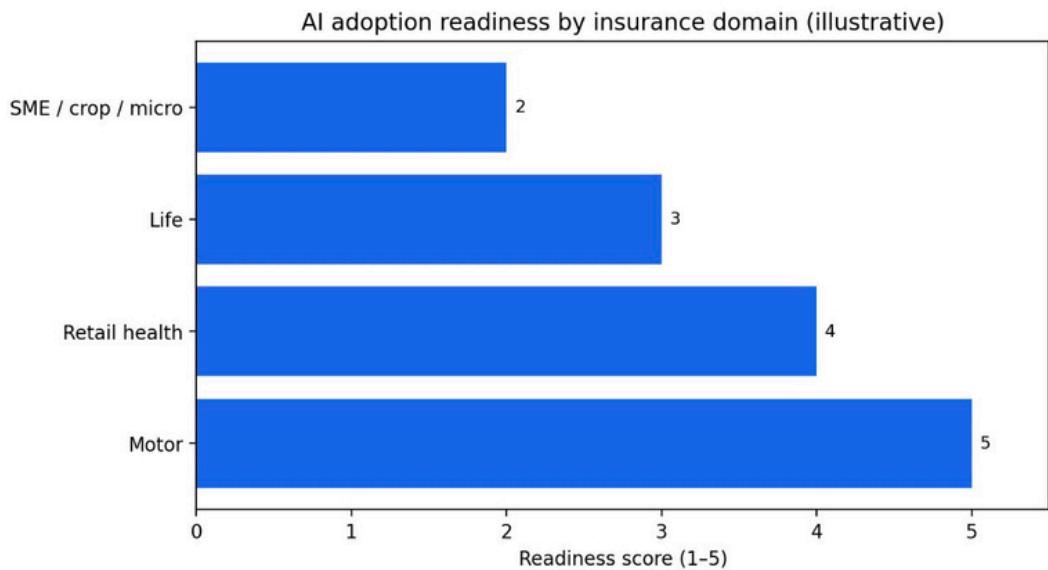
5. What to watch in 2026

Retention becomes the core growth metric. As penetration remains low and premium growth continues, renewals and persistency decide profitability.

Hybrid distribution becomes the default. Digital discovery plus assisted closure will dominate, and teams that can orchestrate this handoff will win.

Public infrastructure increases transparency. As marketplaces and claims rails mature, insurers will compete more on trust, claim discipline, and disclosure quality.

More foreign capital and technology inflow is expected after the policy move to allow 100% foreign investment in insurers, which can accelerate best practice adoption in sales operations and analytics.



Note: Scores are illustrative, based on narrative (standardisation, data structure, regulation)

AI adoption in insurance is moving from pilots to production. The practical question is not whether AI will be used, but where it will scale first.

Adoption readiness by domain

- Motor insurance tends to adopt earlier for claims and servicing workflows.
- Retail health insurance follows, with selective adoption where rules can be standardised.
- Life insurance adopts strongly in pre-sales education, onboarding support, and renewal journeys, with slower change inside claim adjudication, where documentation can be complex.
- SME, crop, and micro covers adopt for high volume vernacular servicing and renewal nudges, once distribution rails mature.

Motor versus health: who adopts earlier and why

Motor insurance is likely to adopt AI-led workflows earlier because damage assessment and claim stages are easier to standardise, data is often richer and more structured, and customer expectations for fast settlement are very high. In many motor claims, images, repair estimates, and standard forms allow automation to reduce manual effort and speed up decisions.

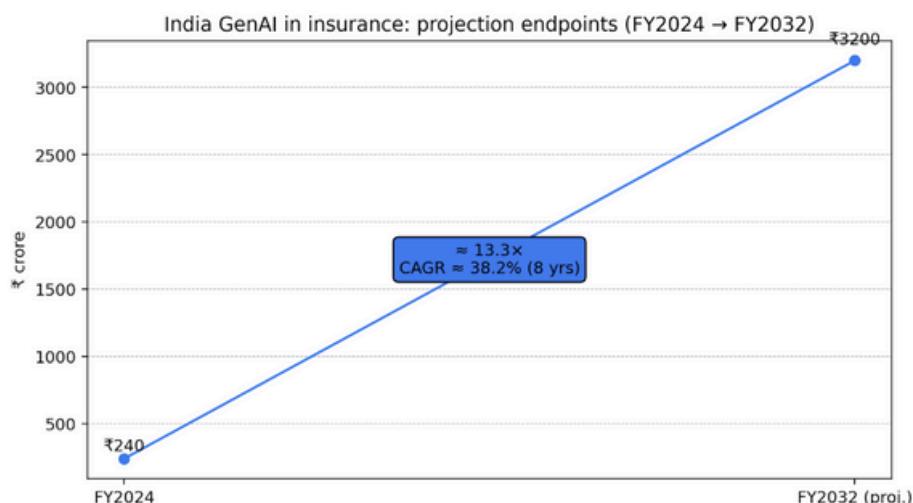
Health insurance has stronger cost pressure and regulatory scrutiny, but adoption is harder because clinical documentation varies widely, provider behaviour can be inconsistent, and privacy plus consent requirements are stricter. AI will still scale in health first in pre-authorisation support, fraud signals, policy education, and claim status communication, before it scales in deeper adjudication steps.

