A STUDY ON THE HIGHLY PREFERABLE PLAN WITH SPECIAL REFERENCE TO BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED, COIMBATORE

by

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A PROJECT REPORT
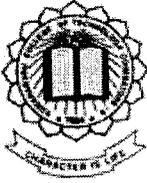Submitted to the

FACULTY OF MANAGEMENT SCIENCES

In partial fulfillment of the requirement
for the award of the degree
of

MASTER OF BUSINESS ADMINISTRATION

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CERTIFICATE

DEPARTMENT OF MANAGEMENT STUDIES

KUMARAGURU COLLEGE OF TECHNOLOGY

(An ISO 9001:2000 Certified Institution)

COIMBATORE - 641006

BONAFIDE CERTIFICATE

Certified that this project titled **"A STUDY ON THE HIGHLY PREFERABLE PLAN WITH SPECIAL REFERENCE TO BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED, COIMBATORE"** is the bonafide work of **CHANDRU.P (Reg. No. 71205631009)** who carried out this research under my supervision. Certified further that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.
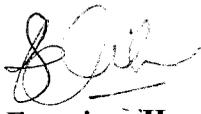
Faculty Guide

Director

Evaluated and viva-voce conducted on.....*03-07-2007*.........................

Examiner I

Examiner II

DECLARATION

DECLARATION

I, hereby declare that this project report entitled as **"A STUDY ON THE HIGHLY PREFERABLE PLAN WITH SPECIAL REFERENCE TO BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED, COIMBATORE"** has been undertaken for academic purpose submitted to Anna University in partial fulfillment of requirements for the award of the degree of Master of Business Administration. The project report is the record of the original work done by me under the guidance of **Dr. B. SUBRAMANI MBA., FDPM (IIM-A)., Ph.D.,** during the academic year 2006 – 2007.

I also declare hereby, that the information given in this report is correct to the best of my knowledge and belief.

Place: Coimbatore

Date : 01-06-07

CHANDRU.P

Bajaj Allianz Life Insurance Company Limited

07.05.2007

TO WHOMSOEVER IT MAY CONCERN

This is to certify that **MR. CHANDRU.P** pursuing his MBA (Marketing & HR) from Kumaraguru College of Technology, Coimbatore has worked as a project trainee at our organization from 22nd January 2007 to 21 April 2007.

Project Title:

"A study on the highly preferable plan with special reference to Bajaj Allianz Life Insurance Company Limited, Coimbatore"

During his tenure, his conduct was good and exhibited enthusiasm to perform on the task assigned.

We wish him all the very best in his future endeavors.
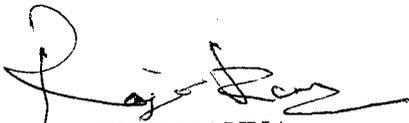
M.RAJESH KANNA
Corporate Insurance Manager

ACKNOWLEDGEMENT

ACKNOWLEDGEMENT

.I express my sincere gratitude to our beloved Correspondent **Prof. Dr. K. Arumugam**, the prime guiding sprit of Kumaraguru College of technology.

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EXECUTIVE SUMMARY

Risks arise because there are needs to be fulfilled. The risks attached to early death arise because of the need to maintain the family that is lift behind. If there were no needs, there would be no risks. Insurance is, therefore, related to the needs of individuals. Different plans are designed with different benefits, so that they may cater to the different needs of people. While selling life insurance, therefore, it is necessary to be aware of the needs of people.

Needs of people are not the same. They vary. They depend on personal values, demands of society, family and other relationships, age occupations, habits, place of residence, and so on. Someone could be seriously concerned about the welfare of a movement for trees or for animals, at some neglect of own personal comforts. It is necessary to be sensitive to the needs.

Broadly, the need of individuals may be classified as follows

- Protection of the standard of living of the family, which is at risk on early death. Insurance must provide the necessary in come to maintain the standards, after providing for repayment of loans and other debts. Modern lifestyles subject people to debts on account of car, house, appliances and equipments at home, obtained on hire purchase arrangements

- Future expenses on account of children's educations, marriage, start of some business and so on, which are ambitions and dreams. Wanting to send one's son to a medical college is a dream, it is not a need as essential as being able to provide for food and clothing.

- Continuance of business, when financiers ask for life insurance policies as collateral security, or partners need to rearrange finances on the death of a partner.

- Substitute income when earning capacity ceases due to old age or disabilities

The life insurance business deals with risks relating to life of human beings. The circumstances (perils) that create the loss or damage (risks) are mainly two, death and old age. Insurance does not prevent either. It can mitigate the consequences in those circumstances. Human beings also run risk of sickness, accidents and unemployment. These are insurable in non-life insurance. Sickness and accident risks, including disability, are insurable as supplementary benefits under life insurance policies.

This research has been done in Coimbatore with special reference to Bajaj Allianz Life Insurance Company Limited by selecting a sample of 100 people. It focuses on ascertaining the highly preferable plan by the policyholder.

"The objective of this project is to study on the highly preferable plan by the policyholder." The research design used in this project is "Descriptive ". Questionnaire method was used to collect the requisite data. The statistical tools used for analyzing the data are Simple Percentage analysis, Likert Type Scaling, Rank Correlation, Rank analysis and Chi-square test.

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CHAPTER - I

CHAPTER - 1
INTRODUCTION

1.1 BACKGROUND

Indian insurance sector has changed rapidly since the opening up of the economy. The entry of private life insurers in collaboration with foreigners with long experience of selling insurance products to customers around the world has brought about new, modern approach to this sector. This has resulted in a sharper growth in the life insurance market, which still has huge untapped potential. These new breed of private life insurance companies are taking away the market share from LIC, a monopoly of yesteryears. In early days life insurance policies are considered as an instrument which gives life cover only. But today, life insurance policies with the inception of market linked plans can be considered as an investment instrument with life cover.

Life Insurance Corporation is a contract for payment of a sum of money to the person assured (or Failing him/her, to the person entitled to receive the same) on the happening of the Event insured against. Usually the contract provides for the payment of an amount on the date of maturity or at specified dates at periodic intervals or at unfortunate death, if it occurs earlier. Among other things, the contract also provides for the payment of premium periodically to the corporation by the assured.

Life insurance is universally acknowledged to be an institution, which eliminates "risk", substituting certainty for uncertainty and comes to the timely aid of the family in the unfortunate event of death of the breadwinner .By and large, life insurance is civilizations partial solution to the problems caused by death. Life Insurance, in short, is concerned with two hazards that stand across the life-path of every person: that of dying prematurely leaving a dependent family to send for itself and that of living to old age without visible means of support.

1.2 REVIEW OF LITERATURE

From the study analysed in ICICI prudential life insurance company limited, Coimbatore towards "A Statistical Analysis on Highly Preferable Plans with Particular Reference to ICICI Prudential Life Insurance Company Limited, Coimbatore" it was concluded that the male respondents are holding the policy because the male respondents are the blood winner for the family. The married people holding policy for the need for their children. The policy holding respondents are graduates and they are doing own business.

The respondents prefer unit linked insurance plan for the benefit of investment and saving. The respondents are aware about the surrendering of the policy and rebate. The levels of opinion about ICICI prudential life insurance Company Limited, Coimbatore by the respondents are satisfied.

From the study analysed in Life Insurance Corporation of India in Coimbatore city branches "Customer's Perception of Policies and Services Rendered by LIC" it was found that one finds it difficult to understand whether the government is unaware or unable to prevent such various activities. If the government is unable to govern, it should not talk of privatization or denationalization of insurance industry. LIC and GIC are national institutions which working for the nation and people. The LIC has covered a so many people by insuring them under group insurance. But such a big business houses depends entirely on agents alone for marketing purpose. Marketing of service is a delicate area and more concentration is to be rendered. Agents who are mostly interested in their own well being recommend those policies which are beneficial to them. The corporation should try to overcome this hindrance.

In 2005, a study was done in Life Insurance Corporation of India Ltd. "A Study on Policy Holder Perception about Life Insurance with Special Reference to Life Insurance Corporation of India at Coimbatore City". It was found that In India privatization of Life Insurance sector has created high competition in Insurance Sector and company should have thorough knowledge about the public's approach towards Life Insurance in order to survive in present conditions. LIC and GIC are national institutions which are working for the nation and people. The LIC has covered a large number of

people by insuring them under group insurance.

The study which was conducted in Coimbatore District has created this new knowledge to built new capabilities to achieve sustainable competitive advantage. The factors identified in the study provide key information inputs regarding investor's preferences and priorities which will help the company while formulating its strategies and plans in future.

Public sector Life Insurance in India is well established and has a goodwill which will be a constraint to the company. The company should focus on customer friendly approach, convenient products, and better promotional activities and provide a safe environment for investment.

1.3 OBJECTIVES OF THE STUDY

Primary Objective

- To find out the plan which is mostly preferred by the policyholders

Secondary Objective

- To study the demography profile of Bajaj Allianz Insurance Company Ltd. Policy holders
- To study Certain significant features preferred by policy holders
- To find the difference on perception on the various factors for preferring Bajaj Allianz Policy among the policyholders
- To offer suggestions to the insurance company based on the findings of the study

1.4 STATEMENT OF THE PROBLEM

Insurance plays an important in the economic development of the society. It protects the society by sharing the risk, when an earning member meets with an untimely death. With the liberal economic policies of the Government of India new insurance players could establish their base in India.

With the entry of private players in the market, competition also enters in the market. In this scenario the different players are mainly with the variety of products, pricing, after sales service and timely claim settlement.

In this context distribution of insurance products is expected to play an increasingly important role from strategic decisions and cost-efficient is also involved. Consumers are increasingly more aware and are actively managing their financial affairs.

They are increasingly looking not just at products, but at integrated financial solutions that can offer stability of return along with total protection of future life. In view of this it is necessary that perception profile about investment should be analyzed and interpreted to develop plans, which are attractive in this competitive market.

Scientifically perception is a process by which individuals organize and interpret their sensory in order to give meaning to their environment. It is person's perception which guides him to invest in a particular plan. The study therefore covers the factors, which guide a person to invest or not to invest in a plan of BALIC. The study of the preference the plans of insurance have become imperative. So this has made the researcher to make "**A STUDY ON THE HIGHLY PREFERABLE PLAN WITH SPECIAL REFERENCE TO BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED, COIMBATORE**"

1.5 SCOPE OF THE STUDY

This study helps to know about the insurance policies on present scenario. Assets are insured, because they are likely to be destroyed, through accidental occurrences. Such possible occurrences are called perils. Fire, floods, breakdowns, lightning, earthquakes, etc, are perils. If such perils can cause damage to the asset, we say that the asset is exposed to risk. Perils are the events. Risks are the consequential losses or damages. The risk to an owner of a building, because of the peril of an earthquake, may be a few lakhs or a few crores of rupees, depending on the cost of the building and the contents in it. The risk only means that there is a possibility of loss or damage. The damage may or may not happen. Insurance is done against the contingency that it may happen. There has to be an uncertainly about the risk. Insurance is relevant only if there are uncertainties. If there are no uncertainties about the occurrence of an event, it cannot be insured against. In the case of human being, death is certain but the time of death is uncertain. In the case of a person who is terminally ill, the time of death is not uncertain, though not exactly now. He cannot be insured.

This study helps to know about the highly preferred plans for investing in insurance plans by the policyholders. The study aims at analyzing and comparing the products differentiation, brand preference, etc. The study also helps in determining the factors influencing the purchase of Bajaj Allianz Life Insurance Products and the satisfaction level of the various customers services. The study was confided to the policyholders of Coimbatore. The present study helps to analyze and compare the competition existing in life insurance industries. The scope of the study also covers the key factors, which influence the customers to prefer life insurance policy products.

1.6 RESEARCH METHODOLOGY

RESEARCH

Research in common parlance refers to a search for knowledge. It can be defined as "A scientific and systematic search for pertinent information on a specific topic". In fact research is an art of scientific investigation.

According to REDMAN and MORY, "research is a systematized effort to gain new knowledge".

RESEARCH METHODOLOGY

Research methodology is an organized enquiry designed and carried out to provide information for solving a problem.

RESEARCH DESIGN

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure.

Descriptive Research which includes surveys and fact finding enquiries of different kind. The major purpose of descriptive research is description of the state of affairs as it exists at present.

POPULATION

The population consist of customers of Bajaj Allianz Life Insurance Company limited.

SAMPLE SIZE

The sample size is 100 customers of Bajaj Allianz Life Insurance Company Ltd.

SAMPLING METHOD

The sampling method is simple random sampling which comes under probability so that every member of the population has an equal chance of being selected

INSTRUMENTATION

The samples selected were administered with a questionnaire, which consist of dichotomous type questions and 4-point scale as well.

METHODS OF DATA COLLECTION

In dealing with any real life problem, it is obvious that data at hand are inadequate and hence it becomes necessary to collect the data that are appropriate. Depending on the source of information available, data can be classified as

> Primary data
> Secondary data

PRIMARY DATA

The primary data are those, which are collected afresh and for the first time.

The primary data were collected through direct communications with respondents with the help of structured questionnaire and by personal interview.

SECONDARY DATA

Secondary data means data that are already available i.e they refer to the data, which have already been collected and analysed by someone else. Secondary data was collected form the company profile, books and website of the company.

PILOT STUDY

Before starting the main survey, a pilot study was conducted with advisors to know the response to each question. Based on this rough analysis, the questionnaire was modified and extra questions were also included in a comprehensive manner.

TOOLS FOR ANALYSIS

Simple percentage analysis was used to analysis the data collected through questionnaire in this study. Bar diagrams, pie chart, cone chart, cylinder and pyramid chart were also used. The formula used to calculate the simple percentage analysis is

$$Percentage = \frac{No.of\ Respondents}{Sample\ size} x\ 100.$$ In addition, Chi-Square analysis, Rank analysis, Rank Correlation and Likert Scaling Techniques tools were used.

1.7 LIMITATIONS OF THE STUDY

☞ The study was conducted at Coimbatore, so the findings are applicable to Coimbatore city only.

☞ Only 100 respondents were considered as sample for the study and hence the findings cannot be generalised.

☞ The respondents do not get enough time to fill the questionnaire due to their busy schedule in work.

☞ The data collected from the Bajaj Allianz Life Insurance Customers only and hence it may be biased.

☞ The study is based upon primary data and secondary data so any wrong information given by the respondents may mislead the findings

☞ The study was conducted within short span of time, as such, the researcher was not able to conduct the study in a detailed manner.

1.8 CHAPTER SCHEME

The report of the study is divided into five chapters.

CHAPTER – I

The First chapter deals with the introduction, Review of literature, Statement of the problem, Scope, Objectives, Limitations of the study, Research Methodology and Chapter Schemes.

CHAPTER – II

The Second Chapter deals with Insurance Industry and Bajaj Allianz Life Insurance Company profile.

