

A STUDY ON FACTORS AFFECTING CUSTOMER PREFERENCE WITH RESPECT TO LIFE INSURANCE PRODUCTS

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Abstract: The aim of the study is to identify the influencing factors to prefer the life insurance products to buy. For that study has made on the basis of consumer behavior with a focus on mainly factors affecting the customer preference for choosing the life insurance product. The variables are selected on the company offered factors like tax exemption, returns, to combat the unexpected risk and customer income will influence to prefer the life insurance product. To study this research report 100 respondents queried through personal interview in the limits of Hyderabad city. The responses of respondents were analyzed by using the statistical tool one way Anova test. Findings are discovered on the basis of product features, premium, paying term of the product, pitching of salesman or agents and the claim rate of the organization are the Factors that influences to prefer the insurance product.

Keywords: Lic, Shriram and insurance products

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CHAPTER – I

INTRODUCTION

DEFINITION OF INSURANCE:

“Insurance is a contract, represented by a policy, in which an individual or entity receives financial protection or reimbursement against losses from an insurance company.”

The organizations are willing to make insured by the most of the clients for their life security. Insurance is become as investment opportunity, where the organizations are doing their marketing strategies to promote or make awareness about the insurance product to go into the people. The insurance policy holder also gets the various benefits where the customer can make use of it.

Again the insurances are categorized into various categories, like Life insurance, Vehicle Insurance, Agriculture Insurance, Health Insurance and etc. In this research, the study is going to be done on factors influencing the customer is take or buy the insurance products in life insurance with respect to the SHRIRAM Life Insurance KPHB branch.

NEED OF THE STUDY

In India insurances policies(product) sales is about 25% of comparing with the country’s population which was announced by IRDA, the regulatory body to the insurance organizations, it looks over the sales, operation and services made by the organization. 3 out of members in the country do not have the insurances to their lives. It means 75% of population lives are uninsured. Insurance policy percentage in India is less when it is compared to the other countries. There is rule that every citizen of their country should be insured in some foreign countries, there are several factors which will be influence the to the less insurance product sales when compare with other countries.

This study is intended to know the factors affecting the customer preference towards the life insurance products.

OBJECTIVES

- To study whether customer prefer to buy life insurance product by its organization reputation (or) brand image.
- To know the customer preference towards the Life Insurance based on their income.
- To understand how the claim rate of Life Insurance organizations influence the customer.
- To study how the customer will prefer the Life Insurance products for secured returns.
- To study how exemption of tax will influence the customers to buy the Life Insurance product.

RESEARCH METHODOLOGY

PRIMARY DATA:

The data is collected by the questionnaire with direct interaction with the respondents who have bought Life Insurance previously. From the primary data what the factors influences the most to buy the Life Insurance product will be known.

SECONDARY DATA:

The secondary data is collected by the articles, journals and IRDA official website through the internet.

The secondary data is useful to know information which will be useful for the study.

METHODOLOGY:

I would consider the qualitative research to judge the factors influence the customer preference towards Life Insurance products.

- **Sample size:** The sample size for my questionnaire is 100 respondents.
- **Sampling technique:** The sampling technique for this study is taken simple random sampling.
- **Statistical tool:** One way Anova is used to do the statistical analysis by using the primary data which is collected.

SCOPE OF THE STUDY

- ❖ The scope of the study is studied on SHRIRAM Life Insurance Organization.
- ❖ There are some factors influence the customer to buy the Life Insurance like claim rate, secured returns, income, reputation of organization and tax exemption.

LIMITATIONS

- The research’s primary data is collected questionnaire from the policy holders of SHRIRAM Life Insurance KPHB branch.
- The data is collected in the time period of 1 month.
- The research data may be some percentage of data not relevant to study because of misunderstanding of some keywords.

CHAPTER-II LITERATURE REVIEW

Dr Syed ShahidMazhar and Farhina S. Khan in their exploration report named as "Investigation OF FACTORS AFFECTING CUSTOMERS PREFERENCE TOWARDS INVESTMENT IN LIFE INSURANCE POLICIES" said that "Present review is enlightening in nature to distinguish factors that influence client commitment choices and to dissect client inclinations in settling on speculation choices. LIC is one of the most well known brands in extra security, with the portion of Private safety net providers in the market LIC's portion step by step develops as a result of individuals' trust on best administrations they offer. Various variables in protection and hazard were examined and study information are gotten from essential and auxiliary sources. The paper assumes key part in choosing to buy extra security strategies with populace socioeconomics. The buyer's choice to buy protection items from various insurance agencies can influence many variables, including age, sex and pay are keen on purchasing extra security approaches from other age gatherings, LIC is the most famous brand among strategy clients of 150 respondents, 55% like LIC client is the main critical element that can prompt life coverage changes. The way to Success are protection arrangements not the items. With broadening of diversifies as of late we saw the rise of corporate specialists, expedites direct deals power expansion to the individual monetary counselor; Websites that give rating administrations will seem examination of results of various back up plans. There are many variables impacting the speculation choices of clients in life coverage and because of the overview it is presumed that segment elements of the populace assume a critical part in choosing to buy extra security arrangements."

The scientist Ms. SunaynaKhuranain her undertaking named as "Client Preferences in Life Insurance Industry in India" said that in her exploration report said that "In the present intense contest, each organization in help area makes a decent attempt to fulfill their client. In Insurance area, different new privately owned businesses have entered in industry by doing the consolidation with unfamiliar organizations. Step by step they are offering new administrations with the fundamental intend to draw in the new clients and for holding the current clients. In this exploration paper, I attempted to comprehend the customer conduct in Insurance area. The principle objective of this paper to distinguish client inclination with respect to plans and friends, their motivation of purchasing the protection approaches, fulfillment level and their tentative arrangements for new protection strategy. Information was gathered with assistance of organized survey from 200 clients of Hissar city as it were. Test was assumed the premise of comfort inspecting, however just 192 polls were utilized for examination as the excess 8 were not filled as expected by the respondents. Rate, recurrence and Cross organization techniques have been utilized for investigation."

The scientists P. Arul MinashRajkumar and Dr. N. Kannan you n their exploration report named as "Variables Affecting Customer's Preferences for Selection of Life Insurance Companies: An Empirical Study with Reference to Tamilnadu". Said that " The goal of this review was to recognize factors affecting the determination of insurance agency for buying the strategy. For that an endeavor has been made to concentrate on the client purchasing conduct with an emphasis on deciding the variables influencing the buyers' inclination for Insurance organizations. The factors on determination of organization made comprised of the 7 Ps of Services Marketing, which administrations giving organizations like insurance agencies are accepted to have given due significance The respondents were questioned regarding which factors emphatically impacts their decision of a specific organization. Discoveries found that Product highlights, openness, low premium sum, promoting, legitimate reviews of objections and better case settlement are a portion of the elements that definitely impacts the decision of an organization. The review assisted a great deal with understanding the shopper purchasing choice interaction, along these lines responding to the inquiries "why" and "how" a client purchases his protection strategies. The concentrate likewise assisted with discovering the significance given by the clients to the specialist's conduct, information and appearance."

The scientists MS. Babita Yadav and DR. Anshuja Tiwari in their exploration paper named as "A STUDY ON FACTORS AFFECTING CUSTOMERS INVESTMENT TOWARDS LIFE INSURANCE POLICIES." Issued in the diary "Worldwide Journal of Marketing, Financial Services and Management Research, Vol.1 Issue 7, July 2012, ISSN 2277 3622" said that "Human existence is a most significant resource and extra security is the main kind of protection which gives monetary assurance to an individual and his family at the hour of dubious dangers or harm. Extra security gives both wellbeing and insurance to people and furthermore energizes reserve funds among individuals. Lic of India assumes an imperative part in the government assistance of human prosperity by giving protection to a great many individuals against life dangers like questionable demise or mishap. The present exploratory and illustrative based review was chosen with a goal to distinguish those elements which impact clients strategy purchasing choice and furthermore dissect the inclinations of clients while life strategy venture dynamic. Different protection related variables have been examined in the paper. Lic is the most acknowledged and famous brand in life coverage, the piece of the pie of private guarantors are bit by bit expanding with individuals trust and better administrations presented by them are a portion of the principle discoveries of the review. Insurance agencies should spread more mindfulness about disaster protection, decrease in premium sum and giving more consideration on need based imaginative items are a portion of the ideas given by the analyst. The paper finishes up with that segment elements of individuals assume a significant and essential part in choosing the acquisition of life coverage approaches."

