

Trends in Gender Disparities in Life Insurance Coverage in India

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Abstract: *This study explores gender disparities in the life insurance sector in India, focusing on policy ownership, women's participation in marketing, and regional variations. Despite significant growth in the sector, women remain underrepresented in both policyholders and the workforce. Using data from the Insurance Regulatory and Development Authority of India (IRDAI), the study examines trends from 2018–2023, revealing that while the proportion of women purchasing policies has increased, men still dominate the sector. The research also highlights regional variations, with states like Karnataka and Kerala showing higher female participation due to better literacy rates and targeted marketing. Furthermore, women's involvement in life insurance marketing is increasing, especially among private insurers, who are adopting gender-sensitive recruitment practices. However, Life Insurance Corporation (LIC) has seen a decline in female workforce participation, suggesting a need for structural changes. The study recommends policy interventions, such as financial literacy campaigns and gender-specific products, to close the gender gap in life insurance. By addressing these disparities, the life insurance sector can contribute to financial inclusion and women's empowerment in India*

Keywords: Gender disparities, life insurance, women policyholders, LIC, private insurers, financial inclusion, women's empowerment

I. INTRODUCTION

Life insurance plays a pivotal role in ensuring financial security, especially in countries like India, where socio-economic vulnerabilities are widespread. Over the past decades, India has experienced remarkable growth in the life insurance sector, driven by economic reforms, rising incomes, and increasing financial awareness. However, gender disparities remain a critical concern, particularly in policy ownership, participation in marketing, and representation among policyholders.

The life insurance sector has traditionally been male-dominated in India. Women, often marginalized due to socio-cultural barriers and economic dependence, have faced limited participation in financial products. Despite the rising emphasis on gender equality, significant disparities persist in life insurance coverage. This study delves into these disparities, analyzing trends in gender-based life insurance coverage, regional variations, and women's roles in the marketing of insurance products.

Data from the Insurance Regulatory and Development Authority of India (IRDAI) reveal that while the proportion of policies purchased by women has increased over the years, it still lags behind that of men. Furthermore, there are variations in how Life Insurance Corporation (LIC) and private insurers perform in terms of attracting female policyholders, with LIC generally performing better. Regional trends indicate higher participation rates in states like Karnataka and Kerala, highlighting the impact of education, economic development, and targeted marketing.

Women's involvement in life insurance marketing, a key focus of this research, has also shown distinct trends. Private insurers have increasingly embraced women as agents and advisors, capitalizing on their ability to cater to family-oriented products. This study adopts a comprehensive approach to examining these trends, aiming to shed light on existing disparities and provide actionable insights for promoting gender parity in the life insurance domain.

II. LITERATURE REVIEW

Gender inequality in financial inclusion has been a long-standing issue in India. Researchers like Ghosh and Vinod (2017) have highlighted that women often lack access to formal financial products due to socio-economic constraints and limited financial literacy. This gap is particularly evident in the life insurance sector, where male policyholders dominate (Mahapatra & Mitra, 2020). Studies underscore the role of cultural norms in shaping women's financial decisions, often relegating them to a secondary role in household finances.

Life insurance is not just a risk mitigation tool but also a significant contributor to women's economic empowerment. According to Sharma and Singh (2019), increased life insurance ownership among women leads to enhanced financial autonomy and a sense of security. However, barriers such as affordability, awareness, and trust continue to deter women, particularly in rural areas (Kumar, 2021).

Public sector insurers like LIC have historically been more accessible to women, offering simple, affordable products and leveraging their widespread network (IRDAI, 2022). In contrast, private insurers focus on targeted marketing and customized products, which are increasingly attracting women policyholders in urban areas (Chatterjee et al., 2021). However, private insurers still face challenges in rural outreach.

Regional disparities in life insurance penetration often correlate with literacy rates, socio-economic development, and state-specific initiatives. States like Kerala and Karnataka, with higher female literacy rates and economic participation, show greater gender parity in policy ownership (Rao et al., 2020). Conversely, states in northern and central India continue to lag, reflecting deep-rooted cultural and economic barriers (Pandey, 2021).

