

EXECUTIVE SUMMARY

ICICI Prudential Life Insurance Company is a joint venture between ICICI Bank, a premier financial powerhouse and Prudential plc, a leading international financial services group headquartered in the United Kingdom. ICICI Prudential was the first amongst the first private sector insurance companies to begin operations in December after receiving approval from Insurance Regulatory Development Authority (IRDA). The company has a network of about 56000 advisors as well as 7-bank assurance and 150 corporate agent tie-ups. It has more than 16 million Customers, Policy & Unit holders Worldwide. It has around 20,000 employees worldwide. Prudential Corporation Asia has 23 operations in 12 countries. It has a wide range of flexible products that meet the needs of the Indian customer at every step in life and has retained the position as No. 1 private life insurance in the company.

This project is done for learning the High Networth Customers of ICICI Prudential and HNI customers satisfaction on the Unit Linked Plans of ICICI Prudential so that the company can provide better services on the various Insurance plans especially the ULIP Plans offered and improve the satisfaction level of the Customers. HNI customers are the people who pay a premium of Rs. 50,000 and above towards an Insurance policy. Studying this type of Customer Group and improving the services rendered will help the company to retain the best customers of the company and make them loyal towards the Company.

CHAPTER 1
INTRODUCTION

India's insurance industry has moved into competitive and exciting times with the arrival of private players in the market. Although the Life Insurance Corporation of India (LIC) reigns supreme in terms of market share, private insurance companies are gearing up to woo the consumer.

A market study which is conducted by ORG-MARG shows that ICICI Prudential, HDFC Standard Life and Tata AIG have experienced an increase in their market shares by 8, 3 and 2 per cent respectively. This is a remarkable achievement, considering that the doors were thrown open to private players only in 2000. Private players have recorded a 312 per cent growth this fiscal, and are expecting over 20 per cent year-on-year growth over the next three years.

At the moment, India is one of the best markets to be in. Over 75 per cent of its vast population has no insurance. Global reinsurance major, Swiss Re, points out that the industry will touch a growth of up to \$50 billion in the next 10 years, with individual life insurance accounting for almost \$40 billion. Little wonder, then, that top global names such as AIG, Allianz, AMR Aviva, ING, Metlife, New YorkLife, Old Mutual, Prudential, Standard Life and Sun Life are here in joint ventures with eminent Indian companies such as Tata, Birla, HDFC, Kotak and ICICI, among others. The Insurance Regulatory and Development Authority (IRDA) regulations too encourage best practices in the marketplace.

A high net worth individual is a person with large personal financial holdings. Traditionally the term used was *millionaire*, but in recent years the term *high net worth individual* has become the descriptor of choice. A high net worth individual has financial assets worth more than US\$1 million. But in Life Insurance Area, a high net worth (HNI) customer is a person who pays a premium of Rs. 50,000 and above towards the Insurance. ICICI prudential caters to the investment needs of many high net worth customers with its Unit Linked Plans.

A Unit Linked Insurance Policy is a policy which provides for life insurance where the policy at anytime varies according to the value of the underlying assets at a time. ULIP is life insurance solution that provides the client with the benefits of protection and flexibility in investment. The investment is denoted as units and is represented by the value that it has attained called as Net asset Value (NAV).

ULIP came into play in the 1960s and became very popular in Western Europe and Americas. The reason that is attributed to the wide spread popularity of ULIP is because of the transparency and the flexibility which it offers to the clients.

In today's times –ULIP provides solutions for all the needs of a client like , Insurance planning, financial planning, financial planning for children's future and retirement planning.

Features of ULIP

- Life protection
- Investment and savings where the customers can put their money in Equity Markets, Debt Markets, Balanced fund with a mix of the two namely Equity Markets and Debt Markets, and the last, Short term debt market
- Flexibility- adjustable life cover and investment options
- Transparency about the allocation of funds and about the charges allocated
- Options to take additional cover against death due to accident, disability, critical illness, surgeries.
- It provides greater liquidity compared to other plans
- It is an intelligent tax planning tool.

The project was done to find out the satisfaction level of the High Networth customers for the ICICI PRU ULIP Plans in Bangalore. The duties involved were meeting with the HNI Customers in Bangalore and administering Questionnaire to them. The information about various factors that the customers considered while choosing the ULIP Plan of ICICI Prudential was also studied. Then the whole data was consolidated and an analysis was done.

CHAPTER 2

DESIGN OF THE STUDY

2.1 Statement of the Problem:

'To study the High Networth Individual Customers satisfaction on the Unit Linked Plans of ICICI PRUDENTIAL in Bangalore'.

2.2. Objectives:

Primary

- To find out HNI Customers satisfaction on ULIP Plans of ICICI PRU.
- To find out which of the ULIP plans the HNI customers have signed up with.
- To find out which Fund gives them better returns.
- To find the satisfaction level regarding the performance of diversified portfolio of maximiser fund.
- To find out the risk associated with ULIP according to the customers
- To find out if the customers are satisfied with the Life Cover given on ULIP
- To find out the perception of the customers regarding performance of ULIP in comparison to Mutual fund and their rating
- To know the satisfaction level of services rendered
- To find out the reason for preferring ICICI PRU for investing

Secondary

- To find out the risk philosophy of the customers in Bangalore
- To find out the reasons for investing in Life Insurance
- To find out the equity awareness of the customers
- To find out if they are satisfied with the services rendered by their Advisors.

2.3. Data Collection

Primary

- Meeting up with the HNI customers of ICICI PRUDENTIAL, Bangalore.
- Administering Questionnaires

Secondary

- Telephonic conversation
- Print media

2.4. Type of research

Exploratory Research

2.5. Sample Size

100 HNI Customers from three areas in Bangalore namely : Jayanagar, Malleshwaram, Residency Road.

2.7. Data Analysis and Interpretation

The data so collected was analysed using statistical tools and will be presented in the form of bar diagrams and pie charts.

2.8. Contributions of Study

- To provide adequate details to ICICI PRUDENTIAL to help them to know the satisfaction level of the HNI customers on the ULIP Plans of ICICI PRU and factors they considered for selecting ULIP and also to know the customer satisfaction regarding the services provided by the Company so as to improve the services and features of ULIP.

2.9. Limitations

- Time available for the study is not sufficient to cover the entire area of HNI Customers of ICICI PRU.
- Few customers were not ready to share the informations.

CHAPTER 3

PROFILES

3.1. Industry Profile

History of Insurance

The British companies started life insurance in India by issuing policies exclusively on the lives of European soldiers and civilians. They sometimes issued policies on the lives of Indian's by charging extra. Different companies like Bombay Insurance Company LTD. (1873) and oriental Life Assurance Company (1818) was formed to issue life assurance policies in India. Gradually the first Indian Life Insurance Company, the Bombay Mutual Life Assurance Society stated its business in 1870. This was the first company, which charged same amount of premium on both Indian and Non-Indian lives. Earlier native Indian lives were considered more risky and hence were charged more premiums for coverage. Foreign Insurance Companies dominated insurance business in India and enjoyed monopoly right up to the end of nineteenth century. Insurance regulation formally began in India through the passing of two acts, The Life Insurance Companies Act of 1912 and The Provident Act of 1912. The first legislation was introduced with The Insurance Act of 1938 that provided strict state control over insurance business in the country. This provided an effective check on the large-scale frauds that sullied insurance business during the 1930's.

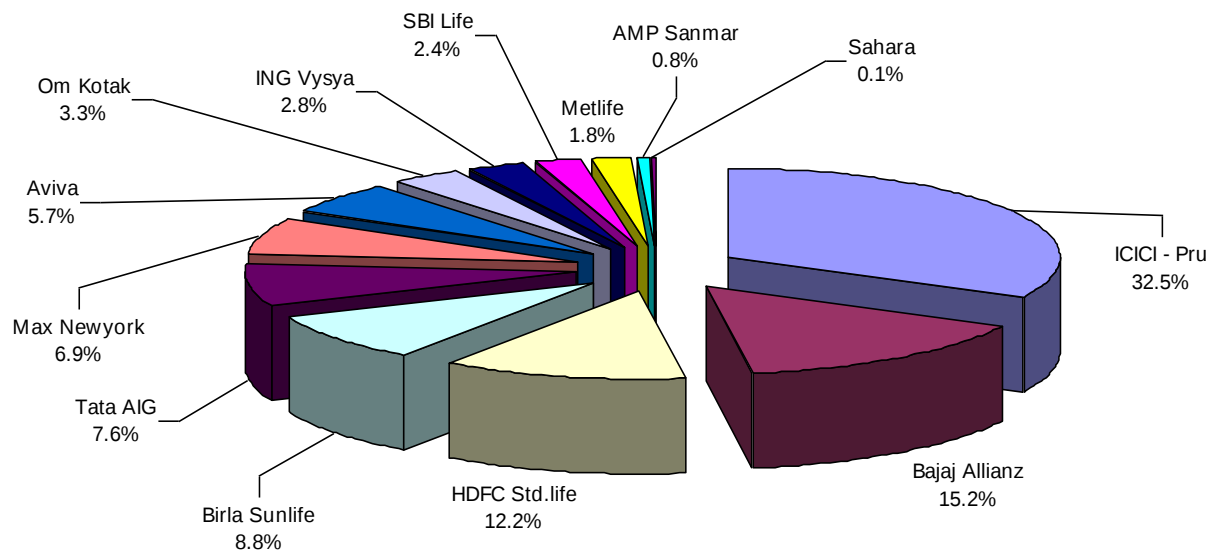
In the 1940s, there were more than 220 Insurance Companies in India. There was no control over the starting and closing of Insurance companies. Customer's money was on stake. After independence, the business of insurance grew at a faster pace as the competition among the Indian companies intensified. At this juncture, the Government of India decided to merge all the Insurance companies. In the year 1956, the merger and nationalization of all

existing Life Insurance companies were done which resulted in giving birth to The Life Insurance Corporation of India (LIC). Closed to foreign competition, the Indian Insurance Industry was run by the government for over 40 years through LIC and four general insurance companies that spanned the length and breadth of the country. LIC enjoyed a monopoly for more than four decades. Government of India hence decided to privatize the life insurance business and Insurance Regulatory and Development Authority (IRDA) was formed in July 2000 headed by Mr. N. Rangachari. The entry of private players into the industry brought about a new array of products with competitive pricing. They came with better product features, benefits and services that changed the market from a seller's market to a buyer's market .Not only there has been a change in the structure and nature of the products, but also in the way they are sold.

Table 3.1. Indicating the Indian Private market players in Life Insurance Sector

COMPANIES	PERCENTAGE
ICICI Prudential	32.5
Bajaj Allianz	15.2
HDFC Std. Life	12.2
Birla Sunlife	8.8
Tata AIG	7.6
Max Newyork	6.9
Aviva	5.7
Om Kotak	3.3
ING Vysya	2.8
SBI Life	2.4
Metlife	1.8
AMP Sanmar	0.8
Sahara	0.1

Graph.3.1.a depicts table 3.1



Analysis of Data

From the above table it is found that ICICI Prudential Life Insurance Company is the leading private insurance company among the others with a market share of 32.5%.

3.2. Company Profile

ICICI Prudential Life Insurance Company is a joint venture between ICICI, one of India's leading financial institutions and Prudential Plc, one of the world's largest life insurance companies headquartered in the United Kingdom. ICICI Prudential was amongst the first private insurance companies to begin operations in December 2000 after receiving approval from Insurance Regulatory and Development Authority. ICICI Prudential has consolidated its position as the leading private life insurer in India having 40% market share of Private Insurance companies. ICICI Prudential's annualized premium grew more than three fold over the previous year. Today, ICICI Prudential's equity base stands at Rs. 6.75 billion with ICICI Bank and Prudential plc holding 74% and 26% stake respectively. In the year ended March 31, 2004, the company had issued over 430,000 policies, for a total sum assured of over Rs.8,000 crores and premium income in excess of Rs.980 crore. The company has a network of about 32,000 advisors; as well as 12 banks assurance tie-ups. Today the company is the Number 1 private life insurers in the country

ICICI Prudential offers excellent range of customized solutions to suit every need. The company is proud to possess highly professional, competent and well-trained advisors. It is the only private insurance company having the most exhaustive line up of products. During its first year itself, ICICI Prudential became the largest private insurer having sold more than 100,000 policies by March '02 and premium income of 1.2 billion rupees. Brand track puts ICICI Prudential as the number one with the highest brand call. It has got the most diversified distribution with the largest agency force and the most diversified portfolio with basket of the traditional, linked and pension products. The ICICI prudential Life Insurance as being the number one private player in this Industry is facing cutthroat competition from other private companies like are Birla Sunlife, HDFC, MAX and New York life. There are also strong performers like OM Kotak Mahindra, Tata AIG and Allianz Bajaj. The

other private insurers who have come up and are establishing their presence includes Aviva life, Met Life India, SBI Life, AMP Sanmar, Sahara Life Insurance and, ING Vysya.

