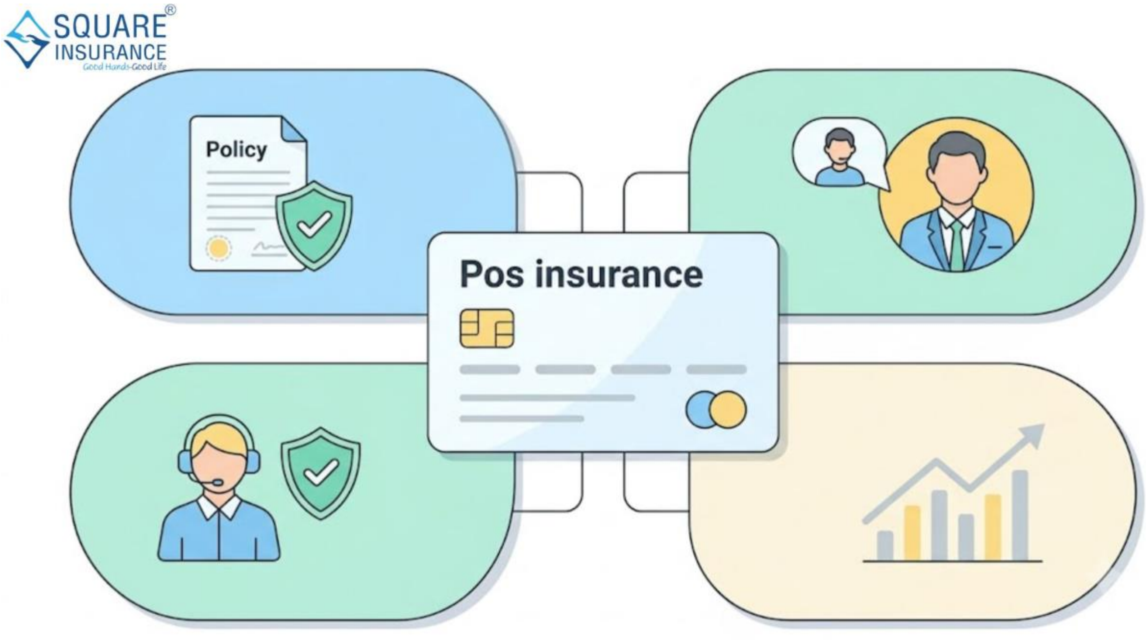
POS Insurance Made Simple: Meaning, Eligibility & Earnings

Buying or renewing an insurance policy can sometimes feel complicated because customers have to understand coverage, premiums, exclusions, documentation, and policy terms. This is where insurance distribution channels can make the process easier. **Pos insurance** is one such model that allows eligible individuals to assist customers in purchasing certain insurance products through an authorised insurance provider or intermediary.

The Point of Sales (POS) model is designed to simplify insurance distribution by making selected insurance products easier to understand and purchase. A POS person generally works with pre-defined products and processes rather than independently handling every type of insurance policy available in the market.



What Is POS Insurance?

POS insurance refers to insurance products sold through a Point of Sales Person (POSP) or another authorised point-of-sale channel, depending on the applicable regulatory and distribution framework.

The purpose is straightforward: make suitable insurance products accessible through trained individuals who can explain basic policy features, collect required information, assist with documentation, and facilitate the purchase process.

POS channels can be particularly useful for products with relatively straightforward features. The exact products available to a POS person depend on the insurer, intermediary, authorisation, and prevailing regulations.

The insurance regulator, IRDAI, has a mandate that includes specifying qualifications, training requirements, and codes of conduct for insurance intermediaries and agents.

How Does the POS Insurance Model Work?

The POS model generally follows a structured process. Instead of offering customers every possible insurance product, the person works with products that they are authorised and trained to distribute.

A typical process may include:

1. **Customer interaction:** The POS person understands the customer's basic insurance requirement.
2. **Product explanation:** Available policy features, coverage, exclusions, and important terms are explained.
3. **Document collection:** Required customer and vehicle or personal details are collected, depending on the product.
4. **Application submission:** The proposal or application is submitted through the authorised system.
5. **Premium payment:** The customer pays the applicable premium through the permitted payment process.
6. **Policy issuance:** Once the insurer completes the necessary checks, the policy may be issued according to its underwriting and issuance process.

Training and suitability are important elements of responsible insurance distribution. IRDAI materials have emphasised adequate training and appropriate product suitability in insurance sales.

Who Can Become a POS Insurance Person?

Eligibility can vary according to the particular POS arrangement, insurer, intermediary, and applicable regulatory requirements. Therefore, candidates should always check the current conditions specified by the organisation through which they intend to become authorised.

Generally, a prospective POS person may need to satisfy requirements relating to:

- Minimum age and identity verification
- Educational qualification
- Valid identity and address documents
- Completion of prescribed training
- Passing the applicable assessment or examination
- Agreement or onboarding with the authorised insurer or intermediary
- Compliance with applicable conduct and sales requirements

The onboarding process may also involve verification of documents and completion of formal training before the individual can start selling eligible insurance products.

Because regulatory requirements can change, applicants should verify the latest eligibility conditions before registering.

What Are the Benefits of Becoming a POS Insurance Person?

The POS model can provide an additional opportunity for people interested in insurance distribution.

