

Summer Internship Project Report

On

BRAND MANAGEMNT IN INSURANCE SECTOR

By

NAMAN AGRAWAL

Roll No.: 2018BBA036



Under the Supervision of

Dr. SAMEER MITTAL

(Submitted in partial fulfillment of the requirements for BBA degree)

Institute of Management
JK Lakshmipat University, Jaipur
(2019-20)

DECLARATION

I, the undersigned solemnly declare that the project report, “**BRAND MANAGEMENT IN INSURANCE SECTOR**”, is based on my own work carried out during the tenure of my summer internship program in Investosure Pvt. Ltd. Under the supervision of my company mentor, Mr. Manish Yadav and faculty mentor, Dr. Sameer Mittal.

I assert the statements made and conclusions drawn are an outcome of my research work. I further certify that

1. The work contained in the report is original and has been done by me under the general supervision of my supervisor.
2. The work has not been submitted to any other institution for any other degree/diploma/certificate in this university or any other university of India or abroad.
3. We have followed the guidelines provided by the university in writing the report.
4. Whenever I have used materials from other sources, we have given due credit to them in the text of the report and giving their details in the reference

Name : NAMAN AGRAWAL

(Company) Batch No: 18

(College) Roll NO: 2018BBA036

CERTIFICATE

It is certified that the Summer Internship Report titled **BRAND MANAGEMENT IN INSURANCE SECTOR** submitted by **NAMAN AGRAWAL** is an original piece of research work carried out by the candidate under my supervision.

Name of the Faculty Guide

Dr. Sameer Mittal

Sign. Of the Faculty Guide

ACKNOWLEDGEMENT

In the accomplishment of this project successfully, many people have bestowed upon me their blessings and the heart pledged support, this time I am utilizing to thank all the people who have been concerned with this project.

Primarily, I would thank my company mentor, **Mr. Manish Yadav** and Faculty mentor, **Dr. Sameer Mittal** whose valuable guidance has been the ones that helped me patch this project and make it full proof success. Their suggestions and instructions have served as the major contributor towards the completion of this project.

Then I would like to thank MR. Ramdhari Hooda, CEO and MD, Investosure Pvt. Ltd. and Dr. Ashwini Sharma, Director – Institute of Management, JK Lakshmipat University, for providing me with this opportunity and being able to complete this project with success.

Lastly, I would like to thank my parents, faculty members and friends who have helped me with their valuable suggestions and guidance which has been helpful in various phases of the completion of this project.

TABLE OF CONTENT

<u>TOPIC</u>	<u>PAGE NO.</u>
PROJECT SUMMARY_____	6
OVERVIEW_____	7-8-9
OBJECTIVES_____	10
RESEARCH METHODOLOGY_____	11
DATA ANALYSIS_____	12-13-14
CONCLUSION_____	15
LIMITATIONS_____	16
REFERNCES_____	17

LIST OF TABLES

<u>Table 1. Demographic Variables.....</u>	<u>Pg 12</u>
---	---------------------

LIST OF FIGURES

<u>Figure 1.</u>	<u>Pg 12</u>
<u>Figure 2.</u>	<u>Pg 13</u>
<u>Figure3.</u>	<u>Pg14</u>

PROJECT SUMMARY

The research activity was carried out to analyse the brand awareness and perception towards general insurance and to comprehend the dimension of awareness of the brand.

The data gathered for the research activity are the primary sources legitimately gathered from the general population, the quantity of respondents for the study is 15. The research design carried out for the investigation is descriptive research.

The study will also help them in evaluating the attributes that are important for consumers as far as a branding is concerned. Customers' predispositions toward brands are particularly important because, as a prerequisite, brands need to be relevant to the customer to hold any economic relevance for the firm. Life insurance companies need to create such a brand that if not purchased, it at least is talked about among the masses, with a positive context. By doing so, companies would give rise to a set of consumer, creating a positive brand image among other masses.

OVERVIEW

India's insurance industry has come a long way since the reforms of the 1990's. As of Sep 2015, 52 insurance companies were operating in the country, including 24 in life and 28 in non-life segments. Though the number of insurance companies operating in India has increased significantly, millions of people have limited awareness and/or access to insurance and financial services. India as a country still remains grossly underinsured in terms of insurance penetration and density. In 2000-2005, the Insurance penetration - the ratio of premium volume to GDP was at 2.8 while it reached 33 in 2014-2015. The growth has been considerably sluggish and irregular, due to many factors such as product design, distribution, customer service, government & regulatory issues with a considerable factor being limited financial awareness and literacy among the masses. The youth in India are the future consumers. The awareness levels among the youth, specifically college students is abysmally low, which is a state of concern. Life insurance is a push based product and selling such as product becomes even more difficult, when the awareness level of the prospective buyer is lower. It is very essential that the youth sees a value in life insurance which can only be realised, when there is awareness. Therefore, it is of paramount importance for the companies to work towards creating awareness pertaining to life insurance amongst the youth in India.

