

**AWARENESS AND MARKET PENETRATION OF PRIVATE LIFE  
INSURANCE FOR AVIVA**

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*of*

**MASTER OF BUSINESS ADMINISTRATION**



**CENTRE FOR DISTANCE EDUCATION  
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**April, 2009**

## BONAFIDE CERTIFICATE

Certified that the project report titled “**AWARENESS AND MARKET PENETRATION OF PRIVATE LIFE INSURANCE FOR AVIVA**” is the bonafide work of **K.GANESH KUMAR** who carried out the work 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.



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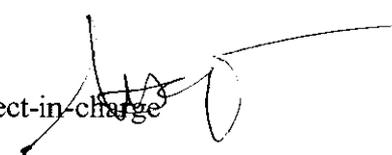
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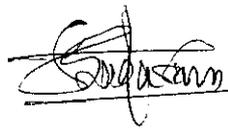
  
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## **ABSTRACT**

In the past years government Insurance company like LIC and GIC where in the market. Due to the liberalization and globalization policies many private and foreign players are allowed in the insurance market. Though the awareness of private insurance players exists, still insures prefer and trust to invest only in government insurance company.

Private Insurance Company is now focusing on the advertisement and other new strategy to the attention of the public to them. In this AVIVA Life Insurance plays the major role. Here this study focuses on brand awareness of AVIVA with the people and find percentage of AVIVA with the people and find percentage of AVIVA product are acceptance by the people. It also focuses on satisfaction of the insurers towards private Insurance policies. Private Insurance Company are facing the difficult in marketing among the people.

## **ACKNOWLEDGEMENT**

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I earnestly thank all **my family members** and **Friends** for their support and constant encouragement given throughout period of my study.

**K.Ganesh Kumar**

## **DECLARATION**

I do hereby declare that the thesis entitled “**AWARENESS AND MARKET PENETRATION OF PRIVATE LIFE INSURANCE FOR AVIVA**” submitted to the Anna University Chennai, for the award of the Degree of **MASTER OF BUSINESS ADMINISTRATION (MBA)** is a record of original and independent research work done by me under the supervision and guidance of **Ms.S.SANGEETHA** and this research work has not previously formed the basis for the award of any Degree, Associateship, Fellowship or any other similar titles.

**(K.GANESH KUMAR)**

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## **CHAPTER I- INTRODUCTION**

### **1.1 RESEARCH BACKGROUND – DESCRIPTION OF SPECIFIC INDUSTRY / GENERAL SCENARIO OF INDUSTRY**

#### **1.1.1 INDUSTRY PROFILE**

The opening up of Insurance sector was a part of the on going liberalization in the financial sector of India. The changing face of the financial sector and the entry of several companies in the field of life and non life Insurance segment are one of the key results of these liberalization efforts.

Despite the fact that the market is vast in India for the Insurance business, the coverage is far less compared with the international standards. Estimates show that a meagre 35-40 million, out of a population of 950 million, have come so far under the umbrella of the insurance industry.

General Insurance is another segment, which has been growing at a faster pace. But as per UK- current comparative statistics, the general insurance premium has been lower than life insurance. General Insurance premium as a percentage of GDP was a mere 0.5 per cent in 1996. In the General Insurance Business, General Insurance Corporation, (GIC) and its four subsidiaries viz., New India Insurance, Oriental Insurance, National Insurance and United India Insurance, United India Insurance, are doing major business. The General Insurance Industry has been growing at a rate of 19 per cent year.

The policy of the government to open up the financial sector and the Insurance sector is expected to bring greater FDI inflow in to the country. The increase in the investment limit in this vital sector has generated considerable business interests among the foreign Insurance companies. Their entry will certainly change the Insurance sector considerably.

#### **The Life Insurance Scenario in India**

Since 1956, with the nationalization of insurance industry, the state-run Life Insurance Corporation of India (LIC) has held the monopoly in that country's life insurance sector. General Insurance Corporation of India (GIC), with its four subsidiaries, was its counterpart in the casualty sector. Over time, taking advantage of its monopoly and virtual prerogative in

establishing premiums, LIC has evolved into a monolith. With around 600,000 agents in every nook and corner of the vast country, it has created an enviable brand name, particularly among the rural population of the country. It has around \$40 billion as its life fund and is a strong player in the financial sector. However, on the qualitative side, it has very little to take pride in. And there lies the potential for foreign players to challenge this behemoth.

**Note: The list of foreign players entering the Indian Insurance sector and their Indian partners:**

Indian partner	Foreign insurer	Specialization	Present status
Aditya Birla Group	Sun life, Canada	Life	Received License
Kotak Mahindra Finance	Old Mutual, South Africa	Life	Received License
HDFC	Standard Life, UK	Life	Received License, Commences Operation
Reliance	No Foreign Alliance	Life, Non-Life and Health	Received Licence for Non –life
ICICI	Prudential, UK	Life	Received Licence, Commences Operation
ICICI	Lombard, Canada	Non-life	Not applied.
Max India	New York Life, USA	Life	Received License
Sundaram	Royal & Sun Alliance Plc, UK	Non-life	Received License
IFFCO	Tokia Marine, Japan	Non-life	Received License
Tata Group	AIG, USA	Life and Non-Life	Received License
Vysya Bank	ING Insurance, Netherland	Life	Applied for License
Hero Group	Zurich, Switzerland	Life	Not Applied

### **1.1.2 COMPANY PROFILE**

AVIVA Plc Life Insurance was previously known as CGNU Plc. The name change was effected on 1st July 2002, prior to re-branding, CGNU Plc was using 50 trading names across the world. The decision for the re-branding was taken with the objective of creating a strong and powerful international service brand, AVIVA, Plc got license on 14th May 2002 and started their operation on 6th June 2002, with a commitment to expand and reshape the life insurance industry in India. The company was amongst the private sector insurance companies to begin operations after receiving approval from Insurance Regulatory Development Authority (IRDA), and in the time since, has taken several steps towards its realising its goal.

### **1.1.3 SALIENT FEATURES ABOUT AVIVA GROUP**

- Oldest life insurance Company in the world
- 5<sup>th</sup> largest insurance group in the world
- UK's largest insurer
- 35<sup>th</sup> largest company in the world
- 531 USD assets under management (RS 26 Lac Crores Approx.)
- Premium income from new business 32 Bn USD (RS 1.4 Lac Crores)
- Total premium income 61.7 Bn USD (Approx. 2.7 Lac Crores)
- Market Capitalization of 25 Bn USD
- Share holders fund of 25 Bn USD
- Operating profit before tax of 4 Bn USD (Approx. 17000 Crores)
- Over 30 Million satisfied customers.
- In India till 1972, largest foreign insurer at the time of nationalization.

### **Key points of AVIVA India**

This company is co promoted by DABUR & AVIVA. AVIVA is the world's oldest insurance company, while Dabur is one of the most trusted and reliable Indian companies.

- Dabur, which has 74% stake in the company has always enjoyed tremendous trust and respect amongst its customer base, besides having all the attributes required by a company to enter into insurance segment. It is a financially.

- Pioneered the concept of indexation & unitization
- X Tie- tips with ABN AMRO, American Express, Canara Bank, Lakshmi Vilas Bank.  
ABN AMRO is among the among the world's top 10 banks, which operates in
- 76 countries, 3568 branches, 504 Bn USD AUM and over a Lac employee.
- Canara Bank is the second largest Bank in India with 2421 branches in 25
- states, 4 union territories and 26 million-customer base.
- American Express, the world's largest travel organization, a reputed service
- brand since 1921.
- Lakshmi Vilas Bank a 77 year old bank with 212 branches in 10 states, one
- union territory and over one million customer base.
- January 2003 to December 2003 premium income of 71.6 Crores.
- Aviva has a strong customer base of over 80,000 customer.

