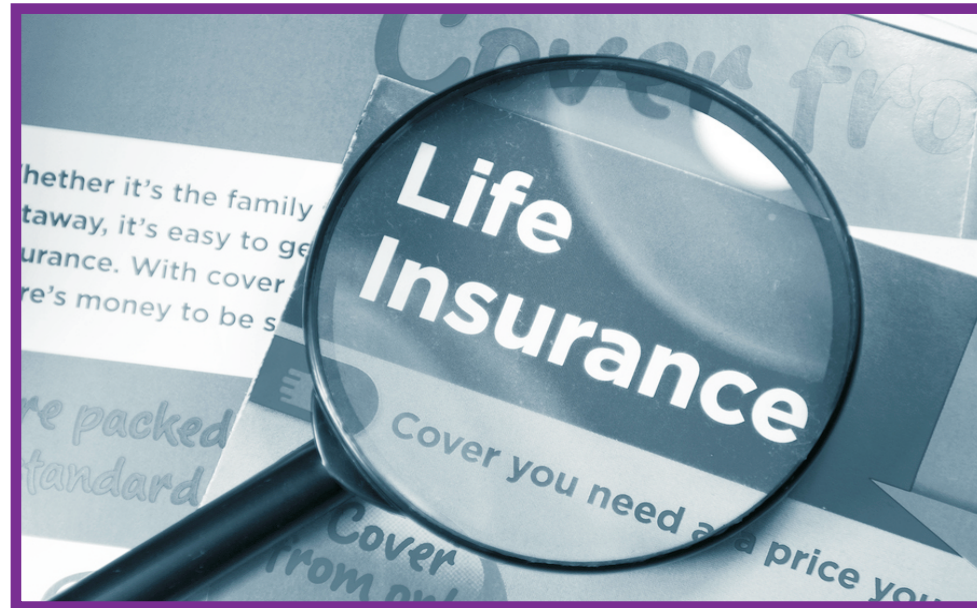


Abstract:-

In 2012, Life insurance penetration in India which is the major indicator of growth of insurance in the country was just 3.17 % compared to Japan 9.2%, Taiwan 15.0% S. Korea 6.9%. (IRDA Annual Report 2012-13, p121-122) One of the important reasons for low penetration was/is unawareness of the Indian people about need of insurance in their life. It is true that with the establishment of IRDA and with the entry of private sector insurance companies, life insurance market is witnessing introduction of innovative, need based and customer friendly products. However, still majority of the Indian population is either uninsured or



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under-insured. Yet, buying a life insurance policy is not a subject of preference on the 'agenda' of most of the Indian people. Those who take out an insurance policy give priority for tax exemption and saving rather than risk cover. This paper is an attempt to study the awareness about need of life insurance among the customers of LIC. This research revealed that the customers are aware about need of life insurance in their life and the Individual Agents of LIC are the major source of information for the policyholders.

Keywords:

Awareness, Insurance Penetration, Risk Cover, Innovative, Individual Agent.

AWARENESS OF LIFE INSURANCE AMONG SAMPLE CUSTOMERS

INTRODUCTION-

Life Insurance is a cooperative device which spreads risk of a person over a large number of people against different types of contingencies such as death of a person due to accident or sickness etc. It is an arrangement where losses of a few are extended over several who are exposed to similar risks. In today's modern and accident prone age, insurance has become an unavoidable part of the life. It has become a necessity of life along with food, clothing and shelter. It not only provides financial protection to the policyholders but also acts as better investment. Life insurance is one of the secured and assured sources of provision for old age when earnings of a person are either stopped or reduced. Further, the emergencies due to accidents, sickness etc. can be tackled with the help of life insurance policies. Insurance is/should be an integral part of man's financial planning. One should not look at it just as a tool of tax exemption, it is far more essential for enjoying tension free life. Experts in financial matters emphasize that insurance is probably the best financial instrument to invest and for provision for old age, emergencies etc.

AWARENESS ABOUT LIFE INSURANCE:

Importance of insurance can be stated in the words of Kshitij Patukale (2009) who says "Those who scoff at insurance without even thinking about it properly must remember that no other foolishness matches that of NOT taking out insurance."

No doubt, life insurance is extremely important in the life of a man, Indian scenario is not so pretty. Indian people are not yet enough aware about its need. Insurance is not yet at the top of the agenda of illiterate and even literate/educated people. Many of them claim that they are above the risk and are not needed to be protected under insurance cover. Though, they know life is uncertain and anything can happen at any time, they do not understand that life insurance can be a right solution to solve financial problems up to some extent.