The scientists Mr A. Muthusamy and Dr R.Yuvarani in their exploration named "A Study on Factors Affecting the Perception and Behavior Towards Marketing of Life Insurance Products With Reference to Lic in Salem District." Said that "Human existence is a most significant resource and life coverage is the main kind of protection which gives monetary security to an individual and his family at the hour of questionable dangers or harm. Extra security gives both wellbeing and insurance to people and furthermore empowers investment funds among individuals. Lic of India assumes an essential part in the government assistance of human

prosperity by giving protection to a large number of individuals against life dangers like questionable passing or mishap. The present exploratory and elucidating based review was chosen with a goal to distinguish those variables which impact clients strategy purchasing choice and furthermore dissect the inclinations of clients while life strategy speculation dynamic. Different protection related elements have been talked about in the paper. The information for the review has been gathered from both essential and optional sources, given by the specialist. The paper finishes up with that segment variables of individuals assume a significant and essential part in choosing the acquisition of life coverage strategies."

The scientist Sandeep Chaudhary in his report named as "Consumer Perception Regarding Life Insurance Policies: A Factor Analytical Approach" said that Insurance organizations assume a significant part in the government assistance of human prosperity by giving assurance to a great many individuals against life dangers like dubious passing or mishap. Indeed, even the extra security is quickest developing help area in India after privatization and expansion in FDI. Hence it has become vital for concentrate on the purchasing behavior of the life coverage arrangements. The current review inspects the different variables that influence the purchaser insight towards life coverage strategy. Information was gathered with the assistance of organized poll. The example comprised of respondents from Amritsar, Ludhiana and Chandigarh. The measurable procedure utilized for the investigation are engaging and factor examination. The fundamental finding of the review mirrored that there are six elements for example redone and opportune administrations, better organization notoriety, viable assistance quality, client accommodation, unmistakable advantages and solid client customer relationship that impact the purchaser discernment towards life coverage strategy.

CHAPTER – III COMPANY PROFILE

Shriram Group is an Indian aggregate established on 5 April 1974 by Ramamurthy Thyagarajan, AVS Raja and T. Jayaraman. They have their base camp in Chennai, Tamil Nadu, India. The gathering had its start in chit subsidizes business and later on entered the loaning business through Shriram Transport Finance (Commercial Vehicle Finance) and Shriram City Union Finance Consumer and MSME Finance). In 2018, the organization forayed into metallurgy by setting up a unit in Odisha. Shriram disaster protection organization capitalization is 2000 crores INR. The organization's genuine points in 'contacting the average person with items and administrations that would be useful to him/her as they set before out the way to thriving.'

Features of Shriram Life Insurance

- Shriram Life has in excess of 528 branches with far beyond 1.45 crore clients.
- Shriram Life timed Rs.1020 crore gross premium in 2015-2016.
- The organization has an organization of 609 workplaces and 75,000 specialists across India.
- Shriram has an extraordinary Underwriting Record and has granted as 'Endorsing Initiative of the Year.'
- Shriram Life Insurance creates over 40% business through giving protection to provincial region and more vulnerable fragment people - 'AAM AADMI' of India.
- The Founder of Shriram Group, Mr. R Thyagarajan, has been granted with Padma Bhushan grant.

Advantages of Shriram Life Insurance

- Financial Protection: Plans which give monetary security to your family.
- Flexibility: Flexible premium and payout choices.
- Online plans: Specifically planned internet based plans that costs lower
- Variety: Offers an assortment of online just as disconnected plans
- Customer Service: Offers great, bother free pre-deals and post-deals administrations.
- Tax benefits: Save charge on all expenses and payouts under the segment 80C and 10(10D) of Income Tax Act, 1961.

MISSION and VISION

The Shriram Life Insurance Company was established with the target of contacting the "average person" with items and administrations that would be useful to him as he shows out the way to "success".

Functional proficiency, respectability and a solid spotlight on taking into account the requirements of the normal Indian, by offering him superior grade and savvy items and administrations, are the guiding principle that drive the association. These qualities have been firmly clung to throughout the long term and are presently an indispensable piece of the association's DNA.

The organization highly esteems its profound comprehension of the client. Every item or administration is tailor-made to explicitly suit the requirements of the client. It is this directing way of thinking of putting individuals first that has brought the gathering organization closer to the grassroots and has settled on it the favored decision for all truck financing necessities among the clients.

Disaster protection Plans by Shriram Life Insurance Company

Shriram Life Family Protection Plan: This arrangement takes into account the necessities of individuals who need to ensure their families if there should arise an occurrence of an inopportune demise. It offers adaptability in paying charges - Monthly (simply by ECS) or Annually. The guaranteed has the choice to choose to whom the 'Passing Sum Assured' must be paid if there should arise an occurrence of an awkward demise.

Passing Benefit Payout choice - The policyholder can decide on either a single amount choice or portion choice. If there should be an occurrence of a singular amount payout, the demise total guaranteed is paid on the double and the approach ends. On the off chance that, then again a policyholder selects a portion choice, the half of the aggregate guaranteed is paid as a single amount sum

and the rest is paid in 5 equivalent yearly portions. There are no endurance benefits. The base qualification age is 18 years while greatest is 60 years with an aggregate guaranteed running between INR. 15,00,000 to 5 crores.

Shriram Life Cash Back Term Plan: The Shriram Life Cash Back Term Plan highlights singular amount payout if there should arise an occurrence of a terrible demise of the guaranteed to ensure the monetary security of his/her relatives. It offers adaptability in paying charges - yearly, half yearly, quarterly and month to month with a choice to pick strategy term according to 10/15/20/25 years.

Demise Benefit Payout choice - The total guaranteed on death is paid provided that all the expenses have been met. The passing advantage will be higher of essential aggregate guaranteed or possibly 105% of all the expenses paid. The base qualification age is 12 years while the greatest is 50 years with a total guaranteed going between INR. 2,00,000 to INR. 20,00,000.

Extra advantages incorporate Rider choices:

1. **Benefit Rider:** in case of death of the life guaranteed because of a mishap or inadvertent long-lasting handicap, the rider aggregate guaranteed is paid. On account of a super durable inability, the future expenses are deferred.

2 **Family Income Benefit:** Under this rider, 1% of aggregate guaranteed will be paid each month for a surefire time of 10 years or till the finish of the rider term whichever is higher, if the existence guaranteed passes on because of a mishap or turns out to be absolutely and forever debilitated because of a mishap.

3. **Critical Illness Cover:** This rider covers 6 significant basic diseases - Cancer, Heart Attack, Stroke, Kidney Failure, Coronary Artery Bypass Surgery and Major Organ Transplant. On the principal analysis of any of the six basic sickness, the rider advantage will be paid as a single amount advantage.

4. **Shriram Life Secure Plus Plan:** This arrangement is comparative in capacity to the ones referenced above where you have adaptability in paying charges - yearly, half yearly, quarterly and month to month with a choice to pick strategy term according to 10/15/20 years. Rider choices contain Accidental Benefit, Family Income Benefit and Critical Illness Cover.

5 **Death Benefit Payout choice:** The demise advantage will be higher of essential aggregate guaranteed or development total guaranteed or possibly 105% of all the expenses paid. The base qualification age is 18 years while the most extreme is 50 years with an aggregate guaranteed going between INR. 5,00,000 to INR. 20,00,000.

CHAPTER-IV INDUSTRY PROFILE

Extra security is one of the quickest developing areas in India starting around 2000 as Government permitted Private players and FDI up to 26% and as of late Cabinet supported a proposition to expand it to 49%. In 1955, mean danger per strategy of Indian and unfamiliar life back up plans produced individually to 2,950 and 7,859(worth 15 lakh and 41 lakh in 2017 costs). Extra security in India was nationalized by consolidating Life Insurance Corporation (LIC) in 1956. All private extra security organizations around then were taken over by LIC. In 1993, the Government of India designated RN Malhotra Committee to set out a guide for privatization of the life coverage area.