#### **1.1.4 SALIENT POINTS ABOUT DABUR INDIA LTD**

- DABUR INDIA has a history dating from 1884.
- It's the third largest consumer goods company in India.
- Highest dividend declared FY 2003-2004 of 150%.
- Crisil rating FAAA Fixed deposits.
- Crisil rating P1+ - Commercial Paper.
- Last year net Profit after Tax 157 Crores
- Pharmacy Division and FMCG division De-merger 2003.
- Over 300 health care and personal care products.
- Ultra modern manufacturing units in 4 countries.
- Products marketed in 50 countries.
- More than 5000 distributors.

#### **1.1.5 DISTRIBUTION**

AVIVA Life insurance has one of the largest distribution networks amongst private life insurers in India, having commenced operations in 20 cities and towns in India. These are: Ahmedabad, Bangalore, Chandigarh, Coimbatore, Gurgaon, Hyderabad, Indore, Jaipur, Kochi,, Koikata, Lucknow, Madurai, Mangalore, Meerut, Mumbai, Nasik, Noida, New Delhi, Pune and Vndodara.

## 1.1.6 PRODUCT PROFILE

AVIVA Life Insurance offers a range of innovative, customer-centric products that meet the needs of customers at every life stage.

**AVIVA Freedom Life Plan** (Limited Payment Term with Investment cum Protection Plan) is a fixed term protection cum savings plan, with limited premium payment term.

**AVIVA Easy Life Plus** (Simple Endowment Savings Plan) is a simple savings plan with benefits of life protection. By choosing an appropriate premium level and term, the policyholder's can match the maturity date of policy to a specific saving need such as his children's education, wedding etc.

**AVIVA Young Achiever Child Policy** is a regular premium life insurance product designed to meet the financial needs of policy holder children- be it higher education, marriage, establishing themselves while starting a career or a business, or any other need.

**AVIVA Life Bond Plus (Single Premium Investment Cum' Protection Plan)** is a Unit linked, Single Premium Investment Cum Protection plan, designed to provide the policy holder the maximum benefits of returns and tax benefits.

**AVIVA Life Saver** is a Unitized fixed term, protection cum saving plan. Life saver is designed to meet policy holders specific long-term savings needs such as education and wedding cost of their children, with added reassurance of life cover to meet those costs in the unfortunate even of his death before policy matures.

**AVIVA Pension Plus** (flexible personal pension plan is Tax efficient personal pension plan that is designed to help the policy holder earn a regular income, even after tie stops working.

**AVIVA Life Bond 5** (5-Years Recurring Premium Investment Cum Protection Plan) is an investment plan where the policy holder pays the premium for only 5 years and get investment returns with maximum tax benefits.

## **1.2 PROBLEM IDENTIFIED FOR THE STUDY:**

In the past years government Insurance company like LIC and GIC where in the market. Due to the liberalization and globalization policies many private and foreign players are allowed in the insurance market. Though the awareness of private insurance players exists, still insures prefer and trust to invest only in government insurance company.

Private Insurance Company is now focusing on the advertisement and other new strategy to the attention of the public to them. In this AVIVA Life Insurance plays the major role. Here this study focuses on brand awareness of AVIVA with the people and find percentage of AVIVA with the people and find percentage of AVIVA product are acceptance by the people. It also focuses on satisfaction of the insurers towards private Insurance policies. Private Insurance Company are facing the difficult in marketing among the people.

## **1.3 NEED FOR STUDY**

The need for the study is to find the current status of the private life insurance market status and the market techniques. Different type of private insurance has to be found out and find out in which place does the AVIVA stand and to find out the products that are been given by AVIVA. And to get the customers idea about the private life insurance and there feedback.

## **1.4 OBJECTIVES AND SCOPE**

### **1.4.1 PRIMARY OBJECTIVE**

1. To study the Brand Awareness of AVIVA LIFE INSURANCE in Coimbatore

### **1.4.2 SECONDARY OBJECTIVE**

1. To understand consumers perception of private life insurance.
2. To study the market potential for AVIVA LIFE INSURANCE in Coimbatore
3. To identify the prospective customers for AVIVA LIFE INSURANCE in Coimbatore.
4. To study the penetration of life insurance in Coimbatore.

### **1.4.3 STATEMENT OF HYPOTHESIS**

- 1) **Null Hypothesis:** There is no difference among various age groups of people and subscribing to an insurance policy,  
**Alternate Hypothesis:** There is difference among various age groups of people and subscribing to an insurance policy.
- 2) **Null Hypothesis:** There exists no relationship between income levels of an individual and taking up of an insurance policy.  
**Alternate Hypothesis:** There exists relationship between income levels of an individual and taking up an insurance policy.
- 3) **Null Hypothesis:** There is no difference among various occupations of people and subscribing to an insurance policy.  
**Alternate Hypothesis:** There is difference among various occupations of people and subscribing to an insurance policy.
- 4) **Null Hypothesis:** The insurance company does not have any bearing on the value of insurance policy.  
**Alternate Hypothesis:** The insurance company does have any bearing on the value of insurance policy.
- 5) **Null Hypothesis:** Occupation of the insured does not affect their policy value.  
**Alternate Hypothesis:** Occupation of the insured does affect their policy value.
- 6) **Null Hypothesis:** Income of the insured does not affect their policy value.

**Alternate Hypothesis:** Income of the insured does affect their policy value.

- 7) **Null Hypothesis:** Income Tax of the insured does not affect their policy value. -

**Alternate Hypothesis:** Income Tax of the insured does affects their policy value.

- 8) **Null Hypothesis:** There is no difference in awareness among insured and. uninsured persons

**Alternate Hypothesis:** There exists difference in awareness among insured and uninsured persons.

- 9) **Null Hypothesis:** The awareness does not depend upon age group.

**Alternate Hypothesis:** The awareness does depend upon age group.

- 10) **Null Hypothesis:** The awareness does not depend upon the qualification.

**Alternate Hypothesis:** The awareness does depend upon the qualification.

- 11) **Null Hypothesis:** The awareness does not depend upon Occupation. Alternate Hypothesis: The awareness does depend upon Occupation.

- 12) **Null Hypothesis:** Advertisement does not have any impact on awareness of AVIVA Life Insurance as a private life insurance company.

**Alternate Hypothesis:** Advertisement does not have any impact on awareness of - AVIVA Life Insurance as a private life insurance company.

- 13) **Null Hypothesis:** Subscription for a policy does not have any impact on awareness of AVIVA

**Alternate Hypothesis:** Subscription for a policy does impact on awareness of AVIVA

- 14) **Null Hypothesis:** There is no relationship between awareness of AVIVA & Age

**Alternate Hypothesis:** There is relationship between awareness of AVIVA & Age.

- 15) **Null Hypothesis:**. There is no relationship between awareness of AVIVA & Occupation

**Alternate Hypothesis:** There is relationship between awareness of AVIVA & Occupation.

- 16) **Null Hypothesis:** There is no relationship between awareness of AVIVA & Income

**Alternate Hypothesis:** There is relationship between awareness of AVIVA & Income.

## **1.5 DELIVERABLES**

- Tables
- Suggestions
- Recommendations

## **CHAPTER II- LITERATURE SURVEY**

### **2.1 LITERATURE REVIEW**

#### **What is life insurance?**

Life is too precious, but full of uncertainties. While one goes about carefully planning his life, one never knows what plan life has for him. Man suffers from a sense of insecurity arising out of either the hazards of dying too soon leaving his family members in financial insecurity, or leaving his family members in financial provision for a decent living. The age old concept of community or family living, wherein times of necessity, the economic need of a family or members were taken care of by other in the community or the family had gradually faded away.

