

Globalisation and Insurance Sector Penetration: Macro Evidence from Nigeria



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ABSTRACT: The impact of globalisation on the penetration of the insurance industry in Nigeria from 1987 to 2021 was investigated in this study using the distributed lag long-run estimating technique. The results from the use of KOF Globalisation index showed that globalisation promotes penetration of the insurance sector (Coeff =0.1388; p. value<0.01). It furthered revealed that Insurance penetration rate rises with increased GDP per capita, population, and financial sector development. However, inflation reduces insurance penetration rate. Globalisation greatly aids in the penetration of the insurance sector in Nigeria which suggests the opening up of the Nigerian insurance market to foreign competition, lowering costs and increasing the efficiency of insurance services. The government also need to formulate appropriate policies to encourage the mobility of insurance products, services, and capital. Asides the aforementioned, insurers in Nigeria are encouraged to continuously offer globalised products that adhere to international standards to attract foreign consumers. Meanwhile, the dark sides of globalisation should be mitigated while introducing these new insurance services and products.

KEYWORDS: Globalisation, Insurance penetration; Economic integration; Nigeria.

I. INTRODUCTION

To manage and reduce risks, people, businesses, and society rely on the insurance industry (Kolapo, Oluwaleye, & Osasona, 2022). All facets of an economy are impacted by globalisation, including the insurance sector. The insurance business has experienced numerous internal and external influences over the years that have led to large losses and endangered the industry's existence (Njegomir & Marovi, 2012). The non-life insurance and life insurance markets make up the two primary subsets of a heterogeneous insurance sector, where long-term contracts are more common for life insurance than short-term ones for non-life insurance (Balcilar Gupta, Lee & Olasehinde-Williams, 2020; Möhlmann, 2021). Inyang and Okonkwo (2021) note that insurance cover may be available against losses brought on by fire, emerging risks, agriculture risks, and any other financial losses. These risks involve people, businesses, non-profit groups, and governmental organisations (Zaman, 2023). The global economy has contributed to the internationalisation of insurance services, and the process is achieved through wide array of insurance products. As a result, globalisation is crucial to evolution process of the global insurance market (Chen, Lin & Lee, 2019). Globalisation in the insurance and reinsurance markets allows for risk diversification while lowering costs. Insurance is becoming one of the most globalised financial markets. Globalisation of insurance market is removing economic and legal barriers between national insurance markets to create a global insurance sector (Malynych & Bazhanova, 2019). A high level of competition and market related issues pose challenges to the insurance business (Msomi, 2023).

As a result, whether the impact of globalisation is positive or negative, it influences trends in the insurance sector (Ernohorská & Klofát, 2021). Globalisation has become a worldwide trend, and the literature has evidenced whether it drives economic or financial performance. A few studies, however, have provided theoretical insight into the relationship between globalisation and insurance market activity (Olasehinde-Williams & Balcilar, 2020). The insurance sector can be significantly impacted by globalisation, and increased economic integration while connectivity have created new prospects for the sector's internationalization. Insurance businesses can benefit from increased access to the global market by creating operations in newly developed economies (Sriyanto et al., 2023).

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On the one hand, if globalisation may spur the insurance industry's growth, insurers stand to gain by focusing on emerging market segments that might present fresh opportunities as the global insurance market consolidates (Lee & Chang, 2012). Many economies have benefited from the global diversity of financial services companies, including the insurance industry, as a result of the increased capital flow, increased competition, adoption of modern technology and distribution channels. Globalisation has given insurance companies greater opportunities to expand worldwide, which has increased innovation and improved customer offerings (Sriyanto et al., 2023). However, because they do not operate in a vacuum, insurance businesses may be more susceptible to new risks (such as those brought on by political unrest, cyberattacks, and global financial crises) as a result of a globalised economy (Njegomir & Marovi, 2012). Based on the foregoing, an investigation into the effect of globalization on insurance sector penetration in Nigeria is an important endeavour.

The next sections of the paper are organised thus: section II reviews pertinent literature; section III showcases the data and methodology; section IV captures the data estimations; and section V wraps up the investigation and discusses the implications for policy formulation.

2. REVIEW OF LITERATURE

In this investigation, insurance sector penetration pertains to how widely people and companies within a particular population group embrace and use insurance products. A higher penetration rate means that there are more individuals or groups who are protected by insurance. The penetration rate is calculated as the premium underwritten in a given year divided by the GDP. Globalisation is defined in this study as the growing interdependence and interconnection of economies, civilizations, and cultures around the world. The KOF globalisation index is used to quantify globalisation.

