November 2025

The Demand for Instant Insurance: Why Speed Is the New Trust

Money Mobility Tracker® Series

When disaster strikes, waiting isn't an option. From auto claims to weather relief, instant insurance payouts are redefining what trust means in an age when speed equals security.

Read the previous edition

SEPTEMBER 2025

Money Mobility Tracker® Series

What's Inside

PYMNTS INTELLIGENCE | INGO Payments

Acknowledgment

The Money Mobility Tracker® Series is produced in collaboration with Ingo Payments, and PYMNTS Intelligence is grateful for the company's support and insight. PYMNTS Intelligence retains full editorial control over the following findings, methodology and data analysis.

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Introduction

Insurance has always promised peace of mind—but today's policyholders want peace of mind *and* speed. Whether replacing a totaled car or recovering from a storm, consumers expect claims to be settled as instantly as their digital purchases. However, many insurers still rely on paper checks and legacy systems that slow the process, eroding trust in a moment when customers need confidence most.

As policy shopping reaches record levels and rising severe-weather events increase claim volumes, speed of payout has become the defining measure of customer experience. This Tracker examines why insurers must modernize disbursements—and how instant payouts are becoming a competitive necessity for insurance markets across the board.

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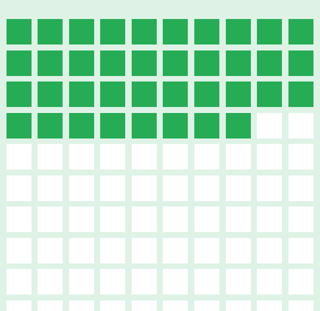
Customer Patience Wears Thin

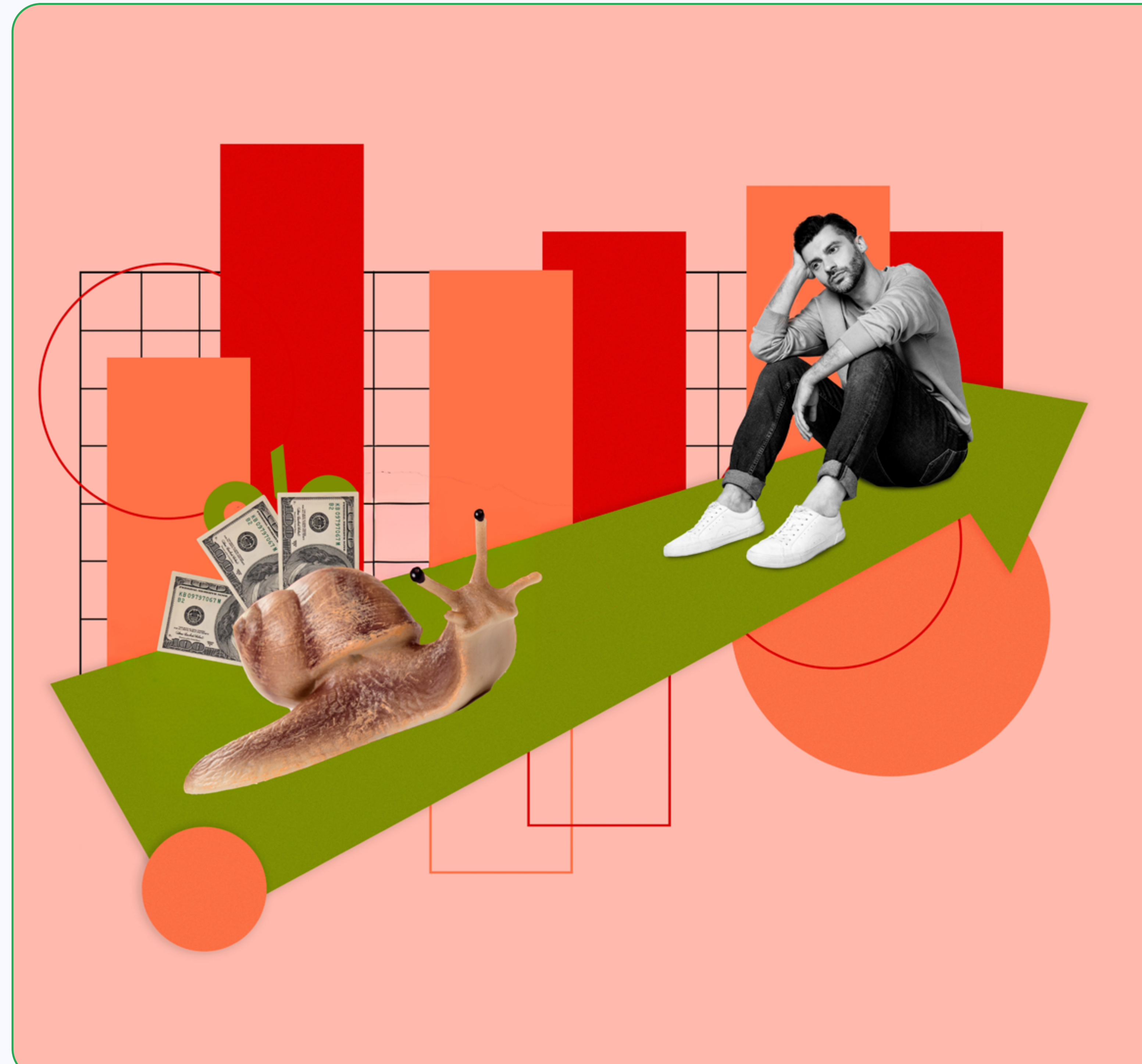
Slow Payments, Slower Loyalty: Why Insurers Are Losing Ground

