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## CONSUMERS RESPONSE IN RELATION TO MAX LIFE INSURANCE AND ITS PRODUCT AND PROMOTION MIX

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### ABTRACT

*In modern era, the consumer is the king and thus the firms are focused to lead forward by satisfying the needs of the customer by providing key range of quality products & services. Globalization has paved the way for promotion world. Promotion is one of the very few essential assets allocating concept which is growing at its zenith rate to bring prosperity and progress to the teeming millions of countries where people run after jobs. So in this highly competitive global exposed market the company can lead by focusing on product mix and promotion mix. This paper puts light on the consumers response in relation to Max Life Insurance Product and Promotional Practices. The study includes the primary and secondary data collected by preparation of a questionnaire and data arrived from secondary sources such as books , websites etc.*

### INTRODUCTION:

**Marketing mix** refers to the putting right product or a combination in the right place, at the right time, and at the right price.

- **Price**
- **Product**
- **Promotion**
- **Place.**

The marketing mix includes the four P's:

**Product:** A product is an item that is produced to satisfy a unsatisfied need of group of people. The product can be in the form of goods or services.

While developing right product, following questions are asked.

- What a client need from a product or service.
- How it will be used by a customer.
- Where will he use it.
- What features must be included in the product to satisfy customers need.
- How the product or service is different from the competitors.

**Promotion** is one of the elements of market mix and a term used frequently in marketing. **Promotion** refers to raising customer awareness of a product or brand, generating sales, and creating brand loyalty.

**Promotion** is also found in the specification of five promotional mix or promotional plan.

- **Personal selling**
- **Advertising**
- **Sales promotion**
- **Direct marketing**
- **Publicity**

These elements are

A promotional mix specifies how much attention to pay to each of the five subcategories, and how much money to budget for each. Fundamentally, there are three basic objectives of promotion. These are:

- To present useful information to consumers as well as others.

- To increase market demand.
- To differentiate a product.

There are different ways to promote a product in different areas of media. Promoters use internet advertisements, special events, endorsements, and newspapers to advertise their product. Many times with the purchase of a product there is an incentive like discounts (i.e., coupons), free items, or a contest. This method is used to increase the sales of a given product.

### **MAX LIFE INSURANCE LTD**

Max Life Insurance, one of the leading life insurers, is a joint venture between Max India Ltd. and Mitsui Sumitomo Insurance Co. Ltd. Max Life Insurance has partnered with 50 companies, so that their products are available at 1453 locations ensuring ease of reach for their customers.

Mr. Analjit Singh the founder and chairman of Max India Limited and its subsidiaries Max Life Insurance Company Limited, Max Healthcare Institute Limited and Max Bupa Health Insurance Company Limited. He has been the driving force behind the Max India Group's sustained growth and success since the mid 80's.

#### **Some of the industry firsts:**

- First company to provide free look period of 15 days to the customer. This was later made mandatory by the regulator
- First company to start toll free line for agent service
- First and the only life insurance company in India to implement Lean methodology of service excellence in service industry
- First life insurance company in India to provide various services to the agents and customers over phone
- First Indian life insurance company to start service center at the regional level
- First life insurance company in India to be awarded ISO 9001:2008 certification

## **VISION:**

Vision statement is "Most Admired Life Insurance Company in India".

## **MISSION:**

- Become one of the top quartile life insurance companies in India
- Be a national player
- Be the brand of first choice
- Be the employer of choice
- Become principal of choice for agents.

## **OBJECTIVES OF THE STUDY**

This project aims at the following objectives-

- To know about demographic factors affecting Product of Max Life Insurance.
- To analyze the role of advertisement for Max Life Insurance Companies.
- To know the perception and conception of customers towards Insurance products and specially focused for Max Life Insurance product.

## **SCOPE OF THE STUDY**

- The numbers of respondents surveyed are 100, out of which 37 are job holders and rest are the customers from different professions and self employed.
- The study is conducted in Firozpur.
- This study is conducted to analyze the market stand of Max Life insurance with that of other insurance companies in India.

## **RESEARCH METHODOLOGY**

A Research methodology has a specified framework for collecting the data in an effective manner. Research methodology means "defining a problem, defining the research objectives, developing the research plan, collecting the information, analyzing the information and presentation of findings." Such framework is called "Research Design". The research process that was followed by me consisting following steps;

- A) Defining the problem
- B) Developing the research plan
- C) Collection of Data
- D) Analysis and Interpretation of Data
- E) Presentation of findings

**A) Defining the problem and research objectives**

My research problem is to know the Buying process of proactive policy buyers.

**B) Developing the Research Plan**

The development of research plan has following steps:

1. Data source
2. Research approach
3. Type of Research Design
4. Sampling plan
  - i) Sample size – 100
5. Questionnaire Design.

**DATA COLLECTION**

### **Determining sources of Data:**

There are two main sources of data:

1. Primary data
2. Secondary data

#### ➤ **Primary Data:**

It consists of original information collected for specific research. Primary data for this research study was collected through a direct survey to obtain this primary data a well structured questionnaire is prepared by the researcher.

#### ➤ **Secondary Data:**

It means data that are already available i.e. they refer to data which are already collected and analyzed by someone else. Secondary Data may be either published data or unpublished data. Usually published data are available in:-

- 1) Internet, Books Magazines and newspaper's
- 2) Public records and statistics

### **DATA ANALYSIS**

Method of collecting data:

#### ➤ **Sampling technique:-**

For the survey, Convenience Sampling this method involves purposive or deliberate selection of particular units of the universe which are available on the case of access for constituting a sample which representing universe.

