A Study on Policyholder Insight on Investing in Life Insurance

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Abstract:- In India Insurance actually has been considered as an assessment saving apparatus instead of a investment option. The particular goal was to see if there is any relationship between yearly pay of investor and factor influencing consumer choice of investment in life insurance. An example of 52 protection financial backers' information was genuinely investigated with the assistance of Chi-square test and annova the review was reasoned that there is no relationship between yearly pay and factor influencing investor choice of investing in life insurance. There is no tremendous distinction between age wise of the reaction and month to month investment in insurance of the response. It is recommended that most of the General public choice insurance policy isn't just an assessment saving choice yet in addition the gamble assurance and a multi-layered speculation choice.

Keywords:- Life Insurance, Investors, Investing and Trust.

I. INTRODUCTION

Insurance is a helpful gadget to spread the misfortune brought about by a specific gamble over various people who are communicated to it and who consent to guarantee themselves against that gamble. Likewise a social gadget collects assets to meet the unsure misfortunes emerging through a specific risk to a person insured against the risk. The insurance rule comes to be an ever increasing number of utilized and valuable in current issues. In addition to the fact that it serves the closures of people, or of exceptional gatherings of people, it will in general infest and to change current social request, as well.

II. REVIEW OF LITERATURE

Analyzed the different factors that determine the investment in LI policies and the result given was the trust and, Effective and good plans were the main reasons to invest in LI among the customers, by **Babita yadav (2012).**

Praveen Kumar tripathi (2012) constructed his research on the basis of various segments in order to recognize the customer perception and expectation from private insurers.

Parekh(2013) observed the investment function of insurance industry in India is not so vibrant when compared with global counterparts. Therefore, he has suggested government to recognize the importance of insurance sector in financial landscape and introduce more fiscal stimulus and tax incentive to strengthen its role in saving mobilization.

Bhagabat Barik et. al. (2014) discussed the emerging trends in insurance and highlighted that there is a need of highly skilled professional advisory in Indian insurance industry, balanced marketing mix, and policy administration and as far as possible re-engineering of the business model.

Vipul (2016), the author explored about the comparative study of LIC and found that the consumers are expecting the premium to be reduced and more transparency should between insurers and policy holders, also stressed that company should be customer – centred.

III. OBJECTIVES OF THE RESEARCH

A. To analyse the investors insight on investing in life insurance.
B. To analyse the benefits of people investing in policy.

IV. RESEARCH METHODOLOGY

❖ *Data Collection*
Data collection is one of the most important aspects of research. The information in tough research methodology must be accurate and relevant. The data collection method can be classified into two methods .Primary Data and Secondary Data.

A. *Area of Industry*

➢ *Fact:*
The study is to done the A STUDY ON POLICYHOLDER INSIGHT ON INVESTING IN LIFE INSURANCE.

➢ *Sample Size and Population:*
Primary Data were collected for the study from a Sample of 52 Investing in Life insurance in the city of Chennai through questionnaires regarding Life Insurance.

➢ *Location:*
Chennai has been selected for the Area of study.

➢ *Target People:*
The Study is done to know the policyholder insight on investing in Life Insurance.

> *Type of Industry:*
   Life Insurance

V. CONCEPTIONAL FRAMEWORK

The conceptional framework of Policyholder Insight on Investing in Life Insurance was based upon research gaps and exhaustive review of literature into 4 variables of the study such as,

a. Trust and, Effective and good plans
b. Customer perception and expectation from private insurers.

c. Investing

VI. RESEARCH QUESTIONS AND NULL HYPOTHESIS:

a) Research Questions: Relationship between the awareness on policy before investing.
b) Null hypothesis: There is no significant association in Relationship between the awareness on policy before investing.

VII. DATA ANALYSIS

A. Monthly Income of the respondents

| Monthly Income	No. of Respondent	Percentage
Less than 10k	8	20.5%
10-30k	19	48.7%
30-40k	16	15.4%
40-50k	3	7.7%
More than 50k	3	7.7%
Total	49	100%
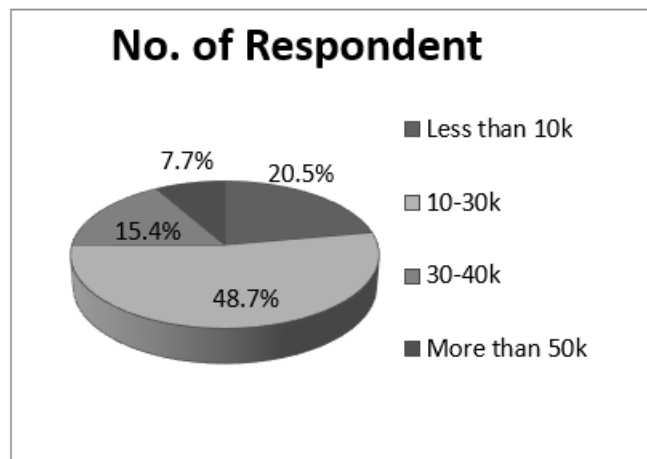
B. Factor influencing the choice of policyholder of the respondent.

