

IMPACT OF COVID -19 ON LIFE INSURANCE SECTOR : AN ANALYSIS ON RAMANATHAPURAM DISTRICT

Submitted in partial fulfillment of the requirements for the award of
MASTER OF BUSINESS ADMINISTRATION

By

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SCHOOL OF MANAGEMENT STUDIES

SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY

(DEEMED TO BE UNIVERSITY)

Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE

JEPPIAAR NAGAR, RAJIV GANDHI SALAI, CHENNAI - 600 119

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BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **INIYAN BESKI.S 40410072** who carried out the project entitled "**Impact of Covid-19 on Life insurance sector : An analysis on Ramanathapuram district**" under my supervision from January 2022 to April 2021.

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DECLARATION

I **INIYAN BESKI.S (40410072)** hereby declare that the Project Report “**Impact of Covid-19 on life insurance sector: An analysis on Ramanathapuram district**” done by me under the guidance of **DR.J.RANI** is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

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ABSTRACT

The insurance industry took a giant leap at the twentieth-century mark. Insurance has been an integral part of man's life all over the world. In the case of insurance, the proverb 'Will is the mother of invention' is similarly right. It's already had a significant impact on our society. The Covid -19 pandemic and lockdown have impacted almost all the industries and sectors across the world including the insurance sector which has a significant contribution in the country's GDP and economic development. The study is an attempt to analyze study the effect of COVID-19 pandemic on life insurance sector the growth, sales, risk management, claim paid management and issues and challenges are facing insurer during this pandemic period in Ramanathapuram district. The study is exploratory in nature and thus give new insight to related future researches. In order to conduct the study, the study used qualitative and quantitative interviews to estimate the impact of the pandemic. Presently, the trend is an economic recession with decreasing profits but increasing claims. Covid-19 has adversely affects the life insurance business mainly in term of drop down in sales of new policy, premium income and crises of claim settlement. The experts view that the demand of pure and health insurance has been shown a positive growth due to life uncertainties in times of Covid-19 pandemic.

Key words: Life insurance, Covid -19, Pandemic, Economy, GDP, Sales, Premium.

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CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

The topic for my research is “**Impact on covid-19 on life insurance sector**” followed by the area of Indian insurance industry. India has traditionally been an underinsured country in health and life insurance schemes. During this pandemic time “Ayushman bhrat”, which has attempted to insure the poor and vulnerable, most of India continues to be underinsured when it comes to the health. Due to the widespread of COVID-19 pandemic, health and life insurance companies are facing various challenges and are foreseeing an impact on these areas.

The insurance industry in India has seen a strong growth series after the year 2000 and broadly divided into two major categories i.e., Life Insurance and Non-life Insurance. Both the sectors are governed by the Insurance Regulatory Development Authority of India (IRDAI). The role of IRDA is to regulate and monitor the entire insurance sector in India. All the insurers have to follow the rules and regulations of the IRDA. The Insurance sector in India consists of a total of 57 insurance companies, out of which 24 companies are the life insurance providers and the remaining 33 are non-life insurers. All life insurance companies offer wide range of products under both individual and group schemes. The Covid-19 pandemic and succeeding lockdown have impacted various sectors of the economy and both life and non-life insurance businesses has also affected adversely by current pandemic situation. New business policy sales have been dropped, percentage of policy causation has been increased and also noted delay in premium payment. This will bring about the industry losing around four million policies and premiums value around Rs 45,000 crore.

Insurance is the means of protecting from financial losses. It is a form of risk management. It is mainly used to known and unknown risk of a contingent or uncertain loss. Since insurance hedge against risk, this pandemic is one of the examples for managing the risk. During COVID-19 there occurs losses in the Insurance sectors. For India, where compensation is very small, general insurance usually protects both organized industrial operation and organized business employees. Life insurance

sales at one time were hit the year ends in March, when they are most remunerative. The buyer-seller confidence gap now has to be bridged, and insurers need to consider the behavioral dynamics of this as well as the investment Process which eventually leads to a dynamic long-term financial decision that goes beyond life. Although Very highly relevant for insurance companies may be able to apply appropriate mitigation strategies to society to continue supporting and ensuring its reach through product development activities is comprehensive.

In this study, life insurance is taken into account and the performance of listed companies are analysed and evaluated to acquire knowledge about how the companies hedge against risk during COVID.

1.1.1 CONCEPTUAL AND THEORETICAL FOUNDATIONS OF THE TOPIC

PROFILE OF THE INDUSTRY:

Term Insurance:

It is the simplest form of life insurance. This can get a large amount of life cover at a low premium rate. Pure life cover should see renewed interest, and since that is largely an online market, it should see a boost I demand. And it also, higher covers bring in medical tests, which people will be reluctant to do.

Basics of Insurance:

The basic insurance principle is that an entity will choose to spend small, periodic amounts of money against the possibility of an enormous unexpected loss. All the policyholders basically pool their risks together. Any loss they suffer will be paid out of their payable premiums. Life insurance protects the livelihoods of people and future earnings and has a direct correlation with the earnings of people assets and business and net worth.

Kinds in Insurance:

Life Insurance:

Life Insurance serves as your family's financial security in the case of your death or a pay-out made to you for completing the policy period. You make annual fixed payments to the life insurance company, in exchange for this premium. There is an opportunity with some forms of plans to get essential benefits from disability or provide extra insurance for your family if you pass away from an accident.

General Insurance:

General insurance, or property and liability insurance, covers a country's GDP by providing protection from natural events and unintended damage to buildings and companies, including damages and potential unearned income.

Health Insurance:

A Health Insurance policy is a contract between the insurer and the policyholder in which the insurance company provides financial cover for the insured's medical expenses. Insurance policy benefit from the medical expenses payment or cashless care specified in the health policy. The Health Insurance policies also provide tax incentives in addition to insurance care.

Vehicle Insurance:

Vehicle insurance is sedan, tractor, bicycle, and other public vehicle insurance. The primary aim is to provide financial insurance against physical harm or bodily injury arising from traffic accidents and liability which may also arise from car incidents. This offers compensation of injuries for private car owners while traveling, and also for travelers and civil liabilities to third parties.

Property Insurance:

Homeowners Insurance is a type of property insurance covering injuries and liabilities to the house and belongings of a person in the home. Typically, the insurance includes internal harm, exterior harm, personal estate loss or destruction, and disability that happens while on the premises. Each homeowner's insurance policy has a cap on liabilities, which defines how much coverage the insured has should an unforeseen accident happen.

Education Insurance:

A child education program offers a full life insurance cover protection along with a maturity option. It can help you meet the expenses of the future needs of your family, even if you're not around. The package can also be used as collateral for a loan to support tuition. Health insurance premiums are excluded from income tax under Section 80C of the Income Tax Act.

Reinsurance:

Reinsurance is often known as liability insurance or stop-loss insurance. Reinsurance is the process that insurers assign parts of their liabilities to other parties through a form of arrangement to mitigate the possibility of paying a substantial penalty arising from an insurance claim.

1.1.2 CONCEPTS USED AND THEIR DEFINITIONS IN THE STUDY:

The performance of the insurance company can be analysed using three methods. They are

- Premium Generated
- Claims paid
- Expenses of management

Premium Generated:

An insurance premium is the amount of money a person or company which has to be pay for an insurance policy for claim at the end of the policy or else. Insurance rates are charged on plans covering wellness, transportation, residence, life and others. Insurance premiums can rise once the policy period is over.

Claims Paid:

Claims will only be paid while the policy remains active, the policy cannot be cancelled by the insured facing a claim while the claim is pending, often for years, unless he or she is willing to pay the claim from personal assets.

Expense Management:

Expense management refers to the programs that a company has implemented to handle, pay, and monitor costs incurred by its staff. Such costs include, but are not limited to, the travel and leisure expenses incurred. Expenditure control involves the rules and practices controlling these spending, as well as the software and resources used to collect and interpret the relevant data.

Insured:

Any agency or corporation, or a member thereof, designated by name as the insurance scheme covered persons

Insurer:

The party to an insurance policy which undertakes to pay for Losses, pecuniary gains, or services rendered. The word "insurer" is mostly used in insurance companies only, since it applies to all types of individual's persons or an organizations who has enrolled insurance in the company.

Loss:

Generally, refers to

- ❖ The quantity by which an insured's interest is decreased
- ❖ The amount sought by an insured claim or
- ❖ The amount paid on behalf of an insured under an insurance contract.

Exposure:

The state of being prone to failure due to a certain threat or possibility. Also used as a rating unit measure, or the premium risk base.

Proximate Cause:

The real cause of any loss or injury. It is an unbroken chain of cause and effect between an insured danger or negligent action and resulting injury or damage.

Insuring Agreement:

The section of an insurance policy the spells out the insured liabilities, the individuals and/or properties protected, their positions and the contract term.

Claim:

A request made by the insured or the beneficiary of the insured for payment of the Contract services received. Insurable

Events:

Any contingent or unknown event that may damage a person with an insurable interest or create a liability against him, whether past or future, may be insured against, subject to the provisions of the code.

Risk:

Uncertainty about the result of a case when there are two or more options. There are two types of risks, Pure Risk: There is no chance of gain or loss, only chances of loss.

Speculative Risk:

The chance of both gain and loss. There are five ways to analyse risks,

- ❖ Sharing
- ❖ Transfer
- ❖ Avoidance
- ❖ Retention
- ❖ Reduction

1.2 STATEMENT OF THE PROBLEM:

The main attributes to success for every company rely on the client's satisfaction of business. During COVID most of the policy holders will claim their insurance and renewals might get delayed because of the paucity of funds in hands of the policyholders. They have to serve essential insurance during lockdown. Their investments on various filed is also not Beneficial's due to low rate interest. Due to expenses their asset values are depressed. The performance of insurance sector is affected during COVID. The problem to be focused on is, to measure the performance of the life insurance sector during COVID and how the insurance company hedge against the risks during COVID and what policy holders will across this situation.

1.3 IMPORTANCE AND SCOPE OF THE STUDY

The insurance sector has a considerable impact on the economy as a whole. Insurance is important because we face many uncertainties in life and it is not possible to prevent the unwanted events that occur in our lives. Insurance also facilitates loss mitigation, financial stability, and promotes trade and trade activities resulting in sustainable economic growth and development. Insurance risks are spreading. It is important to study this sector during a crisis like COVID, so that we can hedge against the risks. Through being able to raise their money and support customers by offering protection for the vulnerable, we will learn the ways to boost the insurance market there. People can also claim the insurance. The future of life insurance industry has a several changes in their regulatory framework, rules, regulations and premium amount it will lead to further change in the industry conducts its business and engages within its customers also. The study of the relationship between the COVID19 and life Insurance sector is based on the results obtained from the data analysis. Therefore this study is most important in the present and future of economic development of the country. The study will help the concern to work in the areas of importance for future planning. The study has been done with a motive to change the attitude of the people towards buying an insurance product. These study acts as an example for the future generations.

1.4 OBJECTIVE OF THE STUDY

- To identify the issues and challenges in the life insurance sector during the pandemic period.
- To discuss insurer expectations and present solutions during the Covid 19 pandemic.
- To analyze whether the annual income impact of buying number of insurance policies during the Covid 19.
- To study the various factors that influence the customer to choose Life insurance during this pandemic.
- To find out gender of the respondents impact the satisfaction level of current policy during the Covid 19.

1.5 NEED FOR THE STUDY

Insurance Sector plays a very significant role in growth of Indian economy. The breaking of monopoly and deregulation of the sector in year 1999, has resulted a double-digit growth in both life and non-life sectors. This sector provides manifold benefits such as covered life risks, health risks, opportunity of savings and investment etc. India is a huge country with second largest population but still the insurance penetration is low as compared to other countries like china, japan, Germany etc. The present Covid-19 pandemic situation and lockdown has significantly hit the insurance business in India. Due to rising number of corona positive cases, the business of life insurance in India is decreasing. The insurance industry not only gives protection against life and non-life risks but also provide huge employment and together with banking sector contributes nearly 7% total GDP of an economy. Hence the study becomes important to analyse the after effect of Covid-19 pandemic on business of insurance industry and particularly life insurance which considered as a unique financial tool to cover against life related risks of an individual and family.

1.6 STUDY AREA:

This study was carried out to investigate the awareness about the electric scooter on women in Ramanathapuram district. The study confined to Ramanathapuram district of Tamil Nadu state covering taluks Thiruvadanai, R.S.Mangalam, Thondi, Paramakudi, Rameshwaram, Kamuthi, Kadaladi, Mudhukalathur and Ramanathapuram.

