Financial Literacy, Retirement Planning, And Demand for Life Insurance: Evidence from Lecturers in Lagos State-Owned Tertiary Institutions

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Abstract

Financial literacy is a protective tool for ensuring quality retirement life through annuity life insurance policy. The study evaluates the impact of financial literacy metrics and retirement planning on the demand for life insurance among university lecturers in Lagos State-Owned tertiary institutions. Using a cross-sectional survey design and multiphase sampling techniques, data were collected through structured questionnaires completed by 273 university lecturers The data were analyzed using simple frequency percentages and multiple regression technique. The findings show that financial attitude, financial knowledge, and financial Behavior have a positive relationship with the demand for life insurance while financial confidence exhibits an inverse relationship. Additionally, retirement planning has positive and significant effect on the demand for life insurance. These results suggest that continuous efforts should be given in educating the public about the importance of life insurance for better financial planning. This, in turn, helps insurers to understand and serve suitable insurance plan that fits their clients' financial plan.

Keywords: Financial Attitude, Financial Knowledge, Retirement Planning, Demand for Life Insurance

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Introduction

Financial literacy is a key to choosing the right retirement plans for an individual. Previous studies have emphasized the linkage between financial literacy, financial decision, and retirement planning (Chen & Chen, 2023; Cupak, et al. 2019; Harahap, et al. 2022; Lusardi & Mitchell, 2017). These studies highlight the need for individual readiness for retirement and choices of lifespan security to managing longevity risks. According to Homa (2020) longevity risk of an individual have adverse consequence to the policyholders, but it does not pose financial threat to insurers' stability. Despite the longevity risks, policyholders can still experience flexible features in life insurance that allow them to receive tax free accumulation benefits, which guarantee cash value, as retirement income, for one's family (Russel & Wade, 2023). Sang, et al. (2020) stressed that while life insurance serves as tool to make provision for financial safety in the occurrence of death, a life insurance retirement plan, serves as a strategy to guarantees long-term accumulation of assets and may have additional retirement income.

Studies had found that individual persons with high financial literacy skills have more tendency to practice financial planning likely to engage in financial planning, such as purchasing life insurance based on trust (Ajemunigbohun, et al. 2018; Gamade, 2017; Mahdzan & Victorian, 2013). It is further claimed further that life insurance is core to individual financial planning hence it serves as a financial saving while safeguarding against personal risks in retirement (Dovie, 2018). Retirement planning reflects a person's intentions aimed at preparing for life in retirement (Ugwu & Idemudia, 2023). Life insurance is a risk protection mechanism against disability, mortality, and loss of income (GrundI, et al. 2016).

Most insurers concur that financial wellbeing should be deeply pondered upon by placing emphasis on retirement. However, to improve financial wellness, life insurance should go beyond saving and risk solution. It should also include retirement security with a blend of financial literacy and general savings (Bhattacharya-Craven et al., 2022). Financial literacy creates huge efforts on retirement planning because the more financial literate an individual appears to be, the more effort is given in planning towards his/or her retirement (Anderson, et al. 2017; Safari, et al. 2021). The primary aim is to analyze the correlation between financial literacy, retirement planning, and the desire for life insurance among teachers in Lagos State-owned tertiary institutions. The specific objectives are to determine the impact of financial literacy on the demand for life insurance among lecturers in Lagos State-Owned Tertiary institutions, and to assess the correlation between retirement planning and the demand for life insurance among lecturers in Lagos State-Owned Tertiary institutions.

Literature Review

Conceptual Review

Financial Literacy

Financial literacy has been perceived over time as an integral element which assists individuals in successfully making sound judgements and informed decisions in managing their finances by demonstrating either positive or negative behavioral decisions. Financial literacy is the most paramount component in achieving a successful adult life. This is due to its crucial and active role in the development of not only individuals' attitudes to managing their finances, but also an attitude about life generally. An investigation by Clark, et al. (2017) suggested that financial literacy largely goes to influence the appropriate attitude dissipated into being financially prepared towards making retirement life enjoyable and stress-free. Baker, et al. (2018) opined that financial literacy is a veritable mechanism for improving the capability of individuals to properly assess their risk appetite and understand statistics and information underpinning financial instruments to be used. Supporting this argument, Wahyuni, et al. (2021) claimed that financial literacy signifies a form of educational attainment which assists in building up wealth through pre-defined and arranged Behavior. The Organization for Economic Cooperation and Development, (OECD, 2022) asserted that financial literacy can be perceived to contain the combination of attitude, Behavior, confidence and knowledge required to show frugality in spending and demonstrate sound decisions that help in guaranteeing financial well-being for individuals.

Metrics of Financial Literacy

Financial Attitude

Financial attitude significantly influences an individual's approach to handling finances, encompassing their saving, spending, and allocation of funds (Potrich, et al. 2016). It embodies a person's inclination toward financial behaviors and reflects their preferences, perceived usefulness, or characteristics associated with their spending habits. Azib, et al. (2022) emphasized that financial attitude serves as a reflection of how individuals manage their finances, encompassing decisions on spending, saving, and investment practices. Amagir, et al. (2020) define financial attitude as an individual's orientation towards monetary concerns, such as attitudes towards saving, emergency fund planning, and the establishment of long-term financial plans. The alignment between an individual's financial behavior and their attitude is evident, suggesting that attitudes reflect specific preferences or dispositions regarding financial management (Renaldo, et al. 2020).