In short, motor leads on operational standardisation. Health leads on urgency from cost and regulation, but moves in staged adoption patterns.

What this means for sales

AI changes the baseline for what good sales execution looks like. It raises expectations on disclosure, speed, follow-up discipline, and consistency. Teams that treat conversations as a measurable system will compound advantage.

7. AI is raising the baseline for sales, and where Convin fits



India's generative AI in the insurance market is projected to expand rapidly through the decade, moving from roughly ₹240 crore in FY 2024 to roughly ₹3,200 crore by FY 2032, based on the same projection used in the original report, converted fully into INR.

Early movers in India are already visible to customers and distributors. Examples include a policy understanding assistant that helps customers ask questions about cover and exclusions, and AI-assisted motor claim processing that reduces claim handling time and improves accuracy. This is the direction of travel for competitive insurers.

Convin is built for the most immediate and controllable part of this shift: conversations. Sales, renewal, and claim calls are where trust is won or lost, and where compliance and clarity are tested in real time.

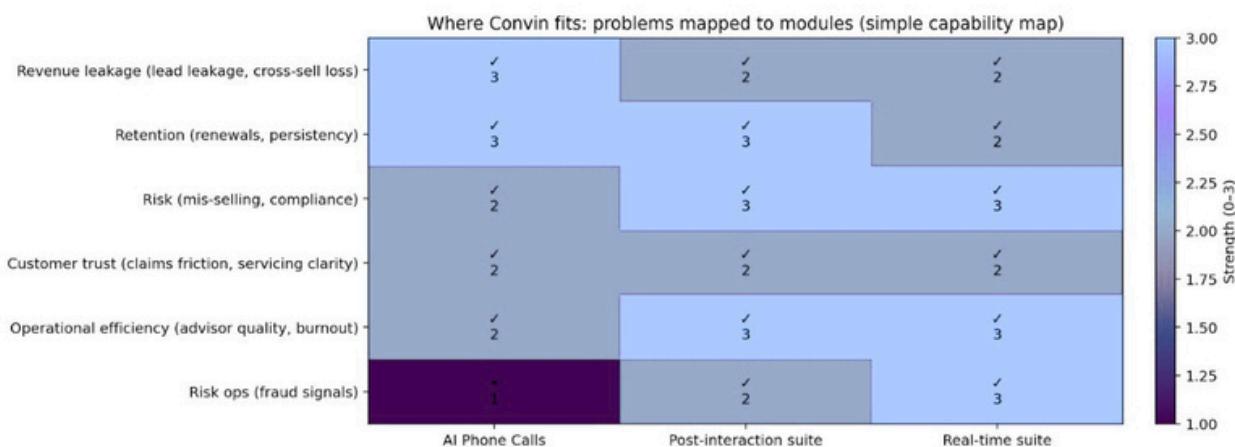
8. The cost of not using AI, and India's race to 2026

Not using AI does not only mean slower operations. It shows up as a higher cost per policy, lower renewal conversion, and uneven advisor quality.

In a low penetration market, the winners will be insurers who can scale trust. That requires consistent disclosure, faster claim communication, and better renewal prioritisation.

Regulation and infrastructure are moving in parallel. As data protection and policyholder protection frameworks mature, AI must be deployed with auditability and governance, especially in health and claims workflows.

9. How Convin helps insurance sales teams win in FY 2026



Insurance sales growth from FY 2025 to FY 2026 is held back by practical problems that show up in conversations. Convin solves these by making every sales, renewal, and claim call accurate, compliant, and outcome-driven.

