7 Findings, Conclusions and Recommendations

7.1 FINDINGS

7.1.1 Respondents’ Demographics.

The majority of the respondents i.e. 62.4% were married followed by 25.4% were single and only 12.2% of the total respondents were either Divorced or Widow/Widower. It was also found that 25.6% of the total respondents were belongs to age group 30 – 34 Yrs. followed by 24.8% were below 25 Yrs. of Age. Furthermore, 22.0% of the total respondents belongs to 35 – 39 Yrs. and 13.2% were belongs to 40 – 44 Yrs. of Age. Only 9.6% of the total respondents were belongs to above 45 Yrs. of Age.

The study with respect to the Education of the respondents has found that, 45.2% of the total respondents were Post – Graduates followed by 32.8% of the total respondents were Under Graduates. And only 4.6% of the total respondents were Professionals. So far Occupation of the respondents is concerned, 47.8% were private sector employees, 19.4% were Students, 12.6% were Businessman, 10.8% were Government employees and only 2.0% of the total respondents were Retired or Pensioner.

Moreover, the study has also found that 40.2% of the total respondents have four members in their family followed by 22.8% of the total respondents have three members, 18.2% of the total respondents have six members, 15.2% of the total respondents have five members and only 3.6% of the total respondents have two family members. So far number of children in the family is concerned, out of total respondents, 47.2% have one child, 26.6 have none, 14.0% have three children and 12.2% have two children. None of the respondents have four and more children in their family.

From the total of 500 respondents, 19.8% of the respondents have monthly income between Rs. 15,000 – 19,000; 18.2% of the respondents have monthly income
between Rs. 20,000 – 24,000; 14.8% of the respondents have under Rs. 10,000 as 
monthly income. It was also found that only 1.6% and 1.2% of the total respondents 
have their monthly income between Rs. 35,000 – 39,000 and Rs. 40,000 – 44,999 
respectively.

7.1.2 Status of Purchased Life Insurance Products.

During the analysis of study, it was found that, out of total respondents, 50.6% of the 
respondents preferred to buy life insurance products from Public Company (LIC). 
Similarly, 25.8% of the respondents preferred to buy life insurance products from 
both either public or private and 23.6% of the respondents prefers Private Company to 
purchase life insurance products.

The study also found that, 35% of the respondents have purchased at least one life 
insurance product from Public Company and 31% of the respondents have purchased 
two life insurance products from public company. On the other hand, 17% of the 
respondents have either three life insurance products and same percent of the 
respondents do not have any life insurance products from public company.

Similarly, so far the number of polices purchased from private company is concerned, 
it was found that, 49.8% of the respondents do not have any life insurance product 
purchased from private company, 40.4% of the respondents have purchased only one 
life insurance product and 9.8% of the respondents have purchased two life insurance 
policies from private insurance company.

Analyzing the reasons for selection of the company, it was found that, Relation with 
Agents is one of the most important reason for selection of company followed by 
Performance and Safety and Security. Then after, Quality of Services and 
Trustworthiness were preferred as one of the reasons for selection of company. On the 
same hand, it was also found that, Established as one of the reason is given least 
priority for selection of company to purchase life insurance products.

In order to know the information with respect to the amount of premium paid, it was 
found that, 25.2% & 21.2% of the total respondents pays annual premium amount 
between Rs. 10,000 – 19,999 and Rs. 20,000 – 29,000 respectively. 20% of the 
respondents pay annual premium between Rs. 30,000 – 39,999, and 15% of the total
respondents pay annual premium less than Rs. 10,000. On the other hand, 11.8% of the total respondents pay annual premium between Rs. 40,000 – 49,999 and only 6.8% of the respondents pay annual premium more than Rs. 50,000.

7.1.3 Types of Life Insurance Products Purchased.

The findings with respect to the types of policies possessed and purchased either from public or private company revealed that, *Endowment Plan* as a type of policy, 39% of the total respondents do not have endowment plan. 44% of the total respondents have purchased it from Public Company (LIC) and 17% of the total respondents have purchased it from Private Company. In *Term Plan* as a type of policy, 76.8% of the total respondents do not have term plan. 20.8% of the total respondents have purchased it from Public Company (LIC) and only 2.4% of the total respondents have purchased it from Private Company.

Similarly, *Money Back Plan* as a type of policy, 39.8% of the total respondents do not have money back plan. 33.4% of the total respondents have purchased it from Private Company and 26.8% of the total respondents have purchased it from Public Company. *Child Plan* as a type of policy, 84% of the total respondents which quite large in number do not have child plan. 8.8% of the total respondents have purchased it from Private Company and only 7.2% of the total respondents have purchased it from Public Company (LIC).

On the same hand, *Pension Plan* as a type of policy, 66% of the total respondents do not have pension plan. 31.4% of the total respondents have purchased it from Public Company and only 1.4% of the total respondents have purchased it from Private Company. With respect to the *Whole Life Plan* as a type of policy, 84% of the total respondents do not have whole life plan. 23% of the total respondents have purchased it from Private Company and 11% of the total respondents have purchased it from Public Company i.e. LIC.

