

## A Study on the Policyholders Preference and Awareness of Life Insurance Products in the Lic of India in the Salem District

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**Abstract:** Life assurance is a settlement between the insurance agency and the policyholder, wherein the insurance plan pays for the strategy sum caused via the existence safeguarded. The insurance plan will both give compensation to logical expenses and ensure qualified passing advantages, mishaps benefits are covered underneath the protection at one of the specific items. Each individual likewise can get charge derivations on the expenses paid nearer to extra security under section 80D of the annual Tax Act, 1961.

**KEYWORDS:** Life Insurance, Preference, Awareness, LIC

### Introduction

Life is brimming with hazards and vulnerabilities. Life coverage gives mental harmony to any human and protects his family with monetary insurance. Prior Indians saw disaster protection as reserve funds and speculation instruments instead of hazard inclusion. Be that as it may, presently it is additionally considered as a duty-saving instrument, getting ready for explicit future family needs, protection from credits, and roads for significant yields with restricted dangers. In India, the life coverage area upholds a great deal for the improvement of the economy overall. The protection industry frames a prevailing piece of the monetary market comprising of legally binding go-betweens which channelize the reserve funds of the general public to the useful areas of the economy. In a showcasing viewpoint, a protection item is arranged as an unsought item about which clients have insufficient or low mindfulness. Thusly, it is said that protection items are sold instead of purchased which makes the errand of insurance agencies truly testing autonomy. Life coverage Corporation of India has been promoting protection items as a syndication guarantor, being the unchallenged innovator in the Indian backup plan industry.

### Objective of the Study

1. The present-day manuscript focuses on the learning of policyholder's awareness and behavior close to the Life assurance strategy.
2. To learn the estimation with happiness of the strategy holders towards the strategies of Life assurance firm of India.

### Review Literature

Kunjalsinha (2013), within his investigation, expressed that assurance agencies be functioning in an exceptionally aggressive bazaar anywhere customers contain numerous organizations with items toward browse. Thus it gets important for insurance agencies to keep up with a faithful client base by expanding client dependability through further developed help quality. The information was gathered from the people who purchased life coverage strategy of different extra security organizations after February 2005 out of five chose urban communities of Gujarat. His investigation known through reason examination be perform where 5

elements be inferred to be specific, genuine and brief administrations, correlation and obliging, careful and clients direction, adaptability, and substantial quality. The investigation stresses that the clients ought to be given brief help. They should have a sense of security in their dealings with the organization and the organization should concentrate on the client.

**Karthesswari.S and Rajeshwari. K and (2012)**, during their examination, expressed to a greater fraction of the strategy holders (54.24%) be within this mature bunch twenty one to fourteen living.57% of the strategy holders be gentleman, also the majority of the guy strategy holders be enchanting the arrangement to their greatest advantage. a womanly people be known significance as candidates, 30.79% respondents favored enrichment strategy, 40.50% of the strategy holders contain constantly in use the arrangements as of LIC of India, 81.5 % strategy holders remunerated the premium routinely, in addition to are cautious on lapsation. Along with the arrangement holder whose strategies passed, they couldn't pay the premium because of the monetary trouble.

### **Methodology of the Study**

Planning of a technique and determination of scientific instruments are significant for a significant investigation of any exploration issue. This part is committed to portraying the philosophy which incorporates a test plan, an assortment of information, development of the meeting timetable, and time of the investigation and apparatuses of examination. Apparatuses and procedures and association of information for this exploration. Multiple liner Regression investigations, Table, charts, are utilized as apparatuses and methods of the examination.

### **Data Collection Method**

The procedure chose by the analyst for finding the shopper's mindfulness and conduct toward LIC Life Insurance shopping is audit research. The examination begins with documentation of various factors related to answerable for building policyholders mindfulness. Research enveloped both essential and optional information. Primary information for this investigation was made by implies out of an overview coordinated in Salem District, the sample size was 600. The poll was utilized to collect primary information.

### **Data Examination and Explanation**

#### **MULTIPLE REGRESSIONS ON PREFERENCE AND AWARENESS OF THE LIC SERVICES TO POLICYHOLDERS BY SERVICES VARIABLES**

##### **Model Rundown**

<b>Form</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the approximation</b>	<b>Durbin-Watson</b>
<b>1</b>	.318 <sup>a</sup>	.101	.091	.682	1.954
a. Predictors: (Constant), Resi .Area, Age, Family Members, Occupation, Income, Gender, Education					
b. Dependent Variable: Preference to invest your money					

##### **ANOVA<sup>a</sup>**

<b>Model</b>	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
1 Regression	31.080	7	4.440	9.533	.000 <sup>b</sup>
Residual	275.713	592	.466		
Total	306.793	599			

a. Dependent Variable: Preference to invest your money

b. Predictors: (Constant), Resi .Area, Age, Family Members, Occupation, Income, Gender, Education