What is noticeable is the disintegration of joint family system, and formation of nuclear families. Thus the present day socio-economic scenario leads to the inevitable basic need for the life insurance. It is an essential service, which any welfare state must make available to its people. Life insurance in India made its debut well over 100 years ago. But strangely enough even its salient features were not widely understood.

#### **Life insurance - An Intangible Product**

Life insurance is a device or plan of spreading a possible financial loss over a large number of persons, which is too heavy to be conveniently borne by an individual. It seeks to reduce the financial uncertainties arising from the natural contingencies - old age death. It is a guarantee given by one (insurer) to another (insured) where by the former undertakes to pay a sum of money to the latter (or nominee in case of death) on the happening of the event insured against.

Life insurance is a peculiar product. It is quite different from other commercial products. First, what life insurance sells, is not a tangible product but. an intangible one at present - a promise to perform in the future. When this obligation is met, i.e., the insured event takes place, the money whose presence can be felt, replaces the promise. With this

amount the insured person or his dependents can meet the obligation on account of food, clothing and shelter. Secondly, Life insurance product continues to exist over a long period of time and for making its services available, the insured person has to go on paying the premium (purchase price) through out the term of the policy. This ensures that the benefit already accrued under sale are not lost. Finally, the seller has not only to sell his but also to keep the contract in force by continuous and efficient servicing.

### **Approach to life insurance**

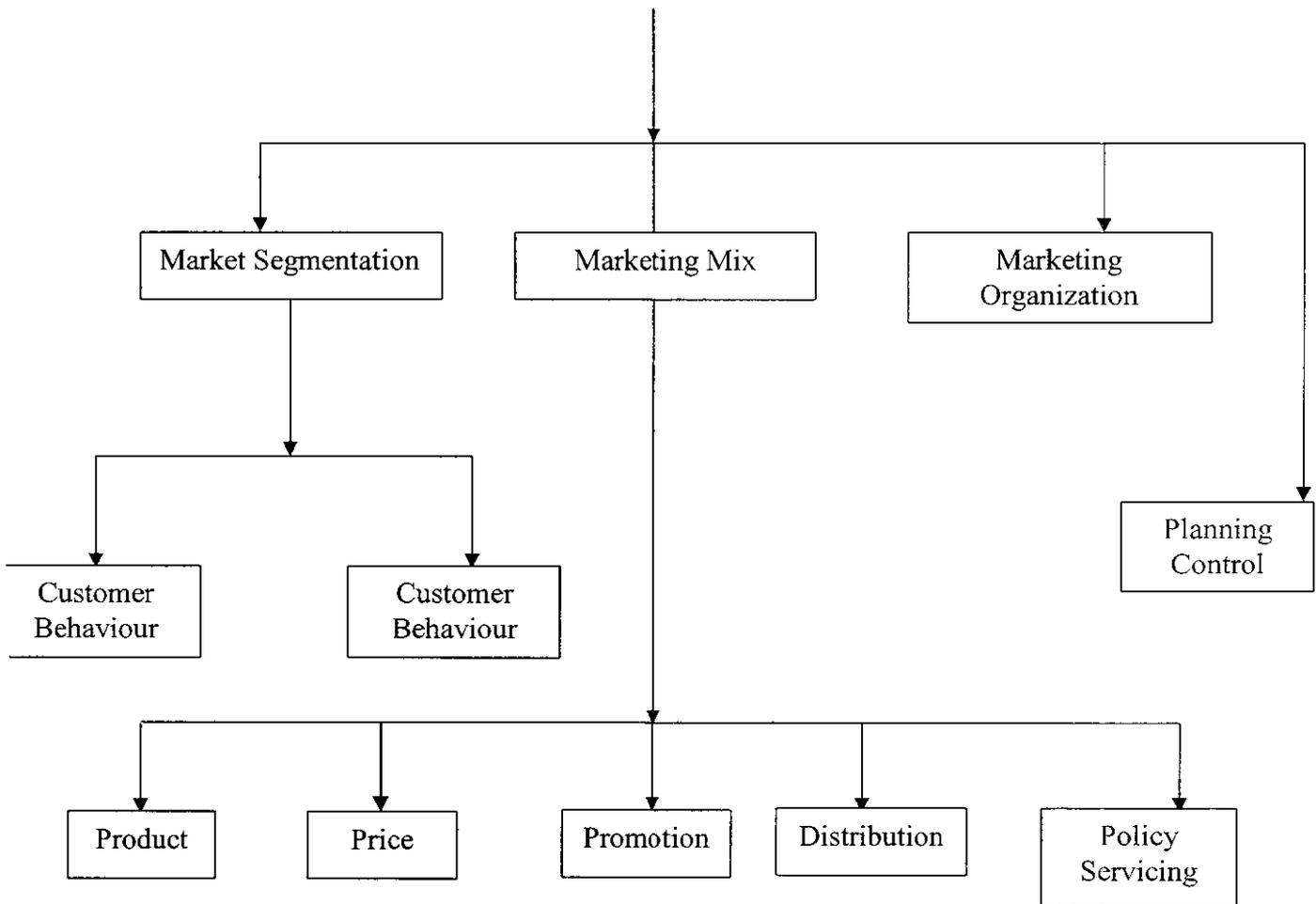
Life insurance is considered to be the “sunrise” industry due to the greater growth potential for the new entrants, as the government has opened the iron gates-to the private participants in the life insurance business space; the scenario presents, both the challenges and opportunities to both the new and as well established Life Insurance Corporation (LIC).

### **Evolution of approach**

Although LIC has enjoyed a monopoly position in the industry, there exists huge untapped market in both urban as well as rural areas of India. The reason for this, low level of penetration is very simple, i.e., the LIC was adopting the product approach, then shifted to selling approach and now as LIC is feeling the heat with marketing efforts or thrust given by the new entrants and now the LIC has started quickly adopting the marketing approach in selling -its policies.

## 2.1.1 LIFE INSURANCE MARKETING STRATEGY SYSTEM

### MARKETING OBJECTIVES



In such a situation, something had to be given unique. Either the new player had to offer price advantage that existing monopoly players could not match. And this is what has happened.

HDFC standard life insurance has set the ball rolling by slashing premium on its term insurance cover by 40%. And as with telecom where Bharati's announcement reduction in tariff rates was the signal for BSNL and MTNL to do likewise, chances are consumers will see a flurry of rate cuts. Insurance companies will now be compelled to pare costs, update actuarial tables and focus on delivery. For a public that has been at the receiving end in the matter of insurance, this is certainly good news.

## 2.1.2 TAX ENDS AND LIFE BEGINS

The three main reasons why Indians have traditionally bought life insurance are tax, tax, and tax. Followed in exponentially diminishing order of motivation by saying investment and risk coverage. For UC and 11 other new insurance brands that have crowded the market, it's the new ball game, says Birla Sun Life CEO Nani Javeri "life insurance will finally be sold for what it is will be marketing led business from now on".

The marketing zing is already evident from the language heard in the upscale offices of the new life insurance companies. Marketing chiefs recruited from FMCG majors like Hindustan lever, Cadburys and Marico talk in terms of buying triggers, vanilla products and alternative distribution channels. They use pizza topping as an analogy to explain the riders that go with a policy and come up with some dazzling insight on the average Indians attitude towards life and death. And they are determined to turn life insurance in to a wholesome, mainstream financial product, like any other.

