INDUSTRY GUIDE · INSURANCE

How insurers can turn agent loyalty programs into repeat policy sales

An agent loyalty program pays back only when agents sell more policies because of it. This guide lays out what to measure, which campaigns to run in the first three months, and which channels actually reach agents, so your program moves from enrollment to repeat business.

31.23 lakh individual life insurance agents in India, March 2025	**49.44%** of individual life new business premium came through agents in FY25	**7 in 10** exits for every 10 new agent appointments in FY24	**88%** of individual agency sales came from the top 25% of agents

01 · WHY AGENT ENGAGEMENT

Why agent engagement matters more for insurers than for most industries

Individual agents are still the backbone of insurance distribution in India. For most insurers, how actively agents sell is a direct driver of revenue, not a side metric.

India had 31.23 lakh individual life insurance agents as of March 2025, up 7.87% in a single year, with another 27 lakh point of sales persons (POSPs) selling simpler products. Individual agents brought in 49.44% of individual life new business premium in FY25. Corporate agents, mostly banks, were the second-largest channel and accounted for nearly 53% of individual new business premium at private life insurers. For most insurers, that means an engagement program has to work for both tied agents and corporate partners.

The bigger issue is churn. In FY24, life insurers appointed 9.75 lakh new agents and terminated 6.98 lakh, roughly 7 exits for every 10 new appointments. Most terminations happen because agents fail to meet the minimum business needed to stay active. Each exit writes off the cost of recruiting, licensing, and training that agent.

Productivity is also concentrated in a small group. A Deloitte benchmarking study of Indian life insurers found that the top 25% of agents generated 88% of individual agency sales. That study dates back to 2011, but insurance leaders still describe the same pattern, with many agents working part-time or not selling at all.

A well-run loyalty program addresses this directly. It gives new agents an early reason to sell, keeps occasional sellers active, and recognizes the agents who already carry the business.

02 · WHY PROGRAMS STALL

Why most agent loyalty programs stall after launch

Most insurers launch with a strong enrollment push. Agents register, receive a welcome message, and then nothing changes in how they sell. Six months later, the program shows a healthy member count, low points activity, and a growing liability on the books.

The gap is between registration and the first redemption. An agent who has never redeemed has no proof the program is worth their attention. Closing that gap in the first 90 days decides whether the program drives policy volume or becomes another cost line.

What makes insurance agents harder to engage than retail customers

A retail loyalty program rewards frequent, small purchases. Agent programs work against three realities that need a different plan.

- **Sales are irregular.** Many agents place a few policies a month, with long gaps in between. Rewards have to shorten those gaps, not just count transactions.
- **Many agents work offline.** A large share of the network is not comfortable with portals or apps. If the program lives only on a dashboard, most agents will never see it.
- **Product cycles are long.** Renewals come once a year, and some product lines sell far less than others. Incentives need to target timing and product mix, not just volume.

03 · PROGRAM FOUNDATIONS

Get the program foundations right before you launch any campaign

Campaigns only work if the program behind them is simple to understand and safe to run. Settle these five decisions before the first message goes out.

Decide how agents earn points

Link points to the outcomes you want, not just to policy count. Common earn rules for agent programs include:

- Points per policy issued, with higher points for products you want to grow
- Points per unit of premium, so larger policies earn more
- Points for renewals collected on time, which protects persistency
- Points for non-sales actions such as completing a profile, finishing product training, or logging in for the first time

Keep the rules short enough that an agent can explain them to a colleague. If it takes a table to explain, it is too complex for launch.

Build a reward catalog agents actually want

Agents redeem when the catalog matches their daily needs. Gift vouchers for groceries, fuel, and electronics, mobile recharges, and travel tend to work better than branded merchandise. Make sure the first meaningful reward is reachable within the first one or two policies.

Use tiers to recognize your best agents

A small group of agents usually writes most of the business. Tiers give them visible status and higher earning rates. Set two or three tiers based on points or policies over a rolling period, and add a points multiplier for each higher tier. Recognition also matters: publish a monthly leaderboard or top-agent list by region.

Set points expiry and budget limits

Points that never expire build up as a liability on your books. Set a clear expiry period, such as 12 or 24 months, and remind agents before points lapse. Cap the points any single rule or campaign can issue so a promotion cannot overrun its budget.