About district

In 1910, Ramanathapuram was formed by clubbing portions from Madurai and Tirunelveli districts. Shri J.F. Bryant was a first collector. During the British period this district was called as Ramand later the district was renamed as Ramanathapuram to be in conformity with the name for the region. At 2011 census there are 13, 37, 560 people are living in the district.

CHAPTER 2

REVIEW OF LITERATURE

2.1 REVIWE OF LITERATURE

A literature review presents far more than just a summary of relevant sources. The review act involves evaluating individual sources as well as synthesizing those sources to gain a broad field view. A literature review at this 'street point' addresses popular and current approaches, prominent patterns and developments, areas of dispute and controversy, and discrepancies within corresponding literature.

Ahmed Mahdi Abdulkareem (2021) "An Analytical study of profitability and liquidity positions of selected life insurance companies in India", its main objective is to find out truth which is hidden and which has not been discovered as yet. It's mainly focused on knowing insurance sectors and it is performance in India through study conceptual frame work of profitability and liquidity. Its most of the data was secondary and it interpretation was obtained from the annual reports and financial statements of the reports and financial statements of the selected insurance companies.

Adarsh Sachan (2020) "The impact of covid-19 in Indian economy with reference to insurance sector", this will analyse the effect of covid-19 in Indian economy in regards to coverage sector. And it's discover how the peoples are react on coverage at same point of covid-19 with some they used statistical equipment like average, sum and ANOVA to discover covid-19 effect on insurance agencies and how its far helpful to grow their business.

Brian Greenberg (2020) naturally, those that develop a severe case of COVID-19 and knowledge long-term effects from the illness can expect to pay a better premium because they're going to receive a lower health classification. Except for those that have only a light case and make an entire recovery, we anticipate that the rise in premiums would be relatively minimal. We "emphasize enough how important it's to be 100% honest on your application. Otherwise, your beneficiaries might not receive the

benefit” and that the entire point of getting a life insurance policy. It just might take a touch longer to urge approved, counting on where you reside and what your circumstances are. If you’re in healthiness, there should be the other concerns.

Christopher Jackson (2020) When the 2020 health insurance policies currently in place were priced, there were no premium increases in anticipation of COVID-19. It is uncertain whether delays in elective surgeries and other non-emergent treatments in addition to the savings resulting from telehealth will have a meaningful impact to offset the increased costs of COVID-19. There is still a great deal of uncertainty regarding the timeline to contain COVID-19 and the ultimate costs for the insurance industry to pay for such claims. It is also be uncertain on whether the governments will provide relief to the insurance industry. COVID-19 has the potential of increasing future health insurance premiums significantly, but the ultimate impact will be determined by the outcome of the aforementioned variables.

C Kalpana & PARAMASIVAN C (2015),” Emergence and growth of online life insurance in India” The prospect of the Indian life insurance sector for the future seems promising. In this field IRDA has also ensured peace and fair play. Innovative product ranges, diverse sales systems, and vivacious advertisement and publicity campaigns run by insurance providers can all be related to the growth of this industry.

Disha Sanghvi (2020) Covid-19: How it's impacted India's insurance industry's, with a crisis like this, there's a rush to extend one's cover. Consistent with the PwC report, pure life covers should see renewed interest, and since that's largely a web market, it should see a lift in demand. Long-term guarantees will look attractive, but insurers will face constraints in continuing to marketing these products as interest rates plummet. It added that the general uncertainty within the environment, the market volatility and therefore the falling interest rates have made a mean consumer more cautious.

Dr Ramasamy (2020) “Impact analysis in banking and insurance services industry due to Covid -19 pandemic”, covid-19 affects various industries and economics across the globe. It discuss various factors such as lockdown approach, moratorium, and different impacts in banking and insurance sectors. Further it given some recommendations to mitigate the situation so that the financial services can

continue with the less negative impact which will help for better services to the customer and minimal revenue loss to the fanatical organisations.

Dr. Jitender Singh & Dr. B. S. Bodla (2020), “COVID – 19 Pandemic and lockdown impacts in insurance sector”, This report is an effort to determine the effect of this pandemic on insurance as a result of a lockout resulting in the closing of all commercial enterprises, educational establishments, public and private agencies, suspension of means of transport, etc.

Joydeep Roy (2020)” COVID 19 impacts on the insurance sector” This study provides the depth study on insurance sectors that are affected by COVID. It tells in detail about the areas in insurance sectors are affected and gives some suggestions to uplift the insurance industry after Covid.

Navneet Dubey (2020) during times like these, unwanted chaos is created amongst the people who are not sure if their health insurance policy will provide them with adequate coverage against the deadly virus. Many insurers has get panicked and reported of being filled with customer queries with fearful customers trying to know the extent of the policy coverage being offered for COVID-19 infection, the waiting period, if any, the pricing impact and the claim process. In India, the total number of cases reported due to the novel corona virus infection has crossed the 27,500 mark while the death toll has crossed the 850 mark. These try times pose a great challenge to the public health-care systems and the government with both trying beyond their limits to address this unprecedented situation.

Neal Baumann (2020), “Understanding the sector impact of COVID 19” In the insurance industry, the post COVID-19 timeline will not be just about the split between WFH and the office or about the digital transfer of other market processes. The business is an integral part of the banking system and represents all other industries.

Pushpa suryavanshi (2021) “Study on the after effect of covid-19 pandemic in life insurance sector in India”, The paper covers various dimensions like first year premium, sum assured, no of lives covered under group schemes, no of policies and

also make an effort to analyse the overall performance of life insurance company in FY 2020 as against the previous FY 2019. The period of study covered six months. This study says that covid-19 has adversely affects this life insurance business and mainly drop down in sales of new policy, premium income and crises of claim settlement.

Ramaswamy Velmurugan (2015), “Digital distribution strategy of life insurance in India” internet has become a good sign from the customers of insurance. The online business model includes relationships between service provider and customer, a relationship that needs a degree of confidence. The insurer also entrusts the client with underwriting itself. In this country, the latest broker is “butt word” and the consumers are compensated with lower premiums.

R Chandrasekaran (2020) All the health insurance cover the hospitalisation expenses. Hence the covid-19 would not fall within the definition of a pre-existing disease. So all insures would respond to the hospitalisation claims normally. Personal and family floater health insurance covers under private and government-sponsored health insurance schemes. In his opinion, there would be a marginal to normal impact on the health insurance portfolio due to COVID-19 related hospitalisation claims.in health segment, there are two other products, personal accident insurance, and overseas travel insurance.

Ritika Bhatia (2021) “Life insurance purchase behaviour after covid-19”, This paper presents a framework based systematic review of existing research to know the acquisition behaviour of consumers for all times insurance products. Antecedents, decision and outcomes within the context of consumer’s life assurance purchase behaviour also are discussed intimately using the ADO frame work. Further, the rationale for obtaining a positive or negative effect of a specific antecedent on life assurance purchase decisions or outcomes also are fully explored. A number of the important future avenues of the research, especially from the attitude of behavioural economics and pandemic scenarios like covid19 are then explored.

Royal Gorge (2020). During covid-19 the insurance regulators asked insurers to cover Covid-19 cases in their existing policies as well as ensure that they expeditiously attend

to such claims. The Insurance Regulatory Development Authority of India, in a circular issued earlier this month, said corona virus treatment would be covered like any other illness “under products where hospitalisation is covered”. For all policies covering, besides, the government will provide medical insurance cover of Rs 50 lakh per person to those at frontlines of fighting the virus. This will be covered around 20 lakh doctors along with nurses, paramedical staff, and sanitation and ancillary workers also. Bloomberg Quint spoke with some of India’s life and health insurers to know whether the current life and health insurance policies cover the cost or death caused due to corona virus and the coverage and settlement

Ramesh Kumar Satuluri (2021) “Digital transformation in India insurance industry”, Technological innovations are extensive and every one encompassing. Disruption aren't industry specific and insurance industry is not any exception to the present. Now a days they introduced many new technologies like AI and machine learning are face-lifting companies register higher growth both cross and upsell opportunities. This may indisputably have an immense and future positive impact on rock bottom line of most insurance companies thus enhancing profitability.

Saon Ray (2020) “India’s insurance sector: challenges and opportunities”, from this it’s analyse the Indian insurance sector and trace its evolution and growth. It also identify the key challenges facing the sector. As low penetration and density rates, less investments, in insurance products, the dominant position of the public sector insure and their deteriorating financial health are some of the challenges facing the sector. Since, India’s economic growth depends on how shock-absorbent India’s economy is, addressing these challenges assume important for developing a sound insurance sector.

Sanjeev Sinha (2020) India is among the top worst-hit countries by COVID-19, which has impacted almost all industries and sectors across the world, including the insurance industry. For instance, the pandemic and lockdown may have a significant impact on the life insurance sector, which is one of the largest revenue sources for the general insurance industry. Similarly it hits other insurance sector also like automobile insurance, travel insurance segments also.

Tapas Kumar Parida & Debashis Acharya (2017), “ Life Insurance in India: Efficiency and profitability” In this article, an attempt is made to define the main factors deciding the viability of life insurance undertakings in India and to analyse the effectiveness position mentioned in the previous chapter.

This chapter is discussed an overall concepts and related reviews. The concept learned and applied to perform the study has been discussed. The importance and scope of the study has been briefly discussed. The next chapter will discuss the process of research methodology followed in this study.

Chapter- III

RESEARCH METHODOLOGY

Research design:

Study area	: Ramanathapuram District
Samples size	: 135
Sample people	: All gender
Data	: Primary data
Research method	: Descriptive research
Sampling Method	: Non random sampling
Sampling technique	: convenience sampling technique

Questionnaire model:

The questionnaire was originally written in Tamil and translated by self in English. Due to the pandemic situation the data were collected through google forms only. The data from the 135 samples were classified and tabulated for the purpose of analysis and interpretation. The tabulated data clearly depicts the views of the district “impact of covid-19 on Life insurance sector” in multi dimensions.

Statistical tools:

All the data analysis was performed using the statistical software SPSS 24. One sample t-test was for analysis of normally distributed continuous data. Categorical variables were compared using Chi-Square Independence of Attributes. The statistical level of significance was assumed at the 5% level. Also, the Pie and Bar diagrams were sketched the data in a scientifically meaningful way using MS-Excel.

3.1. Sampling technique

Every researcher may take on a more feasible approach by selecting a small group from the population. The small group is referred to as a sample size, which is a subset of the population that is used to represent the entire population. A sample may be selected from a population through a number of ways, one of which is the Convenience sampling method. This is a non-probability sampling technique where samples are selected from the population only because they are conveniently available to the researcher which means people are sampled simply because they are “convenient” sources of data for researchers. A total number of 130 samples were collected through this sampling technique.

3.2. Diagrammatic presentation

Diagrammatic Presentation is a technique of presenting numeric data through Pictograms, cartograms, bar diagram, Pie Diagram, etc. It is the most attractive and appealing way to represent Statistical data. Diagrammatic presentation of data gives an immediate understanding of the real situation to be defined by data in comparison to the tabular presentation of data or textual representations. In this study, we sketched a bar and pie diagram to evaluate the awareness level of electric bikes among women in Ramanathapuram district.

3.2.1. Bar diagram

A bar diagram is a diagram that uses bars to show comparison between categories of data. The bars can be either horizontal or vertical. Bar diagrams with vertical bars are sometimes called vertical bar diagrams. A bar diagram will have two axes. One axis will describe the types of categories being compared, and the other will have numerical values that represent the values of the data. The values are along the horizontal axis, the bars will be oriented horizontally

3.2.2. Pie diagram

A pie diagram shows percentage values as a slice of a pie; first introduced by William Playfair. Pie diagram is a diagrammatic representation of a frequency, but the percentage proportions of the frequency are calculated. Depending upon the

proportions of the frequency the area of the space may vary. Pie diagram is round in structure.

3.3. Inferential Statistics

Inferential statistics are concerned with making inferences based on relations found in the sample, to relations in the population. In this study, Inferential statistics help us decide, whether the differences between groups that we see in our data are strong enough to provide support for our hypothesis that group differences exist or not. Accordingly, we describe the following statistical tests that help to make assumptions for our study objectives.

3.3.1. Chi-Square Independence of Attributes

The Chi-Square test of independence is used to determine if there is a significant relationship between two nominal (categorical) variables. The frequency of each category for one nominal variable is compared across the categories of the second nominal variable. The data can be displayed in a contingency table where each row represents a category for one variable and each column represents a category for the other variable the chi-square test of independence can be used to examine this relationship.

