

Purchasing behavior towards life insurance products

Dr. Jins George

Assistant Professor, Santhigiri Institute of Management
Vazhithala P. O, Thodupuzha, Idukki, Kerala, India
Email jinsge@gmail.com

Abstract: The study portrays the factors causes the change in behavior among different insurance service customers. The author collected data from 110 customers, representing the population. The data is collected by primary method, through structured questionnaire. The purchasing behavior dimensions consist of Companies loyalty, service quality, ease of procedures, satisfaction level, Companies image and Companies-client relationship. The study identifies the effect of these factors in making purchase of life insurance.

Key Words: Companies Loyalty, Service Quality, Ease of Procedures, Satisfaction Level, Companies Image, Companies-Client Relationship, Purchasing Behavior

1. INTRODUCTION :

Indian consumers are influenced by emotional factors. But the same time their purchase behavior is influenced by rational factors. A Typical Indian believes in future and try to have better and secured life for his family in future. A rupee earned by the person will be spent towards leading the family in present and for the better life in future. Life insurance is a must for everyone because life is very precious. The life insurance sector plays an important role in providing risk cover, investment and tax planning for individuals. Health insurance and pension systems are fundamental to protecting individuals against the hazards of life, and India, as the second-most populous nation in the world, offers significant potential for that type of cover Customers are the main pillar of life insurance business. And its prior duty of companies to provide various types of life insurance products to the customers. There are private as well as public companies offering various insurance products to the customers. And its on the customers to identify the best alternative from the choices and to buy the best policy. All companies are providing different types of policies after studying the customer's needs and wants. So, it's important that the insurance Companies looks after the "Factors influencing customers purchasing behavior towards Life Insurance products". To understand how to meet the needs of the customers, some businesses closely monitor their customer relationships to identify ways to improve service and products.

"There is only one boss. The customer. And he can fire everybody in the Companies from the chairman on down, simply by spending his money somewhere else" - Sam Walton

The excellent words by Sam Walton states that the consumer is the real king of the market. Consumers are people or organizations that purchase products or services. It is the one that buys goods for consumption and not for resale or commercial purpose. And they are really complex in needs and expectations, but if it is segmented them accordingly and understand their behavior, the Companies will know how to treat customers and increase the number of loyal customers. Consumers play a vital role in the economic system of nation. Consumer behavior is the study of consumers and the processes they use to choose, to consume and dispose of products and services, including consumers emotional, mental, and behavioral responses. The consumer behavior incorporates idea from several sciences including psychology, biology, chemistry and economics. It is important to study the consumer behavior to make marketers understand what influences consumers buying decisions. By understanding consumers behavior, it helps to fill the gap in the market and identify the products that are needed and the products that are obsolete. Also, it helps the marketers to decide upon how to present their products to generate maximum impact on consumers. Understanding consumer buying behavior is the key secret to reaching and engaging your clients, and to convert them to purchase the products

1.1. OBJECTIVES OF STUDY:

Primary Objective

- To identify and analyze the factors influencing customer purchasing behavior towards life insurance products and to determine relative importance of each factors.

Secondary Objective

- To compare consumer perception regarding life insurance products of male and female consumers.
- To study the relationship between Age and insurance policy purchased.
- To study the impact of income on purchase insurance policy.
- To study the impact of education level on factors influencing customer's choice for insurance Companies.
- To study the difference between consumer perception of married and unmarried consumers.

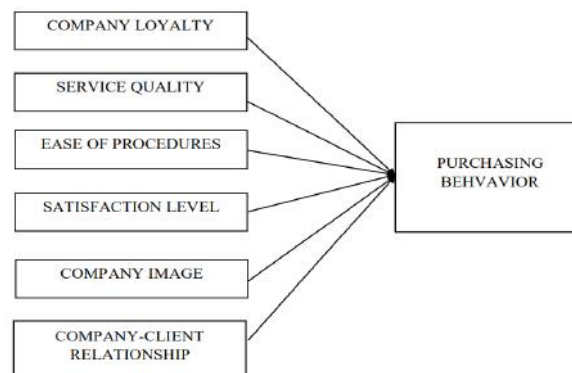
1.2. SCOPE OF STUDY

The consumer behavior helps marketing team to identify the needs, expectations and problems of the consumers. Thus, they can build the product having those functions which the consumers need exactly. And the marketers can develop advertisement according to behavior of the consumers as different customers will have different opinions and reactions on certain form of advertisement. Also, if the marketers are aware about the human behavior of the consumers and the factors influencing their behavior, they can make their product 100% compatible with the requirement of consumer.

1.3. LIMITATIONS OF THE STUDY

- The study cannot be universally applied as study confines to particular district only.
- Although different factors influencing the customer's choice were taken, it may be needed that other aspects and factors not taken into account needed to be explored and studied.
- Time and resource constraints are experienced during the data collection.
- The information given by respondents may be incorrect due to lack of interest in filling the questionnaire.

