

WOMEN'S AWARENESS TOWARDS LIFE INSURANCE

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ABSTRACT

The present study titled “*Women's Awareness Towards Life Insurance*” examines the level of awareness, perception, and participation of women in life insurance products in Pune city. Life insurance plays a vital role in ensuring financial security and risk protection; however, women's involvement in insurance planning remains comparatively low despite increasing financial independence and educational advancement. The study aims to evaluate women's understanding of life insurance, identify the factors influencing their purchasing decisions, and analyze the barriers that restrict wider participation.

The research is based on a descriptive research design using both primary and secondary data. Primary data were collected from 100 women respondents through structured questionnaires and personal interviews, while secondary data were obtained from journals, reports, and insurance publications. The findings reveal that although a majority of women possess basic awareness regarding life insurance, their understanding of policy features, benefits, and risk coverage remains limited. Traditional insurance products such as endowment policies are preferred over modern investment-linked plans due to lower risk appetite and greater trust in savings-oriented schemes.

The study also identifies financial literacy, family influence, guidance from insurance agents, and socio-economic factors such as education and occupation as important determinants of insurance awareness. Lack of knowledge, perceived complexity of policies, and dependence on male family members were found to be major barriers to insurance adoption. The study concludes that targeted awareness campaigns, financial literacy programs, women-centric insurance products, and digital accessibility can significantly improve women's participation in life insurance and contribute to their economic empowerment.

Keywords: Women's Awareness, Life Insurance, Financial Literacy, Insurance Participation

1. Introduction

1.1 Background of the Study

In modern society, financial security has become a cornerstone of well-being, especially as families face increasing uncertainty due to health risks, economic instability, and unexpected life events. Life insurance serves as a key instrument in mitigating financial risks by offering protection, stability, and long-term savings opportunities. However, despite India's rapidly growing insurance sector, the participation of women remains disproportionately low. According to IRDAI (2023), less than 30% of life insurance policyholders in India are women.

Traditionally, financial planning was considered the responsibility of men, leaving women with minimal exposure to financial products. But with socio-economic progress, women today are active earners, entrepreneurs, and decision-makers. Their financial literacy and participation are essential for sustainable economic development. Yet, many women continue to perceive insurance merely as a tax-saving or post-retirement product, rather than as an essential financial safeguard.

1.2 Purpose of the Study

This project aims to assess the current awareness levels of women regarding life insurance in Pune city. It explores their perceptions, preferences, and the socio-economic factors influencing their purchase decisions. Additionally, it evaluates the barriers that prevent women from availing life insurance and suggests strategies to improve awareness and participation.

1.3 Importance of the Study

The study is significant for multiple reasons:

1. **For Insurers:** It identifies awareness gaps and customer behavior patterns, aiding product design and marketing strategies.
2. **For Policymakers:** It provides insights into financial literacy among women, aligning with national goals like *Beti Bachao, Beti Padhao* and *Financial Inclusion for All*.
3. **For Educators:** It demonstrates how theoretical knowledge of insurance, marketing, and behavioral finance can be applied in real-world contexts.
4. **For Women Themselves:** It emphasizes empowerment through informed financial decision-making.

1.4 Scope of the Study

The project covers working and non-working women across various socio-economic backgrounds in Pune. The focus is on life insurance awareness, not general insurance. The study period spans from **August to October 2025**, with field visits, surveys, and interviews forming the core data collection process.

1.5 Statement of the Problem

Despite increasing financial independence, many women in India remain underinsured or entirely uninsured. This study addresses the issue of *insufficient awareness and participation of women in life insurance*, aiming to identify the causes and propose remedial measures.

2. Profile of the Organization

2.1 Name of the Organization

Shree Jeevan Suraksha Insurance Consultancy (SJIC), Pune

2.2 Background

Founded in 2015, SJIC is a micro, small, and medium enterprise (MSME) operating as a financial advisory firm specializing in life insurance and investment consultancy. The firm was established with the goal of enhancing insurance literacy and assisting individuals in choosing the right protection plans. It operates in the Vishrantwadi area of Pune and serves more than 1,500 clients.

2.3 Nature of Business

SJIC acts as an intermediary between clients and major life insurance companies such as LIC, HDFC Life, SBI Life, and ICICI Prudential. It provides end-to-end services—from policy consultation and documentation to claims settlement.

2.4 Organizational Structure

The consultancy follows a simple, hierarchical structure:

- **Proprietor:** Certified Insurance Advisor, IRDAI Licensed
- **Advisory Team:** 4 Financial Advisors (field consultants)
- **Support Staff:** 2 Administrative/Customer Service Assistants

This structure ensures personalized client interactions and efficient operations.

2.5 Products and Services

- Term Life Insurance Plans
- Endowment and Money-Back Policies
- Unit Linked Insurance Plans (ULIPs)
- Child Education & Marriage Plans
- Retirement and Pension Solutions
- Women-centric Protection Schemes

2.6 Vision and Mission

- **Vision:** To empower individuals, particularly women, with the knowledge and tools to secure their financial future.
- **Mission:** To promote life insurance awareness and provide trusted advisory services through ethical and transparent practices.