ABOUT THE PARTNERS OF ICICI PRU-LIFE financing to Indian businesses. In the 1990s, ICICI transformed its business from a development financial institution offering only project finance to a diversified financial services group offering a wide variety of products and services, both directly and through a number of subsidiaries and affiliates like ICICI Bank. In 1999, ICICI become the first Indian company and the first bank or financial institution from non-Japan Asia to be listed on the NYSE.

Mergers would enhance value for ICICI shareholders through the merged entity's access to low-cost deposits, greater opportunities for earning fee-based income and the ability to participate in the payments system and provide transaction-banking services. In October 2001, the Boards of Directors of ICICI and ICICI Bank approved the merger of ICICI and two of its wholly owned retail finance subsidiaries, ICICI Personal Financial Services Limited and ICICI Capital Services Limited, with ICICI Bank. Shareholders of ICICI and ICICI BANK approved the merger in January 2002, by the High Court of

Gujarat at Ahmedabad in March 2002, and by the High Court of Judicature at Mumbai and the Reserve Bank of India in April 2002. Consequent to the merger, the ICICI group's financing and banking operations, both wholesale and retail, have been integrated in a single entity.

PRUDENTIAL :

Prudential UK is a major financial services provider in the UK, offering a wide range of life and investment products to around 16 million customers across the globe. The company also has operations in Europe, the US, and in more than 12 countries in Asia.

Prudential has six reportable business segments including Prudential UK Insurance Operations, M&G and Egg, collectively referred to as UK Operations, US Operations, Asian Operations and European Operations. The major businesses of the company include Prudential UK & European Insurance Operations, M&G Investments, Egg, Prudential Corporation Asia, and Jackson National Life. In the UK, Prudential is the largest provider of life and pension products. The company's insurance operations in UK offers annuities, with-profits bonds savings and investment products, corporate and individual pensions and Individual Savings Accounts (ISAs) to more than seven million customers. For the fiscal year ended December 2003, the company generated revenues of £31,457 million.

Prudential's Asian operations have a strong presence in 12 countries including Singapore, Hong Kong, India and Malaysia. The Asian operations are conducted through Prudential Corporation Asia (PCA). Apart from direct operations the company also has strategic partnerships with regional leaders.

PCA offers life insurance products along with accident and health options, personal lines property and casualty insurance and mutual funds. It also offers a broad range of savings, protection and investment products.

3.2.1 Financial Highlights

ICICI Prudential's equity base stands at Rs. 1185 crores with ICICI Bank and Prudential plc holding 74% and 26% stake respectively. For the period April-December, 2005, the company garnered Rs. 1,430 crores of new business premium for a total sum assured of Rs. 15,170 crores and wrote 497,765 policies. For the year ended March 31, 2006, the company garnered Rs. 24.12 billion of weighted new business premium and wrote 837,963 policies. The sum assured in force stands at Rs. 458.88 billion. The company has a network of over 72,000

advisors; as well as 9 banc assurance partners and over 200 corporate agent and broker tie-ups. It is also the only life insurer in India to be assigned AAA credit rating from Fitch Ratings. For the past four years, ICICI Prudential has retained its position as the No. 1 private life insurer in the country, with a wide range of flexible products that meet the needs of the Indian customer at every step in life.

ICICI Prudential is also the only private life insurer in India to receive a National Insurer Financial Strength rating of AAA (Ind) from Fitch ratings. The AAA rating is the highest credit rating, and is a clear assurance of ICICI Prudential's ability to meet its obligations to customers at the time of maturity or claims.

3.2.2. Distribution

ICICI Prudential has one of the largest distribution networks amongst private life insurers in India, having commenced operations in over 116 cities and towns in India, stretching from Bhuj in the west to Guwahati in the east, and Amritsar in the north to Trivandrum in the south.

The company has 9 bank assurance tie-ups, having agreements with ICICI Bank, Bank of India, Federal Bank, South Indian Bank, Ernakulam Bank, Lord Krishna Bank , as well as about 290 corporate agents and brokers. It has also tied up with NGOs, MFIs and corporates for the distribution of rural policies and organizations like Dhan for distribution of Salaam Zindagi, a policy for the socially and economically underprivileged sections of society.

ICICI Prudential has recruited and trained more than 65,000 insurance advisors to interface with and advise customers. Further, it leverages its state-of-the-art IT infrastructure to provide superior quality of service to customers.

3.2.3. Product Profile

ICICI Prudential Life Insurance offers a range of innovative, customer-centric products that meet the needs of customers at every life stage. Its products can be enhanced with up to 5 riders, to create a customized solution for each policyholder.

A. Individual Insurance Plans

1. Savings Solutions

- **SecurePlus** is a transparent and feature-packed savings plan that offers 3 levels of protection.
- **CashPlus** is a transparent, feature-packed savings plan that offers 3 levels of protection as well as liquidity options.
- **Save'n'Protect** is a traditional endowment savings plan that offers life protection along with adequate returns.
- **CashBack** is an anticipated endowment policy ideal for meeting milestone expenses like a child's marriage, expenses for a child's higher education or purchase of an asset.
- **LifeTime & LifeTimell** offer customers the flexibility and control to customize the policy to meet the changing needs at different life stages. Each offer 4 fund options Preserver, Protector, Balancer and Maximiser.
- **LifeLink II** is a single premium Market Linked Insurance Plan which combines life insurance cover with the opportunity to stay invested in the stock market.
- **Premier Life** is a limited premium paying plan that offers customers life insurance cover till the age of 75.
- **InvestShield Life** is a Market Linked plan that provides capital guarantee on the invested premiums and declared bonus interest.

- **InvestShield Cash** is a Market Linked plan that provides capital guarantee on the invested premiums and declared bonus interest along with flexible liquidity options.
- **InvestShield Gold** is a Market Linked plan that provides capital guarantee on the invested premiums and declared bonus interest along with limited premium payment terms.

2. Protection Solutions

- **LifeGuard** is a protection plan, which offers life cover at very low cost. It is available in 3 options level term assurance, level term assurance with return of premium and single premium.
- **HomeAssure** is a mortgage reducing term assurance plan designed specifically to help customers cover their home loans in a simple and cost-effective manner.

3. Child Plans

- **SmartKid education plans** provide guaranteed educational benefits to a child along with life insurance cover for the parent who purchases the policy. The policy is designed to provide money at important milestones in the child's life. SmartKid plans are also available in unit-linked form both single premium and regular premium.

4. Retirement Solutions

- **ForeverLife** is a retirement product targeted at individuals in their thirties.
- **SecurePlus Pension** is a flexible pension plan that allows one to select between 3 levels of cover.

5. Market-linked retirement products

- **LifeTime Pension** is a regular premium market-linked pension plan
- **LifeLink Pension II** is a single premium market-linked pension plan.
- **InvestShield Pension** is a regular premium pension plan with a capital guarantee on the investible premium and declared bonuses.
- **Golden Years:** is a limited premium paying retirement solution that offers tax benefits up to Rs 100,000 u/s 80C, with flexibility in both the accumulation and payout stages.

ICICI Prudential also launched “**Salaam Zindagi**”, a social sector group insurance policy targeted at the economically underprivileged sections of the society.

6. Health Solution

- **Health Assure:** Is a regular premium plan which provides long term cover against 6 critical illnesses by providing policyholder with financial assistance, irrespective of the actual medical expenses.
- **Health Assure Plus:** Is a regular premium plan which provides long term cover against 6 critical illnesses by providing financial assistance, irrespective of actual medical expenses, as well as an equivalent life insurance cover

B. Group Insurance Solutions

ICICI Prudential also offers Group Insurance Solutions for companies seeking to enhance benefits to their employees.

- **ICICI Pru Group Gratuity Plan:** ICICI Pru's group gratuity plan helps employers fund their statutory gratuity obligation in a scientific manner. The plan can also be customized to structure schemes that can provide benefits beyond the statutory obligations.
- **ICICI Pru Group Superannuation Plan:** ICICI Pru offers a flexible defined contribution superannuation scheme to provide a retirement kitty for each member of the group. Employees have the option of choosing from various annuity options or opting for a partial commutation of the annuity at the time of retirement.
- **ICICI Pru Group Term Plan:** ICICI Pru's flexible group term solution helps provide affordable cover to members of a group. The cover could be uniform or based on designation/rank or a multiple of salary. The benefit under the policy is paid to the beneficiary nominated by the member on his/her death.

C. Flexible Rider Options

ICICI Pru Life offers flexible riders, which can be added to the basic policy at a marginal cost, depending on the specific needs of the customer.

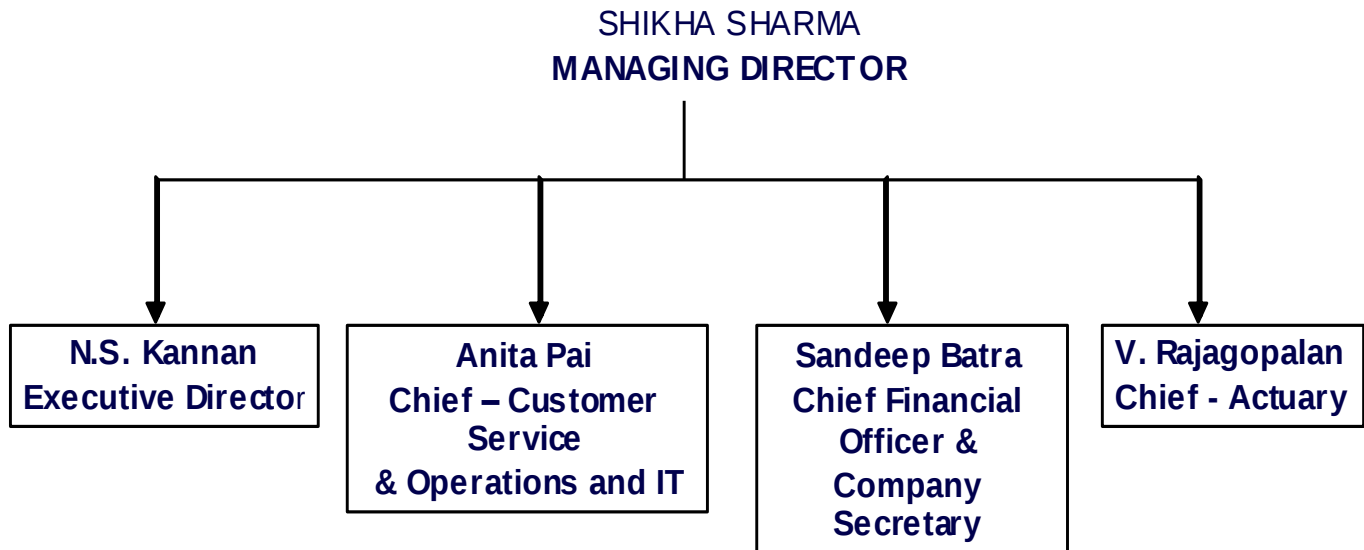
- **Accident & disability benefit:** If death occurs as the result of an accident during the term of the policy, the beneficiary receives an additional amount equal to the rider sum assured under the policy. If the death occurs while traveling in an authorized mass transport vehicle, the beneficiary will be entitled to twice the sum assured as additional benefit.

- **Accident Benefit:** This rider option pays the sum assured under the rider on death due to accident.
- **Critical Illness Benefit:** protects the insured against financial loss in the event of 9 specified critical illnesses. Benefits are payable to the insured for medical expenses prior to death.
- **Income Benefit:** This rider pays the 10% of the sum assured to the nominee every year, till maturity, in the event of the death of the life assured. It is available on SmarKid, SecurePlus and CashPlus
- **Waiver of Premium:** In case of total and permanent disability due to an accident, the premiums are waived till maturity. This rider is available with SecurePlus and CashPlus.