Delays in insurance payouts aren't just a process issue—they're a trust issue. Slow disbursements cost insurers goodwill, renewals and retention in an age when speed defines customer care.



38%

of auto insurance customers now fall into the lowest satisfaction segment.



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Customer Patience Wears Thin

Customers expect insurance payouts to move as fast as their lives.

Consumers are no longer willing to tolerate sluggish service—especially when it comes to getting paid. The J.D. Power 2025 U.S. Auto Insurance Study highlights a major transformation in the auto insurance market, showing that it is now a "buyer's market." Key findings include stabilizing rates, record levels of customers shopping for new coverage and a renewed insurer focus on retaining high-value clients after years of relentless rate hikes.

Of particular concern is that customer satisfaction is low. Although overall satisfaction slipped only two points year over year to 644 out of 1,000, 38% of customers now fall into the lowest satisfaction segment, making them far more likely to switch carriers. Only 51% of customers with high lifetime value (long tenure, multi-policy, higher premiums) say they "definitely will" renew, making retention of this profitable segment a top industry concern.

Service quality now outweighs price in driving loyalty.

Affordability may drive initial purchase decisions, but *service* and *claims experience* are what keep customers loyal. A seamless digital experience across channels is now the strongest predictor of satisfaction. When insurers deliver on this key metric, customers are more likely to trust their providers and renew their policies. When they don't, switching is only a click away.

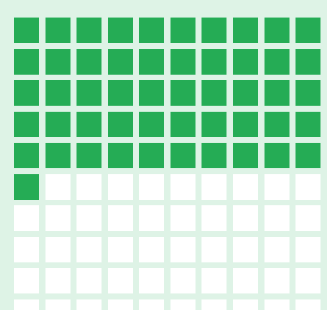
The stakes are rising: As more insurers digitize onboarding and quoting, lagging behind on payouts undermines brand credibility. For policyholders, claims are not just an insurer's product—they are the moment of truth. A payout delayed is loyalty denied.

Velocity Builds Trust

The Speed Premium: How Instant Disbursements Drive Retention

Faster payments equal stronger loyalty. Studies show speed of disbursement now drives satisfaction more than any other factor, reshaping how insurers measure success and customer lifetime value.

51%



of policyholders cite quick payouts as their top priority during severe-weather claims.

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Velocity Builds Trust

Speed has become the strongest signal of care and competence.