The participation of women in life insurance marketing is gaining attention. Women agents often bring a unique empathetic perspective, which aligns well with the relational nature of insurance products. Private insurers, in particular, have recognized this potential and implemented gender-sensitive recruitment practices (IRDAI, 2022). However, LIC has faced challenges in retaining its female workforce, attributed to rigid structures and limited career growth opportunities (Singh & Kaur, 2022).

RESEARCH GAP

While existing studies have explored the financial inclusion of women and general insurance penetration in India, there is a lack of detailed analysis on gender-specific trends in life insurance. Research on gender disparities in life insurance in India is limited in key areas like, comparing LIC and private insurers' performance with female policyholders, exploring state-specific variations, examining the evolving role of women in marketing, and analyzing trends since 2018. This study seeks to address these gaps and provide insights for improving gender equity in life insurance.

OBJECTIVES

- To Analyze Gender Disparities in Life Insurance Coverage
- To Evaluate the Performance of LIC and Private Insurers in Attracting Women Policyholders
- To Investigate Regional Trends in Women's Participation in Life Insurance Policies
- To Assess Changes in Women's Role in Life Insurance Marketing

III. RESEARCH METHODOLOGY

To address the research objectives, quantitative research techniques was used for a comprehensive analysis of gender disparities in life insurance coverage in India. Data was collected from secondary sources like IRDAI Reports for data on life insurance penetration, gender distribution, and market trends from 2018–2023. Descriptive analysis was conducted to identify trends in gender disparities, focusing on male vs. female policyholder data for the same period.

IV. ANALYSIS AND INTERPRETATION

The study was analysed the Trends in Gender Disparities in Life Insurance coverage in India in the point of Proportion of Policies on Women in the Life Insurance Sector, states /UT with highest share in number of policies bought by women to the total number of policies in that state/UT and Participation of Women in Life Insurance Marketing

Proportion of Policies on Women in the Life Insurance Sector

The life insurance sector in India has shown a steady increase in policies purchased by women, reflecting a growing awareness of financial security among women. While traditionally underrepresented in the financial sector, women now account for a significant share of life insurance policies. Factors like increasing financial literacy, government initiatives, targeted insurance products, and economic empowerment have contributed to this trend. However, the overall penetration is still below its potential, with socio-cultural and economic barriers persisting in many regions.

Table: 1.1 Proportion of policies on women in Life Insurance Sector

Year	2022-23		2021-22		2020-21		2019-20		2018-19	
Gender	Private	LIC	Private	LIC	Private	LIC	Private	LIC	Private	LIC
Male	69.85	64.19	71	64	73	65	73	66	73	61
Female	30.13	35.81	29	36	27	35	27	34	27	39
Total	99.98	100	100	100	100	100	100	100	100	100

Source: Annual Reports-IRDAI

The table 1.1 compares the gender distribution of life insurance coverage between private insurers and the Life Insurance Corporation (LIC) in India from 2018–2023

- The percentage of male policyholders in private insurers remains consistently high, ranging from 69.85% in 2022-23 to 73% in earlier years. This indicates that the majority of policyholders in the private sector have been male throughout the period.
- LIC shows a high proportion of male policyholders, with a steady share ranging from 61% in 2018-19 to 64.19% in 2022-23. The percentage in LIC, though slightly lower than private insurers, still reflects a dominant male presence.
- Female policyholders in private insurers have seen slight fluctuations over the years. The proportion ranged from 27% in 2018-19 to 30.13% in 2022-23. While there is a slight increase in the share of female policyholders, the percentage remains considerably lower than males.
- Female policyholders in LIC show a reverse trend, with a higher proportion of 35.81% in 2022-23 compared to 39% in 2018-19. This suggests that LIC has been slightly more successful in attracting female policyholders, though the percentage has decreased slightly in recent years.
- Both private insurers and LIC continue to have a larger proportion of male policyholders, with male policyholders consistently making up around 69-73% in the private sector and 61-64% in LIC. This reflects the ongoing gender disparity in life insurance coverage in India.
- The proportion of female policyholders in private insurers has seen a minor increase (from 27% in 2018-19 to 30.13% in 2022-23), suggesting some progress, though the gap remains substantial. LIC, on the other hand, has experienced a slight decline in female policyholders (from 39% in 2018-19 to 35.81% in 2022-23), indicating a potential area for improvement in attracting women.
- LIC seems to have a relatively better performance in attracting female policyholders compared to private insurers, but the gender gap is still significant in both segments.