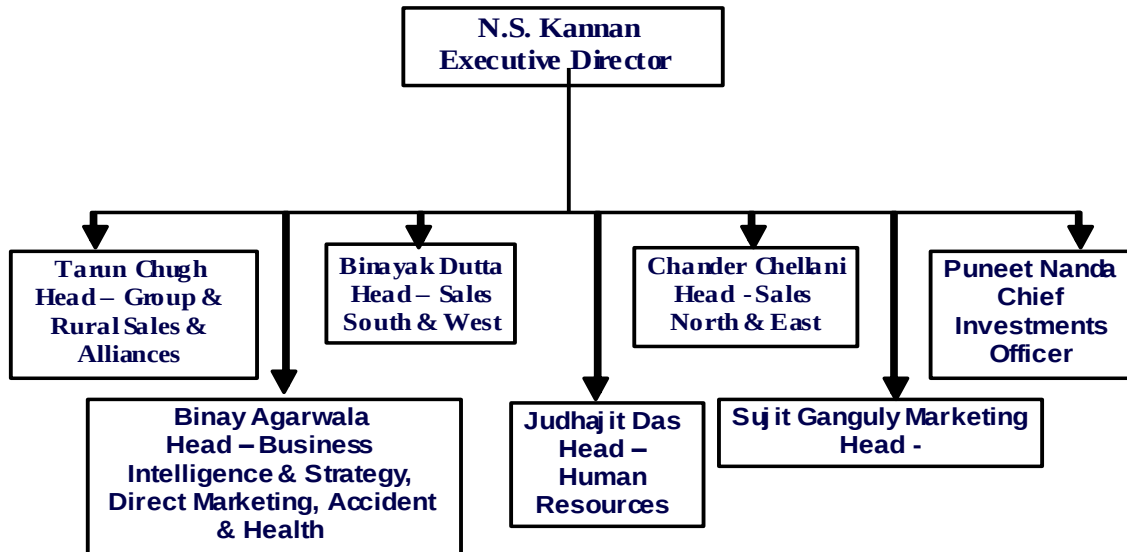
Latest Product of ICICI Prudential.

The latest product of the company is the **Cancer Care** which is a comprehensive cancer Insurance plan that covers most forms of cancer and is uniquely designed to provide benefits at both early and advanced stages of cancer.

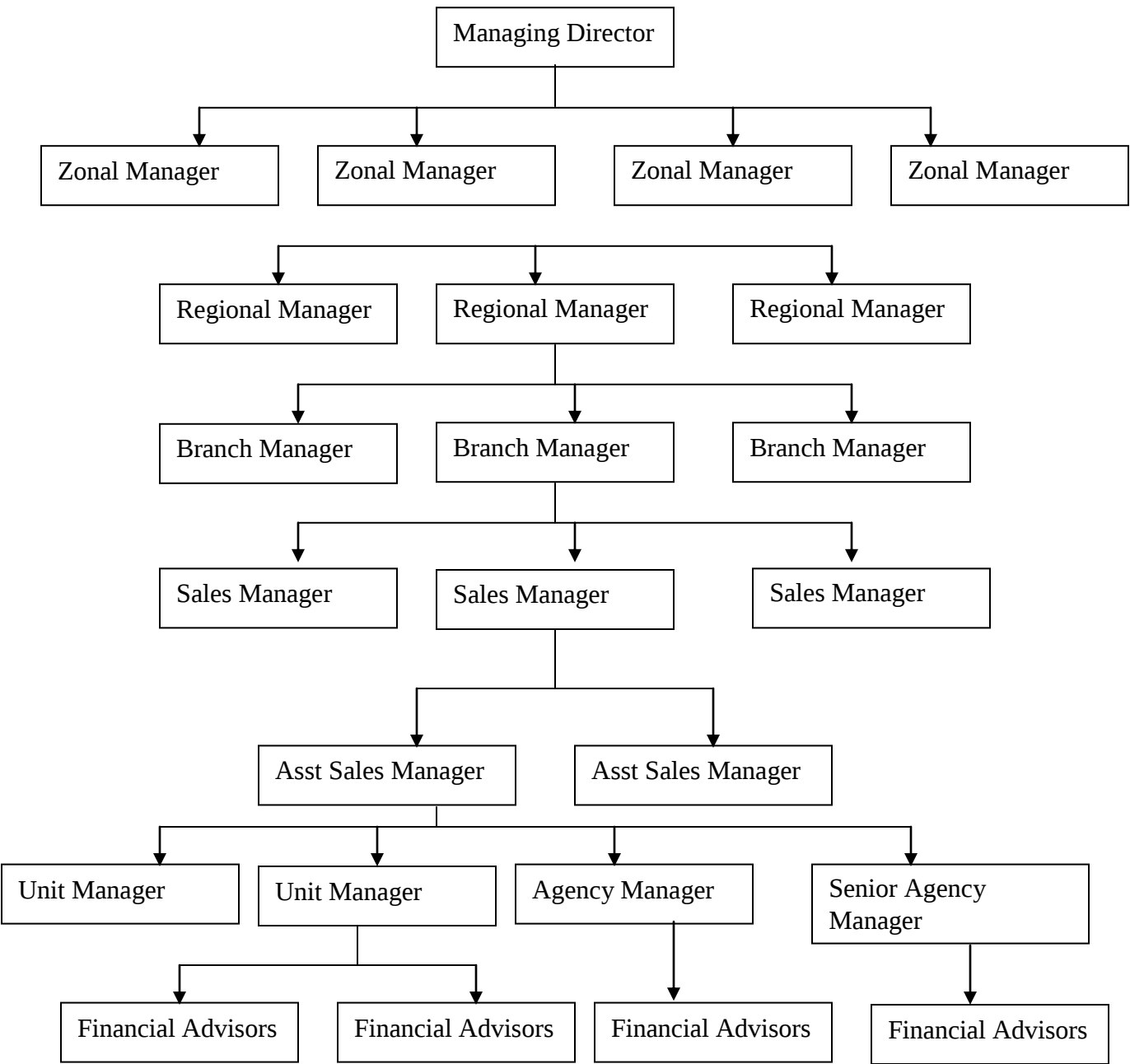
3.2.4.1.Organization structure-Top most Level



3.2.4.2 Organization Structure



3.2.4.3 ORGANIZATON STRUCTURE



KEY FUNCTIONS

1. Tied agency

- Direct Selling through ICICI Prudential commissioned Advisors, who are not on our rolls but work on commission basis under a unit manager

2. Bank assurance and Alliances

- Banks & other financial service providers such as advisory services, mutual fund distributors etc. act as intermediaries or “agents” in selling insurance.
- These institutions could choose to be our Corporate Agents, wherein they are exclusively ICICI Prudential distributors or Brokers, wherein they could sell the insurance products of other companies as well.

3. Group Business

We offer Group Insurance Solutions for companies seeking to enhance benefits to their employees. The Solutions offered are: Group Gratuity Plans, Group Superannuation Plans and Group Term Plans.

4. Rural Sales

All Private life insurance companies need to compulsorily source a certain percentage of Policies from the rural market every year (As per IRDA guidelines) which forms the basis of this segment.

5. Marketing

The marketing function is involved in effectively communicating the benefits of insurance to consumers & positioning the products after careful and exhaustive market segmentation. It also works on identifying new products and extending reach. The function consists of teams dedicated to Brand & Communications, Product Development & Channel Marketing.

6. Direct Marketing

Direct marketing taps databases to generate high quality leads for profitable business, mainly through telemarketing. DM works through a combination of direct mail and telesales for products with little or minimal under-writing

7. Finance

The Finance team is involved in ensuring regulatory compliance, carrying out financial accounting and control, business analysis and planning to assess the health of the business and build it and finally Internal auditing to build an effective organization through a system of internal checks and balances

8. Customer Services and Operations

The function is dedicated towards achieving value through Customer Centricity and consists of the following functions

- The Customer Service department is responsible for handling Customer acquisition, Query resolution on new products, schemes and features & Customer retention.
- The Operations department streamlines the work processes between the customer and the company. Composed of regional & central teams, it interfaces
- between the clients and the agents, the branches and the underwriters to ensure consistent and quality service to the customer.

9. Investments

The team is dedicated to creating value through a sound investment strategy. The core functions are Market Assessment, Asset Allocation and Portfolio Risk Management.

10. Information Technology

The IT team conceptualizes implements and maintains various systems to meet user requirements. The function consists of the Departments dedicated to Systems Delivery, Operations & Infrastructure, IT Architecture and strategy & IT Quality.

11. Human Resources

The Human resources function is dedicated to attracting, retaining and developing talent to meet the increasing needs of Business. It consists of a Corporate HR team and Regional teams across the country.

3.2.5. VISION, MISSION AND VALUES

VISION

To make ICICI Prudential the dominant Life and Pensions player built on trust by world-class people and service.

MISSION

‘To cover at every step in Life’

CORE VALUES

- Integrity
- Customer First
- Boundary less,
- Ownership
- Passion

Enduring the vision and Values

- Understanding the **needs of customers** and offering them superior products and service
- Leveraging **technology** to service customers quickly, efficiently and conveniently
- Developing and implementing superior **risk management and investment strategies** to offer sustainable and stable returns to our policyholders
- Providing an enabling environment to foster growth and learning for our **employees**
- And above all, building transparency in all our dealings.

3.2.6. Corporate Profile

Incorporation

ICICI Prudential Life Insurance Company is a joint venture between ICICI Bank, a premier financial powerhouse, and prudential plc, a leading international financial services group headquartered in the United Kingdom. ICICI Prudential was amongst the first private sector insurance companies to begin operations in December 2000 after receiving approval from Insurance Regulatory Development Authority (IRDA).

Sales Review

ICICI Prudential's equity base stands at Rs. 1185 crore with ICICI Bank and Prudential plc holding 74% and 26% stake respectively. For the year ended March 31, 2006, the company garnered Rs 24.12 billion of weighted new business premium and wrote 837,963 policies. The sum assured in force stands at Rs 458.88 billion. The company has a network of over 72,000 advisors; as well as 9 banc assurance partners and over 200 corporate agent and broker tie-ups. It is also the only life insurer in India to be assigned AAA credit rating from Fitch Ratings. For the past five years, ICICI Prudential has retained its position as the No. 1 private life insurer in the country, with a wide range of flexible products that meet the needs of the Indian customer at every step in life.

Board of Directors

Mr. K.V. Kamath is the Chairman of ICICI Prudential. The other Members are MR. Mark Norbom, Mrs. Lalitha D. Gupte, Mrs. Kalpana Morparia, Mrs. Chanda Kocchar, Mr. H.T. Phong, Mr. M.P Modi, Mr. R. Narayanan, Mr. Keki Dadiseth, Mrs. Shikha Sharma, The managing Director and N.S. Kannan , The Executive Director.

Branches

The company has 23 operations in 12 countries in Asia. In India the Company has 95 branches. The main Branches are in Mumbai, Kolkata, Chennai, Delhi, Chandigarh, Hyderabad, Jaipur, Cochin, Lucknow and Pune.

Number of Employees: 20,000

Number of Customers: 16 million

Number of Advisors : 75000

3.2.7. Milestones of ICICI Prudential

- **October 2002** : 2 % Brand Recall compared to 98% of LIC
- **December 2002** :The first Financial Services Company to get the status Super brand
- **November 2003** : Half-million policy milestone
- **December 2003** : Rs 1000 crore premium income milestone
- **September 2004** : Rs 1000 crore premium income milestone
- **September 2005** : More than 5000 Crore in Funds under management
- **December 2005** : 5 Years of leadership among Private Life Insurers

3.2.8. Remarkable achievements

- Prudential UK awarded “Best Pension Provider”
- Most Competitive Annuity Provider of the Year” (moneyfacts 2003)
- Retained the position as the No. 1 private life insurer in the country
- Only life insurer in India to be assigned AAA ratings from the Fitch ratings

3.3. Respondent Profile

Type of Customers:

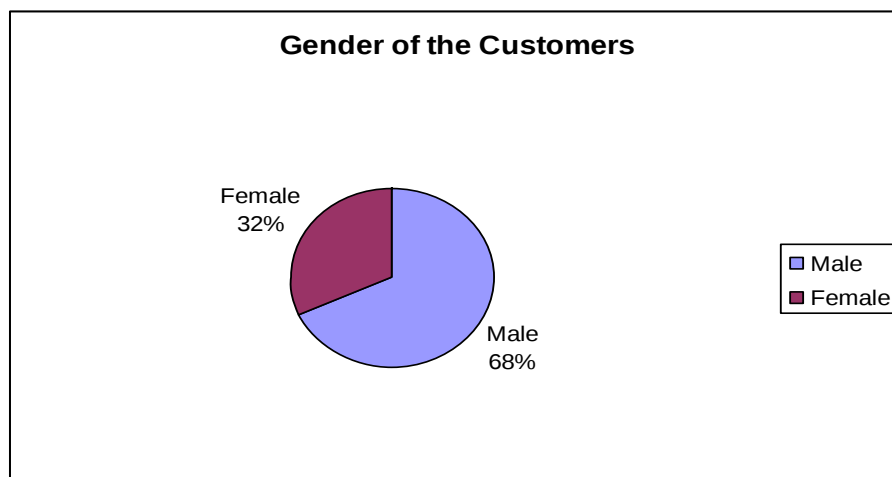
High Net worth Individual Customers who pay a premium of Rs. 50,000 and above towards the policy. The customers were all chosen from Bangalore city only. The sample size is 100

