

**INVESTORS BEHAVIOR & OPINION TOWARDS ICICI  
PRUDENTIAL LIFE INSURANCE LTD. – A CASE STUDY  
OF HUBLI -DHARWAD CITY**

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**Abstract**

As finance is the lifeblood for all economic activities, one aspect of financial arena, Insurance plays a very important role. Insurance is the outcome of Man's search for safety and security, and to find out ways and means to minimize the hardship, which are beyond his control. Because of the economic reforms introduced by our government we can see that due to this Globalization and privatization there is enormous increase in the private sector players queuing in the insurance sector. This entry of Private players has enhanced the competitiveness and Quality of service with many innovated products. Now in India there are totally 30 players including 16 Life and 14 General Insurance Companies. And Life Insurance is one of the most common forms of insurance. ICICI Prudential Life Insurance Company is an emerging star in the Private players with the competition being Global in nature.

As ICICI Prudential Life Insurance Company Limited is No. 1 Company in private sector it has good image in the market but since unavailability of the branch office in the Hubli-Dharwad is restricting its own sales. And the other private players like Bajaj Allianz, have branch offices, who are working through advisors, it is the right time for the ICICI Prudential Life Insurance Company Limited to expand its Business to come up and open a branch so that it can skim the cream of the market and cover the UN tapped market.

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**Introduction:**

As finance is the lifeblood for all economic activities, one aspect of financial arena, Insurance plays a very important role. Insurance is the outcome of Man's search for safety and security, and to find out ways and means to minimize the hardship, which are beyond his control. Because of the economic reforms introduced by our government we can see that due to this Globalization and privatization there is enormous increase in the private sector players queuing in the insurance sector. This entry of Private players has enhanced the competitiveness and Quality of service with many innovated products. Now in India there are totally 30 players including 16 Life and 14 General Insurance Companies. And Life Insurance is one of the most common forms of insurance. ICICI Prudential Life Insurance Company is an emerging star in the Private players with the competition being Global in nature.

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

**Purpose of the study:**

- ✦ To determine the factors that influence investors while taking investment decision
- ✦ To analyze the investors opinion & behavior towards ICICI Prudential life insurance Ltd in study area.

**Methodology of the study:**

The study is based on both primary and secondary data. The primary data has been collected from sample 100 investors who are staying in Hubli-Dharwar city. A random sampling technique was applied to select 100 respondents. Personal interview technique was used to collect primary data from selected respondents. Also secondary data has been collected from Company records like annual reports, brochures, manuals etc.

**Sampling procedure:**

- Sample size : 100 respondents
- Sampling Method : Random sampling

- Sample Plan : Personal Interview
- Sample Unit : Respondents in Hubli-Dharwad city
- Survey conducted on Geographic basis.

### Results & Discussion:

Table-1. Shows the Respondents age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	21	21.0	21.0	21.0
	26-35	43	43.0	43.0	64.0
	36-45	30	30.0	30.0	94.0
	45 & above	6	6.0	6.0	100.0
	Total	100	100.0	100.0	

Table-1 shown that, 43% of the people is aged between 25-35years. 30% of the people are aged between 35-45years. 21% of the people are aged between 18-25years. 6% of the people are aged above 45.

Table-2. Shows respondents occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Govt employee	17	17.0	17.0	17.0
	Businessmen	22	22.0	22.0	39.0
	Professional	27	27.0	27.0	66.0
	Education	16	16.0	16.0	82.0
	Others	18	18.0	18.0	100.0
	Total	100	100.0	100.0	

Table-2 indicated that 27 % are Professional & salaried. 22 % are Businessmen, 17%respondents are govt employee & salaried, 16% respondents are Students

Table-3. Showing Monthly Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 10000	25	25.0	25.0	25.0
	10000-20000	36	36.0	36.0	61.0
	20000-30000	22	22.0	22.0	83.0
	30000-40000	10	10.0	10.0	93.0
	More than 40000	7	7.0	7.0	100.0

Total	100	100.0	100.0	
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From the above table -3 it is clear that 36% of the respondents fall in the income bracket of 10000 – 20000. 22% of the respondents fall in the category of 20000 – 30000 and in the income group of less than 10000 there are 25% respondents.

