

Axis Max Life's IPQ 7.0 Reveals Rising Awareness But Persistent Protection Gap in Rural India

Category: Business

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Key Findings:

- Rural India's Protection Quotient rises to 16, up from 12 in IPQ 5.0 – but urban-rural gap stands at 32 points
- Life insurance ownership remains significantly lower, despite awareness gains
- Rural women lag rural men in all protection indices – Protection Quotient at 14 vs. 17
- West leads rural protection index; East lowest with just 2% ownership in Savings Plan
- 43% believe life insurance benefits only the family, not the individual
- Digital usage surges – financial transactions double; 88% use mobile for social media

Axis Max Life Insurance Limited. (“Axis Max Life” / “Company”), formerly known as Max Life Insurance Company Limited, has unveiled the rural India findings of the seventh edition of its flagship survey – India Protection Quotient (IPQ), conducted in partnership with KANTAR, one of the leading marketing data and analytics company across the world. Capturing insights from over 155 villages across India, the survey delves into the aspirations, anxieties, and evolving protection needs of India’s rural population in their journey toward financial security. As per IPQ 7.0, rural India’s Protection Quotient rose to 16, from 12 in IPQ 5.0. The Knowledge Index recorded a 7-point gain, yet this improvement has not translated to ownership, which remains one-third of urban India’s levels.



Axis Max Life’s IPQ 7.0 reveals rising awareness but persistent protection gap in Rural India

Prashant Tripathy, CEO and Managing Director, Axis Max Life said, *“The IPQ 7.0 Rural Edition signals a defining shift – a rise in awareness and aspiration among rural Indians to secure their financial futures. However, the persistent protection gap is a clear call to action. As we collectively strive toward IRDAI’s vision of ‘Insurance for All by 2047,’ the onus is on the industry to reimagine how we serve Bharat – through*

simplified products, inclusive advisory networks, and technology-led delivery models. The future of life insurance in India will not only be shaped by innovation, but by our ability to respond to the evolving needs and ambitions of rural India with empathy and intent."

Notes to Editor:

The following findings reveal insights that highlight rural India's shift in attitude and approach towards financial preparedness studied by India Protection Quotient 7.0:

Financial preparedness in rural India

Rural India's Protection Quotient improved to 16 (from 12 in IPQ 5.0), driven by a 7-point rise in awareness. However, life insurance ownership remains far below urban levels. Despite increased familiarity with products especially term insurance (awareness up from 32% to 40%) adoption lags due to affordability concerns, poor service experience (41%), and the perception that life insurance only benefits the family (43%). 40% of rural respondents cited lack of funds as a barrier to purchasing insurance – notably higher than 31% in urban India.

Gender gap: women behind on all protection indices

Women from rural India report a Protection Quotient of 14, compared to 17 among men. They also lag in awareness, ownership, and financial confidence. Many still depend on male family members for financial decision-making, and few independently navigate insurance products.

However, female-led households and Self-Help Groups (SHG)-affiliated women show higher engagement, and younger women (aged 25-35), especially in the South and West, are more digitally curious and financially aspirational. This opens a pathway for inclusive, gender-sensitive communication and community-based outreach.

Zonal insights: West India leads, East India lags

West India leads the rural Protection Quotient, closely

followed by the South. These zones report higher awareness and ownership of life insurance. The East zone, however, remains the least financially protected with term plan awareness at just around 32% and term ownership as low as 3%. The urban-rural divide is most severe in this region, with a 52% gap in life insurance ownership highlighting the critical need for regional intervention and targeted education.

Financial anxiety high despite growing awareness of life insurance

One in four rural Indians now believe that their savings may not last even a year, although optimism is rising among the financially aware. In IPQ 7.0, 39% of rural respondents expect their savings to last more than five years up from 20% in IPQ 5.0. Still, basic expenses and debt repayments leave little room for long-term financial planning, especially in households with irregular incomes.

Key drivers of Life Insurance adoption in Rural India

Rural Indians buy insurance primarily to secure family goals – 41% cite old age security, 35% children's education, and 34% children's marriage. Insurance is seen as a safe and dual-benefit investment by 41% of respondents. However, many still view it emotionally, with 43% believing it only helps their family, not themselves.

Public schemes remain cornerstone of rural investment

More than 60% of rural Indians rely on government-backed financial products or loans through SHGs/cooperatives which are considered as accessible and trustworthy. Market-linked instruments like mutual funds have seen marginal awareness growth but still remain under-utilised. Health insurance ownership has also grown, indicating improved awareness around medical preparedness.

Digital adoption surges across rural markets

Digital behaviour has transformed since the last rural survey. Around 88% of rural respondents use mobile phones to use

social media; around 78% of them to enjoy video/music. Online financial transactions like mobile banking, money transfer, online payments through UPI have more than doubled from 17% to 40%. Nearly half of rural India population now use digital platforms for service requests and complaint resolutions, indicating rising digital readiness for financial inclusion.

Read more at – <https://www.axismaxlife.com/maxlife-ipq>

Disclaimer:

The study is conducted in over 155 different villages spread over around 25 cities in India. A total sample size of around 1,620 respondents within the age group of 22 to 55 years were interviewed for the survey. The interviewees were picked from Rural Social Economic Classification (SEC) R1 and R2 households with an annual household income of INR 50,000 and above.

The information collected through this survey and the results published are intended for general guidance and informational purposes only. Axis Max Life disclaims any liability for any loss, damage, or decisions arising from the use of this survey or the results provided.

About Axis Max Life Insurance Limited
(<https://www.axismaxlife.com>)

Axis Max Life Insurance Limited, formerly known as Max Life Insurance Company Limited, is a Joint Venture between Max Financial Services Limited (“MFSL”) and Axis Bank Limited. Axis Max Life offers comprehensive protection and long-term savings life insurance solutions through its multi-channel distribution, including agency and third-party distribution partners. It has built its operations over two decades through a need-based sales process, a customer-centric approach to engagement and service delivery and trained human capital. As per annual audited financials for FY2024-25, Axis Max Life has achieved a gross written premium of INR 33,223 Cr.

About Kantar

Kantar is the world's leading marketing data and analytics business and an indispensable brand partner to the world's top companies. We combine the most meaningful attitudinal and behavioural data with deep expertise and advanced analytics to uncover how people think and act. We help clients understand what has happened and why and how to shape the marketing strategies that shape their future.

