
Met life India

EXECUTIVE SUMMARY

By realizing the importance of customer buying behavior in this marketing era, serious effort has been done to make a perfect study. This gave me an opportunity to work with Met life India and to read their customers' mind.

Every chapter has been extensively organized in order to give a better understanding to the reader.

Introductory chapter professes on organization profile of Met life India Insurance. This chapter gives a brief description about Insurance Industry. It mentions the history of the industry and its position. The company's past, present and efforts towards success are tried to mention clearly.

Next part of dissertation concentrates on theoretical perspective which gives a clear understanding on what is Buying Behavior, how do people make decision before buying a product or services, how do people adopt new product or a service , what is service , not a customer expectation of service . The same chapter mentions the objectives, scope and importance of the studies.

The third chapter explains the literature review. It briefly describe what are the information sources for the present studies and what benefits has derived from the reference of different literature.

Next comes the methodology that used to do study. A questionnaire was prepared and data was collected through personal interview with sample population. The data collected is done thorough both primary and secondary sources.

Analysis and interpretation gives customer buying behavior and perception towards the company. It analyzed the factors influencing the customers to take Home Loan Protection from Met life India and the post purchase behavior of the customer. It has been made in the form of graphs that helps on to give an overall understanding at a glance. A test of hypothesis is also done to see overall performance.

Towards the end, a chapter which describes that all customers' opinion in nutshell as findings that is stating that the customer is almost satisfied with its performance all they have suggested some improvements.

Next part is recommendations, in order to modify current system for a higher growth and progress. The research study was an enlightening experience to me as it gave me a practical experience.

CHAPTER - 2

INTRODUCTION

***“PEOPLE WHO WANT SIMPLE SOLUTIONS ARE
MEDIocre.THE ABILITY TO ENDURE THE PROBLEMS
IS THE SECRET OF GREATNESS”***

- ❖ INTRODUCTION TO INSURANCE INDUSTRY.
- ❖ COMPANY PROFILE.
- ❖ PRODUCT PROFILE.
- ❖ BACKGROUND OF STUDY.
- ❖ STATEMENT OF PROBLEM.
- ❖ NEED AND IMPORTANCE OF STUDY.
- ❖ OBJECTIVES OF THE RESEARCH.

INTRODUCTION

INDIAN INSURANCE INDUSTRY

India is the largest democracy in the world having a population more than one billion. It is fifth largest in the world in terms of purchasing power parity (PPP). India GDP growth rate is over six percent per year on average for the last decade and saving rate is around 26% of GDP.

Through India's economic development, it becomes the most lucrative insurance markets in the world. Before the year 1999 there were monopoly of state run Life Insurance Corporation of India (LIC) in life insurance sector and General Insurance Corporation of India (GIC) with its four subsidiaries in General sector. In the wake of reform process and passing insurance regulatory development act (IRDA) through Indian parliament in 1999. Indian insurance was opened for private companies.

HISTORY

Insurance industries in India have a long history. Life insurance in existing form came in India from UK in 1818 with Oriental Life Insurance Company. The Indian Life assurance Companies Act, 1912

was the first measure to regulate life insurance business. Later in 1928 the Indian Insurance companies Act was enacted, which were amended in 1938, finally government of India in 1950 amended this act. Life

insurance Corporation of India was formed in September 1956 by passing LIC Act, 1956 in Indian parliament.

The first general insurance company, triton insurance company Ltd. Was established in Calcutta in 1850, in 1957 the general insurance council a wing of insurance association of India formed a code of conduct. In 1961 an insurance act was passed for general insurance company Ltd which was amended in 1968. General Insurance business was nationalized with effect from 1.1.1973 by the general insurance business act. From 1973, the General Insurance Company as holding company divided in four subsidiaries as National insurance company ltd, the new India assurance company ltd, the oriental insurance company ltd, and the united assurance company ltd.

MEANING OF INSURANCE

Insurance is a contract between two parties whereby one party called insurer undertakes in exchange for a fixed sum called premiums, to pay the other party happening of a certain event.

Insurance is a protection against a financial loss arising on the happening of an unexpected event. Insurance companies collect

premium to provide for this protection. A loss is paid out of this premium collected from insuring public. The insurance company act as a trustee to the amount collected through premium.

Insurance is generally classified in three categories:

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1. Life Insurance
 2. Health Insurance
 3. General Insurance.

To get insurance an individual or an organization can approach to an insurance company directly, through insurance agents of the concerned company or through intermediaries.

BENEFITS OF INSURANCE

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

-  Safeguards oneself and one's family for future requirements.

-  Peace of mind in case of financial loss.

-  Encourage saving.

-  Tax rebate.

-  Protection from the claim made by creditors.

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-  Security against a personal loan, housing loan or other types of Loan.

-  Provide a protection cover to industries, agriculture, women and child.



INSURANCE REGULATORY DEVELOPMENT AUTHORITY

Malhotra Committee, an Insurance Regulatory Development Act (IRDA) passed by Indian parliament on the recommendation of in 1993. Its main aim is to activate an insurance regulatory apparatus essential for proper monitoring and control of the insurance industry. Due to this Act, several Indian private companies have entered into the insurance market, and some companies have joined with foreign partners.

In this economic reform process the Insurance companies will boost the socio-economic development process. The huge amount of funds that will be at the disposal of Insurance companies will be directed as desired avenues like housing, safe drinking water, electricity, primary education and infrastructure. The growth of the debt market will also get a boost. Above all the policy holders will get better pricing of products from competitive insurance companies.

Insurance business is divided into four classes:

1. Life Insurance business
2. Fire
3. Marine
4. Miscellaneous insurance.

Life insurer transacts life insurance business; general Insurer transacts the rest. No composites are permitted as per law.

The business of insurance essentially means defraying risks attached to any activity over time (including life) and sharing the risks between various entities, both persons and organizations. Insurance companies are important players in financial markets as they collect large amounts of premium. Insurance products are multi purpose and offer the following **benefits**:

1. to the investors.
2. Accumulate Protection savings.
3. Channels savings into sectors needing huge long-term investments.

Insurance companies receive, without much default, a steady cash stream of premium or contributions to pension plans. Various actuary studies and models enable them to predict, relatively, accurately, their expected cash outflows. Liabilities of insurance companies being long-term or contingent in nature, liquidity is excellent and their investments are also long-term in nature. Since

they offer more than the return on saving in the shape of life-cover to the investors; the rate of return guaranteed in their insurance policies is relatively low. Consequently the need to seek high rate of returns on their investments is also low. The risk-return trade off is heavily tilted in favor of risk. As a combined result of all this, investments of insurance companies have been largely in bonds floated by Government of India, public sector units, state governments, local

bodies, corporate bodies and mortgages of long term nature. The last place where Insurance companies are expected to be over-active is bourses.

Lately Insurance companies have ventured into pension schemes and mutual funds also. However, Life Insurance constitutes the major share of insurance business. Life Insurance depends upon the laws of majority and there lies the difference between life and general insurance businesses. Life has to extinguish sooner or later and the claim in respect of life is certain. In case of general insurance, however, there may never be a claim and the amount can never be ascertained in advance. Hence, Life Insurance includes, besides covering the risk of early happening of an event, an element of savings also for the beneficiaries. Pension business also derives from the laws of morality. The foray made by insurance companies in this area is, therefore, natural corollary of their business.

LIFE INSURANCE

Life Insurance is universally acknowledged to be an institution which eliminates 'risk' and provides the timely aid to the unfortunate event of death of the breadwinner.

There are some benefits of life insurance as:

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- **PROTECTION:** Life Insurance guarantees full protection against risk of death of the assured. In case of death, full sum assured is payable.
 - **LONGTERM SAVING:** Life Insurance encourages long term saving. By passing a small premium in easy installments for along period, a handsome saving can be achieved.
 - **LIQUIDITY:** Loan can be obtained against a policy assured whenever required.
 - **TAX PROFIT:** Tax relief in income tax can be aviated on the premium paid for life insurance.

In simple terminology, life insurance is a trust where money is pooled by a group of people to share the misfortune of a selected few. In modern times, it represents an institution, which pools money from a large group of people in the form of premiums to take care of the not-so-fortunate ones.

This money is invested in government securities and bonds and paid to the policyholder either on maturity or his nominees or assignee in case of his ultimately demise.

Basically Life Insurance policies are classified into two classes-the term policy and the pure endowment policy. All other policies are ad-mixture of these two policies in different proportions.

The term 'policy' is an insurance contract wherein the insurer agrees to pay (the legal heirs or assignees of the insured person) a sum assured on his/her death against a periodical payment of insurance premium. However, if the insured person survives till the end of the policy period, nothing is payable to him as per the insurance contract.

Pure Endowment Policy is an insurance contract, which is the exact opposite of the term policy. In this, the insurer agrees to pay a sum assured to the insured if he/she survives till the policy period against a periodical payment of insurance premium. However, if the insured person dies during this period, nothing will be payable to his legal heirs or nominee as per the insurance contract.

The various life insurance policies available with the present insurer can be broadly classified as follows:-

➤ **TERM POLICIES -**

These are the cheapest policies where there is a life cover but no survival benefit the claims in case of these policies are less, as normally the insured lives longer than the policy period. As such the premiums are lesser than the other policies.

➤ **WHOLE LIFE POLICIES –**

As the name suggests, this policy is in force till the lifetime of the policyholder. The sum assured is payable to the nominee or heir of the insured on his expiry. As there is always a claim in case of this policy, the premium is more than the other policy.

➤ **ENDOWMENT POLICIES –**

These are the best selling policies for the life insurance .These are combination of term policy and pure Endowment Policy wherein the insured gets a dual benefit .If the policyholder expires during the policy period , his nominees/heir gets the sum assured along with the bonus.

➤ **ANNUITIES -**

These are also called as pension policy. In this case, the policyholder pays the premium periodically or in lump sum to get a regular pension starting from an age as agreed upon.

Policies like Education Policy, Marriage Policy, etc. are all revised fixed term policies where the sum assured is paid to the assignee at the end of the tenure.

Money back policies are endowment policies where some part of the sum assured is paid back to the insured at regular intervals and the remaining amount is paid on the maturity along with the bonus. However if the policy holder expires during the policy period, the

entire sum assured is paid to the nominee immediately along with the accrued without deducting the periodic payments. By the year 1956, Indian insurance, 16 non-Indian insurance and 75 provident societies were carrying on Life Insurance business in India .On 1st September 1956, all the insurance companies were nationalized. On September 1956 LIC Act was passed by an Indian Parliament and the state run Life Insurance Corporation of India (LIC) has held the monopoly in countries Life insurance sector.

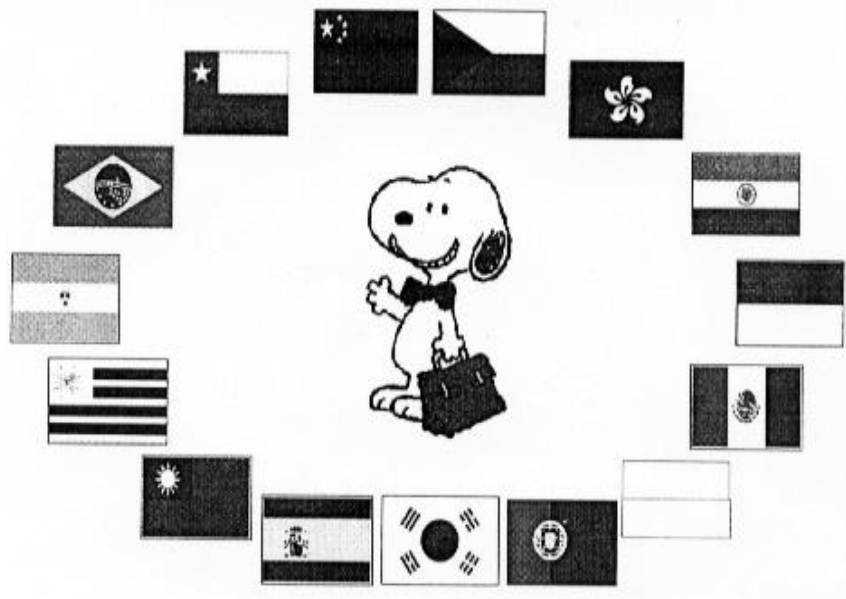
In the year 1999, the insurance regulatory development Act (IRDA) was passed in Indian Parliament. By this act a door was open for private companies with foreign equity life insurance. By this act an Indian promoter can invest either wholly in an insurance venture or team up with a foreign insurer, with a cap of 26 percent of equity for a foreign partner.

The liberalization followed by the growth of the Indian insurance industry has opened wide opportunities for service and infrastructure sectors. This growth has to be properly canalized. Some of the major challenges which have to be addressed for canalizing for the growth of insurance sector are product innovation, distribution network, investment management, customer service and education.

Customers are now looking at insurance as complete financial solutions offering stable returns coupled with total protection. Companies will need to constantly innovate in terms of product development to meet ever changing customer needs. Understanding the customer better will enable insurance companies to design appropriate products, determine price correctly and increase profitability. In this contest, management guru, Peter Drucker has rightly said: “Markets are changing from cost lead pricing to price lead costing”.

COMPANY PROFILE

MetLife® International



Met life India proudly inherits its parent companies over 130 year's old reputation of helping build financial independence for its customers.

The metropolitan life insurance company (MetLife) is the number one insurer in the U.S based on over U.S 2.1 trillion of life insurance in force. MetLife serves approximately 10 million individual households in the U.S as well as 88 of the fortune 100 companies. MetLife's institutional clients have approximately 33 million employees and members.

Head-Quarter in New York, MetLife through its affiliates, subsidiaries and representative offices operates in 15 countries throughout the America, Europe and Asia.

MetLife India Insurance Company Pvt Ltd. was incorporated in India on April 11, 2001 as a joint venture between MetLife International holdings INC., the Jammu and Kashmir bank, M. Pallonji and Company Pvt Ltd. and other private investors. MetLife India has developed and distributes a range of Life Insurance products in India.

MetLife India benefits from its companies global presence in the field of insurance, track record of establishing successful insurance operations in emerging markets and the unique strengths of its other Indian promoters. Drawing from these experiences, MetLife India will be able to address the needs of the Indian customer. MetLife's history of meeting policies holder and contract obligations and the ability to withstand the impact of adverse economic factors. The MetLife brand, known for empowering people to feel protected, guided and hopeful about the lives will do the same for its Indian customers.

MetLife has created a unique trend in advertising, brand awareness and communication by using snoopies in its messages.

Headquarter in Bangalore, MetLife India delivers value and the world class service to customers through its financial advisors and corporate sales representative's .The mission of MetLife India Insurance is to build financial freedom for all.

ORIGIN

-  The origins of metropolitan life insurance Company (MetLife) go back to 1868 when it was founded to sell life insurance to the American middle class.
-  By 1909, the company had become the nation's largest insurer in the terms of business in the force.
-  In 1930 MetLife was insuring every 5th man, woman and child in U.S and Canada.
-  The company has maintained its prominent position in the insurance sector in the U.S even today.

THE METLIFE EDGE

-  Size provides credibility.
-  Track record of operating performance
-  Strong focus on processes and training
-  Strength of our partners & investors-J & K bank & M Pallonji group
-  Experience in developing countries
-  Focus on India

CORPORATE MISSION

To become the recognized leader throughout the world for relationship building, connectedness and caring in financial services-in the “Giant League” with over hundred million people as our customers by the year 2010.

MARKETING STRATEGY

In the line overall business plans to help define markets of interventions and create an umbrella of brand recognition.

PURPOSE

To support the sales objective to swiftly transition potential customers through attention getting to create enough interest to get action in terms of policy sales plus attract additional sales people.

METLIFE VISION

To be “**THE LEADER IN HELPING PEOPLE BECOME FINANCIALLY SECURE**” by providing financial advice towards building long term relationships through leadership in protection, accumulation and retirement products ,robust underwriting processes and creating a world class customer service experience for our customers.

METLIFE INDIA MARKETING VISION

MetLife international vision

To make MetLife the recognized global leader in
Insurance, Retirement and Employee benefits.

MetLife India Vision

To be
The leader in helping people become financially secure
Through
Leadership in protection and retirement products
By
The fastest, most accurate underwriting process in industry
And
Providing the most professional financial advice towards
building long term relationships

Marketing vision By 2010 To be one of the India's top three brands amongst the Private Players
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METLIFE OVERVIEW

- Provides insurance to 1 in 11 U.S households
- Prominent group life & Non-Medical Health Insurer
- Provides products services to 88 of the fortune 100 complaints
- Major auto & home insurer #1 Worksite
- Over \$300 billion in Assets under Management
- Largest U.S life insurer -\$2.1 Trillion in force
- Powerful distribution over 13000 Career agents

METLIFE KEY MATICS

Operating revenue	\$32.5 bill
Operating earnings	\$906 mil
MetLife associates worldwide	46,154
Total number of agents worldwide	18,679

MARKET SHARE	%
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METLIFE	9.3
PRUDENTIAL	5.4
HARTFORD	3.0

DEPARTMENTS OF METLIFE INDIA

1. Agency Sales
2. Finance
3. Operations
4. Marketing
5. Information Technology
6. Bank assurance and corporate agency sales
7. Actuarial
8. Human Resource

AGENCY SALES

Aim of this department is to establish a highly productive and professional career agency distribution system in India. It plans to do this by:

- ✚ Developing a sound sales plan and management strategy.
 - ✚ Recruitment and selection of high quality sales professionals.
 - ✚ All round sales training and development.
 - ✚ Aggressive reward and recognition programs.
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FINANCE

Finance is involved in diverse and challenging assignment that encompasses the following:

- + Establishing processes and controls to capture and report.
- + Financial and business transactions.
- + Enterprise business planning.
- + Budgeting- capital and revenue.
- + Treasury Management.
- + Investment strategies and operation.
- + Audit- internal and external.
- + Financial control and management.
- + Share holder relations.
- + Enterprise wide compliance risk strategies and monitoring.

OPERATIONS

Operations is responsible for managing the entire back office with efficiency, speed and cost effectiveness with in the stipulated norms and guidelines set by the IRDA and Met life India with the objective to enhance Met life profitability.

The operations work comprises of:



New business processing (including underwriting).



Claims processing.



Customer Service



Re-insurance.

MARKETING

The breadth and scope of the work we do within marketing and corporate communication is ever evolving and as massive as it is fascinatingly marketing is responsible for planning, developing and implementation of the marketing strategy to help our sales organization achieve the necessary market penetration and market share.

The market work comprises of:



Corporate advertising and brand building.



Marketing and communications.



Event and public relations management.



Internal brand building.

INFORMATION TECHNOLOGY

IT team and business leader work together to implement innovative solutions. It is this collaboration that makes our technology environment unique working with them, not for them.

IT is responsible for planning, developing and implementation of technology and communication related activities and IT systems and processes with in the corporate guidelines to ensure efficient operations.

The work compresses of:

-  Planning a robust technology interface across functions.
-  Installations of hardware and software in all offices.
-  IT maintenance and up gradation.
-  Design and implementation of a viable knowledge management system.

BANK ASSURANCE AND CORPORATE AGENCY SALES

Corporate agency is responsible for policy sales through corporate distribution channels (banks, broker houses, NBFC's) with in the stipulated norms and guidelines set up by the IRDA and Met life.

ACTUARIAL DEPARTMENT

The Actuarial department is responsible for designing and pricing new products in line with agreed business requirements keeping in view the criteria of cost leadership, innovation and profitability.

Our work comprises of:

- Adapting best practices with respect to product development, design and pricing
- Developing robust actuarial models for evaluating investment policies, adequacy of reinsurance arrangements and capital requirement.
- Developing and nurturing a talent pool which can facilitate the above.

HUMAN RESOURCES

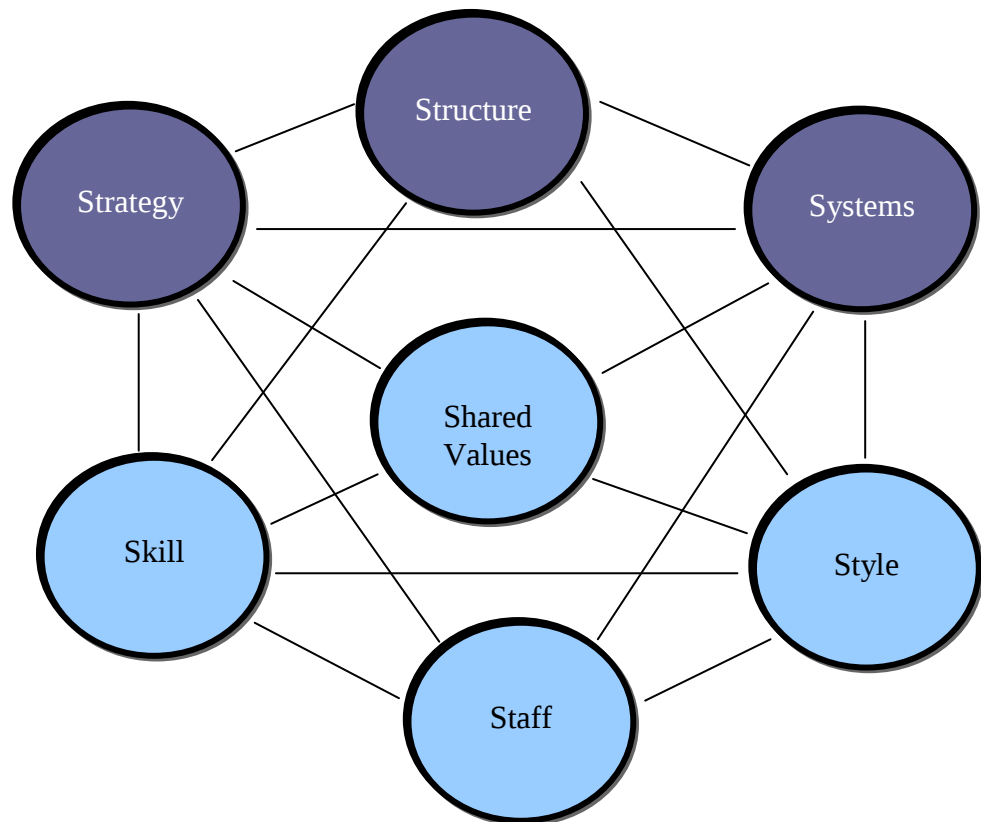
The Human Resource department is responsible for planning, developing and implementation of HR processes and systems comprising of:

-  Recruiting and manpower planning.
-  Compensation and benefits.
-  Training and development.
-  Performance management.
-  Employee relations and communications.

THE MCKINSEY 7-S FRAMEWORK

The 7-s model is better known as McKinsey 7-s. This is because the two persons who developed this model, Tom Peters and Robert

Waterman, have been consultants at Mckinsey and company at that time. They published their 7-s model in their article “Structure Is Not Organization”(1980) and in their books “The Art Of Japanese Management”(1981) and “In Search Of Excellence”(1982).



MCKINSEY 7- S FRAMEWORK

PRODUCT PROFILE

**MET Mortgage Protector (HOME LOAN PROTECTION
INSURANCE)**

MET Mortgage Protector – Non-participating Mortgage Reducing Term Assurance.

Suitability:

The plan is suitable for those who:

-  Want to ensure dependents aren't burdened with debt in case of untimely death of policy holder.
-  Want to pay affordable premiums.
-  Want tax advantages.

Salient features:

It is specially designed to protect the dependent of those opting for housing loans. It is available for terms of 5 to 25 years. The plan provides lump sum on death of the insured during the term of the policy. The lump sum payable starts with initial face amount and decreases every year and is as shown in the policy schedule. The amount of coverage is level during the policy year and changes only on the following policy anniversary.

The plan can be availed in 2 forms:

1. Single premium
2. Limited or regular premium

For The Met Mortgage Protector Single Premium

It is a single premium policy where the single premium is payable at the inception of the policy.

In the event of repayment of the mortgage loan, the guaranteed surrender value will become payable. The guaranteed surrender value is a specified percentage of the single premium on a sliding scale.

For The Met Mortgage Protector Limited Premium

The premium paying term (PPT) is restricted to two-thirds of the policy term (rounded to the nearest integral year) over which the loan is repaid. The protection under this policy even after the premium paying term, provided premiums have been paid for the full term. The premium modes available are annual, semi-annual, quaterly, monthly and payroll savings program (PSP). Premium ceases at death or on an expiry of the term whichever is earlier. It does not have any guaranteed surrender value.

The plan is a non-participating one and hence all premium rates, sum assured and surrender values are guaranteed upfront.

Benefits of Survival

There is no survival benefits associated with the policy on death. During the term of the plan, nominee/beneficiary shall receive the guaranteed sum assured.

Additional Riders

No riders are available with this plan.

Other Conditions

Minimum entry age: Age 18 last birthdays.

Maximum entry age: Age 60 last birthdays.

Maximum maturity age: Age 65 last birthdays.

Minimum face amount: Rupees 50,000.

Maximum face amount: No limit.