In an era of instant everything, payout speed has become the single most important driver of satisfaction. According to a recent study, 46% of all insurance claimants rated speed of payment the most important factor in the payment process, far outdistancing any other, including security, convenience, choice, simplicity and cost. Moreover, insureds who were dissatisfied with their claims experience were much more likely to say that speed was a top priority and were less likely to be satisfied with the speed of payment. For example, among claimants of catastrophic-event-related insurance who rated their claims experience most positively overall, 56% said they were extremely satisfied with the speed of payment, compared with only 8% of these claimants who were the least satisfied with the overall experience.

Speed doesn't just *improve* sentiment—it multiplies it. Even when other aspects of the claims process are imperfect, faster payments serve as a force multiplier for overall satisfaction. Conversely, slow disbursements can sour an otherwise strong service experience.

Velocity Builds Trust

In crisis moments, instant payouts define customer trust.

This is especially true in catastrophic events, when policyholders depend on fast cash to rebuild, as confirmed by other studies as well. The Insurity 2025 Severe Weather P&C Consumer Pulse underscored the increasing predominance of speed in customer expectations. More than half (51%) of policyholders cited quick payouts as their top priority during severe-weather claims. These findings indicated a notable shift from last year, when customers placed a greater emphasis on communication from their insurers, with the demand for speed intensifying this year. Half of respondents also reported they were more likely to purchase a policy from an insurer investing in new technology to improve the claims process. "Speed now defines the claims experience," concluded Insurity's Chief Revenue and Insurance Officer, Sylvester Mathis.

In a competitive market, payment velocity has become the new loyalty metric. The insurers that combine responsiveness, efficiency and instant payout capabilities will increasingly own the customer relationship.

Empowering Payout Choice

Rewriting the Playbook: From Checks to Choice and Control

Instant payments are redefining insurance from the inside out. By giving policyholders choice and control, carriers are transforming claims from back-office transactions into real-time brand experiences.

23%

of consumers receiving insurance disbursements between $500 and $1,000 are willing to pay a fee for instant access to their funds.

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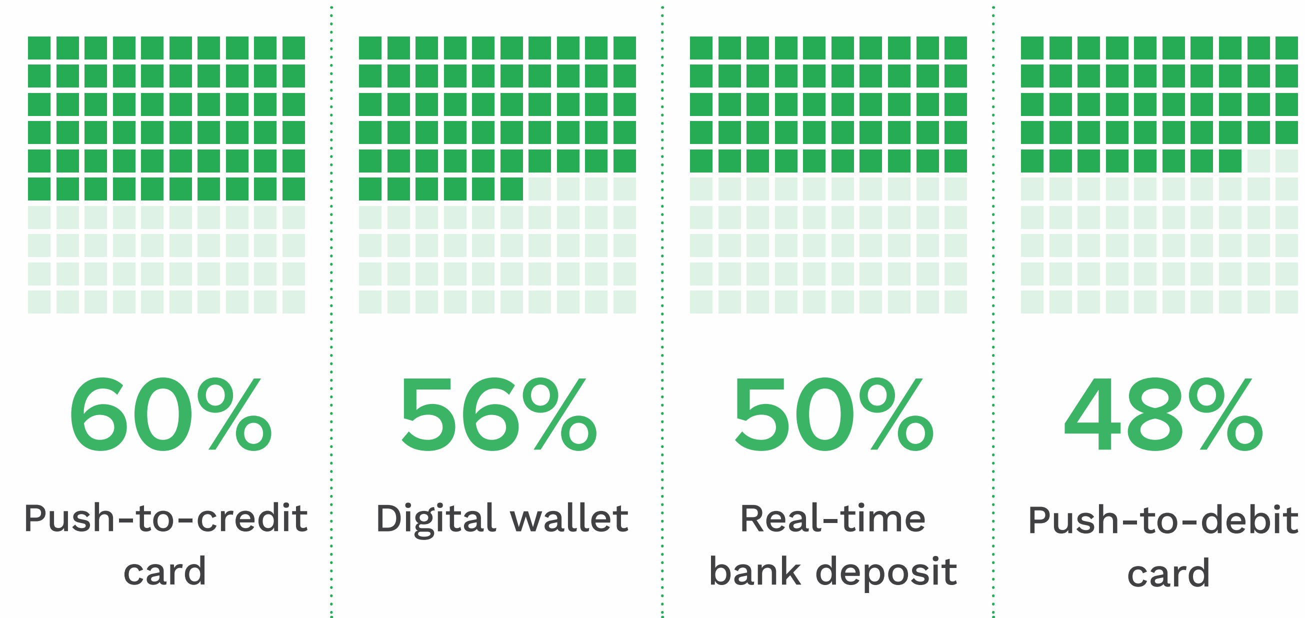
Empowering Payout Choice