1.4. CONCEPTUAL FRAMEWORK:



1.5 Dimensions of the study

- Companies Loyalty – It is measure of customer's likeliness to do repeat business with the Companies or brand. It is the result of customer satisfaction, positive customer experience, and the overall value of the goods or services a customer receives from the business
- Service Quality – It generally refers to a customer's comparison of service expectations as it relates to a Company's performance. A business with high level of service quality is likely capable of meeting customer needs while also remaining economically competitive in their respective industry.
- Ease of Procedures - It is generally the process of doing business in a easy and timely manner.
- Satisfaction Level – It is generally the measure of how the products and services supplied by a Companies meet the customer expectation.
- Companies Image – It is reputation of the Companies, the manner in which a Companies, its activities, and its products or services are perceived by outsiders.
- Companies-Client Relationship – It is relationship that a business has with its clients and the way it treats them. It can be also the way a business communicates with existing customers.
- Purchasing Behavior – It is the customers behavior while they purchase a particular product from a particular Companies. Purchasing behavior can be influenced by various factors.

2. REVIEW OF LITERATURE:

Yadav and Tiwari (2012) observed the factors affecting the customer's investment towards life insurance policies. The data for the study has been collected from both primary and secondary sources and adopted exploratory

and descriptive research design. The author collected respondents of 150 policyholders and different private life insurers which has selected through a stratified and purposive sampling method. The statistical techniques used in the study were chi-square, correlation, weighted average score which has been used for the testing of hypotheses. The author found that consumer decision to purchase insurance product can be affected by several factors like age, gender and income level. The age group between 30 to 40 years found to be more interested in buying a life insurance policy which gives higher return along with the risk coverage benefit. The author suggested that they should come up with innovative tailor-made products with high risk cover, more return and low insurance premium to attract a greater number of customers and private insurers should emphasis more on advertising and building brand awareness through different modes of communication. Sahu et.al (2009), the author aimed to examine the study of buying behavior of consumers towards life insurance policies. The author adopts exploratory research design and data was collected through personal contacts who are investing in life insurance policies using Likert's type scale. The purposive sampling technique was used to select the samples of 150 respondents. The total correlation and factor analysis were used for the analysis and Z-test was applied to find out the significant differences between male and female investors. The results showed that the consumer's perception towards Life Insurance policies is positive and it has developed a positive mind sets for their investment pattern in insurance policies. The author has recommended for developing the insurance market share by considering the factors like consumer loyalty, service quality, ease of procedures, satisfaction level. Tajudeen et al. (2009), believed that people with education have more positive attitude toward insurance than people who less education ones. Besides that, they also find out the respondents who have highest positive attitude towards insurance is the people in age group between 56 and 65 years than other age groups this is due to the people in this age group are at the end of the active life and they are more aware of their retirement life. They also found that high household income groups have highest positive attitude toward insurance than the low household incomes groups.

Mathur and Tripathi (2014) attempted to explore the factors that influence customer's choice for insurance companies, to find out which factor influences the customer more. The design used for the study was descriptive study. The researcher gone through the primary data by interviewing the customers and by the schedules. Total of 120 respondents were contacted, the respondents were the customers of insurance companies. Structured schedules were prepared the questions were divided into two sections. The measurement was done by Likert-type scale. The author found that there is no impact of gender and education on the factors influencing customer's choice. Kavyashree and Safira (2016) studied about the factors affecting purchase decision of life insurance customers. The author adopted exploratory and descriptive type of research study and the data were collected from the 100 respondents through convenient random sampling method through both primary and secondary sources. The author revealed that the majority of investors purchasing insurance products are male who falls in the age group of 31 to 40 years invest in insurance products followed by investors of age group 21 to 30 years and they have an income of 3 Lakhs to 4 Lakhs. And also revealed that the main factors affecting the purchasing decision of investors was the tax exemption for the premium paid. The author suggested for creating awareness and increasing the transparency of the insurance products is possible to influence the purchase decision of the investors.

Uppily (2016) examined the consumer behavior on life insurance products with reference to private bank employees in Chennai. A well-structured questionnaire was used for collecting the data by adopting survey method. The data collected from 54 employees were analyzed by percentage and cross tabulation. From the analysis, the author has found that majority of the respondents are male who falls in the category of the age 31-45 years buy this insurance product. These respondents consider large risk coverage as the important feature attracting them to purchase life insurance policy and they felt that future uncertainty is important benefit in buying a policy. The respondents are satisfied with the policy purchased by them and LIC is ranked as most preferred life insurance Companies. Muthusamy and Yuvarani (2016) the study was selected with an objective to identify those factors which influence customer's policy buying decision. The data for the study was both collected from the primary as well as the secondary sources. Total of 150 data were collected. The author said that the consumer decision to purchase the insurance product from different companies can be affected by several factors like age, gender and income level. From the analysis made, it is found that the respondents belonging to the age group between 30 to 40 years found to be more interested in buying life insurance policy as compared to other age group. The author concluded with that demographic factors of the people play a major and pivotal role in deciding the purchase of life insurance policies.