Minimum Premium Amount:

Minimum premium amount as applicable to the minimum face amount. Exclusions in the event the insured commits suicide, whether sane or insane at that time, within one year from the effective date of insurance cover or the date of the policy or date of the last reinstatement whichever is later, the benefit is restricted to the extent of refunding the premiums received without interests if any less expenses incurred by us.

METLIFE OTHER PRODUCTS

Met Junior MB

-  The ideal policy for people who want their children's predictable expenses met through careful planning.

-  Premiums are payable for a period of 20 years.
-  Pay back of 20% of face amount on survival to the end of 5th, 10th and 15th policy year.

Met Junior-Par Endowment

-
- ✚ Ideal policy for those who want to share in future prosperity in the company by getting reversionary and terminal bonus on the face amount of the policy.
 - ✚ What the children's predictable expenses met through careful planning?
 - ✚ Bonuses are available.

Met 100 Platinum

- ✚ Ideal policy for those who want to share in future prosperity in the company by getting reversionary and terminal bonuses on the face amount of the policy
- ✚ Those who want life time protection and access to cash value of the policy.
- ✚ Coverage until the age of 100.

Met Junior 'Children's Endowment Assurance Plans

- ✚ The ideal policy for people who want their children's predictable expenses met through careful planning.
- ✚ Want to pay affordable premiums.
- ✚ Choice of payment terms 15, 20, 25, 30 years.

Met Riders-Customization Tools for Policies from MetLife India

- ✚ Waiver of premiums.
 - ✚ Term Met Rider
 - ✚ Accident death benefits Met Rider.
 - ✚ Critical illness Met Rider.
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Met 100 Gold – Par Whole Life

- ✚ Ideal policy for those who want to share in future prosperity in the company by getting reversionary and terminal bonus on the face amount of the policy.
- ✚ It offers cash value of the policy during the life of the policy
- ✚ Fixed premium amount and coverage until the age of 100.

Met 100 – Limited Pay Whole Life Insurance

- ✚ The ideal policy for those who want life time protection.
- ✚ Those who want tax advantage.
- ✚ Fixed premium amount and fixed payment period.
- ✚ Coverage until the age of 100.

Met Gold – Participating Endowment Assurance

- ✚ Ideal policy for those who want to share in future prosperity in the company by getting reversionary and terminal bonuses on the face amount of the policy.
- ✚ For those who want protection.
- ✚ For those who want access to the cash value of the policy.
- ✚ Reversionary bonus rates as and when declared by the company.

Met Sukh – Money back Assurance

- ✚ Ideal policy for those who want money back at regular intervals and hence grow their savings.
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- ✚ Pay back of 20% of sum assured at the end of 5th, 10th and 15th years.
 - ✚ Guaranteed surrendered value of the policy.

BACKGROUND OF THE STUDY

As the saying goes that consumer is always right and he is the king, indicates the importance of the study of consumer buying behavior. It helps us to understand how individual, group, organizations select, buy, use and dispose of goods, services, ideas or experiences to satisfy their needs and desires. Customers sometime may state their needs and wants but act otherwise. They may not be in touch with their deeper motivations. Nevertheless; marketers must study their target customers, wants, perceptions, preferences and shopping or buying behavior.

Buying behavior involves a complicated series of stimulus and response reaction to many factors or motives .These motives may be

expressed or unexpressed and are based upon deep-seated needs or more openly felt wants .When some one buys something, he/she psychological satisfies both a need and a want .

He/she buys a spec specific product or service out of a vast lot, because it provided him / her with certain mental or physical satisfaction. Modern buyers want to know that not only about the

product features but also to know how and why the product will benefit them. They look not only for what a product can do but also what they mean.

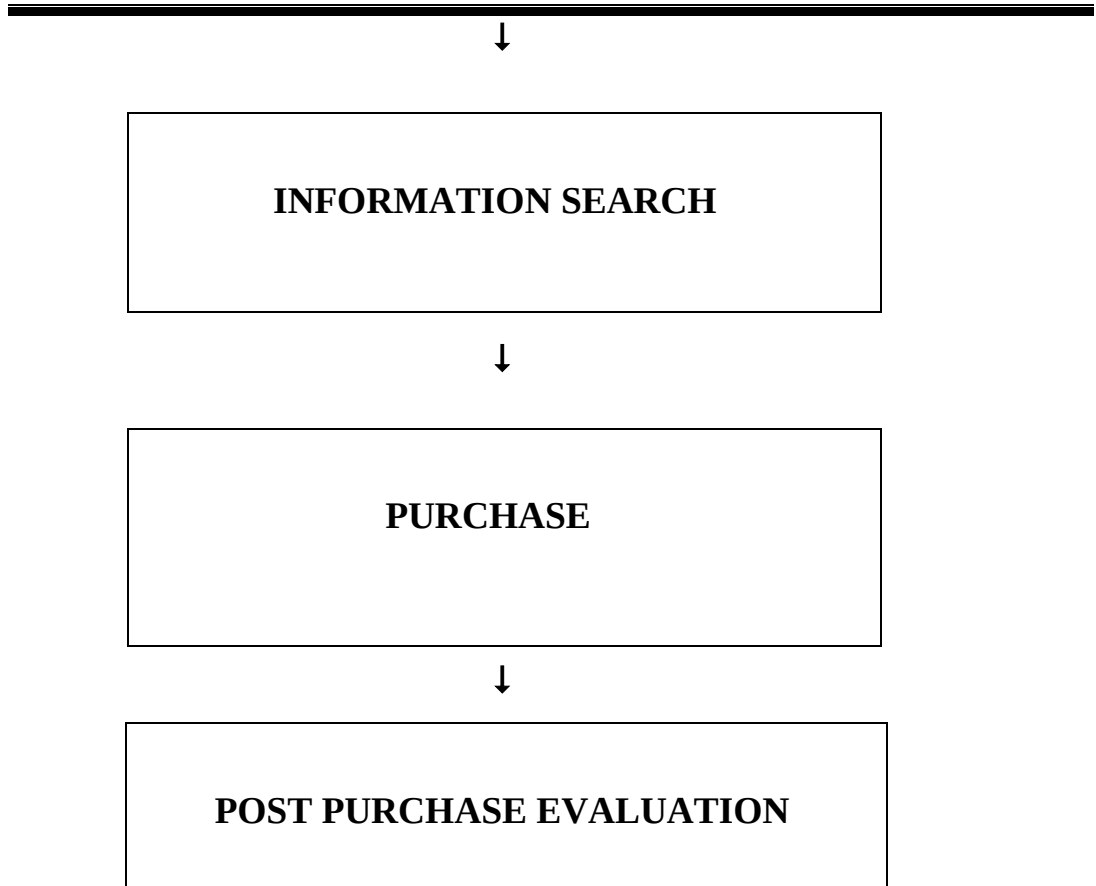
Definition of buying behavior

According to Webster, “Buying behavior is all psychological, social and physical behavior of potential customers as they become aware of, evaluate, purchase, consume and tell other people about product and services.”

Buying behavior emphasizes that this behavior is both individuals (psychological) process and group (social) process. It follows the buyer from awareness through to post purchase evaluation. It includes communication, purchasing and consumption behavior. It is broad enough for both consumer (individual or household) and industrial (organization) buyer behavior.

Research suggests that customers go through a five-stage decision-making process in any purchase of product or a service. This is summarized in the diagram below:

**NEED RECOGNITION &
PROBLEM AWARENESS**



Consumer Decision Making Process

This model is important for anyone making marketing decisions. It forces the marketer to consider the whole buying process rather than just the purchase decision (when it may be too late for a business to influence the choice.)

The model implies that customers pass through all stages in every purchase. However, in more routine purchases, customers often skip or reverse some of the stages. For example, a student buying a favorite

hamburger would recognize the need (hunger) and go right to However, the model is very useful when it comes to understanding any the purchase decision, skipping information search and evaluation. purchase that requires some thought and deliberation.

The buying process starts with need recognition. At this stage, the buyer recognizes a problem or need (e.g. I am hungry, we need a new sofa, I need protection) or responds to a marketing stimulus (e.g. you pass star bucks and are attracted by the aroma of coffee and chocolate muffins.)

An “aroused “customer then needs to decide how much information (if any) is required. If the need is strong and there is a product or service that meets the need close to hand, then a purchase decision is likely to be made there and then. If not, then the process of information search begins.

A customer can obtain information from several sources:

Personal sources:

Family, friends, neighbours. Etc.

Commercial sources:

Advertising; salesperson’s, retailers, dealers,
packaging, point of sale displays.

Public sources:

Newspapers, radio, television, consumer organizations,
Specialist magazines.

Experimental sources:

Handling, examining, and using the product.

Commercial sources (the influence of word of mouth). The challenge for the marketing team is to identify which information sources are most influential in their target markets.

In the evaluation stage, the customer must choose between the alternative brands, products and services.

How does the customer use the information obtained?

An important determinant of the extent of evaluation is whether the customer feels “involved “in the product. By involvement, we mean the degree of perceived relevance and personal importance that accompanies the choice.

Where a purchase is “highly involving “, the customer is likely to carry out extensive evaluation.

High-involvement purchase:

Include those involving high expenditure or personal risk-for example buying a house, a care, and insurance or making investments.

Low involvement purchase:

(E.g. buying a soft drink, choosing some breakfast cereals in the supermarket) have very simple evaluation processes.

Marketers need to understand the customer evaluation process:

The answer lies in the kind of information that the marketing team needs to provide customers in different buying situations.

In high-involvement purchase decisions, the marketer needs to provide a good deal of information about the positive consequences of buying. The sales force may need to stress the important attributes of the product, the advantages compared with the competition; and may be even encourage “trial” or “sampling” of the product in the hope of securing the sale.

Post –purchase evaluation—Cognitive Dissonance:

The final stage is the post purchase evaluation of the decision. It is common for customers to experience concerns after making a purchase

decision. This arises from a concept that knows as “Cognitive Dissonance”. The customer, having bought a product, may feel that an alternative would have been preferable. In these circumstances that customer will not repurchase immediately, but is likely to switch brands next time.

To manage the post-purchase stage, it’s the job of the marketing team to persuade the potential customer that the product will satisfy his or her need. Then after having made a purchase, the customer should be encouraging that he or she has made the right decision.

Customers Buying Process for new products:

A new product can be defined as:

“A good, service or idea that is perceived by some potential customers as new. It may have been available for some time, but many potential customers have not yet adopted the product nor decided to become a regular use of the product”.

Research suggests that customers go through five stages in the processes of adopting a new product or service. These are summarized below:

1. Awareness-the customer becomes aware of the new products, but lacks information about it.
2. Interest –the customer seeks information about new product.
3. Evaluation-customer considers whether trying the new product makes sense.
4. Trial- the customer tries the new product on a limited or small scale to assess the value of the product.
5. Adoption- the customer decides to make full and / or regular use of the new product.

Role of marketing in the process of new – product adoption

A marketing team looking to successfully introduce a new product or service should think about how to help customers move through five stages.

For example, what kind of advertising or other promotional campaign can be employed to build customer awareness? If customer show a desire to trial or sample a product, how can this be arranged effectively?

Research also suggests that customers can be divided into groups according to the speed with which they adopt new product.

Major Factors Influencing Customer's –Buying Behavior

CULTURAL	SCOCIAL	PERSONAL	PSYCHOLOGICAL	
➤ Culture ➤ Sub-culture ➤ Social class	➤ Reference groups ➤ Family ➤ Roles & structures	➤ Age & lifecycle Stages ➤ Occupation ➤ Economic Circumstances ➤ Lifestyle ➤ Personality & Self concept	➤ Motivation ➤ Perception ➤ Learning ➤ Beliefs & attitude	Buyer

--	--	--	--	--

Customer buying behavior is influenced by four factors;

Cultural: (culture, sub-culture, and social class)

Social (reference groups, family, social roles and status).

Personal (age, stage of life cycle, occupation, economic circumstances, lifestyle, personality, and self concept.)

Psychological (motivation, perception, learning, beliefs, and attitudes.)

Research into all these factors can provide clues as to how to reach and service consumer more effectively, which is self explanatory as shown in the above diagram.

Marketers should go beyond the various influences on buyers and develop an understanding of how consumers actually make their buying decisions.

The buying decision is being influenced by following persons:

Initiators: a person who first suggests the idea of buying the product or service.

Influencers: a person view or advice influences the decisions.

Decider: a person, who decides on any component of a buying decision- whether to buy, what to buy, how to buy, or where to buy,

Buyer: A person who makes the actual purchase

Users: a person who consumes or uses the product or service.

As we know Insurance Sector comes under service industry.

There are several reasons for the growing emphasis on services in developed economies. The service sector has experienced dramatic absolute growth, new technologies, such as information processing and telecommunications have created enormous new industries and a massive restructuring of the economy.

The growth of the information technology sector is one of the relevant examples of the service industries that would have grown regardless of the fate of the heavy industry sector. The other factors have spurred growth in the service economy and in the use of marketing by service firms. One of these factors, particularly in the US, has been the deregulation by government of service industries that

where at one time severely constrained by law from developing new products or opening new markets. Insurance is one of the dramatic examples.

Services is defined broadly into : “ include all economic activities whose out put is not a physical product or construction , is generally consumed at the time it is produced , and provides added value in forms that are essentially intangible concerns of its first purchaser”.

UNIQUE CHARACTERISTICS OF SERVICES

A popular definition of services as, “Any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to the physical product”.

There are four commonly cited characteristics of services that make them different to market from goods:

1. Intangibility :

Pure services cannot be seen or touched. Intangible may represent the most critical differences between services and goods, and its implications for marketing are great. Banking is one of the examples for this. Intangible services are difficult to sell because they

cannot be produced or displayed ahead of time. It makes services impossible to protect through patents. It also makes it very difficult to determine actual production cost and services are the four often thought to be harder to price than goods.

2. Inseparability :

In some service industries the service delivered is inextricably tied to particular service providers. Uniform quality of services cannot be guaranteed by carefully controlled, centralized mass production as it can with goods. As the result, successful service firms spend a great deal of time, effort and money on human resource activities.

3. Variability:

Services are performances, often involving the cooperation and scheme of several individuals, and are therefore unlikely to be the same

every time. This potential variability of service greatly raises the risk faced by the customers. The service provider must find ways to reduce the perceived risk due to variability. Finally, even for highly customized service, advertising alone may be able to re-assure prospective customer that the organization is capable of and committed to doing an excellent job.

3. Perishability :

The fourth characteristic distinguishing services from goods is time dependence. Services cannot be inventoried, since they are performed in real time. And periods during which service delivery capacity sits idle represent revenue-earning potential that is lost for ever. A service opportunity occurs at a point of time, and when it's gone for ever. A survey of service firms found that the greatest operational challenges facing them were forced by the perishability of the product.

CUSTOMER EXPECTATION OF SERVICE

It costs us nine times more to gain a new customer than to retain an existing one, so it follows that if we are succeed in meeting or exceeding the customer's expectations we need to understand basic customer expectations.

Customer's expectations are standards or references points for performance against which service experiences are compared and they are often formulated in terms of what a customer believes should or will happen. Because customer compare their perceptions of performances with these reference points when evaluating service quality thorough knowledge about customers expectations is critical to service marketers.

Knowing what the customer expects is the first and possibly the most critical steps in quality service. Being wrong about what customer wants can mean losing a customers business when another company hits the target exactly. Bing wrong can also mean expending money, time and other resources on things that don't count to the customers. Customers hold several different types expectations about service.

The first can be termed as desired service and defined as the level of service the customer's hopes to receive – the “wished for” for level of performance. Desired service is a blend of what a customer believes “can be” and “should be”.

Customers hope to achieve their service desires but recognize that this is not always possible. For this reason, they hold another, lower level expectation for the thresh hold of expectable service. This lower expectation has been termed as adequate service – the level service the customer will accept.

Following figure shows that there are two expectations standards as the upper and lower boundaries for the expectations. This figure portrays the idea the customer assess service performance on the basis of standards; what they desire and what they deem acceptable. The extent to which customers recognize and are willing to accept this variation is called ZONE OF TOLERANCE. If service drops below adequate service – customers will be frustrated and the satisfaction with the company will be undermined. If service performance exceeds desired service – customers will be very pleased and probably quite surprised as well.



Expected Service

By expectation, behavioral researchers mean arrays of possible outcomes that reflect what might, could, will, should, or had better not happened. There will be hierarchy of expectation that might exist for a typical customer.

Will Expectations – It's the average level of quality that is predicted based on all non information. When someone says, “service exceeded my expectations”, they generally mean that the service was better than they had predicted it would be.

Should expectations – Is what customers feel they deserve from the transactions.

Ideal expectations – Is what would happen under the best circumstances.

At the end of scale are minimally acceptable level – that threshold at which satisfaction is achieved, and the worst possible level – the worst outcome that can be imagined.

Statement of the problem

The customer's decision to purchase or reject a product is the moment of final truth for the marketer. It signifies whether the

marketing strategy has been wise, insightful and effective, or whether it was poorly planned and missed the mark. Thus, marketers are particularly interested in the consumers buying decision process thus the project titled “The Analytical Study On Consumer Buying Behavior Home Loan Protection Insurance with special reference to Met Life Insurance “ is an effort to know the consumer buying decision process towards an insurance product know as “ Home Loan Protection Plan “ i.e. Met Mortgage.

Some issues that have to be taken into consideration are:

1. Customers view about the company and the products.
2. Customer’s satisfaction level.
3. Product’s publicity through various Medias.
4. Satisfaction level of the customers regarding claims.

Need and Importance of the Study

World over insurance companies are facing stiff competition. Merger and consolidation fever is raging in the insurance industry. Currently insurers are busy in reducing the cost of the operations, introducing innovative products, pricing them appropriately, underwriting risks prudently and showing their investment mettle year after year. So I found it interesting to study how product was adopted and the effectiveness of pricing strategy by analyzing buying decision of the customers, by studying the consumer – buying behavior of one of

the product that is Home Loan Protection Insurance in Met Life India Insurance.

1. For studying the awareness of the general public regarding **“Home Loan Protection Insurance”**.
2. To know the customers opinion about the product.
3. To know the promotional activity level.
4. To know what strategies are adopted by the company for penetrating into insurance market, with its new product.

Objectives of the study

-  To study the growth of insurance business
-  To study the need of home loan insurance in India.
-  To study the customer perception towards Home Loan protection Insurance.
-  To provide assistance and support to all insurance customers (specifically Home Loan Product) and protect their interest.

CHAPTER - 3 REVIEW OF LITERATURE

***“THOUGHTS ARE ONE’S COMPANY; IT CAN BE BROUGHT
TOGETHER,BE SELECTED,BE DETAINED AND DISMISSED”***

❖ **PURPOSE.**

❖ **CONCLUSION.**

❖ **BENEFITS OF THE STUDY.**

REVIEW OF LITERATURE

PURPOSE

The purpose of review of literature:

 To find out research gap.

 To add additional theory to existing theory.

-
- + To know the previous findings.
 - + To know the link between previous and current scenario.
 - + The study is carried out to see the customer satisfaction of Home Loan Protection Insurance.
 - + The purpose is even to give simple investment solution common lay man.
 - + The purpose is to aware the people about the Home Loan Insurance Plan.

CONCLUSIONS

The central concept in review of literature is data gathering. So, the review of literature is carried out. A researcher should carefully scrutinize the available information and use his /her discretion and also expert's opinion to find out whether the gathered data is adequate and sufficient for the problem, one enquirer.

The data that are suitable for one enquiry may not be found suitable in another enquiry. Hence, if the available data found unsuitable they should not be used by the researcher.

Benefits derived from review of literature:

It facilitates to know:

-
- ✚ Types of primary data, its merits and demerits.
 - ✚ It also helps to know:
 - Topic on which similar research been done.
 - Purpose of the research.
 - ✚ The suggestions, views and methodology adopted and conclusions derived from this research.
 - ✚ It helped the researcher to know the areas in which more concentrations are needed.
 - ✚ It helped the researcher to know the opinion of various experts on important investment avenues.
 - ✚ It helped in making this project/research more specific and precise and thereby enabling to analyze problems systematically.

CHAPTER - 4

METHODOLOGY

***“NOTHING IS MORE DIFFICULT AND THEREFORE MORE
PRECIOUS, THAN TO BE ABLE TO DECIDE”***

-
- ❖ **TYPES OF RESEARCH.**
 - ❖ **SAMPLING TECHNIQUE.**
 - ❖ **SAMPLE SIZE.**
 - ❖ **SAMPLE DESCRIPTION.**
 - ❖ **INSTRUMENTATION TECHNIQUE.**
 - ❖ **ACTUAL COLLECTION OF DATA.**
 - ❖ **OTHER SOFTWARE USED FOR DATA ANALYSIS.**
 - ❖ **LIMITATIONS OF THE STUDY.**

METHODOLOGY

Types of Research:

Meaning of Marketing Research

In essence, management is about – making. Decision is invariably surrounded by uncertainties and therefore, risks. Marketing research charged with helping to reduce such uncertainties.... but will never remove it. At best, marketing will increase the probability that the decision which management has to take will help attain the organization's marketing objectives.

Infact, the research design is a conceptual structure within which research is conducted. It constitutes the blue print for the collection, measurements and analysis of data.

The research designed is exploratory. The objective of this study was to analyze the buying behavior of home loan protection insurance with reference to Met Life India Insurance. He study was mainly on the customers who had taken the insurance policy i.e.: Home Loan Protection Insurance, study aimed to know the major factors influencing customers buying decision of the policy.

The information was gathered through interviews conducted with customers who had bought home loan protection insurance from Met life India. Then a survey was conducted to make some inferences about the variables, which have been discussed earlier.

For preparation of the project report several methods were used to collect data and pertinent information. The data required for the study were primary and secondary sources. Detailed questionnaires were prepared for customers covering as many as variable as possible.

Primary data:

Are those which are collected for the first time and thus original in character, primary data are in the shape of raw materials to which statistical methods are applied for the purpose of analysis and interpretation.

Secondary Data:

Are those, which are already been collected by some persons and which have passed through the statistical machines at least ones. Secondary data are usually in the shape of finished products since they have been treated statistically in some form or the other.

Primary Data Sources:

The primary data included descriptive research through survey methods. For this purpose field work is carried out. The primary sources of data collection include in – depth interviews with the customers of Met life India using a questionnaire.

Secondary Data Sources:

The two types of secondary data were collected for preparation of project report: Internal data was generated from the companies annual report registers. External data, on the other hand was generated from magazines, research books and internets.

Sampling Technique

Shoppers often sample a small piece of cheese before purchasing any. They decide from one piece what the largest chunk will taste like. A chemist does the same thing when he takes the sample of alcohol from a still, determines that it is 90 proofs, and infers that all the alcohol the still 90 proofs. If the chemist tests all the alcohol or the shoppers taste all the cheese, there will be none to sell. Testing the entire product often destroys it and is unnecessary. To determine the characteristics of the whole, we have to sample only a portion.

The simple random sampling method was used to collect the data for the study. Random sampling refers to the sampling technique in which each and every term of the population is given an equal chance of being included in the sample. The selection is thus free from personal bias because the investigator does not exercise his discretion or preference in the choice of items. Since selection of items in the sample depends entirely on chance, this method is also known as ‘chance selection’. For method of study 100 customers were selected in random.

Sample size:

Sample size refers to the number of elements to be included in the study. Important qualitative factors which were considered in the detrainning of the sample size included; the importance of the decision, the nature of the research , the number of variables, the nature of

analysis , sample sizes used in similar studies , incidents rates, completion rates, resource constraints.

Sample Description:

No research work can be undertaken without the cooperation of the respondents who are interviewed from which data was collected through questionnaire. Therefore respondents play an important role in these types of studies. The data collected through questionnaire. The customers of Met Life India have filled the questionnaires. The data regarding suggestions were through general talk.

Instrumentation Technique:

For the purpose of collecting primary data questionnaire method has been selected by the researcher. And the same has been gathered from 100 respondents, observation methods and interview schedules have also been adopted wherever necessary.

In the study secondary was collected from various magazines, text books, were referred to get an insight into the subject- matter of customer buying behavior. Information was collected from various websites on insurance. All the sources of information are presented in bibliography.

Actual collection of data:

The study is exploratory; the mode of collecting the data was mainly through questionnaires. The questionnaire has been designed extensively for Met life India customers those who had bought home loan protection insurance. The respondents were noted down on the questionnaires. These responses especially the comments helpful during the analysis.

Other software used for analysis:

Software used is micro soft word and micro soft excel. Micro soft word was used too type all the necessary information and micro soft excel was used for graphical representation of the findings of the study.

Limitations of the study

Despite all possible efforts to make the analysis more comprehensive and scientific, a study of present kind is bound to have certain limitations. These are submitted at this stage:

- ✚ The bias of the respondents may have introduced errors in the survey.
 - ✚ This study was limited to the Bangalore city only and therefore the results of the study cannot be generalized to the other part of the country.
-

-
- + Due to time constraints and extensive research could not be undertaken. Therefore the sample size was restricted to 100 respondents.
 - + Analysis of the data obtained from the questionnaire was done on the assumption that the respondents gave the correct information.
 - + Behavioral and response of customers could change over a period of time.
 - + The researchers own inexperience in conducting the study.

