

What Drives Funeral Insurance Demand in India? A Behavioral and Structural Equation Analysis

Shivaprasad G¹, Gayathri R², Ravindra Babu S³, Chaya Bagrecha⁴

¹Faculty of Management Studies, CMS Business School, JAIN (Deemed-to-be), University, India

²Faculty of Management Studies, CMS Business School, JAIN (Deemed-to-be), University, India

³School of Business and Management (SBM), CHRIST University, India

⁴Faculty of Management Studies, CMS Business School, JAIN (Deemed-to-be), University, India

Abstract: Funeral insurance is a relatively unexplored area of entrepreneurship and small business ventures in India, which has witnessed increased funeral expenses, urbanization, and the deterioration of traditional familial support structures. This paper investigates the strategic and motivational drivers of consumer acceptance of funeral insurance and its applicability as a viable business venture for insurance companies and entrepreneurs. Based on survey research among 455 respondents in urban and semi-urban areas of India, Exploratory and Confirmatory Factor Analysis and Structural Equation Modeling (using AMOS/SmartPLS) are employed on a framework of seven constructs. The findings of the measurement model establish high reliability of the scales with Cronbach's Alpha values ranging from 0.79 to 0.88. The findings suggest that trust, simplicity of premiums, and awareness are key drivers of purchase intention, while cultural aversion related to funeral rituals is a dissuading factor. The findings also suggest that distribution channels such as online and community distribution are crucial in improving awareness. The structural model explains 62% of the total variance in purchase intention.

Keywords: Funeral Insurance, Purchase Intention, Consumer Behavior, Structural Equation Modeling (SEM), Indian Insurance Market

1 Introduction

India's insurance scene is booming life, health, and motor policies grab all the headlines. But funeral insurance? Barely gets a mention. Even as cities sprawl and funeral costs hit the roof, families can't always count on relatives to pitch in like before. Covering end-of-life

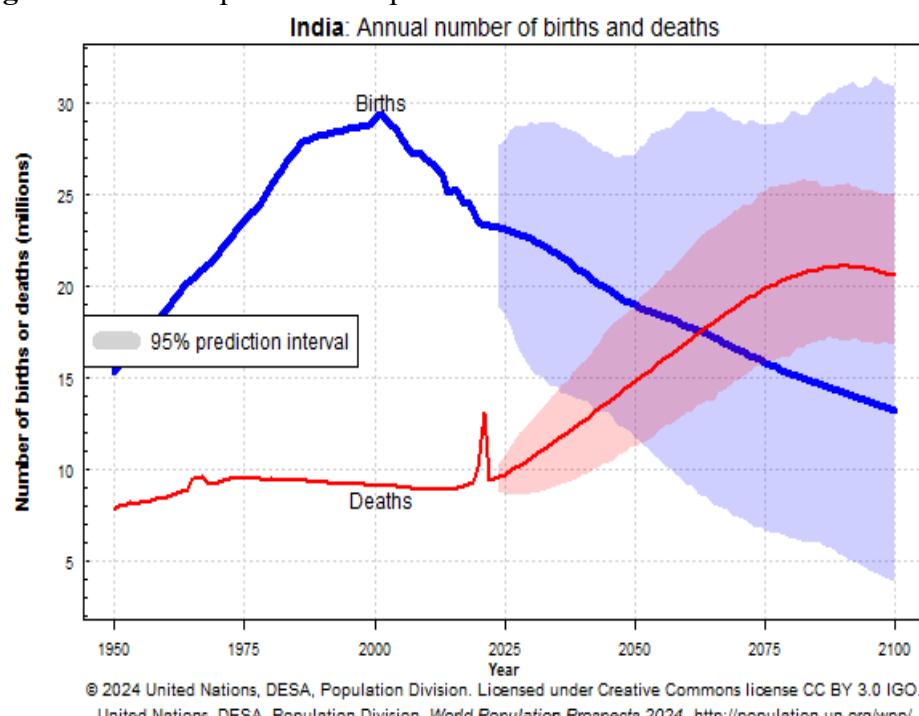
¹ Corresponding author: *Shivaprasad G, dr.shivaprasad@cms.ac.in*

expenses is turning into a real headache for a lot of folks. That's what this study is here for: to figure out why insurance companies in India haven't jumped on the funeral insurance bandwagon, and why both the industry and customers seem stuck.