7.1.4 Extent of Knowledge of Purchased Products.

Analyzing the extent of knowledge of purchased life insurance policy amongst the respondents, the study found that, knowledge regarding the *Surrender Value* is high
followed by Amount of Premium, indicating the keen interest and close observation on investment and its returns. The respondents are also aware of the Additional Benefits included in the policy, Term of Policy and Loan Facilities available with purchased life insurance products. The study has also found that, the extent of knowledge regarding the Payment Term and Maturity Value of purchased life insurance product is comparatively low. And finally, the knowledge regarding the Rate of Return is lowest as compared with other knowledge aspects.

7.1.5 Sources of Information.

The study has found that, 62.4% of the total respondents believes that Agents are the major source of information and 12.0% of the total respondents are of views that internet is the major source of information. On the other hand, 9.8% of the total respondents gets information through Family & Friends. Finally, the sources of information such as newspaper, brochures and magazines are least used by the respondents in order to gather or collect the information regarding life insurance products.

7.1.6 Influence of Content of Advertisement.

The study found that, influence of Celebrity Endorsement is highest followed by influence of Presentation and Language of advertisement. The influence of Creativity and Message of advertisement is comparatively low amongst the respondents.

7.1.7 Current Mode of Premium Payment & Premium Payment Option.

The study found that, majority of the respondents i.e. 50.8% of the total respondents pay their premium on Half-yearly mode and 24.8% of the respondents pay their premium on Yearly mode. The other mode of premium payment such as Quarterly and on Monthly are less preferred by respondents.

The study has also found that, majority of the respondents i.e. 75% of the total respondents pay their premium through Agent or Agents collect the premium from the respondents followed by 17.2% of the total respondents pay their premium by
Themselves and 7.2% of the total respondents uses Internet as option to pay their premium. Only 0.6% of the total respondents prefers to pay their premium through auto transfer from the bank i.e. (ECS).

7.1.8 Type of Life Insurance Product Preferred.

The study found that, preference for Traditional Plan was ranked first, Guaranteed Plan was ranked second and finally, ULIPs were ranked third. This clearly indicates that, respondents are much conscious about their long living benefits as well risk of short life along with consequences of inflation. That is why, the respondents have higher preference for Traditional plan which includes all endowment plan including participatory and non-participatory. In case of ULIPs, it is least preferred due to involvement amount of risk and volatility of equity markets.

7.1.9 Personality of Respondents Investing in Life Insurance Products.

The study undertook the following traits in order to analyze the personality;


In case of Emotional Stability as a trait which describes whether the respondent is emotionally stable while taking the investment decision. It was found that 54.4% of the total respondents are “Rational Investor” i.e. the investor takes decisions on facts and not on emotions and 45.6% of the total respondents are “Emotional Investor” i.e. the investor takes decisions based on emotions.

In case of Social Boldness as a trait, the study found that 55.0% of the total respondents are “Extrovert” which describe that the investor is assertive and likes to move with people and 45.0% of the total respondents are “Introvert” which describe that investor is shy, quiet and prefers to be alone.

In case of Risk which defines the risk taking ability of a respondent to invest in life insurance product. The study found that, 69.0% of the total respondents likes to take
risky decision can be termed as “Risk Lover” and on the other hand, 31.0% of the respondents are against taking risks can be termed as “Risk Averter”.

**Return** defines the expectations of a respondent on returns through his/her investment decisions. It was found that, 76.2% of the total respondents expects more returns to less risk taken and can be termed as “More Economic Investor” and 23.8% of the total respondents expects moderate returns can be termed as “Economic Investor”.

In case of **Agreeability** as a trait which describes as to how a respondent responds to the information he/she receives on investment in life insurance products. It was found that, that only 8.4% of the respondents are “Skeptical Investor” where the investor suspects the received information and his/her views differs from other investors’ views and 91.6% of the total respondents are “Trusting Investor” in which the investor trusts and accepts the information.

In case of **Conscientiousness** as a trait which describes the cognitive ability of the respondents while taking decision with respect to investment in life insurance products. It was found that, 23.4% of the total respondents are “Moral Investor” where the investor takes the decisions based on his conscientiousness and analyzes whether it is right or wrong and 76.6% of the total investors are “Expedient Investor” where the investor takes a clever decision though it is not moral.

In case of **Reasoning** as a personality trait describes or analyzes the basis of decision making by an individual. The study found that, 27.4% of the respondent takes decision based on ideas and are termed as “Abstract Investor” and 69.6% of the respondents takes decision based on the facts and are termed as “Concrete Investor”.
7.1.10 Factors Influencing in the Purchase of Life Insurance products.

The study undertook the following variables in order to analyze the factors influencing in the purchase of life insurance products through factor analysis.

