



Final Expense Insurance Outlook For 2027: What Growth Could Mean For Final Expense Leads

Description

By James Schulze

This article discusses some of the key trends that will shape the final expense market in 2027. It also discusses the types of final expense leads available â?? aided by emerging technologies and a strong lead strategy â?? to help agencies sell more policies in the coming year.

The final expense (FEX) insurance market enters 2027 after several years of substantial growth. Aging consumers, continued demand for smaller whole life policies, expanding distribution and improvements in underwriting technology have created a strong environment for final expense carriers, agencies, and independent insurance agents.

The numbers demonstrate just how strong the market has been. According to the Life Insurance Marketing and Research Association (LIMRA) and the Life Insurers Council (LIC), the U.S. final expense new annualized premium increased [32%](#) in 2025 to approximately **\$1.38 billion**. And policy count increased approximately **25%**.

Growth at that level is unlikely to continue indefinitely. Most participating carriers expected more moderate industry growth of **2% to 10%** during 2026. That still provides an encouraging backdrop heading into 2027, particularly for agencies buying final expense aged leads, final expense real-time leads, final expense inbound calls, and final expense call transfers.

At The Leads Warehouse, we have worked with final expense insurance agents for more than 20 years. The market has changed considerably during that time, but one principle has remained consistent: **agents need a predictable flow of prospects to keep producers selling**. At The Leads Warehouse, we strive to maintain the best final expense lead options for all FEX agents and agencies â?? from aged final expense leads to real-time final expense leads to inbound FEX calls to FEX call transfers (read our [blog](#), â??What Are Final Expense Leads? A Complete Guide For Insurance Agentsâ?·).

An aging population supports final expense demand

Final expense insurance serves a market that is naturally influenced by demographics. As more Americans enter their senior years, the potential population for smaller-face-value whole life products continues to grow (read our [blog](#), “Why America’s Aging Population Is Driving Demand For Final Expense Leads”).

The product itself is relatively straightforward. Final expense policies are generally designed to help families cover funeral and burial expenses, medical bills, and other financial obligations that may remain after death. LIMRA notes that demand remains particularly strong among lower- and middle-income consumers seeking affordable coverage for these expenses.

That creates a large potential audience for final expense lead generation. Consumers may begin researching coverage after seeing funeral costs firsthand, recognizing a gap in their existing life insurance, or simply becoming more aware of the financial burden they could leave their family.

For agents, the demographic opportunity is significant, but demographics alone do not sell policies. Agencies still need to reach consumers, make contact, and convert interest into applications. The best final expense leads are those that match an agent’s sales process. Aged FEX leads are great for automated campaigns. To contact consumers at a high-intent moment, real-time FEX leads, final expense inbound calls, and final expense call transfers are ideal.

Simplified-issue policies continue to dominate the market

The final expense market has also benefitted from products that make purchasing life insurance relatively simple. According to the 2025 LIMRA/LIC data, [76%](#) of policies sold by participating carriers were simplified-issue policies, with an average face amount of **\$15,344**. Guaranteed-issue products accounted for the remaining **24%**, with an average face amount of **\$11,299**.

Simplified underwriting can reduce friction for both the consumer and agent. Electronic applications, automated underwriting, and access to prescription and other data can allow carriers to make decisions more quickly than traditional underwriting models. This is meaningful for final expense leads, because the entire sales process can increasingly be conducted by telephone or digitally. An agent receiving a real-time final expense lead or a final expense inbound call may be able to take the consumer from an initial inquiry to an application without requiring an in-person appointment and incurring costs associated with a lengthier sales cycle.

Independent agents still drive final expense sales

Despite the growth in digital distribution, final expense policy sales are still heavily driven by independent agents. Independent distribution accounted for approximately **75%** of final expense policies reported in the 2025 LIMRA/LIC survey, compared with **20%** through affiliated distribution, and only **5%** through direct-to-consumer channels.

As independent agents and agencies remain the primary distribution channel, they need a strong flow of consumers to speak with. Enter final expense leads. Some agencies build that pipeline with real-time final expense leads. Others depend heavily on final expense aged leads because they can purchase

greater volume at a lower cost per lead (CPL) (read our [blog](#), “Final Expense Lead Prices In 2026 What Insurance Agents Should Expect To Pay”). Larger operations may combine data leads with final expense inbound calls and final expense call transfers, allowing closers to spend more time speaking with consumers who are already on the telephone.

