

CONSUMERS' AWARENESS LEVEL TOWARDS MET LIFE INSURANCE INDIA-A CASE OF BELLARY CITY

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Abstract

MetLife: With over 138 years of experience, the MetLife companies serve millions of customers in the Americas and Asia with one goal in mind – to build financial freedom for everyone. The MetLife companies are a leader in-group benefits that serve 88 of the top one hundred FORTUNE 500®* companies, and provide benefits to 37 million employees and family members through its plans sponsors in the U.S. The MetLife companies are also ranked #1 in-group life and #1 in commercial dental in the U.S. The MetLife companies are the number one life insurer in the U.S. with approximately US \$3.3trillion of life insurance in force. In India, MetLife was incorporated in 2001, and aims to differentiate itself through customized need based selling, simple and innovative products, and technology-backed service experience, to tread its path to build financial freedom for everyone. From the survey analysis it was found that in Bellary City more than half of respondents are unaware about Met Life India Life Insurance Plans and Policies. In this survey it was also found that numbers of respondents were interested to invest their money in Met Life India Life Insurance. Many respondents have not yet insured in Bellary city that is the main advantage to tap the market.

Key words: Consumers awareness, Risk, Return, Endowment policy, Whole life Policy, Investment etc

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Introduction

MetLife: With over 138 years of experience, the MetLife companies serve millions of customers in the Americas and Asia with one goal in mind – to build financial freedom for everyone. The MetLife companies are a leader in-group benefits that serve 88 of the top one hundred FORTUNE 500®* companies, and provide benefits to 37 million employees and family members through its plans sponsors in the U.S. The MetLife companies are also ranked #1 in-group life and #1 in commercial dental in the U.S. The MetLife companies are the number one life insurer in the U.S. with approximately US \$3.3trillion of life insurance in force. In India, MetLife was incorporated in 2001, and aims to differentiate itself through customized need based selling, simple and innovative products, and technology-backed service experience, to tread its path to build financial freedom for everyone.

Purpose of the study

The study was undertaken to gather information from the respondents regarding awareness level about Met Life India Life Insurance Plans and policies and the purpose of the study is to know how many people are aware of “Met Life India Life Insurance Plans and policies”

1. To assess the level of awareness about Met Life insurance.
2. To identify important factors considered by the customers while purchasing an insurance policy.

Methodology of the study

Data source:	Primary data (field survey)
Area of Research:	Bellary city.
Research instrument:	Questionnaire.
Sample Plan:	Personal Interview.
Sample Unit:	Businessmen, Job holders, Doctors, Advocates, etc.
Sampling method:	Random sampling method.
Sample Size:	100 respondents.

Results and Discussion

Table-1

What is insurance investment

		Frequency	Percent	Valid Percent	Cumulative percent
Valid	SA	32	32	32	32
	A	27	27	27	59
	NAND	36	36	36	95
	D	5	5	5	100
	Total	100	100	100	

Table-1 , It is interesting to know that a high percent of respondents see Insurance as an Investment avenue (32% SA and 27% A = 59%). However the highest percent of respondents (36%) are unsure of this. A very low percent (5% DA and 0% SDA) disagree with the option.

b) **Tax saving tool**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SA	19	19	19	19
	A	24	24	24	43
	NAND	20	20	20	63
	D	25	25	25	88
	SD	12	12	12	100
	Total	100	100	100	

Table-2 depicts that,

- a) A major percent of the respondents disagree or disclaim about insurance being a tax saving tool (NAND 20%, 25%D and 12 %SD = 57%). However (19%SA and 24%A=43%) endorse the general view of tax saving tool

Table-3

Investment + Risk protection + Returns

		Frequency	Percent	Valid percent	Cumulative Percent
Valid	SA	24	24	24	24
	A	26	26	26	50
	NAND	24	24	24	74
	D	26	26	26	100
	Total	100	100	100	

Tablej-3 shown that, It is worth noting that the view of insurance as an investment combined with risk protection and returns tool is different from just an investment avenue. 50% (SA 24% and 26%A) can see the combined benefits of insurance while the remaining 50% (NAND 24% and D 26%) either are not certain or disagree.

Table-4

The face of unfortunate event family members will get money

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SA	26	26	26	26
	A	33	33	33	59
	NAND	19	19	19	78
	D	22	22	22	100
	TOTAL	100	100	100	

Table-4 revealed that, the general view of risk coverage of family members is upheld by 59% of respondents (26%SA and 33%A), while the remaining 41% (19%NAND and 22%D) are indifferent to or disagree.

Table-5

Are you insured

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	33	33	33	33
	No	67	67	67	100
	Total	100	100	100	

Table-5 shown that, It is disheartening to see that 67% of knowledgeable sample size responding to an Insurance Questionnaire is not insured, while only 33% have a firsthand experienced and informed opinion on Insurance.

