RURAL WORKING WOMEN POLICYHOLDERS AWARENESS ON THE POLICIES OFFERED BY LIC

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ABSTRACT

A few decades back the value of the women is considered to be less while comparing to the men and her home wasn't considered worth in insuring, but now it have been changed. Today the women's salary provides equal advantage for the family as men. Life Insurance Corporation provided N number of policies especially for the women's. Even in the competitive environment and in pandemic situation insurance industry in India reach gross premium of 7.31 trillion by this year. A study was carried out among 250 rural working women policyholders to analyze the awareness on the policies offered by the LIC. It reveals that rural working women policyholder personal variables and their level of awareness have significant difference with Marital Status.

Keywords: *Rural, Working Women, Life Insurance Corporation, Polices, Awareness*

INTRODUCTION

"Future of India lies in Village"- Mahatma Gandhi

In 2020, the India's population was 1,384,660,352 out of these 66.3cr of population constitutes women, and in this 27.5% of women was employed. Presently the society started realizing the importance of the women. Nowadays women occupying important positions in top notch corporate houses along with being an excellent house maker. Since women are on the run continuously sometimes for their homes and sometimes for their outdoor work it is very essential for women to take care of their health. Most of the insurance companies in India today have both life and health insurance policies especially for women like easy health individual plan, Jeevan Bharat-I, Jeevan Anand, LIC e-Term and Jeevan Suraksha (Business Maps of India.com). The

biggest reason a working women must buy the life insurance is not only to take care of her life but also adding to her household income.

LIFE INSURANCE CORPORATION OF INDIA

The insurance industry of India consists of 57 insurance companies of which 24 are in life insurance business and 33 are non-life insurers. Among the life insurers, Life Insurance Corporation is the sole public sector company. Apart from that, among the non-life insurers there are six public sector insurers (December 2020). In the financial year 2020 the gross premium for life insurance has reached upto Rs.7.31 trillion, premium for new life insurance business increased to Rs2.13 trillion and year-on-year growth rate of 15 percent. Overall insurance penetration in India has reached to 3.69 percent (Indian Brand Equity Foundation, 2020).

REVIEW OF LITERATURE

V. Manimegalai (2014) in her study entitled, " Expectations and satisfaction of consumers in rural market with the services offered by life insurance corporation of India revealed through factor analysis " portray that the policyholder are satisfied with the services offered by the LIC like feel safe, best interest, confidence error free record, prompt services and personal attention.

Altaf Ahamad Dar (2012) in his study entitled, "Awareness of life insurance" portray that there exists a significant association between the level of satisfaction and religion, type of family, occupation family income per month, educational status and socio- economic status.

STATEMENT OF THE PROBLEM

Today, the women are empowered collectively and are working shoulder to shoulder with men in almost every profession. Their contribution to household income has become very important to maintain life style and build better future for their wards. Many women today actually become the main breadwinner of co-breadwinner's but when it come to insurance, they regrettably underestimated their own values and don't take financial protection offered by life insurance against their life (Inderpal Ahluwalia, 2018). This raises the following questions: To what extent the rural working women are aware about life insurance? What is their level of awareness on the policies offered by LIC?

OBJECTIVES OF THE STUDY

The following are the objective of the study:

1. To assess the level of awareness of rural working women policyholder on the policies offered by LIC.

METHODOLOGY

1. Source of Data

The study is mainly based on primary data. Interview schedule was used to collect the opinion of the rural working women policyholders with regard their awareness on the policies provided by LIC. Secondary data have been used to explain the theoretical aspects of the study. Annual reports of IRDA as well as LIC and articles from journals, bulletins and websites form the secondary source.

2. Sampling

Coimbatore is an important commercial district in Tamil Nadu. There are six taluks in the Coimbatore district namely Coimbatore (North), Coimbatore (South), Mettupalayam, Pollachi, Sulur and Valparai. Two Hundred and Fifty respondents have been selected to express their opinion on the policies offered by adopting convenient sampling technique.

