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**“Consumer Buying Behaviour  
Regarding Life Insurance Products”**

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**Abstract:**

consumer buying behaviour are divided in to three part which is pre-purchase buying behaviour, purchase buying behaviour, post-purchase buying behaviour for the study. Researcher has main objective set in three deferent parts for the study relationship between demographic factors and pre-purchase behaviour, demographic factors with purchase behaviour and demographic factors with post purchase buying behaviour. Researcher has collected data from the 500 structure questionnaire for the study. Researcher asks more than 30 questions to the respondents in which 10 demographic and other study variables or (questions) for the study. Researcher has used tools for the study or testing hypothesis used Statistical Package for Social Science like (SPSS 13 Version) has been used to process and facilitate the analysis of the collected field data. Researcher used Reliability tests, Cross Tabulation, computing Mean, Chi Square tests, t test and one way- ANOVA. Researcher has found in the study like most important need perceived during the pre-purchase stage by majority of the consumers is the need for protection against risk of death. The least recognized need for life insurance as identified by the consumers is the provision for extra money at the time of retirement and other finding also found by the researcher.

**Key words:** - Consumer Behaviour, SPSS, Cross Tabulation, Pre-purchase, post-purchase.

**INTRODUCTION**

The insurance plays vital role in one's life. As the future is uncertain, one chooses to take different life as well as health insurance products. Life and health insurance products help one and his/her family and provide financial assistance in future uncertainties. Even insurance products are helpful for tax exemption. Insurance products are generally purchased via premiums and it can be claimed after fulfillment of the conditions of the policy. IRDA acts as a regulatory authority in India for controlling the various types of public as well as private insurance sector companies. Second important phase Consumer buying behaviour is very difficult task to know the behaviour of the consumer. In the consumer buying behaviour we know the perception, purpose of buying behaviour, need of awareness, attitudes, and



sources of awareness. Self reference group and factors, claim settlement process, overall satisfaction level of the consumers. The consumers stages is very important in the study it is divided in to three part like pre-purchase, purchase, post-purchase buying behaviour of the consumers. There is also included in my research dissertation all the information of the data analysis and conceptual framework chapters are includes both types of information.

## **REVIEW OF LITERATURE:**

**Karabi Goswami (2018)** has conducted Study on consumer behaviour towards life insurance products. The researcher has collected data of 500 respondents from the 28 branches of 21 companies operating in Kamrup metropolitan district. The main objectives of the study were divided in to three parts namely pre purchase behaviour, purchase behaviour and post purchase behaviour of the consumers. Researcher found that most important need perceived during the pre-purchase stage by majority of the consumer is the need for protection against risk of death. (Goswami, 2018)

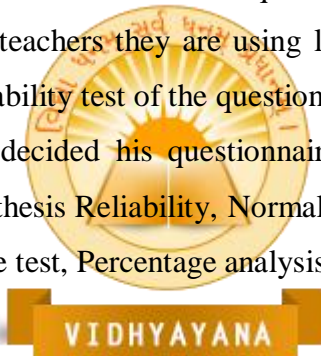
**Khurana (2013)** has analyzed the difference between customer's expectations and perception towards service quality of life insurance. The researcher has collected data from the 200 respondents through structure questionnaire. The researcher has used paired sample test for the data analysis in the study. The researcher has used seven factors like tangibility, credibility, competency, empathy, reliability, responsiveness and assurance for study purposes. He found that there was a significant difference in the customer's expectation and perception regarding service quality.(Khurana, 2013)

**Anilkumar and Khandare U. (2017)** have evaluated the impact of internet advertisement on consumer buying behaviour. The study was exploratory in nature. The study was based on primary data. Researchers have selected 335 respondents from Ahmadabad district for the purpose of the study and data collection is done through questionnaire. The objective of this study was to find the impact of advertisement on buying behaviour of life insurance products. The researchers found that there is an impact of advertisement on the life insurance. He also found that in next few years, the place of agent will be taken over by internet advertisement and this will have positive impact on insurance companies as it will lead to decrease in the cost. (Anilkumar U. a., 2017)

**Ganesh Dash (2012)** has evaluated the impact of life insurance product pricing on customers buying behaviour. The objective of the study was to examine the perceptions of both the customers and the executive with respect of the impact of life insurance policy pricing on the customer buying behaviour. The researcher has collected data from the 405 respondents through the structure questionnaire. The researcher found the perception of all the respondents in the impact of life insurance policy pricing on the customers buying behaviour was found to be highly positive. (Ganesh, 2012)

### **RESEARCH DESIGN:**

Nature of data based on primary aspect and secondary aspect, sources of information primary and secondary which collected from the different web like IRDA, IJRCM, Sodhaganga, etc. primary data from the 500 close ended 500 structure questionnaires for the study. Researcher has selects sample for the study teachers they are using life and health insurance products. Sampling frame based on the reliability test of the questions, normality test, after that average of the past data researcher has decided his questionnaire. Methodology has used by the researcher for the testing of hypothesis Reliability, Normality, pilot study, Independent t-test, one way ANOVA, and Chi-square test, Percentage analysis, Mean, WAM, CAM.