**Table 7.1 List of Variables under study.**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Variables</th>
<th>Variable Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Company's Image</td>
<td>$V_1$</td>
</tr>
<tr>
<td>2</td>
<td>Financial Stability of the Company</td>
<td>$V_2$</td>
</tr>
<tr>
<td>3</td>
<td>Services Provided by Company</td>
<td>$V_3$</td>
</tr>
<tr>
<td>4</td>
<td>Features of the Product</td>
<td>$V_4$</td>
</tr>
<tr>
<td>5</td>
<td>Advertisement</td>
<td>$V_5$</td>
</tr>
<tr>
<td>6</td>
<td>Awareness of the Product</td>
<td>$V_6$</td>
</tr>
<tr>
<td>7</td>
<td>Trained Agents</td>
<td>$V_7$</td>
</tr>
<tr>
<td>8</td>
<td>Assured Returns</td>
<td>$V_8$</td>
</tr>
<tr>
<td>9</td>
<td>Tax Benefits</td>
<td>$V_9$</td>
</tr>
<tr>
<td>10</td>
<td>Convenience</td>
<td>$V_{10}$</td>
</tr>
<tr>
<td>11</td>
<td>Lower Investment Risk</td>
<td>$V_{11}$</td>
</tr>
<tr>
<td>12</td>
<td>Risk Coverage</td>
<td>$V_{12}$</td>
</tr>
<tr>
<td>13</td>
<td>Savings</td>
<td>$V_{13}$</td>
</tr>
<tr>
<td>14</td>
<td>Retiring Benefits</td>
<td>$V_{14}$</td>
</tr>
<tr>
<td>15</td>
<td>Force Myself to Save</td>
<td>$V_{15}$</td>
</tr>
<tr>
<td>16</td>
<td>Flexible Payments</td>
<td>$V_{16}$</td>
</tr>
<tr>
<td>17</td>
<td>Long Term Benefits</td>
<td>$V_{17}$</td>
</tr>
<tr>
<td>18</td>
<td>Family Protection</td>
<td>$V_{18}$</td>
</tr>
<tr>
<td>19</td>
<td>Cover for Fix Period</td>
<td>$V_{19}$</td>
</tr>
<tr>
<td>20</td>
<td>Use of Idle Money</td>
<td>$V_{20}$</td>
</tr>
<tr>
<td>21</td>
<td>Fight Against Inflation</td>
<td>$V_{21}$</td>
</tr>
<tr>
<td>22</td>
<td>Right to Choose Target of Investment</td>
<td>$V_{22}$</td>
</tr>
<tr>
<td>23</td>
<td>Investment done by Professional</td>
<td>$V_{23}$</td>
</tr>
<tr>
<td>24</td>
<td>Meet Unexpected Expenses</td>
<td>$V_{24}$</td>
</tr>
<tr>
<td>25</td>
<td>Premium Paying Option</td>
<td>$V_{25}$</td>
</tr>
<tr>
<td>26</td>
<td>Premium Paying Mode</td>
<td>$V_{26}$</td>
</tr>
<tr>
<td>27</td>
<td>Agent's Services</td>
<td>$V_{27}$</td>
</tr>
<tr>
<td>28</td>
<td>Relation with Advisor</td>
<td>$V_{28}$</td>
</tr>
<tr>
<td>29</td>
<td>Family and Friends Referrals</td>
<td>$V_{29}$</td>
</tr>
</tbody>
</table>

After rigorous analysis of dimension reduction statistics of above mentioned variables, finally Seven Factors were extracted which are explained further with its constituent variable.
### Table 7.2 Factors Extracted through Dimension Reduction.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of the Factor</th>
<th>Variable</th>
<th>Variable Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Reliability</td>
<td>Family and Friends Referrals</td>
<td>V_{29}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Relation with Advisor</td>
<td>V_{28}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agent's Services</td>
<td>V_{27}</td>
</tr>
<tr>
<td>2</td>
<td>Family Welfare</td>
<td>Family Protection</td>
<td>V_{18}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Long Term Benefits</td>
<td>V_{17}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Savings</td>
<td>V_{13}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Force Myself to Save</td>
<td>V_{15}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Retiring Benefits</td>
<td>V_{14}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Meet Unexpected Expenses</td>
<td>V_{24}</td>
</tr>
<tr>
<td>3</td>
<td>Flexibility</td>
<td>Flexible Payments</td>
<td>V_{16}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Premium Paying Mode</td>
<td>V_{26}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Premium Paying Option</td>
<td>V_{25}</td>
</tr>
<tr>
<td>4</td>
<td>Persuasive</td>
<td>Features of the Product</td>
<td>V_{4}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Awareness of the Product</td>
<td>V_{6}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Advertisement</td>
<td>V_{5}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Convenience</td>
<td>V_{10}</td>
</tr>
<tr>
<td>5</td>
<td>Risk &amp; Return</td>
<td>Cover for Fix Period</td>
<td>V_{19}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Risk Coverage</td>
<td>V_{12}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lower Investment Risk</td>
<td>V_{11}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Assured Returns</td>
<td>V_{8}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tax Benefits</td>
<td>V_{9}</td>
</tr>
<tr>
<td>6</td>
<td>Corporate Image</td>
<td>Trained Agents</td>
<td>V_{7}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Services Provided by Company</td>
<td>V_{3}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Financial Stability of the Company</td>
<td>V_{2}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Company's Image</td>
<td>V_{1}</td>
</tr>
<tr>
<td>7</td>
<td>Safety &amp; Security</td>
<td>Use of Idle Money</td>
<td>V_{20}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fight Against Inflation</td>
<td>V_{21}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Right to Choose Target of Investment</td>
<td>V_{22}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Investment done by Professional</td>
<td>V_{23}</td>
</tr>
</tbody>
</table>