3. Frame Work of Analysis

Data collected from the respondents were edited and tabulated as per the requirements of the study. The collected data have been analyzed using Simple Percentage, Chisquare Test.

SIGNIFICANCE OF THE STUDY

The result of the study will certainly be useful to rural working women policyholders, Life Insurance Corporation of India, Agents, Insurance Regulatory and Development Authority and the Government

LIMITATION OF THE STUDY

The area of the study is limited to Coimbatore District.

1. The sample size has been restricted to 250 only.

2. Accuracy and validity of the study very much depends on the open mindedness of the respondents.

FINDINGS OF THE STUDY

LEVEL OF AWARENESS

Policy awareness index is computed to identify the level of awareness of the earning women's on the policies offered. LIC offers 12 policies (Table 2). The respondents are rated on a three point scale. Answer to the questions ranges from one to three. Thus, the maximum score will be 36. The mean awareness is 49.34 and the standard deviation is 13.04, the score up to 36.16 is categorized as low; the score from 36.17-62.23 is categorized as medium; and the score above 62.24 is categorized as high;

Table1

Level of Awareness of Policies Offered

Level of Awareness	Number of Respondents	Percentage of Respondents
Low	16	6.4
Medium	189	75.6
High	45	18
Total	**250**	**100**

The table1 clearly depicts that 16 (6.4 percent) working women's have low level of awareness, 189 (75.6 percent) working women's have medium level of awareness and 45 (18 percent) working women's have high level of awareness.

Table 2 Level of Awareness on Various Plans

S.No	Policies	Level of Awareness		
		Highly Aware	**Aware**	**Not Aware**
1.	Whole life policy	94 (37.6%)	69 (27.6%)	87 (34.8%)

2.	Endowment policy	24 (9.6%)	57 (22.8%)	169 (67.6%)
3.	Money back policy	48 (19.2%)	64 (25.6%)	138 (55.2%)
4.	Pension policy	30 (12%)	60 (24%)	160 (64%)
5.	Term policy	42 (16.8%)	63 (25.2%)	145 (58%)
6.	Women policy	34 (13.6%)	50 (20%)	166 (66.4%)
17.	Children policy	43 (17.2%)	58 (23.2%)	149 (59.6%)
8.	Group insurance policy	10 (4%)	46 (18.4%)	194 (77.6%)
9.	Unit linked insurance policy	8 (3.2%)	38 (15.2%)	204 (81.6%)
10.	Health plan	42 (16.8%)	40 (16%)	168 (67.2%)
11.	Micro insurance plan	9 (3.6%)	33 (13.2%)	208 (83.2%)
12.	Single premium plan	19 (7.6%)	44 (17.6%)	187 (74.8%)

Table 2 portrays tat policyholders are highly aware on whole life policy followed by money back policy and children policy; aware on whole life policy followed by money back policy and term policy and are Not aware on micro insurance policy followed by unit linked insurance policy and group insurance policy.

VARIABLES ASSOCIATED WITH THE AWARENESS ON POLICIES OFFERED BY LIC

In order to find out the association between the select variables and the level of awareness on the policies offered, the following hypothesis is formulated and the results are shown in table3.

Ho: There exists no association between select variables and the level of awareness on the policies offered.