Align rewards with IRDAI rules on agent remuneration

In India, rewards to agents are part of agent remuneration. Since the 2023 commission reforms, rewards sit within the overall concept of commission. Each insurer pays commission, including rewards, under a board-approved policy and within its expenses of management limits, now governed by the IRDAI (Expenses of Management, including Commission, of Insurers) Regulations, 2024.

In practice, this means:

- Involve compliance and finance when you design earn rules, not after launch
- Make sure your loyalty rewards are covered by your board-approved commission policy
- Track the full cost of points issued, so it can be reported against expense limits
- Keep rewards for licensed agents only, and make sure they are not passed on to customers as rebates
- Maintain an audit trail of every rule change and manual points adjustment

04 · SIX PROGRAM KPIS

The six KPIs that show whether your program is working

Set baselines for these before launch and review them monthly. Together they show whether agents are joining, selling again, and staying.

KPI	How to measure	What it tells you
Active agent rate	Agents who earned or redeemed in the last 90 days / Total enrolled agents	Overall program health
New agent activation	New agents who earned points within 90 days / Total new agents	Whether onboarding works
Repeat policy rate	Agents with 2 or more policies in the period / Agents with at least 1 policy	Whether rewards build selling habits
Dormant agent reactivation	Agents inactive for 90+ days who placed a policy again / Total dormant agents	Whether win-back campaigns work
Points redemption rate	Points redeemed / Points issued	Whether agents see value in the rewards
Reachable agents	Agents with a verified WhatsApp number or email / Total enrolled agents	How many agents your campaigns can actually reach

05 · CHANNEL KPIS

Channel KPIs that show whether your messages reach agents

Program KPIs tell you whether agents are selling. Channel KPIs tell you whether your campaigns are the reason. Track these for every campaign so you can see which channel turns messages into logins, policies, and redemptions.

Channel	KPI	How to measure
WhatsApp	Read rate	Messages read / Messages delivered
WhatsApp and SMS	Click-through rate	Link clicks / Messages delivered
WhatsApp and SMS	Conversion rate	Agents who completed the campaign action / Agents who clicked
Email	Open rate	Unique opens / Emails delivered
Email	Click-through rate	Unique clicks / Emails delivered
Agent portal or app	Monthly active agents	Agents with at least one session in the month / Total enrolled agents
All digital channels	Digital adoption	Policies logged or submitted digitally / Total policies
Social media	Engagement rate	(Likes + comments + shares) / Impressions

The campaign action depends on the message. For a launch campaign it is a first login. For a bonus campaign it is a policy placed within the offer window. For a statement it is a redemption.

06 · FIRST 30 DAYS

First 30 days: Get agents registered and earning their first points

The goal of the first month is simple: every agent should log in, understand how to earn, and see points in their account. Track new agent activation and reachable agents.

- **Assisted enrollment.** Put QR codes at branches and partner offices, and let field staff enroll agents who need help. Award starter points on first login so registration has an immediate payoff.
- **Profile completion bonus.** Give points for adding date of birth, mobile number, and email. This builds the contact data every later campaign depends on.
- **Launch bonus on the first policy.** Offer bonus points, for example 500, for the first policy placed after enrollment. This moves agents from registered to earning.
- **How-to-earn series.** Send three or four short WhatsApp messages and emails explaining how points are earned per policy and how to redeem. Keep each to one idea.
- **Product knowledge quizzes.** Award points for completing short quizzes on your products. Agents learn what to sell, and you get an early engagement signal from agents who have not sold yet.
- **Offline awareness.** Use posters and standees at branches and agent meeting points with a QR code to enroll. Many agents first hear about the program from their branch manager, so brief managers before launch.

Expected outcome: Most enrolled agents have logged in at least once, completed their profile, and earned their first points. Your reachable agent base is clear before phase two begins.

07 · DAYS 31 TO 60

Days 31 to 60: Turn first-time sellers into repeat sellers

Once agents have earned once, the second policy is the hardest to get. This phase focuses on shortening the time between policies. Track repeat policy rate and dormant agent reactivation.

- **Second-policy bonus.** Award extra points if the second policy is placed within 30 days of the first.
- **Double points on selected product lines.** Run 2x points on underperforming or seasonal products, such as health top-ups before the tax-saving season or travel insurance before holidays.
- **Short sales challenges.** Reward agents who place three policies in a week. Keep the window short so the target feels reachable.
- **Agent referrals.** Reward agents who bring in new agents, with points released only after the new agent places their first policy.
- **Win-back for inactive agents.** Send a targeted bonus offer to agents with no policies in 90 days.
- **Birthday month bonus.** Credit bonus points, for example 250, to agents who place a policy in their birthday month. It is personal, low cost, and runs automatically every year once set up.