CHAPTER – III

The Third chapter deals with Macro – Micro Analysis.

CHAPTER – IV

The Fourth chapter presents the data analysis and interpretation.

CHAPTER – V

The Fifth chapter is summaries with findings, suggestions and conclusions.

CHAPTER - II

CHAPTER-2

2.1 INTRODUCTION

2.1.1 INTRODUCTION TO THE STUDY INSURANCE

'Insurance' is a contract between the insurer and insured under which the insurer undertakes to compensate the insured for the loss arising from the risk insured against. In consideration the insured agrees to pay a premium regularly. The person whose risk is called 'Insured' or 'Assured'. The person who agrees to compensate the loss arising from the risk is called the 'insurer' or Assurer or 'Underwriter'

Thus, the concept 'Premium' implies that it is the consideration paid by the increased to the insurer for the risk undertaken by the latter.

Insurance is generally classified into two main categories

- Life insurance
- General Insurance.

2.1.2 WHAT IS INSURANCE?

The business of insurance is related to protection of economic values of assets. Every asset has a value. The asset would have been created through the efforts of the owner. The asset is valuable to the owner, because he expects to get some benefits from it. The benefit may be an income or something else. It is a benefit because it meets some of his needs. In the case of a factory or a cow, the product generated by is sold and income generated. In the case of a motorcar, it provides comfort and convenience in transportation. There is no direct income.

Every asset is expected to last for a certain period of time during which it will perform. After that, the benefit may not be available. There is a life-time for machine in a factory or a cow or a motor car. None of them will lose forever. The owner is aware of this and he can so manage his affair that by the end of that period or life-time, a substitute is made available. Thus, he makes sure that the value or income is not lost. However, the asset may get lost earlier. An accident some other unfortunate event may destroy it or make non-functional. In that case, the owner and those deriving benefits there from, would be deprived of the benefit and the planned substitute could not have been ready.

There is an adverse or unpleasant situation. Insurance is a mechanism that helps to reduce the effect of such adverse situation.

2.1.3 NATURE OF INSURANCE

The natures of Insurance are

- ☞ Sharing of risk
- ☞ Co-operative Device
- ☞ Value of risk
- ☞ Payment of contingency.
- ☞ Amount of payment
- ☞ Large number of insured persons
- ☞ Insurance is not a gambling
- ☞ Insurance is not charity

2.1.4 BENEFITS OF INSURANCE

Insurance is an investment of security saving and peace of mind. It provides several benefits by paying a small amount of premium to an insurance company as

- ☞ Safeguard oneself and ones family for future requirements
- ☞ Encourages savings
- ☞ Peace of mind incase of financial loss
- ☞ Tax rebate
- ☞ Protection from the claims made by creditors.
- ☞ Security against a personal loan, housing loan or other type of loan.
- ☞ Provides protection cover to industries agriculture, women and children.

2.1.5 LEGISLATION

Insurance is a federal subject in India. The primary legislation tht deals with insurance business in India are

- ☞ Insurance Act, 1938
- ☞ Insurance Regulatory & Development Authority Act, 1999

2.2 HISTORY OF INSURANCE

The business of insurance started with marine business. Traders, who used to gather in the Lloyd's coffee house in London agreed to share the loses to their goods while being carried by ships. The loses used to occur because pirates who robbed on the

high seas or because of weather spoiling the goods or sinking the ships. The first insurance policy was issued in 1583 in England. In India, insurance began in 1870 with life insurance being transacted by an English company, the European and the Albert. The first Indian insurance company was the Bombay mutual assurance society limited, formed in 1870. This was followed by the oriental life assurance Co. in 1874, the Bharat in 1896 and the Empire of India in 1897.

Later, the Hindustan co-operative was formed in Calcutta United India in Madras, the Bombay life in Bombay, the National in Calcutta, the New India in Bombay, the Jupiter in Bombay and the Lakshmi in New Delhi. These were all Indian companies, started as a result of the Swadeshi moment in the early 1900's. By the year 1956, when the life insurance business was nationalize and the Life Insurance Corporation of India (LIC) was formed on 1st Sep 1956, there were 170 companies and 75 provident fund societies transacting life insurance business in India. After the amendments to the relevant the laws in 1999, the L.I.C. did not have the exclusive privilege of doing life insurance business in India By 31.10.2002, Eleven new insurers had been registered and had begun to transact Life Insurance Business in India.

The government of India, in 1956, brought together over 240 private life insurers and provident societies under one nationalized monopoly corporation and LIC was born.

General insurance business was nationalized with effect from 01.01.73 by the general insurance business act.

2.2.1 MALHOTRA COMMITTEE

The Malhotra Committee appointed by the government of India for conducting a study on insurance, in its report in 1994 stated that only 22 of the India population were insured. The poor reach of insurance in the country and the sheet numbers make India a market with tremendous potential.

2.2.2 INSURANCE REGULATORY & DEVELOPMENT AUTHORITY

On the recommendation of the Malhotra committee, an Insurance Regulatory Development Act was passed by Indian parliament in 1994. It's main aim is to activate an insurance monitoring and control of the insurance industry.

2.2.3 PRESENT SCENARIO

The government of India liberalized the insurance sector in 2001 with the passage of the IRDA Bill, lifting all entry restrictions for private payers and allowing foreign players to enter the market with some limits on direct foreign ownership. The opening up of the sector is likely to lead to greater spread and deepening of insurance of India and this may also include restricting and revitalizing of the public sector companies. A host of private insurance companies operating in both life and non life segments have started selling insurance policies since 2001

2.2.4 INSURERS

Insurance industry, as on 1.4.2000, had only one life insurer.

- Life Insurance Corporation of India (LIC)

Insurance Industry in the subsequent years had many entrants, namely:

LIST OF LIFE INSURANCE COMPANIES

S.NO	DATE OF REG.	NAME OF THE COMPANY
1	23.10.2000	HDFC Life Insurance Company Ltd.
2	15.11.2000	Max. New York Life Insurance Co. Ltd.
3	24.11.2000	ICICI Prudential Life Insurance Company Ltd.
4	10.01.2001	Kotak Mahindra Old Mutual Life Insurance Ltd.
5	31.01.2001	Birla Sun Life Insurance Company Ltd.
6	12.02.2001	Tata AIG Life Insurance Company Limited
7	30.03.2001	SBI Life Insurance Company Limited
8	02.08.2001	ING Vysya Life Insurance Company Private Ltd.
9	**03.08.2001**	**Bajaj Aillianz Life Insurance Company Limited**
10	06.08.2001	Metlife India Insurance Company Pvt.Ltd
11	03.01.2002	Reliance Life Insurance. Formerly known as AMP Sanmar Life Insurance Company Ltd.
12	14.05.2002	Aviva Life Insurance Co. India Pvt.Ltd.
13	06.02.2004	Sahara India Insurance Company Ltd.
14	17.11.2005	Shriram Life Insurance Company Ltd.

2.3 INTRODUCTION TO THE INDUSTRY

2.3.1 LIFE INSURANCE

Life insurance is a contract providing for payment of a sum of money to the person assured of failing him to the person entitled to relieve the same on the happening of certain event. A family is generally dependent for its food, clothing and shelter on the income brought in at regular intervals by the blood winner of the family. So long as he live and the income is received steadily, that family is secure, but should death suddenly intervene the family may be left in less difficult situation and sometimes, in stark poverty, uncertainty of death is inherent in human life. It is this uncertainty, that is risk, which gives risk to the necessity for some form of protection against the financial loss arising from death. Insurance substitutes this uncertainty by certainty.

2.3.2 CHARACTERISTICS OF LIFE INSURANCE

The Characteristics of Life Insurance are

☞ Life Insurance is a contract between the insurer and insured.

☞ It is a promise to pay the money insured in consideration to a premium.

☞ The insurance premium is sometimes paid at a lumpsum together or periodically.

☞ The proposal for affecting an insurance policy is executed in the prescribed form.

2.3.3 FORMS OF LIFE INSURANCE

Life Insurance is an attempt to meet the varying wants of community, has taken different forms. The different forms may be based on.

1. **Duration of Insurance**

    Duration of insurance such as whole life, endowment polices and term policy.

2. **Profit sharing**

    Profit sharing such as without profit policies or non participating policies and with profit policies or participating policies.

3. **Payment of sum assured**

    Payment of sum assured such as guaranteed policies and annuity policies.

4. **Payment of premium**

    Payment of premium such as single premium, limited premium and whole life premium

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5. **Number of assureds**

Number of assureds such as single life policies and joint life policies etc.

2.3.4 ADVANTAGE OF LIFE INSURANCE

The Advantages of Life Insurance is

- ☞ It is superior to an ordinary savings plan.
- ☞ Insurance encourages and forces thrift.
- ☞ Easy settlement and protection against
- ☞ Administering the legacy for beneficiaries.
- ☞ Ready marketability and suitability for quick borrowing.
- ☞ Income Tax rebate

2.3.5 OBJECT OF LIFE INSURANCE

- ☞ Family protection
- ☞ Provision for old age
- ☞ Tax concession
- ☞ Housing loans
- ☞ To serve as security to educational funds in respect of loans advanced for education purposes.
- ☞ To provide donations to charitable institutions like hospitals and schools.

2.3.6 ESSENTIAL FEATURES OF LIFE INSURANCE

- ☞ Elements of a valid contract
- ☞ Insurable interest
- ☞ Utmost food faith
- ☞ Warranties
- ☞ Assignments and nomination
- ☞ Cause is certain
- ☞ Premium
- ☞ Terms of policy
- ☞ Return of premium

2.4 COMPANY PROFILE (Bajaj Life Insurance Company Ltd, (BALIC))

2.4.1 ABOUT US

Bajaj Allianz Life Insurance Co. Ltd. is a joint venture between two leading conglomerates- Allianz AG, one of the world's largest insurance companies, and Bajaj Auto, one of the biggest 2 and 3 wheeler manufacturers in the world.

• No.1 Private Life Insurance Company in India for 2005-06

• Growth rate of 216%for financial year 2005-2006

• Over 20,00,000 satisfied customers

• A countrywide network of 900+ offices

• Assets under management Rs. 5,500 cr.

• Shareholder capital base of Rs. 700 cr.

2.4.2 SHARED VISION

A household name in India teams up with a global conglomerate...
Bajaj Auto Ltd, the flagship company of the Rs. 8000 crore Bajaj group is the largest manufacturer of two-wheelers and three-wheelers in India and one of the largest in the world. A household name in India, Bajaj Auto has a strong brand image & brand loyalty synonymous with quality & customer focus. With over 15,000 employees, the company is a Rs. 4000 crore auto giant, is the largest 2/3-wheeler manufacturer in India and the 4th largest in the world. AAA rated by CRISIL, Bajaj Auto has been in operation for over 55 years. It has joined hands with Allianz to provide the Indian consumers with a distinct option in terms of life insurance products. As a promoter of Bajaj Allianz Life Insurance Co. Ltd., Bajaj Auto has the following to offer –

- Financial strength and stability to support the Insurance Business.
- A strong brand-equity.
- A good market reputation as a world class organization.
- An extensive distribution network.
- Adequate experience of running a large organization.
- A 10 million strong base of retail customers using Bajaj products.
- Advanced Information Technology in extensive use.

- Experience in the financial services industry through Bajaj Auto Finance Ltd

2.4.3 INDIAN OPERATIONS

Growing at a breakneck pace with a strong pan Indian presence Bajaj Allianz has emerged as a strong player in India... Bajaj Allianz Life Insurance Company Limited is a joint venture between two leading conglomerates Allianz AG and Bajaj Auto Limited. Characterized by global presence with a local focus and driven by customer orientation to establish high earnings potential and financial strength, Bajaj Allianz Life Insurance Co. Ltd. was incorporated on 12th March 2001. The company received the Insurance Regulatory and Development Authority (IRDA) certificate of Registration (R3) No 116 on 3rd August 2001 to conduct Life Insurance business in India.

2.4.4 BAJAJ ALLIANZ- THE PRESENT

Product tailored to suit your needs Decentralised organisation structure for faster response. a) Wide reach to serve you better – a nationwide network of 700 + branches b) Specialised departments for Bancassurance, Corporate Agency and Group Business c) Well networked Customer Care Centers (CCCs) with state of art IT systems Highest standard of customer service & simplified claims process in the industry d) Website to provide all assistance and information on products and services, online buying and online renewals. e) Toll-free number to answer all your queries, accessible from anywhere in the country – Call Now **1800 22 5858** and a strong tele-marketing and Direct marketing team Swift and easy claim settlement process

2.4.5 FOCUSED SALES NETWORK
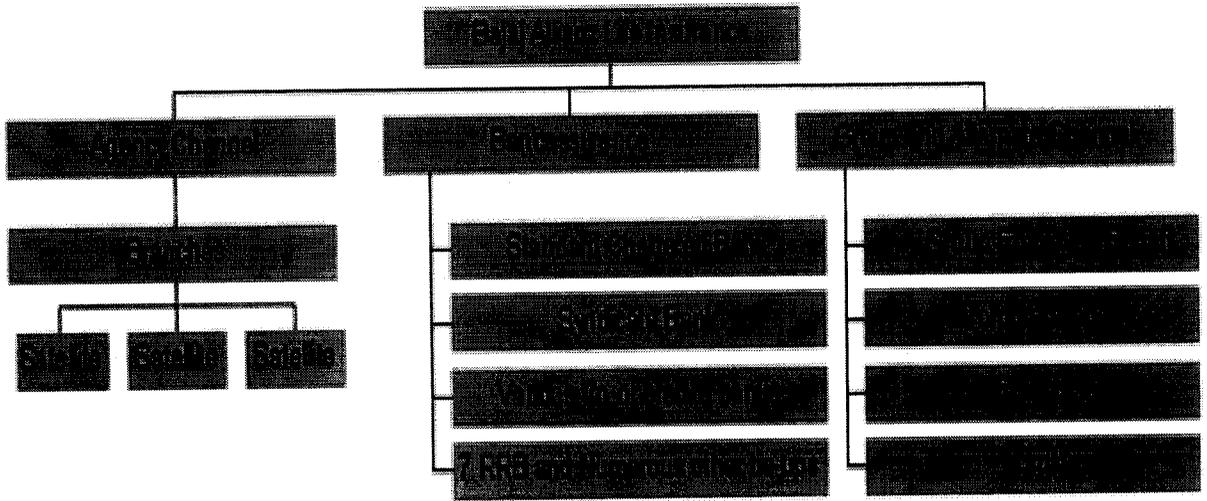
2.4.6 TIE UPS WITH BANKS

Pioneers of Bancassurance in India... Having pioneered the phenomenon, Bancassurance is one our core business strategies. Two of our strong Bancassurance tie-ups are Standard Chartered Bank, Syndicate Bank. We have developed a range of life insurance products exclusively for our Bancassurance partners. Also, Our products are customized to suit specific needs of banks.