When LIC started with its operations, it created its mark over a period of time, and gradually evolved from a mere Insurer provider to a brand with a promise "Zindagi ke saath bhi, Zindagi ke baad bhi". Today, LIC is the market leader in life insurance with a 70% market share. With the limited resources LIC had decades ago, it created a brand name for itself which is still prevailing in the market. It is essential that the insurance companies create that mark in terms of their brand in the mind of the consumers. In such cases, branding is of economic importance to companies. With the advent of internet and relaxed regulation, the dynamics of life insurance industry has also changed. A lot of new players have entered into the Indian market and aggressively targeting the potential customers. Every life insurance company has a dedicated marketing team which focuses on the marketing strategies including branding. Companies are spending a good portion of their marketing budget on branding through designated brand managers. Branding at a corporate level is essential to not only manage the relationship with the stakeholders but to have a connect with the masses as well. Branding in the insurance space is not limited to the company name but many other factors which contribute to the brand image such as company logo, customer service, partnering brands in terms of joint venture/association, brand ambassadors and advertising etc. One of the aim of branding is to make a brand unique to consumers. With the branding strategies adopted by insurance companies in India, they have been successful to a certain extent to differentiate themselves from other brands. In this paper, we examine the impact of branding of life insurance companies among the college students of Delhi and Mumbai along with the attitude of the consumers towards life insurance. Also, brand recall and preference of the college students for the life insurance companies in India has been studied and evaluated.

REVIEW OF LITERATURE

The review of literature mentioned consists of the work done by researchers on branding in the insurance space for the existing consumers and potential consumers. Definitions of branding have diverged in recent years. Philip Kotler's definition arguably remains the most commonly cited and meaningful for brand focused studies. According to Kotler, a brand can be defined as a name, term, sign, symbol, design, or combination of them which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors'. Both Aaker and Keller use the term brand association to group together anything either functionally or emotionally linked to the brand. Low and Lamb suggest that marketers use such brand associations to differentiate, position, and extend brands, to create positive attitudes and feelings towards brands, and to suggest attributes or benefits of purchasing or using a specific brand'.

Adolescence is recognised as a time of fundamental change (Backett and Davison). Young people pass through a number of life-defining transitions; from family to peer group and wider society, from parental control to self-control and from dependence to independence. During this transition, identities are formed as beliefs and values become shaped by their surrounding youth culture and context. In this dynamic yet malleable environment, Eadie et al. argue that conspicuous brands can perform a vital social function for young people seeking the acceptance of peers whilst still retaining the capacity to express their individualism and personal tastes'. Goodlad et al. go further, arguing that brands provide the means to minimise the risks of incorrect purchase choices, thereby providing insurance against possible peer rejection. Familiarity and acceptability therefore play important roles for young consumers seeking peer approval. Commercial brands traditionally achieve their youth credibility' as a result of the carefully crafted, symbiotic practices of awareness generation and image formation (Spero and Stone).

Brand awareness concerns the strength of the brand node or trace in memory (Keller) and concerns how well consumers can identify that brand under variable situations (Rossiter and Percy). In particular, it refers to how likely and how easily that brand name comes to mind, either prior to purchase or at the point of purchase. The former is traditionally known as brand recognition, the latter as brand recall. Brand awareness remains an important criterion for understanding how brands work as higher levels of awareness allow brands to become part of what is known as the consumer's consideration set' (Nedungadi).