Table-4 showing Monthly Savings

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 2000	20	20.0	20.0	20.0
	2000-4000	31	31.0	31.0	51.0
	4000-6000	24	24.0	24.0	75.0
	6000-8000	15	15.0	15.0	90.0
	More than 8000	10	10.0	10.0	100.0
	Total	100	100.0	100.0	

From the above table-4 it is clear that 31% of the respondents save between 2000 – 4000 as their monthly savings. Another 24% of the respondents save between 4000 – 6000 as their monthly savings. Out of total a part of 20% saves in the category less than 2000.

Table-5 showing Purpose of Savings

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Medical Expenses	19	19.0	19.0	19.0
	Purchase durables	15	15.0	15.0	34.0
	Buy jewelers	12	12.0	12.0	46.0
	Education	25	25.0	25.0	71.0
	Others	29	29.0	29.0	100.0
	Total	100	100.0	100.0	

The above table-5 revealed that 25% of the respondents save their money for Education purpose. 12% of the respondents save their money for future purchase of assets. Another 15% of the respondents set aside their money for purchase of Durables.

Table-6 showing pattern of investment mode in savings

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bank deposit	27	27.0	27.0	27.0
	Insurance	45	45.0	45.0	72.0
	Shares	9	9.0	9.0	81.0
	Debentures	5	5.0	5.0	86.0
	Real estate	4	4.0	4.0	90.0
	Mutual funds	8	8.0	8.0	98.0
	Chit funds	2	2.0	2.0	100.0
	Total	100	100.0	100.0	

Table-6 shown that, Insurance alone constitutes 45% as the investment pattern of the savings. 27% of the respondents invest their savings in Bank deposit. One more segment where people invest their savings is Shares i.e., around 9%. It is clear from the table that 8% of the respondents invest in the Mutual Funds.

Table-7 what comes to your mind when you hear Insurance?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Safety	21	21.0	21.0	21.0
	Uncertainty	13	13.0	13.0	34.0
	Tax exemption	30	30.0	30.0	64.0
	Profitability	23	23.0	23.0	87.0
	Investment	13	13.0	13.0	100.0
	Total	100	100.0	100.0	

Table-7 states that, 30.0% of the respondents think about Tax exemption. 23.0% of the respondents think about Profitability. 21.0% of the respondents think about Safety. 13.0% of the respondents think about Investment and 13.0% Uncertainty.

Table -8 Do you know about ICICI Prudential Life Insurance Co. Ltd.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	61	61.0	61.0	61.0
	No	39	39.0	39.0	100.0
	Total	100	100.0	100.0	

Above table-8 depicted that, 61.0% of the respondents say Yes. 39.0% of the respondents say No.

Table-9 How did you come to know about ICICI Prudential?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Newspaper	24	24.0	39.3	39.3
	ICICI Advisors	12	12.0	19.7	59.0
	Television	6	6.0	9.8	68.9
	Friends/Relatives	15	15.0	24.6	93.4
	Word of Mouth	4	4.0	6.6	100.0
	Total	61	61.0	100.0	
Missing	System	39	39.0		
Total		100	100.0		

Table-9 indicated that, 39.0% of the respondents come to know about ICICI Prudential through Newspaper. 25.0% of the respondents come to know through Friends & Relatives. 20.0% of the respondents come to know through ICICI Advisors. 10.0% of the respondents come to know through Television.

Table-10. How much do you know about policies of ICICI Prudential?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	I know all the policies	15	15.0	24.6	24.6
	I know few of them	23	23.0	37.7	62.3
	I know very little about policies	15	15.0	24.6	86.9
	I do not know any policies	8	8.0	13.1	100.0
	Total	61	61.0	100.0	
Missing	System	39	39.0		
Total		100	100.0		

Table-10 shown that, 23.0% of the respondents know few of the policies. 15.0% of the respondents know all the policies. 15.0% of the respondents know very little about policies. 8.0% of the respondents not know any policies.

Table-11. Do you have any Life Insurance Policies?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	82	82.0	82.0	82.0
	No	18	18.0	18.0	100.0
	Total	100	100.0	100.0	

Table-11 clearly shown that, 82.0% of the respondents have Life Insurance Policies.18.0% of the respondents do not have Life Insurance Policies.