However, people give a number of excuses, for example- Healthy says "I am fit and fine; I do not need it", Wealthy says "I have a lot of money; I do not want it", Poor says "I do not have money to pay for it; I do not afford it", Youngster says "I do not need it now"; Aged says "Most of life is over, now it is too late." These excuses indicate that the people do not have awareness about the utility of insurance in their life. Many people feel that buying something like insurance is just foolishness and wastage of money.

In 2012, Life insurance penetration in India which is the major indicator of growth of insurance in the country was just 3.17 % compared to Japan 9.2%, Taiwan 15.0% S. Korea 6.9%. (IRDA Annual Report 2012-13, p121-122) One of the important reasons for low penetration was/is unawareness of the Indian people about need of insurance. Still, majority of the Indian population is either uninsured or under-insured. Therefore, creating awareness about life insurance is essential to bring them under the warm blanket of insurance. It is necessary that people should buy insurance voluntarily and not by force. For the present study the awareness has been considered from two angles. First, the attitude, knowledge about the need of life insurance among the respondents in their life and secondly the sources through which the respondents get information about insurance.

REVIEW OF LITERATURE:

K. Uma et.al. (2011) found that insurance agents are the primary source of information followed by pamphlets and bulletins, newspapers, hoardings. The other sources like radio, friends, and television played very minor role in creating awareness about life insurance. Seranmadevi R. et. al. (2011) evaluated investors' inclination on ULIP and found that the respondents came to know about ULIP mainly through advertisements. Comparison of these two studies shows that according to K. Uma et.al. (2011) the main source of information is insurance agent followed by pamphlets and bulletins, newspapers, hoardings, on the other hand, according to Seranmadevi R. et. al. (2011) advertisements are the main source for getting information about life insurance.

Patil S. J. (2012) observed that 97% respondents are familiar with the products of LIC of India and same proportion of the respondents feel insurance is essential for life' Comparison of study Patil S. J. on one hand and studies of K. Uma et. al. (2011) & Seranmadevi R. et. al. (2011) on the other side shows that the views of these researchers are totally different. Thus, there are variations about interpretation of the meaning of awareness about life insurance. Therefore, for the present study, awareness has been taken as both i.e. sources of getting knowledge about life insurance and knowledge about need of life insurance.

Paul Clifford et. al. (2010) found that 72% of the respondents are aware about policies and schemes offered by insurance agencies. As the education level and age increases from the uneducated to the post graduate, there is an increase in awareness of the policies offered by the insurance companies. Moreover, the researcher observed that as the total income increases, the purpose for buying policy for tax increases. The study concluded that that 73% of the respondents have taken insurance policy for the purpose of risk, followed by saving and tax purpose only. As compared to research work of K.Uma et.al. (2011), Seranmadevi R. et. al. (2011) & Patil S. J. (2012), Paul Clifford et. al (2010) research work looks extensive wherein the researcher tried to establish relationship between demographic factors and the reasons for buying life insurance policy. Paul Clifford et. al (2010) found that 72% of the respondents are

aware about policies and schemes offered by insurance agencies while Patil S. J. (2012) observed that 97% respondents are familiar with the products of LIC of India. Thus, there are variations in the findings of these studies.

Sing Silender and Satpal (2009) found that respondents from both states i. e. Haryana and Delhi favoured risk coverage and least favoured liquidity while respondents from Delhi favoured surrender value, period of surrender, period of policy and least favoured riders and procedure for claim settlement. Respondents from Haryana have least favoured riders. Thus it can be stated that the awareness about risk coverage is more in both states. Rajeswari K. and Karttheeswari S.(2012) revealed that different people have different insurance needs and yield/return is the most important reason for making investments in the policies of LIC of India. The study further reveals that the security comes first, tax rebate second and bonus third amongst the determinants for buying insurance policy from LIC of India. However, there are variations as well as similarities in the findings of studies of Sing Silender and Satpal (2009) and Rajeswari K. and Karttheeswari S. (2012). Both the studies found that risk coverage i.e. security is the priority while buying insurance policy. According to Sing Silender and Satpal (2009) surrender value, period of surrender, period of policy are the factors preferred after 'risk' by the customers on the other hand Rajeshwari K. and Karttheeswari found that different people have different insurance needs and tax rebate and bonus are preferred after 'security'.

Mustapha A. O. and Oludare T. A. (2008) found that most of the Nigerian students regardless from which ethnic groups they belong are very concerned and aware of the importance of having life insurance policy. The study further indicates that the University students were actually aware on the risk of life uncertainty and perceived taking insurance as one way to address this risk. The major sources of getting information are their parents, family members (44 percent) and life insurance agents (more than 23 percent). Twenty percent perceived wealth creation as the reason of taking life insurance policy after graduating from the University. The survey revealed that 71 percentage see taking Life Insurance is necessary, 22 percentage see taking Life Insurance Compulsory, while 7 percentage did not see to why someone should considered taking Life Insurance. Compared to studies discussed earlier, it is clear that there is noticeable variations as well as some similarities in the observations and findings.

