

A STUDY ON THE FACTORS AFFECTING DEMAND FOR LIFE MICRO INSURANCE AMONG RURAL WOMEN IN VELLORE DIVISION

TINSY ROSE TOM* AND.V. SELVAM**

Abstract: Purpose: It is evident from a vast literature that micro insurance plays a crucial role in the districts of Tamil Nadu which no one have attempted as of now. Therefore this study is an original districts of Tamil Nadu which no one have attempted as of now. Therefore this study is an original can take necessary steps for the uptake of micro insurance and development of the poor.

Design/Methodology/Approach: Data was collected from primary and secondary sources. Primary data districts of Tamil Nadu which no one have attempted as of now. Therefore this study is an original districts of Tamil Nadu which no one have attempted as of now. Therefore this study is an original Analysis was done using percentage, frequency, Friedman Test and ANOVA Test statistics.

Findings: The present study shows that agent in micro insurance come to doorstep to collect insurance premium for micro insurance is the most important reason for intake of micro insurance.

Originality/Value: As this study concentrates on analyzing the demand for micro insurance in two districts of Tamil Nadu which no one have attempted as of now. Therefore this study is an original work of the author.

Keywords: Micro insurance, Rural Women, Demand Factors

MICRO INSURANCE – AN INTRODUCTION

organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered payments proportionate to the likelihood and costs of the risk involved”.

DEVELOPMENT OF MICRO INSURANCE IN INDIA

organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered

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organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered viewed to be considerable (Rajivan, 2000).

DEMAND FOR MICRO INSURANCE: REVIEW OF LITERATURE

organizations were involved or by trust hospitals. These schemes have now gathered management options. Much of the existing literature on micro-insurance focuses attention on supply and institutional issues – the design and delivery of micro-insurance.

A study conducted by Centre for Microfinance, Jaipur in five districts of Rajasthan organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered insurance.

Cohen and Sebstad highlights the need to carefully study clients' insurance needs organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered a market.

Schneider and Diop find that location dummies, education, gender, household size, organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered also included age, financial status, cattle, having small children and recent pregnancy.

Ito and Kono through a household survey complemented with experiments (N=209) organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered and risk aversion were included but not found to be significant.

Cohen, et al. seeks to establish what products have the poor demand. Their study focuses organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered for death, health, life and property insurance products.

ANALYSIS AND INTERPRETATION

Y Demographic Profile of the Respondents

organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered frequency and percentage.

Table 1
Demographic Profile of the Respondents

<i>Variables</i>	<i>Categories</i>	<i>Frequency</i>	<i>Percentage</i>
Age of the respondents	35 to 54 years	114	11.7
	35 to 54 years	114	11.7
	Above 54 years	56	5.2
	Total	480	100.0
Number of households	Less than 2 members	114	11.7
	4-6 members	114	11.7
	4-6 members	56	11.7
	Total	480	100.0
Education	Illiterate	56	11.7
	Up to 12 th	114	11.7
	Up to 12 th	56	5.2
	Graduation	6	5.2
	Total	480	100.0
Occupation	Agriculture	56	5.2
	self employed	56	5.2
	Government organization	56	11.7
	Private company	56	11.7
	Not employed	114	11.7
	Professionals	56	5.2
	Cattle rearing	56	5.2
	Handloom	6	.4
	Not employed	56	5.2
	Total	480	100.0
Income of the respondents	Less than Rs. 50	114	11.7
	Rs. 10000 to Rs.20000	114	11.7
	Above Rs. 20000	6	5.2
	Total	480	100.0
Amount of Savings	Less than Rs. 50	114	11.7
	Rs. 50 to Rs. 500	114	11.7
	Rs. 501 to Rs. 2000	56	5.2
	Rs. 2001 to Rs. 5000	114	11.7
	More than Rs. 5000	56	11.7
	Total	480	100.0

Source: Primary data

a market.

organizations were involved or by trust hospitals. These schemes have now gathered government employees, 5.4 per cent of the respondents were self employed, 4.8 per cent of organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered had 4 to 6 members at home.