CHAPTER-5 ANALYSIS AND INTERPRETATION

***“GOOD,BETTER,BEST,NEVER BE AT REST;TILL THE GOOD IS
TRANSFORMED INTO BETTER AND BETTER INTO BEST”***

❖ TABLES AND GRAPHS

TABLE # 1

TABLE SHOWING MARKET SHARE OF LIFE INSURANCE COMPANIES IN THE FINANCIAL YEAR 2003-04 & 2004-05.

SL.NO.	INSURER	MARKET SHARE FOR 2003-04	MARKET SHARE FOR 2004-05
1	OMKOTAK	0.21	0.68
2	MAX NEW YORK	0.64	0.67
3	ALLIANZ BAJAJ	0.37	0.96
4	MET LIFE	0.05	0.12
5	TATA AIG	0.31	0.96
7	ING VYSYA	0.10	0.39
8	HDFC STANDARD	0.76	1.12
9	AVIVA	0.08	0.41
10	SBI LIFE	0.42	1.05
11	ICICI PRUDENTIAL	2.15	4.01
12	BIRLA SUNLIFE	0.81	2.81
13	LIC	94.34	87.04
	TOTAL	100	100

ANALYSIS

From the above table it is analyzed that the market share of LIC came down from 92.34% in the FY 2003-04 to 87.04% in the FY 2004-

05.The market share of private players gone up from 5.66% to 12.96% in the FY 2004-05 compared to previous year 2003-04.

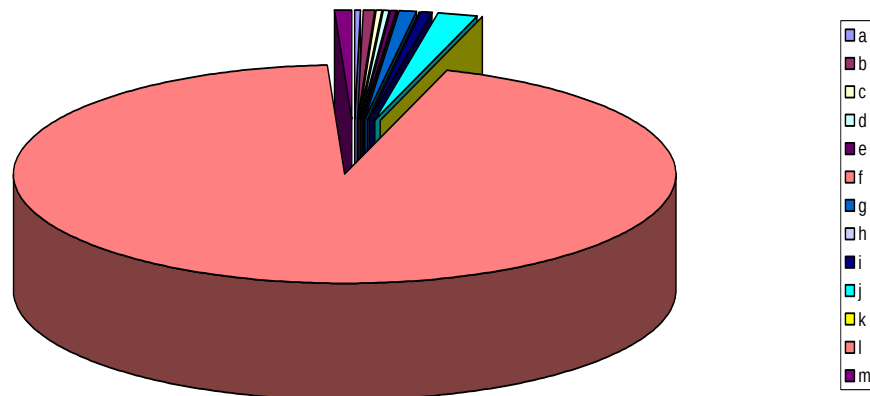
INFERENCE

It is inferred from the above table that private players are capturing the market share of LIC which was the monopoly in the life industry five to six years back.

GRAPH#1

GRAPH SHOWING MARKET SHARE OF LIFE INSURANCE COMPANIES IN THE FY 2003-04

GRAPH SHOWING MARKET SHARE OF LIFE INSURANCE COMPANIES IN THE FY 2003-04



a – Om Kotak

h - Aviva

b – Max New York

c – Allianz Bajaj

d – MetLife

e– Tata AIG

f – ING Vysya

g – HDFC Standard

i – SBI Life

j – ICICI Prudential

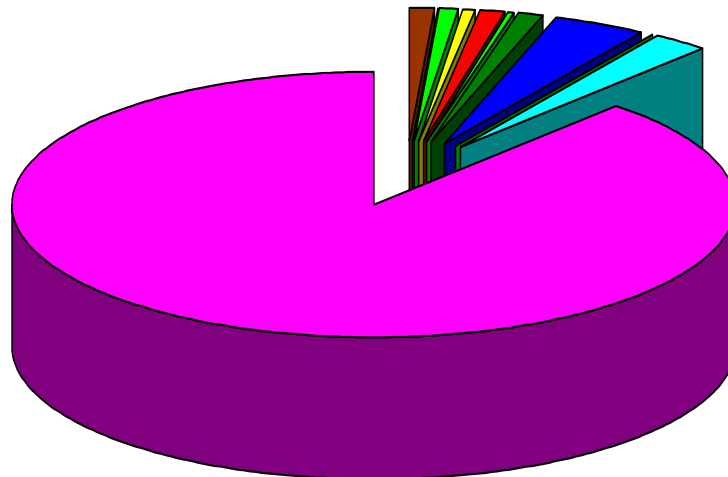
k - AMP Sanmar

l – Birla Sunlife

m - LIC

**GRAPH SHOWING MARKET SHARE OF LIFE INSURANCE
COMPANIES IN THE FY 2004-05**

GRAPH SHOWING MARKET SHARE OF LIFE INSURANCE COMPANIES IN THE FY 2004-05.



■ Allianz Bajaj ■ MetLife ■ Tata AIG ■ ING Vysya ■ HDFC Std ■ Aviva ■ SBI Life ■ ICICI ■ AMP Sanmar ■ Birla ■ LIC

TABLE 2

TABLE SHOWING THE MARKET SHARE OF PRIVATE INSURANCE PLAYERS

SL.NO.	PRIVATE INSURES	MARKET SHARER PRIVATE PLAYERS % FOR FY 2004-05.
1	OM KOTAK	5.25
2	MAX NEW YORK	5.33
3	ALLIANZ BAJAJ	7.41
4	MET LIFE	1.08
5	TATA AIG	7.41
6	ING VYSYA	3.00
7	HDFC STANDARD	8.64
8	AVIVA	3.16
9	SBI LIFE	8.10
10	ICICI PRUDENTIAL	30.90
11	BIRLA SUNLIFE	18.52

ANALYSIS

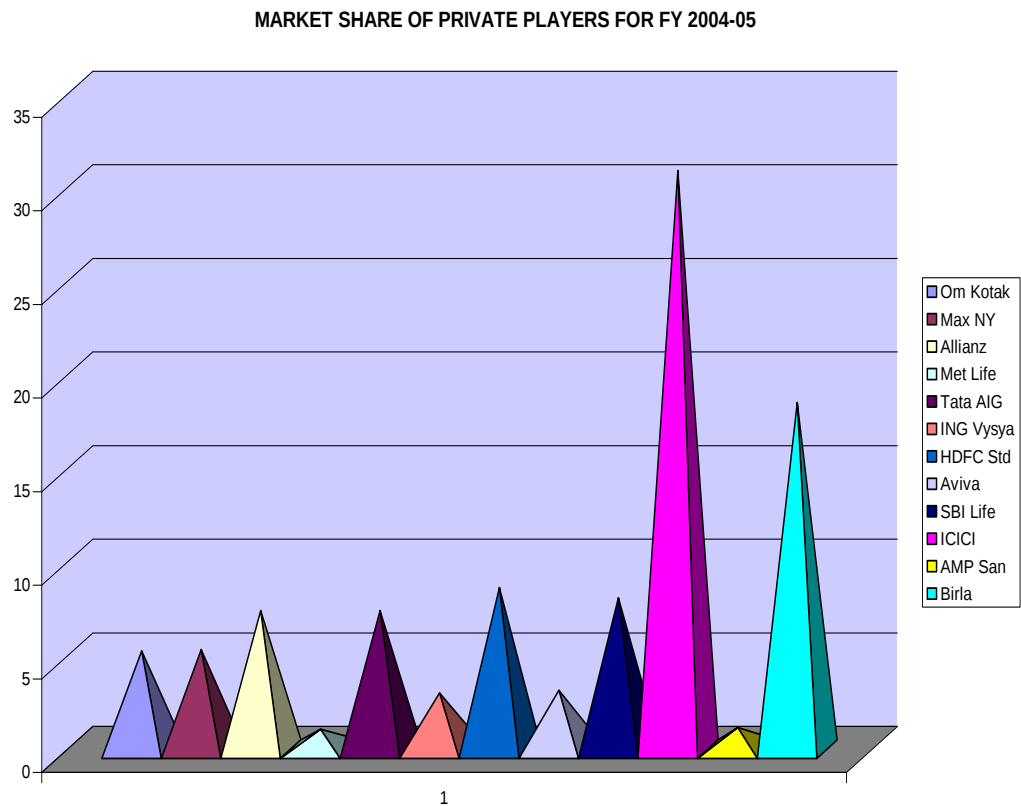
From the above table it is analyzed that ICICI holds 31% of market share followed by Birla Sun life 8.10% and HDFC Standard 7.41%.

INFERENCE

Compared to previous year this year ICICI holds the majority of the % because of its reputation service and product customization.

GRAPH#2

MARKET SHARE OF PRIVATE PLAYERS FOR THE YEAR 2004-05



TABLE#3

TABLE SHOWING PREMIUM INCOME OF INSURERS IN THE FY 2003-04 & 2004-05.

SL.NO.	INSURER	PREMIUM INCOME FOR 2003-04	PREMIUM INCOME FOR 2004-05	GROWTH %
1	OM KOTAK	3520.96	12710.19	260.99
2	MAX NEW YORK	6731.37	13148.80	95.34
3	ALLIANZ BAJAJ	6338.89	17970.51	183.50
4	MET LIFE	769.88	23380.16	203.70
5	TATA AIG	5220.84	18015.47	245.07
6	ING VYSYA	1765.92	7260.66	311.15
7	HDFC STANDARD	12931.38	20933.26	61.88
8	AVIVA	1346.63	7713.84	472.83
9	SBI LIFE	7188.08	19590.08	172.54
10	ICICI PRUDENTIAL	36410.67	75091.03	106.23
11	BIRLA SUNLIFE	12956.79	44986.19	247.20
12	AMP SANMAR	341.50	2788.16	341.50
13	LIC	1597676.15	1628468.67	1.93
	TOTAL	1693489.08	1871015.02	10.48

ANALYSIS

From the above table it is analyzed that AVIVA has achieved growth of 472.83% in 2004-05 in terms premium collection compare to 2003-04 overall life industry grows at 10.48%.ICICI holds first place in premium collection in the year 2004-05 ie. 75091.03 lakhs. Followed by BIRLA SUNLIFE 44986.19 lakhs.

INFERENCE

It is inferred from the above table that new entries like AMP SANMAR , AVIVA achieved good growth. Like previous year, this year also ICICI holds first place in premium collection.

GRAPH # 3

GRAPH SHOWING PREMIUM INCOME OF INSURER IN THE FY 2003-04 & 2004-05.

GRAPH SHOWING PREMIUM INCOME OF INSURER IN THE FY 2003-04 & 2004-05.

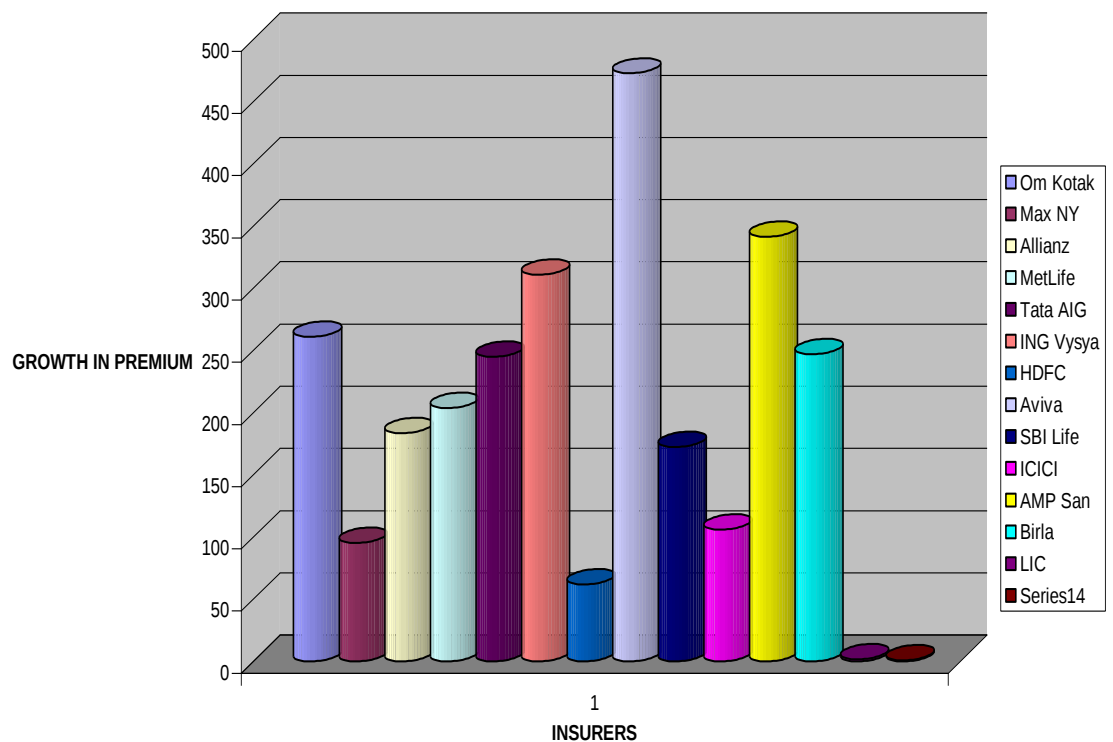


TABLE #4

TABLE SHOWING NUMBER OF POLICIES SOLD BY LIC IN THE FY 2003-04 AND 2004-05.

SL.NO	INSURER	NO. OF POLICIES SOLD IN 2003-04	NO.OF POLICIES SOLD IN 2004-05	GROWTH %
1	OM KOTAK	32767	51071	55.86
2	MAX NEW YORK	77531	145581	87.77
3	ALLIANZ BAJAJ	115964	185350	59.83
4	MET LIFE	11227	25124	123.78
5	TATA AIG	91487	161967	77.04
6	ING VYSYA	10976	90976	728.86
7	HDFC STANDARD	124837	203205	62.78
8	AVIVA	17023	71001	317.09
9	SBI LIFE	17746	86495	387.41
10	ICICI PRUDENTIAL	244434	436196	78.45
11	BIRLA SUNLIFE	64758	155598	140.28
12	AMP SANMAR	16344	46282	183.17
13	LIC	24545580	26968069	9.87
	TOTAL	25370674	28626915	12.83

ANALYSIS

From the above table it is clear that ING VYSYA achieved a growth of 728.86 % in the FY 2004-05 over the previous year 2003-04 in terms of number of policies sold. Followed by SBI LIFE 387.41 % .Overall industry grows at 12.83 % , this year also ICICI PRUDENTIAL holds first place by selling 4,36,196 policies followed by HDFC 203,205 and ALLIANZ BAJAJ 1,85,350.

INFERENCES

From the above table it is inferred that ALLIANZ BAJAJ's performance is very good in 2004-05, it stood in the third place in terms of number of policies sold.

GRAPH #4

GRAPH SHOWING NUMBER OF POLICIES SOLD LIFE INSURANCES COMPANIES IN THE FY 2003-04 & 2004-05.

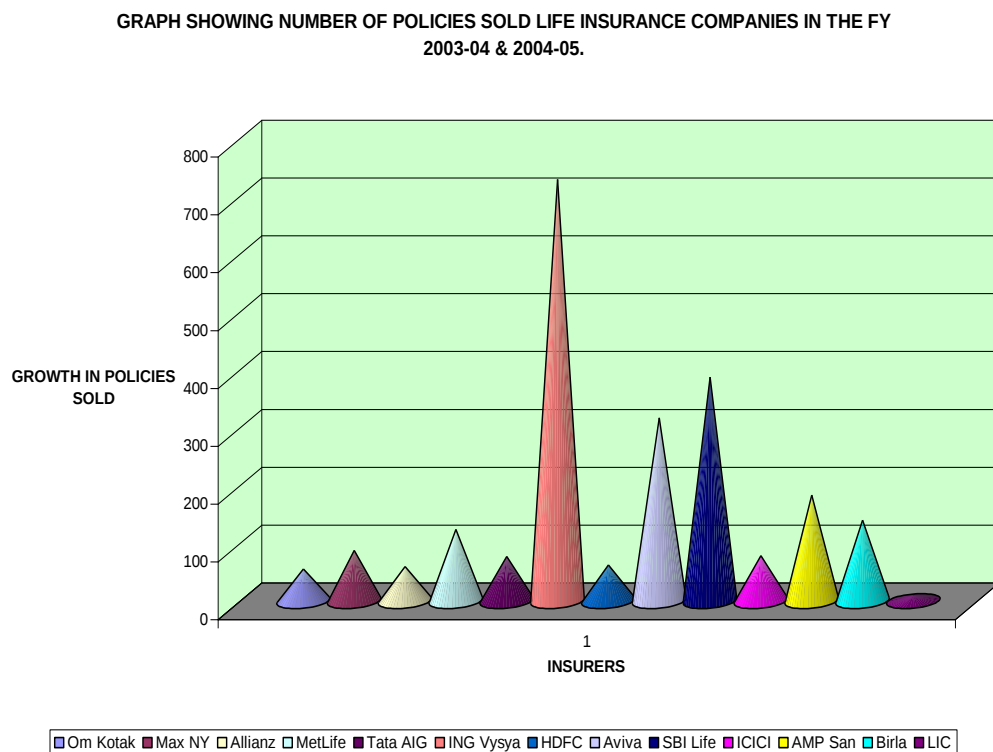


TABLE #5

TABLE SHOWING THE AGE GROUP OF RESPONDENTS

SL.NO.	PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
1	20-30 YEARS	10	10
2	30-40 YEARS	30	30
3	40-50 YEARS	50	50
4	MORE THAN 50 YEARS	10	10

ANALYSIS

The above table shows that 50% of respondents belongs to age group 40-50 years and 30 % belongs to age group 30-40 years.

INFERENCES

Thus, it can be inferred that 50% of respondents belongs to age group of 40-50 years aggressive in purchasing home loan protection insurance.

GRAPH #5

GRAPH SHOWING THE AGE GROUP OF RESPONDENTS

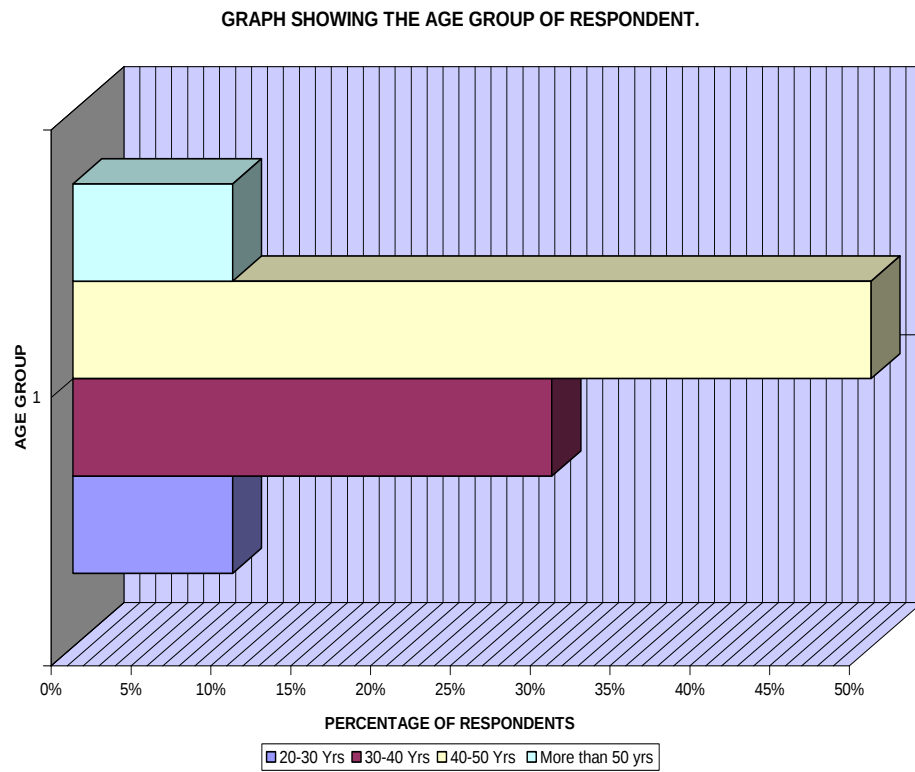


TABLE #6**TABLE SHOWING THE ANNUAL INCOME OF RESPONDENTS**

SL.NO.	PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
1	Less than 2 lakhs	44	44
2	2-4 lakhs	30	30
3	4-6 lakhs	14	14
4	More than 6 lakhs	12	12

ANALYSIS

From the above table it's clear that 44% of respondents belongs to less than 2 lakhs per annum and 30% of respondents belong to 2 – 4 lakhs per annum.

INFERENCE

It can be inferred that majority of the respondents belong to income group less than 2 lakhs are willing to buy Home loan protection insurance.

GRAPH # 6

GRAPH SHOWING THE ANNUAL INCOME OF THE RESPONDENTS

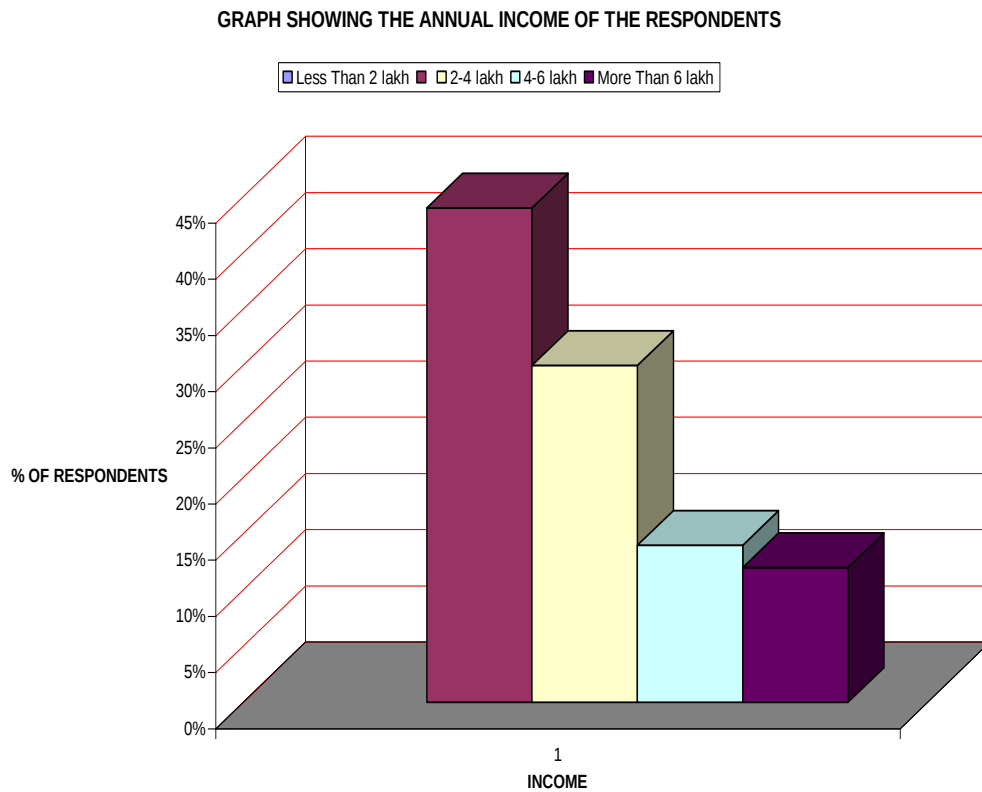


TABLE # 7

**TABLE SHOWING THE RESPONDENTS AWARE ABOUT MET LIFE
INDIA INSURANCE COMPANY.**

Sl. No.	Particulars	No. respondents	% of respondents
1	Print media	10	10
2	Advertisement	52	52
3	Friends	30	30
4	Others	8	8

ANALYSIS

The table shows that 52% of respondents aware of Met life India through advertisement and 30% of respondents through friends.

INFERENCE

From the table it can be inferred majority of respondents aware of this company through advertisement and friends.

GRAPH # 7

GRAPH SHOWING THE RESPONDENTS AWARE ABOUT METLIFE INDIA INSURANCE COMPANY.

