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Consumer Awareness At HDFC Standard Life Insurance

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ABSTRACT

Life insurance is the insurance which is taken on the risks of the person. Though life insurance is in practice for many years in different forms in our country the concept of health insurance in its present form is of very recent origin. The fact that the sector is under penetrated can be known by the fact that less than 20% of the total population is insured for life risks. So there is a huge potentiality which is waiting to being tapped by the insurance companies.

The future growth of the companies depends upon its service and service quality to the customers. Thus the study is intended for knowing the consumer awareness of HDFCSLIC products in the market. The market survey which is needed for the purpose of understanding the consumer awareness is taken into account. So far half the size of the amount we intended to collect has been completed. Awareness relates to the good understanding of the product. Where as potentiality refers to the ability and willingness to buy a particular product. The only way to succeed in the market is the formulation of differentiated service to different customer segments.

This study focuses on the consumer awareness level of HDFC SLIC products in the market. This study also focuses on the awareness level compared to competitors and the findings and required suggestions have been made to improve awareness.

1. INTRODUCTION:

One of the most important components in financial planning is adequate insurance. The origin of insurance is very old. The time when were not even born; man has sought some sort of protection from the unpredictable calamities of the nature the basic urge is man to secure himself against any form of risk and uncertainty led to the origin of insurance.

The insurance came to India from U.K; with establishment of oriental life insurance corporation in 1818. The Indian life insurance company act 1912 was the first statutory body that started to regulate the life insurance business in India.

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"Life Insurance is a part of personal financial planning, which should include investment".

OBJECTIVES OF THE STUDY

- To Know Customers awareness of insurance policies with reference to HDFC Standard life insurance company ltd.
- To Study the Customer perceptions towards insurance policies.
- To Study the reasons and benefit expected by the insured respondents.
- To know the most preferred plans of Insurance among the respondents.
- To determine the important factor considered by the respondents for selecting HDFC Standard Life Insurance

NEED OF THE STUDY

The Project is all about to analyze the Customer awareness of insurance policies with reference to HDFC SLIC. In a country like India with growing population we can come to know the pulse of the customer towards insurance policies. With this analysis company can enhance or design the new insurance policies to have insurance for all. This also creates much awareness in the minds of customers about insurance.

Analyze the future of insurance sector in India's point of view.

- It results to the value addition of the company.
- Creating the awareness of HDFC SLIC Policies.

SCOPE OF THE STUDY

- The present study focuses on the Customer awareness on HDFCSLIC insurance policies at Hyderabad.
- The study mainly concentrates on the motives to go for the HDFC Standard Life Insurance on the level of satisfaction with the respect to the policies offered by the HDFC Standard Life Insurance The Company can strengthen its present marketing and distribution strategies and can formulate new strategies in the future with the help of the finding.

RESEARCH METHODOLOGY

Research Design

In this research study about HDFC Standard Life Insurance a detailed descriptive research design was followed in order to understand sales and the preference towards the HDFC Standard Life Insurance services and its performance. For analyzing the collected data an in depth statistical research design was framed and various statistical tools and techniques were also used for the same purpose.

Data Sources

a) **Primary Data**

Primary data required for the research study was collected by conducting market research study where in various customers were given questionnaires and the require data was collected.

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b) Secondary Data

Secondary data needed for conducting research work was collected from company websites, competitor's websites, company brochure, market research books etc.

Research Instrument

In this survey the primary data was collected by survey technique through structured questionnaire containing the following types of questions.

1. Open ended question.

2. Multiple choice questions.

3. Ranking question.

4. Scaling question.

LIMITATIONS

The study is subjected to the following limitations.

- The time available was inadequate in collecting the required information.
- Sometimes respondents were not co-operative in answering a few questions which affects the accuracy of the research.
- The study was confined to Hyderabad only.
- Customers opinion may be biased.

2. LITERATURE REVIEW

CREATING CUSTOMER AWARENESS INLIFE INSURANCE (by Rajni M. Shah)
Customer awareness as a concept is of universal concern for all economies of the world. In the context of a booming Indian economy and unprecedented growth being witnessed by Insurance industry - specially life insurance -, it would be interesting to examine this concept in depth. Such a study will provide rare insights as to how to harness huge untapped market potential for life insurance to the benefit of vast rural and semi urban populace, as was envisaged by C.D. Deshmukh when Government of India nationalized life insurance business in 1956. And how to expand the reach of life insurance to every nook and corner of India and provide basic sense of security to masses.