Let's be honest, funerals aren't cheap. During COVID-19, prices just exploded. Suddenly, everyone needed funeral, cremation, or burial services at once, and even getting there cost more. In Delhi, the price of a cremation shot up from Rs. 5,000 to Rs. 20,000 during the second wave a fourfold jump. Families were already dealing with grief, and then they had to scramble for money just to give their loved ones a proper send-off.

According to the United Nations' 2024 World Population Prospects Report, India's death rate kept climbing from 2018 to 2024 (see Figure 1). When more people need services and there aren't enough to go around, prices climb. Simple as that. So what's behind it? Most people don't really know much about funeral planning. Cremation grounds often work as monopolies. Hardly anyone plans ahead, and funeral services—or the insurance to cover them just aren't mainstream in India yet (LastJourney.in).

Figure 1 World Population Prospects: India birth and Death Rate



Source : *World Population Prospects 2024*

Back in 1950, about 15 million babies were born. By the late 1990s, that number had almost doubled to 29 million. But after hitting that peak, births started slipping by 2020, they'd dropped to around 22 million. If you look at the forecasts, the decline keeps going. By the middle of the century, people expect births to settle somewhere between 15 and 17

million, maybe dipping a bit more by 2100. Honestly, the further out you go, the blurrier those guesses get.

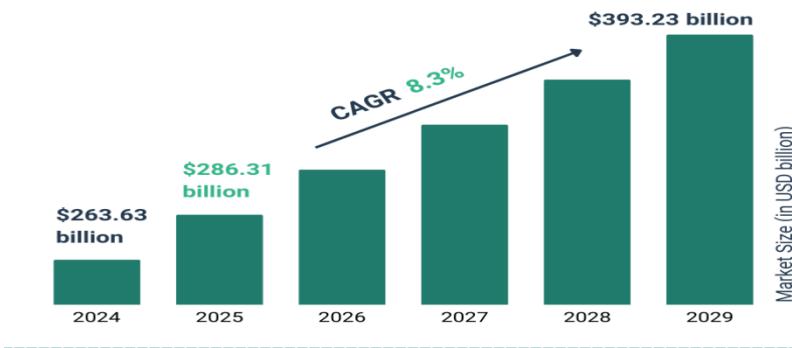
Deaths follow a different path. In 1950, there were about 8 million. By 2020, that climbed to 9 million, with a noticeable bump right around 2020 most likely thanks to COVID-19. After that, deaths keep rising, hitting a peak of about 22 million between 2070 and 2080. They'll probably hover near that level or drop slightly as the century ends. And just like with birth numbers, long-range predictions get shakier the further you stretch them. Let's look at what's really going on with funeral insurance in India. IndiaSpend did a survey and found that only 8% of Indians have any kind of life insurance, and just 3% have enough coverage. So, most people either don't have insurance or just don't have enough. If someone in the family dies, paying for the funeral suddenly becomes a lot harder.

India's funeral industry is massive worth more than \$2.5 billion, according to Mihir Bhasin's 2022 research. The cost of a Hindu cremation alone can fall anywhere between Rs. 25,000 and 1 lakh. That's a huge range, and honestly, there's no real standard for pricing. The data's pretty scattered, too. Because funeral costs swing so much and most people don't have insurance, funeral insurance is starting to stand out. More families are realizing it actually helps to plan for those final rituals instead of scrambling at the last minute.

But there's another piece to this. The Ministry of Health and Family Welfare says non-communicable diseases stuff like heart disease, diabetes, cancer, and chronic respiratory problems have become a much bigger deal. Back in 1990, these diseases made up 30% of India's disease burden; by 2016, it jumped to 55%. Deaths tied to these problems went from 37% to 61% in the same period. Treating these illnesses eats away at families' savings. So when someone passes away, finding money for a funeral can drag families into debt or even force them to sell their homes.

Funeral insurance is meant to ease that stress. Without it, families often borrow or sell what little they own just to cover funeral bills. And if you've ever caught those funeral insurance ads on TV, you know they love to hammer home the financial strain. They push the idea that the only way to protect your family is to buy coverage. What they don't say is, funeral cover is just another investment product. It's not that different from regular life insurance, except the payouts are usually smaller. The funeral insurance market has been growing fast lately. According to the Burial Insurance Global Market Report 2025, the market should jump from \$263.63 billion in 2024 to \$286.31 billion in 2025, with an annual growth rate of 8.3%. What's driving this? More people, for starters. Plus, governments are getting more involved, folks are looking for funeral plans that fit their personal needs, and there's just a lot more talk about the real costs behind funerals. All of this is pushing more people to look into burial insurance.