While the board presented its report in 1994, it required an additional six years before the empowering enactment was passed in the year 2000, enactment altering the Insurance Act of 1938 and administering the INSURANCE REGULATORY AND DEVELOPMENT AND AUTHORITY demonstration of 2000. That very year, recently named protection controller - Insurance Regulatory and Development Authority IRDA—began giving licenses to private life guarantors.

Kinds of life coverage in India

Disaster protection items arrive in an assortment of contributions taking into account the venture needs and goals of various types of financial backers. Following is the rundown of general classifications of life coverage items:

Term protection strategies

The fundamental reason of a term protection strategy is to get the prompt necessities of chosen people or recipients in case of the abrupt or awful end of the approach holder. The policyholder doesn't get any money related advantage whatsoever finish of the approach term aside from the tax cuts the individual in question can decide to benefit of all through the residency of the strategy. In case of the demise of the policyholder, the total guaranteed is paid to their recipients. Term protection approaches are additionally somewhat less expensive to gain when contrasted with other protection items.

Cash back arrangements

Cash back approaches are essentially an augmentation of gift plans wherein the policyholder gets a decent sum at explicit stretches all through the term of the strategy. In case of the demise of the policyholder, the full aggregate guaranteed is paid to the recipients. The terms again may somewhat shift starting with one insurance agency then onto the next.

Entire life strategies

An entire extra security plan covers the guaranteed over his life. The essential component of this item is that the legitimacy of the arrangement isn't characterized so the policyholder partakes in the existence cover for the duration of his life

Unit-connected speculation approaches (ULIP)

Unit-connected protection arrangements again have a place with the protection cum-venture class where one will partake in the advantages of both protection and speculation. While a piece of the month to month charge pay-out goes towards the protection cover, the leftover cash is put resources into different kinds of assets that put resources into obligation and value instruments. ULIP plans are pretty much comparative in contrast with shared assets aside from the distinction that ULIPs offer the extra advantage of protection.

Annuity strategies

Annuity strategies let people decide a proper stream of pay post retirement. This fundamentally is a retirement arranging speculation plot where the total guaranteed or the regularly scheduled compensation out after retirement completely relies upon the capital contributed, the venture time period, and the age at which one wishes to resign. There are again a few sorts of annuity designs that take into account diverse venture needs. Presently it is perceived as a protection item and is controlled by IRDA.

Unfamiliar direct venture (FDI) strategy in protection area

Looking for greater interest in the protection area, on March 18, 2016, the public authority permitted FDI in homegrown insurance agencies up to 49%, up from 26%, without the earlier endorsement. Prior 26% FDI was endorsed through programmed course. For FDI up to 49% endorsement of Foreign Investment Promotion Board is expected subject to the confirmation of protection routineness authority of India. There are 57 insurance agencies in India out of which 24 are extra security organizations and 33 are general insurance agencies.

Introductory public deal (IPO) rules for Indian extra security organizations

A critical piece of enactment affecting on the Life Insurance ventures capital raising capacities is the lock-in time of 10 years for speculation to be restricted to advertiser bunch value ventures. Under the Insurance Guidelines, Indian Life Insurance organizations can choose a public issue of value through an Initial Public Offer (IPO) following 10 years of activities.

In October 2010, the protections market controller, Securities and Exchange Board of India (SEBI), gave exposure standards for Indian Life Insurance Companies looking to disclose an underlying proposal available to be purchased of value offers to the general population.

Indian life coverage industry outline

All life coverage organizations in India need to follow the guidelines spread out by the Insurance Regulatory and Development Authority of India (IRDAI). Life coverage Corporation of India (LIC), the state-possessed behemoth, stays by a wide margin the biggest player on the lookout. The privately owned businesses like Exide Life Insurance have come out with items called ULIPs (Unit Linked Investment Plans) which offer both life cover just as extension for reserve funds or venture choices as the client wants. These kind of plans are dependent upon a base lock-in time of five years to forestall abuse of the huge tax reductions proposed to such plans under the Income Tax Act. Correlation of such items with common assets would be wrong.

Commission/intermediation charges. The most extreme commission restricts according to legal arrangements are:**Office commission for retail life coverage business:**

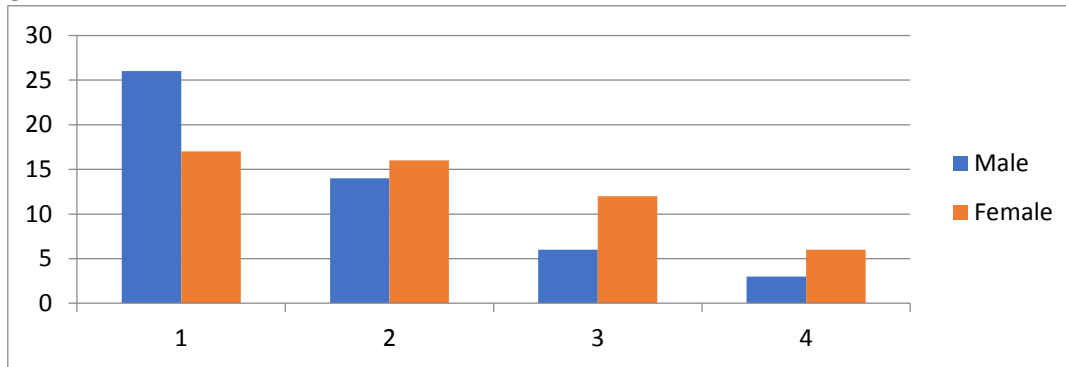
- 7 - 25% for first year premium. If the top notch paying term is over 20 years.
- 7 – 10% for first year premium. In the event that the superior paying term is over 15 years.
- 7 – 10% for first year if the paying premium term is under 10 years. 7% for second and third year and 3.5% for from that point for all superior paying terms.
- In instance of Mutual finances related Unit Linked strategies, it shifts between 1.5% to 6% on the premium paid.
- Agency commission for retail annuity. 7.5% for first year and 2.5 % from that point years.
- Maximum agent commission is 30%.
- Referral charges to banks is most extreme 55% for standard premium and 10% for the single premium. Notwithstanding, regardless, this charges can't be more than the office commission as recorded under the item.
- However the above commission might be further dependent upon the item shrewd cutoff points indicated by IRDA while endorsing the item.

CHAPTER – V DATA ANALYSIS

TABLE 1

Responses accordingly to the gender and age.

Age	Male	Female	Total	percentage
18 -28	26	17	43	43%
28 -38	14	16	30	30%
38 -48	6	12	18	18%
48 -55	3	6	9	9%
total	50	50	100	100%

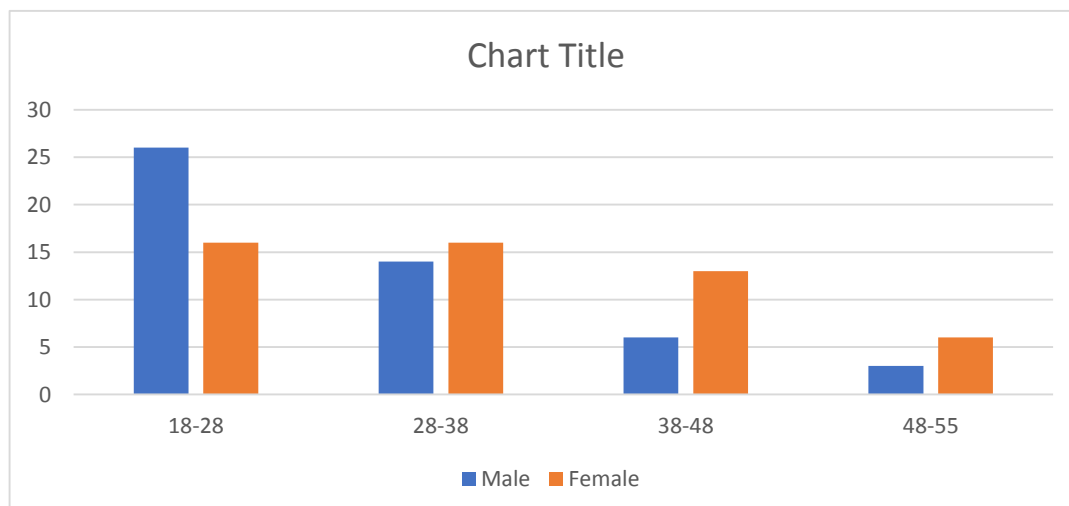
GRAPH**INTERPRETATION**

- Out of 100 respondents, of age 18 – 28 interval having 43 responses are more when compare to the other intervals. From which male are 26 and female are 17 responses are there.
- 30 respondents of age 28 – 38 interval having 30 respondents. From which male are 14 and female are 16 respondents are there.
- Out of 100 responses, of age 38 – 48 interval having 18 responses. From which male are 6 and female are 12 responses are there.
- Out of 100 responses, of age 48 – 55 interval having 9 responses. From which male are 3 and female are 6 responses are there.