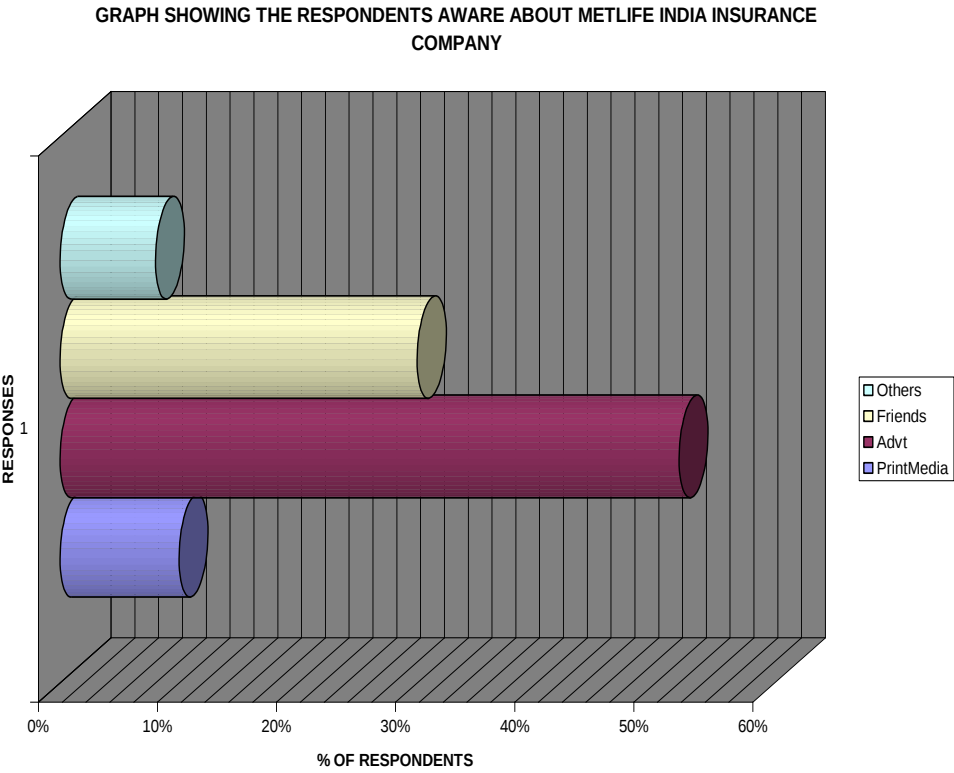


TABLE # 8

TABLE SHOWING THE RESPONDENTS FEEL TO BUY THE INSURANCE .

SL. NO.	PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
1	Advertisement	12	12
2	Home Loan	48	48
3	People tragedy	34	34
4	Others	6	6

ANALYSIS

The above table shows that 48% of respondents feels to buy home loan protection insurance after taken the home loan and 38 % respondents observed tragedy occurs.

INFERENCE

From the table it can be inferred that majority of respondents feel to buy home loan protection insurance after taking the home loan.

GRAPH # 8

GRAPH SHOWING THE RESPONDENTS FELT TO BUY THE INSURANCE .

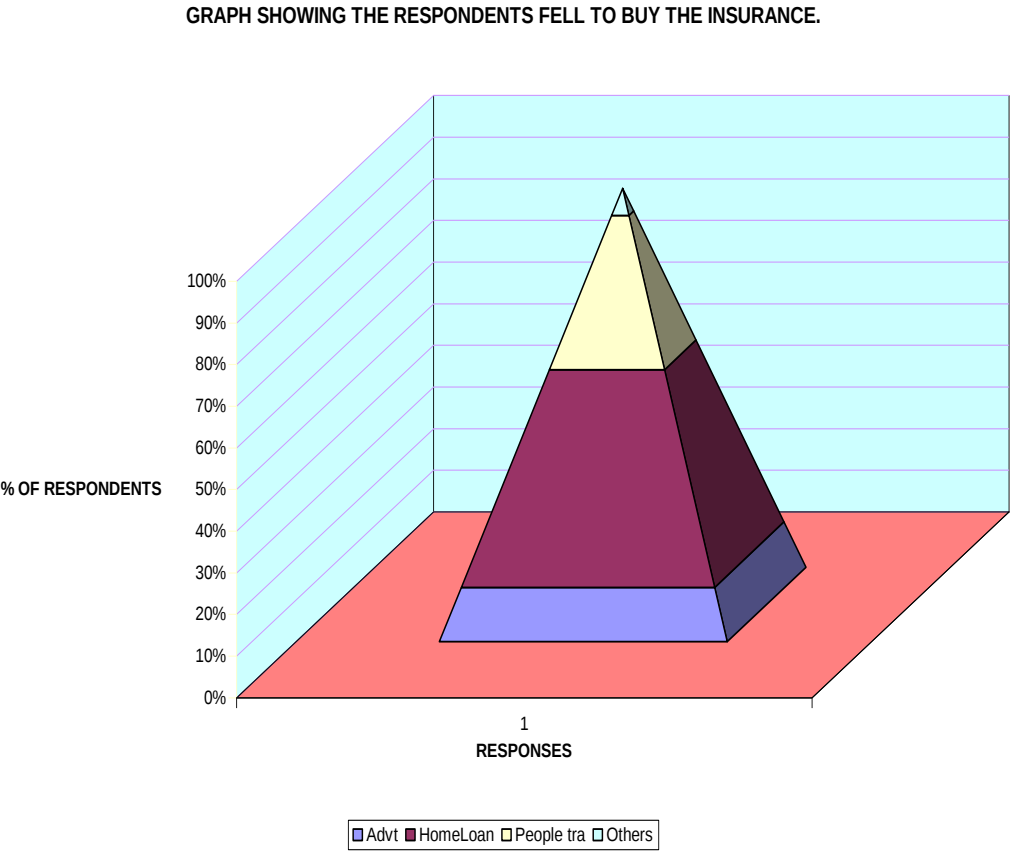


TABLE # 9

TABLE SHOWING THE RESPONDENTS AND THEIR FAMILY MEMBERS CONSULT EACH OTHER BEFORE PURCHASING THIS PRODUCT.

SL. NO.	PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
1	Yes	78	78
2	No	22	22

ANALYSIS

The table shows that 78% of the respondents consult each other before purchasing the home loan protection insurance policy.

INFERENCE

From the table it can be inferred that majority of the respondents consult with their family members in purchasing home loan protection insurance policy.

GRAPH # 9

GRAPH SHOWING THE RESPONDENTS AND THEIR FAMILY MEMBERS CONSULT EACH OTHER BEFORE PURCHASING THIS PRODUCT.

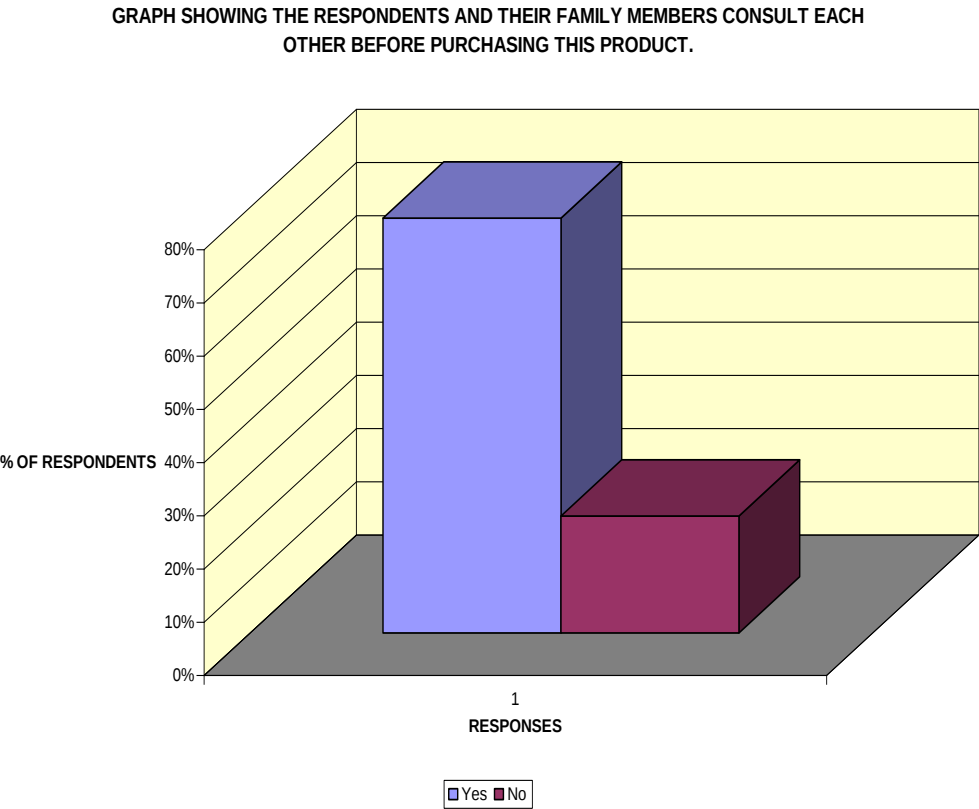


TABLE # 10

TABLE SHOWING WHEN THE RESPONDENTS HAVE TAKEN THE POLICY .

SL. NO.	PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
1	Recently	50	50
2	2-3 years back	14	14
3	1 year back	36	36
4	More than 3 years	0	0

ANALYSIS

Table showing the 50 % of the respondents have taken policy recently and 36% of respondents have taken the policy 1 year back.

INFERENCE

From the table it can be inferred that most of the respondents have taken home loan protection insurance policy recently.

GRAPH # 10

GRAPH SHOWING WHEN THE RESPONDENTS HAVE TAKEN THIS POLICY.

GRAPH SHOWING WHEN THE RESPONDENTS HAVE TAKEN POLICY.

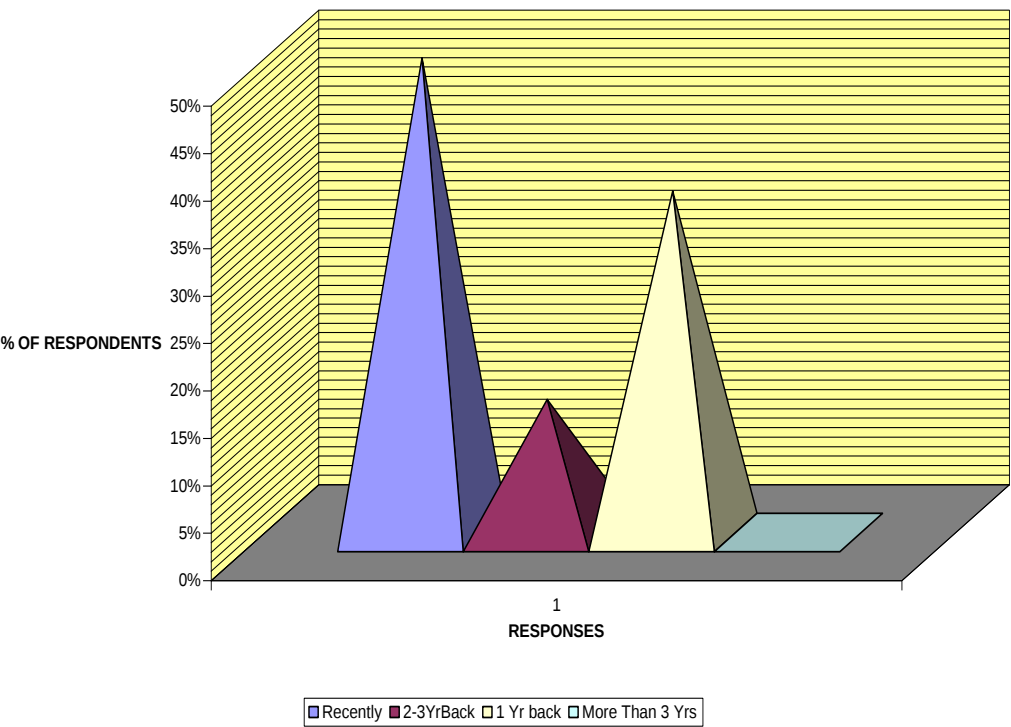


TABLE # 11

TABLE SHOWING THE SUM ASSURED OF RESPONDENTS IN HOME
LOAN PROTECTION PLAN.

SL. NO.	PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
1	Less than 5 lakhs	16	16
2	5 – 10 lakhs	40	40
3	10-20 lakhs	28	28
4	More than 20 lakhs	16	16

ANALYSIS

Table showing 40% of the respondents belongs to 5-10 lakhs sum assured group and 28 % belongs to 10 -20 lakhs.

INFERENCE

From the table it can be inferred 40% of the respondents having the home loan amount up to 5-10 lakhs.

GRAPH # 11

GRAPH SHOWING THE SUM ASSURED OF RESPONDENTS IN HOME LOAN PROTECTION PLAN.

GRAPH SHOWING THE SUM ASSURED OF RESPONDENTS IN HOME LOAN PROTECTION PLAN.

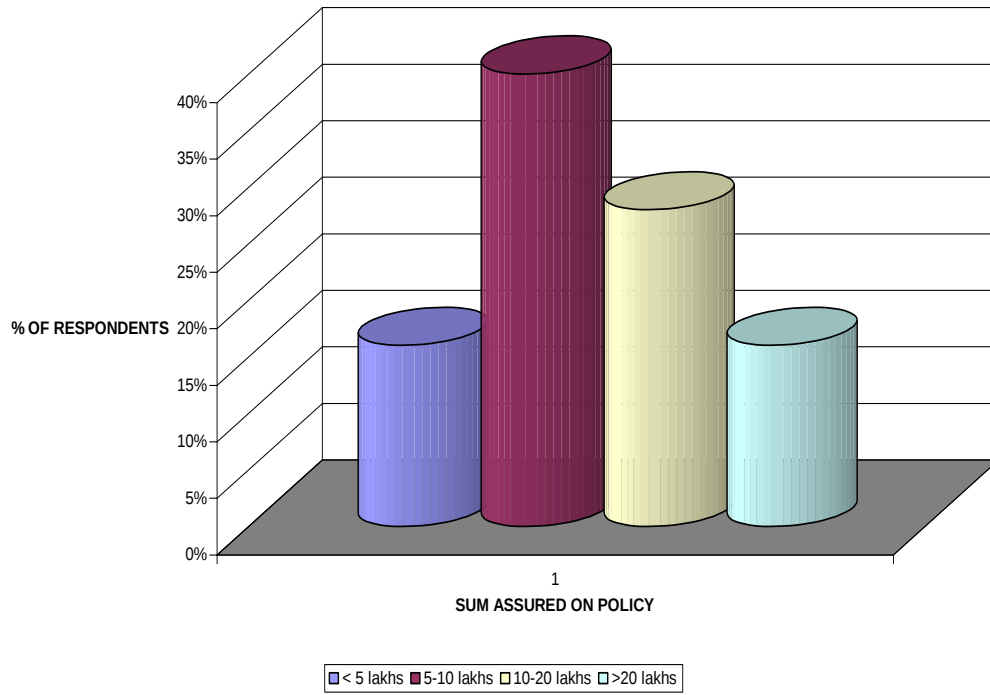


TABLE # 12

TABLE SHOWING THE RESPONDENTS PREMIUM PAYING AMOUNT PER ANNUM.

SL. NO.	PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
1	Less than 5000	18	18

2	5000-10000	44	44
3	10000-20000	28	28
4	More than 20000	10	10

ANALYSIS

Table showing 44% of respondents pays the premium amount of 5000-10000 and 28% of the respondents pay 10000-20000 pa.

INFERENCE

It can be inferred that majority of the respondents pay 5000-10000 as their premium amount on policy.

GRAPH # 12

GRAPH SHOWING THE RESPONDENTS PREMIUM PAYING AMOUNT PER ANNUM.

GRAPH SHOWING THE RESPONDENTS PREMIUM PAYING AMOUNT PER ANNUM.

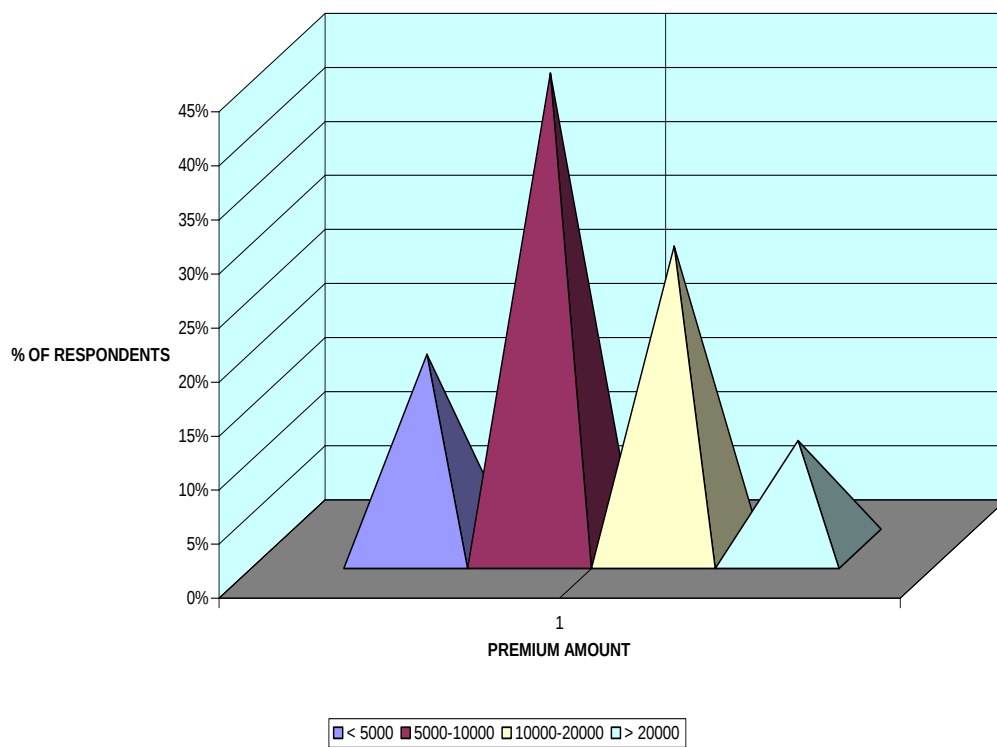


TABLE # 13

TABLE SHOWING THE RESPONDENTS PREFERENCE ON PREMIUM PAYING MODE .

SL.	PARTICULARS	NO. OF	%OF
-----	-------------	--------	-----

NO.		RESPONDENTS	RESPONDENTS
1	Annually	24	24
2	Semi-annually	18	18
3	Monthly	44	44
4	Quarterly	14	14

ANALYSIS

Table showing 44% of respondents prefer monthly premium mode and 24% prefer annual premium paying mode.

INFERENCE

From the table it can inferred that the most of the home loan protection policy holders are employees and business people saw, that they are preferred monthly mode as their premium paying mode.

GRAPH # 13

GRAPH SHOWING THE RESPONDENTS PREFERENCE ON PREMIUM PAYING MODE .

GRAPH SHOWING THE RESPONDENTS PREFERENCE ON PREMIUM PAYING MODE

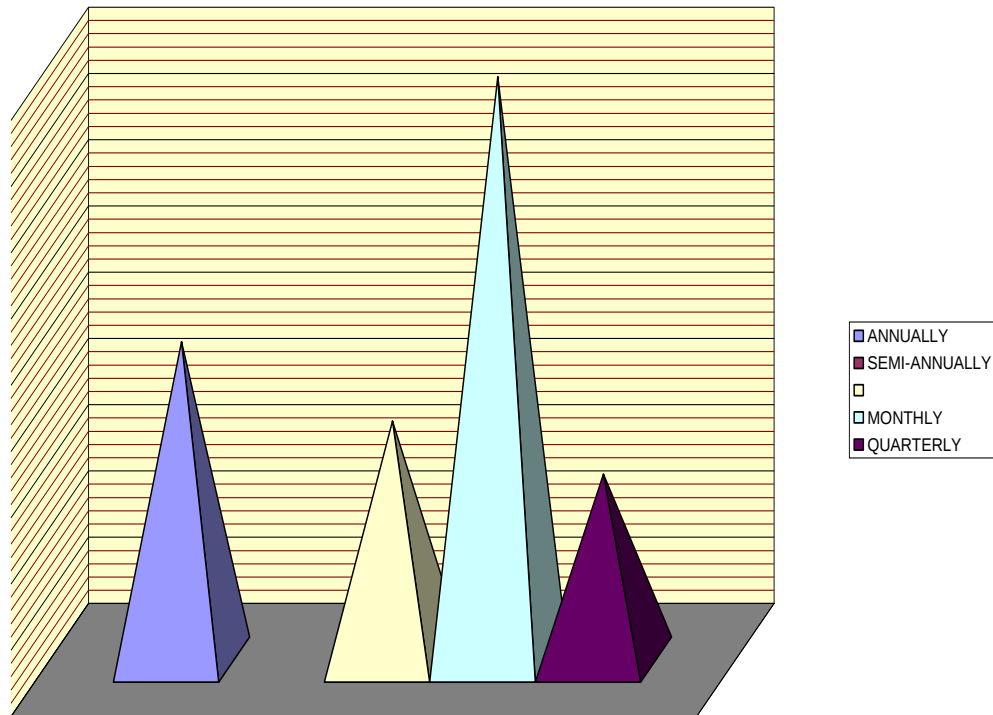


TABLE # 14

TABLE SHOWING RESPONDENTS CONSULT BEFORE PURCHASE THIS POLICY.

SL.	PARTICULARS	NO. OF RECONDENTS	%OF
-----	-------------	-------------------	-----

NO.			RESPONDENTS
1	YOURSELF	16	16
2	FRIEND	36	36
3	AGENT	38	38
4	OTHERS	10	10

ANALYSIS

Table showing 38 % of respondents decided to purchase this policy after consulting the agents and 36% of respondents decided to purchase after consulting with their friends.

INFERENCE

From the table it can be inferred agents and friends of respondents are two factors influence on respondents to decide to buy this policy.

GRAPH # 14

GRAPH SHOWING RESPONDENTS CONSULT BEFORE PURCHASE THIS POLICY.

GRAPH SHOWING RESPONDENTS COSULT BEFORE PURCHASE THIS POLICY

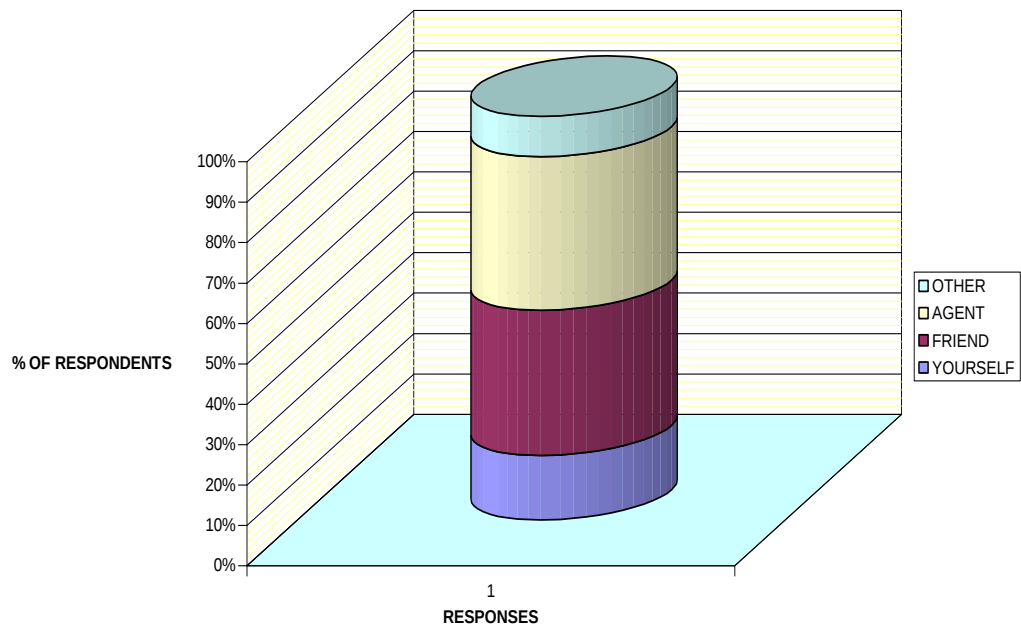


TABLE #15

TABLE SHOWING RESPONDENTS APPROACH OTHER COMPANIES BEFORE BUYING THIS PRODUCT.

SL. NO.	PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
---------	-------------	--------------------	------------------

1	Yes	60	60
2	No	40	40

ANALYSIS

Table showing 60% of respondents approach other companies before purchasing their home loan protection insurance from Met life and 40 % do not approach any other company.

INFERENCE

From the table it can be inferred majority of the customers approach other companies and finally decided to buy in met life as it build awareness in minds of customers.

GRAPH #15

GRAPH SHOWING RESPONDENTS APPROACH TOWARDS OTHER COMPANIES BEFORE BUYING THIS PRODUCT.