IRDA Certificate, Bajaj Allianz Life Insurance Co. Ltd was granted renewal of IRDA Certification on 6th March 2007.

2.5 MANAGEMENT

2.5.1 ALLIANZ GROUP

Allianz Group is one of the world's leading insurers and financial services providers. Founded in 1890 in Berlin, Allianz is now present in over 70 countries with almost 174,000 employees. At the top of the international group is the holding company, Allianz AG, with its head office in Munich. Allianz Group provides its more than 60 million customers worldwide with a comprehensive range of services in the areas of

- Property and Casualty Insurance,
- Life and Health Insurance,
- Asset Management and Banking.

2.5.2 ALLIANZ AG- A GLOBAL FINANCIAL POWERHOUSE

- Worldwide 2nd by Gross Written Premiums - Rs.4,46,654 cr.

- 3rd largest Assets Under Management (AUM) & largest amongst

- Insurance cos. - AUM of Rs.51,96,959 cr.

- 12th largest corporation in the world

- 49.8 % of global business from Life Insurance

- Established in 1890, 110 yrs of Insurance expertise

- 70 countries, 173,750 employees worldwide

2.5.3 BAJAJ GROUP

Bajaj Auto Ltd, the flagship company of the Rs. 8000 crore Bajaj group is the largest manufacturer of two-wheelers and three-wheelers in India and one of the largest in the world. A household name in India, Bajaj Auto has a strong brand image & brand loyalty synonymous with quality & customer focus.

2.5.4 A STRONG INDIAN BRAND- HAMARA BAJAJ

- One of the largest 2 & 3 wheeler manufacturer in the world
- 21 million+ vehicles on the roads across the globe
- Managing funds of over Rs 4000 cr.
- Bajaj Auto finance one of the largest auto finance cos. in India
- Rs. 4,744 Cr. Turnover & Profits of 538 Cr. in 2002-03
- It has joined hands with Allianz to provide the Indian consumers with a distinct option in terms of life insurance products.

2.5.5 KEY ACHIEVEMENTS IN FY 2005-06

- No.1 Pvt Life Insurer FY 2005-06. Leading by Rs. 78 Cr.
- No.1 Pvt Life Insurer in Retail Business. Leading by Rs. 339 Cr.
- Whopping growth of 216% for the FY 2005-06
- Have sold over 13,00,000 policies to satisfied customers

- Is backed by a network of 550 offices spanning the country
- Accelerated Growth

Fiscal Year	No of policies sold in FY	GWP in FY
2001-2002 (6mths)	21,376	Rs 7 cr.
2002-2003	1,15,965	Rs 69 cr.
2003-2004	1,86,443	Rs 221 cr.
2004-2005	2,88,189	Rs 1002 cr.
2005-2006	7,81,685	Rs 3134 cr.
2006-2007	2,079,217	Rs 5313 cr.

- Assets under management Rs 3,324 cr& Shareholder capital of Rs 500 cr.

2.6 PRODUCT PROFILE

2.6.1 INDIVIDUAL PLANS

Lifetime Care Whole Life Plan

This whole life plan provides survival benefits at the age of 80 thereby making sure you are financially secure at the time when you need it the most...

A Promising Business Opportunity

Keyman Insurance provides you with the unique opportunity to protect your business against the unfortunate loss of key people, while giving you valuable tax advantage and a lovely tool to help employee loyalty too...

New Unit Gain Plus

The thumb rule for buying insurance is that your insurance needs are minimal in your early earning years, increase with added responsibilities (Marriage, children, loans etc.) and taper off by the time you retire. It is difficult to find a single insurance plan that can take care of all your changing requirements in life – additional protection, more money to invest, sudden requirement of cash or a steady post-retirement income...

Additional Riders Benefit for Unit Linked Product

Bajaj Allianz Additional Benefits – Additional protection for you and your family available with Unit Gain Plus...

Savecare Economy - SP

- An ideal plan for a one-time lump sum investment that provides for savings with high risk-cover
- An investment that provides financial security and liquidity.
- An ideal plan for a one-time lump sum investment that provides for savings with high risk-cover. This Single Premium investment plan for 10 years is also participates in the profits of the company.

New Unit Gain Plus SP

• A single premium plan with max allocations

• Choice of 4 investment funds and 3 free switches allowed each year

• Partial and Full with-drawls after 3 years

Samraksha

• Single premium Term Assurance

• Convenient terms of 5 & 10 years

• Sum Assured options of Rs. 5000 and Rs. 10,000

• Minimum & maximum entry age is 18 & 45 respectively

• Surrender Value – None & Maturity Value – None

Capital UnitGain

• Big Boss of all ULIPS

• Capital Unitgain is a unit linked endowment regular premium plan that is deisgned to suit all your insurance & investment needs.

UnitGain Guarantee SP

• High Allocation

• Full or partial withdrawals are allowed anytime after 3 years.

New Risk Care

"Insure your Today with us to Ensure your family Smiles Tomorrow."

• A non-participating traditional Term Assurance plan.

• Higher insurance coverage at Low premium.

• Regular/Single Premium payment options.

2.6.2 GROUP INSURANCE

GROUP CREDIT SHIELD

Available for Employer- This scheme insures the loan amount outstanding in the account in case of premature death or disability ...Employee Groups and Non Employer-Employee Groups

GROUP TERM LIFE

Available for Employer- Employee Groups and Non Employer- Employee Groups This scheme covers the members of an organization against the risk of premature death or disability...

GROUP TERM LIFE

in lieu of EDLI (Employees Deposit Linked Insurance Scheme) This scheme is a better alternative to the Employees Deposit Linked Insurance Scheme, 1976, under Sec 17 (2) of the Employees Provident Fund and Miscellaneous Provisions Act...

NEW GROUP GRATUITY CARE

Giving your Employees and their families the   heartening reassurance of your care and   financial security Group Gratuity Care is a Multi Featured Employee Welfare Scheme, which addresses your Gratuity liability with flexibility like never before.

2.6.3 INSURANCE FOR NRI'S

You can now easily steer your savings from overseas to conveniently meet your family's needs - now and in the future. All Indians have an underlying need to feel secure, to care for the loved ones and to provide for old age. The need is felt more when you are away from your Homeland. But being away from India doesn't mean you have to compromise on the safety and security of your loved ones. In fact, you can now easily steer your savings from overseas to conveniently meet your family's needs - now and in the future.

2.7 FUTURE PLANS

Bajaj Allianz Life accelerates rapid growth with additional capital infusion of Rs. 130 crores New capital base now at Rs 700 cr Receives additional capital infusion of Rs.130 crores Strong brand acceptance with 30 lac policies & over Rs 7,000 crs in new business since inception in 5 + years Registers impressive growth in this FY with over 15 lac policies & Rs 3500 cr new business YTD. Bajaj Allianz Life Insurance Company, one of the leading private sector life insurance co. in India plans to accelerate its rapid expansion and growth even more aggressively. With its own offices in close to 900 towns and over 2 lac agents it has managed to sustain its impressive growth pattern by making available its world-class insurance services in every nook and corner of India for all class of customers. Bajaj Allianz Life has already crossed over Rs 7000 cr. of new business in the 5 years of it's operations and over 30 lac policies already sold. To maintain and continue this high impact growth and quality service across the country, Bajaj Allianz Life Insurance Company has received a fresh capital infusion of Rs. 130 crores which has taken the total capital to Rs. 700 cr. Even with this recent capital infusion Bajaj Allianz Life would still be the most efficient user of the capital in the private life insurance industry in India. Mr. Sam Ghosh, Country Manager, Allianz and Chief Executive Officer, Bajaj Allianz Life Insurance Company says, "Our current performance clearly indicates that our products and services are well appreciated across the country from all segments of customers and this trust and acceptability has made us one of the leading pvt. sector life insurance co. in India. We are very confident that our pace of growth will accelerate tremendously and this infusion of capital will enable us to continue with our expansion plans and achieve sustained growth and quality service year after year across the country."

CHAPTER - III

CHAPTER - 3

MACRO-MICRO ANALYSIS

3.1 STRENGTH - HIGHLY RECOGNIZED BRAND NAME

Bajaj Allianz Life Insurance Company Ltd. as an organization has very good brand awareness in the Coimbatore market. The company is into all business that would solve the financial need of an individual/Organization. So each individual would have a direct or atleast an indirect relationship with the organization. The probability of one saying that he/she does not know about Bajaj Allianz Life Insurance Company Ltd. is very low

3.2 CUSTOMER ORIENTED SERVICE

Bajaj Allianz Life Insurance Company Ltd. gives more importance to the benefit of its clients than to its sales. When an application is sourced, the company ensures the validity of the information given; this is done right in the beginning to make sure the client is not affected during the time of claim. If there is any deviation, the policy is rejected.

3.3 CLIENT SERVICING

The company has a very good client servicing set up. The company has ECS options ensuring the client to pay the premium without any hassles. There are frequent reminders from the client's respective advisor about premium due. And much other important information pertaining to ULIPS like NAV's and fund selection. The claim settlement process is also simple and fast.

3.4 WEAKNESS - FEWER SALES FROM BANCASSURANCE TIE-UPS WITH OTHER BANKS

Bajaj Allianz Life Insurance Company Ltd. could source the sales from third party bank tie-ups, to the extent of actual potential. This is because of the misconception of third party banks that Syndicate, Standard Charted Bank, Various co-operative banks 7RRB and Numerous other tie-ups would acquire their clients breaking the existing relationship with the referring bank.

3.5 CUSTOMER PROFILING METHOD NOT FOLLOWED FARM

Bajaj Allianz Life Insurance Company Ltd. has a very good system of customer profiling, but the advisors are not using it to the extent of its purpose. Customer profiling enables the advisors to get the information about the client's requirement & pitch a suitable product for a suitable value. But advisors without following this, end-up pitching products & value without any reference to the clients need. This many times leads the client to drop the idea of taking up a policy that moment.

3.6 LESS BRANCHES & RESTRICTED MARKET COVERAGE

Bajaj Allianz Life Insurance Company Ltd. has 700 and above branches across the country; it is a hindrance for the rapid penetration process of the organization. Even there is a geographical limit each branch could source application from. It is ensured by referring to the pincode of the place where the application is sourced from.

3.7 OPPORTUNITIES - MARKET LEADER POSITIONING

The company has an advantage to being positioned as market leader within private players. This could create a good reputation within the people. Since Coimbatore

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is a referential market, the market leader positioning should work out, inducing the people to think Bajaj Allianz Life Insurance Company Ltd. when they think about Insurance

3.8 HUGE MARKET POTENTIAL

Coimbatore has a very huge market potential for insurance products, moreover insurance products can be resold to the existing clients as their recommended extent of life cover increases along with their earnings. This makes the Coimbatore insurance market even more attractive. There are also a large number of residents in Coimbatore who are not yet insured.

3.9 INCREASING AWARENESS ABOUT NEED FOR INSURANCE

Nowadays people are very much educated and could understand the importance of certain aspects in life. People had attained the mentality of taking up the pain now to have pleasure later. And as India being a country which has sentimentally attached family system, has a potential for family security options by default.

3.10 THREATS - HIGHLY PREFERABLE PRODUCT BETWEEN BRANDS

The differences between the products offered by various insurance companies are close to meager. The opportunity of a company taking up an absolute advantage through is products are made less due to the large no of policies launched. Where only a small differentiation is possible & making, the product a unique one from the competitors is highly impossible.

3.11 INCREASING NUMBER OF COMPETITORS

Coimbatore being one among the very insurance potential markets in India had attracted many players. The number of players is 14 and still growing. More the market

being congested less is the opportunity to succeed. So the company should use its market leader positioning strategy & exploit the opportunity available.

3. 12 THREAT OF SUBSTITUTES

There is more number of substitutes for savings. A typical consumer also feels tired to save, for being benefited after a very long term; he/she is automatically induced to take up a comparatively short-term investment and to reap benefits soon. The returns from Direct Equity Investments, Mutual Funds and other hybrid investment products are also more rewarding.

CHAPTER - IV

CHAPTER – 4

DATA ANALYSIS AND INTERPRETATION

4.1 INTRODUCTION

Research is a search endeavor, research is the use of scientific method in the search of knowledge including knowledge of alternate practice and intervention techniques, which would be of direct use to the progression and thus enhance the practice of their methods. Here the research methodology consists steps, observation, comparison and experiment.

Research refers to systematic method consisting of enunciating the problem, formulating a hypothesis, collecting the factors or data, analyzing the factors and reaching certain conclusion.

The investigator has made it clear about the methodology in the chapter first. In this chapter the investigator has presented the collected data and its interpretation by using statistical calculations with the help of Statistical Package for Social Science (SPSS) computer software is used to compute. Each hypothesis was tested as we mentioned earlier in the research methodology on chapter first.

4.2 DATA ANALYSIS AND INTERPRETATION

Table – 4.2.1

Table Showing Educational Qualification of Policyholders

Qualification	Traditional	ULIP	% of Traditional	% of ULIP
S.S.L.C	6	9	25	12
H.Sc	5	12	21	16
Graduate	6	31	25	41
Others	7	24	29	31
Total	24	76	100	100

Inference:

The above table shows that the qualification of the policyholders. In Traditional, 25 percentage of the policyholders had completed S.S.L.C, 21 percentage of the policyholders had completed Higher Secondary, 25 percentage of the policyholders are Graduates and remaining 29 percentage of the policyholders are others.

From the ULIP policyholders, 12 percentage of the policyholders had completed S.S.L.C, 16 percentage of the policyholders had completed Higher Secondary, 41 percentage of the policyholders are graduates and remaining 31 percentage of the policyholders are others.

From the analysis made on educational qualification of the policyholders was found most of the Policyholders are graduates.