TABLE 2

Respondent responses having Insurance

SI no	Age	Male	Female
1	18-28	26	16
2	28-38	14	16
3	38-48	06	13
4	48-55	03	06

GRAPH

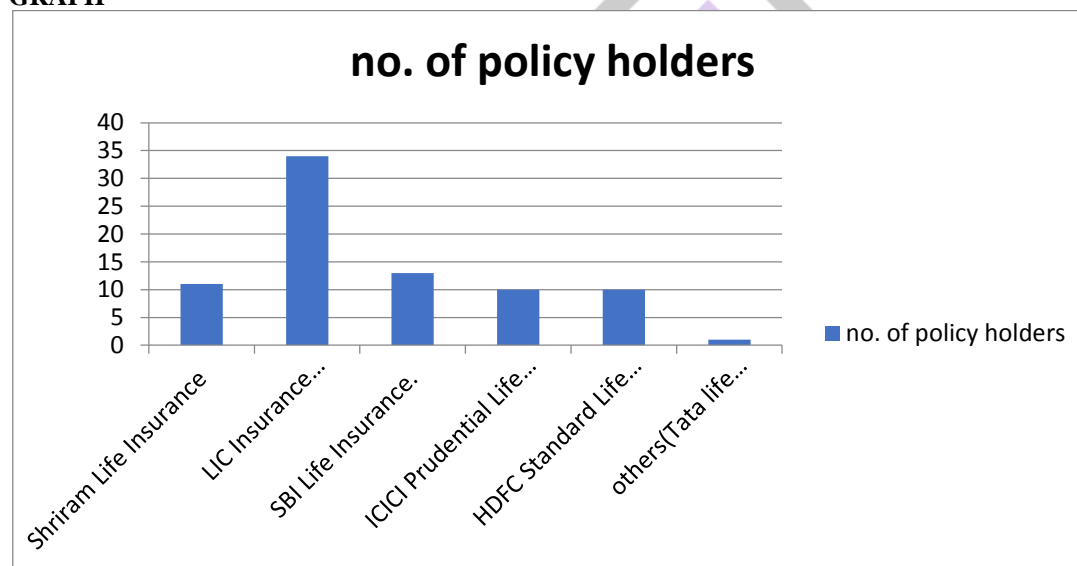
INTERPRETATION

- Out of 100, 42 respondents of age 18 – 28 having life insured is 26 are male and 16 are female.
- 30 respondent of age 28 – 38 having life insured is 14 are male and 16 are female.
- 19 respondent of age 38 – 48 having life insured is 06 are male and 13 are female..
- 09 respondent of age 48 – 55 having life insured is 03 are male and 06 are female.

TABLE 3

Respondent responses which organization product their insured

SI no	Insurance company	No. of policy holders	Percentage
1	Shriram Life Insurance	11	13.92405
2	LIC Insurance Corporation Of India.	34	43.03797
3	SBI Life Insurance.	13	16.4557
4	ICICI Prudential Life Insurance.	10	12.65823
5	HDFC Standard Life Insurance.	10	12.65823
6	others(Tata life insurance)	1	1.265823
	Total	79	100

GRAPH**INTERPRETATION**

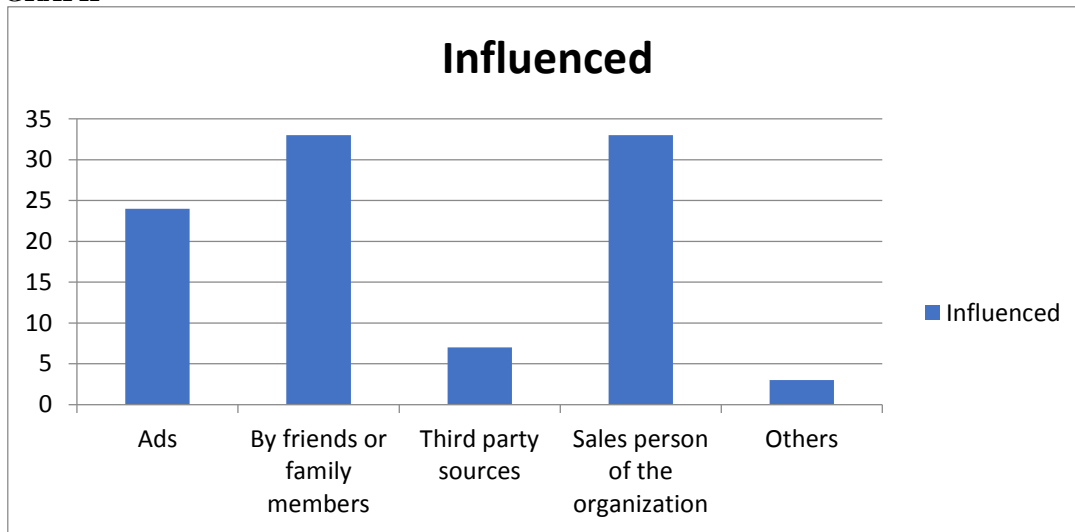
- Out of 100 respondent, 11 have insured with Shriram Life Insurance
- 34 have insured with LIC Insurance Corporation of India.
- 13 have insured with SBI Life Insurance.
- 10 have insured with ICICI Prudential Life Insurance.
- 10 have insured with HDFC Standard Life Insurance.
- 01 have insured with others(Tata life insurance).

TABLE 4

How would know about the life insurance product

SI no	Reason	Influenced	Percentage
1	Ads	24	24
2	by friends or family members	33	33
3	third party sources	7	7
4	sales person of the organization	33	33
5	Others	3	3
6	Total	100	100

GRAPH



INTERPRETATION

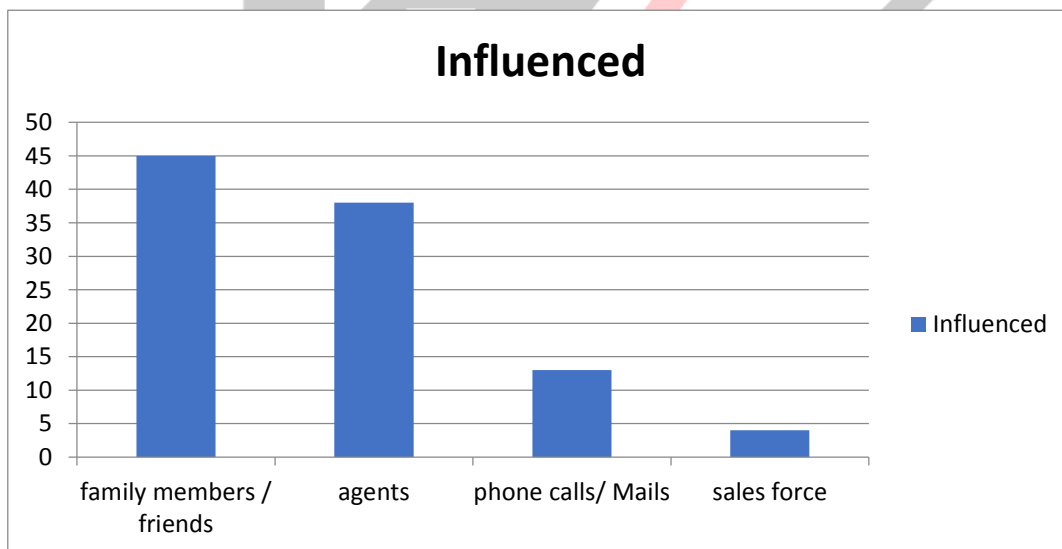
- Out of 100 respondents, 24 are influenced by the ads.
- 33 are influenced by the by friends or family members.
- 07 are influenced by the third party sources.
- 33 are influenced by the sales person of the organization.
- 03 are influenced by the others.