Checks still dominate, but digital choice is winning the future.

Despite widespread dissatisfaction, paper checks remain the most common way insurers pay claimants. However, as digital expectations climb, checks are no longer just outdated—they're a liability. One study found that claimants who can choose their payment method report the highest satisfaction, with 85% of those offered choice reporting a positive experience. Meanwhile, those forced into a single option were among the least happy.

Today, only about one in four consumers (24%) typically receive insurance payouts via instant methods when multiple options are available, according to a March 2025 study by PYMNTS Intelligence. However, instant usage for insurance payouts is accelerating rapidly across all rails. A September 2025 PYMNTS Intelligence study found that insurance disbursement recipients receiving instant payments cited the following rails as their most-used methods for receiving them.

Instant insurance disbursement recipients' most-used payment rails:



The figure for instant push-to-credit for insurance was higher than for any other disbursement type, including income and earnings, investment accounts, product/service purchases, borrowing and winnings.

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Empowering Payout Choice

Giving customers control turns payments into partnerships.

Consumers also value control enough to pay for it. Another recent PYMNTS Intelligence study found that 18% of those receiving insurance disbursements under $500 and 23% of those receiving between $500 and $1,000 were willing to pay a fee for instant access to these funds.

Insurers are taking note. As Ingo Payments reports, adoption of instant disbursement options is growing as carriers recognize the link between speed, satisfaction and retention. The claim payment is no longer a back-office process—it's the new frontier of customer engagement.

Call to Action

Meeting the Moment With Instant Insurance

Policyholders no longer separate the *insurance experience* from the *payment experience*—they are one and the same. To stay competitive, insurers must treat payout modernization as a strategic imperative, not a technical upgrade. The path forward begins with four clear steps:

- **Expand choice:** Let customers decide how they receive funds—bank account, card or wallet—to align with individual preferences.
- **Integrate instant rails:** Embed push-to-card and real-time bank payment capabilities directly into claims workflows for same-day payouts.
- **Automate compliance:** Use digital verification tools to ensure that regulatory, anti-fraud and know your customer (KYC) requirements are met instantly.

> "When someone's dealing with a wrecked car or a flooded house, they're not thinking about paperwork—they just need their money. If you can't move fast, you're not really helping."

DREW EDWARDS
CEO
Ingo Payments

- **Communicate speed as value:** Market faster payouts not only as a convenience but also as a core element of trust and care during critical moments.

Insurers that deliver instant disbursements can dramatically improve satisfaction and retention while lowering administrative costs. In an age defined by immediacy, the question isn't whether customers want instant insurance payouts—it's how soon every insurer can make it standard.

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About

PYMNTS INTELLIGENCE

PYMNTS Intelligence is a leading global data and analytics platform that uses proprietary data and methods to provide actionable insights on what's now and what's next in payments, commerce and the digital economy. Its team of data scientists include leading economists, econometricians, survey experts, financial analysts and marketing scientists with deep experience in the application of data to the issues that define the future of the digital transformation of the global economy. This multilingual team has conducted original data collection and analysis in more than three dozen global markets for some of the world's leading publicly traded and privately held firms.

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INGO Payments

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