Null hypothesis assumes that there is no association between the two variables. On other hand, an alternative hypothesis assumes that there is an association between the two variables. After calculating the expected value, we will apply the following formula to calculate the value of the Chi-Square test of Independence:

$$\chi^2 = \sum_{i=1}^r \sum_{j=1}^c \frac{(O_{ij} - E_{ij})^2}{E_{ij}}$$

O_{ij} = Observed value of two nominal variables

E_{ij} = Expected value of two nominal variables

Degree of freedom is calculated by using the following formula: $DF = (r-1) \times (c-1)$;
Where, r – No. of rows and c – No. of columns.

3.3.2 One sample T- test:

The one – sample T- test is a statistical hypothesis test used to determine whether population mean is different from a specific value.

$$t = \frac{\bar{x} - \mu}{\frac{S}{\sqrt{n}}}$$

Chapter-IV

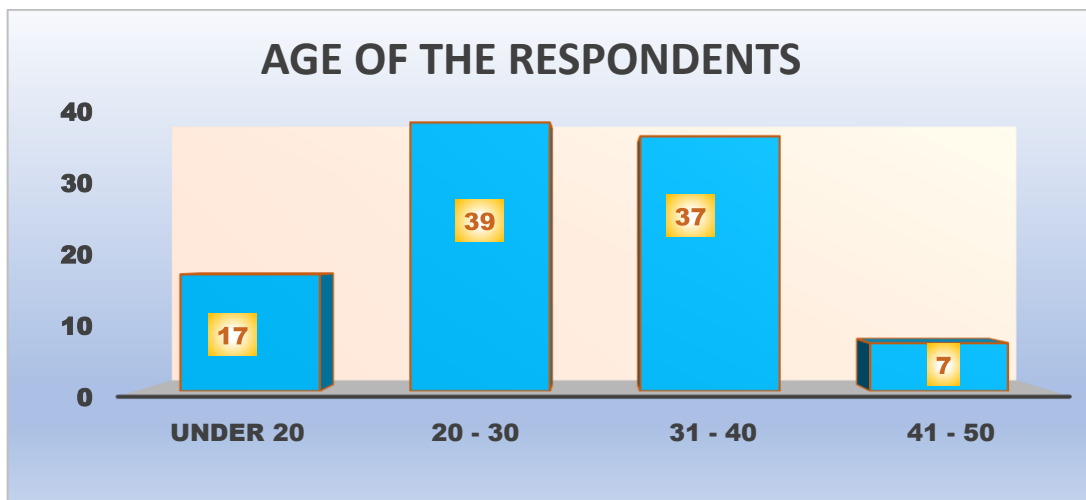
DATA ANALYSIS AND INTERPRETATION

4.1. Diagrammatic Presentation

Table 4.1.1: Age of the respondents

S.NO	AGE	NO OF RESPONDENTS	PERCENTAGE (%)
1	Under 20	20	17
2	20 - 30	47	39
3	31 - 40	44	37
4	41 - 50	9	7
TOTAL		120	100

Source: Primary data



Interpretation

From the above table it is interpreted that the number of respondents under 20 age group of respondent are 17%, between 20-31 age group of respondents are 39%, 31-40 age group of respondents are 37% and 41-50 age group of respondents are 7%.

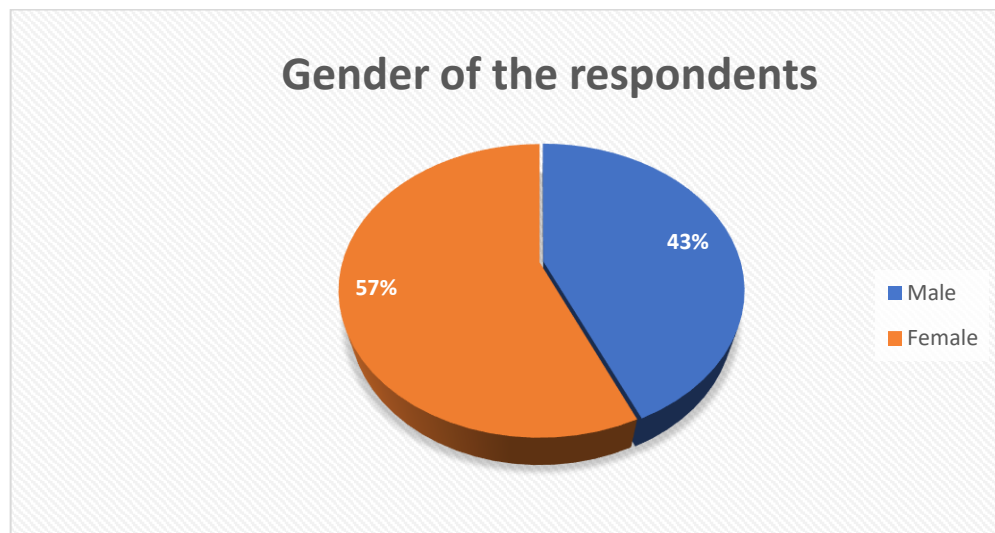
Inference

Majority (39%) of the respondent's age group between 18 to 28 years.

Table 4.1.2. Gender of the respondents:

S. No	Marital status	No of respondents	Percentage
1	Male	52	43
2	Female	68	57
Total		120	100

Source: Primary data



Interpretation

From the above table and pie chart interpreted that the 57% respondents are women, rest of the 45% are men and none of the respondents is transgender.

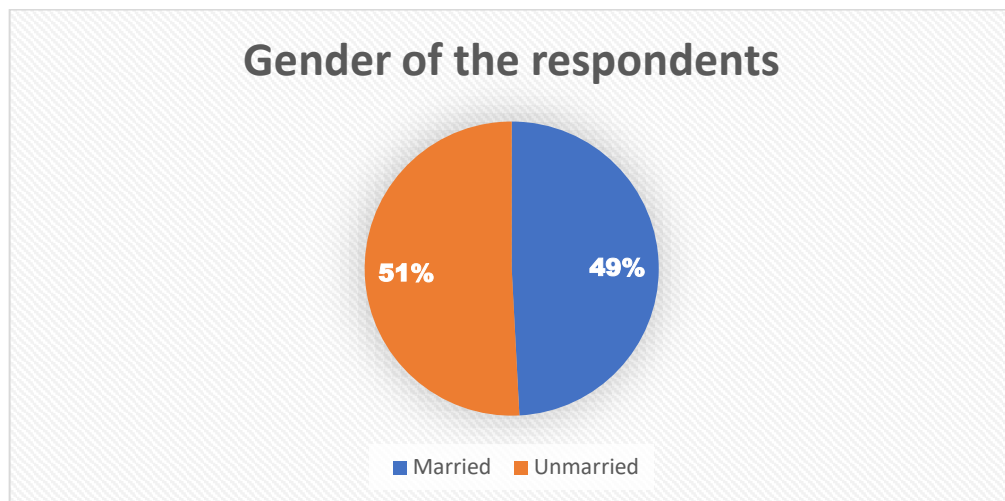
Inference

Majority (57%) of the respondents are women.

Table 4.1.3. Marital status of the respondents:

S. No	Marital status	No of respondents	Percentage
1	Married	59	49%
2	Unmarried	61	51%
Total		120	100%

Source: Primary data



Interpretation

From the above table and pie chart interpreted that the 49% respondents are married, 51% of the respondents are unmarried and none of the respondents is widow.

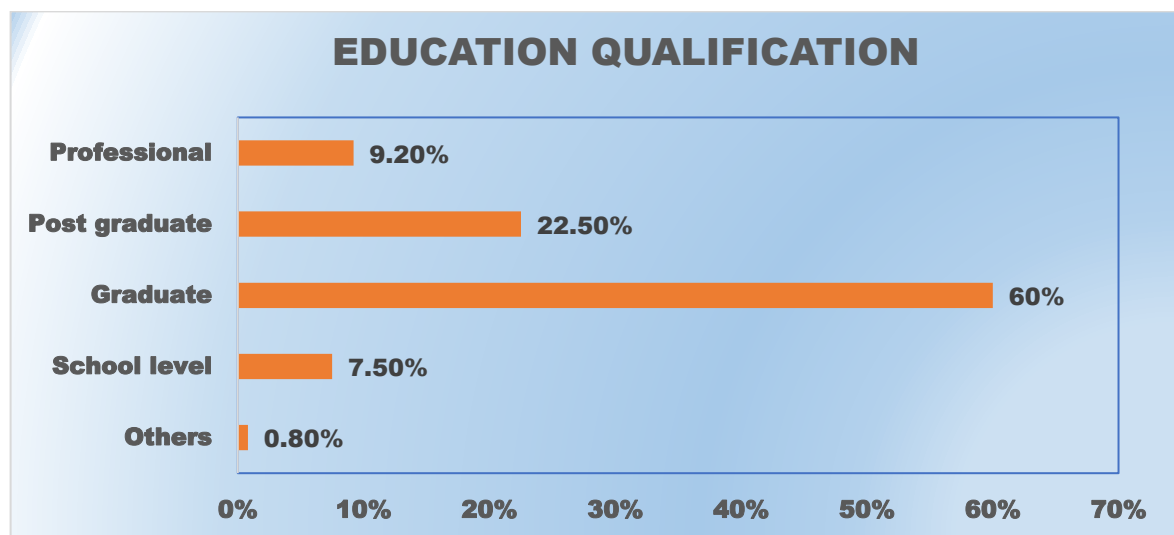
Inference

Majority (51%) of the respondents are unmarried.

Table 4.1.4 Educational qualification:

S. No	Education qualification	No of respondents	Percentage
1	Others	1	.8%
2	School level	9	7.5
3	Graduate	72	60%
4	Postgraduate	27	22.5%
5	Professional	11	9.2%
Total		120	100

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that the 9.2% respondents are professional, 60% are graduate, 22.5% are post graduate, 7.5% are school level and remaining .8% are other type of education qualification.

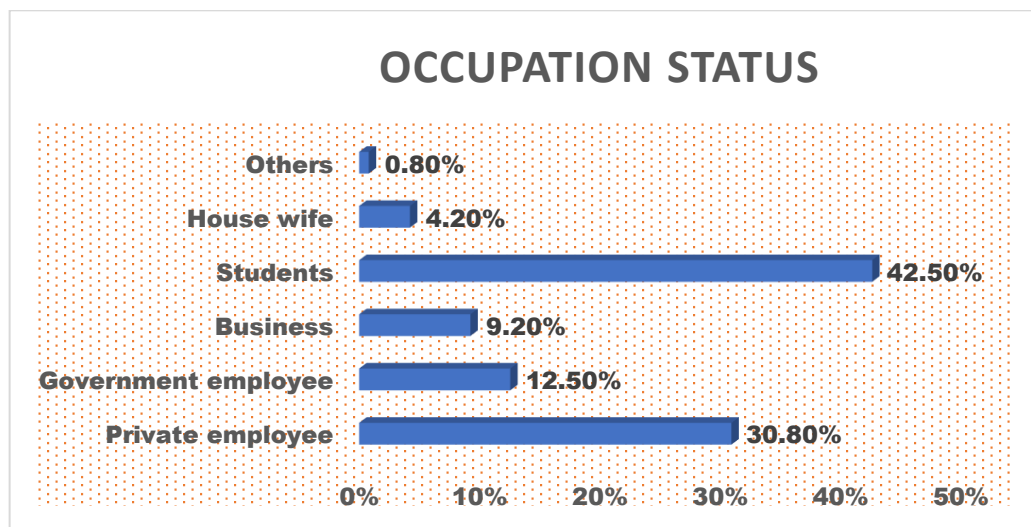
Inference

Majority (66%) of the respondents are graduate people.

Table 4.1.5: Occupation of the respondents

S NO	Particulars	No. of Respondents	Percentage
1.	Private employee	37	30.8%
2.	Government employee	15	12.5%
3.	Business	11	9.2%
4.	Students	51	42.5%
5.	House wife	5	4.2%
6.	Others	1	.8%
TOTAL		120	100

Source: Primary data



Interpretation

From the above table it is interpreted that occupation of the respondents 30.8% are Private Employee, 12.50% are Government Employee, .8% others, 42.5% are students, 9.2% are business people and 4.20% are house wife.

