

Periodic Research

Gender Disparity in Life Insurance in Rural India: With Special Reference to Sultanpur Khas Village of Prayagraj District of Uttar Pradesh

Paper Submission: 01/08/2021, Date of Acceptance:22/08/2021, Date of Publication: 23/08/2021

Abstract

This paper focuses on the gender disparity in the life insurance sector and highlights the reasons why women's life should be insured. This micro study substantiates the fact based on the primary data from SultanpurKhas village of Prayagraj District of Uttar Pradesh. Two hypotheses have been tested to check the objective of gender equality in the life insurance sector. With the continuous decline of the joint family system in India, the issue of the life insurance for women is becoming more and more important.

Keywords: Life Insurance, Gender Disparity, Rural India.

Introduction

Insurance in India is itself in an early stage, and the life insurance segment of the insurance industry needs more government attention than the general insurance segment. For India, it is a large untapped market. It has a huge potential to grow in urban as well as in rural markets. But in rural India, the potential is comparatively high along with greater difficulties to tackle with. Gender issue is one of the several striking problems in rural India which the life insurance business has to face. There is a low penetration of life insurance in the rural market in itself and there is a sharp difference between facts revealing the behavior for life insurance among male and females. Life and related insurance is essential for protecting hard earned assets and safeguarding future lifestyle and commitments. It doesn't matter that a female partner supplies a monetary contribution in the household, her presence is irreplaceable. Both partners are assets to the family household whether both earn an income or one stays at home to manage the household. Even the stay-at-home parent doesn't earn a regular income for the household, they can save a lot of money a year that might be otherwise spent on cleaning, washing, child caring and much more. If a stay-at-home parent was no longer around or able to provide the usual – and substantial – help they offer a household. Think of the expenses that may accrue to cover the gap in her services. It could be as little as an ironing bill or as hefty as a school vacation care program for the kids, while the other parent is at work. Whatever it is, the expenses start to stack up after a while. That is why it is important to consider both the partners in a family life insurance policy. But the reality is different. Women lag behind men in having life insurance cover & the situation is worse in rural India.

Objective of the Study

The objective of this study is to highlight the lagged participation of women in the life insurance sector as compared to male and to bring forth the problems of life insurance in general and the problems faced by women in India in particular substantiated by the primary data used in the study. The primary objectives can be grouped as follows;

1. To find out the gender disparity in knowledge of life insurance.
2. To find out whether women find it more difficult to buy life insurance products?

In an article by Aegon Life it is said that a women's contribution to the finances of a family can't be ignored and they provide much more than males in household matters. It is the time when women know their importance in their loved one's lives. They need to get themselves adequately insured.

Gargee Banerjee in her article says that women should realize that if they are sharing every other responsibility of the family, they must get some smart financial planning as well that can secure them against any uncertainty. Life insurance plans can be the vehicles that can be used for savings as well as investments.

According to Census of India 2011, the population of Sultanpur Khas



Sandeepa Biswas

Assistant Professor,
Dept of Economics,
University of
Allahabad, Prayagraj,
Uttar Pradesh, India

village of Mau Aima CD Block (location code no. 160982) was 4700 with 2379 males and 2321 female and sex ratio 976.

Review of Literature

There is a shortage of adequate literature on this issue. Many problems need deep research and policy formulation.

Methodology

Type of Study

The study will be based on both qualitative and quantitative methods. Qualitative method has been used to gather an in-depth understanding of male and female behavior for life insurance and the reasons that govern such behavior. Besides this, a quantitative method has been used to examine the phenomenon through observations in numerical representations and through statistical analysis.

Sampling Method

The random sampling method has been used in this study to obtain a more scientific result that could be used to represent the entirety of the population.

Data collection was conducted in the market area as well as in the houses to include working and non-working men and women.

Respondents

The respondents in this research paper will all be coming from one single location – SultanpurKhasvillage of Allahabad District. This village has been chosen because of its socio-economic condition which is relevant to the study and also as it fits the time frame and resources. The randomly sampled respondents will be asked for consent and approval to answer the questionnaire until the desired number of respondents which is 100 is reached. This number is divided into 50 males and 50 female respondents.

Questionnaire

The dichotomous question form has been used and the answers have been taken in ‘YES’ or ‘NO’.The questionnaire requires information about the behavior pattern of male and female for life insurance. It also has questions related to their awareness for life insurance. It has questions related to their income and their respective experience with their agents.

Time frame

The data was collected in September-October,2018.

Hypothesis

The hypothesis of this paper is:

1. H₀: There is no association between gender

and knowledge of life insurance policy and more females know about life insurance.

- H₁: More males know about life insurance policies.
2. H₀: The difficulty faced in purchasing life insurance policy is free from gender and more male face difficulty in purchasing life insurance policy.
- H₁: Females face more difficulty in purchasing life insurance policies.

