

Earning Policyholder Trust in an Era of Modern Insurance Payments

Navigating Rapid Market Change for
Carriers and Their Policyholders



Navigating Rapid Market Change for Carriers

Insurance carriers are navigating an era defined by rapid change. AI is resetting consumer expectations for seamless self-service. Phishing and other digital scams have become more sophisticated and more frequent. Environmental and increasing financial pressures are driving organizations to reduce paper dependency. Digital-first competitors are gaining ground, and outdated premium billing systems are becoming costlier to maintain.

In this rapidly evolving landscape, policyholder trust is more necessary than ever. Without it, efficiency gains are lost, public reputation is eroded, and policy cancellations loom.

Trust isn't built solely at the point of premium collection. It is reinforced — or undermined — across every payment interaction: from policy purchase and recurring billing to agent commissions and claims disbursements. Policyholders experience payments as one connected journey, and carriers must manage it the same way.

This guide is tailored to help carriers navigate those payment-related challenges which can weaken confidence and instead foster deeper customer trust at every touchpoint of the digital billing and payment experience.



55% of consumers will abandon a digital bill payment because the website or process felt unsafe or confusing.

Trust Is the Gatekeeper of Digital Adoption

Policyholders today expect fast, secure, and personalized experiences; they lose confidence quickly when processes feel confusing, generic, or outdated. Research* shows that over half (55%) of consumers will abandon a digital bill payment because the website or process felt unsafe or confusing.

No matter how robust you feel your payment platform may be, if customers don't trust it, they won't use it.

The stakes are high. Missed or late payments can lead to policy lapses. We now know that a single poor digital experience can send a customer straight to another carrier**. And low self-service adoption keeps call volumes and costs high. Getting ahead of the pain points many customers experience within their most vital operational process is the key to unlocking a valued advocate to help your business.

That includes not only how premiums are collected, but how and when funds are returned. A seamless, transparent experience must extend from inbound collections to outbound disbursements. Any breakdown, whether in billing clarity or payout speed, can impact policyholder trust and churn.

Insurers know that when digital payment adoption lags:

- **Premium collections remain manual and inefficient**, driving up operational costs and delaying cash flow.
- **Policyholder satisfaction declines**, increasing policy lapse risk and reducing retention in a competitive market.
- **Support teams are overwhelmed**, fielding more calls and managing time-consuming payment issues due to low self-service.
- **Compliance risk rises**, as outdated systems and inconsistent processes come under greater regulatory scrutiny.

Not to mention the impact that lack of trust can have on a carrier's reputation and, ultimately, its retention rates. Annual policies give policyholders freedom to move easily between providers, making risk management a key component in the decision to keep a policy or select a new carrier. It's crucial to maintain trust.

Let's explore some of the biggest barriers to fostering trust in digital insurance payments and the most effective ways carriers can overcome these modern nuances.

Faster Payouts Emphasize Reliability

The same expectations policyholders bring to paying their premiums (speed, transparency, choice, and security) apply equally to how they receive funds. A truly modern billing and payment system will support frictionless claims disbursement, giving policyholders access to a variety of fast, easy-to-use methods for collecting their payout.

Leading insurers are choosing digital billing and payment systems that:

- **Offer flexible, policyholder-preferred payout options**, including ACH, digital wallets, and instant cards, to meet rising expectations for speed and convenience.
- **Eliminate delays by automating approvals and reducing manual handoffs**, ensuring disbursements are fast, accurate, and low-friction for both staff and claimants.
- **Proactively communicate payment status and timing**, using automated, multi-channel updates to reduce anxiety, deflect calls, and reinforce transparency.
- **Deliver a unified digital experience** across billing, collections, commissions, and claims payout so policyholders experience one consistent, reliable payments environment.

The result? Quicker resolution, fewer service calls, and higher satisfaction when trust matters most.

When claims are paid promptly — in a format the customer prefers — it sends a clear signal: *you're dependable not just in principle, but in practice.*



Phishing Concerns Discourage Engagement

Carriers face an uphill battle when it comes to customer communication. With phishing scams on the rise, even legitimate payment reminders can get flagged as suspicious.

1-in-4* consumers say they hesitate to engage with payment messages that don't appear trustworthy — especially those routed through third-party systems.

For insurers, where payment reminders play a crucial role in reducing payment delinquency and policy cancellations, this lack of trust comes at a high operational cost.

Having a reliable communications path with payment processing is crucial to meet policyholder expectations in their time of need. When policyholders receive disbursement notifications, those communications must be just as branded, secure, and transparent. A claims payment alert that looks suspicious undermines confidence at the moment it matters most.