#### **Tools of Analysis in collecting data:**

Various tools have been used in this research:

1. Tables.

2. Pie charts.
3. Bar diagrams.
4. Percentage method has been used to analyze the data.

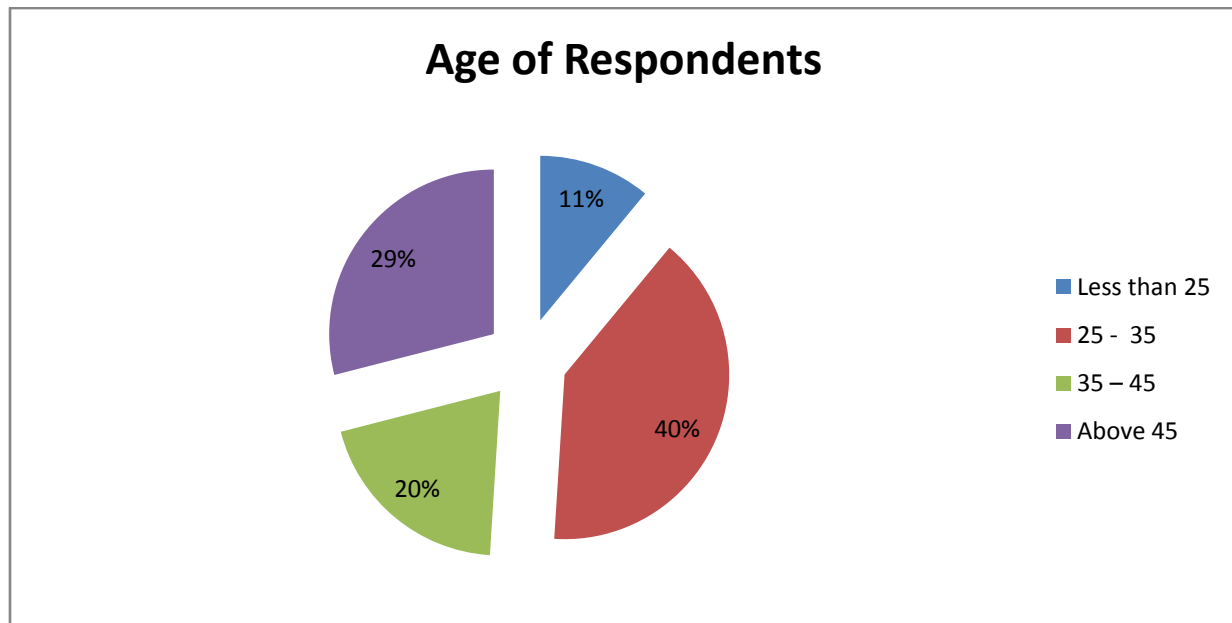
### **DATA ANALYSIS AND INTERPRETATION**

#### **1. Age of the respondents**

**Table no. 1**

PARTICULARS (AGE)	NO.OF.RESPONDENT	PERCENTAGE
Less than 25	11	11%
25 - 35	40	40%
35 – 45	20	20%
Above 45	29	29%
TOTAL	100	100

**Figure: 1**

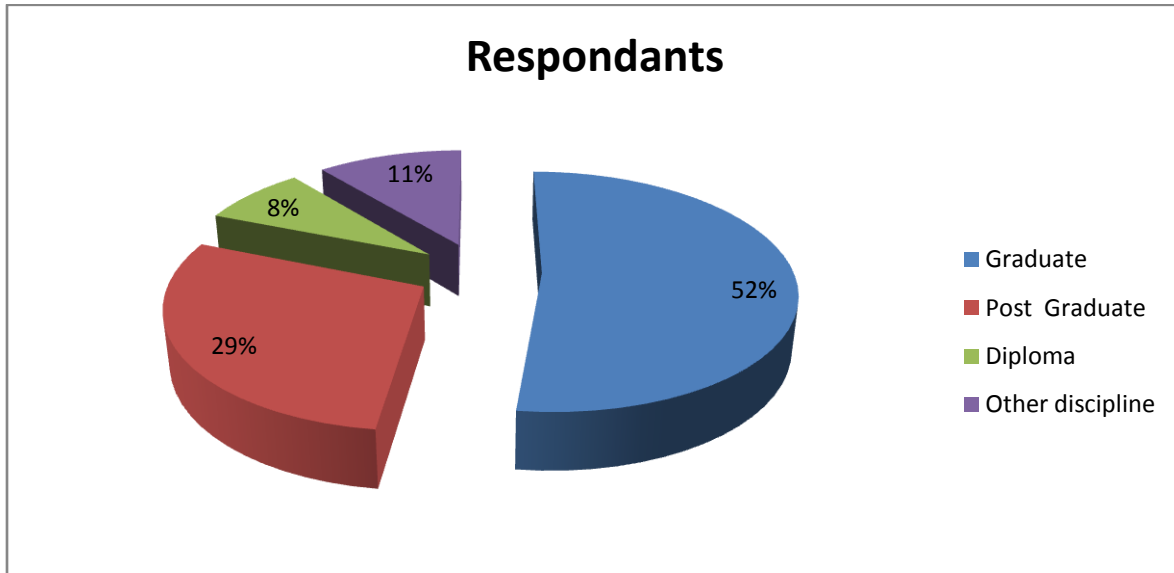


**2. Qualification of the respondents**

**Table no. 2**

<b>PARTICULARS</b>	<b>NO.OF RESPONDENT</b>	<b>PERCENTAGE</b>
Graduate	52	52%
Post Graduate	29	29%
Diploma	8	8%
Other discipline	11	11%
<b>TOTAL</b>	<b>100</b>	<b>100%</b>

Figure: 2



**INTERPRETATION:**

From the survey it was found that amongst 100 respondents

- 1) 52% - respondents were graduate.
- 2) 29% - respondents were post graduate.
- 3) 8% - respondents were diploma holders.
- 4) 10% - respondents were other discipline