ECONOMIC INTEGRATION THEORY

Balassa (1961) introduced the economic integration theory. According to this theory, the demand for insurance services grows as nations' trade and investment integration into the world economy grows. Greater economic interdependence brought on by globalisation exposes people and corporations to new dangers. As a result, there is a greater need for insurance coverage to reduce these risks. Economic integration also makes ensure easy capital flows, which enables insurance businesses to grow their operations and enter new markets.

EMPIRICAL REVIEW

Analysing dataset from 28 countries over the period 2004 to 2019, Srbinoski, Poposki, Kwon, and Dencic-Mihajlov (2023) revealed that greenfield FDIs lead to a wider variety of insurance markets in their study which concentrated on greenfield FDIs and European insurance market diversification. Yavorska, Lyudmyla, and Dmytro (2022) used the PESTEL methodology to evaluate the effects of economic variables on the growth of the insurance sector in Ukraine utilizing a questionnaire-based survey. The findings demonstrated that increasing prices reduces insurance premiums paid to insurers by insurance consumers, which culminates in the decline in purchasing capacity. In addition, the study demonstrated how the level of globalisation and openness of the insurance sector affected the insurance businesses.

Utilising the Pooled Mean Group (PMG) estimator on a sample of twenty countries in sub-Saharan Africa (SSA) between 1990 and 2017, Sawadogo (2021) investigated the relationship that exists between credit granted by banks to businesses and insurance (life, non-life, and total insurance) activity and the implications of globalisation level in this association. Additionally, empirical findings suggested that the level of globalisation has positive influence on the growth of insurance activities, indicating that there is potential for the insurance industry in SSA to develop more quickly as a result of globalisation. Flores, de Carvalho, and Sampaio's (2021) findings suggest that rates of interest induce insurers to focus on financial markets via investments. The study used a cross-country context to show that interest rates have an effect on the development of the market for life insurance for 34 countries from 1998 to 2017. There is low market penetration for life insurance in countries with high interest rates. Furthermore, the study demonstrated that the absence of governmental oversight of public spending has an impact on interest rates.

In a panel of 18 nations, Olasehinde-Williams and Balcilar (2020) investigated the impact of geopolitical risk on insurance premiums while adjusting for the impact of real income. The findings of using second-generation econometric techniques provided conclusive proof that geopolitical risks have a positive influence on insurance rates. Geopolitical risks also have a greater effect on non-life insurance premiums than they do on life insurance premiums. Real income was found to have a similar, but larger, impact on non-life insurance premiums than it did on life insurance premiums. Real income was also found to have a considerable positive impact on insurance premiums. The influence of foreign capital on the growth of the insurance markets in the EU-15 nations was investigated by Bukowski and Lament (2020). Using a panel regression estimator, the findings demonstrated a positive influence of foreign capital on the penetration rate of the insurance market.

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Asadiqaragoz, Daghighi Asli, MahdaviKishomi, and Damankeshideh (2020) investigated how globalisation affected the insurance industry in Iran and a few other developed countries. The results showed that globalisation explains differences in general insurance penetration rates among developed countries; however, developed countries have experienced the effects of globalisation to a larger extent than Iran. The productivity of Malaysian insurers was examined by Lee, Cheng, Nassir, Razak, and Har (2019) using Data Envelopment Analysis and panel regression. The study found that the productivity of insurers is impacted by globalisation. By knowing more about international insurance products, insurers may take advantage of the trend towards globalisation and boost efficiency.

In Group D8 countries, Fatahi and Golkhandan (2018) looked at the causal links between insurance and globalisation using country-specific studies from 1999 to 2011. The panel causality test created by Konya (2006), based on the Seemingly Unrelated Regressions (SUR) model and Wald tests with country-specific bootstrap critical values, showed that, when taking into account the particular circumstances of each country, the causal relationship between life and non-life insurance and globalisation is not the same. Lee and Chiu (2018) used the panel cointegration framework to investigate the connection between insurance penetration and globalisation. The results corroborated evidence of a long-term relationship between globalisation and the activities of the insurance industry. Non-life insurance penetration rates are positively impacted by globalisation indices, which have a greater impact on industrialized nations than on developing nations.