Figure 2 Burial Insurance Global Market Report 2025



Source: *The Business Research Company: Report 2025*

This proposal digs into how the funeral insurance business works in India and looks at how people's attitudes are starting to change. The plan is simple: we'll run a survey using a detailed questionnaire. By the end, we expect to spot some big growth opportunities for funeral insurance in the Indian market and lay out a clear path for what comes next.

2 Literature Review & Methodology

Funeral insurance is a complicated product with deep roots and a strong cultural pull. It stands out from regular life insurance in a few big ways mainly in how people use it, who buys it, and what drives them to get it in the first place. People have been pooling money for funerals since ancient times. Early funeral societies paved the way for the insurance companies we know today. In places like Africa, funeral insurance is still hugely popular. You'll find it sold both by big insurance companies and through local, informal setups like burial societies or small community funds. These informal options often fit better with people's everyday reality and the way communities come together around death.

The burial insurance market is huge, and it just keeps growing. Funeral costs keep climbing, more people are sorting out their wills, and, honestly, the world's population isn't getting any younger. For many families, paying for a funeral is right up there with buying a house or a car it's a major expense. That alone pushes a lot of people to look for some security, especially if cash is tight.

It's not just about money. In a lot of places especially across Africa and Asia a funeral is everything. Sometimes, it matters more than weddings or even the birth of a child. If a family can't afford a proper farewell, it's not just heartbreaking, it's embarrassing. People notice. They talk, and the shame can stick with a family for years. That's why funeral insurance matters. It gives families a way to protect their reputation and make sure their loved ones get the respect they deserve. But there's another layer to it. Funeral insurance is a promise, really something people pass down through generations. It helps make sure your wishes and values don't just disappear when you do. For anyone thinking about their legacy, that's huge.

Losing someone suddenly is rough, both for the heart and for the logistics. When a family has funeral insurance, they're not forced to scramble for money or make rushed decisions in the middle of raw grief. It's one less thing to worry about during one of the worst times in

life. Who buys funeral insurance? It depends age, income, education, health, and access to solid financial advice all play a role. Where life insurance is common, fewer people turn to informal funeral plans. So, if insurers want to reach more people, they need to get creative and offer products that actually fit people's lives.

Planning a funeral is emotional. People don't just spend money because they have to; they do it out of love, out of a need to show care and respect. Sometimes, this means families spend way beyond what they expected. The problem is, most people don't have a clue what funerals really cost or what their choices are. They're often left guessing, without much help from friends, family, or even the media. Confusing policies and a lack of clear, honest information just make things worse. All this makes people vulnerable. Some companies take advantage, pushing overpriced or unnecessary products especially on those who are grieving or less financially savvy. It's a real problem. Today's buyers, especially younger folks, want funeral policies that are flexible and easy to manage online. While pre-paid funeral plans are out there, funeral insurance is becoming more attractive as old community safety nets weaken thanks to urbanization and smaller families. At its core, funeral insurance gives families a buffer. It means they don't have to go into debt or drain their savings just to say goodbye the right way.

2.1 Research Hypotheses

H1: When people are more aware, they're more likely to want to buy.

H2: Socio-cultural factors hold people back from wanting to buy.

H3: Trust and credibility matter; a provider people trust makes them more interested in buying.

H4: If revenue and pricing are flexible, people are more willing to buy.

H5: Good distribution and communication channels help boost awareness.

2.2 Research Design, Sample Size, Instrument & Techniques

We designed this study using both descriptive and causal methods. Our team collected solid responses from 455 people in urban and semi-urban parts of India. We put together a structured questionnaire with 34 items, spread across seven key constructs. Everyone rated each item on a 5-point Likert scale. For the analysis, we ran descriptive stats, checked reliability with Cronbach's Alpha, and used both Exploratory and Confirmatory Factor Analysis. We also applied Structural Equation Modeling to dig deeper into the data.