"It's a cultural challenge," says Raj Raman, senior vice president (marketing) at Tata AIG life insurance, "we are a people who believe in karma and reincarnation.

We don't plan ahead for death and end up with more insurance on our cars than our lives. Of all the financial products, it's insurance that people feel the least need for it". In order to create this need, the life insurance brands have been notching up ads spends which is one of the highest as a percentage of income. In a business where credibility and trust are of the essence, most of the initial expenditure has been on corporate brand building.

After all, when he's signing the deal that stretches over 20 years or more, the customer has to be convinced the company will be around and pay up when the time comes. Says Anuroop Singh, CEO of Max New York life insurance, "Unfortunately, the general mistrust of all financial products in the Indian consumers mind does extend to insurance". As the new insurance brands spread their geographical networks in the year ahead, industry ad spends are likely to peak. With an annual ad budget of RS 20 Crores is the industry average spending. AVIVA LIFE INSURANCE is also currently one of the biggest spender, with a national television campaign that feature a young girl stressing on, saving for her future and also asking her parents to follow suit. This ad-runs with and Jingle "KALPAR CONTROL" meaning having control on the future.

## **CHAPTER III- METHODOLOGY**

### **3.1 TYPE OF PROJECT**

#### **Data sources**

Any research calls for gathering data. It may use secondary data, primary data or both. This research was started with secondary data to analyze the problem the company faced. Secondary data was collected from various journals, magazines, and sales call reports and sales figure of the company.

- Primary data
- Secondary data

#### **Research Approaches**

Primary data can be collected in four forms: observations, focus group , surveys, experiments. The observation and focus group method are used mainly in the case of exploratory research. To satisfy the objective of the project, conclusive project had to be undertaken.

#### **Descriptive Study**

Usually in marketing problems, a decision to select an alternative from among few alternatives may range from a few to virtually unlimited. Conclusive research provides information that helps to make rational decision. Conclusive research studies can be classified as either descriptive or experimental. In this study, descriptive research is undertaken to attain the objective.

For a descriptive study fact gathering is important. But proper emphasis should be given to collect only [he needed information. To be of maximum value, a descriptive study must collect data for definite purpose. Never the less descriptive studies vary in (he degree to which (he specific hypothesis is the guide.

By carefully analyzing secondary data certain findings were hypothesized. The study is designated to test the hypothesis and also generate new findings. Formal design of this study was ensured to obtain a complete and accurate description of the situation. This also "essential so that all relevant information desired are collected,

### **3.2 TARGET RESPONDENTS**

#### **Sample size**

Sample size indicates the number of persons to be selected for the purpose of data collection. Since the time spent with each respondent was long, the sample size became less as the whole process of the study needed to be completed in short period (3 months). The sample site for the study was decided In collect sample by (he method p of Cluster sampling representing various age groups, Occupations and levels of income.

**Sample size =300.**

### **3.3 ASSUMPTIONS CONSTRAINTS AND LIMITATIONS**

Limitations exist in any research of this nature; some of these limitations are listed below.

1. The study was confined only to Coimbatore City and thus it cannot be generalized.
2. Lack of time was a major constraint, since the whole of research was to be completed in two to three months, this time constraint definitely had a severe impact on the research process.
3. The sample size taken for the study is small when compared to the population hence the result obtained may not be true representative of the whole population.
4. As in the case of any survey, responses may not be genuine, and information given by them may not be accurate. Even though the respondents were contacted in person and questionnaire was administered. One cannot be sure that responses were accurate and they cannot change.
5. All efforts have been taken lo ensure that these limitations are kept to barest minimum -and as accurate information as possible has been tried to get from the respondents.

## **3.4 SAMPLING METHODS**

### **3.4.1 DATA COLLECTION**

The method adopted for collecting data was the survey. The essential element in the survey method is that an individual furnishes the data in a conscious effort to answer the question.

Observation or inquiry can obtain survey data. For the purpose of our study we have opted for inquiry method.

In the Inquiry method, data can be gathered in three ways

- **Questionnaire**

In this research a Questionnaire was used to collect the required data. Questionnaire method is widely used data collection method. Questionnaire as the name suggest, is distinguished by, the fact that data are collected by asking questions to people who are thought to have desired information. Questions may be asked in person or in writing. A formal list of such question is called Questionnaire.

For the purpose of this research a structured non-disguised questionnaire was used. The process of following a prescribed sequence of specific sequence is referred to as structured study. The Questionnaire used consisted of such specific, questions. And also the objective of our study was made clear to the respondents so its called non-disguised questionnaire.

## **3.5 TOOLS FOR ANALYSIS**

### **STATISTICAL TOOLS USED**

#### **Chi-Square Test**

The Chi-Square Test procedure tabulates a variable into categories and computes a chi-square statistic. This goodness-of-fit test compares the observed and expected frequencies in each category to test either that all categories contain the same proportion of values or that each category contains a user-specified proportion of values.

The chi-square test is one of the simplest and most widely used non - parameter, the quantity chi-square describes the magnitude of the discrepancy between theory and observations test in statistical work. The steps involved in chi-square are as follows.

Observed frequencies (o) are tabulated

Expected frequencies (e) are tabulated

Expected frequencies for any cell can be calculated using the formula

$$E = \frac{RT \times CT}{N}$$

Where,

E = Expected frequency

KT = the row total for the row containing cell

CT = the column total for the column containing cell

N = the total number of operation.

The difference between the observed and expected frequency are obtained and (he square of the differences are tabulated as  $(O - E)^2$

The values of the  $(O - E)^2$  is obtained in step 3 are divided by the expected frequency and the total  $(O - E)^2$  is compared with the table of  $\chi^2$  for the given degree of freedom at a certain level of significance (generally 5% level is selected).

By degree of freedom, we mean the number of classes to which the values can be assigned arbitrarily if at the 5% level of significance the calculated value of  $\chi^2$  is more than the table value of  $\chi^2$ , the difference between the theory and observation is considered to be significant.

On the other hand, the calculated value of  $\chi^2$  is less than the table value, the difference the theory and observation is not considered as significant i.e., it is regarded as due to fluctuations of sampling and hence ignored. The degree of freedom can be calculated using the formula,

$$V = (c-1) (r- 1)$$

Where, c refers to columns and r refers to rows.

## CHAPTER IV- DATA ANALYSIS AND INTERPRETATION

### 4.1 ANALYSIS AND INTERPRETATION AND DISCUSSION, INFERENCES.

Data collected through questionnaire was entered in to the SPSS. This statistical package was used in analyzing relationship if they exist and for cross tabulation. After entering the entire set of data inside SPSS package, data analysis was done. Frequency distribution was prepared for the following cases:

#### 4.1.1 COMPOSITION OF SAMPLE

##### CLASSIFICATION OF RESPONDENTS BASED ON INCOME LEVEL

The data collected is distributed income wise in the following manner.

Monthly Income	No of respondents	Percentage
Less than 20000	185	62
Greater than 20000	115	38
TOTAL	300	100

TABLE 4.1.1 DISTRIBUTED INCOME WISE

##### Inference

From the above table it is found that, out of 300 respondents, 185 fall in income levels less than 20,000, 115 respondents were greater than 20,000 thus most of the respondents fall in the income level of less than 20,000 category.