Analysis

In this section of the paper, the outcome of the entire data collected from 100 respondents- 50 males and 50 females from SultanpurKhas village of Allahabad District, are tabulated in easy to understand, having in mind the objectives of the study. The section will also test the hypotheses as framed in the previous section.

Table 1: Relation between gender and knowledge of life insurance.

Gender	Do you know about life insurance		Total
	No	yes	
Male	1	49	50
Female	7	43	50
Total	8	92	100

Source: Primary data

Table 1 reveals that only one male said that he didn't know about life insurance against seven females for the same. In other words only 2% of male sample population doesn't know about life insurance while it is 14% for the female. It can be inferred that gender affects the knowledge about life insurance.

A separate analysis was undertaken to test the hypothesis that knowledge of life insurance is affected by gender. As the researcher is interested in the frequency of responses the Chi square test is conducted. Since no secondary data is available, the researcher has taken 50% as the probability of answering 'yes' and 50% for 'no'.

1. H₀: There is no association between gender and knowledge of life insurance policy and more female know about life insurance.

The results are as follow:

Table 1.a : Results of Chi square test for the values of table 2 (the proportions among the responses of the respondents)

Gender	Do you know about life insurance				df	Pearson Chi Square	Asymp. Sig (2-sided) P Value	Fisher's Exact Sig. (2-sided)	Fisher's Exact Sig. (1-sided)	Significance
	no	Expected	yes	Expected						
Male	1	4	49	46	1	4.891	.027	.059	.030	Significant at 5%
Female	7	4	43	46						
Total	8	8	92	92						

Chi Square test data

Fisher's exact sig. the value for one sided test .03 is lower than .05, so the H₁ has been accepted which states that there is a significant association between gender and knowledge of life insurance and that more males know about life

insurance. The P value .027 is also less than .05 (the alpha value), that would mean our result would be statistically significant.

**Table 2: Association between gender and difficulty in buying life insurance policy
Gender * Do you find buying life insurance very difficult**

Gender	Do you find buying life insurance very difficult		Total
	No	yes	
Male	40	10	50
Female	28	22	50
Total	68	32	100

Source: Primary data

Table 3 shows that 40 (80%) males said they don't have any difficulty in purchasing life insurance against only 28 (56%) females. Only 10 (20 %) males find difficulty in purchasing life insurance while 22 (44%) females find it difficult to buy life insurance products.

2. H₀: The difficulty faced in purchasing life insurance policy is free from gender and more male face difficulty in purchasing life insurance policy.

The results are as follow:

Table 2.a: Result of Chi square test for the values of table 3 (the proportions among the responses of the respondents)

Gender	Do you find buying life insurance policy very difficult				df	Pearson Chi Square	Asymp. Sig (2-sided) P Value	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Significance
	no	Expected	yes	Expected						
Male	40	34	10	16	1	6.618	.010	.018	.009	Significant at 5%
Female	28	34	22	16						
Total	68	68	32	32						

Chi Square test data

Fisher's exact sig. value for one sided test .009 is lower than .05, so the H₁ has been accepted which states that there is a significant association between gender and difficulty faced in purchase of life insurance and that more females find it difficult to buy life insurance products. The P value .010 is also less than .05 (the alpha value), that would mean our result would be statistically significant.

Different reasons behind the lagged participation of females in life sector policy purchase

In India, the work of women is still not counted as a contribution to economic growth. Their economic value is still considered substandard. A

country, where there was a custom that women can eat after all the family members had finished their lunch or dinner it is unfair to expect that women will be financially insured.

Conclusion & Suggestions

Women are performing very well in so many areas of the economy and society but still they are the victims of neglect and inequality due to a number of social and cultural orthodox. Like other fields life insurance is also suffering from gender disparity and needs a proper solution along with government policy formulation. Women are deprived from education and mostly do not contribute to the income generation. They are

deprived of social security also. This makes their condition vulnerable which poses risk for the whole family. In the current time, when the joint family system is losing its roots, women should be equally insured as the men so the family can take the help of baby care takers in the situation of some miss happening.

No one can fill the vacuum of a missing person but by life insurance one definitely may stabilize in the financial disturbances created by the accident of any kind.

References

1. Agarwal, D.R, *Quantitative Methods, Chi Square Distribution, 4th Edition, ISBN: B1-8281-025-6, Pg no. 1100*
2. Banerjee, Gargee., "Why do working women need life insurance?", *Tomorrow Makers, Home/ Life Insurance, 21 May, 2015.*
3. *C D Blockwise Primary Census Abstract Data, Office of Registrar General and Census Commissioner, Ministry of Home Affairs, India*
4. Cox. Graham., *Vice President, Met Life Life Insurance Product Manager, "How HR can help address the gender disparity in life insurance coverage".*
5. Kothari, C.R, "Research Methodology: Methods and Technology", ISBN: 978-81-224-1522-3, Pg no. 237.
6. *www.aegonLife, Home/Insurance Plan/Life Insurance/ Life Insurance For Women*