EXHIBIT-1

EXHIBIT SHOWING EDUCATIONAL QUALIFICATION OF THE POLICY HOLDERS
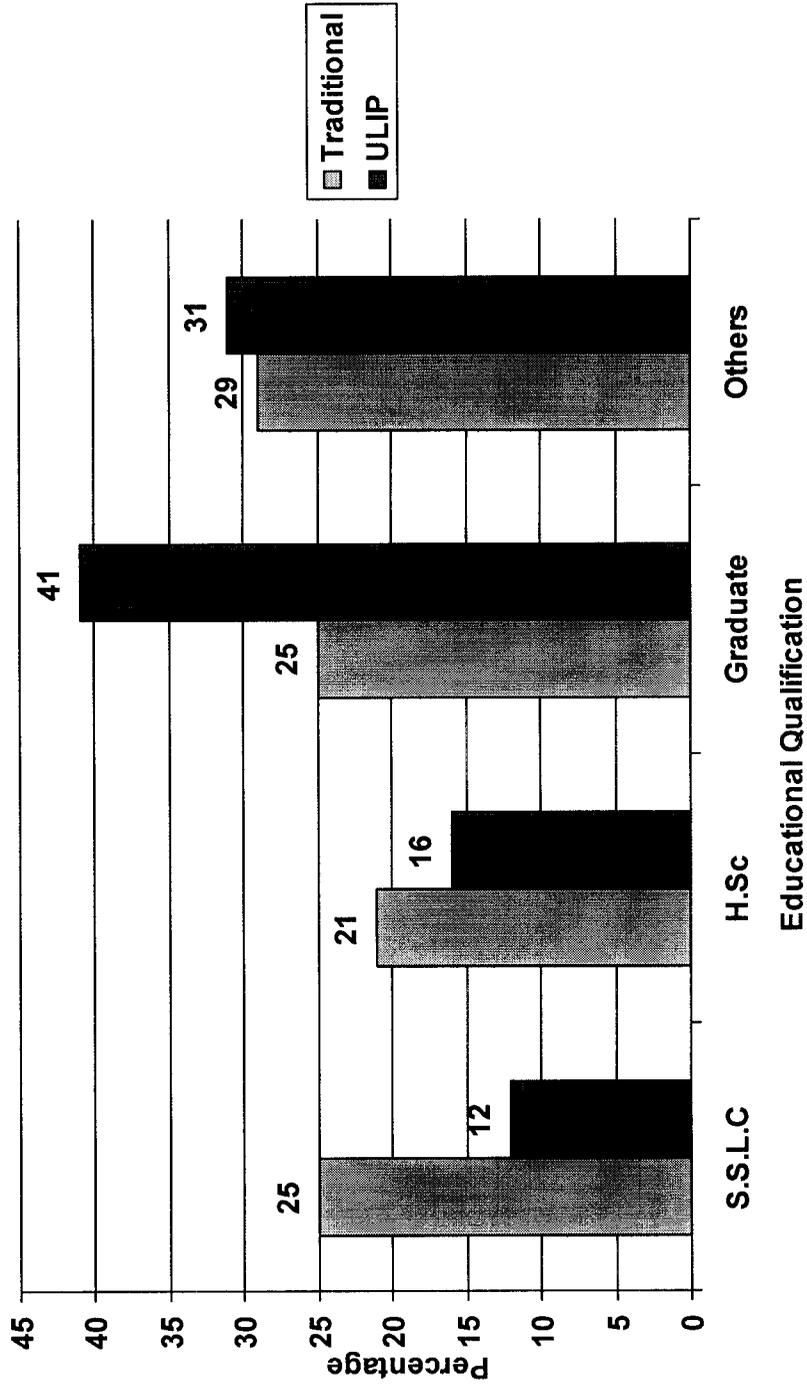
Table – 4.2.2

Table Showing Age of Policyholders

Age (In years)	Traditional	ULIP	% of Traditional	% of ULIP
18-25	3	41	13	54
26-35	7	19	29	25
36-45	6	11	25	14
46 and above	8	5	33	7
Total	24	76	100	100

Inference:

The above table shows that the age of the policyholders. In traditional plan, 13 percentage of the policyholders are aged 18 to 25 years, 29 percentage of the policyholders are aged 26 to 35 years, 25 percentage of the policyholders are aged between 36 to 45 years and remaining 33 percentage of the policyholders are aged about a6 and above.

In ULIP plans, 54 percentage of the policyholders are aged between 18 to 25 years, 25 percentage of the policyholders are aged between 26 to 35 years, 14 percentage of the policyholders are aged between 36 to 45 years and remaining 7 percentage of the policyholders are aged about 46 and above.

From the analysis made on age of the policyholders was found most of the Policyholders are under 18 to 25 years aged.

EXIBIT – 2

EXHIBIT SHOWING THE AGE OF THE POLICY HOLDERS

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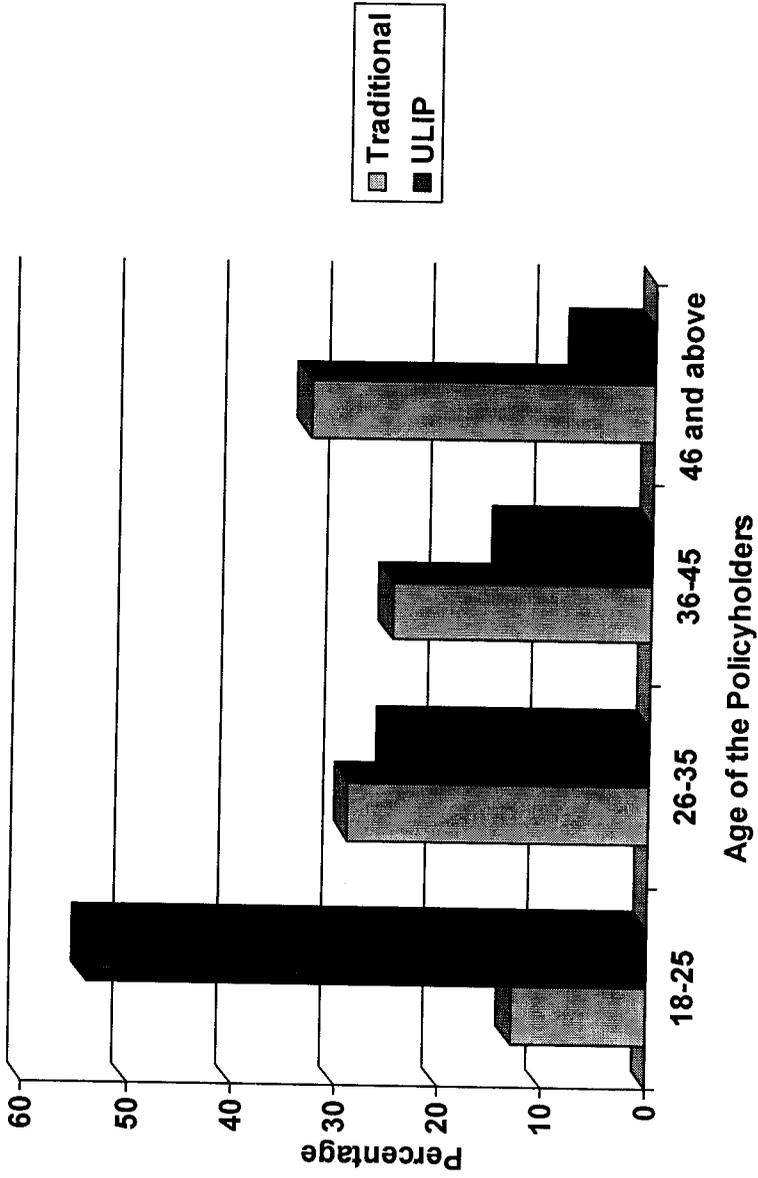
Table – 4.2.3

Table Showing Annual Income of Policyholders

Annual Income (in Rupees)	Tradit-ional	ULIP	% of Traditional	% of ULIP
Rs. 1, 00, 000 to Rs. 1, 49,999	8	21	33	28
Rs. 1, 50, 000 to Rs. 1, 99, 999	3	39	13	51
Rs. 2, 00, 000 to Rs. 2, 49, 999	7	11	29	14
Rs. 2, 50, 000 and above	6	5	25	7
Total	24	76	100	100

Inference:

The above table shows that the annual income of the policy holders. In traditional plans, 33 percentage of the policyholders are getting their salary between Rs. 1, 00, 000 to Rs. 1, 49, 999, 13 percentage of the policyholders are getting their salary between Rs. 1, 50, 000 to Rs. 1, 99, 999, 29 percentage of the policyholders are getting their salary between Rs. 2, 00, 000 to Rs. 2, 49, 999 and remaining 25 percentage of the policyholders are getting their salary about Rs. 2, 50, 000 and above.

In ULIP plans, 28 percentage of the policyholders are getting their salary between Rs. 1, 00, 000 to Rs. 1, 49, 999, 51 percentage of the policyholders are getting their salary between Rs. 1, 50, 000 to Rs. 1, 99, 999, 14 percentage of the policyholders are getting their salary between Rs. 2, 00, 000 to Rs. 2, 49, 999 and remaining 7 percentage of the policyholders are getting their salary about Rs. 2, 50, 000 and above.

From the analysis made on annual income of the policyholders was found most of the Policyholders come under between Rs. 1, 50, 000 to Rs. 1, 99, 999.

EXIBIT – 3

EXHIBIT SHOWING THE ANNUAL INCOME OF THE POLICY HOLDERS
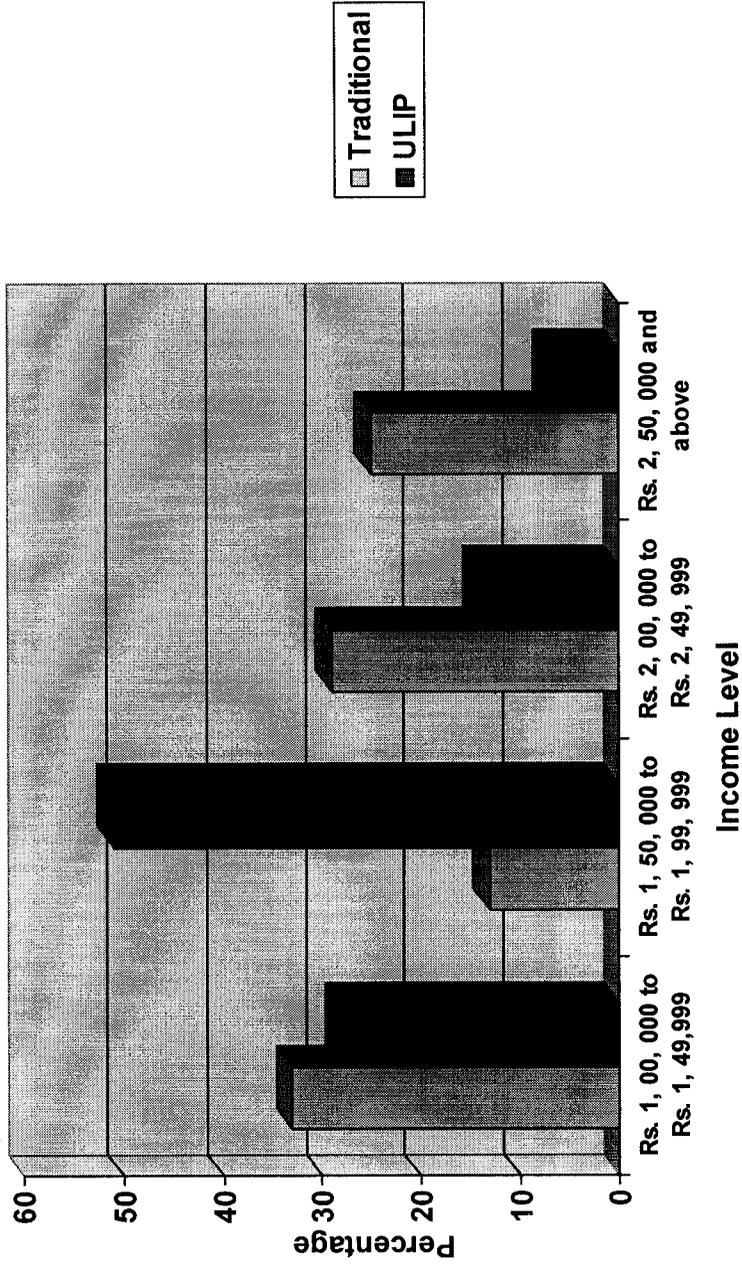
Table – 4.2.4

Table Showing reason for investing in Life Insurance

Reason	Traditional	ULIP	% of Traditional	% of ULIP
Safety and Security of my future	2	19	8	25
Safety and Security of my family	3	21	13	28
Tax benefit	9	26	38	34
Savings	10	10	41	13
Total	24	76	100	100

Inference:

The above table shows that the reason for investing in life insurance. In traditional plans, 8 percentage of the policyholders are saying safety and security of my future, 13 percentage of the policyholders are saying safety and security of my family, 38 percentage of the policyholders are saying tax benefit, 41 percentage of the policyholders are saying savings.

In ULIP plans, 25 percentage of the policyholders are saying safety and security of my future, 28 percentage of the policyholders are saying safety and security of my family, 34 percentage of the policyholders are saying tax benefit, 13 percentage of the policyholders are saying savings.

From the analysis made on reason for investing in life insurance was found most of the Policyholders are says savings.

Exhibit – 4

EXHIBIT SHOWING THE REASON FOR CHOOSING THIS COMPANY
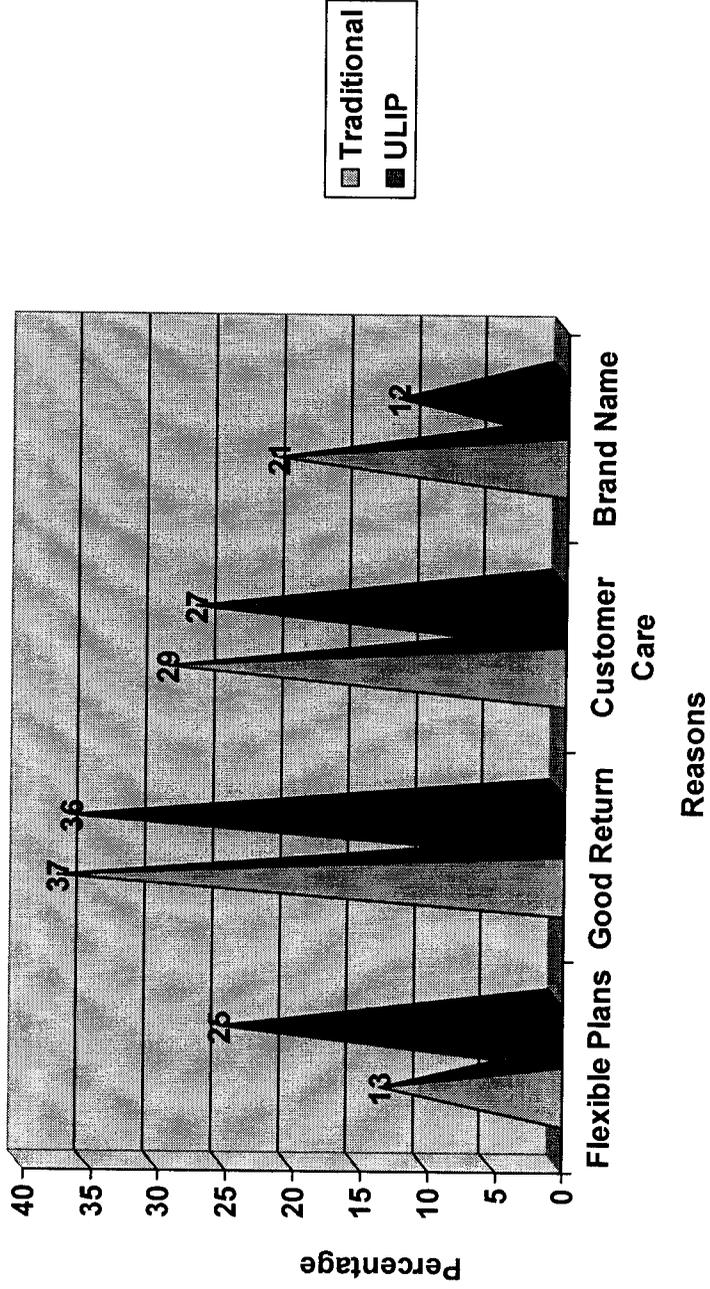
Table – 4.2.5

Table Showing reason for Choosing This Company

Reason	Traditional	ULIP	% of Traditional	% of ULIP
Flexible Plans	3	19	13	25
Good Return	9	28	37	36
Customer Care	7	21	29	28
Brand Name	5	8	21	11
Total	24	76	100	100

Inference:

The above table shows that the reason for choosing this company. In traditional plan, 13 percentage of the policyholders are saying flexible plans, 37 percentage of the policyholders are saying good return, 29 percentage of the policyholders are saying customer care, 21 percentage of the policyholders are saying brand name.