2.3 Conceptual Framework Diagram

Take a look at this diagram; it lays out a typical conceptual framework. On the left, you see five ovals. Each one stands for an independent variable: Awareness, Socio-cultural Factors, Trust, Pricing, and Distribution. Arrows shoot from each of these ovals toward another oval on the right, which is labeled Purchase Intention (that's our dependent variable). Each arrow comes with a hypothesis number H1 through H5 and marks whether the effect's

positive or negative. The whole thing sits inside a big box, making it obvious this setup aims to show what really drives success in the Funeral Insurance Revenue Model, or FIRM.

Table 1 Definition of Hypothesized Paths

Path	Variables	Hypothesized Relationship	Findings
H1	Awareness to Purchase Intention	(-)	When people don't know much about a product, they just don't feel like buying it. Low awareness drags down purchase intention.
H2	Socio-cultural Factors to Purchase Intention	(-)	If a culture feels weird or uncomfortable talking about death, people shy away from products related to it. Those social taboos get in the way of actually buying.
H3	Trust to Purchase Intention	(-)	If folks don't trust the company maybe they're unsure about claims or think the process isn't transparent that lack of trust kills their interest in buying.
H4	Pricing to Purchase Intention	(-)	High prices or products that just don't seem worth it? That's a big turnoff. People skip buying when they sense the cost doesn't match the value.
H5	Distribution to Purchase Intention	(+)	But if insurance is easy to get especially through digital platforms or local community channels people are more likely to buy. Accessibility makes a real difference.

Source: Authors Calculation

2.4 Discriminant validity assessment

Table 2 Fornell–Larcker discriminant validity matrix

Construct	AW	SC	TR	PR	DI	PI
Awareness (AW)	0.755					
Socio-cultural Factors (SC)	-0.432	0.735				
Trust (TR)	-0.501	-0.467	0.781			
Pricing Perceptions (PR)	-0.389	-0.342	-0.416	0.721		

Distribution Effectiveness (DI)	0.528	-0.298	-0.465	-0.311	0.748	
Purchase Intention (PI)	-0.505	-0.448	-0.569	-0.382	0.617	0.806

Source: Authors Calculation

The bold diagonal numbers show the square root of the Average Variance Extracted (AVE) for each construct. The other numbers, off the diagonal, show how much the constructs overlap with each other. To check if the constructs are really different from each other what researchers call discriminant validity you look for the square root of the AVE to be bigger than any of the correlations with other constructs. Table 2 makes it clear that every construct's square root of AVE is higher than its correlations with the others. So, the measurement model shows good discriminant validity.

2.5 Heterotrait–Monotrait (HTMT) ratio

Table 3 Heterotrait–Monotrait (HTMT) ratio of correlations

Construct	AW	SC	TR	PR	DI	PI
Awareness (AW)	—	0.48	0.52	0.41	0.58	0.60
Socio-cultural (SC)	0.48	—	0.55	0.45	0.40	0.57
Trust (TR)	0.52	0.55	—	0.62	0.59	0.70
Pricing (PR)	0.41	0.45	0.62	—	0.48	0.55
Distribution (DI)	0.58	0.40	0.59	0.48	—	0.66
Purchase Intention (PI)	0.60	0.57	0.70	0.55	0.66	—

Source: Authors Calculation

We used the Heterotrait–Monotrait ratio (HTMT) to check discriminant validity. Table 3 lays it out every HTMT value falls between 0.40 and 0.70, well below the 0.85 cutoff. So, the constructs are clearly distinct. Just to cover all bases, we also checked the bootstrapped 95% confidence intervals. Not a single one reached 1.0, which supports our findings on discriminant validity.

3 Results & Discussion

3.1 Cross-Country Comparison: Funeral Insurance Markets

Funeral insurance isn't new in North America or Europe. In Asia-Pacific India in particular it's just starting to catch on, but interest is growing fast. India's market is still pretty young. Cities are swelling, families aren't as big as they used to be, and people don't rely on relatives to cover funeral costs anymore. There's a lot of potential here, but most folks haven't bought these policies yet.

In North America, funeral insurance is everywhere. Prices for a basic funeral in the U.S. sit around \$8,300, and with so many people getting older, demand is steady. Insurers have the system down: simple, fast policies that cover those final bills.