##### CLASSIFICATION OF RESPONDENTS BASED ON AGE

The age wise distribution of the sample collected for the purpose of the study is as follows

Age	No of respondents	Percentage
Less than 30	179	60
Greater than 30	121	40
TOTAL	300	100

TABLE 4.1.2 RESPONDENTS BASED ON AGE

### **Inference**

From the above table it is found that, out of 300 respondents, 179 fall in Age group less than 30, 121 respondents were having age greater than 30 thus most of the respondents fall in the AGE group of less than 30 category.

### **CLASSIFICATION OF RESPONDENTS BASED ON OCCUPATION**

The occupation wise distribution of the sample collected for the purpose of the study is as follows

<b>Occupation</b>	<b>No of respondents</b>	<b>Percentage</b>
Salaried	152	51
Non Salaried	148	49
TOTAL	300	100

**TABLE 4.1.3 RESPONDENTS BASED ON OCCUPATION**

### **Inference**

From the above table it is found that, out of 300 respondents, 152 fall in Salaried, 148 Non Salaried thus the no of respondents in the both classes are almost equally distributed.

### **CLASSIFICATION OF RESPONDENTS BASED ON QUALIFICATION**

The qualification wise distribution of the sample collected for the purpose of the study is as follows

<b>Qualification</b>	<b>No of respondents</b>	<b>Percentage</b>
Under graduates	129	43
Post graduates	113	38
Others	58	19
TOTAL	300	100

**TABLE 4.1.4 RESPONDENTS BASED ON QUALIFICATION**

## Inference

From the above table it is found that, out of 300 respondents, 129 fall in Under graduates, 113 fall in Post graduates and 58 respondents fall in others category. Thus most no of respondents fall in Under graduates.

## EXTENT OF INSURED AND NOTINSURED

	No of respondents	Percentage
INSURED	178	59
NOT INSURED	122	41
TOTAL	300	100

**TABLE 4.1.5 EXTENT OF INSURED AND NOTINSURED**

## Inference

Thus it is clear from the above table that about 59% of the respondents have insured their life with insurance cover.

## Relationship between those who have taken insurance and age

Number of Respondent insured \* Age of person insured

	Age		Total
	<30	>30	
are u insured Yes	103	75	178
No	76	46	122
Total	179	121	300

**TABLE 4.1.6 Relationship between those who have taken insurance and age**

### Chi-Square Tests

Tools used	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.590	1	.442		
Continuity Correction	.421	1	.517		
Likelihood Ratio	.592	1	.442		
Fisher's Exact Test				.474	.259
Linear-by-Linear Association	.588	1	.443		
N of Valid Cases	300				

**TABLE 4.1.7 Chi-Square Test for insured and age**

The minimum expected count is 49.21.

**Null Hypothesis:** There is no difference among various age groups of people and subscribing to an insurance policy.

**Alternate Hypothesis:** There is difference among various age groups of people and subscribing to an insurance policy.

Calculated value of  $X^2$  coefficient = **0.590**

Table value of  $X^2$  coefficient at 5% level of significance with 1 degrees of freedom =

**3.841** Since calculated value < table value, **the null hypothesis is accepted.**

**Inference:** There is no difference among various age groups of people and subscribing to an insurance policy.

**Relationship between those taking insurance and income**

Number of Respondent insured \* Income

Are you insured	Income		Total
	Less than 20000	Grater than 20000	
Yes	106	72	178
No	79	43	122
Total	185	115	300

**TABLE 4.1.8 Relationship between those taking insurance and income**

**Chi-Square Tests**

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1 - sided)
Pearson Chi-Square	.82	1	.363		
Continuity Correction	.624	1	.430		
Likelihood Ratio	.832	1	.362		
Fisher's Exact Test				.390	.215
Linear-by-Linear Association	.826	1	.363		
Not Valid Cases	300				

**TABLE 4.1.9 Chi-Square Test insured and income**

The minimum expected count is 46.77.

**Null Hypothesis:** There exists no relationship between income levels of an individual and taking up of an insurance policy.

**Alternate Hypothesis:** There exists relationship between income levels of an individual and taking up of an insurance policy.

Calculated value of  $X^2$  coefficient = **0.829**

Table value of  $X^2$  coefficient at 5% level of significance with 1 degrees of freedom =  
**3.841**

Since calculated value < table value, the null hypothesis is accepted.

**Inference:** There exists no relationship between income levels of an individual and taking up of an insurance policy.

**Relationship between those who have taken insurance and occupation.**

Number of Respondent insured \* Occupation.

		Occupation		Total
		Salaried	Not salaried	
are u insured	Yes	114	64	178
	No	30	84	122
Total		152	148	300

**TABLE 4.1.10 Relationship between those who have taken insurance and occupation.**

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1 -sided)
Pearson Chi-Square	31.341	1	.000		
Continuity Correction	30.039	1	.000		
Likelihood Ratio	31.963	1	.000		
Fisher's Exact Test				.000	.000
Linear-by-Linear Association	31.237	1	.000		
N of Valid Cases	300				

**TABLE 4.1.11 Chi-Square Test insured and occupation.**

The minimum expected count is 60.19.

**Null Hypothesis:** There is no difference among various occupations of people and subscribing to an insurance policy.

**Alternate Hypothesis:** There is difference among various occupations of people and subscribing to an insurance policy.

Calculated value of  $X^2$  coefficient = **31.341**

Table value of  $X^2$  coefficient; H 5% level of significance with 1 degrees of freedom

**3.841**

Since calculated value > table value, **the null hypothesis is rejected.**

**Inference:** There is difference among various occupations of people and subscribing to an insurance policy.

**VARIOUS FACTORS WHICH ARE CONSIDERED FOR TAKING INSURANCE POLICY (RANKING)**

FACTORS	WEIGHTS	RANKS
HEALTH CONDITIONS	1423	1
INCOME	1386	2
AGE	1110	3
SAFETY	1064	4
TAX	882	5
NO OF DEPENDENTS	835	6

**TABLE 4.1.12 Insurance Policy Ranking**

**VARIOUS INVESTMENT AVENUES CONSIDERED AMONG THE RESPONDENTS (RANKING)**

FACTORS	WEIGHTS	RANKS
FIXED DEPOSIT	1045	1
NSS/NSC/PPF	912	2
INSURANCE	875	3
SHARES/MUTUAL FUNDS	811	4
GOVT BONDS	800	5

**TABLE 4.1.14 Various Investment Avenues**

The ranks have been assigned to the factors listed above by the respondents during the process of data collection. The weights as shown above have been arrived by multiplying the ranks so assigned with the No of Respondents who have assigned these ranks. The weights so arrived has been used as a basis for final rankings.

## POLICY VALUE

### Relationship between policy value and insurance companies.

Insurance company \* Policy value

	Policy value			Total
	<Rs1lak	<Rs3lak	>Rs3Lak	
Insurance	122		1	123
Company LIC		73	41	114
Others		46	17	63
Total	122	119	59	300

**TABLE 4.1.15 Relationship between policy value and insurance companies.**

### Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	298.425	4	.000
Likelihood Ratio	397.487	4	.000
Linear-by-Linear Association	161.066	1	.000
N of Valid Cases	300		

**TABLE 4.1.16 Chi-Square Test for policy value and insurance companies.**

The minimum expected count is 12.39.