RESEARCH GAP

The need for the current study is demonstrated by the conflicting findings of past research on the effects of globalisation on the insurance activities in first-world and emerging economies. Most prior research has exclusively examined the connection between banking loans in developed and developing nations and insurance activities (Liu & Lee, 2019; Sawadogo, 2021). However, there is no knowledge on how globalization affects insurance sector penetration in Nigeria. Thus, this study examines the long-run effect of globalization on the insurance market in Nigeria using a measure of multidimensional globalization (KOF Globalization Index) which could provide a more comprehensive evaluation than a single indicator of globalization. The KOF Globalization index captures the economic, social, and political dimensions of globalization.

3. DATA AND METHODOLOGY

MODEL SPECIFICATION

This study adopts the model described in Olasehinde-Williams and Balcilar's (2020) investigation on how globalisation has affected insurance activity in emerging market economies

$$NLID_t = B_0 + B_1GOI_t + X_t \dots\dots\dots 3.1$$

Where X stands for additional control variables (net national income per-capita, inflation rate, population size, and financial development) that influence non-life insurance density, NLID refers to non-life insurance density, while GOI represents the measure of globalisation. This study, however, focuses on insurance sector penetration which emphasises on the percentage of insurance premium relative to GDP. Thus, this study defines its functional model as follows:

$$ISP = f(KOF, GDP, INF, POPZ, FSD) \dots\dots\dots 3.2$$

where ISP, KOF, GDP, INF, POPZ, and FSD stand for insurance sector penetration, globalization indices, gross domestic product per capita, inflation, population size, financial sector development, respectively. Therefore, the econometric model for the study is shown as:

$$ISP_t = \beta_0 + \beta_1KOF_t + \beta_2GDPT + \beta_3INF_t + \beta_4POPZ_t + \beta_4FSD_t \mu_t \dots\dots\dots 3.3$$

Table 1. Measurement of variables

Variables	Description & Measurement	Justification & Expected Sign	Sources	Back up literature
ISP	It gauges the contribution of the non-life insurance industry to overall economic activity. It is calculated as the non-life gross written premiums to GDP ratio.	NA	World Bank schedule of the Sigma Reports (Swiss Re)	Kolapo, Oluwaleye, and Osasona (2022)

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KOF	The KOF index integrates factors of flows and activities with variables of legislation that, in theory, facilitate flows and activities. It is a combination of de facto and de jure categories of globalisation. The index of social, financial, economic, and political globalisation factors is used to measure it.	Argument exists on the effect of globalization on business outcomes, financial sector, and economic growth at large. Thus, it is important to assess such effect in an emerging economy like Nigeria. Increased globalisation generally has a desirable impact on insurance penetration.	Dreher's KOF globalization index	Gygli et al. (2018).
GDP	It is calculated by dividing the GDP by the population at midyear. GDP per capita is calculated and expressed in US dollars.	Higher incomes make insurance products more accessible, hence, it is anticipated that this will have a positive impact on insurance penetration. Increased income and thus higher demand for insurance products will boost the sector's contribution to economic productivity.	World Bank Development Indicators	Kolapo, Oluwaleye, and Osasona (2022)
INF	It serves as a gauge for how quickly prices have increased over a given time frame. In this analysis, GDP deflator (annual %) is used.	Inflation reduces the value of insurance products; thus, it is anticipated that inflation will have a negative effect on insurance penetration. In order to account for the effects of inflation, insurers frequently adjust their policies by a price index over time.	World Bank Development Indicators	Kolapo, Oluwaleye, and Osasona (2022)
POPZ	This depicts the shift in a nation's human population size over two time periods; the shift could be either positive or negative. It is quantified as a yearly %.	A large population is more likely to have a higher insurance penetration rate.	World Bank Development Indicators	Kolapo, Oluwaleye, and Osasona (2022)
FSD	It describes changes in financial size, efficiency, stability. It is calculated as the ratio of bank credit to the private sector to GDP.	An efficient financial system improves the credit-based system. Insurance guarantees are required by the credit-based system as protection against consumer and	World Bank Development Indicators	Kolapo, Oluwaleye, and Osasona (2022)

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commercial payment default. It is projected that financial development will favorably affect the prevalence of insurance.