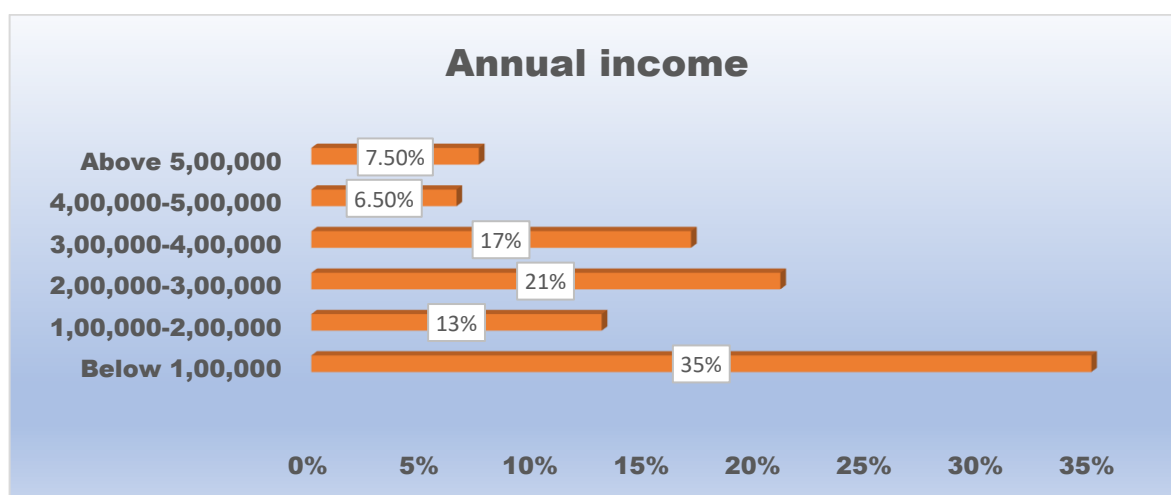
Inference

Majority (42.5%) of the respondents are students.

Table 4.1.6: Annual income of the respondents

S NO	Particulars	No. of Respondents	Percentage %
1.	Below 1,00,000	42	35%
2.	1,00,000-2,00,000	16	13%
3.	2,00,000-3,00,000	25	21%
4.	3,00,000-4,00,000	20	17%
5.	4,00,000-5,00,000	8	6.5%
6.	Above 5,00,000	9	7.5%%
TOTAL		120	100%

Source: Primary data



Interpretation

From the above table it is interpreted that the annual income of the responses are 35% are below 1,00,000 income, 13% are 1,00,000-3,00,000 income, 21% are 2,00,000-3,00,000 income, 17% are 3,00,000-4,00,000 income and 6.5% are 4,00,000-5,00,00 income and 7.5% are getting above 5,00,000 of annual income.

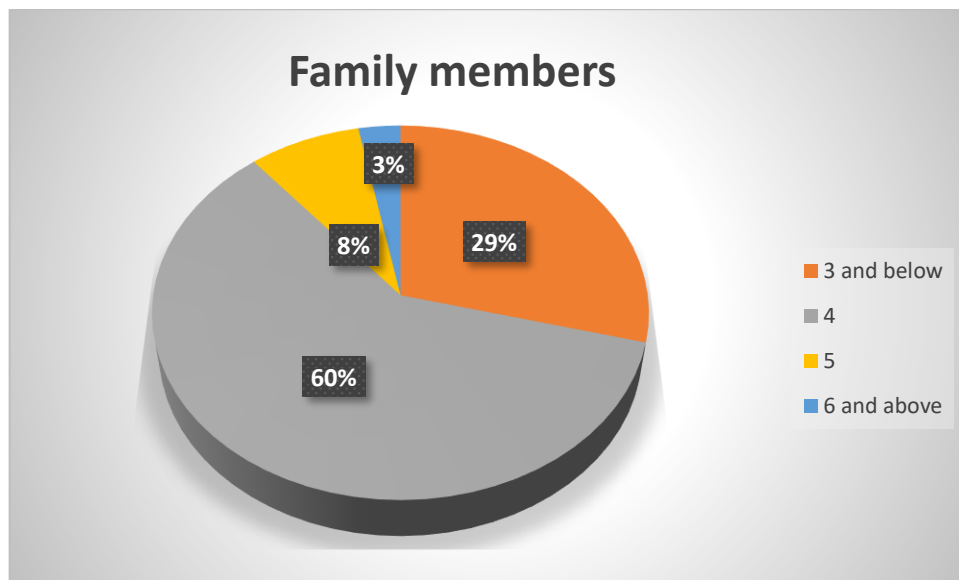
Inference

Majority (35%) of the responses are below 1, 00,000 Rs in annual income of their family.

Table 4.1.8: Family members:

S NO	Family members	No. of Respondents	Percentage
1.	3 and below	34	29%
2.	4	72	60%
3.	5	10	8%
4.	6 and above	4	3%
TOTAL		120	100

Source: Primary data



Interpretation

From the above table and Pie chart interpreted that family members of respondents 29% respondents are having 3 and below members in their family ,60% are having 4 members , 8% are having 5 and remaining 3% are having 6 and above family members .

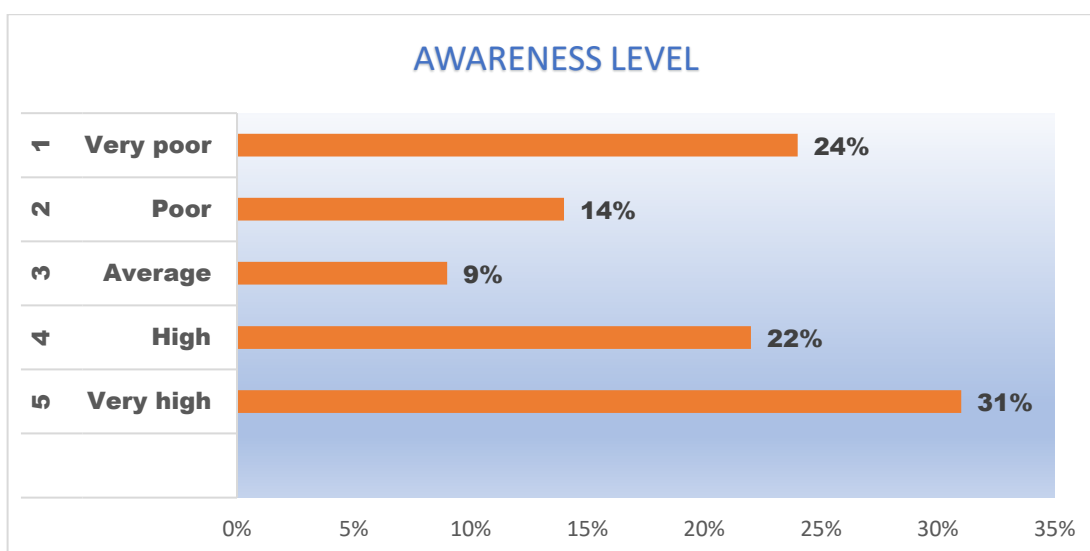
Inference

Majority (60%) of the respondents are having 4 members in their family.

Table 4.1.9: Awareness level of people about Life insurance:

S NO	Rating	Particulars	No. of Respondents	Percentage
1.	5	Very high	37	31%
2.	4	High	26	22%
3.	3	Average	11	9%
4.	2	Poor	17	14%
5.	1	Very poor	29	24%
TOTAL			120	100

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that the level of awareness about Life insurance 24% respondents are very poor, 14% are poor, 9% are average, 22% are high and remaining 31% of the respondents are very highly aware about Life insurance.

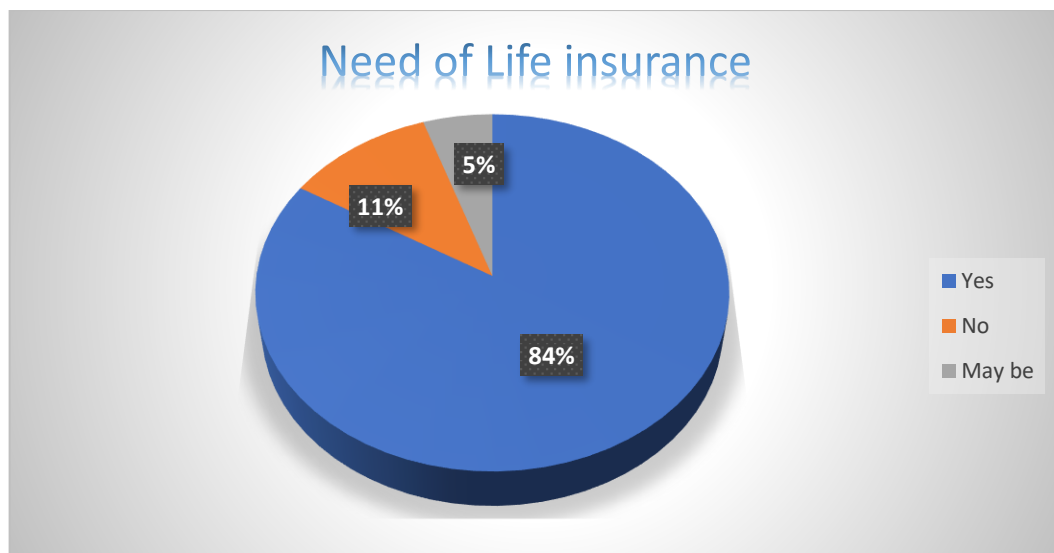
Inference

Majority (31%) of the respondents are very high level of aware about Life insurance.

Table 4.1.10: Do you think you need Life insurance?

S.no	Factor	No of respondents	percentage
1	Yes	113	84%
2	No	15	11%
3	May be	7	5%
Total		135	100

Source: Primary data



Interpretation

From the above table and Pie chart interpreted that respondent's opinion about Life insurance 84% respondents are thought they need, 11% are thought they no need of Life insurance and remaining 5% are thought maybe they need Life insurance.

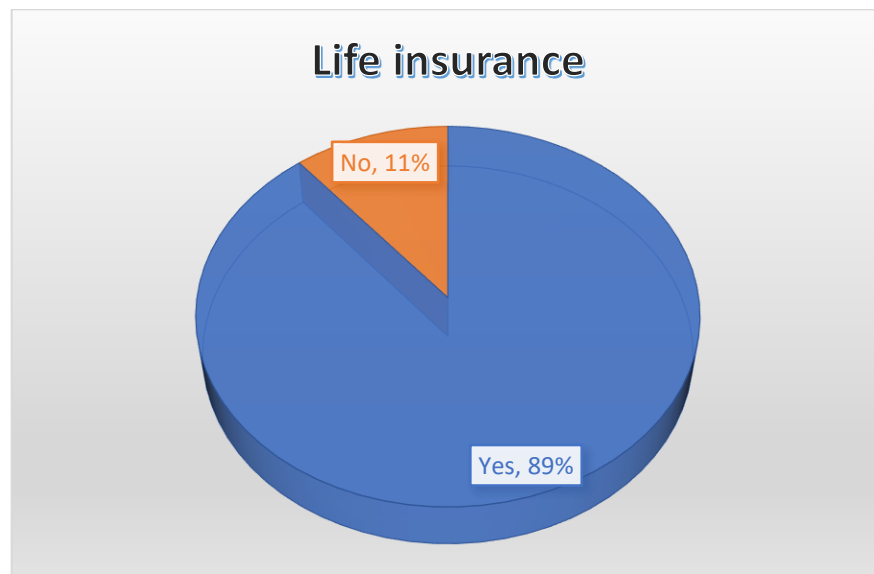
Inference

Majority (84%) of the people responses that they need Life insurance.

Table 4.1.11: Do you have life insurance

S.no	Factor	No of respondents	percentage
1	Yes	120	89%
2	No	15	11%
Total		135	100

Source: Primary data



Interpretation

From the above table and Pie chart interpreted that 89% respondents are having life insurance and remaining 11% are the respondents don't have a Life insurance.

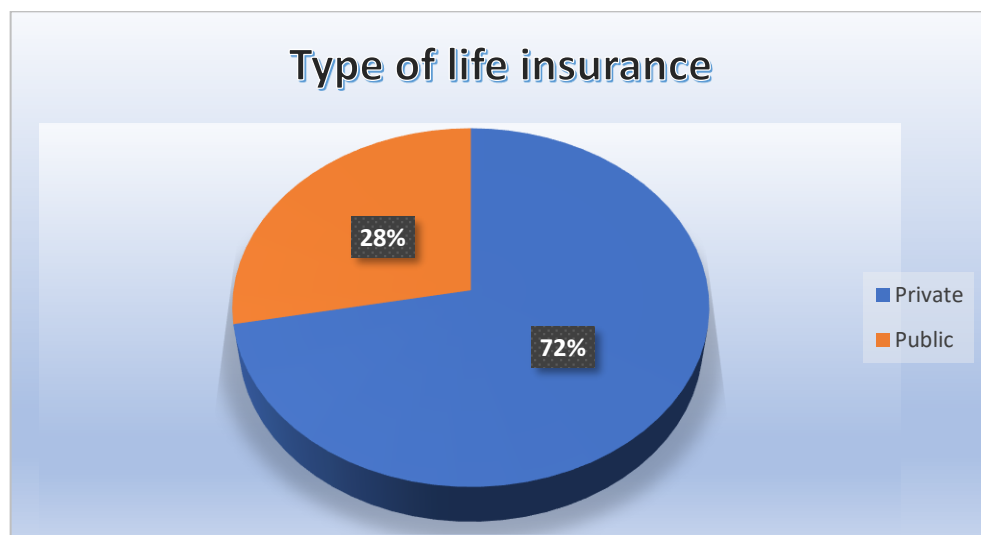
Inference

Majority (89%) of the people have Life insurance.

