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# A study on Awareness of Microinsurance among Women of Lower Income groups in Ernakulam

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Abstract
This study examines the level of awareness and enrollment in microinsurance among women from low-income households in Ernakulam District. Adopting a survey-based methodology, the research identifies demographic, educational, and income-related patterns that shape perceptions of microinsurance. The findings indicate a moderate level of awareness (53%) but comparatively low enrollment (38%), with no statistically significant association between awareness and participation or between educational attainment and awareness. Respondents generally perceive microinsurance as beneficial and possessing strong growth potential; however, obstacles such as lack of trust and procedural complexity remain. The study recommends targeted awareness initiatives, streamlined enrollment procedures, and affordable schemes to strengthen financial inclusion.
Key words:Microinsurance, Financial Inclusion, Women, Low-Income Groups, Awareness, Enrollment, Ernakulam District

## Introduction

Microinsurance serves as a critical financial safeguard for individuals affected by sudden economic shocks, particularly women in vulnerable communities across developing countries. Ernakulam District provides an important context for examining this issue. Although literacy levels in the district are relatively high, literacy alone does not necessarily translate into financial knowledge or the capacity to manage risk effectively during unforeseen events. For women from low-income groups, access to meaningful financial protection remains limited.

This study moves beyond surface-level concerns to investigate the broader structural challenges these women encounter, including social norms, policy-related barriers, and everyday constraints that hinder access to coverage. Its central objective is to identify the factors preventing women from obtaining microinsurance and to demonstrate how more responsive policy interventions could improve access. Ultimately, the study emphasizes the need to develop financial instruments that provide timely support when individuals are most vulnerable.Conventional approaches to assessing the effectiveness of microinsurance are often inadequate. They tend to concentrate on broad population categories while neglecting smaller and marginalized segments, such as low-income women. As a result, significant gaps persist, particularly in relation to understanding risk (Wang et al., 2023). Moreover, many policies fail to account for income volatility, causing numerous interventions to fall short of their intended outcomes.

Accordingly, we developed a survey specifically designed for women in Ernakulam, with the aim of examining their actual financial circumstances and their perceptions and use of microinsurance. In addition, we created an equity-based analytical framework that provides policymakers with rigorous and just evidence to support inclusive access across occupational and income categories.

## Literature Review

Scholars generally employ three principal approaches to assess the needs of individuals and communities. The first consists of established instruments, such as surveys and DEIA (Diversity, Equity, Inclusion, Accessibility) checklists. These methods combine field-level inquiry with broader equity indicators (Rista et al., 2023). Although effective, they are often neither rapid nor inexpensive. Nevertheless, in comparison with prolonged community immersion or social media data extraction, targeted surveys are more effective in identifying smaller and frequently overlooked populations, such as women in Ernakulam.

The second approach involves more recent predictive models. Researchers and designers increasingly recognize that it is insufficient to construct models solely for dominant population groups. Rather, such models must perform equitably across diverse populations, particularly marginalized groups such as low-income women (Wang et al., 2023). Earlier models failed to adequately account for uncertainty and embedded bias, which led to the development of more refined metrics such as Equal Opportunity of Coverage (EOC) (Wang et al., 2023). Our work draws on this line of thinking by applying equity-centered measures to ensure that the analysis remains genuinely inclusive.A substantial body of research seeks to address a fundamental question: do these approaches effectively safeguard the poorest populations? Existing systems do not fully protect all individuals from every form of risk (Morduch, 1999). This limitation is a central reason for the continued emphasis on the need for stronger social safety nets.

## Data Analysis and Interpretation

**1. Age Distribution**

**Frequencies of Age**

| Age | Counts | % of Total |
|---|---|---|
| **Above 50** | 10 | 10.0% |
| **Below 25** | 31 | 31.0% |
| **26–50** | 59 | 59.0% |

The largest proportion of respondents (59%) belongs to the 26–50 age category, suggesting that middle-aged individuals constitute the dominant segment of the sample. Respondents under the age of 25 represent 31%, whereas only 10% are above 50 years. This implies that the study primarily reflects the working-age population.

**2.** Education Level

**Frequencies of Education**

| Education | Counts | % of Total |
|---|---|---|
| **Graduate** | 19 | 19.0% |
| **Higher Secondary** | 42 | 42.0% |
| **Post Graduate** | 12 | 12.0% |
| **Up to 10th** | 27 | 27.0% |

A substantial share of respondents (42%) has attained Higher Secondary education, while 27% have studied up to the 10th standard. Graduates account for 19%, and postgraduates comprise only 12%. These findings indicate that the sample is predominantly characterized by individuals with moderate levels of educational attainment.

**3.** Income Level

**Frequencies of Income**

| Income | Counts | % of Total |
|---|---|---|
| **Above ₹20,000** | 6 | 6.0% |
| **Below ₹5,000** | 14 | 14.0% |
| **₹10,001–₹20,000** | 29 | 29.0% |
| **₹5,001–₹10,000** | 51 | 51.0% |

More than half of the respondents (51%) report earnings between ₹5,001 and ₹10,000, followed by 29% earning between ₹10,001 and ₹20,000. A relatively small proportion (6%) earns above ₹20,000, while 14% earn below ₹5,000. This demonstrates that the majority of respondents fall within the lower- to middle-income brackets

**4.** Awareness of Microinsurance

**Frequencies of Awareness**

| Awareness | Counts | % of Total |
|---|---|---|
| **No** | 47 | 47.0% |
| **Yes** | 53 | 53.0% |

A slight majority of respondents (53%) are aware of microinsurance, whereas 47% lack such awareness. This reflects a moderate degree of familiarity with microinsurance, while also indicating that a considerable segment of the population remains uninformed about it.