Source: Author's compilation (2023) from the review of literature

4. DATA ESTIMATIONS

SUMMARY STATISTICS

The study's variables are fully described in Table 2. The sample's mean, standard deviation, minimum and maximum values are detailed.

Table 2. Summary Statistics

Variable	Mean	Std. Dev	Min.	Max.
ISP	0.5032	0.2184	0.1507	0.8526
KOF	2.571	0.2961	2.118	3.061
GDP	1507.23	314.92	1583.41	2405.72
INF	21.16	36.72	0.5825	216
POPZ	2.3584	0.0827	2.3046	2.9624
FSD	7.6191	3.0354	4.7391	20.127

Source: Author's analysis, (2023).

UNIT ROOT TEST FOR STATIONARITY

Making ensure that time-series data are stationary is crucial prior to developing a regression model. A continual observation of mean and variance leads to the assumption of stationarity. The model's variables' stationarity is checked using a unit root test, which validates the stationarity properties. Regression results with misleading positive values are more likely when the data is non-stationary (Wang & Hafner, 2018). The test determines which regression model will be used for the estimate as well as whether the integration order-I(d) for each variable is appropriate. Accordingly, the variables are stationary, as shown by the augmented Dickey-Fuller (ADF) Test of Unit Root. The outcomes of the unit root test are presented in Table 3.

Table 3. Results for ADF Unit Root Test

Variables	Lags	ADF statistic value	Stationarity	Conclusion
ISP	1	-2.1522**	First Difference	I(1)
KOF	1	-2.7118**	First Difference	I(1)
GDP	2	-1.1054**	First Difference	I(1)
INF	2	-1.1817**	Level	I(0)
POPZ	1	-2.2103**	First Difference	I(1)
FSD	1	-1.2644**	Level	I(0)

Source: Author's Analysis, (2023). The symbol ** denotes the null hypothesis at the 5% level of significance

The ADF unit-root check demonstrates that the series are stationary at I(0) or I(1), respectively. The findings show that both inflation and the development of the financial sector are level-stationary. With this knowledge, the null hypothesis that the variables are non-stationary is rejected. This finding provides an estimation method for the ARDL framework that guarantees the

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formation of long-term associations between variables. All variables are assumed to be $I(0)$ and $I(1)$ in the bound testing method for cointegration, which also denotes that they are fractionally integrated.

ARDL BOUNDS TESTING PROCEDURE

The ARDL paradigm, which Pesaran and Shin (1999) first developed and Pesaran et al. (2001) later supported, is used in this study to determine if the variables are linked in a long-run equilibrium. In order to evaluate whether there is a likelihood of a long-term relationship establishing between the variables, the lower and upper bound critical values of the ARDL bounds test are applied. When the computed F-statistic is greater than the upper bound critical values, the null hypothesis of no co-integration is rejected, and vice versa.

Table 4. Results of the ARDL Co-integration Test

F-statistics	Asymptotic critical values							
	10%		5%		2.5%		1%	
F-statistics	I(0)	I(1)	I(0)	I(1)	I(0)	I(1)	I(0)	I(1)
3.061***	1.21	1.65	1.58	1.93	1.74	2.18	2.07	2.85

Source: Author's Analysis, (2023). **Notes:** *** indicates that the null hypothesis was rejected at a 1% level of significance. Lower and upper boundaries are denoted by the symbols $I(0)$ and $I(1)$.

Table 4 displays the results of the ARDL bounds test, with an F-test score of 3.061. At all levels of significance, the value exceeds the upper bound of the $I(1)$ asymptotic critical values. As a result, the study's findings offer convincing evidence that the hypothesis (H_0) that co-integration does not exist is rejected. The computed F-statistic exceeds the upper critical bound at a 1% level of significance. This illustrates how the variables' co-integration during the period of 1987 to 2021. This further demonstrates how the globalisation of the economy and the development of the insurance sector in Nigeria co-exist in the long-term. The study supports a co-integrating relationship between the variables, which can offer information for a dynamic model that accounts for both long- and short-term effects.