Financial Behavior

Financial Behavior encompasses the systematic and methodical approach individuals adopt in handling their financial resources and making choices regarding expenditure, borrowing, saving, investing, and overall financial strategies (Lusardi, 2019). It encompasses a spectrum of actions, including prudent or impulsive spending habits, effective or burdensome debt management, the inclination towards savings, investment choices, and the ability to align financial decisions with long-term goals (Ananda & Mikhratunnisa, 2020). Financial Behavior is strongly influenced by an individual's level of financial literacy, encompassing their understanding of financial concepts, their confidence in managing finances, and knowledge of navigating complex financial landscapes. Positive financial behavior typically involves responsible and informed decision-making that promotes financial stability and supports the achievement of short and long-term financial objectives, whereas negative financial behavior often results from inadequate financial understanding and may lead to detrimental financial outcomes (Widyastuti, et al. 2020; Chong, et al. 2021; Babajide, et al. 2023).

Financial Confidence

Financial confidence refers to an individual's belief in their ability to effectively navigate and manage various financial matters (Ayse, & Alper, 2023) It encompasses a sense of assurance, self-trust, and conviction in making financial decisions, handling investments, managing expenses, and planning for the future (Karakara, et al., 2022)). This confidence extends to one's comfort level in dealing with financial complexities, such as understanding financial instruments, assessing risks, and adapting strategies in response to economic changes. Financial confidence empowers individuals to approach financial challenges with resilience and optimism, enabling them to make informed decisions and take proactive steps toward achieving their financial goals and securing their financial well-being in the short and long term (Atlas, et al. 2023).

Financial Knowledge

Financial knowledge refers to the understanding, awareness, and proficiency an individual possesses regarding various financial concepts, principles, instruments, and practices (Fessler et al., 2020). It encompasses a broad spectrum of financial literacy, including but not limited to, comprehension of budgeting, investing, savings, debt management, risk assessment, and the ability to make informed and prudent financial decisions (Abdul Rashid, et al. 2020). A person with sound financial knowledge comprehends the intricacies of financial systems, grasps fundamental economic principles, and can navigate the complexities of personal and business finance, enabling them to effectively manage resources, mitigate risks, plan for the future, and achieve their financial goals (Morris, et al. 2021).

Retirement Planning

Retirement planning captures the process where employees are no longer physically capable of contributing to organizational tasks. It also symbolizes the long-term habits of individuals in the aspect of making investments in preparation for life after retirement (Seidl, et al. 2021). Additionally, retirement planning involves making several conscious decisions, which in the end requires an understanding of alternatives. This establishes the ability to assess both the likelihood and potential outcomes of each available option with the said alternatives (Rostamkalaei, et al. 2022). Effective retirement planning presents an avenue for enabling individuals to become independent financially, provide comfortable living and foster an ability to achieve retirement goals (Hansson, 2019). Therefore, retirement planning is a crucial process that is vital in ensuring that individuals (academic staff) have savings that are adequate enough to accommodate the required lifestyle desired upon retirement.

Demand for Life Insurance

Life insurance is a contractual agreement between the insurer and the insured whereby the latter agrees to regularly pay premiums in exchange for the insurers' pecuniary protection in case of loss, such as death, disability, and damages within the policy period (Hagos & Kebede, 2019). Life insurance is normally decided upon under risk (i.e., protective net) or uncertainty (i.e., investment decision) for futuristic circumstances; with ambiguity is heightened by exogenous risk factor which invariably increases the extent of risk aversion (Grischchenko, 2019). According to Schanz (2020), factors that promote life insurance penetration is said to include accelerated efforts to rethink subsisting and launching new products, culminating price sensitivity via value increase, seize potential for improved cost-competitiveness, and facilitating insurance awareness and education. However, life insurance advantageous hence it guarantees payment for a stipulated sum for family on the death of its oncome earners; provides cash value that serves as financial strength via constant savings; helps through annuity as a means through which individual workers can have monetary provisions for retirement; and permits for favorable credit borrowings (Segodi & Sibindi, 2022; Soye & Agboola, 2019). Life insurance benefits, as a protective function, are paid not only at the time of death event but when an individual worker lives to the age specified in the work contract close to retirement age.

Based on the above conceptual clarifications, the study hypothesized as follows:

H_{o1}: Financial literacy (financial attitude, financial Behavior, financial confidence and financial knowledge) has a significant effect on demand for life insurance among lecturers in Lagos State-Owned Tertiary institutions.

H_{o2}: Retirement planning (Financial planning, lifestyle planning, and health planning) has no significant relationship with the demand for life insurance among lecturers in Lagos State-Owned Tertiary institutions.

Theoretical Review

Expected Utility Theory

The theory is attributed to Bernoulli (1738) and subsequently expanded and formalized in the mid-20th century by Von Neumann and Oskar (1944) for the purpose of risk evaluation. This theory elucidates decision-making processes in situations including uncertainty, arising from fundamental contradictions in the presumed foundational principles of Expected Utility Theory (EUT). It proposes that an individual agent enhances their anticipated enjoyment (utility) when making judgements on whether to request insurance products. Nevertheless, these individual choices are driven by the shape of their utility function, which is consistently calculated based on risk aversion (Zweifel & Eisen, 2012).