Chaudary (2016) found that as person age increase demand of life insurance decrease and it reduces to near about zero when age of person is 56 in case of term insurance and 58 for other types of traditional products. People at lower age prefer more term insurance as income is low and higher age peoples prefer more variable insurance. As level of education rises demand for life insurance also increases. As Income or number of family member's increases life insurance demand also increases. Households without any life insurance were relatively young, less educated, unemployed, not married, and renters; they expected to die in their 70s, had low income, were not concerned with leaving a bequest, and preferred not to take risks. Sidhardha and Sumanth (2017) analysed the factors that influencing

a typical customer in choosing a particular insurance Companies when he needs an insurance policy. The author a structured questionnaire and canvassed among the 150 sample respondents from a huge population of various policy holders of Life Insurance. The study shows that the majority of the customers prefer long term investments and low risk-moderate return options. It was found that a customer of life insurance likes to pay premium half yearly and annually than monthly and quarterly. The study presents an interesting fact that majority of the customers have awareness on details of the policy they buy. The author suggested that if the private insurance companies try to provide and serve the customers with service quality coupled with empathy and assurance, India could become a biggest market for any insurance Companies.

Rajendran and Balamurugan (2017) aimed to study on the factors influencing policy-holder's decision on purchasing life insurance products. The research is descriptive in nature and the method is simple random sampling method to collect samples. Well-structured questionnaire was used as a collection tool. The data was collected from 100 respondents. The author noticed that that the trust on the Companies and policy features are more influencing factors for the customers. In last the author suggested that the companies should create strategies according to the preference of the customers. Jetawat and Mistry (2017) tried to know the demographic analysis of factors influencing purchase of life insurance products. The study is quantitative and descriptive in nature. The study was conducted taking 150 samples. The sampling method adopted for the study was non-probability convenience where the researcher can select the sample elements based on the ease of researcher. Structured questionnaire was prepared to collect data. The secondary methods like data from books, journals, magazines and websites was collected. The author identified 6 major factors and T- test was carried to find out there any significant difference of variance between major factors influence across different demographic characteristics of respondents. The findings of author were that the Companies should design product and promotional strategy differently for targeting male and female customers. Guru and Umamaheswari (2019) emphasized on consumer buying behavior towards life insurance policies. A structured questionnaire was prepared and collected 150 samples using convenience sampling method. The data collected was analyzed using descriptive statistics, chi-square and regression. From the above analysis, the author found that the major factors like service quality, easy of procedures and Companies loyalty are possessing significant impact on the consumer's buying behavior on life insurance policies and creates a significant impact on the purchase behavior. The author suggested that the life insurance companies need to focus on these aspects in order to enhance the consumer's buying behavior on the life insurance products. Kulkarni (2019) analysed awareness, perception and factors affecting demand of life insurance products with reference to salaried employees. The primary data is collected by the fieldwork and the data were analyzed using SPSS. Maharashtra. When the author tried, to find out between a few independent factors like age, income, gender, place of residence, marital status and awareness level of respondents towards life insurance it has been found that the awareness level is dependent on few factors and nondependent on few factors. Agent advice is identified as most important factor. The author suggested that the government employees mostly do not consider any factor before buying many of the insurance policies.

3. RESEARCH DESIGN : The research design of this study is descriptive research design

POPULATION OF THE STUDY- The population for this study is the customers having the Life Insurance policy in the Ernakulam area.

SAMPLING- The technique used for this study is non-probability sampling, i.e. judgemental sampling and convenience sampling.

SAMPLE SIZE- The population is of the customers having the life insurance policy and details are collected from the policy holders and the sample size of the study is 110.

INSTRUMENT USED FOR STUDY - Questionnaire was used in this study
To decide the scale validity Cronbach alpha was considered

Table 1 Cronbach Alpha Value

| Variables | Cronbach's Alpha | Number of Items |
|------------------------------|------------------|-----------------|
| Purchasing Behavior | .789 | 4 |
| Company Loyalty | .883 | 5 |
| Service Quality | .887 | 5 |
| Ease of Procedures | .871 | 4 |
| Satisfaction Level | .883 | 5 |
| Company Image | .794 | 3 |
| Customer-Client Relationship | .874 | 3 |

In order to check the internal consistency and reliability of the scale Cronbach's alpha test was conducted. The alpha vale for Companies loyalty is (.883), service quality (.887), ease of procedures (.871), satisfaction level (.883), Companies image (.794), customer-client relationship (.874) and purchasing behavior (.786). All the values are above the acceptable level of 0.7 and hence the tool and scale used for study is reliable and valid.

4. DATA ANALYSIS & INTERPRETATION: DEMOGRAPHIC INFORMATION

Table 2 Age

| | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Below 25 | 28 | 25.5 | 25.5 |
| 26-35 | 36 | 32.7 | 58.2 |
| 36-45 | 32 | 29.1 | 87.3 |
| 46-55 | 7 | 6.4 | 93.6 |
| Above 55 | 7 | 6.4 | 100.0 |
| Total | 110 | 100.0 | |

Table 2 exhibits the age group of respondents. It shows that 33% respondents belong to age group 26-35 years, 29% respondents belong to 36-45 years, 26% belongs to below 25 years and 6% each belongs to 46-55 and above 55 years.