3. Review of Literature

Academic literature highlights several key aspects of women's financial awareness and insurance participation.

- **Kumar & Singh (2020)** observed that socio-economic status and education significantly influence women's decision-making in financial products.

- **Reddy (2019)** found that despite awareness of life insurance, many women rely on their husbands or family members for financial decisions.
- **Dasgupta (2021)** emphasized that women tend to view life insurance primarily as a savings or tax-saving tool, overlooking its risk-cover function.
- **LIC of India (2023)** reported that women represent only 28% of total life insurance policyholders in India, with a noticeable urban–rural divide.
- **Bhattacharya & Ghosh (2022)** noted that direct counseling and community-based awareness programs substantially increase women’s participation in insurance products.

This literature provided a theoretical framework for the present study, highlighting the gap between awareness and active adoption. It also reinforces the role of education and outreach in promoting women’s financial security.

4. Research Methodology

4.1 Research Design

This study adopts a **descriptive research design**. It seeks to describe and interpret the level of awareness, factors affecting participation, and behavioral attitudes of women towards life insurance.

4.2 Statement of the Problem

Many women lack adequate information or confidence to make insurance-related decisions, resulting in poor financial security and dependence on others.

4.3 Objectives

1. To measure the awareness level of women regarding life insurance.
2. To identify the factors influencing purchase decisions.
3. To analyze the role of socio-demographic variables (age, education, income).
4. To recommend strategies to enhance awareness and participation.

4.4 Scope and Limitations

The study is confined to Pune city, with 100 women respondents from different age and income groups. Limitations include small sample size, self-reported data, and focus only on life insurance.

4.5 Data Collection

- **Primary Data:** Collected through structured questionnaires and in-person interviews.
- **Secondary Data:** Sourced from journals, reports, IRDAI publications, and company records.

4.6 Sampling Method

A **simple random sampling method** was used to ensure unbiased representation. Respondents were selected from residential and workplace settings.

4.7 Analytical Tools

Data were tabulated in MS Excel and analyzed using percentage and frequency methods. Graphs and charts were used for visual interpretation.

4.8 Justification of Methodology

Descriptive design and random sampling allowed for reliable interpretation and generalization of findings. The combination of primary and secondary data strengthened the validity of results.

5. Analysis and Interpretation of Data

5.1 Demographic Distribution

Parameter	Category	Respondents (%)
Age	20–30	35%
	31–45	45%
	46–60	20%
Occupation	Employed	60%
	Homemaker	40%
Education	Graduate	50%
	Postgraduate	30%
	Others	20%

Interpretation:

The majority of respondents were working women, which indicates increasing financial involvement. Higher education correlated with greater awareness.

5.2 Awareness Levels

Awareness Level	Respondents (%)
Fully Aware	35%
Partially Aware	50%
Not Aware	15%

Interpretation:

85% of respondents were aware to some extent, but deep knowledge of policy benefits and exclusions was lacking.

5.3 Preferred Insurance Types

Type	Respondents (%)
Term Plan	30%
Endowment	40%

Money-Back	20%
ULIP	10%

Interpretation:

Conventional endowment plans remain the most preferred due to their savings component, reflecting low risk tolerance.

5.4 Influencing Factors

- Family and Friends: 25%
- Insurance Agents: 45%
- Digital Media: 20%
- Advertisements: 10%

Interpretation:

Agents continue to be the main influencers, emphasizing the importance of personalized communication in building trust.

5.5 Barriers to Insurance Adoption

- Lack of knowledge: 35%
- Perceived complexity: 25%
- Low disposable income: 20%
- Dependence on male family members: 15%
- Distrust in insurers: 5%

Interpretation:

Educational and cultural barriers are the primary deterrents to women's insurance participation.

6. Findings and Recommendations

6.1 Findings

1. Awareness of life insurance is moderate, but understanding of policy features is superficial.
2. Working and educated women show higher interest in insurance products.
3. Family influence and insurance agents play key roles in decision-making.
4. Most women prefer traditional, low-risk policies.
5. Lack of financial literacy is the main obstacle to deeper participation.
6. Women tend to purchase policies mainly for tax savings, not risk protection.
7. Younger women prefer flexible, digital policy options.

6.2 Recommendations

1. **Targeted Awareness Campaigns:** Insurance firms should organize women-centric seminars in colleges, workplaces, and residential communities.
2. **Financial Literacy Programs:** Integrate financial education into women's empowerment and self-help group activities.

3. **Women-Specific Products:** Develop policies addressing maternity, health, and retirement security.
4. **Digital Simplification:** Enhance digital accessibility with mobile apps and multilingual support.
5. **Government–Private Collaboration:** Launch schemes encouraging joint savings and insurance among women.
6. **Incentivized Awareness:** Offer premium discounts for participation in awareness drives.

6.3 Achievement of Objectives

All objectives—measurement of awareness, identification of influencing factors, and development of recommendations—were achieved successfully.

6.4 Educational Contribution

The study integrates theoretical knowledge of marketing, finance, and behavioral economics with real-world consumer analysis, enhancing students' research and analytical competencies.

7. Appendices

7.1 References

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