Furthermore, EUT primarily emphasizes the avoidance of risk and the use of linear probability estimations. Risk aversion is exhibited by an individual when their marginal utility declines under a concave function. When an individual exhibits risk-seeking behavior, increases in marginal utility over income (wealth) suggest a convex function. When an individual agent demonstrates risk neutrality, a linear function is obtained where the marginal utility is constant (Ali, et al. 2020). The concept of linearity has been elucidated in respect to probability, emphasizing the consistent behavior of transformations originating from a positive common source, and relying on the extreme income in each stage of nature (Kulawik, 2023). This theory forms the foundation upon which a conceptual framework is constructed. It clarifies certain aspects of financial literacy and the desire for life insurance policies.

Empirical Review

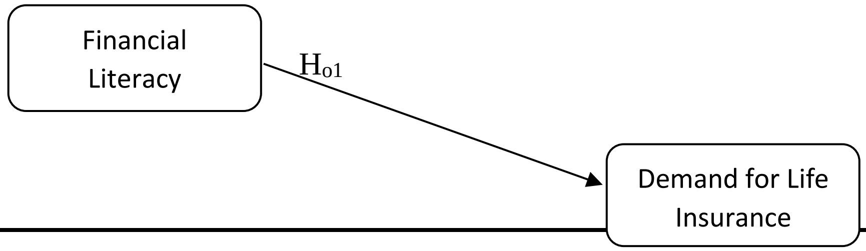
Weedige, et al. (2019) conducted an empirical analysis of insurance literacy in Sri Lanka to assess decision making in personal insurance. The study aimed to examine the direct and indirect impacts of customers' insurance literacy on their decision-making while obtaining personal insurance. It employed a structured questionnaire to gather data from three hundred participants consisting of middle-class consumers. The study adopted a variance-based structural equation modeling in the data analysis. The findings revealed a direct linkage of financial literacy (via moderating factors such as perceived benefits, trust, and favorable attitudes) and behavioral intention towards insurance decisions. There was a significant variance between those who possessed and those who did not possess insurance on the bases of their literacy level. The study also recommended that academia and policymakers consider insurance as instrument for financial security and well-being.

Murugesan and Manohar (2020) examined financial literacy as a determining factor for investing in health insurance among citizens in India. This study conducted a literature review confirming the strong linkage among financial literacy, financial services adoption, and consumer welfarism. The study stated that life insurance and pension funds act in contrast with short-term bank loans, long term funding to provide significant advancement to the Indian economy. Findings showcased that the presence of good insurance mechanisms can help fulfill citizen needs and thus bring about competitive insurance environment, safeguard their interest as citizens, and build confidence in the system.

Wang, et al. (2021) evaluated the outcomes of the growing plan with empirical investigation into the relationship between financial literacy and demand for life insurance in China. This study was conducted among one hundred and fourteen million Chinese people out of the population of one billion, four hundred million people holding life insurance policies. The low turnout of Chinese citizens relative to the larger population has been attributed to low level of financial literacy. With the adoption of two special locally representative micro datasets, a relationship was established between financial literacy and demand for life insurance. Findings proved a positive nexus between numerous dimensions of financial literacy and frequency of individuals holding insurance and paying insurance premium. The study concluded that improving financial literacy may be an avenue for China's growing plan.

Tian (2022) conducted an empirical study on the relationship between financial culture and financial literacy on commercial life insurance participation among citizens. The study adopted the datasets from the China Household Finance Survey between the years 2013 and 2019. The findings revealed that financial literacy significantly and positively impacted family participation in commercial life insurance. The combination of health status, educational level, family size, and total assets was used as metrics for financial literacy on family commercial life insurance engagement. Further, analysis of these influencing factors, it was discovered that individual risk attitude was vital channel of financial literacy in relations to family commercial life insurance. Hadi and Abdullah (2023) evaluated the dimensions of financial culture and financial literacy with empirical samples taken from selected insurance companies in Iraq. Financial culture such as saving, spending, and entrepreneurial ideas were correlated with financial literacy mechanisms such as financial knowledge, financial attitude, and financial Behavior. In the data analytical measures, a set of statistical tools were employed to the correlations between the numerous indicators. In the end, findings showcased a significant association between the financial mechanisms.

Conceptual Model



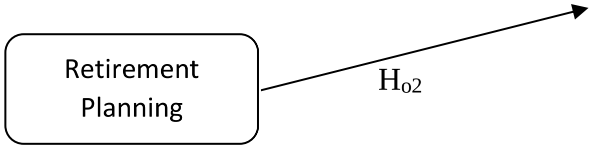


Fig.1: Conceptual model explains the relationship between financial literacy, retirement planning and demand for life insurance

Methodology

The study used a descriptive survey research design. The research philosophy was positive because the study involved the use of surveys as instruments for data gathering. The population for the study comprised all lecturers in Lagos State-owned tertiary institutions, totaling two thousand, one hundred and ten (2,110) as shown in Table 1.