**Coefficients<sup>a</sup>**

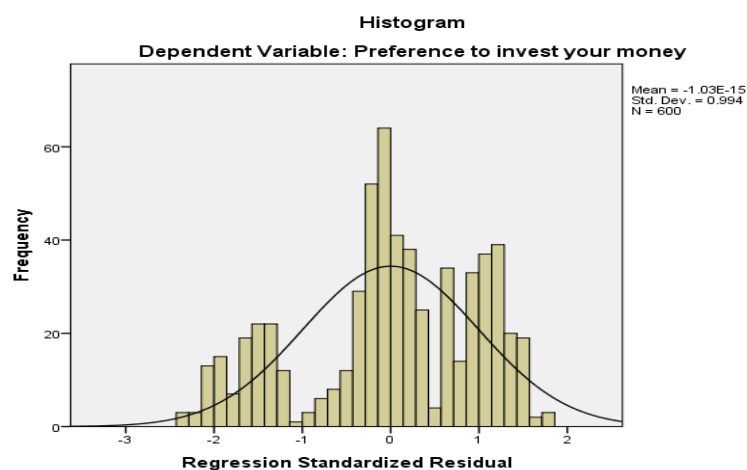
Model	Unstandardized coefficients		Unstandardized coefficients	T	Significant
	B	Std. Error	Beta		
(Invariable)	2.424	.243		9.987	.000
Gender	-.069	.060	-.048	-1.154	.249
Age	.012	.028	.019	.452	.651
1 Education	-.083	.029	-.136	-2.885	.004
Occupation	-.057	.021	-.111	-2.737	.006
Income	.081	.035	.104	2.302	.022
Family Members	.132	.038	.141	3.440	.001
Resi. Area	-.158	.038	-.168	-4.108	.000

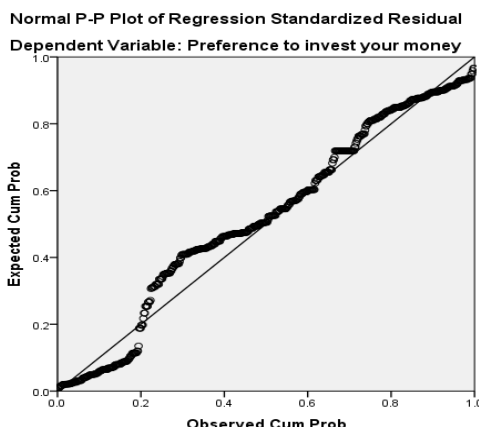
a. Dependent Variable: Preference to invest your money

**Residuals Statistics<sup>a</sup>**

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted assessment	1.52	2.68	2.14	.228	600
Residual	-1.604	1.247	.000	.678	600
Std .Predicted assessment	-2.689	2.371	.000	1.000	600
Std. Residual	-2.351	1.828	.000	.994	600

a. Dependent Variable: Preference to invest your money





The above table shows the multiple Regression analysis with the R<sup>2</sup> value of 0.318 shows the significant contribution by variable on a dependent variable. The p-value of ANOVA of 0.000 shows the rejection of the null hypothesis and here is an important association among the selected variable and the stage of happiness. Among the selected variables except for the type of insurer all other variables having a significant impact on the level of satisfaction of the respondents.

#### MULTIPLE REGRESSIONS ON PREFERENCE AND AWARENESS LEVEL OF THE LIC PRODUCT TO POLICYHOLDERS BY SERVICES VARIABLES

##### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the approximation	Durbin-Watson
1	.347 <sup>a</sup>	.120	.102	.678	1.700
a. Predictors: (Constant), High risk plans, Whole life plans, how many policies have you bought (number of policy), With Profit plan policy , Investment linked Insurance Plans, Without Profit plan policy, type of insurance place would you prefer, Endowment plans, Term assurance plans , Money back plans, Children's plans, Joint Life Policy					
b. Dependent Variable: Preference to invest your money					