Table 3 Gender

| | Frequency | Percent | Cumulative Percent |
|--------|-----------|---------|--------------------|
| Male | 78 | 70.9 | 70.9 |
| Female | 32 | 29.1 | 100 |
| Total | 110 | 100.0 | |

Table 3 exhibits the gender of respondents. It shows that 71% respondents are male and 29% of the respondents are female.

Table 4 Place of Residence

| | Frequency | Percent | Cumulative Percent |
|-------|-----------|---------|--------------------|
| Urban | 74 | 67.3 | 67.3 |
| Rural | 36 | 32.7 | 100 |
| Total | 110 | 100.0 | |

Table 4 exhibits the place of respondents. It shows that 70% respondents belong to urban and 30% of the respondents belongs to rural area.

Table 5 Educational Qualification

| | Frequency | Percent | Cumulative Percent |
|---------------|-----------|---------|--------------------|
| Plus Two | 5 | 4.5 | 67.3 |
| Graduate | 46 | 41.8 | 46.4 |
| Post Graduate | 59 | 53.6 | 100 |
| Total | 110 | 100.0 | |

Table 5 exhibits the educational qualification of respondents. It shows that 54% respondents are post graduates, 42% respondents are graduate and 4% belong to plus two.

Table 6 Marital Status

| | Frequency | Percent | Cumulative Percent |
|-----------|-----------|---------|--------------------|
| Unmarried | 54 | 49.1 | 49.1 |
| Married | 56 | 50.9 | 100 |
| Total | 110 | 100.0 | |

Table 6 exhibits the marital status of respondents. It shows that 60% respondents belong to unmarried group and 40% of the respondents are married.

Table 7 Occupation

| | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Government sector | 21 | 19.1 | 19.1 |
| Private sector | 41 | 37.3 | 56.4 |
| Self employed | 27 | 24.5 | 80.9 |
| Professional | 21 | 19.1 | 100 |
| Total | 110 | 100.0 | |

Table 7 exhibits the Occupation of respondents. It shows that 37% respondents are government sector employee, 25% respondents are private sector employee and 19% each for self-employed and professional.

Table 8 Annual Income

| | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Below 1 lakh | 21 | 19.1 | 19.1 |
| Between 1–5 lakh | 53 | 48.2 | 67.3 |
| Between 5–10 lakh | 34 | 30.9 | 98.2 |
| Above 10 lakhs | 2 | 1.8 | 100 |
| Total | 110 | 100.0 | |

Table 8 exhibits the annual income of respondents. It shows that 48% respondents have annual income between 1-5 lakh, 31% respondents are between 5-10 lakh, 19% with below 1 lakh and 2% with above 10 lakh annual income.

Table 9 Long- term savings aware of.

| | Yes | No | Total | Percentage of awareness |
|---------------------|-----|----|-------|-------------------------|
| Life Insurance | 88 | 22 | 110 | 79.1% |
| Fixed Deposit | 64 | 46 | 110 | 60.9% |
| Mutual Funds | 53 | 57 | 110 | 48.2% |
| Securities | 40 | 70 | 110 | 36.4% |
| Post Office Savings | 56 | 54 | 110 | 50.9% |

Table 9 exhibits the long-term savings aware by the respondents. It shows that 79.1% respondents are aware about life insurance, which is the most and 60.9% for fixed deposit, 50.9% for post office savings, 48.2% for mutual funds and 36.4% for securities.

Table 10 Insurance Companies from which respondents purchased the policy

| | Frequency | Percent | Cumulative Percent |
|------------------|-----------|---------|--------------------|
| Reliance Nippon | 55 | 50.0 | 50.0 |
| LIC | 33 | 30.0 | 80.0 |
| ICICI Prudential | 12 | 10.9 | 90.9 |
| Bajaj Alliance | 7 | 6.4 | 97.3 |
| Max | 2 | 1.8 | 99.1 |
| Others | 1 | 0.9 | 100 |
| Total | 110 | 100.0 | |

Table 10 exhibits the insurance Companies. It shows that 50% respondents have taken from Reliance p, 30% from LIC, 11% from ICICI, 6% from Bajaj Alliance, 2% from Max and 1% belongs to other insurance Companies.

Table 11 For Whom the policy is been purchased

| | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Self | 45 | 40.9 | 40.9 |
| Spouse | 8 | 7.3 | 48.2 |
| Children | 29 | 26.4 | 74.5 |
| Parents | 28 | 25.5 | 100 |
| Total | 110 | 100.0 | |

Table 11 exhibits for whom the policy is purchase. It shows that 41% respondents have purchased for themselves, 26% each for children's and parents and 7% for spouse.

Table 12 Ranks of source from which respondents knew about Life Insurance

| Sources | Score |
|---------------------------|-------|
| News Papers and Magazines | 327 |
| Television | 457 |
| Agents/ Field sales | 370 |
| Friend | 362 |
| Internet | 323 |

Table 12 shows that respondent's source from which they knew about life insurance. It shows that the important source as television, agents/field sales second, friends third, newspapers and magazines fourth and internet as the fifth source.