Table 1. Total Numbers of Academic Staff in each Research Ground

Research Grounds	Sample Population	Sample Size
Lagos State University (Ojo)	813	130
Lagos State University of Science and Technology (Ikorodu)	678	108
Lagos State University of Education, (Ijanikin)	618	98
Total	**2110**	**336**

Source: Annual Reports, 2022

With the sample determination formulae developed by Taro Yamane as cited in Israel (2013) the sample size was determined as follows:

$$n = \frac{N}{1 + Ne^2}$$

$$n = \frac{2110}{1 + 2110\ (0.05)^2} = 336$$

Three hundred and thirty-six (336) copies of questionnaires were distributed to the lecturers, as indicated in Table 1. Out of the total number of questionnaires distributed, three hundred and twelve (312) were collected and two hundred and seventy-three (273) were selected for data analysis following careful examination. This represents a response rate of 81%. The study utilized a multiphase sampling technique, incorporating both quota and convenience sampling. The quota sampling technique was used to pick respondents from the three public universities owned by the Lagos State Government in 2022. The selection was based on the proportional representation of employed academic staff members in each university. To conduct convenience sampling, academic staff members were assessed for their preparedness and accessibility. A structured questionnaire was used as the data-gathering instrument. The questionnaire was designed internally to specifically address the important themes and variables being investigated. The selection of the survey technique was based on its suitability to the chosen research design, its cost-effectiveness, and its ease of distribution (Sallies, et al., 2021). The study confirmed the validity and reliability by thoroughly examining and certifying the appropriateness of face, concept, and content validities. After conducting the pilot study, it was determined that the items consistently produced results above the global research threshold of 0.70, indicating high reliability. The data was analyzed using descriptive and inferential statistics, utilizing the Statistical Package for the Social Sciences (SPSS) version 21. The study used Likert scale instruments with response options ranging from strongly disagree (SD) to strongly agree (SA).

Table 2 . Reliability Coefficient of the Confirmed Dimensional Constructs

Constructs	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
Financial literacy	.803	.791	4
Retirement planning	.795	.774	3
Demand for life insurance	.712	.697	4

Source: *Researchers' Computations, 2023*

Results and Discussion

Descriptive Analysis of Participants Responses

Table 3. Participants' Bio-Data Information

Variable	Response Label	Frequency	Percentages (%)
Gender	Female	118	43.2
	Male	155	56.8
Age	30 but less than 40	100	36.6
	40 but less than 50	126	46.1
	50 but less than 60	37	13.6
	60 & above	10	3.7
Marital Status	Single	10	3.7
	Married	259	94.8
	Divorced	04	1.5
Educational Qualification	BSc/HND	28	10.3
	Master's Degree	140	51.3
	Doctorate	105	38.4
Annual Income	Less than 1 million	37	13.6
	1 million but less than 5 million	171	62.6
	5 million but less than 10 million	56	20.5
	10 million but less than 15 million	09	3.3

Source: *field survey (2023)*

The information reported in Table 3 offers valuable insights into several demographic characteristics. These statistics provide insight into the makeup of the surveyed population, enabling valuable observations and implications. The gender distribution indicates a minor imbalance in favor of males, who make up 56.8 percent of the sample, while females constitute 43.2 percent. The gender disparity could potentially impact viewpoints on several areas, potentially influencing replies and attitudes towards the subject matter of the survey. The data demonstrates a gradual decrease in participation as age increases, indicating age-related differences in engagement. The bulk of respondents belong to the age bracket of 40-50 and above, suggesting a somewhat mature sample group. The age distribution could indicate specific generational inclinations or viewpoints, influencing decision-making, consumer habits, and openness to societal shifts in retirement planning. The examined population is predominantly composed of married individuals (94.8 percent), whereas singles and divorced individuals are significantly less represented. This statistic suggests that there may be variations in the duties, priorities, or financial habits of married individuals compared to those who are single or divorced. These variances can influence decision-making when it comes to the need for life insurance. The distribution of educational qualifications is significant, with the majority (51.3 percent) holding a master's degree. The substantial percentage implies that the sample population is well-educated, which may indicate a greater degree of experience or financial literacy among the respondents. Furthermore, the data shows that a significant percentage of participants, specifically 62.6 percent, have an annual income ranging from 1 million to 5 million. This information is relevant when considering the need for life insurance. The dominance of this middle-income bracket dominance within the surveyed population might suggest varying capacities for demand for life insurance and investment opportunities. Those with higher incomes might have more resources to allocate towards annuity funds or investment portfolios via life insurance policies, while those with lower incomes might face challenges in saving adequately for the purchase of life insurance.

Table 4. Demographic information of the participants

Variable	Response Label	Frequency	Percentages (%)
Do you have insurance policy?	Yes	45	16.5
	No	228	83.5
Do you have a life insurance policy?	Yes	36	13.2
	No	237	86.8
How often do you show interest in insurance?	Not at all	193	70.7
	Rarely	23	8.4
	Sometimes	21	7.7
	Quite often	18	6.6
	Always	18	6.6
Do you think life insurance scheme is a reliable instrument for your retirement plan?	Yes	101	37.0
	No	172	63.0
How sure are you with life insurance scheme as a reliable retirement plan?	Not very sure	35	12.8
	Not sure	96	35.2
	Averagely sure	54	19.8

	Sure	44	16.1
	Very sure	44	16.1

Source: *field survey (2023)*

The information presented in Table 4 offers more understanding of various demographic factors. These statistics provide a brief insight into the demographic makeup of the people polled, allowing for valuable insights and implications. The survey results indicate that most participants, specifically 83.5 percent, did not have insurance policies, while only 16.5 percent reported having such plans. Regarding the proportions of the participants who owned life insurance policies, 86.8 percent said ‘No’ while 13.2 percent indicated ‘Yes’. As to the interest of the participants in insurance, while majority indicate non-interest 70.7 percent, 84 percent rarely interested, 7.7 percent sometimes interested, 6.6 percent were quite often and always interested respectively. As for the reliability of life insurance scheme as a retirement plan, 63 percent expressed dissenting views while 37 percent indicated supporting opinions. As to the assurance of life insurance scheme as reliable retirement plan, while 48 percent of the participants expressed their uncertainty of the instrument, 32.2 percent showed their level certainty regarding it. Only 19.8 percent were moderately sure of it.

