

A Study On Factor's Influencing Customer's Choice For Life Insurance Company"- With Reference To Mysuru City

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Abstract: In this context the present study is undertaken to know factors influencing customers' choice towards Life Insurance Company. For this purpose the investigation is done by collecting primary data directly from the people through questionnaire and the respondents were chosen from the Mysuru City. These data were analyzed by using the statistical tool Correlation. The main intent of the study is to understand the various aspects influencing customer's choice and to determine relative importance of each aspect influencing customer choice towards life insurance companies. The detailed correlation analysis explains how there is a influence of factors in the buying process of life insurance as chi-square value is .924 at a significance level of 0.5, which proves the framed hypothesis true.

Index Terms: Life insurance Company, Insurance policy, customer choice.

1. INTRODUCTION

The development of economy depends upon the financial system. Insurance sector is one of the major players in this system. In today's world there is a lot of risk uncertainties and stress in everyone's life, the people or public have an urge to play down the risk and take protection against possible uncertainty of their life. Life insurance sectors provide an intent goal from which people can seek protection against many risks of their life which may cause in the future. Life insurance not only provides risk coverage but also it provides other certain benefits for the people or customers, they are investment, tax, savings loan facilities and more knowing the customers need or various requirements, the insurance company provides a very large variety of insurance products or the policies to their customers, and they have to provide an efficient services to the policy holder as the relationship with them would last for longer period. As consumers play the main role in the insurance sector and they have emerge as a centre of the insurance sector due to the life insurance companies as they have began to provide good and better service to the customers with much trained sales force and advisor they are providing advice and need based selling practice to the consumers. The turnaround times and with a good response the improvement in specific areas are improved such as, premium notice, policy document, final maturity payment settlement of claim and more on. The present study is an aspire to bring out the factors influencing customers choice towards life insurance. This study is expected that it would help the insurer to frame a marketing strategized needed to attract the present and potential consumers towards them. Besides the said details it will help the understanding whether customer demographics have any bearing on their choice.

2. OBJECTIVES OF THE STUDY

- To identify different aspects influencing customer's choice for life insurance companies
- To determine relative importance of each aspect influencing customer choice.

3. METHODOLOGY

The present empirical study is conducted in Mysuru city in Karnataka state. For the study, a survey of 50 respondents was conducted on individuals who had an experience of offline and online life insurance system. The respondents were requested to give their responses through the well framed and structured questionnaire with respect to the factor which influence them during their choice towards LIC. The statistical tool used for the study is Correlation.

4. LITERATURE REVIEW

Chaudhary(2012) this study is on the awareness and satisfaction level of insurance buyer or consume. The study states that India is one of the fastest growing economy in the world. The insurance company contributes to the financial industry of an economy and it also provide social security to the people. The increasing rate of the literacy and the income earning capacity were the key factors of the growth of insurance company. The customers are looking for both risk coverage and good return. Research provides a long term legitimate savings and security to the customers. To achieve their objectives as well structured questionnaire was designed and data were collected by the buyers of the insurance company.

Ajay suneja the article is on "Factors influencing choice of life Insurance company" the study has come out with various variables about the choice of the insurance sectors and are grouped into V factors like "financial and non-financial facilities, customer convenience, promotional activities, image of a company, premium. Each factor depends upon the customers' age and their perception towards the life insurance companies. The study explains that the customers of private companies are more intensive towards the promotional activities than the policy holder of the public companies. Prakash (2012), this study conducted on "the marketing term consumer awareness means consumer note of aware of production or selections." The study is observed that the consumer awareness is the knowledge that a consumer should have about the legal rights and duties. The rights should be followed by the customers and it is implemented for the protection of the customers, so it is not exploited to the customer by the seller of the products. Here the consumer awareness it's making the consumer aware of his/her rights.

Ravi Kumar and Ernest Beryl (2018), the study is basically on

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the factors influencing the investment choice as it explains about how the life insurance company made a tremendous change in Indian today. They also suggested that the majority of the investors' should treat insurance policy as the risk protection and a multi-faceted investment option, not only as tax saving instrument. Roa (2014) conducted this study to examine and to evaluate the various CRM initiatives in life insurance companies and to compare the strategies used by public sector (LIC) with private sector companies. This study explains, "Liberation of the financial service have led the insurance companies under competitive pressures and the functioning are rapidly increasing under the pressures. Each and every company has recognized that they need to shift the traditional strategy to survive in the market." Campaign management and CRM technologies are maturing and finding wider adoption with large insurance companies. The process CRM is adopted by all the public and private sector insurance industry.

HYPOTHESIS

H0: Factor influence in buying process of life insurance

H1: Factors don't influence in buying process of life insurance

ANALYSIS AND INTERPRETATION

Correlations		Factors influencing consumer behavior	Type of policy
Factors influencing consumer behavior	Pearson Correlation	1	-.020
	Sig. (2-tailed)		.924
	N	50	24
Type of policy	Pearson Correlation	-.020	1
	Sig. (2-tailed)	.924	
	N	24	24

Yes, there is a influence of factors in the buying process of life insurance as chi-square value is .924 at a significance level of 0.5, Hence null hypothesis proved

CONCLUSION:

Policy holders of the life insurance company perceive the factors like trust on insurance company, trust on agent , policy features are most influencing factors , excellent claim, company scheme, image of the company premium charged advertisement and flexibility are the least influencing factors for the policy holder. Life insurance is a decisive form of insurance and it is essential for each individual. customer retention and very attracting customers are the key to success of every life insurance so they should ensure to keep their customer satisfied. From the above analysis it can be concluded that the factors of people plays a major role in deciding about the preference of particular life insurance company and purchasing that company insurance policy

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