TABLE 5

Who has influenced you to buy the product

SI no	Reason	Influenced	Percentage
1	family members / friends	45	45
2	agents	38	38
3	phone calls/ Mails	13	13
4	sales force	4	4
	total	100	100

GRAPH



INTERPRETATION

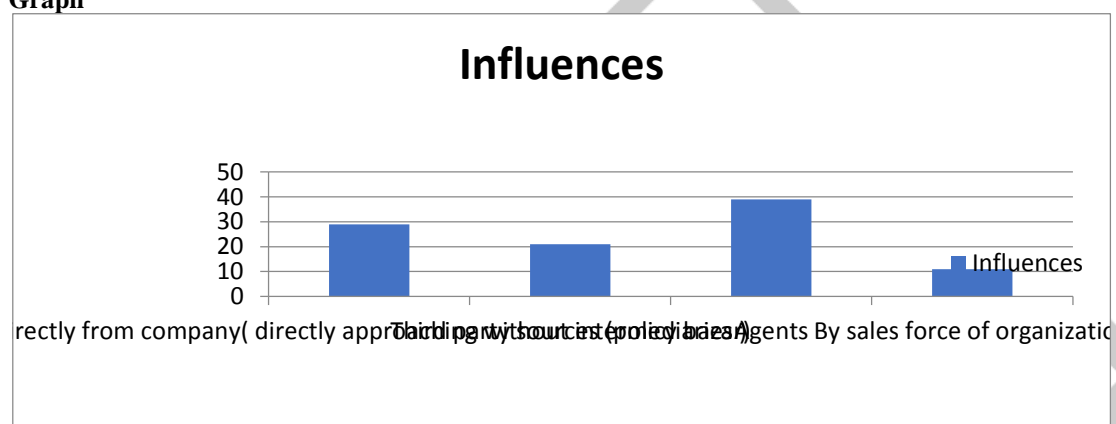
- Out of 100 respondents, 45 were influenced by family members/friends.
- 38 were influenced by agents.
- 13 were influenced by phone calls/mails.

- 04 were influenced by sales force.

TABLE 6

How did you prefer to buy the product, from the following options

SI no	Preference	influences	Percentages
1	Directly from company(directly approaching without intermediaries)	29	29
2	Third party sources (policy bazar)	21	21
3	Agents	39	39
4	By sales force of organization	11	11
	Total	100	100

Graph**INTERPRETATION**

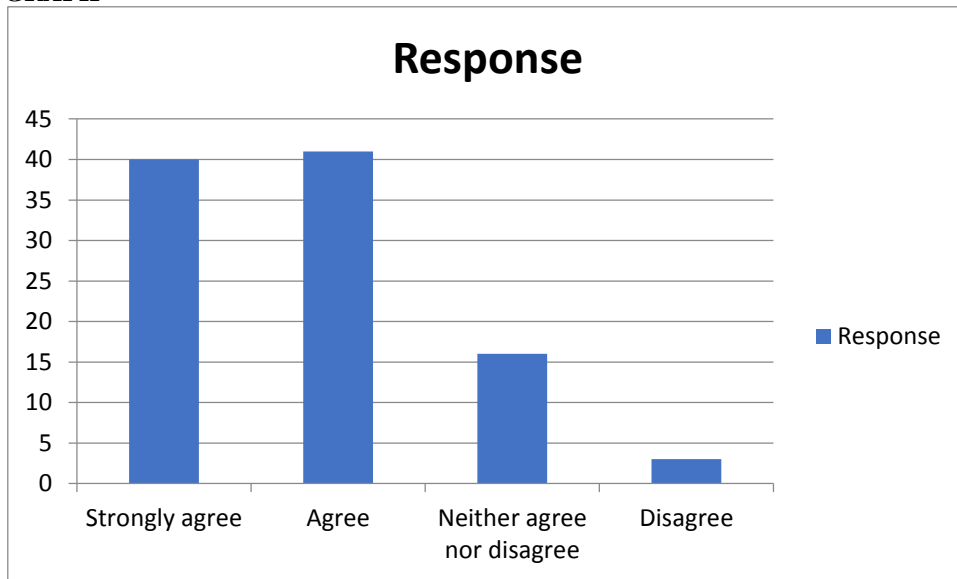
- Out of 100 respondents, 29 were to buy from directly from company (directly approaching without intermediaries).
- 21 were to buy from Third party sources (policy bazar).
- 39 were to buy from Agents.
- 11 were to buy from by sales force of organization.

TABLE 7

Pitching of the insurance product by the sales person or agents will influence the preference to buy the product

SI no	Scale	Response	Percentage
1	Strongly agree	40	40
2	Agree	41	41
3	Neither agree nor disagree	16	16
4	Disagree	3	3
	TOTAL	100	100

GRAPH



INTERPRETATION

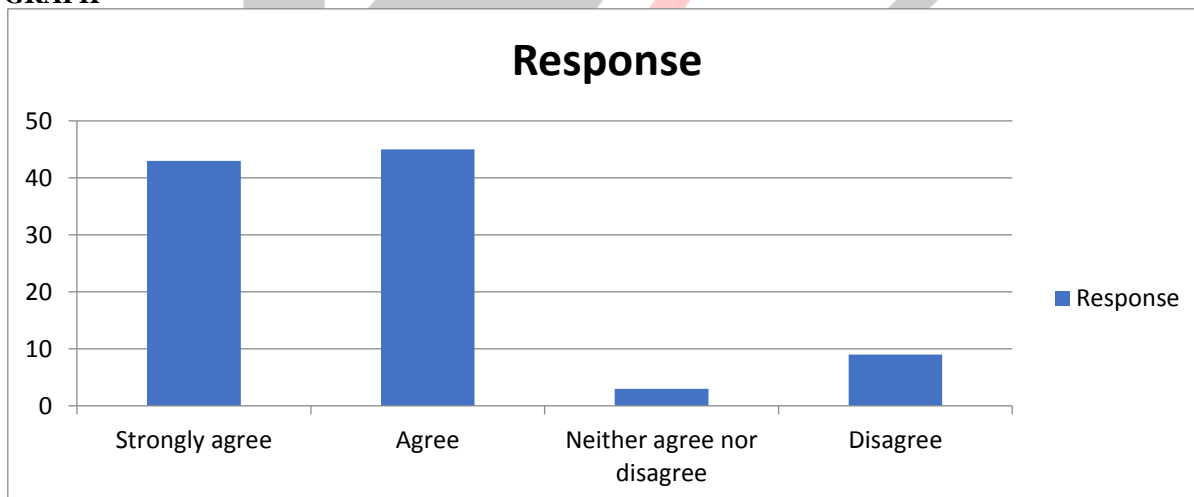
- Out of 100 respondents 40 were strongly agree.
- 41 respondents were Agree.
- 16 respondents were neither agree nor disagree.
- 03 respondents were Disagree.

TABLE 8

Whether the features of the insurances product will influence to buy

SI no	Scale	Response	Percentage
1	Strongly agree	43	43
2	Agree	45	45
3	Neither agree nor disagree	3	3
4	Disagree	9	9
	TOTAL	100	100

GRAPH



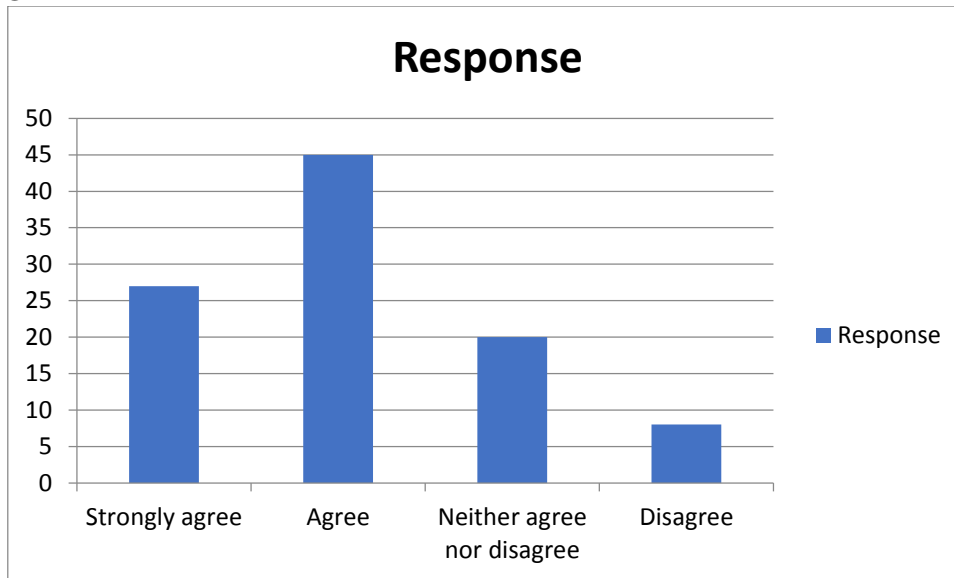
INTERPRETATION

- Out of 100 respondents 43 were strongly agree.
- 45 respondents were Agree.
- 03 respondents were neither agree nor disagree.
- 09 respondents were Disagree.