GRAPH SHOWING RESPONDENTS APPROACH OTHER COMPANIES BEFORE BUYING THIS PRODUCT

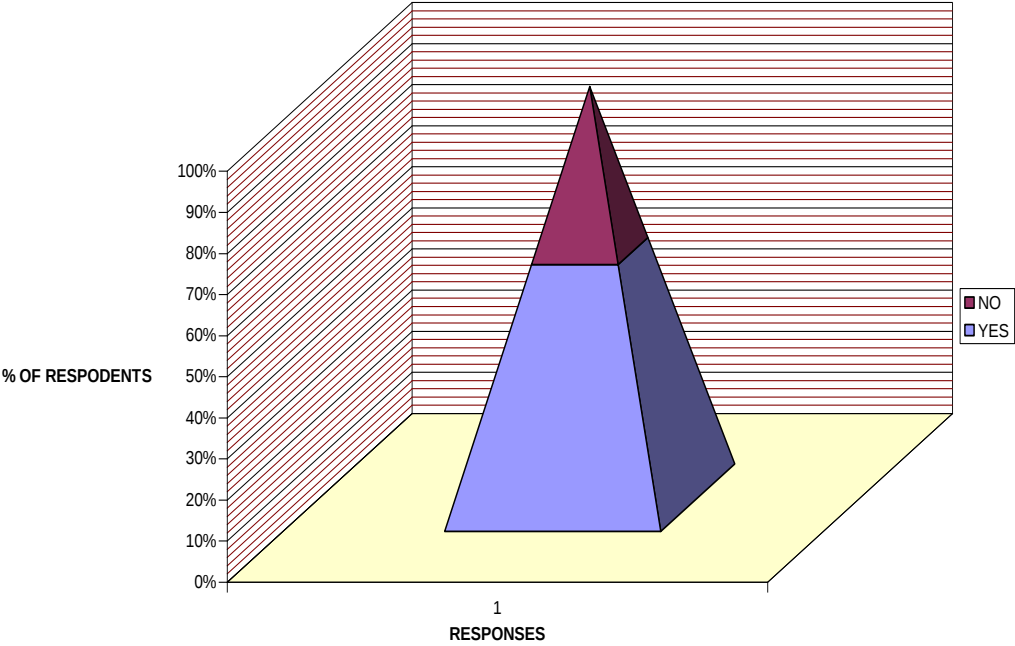


TABLE # 16

TABLE SHOWING WHY CUSOMERS HAVE TAKEN HOME LOAN INSURANCE.

REASON	NO. OF RESPONDENTS	% OF RESPONDENTS

Protection	50	100
Tax purpose	0	0
Financial advisor	0	0
Others	0	0

ANALYSIS

From the above it can be analyzed that 100% of the respondents have purchased this policy because of protection.

INFERENCE

From the analysis it is clear that 100% of the respondents, protection as the reason to go for “HOME LOAN PROTECTION INSURANCE” and not because of other factors like tax benefits.

GRAPH #16

GRAPH SHOWING WHY CUSTOMERS HAVE TAKEN “HOME LOAN PROTECTION INSURANCE”.

GRAPH SHOWING WHY CUSTOMERS HAVE TAKEN "HOME LOAN PROTECTION INSURANCE"

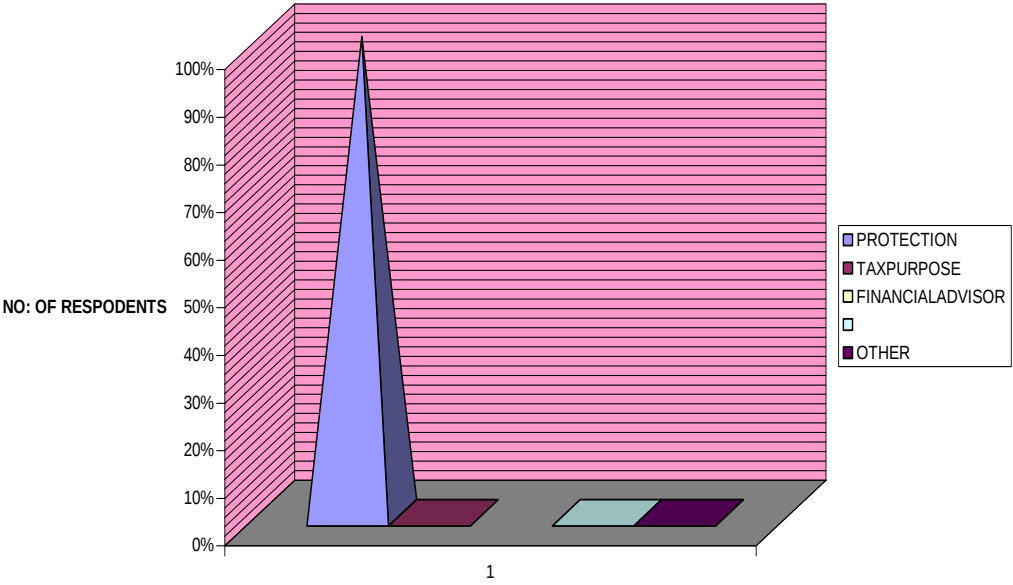


TABLE #17

TABLE SHOWING THE RESPONDENTS SATISFIED WITH SERVICE PROVIDED BY THEIR INSURER.

SL.NO	PARTICULARS	NO.OF RESPONDENTS	% OF RESPONDENTS
-------	-------------	-------------------	------------------

1	YES	71	71
2	NO	7	7
3	CAN'T SAY	22	22

ANALYSIS

Table showing 71% of respondents happy with the service of MetLife India insurance company and 22% can't able to express their views.

INFERENCE

From the table 1 can be inferred that MetLife India insurance company build images in the minds of the customers by providing good quality of service .

GRAPH #17

GRAPH SHOWING THE RESPONDENTS SATISFIED WITH SERVICE PROVIDED BY THEIR INSURER.

GRAPH SHOWING THE RESPONDENTS SATISFIED WITH SERVICE PROVIDED BY THEIR INSURER

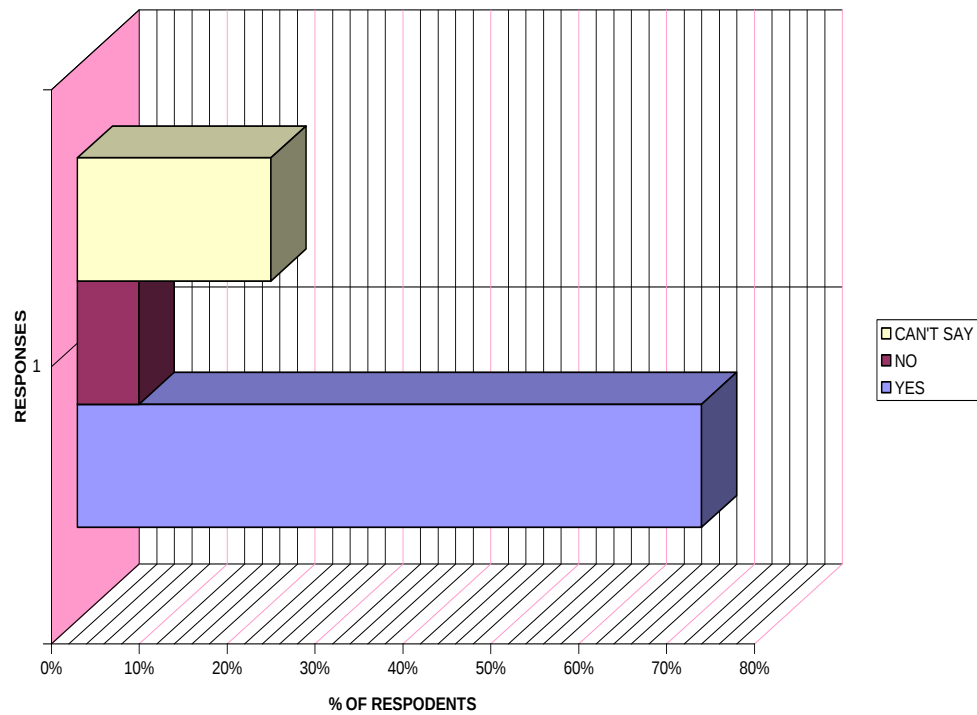


TABLE # 18

TABLE SHOWING FACTORS INFLUENCING TO BUY INSURANCE FROM MET LIFE .

SL.NO.	PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS

1	PREMIUM PLAN	46	46
2	BRAND NAME	20	20
3	ADVERTISEMENT	24	24
4	OTHERS	10	10

ANALYSIS

Table showing the 46% of respondents are influenced by premium plan of met life in buying insurance and 24% are influenced by advertisement.

INFERENCE

From the above table it can be inferred that most of the respondents have purchased the product because of premium plan of the company.

GRAPH # 18

**GRAPH SHOWING FACTORS INFLUENCING TO BUY INSURANCE
FROM METLIFE .**

GRAPH SHOWING FACTORS INFLUENCING TO BUY INSURANCE FROM METLIFE.

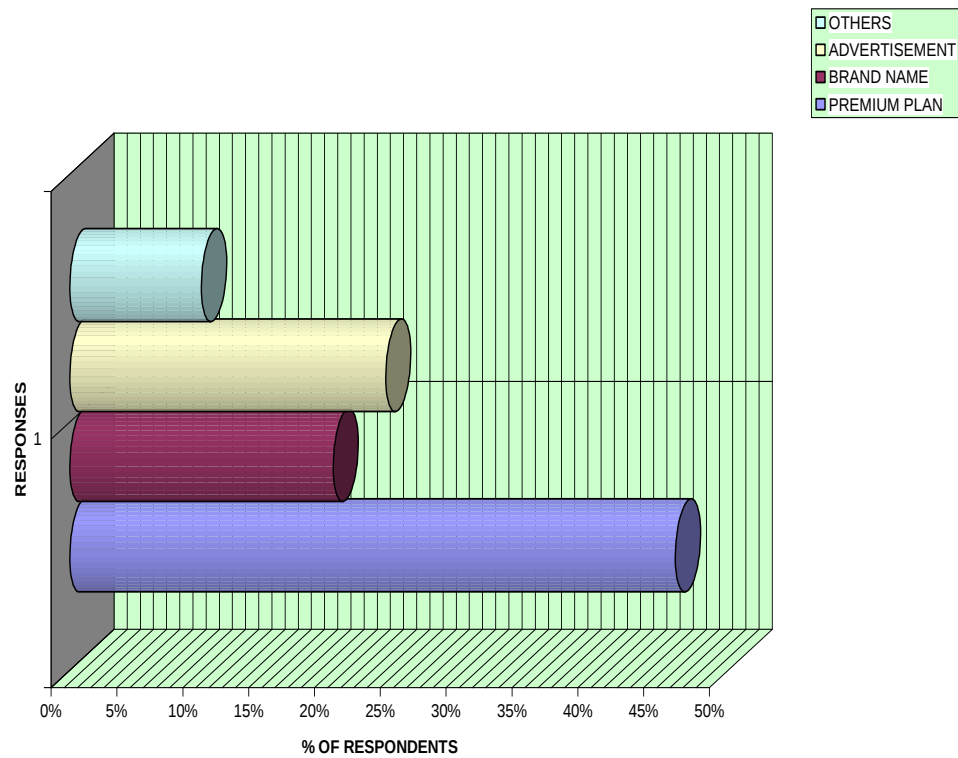


TABLE # 19

TABLE SHOWING THE NUMBER OF RESPONDENTS WHO HAVE RECOMMENDED THE PRODUCTS TO OTHERS.

SL.NO.	PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS

1	STRONGLY	44	44
2	MAKE THEM AWARE	34	34
3	NOT RECOMMENDED	22	22

ANALYSIS

Table showing 44 % of respondents recommended others in buying home loan protection plan and 34 % of them were just make them aware.

INFERENCE

From the table it can be inferred that majority of the respondents recommended others in buying the Home Loan Protection Plan.

GRAPH #19

GRAPH SHOWING THE NUMBER OF RESPONDENTS WHO HAVE RECOMMENDED THE PRODUCT TO OTHERS.

GRAPH SHOWING THE NUMBER OF RESPONDENTS WHO HAVE RECOMMENDED THE PRODUCT TO OTHERS.

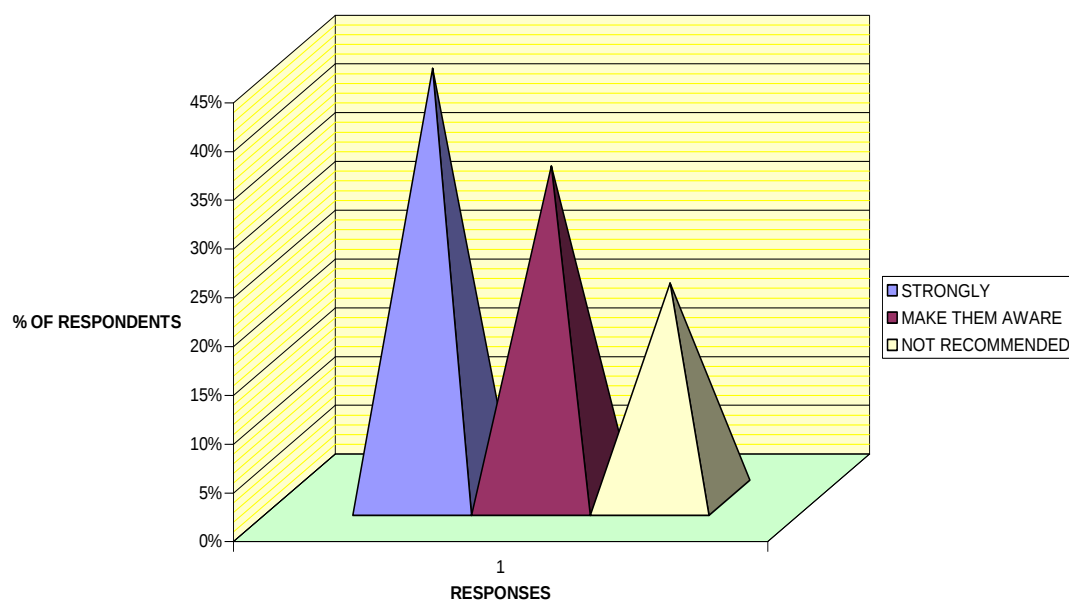


TABLE #20

TABLE SHOWING THE RESPONDENTS RANKING THE FOLLOWING FACTORS WHILE BUYING THE PRODUCT.

SL.NO	PARTICULARS	NO .OF RESPONDENTS	% OF RESPONDENTS
1	COMPANY PROFILE	24	24

2	PREMIUM PLAN	38	38
3	COMPETENCY OF AGENT	20	20
4	ADVERTISEMENT	18	18

ANALYSIS

From the above table it can be analyzed that 38% of respondents have given first preference for premium plan, 24% of respondents have given second preference for company profile while buying the policy from MetLife.

INFERENCE

From the table it can be inferred that majority of respondents preferred premium plan.

GRAPH #20

GRAPH SHOWING THE RESPONDENTS RANKING THE FOLLOWING FACTORS WHILE BUYING THE PRODUCT.

**GRAPH SHOWING THE RESPONDENTS RANKING THE FOLLOWING FACTORS WHILE
BUYING THE PRODUCT.**

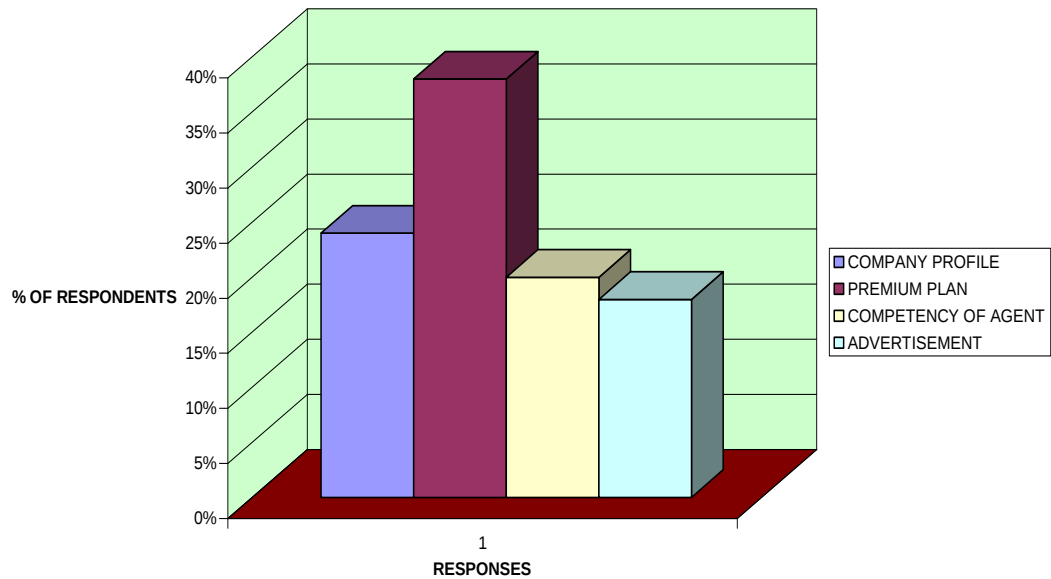


TABLE #21

**TABLE SHOWING POST PURCHASE BUYING BEHAVIOR OF
RESPONDENTS.**

BEHAVIOR	NO. OF RESPONDENTS	% OF RESPONDENTS
RIGHT DECISION	92	92

SHOULD HAVE GIVEN A THOUGHT ONCE MORE	8	8
WRONG DECISION	0	0

ANALYSIS

From the table it can be shown that 92% of the respondents have taken right decision in buying this product and 8 % are think once more.

INFERENCE

It can be concluded that most of the respondents (92%) are satisfied with their purchase while the remaining respondents feel they should have given a better thought before purchasing.

GRAPH # 21

**GRAPH SHOWING POST PURCHASE BUYING BEHAVIOR OF
RESPONDENTS.**

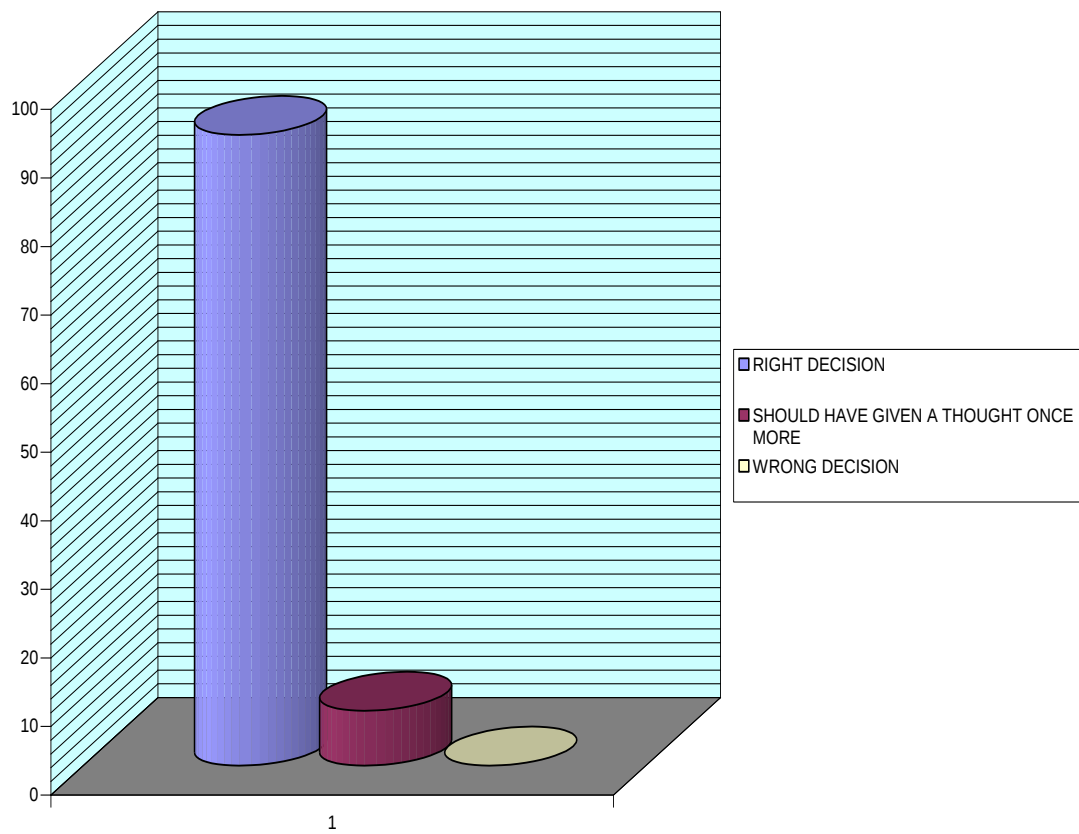


TABLE # 22

TABLE SHOWING NUMBER OF PEOPLE WHO HAVE AVAILED LOAN.**ANALYSIS**

Particulars	No. of respondents	Percentage
Availed loan	100	100%
Not availed loan	0	0%
Total	100	100%

From the above table it is analyzed that 100% of the respondents have taken loan for buying their house. The number of respondents who has not taken the loan is nil.

INFERENCE

It is interpreted that all the respondents have taken loan for buying their house. People who have taken loan were only considered in this survey.

GRAPH SHOWING NUMBER OF PEOPLE WHO HAVE AVAILED LOAN.

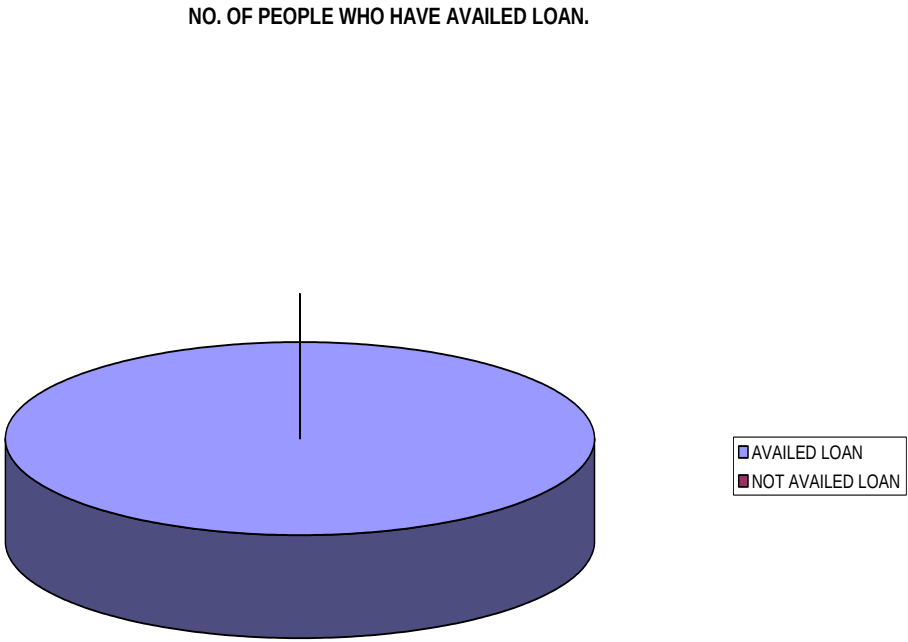


TABLE # 23

TABLE SHOWING THE LOAN AMOUNT OF RESPONDENTS.

Amount	No. of respondents	Percentage
0 - 4.99	22	22%
5 - 9.99	46	46%
10 - 14.99	24	24%
15 & above	8	8%
Total	100	100%

ANALYSIS:

According to the above table 22% of the respondents have loan amount below 5 lakh, 46% of the respondents are having loan amount between 5-9.99 lakhs, 24% of them are having loan amount between 10-14.99 lakhs, and 8% is having loan amount above 15 lakhs.

INFERENCE:

It is interpreted that majority of the respondents have taken loan between rupees five lakh to rupees ten lakhs. This shows that most of the respondents need a loan amount between rupee five lakh to rupees ten lakhs.

GRAPH # 23

GRAPH SHOWING THE LOAN AMOUNT OF RESPONDENTS.

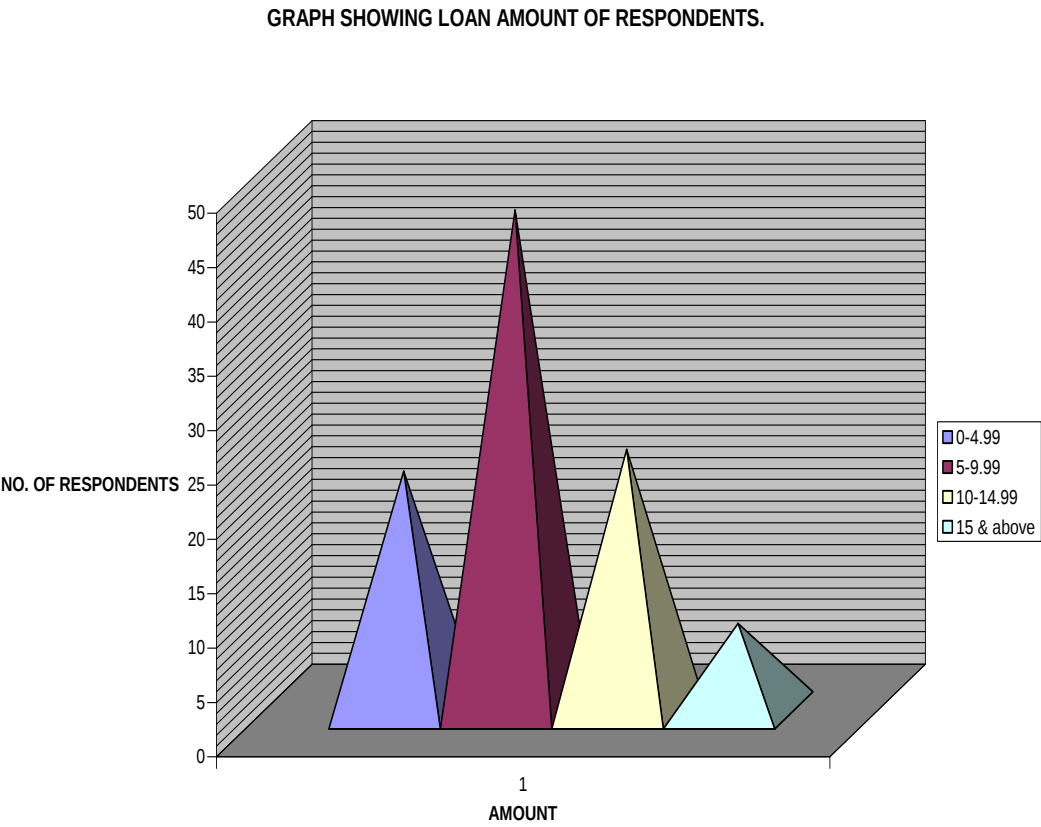


TABLE # 24

**TABLE SHOWING THE SAVINGS & INVESTMENTS FOR THE FUTURE
APPLYING IN DIFFERENT SOURCES.**

Sources	No. of respondents	Percentage
Bank FDs	82	82%
Private FDs	14	14%
Stock Market	4	4%
Total	100	100%

ANALYSIS:

The above table shows that 82% of the respondents apply their savings to Bank FDs, 14% of them apply their savings to Private FDs, and only 4% of the respondents apply their savings to Stock Market.