Table-6

If yes in which company you have invested

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	LIC	20	20	60.6	60.6
	ICICI Pro	9	9	27.3	87.9
	Bajaj Allianz	4	4	12.1	100
	Total	33	33	100	
Missing system		67	67		
Total		100	100		

The above Table-6 shows that the numbers of respondents are invested their money in the following companies.

- 1).20% of respondents are invested their money in the “LIC’
- 2).9% of respondents are invested their money in the “ICICI Prudential”
- 3).4% of respondents are invested their money in the “BAJAJ ALLIANZ”

Table-7

How did you come to know about that company

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	TV Ads	7	7	21.2	21.2
	Advisors or sales person	15	15	45.5	66.7
	Family members/relatives/friends	11	11	33.3	100
	Total	33	33	100	
Missing system		67	67		
Total		100	100		

Table-7 shown that,

Respondents were chosen the company by TV ads 07% , Advisors or sales persons -15%
And Family members /relatives/friends-11%

Table-8

What are the factors you considered while making that decision

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Awareness about that company	19	19	57.6	57.6
	Return	5	5	15.2	72.7
	Friend/Colleague/family member suggestion	9	9	27.3	100
	Total	33	33	100	
Missing system		67	67		
Total		100	100		

Table-8 indicated that, the factors which are considered while making the decisions are Awareness about the compay-19%, Returns-05% and Friends/colleague/family members-09%.

Table-9

Have you heard about Met Life

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	23	23	23	23
	No	77	77	77	100
Total		100	100	100	

Table-9 reveals that, 23% of the respondents are aware about met life and remaining 77% of respondents are unaware about MetLife India insurance

Table-10

If yes through

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	TV ads	5	5	21.7	21.7
	Advisors or sales persons	4	4	17.4	39.1
	Family members/relatives/friends	14	14	60.9	100
	Total	23	23	100	
Missing system		77	77		
Total		100	100		

Table-10 shows that, From TV ads 5%, advisers/sales persons 4% and family members/relatives/frends 14% of respondents were aware about MetLife India.

Table-11

What is the minimum education required for children these days

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Ph.D	25	25	25	25
	Post-Graduate	49	49	49	74
	Graduate	16	16	16	90
	Under Graduate	10	10	10	100
	Total	100	100	100	

According to the survey it is found in Table-11 that 49% of the respondents feel post graduate is the minimum education qualification needed these days for their children, where 25% of them think PHD is minimum and 16% of them felt graduation and 10% of felt under graduate.

Table-12

Have you made any investment for children education and marriage purposes

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	17	17	17	17
	No	83	83	83	100
	Total	100	100	100	

Table-12 revealed that, 17% of the respondents were made investment for their children education and remaining 83% of respondents were not made any investment to their children education.

Table-13

Which are the policies you are aware of

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Endowment	23	23	23	23
	Whole life policy	26	26	26	49

	Retirement	20	20	20	69
	Unit linked plan	22	22	22	91
	Others	9	9	9	100
	Total	100	100	100	

The above Table-13 shows that 26% of respondents were aware about whole life policy, 23% of were aware about endowment policy, 20% of were aware about retirement, 22% were aware about ULIP and remaining 9% were aware about others. It shows that respondents were aware about policies but many of them not insured.

Table-14

Give the reason for not making a policy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not interested	29	29	43.3	43.3
	Risk	33	33	49.3	92.5
	Others	5	5	7.5	100
	Total	67	67	100	
Missing system		33	33		
	Total	100	100		

Table-14 shows that, 33% were think insurance is a risk and 29% were not interested to make a policy and remaining 5% were given other reason to not making a policy.

Table-15

Would you like to go for a scheme of Met life

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	13	13	13	13
	No	87	87	87	100
	Total	100	100	100	

According to Table-15, 13% of respondents were ready to go for a MEET LIFE and remaining 87% were not ready to go for a MET LIFE .many of the respondents not ready to go for a met life it shows that how much they are aware about met life insurance.

Table-16

How did you rank the following company. A) LIC

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	First rank	47	47	47	47
	Second rank	23	23	23	70
	Third rank	17	17	17	87
	Fourth rank	13	13	13	100
	Total	100	100	100	

Table-16 shown that, For LIC 47% were given first rank,23%were given second rank, 17% were given third rank, 13%were given fourth rank and one is to that nobody is LIC as a fifth rank.