3.3.1. Gender profile

Table 3.3.1 Indicating gender profile of the respondents

GENDER	NUMBER	PERCENTAGE
Male	68	68
Female	32	32
TOTAL	100	100

Graph 3.3.1.a. depicts table 3.3.1



Analysis of Data

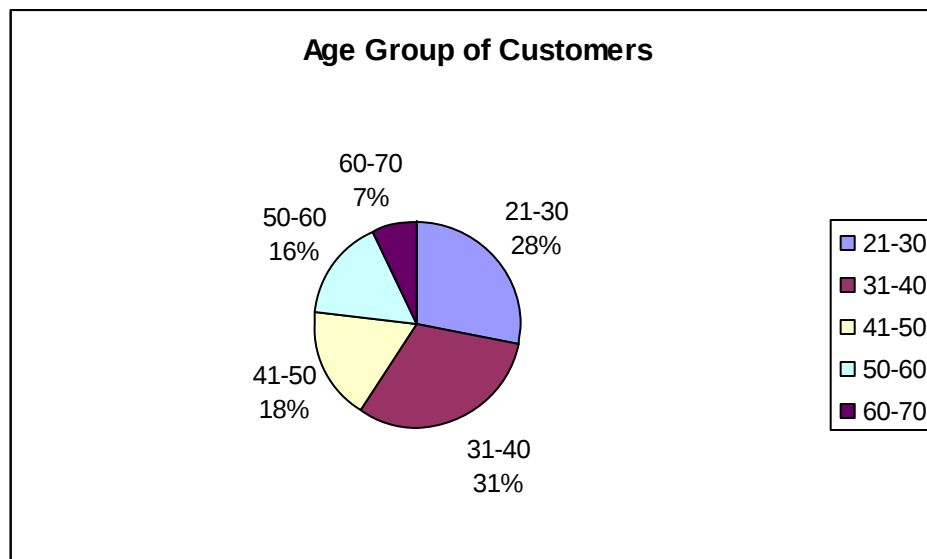
It was found from the study ICICI Prudential Life Insurance Company has more male customers than female customers.

3.3.2. Age profile

Table 3.3.2 Indicating the age profile of customers

AGE	NUMBER	PERCENTAGE
21-30	28	28
31-40	31	31
41-50	18	18
51-60	16	16
61-70	7	7

Graph 3.3.2.a depicts table 3.3.2



Analysis of data:

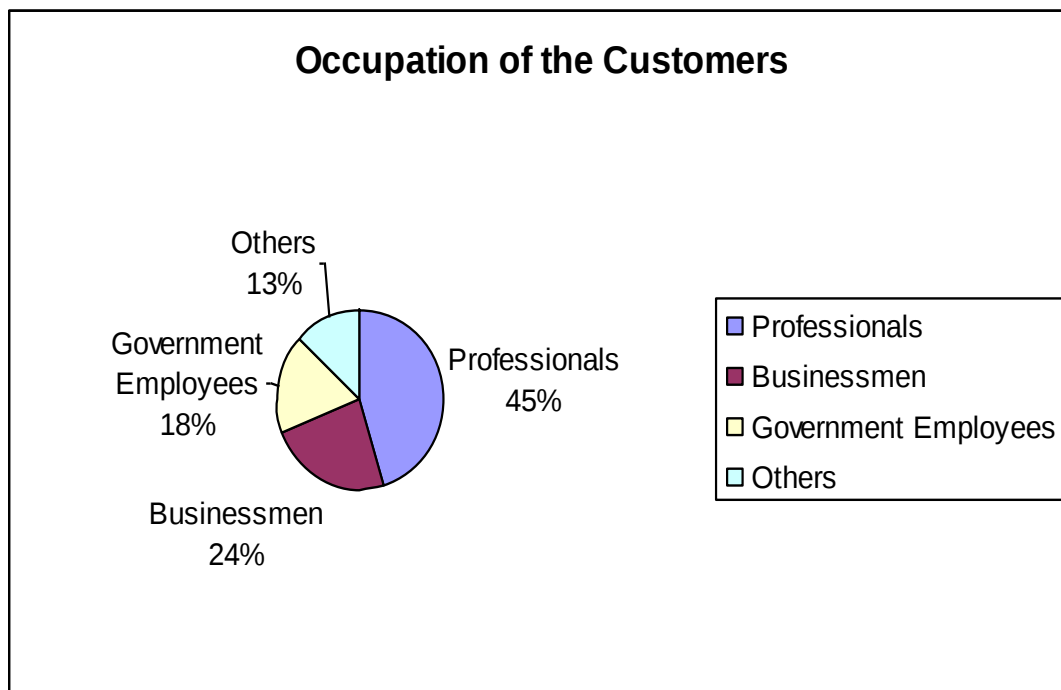
28% of the respondents of the respondents fall in the age bracket of 21-30, 31% in 31-40, 18% in 41-50, 16% in 50-60 and 7% in the age bracket of 60-70.

3.3.3. Occupation of the Respondents

Table 3.3.3 Indicating the Occupation of the Customers

OCCUPATION	NUMBER	PERCENTAGE
Professional	45	45
Business	24	24
Government Services	18	18
Others	13	13
TOTAL	100	100

Graph 3.3.3.a depicts table 3.3.3.



Analysis of Data:

The major parts of the customers are occupied as Professionals following Businessman, Government employees and Land loaders. .

CHAPTER 4

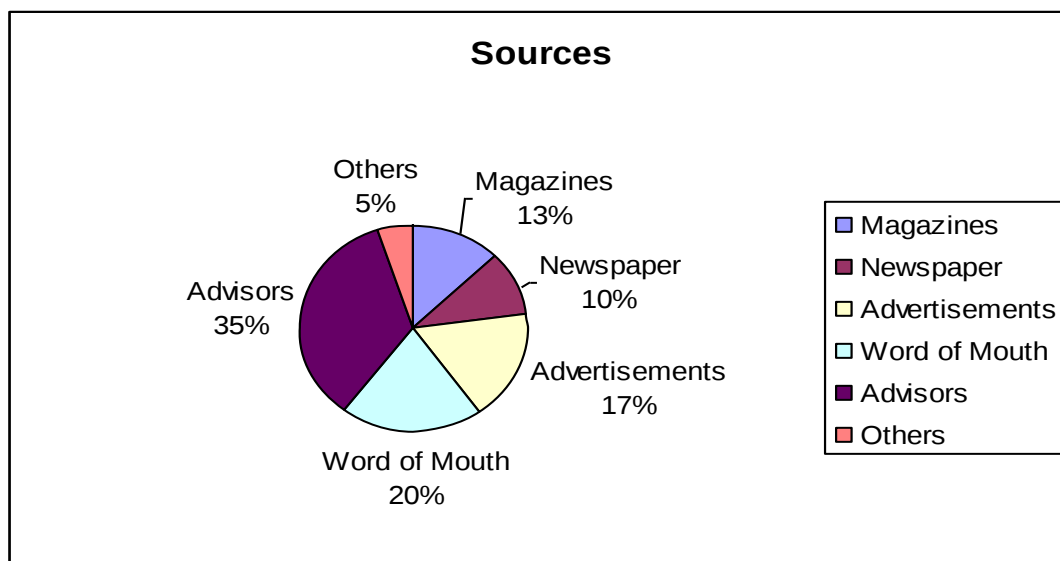
ANALYSIS

4.1 Sources of Knowledge of ICICI Prudential

Table 4.1. Indicating the sources of knowledge of ICICI Pru.

SOURCES	NUMBER	PERCENTAGE
Magazines	13	13
Newspapers	10	10
Advertisements	17	17
Word of Mouth	20	20
Advisors	35	35
Others	5	5
TOTAL	100	100

Graph 4.1.a depicting the table 4.1



Analysis of Data

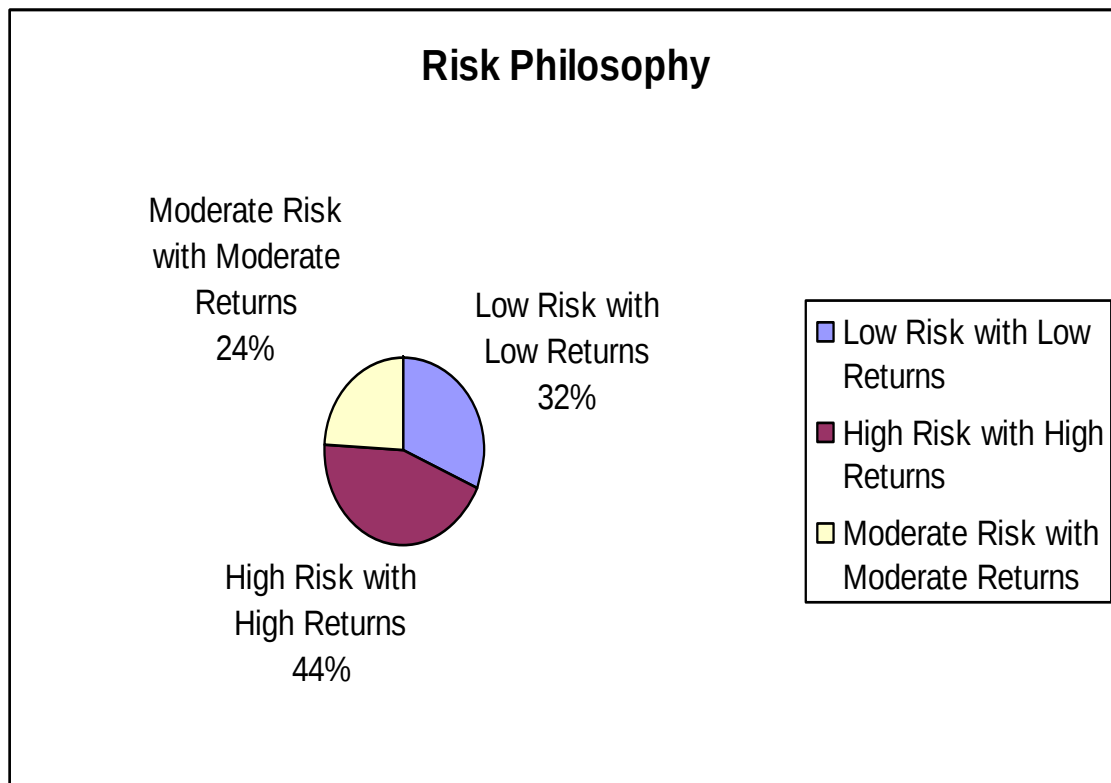
Major respondents had the knowledge of ICICI Pru through advisors, Word of mouth has its important role in sales growth of ULIP products, Advertisements, News paper, magazines and Good will of the company are the other sales promoting tools.