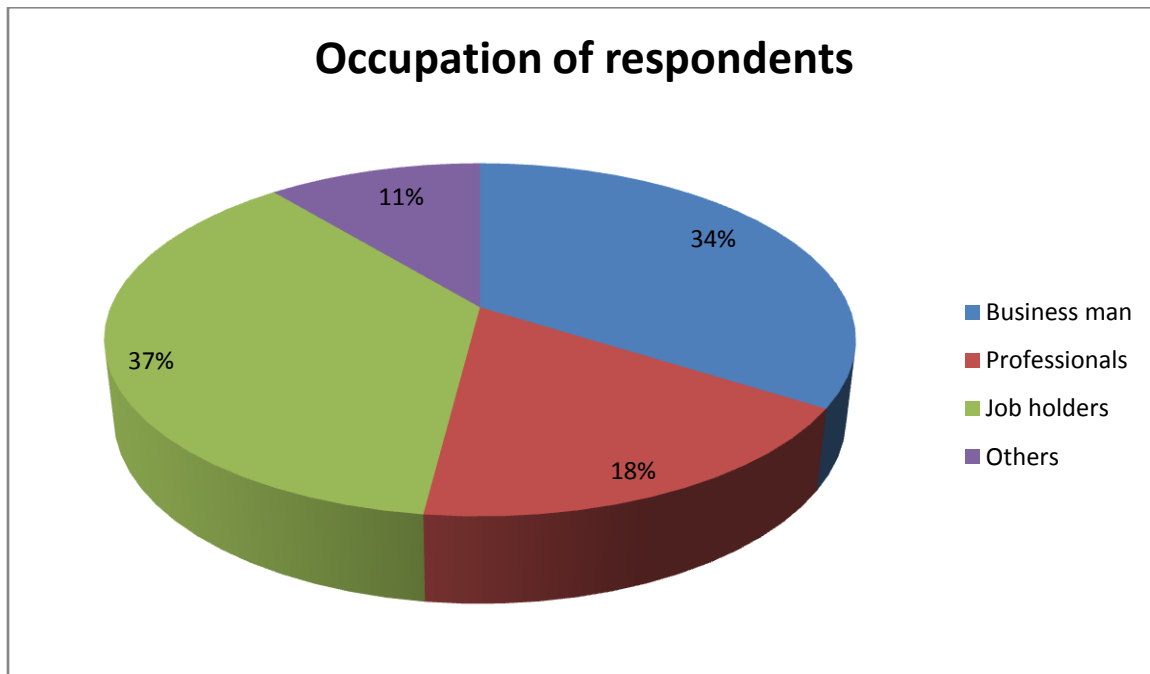
**3. Occupation of the respondents**

Table no. 3

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE
Business man	34	34%

Professionals	18	18%
Job holders	37	37%
Others	11	11%
TOTAL	100	100%

Figure 3



**INTERPRETATION:**

From the survey it was found that amongst 100 respondents

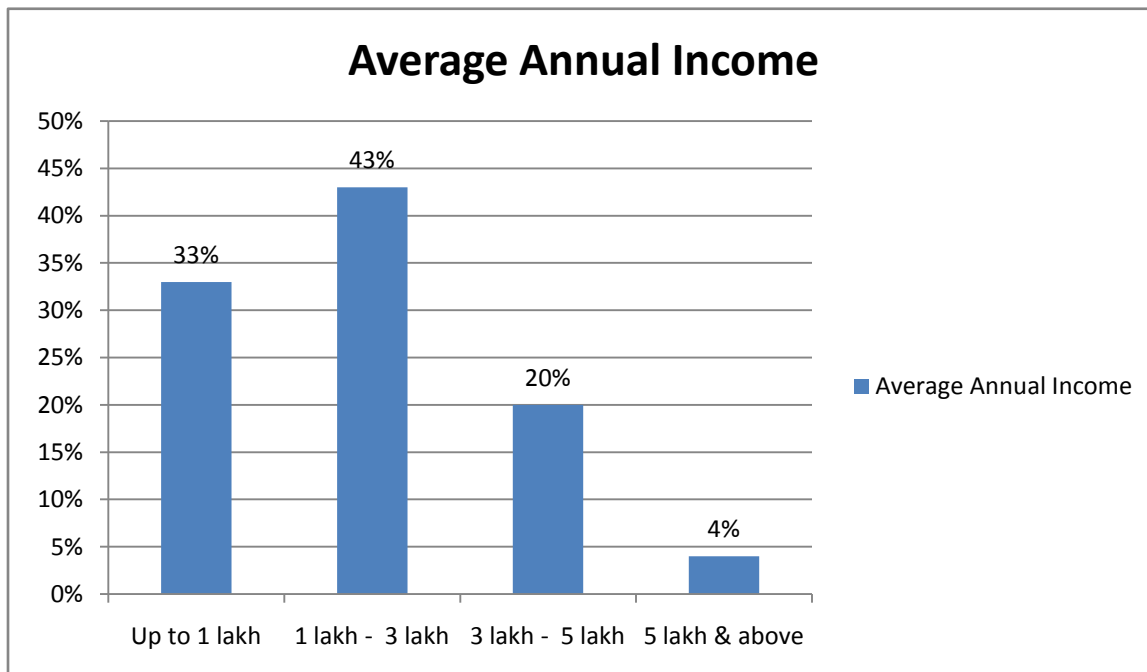
- a) 34% - respondents are businessmen.
- b) 18% - respondents are professionals.
- c) 37%-respondents are job holders.
- d) 11%-respondents are others.

**4. Average annual income of respondents**

**Table no. 4**

<b>PARTICULARS</b>	<b>NO. OF RESPONDENT</b>	<b>PERCENTAGE</b>
Up to 1 lakh	33	33%
1 lakh - 3 lakh	43	43%
3 lakh - 5 lakh	20	20%
5 lakh & above	4	4%
<b>TOTAL</b>	<b>100</b>	<b>100%</b>