Low penetration of insurance in India , as else where, has varied explanations, economic and sociological. One basic factor that puts a brake on growth is low propensity to consume: low propensity for life insurance , not necessarily because of considerations of affordability nor because of inadequate range of insurance products and services. The major determining factor is lack of awareness of life insurance per se. And this phenomenon is not confined to rural and semi rural segments of society: it pervades urban populace as well. Surprising, isn't it- but true.

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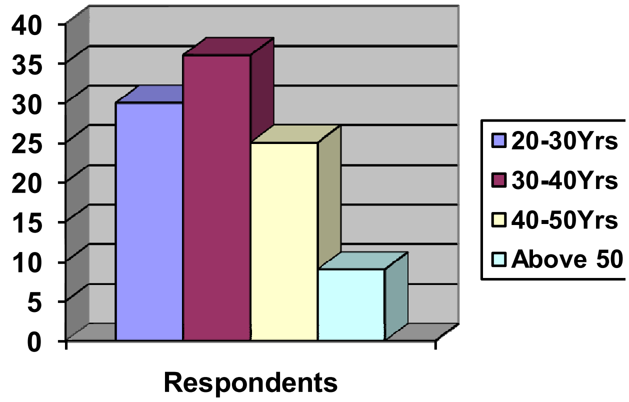
3. DATA ANALYSIS & INTERPRETATION

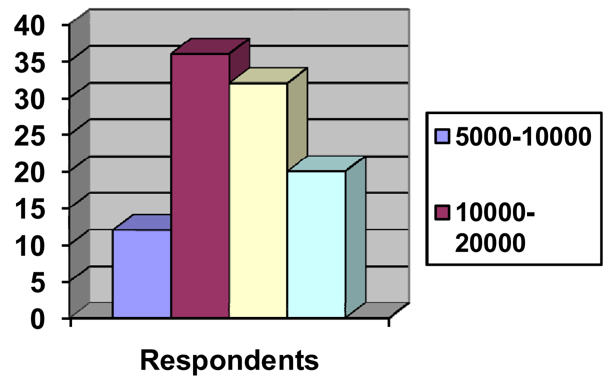
Age group



Interpretation:

The age group of respondents in between 20-30yrs is 30%, between 30-40yrs is 36%, between 40-50yrs is 25% and above 50 years is 9%.

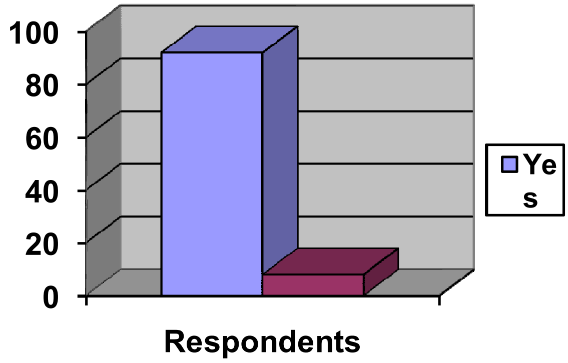
Monthly income



Interpretation:

When the respondent were questioned regarding the income levels, it was observed that a highest percentage of respondents i.e 36% are from Rs.10,000 to Rs.20,000, and lowest percentage of respondents i.e 12% are from Rs.5,000 to Rs.10,000.

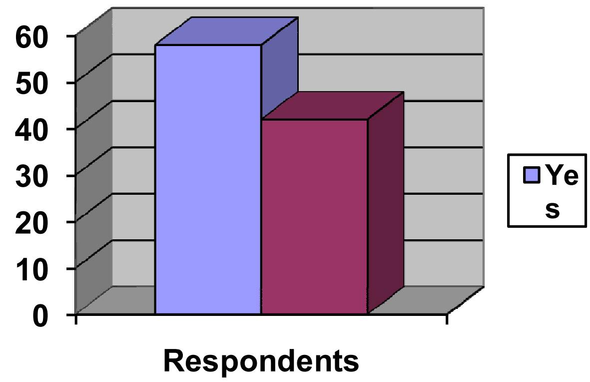
Do you know about any insurance company?