TABLE 9

The reason to buy the insurance is to secure your future

SI no	Scale	Response	Percentage
1	Strongly agree	27	27
2	Agree	45	45
3	Neither agree nor disagree	20	20
4	Disagree	8	8
	TOTAL	100	100

GRAPH**INTERPRETATION**

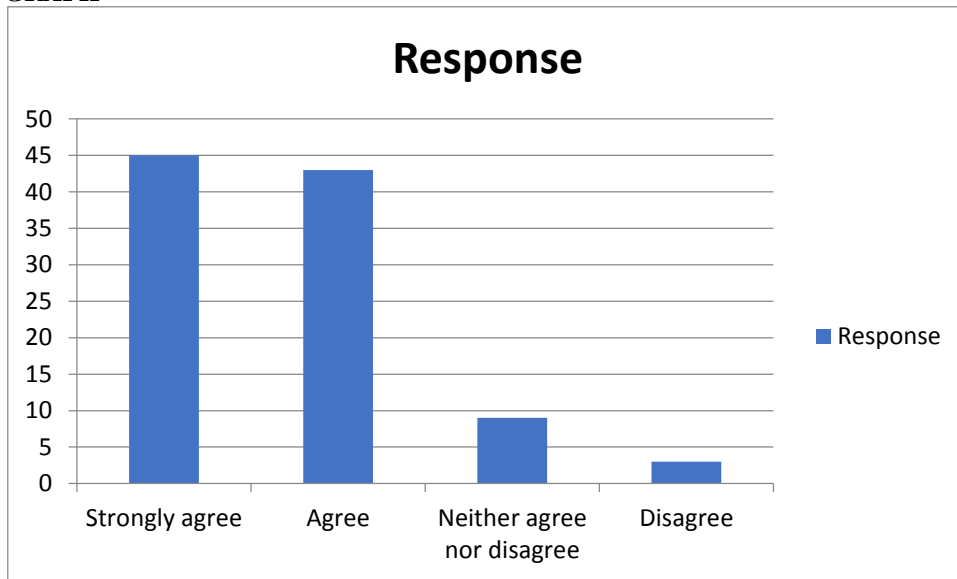
- Out of 100 respondents 27 were Strongly agree.
- 45 respondents were Agree.
- 20 respondents were Neither agree nor disagree.
- 08 respondents were disagree.

TABLE 10

The reason to buy the insurance is to secure your family members future

SI no	Scale	Response	Percentage
1	Strongly agree	45	45
2	Agree	43	43
3	Neither agree nor disagree	9	9
4	Disagree	3	3
	TOTAL	100	100

GRAPH



INTERPRETATION

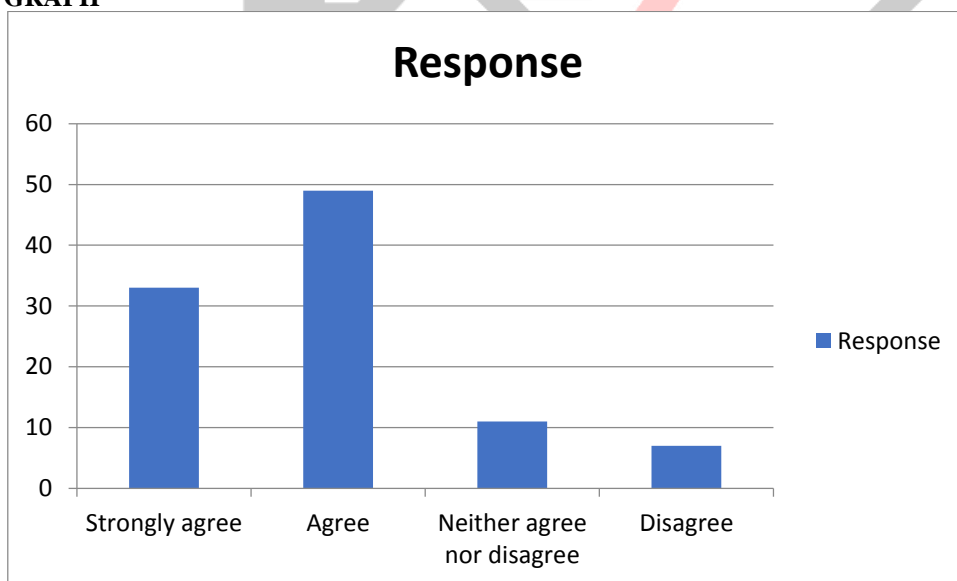
- Out of 100 respondents 45 were Strongly agree.
- 43 respondents were Agree.
- 09 respondents were Neither agree nor disagree.
- 03 respondents were Disagree.

TABLE 11

Are you buying the Insurance product to combat unexpected risk

SI no	Scale	Response	Percentage
1	Strongly agree	33	33
2	Agree	49	49
3	Neither agree nor disagree	11	11
4	Disagree	7	7
	TOTAL	100	100

GRAPH



INTERPRETATION

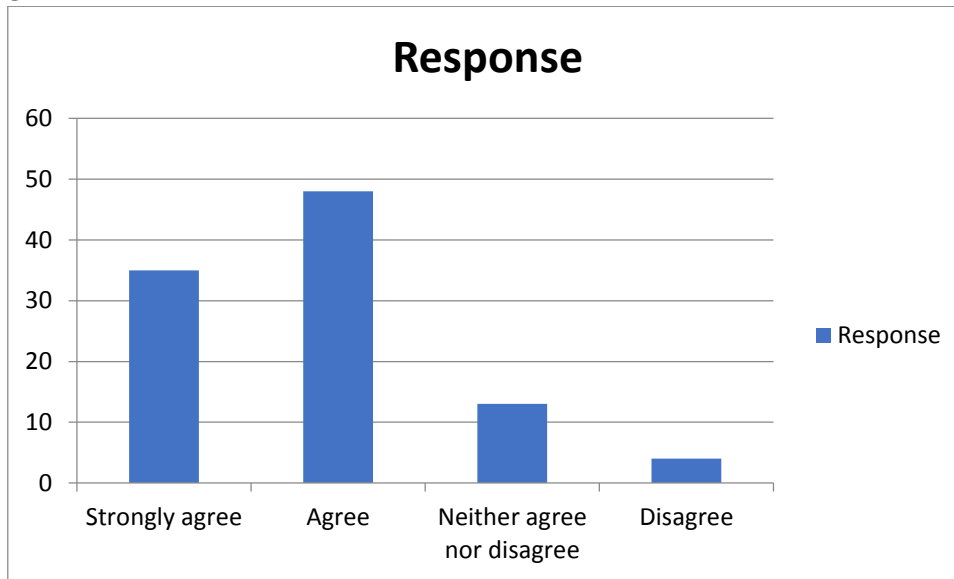
- Out of 100 respondents 33 were Strongly agree.
- 49 respondents were Agree.
- 11 respondents were Neither agree nor disagree.

- 07 respondents were Disagree.