The data highlights a persistent gender disparity in life insurance coverage in India, with men overwhelmingly dominating both LIC and private insurer markets. While the share of female policyholders has increased slightly in private insurance, there is still a long way to go to achieve gender parity. LIC's slightly better representation of women suggests a potential area of focus for private insurers to improve gender inclusivity through targeted marketing and product offerings.

Table: 1.2 Top 5 states /UT with highest share in number of policies bought by women to the total number of policies in that state/UT

Year	Top 1	%	Top 2	%	Top 3	%	Top 4	%	Top 5	%
2022-23	Karnataka	44.23	Kerala	43.96	Mizoram	42.97	Sikkim	42.6	Meghalaya	41.81
2021-	Karnataka	45	Kerala	44	Sikkim	42	Goa	42	Arunachal	41

22									Pradesh	
2020-21	Kerala	43	Sikkim	41	Andhra Pradesh	40	Lakshadweep	40	Puducherry	40
2019-20	Kerala	43	Andhra Pradesh	40	Mizoram	40	Puducherry	39	Tamil Nadu	38
2018-19	West Bengal	59	Meghalaya	49	Manipur	46	Assam	46	Arunachal Pradesh	44

Source: Annual Reports-IRDAI

The table 1.2 represents the share of total life insurance policies in the top five states for each year between 2018–2023. The above data was analysed below based on trends and state rankings.

Karnataka state was consistently ranked at the top in 2021–22 and 2022–23, with shares of 45% and 44.23%, respectively. This indicates a strong preference or accessibility for life insurance policies in the state during these years. Kerala was featured prominently across all years, consistently ranking in the top two with shares ranging between 43% and 44%. West Bengal showed a particularly high share (59%) in 2018–19 but dropped out of the top five in subsequent years, suggesting a potential shift in policyholder demographics or distribution channels. Sikkim and Mizoram states were emerged as strong contenders in multiple years, with shares consistently exceeding 40%, signaling growing insurance penetration in smaller northeastern states.

States like Mizoram, Sikkim, and Meghalaya have shown consistent appearances, reflecting increased awareness and adoption of life insurance in these regions. For example, Mizoram ranked third in 2022–23 with a 42.97% share, showing steady growth. Territories like Lakshadweep and Puducherry appeared in 2020–21 but fell out of the rankings later, suggesting occasional spikes rather than sustained high shares. Goa is featured only in 2021–22 (42%), highlighting a temporary rise in its share of total policies.

West Bengal had an extraordinary share in 2018–19 (59%) but failed to make the top five afterward, indicating either market saturation or reduced policyholder interest. Andhra Pradesh was consistent in 2019–20 and 2020–21 but fell out in later years, potentially due to shifts in policy distribution strategies or economic factors. Tamil Nadu and Arunachal Pradesh showed appearances but did not maintain consistent rankings.

The highest share observed in a single state was West Bengal in 2018–19 (59%), followed by Meghalaya (49%) in the same year. Post-2018, the highest shares generally hovered between 44%–45%, indicating a more even distribution of policies among states. This could reflect a deliberate effort by insurers to expand their reach beyond traditional strongholds like West Bengal and Kerala.

States like Karnataka and Kerala dominate, reflecting better literacy rates, financial literacy, and insurance awareness. States like Mizoram, Sikkim, and Meghalaya highlight expanding markets with a focus on rural penetration and micro-insurance. Areas like Puducherry and Lakshadweep show sporadic appearances, indicating periodic focus on these regions.

Kerala and Karnataka are the most consistent performers across the years, with high and stable percentages. States like West Bengal and Andhra Pradesh displayed fluctuations, highlighting regional market dynamics. The increasing presence of northeastern states suggests a growing emphasis on underpenetrated markets.