**Figure 4**



**INTERPRETATION:**

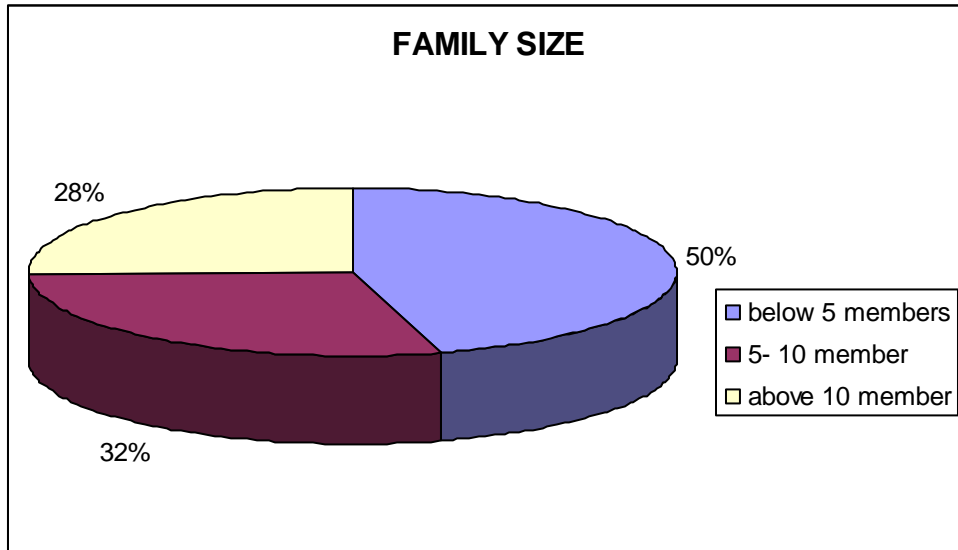
From the survey it was found that amongst 100 respondents

- a) 33% , respondents have an average annual income up to 1 lakh
- b) 43%, respondents have an average annual income from 1 lakh to 3 lakh
- c) 20% ,respondents have an average annual income from 3 lakh to 5 lakh
- d) 4%, respondents have an average annual income above 5 lakh

**Table no. 5**

<b>PARTICULARS</b>	<b>NO.OF RESPONDENT</b>	<b>PERCENTAGE</b>
Below 5 members	50	50%
5 - 10 members	32	32%
Above 10 members	28	28%
<b>TOTAL</b>	<b>100</b>	<b>100%</b>

**Figure 5**



**INTERPRETATION:**

From the survey it was found that amongst 100 respondents

- a) 50% - respondents are below 5 members.
- b) 32% - respondents are between 5 to 10 members.
- c) 28% - respondents are above 10 members.

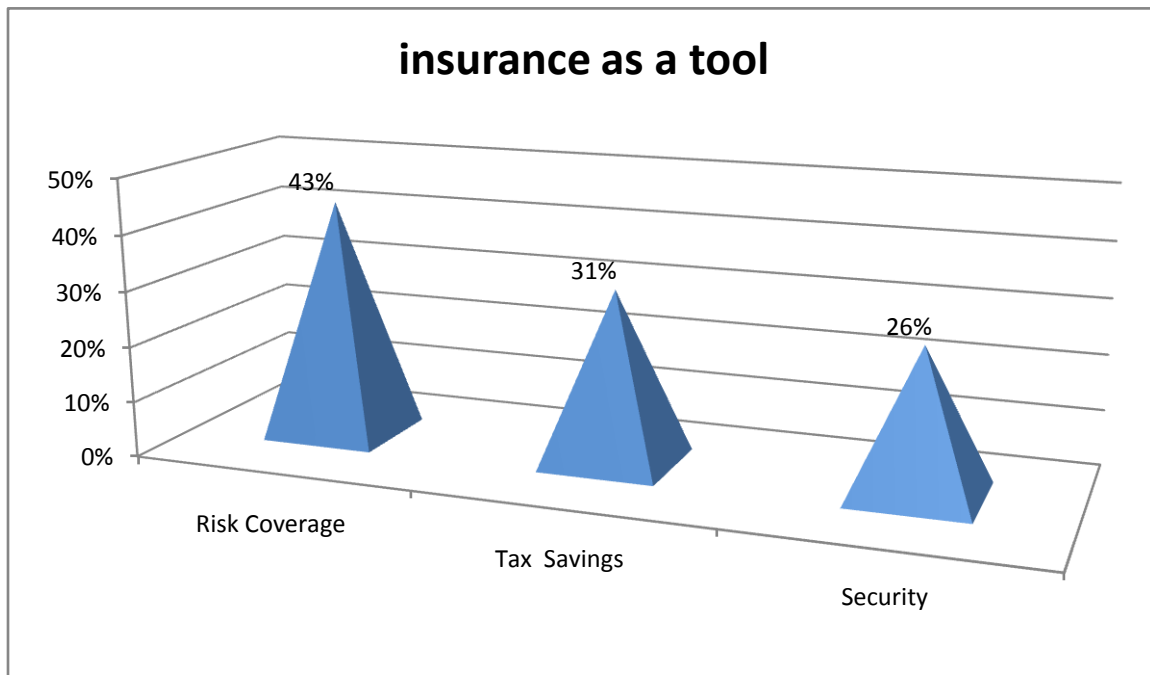
**6. According to respondents life insurance is:**

**Table no. 6**

<b>PARTICULARS</b>	<b>NO.OF. RESPONDENT</b>	<b>PERCENTAGE</b>
Risk Coverage	43	43%
Tax Savings	31	31%