Table 13 Reason behind investment

| Factors | Score |
|-----------------------|-------|
| Risk Coverage | 371 |
| Tax Benefits | 331 |
| Protection for family | 390 |
| Long term Savings | 377 |
| Provision for old age | 373 |

Table 13 shows that respondent's reasons behind investment in life insurance. It shows that the reasons for investment, the important factor is protection for family, long term savings second, provision for old age third, risk coverage fourth and tax savings as the fifth factor for reason behind investment in life insurance.

Table 14 Mode of Payment

| Mode of Payment | Frequency | Percent | Cumulative Percent |
|-----------------|-----------|---------|--------------------|
| Monthly | 23 | 20.9 | 20.9 |
| Quarterly | 28 | 25.5 | 46.4 |
| Half-yearly | 37 | 33.6 | 80.0 |
| Yearly | 22 | 20.0 | 100 |
| Total | 110 | 100.0 | |

Table 14 exhibits the mode of payment. It shows that 34% respondents prefer paying half-yearly, 25% respondents quarterly, 21% monthly and 20% yearly.

Table 15 Descriptive Statistic

| Factors | N | Minimum | Maximum | Mean | Std. Deviation |
|-----------------------------|-----|---------|---------|------|----------------|
| Purchasing Behavior | 110 | 1 | 5 | 3.92 | .697 |
| Company Loyalty | 110 | 1 | 5 | 3.77 | .773 |
| Service Quality | 110 | 1 | 5 | 3.80 | .821 |
| Ease of Procedures | 110 | 1 | 5 | 3.91 | .746 |
| Satisfaction Level | 110 | 1 | 5 | 3.92 | .722 |
| Company Image | 110 | 1 | 5 | 4.04 | .741 |
| Company-Client Relationship | 110 | 1 | 5 | 3.77 | .816 |

Descriptive analysis includes the scale range minimum to maximum, mean and standard Deviation. From the table it is inferred that Companies image have highest mean value. (M=4.04) indicating that most of the respondents have positive opinion about Companies image. Satisfaction level has the next position with mean value of (M=3.92) and it is followed by ease of procedures with mean value of (M=3.91), service quality with mean value of (M=3.80), The least mean are same for Companies loyalty, mean value of (M=3.77) and Companies-client relationship, mean value(M=3.77) shows that the respondents not have high agreement about the Companies loyalty and Companies-client relationship. The mean value of purchasing behavior is (M=3.92) the values indicate that customers fairly agrees that the variables affect purchasing behavior

Table 16 Companies Loyalty

| Company Loyalty | Mean | SD |
|---|------|-------|
| Will you always like to associate with the same company? | 3.86 | 1.009 |
| Will you purchase more policies from the same company? | 3.59 | .932 |
| Will you suggest friends and family to purchase policy from the same company? | 3.76 | .947 |
| Does the company is able to fulfill expectation? | 3.85 | .921 |
| Does Policy benefit according to your standard? | 3.81 | .873 |

Table 16 Shows the mean and standard deviation of Companies loyalty questions. The result shows that the question have mean value more than average but high standard deviation indicate with in the respondents have different opinions.

Table 17 Service Quality

| Service Quality | Mean | SD |
|---|------|-------|
| Does company provide hassle free settlements? | 3.86 | 1.092 |
| Is Employees responsible towards customers? | 3.75 | .997 |
| Does agent respond promptly? | 3.73 | .957 |
| Do you feel that Investment in life insurance is more secure than stock market? | 3.91 | .963 |
| Are you satisfy with relationship to company? | 3.95 | .927 |

Table 17 Shows the mean and standard deviation of satisfaction quality questions. The result shows that the question have mean value more than average but high standard deviation indicate with in the respondents have different opinions.

Table 18 Ease of Procedures

| Ease of Procedures | Mean | SD |
|--|------|------|
| Does company provide claims on time? | 4.00 | .909 |
| Is the company cooperative and agent friendly? | 3.84 | .830 |
| Is the settlement of claims easy and timely? | 3.87 | .879 |
| Whether the agent is well informed about policies? | 3.93 | .896 |

Table 18 Shows the mean and standard deviation of ease of procedures questions. The result shows that the questions have mean value more than average but high standard deviation indicate the respondents have different opinions.

Table 19 Satisfaction Level

| Satisfaction Level | Mean | SD |
|---|------|------|
| Are your benefits met by policy? | 4.03 | .972 |
| Does it provide satisfactory services? | 3.88 | .775 |
| Does company fulfill its promise towards policy? | 3.89 | .839 |
| Does the company provide services on time? | 3.94 | .827 |
| Are you aware about terms and conditions of policy? | 3.85 | .947 |

Table 19 Shows the mean and standard deviation of satisfaction level questions. The result shows that the questions have mean value more than average but high standard deviation indicate the respondents have different opinions.

Table 20 Companies Image

| Company Image | Mean | SD |
|--|------|------|
| Do you feel company is well reputed among insurance companies? | 4.14 | .933 |
| Does company hold a good goodwill among other company? | 3.95 | .764 |
| Are you selecting highly reputed company? | 4.05 | .932 |

Table 20 Shows the mean and standard deviation of Companies image questions. The result shows that the questions have mean value more than average but high standard deviation indicate the respondents have different opinions.