Table 4.1.12: Type of life insurance

S.no	Factor	No of respondents	percentage
1	Private	87	72%
2	Public	33	28%
Total		120	100

Source: Primary data



Interpretation

From the above table and Pie chart interpreted that 72% respondents are having private life insurance and remaining 28% are the respondents are having Public Life insurance.

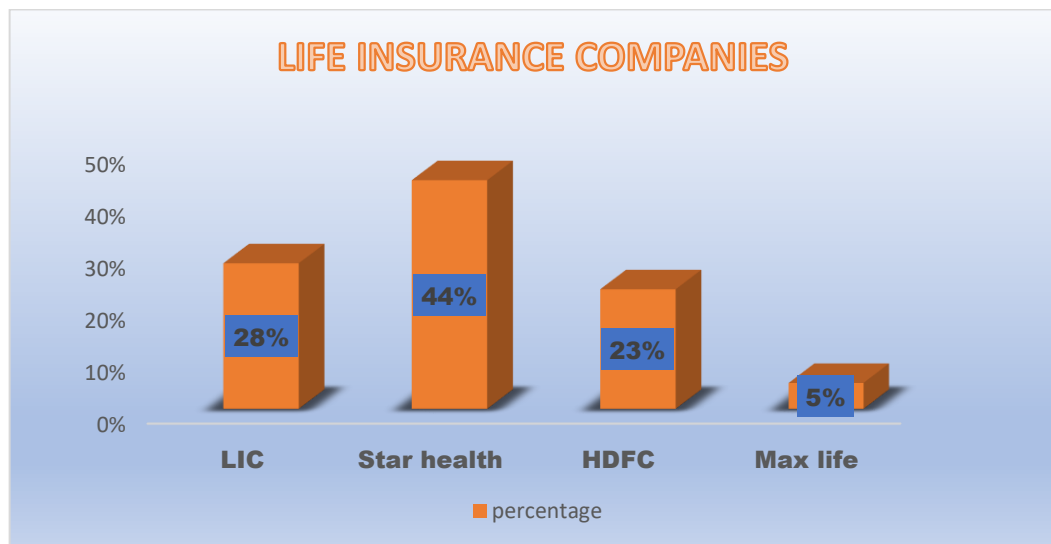
Inference

Majority (72%) of the people are having private Life insurance.

Table 4.1.13: Life insurance companies:

S.no	Company name	No of respondents	percentage
1	LIC	33	28%
2	Star health	53	44%
3	HDFC	28	23%
4	Max life	6	5%
Total		120	100

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that insurance companies which the respondents invest in Ramanathapuram 28% respondents are LIC, 44% are Star health, 23% are HDFC and remaining 5% are Max Life Insurance Company.

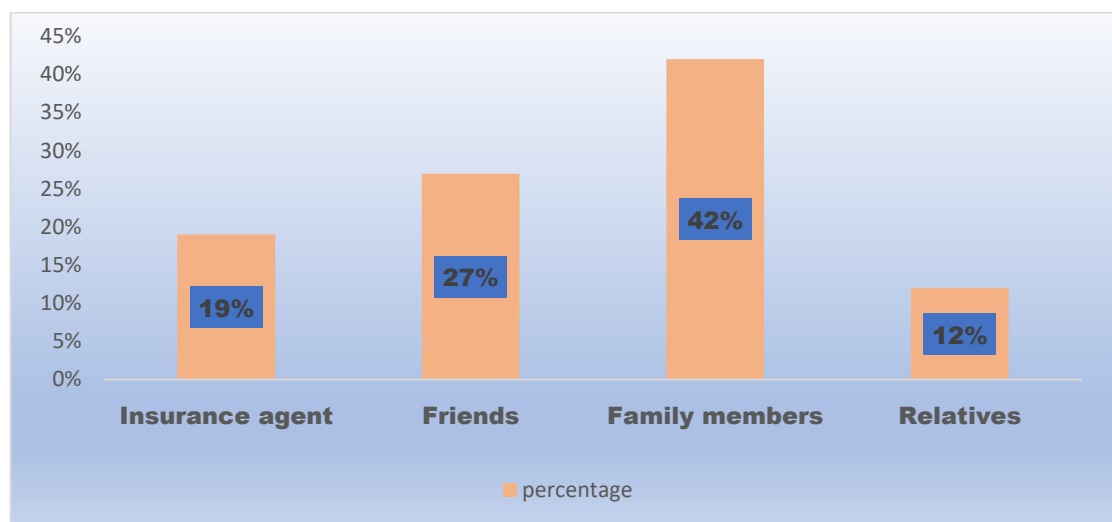
Inference

Majority (44%) of the people are having Star health insurance in Ramanathapuram district.

Table 4.1.14: Who influenced you to buy a Life insurance?

S.no	Communication	No of respondents	percentage
1	Insurance agent	23	19%
2	Friends	32	27%
3	Family members	51	42%
4	Relatives	14	12%
Total		120	100

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that influence of buying behaviour the respondents 19% are insurance agent, 27% are through friends, 12% are relatives and remaining 42% are influenced through family members to buy a life insurance.

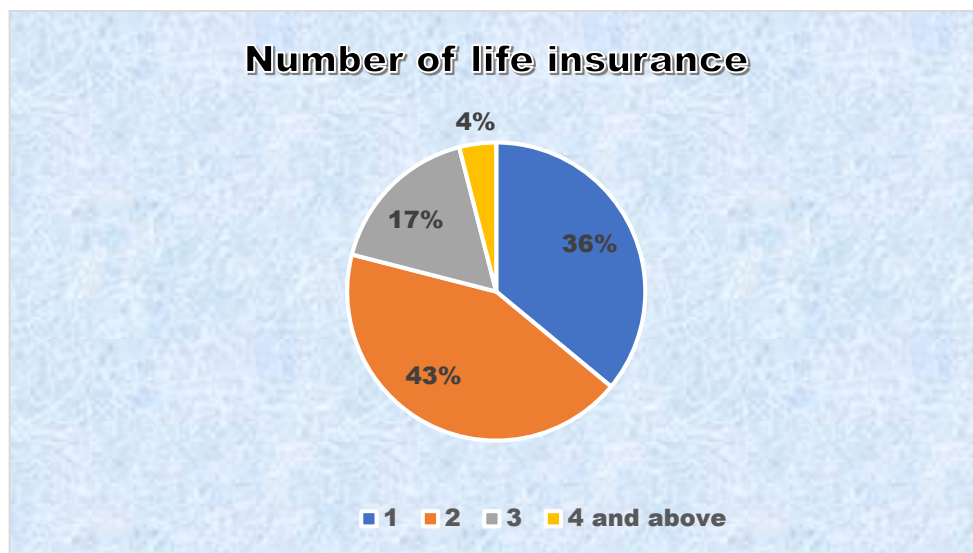
Inference

Majority (42%) of the respondents influenced by their family members and bought a life insurance.

Table 4.1.15: Number of life insurance:

S. No	Factor	No of respondents	percentage
1	1	43	36%
2	2	52	43%
3	3	20	17%
4	4 and above	5	4%
Total		120	100

Source: Primary data



Interpretation

From the above table and pie chart is interpreted that the respondent's insurance policy 43% are having 2 insurance policies, 17% are 3 policies, 4% are 4 and more policies and remaining 36% are having 1 life insurance policies.

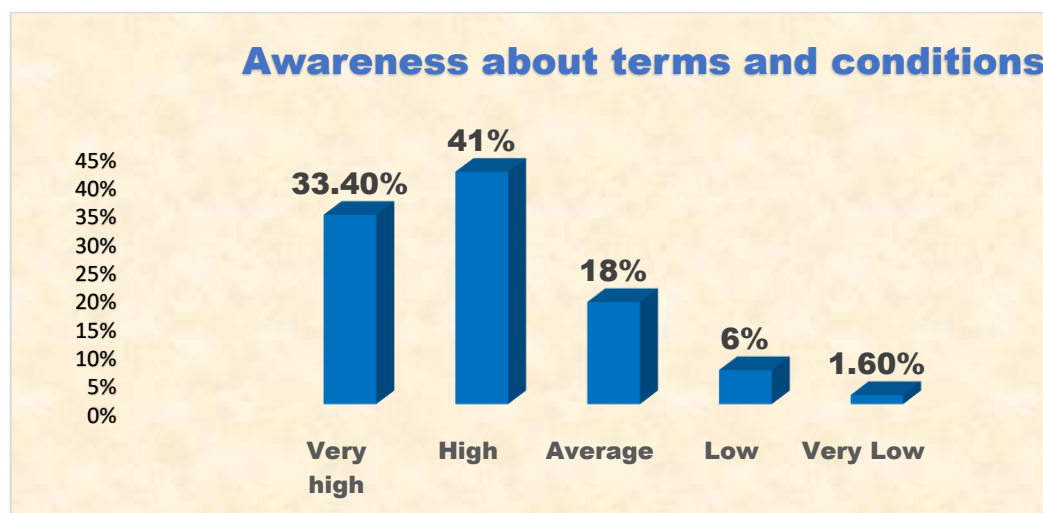
Inference

Majority (43%) of the respondents are having 2 life insurance policies.

Table 4.1.16: Awareness about terms and conditions:

S NO	Particulars	No. of Respondents	Percentage
1.	Very high	40	33.4%
2.	High	49	41%
3.	Average	22	18%
4.	Low	7	6%
5.	Very Low	2	1.6%
TOTAL		120	100

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that awareness about terms and condition 1.6% respondents are very low, 6% are low, 18% are moderate, 41% are high and remaining 33.4 % respondents are very highly aware.

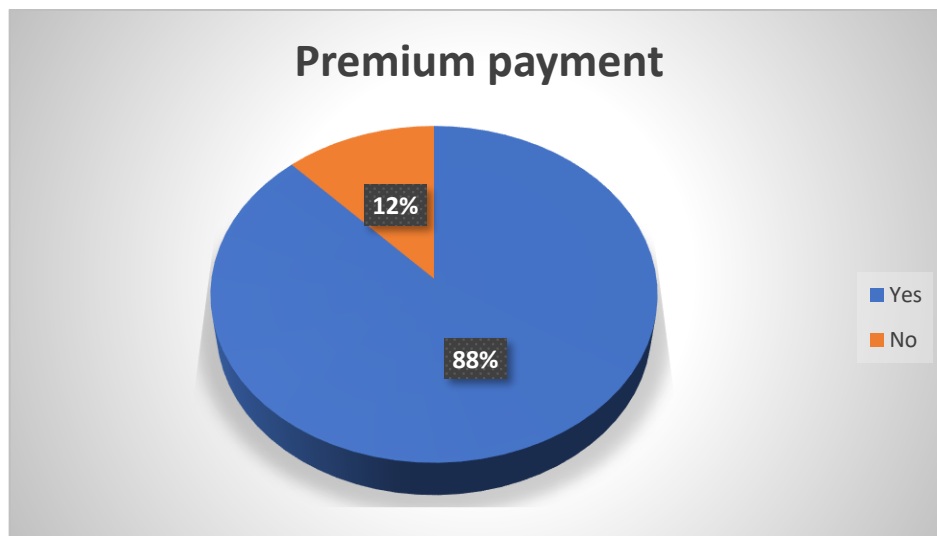
Inference

Majority (41%) of the respondents are highly aware about the terms and conditions.

Table 4.1.17: Payment of premium during the pandemic period:

S.no	Factor	No of respondents	percentage
1	Yes	106	88%
2	No	14	12%
Total		120	100

Source: Primary data



Interpretation

From the above table and Pie chart interpreted that 88% respondents paid the premium and remaining 12% respondents are not paid their premium amount during the pandemic period.