Table-17

B) ICICI

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	First rank	19	19	19	19
	Second rank	11	11	11	30
	Third rank	9	9	9	39
	Fourth rank	33	33	33	72
	Fifth rank	28	28	28	100
	Total	100	100	100	

Table-17 reveals that, For ICICI 19% was given first rank, 11% were given second rank, 9% were given third rank, 33% were given fourth rank, and 25% were given fifth rank.

Table-18

C) Met Life

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	First rank	11	11	11	11
	Second rank	23	23	23	34
	Third rank	37	37	37	71
	Fourth rank	14	14	14	85
	Fifth rank	15	15	15	100
	Total	100	100	100	

Table-18 depicts that, Another interesting thing is that many of the respondents were unaware about MET LIFE and 11% were given first rank, 23% were given second rank, 37% were given third rank, 14% were given fourth rank, 15% were given MET LIFE as fifth rank.

Table-19

D) Bajaj Allianz

		Frequency	Percent	Valid Percent	Cumulative Percent
valid	First rank	18	18	18	18
	Second rank	22	22	22	40
	Third rank	27	27	27	67
	Fourth rank	4	4	4	71
	Fifth rank	29	29	29	100
	Total	100	100	100	

Table-19 shows that, For BAJAJ ALLIANZ 18% were given first rank, 22% were given second rank, 27% were given third rank, 4% were given fourth rank, 29% were given fifth rank.

Table-20

E) Ing Vyshya

		Frequency	Percent	Valid Percent	Cumulative Percent
valid	First rank	5	5	5	5
	Second rank	31	31	31	36
	Third rank	13	13	13	49
	Fourth rank	30	30	30	79
	Fifth rank	21	21	21	100
	Total	100	100	100	

Table-20 shown that, For ING VYSHYA 5% were given first rank, 31% were given second rank, 13% were given third rank, 30% were given fourth rank, 21% were given fifth rank

Findings

1. 59% of respondents were agreeing that insurance is an investment.
2. 67% of respondents are not insured .It is show that the percent of investors among the samples who have invested in insurance is very low. This reveals that there is a potentially large untapped market for insurance in Hubli and also that Insurance is not a favorite investment avenue for the investors.
3. 33% of respondents were aware about met life. It is worth noting that the awareness about the various insurance schemes among the respondents is satisfactory and no one scheme has dominant preference over the others. Further, the investors are more concerned about the company status and reliability than premium affordability or returns.
4. Respondents were invested in LIC20%, ICICI09%, BAJAJ ALIIANZ04%.The major competitors for any insurance company would be LIC because of their dominance as the only insurance company in India for a long time. However ICICI Prudential and Bajaj Allianz have better rankings compared to Met Life India. The medium of marketing effectively used by these companies has been agents and brokers.
5. 77% of respondents are unaware about Met Life. 67% of respondents are not insured
6. Respondents were aware about these policies, endowment23%, whole life policy26%, retirement policy20%, ulip22%, others09%. Schemes are not well marketed.

7. Respondents were come to know about Met Life from TV ads 05%, Advertisements 04%, Family members 14%. Met Life India has not utilized the brokers/agents, print and audio/visual media effectively to build their brand. A major portion of respondents are aware about this company through friends and relatives.
8. Respondents minimum education of their children is PHD 25%, PG 49%, Graduation 16%, under Graduation 10%. Education is the most rapidly growing sector in recent times in India. The survey reveals nothing contradictory to this. A very large portion of the sample support Post Graduate education is a must but has not made any financial arrangements for the same.

Suggestions

1. The company has to surely undertake a major brand awareness campaign in Hubli. It could choose a more formal “Investors Awareness Camp” followed by social / cultural events, either through extending sponsorship to others or self-organized events.
2. The company should also increase its share of spending on audio / visual media through advertisements on local television channels, radio, newspapers, handouts and pamphlets. The company should also strengthen the selling point through agents and brokers. Though these measures sound very traditional, they are very effective for a business involving “utmost good faith” like insurance.
3. With respect to formulation and marketing of schemes, the following points needs to considered:
 - a. The schemes should be formulated with higher attention paid to returns rather than protection, viz. linking with mutual funds (ULIP).
 - b. The benefits of the schemes should be clearly highlighted with respect to tax saving, transparency of procedures, convenience of claims realization, the achievements of the company.
4. A major work can be done in case of children’s education policies viz. benefits of policies over educational bank loans.
5. It is to see that professional respondents like lawyers and the lower / middle level employees of private banks not interested in insurance. They are the potential leads along with institutional / business-to-business customers.

Conclusion

From the survey analysis it was found that in Bellary City more than half of respondents are unaware about Met Life India Life Insurance Plans and Policies. In this survey it was also found that numbers of respondents were interested to invest their money in Met Life India Life Insurance. Many respondents have not yet insured in Bellary city that is the main advantage to tap the market.

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