Table 21 Companies- Client Relationship

| Company- Client Relationship | Mean | SD |
|---|------|------|
| Does agents give proper reminder of installments? | 3.87 | .940 |
| Does it give personal attention to its customers? | 3.71 | .892 |
| Does it understand Customer's financial needs? | 3.73 | .908 |

Table 21 Shows the mean and standard deviation of Companies-client relationship questions. The result shows that the questions have mean value more than average but high standard deviation indicate the respondents have different opinions.

Table 22 Purchasing Behaviour

| Purchasing Behavior | Mean | SD |
|--|------|------|
| If you are purchasing other insurance will you go for different brand. | 3.95 | .764 |
| Do you gain information about life insurance before buying | 3.85 | .947 |
| Are you influenced by society or family for purchasing | 3.87 | .940 |
| Will your income effects the purchasing behavior | 4.00 | .909 |

Table 22 Shows the mean and standard deviation of purchasing behaviour questions. The result shows that the questions have mean value more than average but high standard deviation indicate the respondents have different opinions.

Table 23 Correlation Analysis

| | | CL | SQ | EP | SL | CI | CCR | PB |
|-----------------------------------|---------------------|--------|--------|--------|--------|--------|--------|--------|
| (CL) Company Loyalty | Pearson Correlation | 1 | .617** | .643** | .699** | .620** | .699** | .699** |
| (SQ) Service Quality | Pearson Correlation | .617** | 1 | .765** | .684** | .660** | .549** | .698** |
| (EP) Ease of Procedures | Pearson Correlation | .643** | .765** | 1 | .768** | .653** | .603** | .807** |
| (SL) Satisfaction Level | Pearson Correlation | .699** | .684** | .768** | 1 | .706** | .584** | .830** |
| (CI) Company Image | Pearson Correlation | .620** | .660** | .653** | .706** | 1 | .662** | .853** |
| (CCR) Company-Client Relationship | Pearson Correlation | .699** | .549** | .603** | .584** | .662** | 1 | .786** |
| (PB) Purchasing Behavior | Pearson Correlation | .699** | .698** | .807** | .830** | .853** | .786** | 1 |

** . Correlation is significant at the 0.01 level (2-tailed)

- Companies loyalty have significant and positive correlation with satisfaction level ($r=.699$), Companies-client relationship ($r=.699$), purchasing behavior ($r=.699$), then with ease of procedures ($.643$), then with Companies image ($r=.620$), and then with service quality ($r=.617$).
- Service quality have significant and positive correlation with ease of procedures ($r=.765$), then with purchasing behavior($r=.698$), then with satisfaction level ($r=.684$), then with Companies image ($r=.660$), then with Companies loyalty ($r=.617$) and the with Companies-client relationship($r=.549$) 88
- Ease of Procedures have significant and positive correlation with purchasing behavior ($r=.807$), then with satisfaction level ($r=.768$), then with service quality ($r=.765$), then with Companies image ($r=.653$), then with Companies loyalty ($r=.643$), then with Companies-client relationship($r=.603$)
- Satisfaction level have significant and positive correlation with purchasing behavior ($r=.830$), then with ease of procedures ($r=.768$), then with Companies image ($r=.706$), then with Companies loyalty ($r=.699$), then with service quality ($r=.684$) and then with Companies-client relationship ($r=.584$)
- Companies image have significant and positive correlation with purchasing behavior ($r=.853$), then with satisfaction level ($r=.706$), then with Companies-client relationship ($r=.662$), then with service quality ($r=.660$), then with ease of procedures ($r=.653$), and then with Companies loyalty ($r=.620$)
- Companies-client relationship have significant and positive correlation with purchasing behavior ($r=.786$), then with Companies loyalty ($r=.699$), then with Companies image ($r=.662$), then with ease of procedures ($r=.603$), then with satisfaction level ($r=.584$), and then with service quality ($r=.549$)



• Purchasing behavior have significant and positive correlation with Companies image ($r=.853$), then with satisfaction level ($r=.830$), then with ease of procedures ($r=.807$), then with Companies-client relationship ($r=.786$), then with Companies loyalty ($r=.699$), and then with service quality ($r=.698$).

Regression

Table 24 Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|--|-------------------|----------|-------------------|----------------------------|
| 1 | .951 ^a | .904 | .899 | .222 |
| a. Predictors: (constant), company-client relationship, service quality, satisfaction level, company image, company loyalty, ease of procedures. | | | | |

The table 24 shows the R and R² values. The R value represents the simple correlation and is 0.951, which indicates a high degree of correlation. The R² value indicates how much of the total variation in the dependent variable, purchasing behavior can be explained by the independent variables, Companies loyalty, service quality, ease of procedures, satisfaction level, Companies image and Companies-client relationship.

The next table is the ANOVA table, which reports how well the regression equation fits the data (i.e., predicts the dependent variable) and is shown below:

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|--|------------|----------------|-----|-------------|---------|-------------------|
| 1 | Regression | 47.820 | 6 | 7.970 | 161.944 | .000 ^b |
| | Residual | 5.069 | 103 | .049 | | |
| | Total | 52.889 | 109 | | | |
| a. Dependent Variable: Purchasing behavior | | | | | | |
| b. Predictors: (constant), company-client relationship, service quality, satisfaction level, company image, company loyalty, ease of procedures. | | | | | | |

This table indicates that the regression model predicts the dependent variable significantly well. The statistical significance of the regression model is less than 0.05 which indicates 91 that the regression model significantly predicts the outcome variable. Regression Analysis is observed that the overall regression model was significant ($F=161.944$, $p<0.05$).