INFERENCE:

The general interpretation is that most of the respondents were not willing to take risk and they predominantly invested in bank FD's. For them safety of capital was more important.

GRAPH # 24

**GRAPH SHOWING THE SAVINGS & INVESTMENTS FOR FUTURE
APPLYING IN DIFFERENT SOURCES.**

SAVINGS AND INVESTMENTS FOR THE FUTURE APPLYING IN DIFFERENT SOURCES.

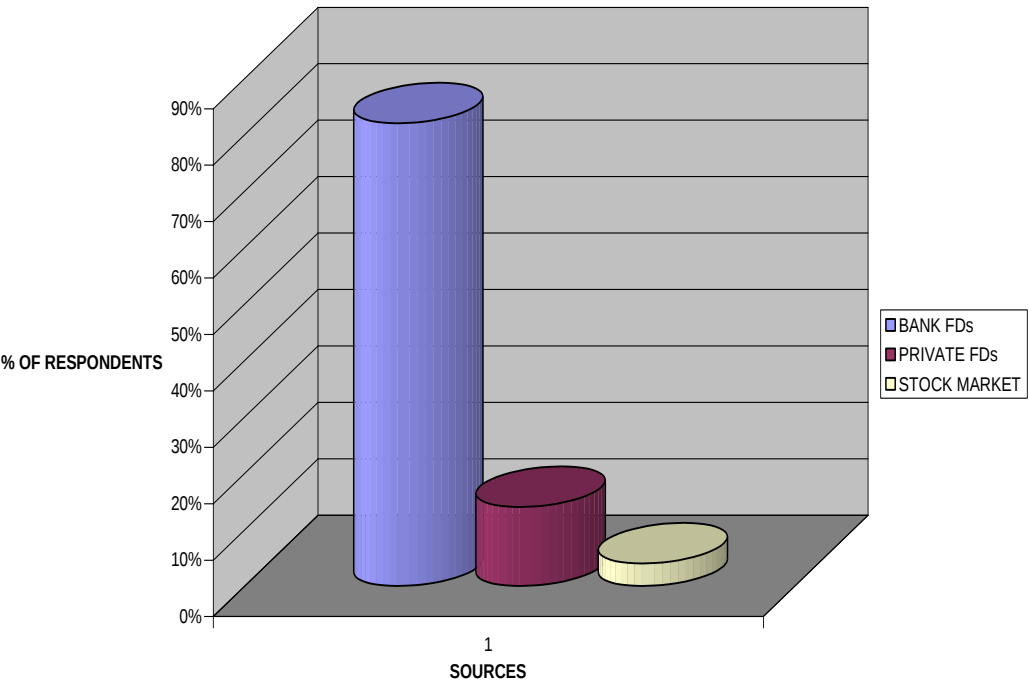


TABLE # 25

TABLE SHOWING IMPORTANCE OF ASSETS.

Importance	No. of respondents	Percentage
Extreme importance	82	82%
Important	16	16%
Important but not significant	2	2%
Total	100	100%

ANALYSIS

The above table shows that 82% of the respondents considers their home as an extremely part of their savings. For 16% of the respondents it is only an important part of their savings and only 2% considers it as an important but not a significant part of their savings.

INFERENCE

It is interpreted that, for majority of the respondents their house is an extremely important part of the savings. It means that substantial savings have been used to construct/ buy the house.

GRAPH # 25

GRAPH SHOWING IMPORTANCE OF ASSETS TO THE RESPONDENTS.

IMPORTANCE OF ASSETS.

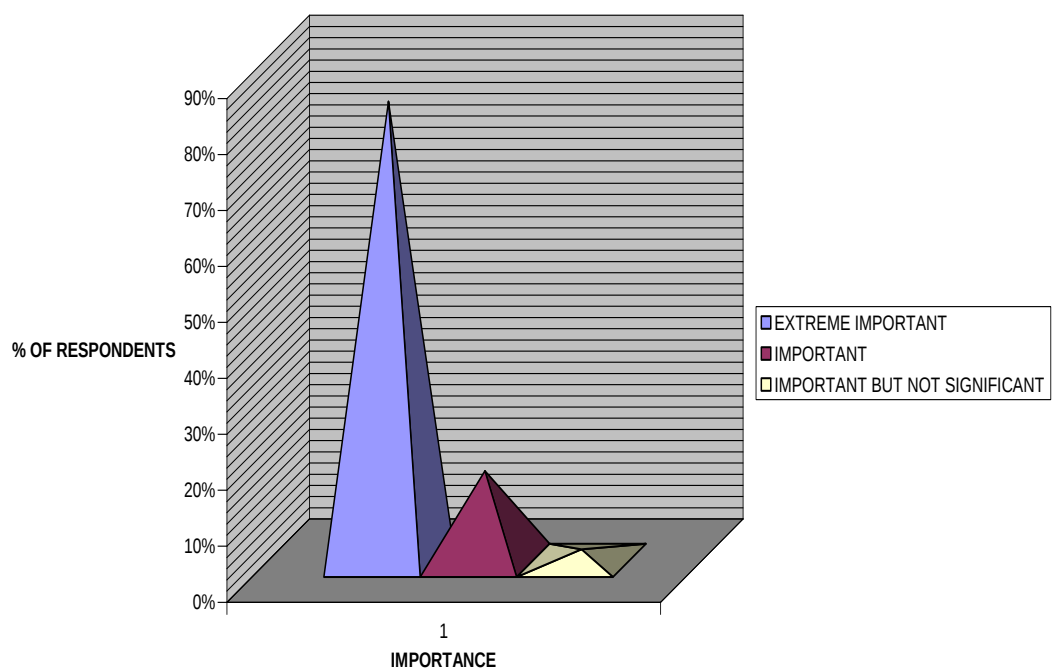


TABLE # 26

NUMBER OF PEOPLE WHO WANT THEIR HOUSES TO REMAIN WITH THEM AS LONG AS THEY REQUIRE .

Opinion	No. of respondents	Percentage
Yes	100	100%
No	0	0%
Total	100	100%

ANALYSIS

According to the above table 100% of the respondents want their assets to stay with their family as long as they require.

INFERENCE

It is interpreted that all the respondents want their house to remain with their family as long as they require it. This shows the concern of the respondents towards their family i.e. their love and affection towards their family.

GRAPH # 26

NUMBER OF PEOPLE WHO WANT THEIR HOUSES TO REMAIN WITH THEIR FAMILIES.

NO. OF PEOPLE WHO WANT THEIR HOUSES TO REMAIN WITH THEM AS LONG AS THEY REQUIRE.

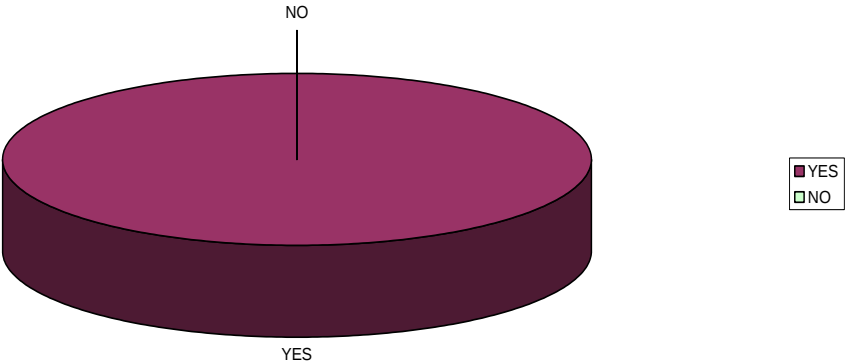


TABLE # 27

AWARENESS ABOUT HOME LOAN PROTECTION POLICIES.

Awareness	No. of respondents	Percentage
Yes	27	27%
No	73	73%
Total	100	100%

ANALYSIS

Out of the 100 respondents 27% are aware of the Home Loan Protection Policies. 73% of them are not aware of the new product.

INFERENCE

It is interpreted that majority of the respondents were not aware of the new product “Home Loan Protection Insurance”. This shows the lack of knowledge towards the insurance sector.

GRAPH # 27

AWARENESS OF THE PEOPLE ABOUT HOME LOAN PROTECTION POLICY.

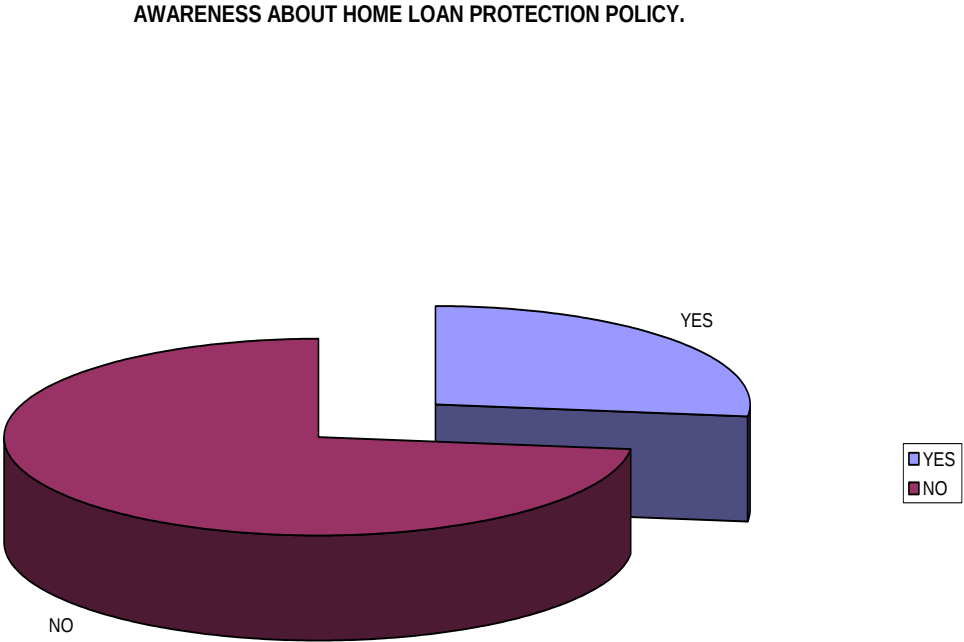


Table # 28

**Table showing International Comparison of Insurance Density
(Premiums Per Capita in USD-2000).**

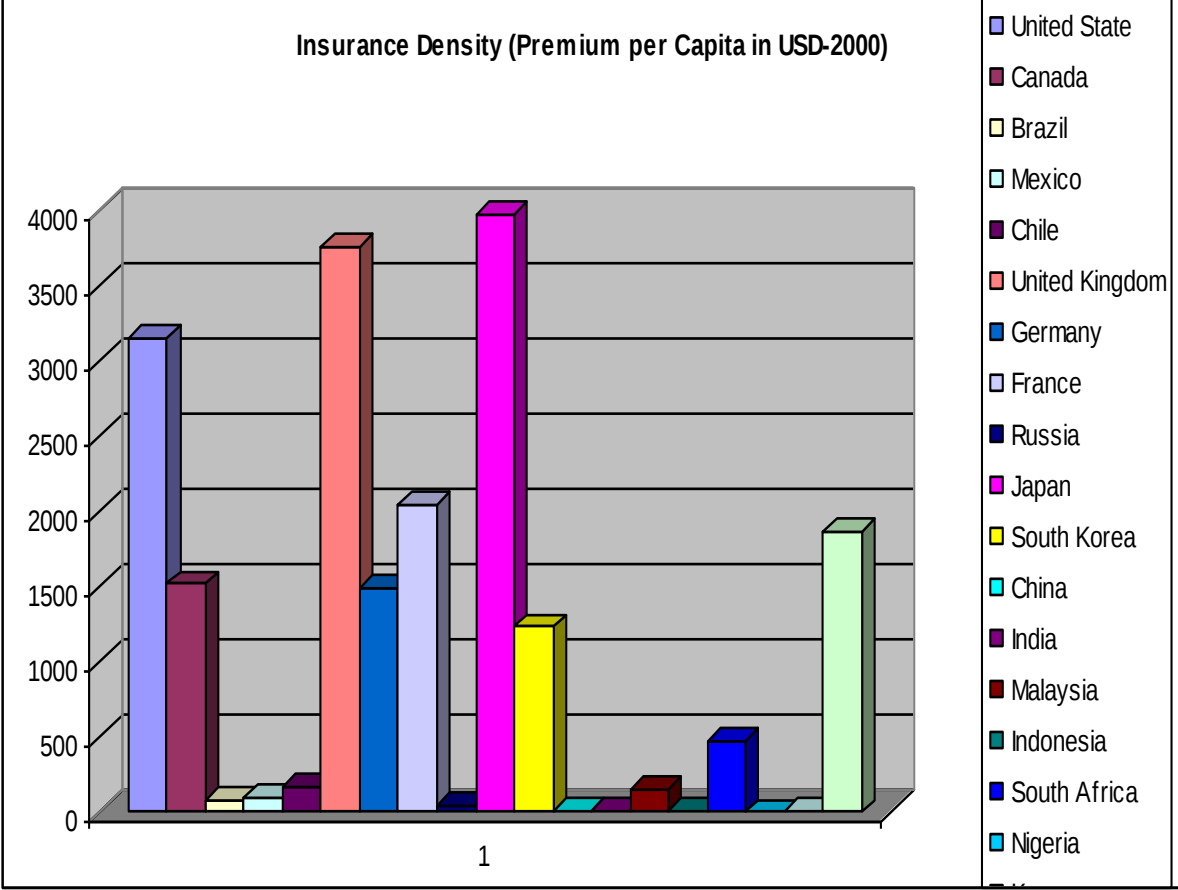
Countries	Total	Non-Life	Life
United State	3152.1	1540.7	1611.4
Canada	1516.8	759.6	757.2
Brazil	75.6	62.7	12.9
Mexico	101.2	50.4	50.8
Chile	175.8	49.7	126
United Kingdom	3759.2	730.7	3028.5
Germany	1491.4	808.2	683
France	2051.1	613.7	1437.4
Russia	41.8	22.3	19.5
Japan	3973.3	808.2	3165.1
South Korea	1234.1	298.5	935.6
China	15.2	5.7	9.5
India	9.9	2.3	7.6
Malaysia	150.9	64.6	86.4
Indonesia	8.6	4.6	4
South Africa	472.1	79.1	329.9
Nigeria	2	1.6	0.4
Kenya	8.9	6.5	2.4
Australia	1859.3	665.8	1193.5

ANALYSIS

From the table, it is observed that the insurance density 7.6. Japan has insurance density of 3165.1, followed by United Kingdom 3028.5.

INFERENCE

From the data available, it is inferred that premium density of India is very low compare to the developed countries.



GRAPH # 28
Graph showing International Comparison of Insurance Density

TABLE # 29
Table showing the penetration level of insurance in Bangalore city

.

Factors	No. of respondents	Percentage
Yes	37	74
No.	13	26
Total	50	100

ANALYSIS :

From the above table, it is noticed that 74% of the respondents are insured and 26% of them are not insured.

INFERENCE :

From the data available, it is inferred that insurance penetration in Bangalore city is satisfactory. Still insurance companies are expected to reduce the percentage of non insured people.

GRAPH # 29

Graph showing the penetration level of insurance in Bangalore city.

Penetration Level -Urban Area

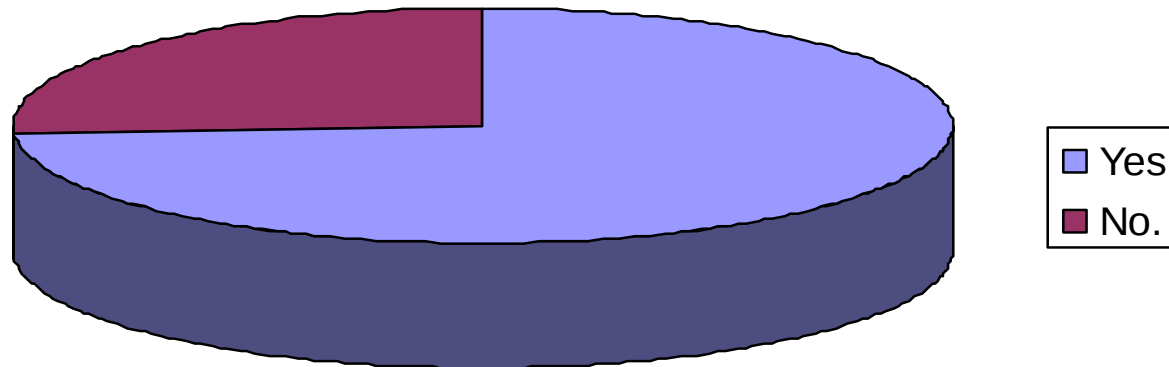


TABLE # 30

**TABLE SHOWING CUSTOMER RATING OF BANGALORE
FOR THE FACTORS OF INSURANCE.**

Factors	Very High	High	Average	Low	Very Low	Total
Risk Cover	32	2	2	1	0	37
Security	2	20	13	2	0	37
Tax Shelter	6	23	6	2	0	37
Savings	18	14	5	0	0	37
Investments	12	15	8	2	0	37

Convenience	17	14	6	0	0	37
Return	0	6	20	10	1	37

ANALYSIS :

From the above table, it is observed that out of 37 respondents have taken insurance policy to cover the risk of their lives. 23 of them stated that insurance is used to get some tax shelter. All of them stated that security is in higher side in case of insurance. It can be even used for some kind of savings cum investment. Return is said to be average in case of Insurance.

INFERENCE :

From the data available, it is inferred that insurance is not only the tax-saving tool but also serves the purpose of saving and investment

GRAPH # 30

**GRAPH SHOWING CUSTOMER RATING OF BANGALORE
FOR THE FACTORS OF INSURANCE.**

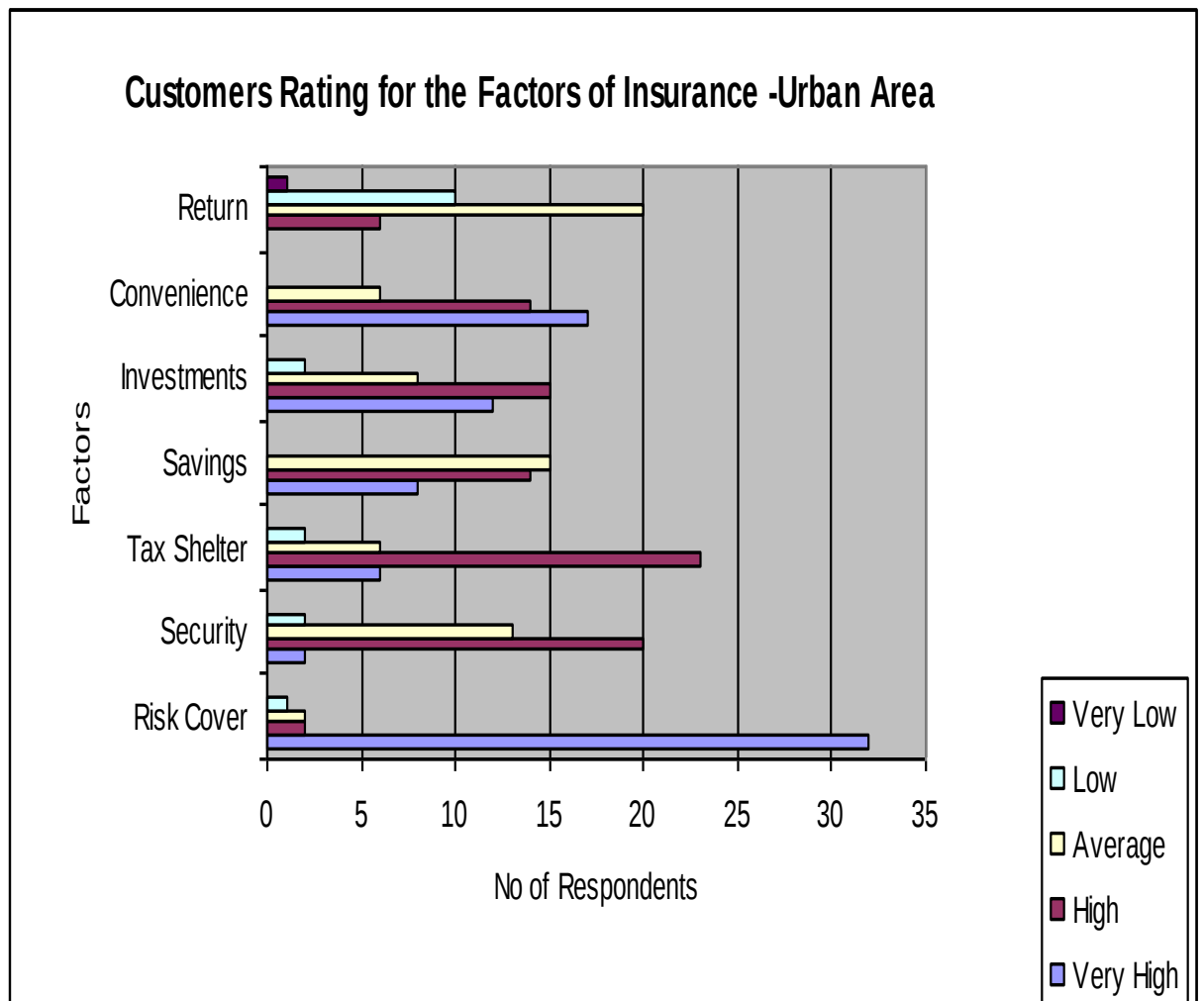


TABLE # 31

**TABLE SHOWING DIFFERENT REASONS OF THE
RESPONDENTS OF BANGALORE CITY FOR NOT BEING
INSURED.**

Factors	No. of respondents	Percentage
Not aware of it	0	0
Lack of money	5	38.46
Doesn't satisfy you	3	23.07
No need	2	15.38
Planning to take	3	23.07
Any other	0	0
Total	13	100

ANALYSIS:

From the above table it is seen that 38.46% of the respondents are not insured because of lack of money 23.07% of them are not satisfied by the characteristics insurance policy, and other 23.07% of them are planning to take the policy 15.38% of them think that it is not needed.

INFERENCE :

By looking at the above table it is clear that people are all aware of insurance even though they not insured. In some cases, people prefer

other investment instruments like equity to invest their money, Since they get more return from that.

GRAPH # 31

GRAPH SHOWING DIFFERENT REASONS OF THE RESPONDENTS OF BANGALORE CITY FOR NOT BEING INSURED.

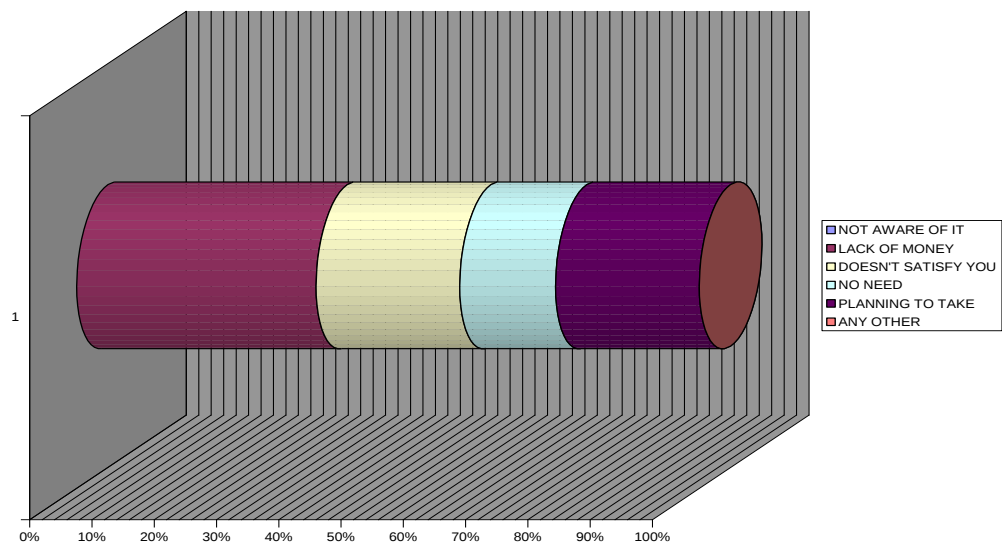


TABLE # 32

TABLE SHOWING THE NEED OF INSURANCE ACCORDING TO THE RESPONDENTS PERCEPTION IN BANGALORE CITY.

