Work Plan and Methodology

For the purpose of this study the researcher intends to collect data through primary & secondary sources of information. The primary data will be collected by questionnaires & direct personal interviews at Village Balipur, Shall & Chandpur dist. Mathura (U.P.). The secondary data will be collected from books, journals, magazines, bulletins, newsletters & reports through Govt. /semi govt. organisations & agencies. Suitable statistical techniques will be used to analyse the data & to find suitable measures.
Limitations of the study:
The results obtained are based on the information provided by the customers and agents of life insurance products at the time of survey.

The area covered is representative and not exhaustive due to time and financial constraints.

As it is not possible to cover the entire population of customers, a cluster sampling method of population is adopted to select the clusters and questionnaires are distributed and responses are collected 50 persons from three rural villages. They are selected by simple random sampling to represent the whole population of Mathura district. The procedure is given in detail at the subsequent section.

The secondary data related to the three villages is not exhaustive since no insurance company is willing to part with strategic business data.

No insurance company has at present district specific marketing policy and hence the research is confined to secondary data at macro level and the primary data collected from customers and agents from the two districts.

Research location: Life Insurance marketing in rural areas is spread throughout the country extending more than the six lakh villages. The social security and life insurance needs are felt in all these villages. All these villages fall under the category pure rural. The areas of research are the three villages of Uttar Pradesh which are one kilometre away from the Yamuna Expressway (Agra –Delhi). All the three Villages Balipur, Shall & Chandpur are connected to the Capital of India and is just 80 Km away they come under the District of Mathura. Being a very popular destination for pilgrimage as a religious destination and a Metro touch the people frequently visit the above corridor almost on a regular basis. This would be the right place to judge the Life Insurance penetration among the rural people and their awareness on the subject.

For studying the expectations of the rural customers with regard to type of products and frequency of payment of premiums:

Direct sale strategy with cheaper premiums is preferred in rural areas.

People in rural areas prefer insurance coverage on liabilities.

Majority of the customers believe that SBI Life Insurance Company is a government company.

The rural policy holders perceive that investment in private life insurance companies is safe. IRDA is considered as a guaranteeing authority of investments in the minds of rural people. People in rural areas prefer pension plans. works of other writers on insurance also provided insights for formulating hypotheses.
Research Area

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Sampling Size

Sampling Technique - For collecting the responses from the customers, cluster Sampling technique followed by simple random sampling is adopted to ensure the representation of the data for the whole population. Cluster sampling means random selection of sampling units consisting of population elements. The contiguity of villages from North West point to South East point happens. As the research is intended to collect data from the populations who have or don’t have insurance policies, the researcher will also try to collect the data of the agents available. Since the agent is the only source of information for giving the details of policy holders, the researcher will take the details of agents.

Name and village of the policy holder.
The category to which he belongs –

1. Landless agricultural laborers.

2. Farmers who own lands.

3. Salaried professionals such as teachers, doctors, nurses, anganwadi workers and such other people.

4. Artisans, petty shop owners, hoteliers, cobblers, potters, bidi workers, weavers etc.

5. People engaged in service sector like agents (post and insurance), pigmy collectors, vegetable dealers, suppliers and distributors of products.
Table - Data collection-primary data: The primary data is collected through questionnaires. The questionnaires contain both open ended and close ended questions that are simple and easy to understand. The questionnaires administered to customers have close ended questions (Yes or No answers) and multiple choice questions. Open ended questions are asked where diverse information is required giving scope for the customers to air their views. The questions are designed to elicit the following information:

- Questions aimed at eliciting personal details like family income, educational background, sex, family type (unitary/joint), family size etc.

- Questions aimed at eliciting life insurance awareness levels like whether they know the existence of private players, whether investing in private companies is safe as per their perception, whether they recognize SBI Life Insurance Company as a government owned company, knowledge of IRDA, what prompted them to take policy (agent pressure/savings/to meet future expenses/to meet contingencies) etc.

- Questions aimed at eliciting information with regard to satisfaction/dissatisfaction levels like whether they received policy bonds and premium notices on time, whether claims are settled on time, whether they have gone for repeat sales etc.

- Questions aimed at eliciting the life insurance product knowledge like – whether the group plans are cheaper than individual plans, whether money back policies are costlier than endowment plans, whether premium payment through Internet is known to them etc.

Questions aimed at eliciting information with regard to the needs and expectations of the customers like – whether they prefer daily collection of premium, whether they require loan protected policies for all liabilities, whether they prefer direct sale of policies to avoid commission to agents, whether they prefer single family policy for the entire family, whether they prefer sale of policies to earn commission, whether they prefer to take policies from post office and banks etc.
**Sources of Data**

The primary data is also collected from the population consisting of agents. This Experience Survey from the people having experience with the problem under study is felt necessary since the objective of the research is to obtain insight into the new ideas relating to the research problem. Questions are also asked with regard to their suggestions. The questions aimed at eliciting information as to the real difficulties in selling the rural policies, what type of policies they suggest for rural folk, suggestions for popularizing insurance plans in rural areas etc. The questions aimed at eliciting information whether the customers, in their view, believe that the investment in private companies are safe, whether the investment decisions are swayed by caste and religious considerations, whether opinion makers have any say in investment decisions etc.

The questions aimed at eliciting information whether they expect more incentives/commissions for popularizing insurance in rural areas.

The questions aimed at eliciting information whether in their view the different life insurance companies have plans to suit the needs of rural people, whether there is a necessity to design cost effective policies, whether the life insurance companies, in their opinion, are really interested in social security etc.

**Data collection - secondary data:** for spreading the message of life insurance in rural areas. The questions are designed to elicit the following information: The secondary data is collected through the annual reports of LIC of India and other life insurance companies, the journals of IRDA, the internal magazine of LIC, viz., Yogakshema, the publications of Information & Broad Casting dept, viz, Yojana, India Year Books, the web sites of LIC of India and other private companies, the lead bank reports of the selected districts under study etc. The brochures, pamphlets and advertisement material are collected from across the branches of different life insurance companies.

**Analysis Of Data**

The questions relating to awareness levels vis-à-vis the educational background, the questions relating to investment vis-à-vis family income, the questions relating to customer satisfaction vis-à-vis repeat sales, the questions relating to income vis-à-vis the option of premium payment modes, the perception of customers with regard to private companies and a host of other things are cross tabulated to analyze the awareness levels, expectations, customer satisfaction etc. The satisfaction levels and repeat sales, the income variations and investment decisions, the awareness levels and investment decisions etc are analyzed through Chi Square Test. A factor analysis is done to identify the major factors and their relative significance of rural life insurance market.