Finally, through in-depth analysis of the statistics, the study found that, out of seven factors, “**Reliability**” can be labeled as the most influencing factor affecting the consumer in the purchase of life insurance product followed by “**Flexibility**” factor.

Further, the third most important factor influencing the consumers of life insurance, the equal importance is given to both the “**Family Welfare**” and the “**Safety & Security**” factor. Furthermore, fifth most important factor influencing the consumers in the purchase of life insurance product is “**Persuasive**” followed by “**Corporate Image**” factor. Finally, the least important factor which influence the consumers in the life insurance product is “**Risk & Return**” factor.

Finally, the model of factors influencing in the purchase of life insurance products can be presented as below:
Figure 7.1 Factors Influencing Consumers in Purchase of Life Insurance.

7.1.11 Findings of Hypothesis Testing (I) through ANOVA.

- **Reliability**
  - Family & Friends Referrals.
  - Relation with Advisor.
  - Agent’s Services.

- **Flexibility**
  - Family & Friends Referrals.
  - Long Term Benefits.
  - Savings.
  - Force Myself to Save.
  - Retiring Benefits.
  - Meet Unexpected Expenses.

- **Family Welfare**
  - Use of Ideal Money.
  - Fight against Inflation.
  - Right to Target of Investment.
  - Investment Done by Professionals.

- **Safety & Security**
  - Features of the Product.
  - Awareness of the Product
  - Advertisement.
  - Convenience.

- **Persuasive**
  - Trained Agents.
  - Services Provided by Company.
  - Financial Stability of Company.
  - Company Image.

- **Corporate Image**
  - Coverage for Fix Period of Time.
  - Risk Coverage.
  - Lower Investment Risk.
  - Assured Returns.
  - Tex Benefits.
This study has examined whether there is significant difference in Demographic factors and the factors influencing in the purchase of Life Insurance Products, ANOVA was carried out Age wise, Income wise, Education wise and Occupation wise and following null hypotheses were formulated.

Age

The study found that, difference in Age of the respondents do not at all influence Reliability, Family Welfare, Flexibility, Corporate Image and Safety & Security factors in the purchase of life insurance products. But in case of Persuasive factor, a variable such as Awareness of the product do get influenced with the difference in the Age of the respondents. Similarly, in case of Risk & Return factor, a variable like Cover for Fix Period does influences with the difference in age of the respondents.

Education

The study found that, significant difference in the Education of the respondents do not influence the factors such as Reliability, Family welfare, Flexibility, Persuasive and Corporate Image which are influencing consumers while purchase of life insurance product. But in case of Risk & Returns factor, the variables such as Lower Investment Risk and Cover for Fix Period of Time, do get influenced with difference in the Education of the respondents. Similarly, in case of Safety & Security Factor, the variable like Use of Idle do get influenced with the difference in Education.

Occupation

The study found that, significant difference in the Occupation of the respondents do not influence the factors such as Flexibility, Persuasive and Corporate Image which are influencing consumers while purchase of life insurance product. But in case of Reliability factor, variables such as Agent’s Services, Relation with Advisor, in Family Welfare factor, a variable such as Force Myself to Save, in Risk & Returns a variable like Cover for Fix Period and finally in Safety & Security a variable like Use of Ideal money do get influenced with significant difference Occupation of the respondents.
Household Income

The study found that, significant difference in the Household Income of the respondents do not influence the factors such as Reliability, Family welfare and Flexibility which are influencing the consumers while purchase of life insurance product. But in case of Persuasive factor the variables such as Features of the Products and Awareness of the Product, in case of Risk & Returns factor, the variables such as Risk Coverage and Cover for Fix Period, in case of Corporate Image a variable such as Trained Agents and in Safety & Security factor the variables such as Use of Idle Money and Right to Choose Target of Investment do get influenced with the difference in the Household Income of the respondents.

7.1.12 Findings of Hypothesis Testing (II) through ANOVA.

This study has examined whether there is significant difference in Demographic factors and the satisfaction of the factors which has influenced the consumers in the purchase of life insurance products.