5. SUMMARY OF FINDINGS :

- The major source of information from where the respondents knew about life insurance was agents field sales people, second was friends, third was from newspapers and magazines, then from Television and last from internet/social media.
- The reason behind investment, are protection for family, second reason was for long-term savings, third was provision for old age, for risk coverage and last for tax benefits.
- From the data collected, 70.9% respondents were male and 29.1% respondents were female.
- 25.5% respondents belonged to age group below 25, 32.7% respondents belong to 26-35 years, 29.1% respondents belong to 46-55 years and 6.4% respondents belong to above 55 age.
- 67.3% respondents were from urban area and from rural area the respondents were 32.71%.
- The qualification of respondents was 4.5% having plus two, 41.8% were graduates and 53.6% were post graduates.
- From the total 49.1% were unmarried and 50.9% were married.
- 19.1% were having job in government sector, 37.3% in private sector, 24.5% were self-employed and 19.1% were professionals.
- 19.1% were having annual income below 1 lakh, 48.2% respondents were having annual income between 1-5 lakh, 30.9% were having annual income between 5-10 lakh and just 1.8% respondents were having annual income above 10 lakhs.
- 40.9% had purchased the policy for their own, 7.3% respondents had purchased it for their spouse, 26.4% for their children and 25.5% for parents.



- Among the data collected 20.9% respondents makes payment monthly, 25.5% respondents make quarterly, 33.6% half-yearly and 20.0% makes payment yearly.
- Among the factors included, Companies image has highest mean value. (M=4.04) indicating that most of the respondents have positive opinion about Companies image. Satisfaction level has the next position with mean value of (M=3.92) and it is followed by ease of procedures with mean value of (M=3.91), service quality with mean value of (M=3.80), The least mean are same for Companies loyalty, mean value of (M=3.77) and Companies-client relationship, mean value(M=3.77) shows that the respondents not have high agreement about the Companies loyalty and Companies-client relationship. The mean value of purchasing behavior is (M=3.92) the values indicate that customers fairly agrees that the variables affect purchasing behavior.
- T-Test shows that gender of the respondents does not have an impact on purchasing behavior.
- T-Test shows that marital status of the respondents has an impact on purchasing behavior.
- ANOVA test shows that age of the respondents does not have an impact on purchasing behavior.
- ANOVA test shows that qualification of respondents has an impact on purchasing behavior.
- ANOVA test shows that annual income of respondents has an impact on purchasing behavior.
- Companies loyalty have significant and positive correlation with satisfaction level (r=.699), Companies-client relationship (r=.699), purchasing behavior (r=.699), ease of procedures (.643), Companies image (r=.620), and service quality (r=.617).
- Service quality have significant and positive correlation with ease of procedures (r=.765), purchasing behavior(r=.698), satisfaction level (r=.684), Companies image (r=.660), Companies loyalty (r=.617) and Companies-client relationship(r=.549)
- Ease of Procedures have significant and positive correlation with purchasing behavior (r=.807), satisfaction level (r=.768), service quality (r=.765), Companies image (r=.653), Companies loyalty (r=.643), and Companies-client relationship(r=.603)
- Satisfaction level have significant and positive correlation with purchasing behavior (r=.830), ease of procedures (r=.768), Companies image (r=.706), Companies loyalty (r=.699), service quality (r=.684) and Companies-client relationship (r=.584)
- Companies image have significant and positive correlation with purchasing behavior (r=.853), satisfaction level (r=.706), Companies-client relationship (r=.662), service quality (r=.660), ease of procedures (r=.653), and Companies loyalty (r=.620)
- Companies-client relationship has significant and positive correlation with purchasing behavior (r=.786), Companies loyalty (r=.699), Companies image (r=.662), ease of procedures (r=.603), satisfaction level (r=.584), and service quality (r=.549)
- Purchasing behavior have significant and positive correlation with Companies image (r=.853), satisfaction level (r=.830), ease of procedures (r=.807), Companies-client relationship (r=.786), Companies loyalty (r=.699), and service quality (r=.698).
- Companies loyalty have significant impact on purchasing behavior.
- Service quality have significant impact on purchasing behavior.
- Ease of procedures doesn't have significant impact on purchasing behavior.
- Satisfaction level doesn't have significant impact on purchasing behavior.
- Companies image doesn't have significant impact on purchasing behavior.
- Customer-client relationship doesn't have significant impact on purchasing behaviour

6. RECOMMENDATIONS:

- The Companies image on purchasing behavior is a stronger aspect while purchasing ($\beta = .341, t = 7.307, p < 0.05$). In present competitive world, Companies image has become an important aspect to retain the customers, not only to grow but also to survive. Companies image is the critical success factor and private insurers through their best services would be able to reposition and differentiate themselves from other well known public insurance companies. The Companies should focus more on creating awareness through various platforms to reach each and every customer.
- The Companies should give proper knowledge about the policies and should understand the needs of each customer. The financial need should be capitalized by the Companies. So as to provide them with proper policies according to the need.
- The products which Companies provides should be the best so that customer will have a proper satisfaction level and will recommend other family members and friends and thereby creating a good image.
- The Companies should focus on creating awareness through social and digital platform as the use of these medium is high in current scenario. This will help in spreading insurance awareness among the common man.



