Abstract

The topic of research was “A Contemporary Study of Factors Influencing Urban and Rural Consumers for Buying Different Life Insurance Policies in Haryana.”

The study was an in-depth study of factors influencing buyer behaviour for buying life insurance policies in Haryana. The survey was conducted in Haryana on 1000 policyholders. The study was conducted in selective districts in Haryana. Primary and secondary data was collected. A sample of 1000 policyholders was surveyed from five districts Rohtak, Sonipat, Jhajjar, Faridabad and Gurgaon (100 from rural and 100 from urban in each district). The research instrument was self designed questionnaire developed after checking its reliability and validity. The data was collected through personal contact method and various statistical methods were applied to draw the inferences and to interpret the outcomes. Correlations, regression, t-test and mean values were calculated to find out the relationship between variables. The components of thesis are presented briefly:

i) Major objective: The present study was an in-depth study of micro variables/determinants of consumer behaviour. The main purpose of the study was to investigate major determinants of consumer behaviour for selecting and buying insurance policy in Haryana.

ii) Hypotheses: The hypotheses tested in this research are given below:

- There is a significant association between selection of policies and demographic, psychographic and social profile of the policyholders.

- The source of information has a significant influence on selection of policy and post-purchase behavior among rural and urban policyholders.

- The purpose of buying insurance policy is different among rural and urban policyholders.

- The buying experience of insurance policy is different among rural and urban policyholders.

- The qualities of the agent have a significant impact on the selection of policies and buying behaviour of rural and urban policyholders.

- The product attributes have a significant impact on the selection of policies and buying behavior of rural and urban policyholders.

- The service attributes have a significant impact on the selection of policies and buying behavior of rural and urban policyholders.
Methodology: The adopted research was descriptive in nature as it describes the determinants of consumer behavior in general and buyer behavior more particular. This ex post facto research includes survey and fact finding enquiries.

Sample(s): The sample was selected rationally to get fair representation of rural and urban policyholders.

Universe: The universe for the purpose of this study was all the policyholders of life insurance in Haryana.

Sample Size: Districts covered for the purpose of this study were Rohtak, Sonipat, Jhajjar, Faridabad and Gurgaon. Sample size for this study was 1000 policyholders in all.

Instruments/tools used: The primary data was collected by personally interviewing executives with the help of a structured schedule consisting 33 questions.

Statistical techniques/design: Various statistical methods were applied such as tabulation, percentage, graphs, correlation, regression methods etc. Other statistical techniques were used for testing the hypothesis and drawing the inferences and conclusions about the relationships such as Structural Equation Modeling, Independent sample t-test, Bivariate Correlation and Chi-square test is used in the study.

Observations and Inferences:

1. The major individual determinants of Consumer Behaviour were analyzed and it is considered that these factors were influencing buying decision of insurance products. The crucial determinants were age, education, economic status, religion and other demographic factors.

2. External variable (factors) also influence the policyholder’s minds such as culture, social status, referral groups, tax provisions etc.

3. There were many other factors influencing buying decisions such as marketing environment, products attributes, pricing, regulations, advertisements, workplace environment etc.

Conclusion:

The research findings suggested that insurance agent was most influential factor for selecting life insurance policy among rural and urban policyholders. The other crucial determinants of buying behaviour were also identified such as income, economic status, product attributes, agent attributes and price. The result indicates that there was a significant difference in the buying behavior of rural and urban policyholders. The findings suggested that insurance companies must reframe their marketing strategies. The necessary remedies were also provided for the insurance companies for approaching policyholders in an effective manner.