

# Impact Of Working Women Behaviour Towards Life Insurance

Dr. Ritesh Amarsela

*Associate Professor & Head of Department*

*Drs. Kiran and Pallavi Patel Global University*

**Abstract**—This research explores working women's behaviour towards life insurance is influenced by arrange of factor, including financial independence, awareness, SOCIO Cultural norms, and economic status. As women increasingly contribute to household income and hold stable careers, they recognize the importance of securing their families' financial future through life insurance. However, many working women face challenges like limited financial literacy, the complexity of insurance products, and cultural expectations that prioritize family needs over personal financial security. Additionally, financial constraints and the lack of tailored insurance options often discourage them from investing in life insurance to address these barriers, insurance companies must offer affordable, simplified policies and engage in targeted financial literacy programs, enabling working women to make informed decisions. By understanding these factors, insurers can create products that cater to the unique needs of working women, empowering them to take control of their financial futures

**Index Terms**—Life Insurance, Insurance taker behaviour, financial independence, working women behaviour with insurance, Insurance policy and Risk-taking behaviour.

## I. INTRODUCTION

An essential part of the global financial system, the insurance sector offers a way for people and companies to transfer and reduce risks. By combining the premiums of numerous policyholders, insurers serve as financial middlemen, covering the losses of the few who suffer insured occurrences. The entire industry is based on the fundamental idea of risk transfer and pooling.

### 1.1. Key Functions of Insurance:

**Risk Transfer:** In return for a premium, insurance enables people and companies to shift the financial weight of possible losses to an insurer.

### Loss Prevention and Mitigation:

By offering premium discounts and encouraging safety precautions, insurers frequently encourage risk-reducing behavior. They also contribute to recovery and mitigation after a loss.

### Savings and Investment:

Long-term financial planning is made easier by the savings and investment component included in life insurance and annuity products.

### Cash Formation:

An important source of cash that can be invested and support economic expansion is the premiums that insurance companies collect.

### Economic Stability:

The insurance sector supports the general stability and resilience of the economy by offering financial protection against possible losses.

#### 1.1.1. Types of Insurance:

A vast range of products intended to address different risks are included in the insurance market.

#### Among the primary categories are:

**Life insurance:** Offers beneficiaries monetary security in the event of the insured's passing. It may also contain elements related to investments and savings. Term life, whole life, and endowment policies are a few examples.

General insurance: often known as non-life insurance, covers damages resulting from circumstances other than death. This group consists of: Property insurance: such as fire or homeowner's insurance, guards against loss or damage to tangible things including houses, buildings, and personal possessions.

Casualty Insurance:

Provides coverage for third-party injuries or damages

Health insurance:

Pays for medical bills brought on by disease or trauma.

Motor insurance:

Offers protection for automobiles against damage, theft, and accidents in addition to third-party liability.

Marine Insurance:

Provides coverage for losses incurred during maritime cargo transit.

Crop insurance:

Guards against financial losses brought on by pests or natural disasters.

Cyber Insurance:

Protects against monetary damages brought on by data breaches and cyber-attacks.

Reinsurance is insurance that insurance firms buy to shift part of their risk to other insurers, giving them more financial stability and capacity.

## 1.2. World Market Overview

The global insurance market is a huge and ever-changing industry that is impacted by population changes, economic expansion, technology breakthroughs, and regulatory modifications

### 1.2.1. Key Trends in the Global Insurance Market:

- Digitalization and Insurtech: From product development and distribution to underwriting and claims processing, technology is revolutionizing every step of the insurance value chain. Startups in the insurtech sector are posing a threat to established business methods and offering creative alternatives. The use of cloud computing, big data analytics, artificial intelligence (AI), and the Internet of Things (IoT) is growing.

- Aging Population and Healthcare Costs: The need for life insurance, annuities, and insurance products linked to healthcare is being driven by aging populations in many developed nations. Another significant issue and opportunity facing the insurance sector is the rise in healthcare expenditures.
- Climate Change and Natural Catastrophes: As a result of climate change, natural disasters are occurring more frequently and with greater intensity, which is driving up insurance claims and raising attention to risk modeling and sustainable insurance practices.
- Changing Customer Expectations: Consumers are calling for insurance experiences that are more convenient, transparent, and individualized. This is pushing insurers to improve their customer engagement tactics and digital capabilities.
- Low-Interest Rate Environment: In many regions of the world, consistently low interest rates have put pressure on insurers' investment income and profitability, necessitating adjustments to their pricing and investment strategies.
- Regulatory Environment: To safeguard policyholders and maintain the stability of the financial system, the insurance sector is governed by extensive regulations. The market is still being shaped by regulatory developments pertaining to consumer protection, risk management, and capital requirements.
- M&A: As businesses look to attain economies of scale, broaden their geographic reach, and acquire new technologies and capabilities, consolidation is nevertheless a hallmark of the global insurance market.

