



Press Release

For Immediate Release

## **“Life insurance popular choice among women” survey by IndiaFirst Life Insurance and ASSOCHAM**

**Mumbai, 9 March, 2018:** Life insurance is the most popular choice of the respondents with at least 72% wanting to invest in it followed by deposits both fixed and recurring at 69% and mutual funds at 61%, a survey released on International Women's Day by ASSOCHAM and IndiaFirst Life Insurance Company Limited.

The key findings of the IndiaFirst Life-ASSOCHAM 'Women Oriented Survey' reveal that women start saving young and have a clear understanding of their needs. The survey also indicates while there is a change in their monetary requirement with changing roles, women not only seek financial security for themselves but their family too. The financial choices that are least preferred by respondents are bonds (19%), stocks and equities (21%) and pension fund account (36%) in that order, reveals the paper.

**Mr. G. Srinivasan, Chairman, ASSOCHAM** said, “On the occasion of International Women's Day, ASSOCHAM partnered with IndiaFirst Life for an eye-opening Survey that proves that a woman needs right solutions to fulfil her financial needs while balancing between so many duties and obligations. The Women Oriented Insurance Survey is a step in direction of identification of these needs for development of bespoke women centric insurance solutions to empower women in their every life stage. The industry as a whole has to come together and address this concern and work towards financial literacy for women. More women centric products are required, to attract women population towards life insurance.”

More than 69% women said that they relied on their families while making any investment decisions, followed by self-reliant gen-next women at 28% who are starting to take these financial decisions on their own. At the most, 23% of our respondents said that they depended on the subject matter experts or the financial advisors, whereas around 14% stated that they consulted their friends or relatives.

**Ms. R. M. Vishakha, MD & CEO, IndiaFirst Life Insurance Company Ltd.**, said, Presently, life insurance penetration in India is approximately 3% of the national GDP and a large portion of the population is considered low income. There is a potential for income growth of Indian women in the future which will convert them into a huge market for insurers. On the occasion of International Women's Day, we are delighted to release IndiaFirst Life-ASSOCHAM 'Women Oriented Survey'. It is important to educate female customers about insurance as a risk management tool and ensure familiarity for long term sustainability. The theme empowerment through Women Oriented Insurance in the report has been written aptly to tackle this issue."

IndiaFirst Life-ASSOCHAM 'Women Oriented Survey' observed that women are keen to opt for insurance policies which cover critical life threatening diseases, growing the accumulated assets, financial liquidity to fulfil life-style needs, building retirement corpus and shield from rising medical costs in the golden years.

"During the study we noticed that the highest number of respondents mentioned that amongst the tools available in the market today they would invest in Life Insurance to achieve their financial goals. Given this input from our report, we need to assess the reasons for the gap, both in terms of the number of women consumers as well as sales professionals." She added.

The methodology adopted for the study was a quantitative, structured survey, which was circulated among over a carefully chosen sample size of 1,500 Indian women, Pan India.

The survey was based on a questionnaire that covered a holistic picture to understand women and their relationship with money. It focused on buying behaviour and investment habits across various demographics with more detailed insight on their insurance preferences, if any.

Through the survey, we observed that majority of women in each age band have inculcated a habit of saving their money on monthly basis for wide spectrum of financial needs.

While the maximum number of respondents (42%) opted monthly investment nearly 13% respondents invested quarterly, 9% half yearly and 17% went for yearly investments. This could be due to comfort in smaller contributions to bigger amounts.

It is interesting to note that the relative percentage of respondents having monthly frequency of investment increases in each subsequent life stage group i.e. 39% of the single women, 40% of married women with no children, 48% of married women having young children and 53% of married women having one or more adult children have a monthly investment frequency.

Currently, India is one of the nations with the highest young populations. With a median age of 28 years, 90% of Indians will still be below the age of 60 by 2020 and 63% are expected to be between the age group of 15-59. The target population for the insurance industry, is therefore, increasing in India and would boost industry growth. These facts are substantiated by age distribution of our respondents, 44% of them belong to the age band of 31-45 years while 36% are below the age of 30 years.

It is interesting to note 54% of the respondents in age band of 31-45 years have a monthly investment frequency but only 26% expressed willingness to invest in the online products. In the age band of less than 30 years, 55% of the respondents have expressed willingness to invest in insurance and 61% of them save less than INR 50,000 per annum.

About 53% of the respondents in the age band of less than 30 years and 46% of the respondents in the age band of 31-45 years prefer short term (less than 5 years) time horizon for investment.

The largest numbers of the respondents covered under the survey are Homemakers (39%) while 52% have a job or are self-employed. Majority of the employed respondents about 33% are from Private Sector. Only 2% of the respondents have retired from a job, these are probably sub-set of 6% of the respondents who are above the age of 55 years.

More than two thirds of women in India are breadwinners or co-breadwinners in the family. But when it comes to their financial planning they are dependent on men in the family.. Women mostly view Life Insurance as a pure protection product and don't see the need for separate life insurance cover from their husband or other male family members.

47% of the respondents have shown preference for Money Back Plans, expressing the need for financial liquidity to maintain their expenses in the short term. The next most sought after life insurance product is Whole Life Policy with 35% of the respondents preferring it. The Whole Life Policy has plethora of benefits; it provides coverage for life, it can help in meeting the retirement and long term saving goals by providing liquidity in one's golden years, the loan option is available on Whole Life Policy as the surrender value of the policy increases over time and it is ideal for estate planning individuals who want to pass on their estate to their legal heir as it helps to create wealth.

The respondents have shown lower interest in Endowment Plan and Unit Linked Insurance Plan with 25% and 20% responses respectively. 48% of the respondents conveyed their interest in a dual benefit of Lump Sum and Monthly Income demonstrating the need for financial liquidity to fulfil life style needs and additional income to offset growing inflation.

Whereas, 46% of respondents exhibited interest in the option of limited and regular premium payment, this is a clear manifestation of the respondents' mind set to save regularly but for shorter duration of time.

**About ASSOCHAM:**

ASSOCHAM initiated its endeavour of value creation for Indian industry in 1920. It was established by promoter Chambers, representing all regions of India. Having in its fold over 400 Chambers and Trade Associations, and serving over 4.5 lakh members across India. ASSOCHAM has emerged as the fountainhead of Knowledge for Indian industry, which is all set to redefine the dynamics of growth and development in the Knowledge Based Economy. More information available on [www.assochem.org](http://www.assochem.org).

About IndiaFirst Life Insurance

Headquartered in Mumbai, IndiaFirst Life Insurance, with a paid-up share capital of INR 625 crore, is one of the country's youngest life insurance companies. It is promoted by two of India's largest public-sector banks - Bank of Baroda and Andhra Bank along with UK's leading risk, wealth and investment company Legal & General. Bank of Baroda holds a 44 percent stake in IndiaFirst, while Andhra Bank and Legal & General hold a 30 percent and 26 percent stake respectively. IndiaFirst believes it can differentiate itself through simple, easy to understand products that are fairly priced and efficiently serviced. Today, IndiaFirst Life is present in over 1,000 cities and towns across the country through 10,000+ points of sale. The company has garnered over INR 10,858 crore of assets under management as on March 31, 2017. For details please visit: [www.indiafirstlife.com](http://www.indiafirstlife.com)

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