ARDL ESTIMATIONS

Model coefficients for the long-run and short-run are produced and reported in this study. The estimation produces findings that can be put to use in testing the study's hypotheses. Tables 5 and 6 present the findings as follows:

Table 5. Results of ARDL Model

(A) LONG-RUN RESULTS

(Dependent variable = ISP)

Variable	Coefficient	T-Statistics
Constant	10.605	1.8733 ^b
KOF	0.1388	2.1465 ^a
GDP	0.2705	2.0391 ^a
INF	-0.3022	-2.8815
POPZ	0.0719	1.2643 ^b
FSD	0.0042	1.8472 ^a
Diagnostic Test	Statistics	
R-squared	08618	
F-statistic	287.432 ^a	
Durbin-Watson	1.906	
χ^2 NORM	1.2629 (0.1844)	
χ^2 SERIAL	1.482 (0.1423)	
χ^2 ARCH	0.2337 (0.2862)	
χ^2 WHITE	0.1439 (0.2758)	
χ^2 RAMSEY	0.0822 (0.6104)	

Source: Author's Calculation, (2023). **Notes:** a represents significance at the 1% level. The significance threshold of 10% is symbolised by the letter c, while the significance level of 5% is marked by the letter b. The p-values are shown in parenthesis.

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LONG RUN ESTIMATES

For the long run model, this study's Table 5 displays the ARDL regression estimates. The findings demonstrate how globalisation and other factors affecting the insurance industry activities in Nigeria impact on the penetration of the sector. According to the study's findings, there is a significant relationship between globalisation and the penetration of the insurance industry. KOF Globalization's coefficient is 0.1388. Thus, the penetration of the insurance sector rises by 0.1388 units for every unit more globalisation occurs. The extent of globalisation therefore influences the penetration of the insurance sector. The relationship between globalisation and penetration of the insurance industry is significant at $p < 0.01$. Gross domestic product per capita has a positive and significant impact on insurance sector penetration, with a coefficient value of 0.2705; the relationship between the two variables is significant at $p < 0.01$. Thus, for every unit increase in the gross domestic product per capita, the penetration of the insurance industry rises by 0.2705 units.

The impact of inflation on insurance sector penetration is negative but not statistically significant, with a coefficient value of 0.3022 ($p > 0.1$). As a result, each unit increase in inflation tends to reduce insurance sector penetration by 0.3022 units. Population size has a positive and significant effect on insurance sector penetration, as indicated by a coefficient value of 0.0719. This is significant at $p < 0.05$. Therefore, for every unit increase in population size, insurance sector penetration will increase by 0.0719 units. Financial sector development exhibits a positive coefficient value of 0.0042, hence, insurance sector penetration tends to improve by 0.0042 for every unit increase in financial development. The relationship between financial development and insurance sector penetration is significant at $p < 0.01$.

The regression results of the investigation are validated by the model diagnostic and stability tests. Using the Breusch Godfrey LM Serial Correlation test, it was found that there was no evidence of higher-order serial correlation in the error term based on the analysis of serial correlation and homoscedasticity assumptions and the results in Table 5. The White Heteroscedasticity test also identified homoskedastic assumptions (p -value = 0.1439 > 0.1). According to the Ramsey Reset test, the model is correctly stated; the p -value is 0.6104, which is not statistically significant at the 10% level. In these diagnostic tests, the null hypothesis is either accepted or rejected depending on the test statistic value and the p -value at a 10% significance level. Brown, Durbin, and Evans (1975) developed the CUSUMSQ and CUSUM tests to evaluate the structural stability of the long-run estimations. The critical value limit is not crossed by the CUSUMSQ and CUSUM statistics plots at a significance level of 5%. The instability of the regression coefficients is refuted by this finding. The stability and diagnostic tests confirm the validity of the regression's outcomes.

B. SHORT RUN RESULTS

Dependent variable = ΔISP

Variable	Coefficient	T-Statistics
Constant	-0.0193	-5.6241
ΔKOF	0.0352	1.0425 ^c
ΔGDP	0.2903	2.1172
ΔINF	-0.1621	-2.2914 ^a
$\Delta POPZ$	-0.0194	-1.8152 ^c
ΔFSD	0.0056	0.1324 ^a
ECM_{t-1}	-0.8914	-2.1051 ^b
Diagnostic tests		
R^2	0.7239	
F-statistic	186.18	
Durbin-Watson Test	1.9275	
	F-Statistic	p-value
χ^2_{NORM}	1.2664	0.1159
χ^2_{SERIAL}	1.0166	0.1708
χ^2_{ARCH}	0.4272	0.3561
χ^2_{WHITE}	0.0731	0.2012
χ^2_{RAMSEY}	0.1435	0.3699

Source: Author's Analysis, (2023). At the 1% level, significance is indicated by the letter "a". b implies significance at a level of 5%, while c exhibits significance of variables at a level of 10%.