Factors	No. of respondents	Percentage
Yes	36	72
No.	14	28
Total	50	100

ANALYSIS :

From the above table, it is observed that 72% of the respondents think that insurance should be compulsory in India 28% of them think that it should not be compulsory in India.

INFERENCE :

From the above table it is inferred that most of the people think that insurance should be compulsory in India as it compulsory in India as it cultivates the habit of saving and secures the lives. Sometimes people like to have freedom on their investment decision and they think insurance should not be compulsory in India.

GRAPH # 32

GRAPH SHOWING THE NEED OF INSURANCE ACCORDING TO THE RESPONDENTS PERCEPTION IN BANGALORE CITY.

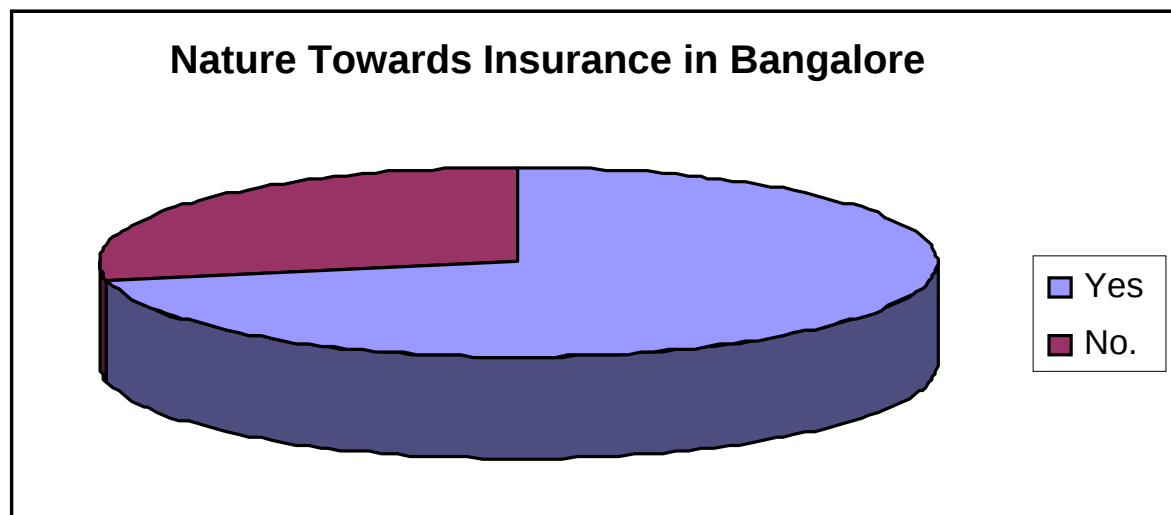


TABLE # 33

**TABLE SHOWING PREMIUM INCOME OF LIC VIS-À-VIS
THE PRIVATE INSURERS IN THE YEAR 2003-04**

Companies	Premium Income (Rs.in Lakhs)
LIC	1134299.12
Other Private Insurance	98184.25
Total	1232483.37

ANALYSIS :

From the above table, it is noticed that premium income of LIC was Rs.1134299.12 Lakhs in the Year 2002-2003. Private life insurers all together earned Rs.98184.25 lakh premium income.

INFERENCE :

From the data available, it is inferred that private life insurance slowly placed them in a good position as their premium income is appreciable.

GRAPH # 33

**TABLE SHOWING PREMIUM INCOME OF LIC VIS-À-VIS
THE PRIVATE INSURERS IN THE YEAR 2003-04**

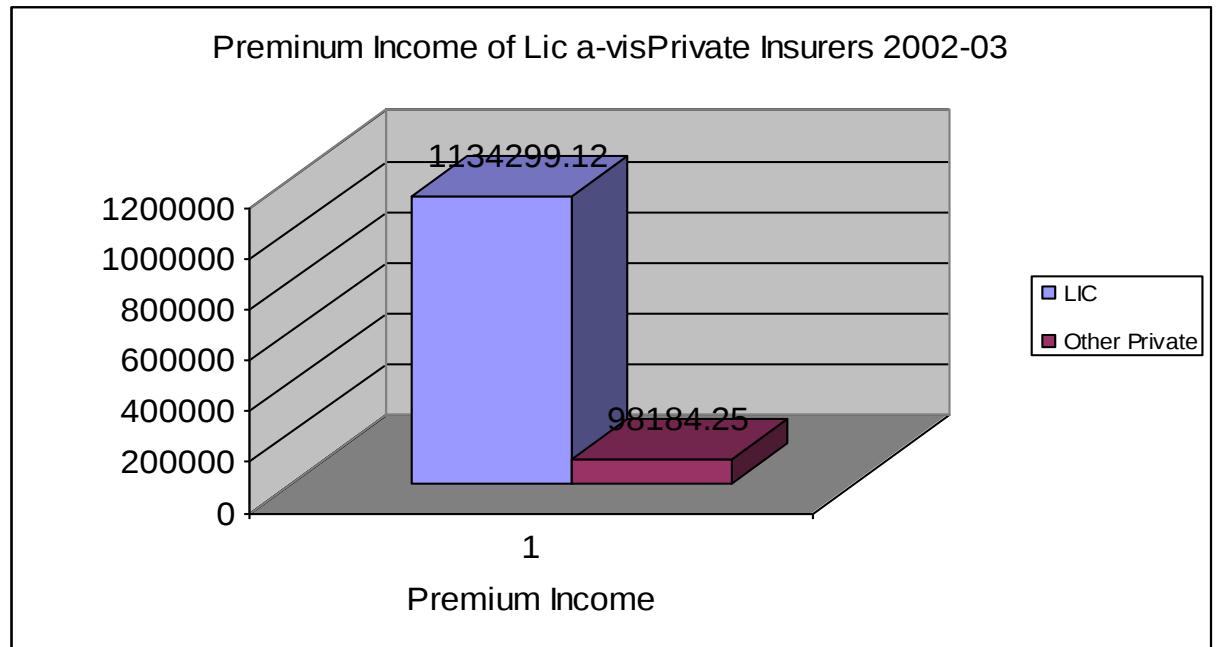


TABLE # 34

**TABLE SHOWING THE PREMIUM INCOME IF LIC VIS-À-
VIS THE PRIVATE INSURERS FOR THE YEAR 2003-04.**

Companies	Premium Income (Rs.in Lakhs)
LIC	1978593.2
Other Private Insurance	536298.11
Total	2514891.31

ANALYSIS :

From the above table, it is noticed that LIC earned Rs.1978593.2 lakhs during the last year and private life insurers earned Rs.536298.11 lakhs.

INFERENCE :

From the data available, it is inferred that private life insurers have captured a good market during the last year.

GRAPH # 34

TABLE SHOWING THE PREMIUM INCOME IF LIC VIS-À-VIS THE PRIVATE INSURERS FOR THE YEAR 2003-04.

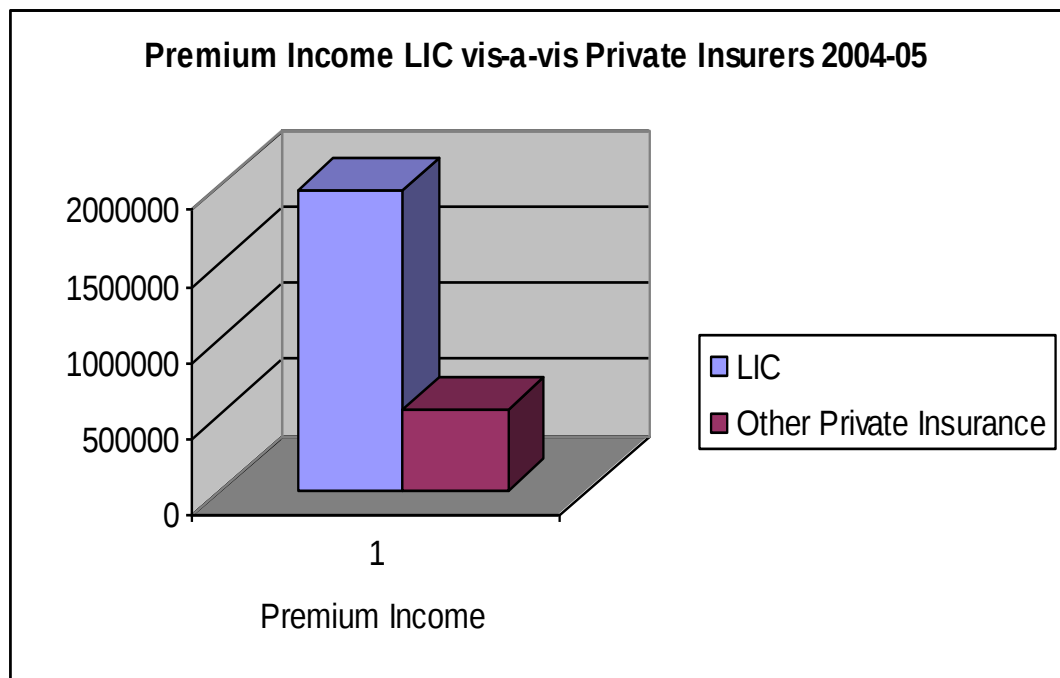


TABLE # 36

**TABLE SHOWING CUSTOMER RATING FOR ICICI
PRUDENTIAL IN BANGALORE.**

Factors	Very High	High	Average	Low	Very Low	Total
Agent Pursuance	0	1	1	1	2	5
Attractive Benefits	1	1	3	0	0	5
Attractive Return	0	2	2	1	0	5
Low Premium	0	1	2	2	0	5
Reference	1	0	0	1	3	5
Service	0	3	2	0	0	5
Reputation	0	2	3	0	0	5
Convenience	0	2	3	0	0	5

ANALYSIS :

From the above table, it is observed that all 5 respondents have taken insurance policy from ICICI Prudential because of its reputation, service and convenience. Benefits return and premium rate are average.

INFERENCE :

From the data available, it is inferred that reputation and service of ICICI Prudential Company are good.

GRAPH # 36

**GRAPH SHOWING CUSTOMER RATING FOR ICICI
PRUDENTIAL IN BANGALORE.**

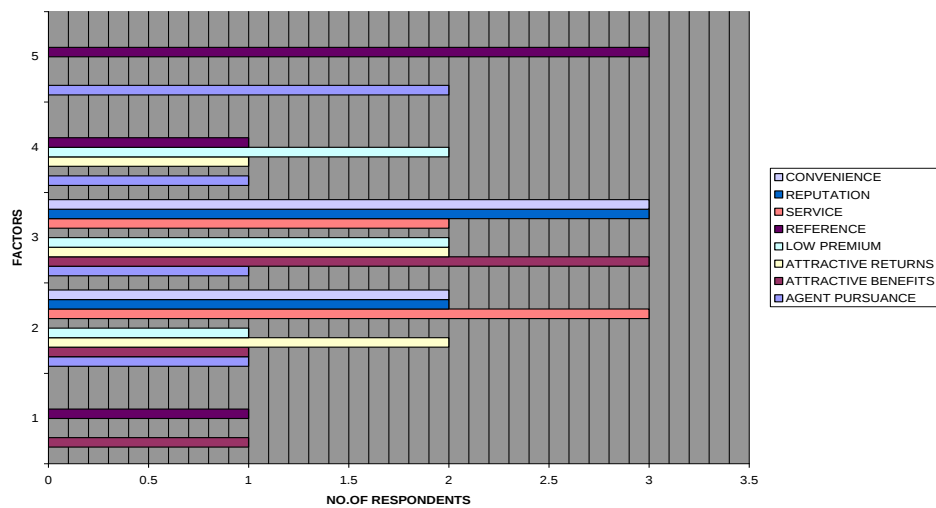


TABLE # 37

TABLE SHOWING CUSTOMER RATING FOR LIC IN BANGALORE.

Factors	Very High	High	Average	Low	Very Low	Total
Agent Pursuance	8	2	10	3	2	25
Attractive Benefits	0	0	17	8	0	25
Attractive Return	0	3	10	9	3	25
Low Premium	0	2	21	2	0	25
Reference	2	5	5	11	2	25
Service	0	4	10	9	2	25
Reputation	25	0	0	0	0	25
Convenience	4	10	9	2	0	25

ANALYSIS :

From the above table, it is observed that all 25 respondents have taken insurance policy from LIC because of its reputation, and convenience.

Benefits return and premium rate are average and service is stated to be poor of LIC.

INFERENCE :

From the data available, it is inferred that reputation is the major reason to buy policy from LIC.

GRAPH # 37

GRAPH SHOWING CUSTOMER RATING FOR LIC IN BANGALORE.

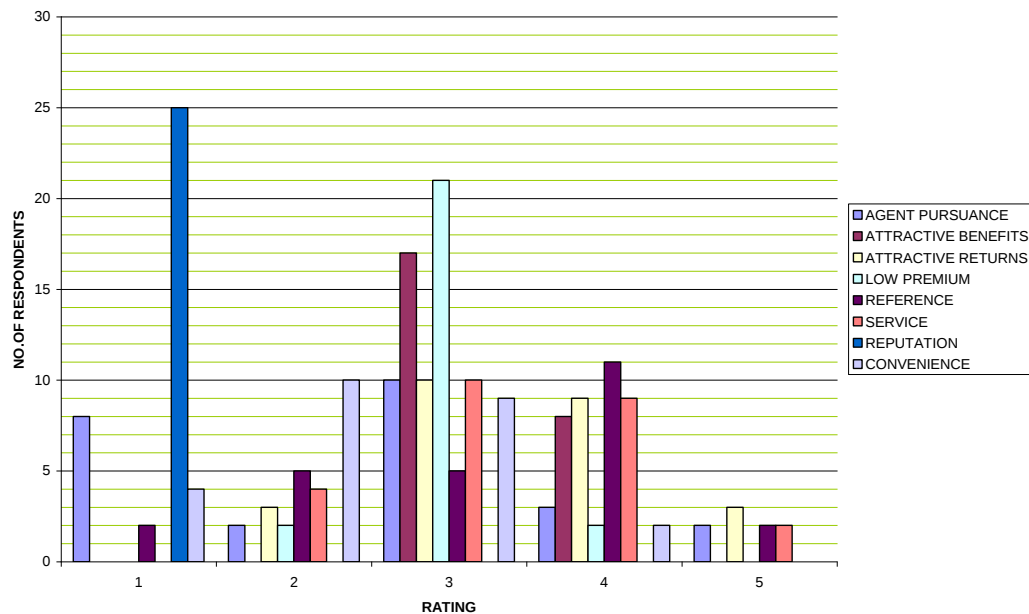


TABLE # 38

TABLE SHOWING THE TIME OF TAKING THE POLICY OF THE RESPONDENTS OF BANGALORE CITY.

Factors	No. of respondents	Percentage
Just a year back	12	32.43
2-5 years back	15	40.54
6-10 years back	9	24.32
11 years back and above	1	2.7
Total	37	100

ANALYSIS :

From the above table, it is noticed that 40.54% and 32.43% of the respondents have taken Policies 2-5 years back and two to five just a year back respectively 24.32% of them have taken the policies 6-1 years back and only 2.7% six to years of them have taken the policies 11 years back and above.

INFERENCE :

From the data available, it is inferred that since most of them respondents have taken policies recently LIC has faced competition from private insurers.

GRAPH # 38

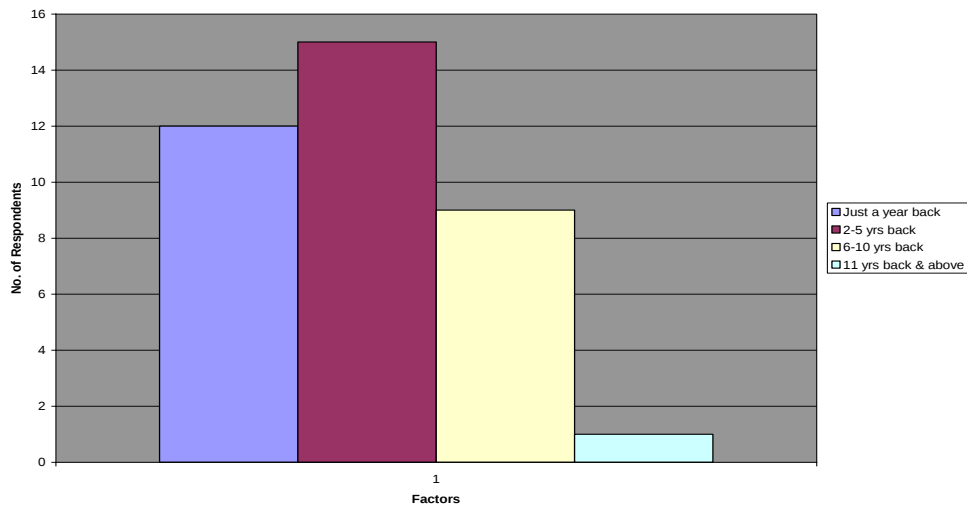


TABLE : # 39

TABLE SHOWING THE SATISFACTION LEVELS OF THE RESPONDENTS OF BANGALORE TOWARDS THEIR INSURERS.

Factors	No. of respondents	Percentage
Completely Satisfied	5	13.51
Satisfied	30	81.08
Some What Satisfied	1	2.7
Not at all Satisfied	1	2.7
Total	37	100

ANALYSIS:

From the above table, it is depicted that 81.08% of the respondents are satisfied with their insurers 13.51% of them are completely satisfied and 2.7% of them are some what satisfied and not at all satisfied.

INFERENCE :

From the data available, it is inferred that in urban area where the existence of private

GRAPH # 39

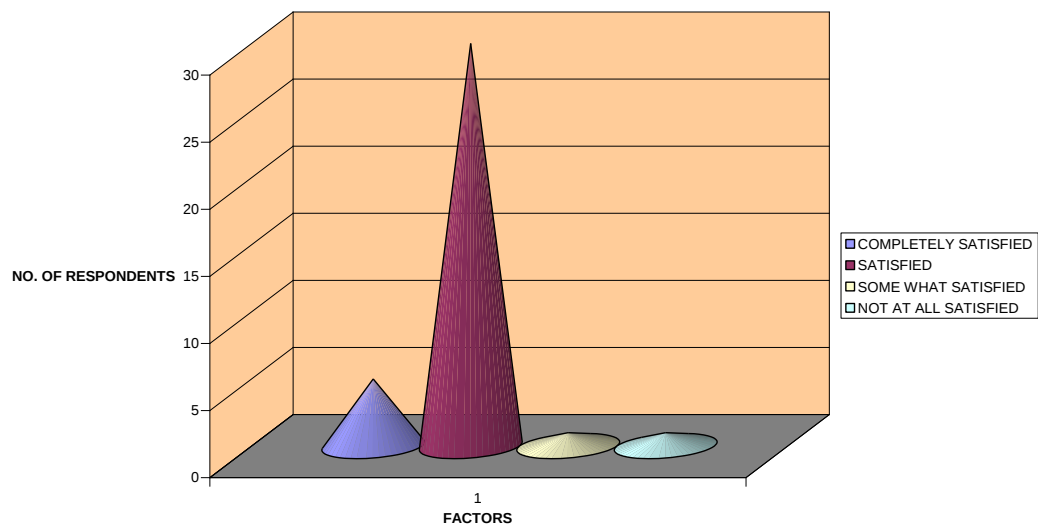


TABLE # 40

TABLE SHOWING THE SATISFACTION LEVEL OF THE RESPONDENTS OF BANGALORE CITY TOWARDS THE SERVICES OF THEIR INSURERS.

Factors	No. of respondents	Percentage
Excellent	1	2.7
Very Good	2	5.4

Good	32	86.486
Fair	1	2.7
Poor	1	2.7
Total	37	100

ANALYSIS :

From the above table, it is noticed that 86.48% of the respondents feel the services of their insurers is “Good” 5.4% of them feel that the service, is “Very Good”, 2.7% of them feel the service is “excellent”, “fair” and “Poor”.

INFERENCE :

From the data available, it is inferred that the service of the insurers is satisfactory in Bangalore city.

GRAPH # 40

GRAPH SHOWING THE SATISFACTION LEVEL OF THE RESPONDENTS OF BANGALORE CITY TOWARDS THE SERVICES OF THEIR INSURERS.

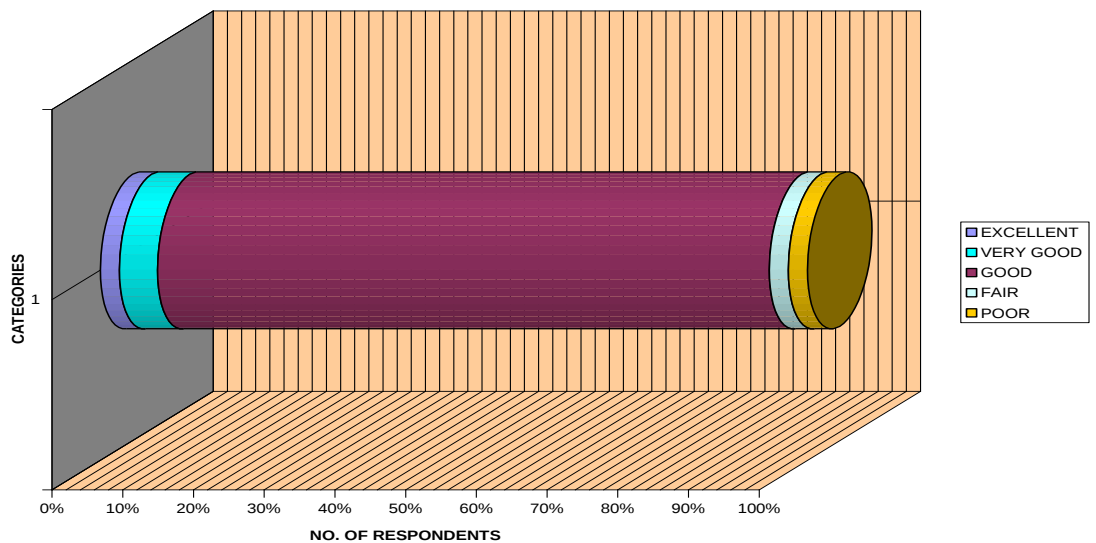


TABLE # 41

**TABLE SHOWING DIFFERENT CATEGORIES OF
OCCUPATION OF THE RESPONDENTS OF BANGALORE.**

Categories	No. of respondents	Percentage
Self Employed	20	40
Salaried	29	58
Others	1	2
Total	50	100

ANALYSIS :

From the above table, it is noticed that at 58% of the total respondents were found to be salaried, 40% of them were self employed. Among all the respondents only 2% were students.

INFERENCE :

From the above analysis, it is inferred that all the respondents have some earnings and are financially capable of investing their money in financial instrument to be financially sound in future.