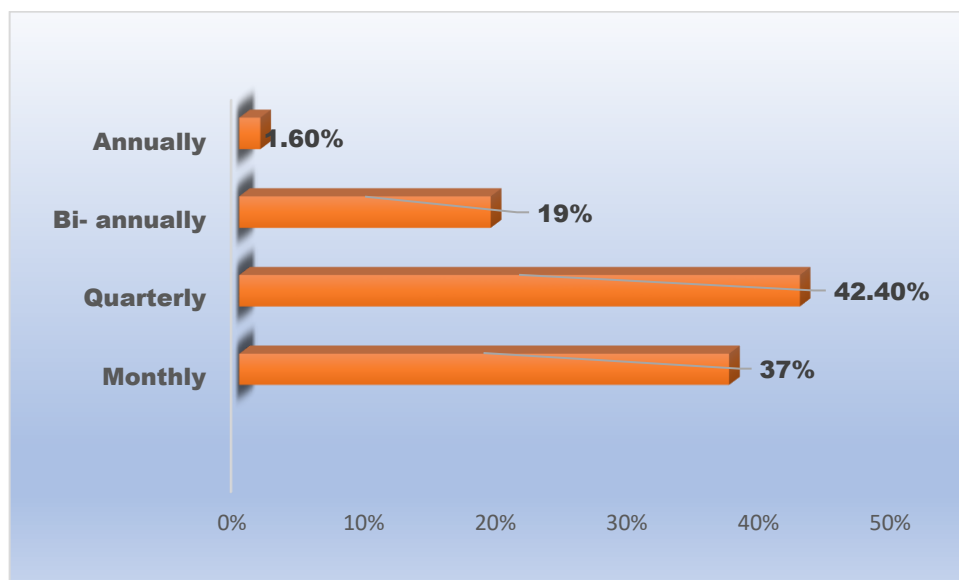
Inference

Majority (88%) of the respondents are paid the insurance premium during the pandemic period.

Table 4.1.18: Type of premium amount:

S NO	Particulars	No. of Respondents	Percentage
1.	Monthly	44	37%
2.	Quarterly	51	42.4%
3.	Bi- annually	23	19%
4.	Annually	2	1.6%
TOTAL		120	100

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that type premium amount paying by respondents 37% respondents are paying monthly, 42.4% are paying quarterly, 19% are paying Bi-annually and remaining 1.6% respondents are paying their premium amount annually during the Covid-19 period.

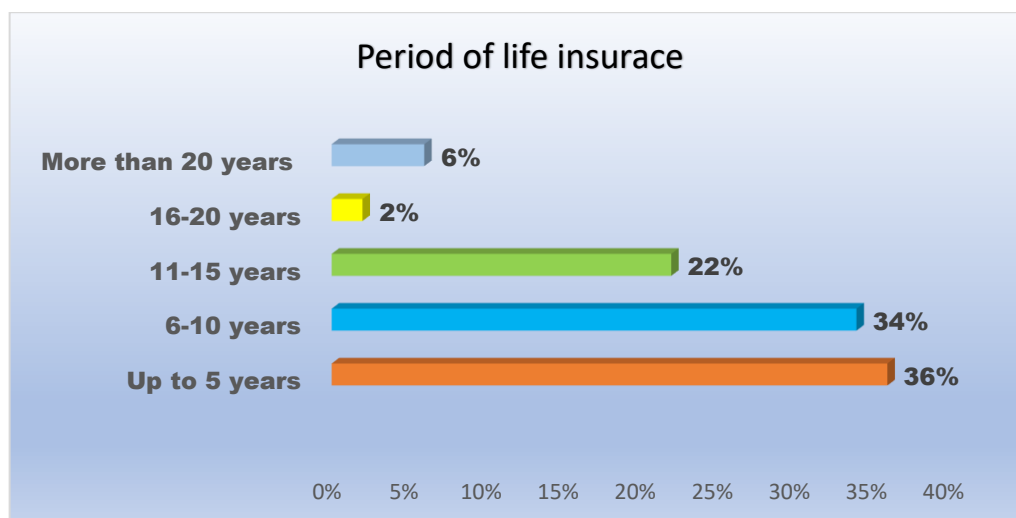
Inference

Majority (42.4%) of the respondents are paying their premium amount annually during the Covid-19 period.

Table 4.1.19: Period time of life insurance:

S NO	Particulars	No. of Respondents	Percentage
1.	Up to 5 years	43	36%
2.	6-10 years	41	34%
3.	11-15 years	26	22%
4.	16-20 years	3	2%
5.	More than 20 years	7	6%
TOTAL		120	100

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that period time of life insurances 36% respondent's period time is up to 5 years, 34% are 6 – 10 years, 22% are 11 – 15 years, 2% are 16 - 20 years and remaining 6% respondent's period time is more than 20 years.

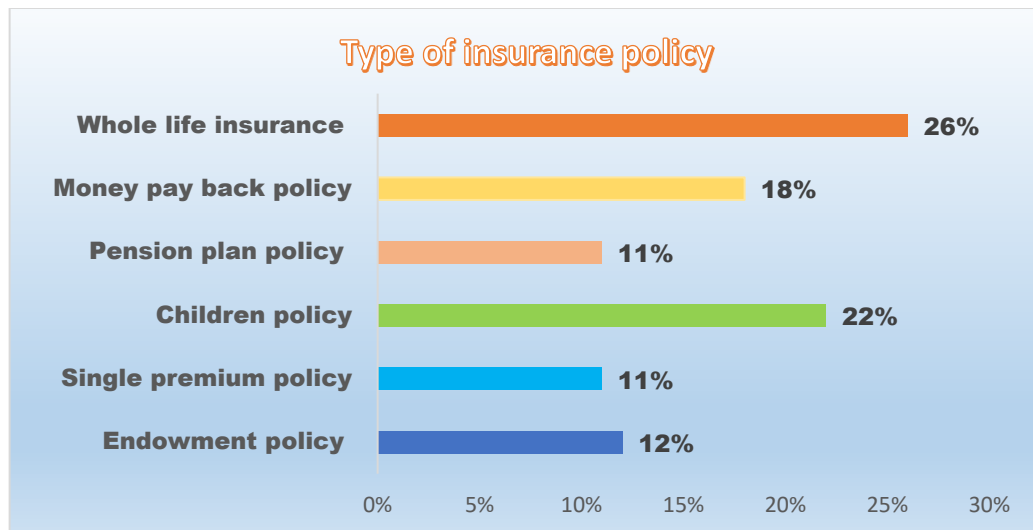
Inference

Majority (36%) of the respondent's having up to 5 year's term life insurance.

Table 4.1.20: Type of insurance policy:

S NO	Particulars	Percentage
1.	Endowment policy	12%
2.	Single premium policy	11%
3.	Children policy	22%
4.	Pension plan policy	11%
5.	Money pay back policy	18%
6.	Whole life insurance	26%
TOTAL		100

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that type of insurance policy 12% respondents are having Endowment policy , 11% are Single premium policy, 22% are children policy,11% are pension policy ,18% are money payback policy and remaining 26% respondents are having whole life insurance policy.

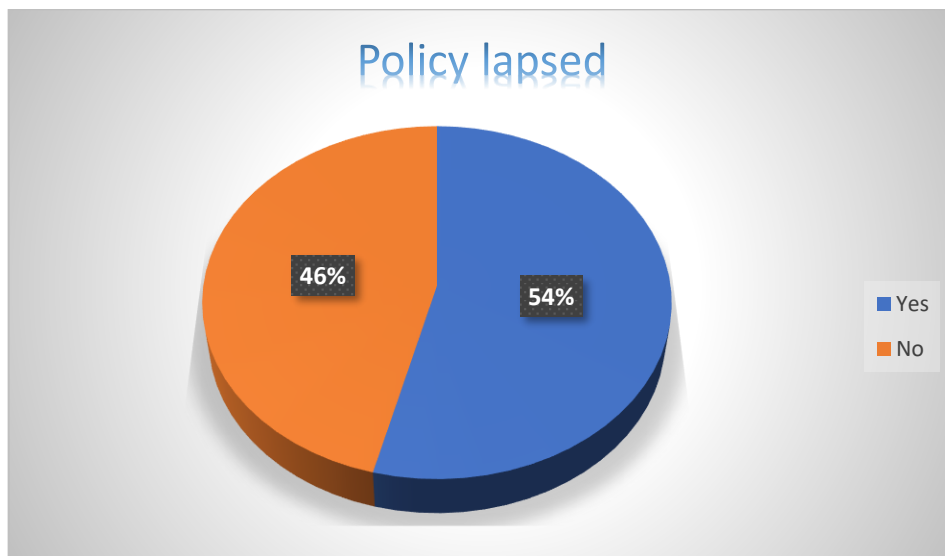
Inference

Majority (26%) of the respondents having Whole life insurance policy

Table 4.1.21: Policy lapsed due to Covid -19:

S.no	Factor	No of respondents	percentage
1	Yes	65	54%
2	No	55	46%
Total		120	100

Source: Primary data



Interpretation

From the above table and Pie chart interpreted that 54% respondents policy were lapsed during the pandemic period and remaining 46% respondents insurance policy did not lapsed during the pandemic period.

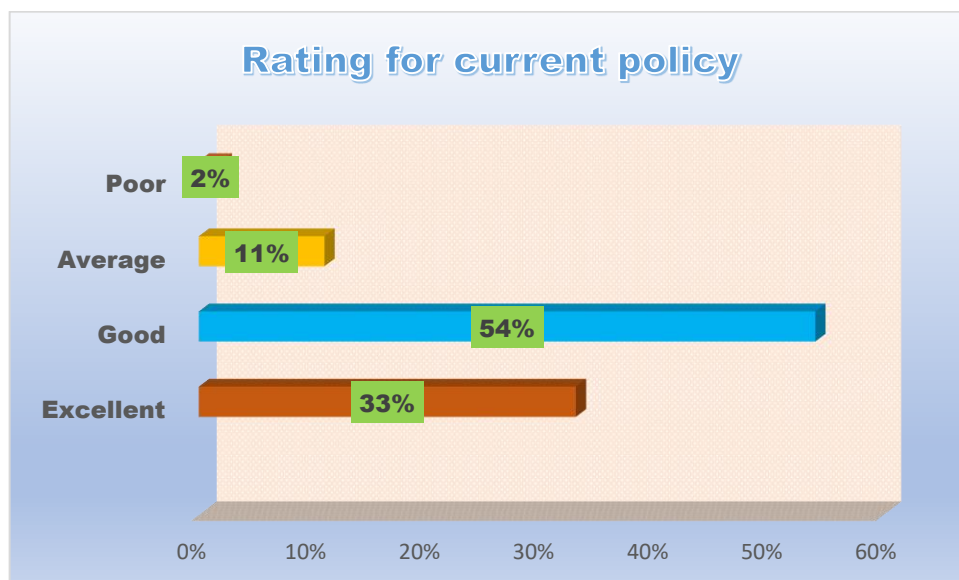
Inference

Majority (54%) of the respondents insurance policies were lapsed during the pandemic period.

Table 4.1.22: Rating for current policy during the pandemic period:

S NO	Factors	No. of Respondents	Percentage
1.	Excellent	39	33%
2.	Good	65	54%
3.	Average	13	11%
4.	Poor	3	2%
TOTAL		120	100

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that the satisfaction level of current policy 33% respondents are given excellent, 54% are good, 11% are Average, and remaining 2% respondents are given poor rating their current policy.

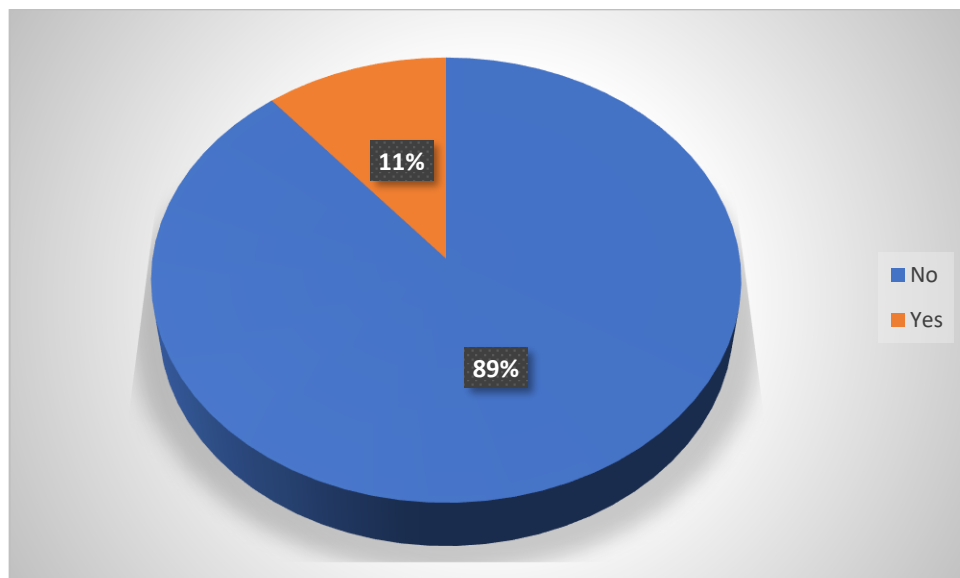
Inference

Majority (54%) are rated excellent for their current insurance policy.