Pain points and how Convin fixes them

Low renewals and weak persistency

What Convin does: Convin increases renewal discipline by running high-volume renewal and reminder journeys through AI Phone Calls, and by prioritising accounts using call outcomes and customer signals.

Expected impact: Better renewal coverage, fewer missed follow-ups, clearer value articulation.

Affordability driven drop offs

What Convin does: Convin enables consistent, simple explanations of plan value, exclusions, and alternatives, and can automate follow-up education calls for hesitant buyers.

Expected impact: Higher conversion from interested leads, fewer cancellations from misunderstanding.

Mis-selling and compliance risk

What Convin does: Convin audits one hundred percent of calls and flags missing disclosures, wrong promises, and script deviations. Real-time compliance prompts reduce errors during live calls.

Expected impact: Fewer grievances and refunds, stronger regulator readiness, safer scaling.

Uneven advisor quality at scale

What Convin does: Convin turns every call into coaching inputs, QA scores, and playbooks. Supervisors get drill-downs by agent, product, and objection type.

Expected impact: Faster ramp for new hires, consistent pitch quality across agency and banca.

High cost of acquisition and lead leakage

What Convin does: Convin automates high-volume pre-sales and follow-up calls, collects missing documents faster, and helps teams focus human time on high-intent conversations.

Expected impact: Lower acquisition cost, faster closure cycles, higher contactability.

Claims and service friction that hurt future sales

What Convin does: Convin runs proactive claim status updates and grievance prevention outreach, with accurate information capture and structured handoffs to the back office.

Expected impact: Higher trust, fewer inbound escalations, better referral and renewal pull.

Fraud and leakage signals were missed in conversations.

What Convin does: Convin tags risky patterns and repeated inconsistencies across conversations, and routes them to review with supporting call evidence.

Expected impact: Earlier detection, reduced leakage, stronger audit trails.

Call centre burnout and inconsistent quality.

What Convin does: Convin reduces manual QA and improves agent support through real-time guidance, faster feedback loops, and targeted coaching.

Expected impact: Lower supervisor load, more consistent outcomes across large teams.

Hybrid distribution handoff failures

What Convin does: Convin can connect digital intent signals to calling journeys, so online leads get timely assisted closure and consistent explanations.

Expected impact: Higher conversion in digital first funnels, fewer drop-offs between channels.

Inclusion scale through new rails

What Convin does: Convin enables vernacular, consistent conversations at scale for first-time buyers in tier two and tier three markets, supporting last-mile distribution.

Expected impact: Improved product understanding and fewer lapses from confusion.

Protection gaps in MSME and agriculture

What Convin does: Convin supports low-touch servicing and renewal nudges for micro covers through automated calls and structured education scripts.

Expected impact: Higher renewal persistence and lower servicing cost for small ticket covers.

Convin product stack used across insurance functions

AI Phone Calls: Automates routine inbound and outbound conversations for sales, renewals, collections of documents, claim status, and service queries, with compliance guardrails.

Post interaction suite: One hundred percent call audits, AI-driven QA scoring, agent coaching insights, and conversion plus renewal dashboards.

Real-time suite: Real-time compliance monitoring and Supervisor Assist to guide agents during live calls, with objection handling cues and on-call support.

Conclusion: the next phase of insurance sales, and Convin's role

The State of Insurance Sales 2025 is a story of growth with unfinished access. FY 2025 showed rising premium volumes and a continued shift toward health, protection, and digital distribution. Yet low penetration means the next wave of growth will come from keeping customers insured, not just selling new policies. In FY 2026, insurers will be judged on three things: trust, speed, and clarity. Trust is built through honest disclosures and predictable claim communication. Speed comes from reducing manual steps and delays. Clarity comes from making complex products understandable, especially for first-time buyers.

This is where Convin fits. Convin is the conversation layer that makes insurance execution measurable. It helps insurers standardise what is said, verify what was said, correct issues in real time, and scale high-quality journeys across sales, renewals, and claims. As public rails mature and competition increases, insurers that operationalise conversation quality will compound retention and reduce cost to serve. Convin helps teams do that with automation, full call intelligence, and live compliance support.

Source notes

Key first-level sources used for FY 2025 and FY 2026 updates:

- Life Insurance Council provisional new business premium data for FY 2025 and FY 2026 year to date, as reported by leading financial publications.
- General Insurance Council and IRDAI gross direct premium flash figures for FY 2025, as reported by leading financial publications.
- IRDAI Annual Report FY 2023 to FY 2024 for penetration and density, as it is the latest regulator annual report publicly listed at the time of writing.



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