TABLE 12

Do you prefer to buy Insurance product, on the basis of returns

SI no	Scale	Response	Percentage
1	Strongly agree	35	35
2	Agree	48	48
3	Neither agree nor disagree	13	13
4	Disagree	4	4
	TOTAL	100	100

GRAPH**INTERPRETATION**

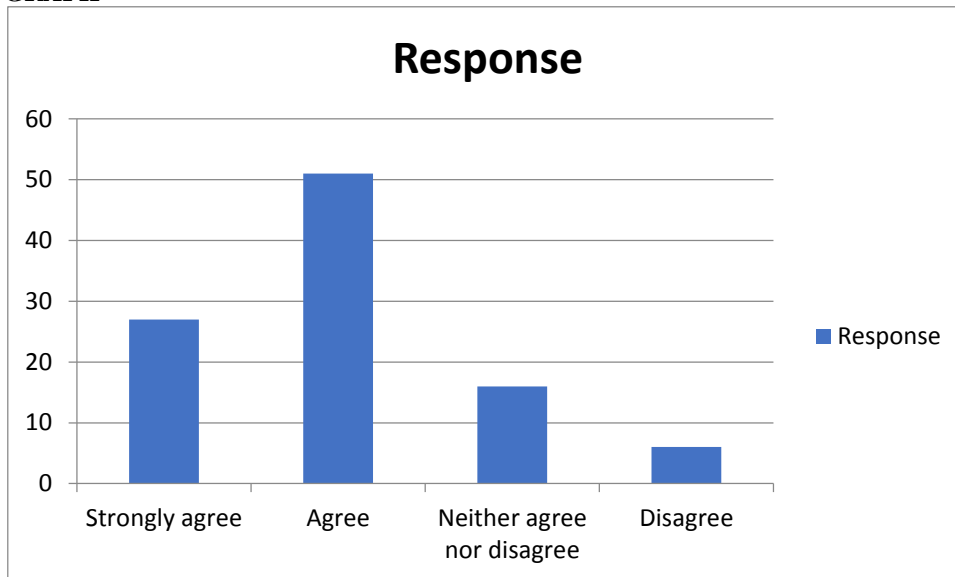
- Out of 100 respondents 35 were Strongly agree.
- 48 respondents were Agree.
- 13 respondents were Neither agree nor disagree.
- 04 respondents were Disagree.

TABLE 13

Do you prefer to buy Insurance product, on the basis of its premium & term

SI no	Scale	Response	Percentage
1	Strongly agree	27	27
2	Agree	51	51
3	Neither agree nor disagree	16	16
4	Disagree	6	6
	TOTAL	100	100

GRAPH



INTERPRETATION

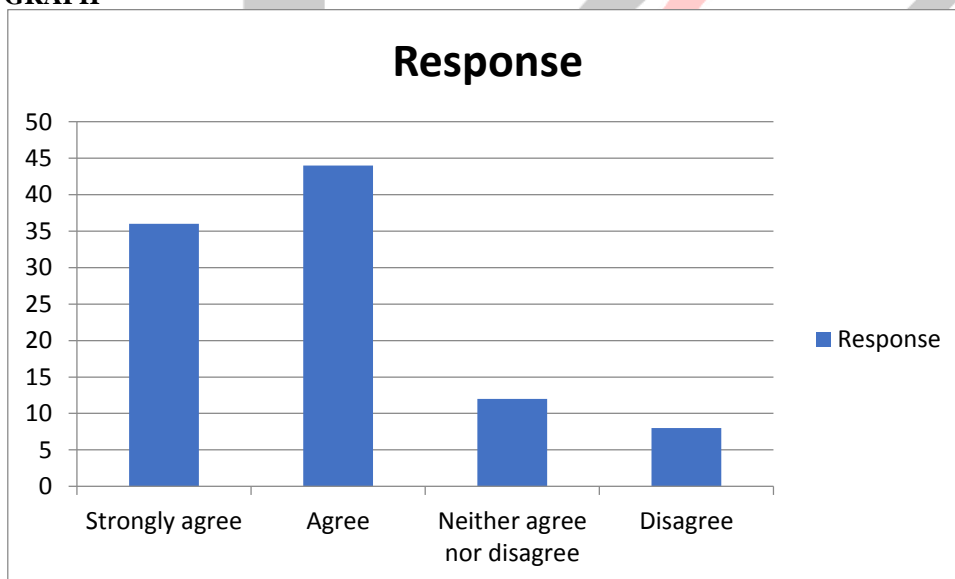
- Out of 100 respondents 27 were Strongly agree.
- 51 respondents were Agree.
- 16 respondents were Neither agree nor disagree.
- 06 respondents were Disagree.

TABLE 14

Do you take income into the consideration while buying the Insurance product.

SI no	Scale	Response	Percentage
1	Strongly agree	36	36
2	Agree	44	44
3	Neither agree nor disagree	12	12
4	Disagree	8	8
	TOTAL	100	100

GRAPH



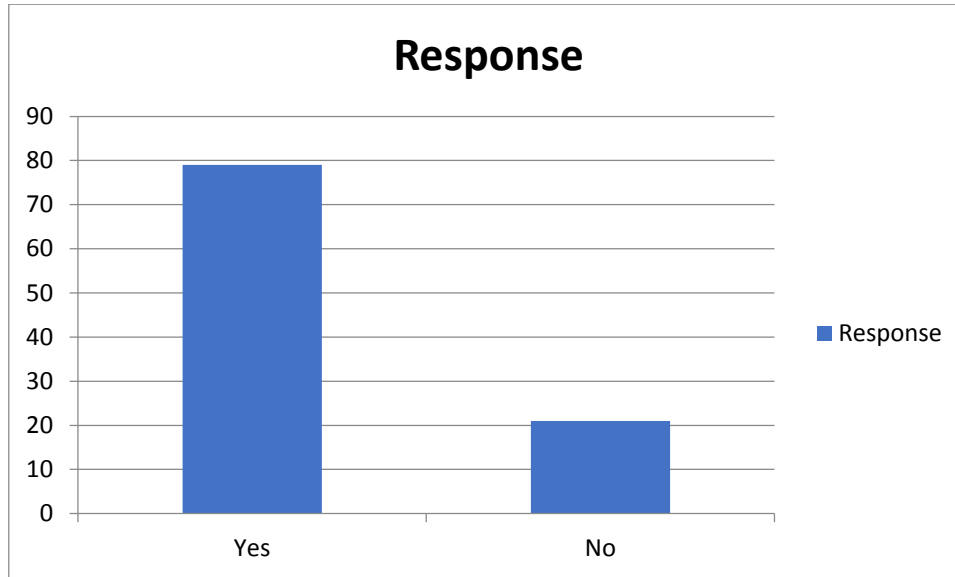
INTERPRETATION

- Out of 100 respondents 36 were Strongly agree.
- 44 respondents were Agree.
- 12 respondents were Neither agree nor disagree.
- 08 respondents were Disagree.

TABLE 15

Whether the claim rate of the organization will influences to buy Insurance product

SI no	Influence	Response	Percentage
1	Yes	79	79
2	No	21	29
	total	100	100

GRAPH**INTERPRETATION**

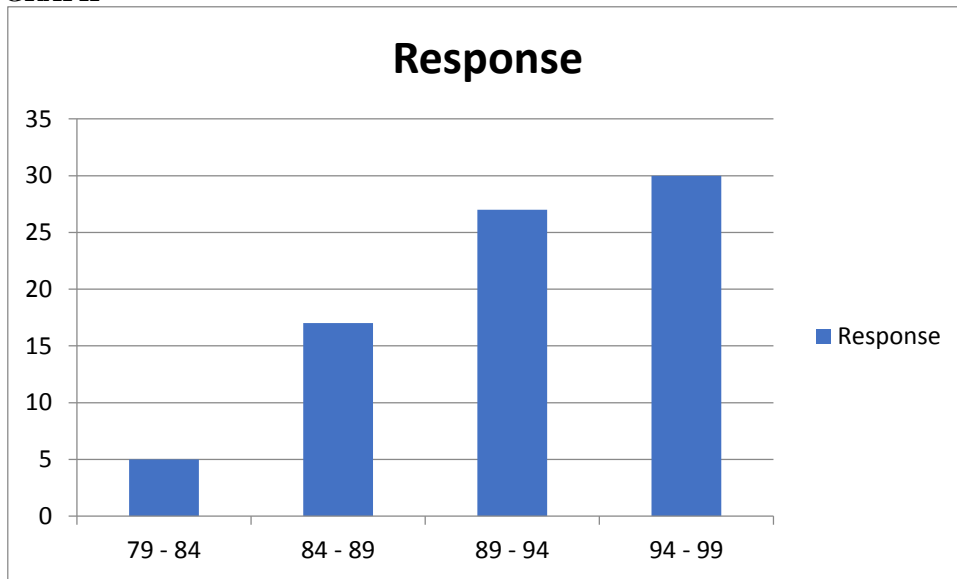
- Out of 100 respondents 79 are influenced by the organization claim rate.
- 21 respondents are not influenced by the organization claim rate.