Age

The study has found that the effect of difference in the Age is not significant on the satisfaction of the following variables which has influenced the consumers in the purchase of life insurance products. These variables are, Advertisement, Awareness of the Product, Retiring Benefits, Flexible Payments, Fight against Inflation, Premium Paying Mode, Agent's Services and Family and Friends Referrals.

Similarly, the study has found that, the effect of difference in the Age is significant on the satisfaction of the following variables which has influenced the consumers in the purchase of life insurance products. These variables are Company's Image, Financial Stability of the Company, Services Provided by Company, Features of the Product, Trained Agents, Assured Returns, Tax Benefits, Convenience, Lower Investment Risk, Risk Coverage, Savings, Force Myself to Save, Long Term Benefits, Family Protection, Cover for Fix Period, Use of Idle Money, Right to Choose Target of Investment, Investment done by Professional, Meet Unexpected Expenses, Premium Paying Option and Relation with Advisor.
Education

The study has found that the effect of difference in the Education is not significant on the satisfaction of the following variables which has influenced the consumers in the purchase of life insurance products. These variables are Company's Image, Awareness of the Product, Tax Benefits, Convenience, Lower Investment Risk, Force Myself to Save, Flexible Payments, Use of Idle Money, Fight against Inflation, Investment done by Professional, Meet Unexpected Expenses, Premium Paying Mode and Agent's Services.

Similarly, the study has found that, the effect of difference in the Education is significant on the satisfaction of the following variables and these variables are Financial Stability of the Company, Services Provided by Company, Features of the Product, Advertisement, Trained Agents, Assured Returns, Risk Coverage, Savings, Retiring Benefits, Long Term Benefits, Family Protection, Cover for Fix Period, Right to Choose Target of Investment, Premium Paying Option, Relation with Advisor and Family and Friends Referrals.

Occupation

The study has found that the effect of difference in the Occupation is not significant on the satisfaction of the following variables which has influenced the consumers in the purchase of life insurance products. These variables are; Features of the Product, Flexible Payments, Cover for Fix Period and Meet Unexpected Expenses.

But on the other hand, the effect of difference in Occupation is significant on the satisfaction of the following variables which has influenced the consumers in the purchase of life insurance products and these variables are; Company's Image, Financial Stability of the Company, Services Provided by Company, Advertisement, Awareness of the Product, Trained Agents, Assured Returns, Tax Benefits, Convenience, Lower Investment Risk, Risk Coverage, Savings, Retiring Benefits, Force Myself to Save, Long Term Benefits, Family Protection, Use of Idle Money, Fight Against Inflation, Right to Choose Target of Investment, Investment done by Professional, Premium Paying Option, Premium Paying Mode, Agent's Services, Relation with Advisor and Family and Friends Referrals.
7.1.13 Findings of Hypothesis Testing through Chi-Square of Independence.

This study has examined whether there is significant association between the **Demographic Factor** and the **Preference of Type of Company**.

The analysis of **Age** of the respondents and the Preference of Type of Company finds that, there exist a significant association these two and Age of the respondents and Preference for Selection of Types of Company are dependent on each other.

Similarly, the analysis of **Education** and the Preference of Type of Company finds that, there is strong evidence of significant association between Education and Preference of Type of Company. Hence, these two are dependent of each other.

Same way, the analysis of **Occupation** and the Preference of Type of Company finds that, there is strong evident to establish a significant association between Occupation and the Type of Company Preferred. Hence, these two variables are dependent of each other.

On the same hand, the study has also analyzed the significant association between **Household Income** and the Preference of Type of Company. It was found that, these two variables are dependent of each other.

This study has examined whether there is significant association between the **Personal Income** and the **Amount of Premium** for **Area of Residence**.

It was found that, amongst Rural respondents, there exist strong evidence of association between Personal Income and Amount of Premium. Hence, these two variable are dependent in Rural area. Similarly, amongst Urban respondents, there also exist strong evidence of association between Personal Income and Amount of Premium. Hence, these two variables are dependent in Urban area as well.
7.2 CONCLUSIONS

The study concludes that, the majority of the respondents were married followed singles and only few respondents were either Divorced or Widow/Widower. It also concludes, that the number of respondents belonging to age group of 30 – 34 Yrs. were higher followed by the respondents below 25 Yrs. of Age.

The study with respect to the Education of the respondents concludes that, almost half of the respondents were Post – Graduates followed by Under Graduates. And so far Occupation of the respondents is concerned, majority of the respondents were private sector employees and only very few respondents were either Retired or Pensioner.

Moreover, the study also concludes that, majority of the respondents are having four members in their family followed by respondents having three members. So far number of children in the family is concerned, majority of the respondents have one child and none of the respondents have four or more children in their family.

From the total of 500 respondents, majority of the respondents have monthly income between Rs. 15,000 – 24,000 and only few respondents have their monthly income greater than Rs. 40,000.