Table 4.1.21: Did you buy new insurance policy during the Covid -19:

S.no	Factor	No of respondents	percentage
1	No	97	89%
2	Yes	23	11%
Total		120	100

Source: Primary data



Interpretation

From the above table and Pie chart interpreted that 89% respondents did not buy any life insurance during the pandemic period and remaining 11% respondents were purchased new insurance policy during the pandemic period.

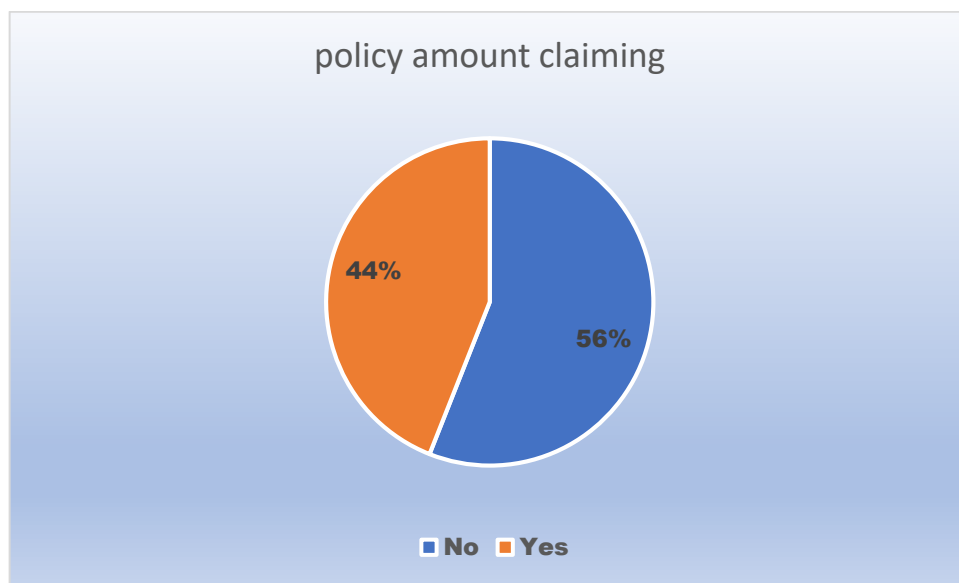
Inference

Majority (89%) of the respondents did not purchase any insurance policy during the pandemic period.

Table 4.1.22: Claiming policy amount friends/relatives during the Covid -19:

S.no	Factor	No of respondents	percentage
1	No	67	56%
2	Yes	53	44%
Total		120	100

Source: Primary data



Interpretation

From the above table and Pie chart interpreted that 56% respondents friends or relatives did not claim any insurance amount during the pandemic period and remaining 44% respondents friends and relatives claimed insurance policy during the pandemic period.

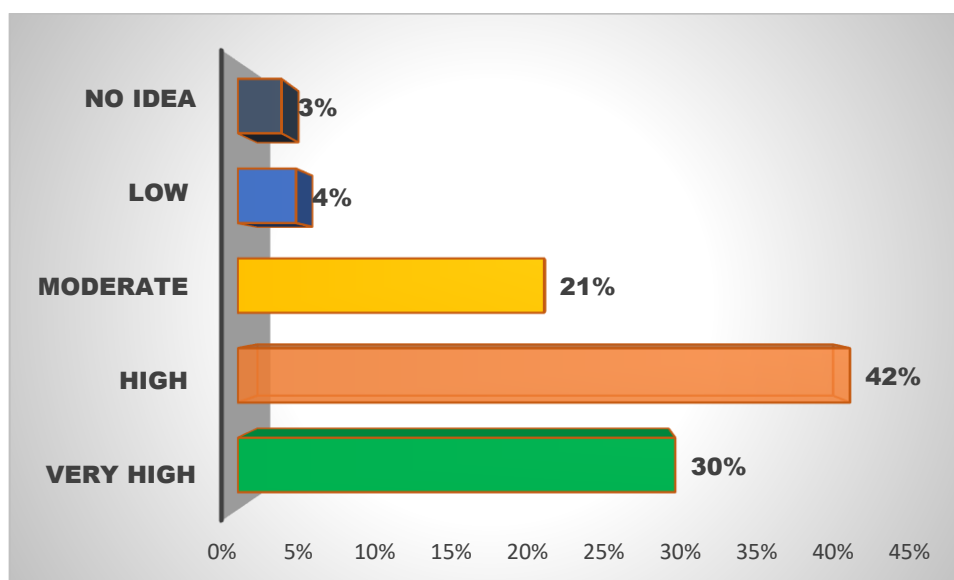
Inference

Majority (56%) of the respondent's friends / family did not claim any policy amount during the pandemic period.

Table 4.1.23: Did insurance companies suffered during the pandemic period:

S NO	Factors	No. of Respondents	Percentage
1.	Very high	36	30%
2.	High	50	42%
3.	Moderate	25	21%
4.	Low	5	4%
5.	No idea	4	3%
TOTAL		120	100

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that suffering of insurance companies during the pandemic 30% respondents are thought very highly suffered, 42% are high, 21% are moderately, 4% are very low and remaining 3% respondents are given no idea about that.

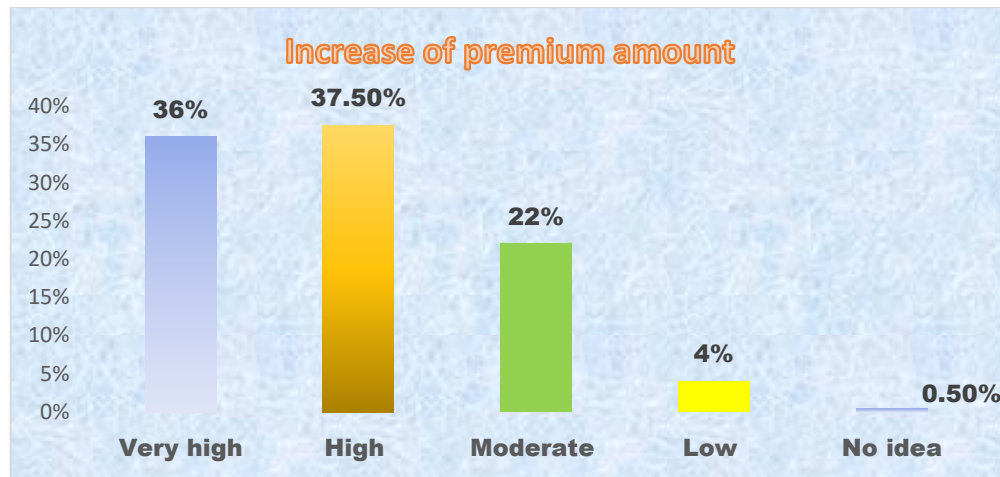
Inference

Majority (42%) respondents considered insurance companies are suffered highly during the Covid -19 period.

Table 4.1.24: Did premium amount increase during the pandemic period?

S NO	Factors	No. of Respondents	Percentage
1.	Very high	43	36%
2.	High	45	37.5%
3.	Moderate	26	22%
4.	Low	5	4%
5.	No idea	1	.5%
TOTAL		120	100

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that increasing in premium amount during the pandemic 36% responds are very high, 37.5% are high, 22% are moderately, 4% are very low and remaining .5% respondents are given no idea about that.

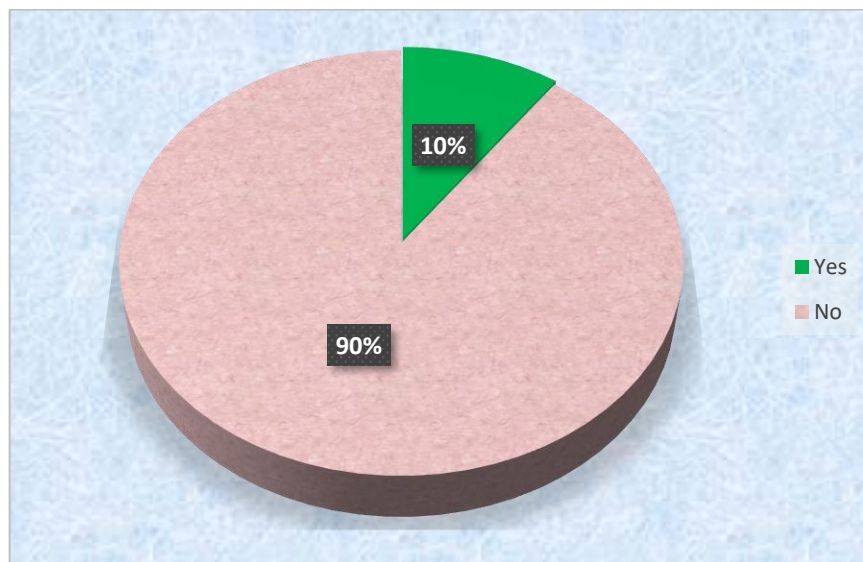
Inference

Majority (37.5%) responds are premium amount increased highly during the Covid -19 period.

Table 4.1.23: Have you ever surrender insurance policy during the covid-19

S. No	Factor	No of respondents	percentage
1	Yes	12	10%
2	No	108	90%
Total		120	100%

Source: Primary data



Interpretation

From the above table and pie chart is interpreted that claiming policy during the covid-19 90% of respondents not surrender any policy and remaining 10% respondents surrendered insurance policy during the period of covid-19.

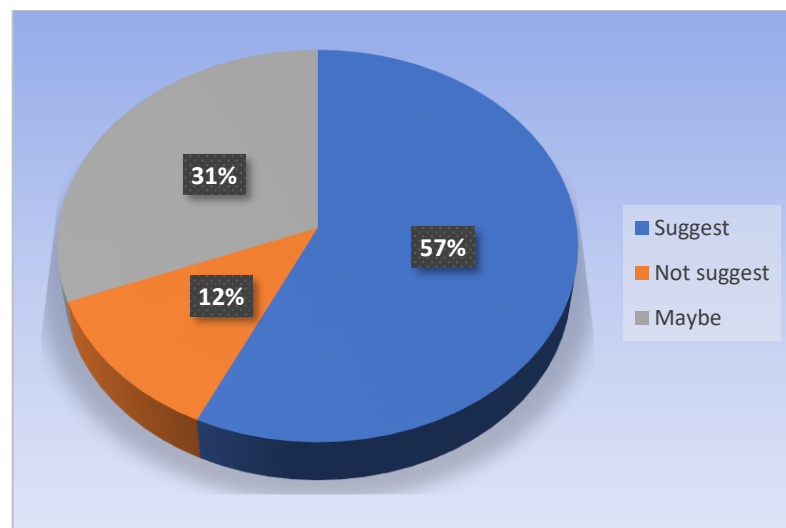
Inference

Majority (90%) of the respondents did claim any policy amount during the pandemic period.

Table 4.1.25: Would you suggest anybody to take life insurance after the covid-19 period?

S. No	Factor	No of respondents	percentage
1	Suggest	68	57%
2	Not suggest	15	12%
4	Maybe	37	31%
Total		120	100%

Source: Primary data



Interpretation

From the above table and pie chart is interpreted suggestion to others to buy insurance after the covid-19 57% of respondents suggest, 12% of respondents not suggest and remaining 31% respondents may be suggest others to buy life insurance after the covid-19.