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SHORT RUN ESTIMATES

After analysing the long-term impacts of globalisation on insurance sector penetration and accounting for the impact of population size, gross domestic product inflation, and financial sector expansion, the next step is to examine their short-term dynamics. The short-term dynamic estimates in this study were produced using the error correction model (ECM), and the results are shown in Table 6. The study claims that when globalisation levels rise, the penetration of the insurance sector rises as well. This effect is significant at $p < 0.1$. It has been established that the gross domestic product and the penetration of the insurance sector are positively but not significantly related. In Nigeria, population growth and inflation have a short-term negative and significant impact on the penetration of the insurance sector, whereas the development of the financial sector has a long-term positive and significant impact. The ECM_{t-1} term estimate is negative and significant at the 5% level, supporting the long-term correlation between the globalisation and insurance sector penetration. Annual variations in insurance sector penetration are adjusted by 89.14% based on the estimate of ECM_{t-1} term, which is -0.8914. The results of model tests including those for residual term normality, serial correlation, the ARCH test, white heteroskedasticity, and specification show that the short-run model has passed diagnostic analyses. Serial correlation problem does not ensue, and the same finding is reached for white heteroskedasticity and autoregressive conditional heteroskedasticity. The residual term fits the short run model well and has a normal distribution. The results of stability tests, such as the CUSUM and CUSUMsq tests, show that the critical boundaries are not exceeded at the 5% level. This illustrates the precision and reliability of the ARDL estimates.

DISCUSSION OF RESULTS

This study confirms the presence of a long run relationship between globalisation and insurance sector penetration in Nigeria. Globalisation affect insurance sector penetration positively and significantly. It implies that globalization opens up opportunities for insurance companies to enter new markets beyond their domestic borders, thus allowing insurers to expand their customer base and tap into emerging economies with increased demand for insurance products and services. This outcome aligns with the studies of Asadiqaragoz et al. (2020), Olasehinde-Williams and Balcilar (2020), and Lee and Chiu (2016). The study found that gross domestic product has a positive and significant impact on insurance sector penetration, suggesting that as economies grow, individuals and businesses typically have higher incomes and assets to protect, creating a greater demand for insurance products and services. This increased economic growth can drive insurance sector penetration as people seek to mitigate risks and protect their assets. The findings are in line with the outcome of Olasehinde-Williams and Balcilar (2020). Inflation contributes negatively to insurance sector penetration; this implies that inflation erodes the purchasing power of money over time. Thus, a higher premium for an insurance policy can deter potential customers from purchasing or renewing their insurance plans, leading to lower insurance sector penetration. The finding corroborates the results of Msomi (2023), Kolapo *et al.* (2022), and Olasehinde-Williams and Balcilar (2020). Similar to the results discussed by Olasehinde-Williams and Balcilar (2020) and Kolapo *et al.* (2022), this study reports that population size affect insurance sector penetration positively and significantly, this implies that insurers can meet the diverse needs of different segments within a large population. It may also create opportunities for insurers to develop specialized insurance products and expand their penetration in various market segments. In line with the report of Kolapo *et al.* (2022), the finding that financial sector development lead to higher insurance sector penetration indicates that improved access to financial services enables a larger portion of the population to obtain insurance coverage, leading to increased insurance sector penetration.

5. CONCLUSION AND POLICY IMPLICATIONS

This study used the ARDL bounds testing approach and Error Correction Technique to investigate the impact of globalisation on insurance industry penetration from 1987 to 2021. According to the study's findings, globalisation significantly contributes to the penetration of the insurance market in Nigeria. As a result of household income levels in developing nations like Nigeria being relatively low, insurance premiums are relatively unaffordable. Insurance services can be made more effective and economical by increasing global competition in the Nigerian insurance sector. Based on the conclusions, it is important to open up of the Nigerian insurance market to foreign competition by lowering costs and increasing the efficiency of insurance services. The government also need to formulate appropriate policies to encourage the mobility of insurance products, services, and capital. Besides the aforementioned, insurers in Nigeria are encouraged to continuously offer globalised products that adhere to international standards to attract foreign consumers. Meanwhile, the dark sides of globalisation should be mitigated while introducing these new insurance services and products.

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