The study also conclude that, majority of respondents prefers to buy life insurance products from Public Company (LIC) than Private Company. On the other hand certain respondents prefers both either Public or Private.

The study also conclude that, the number of respondents who has purchased at least one life insurance product from Public Company are more than the respondents have purchased two life insurance products from public company. On the other hand, only few the respondents do not have any of the life insurance products from public company.

Similarly, so far the number of polices purchased from private company is concerned, it can be concluded that, the number of respondents who do not have any life insurance product purchased from private company is larger than the respondents who have purchased only one life insurance product from private company.
The reasons for selection of company is concerned, the study conclude that, *Relation with Agents* is one of the most important reason for selection of company followed by *Performance* and *Safety and Security*. Then after, *Quality of Services* and *Trustworthiness* were preferred as one of the reasons for selection of company. On the same hand, it can also conclude that, *Established* as one of the reason is given least priority for selection of company to purchase life insurance products.

The conclusion with respect to the amount of premium paid, it can be said that, majority of the respondents pays annual premium amount between Rs. 10,000 – 29,000. And only few of the respondents pay annual premium less than Rs. 10,000.

The conclusion with respect to the types of policies possessed and purchased either from public or private company revealed that, *Endowment Plan* as a type of policy, majority of the respondents do not have endowment plan and those who have it, majority of them have purchased it from Public Company (LIC). In *Term Plan* as a type of policy, majority of the respondents do not have term plan and those who have it, majority of them have purchased it from Public Company (LIC).

Similarly, *Money Back Plan* as a type of policy, majority of the respondents do not have money back plan and those who have, they have purchased it from Private Company. *Child Plan* as a type of policy, quite large number of respondents do not have child plan and only few respondents have purchased it from Private Company.

On the same hand, *Pension Plan* as a type of policy, majority of the respondents do not have pension plan and those who have it, they have purchased it from Public Company. With respect to the *Whole Life Plan* as a type of policy, majority of the total respondents do not have whole life plan and those who have it, they have purchased it from Private Company.

Analyzing the extent of knowledge of purchased life insurance policy amongst the respondents, the study conclude that, knowledge regarding the *Surrender Value* is high followed by *Amount of Premium, Additional Benefits, Term of Policy and Loan Facilities, Payment Term* and *Maturity Value*. And finally, the knowledge regarding the *Rate of Return* is lowest as compared with other knowledge aspects.
The study also conclude that, **Agents** are the major source of information followed by **Internet** and **Family & Friends**. Finally, the sources of information such as **Newspaper, Brochures** and **Magazines** are least used by the respondents in order to gather or collect the information regarding life insurance products.

The influence of **Celebrity Endorsement** is highest in advertising as a promotional tool followed by influence of **Presentation** and **Language** of advertisement. The influence of Creativity and **Message** of advertisement is comparatively low amongst the respondents.

The study also conclude that, majority of the respondents pay their premium on **Half-yearly** mode and other mode of premium payment such as **Quarterly** and **Monthly** are less preferred by respondents.

The study has also conclude that, majority of the respondents pay their premium through **Agent** or **Agents** collects the premium from the respondents followed by paying **Themselves**. Very few respondents prefers to pay their premium through auto transfer from the bank i.e. (ECS).

The study conclude that, preference for Traditional Plan was ranked first, Guaranteed Plan was ranked second and finally, ULIPs were ranked third.

Based on findings through Analyzing the Personalities of Respondents and **Emotional Stability** as a trait, the study concludes that, majority of the respondents are “**Rational Investor**” i.e. the investor takes decisions on facts and not on emotions. In case of **Social Boldness** as a trait, the study conclude that, majority of the respondents are “**Extrovert**” which describe that the investor is assertive and likes to move with people.

In case of **Risk** which defines the risk taking ability of a respondent to invest in life insurance product. The study conclude that, majority of the respondents would like to take risky decision can be termed as “**Risk Lover**”. **Return** defines the expectations of a respondent on returns through his/her investment decisions. The study conclude that, majority of the respondents expects more returns to less risk taken and can be termed as “**More Economic Investor**”.
In case of **Agreeability** as a trait which describes as to how a respondent responds to the information he/she receives on investment in life insurance products. The study conclude that, only few of the respondents are “Skeptical Investor” where the investor suspects the received information and his/her views differs from other investors’ views and majority of the respondents are “Trusting Investor” in which the investor trusts and accepts the information.

In case of **Conscientiousness** as a trait which describes the cognitive ability of the respondents while taking decision with respect to investment in life insurance products. The study conclude that, majority of the investors are “Expedient Investor” where the investor takes a clever decision though it is not moral.

In case of **Reasoning** as a personality trait describes or analyzes the basis of decision making by an individual. The study conclude that, majority of the respondents takes decision based on the facts and are termed as “Concrete Investor”.