In ULIP plans, 25 percentage of the policyholders are saying flexible plans, 36 percentage of the policyholders are saying good return, 28 percentage of the policyholders are saying customer care, 11 percentage of the policyholders are saying brand name.

From the analysis made on reason for choosing this company was found most of the Policyholders are says good return.

Table – 4.2.6

Table Showing terms of the Policy of Policyholder

Terms	Traditional	ULIP	% of Traditional	% of ULIP
5 years	-	34	-	45
10 years	11	20	46	26
15 years	9	19	38	25
Above 15 years	4	3	16	4
Total	24	76	100	100

Inference:

The above table shows that the terms of the policy of policyholder. In traditional plan, 46 percentage of the policy holders are invested in 10 years plan, 38 percentage of the policyholders are invested in 15 years plan, 16 percentage of the policyholders are invested in 15 years above.

In ULIP plan, 45 percentage of the policy holders are invested in 5 years plan, 26 percentage of the policyholders are invested in 10 years plan, 25 percentage of the policyholders are invested in 15 years, 4 percentage of the policyholders are invested in above 15 years plan.

From the analysis made on terms of the Policy of Policyholder was found most of the Policyholders have invested on 10 years policy.

EXHIBIT – 5

EXHIBIT SHOWING THE TERMS OF POLICY
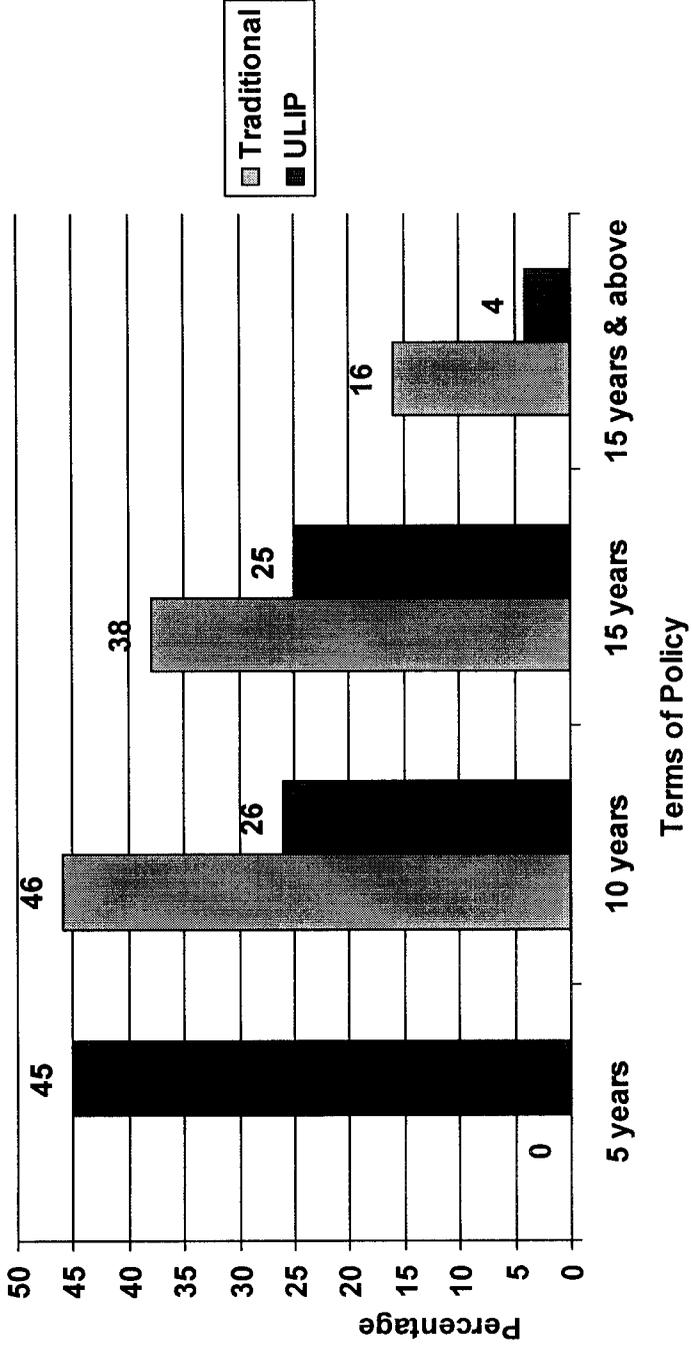
Table – 4.2.7

Table showing which plan preferred by policyholder

Plans	Policyholders	Percentage
Traditional	24	24
ULIP	76	76
Total	100	100

Inference:

The above table shows highly preferable plan by policyholder. 24 percentage of the policyholders are preferred traditional plans and remaining 76 percentage of the policyholders are preferred ULIP plans

From the analysis made on highly preferable plan by policyholder was found most of the Policyholders are highly preferred ULIP policy plans.

EXHIBIT – 6

EXHIBIT SHOWING HIGHLY PREFERABLE POLICY
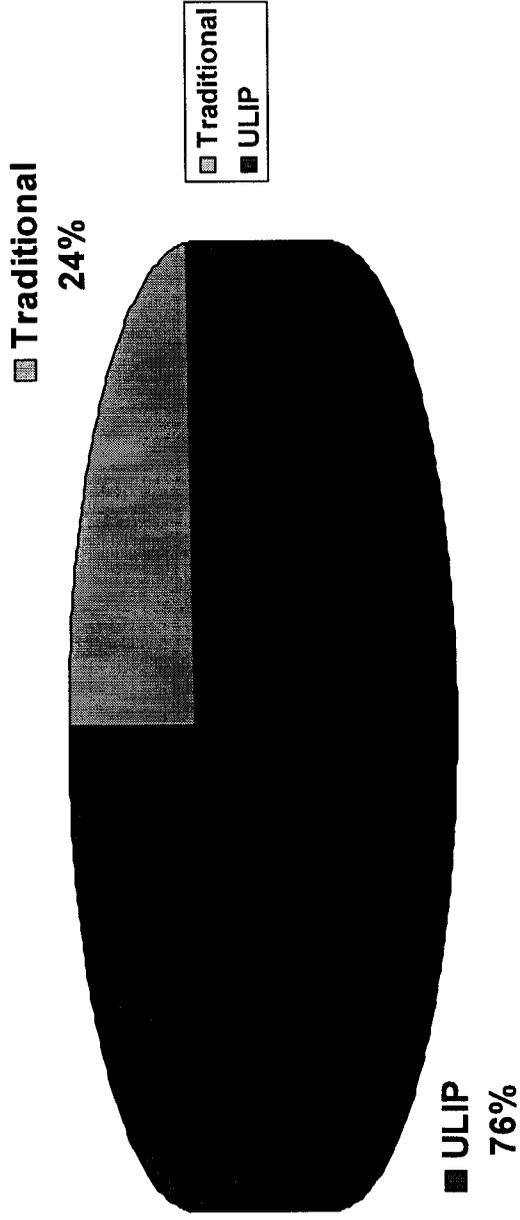
Table – 4.2.8

Table showing if traditional preferred

Reason	Policyholders	Percentage
Guarantee period	5	21
Long term	4	17
Loan Benefit	9	37
Protection and Savings	6	25
Total	24	100

Inference:

The above table shows the policyholders if traditional preferred. 21 percentage of the policyholders are saying guarantee period, 17 percentage of the policyholders are saying long term, 37 percentage of the policyholders are saying loan benefit and remaining 25 percentage of the policyholders are saying protection and savings.

From the analysis made on policyholders if traditional preferred was found most of the Policyholders says loans benefit.

EXHIBIT – 7

EXHIBIT SHOWING IF TRADITIONAL PLAN PREFERRED

45
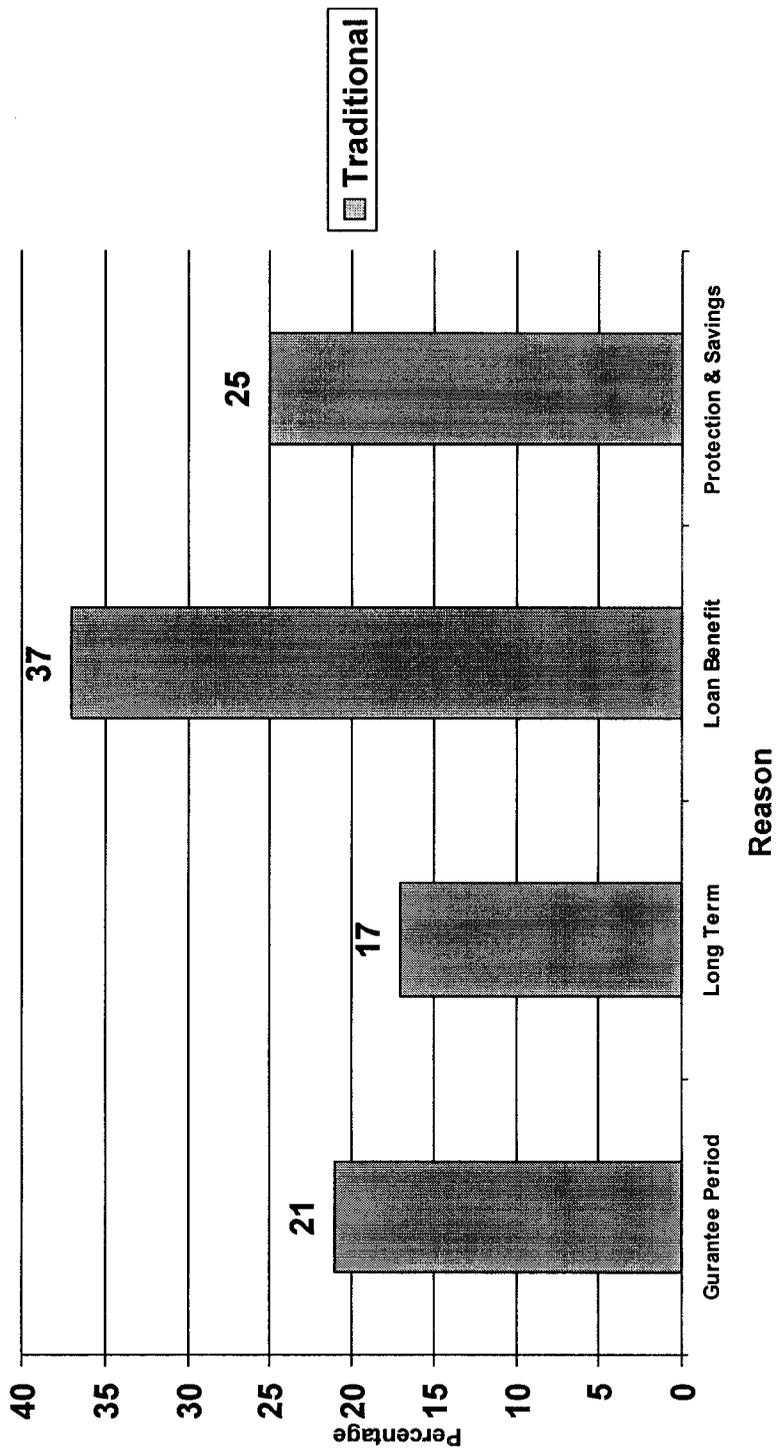
Table – 4.2.9

Table showing if ULIP preferred

Reason	Policyholders	Percentage
High Return	10	13
Flexible Premium	23	30
Easy return after 3 years	36	48
As shareholder	7	9
Total	76	100

Inference:

The above table shows the policyholders if ULIP preferred. 13 percentage of the policyholders are saying high return, 30 percentage of the policyholders are saying flexible premium, 48 percentage of the policyholders are saying easy return after 3 years, 9 percentage of the policyholders are saying as share holder.

From the above analysis it is clear ULIP is preferred for the reason of the policy giving easy return after 3 years.