G. Raju and S. Mohan (2011) observed that now days customers are getting educated by media and are always in search of the best product, brand name, quality, operation and service support. The researchers further found that awareness has improved consumer awareness aspects pertaining to life insurance product.

Panchnathan et. al. (2008) found that 43% policyholders are aware about the policies through advisors/agents. 63% of the policyholders select the billboard and hoardings as a suitable media. Thus, there is variation in the studies of G. Raju and S. Mohan (2011) and Panchnathan et. al. (2008), wherein, the former observed that media is the major source of getting information about life insurance for the customers and customers prefer clear information about maturity and medical benefits. On the other hand the later found that insurance advisors/agents and billboard & hoardings are the suitable media for getting information and there is no significant relationship between income and customer expectation.

S. Hasanbanu and R. S. Nagajothi (2007) suggested that LIC of India should avoid technical jargon, terms and conditions should be completely transparent to the people. The researchers further suggested that LIC of India should arrange some meetings so as to popularize the schemes. Joseph Vijayakumari (2010) believed that life insurance is not growing substantially in spite of enormous market potential. In her view the major challenge before insurance industry is product unawareness. The author traced that the insurance company should create, implement and sustain appropriate marketing programmes to create awareness among the people about insurance and effort should be made to satisfy them by providing the products suiting their financial needs. Thus both the papers of S. Hasanbanu and R. S. Nagajothi (2007) and Vijayakumari (2010) have focused on problems and challenges before industry. S. Hasanbanu and R. S. Nagajothi (2007) suggested avoiding technical jargons, to make claim disposal scheme easier, to use viable and cost effective distribution channels, to relax the formalities for renewal of lapsed policies, to launch more micro insurance products targeting weaker sections & to educate the customers on different products. Whereas, Joseph Vijayakumari (2010) suggested that creating awareness, appropriate marketing programmes and designing the products suiting the needs of the people are necessary for customer satisfaction.

RESEARCH METHODOLOGY:

The study is descriptive inferential in nature that describes the level of awareness of the respondents about need of life insurance. The hypothesis 'There is no awareness among the people about the need of insurance, types of policies and number of policies' was set to test. The study was undertaken with the objective 'to know the awareness among the customers about the need of life insurance'. A sample of 2500 was selected from the policyholders of LIC of India in Kolhapur district of Maharashtra (India). Quota sampling method has been used to collect data from all twelve tahasils in Kolhapur district and all eleven branches of LIC in the district. Effort has been made to collect the data from samples with different demographic profile. The secondary data related to conceptual framework and review of literature was collected through reference books, journals, newspapers, websites, office records of LIC of India, by

visiting the Divisional Office situated at Kolhapur and Branch Offices spread in Kolhapur District.

A Structured Schedule was used to collect primary data from the respondents. The schedule was divided into different parts. The questions in the schedule were close ended and codified so as to facilitate data feeding and analysis. The first part of schedule consisted of information related to demographic profile of the respondents and the second part consisted of twelve statements related to awareness of respondents about need of life insurance viz. 'Insurance is a necessity of life', 'Even with small monthly earnings insurance should be obtained', 'At least insurance of head of family who is major wage earner should be taken', 'Insurance minimizes future risk due to loss of chief wage earner', 'Reading conditions overleap policy document is necessary', 'Insurance needs differ from person to person', 'Insurance policy comes in numerous types applicable to different purposes', 'Now-a-days companies are designing need based insurance combo products as well', 'One type of insurance policy may not be suitable for every individual', 'The basic insurance plan is known as term plan', 'Insurance seems to me as purely protection option' and 'One should obtain different insurance plans serving different purposes viz. term plan mediclaim, endowment, child plans etc'. The awareness level has measured on five point scale as 1=strongly disagree and 5=strongly agree. One variable i.e. 'One type of insurance policy may not be suitable for every individual' was negatively worded. One more question was asked to the respondents in this part to rank the 9 sources through which they get information about insurance plans of LIC where 1=most of the times, 2= usually, 3= some times, 4= few times and 5= rarely. The statistical tools percentage, mean, SD, one sample 't' test, and ranks were used for analysis and interpretation. One sample 't' test was applied to test the hypothesis and to draw the conclusions. SPSS software was brought in use for analysis. The secondary data was also tabulated and then processed using MS Excel.