Through in depth analysis of the statistics of factor analysis and its finding, the study conclude that, there are all together seven factors which influence the consumers in the purchase of life insurance products. And these are;

1. **Reliability**   2. **Flexibility**   3. **Family Welfare**   4. **Safety & Security**   
5. **Persuasive**   6. **Corporate Image**   7. **Risk & Returns**.

Moreover out of these seven influencing factors, “**Reliability**” can be labeled as the most influencing factor affecting the consumer in the purchase of life insurance product followed by “**Flexibility**” factor.

The third most important factor influencing the consumers of life insurance, the equal importance is given to both the “**Family Welfare**” and the “**Safety & Security**” factor. The fifth most important influencing factor is “**Persuasive**” followed by “**Corporate Image**” factor.

Finally, the least important factor which influence the consumers in the life insurance product is “**Risk & Return**” factor.
The study concludes that, difference in Age of the respondents do not affect the influence of the factors such as Reliability, Family Welfare, Flexibility, Corporate Image and Safety & Security. But in case of Persuasive factor, a variable such as Awareness of the product and in case of Risk & Return factor, a variable like Cover for Fix Period do get affected with the difference in the Age of the respondents.

The study also conclude that, significant difference in the Education of the respondents do not affect the factors such as Reliability, Family welfare, Flexibility, Persuasive and Corporate Image. But in case of Risk & Returns factor, the variables such as Lower Investment Risk and Cover for Fix Period of Time, and in case of Safety & Security Factor, the variable like Use of Idle Money do get affected with difference in the Education of the respondents.

The difference in the Occupation of the respondents do not affect the influence of the factors such as Flexibility, Persuasive and Corporate Image. But in case of Reliability factor, variables such as Agent’s Services, Relation with Advisor, in Family Welfare factor, a variable such as Force Myself to Save, in Risk & Returns a variable like Cover for Fix Period and finally in Safety & Security a variable like Use of Ideal money do get affected difference Occupation of the respondents.

The study also accomplish that, difference in the Household Income of the respondents do not affect influence of the factors such as Reliability, Family welfare and Flexibility. But in case of Persuasive factor the variables such as Features of the Products and Awareness of the Product, in case of Risk & Returns factor, the variables such as Risk Coverage and Cover for Fix Period, in case of Corporate Image a variable such as Trained Agents and in Safety & Security factor the variables such as Use of Idle Money and Right to Choose Target of Investment do get affected with the difference in the Household Income of the respondents.

The study conclude that, the effect of difference in the Age of the respondents is not significant on the satisfaction of the variables such as, Advertisement, Awareness of the Product, Retiring Benefits, Flexible Payments, Fight against Inflation, Premium Paying Mode, Agent's Services and Family and Friends Referrals.
On the other hand, study also conclude that, the effect of difference in the Age of the respondent is significant on the satisfaction of the following variables such as, Company's Image, Financial Stability of the Company, Services Provided by Company, Features of the Product, Trained Agents, Assured Returns, Tax Benefits, Convenience, Lower Investment Risk, Risk Coverage, Savings, Force Myself to Save, Long Term Benefits, Family Protection, Cover for Fix Period, Use of Idle Money, Right to Choose Target of Investment, Investment done by Professional, Meet Unexpected Expenses, Premium Paying Option and Relation with Advisor.

Correspondingly, the study also conclude that, the effect of difference in the Education of the respondents is not significant on the satisfaction of the variables such as, Company's Image, Awareness of the Product, Tax Benefits, Convenience, Lower Investment Risk, Force Myself to Save, Flexible Payments, Use of Idle Money, Fight against Inflation, Investment done by Professional, Meet Unexpected Expenses, Premium Paying Mode and Agent's Services.

On the other hand, the effect of difference in the Education of the respondents is significant on the satisfaction of the variables such as Financial Stability of the Company, Services Provided by Company, Features of the Product, Advertisement, Trained Agents, Assured Returns, Risk Coverage, Savings, Retiring Benefits, Long Term Benefits, Family Protection, Cover for Fix Period, Right to Choose Target of Investment, Premium Paying Option, Relation with Advisor and Family and Friends Referrals.

The study also determine that, the effect of difference in the Occupation of the respondents is not significant on the satisfaction of the variables such as Features of the Product, Flexible Payments, Cover for Fix Period and Meet Unexpected Expenses.

But on the other hand, the effect of difference in Occupation of the respondents is significant on the satisfaction of the variables such as Company's Image, Financial Stability of the Company, Services Provided by Company, Advertisement, Awareness of the Product, Trained Agents, Assured Returns, Tax Benefits, Convenience, Lower Investment Risk, Risk Coverage, Savings, Retiring Benefits, Force Myself to Save, Long Term Benefits, Family Protection, Use of Idle Money, Fight Against Inflation, Right to Choose Target of Investment, Investment done by Professional, Premium
Paying Option, Premium Paying Mode, Agent's Services, Relation with Advisor and Family and Friends Referrals.

The study determine that, there exist a significant association between Age of the respondents and Preference for Selection of Types of Company and are dependent on each other. Similarly, the Education of the respondents and the Preference of Type of Company are also dependent of each other.