EXHIBIT – 8

EXHIBIT SHOWING IF ULIP PLAN PREFERRED

47
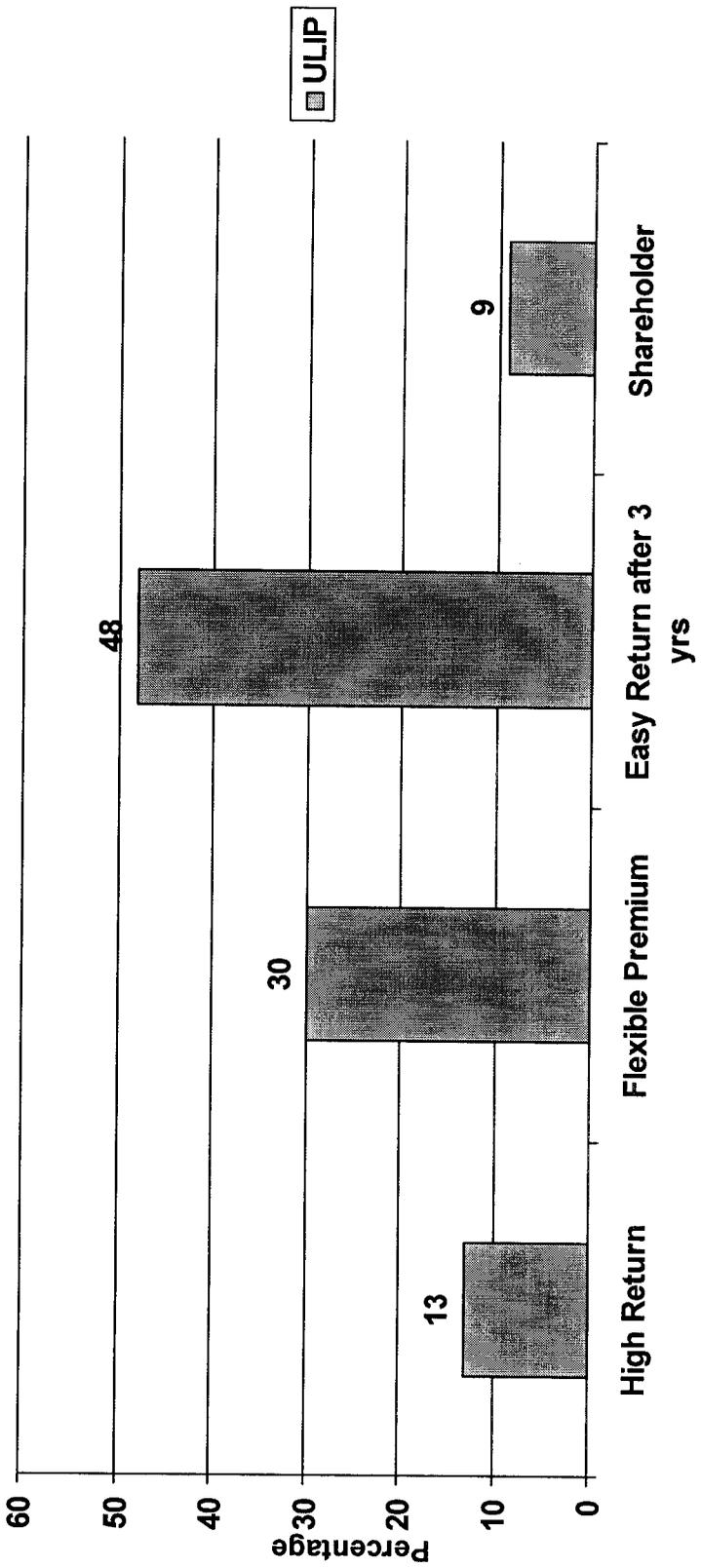
Table – 4.2.10

Table showing mode of premium

| Terms	Traditional	ULIP	% of Traditional	% of ULIP
ECS	3	18	13	24
Quarterly	4	5	17	7
Half Yearly	5	8	20	10
Annually	12	45	50	59
Total	24	76	100	100

Inference:

The above table shows that the mode of premium payment of policyholders. In traditional, 13 percentage of the policyholders are paying the premium Monthly(ECS), 17 percentage of the policyholders are paying the premium Quarterly, 20 percentage of the policyholders are paying the premium Half yearly and remaining 50 percentage of the policyholders are paying the premium Annually.

In ULIP plans, 24 percentage of the policyholders are paying the premium Monthly(ECS), 7 percentage of the policyholders are paying the premium Quarterly, 10 percentage of the policyholders are paying the premium Half yearly and remaining 59 percentage of the policyholders are paying the premium Annually.

From the above analysis it is clear that the payment of premium is paid annually.

EXHIBIT – 9

EXHIBIT SHOWING THE MODE OF PREMIUM
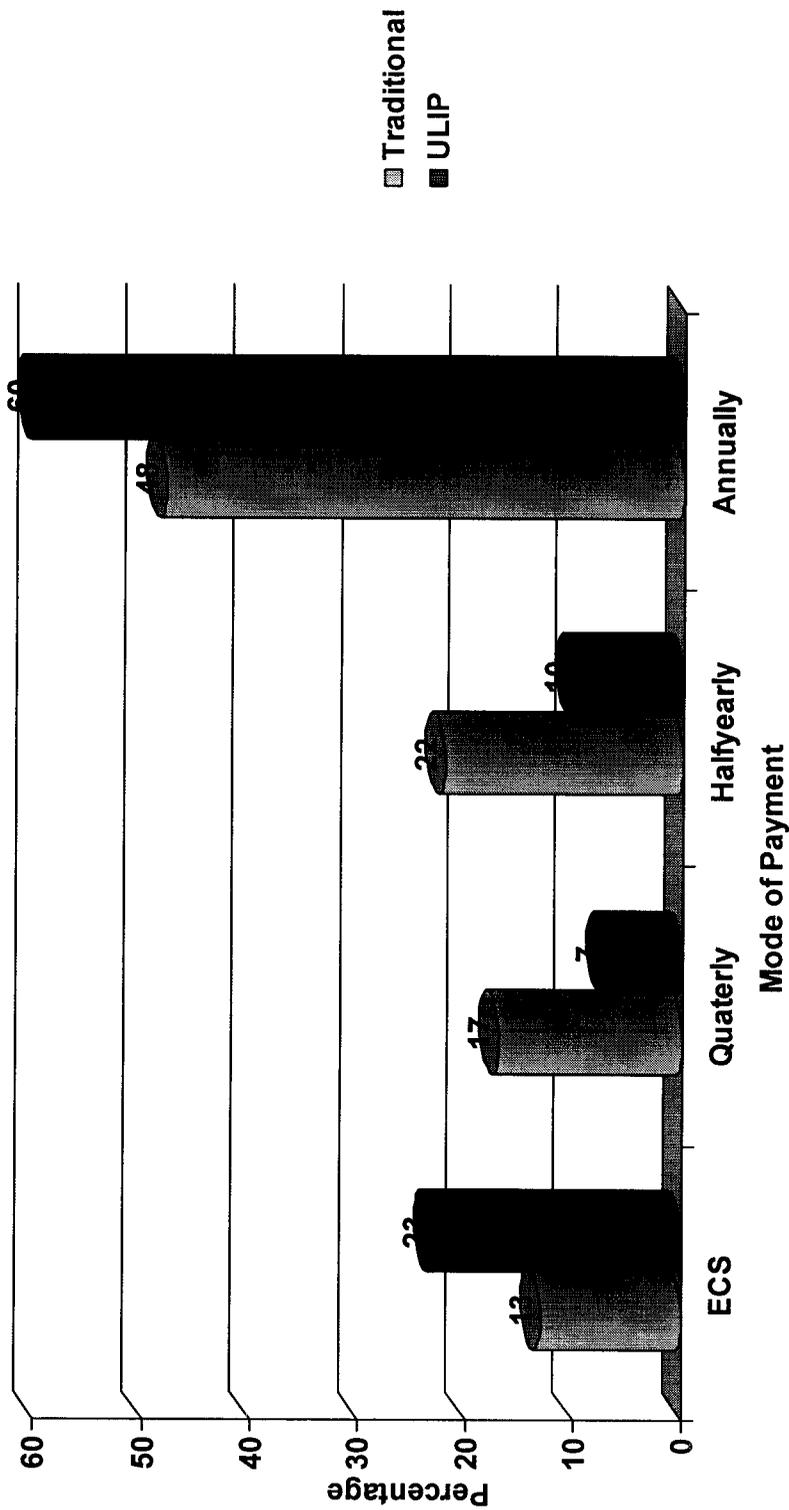
Table – 4.2.11

Table showing satisfaction level on safety and protection of policyholders

Satisfaction Level	No. of Policy Holders		Percentage	
	Traditional	ULIP	Traditional	ULIP
Highly Satisfactory	8	36	34	47
Satisfactory	14	34	58	45
Non-Satisfactory	2	6	8	8
Highly Dissatisfactory	-	-	-	-
Total	24	76	100	100

Inference:

The above table shows that the satisfaction level among the safety and protection of policyholders. In traditional, 34 percentage of the policyholders are highly satisfactory, 58 percentage of the policyholders are Satisfactory, 8 percentage of the policyholders are Non satisfactory.

In ULIP, 47 percentage of the policyholders are highly satisfactory, 45 percentage of the policyholders are Satisfactory, 8 percentage of the policyholders are Non satisfactory.

From the above analysis it is clear that most of the policyholders are satisfied as the safety and protection offered by the policy.

EXHIBIT – 10

EXHIBIT SHOWING THE LEVEL OF SATISFACTION FOR SAFETY AND PROTECTION
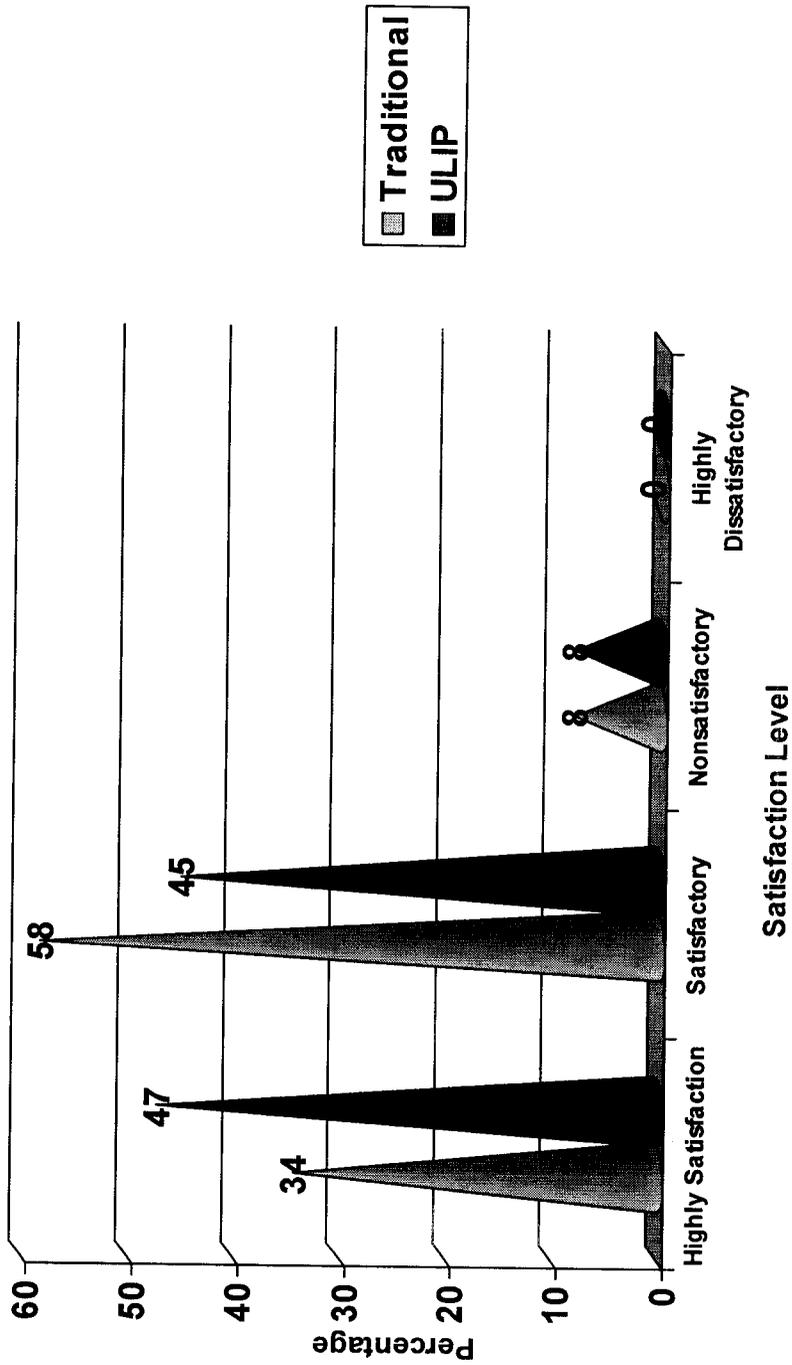
P-1945

Table – 4.2.12

Table showing satisfaction level on Structure of plan

Satisfaction Level	No. of Policy Holders		Percentage	
	Traditional	ULIP	Traditional	ULIP
Highly Satisfactory	10	42	42	55
Satisfactory	11	22	46	29
Non-Satisfactory	3	7	12	9
Highly Dissatisfactory	-	5	-	7
Total	24	76	100	100

Inference:

The above table shows the satisfaction level on Structure of plan. In traditional, 42 percentage of the policyholders are highly satisfactory, 46 percentage of the policyholders are Satisfactory, 12 percentage of the policyholders are Non satisfactory.

In ULIP, 55 percentage of the policyholders are highly satisfactory, 29 percentage of the policyholders are Satisfactory, 9 percentage of the policyholders are Non satisfactory and remaining 7 percentage of the policyholders are Highly Dissatisfactory.

From the above analysis it is clear that most of the policyholders are satisfied as the safety and protection offered by the policy.

<div align="center">

Table – 4.2.13

Table showing satisfaction level on formalities while filling the applications

</div>

Satisfaction Level	No. of Policy Holders		Percentage	
	Traditional	ULIP	Traditional	ULIP
Highly Satisfactory	6	51	25	67
Satisfactory	16	15	67	20
Non-Satisfactory	2	10	8	13
Highly Dissatisfactory	-	-	-	-
Total	24	76	100	100

Inference:

The above table shows the satisfaction level on formalities while filling the application. In traditional, 25 percentage of the policyholders are highly satisfactory, 67 percentage of the policyholders are Satisfactory, 8 percentage of the policyholders are Non satisfactory.

In ULIP, 67 percentage of the policyholders are highly satisfactory, 20 percentage of the policyholders are Satisfactory, 13 percentage of the policyholders are Non satisfactory.

From the analysis made on the satisfaction level formalities while filling the application was found most of the Policyholders are satisfied.

Table – 4.2.14

Table showing satisfaction level on Rate of Return

Satisfaction Level	No. of Policy Holders		Percentage	
	Traditional	ULIP	Traditional	ULIP
Highly Satisfactory	-	14	-	19
Satisfactory	18	56	75	76
Non-Satisfactory	4	4	17	5
Highly Dissatisfactory	2	-	8	-
Total	24	76	100	100

Inference:

The above table shows the satisfaction level on Rate of return. In traditional, 75 percentage of the policyholders are satisfactory, 17 percentage of the policyholders are Non-Satisfactory, 8 percentage of the policyholders are Highly Dissatisfactory.

In ULIP, 19 percentage of the policyholders are highly satisfactory, 76 percentage of the policyholders are Satisfactory, 5 percentage of the policyholders are Non satisfactory.

From the analysis made on the satisfaction level among rate of return was found most of the Policyholders are satisfied.

Table – 4.2.15

Table showing satisfaction level on Level of Premium

Satisfaction Level	No. of Policy Holders		Percentage	
	Traditional	ULIP	Traditional	ULIP
Highly Satisfactory	2	60	8	79
Satisfactory	18	14	76	18
Non-Satisfactory	2	2	8	3
Highly Dissatisfactory	2	-	8	-
Total	24	76	100	100

Inference:

The above table shows the satisfaction level on Level of premium. In traditional, 8 percentage of the policyholders are highly satisfactory, 76 percentage of the policyholders are Satisfactory, 8 percentage of the policyholders are Non satisfactory and Highly dissatisfactory also.

In ULIP, 79 percentage of the policyholders are highly satisfactory, 18 percentage of the policyholders are Satisfactory, 3 percentage of the policyholders are Non satisfactory.

From the analysis made on the satisfaction level among level of premium was found most of the Policyholders are highly satisfied.