### **OBJECTIVES, HYPOTHESIS AND TOOLS OF THE STUDY**

The study should be under taken to achieve the following objective

TABLE NO: 1.1

<b>Sr.No</b>	<b>Objective/Hypothesis</b>	<b>Analysis Tools Used</b>
	To analyze the consumer behaviour during the pre-purchase stage of life and health insurance buying decision	Counts, percentage, Weighted Arithmetic Mean, Composite mean
Objective 1	<b>To examine the effect of consumer demographics on pre- purchase behaviour</b>	
	Gender	Independent samples t- Test



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	Age group, Education, Marital Status, Income	One way ANOVA
	To study the consumer behaviour during the purchase stage	Counts, percentage, Weighted Arithmetic Mean, cross tabulations and Chi Square tests.
Objective 2	To identify factors that influences the consumer's Purchase decision.	Weighted Arithmetic Mean, Composite mean
	To examine the association of purchase behaviours with Consumer demographics.	
	Gender	Independent samples t- Test
	Age group, Education, Marital Status, Income	One way ANOVA
	To examine the involvement and satisfaction of the consumers during the post-purchase stage	Counts, percentage, Weighted Arithmetic Mean Composite mean, Chi square tests and correlation coefficient
Objective 3		
	To observe the effect of consumer demographics on post-purchase behaviour.	
	Gender	Independent samples t- Test
	Age group, Education, Marital Status, Income	One way ANOVA

[Source: Field Survey (2019) in Rajkot City]

TESTING OF RELIABILITY OF THE QUESTIONS

TABLE: 1.2

Sr.No	Questions/ Factors	Result of Reliability
1.	Purpose of buying life and health insurance(6-purpose)	0.84
2.	Source of information(6-source)	0.62
3.	Types of policy/policies you have taken(7-types)	0.61
4.	Factors influencing purchase decision(7-factors)	0.85
5.	Satisfaction level(5-point scale)	0.91

[Source: Field Survey (2019) in Rajkot City]

