

Buyer behaviour for Life Insurance in India

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Abstract—Life insurance means a contract between an insured and an insurer where the insurer promises to pay a sum of money in exchange for a premium, upon the death of the insured person. Depending on the contract, other events such as terminal illness or critical illness can also trigger payment. The policy holder typically pays a premium, either regularly or as one lump sum. Other expenses can also be included in the benefits. This research paper on the buyer behaviour for life insurance because basically life insurance means given above but today's time the buyer take the policy as a saving plan. Even the life insurance company also advertised its policy as saving plans policy. This study includes the survey data of life insurance with special reference of Gwalior. So in this study we analyse the buyer behaviour, loyalty of the customer, problems, and solutions of problems and the suggestion regarding the improvement of policy terms and conditions for particular company policies with some survey data.

Keywords: Buyer behaviour, Life insurance, Buyers importance, Loyalty of buyers.

1. INTRODUCTION

Insurance that pays out a sum of money either on the death of the insured person or after a set period. India is a second largest country by the population. Life insurance Corporation (LIC) is the biggest public sector company in India. Most of population in India insured by the Life insurance Corporation.

It is the largest insurance company in India with an estimated asset value of Rs.1560482 crore (US\$240 billion). As of 2013 it had total life fund of Rs.1433103.14 crore with total value of policies sold of 367.82 lakh that year The Company was founded in 1956 when the Parliament of India passed the Life Insurance of India Act that nationalised the private insurance industry in India. Over 245 insurance companies and provident societies were merged to create the state owned Life Insurance Corporation (LIC).

2. PURPOSE OF THIS STUDY

The purpose of this study is to analyse the customer behaviour for life insurance. In behaviour we can analyse these factors: --

- Buyer's attitude when they purchase the policy.
- Company impact on the buyers.
- Buyer's loyalty with the company or particular policy.
- Buyer's demand.

With the help of these above points and the basis of it we can analyse the buyer's behaviour.

3. RESEARCH METHODOLOGY

Data collected by the primary basis and secondary basis. Primary data collected by the survey method with the help of questionnaires, go to direct customers and ask him in same of questionnaires. And secondary data collected by the different authors from internet and books and another sources. Analysis of the buyer's behaviour show by the chart.

4. HYPOTHESIS

In this study I used both hypothesis (Null hypothesis and alternative hypothesis).

Null hypothesis is accepted and shows there are some relation between the buyers and company LIC because the customer is loyal for the particular company.

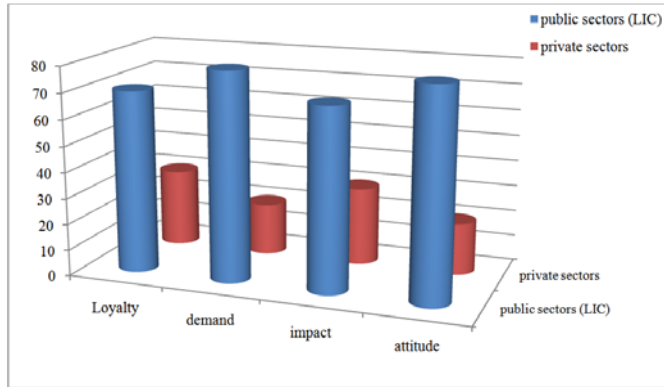
5. BUYER'S BEHAVIOUR ANALYSIS

Attitude - customer want that type policy that gives him good returns and insurance also, only for life cover, they prefer the term plans but when we talk about the life insurance plan they talk about the good returns and claim settlement procedure.

Company impact – When we talk about the company most of 70% population prefer life insurance corporation (LIC) for insurance. India is a farmer country most of population live in villages, these type of people believe on the public sector company government sector company, so the LIC share is more than another private sectors buyer believe on life insurance corporation is more than another company.

Loyalty – Loyalty is the main factors that influence the buyer's behaviour for policy or life insurance. Buyer's loyalty also depends on the good services provided by the insurance company and their customers' satisfaction.

Demand – Buyer's demand from the insurance company, company give their the good returns and good plans for investment of money with short time of return period and also hurry settlement process, they want there are no long process for returning the money after maturing the policy. Even no more documentation.



6. CONCLUSIONS

This research will help in developing the market share, loyalty and further development in insurance sector. This research conclude that the buyer's behaviour for particular company and investment policy of the buyer's. Attitude regarding the particular company with its benefits and correction advised. We can also conclude that why the people prefer life insurance Corporation in India. Buyers' prefer life insurance Corporation because of its loyalty and Public Sector Company. But buyers' have some suggestions for the company for better establishment and better customer satisfaction. Company relationship to the buyers' is very important factor. The objectives of the study were to evaluate the factors of consumer perception towards investment in life insurance and to compare the differences in consumer loyalty with the particular brand. . A lot of opportunities are still waiting. Insurance industry has to go ahead. The buyer's behaviour, attitude for Life Insurance Policies is positive. It developed a positive mind sets for their investment pattern, in insurance policies. Still some actions are needed for developing insurance market. The major factors playing the role in developing consumer's perception towards Life Insurance Policies are Consumer Loyalty, Service Quality, Ease of Procedures, Satisfaction Level, Company Image, and Company-Client Relationship.

7. SUGGESTIONS

Buyers' suggestion for the company are – company give the transparency from the customer to the company direct and also discuss about the intermediate commissions.

Buyers' want the good investment plans for short term periods.

Buyers' demand investment plans with good returns more than life insurance plans because they said if they want insurance only they prefer term plans.

Returns or claim settlement should be immediate it's not delay by the stupid

documentation by the company and actual return should be given to customer or buyer.

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- [3] 1911.**hypothesis** [...]—**Working hypothesis**, a hypothesis suggested or supported in some measure by features of observed facts, from which consequences may be deduced which can be tested by experiment and special observations, and which it is proposed to subject to an extended course of such investigation, with the hope that, even should the hypothesis thus be overthrown, such research may lead to.
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