PRESENTATION AND ANALYSIS OF DATA:

To ascertain the overall understanding i.e. awareness of samples towards insurance, twelve multi faceted statements were asked to respond on five point Likert scale, 1 for strongly disagree to 5 for strongly agree. The data analysis has done using mean and standard deviation vis-à-vis the ranks on mean have been calculated.

Table:1
Respondents' Awareness about Life Insurance

Sr.	Description	Consolidated			Urban			Rural		
		(n=2500)			(n=1321)			(n=1179)		
		Mean	SD	Rank	Mean	SD	Rank	Mean	SD	Rank
1	Insurance is necessity of Life	3.82	1.20	2	3.87	1.17	2	3.77	1.22	2
2	Even with small monthly earnings insurance should be obtained.	3.51	1.19	9	3.51	1.17	9	3.50	1.20	6
3	At least insurance of head of family who is major wage earner should be taken.	3.57	1.19	5	3.60	1.18	5	3.54	1.21	5
4	Insurance minimizes future risk due to loss of chief wage earner.	3.74	1.18	3	3.77	1.17	3	3.71	1.19	3
5	Reading conditions overleap policy document is necessary	3.47	1.12	10	3.46	1.12	10	3.49	1.13	8
6	Insurance needs differ from person to person.	3.52	1.15	8	3.56	1.13	7	3.48	1.17	9
7	Insurance policy comes in numerous types applicable to different purposes	3.52	1.07	7	3.58	1.04	6	3.45	1.09	10
8	Now-a-days companies are designing need based insurance combo products as well	3.53	1.26	6	3.55	1.26	8	3.50	1.26	7
9	One type of insurance policy may not be suitable for every individual	2.19	1.14	12	2.14	1.13	12	2.24	1.15	12
10	The basic insurance plan is known as term plan	3.05	1.33	11	3.05	1.35	11	3.06	1.31	11
11	Insurance seems to me as purely protection option	3.71	1.21	4	3.74	1.21	4	3.68	1.21	4
12	One should obtain different insurance plans serving different purposes viz. term plan mediclaim, endowment, child plans etc.	4.02	.90	1	4.06	.88	1	3.99	.92	1
Spearman's rank correlation between consolidated and urban									.979**	
Spearman's rank correlation between consolidated and rural									.979**	
Spearman's rank correlation between urban and rural									1.000**	
** Correlation is significant at the 0.01 level (2-tailed).										

Source: (compiled from Field data)

Table No.1 indicates opinions of samples towards awareness about life insurance. The table shows how the respondents look at the life insurance and the place of life insurance in their life. It has been seen that mean for the responses fell between 2.19 and 4.02 with a standard deviation ranging from 0.90 to 1.14 for consolidated opinion i.e. all samples. The mean scores of urban samples fell between 2.14 to 4.06 with a standard deviation ranging from .88 to 1.13 while the mean scores of rural samples fell between 2.24 to 3.99 with a standard deviation ranging from .92 to 1.15. Thus, it can be stated that there is no much difference in the mean scores for all 12 parameters among consolidated samples, urban samples and rural samples.

For the purpose of assessing the relationship between the opinions of samples about the parameters, Spearman's Rank Correlations are calculated. Relationship between all samples and urban samples, between all samples and rural as well as urban samples and rural samples is found to be highly positive. The spearman's rank correlation between all samples and urban samples is .979 while the same is .979 between all samples and rural which is significant at 0.01 level of significance. The spearman's rank correlation between urban and rural samples is 1.000 which is highly positive and significant at 0.01 level of significance.

With the mean of 4.02 and considerable standard deviation of 0.90, the parameter 'One should obtain different insurance plans serving different purposes viz. term plan, mediclaim, endowment, child plans etc.' ranked first by all samples as well as urban and rural samples independently. This shows that the samples are of the opinion that one should buy a combination of different types of life insurance plans to suit their varied insurance needs.

There is agreement of all samples towards the parameter 'insurance is necessity of Life' with mean value 3.82 and standard deviation 1.20 which is acceptable. As far as urban samples are concerned the mean and standard deviation are 3.87 and 1.17 respectively. The same is 3.77 and 1.22 in case of rural samples which is also acceptable. This indicates that the entire sample considers life insurance is an unavoidable part of one's life.