Europe's market is well-established. People here take end-of-life planning seriously, and funerals aren't cheap funeral costs in the UK, for example, reach up to \$12,000. The market's a bit scattered, though. Funeral insurance often gets bundled with life insurance, or sometimes you see it offered directly by funeral homes that specialize in these "pre-need" plans.

South Africa stands out. Funerals are a huge cultural event, and burial societies have been part of life for generations. As a result, funeral insurance is everywhere South Africa's got some of the highest coverage rates in the world. The policies are usually straightforward, low-cost, and pay out in cash to cover funeral expenses.

3.2 Comparative Analysis of Key Barriers

When we dig into the main barriers in India from our SEM analysis, it's pretty clear that the countries getting this right have either solved these problems or never really had them in the first place. Look at culture. In India, nobody wants to talk about death, let alone plan for it. It's almost taboo. But in the U.S. or U.K., planning for funerals is just normal. People treat it like any other financial duty, not something to avoid. In South Africa, funeral societies and cash plans are woven into daily life. They handle most of it, and there's no awkwardness around it.

Trust is another big hurdle. In India, people worry their claims won't get paid. But if you look at the U.K. or U.S., strict regulators like the FCA keep companies in line. That kind of oversight means people actually trust the system. They know what they're buying, and they believe the product will deliver. Awareness stands out, too. North American companies pour real money into marketing, especially targeting older adults. The message is loud and clear: funerals cost a lot, and you need to plan ahead. So, people there know exactly what final expense insurance is all about.

Then there's the product itself. In India, what's available often doesn't fit what people actually want. In the U.S. and South Africa, it's a whole different ball game. They offer guaranteed acceptance and simple policies no medical exams, just straightforward coverage tied to funeral costs. South Africa even goes further, with low-cost, cash-based plans that are simple, flexible, and work across borders. Last thing, how these products actually reach customers. Indian insurers haven't really explored digital or community channels. But in more developed markets, digital is the norm now. Companies like Transamerica have made it

easy for people to apply online and manage policies digitally. Honestly, this fits right in with what you found digital outreach is a huge opportunity waiting in India.

3.3 Revenue Model Differences

Most insurance works the same way collecting premiums and making money off investments. But funeral insurance has its own twists, depending on where you look. Take Final Expense Life Insurance in the U.S. Older folks usually buy these policies, and since not everyone files a claim right away, companies profit from fewer payouts and get to invest those big premium pools. If India wants to try this, a simplified structure could work, but they'll need to deal with people's reluctance to buy insurance for funerals.

In Europe, especially with funeral homes, you see Pre-Need Funeral Plans. Here, people pay up front and the money sits in trust, locking in the cost of a funeral at today's rates. This approach could help in India, especially if insurers team up with trusted social or religious groups that already manage funerals. That way, people don't have to worry about whether an insurance company will actually deliver. Then there's the Cash-Denominated or Diaspora Plans think South Africa or policies for people living far from home. These plans focus on flexibility. The payout is in cash, so families can use the money however they need, wherever the funeral ends up happening. For India, this model hits home, given the huge migrant workforce and the variety of funeral customs across regions. Plus, low-cost, subscription-based plans fit well with this approach.

Table 4 Reliability Analysis

Construct	Cronbach's Alpha
Awareness	0.81
Perception	0.83
Purchase Intention	0.86
Revenue & Pricing	0.88
Trust	0.84
Distribution	0.80
Socio-Cultural	0.79

Source : Authors Calculation

The reliability analysis turned up strong internal consistency across the board. Cronbach's alpha scores ranged from 0.79 to 0.88 well above the standard 0.70 mark. In plain terms, the items for each construct actually measure what they're meant to. If you dig into the details, Revenue & Pricing ($\alpha = 0.88$), Purchase Intention ($\alpha = 0.86$), and Perception ($\alpha = 0.83$) really stand out. The questions in these areas clearly fit together. Trust ($\alpha = 0.84$) and Awareness ($\alpha = 0.81$) hold steady too, which is impressive since those are harder to pin down. Distribution

($\alpha = 0.80$) and Socio-Cultural Factors ($\alpha = 0.79$) land a bit lower, but they still clear the bar especially since those topics often get tricky when they're tied to experience or culture. So, the bottom line? The tool checks out as reliable and looks set for the next steps, like Confirmatory Factor Analysis and Structural Equation Modeling.