Expected outcome: A higher share of agents place a second and third policy, and the average gap between policies gets shorter.

08 · DAYS 61 TO 90

Days 61 to 90: Reward milestones, early renewals, and higher premiums

By the third month, the focus shifts from frequency to value. The aim is to reward your most consistent agents and steer them toward renewals and larger policies. Track active agent rate and points redemption rate.

- **Policy milestone rewards.** Recognize agents at their 3rd, 4th, and 5th policy with bonus points or a voucher.
- **Early renewal bonus.** Give bonus points when an agent secures a renewal at least 30 days before the due date. This protects retention on your book, not just new sales.
- **High-premium policy bonus.** Offer extra points on policies above a set premium to lift average policy value.
- **Monthly points statement with an expiry reminder.** Send each agent a summary of points earned, current balance, and points about to expire. Expiry reminders are one of the most reliable ways to drive redemptions.
- **Seasonal and year-end promotions.** Time bonus campaigns to periods when customers already buy, such as the January to March tax-saving season for life and health products, or festival months. Add extra points for categories that typically lag.
- **Tier upgrades.** Move consistent agents into higher tiers with better earn rates, and tell them what they need to keep or reach the next tier.

Expected outcome: Occasional sellers become regular sellers, renewals come in earlier, and average premium per policy rises.

09 · WHATSAPP FIRST

Why WhatsApp should be your primary channel for agents

Agents check WhatsApp many times a day. Email and portal logins are far less reliable, especially for agents who work in the field. Building the program around WhatsApp removes the biggest barrier to participation.

India is WhatsApp's largest market, with an estimated 535 million users, roughly one in six users worldwide. For most agent networks, WhatsApp reach will be far higher than email or app reach.

A conversational WhatsApp bot lets agents check their points balance, see active offers, and redeem rewards inside a chat they already use. No app download or password is needed. Connected to your policy or CRM system, the bot can also confirm points after a policy is issued and send renewal reminders.

Use email for monthly statements and longer content, and SMS as a fallback for agents without WhatsApp. Social media works best for program announcements and recognizing top agents.

10 · 12-WEEK CALENDAR

A sample 12-week campaign calendar for agent programs

Use this as a starting point and adjust the timing to your product calendar and renewal season.

Week	Campaign	Channels	KPI it moves
1 to 2	Program launch announcement	WhatsApp, SMS, email, social media	Reachable agents
1 to 3	Launch bonus on first policy	WhatsApp, SMS, email, portal banner	New agent activation
2 to 3	How to log in and access rewards	WhatsApp, email, app notification	New agent activation
3 to 4	How to earn points per policy	WhatsApp, email	New agent activation
4, then monthly	Birthday month bonus	WhatsApp, email	Active agent rate
5 to 6	Second-policy bonus	WhatsApp, SMS	Repeat policy rate
6 to 7	Double points on selected product lines	WhatsApp, email, app notification	Repeat policy rate
7	Three policies in a week challenge	WhatsApp, SMS	Repeat policy rate
8	Win-back offer for inactive agents	WhatsApp, SMS	Dormant agent reactivation
9 to 10	Policy milestone recognition	WhatsApp, email, social media	Active agent rate
10 to 11	Early renewal bonus	WhatsApp, email	Repeat policy rate
12, then monthly	Points statement with expiry reminder	Email, WhatsApp	Points redemption rate

11 · SAMPLE MESSAGES

What each campaign message should include, with sample copy

Every agent message should answer three questions in the first two lines: what is in it for me, what do I need to do, and by when. Use the agent's name, show their current points balance where relevant, and end with one clear action.

The samples below use placeholders in square brackets. Adapt the tone and language to your agent base, and send in regional languages where possible.

Launch message to get a first login
Send on the day an agent is enrolled. The goal is a first login.

> Hi [Agent name], welcome to [Program name].
> You now earn points on every policy you place with [Insurer name]. Log in today and get [100] starter points credited to your account.
> Log in: [link]

Reminder for agents who have not activated
Send to agents who enrolled but have not logged in after 7 days.