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5. Enrollment in Microinsurance

**Frequencies of Enrollment**

| Enrollment | Counts | % of Total |
|---|---|---|
| **No** | 62 | 62.0% |
| **Yes** | 38 | 38.0% |

The majority of respondents (62%) are not enrolled in microinsurance schemes, compared to only 38% who are enrolled. This suggests that although awareness exists to some extent, actual participation in microinsurance remains comparatively limited

6. Perceived Usefulness

**Frequencies of Usefulness**

| Usefulness | Counts | % of Total |
|---|---|---|
| **Agree** | 44 | 44.0% |
| **Disagree** | 6 | 6.0% |
| **Neutral** | 27 | 27.0% |
| **Strongly agree** | 20 | 20.0% |
| **Strongly disagree** | 3 | 3.0% |

Most respondents hold favorable views regarding the usefulness of microinsurance, with 44% agreeing and 20% strongly agreeing that it is beneficial. However, 27% remain neutral, and a smaller proportion (9%) disagree or strongly disagree. This indicates an overall positive perception, albeit accompanied by a degree of uncertainty among some respondents.

7. Perceived Growth

**Frequencies of Growth**

| Growth | Counts | % of Total |
|---|---|---|
| **Agree** | 37 | 37.0% |
| **Disagree** | 10 | 10.0% |
| **Neutral** | 23 | 23.0% |
| **Strongly agree** | 25 | 25.0% |
| **Strongly disagree** | 5 | 5.0% |

With respect to growth potential, 37% of respondents agree and 25% strongly agree that microinsurance possesses promising prospects for growth. In contrast, 23% remain neutral and 15% express negative opinions. These findings suggest a generally optimistic outlook on the growth of microinsurance, although some respondents remain uncertain or skeptical.

8. Relationship Between Awareness and Enrollment

**Contingency Tables**

| | Enrollment | | |
|---|---|---|---|
| **Awareness** | **No** | **Yes** | **Total** |
| No | 29 | 18 | 47 |
| Yes | 33 | 20 | 53 |
| Total | 62 | 38 | 100 |

$\chi^2$ Tests

| | Value | df | p |
|---|---|---|---|
| $\chi^2$ | 0.00334 | 1 | 0.954 |
| **N** | 100 | | |

The chi-square test result (p = 0.954) indicates that no statistically significant association exists between awareness and enrollment in microinsurance. In other words, awareness of microinsurance does not necessarily translate into actual enrollment. Relationship Between Education and Awareness

**Contingency Tables**

| | Education | | | | |
|---|---|---|---|---|---|
| **Awareness** | **Graduate** | **Higher Secondary** | **Post Graduate** | **Up to 10th** | **Total** |
| No | 5 | 20 | 6 | 16 | 47 |
| Yes | 14 | 22 | 6 | 11 | 53 |
| Total | 19 | 42 | 12 | 27 | 100 |

$\chi^2$ Tests

| | Value | df | p |
|---|---|---|---|
| $\chi^2$ | 4.94 | 3 | 0.176 |
| **N** | 100 | | |

The chi-square test result (p = 0.176) suggests that there is no statistically significant relationship between educational attainment and awareness of microinsurance. This implies that awareness is not substantially shaped by respondents' educational background.

Findings

1) The majority of respondents (59%) are within the 26–50 age category, suggesting that microinsurance primarily reaches the working-age population.
2) Most respondents possess moderate levels of education, with 42% having completed Higher Secondary education.
3) A considerable proportion of respondents (51%) fall within the ₹5,001–₹10,000 income bracket, indicating the predominance of low- to middle-income individuals.
4) Awareness of microinsurance is moderate (53%), whereas enrollment remains comparatively low (38%), highlighting a disparity between awareness and actual participation.
5) The chi-square test results reveal no statistically significant relationship between awareness and enrollment or between education and awareness.

Suggestions

1. Awareness initiatives should be strengthened through the use of clear and accessible language in order to engage a broader audience, particularly individuals who remain uninformed.
2. Greater emphasis should be placed on transforming awareness into actual enrollment by addressing obstacles such as distrust and procedural complexity.
3. Affordable and adaptable microinsurance schemes should be developed to meet the needs of low- and middle-income populations.
4. Promotional efforts should be enhanced by emphasizing the advantages and practical value of microinsurance so as to reduce neutral perceptions.
5. The enrollment process should be streamlined and accessibility improved to foster greater participation.

Conclusion

The study demonstrates that microinsurance is particularly pertinent to the working-age population within low- and middle-income groups. Although awareness levels are moderately high, enrollment remains relatively limited, revealing a disparity between knowledge and actual participation. In general, respondents view microinsurance as beneficial and express a favorable attitude toward its expansion; however, a segment of respondents remains neutral, indicating either limited understanding or uncertainty.Furthermore, the analysis identifies no statistically significant relationship between awareness and enrollment, nor between education and awareness. This suggests that raising awareness alone is insufficient to secure participation. Consequently, greater attention must be directed toward building trust, simplifying procedures, and motivating individuals to enroll actively in microinsurance schemes.

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