Same way, in case of Occupation of the respondents and the Preference of Type of Company conclude that, these two variables are dependent of each other. On the same hand, Household Income of the respondents and the Preference of Type of Company are also dependent of each other.

The study also concluded from that, amongst Rural respondents, Personal Income and Amount of Premium are dependent. Similarly, Personal Income and Amount of Premium are also dependent in Urban area.

7.3 Recommendations

This study was conducted for the purpose of Studying Factors Influencing the Customers in the purchase of Life Insurance Products with special reference to Gujarat state. Based on the analysis of responses from residents of Gujarat state and also only those respondents who possessed life insurance products, the study hereby postulate certain recommendations.

The respondents’ preference for the type of company is concerned, the number of respondents’ preference was low towards Private Company. And analyzing the reasons for selection revealed that, Relationship with Agent was the prime reason for selecting of company followed by Performance and Safety & Security.

So, private life insurance companies needs to focus on their Agents and they must be trained in order to uphold or develop healthy relationship with their valuable customers. These Agents can also escalate the awareness of Performance and transparency in aspects of Safety & Security.
With respect to the number of policies purchased from private company, the study concluded that, the majority of the respondents do not have any policies purchased from Private Company. So, these companies should explore their customer base extensively and should come up with new products in such a way that customers’ expectation can be satisfied. Overall, the concept and needs of insurance must be deepened in the minds of customers.

Amongst the respondents, the extent of knowledge was found low in terms of Payment Term, Maturity Value and Rate of Return. It is recommended to keep every customer informed in this regards. The advantage of technology can also be capitalized to reveal the Trustworthiness and Quality of Services from the organization point of view.

The influence of Celebrity Endorsement in the advertisement is high amongst the respondents. It is recommended that, the concept of leveraging brand equity or establishing secondary association of celebrity can be install more in advertisements in order to influence the customers to purchase life insurance products.

The majority of the respondents pay their premium on Half-yearly mode than Quarterly and Monthly and majority of the respondents pay their premium through Agent. Very few respondents prefers to pay their premium through auto transfer from the bank i.e. (ECS).

In this concerns, the study recommends the introduction of drop off services either at the bank or at the local office or appointment of authorized collection agent in local markets in order to address the issue of Convenience amongst the customers.

The personalities of the respondents has revealed that, majority of the respondents takes decisions based on facts and not on emotions and are assertive and likes to move with people and would like to take risky decision and also expects more returns to less risk taken. The study recommends to increase the awareness of ULIPs plans amongst these customers as this plan itself is associated with equity markets with some risk involved.
The study has extracted seven factors which ultimately influence the customers in the purchase of life insurance products. And these are;

1. **Reliability**  
2. **Flexibility**  
3. **Family Welfare**  
4. **Safety & Security**  
5. **Persuasive**  
6. **Corporate Image**  
7. **Risk & Returns**

The study recommends them to take into consideration while designing marketing strategies for life insurance products and that also in the sequential manner as mentioned above. Moreover, these seven influencing factors, can also be taken into consideration in strategic management or new product development in insurance industry.

The study acclaims that, difference in Age of the respondents do affect the influence of the variables such as Awareness of the product and Cover for Fix Period. But on the same hand, the same study applauses that, difference in the Age of the respondents is not significant on the satisfaction of the variables such as, Advertisement, Awareness of the Product, Retiring Benefits, Flexible Payments, Fight against Inflation, Premium Paying Mode, Agent's Services and Family and Friends Referrals.

Similarly, difference in the Education of the respondents also affect the influence of variables such as Lower Investment Risk, Cover for Fix Period of Time and Use of Idle money.

Congruently, the effect of difference in the Education of the respondents is not significant on the satisfaction of the variables such as, Company's Image, Awareness of the Product, Tax Benefits, Convenience, Lower Investment Risk, Force Myself to Save, Flexible Payments, Use of Idle Money, Fight against Inflation, Investment done by Professional, Meet Unexpected Expenses, Premium Paying Mode and Agent's Services.

The study also acclaims that, difference in the Occupation of the respondents affects the influence of variables such as Agent’s Services, Relation with Advisor, Force Myself to Save, Cover for Fix Period and Use of Ideal money.
Congruently, the effect of difference in the Occupation of the respondents is not significant on the satisfaction of the variables such as Features of the Product, Flexible Payments, Cover for Fix Period and Meet Unexpected Expenses.

Similarly, the difference in the Household Income of the respondents affects the influence of the variables such as Features of the Products, Awareness of the Product, Risk Coverage, Cover for Fix Period, Trained Agents, Use of Idle Money and Right to Choose Target of Investment.

The study also recommend the dependency of Age, Education, Occupation and Household Income of the respondents on Preference for Selection of Types of Company.

The study also acclaims that, Personal Income and Amount of Premium are dependent in Rural as well as in Urban area.