**Null Hypothesis:** The insurance company does not have any bearing on the value of insurance policy.

**Alternate Hypothesis:** The insurance company does have bearing on the value of insurance policy.

Calculated value of  $X^2$  coefficient = **298.425**

Table value of  $X^2$  coefficient at 5% level of significance with A degrees of freedom

**9.488**

Since calculated value > table value, **the null hypothesis is rejected.**

**Inference:** The insurance company docs have bearing on the value of insurance policy.

**Relationship between policy value and occupation**

**Occupation \* policy value**

		Policy value			Total
		<Rs1lak	<Rs3lak	>Rs3Lak	
Occupation	Salaried	38	85	29	152
	Not salaried	84	34	30	143
	Total	122	119	59	300

**TABLE 4.1.17 Relationship between policy value and occupation**

**Chi-Square Tests**

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	39.172	2	.000
Likelihood Ratio	40.325	2	.000
Linear-by-Linear Association	12.485	1	.000
N of Valid Cases	300		

**TABLE 4.1.18 Chi-Square Test for policy value and occupation**

**Null Hypothesis:** Occupation of the insured does not affect their policy value.

**Alternate Hypothesis:** Occupation of the insured does affect their policy value.

Calculated value of  $X^2$  coefficient = **39.172**.

Table value of  $X^2$  coefficient at 5% level of significance with 2 degrees of freedom = **5.991**.

Since calculated value > table value, **the null hypothesis is rejected**

**Inference:** Occupation of the insured does affect their policy value

## Relationship between policy value and income

Income \* policy value

	Policy Value			
	<Rs1lak	<Rs3lak	>Rs3Lak	
Income Less than 20000	79	95	11	185
Income Greater than 20000	43	24	48	115
Total	122	119	59	300

**TABLE 4.1.19 Relationship between policy value and income**

### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	63.301.	2	.000
Likelihood Ratio	64.650	2	.000
Linear-by-linear Association	21.354	1	.000
N of Valid Cases	300		

**TABLE 4.1.20 Chi-Square Test for policy value and income**

**Null Hypothesis:** Income of the insured does not affect their policy value.

**Alternate Hypothesis:** Income of the insured does affect their policy value.

Calculated value or  $X^2$  coefficient = **63.301**

Table value of  $X^2$  coefficient at 5% level of significance with 2 degrees of freedom  
**5.991**

Since calculated value > table value, **the null hypothesis is rejected.**

**Inference:** Income of the insured does affect their policy value

**Relationship between policy value and income tax.**

Tax \* policy value

		Policy value			Total
		<Rs1lak	<Rs3lak	>Rs3Lak	
Tax	Less than 10000	80	95	11	186
	Grantor than 10000	42	24	48	114
Total		122	119	59	300

**TABLE 4.1.21 Relationship between policy value and income tax.**

**Chi-Square Tests**

	Value	Df	Asymp.Sig (2-Sided)
Pearson Chi-square			.000
Likelihood Ratio	64.937	2	.000
Linear-by-Linear Association	22.603	1	.000
N of Valid Cases	300		

**TABLE 4.1.22 Chi-Square Test for policy value and income tax.**

. The minimum expected count is 22.42.

**Null Hypothesis:** Income Tax of the insured does not affect their policy value.

**Alternate Hypothesis:** Income Tax of the insured does affects their policy value.

Calculated value of  $X^2$  coefficient = **63.795**

Table value of  $X^2$  coefficient at 5% level of significance with 2 degrees of freedom

**5.991**

Since calculated value > table value, the null hypothesis is rejected

**Inference:** Income Tax of the insured does affects their policy value.

## **AWARENESS**

### **Awareness of Private Life insurance**

	No of respondents	Percentage
AWARE	171	57.0
NOT AWARE	129	43.0
TOTAL	300	100.0

**TABLE 4.1.23 Awareness of Private Life insurance**

From the above table it is clear that about 57% of the respondents are aware of entry of private life companies in life insurance

### **Relationship between those who have taken insurance and awareness of entry of private life Insurance Companies**

#### **Are u insured \* pvt awareness**

		Private awareness		Total
		Yes	No	
Are u insured	Yes	116	62	178
	No	5	67	122
Total		171	129	300

**TABLE 4.1.24 Awareness of Private Life insurance**

## Chi-Square Tests

	Value	Df	Asymp. Sin (2 – Sided)	Exact Sig. (2-sidod)	Exact Sig. (1-sidori)
Pearson Chi-Square	11.916	1	.001		
Continuity Correction	11.110	1	.001		
Likelihood Ratio	11.926	1	.001		
Fisher's Exact Test				.001	.000
Linear-by-Linear Association	11.876	1	.001		
N of Valid Cases	300				

**TABLE 4.1.25 Chi-Square Test for Awareness of Private Life insurance**

The minimum expected count is 52.46.

**Null Hypothesis:** There is no difference in awareness among insured and uninsured Persons.

**Alternate Hypothesis:** There exists difference in awareness among insured and uninsured persons.

Calculated value of  $X^2$  coefficient = **11.916**

Table value of  $X^2$  coefficient at 5% level of significance with 1 degrees of freedom = **3.841**

Since calculated value able value, **the null hypothesis is rejected.**

**Inference:** There exists difference in awareness among insured and uninsured persons.

**Relationship between Awareness of Private companies and the age group**

PVT awareness \* age

	Age	Age	Total
		<30	
PVT awareness			
Yes	108	63	171
No	71	58	129
Total	179	121	300

**TABLE 4.1.26 Relationship between Awareness of Private companies and the age group**

**Chi-Square Tests**

	Value,	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1 -sided)
Pearson Chi-Square	2.014	1	.156		
Continuity Correction	1.691	1	.193		
Likelihood Ratio	2.011	1	.156		
Fisher's Exact Test				101	.097
Li near-by- Li near	2.007	1	.157		
Association N of Valid Cases	300				

**TABLE 4.1.27 Chi-Square Test for Awareness of Private companies and the age group**

The minimum expected count is 52.03.

**Null Hypothesis:** The awareness does not depend upon age group.

**Alternate Hypothesis:** The awareness does depend upon age group.

Calculated value of  $X^2$  coefficient = **2.014**

Table value of  $X^2$  coefficient at 5% level of significance with 1 degrees of freedom

**3,841**

Since calculated value < table value, **the null hypothesis is accepted.**

**Inference:** The awareness does not depend upon age group

**Relationship between Awareness of private companies and qualification.**

**PVT awareness \* qualification**

	PVT awareness	Qualification			Total
		UG	PG	Others	
Yes		85	02	24	171
No		44	51	34	129
Total		129	113	58	300

**TABLE 4.1.28 Relationship between Awareness of private companies and qualification.**

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.145	2	.006
Likelihood Ratio	10,166	2	.006
.Linear-by-Linear Association	10.070	1	.002
N of Valid Cases	300		

**TABLE 4.1.29 Chi-Square Test for Awareness of private companies and qualification.**

The Minimum expected count is 24.94.

**Null Hypothesis:** The awareness does not depend upon the qualification.

**Alternate Hypothesis:** The awareness does depend upon the qualification.

Calculated value of  $X^2$  coefficient = **10.145**

Table value of  $X^2$  coefficient at 5% level of significance with 2 degrees of freedom =

**5.991**

Since calculated value > table value, **the null hypothesis is rejected.**

Inference: The awareness does depend upon the qualification.

**Relationship between awareness of private companies and Occupation**

PVT awareness \* occupation

	Occupation		Total
	Salaried	Not salaried	
PVT awareness Yes	100	71	171
No	52	77	129
Total	152	148	300

**TABLE 4.1.30 Relationship between awareness of private companies and Occupation**

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1 -sided)
Pearson Chi-Square	9.711	1	.002		
Continuity Correction	8.998	1	.003		
Likelihood Ratio	9.764	1	.002		
Fisher's Exact Test				.002	.001
Linear-by-Linear Association	9.679	1	.002		
N of Valid Cases	300				

**TABLE 4.1.31 Chi-Square Test for awareness of private companies and Occupation**

The minimum expected count is 63.64.

