The post-globalisation world has brought the customer in to the focus. Almost in all the major economies barring China, services sector is dominating over the traditional manufacturing sector and is growing phenomenally over the years since the concept of liberalization started to sweep the world economy. The traditional method of marketing strategy, i.e. S.T.P. (Segmenting, Targeting and Positioning) has become obsolete in this fast changing global scenario. Services marketing have become the preferred strategy in this modern era. Indian life insurance industry was under monopoly regime since 1956. Only one public sector company, L.I.C. was catering to the entire customer base. It was following the traditional marketing mix to sell its products giving importance to the product elements and ignoring all other aspects. It was specifically neglecting the P for people. But after the privatization, with more competitors, the market is experiencing a good competition and the customer is getting the utmost importance. The modern life insurance industry has adopted the latest marketing mix in its marketing strategies. With the onslaught of recession, when the sector has witnessed downturn (particularly L.I.C.) for the first time since liberalization, the concept of 7P’s has become much more important to move northwards. In coming days, more and more private players will be joining this industry and it will provide more and better services to the customers in line with the extended marketing mix.

The crux of this study is to find out the perceptions of the customers and the executives regarding the impact of the various SMM elements (7P’s) on the policy purchasing decision of the policy holders/ customers. This study discusses the perceptions of the buyers and the sellers of the life insurance product followed by a comparison of these perceptions. The various causes of these differences in their perceptions are also discussed. The various determinants of life insurance demand are analysed thoroughly. The following scheme of chapters discusses about SMM elements in Indian life insurance sector and their perceptions by the buyers and the sellers of life insurance product.
Chapter I begins with a brief outline of the background of this study. Then, the chapter has been divided into respective sub-chapters to discuss the various key words used in this study. First, it analyses the concept and growth of insurance (particularly life insurance). In the next sub-chapter, life insurance in Indian context is discussed. Further, it explores the concept of services marketing mix (extended) and services marketing mix in Indian life insurance sector in the following sub chapters. Finally, it mentions about the scope and significance of this study.

Chapter II deals with reviewing the existing literatures on the various aspects of the study to find the research gap. First, it discusses earlier studies on life insurance and the determinants of life insurance demand (for India) followed by studies on life insurance in India. In the following sub-chapters, it reviews the earlier studies on services marketing mix (in Indian life insurance sector) and ultimately finds the research gap. Based on the research gap, the statement of the problem is formulated.

Third chapter deals with the methodology based on which this study is conducted. First, it outlines the research questions to be answered based on which the objectives and the resultant hypotheses are formulated. Then, it discusses the research design which includes data collection and the data collection zone, i.e. study area. Further, it outlines the measures based on which the questionnaires are designed. Finally, it summarises the sample design and selection.

Fourth chapter deals with analysis and interpretation of the data collected through the methodology discussed in the previous chapter. First, it summarises the demographic characteristics of the customers. Then, the normality and reliability of data is examined. In the next sub-chapter, the various determinants of life insurance demand are analysed. The perceptions of the various categories of customers (about SMM elements) are discussed along with the impact of their demographic variables on it. Finally, the various hypotheses based on the concerned objectives are tested.

Fifth chapter deals with analysis and interpretation of the data collected through the methodology discussed in the third chapter. First, it summarises the demographic characteristics of the executives. Then, the normality and reliability of data is examined. The perceptions of the various categories of executives (about SMM
elements) are discussed along with the impact of their demographic variables on it. Finally, the various hypotheses based on the concerned objectives are tested.

Chapter VI deals with the comparison between the customers and the executives of different categories and their perceptions of the SMM elements. First, it compares the perceptions of all the customers with those of all the executives. Then, it adds the type of organisation and locality to categorise the respondents and compares their perceptions based on their categorisation. Finally, it summarises the perceptions of all the categories in a nutshell.

The final and seventh chapter deals with the summary of findings of the study and the following discussions. It also provides some suggestions for Indian life insurance sector, especially for the life insurers to improve their SMM to capture more and more customers. The limitations faced by this study are also outlined. Finally, it summarises the entire study through concluding remarks.

Place: Puducherry

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(GANESH DASH)

Note –
1. The above chapters have been structured as per the synopsis of the thesis. But, the chapter containing data analysis has been divided in to three chapters, namely, chapters IV, V, VI. Hence, the chapter numbers have been increased to seven from five in synopsis.
2. In this thesis, the term ‘executive’ is used for life insurance agents/ advisors/ sellers. Similarly, ‘customer’ is used for the life insurance policy holders/ buyers.
3. The term ‘LIC/ LICI’ has been used for Life Insurance Corporation of India.
4. The term ‘SMM’ has been used for Services Marketing Mix/ 7P’s.
5. In some places in this thesis, some quantities have been mentioned in Indian measures. The figures are given in thousands, lakhs and crores. 1 lakh = 1/10th of 1 million and 1 crore = 10 million.