TABLE 16

If yes, what will be the your preferable claim rate

SI no	claim rate	response	percentage
1	79 - 84	5	6.329114
2	84 - 89	17	21.51899
3	89 - 94	27	34.17722
4	94 - 99	30	37.97468
	total	79	100

GRAPH



INTERPRETATION

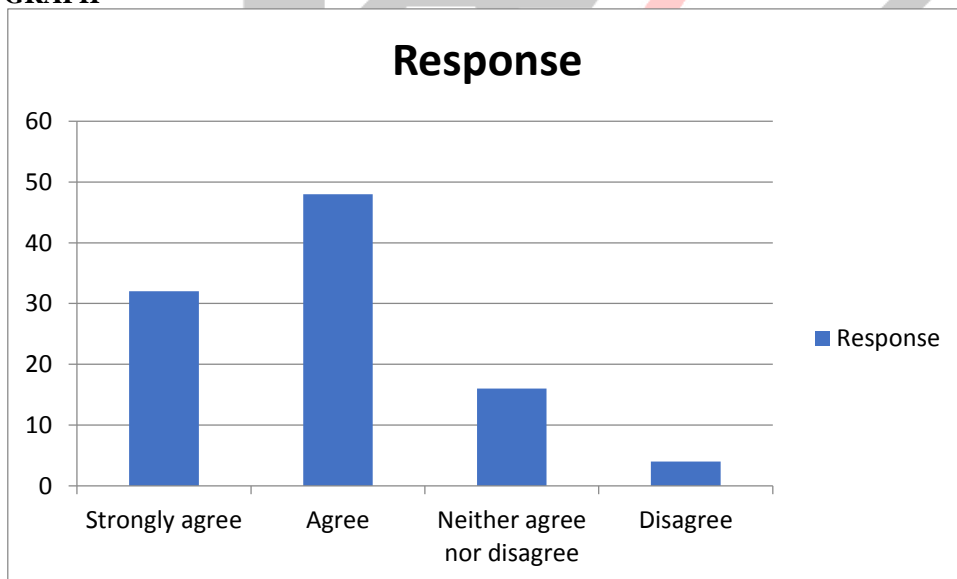
- Out of 79 respondents, 05 have prefers 79 – 84 interval of claim rate.
- 17 respondents have prefers 84 – 89 interval of claim rate.
- 27 respondents have prefers 89 – 94 interval of claim rate.
- 30 respondents have prefers 94 – 99 interval of claim rate.

TABLE 17

Tax exemption is the reason to prefer to buy the Insurance product

SI no	Scale	Response	Percentage
1	Strongly agree	32	32
2	Agree	48	48
3	Neither agree nor disagree	16	16
4	Disagree	4	4
	TOTAL	100	100

GRAPH



INTERPRETATION

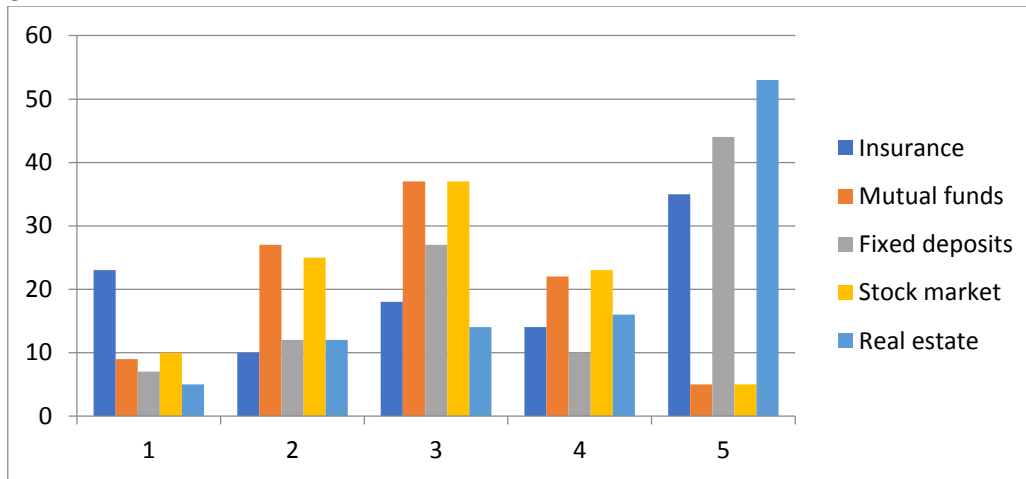
- Out of 100 respondents 32 were Strongly agree.
- 48 respondents were Agree.
- 16 respondents were Neither agree nor disagree.

- 04 respondents were Disagree.

TABLE 18

How do you prefer Insurance to the other sources [Insurance]

Sino	Sources	1	2	3	4	5	total
1	Insurance	23	10	18	14	35	100
2	Mutual funds	9	27	37	22	5	100
3	Fixed deposits	7	12	27	10	44	100
4	Stock market	10	25	37	23	5	100
5	Real estate	5	12	14	16	53	100

GRAPH**INTERPRETATION**

- Out of 100 respondents 23 given 1, 10 given 2, 18 given 3, 14 given 4, 35 respondents given 5 rating for Insurance.
- 09 respondents given 1, 27 given 2, 37 given 3, 22 given 4, 05 respondents given 5 rating for Mutual funds.
- 07 respondents given 1, 12 given 2, 27 given 3, 10 given 4, 44 respondents given 5 rating for Fixed deposit.
- 10 respondents given 1, 25 given 2, 37 given 3, 23 given 4, 05 respondents given 5 rating for Stock market.
- 05 respondents given 1, 12 given 2, 14 given 3, 16 given 4, 53 respondents given 5 rating for Real estate.

CHAPTER- VI FINDINGS

From the project study and interpretation it is found that

- LIC occupies the large market share than other life insurance offering organization.
- Comparing among sample size 79 respondent having LIC insurance policy, from 100 respondents. Most of the respondent trust LIC, for buying insurance policy, than other companies.
- Out of the samples, 43% people have taken insurance policy in LIC and remaining 57% chosen other insurance companies for buying policies. Thus, it represents the brand/reputation of the organization plays major role in buying insurance policy.
- 80% of the respondents have considering their Income status for buying insurance policy, 36% strongly agreed and 44% agreed this.
- 79% the respondents agree that claim rate of insurance company is one of the major factors influence for buying insurance policies.
- Insurance returns/benefits is also a key factor for taking insurance policy. 35% respondents strongly agreed, 48% agreed this statement.
- Among the other various factors, 80% of people agrees 'Tax exemption', 72% agrees 'securing future', 82% agrees 'To combat unexpected risk', are the key factors to buy insurance policy.

SUGGESTIONS

- Organizations have to focus on the consumers who are willing to take insurance product but are not aware of the product. So the organizations can have effective promotions like ads on the TV and social media which also increase the sales.
- Organizations have to take action to change the perception of the consumer by educating the advantages of buying the insurance policy.
- Organizations have to keep claim rate high as much as possible.
- Organizations have to target the customers according to their income status and security for themselves and also their family members.

CONCLUSION

Organization has major market in India, in the field of life insurance. In India life insurance policies insured citizens is less when compared with foreign countries. So the organization can take advantage to make the huge market by providing the information of insurance to the consumer effectively and efficiently. The consumers are mostly influenced to invest in the other sectors like real estate, stock market but there is the problem of return on investment and security. So the organizations has the opportunity to increase their market share and sales by explaining the factors which influence the customer like security, limited premium and fixed returns. So the organization have to take proper promotions where Citizens can easily aware of the life insurance products while they want to invest their money. In India growth for life insurance products have more than other sector.

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