Table 5. Analyzing the characteristics of research variables.

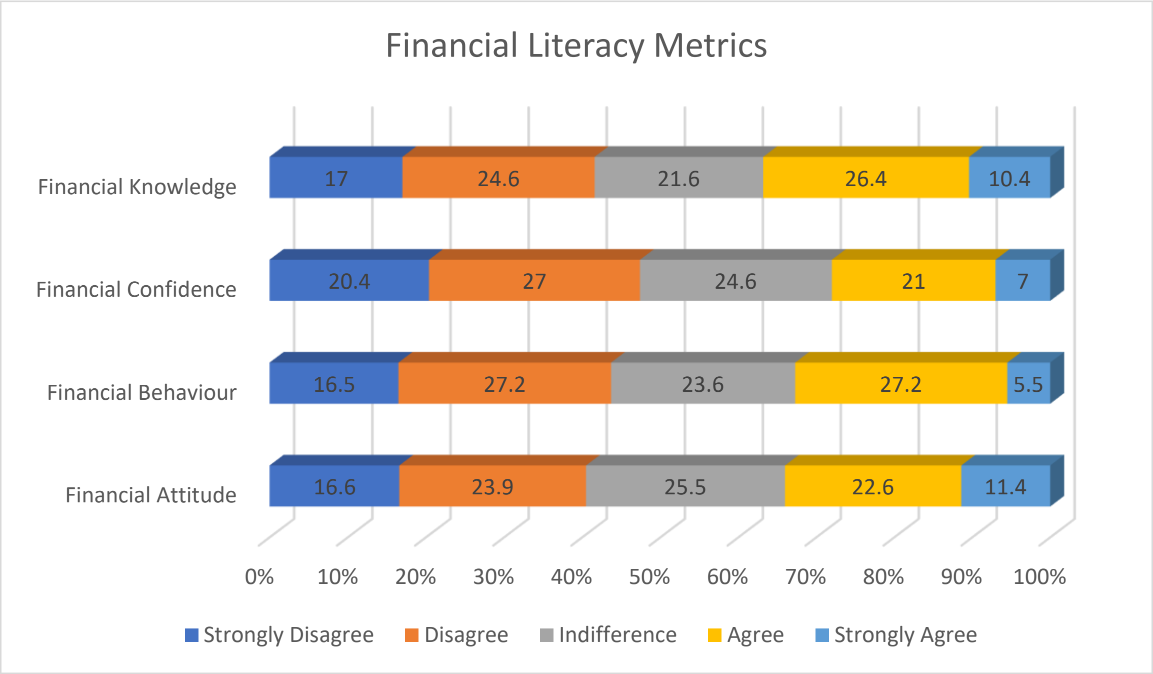
Financial Literacy

Variables	**Scale Level**					**Mean**	**Std Dev.**
	SD	**D**	**U**	**A**	**SA**		
	1	**2**	**3**	**4**	**5**		
Financial Attitude	16.6	23.9	25.5	22.6	11.4	3.35	1.301
Financial Behavior	16.5	27.2	23.6	27.2	5.5	3.28	1.241
Financial Confidence	20.4	27.0	24.6	21.0	7.0	3.76	1.304
Financial Knowledge	17.0	24.6	21.6	26.4	10.4	3.22	1.295

Source: Researchers’ Computations, 2023

The financial literacy survey items collected data from all participants in Table 5 (Fig. 1), including financial attitude, financial Behavior, financial confidence, and financial knowledge. The participants responded to the various items, with 40.5 percent do not agree in terms of financial attitude, 25.5 percent being neutral, and 34.0 percent agreed. In terms of financial Behavior, 43.7 percent of participants voiced their lack of support for this item, while 23.6 percent were undecided about it. Subsequently, 32.7 percent expressed their support. Regarding financial confidence, 47.4 percent of the participants expressed their disagreement, 24.6 percent were uncertain, and 28.0 percent agreed. Regarding financial knowledge, 41.6 percent of individuals stated disagreement, 21.6 percent were undecided, and 36.8 percent indicated agreement. The mean and standard deviation scores provided evidence for the results of all the items that were surveyed. This indicates that the lecturers' evaluations of the survey questions followed a normal distribution and were focused on the average. The descriptive statistical analysis of financial literacy reveals that all the measures exhibit consistent evaluations regarding the distribution of the participants' judgements on the subject matter.

Figure 1. The Graphical Model elucidates the Financial Literacy Metrics among Lecturers at Lagos State-Owned Tertiary Institutions.