Security	26	26%
TOTAL	100	100%

Figure 6



**INTERPRETATION:**

From the survey it was found that amongst 100 respondents

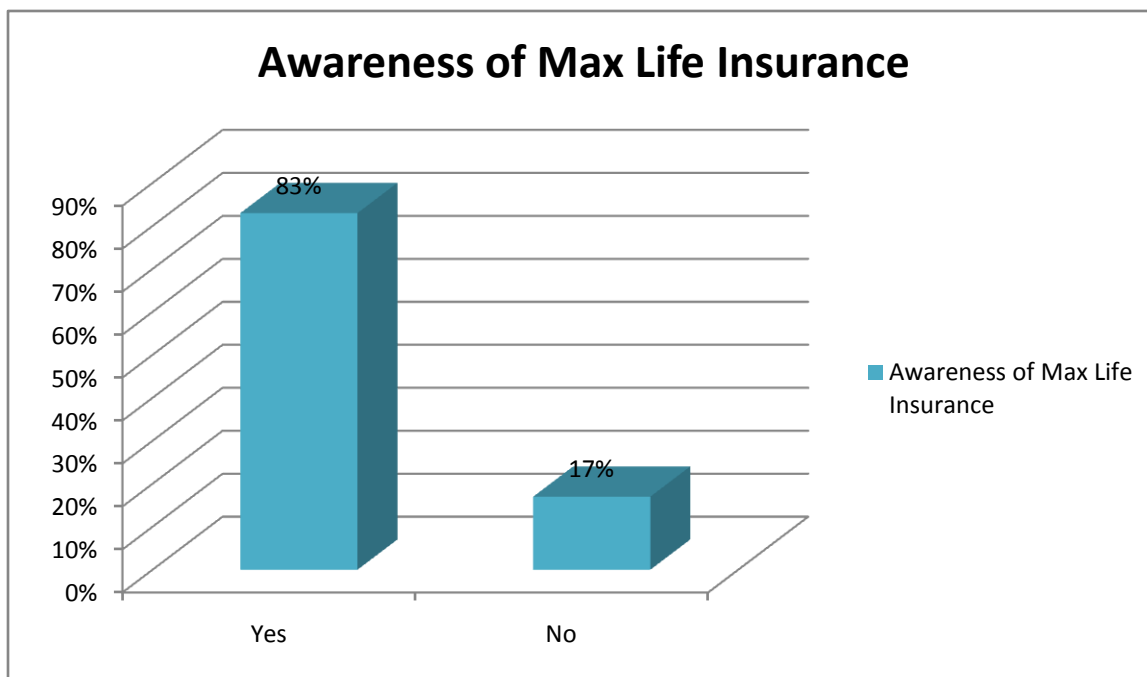
- a) 40% - respondents say risk coverage.
- b) 30% - respondents say tax savings.
- c) 30% - respondents say financial security.

**7. Awareness of Max Life Insurance**

Table no. 7

PARTICULARS	NO.OF.RESPONDENT	PERCENTAGE
No	17	17%
Yes	83	83%
TOTAL	100	100%

Figure 7



**INTERPRETATION:-**

From the survey it was found that amongst 100 respondents.

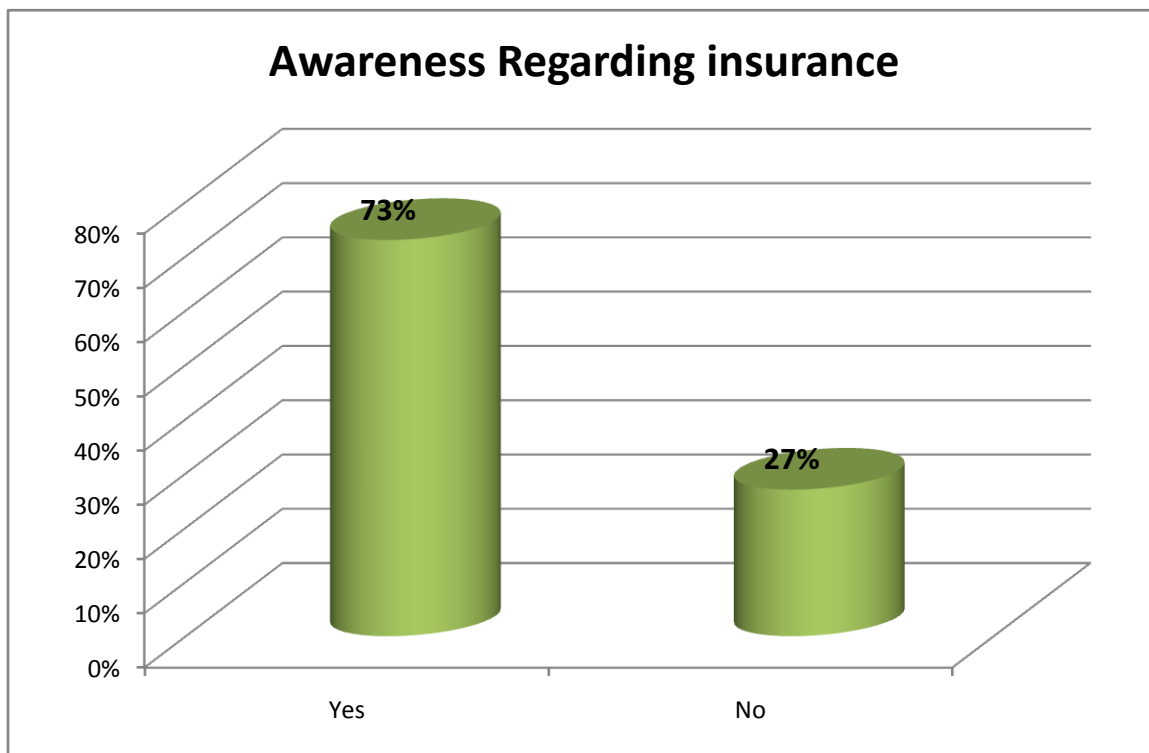
- a) 83% , respondents are aware of Max Life Insurance Co.
- b) 17%, respondents are unaware of Max life Insurance Co.