GRAPH # 41

**GRAPH SHOWING THE DIFFERENT CATEGORIES OF OCCUPATION OF THE RESPONDENTS
IN BANGALORE.**

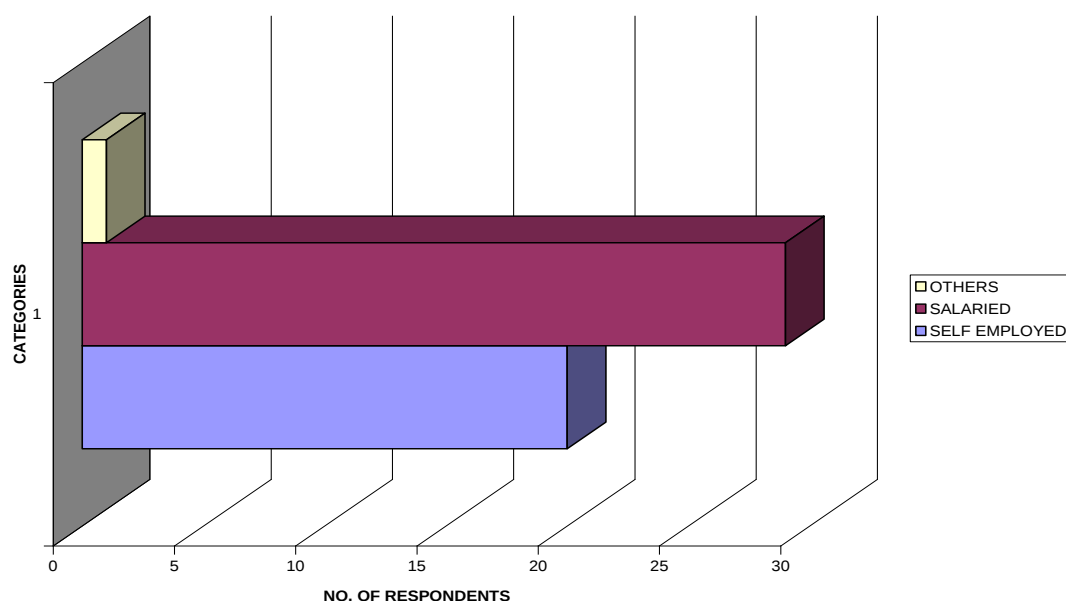


TABLE # 42

**TABLE SHOWING THE NUMBER OF RESPONDENTS OF
DIFFERENT GROUPS OF MONTHLY FAMILY INCOME IN
BANGALORE.**

Categories	No. of respondents	Percentage
Rs. 2500- 5000	11	22
Rs. 5001-10000	15	30
Rs.10001-15000	9	18
Rs.15001-20000	6	12
Rs. 20001- 25000	5	10
Rs. 25001- 30000	1	2
Rs. 30001 & Above	3	6

Total	50	100
--------------	-----------	------------

ANALYSIS:

From the above table, shows it is noticed that most of the respondents(30%) have monthly family income of Rs. 5001-10000 and as the monthly family income higher the number of respondents were found to few in number having monthly family income of more than Rs.30000.

INFERENCE :

From the data available, it is inferred that there is lack of respondents from higher income group. There exists a potential market of insurance companies in Bangalore city.

GRAPH # 42

GRAPH SHOWING THE NUMBER OF RESPONDENTS OF DIFFERENT GROUPS OF MONTHLY FAMILY INCOME IN BANGALORE.

GRAPH SHOWING THE NO. OF RESPONDENTS OF DIFFERENT GROUPS OF MONTHLY FAMILY INCOME IN BANGALORE.

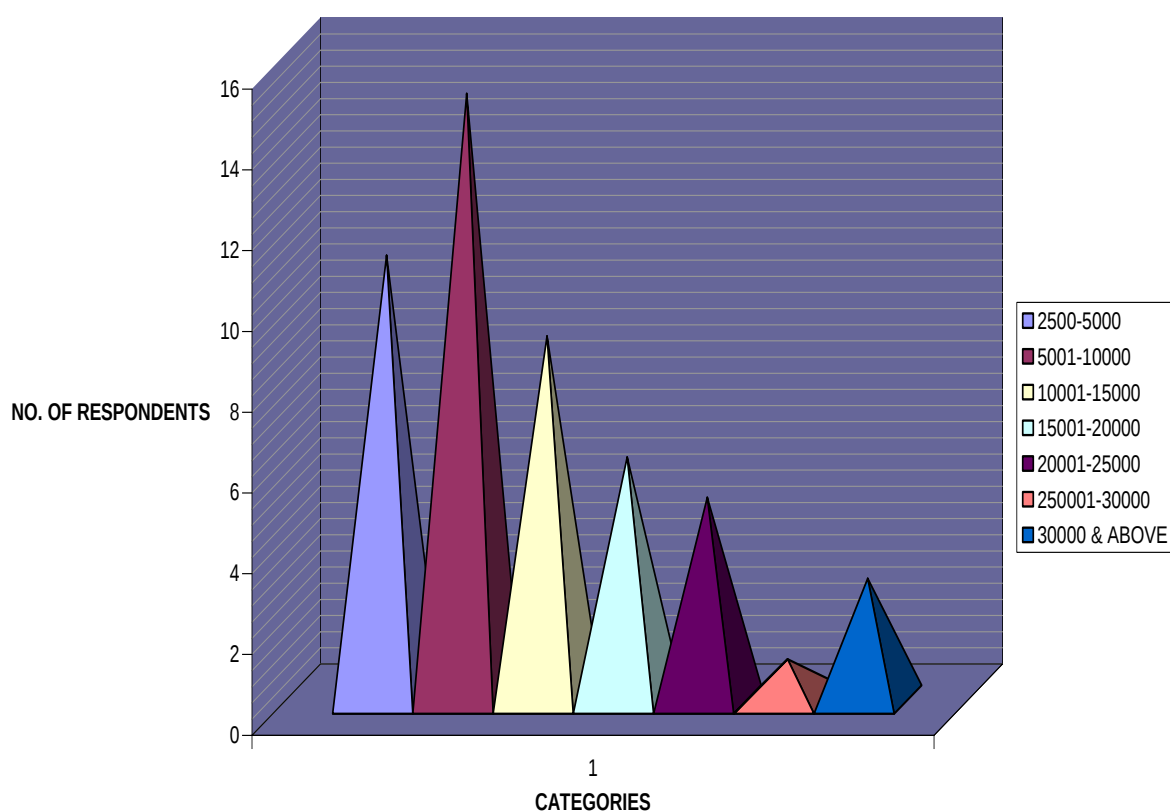


TABLE # 43

TABLE SHOWING THE DIFFERENT TERMS OF POLICIES CHOSEN BY RESPONDENTS OF BANGALORE CITY.

Factors	No. of Responses	Percentage
5 years	0	0
6-10 years	2	5
11-15 years	4	10
16-20 years	24	60
21 years & above	10	25
Total	40	100

ANALYSIS :

From the above table it is depicted that 60% of the respondents have chosen their policy term 16 years- 20 years of 25% of them have chosen term of 21 years and above 10% and 5% of them have chosen term of 11 years- 15 years and 6 years to 10 years respectively. None of them has chosen the policy of 5 years.

INFERENCE:

From the data available, it is inferred that most of the people choose long term policy to get risk-cover for a long period and as term increases premium rate comes down.

GRAPH # 43

GRAPH SHOWING THE DIFFERENT TERMS OF POLICIES CHOSEN BY THE
RESPONDENTS OF BANGALORE CITY

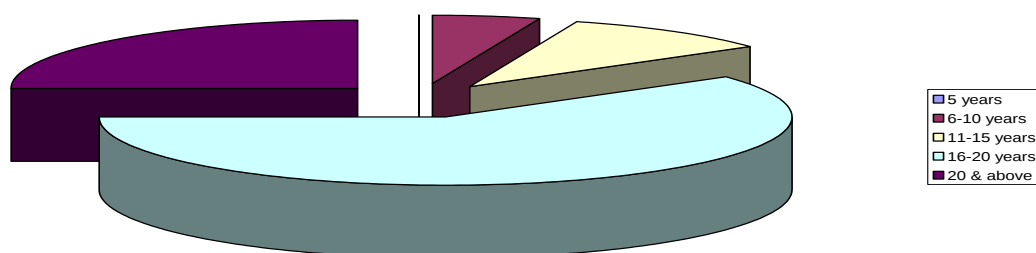


TABLE # 45

**TABLE SHOWING DIFFERENT BENEFIT OPTED BY THE
RESPONDENTS OF BANGALORE CITY.**

Factors	No. of Responses	Percentage
Family Income Benefit.	4	4.65
Critical Illness	2	2.32
Hospital Cases	2	2.32
Waiver of Premium	13	15.11
Accidental Death Benefit	35	40.69
Accidental Permanent total/Partial Disability	26	30.23
Extra cover	4	4.65
Total	86	100

ANALYSIS:

From the above table , it is noticed that 40.69%,13.23% and 15.11% of the respondents have taken the benefits related to accident, 4.6% of them have taken family income and extra cover benefit. 2.32% of them have taken critical illness and hospital cash benefits.

INFERENCE:

Having a look at the table it is clear that people choose more of those benefits which are related to some uncertainty to make their family to be secured after such things happen. Generally people don't go for the benefits like critical illness and hospital cash because the possibility of getting any such critical illness is comparatively low and normally a person does not need to get admitted in hospital every year. Presently Bajaj-Allianz Life insurance company is the only company who provides family increase benefit and covers 11 critical illnesses.

GRAPH # 45

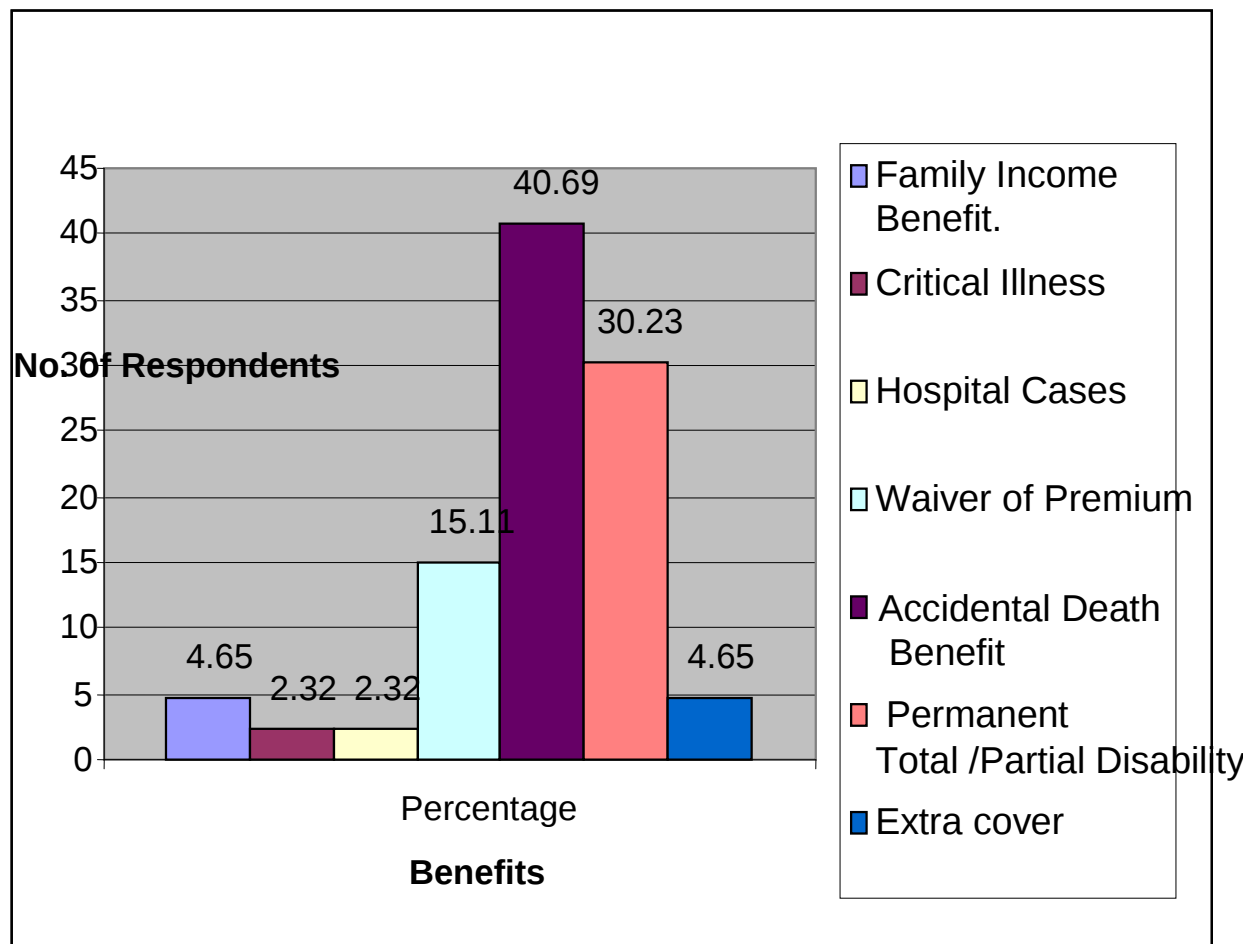


TABLE # 46**PRODUCTS AVAILABLE OF DIFFERENT COMPANIES**

Name of the Life Insurer	Name of the Products (Brand Names)	Riders attached to the products
Bajaj Allianz Life Insurance Co. Ltd.	Bajaj Allianz Cash care Bajaj Allianz Life Time care Child care Swarna Vishranti Invest Gain(up to quadruple cover) Bajaj Allianz risk care Bajaj Allianz Term Care Bajaj Allianz Group Risk Care Bajaj Allianz Group Credit Care Bajaj Allianz Group EDLIs Care	Critical illness Benefit Accidental Death Benefit Accidental Permanent Total/Partial Disability Benefit Waiver of Premium Benefit Hospital Cash Benefit Start of Life Benefit Family income Benefit
AMP sanmar Assurance Co. Ltd.	Dhana shree Subha Shree Yuva Shree Nithya Shree Raksha Shree	Accidental Death and total and permanent Disability rider Critical Condition Rider.
Birla Sunlife Insurance Co. Ltd.	Group superannuation policy for Canadian High Commission Birla Sunlife Flexi Family Shield Term Plan Birla Sunlife Single Premium Group Term Product Birla Sunlife special endowment Birla Sunlife Group protection solutions Birla Sunlife Young Scholar	Critical illness Rider Accidental Death & Disability Rider Term Rider

	Birla Sunlife group Superannuation product	
--	---	--

HDFC Standard Life Insurance Ltd.	HDFC Group term insurance HDFC Protection series HDFC Immediate Annuity HDFC Personal Pension Plan HDFC Group Term Assurance	Accelerated Sum assured Accidental Death Benefit Critical illness Benefit
---	--	---

ICICI Prudential Insurance Co. Ltd.	ICICI-Pru-Reassure ICICI-Pru-Assure Invest ICICI-Pru-Life Link ICICI-Pru-Assure Invest (revised)	Level term insurance Accidental and disability benefit Major surgical assistance cover Critical Illness Cover Income benefit rider
--	--	--

Name of the Life Insurer	Name of Products (Brand Names)	Riders attached to the products
TaTa AIG Life Insurance Co. Ltd	Group Term life Group credit card term insurance Protection plan Assure one year lifetime plan-yearly renewable convertible term plan Assure lifetime to Age 60- Term to age 60 plan Assure Five years lifetime plan-5 yearly renewable convertible term plan. Assure 10 years / 15 years / 20 years / 25 years lifetime plans – 10/15/20/25 years term plan Assure 15 years lifetime (with return of premiums) plan Assure 5/10 years plan-SP Group regular premium mortgage Reducing term insurance plan Group regular premium mortgage Reducing term insurance plan Group single premium personal loan Reducing regular premium personal loan Reducing term insurance plan	Term cover rider Accidental death benefit short scale Permanently disability Critical illness benefit-accelerated benefit Critical illness benefit-limp sum benefit ADD rider long scale Term to 60 rider 10/15/20/25 year term rider

	Group regular premium personal loan Reducing term insurance plan Guaranteed issue 10 years endowment Plan non participating (Assure Humrahi) Tata AIG Comprehensive Gratuity scheme Tata AIG Comprehensive supperannuation Policy-Defined benefit Tata AIG comprehensive supperannuation policy-defined contribution Single premium immediate annuity Option with return of premium The achiever at 21 Assure career builder The achiever at 18 assure pay master	
--	---	--

Name of the Life Insurer	Name of Products (Brand Names)	Riders attached to the products
Ing Vysya Life Insurance Co. Ltd.	Reassuring life endowment plan Fulfilling life anticipated whole life plan Maximizing life money back plan Securing life rural endowment plan Rewarding life whole of life plan Generic group term insurance for social sector	Term benefit Accident Death & Disability Rider Waiver of Premium
Life Insurance Corporation of India	Khetihar Mazdoor Bima Yojana Shiksha Sahayag Yogana Bima Nivesh New Jeevan Akshay-1 New Jeevan Dhara/Jevan Suraksha LIC's Bima Plus Unit Linked Insurance Policy Jeevan Anand New Bima Kiran New Jeevan Shree	Term Rider
Max New York Life Insurance Co.Ltd	Group Term Insurance Endowment to age 60 Children endowment	Dread Disease rider Accident Death & Disability Rider waiver of Premium
Om Kotak Life Insurance Co Ltd	Kotak Endowment Plan Kotak Money Back Plan	Term cover Accident Death Care Permanent disability cover

	Kotak Insurance Bond Kotak Gramin Bima Yojana Kotak Term assurance plan Kotak insurance bond new version Kotak credit term group plan Kotak investment assurance plan	Critical Illness Benefit Waiver of Premium
Sbi Life Insurance Co Ltd	Young Sanjeevan Sukhjeevan SBI Life Scholar SBI Life-super Suraksha Swarna Ganga SBI Life-Credit Guard	Accidental Death and Dismemberment Permanent Disability Critical Illness.

CHAPTER - 6

SUMMARY & CONCLUSION

***“FORECASTING IS DIFFICULT ESPECIALLY ABOUT THE
FUTURE”***

❖ FINDINGS AND SUGGESTIONS

❖ CONCLUSION

❖ QUESTIONNAIRE

❖ BIBLIOGRAPHY

FINDINGS

-
- ✚ A large number of respondents have purchase the Home loan protection insurance between the age group 40-50 years this is beause to avoid the risk or uncertainties which may arise in the future .
 - ✚ Most of the respondents have come to known about MetLife through their effective advertisement , this is because the promotion strategies adopted by MetLife are up to the expectation of customers .
 - ✚ Most of the respondents have taken home loan protection insurance after they have taken home loan, because to protect their family from the risk in future.
 - ✚ Majority of the customers have purchased the product after consulting with their family members, friends, relatives and insurance agents.
 - ✚ Most of the respondents have purchased Home Loan Protection Plan from MetLife recently because they are in need for home loan protection.
 - ✚ From the analysis, it made clear that those who are having huge amount of outstanding loan, they are concentrated towards this product because of high risk, it might occur in future.

Majority of customers opted for monthly paying mode, this is because most of respondents are salaried employees.

-
- ✚ Most of the respondents have approached other companies before purchasing this product and finally approach to MetLife because they were aggressive investors.
 - ✚ From the analysis majority of customers are satisfied with service provided by MetLife this is because in time service provides by MetLife .But still certain percentage of respondents are not in position to say any thing , hence they responded can't say .
 - ✚ It is find that, the premium plans of MetLife influences the majority of customers to purchase this product from MetLife.
 - ✚ It is find that, the premium plans of MetLife influences the majority of customers to purchase this product from MetLife.
 - ✚ It is find that majority of customers have recommended the product to others, this is good from the company's point of view as there is positive word of mouth from the respondents.
 - ✚ From the study, it is known that most of the customers have rated reliability and assurance of MetLife India as good.

SUGGESTIONS

✚ Throughout Karnataka, MetLife India Insurance Company have only corporate office and it does not have any branches, so it is difficult to operate present insurance business as it was growing very high in present days, so that company must have to open other branches with addition to corporate office.

✚ Today insurance business is very competitive in India because of globalization of insurance business in India, so that company must have increase brand images by adopting effective strategies like

- Differentiation strategies
- Low cost strategies

They can go for niche marketing or one to one marketing and maintain customer relationship.

✚ The company has to analyze the positive post purchase behavior as it is effective means through which products and services can be improved, promotions better targeted, and strategies reshape both to keep current customers and to attract new customers.

✚ The company should introduce policies, which suits the different mass segments and income groups.

✚ They should also be very efficient and committed to face stiff competition from LIC because it is deep rooted in the minds of people.

✚ Product flexibility is very low compare to LIC. So, that company has to improve the flexibility in terms of its product features like

1. Premium amount
2. sum assured
3. Term

✚ The company has to concentrate towards rural sector as majority population is resided in rural areas.

✚ The company has to maintain or develop an on going expanding exchange relationship with customers. The relationship can be maintained with the customers adopt the following techniques.

1. Customizing the relationship to the individual customer.
2. Augmenting the core service are product with extra benefits.

The analysis shows that the realization among the customers to take home loan protection insurance is more when they had availed home loan so, it recommended to tying up with more number of financial institutions which lends home loans.

CONCLUSIONS

In today's scenario it is the buyers market and customers are the kings and it has been observed that the company should have to aim at satisfying the customer to the fullest extent possible. It has also been required that the after sales service provided should be excellent.

From the analysis of the data it is clear that whenever people plan to buy insurance, most of them give first importance to premium

of the product. The analysis shows that Met life India has achieved this objective by offering better premium benefit to the customers; this marketing strategy of the company is wise and effective.

If the company also concentrates on advertising and highlights the premium benefit in its advertisements it could attract more customers and which would in turn build a brand image of the company.

If the company adopts the given suggestions, there would be possibility of rise in the satisfaction level of the customers and also build their brand image in the minds of customers.

QUESTIONNAIRE

1. NAME :

2. AGE :

a) 20-30 years

c) 40-5- years

b) 30-4- years

d) more than 50 years

3. Educational Qualification :

a) Pre-university

c) Post-graduate

b) Graduate

d) Others specify

4. Professional details :

a) Service

c) Business

b) Professional

d) Others.....

5. Annual Income :

- a) Less than 2,00,000 c) 4,00,000-6,00,000
- b) 2,00,000-4,00,000 d) Above 6,00,000

6. How did u come to know about Met life India Insurance Company ?

- a) Print media c) Friends/
Relatives
- b) Advertisement d) Others...

7. When did u feel the need to buy the Insurance ?

- a) When I saw an advertisement.
- b) When I took Home Loan .
- c) When I saw people experiencing tragedy and
unexpected occurrence.
- d) Others.....

8. Whenever you and your family plan to buy insurance policy,
do you consult each other ?

a) Yes

b) No

9. Have you taken the home loan protection insurance ?

a) Yes

b) No

10. When did you take the home loan protection insurance ?

a) Recently

c) 2-3 years back

b) A year back

d) more than 3

years

back

11. What is the sum assured of the policy ? (home loan protection insurance)

a) Less than 5lakh

c) 5-10 lakh

b) 10-20 lakh

d) more than

30 lakh

12. What is the annualized premium you paid under this policy ?

a) less than 5000

c) 5000-10000

b) 10000-15000
15,000

d) More than

13. What is premium paying mode ?

a) Annually
annually

c) Semi-
annually

b) Monthly

d) Quarterly

14. You decide to buy home loan protection insurance after
consulting with :

a) Yourself

c) Friend

b) Agent

d) Others..

15. Have you approached any other insurance companies before
to but this product from Met life ?

a) Yes

b) No

16. Are you happy with service of your current insurer ?

a) Premium plans

c) Brand name

b) Advertisement

d) Other.....

17. Did you recommend your friends and relatives to take Home
loan Protection insurance ?

a) Yes

b) No

18. How do you rate the following factors while buying an
important factor like insurance ?

Sl. No.	Features	Rank
1	Company Profile	
2	Premium plan	
3	Competency of agent	
4	Advertisement	

19. You have any life insurance policies other than home loan
protection ?

a) Yes

b) No

If yes please answer

Type of policy-

Sum assured-

Mode of payment-

20. Why have you taken this insurance policy ?

Protection

Tax purpose

Financial advisor

Others-----

21. After you bought this policy from Met life India insurance
did you feel that you have made a

Right Decision

Should have given a thought once more

Wrong Decision.

22 . Have you availed of home loan for buying your house?

☐

Yes

☐

No

23 . If yes --- amount of home loan RS. -----

-
- i. What is the outstanding amount of loan as on today. RS:-----

- ii. How many years is the outstanding payment period-----
(In years)?
- iii. What rate of interest is applicable on your home loan -----
--- (%)
- iv. Your age ----- years

24. This asset (house) should remain with my family as long as they require it.

☐ Yes

☐ No

25. Have you heard of “ Home Loan Protection Policies?

☐ Yes

☐ No

26. Is your home loan covered for any eventuality to you ?

☐ Yes

☐ No

a) If yes, does it cover for accident only?

☐ Yes

☐ No

b) Are you aware that less than one person per thousand population die due to an accident
(0.007%)?

☐ Yes

☐ No

27. Would you like to know more details on “home Loan protection insurance”?

☐ Yes

☐ No

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Chapter – 1	Executive Summary	

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2	To know the market share of private insurance players	
3	To find out the premium income of the insurers in the FY 2003-04 & 2004-05	
4	To find out the number of policies sold by LIC in the FY 2003-04 & 2004-05	
5	To know the age group of respondents	
6	To find out the annual income of the respondents	
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8	To know respondents feelings towards the insurance	
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13	To find out respondents preference on premium paying mode.	
14	To know respondents consult before purchasing this policy	
15	To find out how respondents approach other companies before buying this product.	
16	To know why customers have taken home loan insurance	
17	To find out respondents satisfaction with service provided by insurers.	
18	To know what factors influence to buy insurance from Met life.	
19	To find out No. of respondents who have recommended the products to others.	
20	To find out the respondents ranking the following factors while buying the product.	
21	To know the post-purchase buying behaviour of the respondents.	

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GRAPHS	PARTICULARS	PAGE NO:
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20	Showing the ranking following factors while buying the product	
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