Source: *Researchers' Computations (2023)*

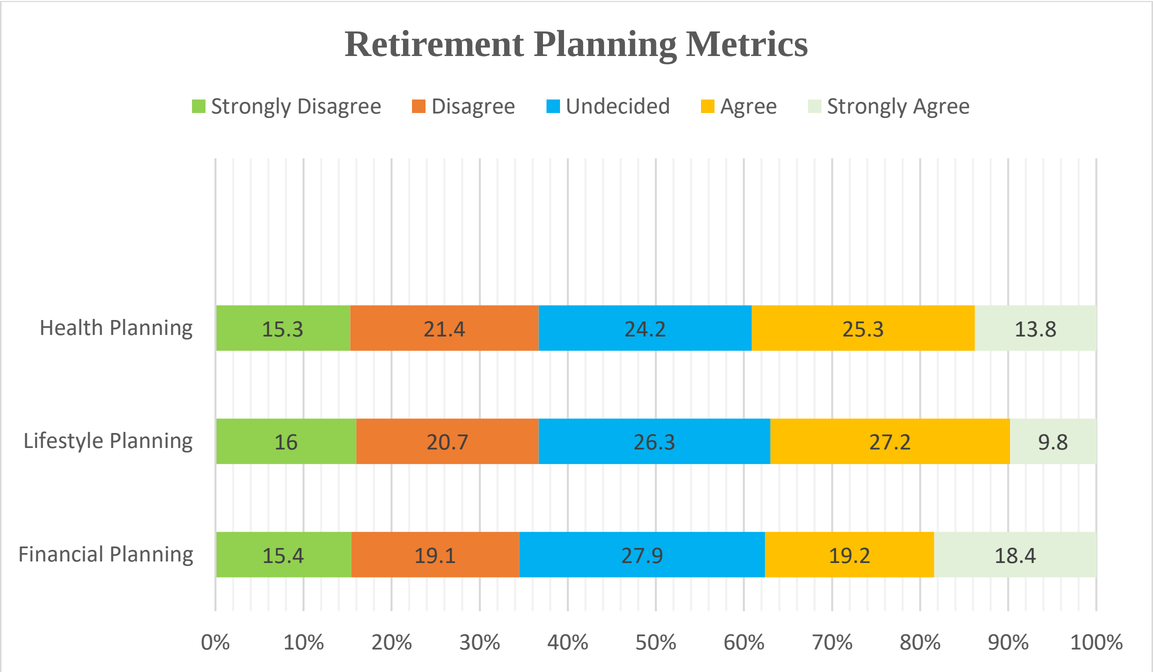
Table 6. Retirement Planning

Variables	Scale Level					Mean	Std Dev.
	SD	D	U	A	SA		
	1	2	3	4	5		
Financial Planning	15.4	19.1	27.9	19.2	18.4	3.45	1.232
Lifestyle planning	16.0	20.7	26.3	27.2	9.8	2.89	1.242
Health planning	15.3	21.4	24.2	25.3	13.8	3.31	1.271

Source: Researchers' Computations, 2023

Data for financial planning, lifestyle planning, and health planning were collected from all participants in Table 6 (Fig. 2) of the retirement planning survey. The participants responded to the various items, with 34.5 percent do not agree with the need of financial planning. 27.9 percent expressed indifference, while 37.6 percent expressed agreement. Regarding lifestyle planning, 36.7 percent of participants acknowledged their lack of support while 26.3 percent remained neutral towards it. Subsequently, there was a 37.0 percent level of support. In terms of health planning, 36.7 percent of the participants expressed their dissatisfaction, 24.2 percent were undecided, and 39.1 percent agreed. The mean and standard deviation scores provided evidence for the results of all the surveyed items. This indicates that the lecturers' evaluations of the survey questions followed a normal distribution and were focused on the average. The descriptive statistics analysis of the retirement planning reveals that all metrics provide consistent assessments of the distribution of participants' judgements on the subject matter.

Figure 2. The Graphical Model elucidates the Retirement Planning Metrics among Lecturers at Lagos State-Owned Tertiary Institutions.