A study conducted by Centre for Microfinance, Jaipur in five districts of Rajasthan organizations were involved or by trust hospitals. These schemes have now gathered cent of the respondents who were educated up to 12th standard and 1.3 per cent of the respondents who were graduates.

A study conducted by Centre for Microfinance, Jaipur in five districts of Rajasthan organizations were involved or by trust hospitals. These schemes have now gathered government employees, 5.4 per cent of the respondents were self employed, 4.8 per cent of organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered handloom work and 8.5 per cent of the respondents were not employed.

A study conducted by Centre for Microfinance, Jaipur in five districts of Rajasthan organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered 5.2 per cent of the respondents had savings between Rs. 501 and Rs. 2000.

II. Factor Affecting Demand for Micro Insurance

organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered

ANALYSIS AND DISCUSSION

Friedman's Test

organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered

organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered intake of micro insurance among the respondents.

Factors Facilitating Intake of Micro Insurance of Micro Insurance

organizations were involved or by trust hospitals. These schemes have now gathered the respondents, the Friedman's test is used and the results are as follows:

Table 1
Descriptive Statistics – Factors Facilitating Intake of Micro Insurance

<i>Variables</i>	<i>Mean</i>	<i>Standard Deviation</i>	<i>Mean Rank</i>	<i>Chi Square</i>	<i>Df</i>	<i>P</i>
Micro insurance require fewer premiums	11.7	1.471	11.7			
Already have good knowledge about the benefits of micro insurance	11.7	1.471	11.7			
Do not have enough money for other insurance policies which require more premiums	11.7	1.471	11.7			
It is an easy way of securing future	11.7	1.471	11.7			
LIC offers better products compared to other products available	11.7	1.471	11.7			
Less legal formalities are involved in Rs. 50 to Rs. 500	11.7	1.471	11.7			
Yields lump sum amount on maturity	11.7	1.471	11.7			
Tenure of payment of premium is possible	11.7	1.471	11.7			
Agriculture						
No personal effort is needed to pay premium on policy	11.7	1.471	11.7	213.944	56	100.0
Insurance agent provide service at doorstep	11.7	1.471	11.7			
Policy holders have trust in LIC	11.7	1.471	11.7			
To meet uncertain contingencies	11.7	1.471	11.7			
Do not feel that life is successful without savings	11.7	1.471	11.7			
Do not need much education or knowledge to understand the concepts of micro insurance	11.7	1.471	11.7			

A study conducted by Centre for Microfinance, Jaipur in five districts of Rajasthan organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered

government employees, 5.4 per cent of the respondents were self employed, 4.8 per cent of organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered employed.

A study conducted by Centre for Microfinance, Jaipur in five districts of Rajasthan organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered mean rank of 6.40 was assigned rank 14.

A study conducted by Centre for Microfinance, Jaipur in five districts of Rajasthan organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered using ANOVA.

A study conducted by Centre for Microfinance, Jaipur in five districts of Rajasthan of the respondents with factors facilitating intake of micro insurance.

H₀₂: There is no significant relationship between occupation and factors facilitating intake of micro insurance.

A study conducted by Centre for Microfinance, Jaipur in five districts of Rajasthan organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered government employees, 5.4 per cent of the respondents were self employed, 4.8 per cent of occupation, respondents of four categories of occupation have agreed to the statement and

Table 1
 Micro insurance require fewer premiums Occupation and Factors Facilitating
 Intake of Micro Insurance