Table-12. Which company's policy do you have?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ICICI	31	31.0	37.8	37.8
	BAJAJ	23	23.0	28.0	65.9
	HDFC	14	14.0	17.1	82.9
	ING VYSA	11	11.0	13.4	96.3
	BIRLA	3	3.0	3.7	100.0
	Total	82	82.0	100.0	
Missing	System	18	18.0		
Total		100	100.0		

Above table-12 reveals that, 31.0% of the respondents have ICICI company policy,23.0% of the respondents have BAJAJ company policy, 14.0% of the respondents have HDFC company policy, and 11.0% of the respondents have ING VYSA company policy 3.0% of the respondents have BIRLA company policy

Table-13. Please mention the policy you have taken?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Annuity	18	18.0	22.0	22.0
	Money back	18	18.0	22.0	43.9
	Endowment policy	10	10.0	12.2	56.1
	Term	13	13.0	15.9	72.0
	ULIP	15	15.0	18.3	90.2
	Retirement policy	8	8.0	9.8	100.0
	Total	82	82.0	100.0	
Missing	System	18	18.0		
Total		100	100.0		

Table-13 depicts that, 22.0% of the respondents have taken policy of Annuity. 22.0% of the respondents have taken policy of Money back. 12.0% of the respondents have taken policy of Endowment policy. 18.0% of the respondents have taken policy of ULIP. 16.0% of the respondents have taken policy of Term.

Table-14. For what purpose have you purchased the policies?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Security	17	17.0	20.7	20.7
	Child plans	18	18.0	22.0	42.7
	Saving plans	13	13.0	15.9	58.5
	Investment	15	15.0	18.3	76.8
	Tax purpose	19	19.0	23.2	100.0
	Total	82	82.0	100.0	
Missing	System	18	18.0		
Total		100	100.0		

It is found from table-14, 23.0% of the respondents purchased the policy for Tax purpose. 22.0% of the respondents purchased the policy for Child plans. 18.0% of the respondents purchased the policy for Investment. 21.0% of the respondents purchased the policy for Security. 16.0% of the respondents purchased the policy for saving plans.



Table-15. According to you who are highly preferred policies?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Life link	27	27.0	27.0	27.0
	Retirement Solution	16	16.0	16.0	43.0
	Life time	13	13.0	13.0	56.0
	Cash Back	14	14.0	14.0	70.0
	Smart kid	30	30.0	30.0	100.0
	Total	100	100.0	100.0	

It is found from the above table-15, 30.0% of the respondents think Smart kid is highly preferred policy. 27.0% of the respondents think Life link is highly preferred policy. 16.0% of the respondents think Retirement Solution is highly preferred policy. 14.0% of the respondents think Cash Back is highly preferred policy. 13.0% of the respondents think Life time is highly preferred policy.

Table-16. Are you interested in any more policies other than the one you are Using now?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	56	56.0	56.0	56.0
	No	44	44.0	44.0	100.0
	Total	100	100.0	100.0	

It is clear from the table-16, 56.0% of the respondents are interested in any more policies other than the using now. 44.0% of the respondents are not interested in any more policies other than the using now.

Table-17 which policies are you interested in buying for your future?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Savings	30	30.0	30.0	30.0

Protection	17	17.0	17.0	47.0
Child plans	11	11.0	11.0	58.0
Retirement	14	14.0	14.0	72.0
Market linked	28	28.0	28.0	100.0
Total	100	100.0	100.0	

Table-17 indicated that, 30.0% of the respondents are interested in buying for Savings as future policies. 28.0% of the respondents are interested in buying for Market linked as future policies. 17.0% of the respondents are interested in buying for Protection as future policies. 14.0% of the respondents are interested in buying for Retirement as future policies. 11.0% of the respondents are interested in buying for Child plans as future policies.

#### Findings:

- ❖ 43% of the people's age in the range of 25-35years. 30% of the people are aged between 35-45years.
- ❖ 27 % are Professional & salaried, 22 % are Businessmen
- ❖ 36% of the respondents fall in the income bracket of 10000 – 20000. 22% of the respondents fall in the category of 20000 – 30000 and in the income group of less than 10000 there are 25% respondents.
- ❖ 31% of the respondents save between 2000 – 4000 as their monthly savings. Another 24% of the respondents save between 4000 – 6000 as their monthly savings.
- ❖ 25% of the respondents save their money for Education purpose. 12% of the respondents save their money for future purchase of assets. Another 15% of the respondents set aside their money for purchase of Durables.
- ❖ Insurance alone constitutes of 45% as the investment pattern of the savings.  
27% of the respondents invest their savings in Bank deposit.
- ❖ 30.0% of the respondents think about Tax exemption. 23.0% of the respondents think about Profitability.
- ❖ 61.0% of the respondents say Yes. 39.0% of the respondents say No.
- ❖ 39.0% of the respondents come to know about ICICI Prudential through Newspaper, 25.0% of the respondents come to know through Friends & Relatives