4.2 The Risk Philosophy of the customers

Table 4.2 Indicating the Risk Philosophy of the Customers

RISK PHILOSOPHY	NUMBERS	PERCENTAGE
Low risk with low returns	32	32
High risk with high returns	44	44
Moderate risk with moderate returns	24	24
TOTAL	100	100

Graph 4.2.a depicting the table 4.2



Analysis of Data

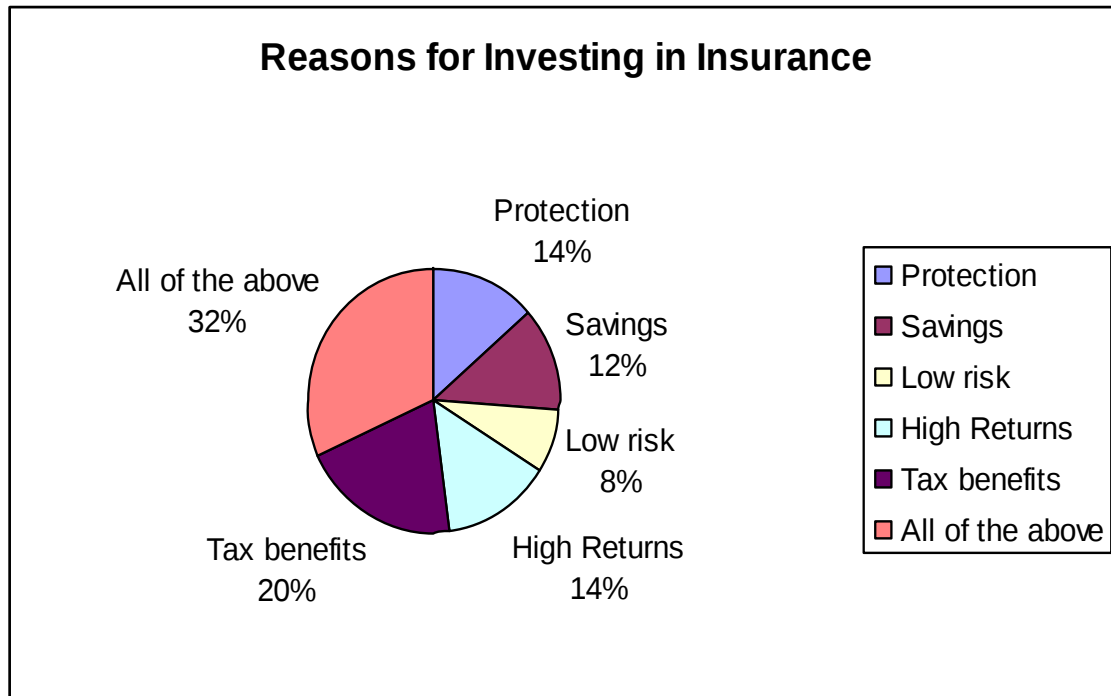
32% of the respondents are of the opinion that their risk philosophy is low risk with low returns, 44% are of the opinion that their philosophy is high risk with high returns and 24% of them are of opinion that their risk philosophy is moderate risk with moderate returns. They are expecting a consistent market returns in terms medium risk.

4.3 Reasons for Investing in a Life Insurance Plan

Table 4.3 Indicating the reasons for investing in a Life Insurance Plan

REASONS	NUMBER	PERCENTAGE
Protection	14	14
Savings	12	12
Low risk	8	8
High Returns	14	14
Tax benefit	20	20
All of the above	32	32
TOTAL	100	100

Graph 4.3.a depicting the table 4.3



Analysis of Data

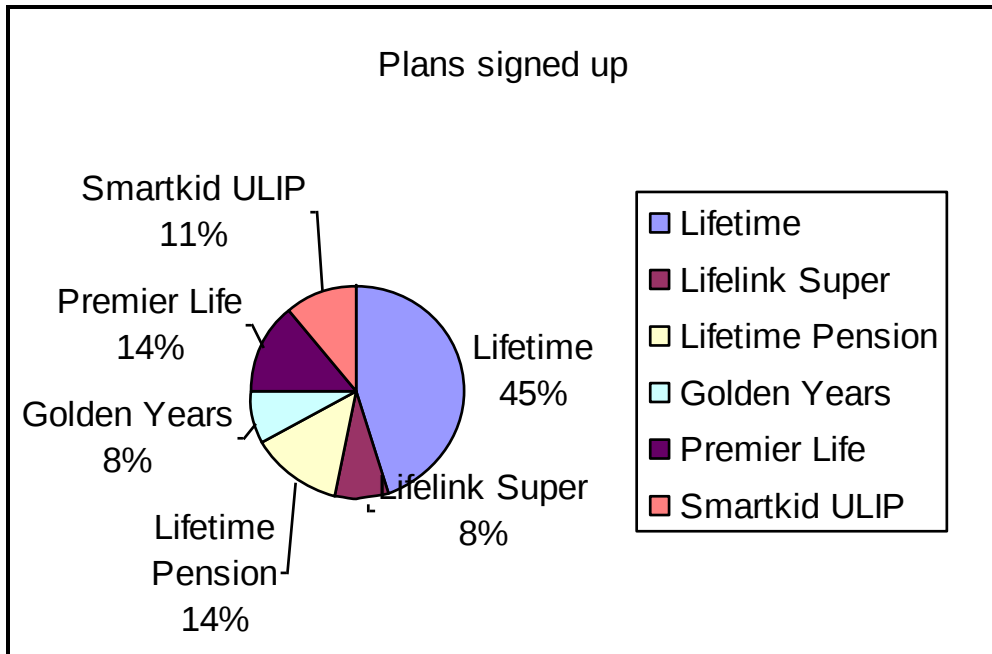
Some of the respondents is said to have invested in Insurance for protection, some of them for the sake of saving, some of them invested for reducing their risk, somebody is said to have invested for getting high returns from the investments, some of the respondents have taken insurance for tax benefits and the remaining respondents is said to have taken insurance for all the above reasons.

4.4 The ULIP Plans the customers have signed up with the Company

Table 4.4 Indicating the ULIP plans that have been signed up

ULIP PLAN	NUMBERS	PERCENTAGE
Lifetime	45	45
Lifelink Super	8	8
Lifetime Pension	14	14
Golden years	8	8
Premier Life	14	14
Smartkid ULIP	11	11
TOTAL	100	100

Graph 4.4.a depicting the table 4.4



Analysis of Data

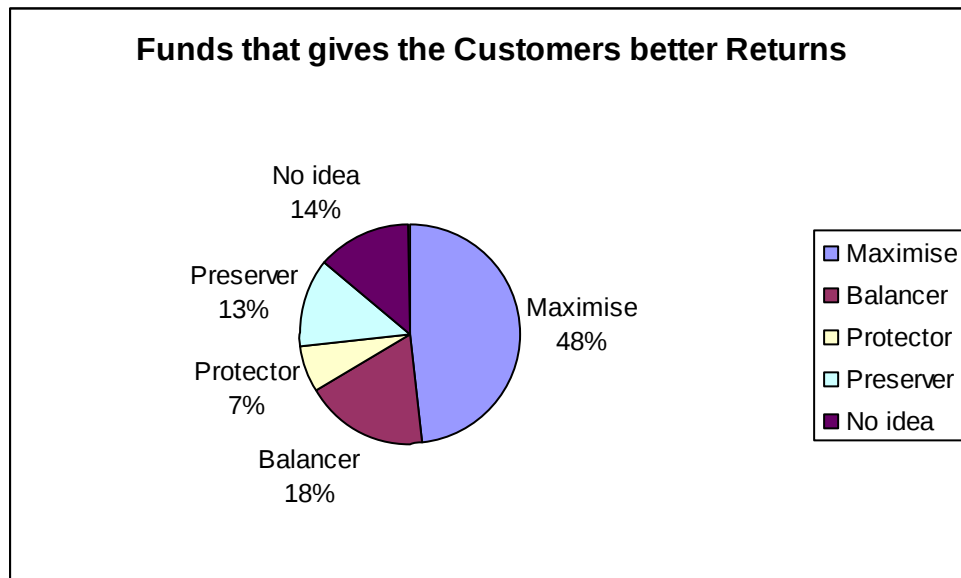
Most of the respondents have signed up with Lifetime which is the plan providing flexibility more, 8% with Life link Super and golden years each, 14% of them have signed up with Premier life and Lifetime pension each and 11% with smart kid.

4.5 The Funds that gives better Returns in Future

Table 4.5 Indicating the funds that gives better Returns

FUNDS	NUMBER	PERCENTAGE
Maximiser	48	48
Balancer	18	18
Protector	7	7
Preserver	13	13
No Idea	14	14
TOTAL	100	100

Graph 4.5.a depicts table 4.5



Analysis of Data

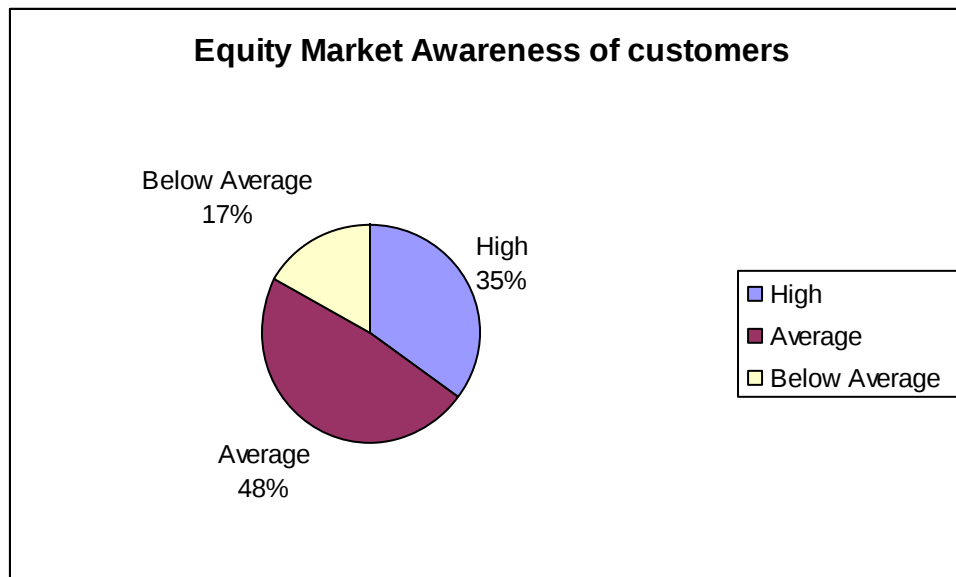
Most of the respondents are of opinion that Maximiser would fetch them better returns compared to others, some of them believe that balancer would give them the better returns, and some believe that Protector give them better returns, some for preserver and the remaining had no idea about the funds

4.6 Customers awareness about Equity Market

Table 4.6 indicating the customer awareness about equity market

AWARENESS LEVEL	NUMBER	PERCENTAGE
High	35	35
Average	48	48
Below Average	17	17
TOTAL	100	100

Graph 4.6.a depicts table 4.6



Analysis of Data

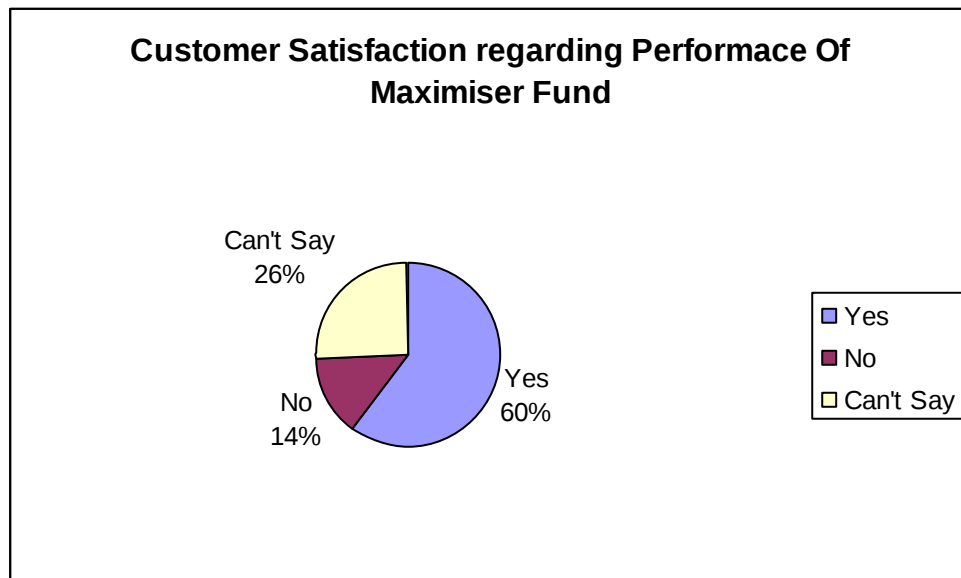
Most of the respondents have high knowledge about the equity market. Some respondents have an average knowledge about the equity market. Most of the respondents have an average knowledge about the equity market.