A. DEMOGRAPHIC FACTORS DATA ANALYSIS AND FINDING:

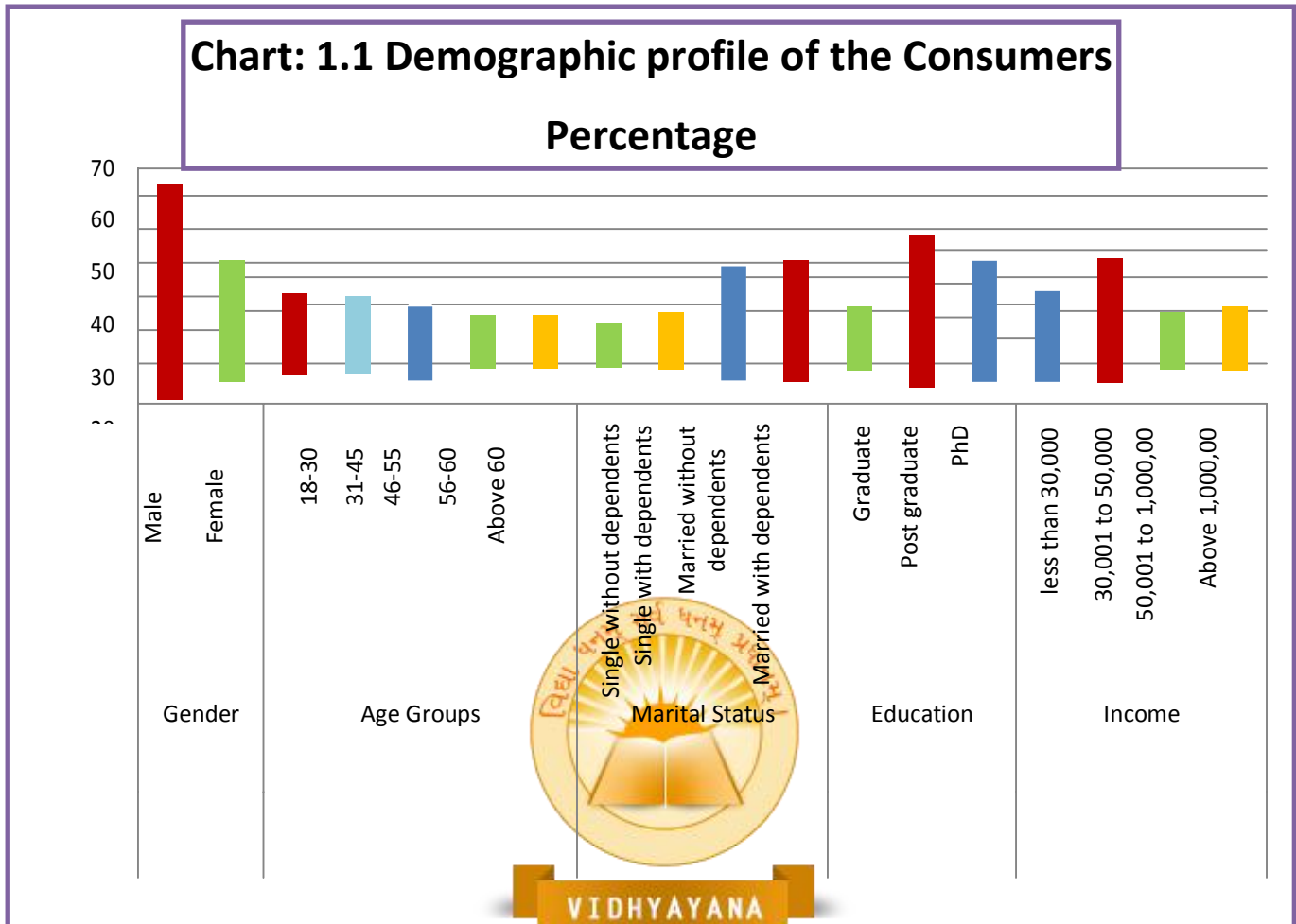
TABLE: 1.3

Table: 1.3 Demographic profile of the Consumers(Selected)			
Factors Considered	Factors	Frequency	Percentage
Gender	Male	318	64
	Female	182	36
	<b>Total</b>	<b>500</b>	<b>100</b>
Age Groups	18-30	118	24
	31-45	115	23
	46-55	110	22
	56-60	79	16
	Above 60	78	16
	<b>Total</b>	<b>500</b>	<b>100</b>



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<b>Marital Status</b>	Single without dependents	64	13
	Single with dependents	86	17
	Married without dependents	168	34
	Married with dependents	182	36
	<b>Total</b>	<b>500</b>	<b>100</b>
<b>Education</b>	Graduate	96	19
	Post graduate	223	45
	PhD	181	36
	<b>Total</b>	<b>500</b>	<b>100</b>
<b>Income</b>	less than 30,000	133	27
	30,001 to 50,000	187	37
	<b>50,001 to 1,000,00</b>	87	17
	<b>Above 1,000,00</b>	93	19
	<b>Total</b>	500	100



[Source: Field Survey (2019) in Rajkot City]

## B. DATA ANALYSIS OF SUBJECT VARIABLES:

### 1. Need of (life and health insurance) Recognition:

As regards the need recognition process of the consumer during the pre-purchase stage of buying decision making the major observations that has been noted are:

- The most important need or purpose for purchasing life insurance products have been identified as “**protection against risk of death**” (80% “agree”, 20% “strongly agree”, Weighted Arithmetic Mean (W.A.M) =4.30).
- The second most important need is “to enjoy dual benefits of risk coverage and investments” (75% “agree”, 25% “strongly agree”, W.A.M=4.22).
- The most important demographic factors this affecting the need for life insurance



products is **age group and marital status** as these have a significant effect on all except one variable.

## 2. Preferred sources of information:

As regards the influential sources of information to know about life and health products during the pre-purchase stage the major observations noted are:

The most important source of information to know about life and health products are Company **representatives (agents, managers, etc.)** (W.A.M =5.45). The second important source of information based on the responses gathered from the field are **“bankers”** (W.A.M=5.03).

- The most important demographic that factor affecting the opinion on the preferred sources of information is the **income level** of the consumers as it affects the choice of four out of six options.

## 3. Preferred type of life and health insurance products:

As regards the type of life and health products preferred by consumers the following observations were noted:

- Money back policies** are the most popular products selling in the market. 45% of the consumers have purchased this policy through money back policy.
- There exist a **significant association** between purchase of ULIP, Money Back, Health/Medical and Whole life policies and the type of company from where life insurance and health insurance products are commonly purchased.
- There also exists a significant association between purchase of Term, ULIP, Money back, Health/Medical, Whole Life, Children policies and the consumer's demographic factors.

## 4. Importance assigned to the 7 P's in the buying process:

The following observations were noted with regard to the importance assigned to the 7 P's ( Product, Price, Place, Promotion, Process, People and Physical environment) in the buying decision making process:

- The two most important P's in a life and health insurance product purchase decision

has been observed to be “Place” and “Product” other factors less influence than the above factors.

- At an individual level the topmost factor influencing an life and health purchase decision has been observed to be „the amount received on Maturity/ Survival.

#### 5. Consumer satisfaction with regard to service quality of life insurance products:

The following observations were noted with regard to consumer satisfaction levels:

- The overall satisfaction level of the consumers was computed as 4.75(in terms of C.A.M) on a 7 point scale which indicated that the overall satisfaction level was **just above average**.
- Similarly satisfaction with respect to product attributes was computed as 4.86 (C.A.M) and satisfaction with respect to service attributes was 4.59 (C.A.M).

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