**8. Awareness regarding Insurance:**

**Table no. 8**

<b>PARTICULARS</b>	<b>NO.OF.RESPONDENT</b>	<b>PERCENTAGE</b>
Yes	73	73%
No	27	27%
<b>TOTAL</b>	<b>100</b>	<b>100%</b>

**Figure 8**



**INTERPRETATION:-**

From the survey it was found that amongst 100 respondents

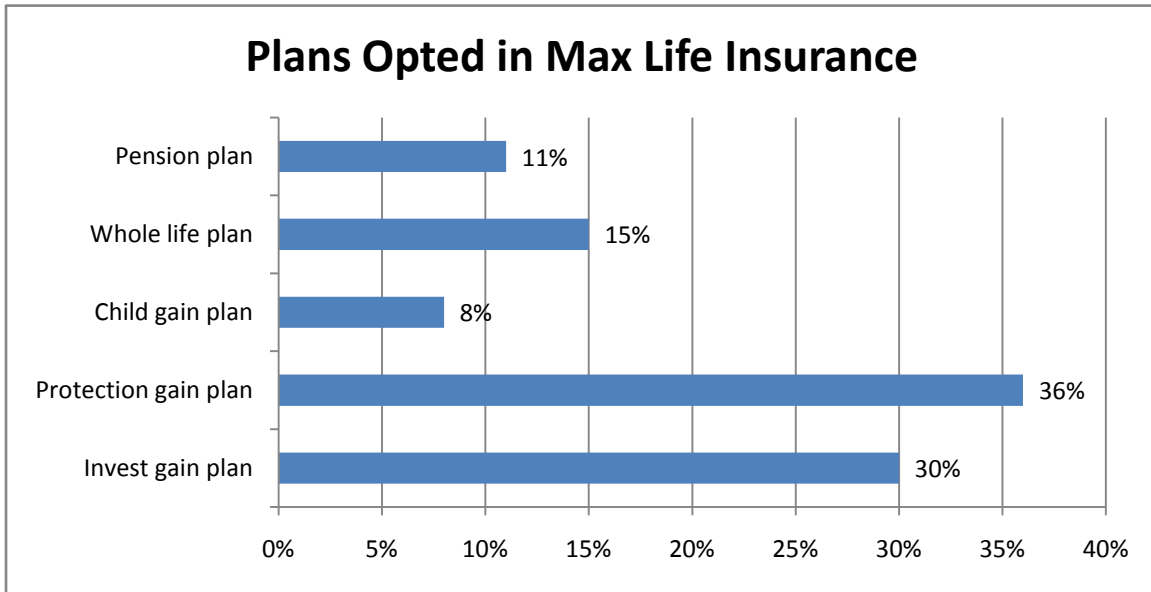
- a) 70%, respondents are aware of insurance.
- b) Only 30% respondents are unaware of insurance.

**9. % of respondents who are under different plans of Max life insurance co:**

**Table no. 9**

<b>PARTICULARS</b>	<b>NO.OF.RESPONDENT</b>	<b>PERCENTAGE</b>
Invest gain plan	30	30%
Protection gain plan	36	36%
Child gain plan	8	8%
Whole life plan	15	15%
Pension plan	11	11%
<b>TOTAL</b>	<b>100</b>	<b>100%</b>

**Figure 9**



**INTERPRETATION:**

From the survey it was found that amongst 100 respondents:

- 1) 30%, respondents are under invest gain plan
- 2) 36%, respondents are under protection gain plan
- 3) 8%, respondents are under child gain plan
- 4) 15%, respondents are under whole life plan
- 5) 11%, respondents are under pension gain plan

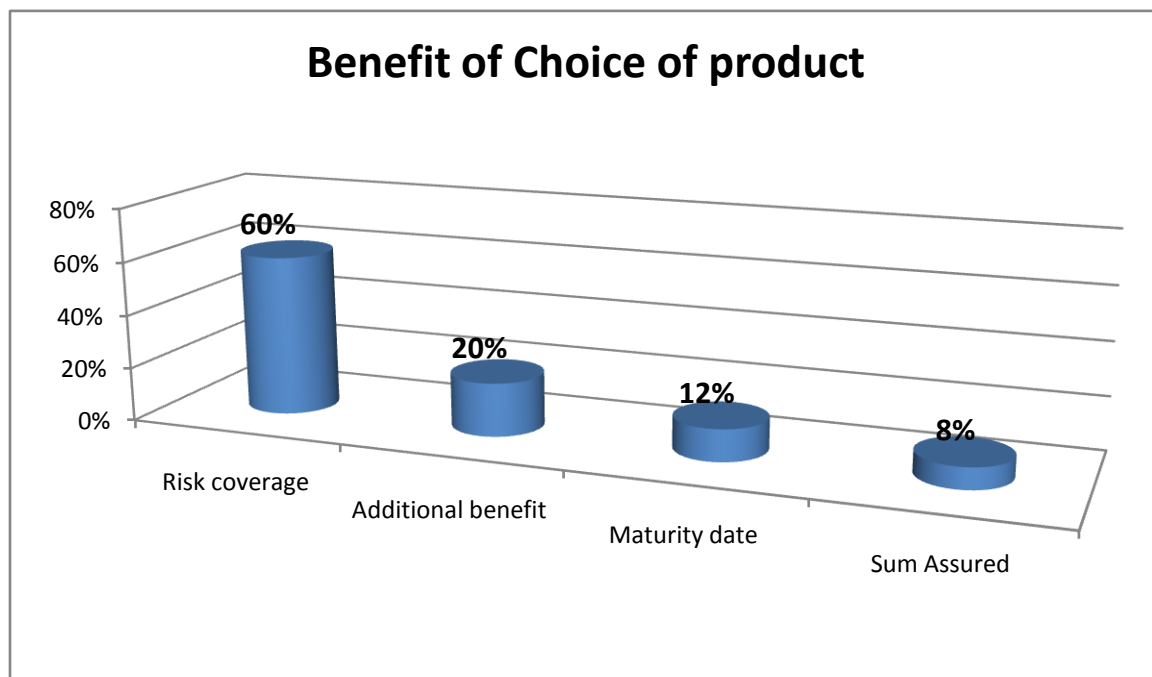
**10. % of respondents benefits of choosing the particular products:**

**Table no. 10**

<b>PARTICULARS</b>	<b>NO.OF.RESPONDENT</b>	<b>PERCENTAGE</b>
Risk coverage	60	60%
Additional benefit	20	20%