Flexible Working Opportunities

Depending on the arrangement, POS work can be performed alongside an existing occupation or business. The actual working structure depends on the insurer or intermediary.

Digital Policy Processing

Modern insurance distribution increasingly uses online systems for quotations, proposals, payments, and policy documentation. This can reduce paperwork and make policy transactions easier to track.

Opportunity to Build Customer Relationships

A POS person can develop relationships with customers by helping them understand available insurance products and assisting with renewals or other permitted services.

Learning About Insurance

People entering this field can gain practical knowledge about premiums, coverage, policy terms, exclusions, renewals, and customer requirements.

Potential for Performance-Based Earnings

POS insurance is generally not the same as receiving a fixed monthly salary. Earnings can depend on the applicable commission, remuneration, incentives, product category, business generated, and terms of the arrangement.

How Much Can a POS Insurance Person Earn?

There is no single fixed income figure for every POS person.

Earnings may depend on factors such as:

- Number of policies sold
- Type of insurance product
- Premium amount
- Applicable commission or remuneration structure
- Renewal business
- Customer base
- Performance incentives, where applicable
- Terms offered by the insurer or intermediary

For example, a person who regularly generates business from a large customer network may have a different earning pattern from someone who sells only occasionally.

Therefore, advertised earning figures should not automatically be treated as guaranteed income. A prospective POS person should understand the actual remuneration structure, applicable conditions, payment schedule, and any performance requirements before joining.

IRDAI maintains regulatory provisions concerning remuneration and distribution arrangements, so the applicable framework should be checked when evaluating a particular opportunity.

What Skills Are Useful for POS Insurance?

A formal sales background is not the only factor that can help someone perform well in this field. Several practical skills can make customer interactions more effective.

Communication Skills

Insurance involves technical terms that customers may not immediately understand. Clear and simple communication can help customers understand the policy before making a purchase.

Basic Financial Understanding

A POS person should be comfortable discussing premiums, coverage, deductibles where applicable, exclusions, and policy duration.

Customer Service

Insurance relationships can continue beyond the initial sale. Responding to customer queries and helping with permitted policy-related processes can improve the overall experience.

Digital Skills

Since much of the insurance process is now technology-driven, familiarity with smartphones, online forms, digital documents, and payment systems can be useful.

Accuracy

Incorrect personal, vehicle, or policy information can create problems during policy issuance or later servicing. Careful data entry is therefore important.

Important Things to Check Before Becoming a POS Person

Before registering for a POS opportunity, do not focus only on the earning potential. Understand the complete arrangement.

Check:

- Who is providing the POS opportunity?
- Which insurance products can you sell?
- What training is required?
- Is an examination required?
- What documents are needed?
- How is remuneration calculated?
- When are payments made?
- Are there renewal-related earnings?
- What customer-service responsibilities apply?
- What sales and conduct rules must be followed?

Most importantly, avoid making promises to customers that are not supported by the policy document. Insurance sales should focus on accurately explaining the available product rather than guaranteeing claims, returns, or benefits that are not part of the policy terms.

POS Insurance vs Traditional Insurance Agent

Although both channels can involve insurance sales, their structure may differ.

A traditional insurance agent generally operates under the applicable agency appointment and licensing framework and may have a broader role depending on their authorisation.

A POS person typically works within a more defined product and process structure. The products they can sell and the activities they can perform depend on the applicable POS framework and the organisation with which they are associated.

This distinction is important because customers should know the capacity in which a person is selling an insurance product.

Is POS Insurance Suitable as a Career Option?

POS insurance can be considered by individuals who enjoy customer interaction, sales, and financial products. It may also suit people who already have a local customer network and want to explore insurance distribution.

However, it should be approached as a professional responsibility rather than simply an easy-income opportunity. Understanding insurance products, following authorised processes, maintaining accurate information, and communicating policy terms honestly are essential parts of the role.

Frequently Asked Questions (FAQs)

Q1. What does POS insurance mean?
POS insurance refers to insurance products distributed through an authorised point-of-sale channel, where trained and eligible individuals assist customers with selected insurance products.

Q2. Who can become a POS insurance person?
Eligibility depends on the applicable regulatory requirements and the insurer or intermediary offering the POS opportunity. Candidates may need to meet age, education, documentation, training, and assessment requirements.

Q3. Is POS insurance a salaried job?
Usually, POS insurance distribution is structured around commission, remuneration, incentives, or other performance-linked arrangements rather than a guaranteed fixed monthly salary.

Q4. How much can a POS person earn?
There is no universal fixed income. Earnings can depend on the number and type of policies sold, premiums, remuneration arrangements, renewals, and applicable incentives.

Q5. Does a POS person need training?
Training requirements depend on the applicable product and distribution framework. Authorised POS arrangements may require prescribed training and assessment before selling eligible products.

Conclusion

POS insurance has created a structured way to distribute selected insurance products through trained and authorised individuals. For people interested in insurance sales, it can provide an opportunity to build customer relationships and earn based on business generated, while customers can benefit from assistance during the purchase process.

However, successful POS insurance distribution requires more than simply selling policies. Proper training, accurate communication, responsible selling, and a clear understanding of policy terms are essential. Anyone considering this opportunity should verify the latest eligibility, training, authorisation, and remuneration conditions before getting started.

Square Insurance can help make insurance-related processes more convenient by providing digital solutions and customer-focused support.