The parameters used to assess the awareness among the samples about life insurance where there is more agreement are 'Insurance is necessity of Life', 'Insurance minimizes future risk due to loss of chief wage earner' with mean value 3.74, 'Insurance seems to me as purely protection option' with mean value 3.71, 'At least insurance of head of family who is major wage earner should be taken' with mean value 3.57, 'Now-a-days companies are designing need based insurance combo products as well' with mean value 3.53, 'Insurance policy comes in numerous types applicable to different purposes' with mean value 3.52, 'Insurance needs differ from person to person' with mean value 3.52, 'Even with small monthly earnings insurance should be obtained' with mean value 3.51, 'Reading conditions overleap policy document is necessary' with mean value 3.47, 'The basic insurance plan is known as term plan' with mean value 3.05. The mean values of these 10 statements clearly indicate that the respondents insurance is the necessity of life; it should be bought even if monthly income of a Chief wage earner is low, and insurance is a protective umbrella that reduces the future risk. It is also found that out of these 10 parameters, there are 8 parameters whose mean values are on the verge of 3 indicating very little agreement. The mean values of these 10 parameters fall between 3.05 and 4.82 where there is a scope for LIC to create more awareness among the people.

The table further shows that there is 1 parameter with mean value less than 3.0. This parameter is 'One type of insurance policy may not be suitable for every individual' (since this statement is negatively toned while calculating the mean the reverse scale is considered, means if the samples has rated a parameter as 5 then it is considered as 1) with mean value of 2.19 indicating disagreement on this statement. This conveys that the samples agree on that one policy cannot be master and for different purposes different policies are needed.

B. Sources of Information for the respondents:

Section B of this part deals with the different sources through which the respondents get information about life insurance. Individual agents, pamphlets, newspapers, hoardings, television, radio. Friends, relatives and banker are the sources of information for the respondents. The opinions of samples are sought on five point scale as-

1=Most of the times (MOT), 2=Usually (U), 3= Some times (ST), 4= Few times (FT),
5= Rarely (R).

Following table shows the sources of information for all samples/consolidated samples.

Table: 2
Sources of Information for Samples about LIC
(n=2500)

sr		MOT	%	U	%	ST	%	FT	%	R	%	NA	%
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	Individual Agent	1889	75.6	448	17.9	42	1.7	62	2.5	30	1.2	29	1.2
2	Pamphlets	0	0	0	0	88	3.5	82	3.3	101	4.0	2229	89.2
3	Newspapers	170	6.8	1017	40.7	914	36.6	219	8.8	0	0	180	7.2
4	Hoardings	0	0	089	3.6	152	6.1	116	4.6	60	2.4	2083	83.3
5	Television	384	15.4	687	27.5	858	34.3	336	13.4	63	2.5	172	6.9
6	Radio	0	0	30	1.2	144	5.8	160	6.4	151	6.0	2015	80.6
7	Friends	57	2.3	136	5.4	115	4.6	561	22.4	727	29.1	904	36.2
8	Relatives	0	0	30	1.2	100	4.0	480	19.2	387	15.5	1503	60.1
9	Banker	0	0	33	1.3	27	1.1	300	12.0	549	22.0	1591	63.6

Source: (compiled from Field data)

Table number 2 shows the consolidated statement of the sources of information for all the samples including urban and rural samples. The table reveals that 'Most of the Times' 75.6% of the total samples get information through individual agents of LIC. Television is also found to play an important role of information provider since 15.4% of the samples got to know about LIC from television. 6.8% of sample sourced LIC from newspapers followed by 2.3% from Friends. Pamphlets, Hoardings, Radio, Relatives and Banker are not the source Most of the Times' information providers category for all the samples.

The table further indicates that 40.7 respondents get information 'Usually' through Newspapers, 27.5% through Television and 17.9% through Individual agents of LIC. The percentage of samples that 'Usually' get information is also quite good. The percentage of Hoardings, Radio, and Relatives is very low as a 'Usual' source of information for samples. Similarly, all samples have opined that Pamphlets are not the 'Usual' source of their information.

Newspaper as a source of information regarding insurance has gained 36.6% 'Some times' responses from sample and Television gained 34.3% same types of responses. Hoarding, Radio and Pamphlets are 'Some times' communicator with 6.1%, 5.8% and 3.5% samples respectively. On the other hand, Individual Agents got 1.7% responses for the same.

Quite a few times, information of insurance flows from friends, relatives and television as opined by 22.4%, 19.2% and 13.4% of samples respectively.

Sources of Information for Urban Samples:

As the sources of information for the urban respondents may be different effort has been made to find out the sources through which the urban respondents get information about life insurance and LIC which is shown in the following table.

The opinions of samples are sought on five point scale as-

1=Most of the times (MOT), 2=Usually (U), 3= Some times (ST), 4= Few times (FT), 5= Rarely ®.