- To achieve greater insurance penetration, the Companies should come up with new innovative products to offer greater variety or choice to the customers and also make improvement in the quality of services and sell products through appropriate distribution channel to have a win-win situation.

7. CONCLUSION :

This study was focused to identify the underlying reasons, facts that drive customers to invest in life insurance. The customers should be made aware about the benefits of life insurance like risk coverage, tax benefits and saving option. Any permanent life insurance policy with a cash value, such as whole life insurance, can be treated as an investment. But for most people, it isn't a good strategy. From the study it is found that the major factor influencing in choosing insurance company is company image. So, if the private insurance companies try to provide and serve the customers with service quality coupled with empathy and assurance, India could become a biggest market for any insurance company. And with growing technology, it should adopt technology in delivering service of the highest standard to both the end customer as well as the intermediary. It helps to reduce costs significantly and hence get reflected in the pricing of products. And apart from this product innovation, product differentiation will help to achieve goals of the insurance companies. The customers have awareness about public company but there are many other private companies which provides better services and 101 policies according to the needs of the customer. Thus, the company should arrange awareness programs, provide knowledge and should advertise maximum through which it can raise customer base.

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QUESTIONNAIRE

- 1) Gender (a) Male (b) Female
 - 2) Age group
 - a) Below 25 b) 26-35 yrs c) 36-45yrs d) 46-55 yrs e) Above 55
 - 3) Place of residence a) Rural b) Urban
 - 4) Educational Qualification
 - a) Plus Two b) Graduate c) Post Graduate
 - 5) Marital Status a) Married b) Unmarried
 - 6) Occupation
 - a) Government /Public sector employee b) Pvt. Sector employee c) Self employed
 - d) Professional
 - 7) Annual Income
 - a) Below 1 Lakh b) Between 1 Lakh – 5 Lakh c) Between 5 Lakh – 10 Lakh d) Above 10 Lakh
 - 8) Which of the long-term savings you are aware of?
 - a) Life Insurance b) Fixed deposit c) Mutual Funds d) Securities (Shares and Debentures) e) Post Office Savings
 - 9) From which of the insurance company you have purchased your Life insurance policy?
 - a) Reliance Nippon Life Insurance b) LIC c) ICICI Prudential Life Insurance d) Bajaj Alliance Life Insurance e) Max Life Insurance f) Others
 - 10) For Whom the policy is been purchased?
 - a) Self b) Spouse c) Children d) Other Family Members
 - 11) From which source did you come to know about life insurance? (Rank them according to importance, where 1 as Highest and 5 as Least)
 - a) News Papers and Magazines b) Television c) Agents/ Field sales d) Friend e) Internet
 - 12) Reasons behind the investment in Life Insurance?
(Rank them according to importance, where 1 as Highest and 5 as Least)
 - a) Risk Coverage b) Tax Benefits c) Protection for family d) Long term Savings e) Provision for old age
 - 13) Which mode of payment you will prefer for paying the premium?
 - a) Monthly b) Quarterly c) Half-Yearly d) Yearly
- Mark your response to the following question according to your opinion wehre
'5' stands for Strongly Agree (SA) and '1' for Strongly Disagree (SD)

Company Loyalty

1. Will you always like to associate with the same company?
 - 2 Will you purchase more policies from the same company?
 3. Will you suggest friends and family to purchase policy from the same company?
 4. Does the company is able to fulfill expectation?
 5. Does Policy benefit according to your standard?
- ### Service Quality
6. Does company provide hassle free settlements?
 7. Is Employees responsible towards customers?
 8. Does agent respond promptly?
 9. Do you feel that Investment in life insurance is more secure than stock market?
 10. Are you satisfy with relationship to company?

Ease of Procedures

11. Does company provide claims on time?
12. Is the company cooperative and agent friendly?
13. Is the settlement of claims easy and timely?
14. Whether the agent is well informed about policies?

Satisfaction Level

15. Are your benefits met by policy?
- 16 Does it provide satisfactory services?



- 17 Does company fulfill its promise towards policy?
- 18 Does the company provide services on time?
- 19 Are you aware about terms and conditions of policy?

Company Image

- 20 Do you feel company is well reputed among insurance companies?
- 21 Does company hold a good goodwill among other company?
- 22 Are you selecting highly reputed company?

Company- Client Relationship

- 23 Does agents give proper reminder of installments?
- 24 Does it give personal attention to its customers?
- 25 Does it understand Customer's financial needs?

Purchasing Behavior

- 26 If you are purchasing other insurance will you go for different brand?.
27. Do you gain information about life insurance before buying”
28. Are you influenced by society or family for purchasing ?
29. Will your income effects the purchasing behaviour?