**Null Hypothesis:** The awareness does not depend upon Occupation.

**Alternate Hypothesis:** The awareness does depend upon Occupation.

Calculated value of  $X^2$  coefficient = **9.711**

Table value of  $X^2$  coefficient at 5% level of significance with 1 degrees of freedom =

**3.841**

Since calculated value > table value, **the null hypothesis is rejected**

Inference: The awareness does depend upon Occupation

## AWARENESS OF AVIVA LIFE INSURANCE

### Relationship between awareness of AVIVA Life Insurance and their notice of Advertisements

Aviva aware \* advt aware

		Advt aware		Total
		Yes	No	
Aviv aware	Yes	149		149
	No		151	151
Total		149	151	300

**TABLE 4.1.32 Relationship between awareness of AVIVA Life Insurance and their notice of Advertisements**

### Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1 -sided)
Pearson Chi-Square	300	1	.000		
Continuity Correction	29	1	.000		
Likelihood Ratio	415	1	.000		
Fisher's Exact Test				.000	.000

**TABLE 4.1.33 Chi-Square Test for awareness of AVIVA Life Insurance and their notice of Advertisements**

The minimum expected count is 74.00.

**Null Hypothesis:** Advertisement does not have any impact on awareness of AVIVA Life Insurance as a private life insurance company.

**Alternate Hypothesis:** Advertisement does have impact on awareness of AVIVA Life Insurance as a private life insurance company. Calculated value of  $X^2$  coefficient = 300

Table value of  $X^2$  coefficient at 5% level of significance with 1 degrees of freedom =

**3.841**

Since calculated value > table value, **the null hypothesis is rejected.**

**Inference:** Advertisement does have impact on awareness of AVIVA Life Insurance as a private life insurance company.

**Relationship between those who have taken insurance and Awareness of AVIVA**

Are u insured \* aviva aware Crosstabulation

		Aviva aware		Total
		Yes	No	
Are u insured	Yes	99	79	178
	No	50	72	122
Total		149	151	300

**TABLE 4.1.34 Relationship between those who have taken insurance and Awareness of AVIVA**

## Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1 -sided)
Pearson Chi-Square	6.201	1	.013		
Continuity Correction	5.630	1	.018		
Likelihood Ratio	6.228	1	.013		
Fisher's Exact Test				.014	.009
Linear-by-Linear Association	6.181	1	.013		
Not Valid Cases	300				

**TABLE 4.1.35 Chi-Square Test for insurance and Awareness of AVIVA**

The minimum expected count is 60.59.

**Null Hypothesis:** Subscription for a policy does not have any impact on awareness of AVIVA

**Alternate Hypothesis:** Subscription for a policy does impact on awareness of AVIVA

**Inference:** Subscription for a policy does have any impact on awareness of AVIVA.

**Relationship between awareness AVIVA and Age**

Aviva aware \* age

		Age		Total
		<30	>30	
Aviva aware	Yes	90	59	149
	No	89	62	151
Total		179	121	300

**TABLE 4.1.36 Relationship between awareness AVIVA and Age**

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.067	1	.796		
Continuity Correction	.020	1	.888		
Likelihood Ratio	.067	1	.796		
Fisher's Exact Test				815	444
Linear-by-Linear Association	.056	1	.797		
N of Valid Cases.	300				

**TABLE 4.1.37 Chi-Square test awareness AVIVA and Age**

The minimum expected count is 60.10.

**Null Hypothesis:** There is no relationship between awareness of AVIVA and Age. **Alternate**

**Hypothesis:** There is relationship between awareness of AVIVA and Age.

Calculated value of  $X^2$  coefficient = **0.067**

Table value of  $X^2$  coefficient at 5% level of significance with 1 degrees of freedom

**3.841**

Since calculated value < table value, **the null hypothesis is accepted.**

**Inference:** There is no relationship between awareness of AVIV and Age.

**Relationship between AVIVA awareness and Occupation**

**Aviva aware \* occupation**

	Occupation		Total
	Salaried	Not salaried	
aviva aware Yes	80	69	149
No	72	79	151
Total	152	148	300

**TABLE 4.1.38 Relationship between AVIVA awareness and Occupation**

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1 -sided)
Pearson Chi-Square	1.083	1	.298		
Continuity Correction	.856	1	.355		
Likelihood Ratio	1.084	1	.298		
Fisher's Exact Test				.302	.177
Linear -by-Linear Association	1.080	1	.299		
N of Valid Cases	300				

**TABLE 4.1.39 Chi-Square Test AVIVA awareness and Occupation**

The minimum expected count is 73.51.

**Null Hypothesis:** There is no relationship between awareness of AVIVA & Occupation.

**Alternate Hypothesis:** There is relationship between awareness of AVIVA & Occupation.

Calculated value X<sup>2</sup> coefficient = **1.083**

Table value of X<sup>2</sup> coefficient at 5% level of significance with 1 degrees of freedom

**3.841**

Since calculated value < Table value, **the null hypothesis is accepted.**

**Inference :** There is no relationship between awareness of AVIVA & Occupation.

### Relationship between AVIVA awareness and Income

Aviva aware \* income

		Income		Total
		Loss than 20000	Grater than 20000	
aviva aware	Yes	93	56 59 115	149
	No	92		151
Total		185		300

**TABLE 4.1.40 Relationship between AVIVA awareness and Income**

#### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1 -sided)
Pearson Chi-Square	.070	1	.791		
Continuity Correction	.021	1	.884		
Likelihood Ratio	.070	1	.791		
Fisher's Exact Test				.813	.442
Linear-by-Linear Association	.070	1	.791		
N of Valid Cases	300				

**TABLE 4.1.41 Chi-Square Test for AVIVA awareness and Income**

The minimum expected count is 57.12.

**Null Hypothesis:** There is no relationship between awareness of AVIVA & Income.

**Alternate Hypothesis:** There is relationship between awareness of AVIVA & Income.

Calculated value of  $X^2$  coefficient = 0.070

Table value of  $X^2$  coefficient at 5% level of significance with 1 degrees of freedom

**3.841**

Since calculated value < table value, **the null hypothesis is accepted.**

**Inference:** There is no relationship between awareness of AVIVA Income.

## CHAPTER V- CONCLUSIONS

### 5.1 INFERENCE AND FINDINGS

1. It cannot be inferred from the analysis that a particular age group has taken Insurance hence, can be concluded that there exists no relationship among various age groups of people and subscription to an insurance policy.
2. It be inferred from the analysis that a particular income group has taken Insurance hence it can lie concluded that there exists no relationship among various income groups of people and subscription to an insurance policy.
3. It has been inferred from analysis, that there is difference among various occupations of people and individual subscription to an insurance policy.

From the data it know that salaried classes have insured 75% where as when it comes to non-salaried class the percentage comes to only 43%.

4. On the average respondents have agreed that Safety, Tax Benefits, and Investment options are the major factors that motivate an individual to take up a policy.
5. With regards to the perception of factors which determines a person to take up a policy Health conditions, income, age, safety, tax and no of dependent .As mentioned in that order plays a significant role.
6. The Fixed Deposits, Savings Certificate, Insurance, Mutual Funds and Govt. Bonds in that order continues to be the hot Investment avenues among the respondents.
7. It's inferred from the analysis, that the insurance company does have bearing on the value of insurance policy. About 62% of business of policy value less than 3 lakhs have been handled by LIC. Where as when it comes to private company this percentage comes to only 38% thus it is clear that private company prefer only high worth policies.