Table: 3
Sources of Information for Urban Samples
(n=1321)

Sr	Sources of Information	MOT	%	U	%	ST	%	FT	%	R	%	NA	%
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	Individual Agent	996	75.4	235	17.8	26	2	32	2.4	17	1.3	15	1.1
2	Pamphlets	0	0	0	0	46	3.5	44	3.3	53	4.0	1178	89.2
3	Newspapers	90	6.8	544	41.2	467	35.4	120	9.1	0	0	100	7.6
4	Hoardings	0	0	43	3.3	75	5.7	60	4.5	30	2.3	1113	84.3
5	Television	205	15.5	358	27.1	464	35.1	167	12.6	31	2.3	96	7.3
6	Radio	0	0	17	1.3	76	5.8	81	6.1	79	6.0	1068	80.8
7	Friends	30	2.5	74	5.6	59	6.9	304	35.7	385	45.2	469	35.5
8	Relatives	0	0	17	1.3	60	4.5	256	19.4	215	16.3	773	58.5
9	Banker	0	0	17	1.3	14	1.1	157	11.9	291	22.0	842	63.7

Source: (compiled from Field data)

Table number 3 shows the different sources of information of LIC for urban samples. The table reveals that 'Most of the times' 75.4% of the samples get information about LIC through individual agents followed by television by 15.5% and newspapers 6.8%. Proportion of the friends as a source of information for urban samples is 2.5 supplying information Most of the times. On the other hand pamphlets, radio, relatives and banker are not the source to provide information Most of the times.

The table further indicates that newspaper is the main source of information that provides information about LIC 'usually' with 41.2% followed by television with 27.1% and individual agents with 17.8%. The percentage of friends, hoardings, radio, relatives and bankers is at very low level as a 'usual source of information for samples. However, all urban samples have opined that Pamphlets are not the 'Usual' source of their information. Newspaper, television and individual agents play vital role in providing information 'usually' to the samples.

The newspapers and television as a source of information secured 35.4% and 35.1% responses for 'some times'. The 'some times' responses for friends, radio, hoardings, relatives, pamphlets and bankers fall between 1.1% and 6.9% which is very low. Thus it can be stated that newspapers and television are the major sources to provide information about life insurance to the samples 'some times'.

It is also seen that the urban samples get information 'few times' from friends 35%, relatives 19.4%, television 12.6%, banker 11.9% and newspaper 9.1% showing that these are not so popular sources of information for the samples to get information about life insurance.

Friends, banker and relatives with 45.2%, 22% and 16.3% responses respectively provide information to the samples "rarely".

Sources of Information for Rural Samples:

Following table shows the different sources of information for the respondents of LIC from rural area in Kolhapur district through which they get the information about life insurance and LIC.

The opinions of samples are sought on five point scale as-

1=Most of the times (MOT), 2=Usually (U), 3= Some times (ST), 4= Few times (FT),
5= Rarely (R).

Table: 4
Sources of Information for Rural Samples

(n=1179)

Sr	Source of Information	MOT	%	U	%	ST	%	FT	%	R	%	NA	%
1	Individual Agent	893	75.7	213	18.1	16	1.4	30	2.5	13	1.1	14	1.2
2	Pamphlets	0	0	0	0	42	3.6	38	3.2	48	4.1	1051	89.1
3	Newspapers	80	6.8	473	40.1	447	37.9	99	8.4	0	0	80	6.8
4	Hoardings	0	0	46	3.9	77	6.5	56	4.7	30	2.5	970	82.3
5	Television	179	15.2	329	27.9	394	33.4	169	14.3	32	2.7	76	6.4
6	Radio	0	0	13	1.1	68	5.8	79	6.7	72	6.1	947	80.3
7	Friends	27	2.3	62	5.3	56	4.7	257	21.8	342	29	435	36.9
8	Relatives	0	0	13	1.1	40	3.4	224	19.0	172	14.6	730	61.9
9	Banker	0	0	16	1.4	13	1.1	143	12.1	258	21.9	749	63.5

Source: (compiled from Field data)

Table 4 shows the sources of information through which the respondents get information about life insurance. It is observed that 'Most of the times' 75.7% of the rural samples get information about life insurance through individual agents followed by television by 15.2% and newspapers 6.8% and 2.3% by friends. Pamphlets, Hoardings, Radio, Relatives and relatives are not most of the times information providers for the samples.

Newspaper is the main source of getting information 'usually' for the rural samples with 40.1% followed by television and individual agents with 27.9% and 18.1% respectively. The opinions of samples for 'usual' source of information through friends, hoardings, banker, radio and relatives fall between 1.1% and 5.3% on the other hand pamphlets do not provide information to any of the rural samples.

The rural samples opined that Newspapers and Television are the sources who provide them information about life insurance 'some times' with 37.9% and 33.4% responses. The percentage of 'some times' responses for Individual Agent, pamphlets, friends, hoardings, banker, radio and relatives range between 1.1% and 6.5%. Friends, relatives, television and banker supply information few times with 21.8%, 19%, 14.3% and 12.1% respectively. Banker and relatives provide information rarely with 21.9% and 14.6% responses.