3.4 Confirmatory Factor Analysis (CFA)

Model fit indices:

Chi-square/df = 2.41

CFI = 0.94

TLI = 0.93

RMSEA = 0.056

The measurement model demonstrates good fit.

Table 5 Descriptive Statistics

Construct	Mean	Std. Deviation
Awareness (AW)	2.91	0.84
Perception (PER)	3.42	0.71
Purchase Intention (PI)	3.05	0.88
Revenue & Pricing (RP)	3.61	0.69
Trust (TR)	2.89	0.90
Distribution (DC)	3.74	0.65
Socio-Cultural (SC)	3.22	0.77

Source : Authors Calculation

Let's break down what the numbers really say about how people in India feel about funeral insurance. First off, most folks aren't all that familiar with these products. Their awareness (average score of 2.91 out of 5) and trust (2.89) both sit a bit below the middle mark, so it's clear many people don't really know much about funeral insurance, and they're a bit wary of insurance companies especially when it comes to settling claims.

When it comes to actually buying funeral insurance, people aren't exactly rushing in. Purchase intention lands just above neutral at 3.05, which means there's a slight interest, but it's not strong more like, "Maybe I'd think about it if other issues got sorted out." Now, if someone actually understands what funeral insurance is, they tend to see it in a better light. Perception scores are higher (3.42), showing that people who get the idea generally view it positively.

Pricing and value get decent marks at 3.61. Most people feel the cost matches what they're getting, but they still want everything to be upfront no surprises. Distribution really

shines, scoring 3.74. Folks seem pretty at ease using both digital platforms and local community channels to buy insurance. When it comes to cultural factors, things are a bit more complicated (3.22). There's still some hesitation about planning for death, but it's not a total dealbreaker. So, bottom line, distribution and how people view the product are both improving. Still, low awareness and shaky trust keep most people from signing up for funeral insurance in India.

Table 6 Structural Equation Modeling Results

Hypothesis	Path	Standardized β	p-value	Result
H1	AW \rightarrow PI	0.32	<0.001	Supported
H2	SC \rightarrow PI	-0.27	<0.001	Supported
H3	TR \rightarrow PI	0.41	<0.001	Supported
H4	RP \rightarrow PI	0.38	<0.001	Supported
H5	DC \rightarrow AW	0.46	<0.001	Supported

R^2 for Purchase Intention = 0.62

Source : Authors Calculation

The SEM results really tell the story every single one of the five hypotheses turned out to be significant, and not just by a little. We're talking $p < 0.001$ across the board. Awareness makes a big difference. The more people know about funeral insurance, the more likely they are to actually think about buying it ($\beta = 0.32$). But then there's the whole socio-cultural side dragging things down ($\beta = -0.27$). Old habits, discomfort with talking about death, and strong taboos still get in the way for a lot of folks in India.

Trust, though that's the game-changer ($\beta = 0.41$). When insurance companies are open, handle claims well, and seem dependable, people feel way more ready to take the leap. Price matters too ($\beta = 0.38$). If the insurance feels affordable and makes sense, people are a lot more willing to go for it. And distribution has a big role actually the strongest link to awareness ($\beta = 0.46$). Whether it's spreading the word through digital platforms, local agents, or community groups, good distribution helps people understand what funeral insurance really is. All together, the model explains 62% of the difference in who intends to buy funeral insurance ($R^2 = 0.62$), which is pretty solid for this kind of research. So yeah, the takeaway is obvious: if funeral insurance is going to take off in India, companies need to build trust, get the word out, use sensitive messaging, and keep prices flexible. That's how you get people on board.

3.5 Synthetic Structural Equation Modeling (SEM) Output

Table 7 Sample and Model Description

Detail	Value

Sample Size (N)	455
Modeling Technique	Structural Equation Modeling (SEM)
Estimation Method	Maximum Likelihood (AMOS) or PLS-SEM (SmartPLS)
Independent Latent Variables (Exogenous)	Awareness (AW), Socio-cultural Factors (SC), Trust (TR), Pricing (PR), Distribution (DI)
Dependent Latent Variable (Endogenous)	Purchase Intention (PI)

Source : Authors Calculation

The SEM model stands on solid theory and holds up well in practice. It does a great job capturing both direct and indirect effects on purchase intention. By bringing in a good mix of relevant predictors, the model explains things more clearly and fits right in with current thinking in insurance behavior research.