4.7 Satisfaction level with regard to the Performance of diversified portfolio of Maximiser Fund

Table 4.7 indicating the satisfaction level with regard to maximiser fund

OPINION	NUMBER	PERCENTAGE
Yes	60	60
No	14	14
Can't Say	26	26
TOTAL	100	100

Graph 4.7.a depicts the table 4.7



Analysis of Data

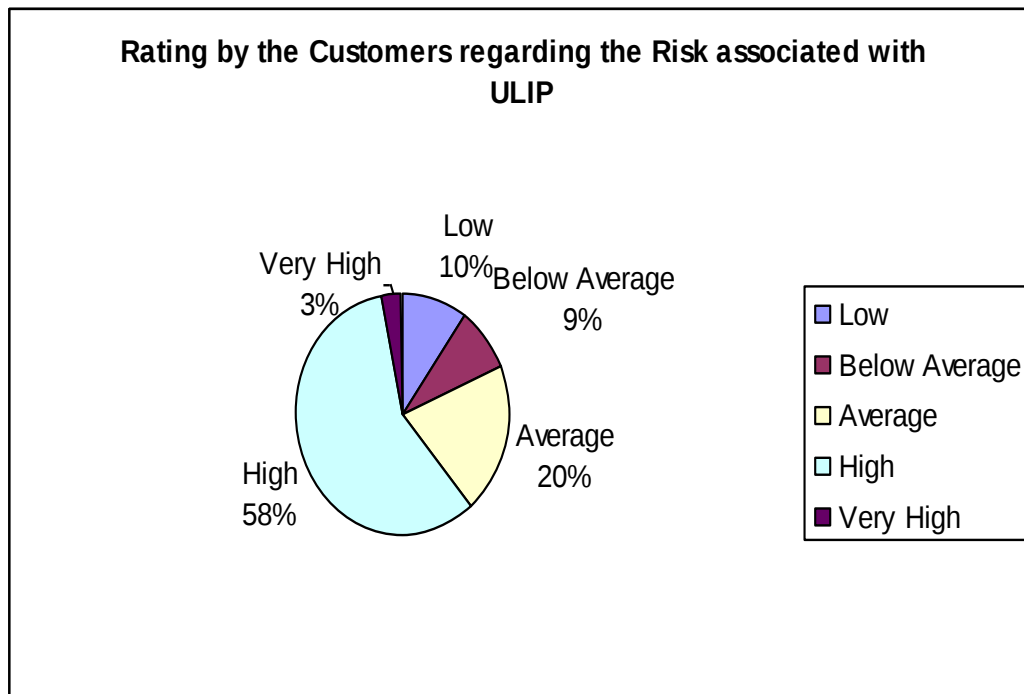
It was found that most of the respondents were satisfied with the performance of maximiser fund. Some of them were not satisfied with the performance of maximiser fund. Precisely some of the respondents were of the opinion that they can't say if they are satisfied with the fund performance or not.

4.8 Risk associated with ULIP Plans

Table 4.8 Indicating the risk associated with ULIP

RATING	NUMBER	PERCENTAGE
Low	10	10
Below Average	9	9
Average	20	20
High	58	58
Very High	3	3
TOTAL	100	100

Graph 4.8.a depicts table 4.8



Analysis of Data

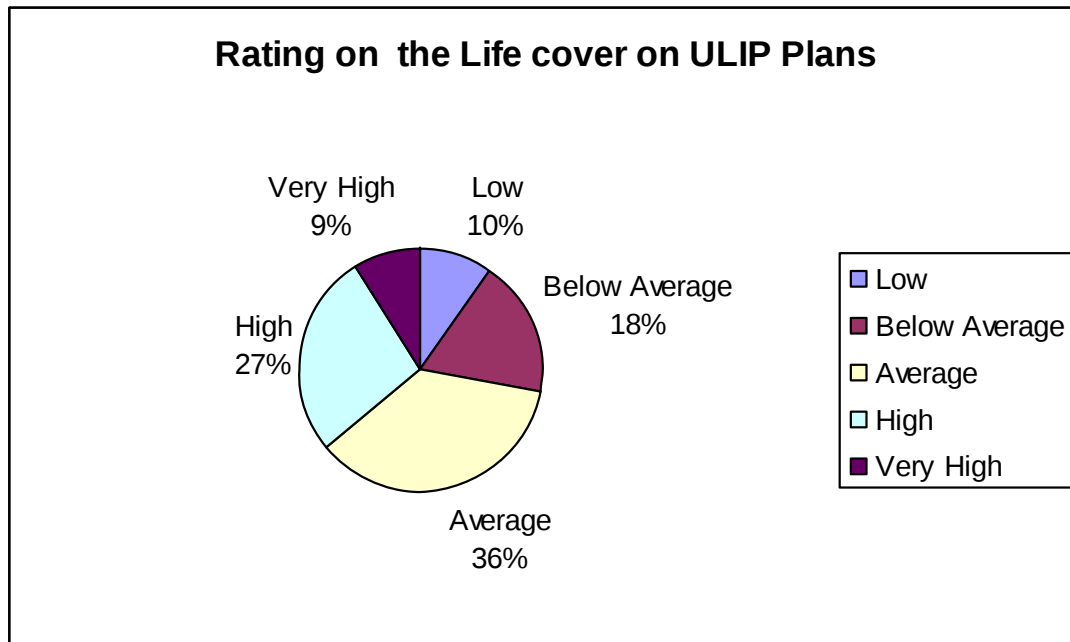
10% of the respondents rated low for the risk associated with ULIP, 9% opted for below average, 20% think that the risk is average, 58% think the risk is high, and the remaining 3% think the risk is very high in ULIP Plans.

4.9 Perception of the customers on the Life Cover on ULIP

Table 4.9 Indicating the perception on the life cover of ULIP

RATING	NUMBER	PERCENTAGE
Low	10	10
Below Average	18	18
Average	36	36
High	27	27
Very High	9	9
TOTAL	100	100

Graph 4.9.a depicts table 4.9



Analysis of Data

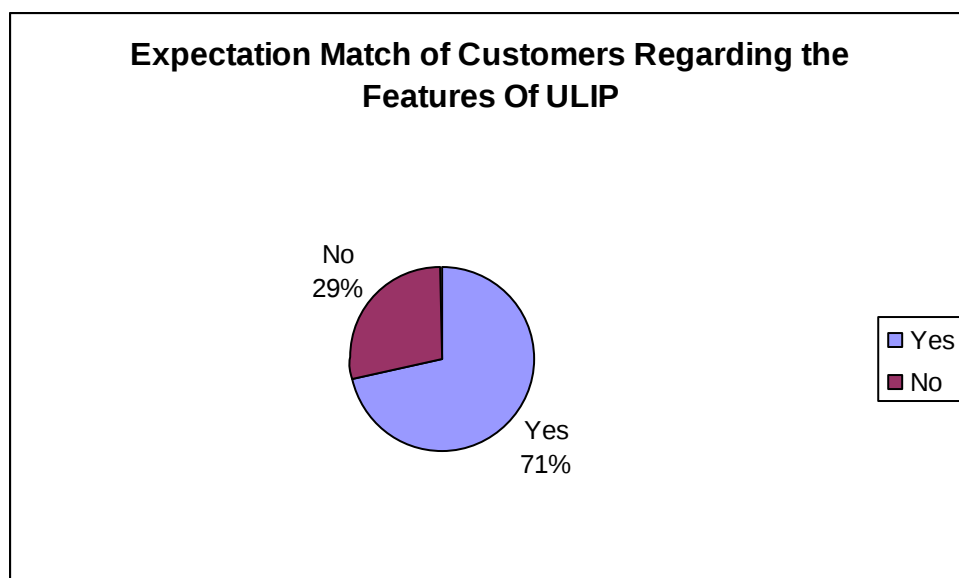
36% of the respondents think that the life cover provided on ULIP is average, 27% think that it is high, 18% think it is below average, 9% think that the life cover given is very high and 10% think that the life cover is low.

4.10. ULIP features match with the customer Expectation

Table 4.10 Indicating if the features match the customer expectation.

OPINION	NUMBER	PERCENTAGE
Yes	71	71
No	29	29
TOTAL	100	100

Graph. 4.10. A depicts table 4.10



Analysis of Data

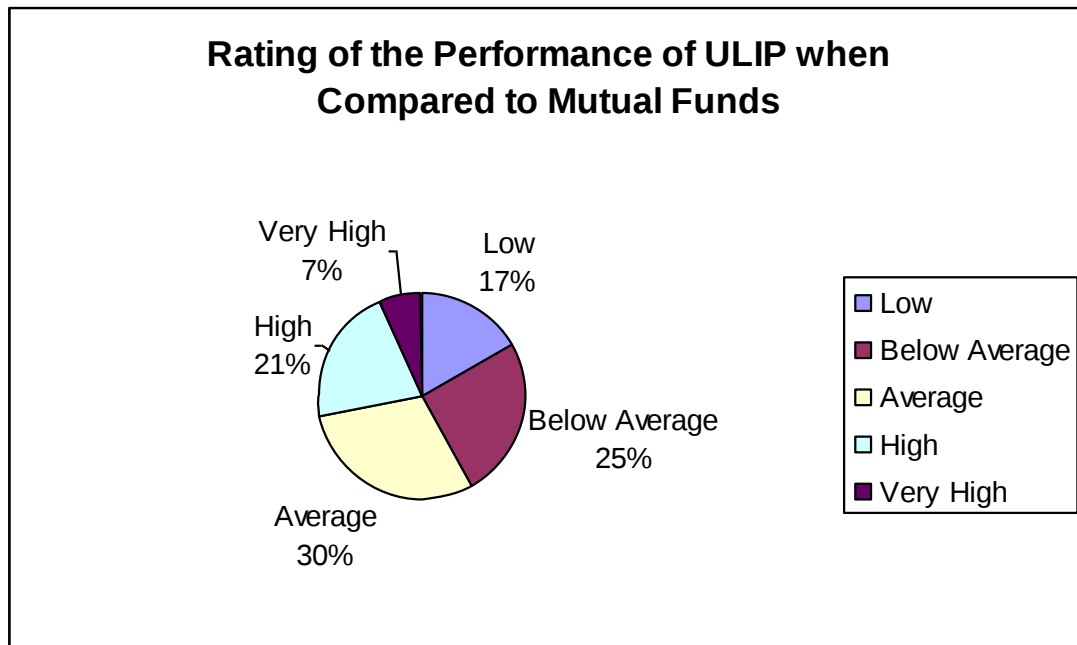
Most Of the respondents were of the opinion that their expectations match with the features provided by ULIP Plans and some of the respondents were of the opinion that the features does not match with their expectation.

4.11. Performance of ULIP in comparison to Mutual Fund

Table 4.11 Indicating the performance comparison of ULIP with MF

RATING	NUMBER	PERCENTAGE
Low	17	17
Below Average	25	25
Average	30	30
High	21	21
Very High	7	7
TOTAL	100	100

Graph 4.11.a depicts table 4.11



Analysis of Data

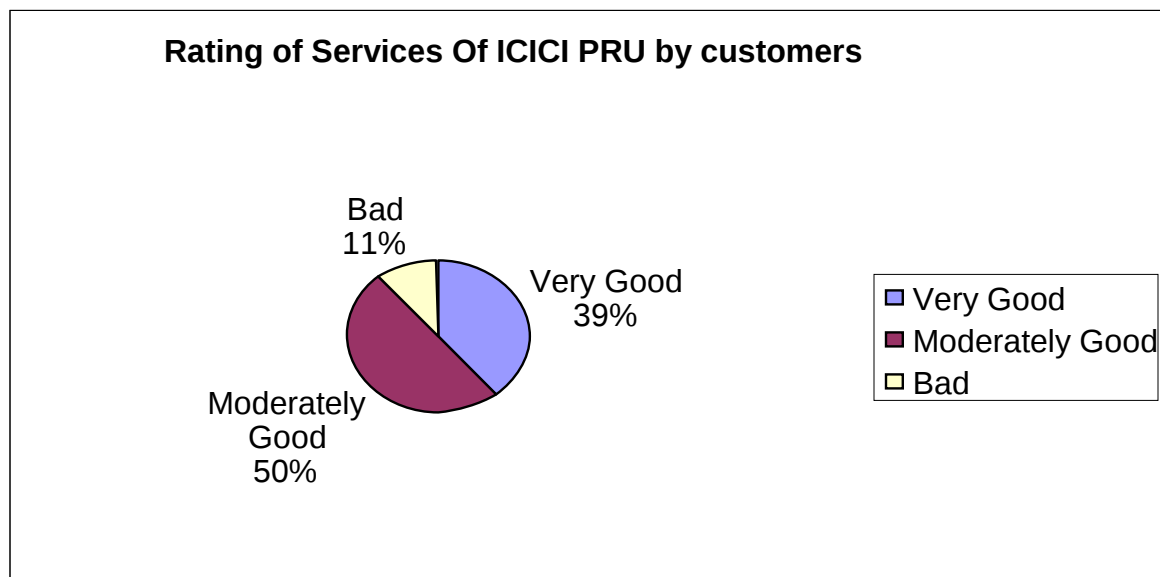
30% Of the respondents think that the performance of ULIP is average when compared to Mutual fund, 25% think it is below average, 21% think it is high 17% think it is low and 7% think the performance of ULIP is very high when compared with Mutual Fund.