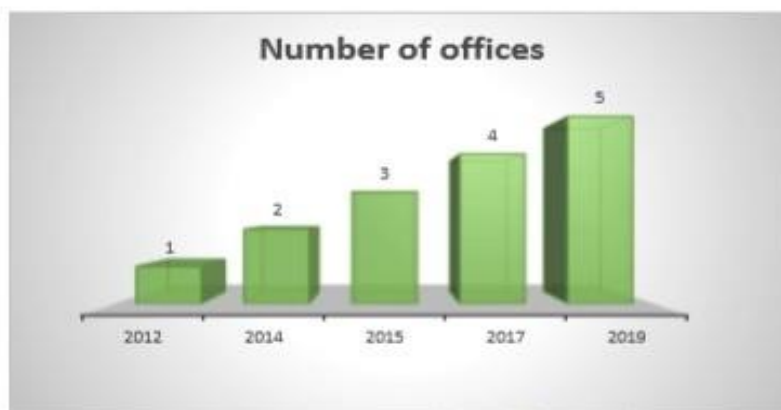
Branding in financial services is undergoing substantial changes, owing to the dramatic increase in competition following deregulation (Denby-Jones ; Jones) and the threat posed by new entrants with retail branding experience (Watters and Wrigh ; Cleaver). Success in what is fast becoming an overcrowded market will depend on effective brand differentiation, based on the identification, internalisation and communication of unique brand values that are both pertinent to and desired by consumers. Financial services brands have, historically, exhibited little brand differentiation (Watters and Wright ; Jones) and have been considered almost a commodity.

COMPANY PROFILE

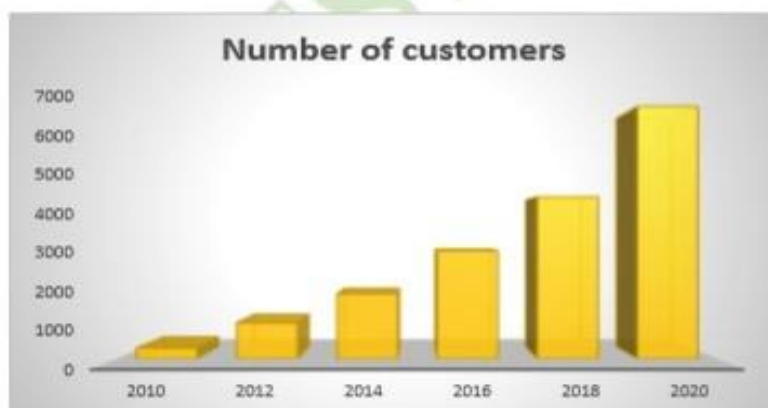
INVESTOSURE

In 2010 Mr. Ramdhari Hooda an ex govt. official started lending out funds to people on an interest basis as private fund lender in Sonipat Haryana. In 2012, Mr.Yashvir Singh who was working in Canada as PMS consultant, came back to India they started venture together to provide PMS (Portfolio management Services) as they saw that PMS are available to HNIs(HIGH NETWORTH INDIVIDUALS), so we entered into Financial Sector, to cater PMS service offering different investments avenues with motive to provide more financial stability to people who finds it difficult . Our PMS services are not only available for High income class people but common people.

GROWTH OVER YEARS



We are operating from 5 offices and 4 Cities in India.



OBJECTIVES

The overall objective is to study the attitude of consumers towards life insurance companies

The specific objectives are as follows:

- Identification of consumers having a life insurance policy
- Evaluating the awareness levels of consumers towards life insurance
- Identification of life insurance companies with highest brand recall
- Identification of the most preferred brands in the life insurance space
- Identification of factors leading to a higher brand recall

RESEARCH METHODOLOGY

Research Design:

This study has utilized survey research methodology. A structured questionnaire was developed based literature review. The survey was circulated to people google forms as well as in person. The population for this study are local people of Harda (M.P). (Both males and females) and are currently on job. The people are in the age group from 22 to 40 years. A total of 15 respondents from the population have been selected.

Research Questions:

Research questions have been determined after reviewing contexts of consumer demographics. In the process of setting the research questions the prospective future contribution of this research work also has been considered. The research questions aims to understand the attitude of selected respondents in terms of awareness, brand recall and brand preference.

Primary sources:

This study focuses on primary data collected through questionnaire. A primary survey has been conducted to identify the attitude of consumers towards life insurance in India. The survey was conducted in Harda (Madhya Pradesh) between june 2020 till july 2020.

DATA ANALYSIS

The population of the study comprises of people from Harda (M.P), who are currently on job have been included in the study.

A detailed breakup of the demographic variable is mentioned in the table below

Demographic Variables	Categories	No. Of Respondents(N)	Percentage
Gender	Male	11	73
	Female	4	27
Region	Harda	15	100
Age (In years)	22-27	9	60
	27-40	6	40
Qualification	On Job	15	100

Table.1 Demographic Variables

Distribution of respondents having a life insurance policy.