Source: *Researchers' Computations (2023)*

Table 7. Demand for Life Insurance

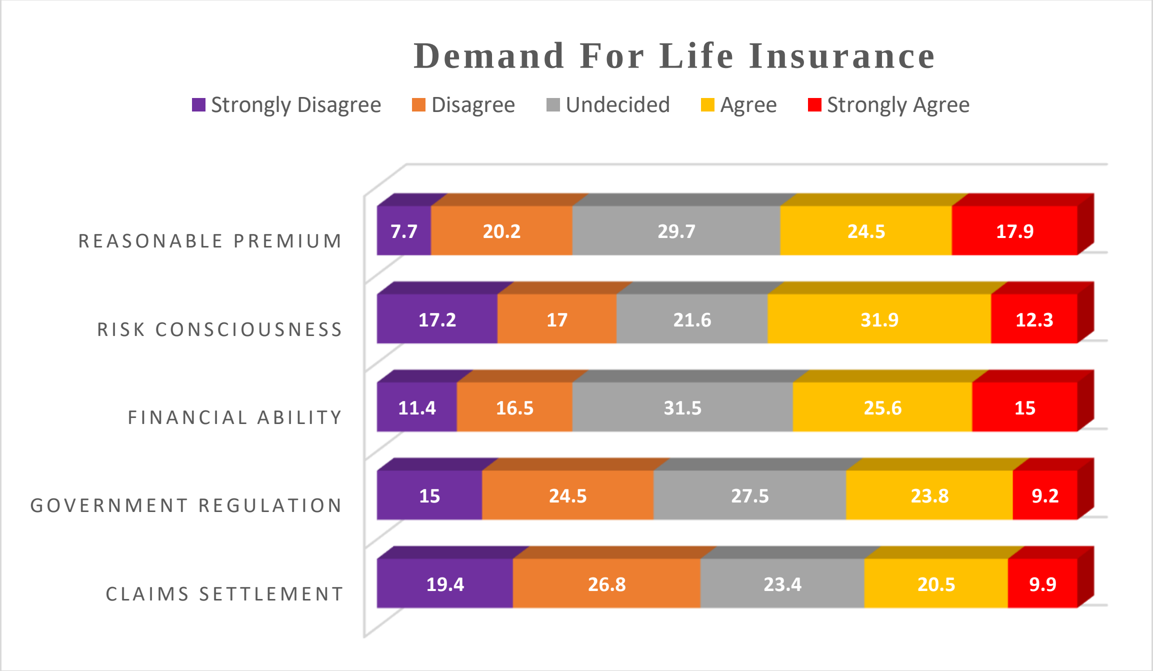
Variables	Scale Level					Mean	Std Dev.
	SD	D	U	A	SA		
	1	2	3	4	5		
Clams Settlement	19.4	26.8	23.4	20.5	9.9	2.75	1.260
Government Regulation	15.0	24.5	27.5	23.8	9.2	2.88	1.200
Financial Ability	11.4	16.5	31.5	25.6	15.0	3.16	1.206

Risk Consciousness	17.2	17.0	21.6	31.9	12.3	3.02	1.283
Reasonable Premium payment	7.7	20.2	29.7	24.5	17.9	3.25	1.190

Source: Researchers' Computations, 2023

The survey in Table 7 (Fig. 3) collected data from all participants regarding their demand for life insurance. The survey items included claims settlement, government regulation, financial capabilities, risk consciousness, and fair premium payment plans. 46.2 percent of the participants do not agree with claims settlement. 23.4 percent were neutral, and 30.4 percent expressed their approval. Regarding government regulation, 39.5 percent of participants acknowledged their lack of support, while 27.5 percent remained undecided. Then, 33.0 percent do agree. In terms of financial ability, 27.9 percent of the participants expressed their disagreement, 31.5 percent were undecided, and 40.6 percent agreed. In terms of risk consciousness, 34.2 percent of individuals voiced disagreement, 21.6 percent were undecided, and 44.2 percent indicated their agreement. Regarding the premium payment plan, 27.8 percent of the respondents objected, 29.7 percent agreed, and 27.9 percent were indifferent. The mean and standard deviation scores confirmed the results for all the assessed items. This indicates that the lecturers' evaluations of the survey questions followed a normal distribution and were focused on the average. The descriptive statistics analysis of the demand for life insurance reveals that all metrics exhibit consistent evaluations of the distribution of participants' judgements on the subject matter.

Figure 3. The Graphical Model elucidates the metrics of Life Insurance Demand among Lecturers in Lagos State-Owned Tertiary Institutions



Source: *Researchers' Computations (2023)*

Test of Hypotheses

H01: The level of financial literacy, which encompasses financial attitude, financial Behavior, financial confidence, and financial knowledge, has a notable impact on the demand for life insurance among lecturers in Lagos State-Owned Tertiary institutions.

Table 8. Multiple Regression Results for Financial Literacy vs. Demand for Life Insurance

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.800[a]	.640	.635	2.52119	.640	119.154	4	268	.000

a. Predictors: (Constant), Financial Knowledge, Financial Attitude, Financial Confidence, Financial Behavior
b. Dependent Variable: Demand for Life Insurance

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3029.551	4	757.388	119.154	.000[b]
	Residual	1703.511	268	6.356		
	Total	4733.062	272			

a. Dependent Variable: Demand for Life Insurance
a. Predictors: (Constant), Financial Knowledge, Financial Attitude, Financial Confidence, Financial Behavior.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.777	.667		2.666	.008	.465	3.089
	Financial Attitude	.539	.061	.412	8.818	.000	.419	.659
	Financial Behavior	.117	.086	.089	1.366	.173	-.052	.285
	Financial Confidence	-.043	.063	-.032	-.667	.499	-.167	.082
	Financial Knowledge	.538	.076	.432	7.041	.000	.388	.689