Maturity date	12	12%
Sum Assured	8	8%
TOTAL	100	100%

Figure 10



**INTERPRETATION:**

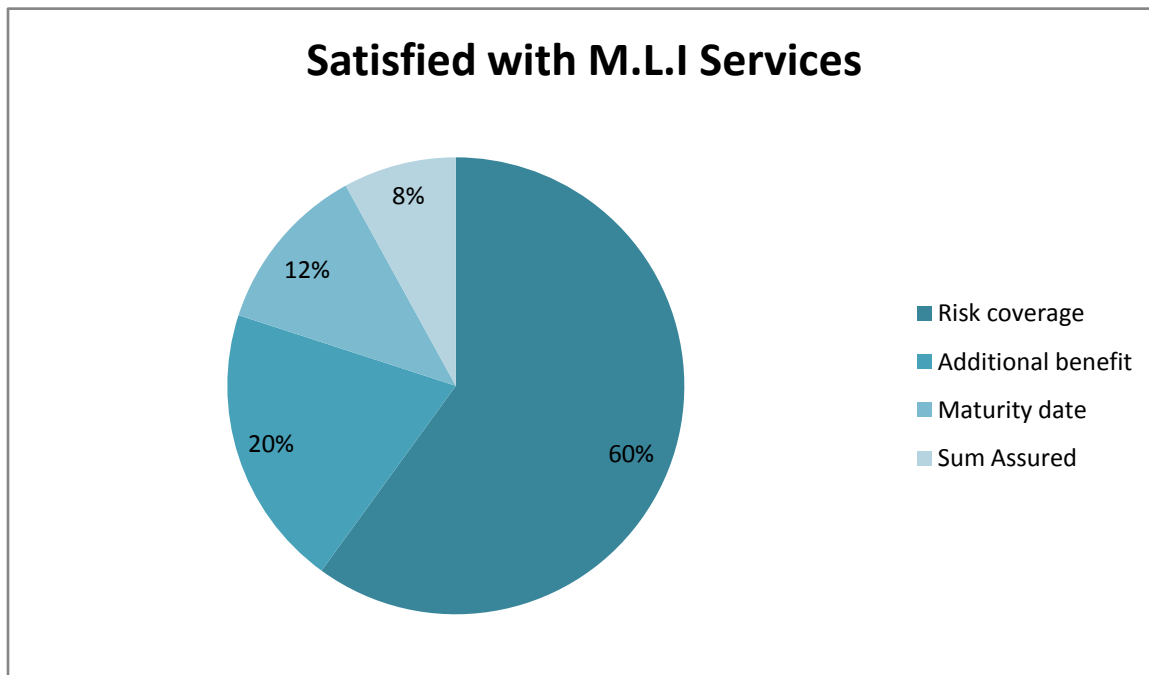
- a) 60% of the respondents say that a benefit of choosing the particular product is for Safety of life.
- b) 20% of the respondents say that a benefit of choosing the particular products is for additional benefit to family.
- c) 12% of the respondents say that a benefit of choosing the particular products is for maturity date.
- d) 8% of the respondents say that a benefit of choosing the particular products is for sum assured.

**11. Are the respondents satisfied with the services of M.L.I. Insurance?**

**Table no. 11**

<b>PARTICULARS</b>	<b>NO. OF RESPONDENTS</b>	<b>PERCENTAGE</b>
NO	29	29%
YES	71	71%
TOTAL	100	100%

**Figure 11**



**INTERPRETATION:**

From the survey it was found that among 100 respondents:-

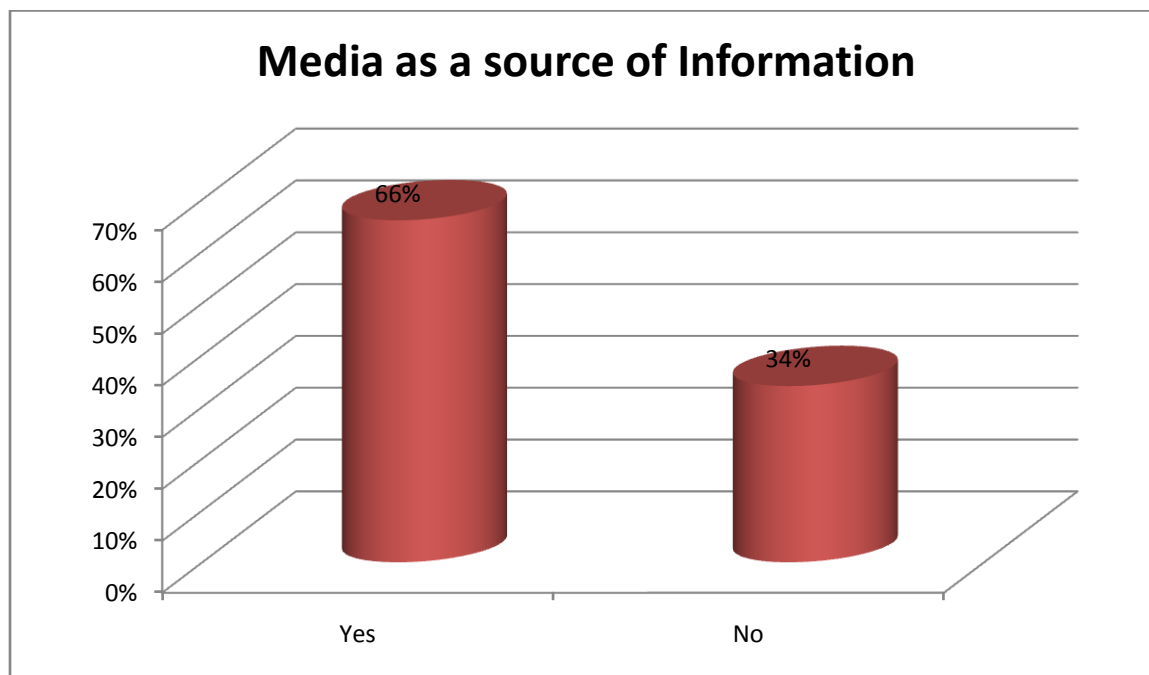
- 1) 70% respondents are satisfied with the services of M.L.I.
- 2) 30% respondents are not satisfied with the services of M.L.I.