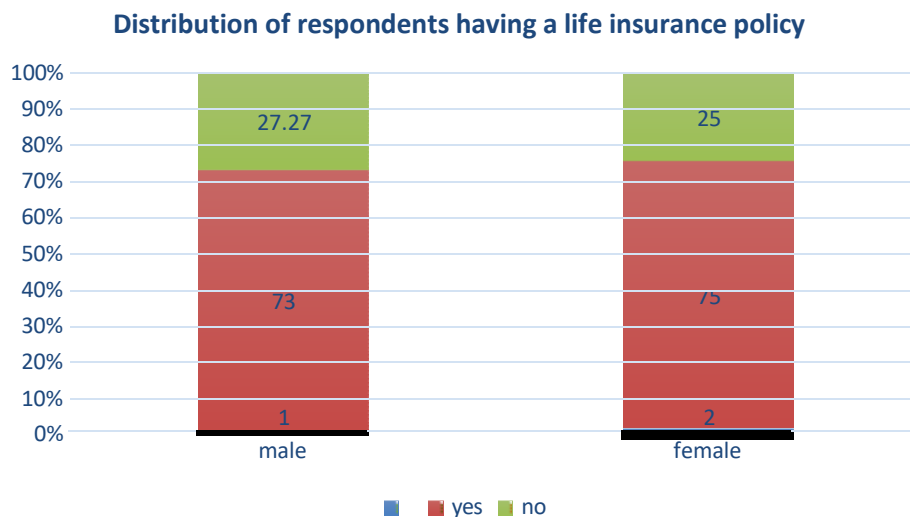


Figure.1 Respondents having a life insurance policy

It is seen that when asked about the having of life insurance policy or not number of people responded yes the majority of people already have policy. And also there are people who does not have life insurance policy and are also not aware about it.

Awareness - Life Insurance

On being asked about the awareness levels towards life insurance, they were very low number of people around the city who are familiar with the concept of life insurance and its advantage whereas around 73 to 75% of people are either slightly familiar or not familiar at all with the concept of life insurance.

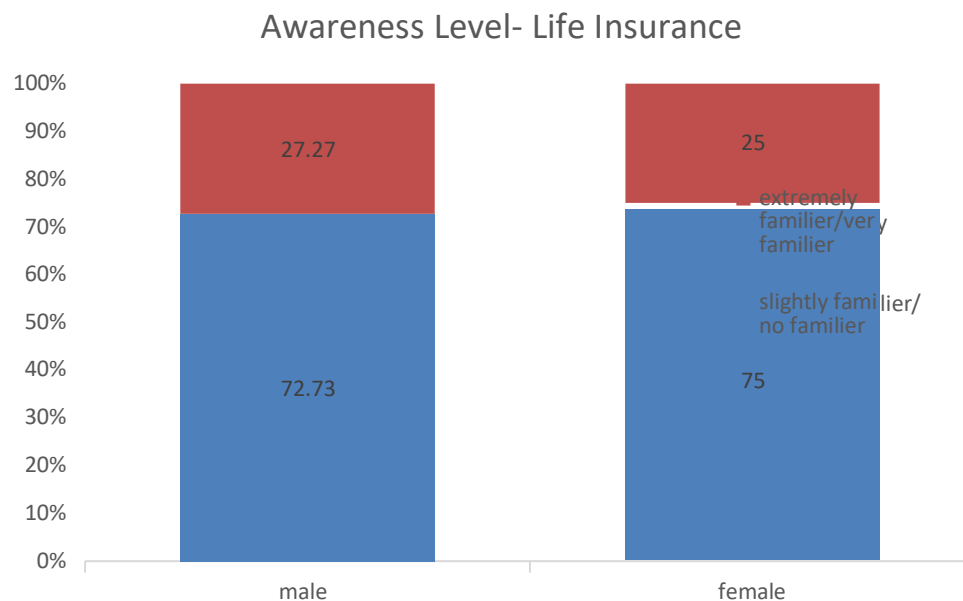


Figure.2 **Awareness - Life Insurance**

Brand recall - Life Insurance Companies

When the respondents were asked to recall brands from the life insurance space they know of, the top four brands which they were able to recall are mentioned below:-