##### ANOVA<sup>a</sup>

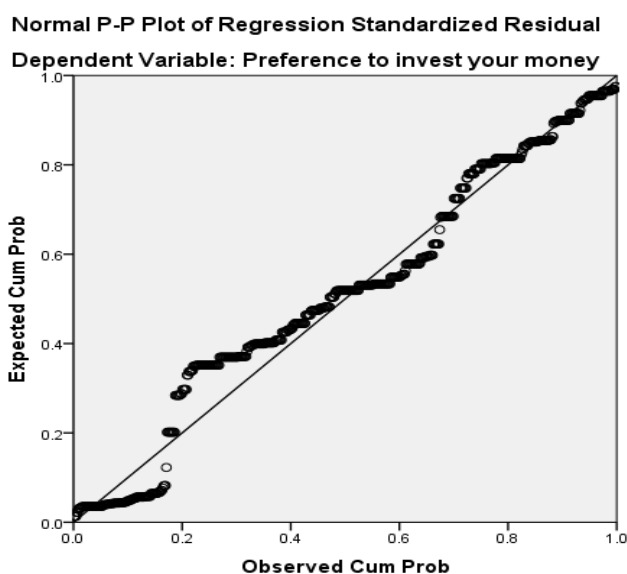
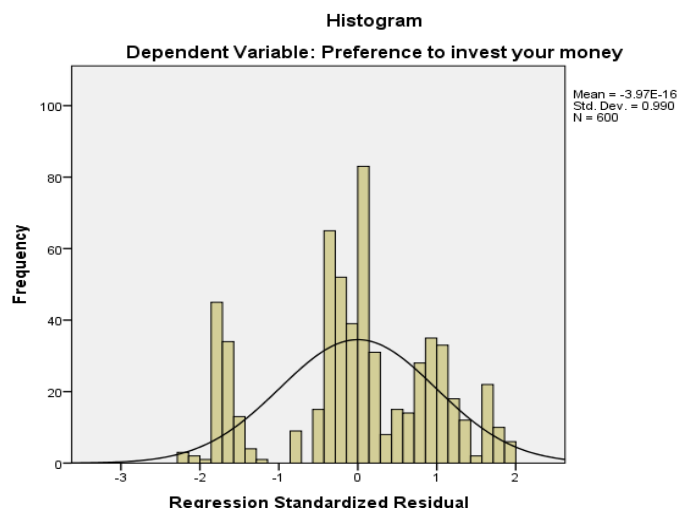
Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	36.897	7	3.075	6.687	.000 <sup>b</sup>
Residual	269.896	587	.460		
Total	306.793	599			
a. Dependent Variable: Preference to invest your money					
b. ), High risk plans, Whole life plans, how many policies have you bought (number of policy), With Profit plan policy , Investment linked Insurance Plans, Without Profit plan policy, type of insurance place would you prefer, Endowment plans, Term assurance plans , Money back plans, Children's plans, Joint Life Policy					

**Coefficients<sup>a</sup>**

Model	Unstandardized coefficients		Unstandardized coefficients	T	Sig.
	B	Std.Error	Beta		
(Invariable)	.480	1.258		.381	.703
Type of insurance place would you prefer	.056	.028	.092	1.963	.050
	.109	.038	.119	2.857	.004
How many policies have you bought (number of policy)	.076	.027	.199	2.771	.004
	-.025	.033	-.057	-.762	.006
Endowment schemes	.019	.029	.045	.658	.511
Whole life schemes	-.061	.029	-.163	-2.083	.038
Children's plans	.017	.026	.054	.674	.501
Money back schemes	-.002	.028	-.004	-.055	.956
Term assurance plans	.042	.030	.074	1.385	.167
With Profit plan policy	.026	.038	.042	.693	.488
Without Profit plan policy	.056	.026	.228	2.173	.030
Investment linked Insurance Plans	.039	.019	.126	2.002	.046
Joint Life Policy					
High risk plans					
a. Dependent Variable: Preference to invest your money					

**Residuals Statistics<sup>a</sup>**

	Minimum	Maximum	Mean	Std.Deviation	N
Predicted assessment	1.19	2.89	2.14	.248	600
Residual	-1.507	1.331	.000	.671	600
Std .Predicted assessment	-3.829	3.046	.000	1.000	600
Std. Residual	-2.223	1.964	.000	.990	600
a. Dependent Variable: Preference to invest your money					



The above table shows the Multiple Regression analysis with the R<sup>2</sup> value of 0.347. It shows the significant contribution by the independent variables on a dependent variable. The p-value of ANOVA of 0.000 shows the rejection of the null hypothesis and here is an important association among the selected variable and the stage of fulfillment. Among the selected factors age has no impact on the level of satisfaction of the respondents towards the life insurance policy.

### Recommendations

Situated in the higher than discoveries of this investigation these accompanying suggestions be complete through the specialist. In the direction of expand the degree of protection infiltration LIC can zero in resting on convey items to ensemble the country's clients. LIC ought to likewise restrict with a few different banks separated as of the current ones to advertise its items for example during banc confirmation. Every one of the secret charges ought to unmistakably be expressed in the structure with clarified through the specialist and LIC ought to supply improved preparation to its representatives. The guarantee conclusion cycle ought to be made quickly and should not include a protracted dynamic process. The current rivalry can be handled with reasonable

arranging by decreasing the paces of finest, expanding bonus tariff, and the nature of administrations to strategy holders.

### **Conclusion**

Life assurance can't bear to dismiss its public importance and avoid its social duties. It needs to continually consider the arising needs of the market, emerging because of the adjustment of the worth of public activity. Segment changes additionally produce the various necessities among the populace. The commitment to the country working through reinforcing the financial system of a nation, upgrading of the medical trouble offices, and instruction just as a business will go far too at last work on the nature of the existence of individual individuals from the general public. Interest in framework project will locate the nation on a street toward the advancement single hand over and make generosity and great authoritative picture in the personalities of public then again. A life backup plan will likewise need to assume a part for empowering improvement of innovation and make its compelling use by upgrading the coordinating with abilities of the public. Still, a few activities by the Life assurance firm of India are required for creating a protection market. The main considerations assuming the part in fostering buyer's insight towards Life assurance strategies are purchaser Loyalty, overhaul Quality, effortlessness of measures, happiness Level, Company representation, and Company-Client connection. The security business wants to go on. A great deal of probability is as yet pausing. These assessment determinations assist in fostering the part of the pie, faithfulness, and more expansion in the guard area.

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