4.12 Services of ICICI Prudential

Table 4.12 Indicating the perception regarding the services provided

RATING	NUMBER	PERCENTAGE
Very Good	39	39
Moderately Good	50	50
Bad	11	11
TOTAL	100	100

Graph 4.12.a depicts the table 4.11



Analysis of Data

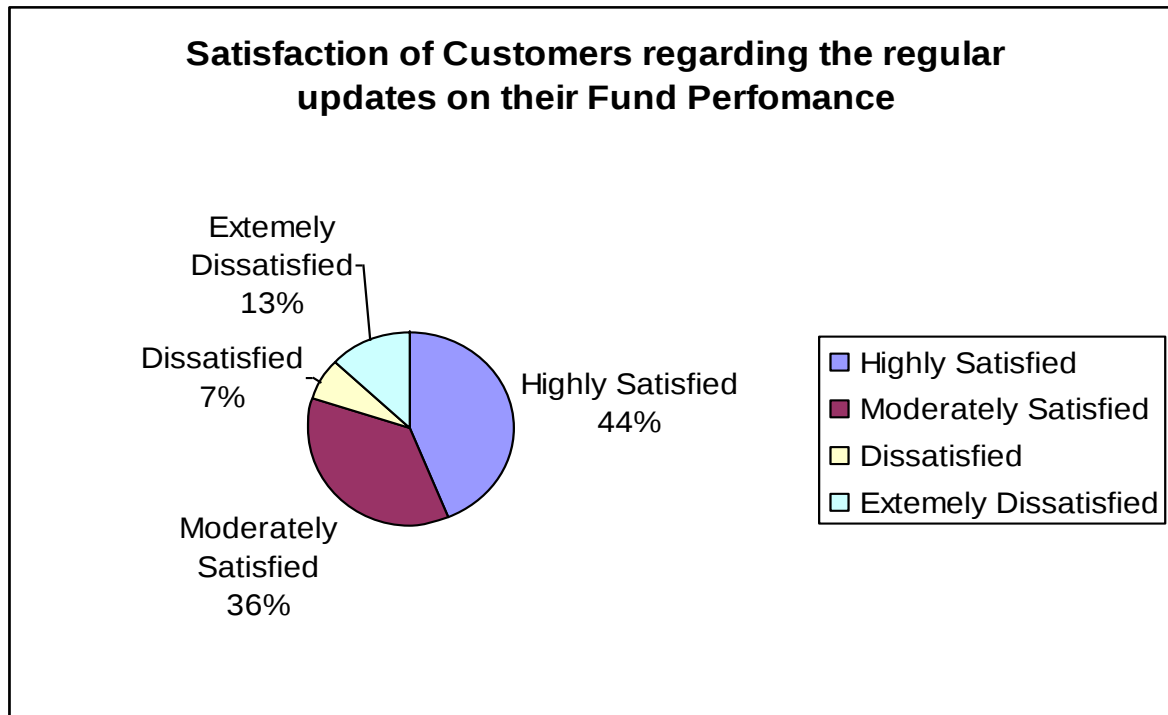
Half of the respondents were of the opinion that the services provided by the ICICI Prudential are moderately good, some of the respondents said that it is very good and others said that the services they got was bad.

4.13 Satisfaction level with the regular updates of Fund Performance

Table 4.13 Indicating the satisfaction with the updates of performance

SATISFACTION	NUMBER	PERCENTAGE
Highly Satisfied	44	44
Moderately Satisfied	36	36
Dissatisfied	7	7
Highly dissatisfied	13	13
TOTAL	100	100

Graph 4.13.a depicts table 4.12



Analysis of Data

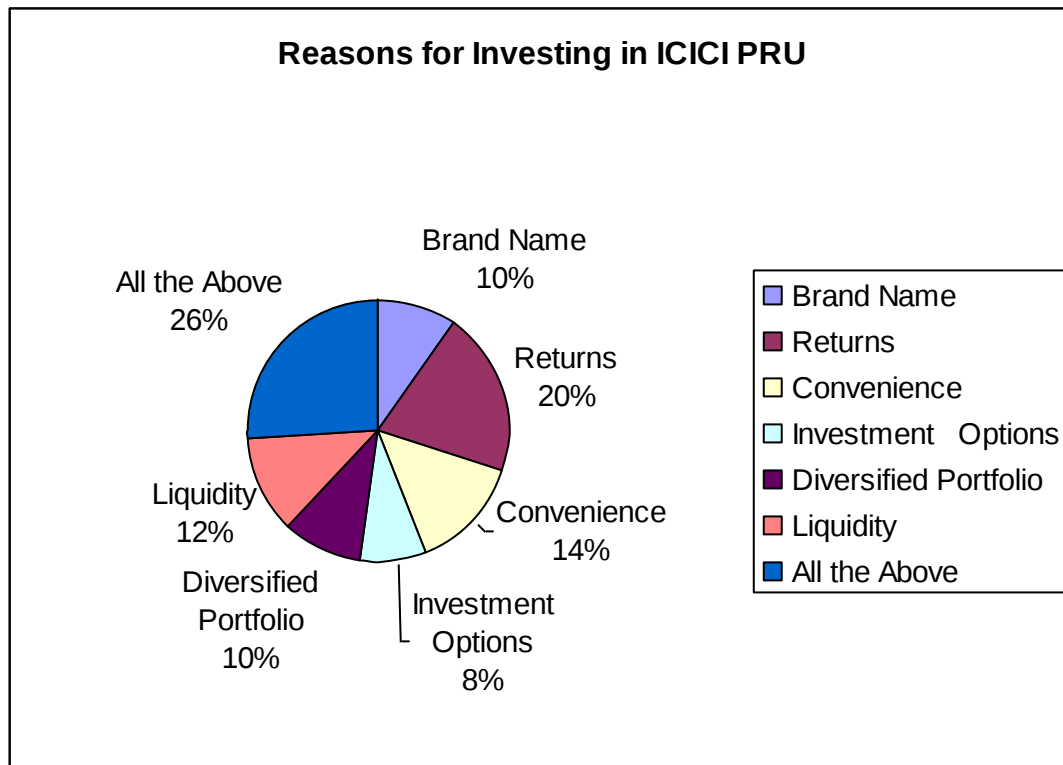
44% of the respondents said that they are highly satisfied with the regular updates on the fund performance. 36% said they are moderately satisfied, 13% said that they are highly dissatisfied and the remaining 7% said that they are dissatisfied.

4.14 Reasons for investing in ICICI Prudential ULIP

Table 4.14 Indicating the reasons for investing in ICICI PRU ULIP

REASON	NUMBER	PERCENTAGE
Brand Name	10	10
Returns	20	20
Convenience	14	14
Investment Options	8	8
Diversified Portfolio	10	10
Liquidity	12	12
All of the above	26	26
TOTAL	100	100

Graph 4.14.a depicts the table 4.13



Analysis of Data

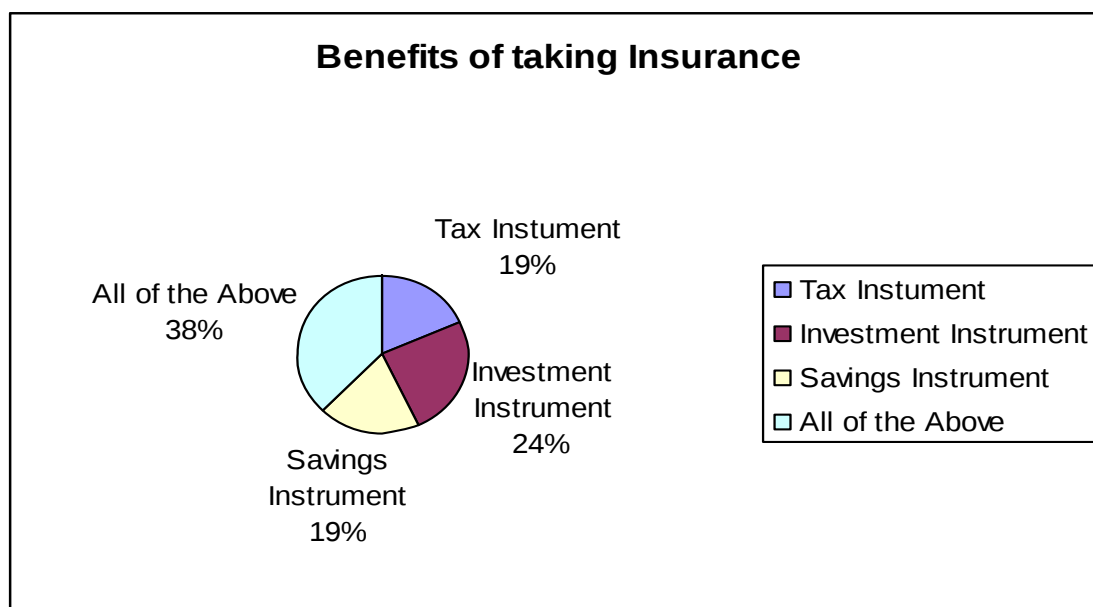
10% of the respondents invested in ICICI PRU for the Brand Name, 20% for the returns, 14% for the sake of convenience, 10% for the diversified portfolio, 12% for the liquidity option, 8% for the investment option, and the remaining 26% opted the company for all the above reasons.

4.15 Benefits of taking Insurance Policy

Table 4.15 Indicating the benefits of taking insurance for the customers

BENEFITS	NUMBER	PERCENTAGE
Tax Instrument	19	19
Investment Instrument	24	24
Savings Instrument	19	19
All of the above	38	38
TOTAL	100	100

Graph 4.15.a depicts table 4.15



Analysis of Data

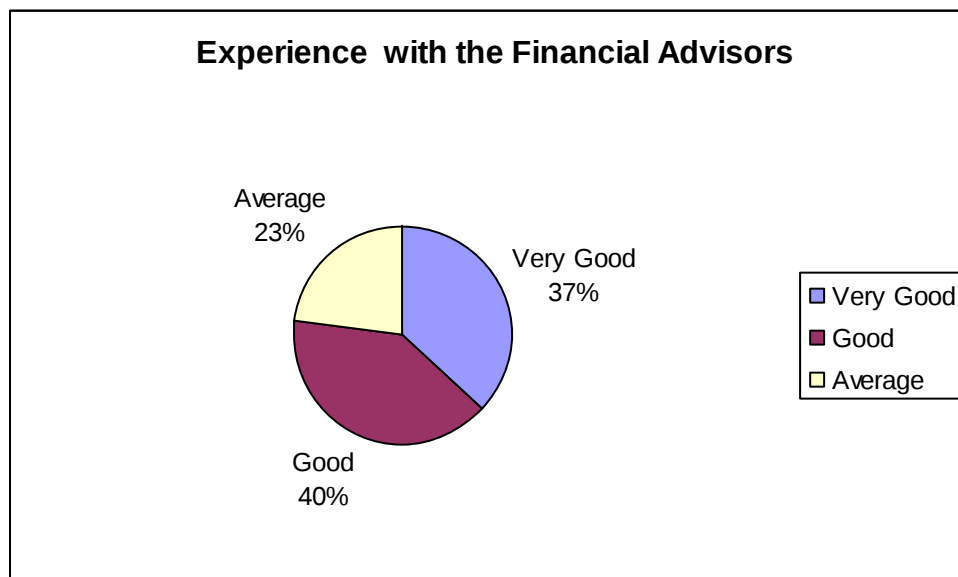
24% of the respondents said that they had the benefits of investment instrument by taking the insurance policy, 19% said they had tax benefit, 19% said they had savings benefit and 38% said they had the benefits of all the above instruments.