1-in-4*

consumers say they hesitate to engage with payment messages that don't appear trustworthy



Customization That Builds Confidence

So, what makes a billing email feel trustworthy? Research* reveals the top trust signals consumers look for before clicking:

39%

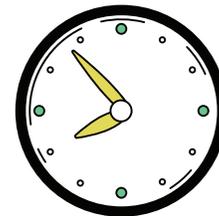
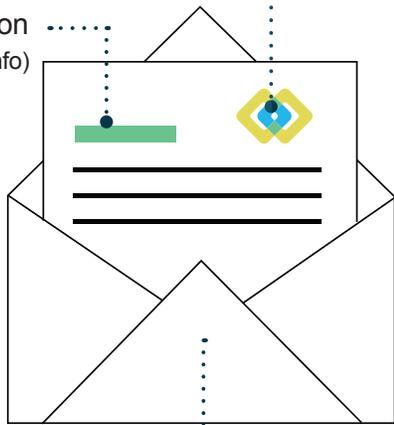
expect personalization (their name or account info)

29%

rely on official branding and design cues

48%

look for a familiar sender or domain



Yet many billing systems still deliver payment reminders from unrecognizable addresses, using off-brand templates and impersonal language. That's a missed opportunity and a threat to adoption.

By customizing communications with branded templates, familiar email domains, and relevant customer details (like due dates, names, or account balances), insurance carriers can:

- Increase open rates and engagement
- Build familiarity and credibility over time
- Reinforce that payment reminders are safe, relevant, and actionable

More than just a design choice, personalization is a strategic trust lever. It signals to policyholders that your organization is legitimate, attentive, and invested in delivering a secure experience. And that's exactly what it takes to turn reminders into on-time payments.

Security Concerns Slow Online Adoption

When it comes to digital payments, security concerns span the end-to-end experience. Today's consumers are more vigilant than ever. With headlines filled with identity theft and payment fraud, users evaluate every interaction for potential risk. If a platform doesn't inspire confidence from the first click, customers may hesitate or abandon the process entirely.

While **demographic data** shows that hesitation is most common among Gen X, Boomers, and high-income households, security concerns have become nearly universal.

How to Demonstrate Superior Security Measures

To combat this growing unease, leading insurance carriers are prioritizing security and compliance visibility throughout the payment journey.

That means:

- Using recognizable domains and HTTPS-secured URLs
- Highlighting compliance with industry standards like PCI-DSS, ideally with a publicly-accessible **Trust Center**
- Providing clear, simple explanations of how customer data is protected
- Offering fraud-prevention features that demonstrate strong access controls, such as multi-factor authentication or single sign-on

82% of Americans are very or somewhat likely to use a digital payment platform that clearly highlights its security and compliance measures.



These efforts matter because policyholders are paying attention. Research* shows that **82% of respondents said they are very or somewhat likely to use a digital payment platform that clearly highlights its security and compliance measures.**

That same dataset revealed that “**clear security standards**” is the number one factor influencing customer trust in a digital payment platforms.

Compliance is a requirement, but security measures that are highly visible to customers — including robust access controls like secure single sign-on (SSO) and multi-factor authentication (MFA) — are what bolsters confidence without disrupting day-to-day billing and payment workflows.



More than **1-in-3** Americans have accessibility needs that impact how they interact with digital billing platforms.



The Access Gap Leaves Policyholders Behind

Policyholders come from diverse backgrounds, with different levels of digital fluency, physical ability, and access to devices or high-speed internet. If an insurance billing and payment system doesn't meet everyone's needs, it leaves some behind and signals that their experience isn't a priority.

This includes seniors who may struggle with complex interfaces, individuals with disabilities who rely on screen readers or keyboard navigation, and users with limited English proficiency who need multilingual support.

It also affects people in low-income or rural areas who may lack reliable internet access or modern

devices, as well as unbanked individuals who depend on alternative payment methods. When these groups face barriers in either paying a bill or receiving a claim payment, trust in digital systems erodes, policyholder satisfaction plummets, and policies churn.

Consumer data supports this. Research* shows that more than one-in-three Americans have accessibility needs (e.g., visual, mobility, or language-related) that impact how they interact with digital billing platforms and have abandoned online bill payment in the past because of digital experiences that didn't address these needs.

Ensuring Accessibility to Provide Digital Payments for Everyone

To build trust with every policyholder, your end-to-end payment experience must be:



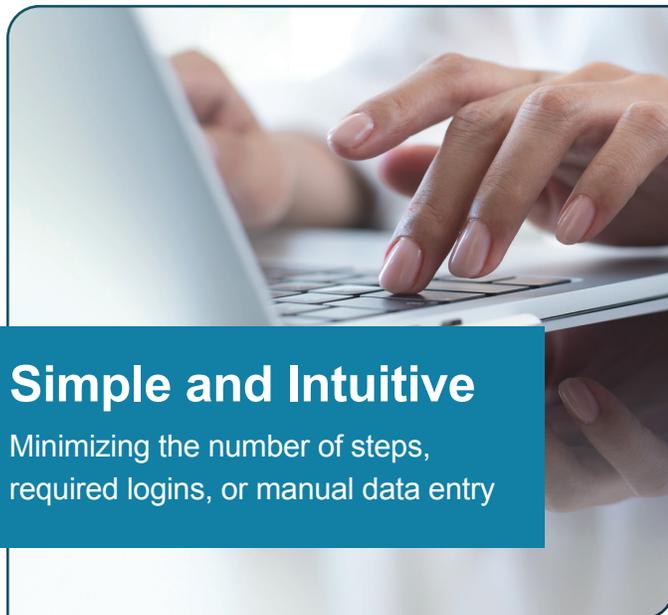
Device-Agnostic

Usable across mobile, desktop, and assistive technologies



Inclusive by Design

Compliant with accessibility standards like WCAG and Section 508



Simple and Intuitive

Minimizing the number of steps, required logins, or manual data entry



Made for Everyone

Supportive of non-English speakers and users with disabilities

This isn't just about equity; it's about efficiency. The more people who can confidently and independently use your platform, the greater your digital adoption and cost savings. Making accessibility a priority is good business and great trust-building.

Outdated UX Sparks Frustration & Mistrust

In the age of AI, personalization, and one-click checkouts, customers have higher expectations of their digital experiences. Policyholders aren't just comparing your digital payment experience to the offerings of new, digital-first carriers, but to the best digital experiences anywhere — from Amazon to Apple Pay. An outdated experience in either collecting premiums or issuing payouts signals systemic weakness, not a one-off inconvenience.

When insurers fail to provide the modern payment options policyholder expect to see (like digital wallets, flexible automatic payments, or mobile-first checkout) or make it hard to access those options, it sends a message that the customers' time, preferences, and convenience aren't valued. Gradually, that disconnect erodes trust and causes policy lapse.

Eighty percent* of Americans say that they don't trust payment platforms that appear outdated.

Furthermore, if customers feel the payment platform is unclear or unsafe in any way, there's a **55%* chance of payment abandonment.**

Clearly, an outdated payment experience is a red flag to many customers that the carrier may not

have their best interests in mind or may not even be legitimate. It also signals that future interactions will be just as frustrating.

That lack of trust can reduce adoption, increase call center volume, and ultimately slow down digital transformation — especially when customers opt out or return to paper-based channels.

Delivering on Customer Preferences to Encourage Engagement

To earn their trust and ongoing digital engagement, your platform must reflect how people want to interact today:

- **Multiple payment channels** including text, mobile, digital wallets, and ACH
- **Guest checkout options** for frictionless, one-time payments
- **Self-service features** like AutoPay enrollment, bill history access, and real-time notifications
- **Calendar invites and payment reminders** that integrate with everyday tools and routines

When you deliver on these preferences, policyholders feel understood and empowered. That familiarity and ease translates into higher trust, stronger brand loyalty, and ultimately, higher digital adoption rates.



85%* of Americans say it's important that there's a guest checkout option when paying bills digitally.

A close-up, shallow depth-of-field photograph of a person's hands. One hand is pointing at a tablet screen, while the other holds a gold credit card. The background is softly blurred, showing the person's face and a teal-colored top. The overall lighting is warm and focused on the interaction with the technology.

Digital Adoption Starts with Trust

As payment options expand and policyholder expectations continue to shift, trust becomes the deciding factor in whether digital investments deliver results. Seeing the benefits of digital payments across billing, collections, commissions, and claims hinges on adoption. When the end-to-end payment experience feels secure, transparent, and intuitive, trust compounds over time.

Trust is what turns reminders into payments, logins into enrollments, and innovation into operational ROI. It protects your organization from churn, reduces friction for your teams, and strengthens your brand's reputation for new policies and new talent.

When your billing experience feels legitimate, inclusive, and secure, **policyholders engage**. All they need is confidence that their information is protected, the messages they receive are legitimate, and their payments are processed accurately. Clear communication, recognizable branding, accessible design, and transparent processes all reinforce that confidence.

InvoiceCloud Helps Insurance Carriers Earn and Keep Trust

InvoiceCloud was built with one mission in mind: to drive digital payment adoption by making the entire billing and payment experience easy and trustworthy for every customer.

Our platform supports trust-building at every step:

- **Branded, secure communications** that reduce phishing concerns and boost engagement
- **Modern, intuitive user interfaces** that reflect the digital experiences customers expect
- **Multiple self-service payment channels** to give users choice and control
- **Accessibility-first design** that ensures all users — regardless of ability or tech fluency — can pay with confidence
- **Enterprise-grade security and compliance** built into every interaction

Everything we do — from hands-on implementation to ongoing marketing and service support — is focused on helping you maximize adoption and ROI by building customer trust.

To learn how InvoiceCloud's insurance billing and payment platform can help your organization foster trust among your customer base, schedule time to speak to a member of our team today.

[SCHEDULE A DEMO](#)





* PAN Communications. "Trust in Billing and Payments" (unpublished survey, InvoiceCloud, 2026) conducted via Dynata.

** Consumers Want Enhanced Experiences. Propel Software. <https://www.propelsoftware.com/lp/what-customers-want>. 2022.