Hypothesis Testing:

H1: There is no awareness among the people about the need of insurance, types of policies and number of policies

To check the opinion of respondents regarding the awareness among the people about the need of insurance, types of policies and number of policies 12 statements were prepared and the opinions are measured with five point scale as 1 for strongly disagree, 2 for disagree, 3 for neutral, 4 for agree and 5 for disagree. The mean and standard deviation score of each statement are as follows-

Table: 5
Description of Awareness about Life Insurance

One-Sample Statistics					
Sr.	Parameters	N	Mean	Std. Deviation	Std. Error Mean
1.	Insurance is a necessity of life	2500	3.82	1.203	.024
2.	Even with small monthly earnings insurance should be obtained.	2500	3.51	1.190	.024
3.	At least insurance of head of family who is major wage earner should be taken.	2500	3.57	1.198	.024
4.	Insurance minimizes future risk due to loss of chief wage earner.	2500	3.74	1.182	.024
5.	Reading conditions overleap policy document is necessary	2500	3.47	1.128	.023
6.	Insurance needs differ from person to person.	2500	3.52	1.154	.023
7.	Insurance policy comes in numerous types applicable to different purposes	2500	3.52	1.070	.021
8.	Now-a-days companies are designing need based insurance combo products as well	2500	3.53	1.264	.025
9.	One type of insurance policy may not be suitable for every individual	2500	2.19	1.143	.023
10.	The basic insurance plan is known as term plan	2500	3.05	1.335	.027
11.	Insurance seems to me as purely protection option	2500	3.71	1.215	.024
12.	One should obtain different insurance plans serving different purposes viz. term plan mediclaim, endowment, child plans etc.	2500	4.02	.904	.018

Source: (Processed field data)

Awareness about life insurance- test of significance:

To check the opinion of respondents regarding the awareness among the people about the need of insurance, types of policies and number of policies 12 statements were prepared and the opinions are measured with five point scale as 1 for strongly disagree, 2 for disagree, 3 for neutral, 4 for agree and 5 for disagree. A one sample 't' test has brought ins use to find the significance at 0.95% confidence. This is shown in table number 6.

Table: 6
Awareness about life insurance test of significance

One-Sample Test							
Sr.	Parameters	Test Value = 3					
		T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
						Lower	Upper
1.	Insurance is a necessity of life	34.039	2499	.000	.819	.77	.87
2.	Even with small monthly earnings insurance should be obtained.	21.221	2499	.000	.505	.46	.55
3.	At least insurance of head of family who is major wage earner should be taken.	23.772	2499	.000	.570	.52	.62
4.	Insurance minimizes future risk due to loss of chief wage earner.	31.401	2499	.000	.742	.70	.79
5.	Reading conditions overleap policy document is necessary	20.994	2499	.000	.474	.43	.52
6.	Insurance needs differ from person to person.	22.635	2499	.000	.522	.48	.57
7.	Insurance policy comes in numerous types applicable to different purposes	24.134	2499	.000	.516	.47	.56
8.	Now-a-days companies are designing need based insurance combo products as well	20.949	2499	.000	.530	.48	.58
9.	One type of insurance policy may not be suitable for every individual	-35.413	2499	.000	-.809	-.85	-.76
10.	The basic insurance plan is known as term plan	1.962	2499	.050	.052	.00	.10
11.	Insurance seems to me as purely protection option	29.212	2499	.000	.710	.66	.76
12.	One should obtain different insurance plans serving different purposes viz. term plan mediclaim, endowment, child plans etc.	56.669	2499	.000	1.024	.99	1.06

Source: (Processed field data)

Table number 6 depicts the one sample 't' test statistic of all these statements 34.039,21.221,23.772,31.401,20.994,22.365,24.134,20.949,-35.413,1.962,29.212, and 56.669 respectively at 2499 df. Since the 'p' value of all statements shows is 0.000 which is lesser than alpha 0.05, that gives the evidence that the test is significant at 95% of confidence at two tailed. Thus result supports to reject the null hypothesis that there is no awareness among the people about the need of insurance, types of policies and number of policies to accept alternative hypothesis that there is a awareness among the people about the need of insurance, types of policies and number of policies.

Combined Average Awareness about Life Insurance:

To make the calculation lucid researcher has considered combined opinion on each statements and the mean score of each statement is considered to test the said hypothesis by using one sample 't'. The description is as follows:

Table:7
Combined average awareness about Life Insurance

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
Combined Average Awareness	12	3.4708	.46617	.13457

Source: (Processed field data)

Table: 8
Combined Average Awareness test of significance.