Table 3

Association of Personal Variables and Level of Awareness

Variables	Level of Awareness			Total	d.f.	X2
	Low (n=16)	Medium (n=189)	High (n=45)	(N=110)		value
Age						
Up to 27	5(6.94%)	52(72.2%)	15(20.84%)	72		
28-43	11(7.92%)	104(74.82%)	24(17.26%)	139	4	4.077
Above 44	0(0%)	33(84.62%)	6(15.38%)	39		
Marital status						
Married	0(0%)	20(95.23%)	1(4.77%)	21		
Unmarried	6(13.64%)	27(61.36%)	11(25%)	44	4	10.759*
Single	10(5.40%)	142(76.76%)	33(17.84%)	185		
Educational qualification						
Uneducated	1(2.5%)	37(92.5%)	2(5%)	40		
Up to HSC	4(10.53%)	27(71.05%)	7(18.42%)	38		
Diploma	1(6.25%)	13(81.25%)	2(12.5%)	16	10	10.368
UG	5(7.58%)	46(69.69%)	15(22.73%)	66		
PG	5(6.33%)	57(72.15%)	17(21.52%)	79		
Others	0(0%)	9(81.82%)	2(18.18%)	11		
Occupation						

Wage earners	1(2.12%)	42(89.36%)	4(8.52%)	47	
Business	2(6.46%)	21(67.74%)	8(25.80%)	31	
Govt.employee	2(8.33%)	17(70.83%)	5(20.83%)	24	
Pvt. Employee	7(7%)	74(74%)	19(19%)	100	10	7.706
Agriculturist	2(7.69%)	18(69.23%)	6(23.07%)	26	
Professional	2(9.09%)	17(77.28%)	3(13.63%)	22	
Others	0(0%)	0(0%)	0(0%)	0	
Family type					
Joint	10(6.41%)	114(73.07%)	32(20.51%)	156	2	1.805
Nuclear	6(6.39%)	75(79.78%)	13(13.83%)	94	
Family size					
Up to 2	0(0%)	23(95.83%)	1(4.17%)	24	
3-4	11(6.12%)	131(72.77%)	38(21.1%)	180	4	8.633
More than 5	5(10.86%)	35(76.08%)	6(13.04%)	46	
Earning members					
Up to 2	12(6.86%)	131(74.86%)	32(18.28%)	175	
3-4	3(4.34%)	53(76.81%)	13(18,85%)	69	4	2.688
More than 4	1(%16.67)	5(83.33%)	0(0%)	6	
Monthly income					
Up to 6,000	0(0%)	29(85.29%)	5(14.71%)	34	
6001-19000	8(7.76%)	71(68.92%)	24(23.2%)	103	4	6.475
Above 19000	8(7.07%)	89(78.77%)	16(14.16%)	113	
Family income					
Up to 15000	0(0%)	14(82.35%)	3(17.65%)	17	
15001-80000	14(8.76%)	117(73.12%)	29(18.12%)	160	4	4.376
Above 80000	2(2.72%)	58(79.46%)	13(17.80%)	73	
Total savings					
Up to 1200	1(7.69%)	9(69.23%)	3(23.08%)	13	
1201-25000	11(7.59%)	113(77.93%)	21(14.48%)	145	4	3.599
Above 25001	4(4.34%)	67(72.83%)	21(22.83%)	92	

Sources: Primary Data

Table 3 reveals that among the personal variables selected there exist a significant difference between the variable namely Marital Status whereas there does not exists a significant difference between the variables namely Age, Educational Qualification, Occupation, Family Size, Family Type, Earning Members, Monthly Income, Family Income and Total Savings.

SUGGESTION

❖ Policyholder tries to utilize the customized services to the maximum extent.

❖ Life Insurance Corporation frequently educates the rural working women policyholders on the salient feature of recently arrived policies and facilities through campus, seminars, meetings and advertisement.

❖ Agent should keep in regular touch with the customer.

❖ Insurance Regulatory Development Authority uses the mass media to spread the awareness of the policies among the rural and urban area customer.

❖ Government instigate special social security scheme for rural working women.

CONCLUSION

In India, the opened economic policy for the insurance industry has increased competition for players. The oldest and leading Life Insurance Corporation in India are facing very stiff competition from the new players entering the market especially with private insurance companies. In addition, incase of the insurance sector the reference women group plays a vital role. So keeping this aspect in consideration, leading insurance players should focus on service quality.

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