

A Study on Perception of Investors Investing in Life Insurance Policies in North Gujarat

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ABSTRACT

Life is unpredictable and uncertain. There can be chance to unsound event. Life insurance provides financial assistance against if, unsound event with earning member and earning member of family death happen. Life insurance provides both benefit one is life cover and investment in form of saving. Various insurance related factors discussed in the study Such as gender, age, occupation, income level. We collect data from primary data and secondary data collection method. For that we conduct questioner survey by using Google form. We collect responds of 100 life insurance policy holders. The study includes life insurance policy holder of North Gujarat Region. Research is based on demographic factors and tested them with the help of statistical tools of correlation. For the analyses the data, we have presented by charts and used percentage method. LIC is most valuable brand in life insurance industry in India but now a days private players increase their market share by providing batter services. This study aims to measure the satisfaction levels of the investors towards the services provided by the LIC and Study about Perception of Investors Investing in Life Insurance Corporation.

Keywords- Investment, Insurance, Life Insurance.

I. INTRODUCTION

Life insurance (or life assurance, especially in the Commonwealth of Nations) is a contract between an insurance policy holder and an insurer or assurer, where the insurer promises to pay a designated beneficiary a sum of money upon the death of an insured person (often the policyholder). Depending on the contract, other events such as terminal illness or critical illness can also trigger payment. The policyholder typically pays a premium, either regularly or as one lump sum. The benefits may include other expenses, such as funeral expenses.

Life policies are legal contracts and the terms of each contract describe the limitations of the insured events. Often, specific exclusions written into the contract limit the liability of the insurer; common examples include claims relating to suicide, fraud, war, riot, and civil commotion. Difficulties may arise where an event is not clearly defined, for example, the insured knowingly

incurred a risk by consenting to an experimental medical procedure or by taking medication resulting in injury or death.

Modern life insurance bears some similarity to the asset-management industry, [failed verification] and life insurers have diversified their product offerings into retirement products such as annuities.

II. LITERATURE REVIEW

1) (Ms. Babita Yadav & Dr. Anshuja Tiwari, 2012) The research paper identifies that customer purchase decision of insurance product can be affected by different factor such as age, gender, income level, analysis shows that respondent belonging to 30 n to 40 years interested more in buying life insurance policy as compare other age group. It is found that majority respondent is investing in money back plan policy. The study shows that 54%

respondent has chosen for LIC policies. Because of safety and rest invest in private player.

2) (B. Sumathisri, 2017) The research paper identifies that out of 128 respondent 72% are male and majority of respondent from the age group of 41 to 55. And the majority respondent from category of undergraduate with 63.68%. Occupation wise majority respondent are salaried employee with 61.72%. the analysis shows that majority respondent chooses one policy. There is no respondent who have taken more than three policies. They used correlation coefficient method for data analysis.

3) (Dr. R.Padmaja & Shifaly,2018)The research paper identifies that majority respondent have opted long term policies. Majority investor has selected the periodicity of policy from 15 to 25 years. 52% of the respondent has agreed that LIC plan are more attractive than another private player. Analysis shows that if investor want go for investment and they willing to invest in another policy they perception shows towards LIC. This data for the study collected from both primary and secondary sources.

III. HYPOTHESES

H0: Income and age has a significant impact on the customer life insurance purchase decision.

H1: Income and age has not a significant impact on the customer life insurance purchase decision.

IV. METHODOLOGY

A. Research Problems:

Income and age have a significant impact on the INVESTORS / CUSTOMERS life insurance purchase decision.

B. Research Objectives:

1. To Study Perception of Investors Investing in Life insurance Corporation.
2. To identify the factors of consumer perception towards investment in life insurance policies.
3. To measure the satisfaction levels of the investors towards to the services provides by the LIC.

C. Primary Data:

The data is collected by the survey method The survey has been finished via questionnaire with the aid of using Google form.

D. Secondary information:

The reassess of secondary information are articles, studies paper and on-line sites, web sites etc...

E. Sample length:

The pattern length for these studies is one hundred people.

F. Sampling approach:

The approach is straightforward random sampling with the aid of using thinking about the responses North Gujarat Statistical gear used for evaluation Graphical approach and percent approach had been used for evaluation information.

V. RESULTS

Calculation of factors underlying consumer perception towards investment in life insurance policies by coefficient correlation method.

H0: Income has a significant impact on the customer life insurance purchase decision.

H1: Income has not a significant impact on the customer life insurance purchase decision.

Income	x	Dx (x-3375)	Dx ²	y	Dy (y-25)	Dy ²	Dx*Dy
<100000	50000	-2875	8265	29	4	16	-11.5
100000-250000	175000	-1625	2640	42	17	286	-27.625
250000-500000	375000	375	140	23	-2	1	-0.75
500000<	750000	4125	17015	6	-19	361	-78.375
Total	337500		2806	25		670	118.25

Correlation (r) = 118.25/137.11 = 0.86

So, the calculated price r is superb so we will conclude that there may be dating among client profits and their coverage funding decision. So, we will say that profits are vital variable for purchasing decision.

H0: Age has a significant impact on the customer life insurance purchase decision.

H1: Age has not a significant impact on the customer life insurance purchase decision.

Age	x	Dx (x-39.6)	Dx ²	y	Dy (y-25)	Dy ²	Dx*Dy
20-25	22.5	-17.1	292.4	46	21	441	-359.1
26-40	33	-6.6	43.56	26	1	1	-6.6
41-55	48	8.4	70.56	26	1	1	8.4
55<	55	15.4	237.2	2	-23	529	-354.2
Total	39.6		643.7	25		972	711.5

Correlation (r) = 711.5/790.99 = 0.89

Here, calculated price of r is positive. It is taken into consideration that there may be a full-size dating among age and purchaser coverage funding decision. So, it's miles concluded that age have an effect on the purchaser shopping for decision.

VI. CONCLUSION AND SUGGESTIONS

The study show that calculated correlation is positive it indicates that age and income are effect on a decision of buying policies of LIC. LIC provide different kind of policies by it which fulfils the expectation of risk less investment. This study "Investor perception investing in LIC Policies enables the Life Insurance Companies to

understand how consumer perception differs from person to person. How customer select, organize, and interpret the service quality and product quality of Life Insurance Policies offered by LIC.

Three factors are found out among different variables namely as Factor 1: Safety related concern, Factor 2: High Returns, Factor and 3: Liquidity. It is observed that consumers are concerned towards the safety of their money which they invest in multiple investment alternatives. They also prefer to buy life insurance policies as long-term investment alternative because there is safety of their principal amount as well as they will get tax free returns on maturity. Consumers prefer to invest their money with the expectation of high returns. Liquidity factor plays a major role to select investment alternative.

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