Table – 4.2.16

Table showing satisfaction level on Tax planning

Satisfaction Level	No. of Policy Holders		Percentage	
	Traditional	ULIP	Traditional	ULIP
Highly Satisfactory	4	26	17	34
Satisfactory	20	50	83	66
Non-Satisfactory	-	-	-	-
Highly Dissatisfactory	-	-	-	-
Total	24	76	100	100

Inference:

The above table shows the satisfaction level on Tax planning. In traditional, 17.percentage of the policyholders are highly satisfactory, 83 percentage of the policyholders are Satisfactory.

In ULIP, 34 percentage of the policyholders are highly satisfactory, 66 percentage of the policyholders are Satisfactory

From the analysis made on the satisfaction level among tax planning was found most of the Policyholders are satisfied.

Table – 4.2.17

Table showing satisfaction level on Customer Service (From Company)

Satisfaction Level	No. of Policy Holders		Percentage	
	Traditional	ULIP	Traditional	ULIP
Highly Satisfactory	-	15	-	20
Satisfactory	8	55	33	72
Non-Satisfactory	12	6	50	8
Highly Dissatisfactory	4	-	17	-
Total	24	76	100	100

Inference:

The above table shows the satisfaction level on Customer service(From Company). In traditional, 33 percentage of the policyholders are satisfactory, 50 percentage of the policyholders are Non-Satisfactory, 17 percentage of the policyholders are Highly Dissatisfactory.

In ULIP, 20 percentage of the policyholders are highly satisfactory, 76 percentage of the policyholders are Satisfactory, 8 percentage of the policyholders are Non satisfactory.

From the analysis made on the satisfaction level among Customer service(From Company) was found most of the Policyholders are satisfied.

Table – 4.2.18

Table showing satisfaction level on Customer Service (From Advisors)

Satisfaction Level	No. of Policy Holders		Percentage	
	Traditional	ULIP	Traditional	ULIP
Highly Satisfactory	-	6	-	8
Satisfactory	6	67	25	88
Non-Satisfactory	10	3	42	4
Highly Dissatisfactory	8	-	33	-
Total	24	76	100	100

Inference:

The above table shows the satisfaction level on Customer Service(From Advisor). In traditional, 25 percentage of the policyholders are satisfactory, 42 percentage of the policyholders are Non-Satisfactory, 33 percentage of the policyholders are Highly Dissatisfactory.

In ULIP, 8 percentage of the policyholders are highly satisfactory, 88 percentage of the policyholders are Satisfactory, 4 percentage of the policyholders are Non satisfactory.

From the analysis made on the satisfaction level among Customer service(From Advisor) was found most of the Policyholders are satisfied.

Table – 4.2.19

Table showing satisfaction level on Claim Settlement

Satisfaction Level	No. of Policy Holders		Percentage	
	Traditional	ULIP	Traditional	ULIP
Highly Satisfactory	9	20	38	26
Satisfactory	12	47	50	62
Non-Satisfactory	2	9	8	12
Highly Dissatisfactory	1	-	4	-
Total	24	76	100	100

Inference:

The above table shows the satisfaction level on Claim Settlement. In traditional, 38 percentage of the policyholders are Highly satisfactory, 50 percentage of the policyholders are Satisfactory, 8 percentage of the policyholders are Non-satisfactory, and remaining 4 percentage of the policyholders are Highly Dissatisfactory.

In ULIP, 26 percentage of the policyholders are highly satisfactory, 62 percentage of the policyholders are Satisfactory, 12 percentage of the policyholders are Non satisfactory.

4.3 LIKER TYPE SCALING

To study the level of satisfaction four degree liker type scale has been used Each point in the scale came a score. The score for highest scale is HS (4), S(3), NS(2), HDS(1).

Table 4.3.1
LEVEL OF SATISFACTION REGARDING SAFETY AND PROTECTION

Satisfaction Level	No. of Policy Holders		Score	Total Score	
	Traditional	ULIP		Traditional	ULIP
Highly Satisfactory	8	36	4	32	144
Satisfactory	14	34	3	42	102
Non-Satisfactory	2	6	2	4	12
Highly Dissatisfactory	-	-	1	-	-
Total	24	76		78	258

Inference:

It is observed from the table safety and protection that the mean value of traditional plan is 3.25 and the mean value of the ULIP plan is 3.39 and it is inferred that the level of satisfaction of customer regarding safety and protection of ULIP plan is highly good.

Table 4.3.2

LEVEL OF SATISFACTION REGARDING STRUCTURE OF PLAN

Satisfaction Level	No. of Policy Holders		Score	Total Score	
	Traditional	ULIP		Traditional	ULIP
Highly Satisfactory	10	42	4	40	168
Satisfactory	11	22	3	33	66
Non-Satisfactory	3	7	2	6	14
Highly Dissatisfactory	-	5	1	-	5
Total	24	76		79	253

Inference:

It is observed from the table Structure of plan that the mean value of traditional plan is 3.29, the mean value of the ULIP plan is 3.33, and it is inferred that the level of satisfaction of customer regarding Structure of plan of ULIP policyholders are highly good.

Table 4.3.3

LEVEL OF SATISFACTION REGARDING FORMALITIES USED WHILE FILLING THE APPLICATION

Satisfaction Level	No. of Policy Holders		Score	Total Score	
	Traditional	ULIP		Traditional	ULIP
Highly Satisfactory	6	51	4	24	204
Satisfactory	16	15	3	48	45
Non-Satisfactory	2	10	2	4	20
Highly Dissatisfactory	-	-	1	-	-
Total	24	76		76	269

Inference:

It is observed from the table formalities used while filling the application that the mean value of traditional plan is 3.16, the mean value of the ULIP plan is 3.54, and it is inferred that the level of satisfaction of customer regarding formalities used while filling the application of ULIP policyholders are highly good.

Table 4.3.4

LEVEL OF SATISFACTION REGARDING RATE OF RETURN

Satisfaction Level	No. of Policy Holders		Score	Total Score	
	Traditional	ULIP		Traditional	ULIP
Highly Satisfactory	-	14	4	-	56
Satisfactory	18	56	3	54	168
Non-Satisfactory	4	6	2	8	12
Highly Dissatisfactory	2	-	1	2	-
Total	24	76		64	236

Inference:

It is observed from the table Rate of return that the mean value of traditional plan is 2.67, the mean value of the ULIP plan is 3.10, and it is inferred that the level of satisfaction of customer regarding rate of return of ULIP policyholders are highly good.

Table 4.3.5

LEVEL OF SATISFACTION REGARDING LEVEL OF PREMIUM

Satisfaction Level	No. of Policy Holders		Score	Total Score	
	Traditional	ULIP		Traditional	ULIP
Highly Satisfactory	2	60	4	8	240
Satisfactory	18	14	3	54	42
Non-Satisfactory	2	2	2	4	4
Highly Dissatisfactory	2	-	1	2	-
Total	24	76		68	286

Inference:

It is observed from the table level of premium that the mean value of traditional plan is 2.83, the mean value of the ULIP plan is 3.76, and it is inferred that the level of satisfaction of customer regarding level of premium of ULIP policyholders are highly good.

Table 4.3.6

LEVEL OF SATISFACTION REGARDING TAX PLANNING

Satisfaction Level	No. of Policy Holders		Score	Total Score	
	Traditional	ULIP		Traditional	ULIP
Highly Satisfactory	4	26	4	16	104
Satisfactory	20	50	3	60	150
Non-Satisfactory	-	-	2	-	-
Highly Dissatisfactory	-	-	1	-	-
Total	24	76		76	254

Inference:

It is observed from the table tax planning that the mean value of traditional plan is 3.17, the mean value of the ULIP plan is 3.34, and it is inferred that the level of satisfaction of customer regarding tax planning of ULIP policyholders are highly good.

Table 4.3.7

LEVEL OF SATISFACTION REGARDING CUSTOMER SERVICE (FROM COMPANY)

Satisfaction Level	No. of Policy Holders		Score	Total Score	
	Traditional	ULIP		Traditional	ULIP
Highly Satisfactory	8	15	4	32	60
Satisfactory	12	55	3	36	165
Non-Satisfactory	4	6	2	8	12
Highly Dissatisfactory	-	-	1	-	-
Total	24	76		76	237

Inference:

It is observed from the table Customer service (From company) that the mean value of traditional plan is 3.17, the mean value of the ULIP plan is 3.12, and it is inferred that the level of satisfaction of customer regarding Customer service (From company) of Traditional policyholders are highly good.

Table 4.3.8

LEVEL OF SATISFACTION REGARDING CUSTOMER SERVICE (FROM ADVISOR)

Satisfaction Level	No. of Policy Holders		Score	Total Score	
	Traditional	ULIP		Traditional	ULIP
Highly Satisfactory	-	6	4	-	24
Satisfactory	6	67	3	18	201
Non-Satisfactory	10	3	2	20	6
Highly Dissatisfactory	8	-	1	8	-
Total	24	76		46	231

Inference:

It is observed from the table Customer service (From company) that the mean value of traditional plan is 1.92, the mean value of the ULIP plan is 3.04, and it is inferred that the level of satisfaction of customer regarding Customer service (From company) of ULIP policyholders are highly good.

Table 4.3.9

LEVEL OF SATISFACTION REGARDING CLAIM SETTLEMENT

Satisfaction Level	No. of Policy Holders		Score	Total Score	
	Traditional	ULIP		Traditional	ULIP
Highly Satisfactory	9	20	4	36	80
Satisfactory	12	47	3	36	141
Non-Satisfactory	2	9	2	4	18
Highly Dissatisfactory	1	-	1	1	-
Total	24	76		77	239

Inference:

It is observed from the table Claim Settlement that the mean value of traditional plan is 3.21, the mean value of the ULIP plan is 3.14, and it is inferred that the level of satisfaction of customer regarding Claim Settlement of traditional policyholders are highly good.

- **Interpretation of simple average (Traditional)**

S.No	Variables	Simple Average Score	Rank
1	Safety and Protection	3.25	2
2	Structure of Plan	3.29	1
3	Formalities Used while filling the Application	3.16	6
4	Rate of Return	2.67	8
5	Level of Premium	2.83	7
6	Tax Planning	3.17	4
7	Customer Service(Company)	3.17	4
8	Customer Service(Advisor)	1.92	9
9	Claim Settlement	3.21	3

Inference:

From the above table its' clear that in traditional plan, structure of plan followed safety and protection is the highly satisfying variables among the customers and least satisfaction is given for customer service (Advisor).

- **Interpretation of simple average (ULIP plan)**

S.No	Variables	Simple Average Score	Rank
1	Safety and Protection	3.39	3
2	Structure of Plan	3.33	5
3	Formalities used while filling the application	3.54	2
4	Rate of Return	3.10	8
5	Level of Premium	3.76	1
6	Tax Planning	3.34	4
7	Customer Service(Company)	3.12	7
8	Customer Service(Advisor)	3.04	9
9	Claim Settlement	3.14	6

Inference:

From the above table its' clear that in ULIP plan, Level of premium followed formalities used while filling the application is the highly satisfying variables among the customers and least satisfaction is given for customer service (Advisor).

4.4 RANK CORRELATION

Application of the Rank Correlation to determine the degree of Correlation Between the Ranking of the Traditional and ULIP polices: -

Table 4.4.1 Rank Correlation

Factors	Traditional	ULIP
Safety	2	4
Brand Name	1	5
Transparency	5	6
Liquidity	6	3
Flexibility	4	2
Allocations Rates (If ULIP)	-	1
Loan (If Traditional)	3	-

Interpretation:

The rank correlation between traditional and ULIP policies special features is observed the rank correlation of r=-0.257 between the two plans. There is a least relationship that is observed between these two plans.

4.5 THE CHI-SQUARE ANALYSIS

TESTING OF HYPOTHESIS

The hypothesis have been tested by the CHI-Square test. The test is in fact, a technique through the age of which it is possible for all the researcher to test the gooden of its, significance of association between two attributes of test the homogenous of population variance.

Test – 1

Hypothesis:

H_o : There is no relationship between annual income & the preference of this life insurance company.

H_a : There is a relationship between annual income & the preference of this life insurance company.

Table 4.5.1 Traditional

Insurance Company / Annual Income (in rupees)	Flexible Plan	Good Return	Customer Care	Brand Name	Total
Rs. 1, 00, 000 to Rs. 1, 49, 999	0	3	3	2	8
Rs. 1, 50, 000 to Rs. 1, 99, 999	1	2	0	0	3
Rs. 2, 00,000 to Rs. 2, 49, 999	1	3	3	0	7
Rs. 2, 49, 999 and above	1	1	1	3	6
Total	3	9	7	5	24

Solution for Traditional

Calculated Value	:	13.201
Table Value	:	16.919
Degrees of Freedom	:	9
Level of Significance	:	5%

Inference:

Comparing the calculated and table value of x^2, the researcher find that the calculated values (13.201 with Yates Correction) is less than the table value (16.919) at 9 degrees of freedom and 5% level of significant , the result does support to the hypothesis (H_o), so the null hypothesis was accepted. It can be concluded that, there is no relationship between annual income of the policyholder and the preference of Life Insurance Company.

<div align="center">

Table 4.5.2

ULIP

</div>

Insurance Company / Annual Income (in rupees)	Flexible Plan	Good Return	Customer Care	Brand Name	Total
Rs. 1, 00, 000 to Rs. 1, 49, 999	7	7	5	2	21
Rs. 1, 50, 000 to Rs. 1, 99, 999	4	19	15	1	39
Rs. 2, 00,000 to Rs. 2, 49, 999	6	2	-	3	11
Rs. 2, 49, 999 and above	2	0	1	2	5
Total	19	28	21	8	76

Solution for ULIP

Result:

Calculated Value	:	**26.09**
Table Value	:	**16.919**
Degrees of Freedom	:	**9**
Level of Significance	:	**5%**

Inference:

Comparing the calculated and table value of x^2, the researcher find that the calculated values(26.09 with Yates correction) is greater than the table value (16.919) at 9 degrees of freedom and 5% level of significant , the result doesn't support to the hypothesis(H_o), so the null hypothesis was rejected. It can be concluded that, there is relationship between annual income of the policyholder and the preference of Life Insurance Company.

<center>**Test – 2**</center>

Hypothesis:

H_o : There is no significant relationship between age and terms of policy.

H_a : There is a significant relationship between age and terms of policy.

<center>**Table 4.5.3 Traditional**</center>

Terms of Policy \ Age	5 years	10 years	15 years	Above 20 years	Total
18 – 25	0	2	1	0	3
26 – 35	0	1	3	3	7
36 – 45	0	3	2	1	6
46 and above	0	5	3	0	8
Total	0	11	9	4	24

Solution for Traditional

Result:

Calculated Value	:	9.49
Table Value	:	16.919
Degrees of Freedom	:	9
Level of Significance	:	5%

Inference:

Comparing the calculated and table value of x^2, the researcher find that the calculated values(9.49 with Yates correction) is less than the table value (16.919) at 9 degrees of freedom and 5% level of significant, the result does support to the hypothesis (H_o), so the null hypothesis was accepted. It can be concluded that, there is no relationship between age and terms of the policy.