Factor Influencing the choice of the Policyholder	No. of Respondent	Percentage
Security & Assurance	17	32.7%
Tax Benefit	15	28.8%
Risk Coverage & Savings	12	23.1%
Product Features	5	9.6%
Other Factors	3	5.8%
Total	52	100%
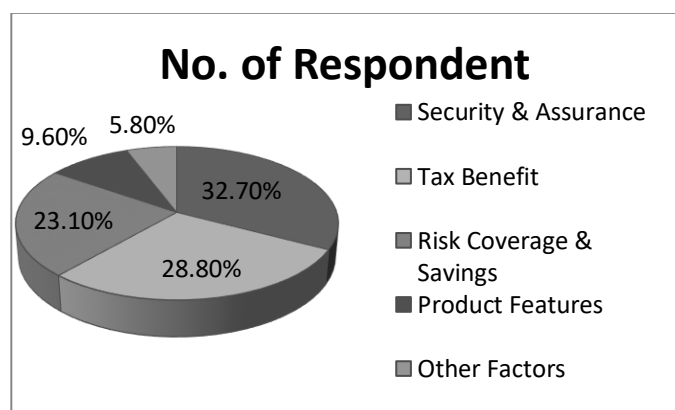
C. Monthly Investment in Insurance of the respondents

Monthly Investment in Insurance	No. of Respondent	Percentage
Below 10%	29	55.8%
10%-15%	16	30.8%
16%-20%	3	5.8%
21%-25%	2	3.8%
Above 26%	2	3.8%
Total	52	100%
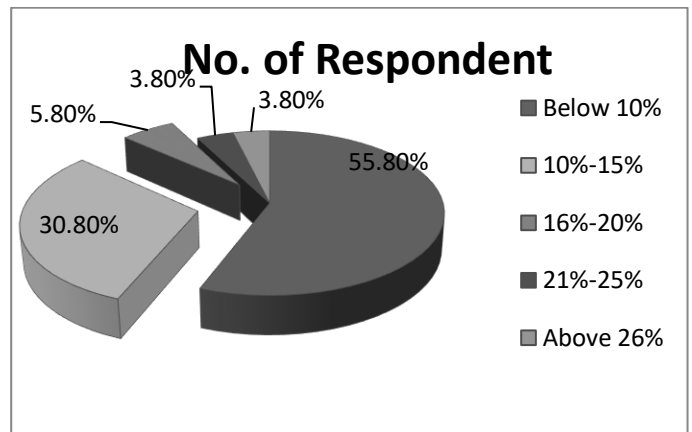
CHI SQUARE

Chi-Square Tests			
	Value	Df	Asymptotic Significance
Pearson Chi-Square	83.352ᵃ	12	.000
Likelihood Ratio	78.115	12	.000
Linear-by-Linear Association	37.808	1	.000
N of Valid Cases	49		
a. 17 cells (85.0%) have expected count less than 5. The minimum expected count is .31.			

INTERPRETATION:

Since p value is 0.000 is less than 0.005 is null hypothesis is rejected alternate is accepted. Hence there is significant association between monthly incomes of the respondent and Factor influencing the choice of policyholder of the respondents.

ANNOVA

Oneway

ANOVA					
Monthly_investment_in_insurance_of_the_respondent					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	42.391	4	10.598	46.615	.000
Within Groups	10.685	47	.227		
Total	53.077	51			

Post Hoc Tests

Homogeneous Subsets

Monthly_investment_in_insurance_of_the_respondent				
Duncan[a,b]				
Age_wise_classification_of_the_response	N	Subset for alpha = 0.05		
		1	2	3
Above 18	6	1.00		
20-25	31	1.26		
26-30	5		2.00	
31-40	4		2.25	
41 Above	6			4.00
Sig.		.348	.363	1.000
Means for groups in homogeneous subsets are displayed.				
a. Uses Harmonic Mean Sample Size = 6.131.				
b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.				

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IX. FINDING

- From the above table show that the 59.60% of the respondents have 20-25 age of the response is investing in life insurance.
- From the above table show that the 48.7% of respondent have 10-30k Monthly Income of the response is majority.
- From the above table show that the 55.80% of the respondents have below 10% Monthly Investment in Insurance.
- From the above table show that the 33% respondents have Security & Assurance Factor influencing the choice of the Policyholder.

X. SUGGESTIONS

- The insurance company ought to present new and inventive items and cordial Investor administrations will absolutely upgrade better Investor relationship the executives (IRM).
- Kids plans by these insurance agency ought to be acquainted and assist them with use for their higher investigations which has become costly now a days. Toward this path, Private insurers should accentuation more on promoting and constructing brand mindfulness through various methods of correspondence. This will help in spreading protection mindfulness among the average person.

XI. CONCLUSION

As per this review, the general impression of financial investors towards life insurance is found to be positive. In the event that the private insurance agency attempt to furnish and serve the financial investors with administration quality combined with compassion and affirmation, India could turn into a greatest market for any insurance agency. This study was engaged to distinguish the hidden reasons, realities that impact the investor to invest in life insurance. Larger part of the clients feels protection as an expense saving choice than the gamble insurance and ought to be a multi-layered investment choice. The review inferred that there is no relationship between yearly pay of investor and factors influencing choice of investment in life insurance and there is no relationship between age of the reaction and month to month investment in insurance. The major affecting elements in picking an insurance agency in what's to come should be financial backer connections, organization picture and at lower expense.

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