### 1.2.2. Recent Performance:

The worldwide insurance market grew by an expected 7.5% in 2023, the fastest since 2006, according to Alliance's worldwide Insurance Report 2024. With balanced growth in the life, property & casualty (P&C), and health divisions, global premiums reached EUR 6.2 trillion. However, because of strong inflation, premium rise was relatively modest in actual terms. After several years of growth, Marsh's Global Insurance Market Index for Q4 2024 showed a second consecutive quarter of overall rate declines in global commercial insurance. While rates increased in Latin

America and the Caribbean and India, the Middle East, and Africa (IMEA), this softening was more noticeable in areas like the UK and the Pacific.

### 1.3. Indian Market Overview

The insurance market in India is ranked as the tenth largest in the world and is thought to be expanding at one of the fastest rates. It is distinguished by a sizable and youthful populace, rising incomes, growing awareness of the need for insurance, and a regulatory framework that is encouraging.

#### 1.3.1. Key Features of the Indian Insurance Market:

- **Dominance of Life Insurance:** Compared to non-life insurance, the life insurance category presently holds a higher part of the Indian insurance industry. Insurance products that are tied to investments are very well-liked.
- **Growth Potential:** Both the life and non-life insurance industries have a lot of room to develop given India's robust economic growth and low insurance penetration rates when compared to worldwide standards. By 2032, India's insurance market is expected to rank sixth, according to Swiss Re.
- **Growing Private Sector Participation:** As a result of the insurance industry's deregulation, more private companies have entered the market, boosting competition and creativity. The majority of the general insurance market is currently owned by private sector businesses.
- **Regulatory Framework:** In order to safeguard policyholder interests and encourage the industry's

orderly expansion, the Insurance Regulatory and Development Authority of India (IRDAI) supervises and controls the insurance business. Initiatives and changes like the "Insurance for All by 2047" mission have been introduced by the IRDAI in a proactive manner.

- **Distribution Channels:** Agents, brokers, banks, direct sales, and increasingly digital platforms are some of the channels used in India to market insurance goods.
- **Emphasis on Digitalization:** To improve customer satisfaction, boost operational effectiveness, and broaden their customer base, Indian insurers are progressively implementing technology. In the Indian market, insurtech is also becoming more popular.
- **Increasing Health Insurance Awareness:** The COVID-19 pandemic has raised awareness of the value of health insurance in India, which has raised demand for goods related to health.
- **Emerging Risks:** As a result of quick economic growth and shifting lifestyles, new risks including cyber and climate-related hazards are becoming more significant, opening up markets for specialist insurance products.
- **Low Penetration and Density:** In comparison to developed and some other emerging economies, India's insurance penetration (premiums as a % of GDP) and insurance density (per capital premium) are still low, despite its size, suggesting substantial potential for ex

## II. LITERATURE REVIEWS

NO.	AUTHOR NAME	MONTH& YEAR	TITLEOFRESEAR PAPER	CHRESEARCHOBJECTIVES
1	S. Pradeepa& A. A. Ananth	July- December 2017	Awareness Level of Women Policy holder towards LIC's Policies in Chennai City	To find out association between the demographic factors and awareness level of Life Insurance Corporation products by an insured woman. To-provide suggestions to improve the awareness level among women in investing-in LIC.
2	Yashomandira Kharde	Feb-2018	Influence of Intentions on Buying Behaviour of women towards Insurance Purchase: An Empirical Study	To identify elements which form the purchase intention on the buying behaviour of women. To strength the market penetration through increase buying behaviour of women.

3	Aman- DeepKaur Sidhu & Dr. Rajni Saluja	October-2017	Work life balance: biggest challenge of modern-day working women in Punjab	To examine the present Work life balance among females working in banks and insurance companies in Punjab. To recommend policy measures regarding Work Life Balance among working women.
4	Dr. T. Sundareswaran & Dr. S Brindha	April-2019	A Study on investment behaviour of women towards mutual funds and life insurance policies in the Thrissur district	To analyze women investor's behaviour in various investments To study the mutual funds and life insurance schemes preferred by women
5	Ms. S. Pradeepa & Dr. A. Ananth	Septembr- 2022	Investment decisions and challenges of working women policyholder towards life insurance corporation in Chennai city	To ascertain the SOCIO - ECONOMIC profile of women policy holder in association with life insurance corporation in Chennai. To identify the problem faced by selected women policyholder in Chennai.
6	Khaleda Akter	July-December 2018	Behaviour of working women on convenience food buying A study from Bangladesh Perspectives	To identify the factors consisting of working women buying behaviour on convenience food To explain how they make decisions about their convenient food purchase and consumption
7	R. Harini & Dr. R. Savithri	July-2021	A study on the investment behaviour of working women with reference to Chennai city	To find out the various investment portfolios opted by working women. To rank them preferred Invested portfolio
8	Dr. Vivek Mittal Nidhi Aggarwal	Issue1-2017	Investment behaviour of working women- A study of Ludhiana district in Punjab	To Study of the attentiveness of women towards investments To study the investment preferences of workingwomen.
9	Dhirendra Singh Parihar Manmohan Rahul	Issue5-2019	Effect of consumer characteristics on the purchase behaviour towards Life Insurance	To study the effect of demographic variables on consumer attitude towards life insurance.
10	Mr. Anil Kumar Mahra	May-2016	Financial literacy and pattern of savings, investment behaviour of women teaching faculties in Saga region an empirical Assessment	To measure the financial knowledge and awareness levels of women teaching faculties. To Analyse & understand the savings and investment patterns of the women teaching faculties.