> Hi [Agent name], your [100] starter points are waiting.
> Activate your account in 3 steps: enter your agent code, verify the OTP sent to your phone, and set your password. Your next policy earns [500] bonus points on top of regular points.
> Activate now: [link]

Announcement for a bonus points campaign
Send at the start of a double points or category campaign. State the dates clearly.

> Hi [Agent name], earn 2x points on every [health top-up] policy placed between [1 March] and [31 March].
> Your current balance: [2,450] points. Just two more policies could get you a [Rs 1,000] voucher.
> See eligible products: [link]

Birthday message with a bonus offer
Triggered automatically at the start of the agent's birthday month.

> Happy birthday, [Agent name]. Thank you for being part of [Program name].
> Place any policy this month and we will add [250] bonus points to your account as our gift.
> View your rewards: [link]

Win-back message for inactive agents
Send to agents with no policies in 90 days. Keep it short and give a specific reason to return.

> Hi [Agent name], we have not seen a policy from you in a while.
> Place your next policy before [date] and earn [300] bonus points. You also have [1,200] points ready to redeem right now.
> Redeem or view offers: [link]

Monthly points statement with an expiry reminder
Send on a fixed day each month by email and WhatsApp.

> Hi [Agent name], here is your [October] points summary.
> Points earned this month: [850]
> Current balance: [3,200]
> Points expiring on [31 December]: [400]
> Redeem before they expire: [link]

12 · COMMON MISTAKES

Common mistakes insurers make with agent loyalty programs

Most programs that underperform share the same few problems. Each one is easier to prevent at design stage than to fix after launch.

- **Treating enrollment as success.** A high member count with low earning activity means the program is a cost, not a growth lever. Report active agent rate, not total members.
- **Relying on a portal agents never open.** If agents have to remember a URL and password to check points, most will not. Put balances and offers where agents already are.
- **Setting the first reward too far away.** If an agent needs ten policies before anything is redeemable, they lose interest before they get there.
- **Running the same offer for everyone.** A new agent, a dormant agent, and a top performer need different messages. Segment by activity and tenure before every campaign.
- **Sending too many messages.** Agents who receive daily promotions start ignoring all of them. Two to three program messages a week across channels is a reasonable ceiling.
- **Designing rewards without compliance.** Rewards that are not covered by your board-approved commission policy create regulatory risk and can force a program pause.
- **Not measuring campaign impact.** Without a control group or before-and-after comparison, you cannot tell whether a campaign drove sales or just rewarded policies that would have come anyway.

13 · THE PLATFORM

How Loyalife supports each stage of the plan

Loyalife, Xoxoday's loyalty management platform, lets your team run every campaign above without custom development.

What you need to do	How Loyalife handles it
Award starter, launch, and challenge bonuses	Reward campaigns credit bonus points to selected agent segments, set up in a three-step wizard
Run birthday and program anniversary rewards	Occasion rewards fire automatically every year once activated
Reward second policies, milestones, and win-backs	Rule engine with smart segments triggers points based on policy count or inactivity
Grow the network through agent referrals	Referral module rewards on the new agent's first transaction, with built-in checks against self-referrals and duplicates
Check who you can reach before sending	Audience size preview shows total agents and how many have an email or phone number on record
Engage agents who don't use portals	WhatsApp conversational bot for balances, offers, and redemptions
Track results	Reports and dashboards for activation, earning, and redemption

Loyalife also includes controls that matter for regulated insurers. Tiers can carry their own points multipliers and rolling accrual windows. Rule groups can be capped at a maximum points limit, so no campaign exceeds its budget. Anomaly detection queues unusual accruals or redemptions for approval, maker-checker approval protects critical changes, and audit trails record every change for compliance reviews. Built-in quizzes reward agents for building product knowledge.

WITH XOXODAY LOYALIFE

See how Loyalife can run your agent program. Use the 12-week campaign calendar above to plan your first quarter, or book a Loyalife demo to see how insurers set up agent rewards, WhatsApp engagement, and campaign tracking on one platform.

Book a Loyalife demo ↗

SOURCES

Sources used in this guide

- IRDAI Annual Report 2024-25 figures on agent network and growth, via Shriram Life (agent count, POSPs, FY24 appointments and terminations)
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- WhatsApp user statistics, Skillademia
- Deloitte study on agent productivity concentration, Moneylife
- Insurer commentary on inactive and part-time agents, Cafemutual

Regulatory content in this guide is for general information. Confirm specific reward design with your compliance team.