- ❖ 23.0% of the respondents know few of the policies. Remaining 15.0% of the respondents know all the policy.
- ❖ 82.0% of the respondents have Life Insurance Policies there is great opportunities for life Insurance & Business can be Expand.18.0% of the respondents do not have Life Insurance Policies can be tapped.
- ❖ 31.0% of the respondents have ICICI company policy. From the above it is understandable that Hubli-Dharwad is an tapped market for ICICI Prudential.
- ❖ 22.0% of the respondents have taken policy of Money back.18.0% of the respondents have taken policy of ULIP.
- ❖ 23.0% of the respondents purchased the policy for Tax purpose.22.0% of the respondents purchased the policy for Child plans..
- ❖ 30.0% of the respondents think Smart kid is highly preferred policy. 27.0% of the respondents think Life link is highly preferred policy.
- ❖ 56.0% of the respondents are interested in any more policies other than the using now.
- ❖ 30.0% of the respondents are interested in buying for Savings as future policies.  
28.0% of the respondents are interested in buying for Market linked as future

### **Suggestions:**

- The management should think of tapping aged between 18-25years and introduce more plans of Education like Smart kid to expand its business.
- The management should introduce more plans of Retirement policy because many of them are salaried & Business Men to cover the un tapped market share
- The management has to focus on the income bracket of 10000-20000. Only 17% of the respondents cannot afford the ICICI Prudential plans as it is not their income capacity. So ICICI has to think on converting this 17% as their potential customers.
- Management should convince the people to spend out of these savings only & introduce the policies with lower rates of premium to expand its Business. 50% of the respondents save less than 4000.
- The management has to focus on more Savings Plans & Child Plans. From the above findings we can suggest that most of the respondents invest their money in purely savings and education.

- The management converts the customers towards Insurance who are investing in Shares and Mutual Funds for them ICICI Prudential ULIP Plans can be offered for expansion of its Business.
- The management should give higher returns to their customers those who are investing as profitability as we know findings many of them are Business men can for Tax purpose.
- Management has to conduct Awareness program to create awareness among another 39% available customers can be tapped by expanding its Business & opening new branches in Hubli-Dharwad & nearby cities.
- Management should use Newspaper as one of source of creating aware & motivate its advisor to create awareness. Its impact will be more effective if a Branch office is set up in Hubli-Dharwad & nearby cities.
- Management should provide adequate knowledge for Remaining 13.0% of the respondents have poor knowledge of ICICI it can be provided by setting new branches.
- Management has got great opportunities for life Insurance & its Business can be expanded. remaining 18.0% of the respondents do not have Life Insurance Policies can be tapped to cover its untapped market.
- Management has a great potential market share to cover remaining untapped market it can expand its Business looking at its Growth opportunity. As we know from the above it is understandable that Hubli-Dharwad is a untapped market for ICICI Prudential.
- Management can focus on the retirement plans as most of the respondents are in the age group of 35 – 45 Salaried & Businessmen.
- Management has large scope for Child plans. As we have seen earlier in the purpose of savings table that most of the people invest their savings in Education & Most of the business men invest in insurance for the tax purpose also. Hence ICICI Prudential has too much potential for plans which can be tax benefit for the investor.
- Management can introduce more Retirement & Market Linked products to increase market share & expand its business .As we from above findings ICICI has got good market share they increase market share & cover Untapped market.
- Management can attract their customers towards market link, Smart kid &
- Retirement plan because we know more respondents are business men & aged between 35-45years.

- Management can introduce new savings policies & market linked policies as for expanding its Business & cover Untapped Market of Hubli-Dharwad & also Nearby Cities.

**Conclusion:**

As ICICI Prudential Life Insurance Company Limited is No. 1 Company in private sector it has good image in the market but since unavailability of the branch office in the Hubli-Dharwad is restricting its own sales. And the other private players like Bajaj Allianz, have branch offices, who are working through advisors, it is the right time for the ICICI Prudential Life Insurance Company Limited to expand its Business to come up and open a branch so that it can skim the cream of the market and cover the UN tapped market.

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