Interpretations;

From the above table it was observed that 92% of respondents were aware of insurance where 8% of respondents were not aware of insurance.

Awareness about HDFC SLIC products



Interpretation:

From the above table it is clear that 58% of respondents were aware about HDFC SLIC products and the remaining 42% of

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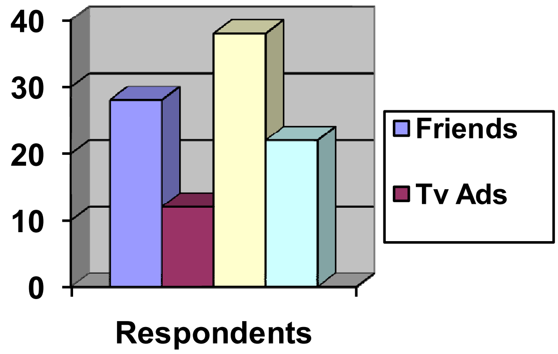
respondents were not aware of HDFC SLIC products.

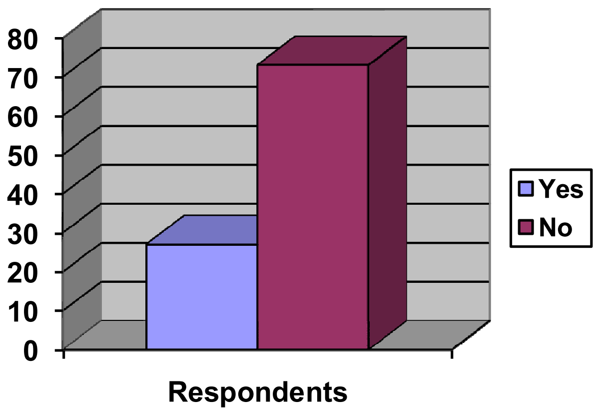
How did you come to know about HDFC SLIC



Interpretation:

Most of the respondents i.e. 38% were known about HDFC SLIC products due to Neighbours, and the least of respondents i.e. 12% were come to know about HDFC SLIC products due to Tv ads.

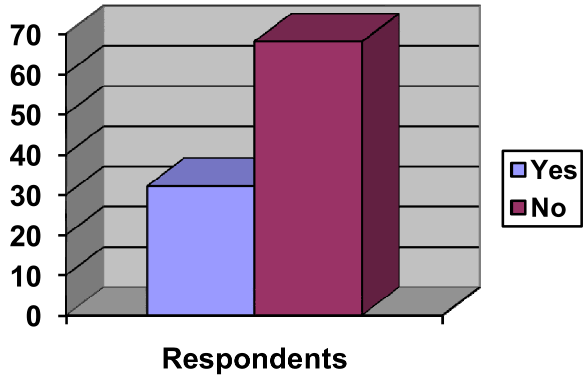
Are you aware of any HDFC SLIC Tv advertisements



Interpretation:

We can clearly observe from the above table that most of the respondents i.e 73% were not aware about HDFC SLIC Tv advertisements.

Have you ever visited any HDFC SLIC branch?



Interpretation:

From the total respondents only 32% of respondents are visited any HDFC SLIC branch where as 68% of respondents were not visited any of the HDFC SLIC baranches.

4.FINDINGS OF THE STUDY

- It was found that more than half of the respondents are aware about HDFCSLIC products.
- Advertisement made by HDFCSLIC did not grab the attention of Customers and hence very few people know about products.
- Many respondents rated HDFCSLIC products as good.
- Many Customers still think that HDFC bank and HDFCSLIC are same.
- More no of Customers are preferring insurance for rate of returns in HDFCSLIC.
- With respect to awareness HDFCSLIC has less awareness compared to LIC and MAX NEWYORK life insurance

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5. SUGGESTIONS

- In order to increase the awareness for HDFCSLIC products ,advertisements should be made timely and properly.
- It is suggested that premiums should be made reasonable.
- The company should clearly indicate that HDFCSLIC is purely insurance.
- The company should educate the Customers about different type of products offered by HDFCSLIC

6. CONCLUSION

Although HDFCSLIC is trying hard to make a mark in insurance, it is failing to create adequate awareness of its products in the minds of the Customers. Further lack of proper advertisement is also a reason for less awareness to Customers. Hence it should adopt proper practices to create awareness.

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