8. It appears that Income of the individual determines the policy value, which he has taken. About 81% of the customers belonging to Monthly Income more than Rs10,000 have
9. It appears that Occupation of the individual determines the policy value, which that individual has taken. About 71% of the consumers belonging to salaried class have taken up the policy, which is of value about 3 Lakhs
10. As the tax rebate can be availed the income tax does affect the value of the policy taken by the customer. About 81% of the customers belonging to highest tax bracket have taken up the policy, which is of value more than RS. 3 Lakhs.
11. It is inferred from the analysis, that people who already have insured are more aware of entry of private life insurance companies. About 69% of people who had already taken Insurance are aware of private company's entry.
12. It is inferred that there exists no relationship among various age groups of people and awareness of entry of private life insurance companies.
13. It can be inferred from the analysis that particular level of educated people are more aware of entry of private life insurance companies hence, it can be concluded that there exists relationship among level of education of the people and awareness of entry of private life insurance companies, it is found that people whose level of education is high are more aware of entry of private companies.
14. It can be inferred from the analysis that salaried classes are more aware of entry of private life insurance companies than non salaried class. Hence it can be concluded there exists relationship among occupation of the people and awareness of entry of private life insurance companies. About 65% of salaried class are aware of entry of private life insurance companies whereas only 47% of non-salaried class are aware of entry of private companies.

15. From the analysis, it is inferred that advertisements have had an impact on creating awareness of AVIVA Life Insurance, as a private life insurance company. All the respondents were aware of AVIVA life insurance through advertisement hence advertisement have had a greater impact in promoting AVIVA as a brand.
16. It is inferred from the analysis, that people who already have insured are more aware of entry of Aviva life insurance. About 66% of people who had already taken Insurance are aware of Aviva life insurance entry.
17. It is inferred from the analysis that a particular age group of people are aware of Aviva hence, it can be concluded that there exists no relationship among various age groups of people and awareness of Aviva
18. It cannot be established from the analysis that a particular Occupation class of people are aware of Aviva hence, it can be concluded that there exists no relationship among various Occupation classes and awareness of Aviva .
19. It is inferred from the analysis that a particular Income group of people are more aware of Aviva hence, it can be concluded that there exists no relationship among various Income classes and awareness of Aviva .
20. The salaried class of respondents on an average of about 65% of them disagreed on the argument that life insurance products are of high premium, fewer features and with poor service.
21. About 69% of respondents belonging to that of less than 20,000 monthly income category have agreed that life insurance products lack flexibility.
22. About 65% of respondents belonging to that of less than 20,000 monthly income category have agreed that life insurance products offer fewer features.
23. On an "average 61% of respondents belonging to age group greater than 30 have disagreed life insurance companies provide poor service.

## 5.2 CONCLUSION AND RECOMMENDATIONS

The Brand awareness of Aviva Life Insurance in Coimbatore, is not that impressive, it needs to do a more of brand promoting campaigns and see that it reaches its target audience, the brand should be made engrossed in the people ii: minds, in such a way, it differentiates itself from its competitors and this will do a & lot of good to their business since it's a life insurance business which is a long term one. People will go only for a long-term player and well-established brands, hence to thrive in this insurance space Aviva has to carve itself a niche segment of high net worth individuals.

One such suggestion to promote their brand it would be to use the brand image of tied up local partner Dabur India LTD which has a strong grass roots in India, but they haven't used that to Promote Aviva hence it is suggested that it uses Dabur's brand image

### **PRODUCT:**

Aviva life insurance company should offer more customized products meeting different individual needs and wants, can also decided which market segment it wants to cater To and accordingly it can design new products. And innovate old ones. It should add new toppings to (he existing base policy and come up with new products so that feature provided by that product much more broadened fulfilled. It should also concentrate on low-income category and design products suitable to them. It should also make claim settlement procedure more customer-centric.

### **PRICE**

Pricing (premium) plays an important role in deciding brand decision, thus the prices should be made more affordable and should be shown flexibility for low income category.

### **PLACE;**

At this new age of Technology the role of agents is getting reduced, especially with the technology boom. People take decisions for buying the policy through their friends and others like Internet. People have declined to the idea that they have bought because of agent's persistence this in turn reduces the role of middleman. Thus company should also concentrate on people who want to directly take policy without any middlemen.

## **PROMOTION**

As insurance industry is facing tough competition from many private players, Aviva should concentrate on more brand building strategies like doing road shows, sponsoring cricket matches and organizing big tournaments, in addition it can build its corporate image by involving corporate social responsibility programs.

## CHAPTER VI-APPENDIX

### APPENDIX

#### 6.1 Questionnaire

Dear Respondents

I am final year student of department of management studies, as a part my project work; I am conducting this survey, which is vital for completion of the course. I look forward for your kind cooperation with respect to filling the questionnaire and I ensure that all details you furnish will be kept confidential.

##### 1. Have you taken a life insurance policy?

Yes                        No      (If no go to question 4)

##### 2. If yes. Give details?

- |                      |                         |
|----------------------|-------------------------|
| a. Sum Assured ..... | b. Name of Company..... |
| c. Name of Plan..... | d. Premium amount.....  |

##### 3. Rate the reason for buying the above

- |                                     | Strongly Agree           | Strongly Disagree        |
|-------------------------------------|--------------------------|--------------------------|
| a. Tax Benefits                     | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Investment Avenue                | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Insurance Against<br>uncertainty | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Agents Persistence               | <input type="checkbox"/> | <input type="checkbox"/> |

##### 4. What are your perceptions about life insurance policy?

- |                   | Strongly Agree           | Strongly Disagree        |
|-------------------|--------------------------|--------------------------|
| a. High Premium   | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Poor Service   | <input type="checkbox"/> | <input type="checkbox"/> |
| c. No flexibility | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Less Features  | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Waste of Money | <input type="checkbox"/> | <input type="checkbox"/> |

5. What are the factors you consider for a person to take a life insurance policy (please rank on a scale of 6, 1-high importance, 6-least significant)?

Age  Income  Health conditions

Safety  Tax  No Of Dependents

6. What would be the Investment Avenue you look in to the near future (please rank on a scale of 5, 1-high importance, 5-least significant)?

Fixed Deposit

Insurance

Govt. Bonds

Shares/Mutual funds

NSS/PPF/NSC

7. Who would you consult before taking a life insurance policy or any Investment Decision?

Spouse  Friends  Agents  Any Other

8. Are you aware of entry of Private Life Insurance Companies?

Yes  No  (If no go to question 11)

9. If yes Name any Four Companies?

a. \_\_\_\_\_

b. \_\_\_\_\_

c. \_\_\_\_\_

d. \_\_\_\_\_

10. What are your perceptions about the Private Companies in Life Insurance?

Strongly Agree

Strongly Disagree

a. Easy Claim

b. Catering Rich

c. Customized polices

d. Good after sales

e. High Premium

f. Convertibility

g. More Choice

h. Not credible

**11. Are you aware of AVIVA LIFE INSURANCE?**

Yes  No

**12. Have you seen any advertisement of AVIVA LIFE INSURANCE?**

Yes  No

**13. If yes which Media.**

TV  Newspaper  Magazine  Others

**14. Are you of any products of AVIVA LIFE INSURANCE?**

Yes  No

**15. If yes which products you are aware of please mention below?**

Freedom life plan  Young achiever  Life long

Pension plus  Others

**16. Do you like to meet our Aviva Life Advisor?**

Yes  No

**Demographic Details**

Name :

Age :

Martial Status :

Having Children :

Qualification :

Occupation :

Monthly Income :

**Thank you for your Cooperation**

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