One-Sample Test						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Combined Average Awareness	3.499	11	.005	.47083	.1746	.7670

Source: (Processed field data)

Table 8 depicts the one sample't' test statistic 3.499 on combined opinion about the awareness among the people for 2499 df. Since the 'p' value is 0.005 which is lesser than alpha 0.05, that gives the evidence that the test is significant at 95% of confidence at two tailed. Thus result supports to reject the null hypothesis that there is no awareness among the people about the need of insurance, types of policies and number of policies to accept alternative hypothesis that there is a awareness among the people about the need of insurance, types of policies and number of policies.

FINDINGS:

The researcher found the following-

- 1.The overall level awareness about the life insurance of samples was gauged through 12 parameters. The responses were assessed on five point scale, 1 strongly disagree to 5 for strongly agree. The mean, SD and ranks are calculated. The mean values fell between 2.19 and 4.02 with a standard deviation ranging from 0.90 to 1.14 for consolidated opinion i.e. all samples. For urban samples the mean values are between 2.14 to 4.06 with a standard deviation ranging from .88 to 1.13 and the mean scores of rural samples fell between 2.24 to 3.99 with a standard deviation ranging from .92 to 1.15.
- 2.Spearman's rank correlations have calculated to find the relationship on the opinions of samples given to the parameters awareness about life insurance and it has found that the relationship between all samples with urban as well as relationship between all samples and rural samples is highly positive. The spearman's rank correlation between all samples and urban samples is 0.979 that to of rural samples is also 0.979 which is significant at 0.01 level of significance. The spearman's rank correlation between urban and rural samples is 1.000 which highly positive and found to be significant at 0.01 level of significance.
- 3.Amongst 12 parameters used to find the level of awareness about life insurance, mean scores of two parameters fall between 3.0 and 3.5. These parameters are 'Reading conditions overleap policy document is necessary' with mean value' 3.47 & standard deviation of 1.12 and 'The basic insurance plan is known as term plan' with mean value 3.05 and standard deviation 1.33. This indicates agreement of the respondents to the statements but there are large variations in the opinion. Thus, there is a scope to create awareness about need of reading the policy conditions and the need of term plan.

4. It has found that Individual Agents of LIC are the dominant source of getting information for the samples since it fetches the highest and more than two third percentage of responses for 'most of the times' and have gained 17.9% responses as 'Usual' source of information for the samples. It is further found that Television followed after Individual Agents, as a source of information of insurance for the samples since 15.4% responses opined to get information from television most of the time followed by 27.5 % get information usually' from television. Around 6.8% of samples get information about insurance 'Most of the Times' by way of newspaper. Thus, it can be stated that Individual Agents, Television and Newspapers are the major sources for the samples to get the information about insurance. Pamphlets, Relatives, Radio and Bankers lag far behind in providing information to the samples about insurance

5. It is found that individual agents of LIC are the main source of information for the urban samples to get information about insurance with 75.4% 'most of the times' and 17.8% 'usual' responses. It is further seen that television is also an important way of getting information for urban samples with 15.5% 'most of the times' and 27.1% 'usual' responses. Newspapers also got good 'some times' and 'usual' responses i.e. 6.8% and 41.2% respectively showing important place in providing information about life insurance to the samples. Thus, it can be stated that individual agents of LIC, television and newspapers play a vital role in providing information to the urban samples about life insurance while pamphlets, hoardings, friends, radio and bankers are not the important sources to get information about life insurance for the samples

6. It is found that the individual agents and television are the most dominant sources of information about life insurance for the rural samples with total of 93.8% and 43.1% of 'Most of the Times' and 'usually' responses. It is further observed that newspapers are also an important source of information with 6.8% 'most of the times' responses and 40.1% respondents.

SUGGESTIONS:

1. In fact the conditions put forth by insurance company for any plan are quite huge. The insurance agents are generally believed on while purchasing the policy. It is generally also observed that policy holder does not go through the entire clauses of policy. Simplification of clauses of policy is needed. If the clauses come in vernacular language then these are more readable because the legal language is thought to understand.
2. Language used in the advertisements should be understandable especially to the rural population. The symbols, dialogues etc. used in the advertisements should be easier to understand for the rural people.
3. The rural population is mostly unaware about the insurance plans; therefore, care should be taken to provide maximum information so that they can understand the same.
4. Being a service, the products in life insurance are intangible. Hence, individual agents of LIC who work at root level and have direct contacts with the customers should enhance their knowledge about the products and procedures so as to answer the doubts of customers satisfactorily.
5. It is recommended to launch a TV channel to create awareness about need of life insurance and provide information about the insurance products.

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