Participation of Women in Life Insurance Marketing

Women play a crucial role in the marketing and distribution of life insurance policies, especially as agents and advisors. They often bring a unique perspective and empathetic approach, making them effective in understanding customer needs, particularly for family-oriented products like life insurance. Insurance companies have begun implementing gender-sensitive recruitment strategies to enhance women's participation in marketing. Despite these efforts, women still represent a smaller proportion of the overall insurance workforce compared to men, primarily due to societal and cultural challenges. Increasing their involvement is a strategic priority for many companies aiming to improve outreach and policy penetration.

Table 1.3: Participation of women in Life Insurance marketing (%)

Year	LIC	Private Insurer
2022-23	42.67	57.33
2021-22	48	52
2020-21	47	53
2019-20	45	55
2018-19	48	52

Source: Annual Reports-IRDAI

The table 1.3 represents the percentage participation of women in life insurance marketing for LIC (Life Insurance Corporation of India) and private insurers from 2018–2023. The study shows the analysis with the following outcomes: LIC shows a declining trend in the percentage of women participating in life insurance marketing from 48% in 2018–19 to 42.67% in 2022–23, indicating a decrease of 5.33 percentage points over five years. Private insurers, on the other hand, display a growing trend, Women's participation increased from 52% in 2018–19 to 57.33% in 2022–23, an increase of 5.33 percentage points. This indicates a possible shift of women workforce towards private insurers, potentially due to better opportunities, incentives, or work environments in the private sector.

In earlier years (2018–2021), LIC had higher or comparable percentages of women's participation, for example, in 2020–21, LIC had 47% vs. 53% in the private sector. Post-2021, private insurers have consistently surpassed LIC, with the gap widening. In 2022–23, private insurers outpaced LIC by 14.66 percentage points (57.33% vs. 42.67%).

The consistent decrease in women's participation in LIC might reflect structural or policy challenges in attracting or retaining women in the workforce. The private sector's increasing percentage may suggest more targeted recruitment, flexible work policies, or opportunities for growth appealing to women. The divergence becomes more pronounced after 2021, suggesting a pivotal period where private insurers gained an edge in recruiting women.

LIC may need to revisit its hiring and retention strategies to address this decline, particularly focusing on improving work conditions, diversity policies, or providing more leadership roles for women. The trend highlights their effectiveness in attracting women to the workforce, potentially due to better adaptability and modernization of policies.

V. SUGGESTIONS

The government could introduce subsidies or tax incentives for women-focused life insurance policies, mandate a minimum percentage of female policyholders in state-run schemes, and launch nationwide financial literacy campaigns, especially in rural areas. Collaborations with NGOs can address socio-cultural barriers, while insurers should innovate gender-specific products and enforce gender-disaggregated data transparency. Additionally, training programs, maternity support, and subsidies for female agents are crucial.

Insurers can develop products tailored to women, such as health riders, maternity benefits, and micro-insurance for low-income women. They should establish gender-inclusive recruitment policies, offer leadership training, and use gender-sensitive marketing strategies. Digital platforms and AI tools should also be leveraged to enhance accessibility and customization.

Women can improve financial literacy through workshops and community programs, explore careers in insurance, and advocate for better workplace policies. They should also serve as role models and engage in campaigns to promote life insurance ownership within their communities.

VI. FURTHER RESEARCH OPPORTUNITIES

Further research on gender disparities in life insurance should explore women's policy purchase decisions, focusing on barriers and motivations. Studies on the socio-economic impact of life insurance can reveal its role in women's financial empowerment. Comparative analyses of LIC and private insurers will highlight effective strategies for engaging female policyholders and workforce members. Additionally, evaluating successful regional strategies and the impact of digital tools on women's engagement with life insurance will help close coverage gaps and foster a more inclusive landscape.

VII. CONCLUSION

The life insurance sector in India reflects broader socio-economic disparities, with gender playing a pivotal role in shaping participation. While progress is evident in the increasing number of female policyholders and marketers, significant gaps persist. Addressing these challenges requires a multi-stakeholder approach involving government initiatives, corporate strategies, and active participation from women. Efforts to improve financial literacy, introduce gender-sensitive products, and enhance workforce diversity are crucial. By bridging the gender gap, the life insurance sector can not only ensure equitable financial inclusion but also contribute to the broader goal of women's empowerment in India.

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