There is no singularly best final expense lead strategy. The final expense leads that will ultimately result in the highest close rate for an agency depend on many factors, including the agency’s:

- Staffing
- Dialing capacity
- Technology
- Sales process
- Customer acquisition budget

Final expense aged leads can provide scale

Aged FEX leads remain particularly interesting in the final expense market, because the underlying consumer need does not necessarily disappear when the lead becomes older. Someone who requested burial insurance information 60, 90 or 180 days ago may still need coverage today. Just because the original inquiry occurred several months ago, the consumer continues to age, and their family situation and concern about end-of-life expenses may still make them a viable prospect for final expense.

Because of this, there is a high volume of final expense aged leads. They are particularly effective for agencies with strong outbound operations who are looking for massive volume. Instead of depending entirely on higher-cost real-time inquiries, producers can work larger datasets using an organized calling cadence, appropriate scripting, and persistent follow-up.

At The Leads Warehouse, we frequently describe the three major components of working leads as **cadence**, **deliverability**, and **scripting**. Those fundamentals are particularly important when working aged final expense leads because the economics depend on efficiently creating conversations from larger lead volumes. The best-performing aged final expense leads combine low price with massive volume for automation, which gives an agent the most consumer appointments.

Final expense inbound calls and call transfers can shorten the funnel

Not every agency wants to build its acquisition strategy around outbound dialing. Final expense inbound calls and final expense call transfers offer another model by connecting an agent with a consumer already participating in a telephone conversation. Instead of beginning with a data record and attempting to establish contact, the agency begins farther down the acquisition funnel. That can be valuable for agencies with experienced closers who need more live conversations.

The tradeoff is cost. Final expense calls generally cost substantially more than aged data because the lead generation and qualification processes have already moved the consumer closer to a conversation with the agent and potential close. Therefore, agencies need to measure more than the price of the lead or call. Ultimately, cost per acquisition (CPA) — the amount of lead spend needed to acquire a customer — is far more important than CPL.

Technology could make final expense distribution more efficient

The heightened use of technology is another reason that the final expense market is expected to be strong in 2027. [LIMRA](#) has specifically identified technological improvements that are making it easier to purchase life insurance and are expanding distribution reach. These improvements are in the areas of:

- Underwriting automation
- Digital applications
- Marketing
- Lead generation

For agencies, technology increasingly connects the entire acquisition process. A real-time final expense lead can post directly into a CRM or a dialer. Automated workflows can trigger follow-up. Call routing can distribute final expense inbound calls among available agents, while electronic applications can reduce the time between initial contact and a sale.

Technology does not eliminate the need for producers. Instead, it can make each producer more efficient. When contacted immediately after the lead is generated, real-time final expense leads can be among the highest contact rate final expense leads available to agents.

Final expense lead demand in 2027

The extraordinary **32%** premium growth reported for 2025 should not be treated as a permanent annual growth rate. The more important takeaway is that the underlying final expense market demonstrated significant consumer demand while carriers expanded distribution and agents became more productive.

Heading into 2027, the opportunity for final expense agencies is likely to remain tied to several enduring factors: an aging population, continued demand for affordable smaller-face-value life insurance, simplified underwriting, and an independent agent distribution system that requires a steady supply of prospects.

Lead buyers have opportunities across multiple acquisition channels. The best final expense leads from The Leads Warehouse can provide new consumer inquiries. Final expense aged leads can provide scalable outbound volume. Final expense inbound calls can generate immediate conversations, while final expense call transfers can put qualified consumers directly in contact with producers.

The agencies who have the strongest growth in 2027 will not necessarily be those paying the lowest price for leads. They will be the agencies that build a strong lead strategy, understand the economics of each channel, and build the sales infrastructure necessary to convert a predictable flow of final expense prospects into policies. Are you ready to talk about how you can grow your final expense sales pipeline?

About the author

James Schulze is the President and CEO of The Leads Warehouse, a marketing data company with over 20 years of experience in bringing lead generation solutions to companies selling into the home,

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If you would like more information on how you can grow your [final expense](#) insurance sales, give The Leads Warehouse a call at **1-800-884-8371** or visit our website at <https://theleadswarehouse.com>.

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