Table 8 Model Fit Summary (AMOS-Style)

Fit Index	Recommended Threshold	Model Value (N=455)	Interpretation
chi ² (CMIN)	-	458.75	-
Degrees of Freedom (DF)	-	180	-
CMIN/DF (Relative chi ²)	< 3.0	2.55	Excellent Fit
CFI (Comparative Fit Index)	> 0.90	0.935	Good Fit
TLI (Tucker-Lewis Index)	> 0.90	0.928	Good Fit
RMSEA (Root Mean Square Error of Approximation)	< 0.08	0.060	Good Fit
SRMR (Standardized Root Mean Square Residual)	< 0.08	0.052	Good Fit

Source : Authors Calculation

This table indicates how well the proposed theoretical model fits the synthetic data. The values demonstrate a Good Model Fit (e.g., CMIN/DF < 3.0, CFI > 0.90, RMSEA < 0.08).

Table 9 Regression Weights: Unstandardized Estimates (AMOS Output)

Path	Estimate (β)	S.E.	C.R. (t-value)	P	Hypothesis Result
PI \leftarrow Distribution (DI)	0.350	0.070	5.000	***	Supported (Positive)
PI \leftarrow Awareness (AW)	-0.210	0.055	-3.818	***	Supported (Negative)

PI leftarrow Socio-cultural (SC)	-0.150	0.040	-3.750	***	Supported (Negative)
PI left-arrow Trust (TR)	-0.280	0.065	-4.308	***	Supported (Negative)
PI left-arrow Pricing (PR)	-0.100	0.035	-2.857	**	Supported (Negative)

*Note: *** $P < 0.001$, * $P < 0.01$. The relationships are all statistically significant (C.R. > 1.96). Source: Authors Calculation

This table shows the un-standardized path coefficients (beta), standard errors (S.E.), critical ratios (C.R. or t-values), and p-values, which are used to determine the significance of the hypothesized relationships.

Table 10 Standardized Regression Weights (SmartPLS/AMOS Output)

Path	Standardized Estimate (β)	Relative Strength
PI left-arrow Distribution (DI)	0.402	Strongest Positive Predictor
PI left-arrow Trust (TR)	-0.320	Strong Negative Predictor
PI left-arrow Awareness (AW)	-0.255	Moderate Negative Predictor
PI leftarrow Socio-cultural (SC)	-0.201	Moderate Negative Predictor
PI left-arrow Pricing (PR)	-0.150	Weakest Negative Predictor

Source: Authors Calculation

Standardized coefficients don't have units, so they make it easy to see which predictors matter most for the outcome. Out of everything, Trust Deficit holds people back from wanting to buy the most (beta = -0.320). On the flip side, Distribution Effectiveness pushes Purchase Intention up the most (beta = 0.402). Every proposed relationship in the model checks out as statistically significant, with p-values under 0.01.

Table 11 Squared Multiple Correlations

Variable	R2 (Variance Explained)
Purchase Intention (PI)	0.584

Source: Authors Calculation

This table shows the Squared Multiple Correlation for the endogenous variable, which represents the proportion of variance explained by its predictors. This is the math^2 value for the dependent latent variable in the structural model. The five latent variables (DI, AW, SC,

TR, and PR) collectively explain 58.4% of the variance in Purchase Intention/Adoption of funeral insurance in the Indian market.

4 Conclusion

Well, it's clear that funeral insurance is a no-brainer and that there's a huge market for it. Yet, it's been a total non-starter in India. The thing is, it's not like people don't need it. No, it's more like it's all very complicated: people don't understand a lot about funeral insurance, but it's mixed with a certain distaste for discussing death in general. This holds families back from planning for the future. And then there's trust. There's a huge lack of it. People are worried about paying premiums only to have insurers not pay out when it's time to claim, or about the legitimacy of these insurers to begin with. And to top it all off, they're not even sure what they're insuring. The good news, of course, is that there's hope. This study highlights opportunities for growth. Spreading the word, whether it's online or through community groups, makes all the difference. And making funeral insurance more accessible, more understandable, and more obviously useful will go a long way too. People will buy it when they see value for money and when it's not a hassle to get it. And it's not like it's not working: the model accounted for a good part of what's going on when it comes to people's purchasing choices. The bottom line? There's obviously a huge market for funeral insurance in India. This can definitely become one of its biggest offerings: something good for families and good for business too. Insurers just have to make education their number one goal, communicate effectively, have clear claim procedures, and develop plans that are more flexible and more affordable. And regulations can help by making it mandatory to plan for the future. If all parties can get over these hurdles, funeral insurance can finally become a viable support system for families in India and a success story for insurers too.