4.16 Experience with the Financial Advisor of ICICI Prudential

Table 4.16 Indicating the experience of the customers with the Advisors

OPINION	NUMBER	PERCENTAGE
Very Good	37	37
Good	40	40
Average	23	23
TOTAL	100	100

Graph 4.16.a depicts table 4.16



Analysis of Data

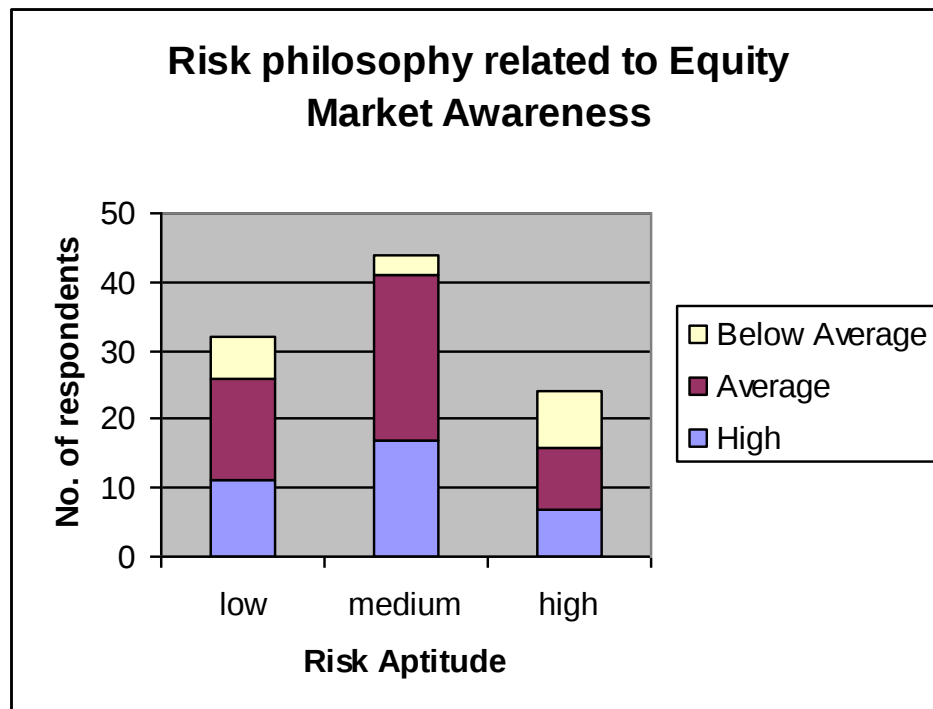
40% of the respondents said that their experience with the Financial Advisor of ICICI Prudential was Good, 37% said that their experience was Very good, and the remaining 23% said that their experience with the Advisors was an average, neither too good nor bad.

4.17 Risk Philosophy related to the Customers Equity Market awareness

Table 4.17 Indicating the relation between Risk philosophy & Awareness

Risk Philosophy Eq. Mkt. Awareness	LOW	MODERATE	HIGH
High	11	17	7
Average	15	24	9
Below Average	6	3	8

Graph 4.17.a depicts table 4.17



Analysis of Data

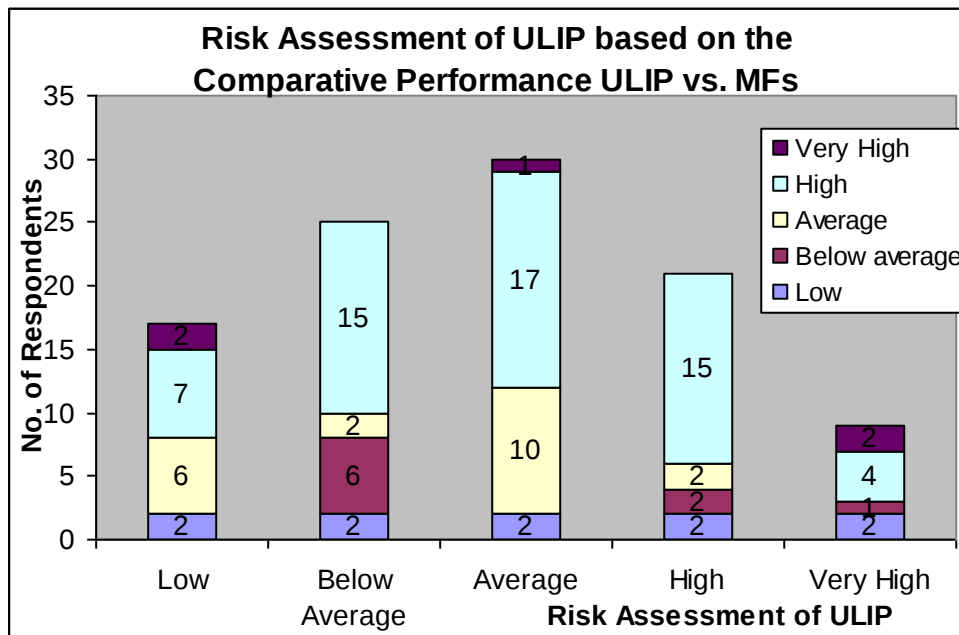
- 11% Of the respondents have low risk philosophy and high market awareness.17% with high awareness have moderate risk philosophy, 7% have high risk philosophy and high market awareness.
- 15% of the respondents have an average knowledge about the market and with low risk aptitude, 24% of them have moderate awareness with moderate risk aptitude. 9% of them have moderate awareness but low risk aptitude.
- 6% of the respondents market awareness is below average with low risk aptitude. 3% have moderate risk aptitude and knowledge of the market is below average. Remaining 8% have below average knowledge but their risk attitude is high.

4.18 Risk Assessment of ULIP based on the comparative performance ULIP Vs. Mutual fund

Table 4.18 indicating the risk assessment of ULIP based on the comparative performance – ULIP vs. Mutual Fund

ULIP Performance ULIP Risk	LOW	BELOW AVERAGE	AVERAGE	HIGH	VERY HIGH
Low	2	2	2	2	2
Below Average		6		2	1
Average	6	2	10	2	
High	7	15	17	15	4
Above Average	2		1		2

Graph 4.18.a depicts table 4.18



Analysis of Data

- Majority of people that is 15% of the respondents said that ULIP performance is better than mutual funds.
- Very few people think the comparative performance of ULIP vs MFs is extremely high or low that is 1%.

CHAPTER 5

FINDINGS OF THE STUDY

FINDINGS OF THE STUDY

- The sample size was hundred. 68% of the respondents were males and 32% were females. The research shows that the male population are more tend to take ULIP Plans and to invest in it more by paying a high premium.
- Out of the 100 respondents 28% of them fall in the age bracket of 21-30, 31% fall in the age bracket of 31-40, 18% of them fall in the age bracket of 41-50, 16% of the respondents fall in the age bracket of 51-60 and the remaining 7% fall in the age bracket of 61-70. The people in the age group of 21-30 have taken the highest number of ULIP Plans and this group invests a large amount of money for insurance plans especially ULIP Plans
- 45% of the respondents were professionals, 24% were Businessmen,18% were into Government Services and 13% of the respondents had different occupation. The study shows that the professionals are more likely to invest in ULIP PLANS.
- 10% of the respondents had the knowledge of ICICI Prudential through newspapers, 13% through magazines, 17% through Advertisements, 20% through word of mouth, 35% through advisors and 5% through other sources. The study shows that most of the customers came to know about ICICI Prudential through the Company's Financial Advisors.
- 32% of the respondents are of the opinion that their risk philosophy is low risk with low returns, 44% are of the opinion that their philosophy is high risk with high returns and 24% of them are of opinion that their risk philosophy is moderate risk with moderate returns. Most of the respondents prefer high risk with high returns.

- 14% of the respondents is said to have invested in Insurance for protection, 12% of them for the sake of saving, 8% of them invested for reducing their risk, 14% is said to have invested for getting high returns from the investments, 20% of the respondents have taken insurance for tax benefits and the remaining 32% of the respondents is said to have taken insurance for all the above reasons.
- 45% of the respondents have signed up with Lifetime ULIP Plan, 8% with Lifelink Super and golden years each, 14% of them have signed up with Premier life and Lifetime pension each and 11% with Smartkid. The study shows the highest sales come from the Lifetime ULIP Plan.
- 48% of the respondents are of the opinion that Maximiser would fetch them better returns compared to others, 18% of them believe that balancer would give them the better returns, and 7% believe that Protector give them
- better returns, 13% for preserver and the remaining 14% had no idea about the funds. The study shows maximiser fund gives the highest returns.
- 35% of the respondents have high knowledge about the equity market. 17% have an average knowledge about the equity market. Most of the respondents have an average knowledge about the equity market the percentage being 48%.
- 60% of the respondents are satisfied with the performance of maximiser fund. 14% were not satisfied with the performance of maximiser fund. 26% of the respondents were of the opinion that they are either satisfied nor dissatisfied. The study shows that most of the respondents are satisfied with the performance of the diversified portfolio of Maximiser Fund.
- 10% of the respondents rated low for the risk associated with ULIP, 9% opted for below average, 20% think that the risk is average, 58% think the risk is high, and the remaining 3% think the risk is very high in ULIP Plans. Most of the respondents think that the risk is high.

- 36% of the respondents think that the life cover provided on ULIP is average, 27% think that it is high, 18% think it is below average, 9% think that the life cover given is very high and 10% think that the life cover is low.
- 71% Of the respondents were of the opinion that their expectations match with the features provided by ULIP Plans and 29% were of the opinion that the features does not match with their expectation.
- 30% Of the respondents think that the performance of ULIP is average when compared to Mutual fund, 25% think it is below average, 21% think it is high 17% think it is low and 7% think the performance of ULIP is very high when compared with Mutual Fund. Most of the respondents think that the performance of ULIP compared to MF is more or less same.
- 50% of the respondents were of the opinion that the services provided by the ICICI Prudential are moderately good, 39% said that it is very good and 11% said that the services they got was bad. Most of the respondents say that the services of ICICI Prudential is good.
- 44% of the respondents said that they are highly satisfied with the regular updates on the fund performance. 36% said they are moderately satisfied, 7% said that they are dissatisfied and the remaining 13% said that they are highly dissatisfied. Most of the respondents are highly satisfied.
- 10% of the respondents invested in ICICI PRU for the Brand Name, 20% for the returns, 14% for the sake of convenience, 10% for the diversified portfolio, 12% for the liquidity option, 8% for the investment option, and the remaining 26% opted the company for all the above reasons.
- 24% of the respondents said that they had the benefits of investment instrument by taking the insurance policy, 19% said they had tax benefit,19% said they had savings benefit and 38% said they had the benefits of all the above instruments.

- 40% of the respondents said that their experience with the Financial Advisor of ICICI Prudential was Good, 37% said that their experience was Very good, and the remaining 23% said that their experience with the Advisors was average, neither too good nor bad.
- 11% Of the respondents have low risk philosophy and high market awareness. 17% with high awareness have moderate risk philosophy, 7% have high risk philosophy and high market awareness.
- 15% of the respondents have an average knowledge about the market and with low risk aptitude, 24% of them have moderate awareness with moderate risk aptitude. 9% of them have moderate awareness but low risk aptitude.
- 6% of the respondents market awareness is below average with low risk aptitude. 3% have moderate risk aptitude and knowledge of the market is below average. Remaining 8% have below average knowledge but their risk attitude is high.
- 33 Majority of people that is 15% of the respondents that ULIP performance is better than mutual funds.
- Very few people think the comparative performance of ULIP vs Mutual Fund is extremely high or low that is 1%.
- Overall the HNI Customers are satisfied with their investment, fund performance and services of ICICI Prudential.

CHAPTER 6

SUGGESTIONS

SUGGESTIONS

- In India around 75% of the population is not covered under Insurance. So effective sales promotional activities in the uncovered areas should be taken up to increase the sales.
- Lifetime ULIP Plans give the maximum sales to the company , so in city like Bangalore where there are many companies, create the awareness of ULIP Plans even among middle income group so that they know the benefits of ULIP and features.
- As there are more Companies and projects coming up, the professionals are tend to increase in Bangalore which gives good prospects for companies where the professionals would look at tax benefit and investment. Aggressive corporate presentation would help in getting many HNI Customers.
- Giving more customized services to High Networth Individual (HNI) customers will make them remain in the Company investing for longer period of time and to be loyal customers. These customers may buy the new products of the company.
- Giving the customers detailed information regarding the Equity market and the performance of their fund will make them more aware of their investment which will create confidence in the company.
- Training the Advisors to handle different types of customers and to plan their investment in a most appropriate will make the customers stick to the company and would make them approach the Advisors for further suggestions. This will increase the quality of services provided to them.
- There should be better strategies formulated especially for the HNI customers because their investment contributes a large portion of sales and profits and so they need to be retained.

CHAPTER 7

CONCLUSION

Although Life Insurance corporation (LIC) being a veteran company , in today's market scenario ICICI PRU LIFE has surpassed and satisfied people better , capturing 32.5% of the private market share in the insurance sector.

Among all the other existing companies in this sector of life insurance ICICI PRU LIFE has excelled in serving and protecting people's adversities and has come once step further in supporting their near and loved ones at every step of life.

Unit Link Product is one of the best investment options available for investors, the investor will get tax exemption as well as market related returns.

Introduction of transaction tax in the budget 2004-05 will create adverse impact on the returns of Unit Link Products.

The awareness of Unit Link Product is low. Hence the insurance companies should take drastic measures to create awareness among the customers.

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CHAPTER 8

BIBLIOGRAPHY

BIBLIOGRAPHY

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- 2. Philip Kotler- Marketing Management**