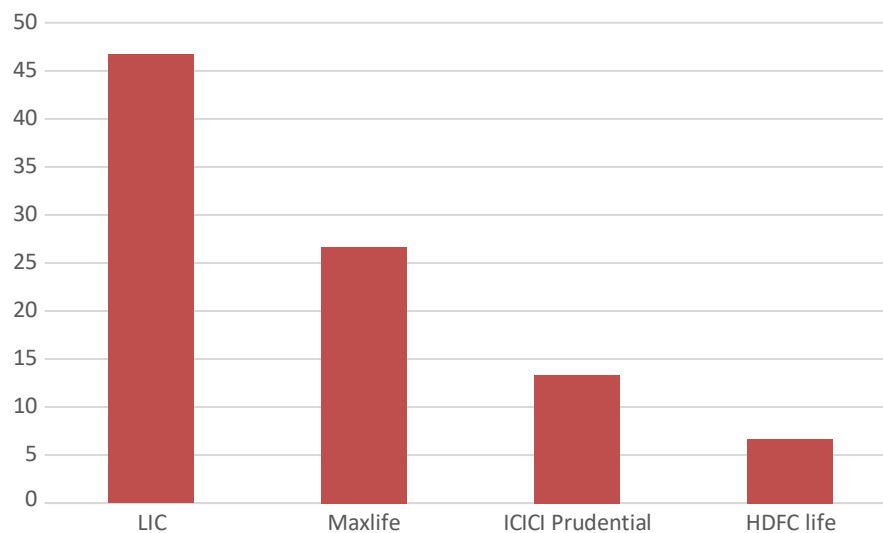


Figure.3 Brand recall - Life Insurance Companies

It was noticed that the main reason behind LIC being at the forefront was due to the fact that it was more prominent among their respective parents and someone in the family was insured with LIC. Whereas for Max Life, HDFC Life and ICICI Prudential, it was either there advertisements on TV or discussion among peer groups. TV commercials of HDFC Life on "Sar Utha Ke Jio", "Bande Acche Hai" in case of ICICI Prudential and "Aapke Sacheche Advisor" in case of Max Life were the main reason for the recall. The people felt that these commercials create positive feeling about the brands and hence were on top of their minds in case of brand recall.

CONCLUSION

Key findings from the study:

- People awareness pertaining to life insurance is extremely low across Harda.
- Life insurance companies with a higher brand recall is attributed to specific TV commercials and peer groups
- Higher brand recognition or recall is attributed to the brands associated with name of life insurance companies. For e.g. HDFC bank in case of HDFC Life etc.
- LIC is the most preferred life insurance company across Harda.
- Higher brand preference is attributed to family members or relatives insured with a specific brand and commercials shown over TV or internet

Insurance is a push based product so aggressive selling might not be the only way to achieve a robust growth for life insurance companies. It is essential that the consumer believe that brand is important while purchasing a life insurance and in order to do that, companies need to come up with initiatives to create awareness among people and develop a connect with them. Creating awareness among low income people would lead to potential consumers for future. The life insurers can gauge what has worked for them till date as far as branding is concerned in terms of TV commercials, brand ambassadors and advertisements. The study will also help them in evaluating the attributes that are important for consumers as far as a branding is concerned. Customers' predispositions toward brands are particularly important because, as a prerequisite, brands need to be relevant to the customer to hold any economic relevance for the firm. Life insurance companies need to create such a brand that if not purchased, it at least is talked about among the masses, with a positive context. By doing so, companies would give rise to a set of consumer, creating a positive brand image among other masses.

LIMITATIONS

- o Due to COVID-19 pandemic, lockdown was placed all over the country and travelling was strictly restricted because of which personal interviews could not be conducted with the respondents.
- o Face-to-face (F2F) interviews would have allowed me to get more in-depth data collection and comprehensive understanding of the subject.
- o Due to the lockdown, large number of people lost their jobs across all the industries and the economy of the country declined. People who still had their jobs faced salary cuts and the overall purchasing decreased in the market. Only essential items, like food and groceries, remained in demand.
- o **Some answers may have been influenced because of this situation, especially the investment preference ones. Since people have just enough money to go through their life on daily basis, they might not be looking for any investment for now, even if they wanted to.**

REFERENCES

https://info-templafy-com.cdn.ampproject.org/v/s/info.templafy.com/blog/industry-branding-series-branding-insurance-firms?amp_js_v=a2&_gsa=1&hs_amp=true&usqp=mq331AQFKAGwASA%3D#aoh=15942862556179&referrer=https%3A%2F%2Fwww.google.com&_tf=From%20%251%24s&share=https%3A%2F%2Finfo.templafy.com%2Fblog%2Findustry-branding-series-branding-insurance-firms

<https://blogs.edelweisstokio.in/lifeinsurancesimplified/21-interesting-reasons-to-buy-life-insurance/>

<https://study.com/academy/lesson/common-structures-of-hr-in-organizations.html>

<https://www.brandmaster.com/brandmaster-customer-case-studies/brand-management-solution-for-finance-and-insurance/>