a. Dependent Variable: Demand for Life Insurance

Source: *Researchers' computations, 2023*

The purpose of multiple regression analysis was to examine the impact of financial literacy, which includes financial attitude, behavior, confidence, and knowledge, on the demand for life insurance among lecturers in Lagos State-Owned Tertiary Institutions. The model summary indicates a substantial relationship between the predictors (financial attitude, Behavior, confidence, and knowledge) and the response variable, demand for life insurance ($R = .800$, $R^2 = .640$, *Adjusted* $R^2 = .635$). This result suggests that 63.5 percent of the variance in demand for life insurance can be explained by the combined influence of these financial literacy metrics. The ANOVA results further support the significance of the regression model, with a highly significant F-statistic ($F = 119.154$, $p < .05$). The regression analysis indicates that the combined effect of financial attitude, Behavior, confidence, and knowledge significantly predicts demand for life insurance among lecturers in Lagos State-Owned Tertiary Institutions. Upon examining the coefficients in Table 8, it is evident that financial knowledge ($\beta = .432$, $p < .05$) contributed the most to the change in the response variable, followed by financial attitude ($\beta = .412$, $p < .05$). These variables all have statistically significant relationships with demand for life insurance. However, financial Behavior ($\beta = .089$, $p > .05$) and financial confidence ($\beta = -.032$, $p > .05$) do not contribute significantly to the response variable. The results pertaining to financial knowledge and financial attitude in relation to the demand for life insurance are consistent with previous research conducted by Capricho et al. (2021), Tahir et al., (2022) and Sang et al. (2020). These studies found a significant and positive correlation between financial knowledge, financial attitude, and the demand for life insurance. The findings further have convergent views from the studies of Ajemunigbohun and Ipigansi (2022); Lee (2012); and Mudzingiri, et al. (2020) noting that low-level insurance confidence proves an inverse relationship with respective policyholders. Lee (2012) thus confirmed that insurance contract languages' complexities and knowledge imperfection of contract conditionality may contribute to low individual's confidence towards investment plan that drives lower demand for insurance.

H_{02}: Retirement planning (financial planning, lifestyle planning, and health planning) has a significant effect on the demand for life insurance among lecturers in Lagos State-Owned Tertiary institutions.

Table 9. Multiple Regression Results for Retirement Planning vs. Demand for Life Insurance

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics: R Square Change	F Change	df1	df2	Sig. F Change
1	.840[a]	.705	.702	2.27873	.705	214.166	3	269	.000

a. Predictors: (Constant), Health Planning, Lifestyle Planning, Financial Planning

b. Dependent Variable: Demand for Life Insurance

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3336.247	3	1112.082	214.166	.000[b]
	Residual	1396.815	269	5.193		
	Total	4733.062	272			

a. Dependent Variable: Demand for Life Insurance

b. Predictors: (Constant), Health Planning, Lifestyle Planning, Financial Planning

Coefficients[a]

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B

		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	2.573	.517		4.978	.000	1.556	3.591
	Financial Planning	.118	.058	.131	2.048	.042	.005	.232
	Lifestyle Planning	.229	.056	.240	4.113	.000	.119	.339
	Health Planning	.485	.056	.525	8.644	.000	.374	.595
a. Dependent Variable: SMEs' performance								

Source: *Researchers' computations, 2023*

The multiple regression analysis conducted aimed to evaluate the effect of retirement planning (comprising financial planning, lifestyle planning, and health planning) on demand for life insurance among lecturers in Lagos State-Owned Tertiary Institutions. The model summary indicates a substantial relationship between the predictors (financial planning, lifestyle planning, and health planning) and the response variable, demand for life insurance ($R = .840, R^2 = .705$, *Adjusted* $R^2 = .702$). This result suggests that 70.2 percent of the variance in demand for life insurance can be explained by the combined influence of these retirement planning metrics. The ANOVA results further support the significance of the regression model, with a highly significant F-statistic ($F = 214.166, p <.05$). The regression analysis indicates that the combined effect of financial planning, lifestyle planning, and health planning significantly predicts demand for life insurance among lecturers in Lagos State-Owned Tertiary Institutions. Upon examining the coefficients in Table 9, it is evident that health planning ($\beta=.525, p<.05$) contributed the most to the change in the response variable, followed by lifestyle planning ($\beta=.240, p<.05$) and financial planning ($\beta=.131,p<.05$) respectively. These variables all have statistically significant relationships with demand for life insurance. This research outcome confirmed the thoughts of Li (2021) and Kurdys-Kujawska and Sompolska-Rzechula (2019) who suggest that policyholders may choose to subscribe to life insurance plan for its protection against uncertainty especially during post-retirement period. Li (2021) claimed that lifecycle savings plan helps individual workers towards maintaining original consumption level even after retirement through the life insurance purchase at the early stage of work life to ensure stable cash flow in the retirement period; hence it ensures health, lifestyle, and financial balance. For Kurdys-Kujawska and Sompolska-Rzechula (2019), life insurance is a financial instrument that ensures retirement income protection because of an unexpected death, accident, or accidents of an insured person.

Conclusion and Recommendations

Findings from the study demonstrate the significance of financial knowledge, financial attitudes, retirement planning on the demand for life insurance among selected lecturers in Lagos State-Owned tertiary institutions. Results proved that while financial knowledge and financial attitudes had positive and significant effects on the demand for life insurance, financial confidence and financial behavior have no significant influence on the demand for life insurance. Retirement planning also demonstrated a significant and positive relationship with the demand for life insurance among university lecturers. Importantly, life insurance benefits, as a protective function, are paid not only at the time of death event but when an individual worker lives to the age specified in the work contract close to retirement age.

In terms of recommendations, the insurers should take concrete steps to enlighten the university lecturers on the benefits of life insurance to ensure a protective future on their retirement. The government, on the other hand, should make efforts to organize workshops, seminar, and conferences that can help literate university lecturers further on financial matters in terms of knowledge, confidence, attitudes, and behavior for better retirement age. Furthermore, it contributes to policy formulation for insurance companies in Nigeria, as that National University Commission is encouraged to include compulsory life insurance as benefit package for academics in the tertiary institutions.

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