### III. OBJECTIVES OF THE STUDY

- 1) To examine the awareness level of working women regarding various life insurance policies available in the market.
- 2) To identify the factors influencing working women's decisions to purchase life insurance
- 3) To analyze the preferences of working women regarding types of life insurance plans
- 4) To evaluate the role of income, age, and family status in shaping the insurance- buying behavior of working women.

### IV. RESEARCH METHODOLOGY

#### Research Design:

The study will use a Descriptive Research Design. It aims to describe and analyze the consumer behaviour and transaction patterns linked with digital wallet usage in a structured and quantifiable manner.

#### Sources of Data:

PRIMARY DATA: Collected from at least 201 respondents in Gujarat using a structured questionnaire via a Google Form.

**SECONDARY DATA:** Sourced from journals, government reports, financial publications, and life insurance platforms in websites.

**Sampling Method:**

**Sampling Technique:** Non-Probability Convenience Sampling

**Sample Size:** Minimum of 201 respondents

**Target Respondents:** The target population for this study includes individuals of all Working women employment statuses residing in Gujarat who engage in insurance policies and have experience using Working women towards life insurance

## V. FINDINGS

### 1. Demographic Profile:

- The respondent group is predominantly young, with 84.6% aged between 18-31 years.
- A majority (58.7%) of the respondents are single.
- Most respondents (68.7%) do not have children.
- The education level is relatively high, with 50.7% holding a Bachelor's Degree and 35.8% holding a Master's Degree.
- A significant portion (55.2%) of respondents have an annual income of less than ₹25,000.
- 71.1% of the respondents are employed full-time.

### 2. Awareness and Understanding of Life Insurance:

- 71.1% of respondents have heard of life insurance.
- Self-reported understanding of life insurance products is moderate, with 27.4% rating their understanding as "3" on a scale of 1 to 5.
- Family/Friends (58.2%) and Insurance Agents (34.8%) are the primary sources of information about life insurance.
- 60.7% of respondents are aware of the different types of life insurance policies.
- Opinions on the importance of life insurance for working women are varied.

### 3. Attitudes and Behavior Towards Life Insurance:

- 65.7% of respondents currently have a life insurance policy.
- Among policyholders, term life (40.3%) and whole life (29.4%) are the most common types of policies.
- 61.2% of those without a current policy have considered purchasing life insurance in the past.
- The primary motivating factor for purchasing life

insurance is financial security for family (52.7%).

- The main barriers preventing the purchase of life insurance are high premiums (44.3%), lack of disposable income (29.4%), and lack of understanding (30.8%).
- Family/Spouse (46.3%) and Insurance Agents (17.4%) are the primary influences in life insurance purchase decisions.
- Comfort levels in discussing financial matters, including life insurance, vary.
- A significant concern among respondents is trust in insurance companies (41.8%).

## VI. CONCLUSION

### 1. Targeted Financial Literacy Programs:

Develop financial literacy programs tailored to the young adult demographic, focusing on the importance and types of life insurance.

Educational initiatives should address the complexity of insurance policies to improve understanding and reduce purchase barriers.

### 2. Affordability Solutions:

Insurance providers should explore offering more affordable life insurance options to address the concern of high premiums and lack of disposable income among respondents.

### 3. Building Trust:

Insurance companies should focus on enhancing transparency and building trust to alleviate concerns among potential customers.

### 4. Leveraging Social Influence:

Recognizing the significant influence of family and friends, consider incorporating peer influence and family-focused messaging in marketing campaigns.

### 5. Digital and Online Engagement:

Expand the use of online resources and digital platforms to provide information and facilitate access to life insurance products, given the increasing importance of these channels.

6. Gender-Specific Approaches:

Further research and targeted strategies may be beneficial to address the varied perspectives on the importance of life insurance for working women.

7. Promoting Open Communication:

Encourage open discussions about financial matters, including life insurance, to facilitate better financial planning

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