**12. Has media been the source of information for various plans of max life insurance co:**

**Table no. 12**

<b>PARTICULARS</b>	<b>NO. OF RESPONDENTS</b>	<b>PERCENTAGE</b>
YES	66	66%
NO	34	34%
TOTAL	100	100%

**Figure 12**



**INTERPRETATION:**

From the survey it was found that amongst 100 respondents:

- a) 60% respondents have media as the source of information for various plans.
- b) 40% respondents do not have media as the source of information for various plans.

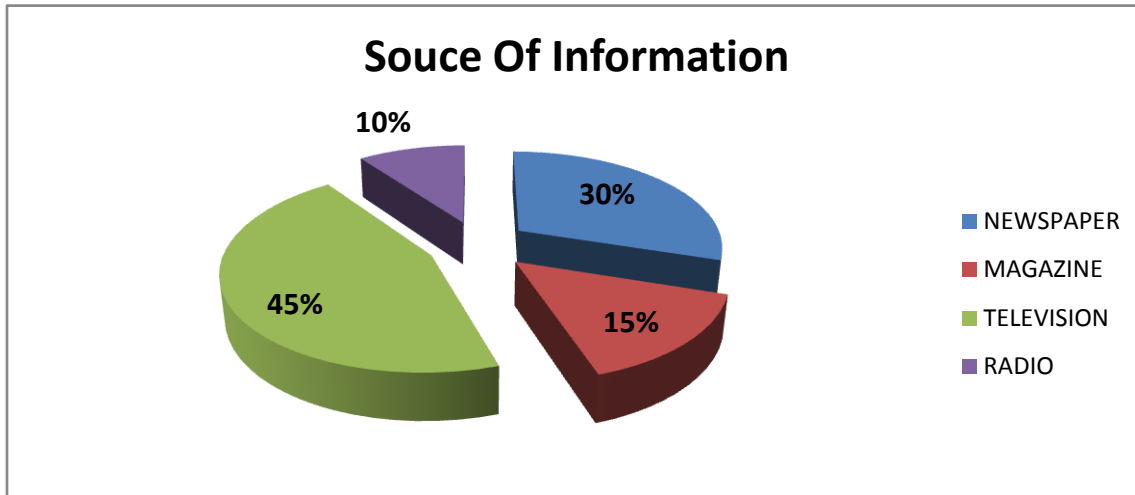
13. Which source of media has provided information for the various plans offered by

M.L.I:

Table no. 13

<b>PARTICULARS</b>	<b>NO. OF RESPONDENTS</b>	<b>PERCENTAGE</b>
NEWSPAPER	30	30%
MAGAZINE	15	15%
TELEVISION	45	45%
RADIO	10	10%
TOTAL	100	100%

Figure 13



**INTERPRETATION:**

From the survey it was found that amongst 100 respondents

- a) 30% respondents prefer newspaper as the source of information
- b) 15% respondents prefer magazine as the source of information
- c) 45% respondents prefer television as the source of information.
- d) 10% respondents prefer radio as the source of information.

- Maximum of the insurance is purchased by the middle age group as they want to secure their future.
- Insurance is mostly preferred by the job holders.
- Maximum insurance holders fall under the average annual income ranging between 1- 3 lakhs.
- Insurance is usually preferred by small families as they don't have many sources or options to depend upon in their future.
- Mostly people prefer insurance to cover their risk factor and many other benefits are availed by people from max life insurance.

- M.L I. insurance company has a good market value.
- Insurance holders under M.L.I prefer protection gain plan above all the other plans offered to them.
- The services provided by M.L.I. are satisfactory as 70% respondents are satisfied with the services of M.L.I, 30% respondents are not satisfied with the services.
- 60% respondents have media as the source of information for various plans and rest do not have that as their source of information.
- Television media is one of the major source that provides information regarding different plans of M.L.I. 30% respondents prefer newspaper as the source of information,15% respondents prefer magazine as the source of information, 45% respondents prefer television as the source of information, 10% respondents prefer radio as the source of information.
- 83% of the respondents say that they are aware of Max Life Insurance Co. 17% of the say that they are unaware of Max life Insurance Co.

### **LIMITATIONS**

1. The survey was conducted within the city only.

2. Time to interact with the customers was not sufficient.
3. Customers were not fully aware of various plans of Max Life Insurance.
4. Accurate results could not be found as every customer has his own opinion.

## **RECOMMENDATIONS**

- People should also be made aware of various other benefits attached with insurance other than the factor of risk coverage only.
- M. L. I. should provide more information regarding the different plans in order to be able to cover all age groups.
- Promotion techniques should be enhanced to create more awareness among people about M. L.I.
- Insurance plans should be designed in such a way that it is able to cater all family sizes.
- M. L. I. should also emphasize on the usage of other sources of media to provide information regarding the various plans offered by them.
- Personal attention must be provided to all as it is cited as one of the deficiencies of M.L.I.
- M.L.I.'s special features should be well advertised to ensure that people know what set M.L.I apart from its competitors.
- Create awareness in people about high quality standards which MLI possess. People should be made aware of the high quality standards adopted by the M.L.I, Especially that the fact that it is the only company authorized by IRDA to have in-house training for aspiring advisors.
- M.L.I should ensure that those who have shown willingness toward staking its policy should be contacted and banked upon.

## **CONCLUSION**

Insurance is a superior tool to other forms of savings as it provides protection, collective bearing of risk, assessment of risk, certainty factor, and easy liquidity and above all the safest means of savings and investment. Insurance is an integral part of any personal financial plan. The type of insurance and the amount of coverage you obtain all depends on your unique financial and family circumstances, and must be evaluated carefully. What you need to keep in mind is that you do not want to be underinsured or over insured, which means you have to do your homework before you buy. And as with any type of financial product, you must read the fine print and consult with a competent advisor. It is summed up that consumer are aware of the need of insurance and know about the various products of the max life insurance ltd through various promotional techniques. Most of the customers are satisfied by the services of max life insurance.

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