Table 4.5.4 ULIP

Terms of Policy / Age	5 years	10 years	15 years	Above 20 years	Total
18 – 25	24	12	5	0	41
26 – 35	5	2	9	3	19
36 – 45	3	3	5	0	11
46 and above	2	3	0	0	5
Total	34	20	19	3	76

Solution for ULIP

Result:

Calculated Value	:	**29.463**
Table Value	:	**16.919**
Degrees of Freedom	:	**9**
Level of Significance	:	**5%**

Inference:

Comparing the calculated and table value of x^2, the researcher find that the calculated values(29.463 with Yates correction) is greater than the table value (16.919) at 9 degrees of freedom and 5% level of significant, the result doesn't support to the hypothesis (H_o), so the null hypothesis was rejected. It can be concluded that, there is a relationship between age and terms of the policy.

Test – 3

Hypothesis:

H₀ : There is no significant relationship between annual income & mode of paying

premium.

Hₐ : There is a significant relationship between annual income & mode of paying premium.

Table 4.5.5 Traditional

Mode of Premium Payment / Annual Income (in rupees)	Monthly	Quarterly	Half Yearly	Yearly	Total
Rs. 1, 00, 000 to Rs. 1, 49, 999	2	2	2	2	8
Rs. 1, 50, 000 to Rs. 1, 99, 999	0	2	1	0	3
Rs. 2, 00,000 to Rs. 2, 49, 999	1	0	2	4	7
Rs. 2, 49, 999 and above	0	0	0	6	6
Total	3	4	5	12	24

Solution for Traditional

Result:

Calculated Value	:	**19.992**
Table Value	:	**16.919**
Degrees of Freedom	:	**9**
Level of Significance	:	**5%**

Inference:

Comparing the calculated and table value of x^2, the researcher find that the calculated values(19.992 with Yates correction) is greater than the table value (16.919) at 9 degrees of freedom and 5% level of significant, the result doesn't support to the hypothesis (H₀), so the null hypothesis was rejected. It can be concluded that, there is a relationship between annual income and mode of premium payment.

Table 4.5.6 ULIP

Mode of Premium Payment / Annual Income (in rupees)	Monthly	Quarterly	Half Yearly	Yearly	Total
Rs. 1, 00, 000 to Rs. 1, 49, 999	5	3	4	9	21
Rs. 1, 50, 000 to Rs. 1, 99, 999	10	2	3	24	39
Rs. 2, 00,000 to Rs. 2, 49, 999	2	0	1	8	11
Rs. 2, 49, 999 and above	1	0	0	4	5
Total	18	5	8	45	76

Solution for ULIP

Result:

Calculated Value	:	11.677
Table Value	:	16.919
Degrees of Freedom	:	9
Level of Significance	:	5%

Inference:

Comparing the calculated and table value of x^2, the researcher find that the calculated values(11.677 with Yates correction) is less than the table value (16.919) at 9 degrees of freedom and 5% level of significant, the result does support to the hypothesis(H_o), so the null hypothesis was accepted. It can be concluded that, there is no relationship between annual income and mode of premium payment.

CHAPTER - V

5. FINDINGS, SUGGESTIONS AND CONCLUSION

5.1. FINDINGS

5.1.1 From Simple Percentage Analysis

- From the analysis made on educational qualification of the policyholders was found most of the Policyholders are graduates.

- From the analysis made on age of the policyholders was found most of the Policyholders are under 18 to 25 years.

- From the analysis made on annual income of the policyholders was found most of the Policyholders come under between Rs. 1, 50, 000 to Rs. 1, 99, 999.

- From the analysis made on reason for investing in life insurance was found most of the Policyholders are says savings.

- From the analysis made on reason for choosing this company was found most of the Policyholders are says good return.

- From the analysis made on terms of the Policy of Policyholder was found most of the Policyholders have invested on 10 years policy.

- From the analysis made on highly preferable plan by policyholder was found most of the Policyholders are highly preferred ULIP policy plans.

- From the analysis made on policyholders if traditional preferred was found most of the Policyholders says loans benefit.

- From the above analysis it is clear ULIP is preferred for the reason of the policy giving easy return after 3 years.

- From the above analysis it is clear that the payment of premium is paid annually.

- From the above analysis it is clear that most of the policyholders are satisfied as the safety and protection offered by the policy.

- From the above analysis it is clear that most of the policyholders are satisfied as the safety and protection offered by the policy.

- From the analysis made on the satisfaction level formalities while filling the application was found most of the Policyholders are satisfied.

- From the analysis made on the satisfaction level among rate of return was found most of the Policyholders are satisfied.

- From the analysis made on the satisfaction level among level of premium was found most of the Policyholders are highly satisfied.

- From the analysis made on the satisfaction level among tax planning was found most of the Policyholders are satisfied.

- From the analysis made on the satisfaction level among Customer service(From Company) was found most of the Policyholders are satisfied.

- From the analysis made on the satisfaction level among Customer service(From Advisor) was found most of the Policyholders are satisfied.

- From the analysis made on the satisfaction level among claim settlement was found most of the Policyholders are satisfied.

5.1.2 From Liker Scaling Techniques

- It is observed from the table safety and protection that the mean value of traditional plan is 3.25 and the mean value of the ULIP plan is 3.39 and it is extended that the level of satisfaction of customer regarding safety and protection of ULIP plan is highly good.

- It is observed from the table Structure of plan that the mean value of traditional plan is 3.29, the mean value of the ULIP plan is 3.33, and it is extended that the level of satisfaction of customer regarding Structure of plan of ULIP policyholders are highly good.

- It is observed from the table formalities used while filling the application that the mean value of traditional plan is 3.16, the mean value of the ULIP plan is 3.54, and it is extended that the level of satisfaction of customer regarding formalities used while filling the application of ULIP policyholders are highly good.

- It is observed from the table Rate of return that the mean value of traditional plan is 2.67, the mean value of the ULIP plan is 3.10, and it is extended that the level of satisfaction of customer regarding rate of return of ULIP policyholders are highly good.

- It is observed from the table level of premium that the mean value of traditional plan is 2.83, the mean value of the ULIP plan is 3.76, and it is extended that the level of satisfaction of customer regarding level of premium of ULIP policyholders are highly good.

- It is observed from the table tax planning that the mean value of traditional plan is 3.17, the mean value of the ULIP plan is 3.34, and it is extended that the level of satisfaction of customer regarding tax planning of ULIP policyholders are highly good.

- It is observed from the table Customer service (From company) that the mean value of traditional plan is 3.17, the mean value of the ULIP plan is 3.12, and it is extended that the level of satisfaction of customer regarding Customer service (From company) of Traditional policyholders are highly good.

- It is observed from the table Customer service (From company) that the mean value of traditional plan is 1.92, the mean value of the ULIP plan is 3.04, and it is extended that the level of satisfaction of customer regarding Customer service (From company) of ULIP policyholders are highly good.

- It is observed from the table Claim Settlement that the mean value of traditional plan is 3.21, the mean value of the ULIP plan is 3.14, and it is extended that the level of satisfaction of customer regarding Claim Settlement of traditional policyholders are highly good.

- From the liker scaling technique analysis, it was found that the structure of traditional plan gets highest mean score of 3.29 and ranks first followed by safety & Protection traditional plan. The level of satisfaction regarding customer service from advisor scored the least score of 1.92. It should be improved.

- From the liker scaling technique analysis, it was found that the level of ULIP plan gets highest mean score of 3.76 and ranks first followed by safety & Protection traditional plan. The level of satisfaction regarding customer service from advisor scored the least score of 3.04. It should be improved.

5.1.3 From Rank Correlation Analysis

- The rank correlation between traditional and ULIP policies special features is observed the rank correlation of r=-0.257 between the two plans. There is a least relationship that is observed between these two plans.

5.1.4 Chi – Square Analysis

Testing of Hypothesis in Traditional Plans

- It can be concluded that, there is no relationship between annual income of the policyholder and the preference of Life Insurance Company.
- It can be concluded that, there is no relationship between age and terms of the policy.
- It can be concluded that, there is a relationship between annual income and mode of premium payment.

Testing of Hypothesis in ULIP Plans

- It can be concluded that, there is relationship between annual income of the policyholder and the preference of Life Insurance Company.
- It can be concluded that, there is a relationship between age and terms of the policy.
- It can be concluded that, there is no relationship between annual income and mode of premium payment.

5.2 SUGGESTIONS

Based on the analysis done the following suggestions are given

➢ Female should be motivated to take life insurance polices.

➢ The Customer service by advisor should be improved to increase the sale of policy.

➢ The Company should offer the loan facilities for the ULIP policy taken by the policyholders

➢ Company may offer an option to withdraw the amount before the policy matured level in traditional policies.

➢ The Company should reduce the formalities while filling the application forms to taken policy.

➢ The Company should motivate the people in rural areas to take life insurance policies.

➢ The Company should follow the performance of public sectors in anywhere through their Public Relations Officers, Advisors and Banks.

5.3 CONCLUSION

A policyholder is satisfied when the product meets his needs. In life insurance, this happens at the time of the claim, which is a long way off. It is important to keep him as satisfactory during this period, to avoid what is called 'Cognitive Dissonance'. This arises because of doubts about the decision to buy. In the case of life insurance, such doubts talk about better alternative plans, better insurers, and so on. The only way to counter these possibilities is to be in touch with the prospect and reassure him at every possible opportunity that the purchase he made was not a mistake. In other words, the agent will be effectively repeating the sales talk, overcoming objections, till the benefits are seen through claims.

The factors identified in the study provide key information inputs regarding investor's preferences and priorities which will help the company while formulating its strategies and plans in future.

It was concluded that the male respondents are holding the policy because the male respondents are the blood winner for the family. The parents are referring insurance policy for their family and particularly for their children. The policy holding policyholders are professionals and they are doing business and work. The policyholders highly prefer **UNIT LINKED INSURANCE PLAN** (ULIP). The policyholders prefer **ULIP** for the benefit of investment and saving. The policyholders are aware about the surrendering of the policy and rebate. The policyholders are referred the ULIP policies because easy and quick return. The level of opinion about Bajaj Allianz life insurance Company Limited, Coimbatore by the policyholders is satisfied. The company should focus on advisors approach. The company should focus on customer friendly approach, convenient products, and better promotional activities and provide a safe environment for investment.

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www.riskindiainsurance.com

APPENDIX

A STUDY ON THE HIGHLY PREFERABLE PRODUCT WITH SPECIAL REFERENCE TO BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED, COIMBATORE

PERSONAL PROFILE:

1. Name   :

2. Address   :

3. Age

   (a) 18-25 ☐   (b) 26-35 ☐

   (c) 36-45 ☐   (d) 46 and above ☐

4. Sex

   (a) Male ☐   (b) Female ☐

5. Educational Qualification

   (a) S.S.L.C ☐   (b) H.Sc ☐

   (c) Graduate ☐   (d) Diploma ☐

6. Occupation

   (a) Professional ☐   (b) Non Professional ☐

7. Annual Income

   (a) 1, 00,000 – 1,49, 999 ☐   (b) 1, 50, 000 – 1, 99, 999 ☐

   (c) 2, 00,000 – 2, 49, 999 ☐   (d) 2, 50,000 - & above ☐

8. No of Members in your family

   (a) 1 to 3 ☐   (b) 3 to 5 ☐

   (c) 5 to 7 ☐   (d) above_____ ☐

9. No of Earning Persons in your family

   (a) 1 to 3 ☐   (b) 3 to 5 ☐

   (c) 5 to 7 ☐   (d) above_____ ☐

10. Do you have a life Insurance Policy?

    (a) Yes ☐   (b) No ☐

11. Why you prefer to invest in life insurance?

(a) Safety and Security of My Future ☐   (b) Safety and Security of My Family ☐

(c) Tax Benefit ☐   (d) Saving ☐

12. Why do you choose this Insurance Company?

(a) Flexible Plans ☐ (b) Good Return ☐

(c) Customer Care ☐ (d) Brand Name ☐

13. Please mention the Terms of Policy

(a) 5 Years ☐ (b) 10 Years ☐

(c) 15 Years ☐ (d) above 15 Years ☐

14. How did you know about Bajaj Allianz Life Insurance Policies?

(a) Bank ☐ (b) Friends & Relatives ☐

(c) News Paper & Journals ☐ (d) Television ☐

15. Through whom you get the policy of the Bajaj Allianz Life Insurance Company (BALIC)?

(a) Agents ☐ (b) Banks ☐

(c) Public Relation Officers of BALIC ☐ (d) others ☐

16. Which plan would you prefer in BALIC?

(a) Traditional ☐ (b) ULIP ☐

17. If Traditional plan, The preference for traditional plan is

(a) Guaranty period ☐ (b) Long Term ☐

(c) Loan Benefit ☐ (d) Protection & saving ☐

18. If ULIP plan is, The preference for ULIP plan is

(a) High return ☐ (b) Flexible Premium ☐

(c) Easy Return after 3 Years ☐ (d) As a Shareholder ☐

19. Did you get complete information about all the policies available?

(a) Yes ☐ (b) No ☐

20. How did you rank the features of your Policy?

[Rank them from 1 – 6]

S.No.	Attribute	Rank
1.	Safety	
2.	Brand Name	
3.	Transparency	
4.	Liquidity	
5.	Flexibility	
6(a)	Allocations Rates (If ULIP)	
6(b)	Loan (If Traditional)	

21. The mode of paying premium is

a) Monthly(ECS) ☐   b) Quarterly ☐

c) Half yearly ☐   d) Annually ☐

22. Did you compare the BALIC – Policies with other modes of investment?

(a) Yes ☐   (b) No ☐

23. Are you satisfied with your existing policy?

(a) Yes ☐   (b) No ☐

24. How do you clear your doubts regarding your life Insurance policy

a) With Advisors ☐   b) With Public Relations Officers ☐

c) With Website ☐   d) With Toll Free ☐

25. Please specify your level of opinion about Bajaj Allianz life Insurance company ltd.

S.No	Factors	HS	S	NS	HDS
1.	Safety & protection				
2.	Structure of plan				
3.	Formalities used while filling the application				
4.	Rate of Return				
5.	Level of Premium				
6.	Tax planning				
7.	Customer Service (from Company)				
8.	Customer Service (From Advisors)				
9.	Claim Settlement				

26. Give some suggestions to improve the performance of Bajaj Allianz life Insurance company ltd.

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HS – Highly Satisfactory   S- Satisfactory   NS – Not Satisfactory HDS – Highly Dissatisfactory