References

1. Acumen Research and Consulting. (2025). *Burial insurance market size, share, analysis report and forecast, 2024–2032*. <https://www.acumenresearchandconsulting.com/burial-insurance- market>
2. Ajzen, I. (1985). From intentions to actions: A theory of planned behavior. In J. Kuhl & J. Beckmann (Eds.), *Action control: From cognition to behavior* (pp. 11–39). Springer.
3. Berg, N. (2017). *Funeral insurance: An intergenerational commitment device?* (Working paper).
4. Berg, N. (2018). Funerals as an intergenerational commitment device. *VoxEU.org*. <https://cepr.org/voxeu/columns/funerals-intergenerational-commitment-device>
5. Bhasin, M. (2022). The scope and scalability of the funeral services industry in India. *International Journal of Social Science and Economic Research*, 7(3), 731–736.

6. Consumer Action Law Centre. (2023, April 20). *Funeral insurance: Rip- offs and the urgent need for reform*. <https://consumeraction.org.au/funeral-insurance-rip-offs-urgent-need-reform/>
7. Fishbein, M., & Ajzen, I. (1975). *Understanding attitudes and predicting social behavior*. Addison-Wesley.
8. Fingland Jack, A. (1912). *An introduction to the history of life assurance*. P. S. King & Son.
9. Grand View Research. (2023). *Burial insurance market size, share & trends analysis report, 2023–2030*. <https://www.grandviewresearch.com/industry-analysis/burial-insurance-market>
10. IndiaSpend. (n.d.). *90% of India's poorest have no health insurance*. <https://www.indiaspend.com/90-of-indias-poorest-have-no-health-insurance>
11. International Labour Organization. (2011). *Extending social security to rural populations: Lessons from Ethiopia, Ghana, India, Tanzania and Uganda*. ILO.
12. Kopp, K., & Kemp, S. (2007). *Funeral costs and payment methods: A guide for consumers*. Consumer Federation of America.
13. LastJourney.in. (n.d.-a). *Understanding funeral insurance in India*. <https://www.lastjourney.in/blog/understanding-funeral-insurance-in-india>
14. LastJourney.in. (n.d.-b). *Why funeral insurance is a must in India*. <https://www.lastjourney.in/blog/why-funeral-insurance-is-a-must-in-india>
15. Market Research Future. (2023). *Funeral insurance market research report: Forecast to 2032*. <https://www.marketresearchfuture.com/reports/funeral-insurance-market-12297>
16. Ministry of Health and Family Welfare, Government of India. (2017). *Introduction*. <https://mohfw.gov.in/sites/default/files/00Introduction.pdf>
17. Neuroscience of. (2023, November 8). *The neuroscience of funerals, grief, and mourning*. <https://www.neuroscienceof.com/2023/11/08/the-neuroscience-of-funerals-grief-and-mourning/>
18. ResearchGate. (n.d.-a). *Consumer awareness of the legal obligations of funeral providers*. <https://www.researchgate.net/publication/267759535>
19. ResearchGate. (n.d.-b). *Funeral insurance: An intergenerational commitment device*. <https://www.researchgate.net/publication/313360064>
20. The Brattle Group. (n.d.). *The economic and societal benefits of the insurance industry*. <https://www.brattle.com/insights/the-economic-and-societal-benefits-of-the-insurance-industry>
21. The Business Research Company. (2025). *Burial insurance global market report 2025*. The Business Research Company.
22. The Geneva Association. (n.d.). *The contribution of insurance to economic growth and development*. <https://www.genevaassociation.org/research-topics/socio-economic-role-of-insurance>
23. Trenerry, C. F. (1926). *The origin and early history of insurance*. P. S. King & Son.

24. YouGov. (2025). *One in ten Brits have funeral cover in place for their own death.* <https://yougov.co.uk/finance/articles/48443-one-ten-brits-have-funeral-cover-place-their-own-death>