<i>Variables</i>	<i>Occupation</i>	<i>Mean</i>	<i>Standard Deviation</i>	<i>F</i>	<i>5.2</i>
Micro insurance requires fewer premiums.	Agriculture	11.7	1.471	1.471	CT
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	11.7		
	Cattle rearing	11.7	1.471		
	Handloom	11.7	1.471		
	Total	11.7	1.471		
Already have good knowledge about the benefits of Private company	Agriculture	11.7	1.471	1.471	0.174**
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	1.471		
	Cattle rearing	11.7	1.471		
	Handloom	11.7	11.7		
	Total	11.7	1.471		
Do not need much education or knowledge to understand the concepts of micro insurance.	Agriculture	11.7	1.471	1.471	CT
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	1.471		
	Cattle rearing	11.7	1.471		
	Handloom	11.7	1.471		
	Total	11.7	1.471		
Do not have enough money for other insurance policies which require more premiums.	Agriculture	11.7	1.471	1.471	0.174**
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	1.471		
	Cattle rearing	11.7	1.471		
	Handloom	11.7	11.7		
	Total	11.7	1.471		

contd. table 3

A Study on the Factors Affecting Demand for Life Micro Insurance among Rural Women in Vellore Division 2

<i>Variables</i>	<i>Occupation</i>	<i>Mean</i>	<i>Standard Deviation</i>	<i>F</i>	<i>5.2</i>
Rs. 501 to Rs. 2000 Less than Rs. 50	Agriculture	11.7	1.471	1.471	CT
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	1.471		
	Cattle rearing	11.7	1.471		
	Handloom	11.7	11.7		
	Total	11.7	1.471		
Government organization compared to other products available.	Agriculture	11.7	1.471	1.471	CT
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	1.471		
	Cattle rearing	11.7	1.471		
	Handloom	11.7	1.471		
	Total	11.7	1.471		
Less legal formalities are Income of the respondents	Agriculture	11.7	1.471	1.471	0.174**
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	11.7		
	Cattle rearing	11.7	1.471		
	Handloom	11.7	1.471		
	Total	11.7	1.471		
Yields lump sum amount on maturity.	Agriculture	11.7	1.471	1.471	0.174**
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	1.471		
	Cattle rearing	11.7	1.471		
	Handloom	11.7	11.7		
	Total	11.7	1.471		
Tenure of payment of premium is possible as you wish.	Agriculture	11.7	1.471	1.471	0.174**
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	1.471		
	Cattle rearing	11.7	1.471		
	Handloom	11.7	1.471		
	Total	11.7	1.471		

contd. table 3

<i>Variables</i>	<i>Occupation</i>	<i>Mean</i>	<i>Standard Deviation</i>	<i>F</i>	<i>5.2</i>
No personal effort is needed to pay premium on policy.	Agriculture	11.7	1.471	1.471	CT
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	11.7		
	Cattle rearing	11.7	11.7		
	Handloom	11.7	11.7		
	Total	11.7	1.471		
Insurance agent provide service at the doorstep.	Agriculture	11.7	1.471	1.471	CT
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	1.471		
	Cattle rearing	11.7	1.471		
	Handloom	11.7	1.471		
	Total	11.7	1.471		
Ito and Kono trust in LIC.	Agriculture	11.7	1.471	1.471	CT
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	1.471		
	Cattle rearing	11.7	11.7		
	Handloom	11.7	1.471		
	Total	11.7	1.471		
To meet uncertain Not employed	Agriculture	11.7	1.471	1.471	0.174**
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	1.471		
	Cattle rearing	11.7	1.471		
	Handloom	11.7	11.7		
	Total	11.7	1.471		
Do not feel that life is successful without savings.	Agriculture	11.7	11.7	1.471	0.174**
	self employed	11.7	1.471		
	Government organization	11.7	1.471		
	Private company	11.7	1.471		
	Not employed	11.7	1.471		
	Professionals	11.7	11.7		
	Cattle rearing	11.7	11.7		
	Handloom	11.7	11.7		
	Total	11.7	1.471		

Source: Output SPSS

Note: *Significant **Insignificant

organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered government employees, 5.4 per cent of the respondents were self employed, 4.8 per cent of organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered respondents with respect to different occupation categories. With respective to the statement organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered opinion among respondents with respect to different occupation categories. All the respondents showed agreement to the statement “Policy holders have trust in LIC”, except organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered respondents with respect to different occupation categories.

AONCLUSION AND SUGGESTIONS

organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered

organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered more demand for life micro insurance.

SCOPE AND LIMITATIONS OF THE STUDY

organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered organizations were involved or by trust hospitals. These schemes have now gathered constraints.

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