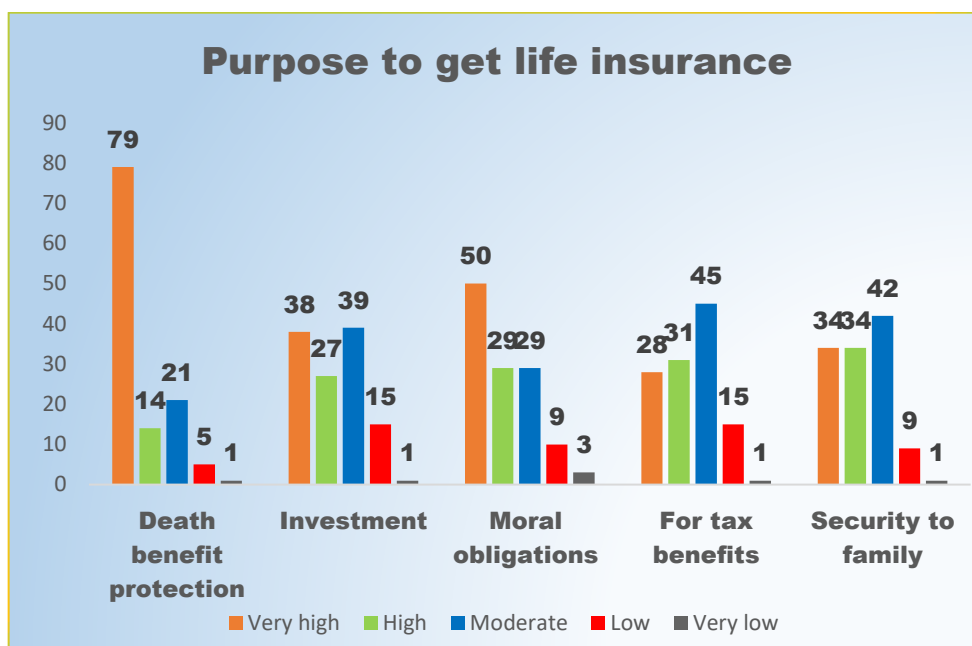
Inference

Majority (57%) of the respondents suggest others to take life insurance after the effect of covid-19.

Table 4.1.26: Purpose to get life insurance:

Factors	Very high		High		Moderate		Low		Very low	
	No	%	No	%	No	%	No	%	No	%
Death benefit protection	79	66%	14	12.5%	21	17%	5	4%	1	.5%
Investment	38	32%	27	23%	39	32.5%	15	12%	1	.5%
Moral obligations	50	42%	29	24%	29	24%	9	8%	3	2%
For tax benefits	28	23%	31	26%	45	37%	15	13.5%	1	.5%
Security to family	34	28%	34	28%	42	36%	9	7.5%	1	.5%

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that purpose to buy life insurance. Death benefit production responses are Very high 66%, high 12.5%, moderate 17%, low 4% and very low .5%. Investment responses are Very high 32%, high 23%, moderate 32.5%, low 12% and very low .5%. Moral obligation are Very high 42%, high 24%, moderate 24%, low 8% and very low 2%. For tax benefits responses are Very high 23%, high 26%, moderate 37%, low 13.5% and very low .5% and for security to family responses are Very high 28%, high 28%, moderate 36%, low 7.5% and very low 5%.

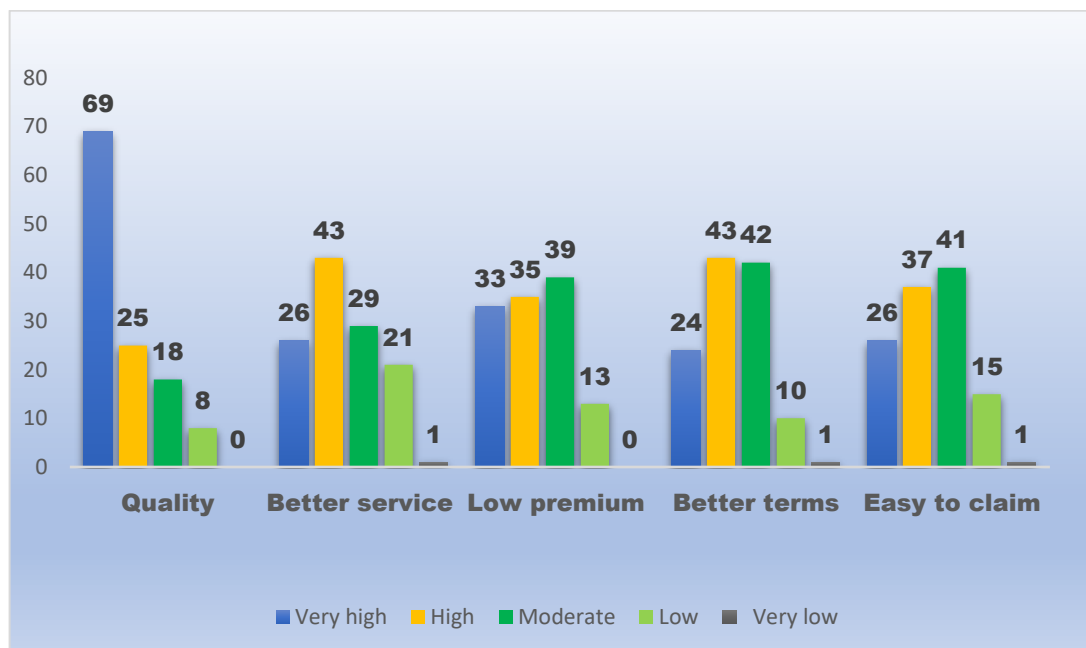
Inference

Death benefit (79%) of the responses that very high, Investment majority (32.5%) of responses have moderate, moral obligations majority (42%) of responses have very high, for tax benefits majority (37%) of responses have moderate factor and security for family majority 36% moderate.

Table 4.1.20: Main reason for sticking particular insurance company during the covid-19 period:

Factors	Very high		High		Moderate		Low		Very low	
	No	%	No	%	No	%	No	%	No	%
Quality	69	58%	25	20%	18	15%	8	7%	0	0%
Better service	26	22%	43	36%	29	24%	21	17.5%	1	.5%
Low premium	33	27%	35	29%	39	33%	13	11%	0	0%
Better terms	24	20%	43	36%	42	35.5%	10	8%	1	.5%
Easy to claim	26	22%	37	31%	41	34%	15	12.5%	1	.5%

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that reason for sticking particular life insurance company Quality responses are Very high 58%, high 20%, moderate 15%, low 7% and very low 0%. Low premium responses are Very high 27%, high 29%, moderate 33%, low 11% and very low 0%. Better service responses are Very high 22%, high 36%, moderate 24%, low 17.5% and very low .5%. Better terms responses are Very high 20%, high 36%, moderate 35.5%, low 8% and very low .5% and easy to claim responses are Very high 22%, high 31%, moderate 34%, low 12.5% and very low .5%.

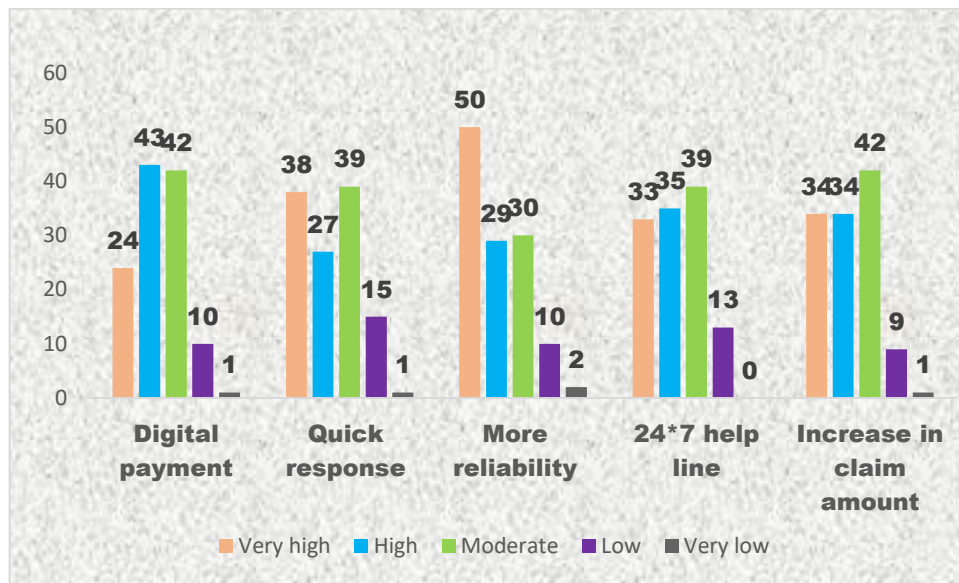
Inference

Quality majority (58%) of the responses that very high, better service majority (36%) of responses have high, low premium majority (33%) of responses have moderate, better terms majority (36%) of responses are high factor and easy to claim majority (34%) of responses are moderate level.

Table 4.1.20: As an insurer what would you suggest your insurance company to provide a necessary steps during the covid-19 period?

Factors	Very high		High		Moderate		Low		Very low	
	No	%	No	%	No	%	No	%	No	%
Digital payment	24	20%	43	36%	42	35.5%	10	8%	1	.5%
Quick response	38	32%	27	23%	39	32.5%	15	12%	1	.5%
More reliability	50	42%	29	24%	30	25%	10	8%	2	1%
24*7 help line	33	27%	35	29%	39	33%	13	11%	0	0%
Increase in claim amount	34	28%	34	28%	42	36%	9	7.5%	1	.5%

Source: Primary data



Interpretation

From the above table and Bar chart interpreted that reason insurer suggestion their life insurance company Quality Digital payment are Very high 20%, high 36%, moderate 35.5%, low 8% and very low 0.5%. 24*7 help line responses are Very high 27%, high 29%, moderate 33%, low 11% and very low 0.5%. More reliability are Very high 42%, high 24%, moderate 25%, low 8% and very low 1%. Quick response responses are Very high 32%, high 23%, moderate 32.5%, low 12% and very low 5% and increase in claim amount responses are Very high 28%, high 28%, moderate 36%, low 7.5% and very low .5%

Inference

Digital payment (36%) of the responses high, 24*7 help line majority (33%) of responses have moderate, more reliability majority (42%) of responses have high, quick response majority (32.5%) of responses are moderate factor and easy to increase in claim amount majority (36%) of responses are moderate level.

4.2. Inferential Analysis:

Test: 1.1 CHI-SQUARE TEST

4.2.1 Relationship between gender and satisfaction level of current policy

Whether there is an association between gender and satisfaction level of current policy.

The research hypothesis is:

H0: There is no significant difference between gender of the respondents and their satisfaction level.

H1: There is significant difference between gender of the respondents and their satisfaction level.

GENDER OF THE RESPONDENTS * satisfaction level of current policy during Covid19 Cross tabulation

Count		satisfaction level of current policy during Covid19				Total
		excellent	good	average	poor	
GENDER OF THE RESPONDENTS	Male	19	26	5	2	52
	Female	20	39	8	1	68
Total		39	65	13	3	120

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.545 ^a	3	.672
Likelihood Ratio	1.542	3	.673
Linear-by-Linear Association	.118	1	.731
N of Valid Cases	120		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is 1.30.

Inference

The above Chi-Square table reveals that gender with respect to the satisfaction level. The P-value is 0.672 which is greater than 0.05, so we accept null hypothesis H_0 at 5% level of significance.

So, we conclude that there no is significant difference between gender of the respondents and their satisfaction level.

Test: 1.2 CHI-SQUARE TEST

4.2.2 Relationship between annual income of family and choice of policy:

Whether there is an association between family income and choice of policy.

The research hypothesis is:

H_0 : There is no significant difference between family annual income and their choice of policy.

H_1 : There is significant difference between family annual income and their choice of policy.

type of insurance policy * Annual income of family Cross tabulation

Count		Annual income of family						Total
		below 1,00,000	1,00,000 -	2,00,000 -	3,00,000 -	4,00,000 -	above 5,00,000	
			2,00,000	3,00,000	4,00,000	5,00,000		
type of insurance policy	whole life insurance	14	5	5	4	0	3	31
	money pay back policy	5	4	6	2	4	1	22
	pension policy	5	0	0	6	0	2	13
	children policy	6	4	14	1	2	0	27
	single premium policy	7	2	0	3	0	1	13
	endowment policy	5	1	0	4	2	2	14
	Total	42	16	25	20	8	9	120

Chi-Square Tests

	Value	df	Asymp. Sig. (2- sided)
Pearson Chi-Square	54.715 ^a	25	.001
Likelihood Ratio	63.833	25	.000
Linear-by-Linear Association	.558	1	.455
N of Valid Cases	120		

a. 30 cells (83.3%) have expected count less than 5. The minimum expected count is .87.

Inference

The above Chi-Square table reveals annual income and choice of policy. The P-value is 0.001 which is lesser than 0.05, so we reject null hypothesis H_0 at 5% level of significance.

So, we conclude that H_1 : there is a significant difference between family annual income and their choice of policy.

Test: 1.3

4.2.3: Relationship between annual income of family and number of policies

Whether there is an association between family income and number of policies.

The research hypothesis is:

H_0 : There is no significant difference between family annual income and number of policies.

H_1 : There is significant difference between family annual income and number of policies.

Annual income of family * Number of policies Cross tabulation

Count		Number of policies				Total
		1 policy	2 policies	3 policies	4 and above policies	
Annual income of family	below 1,00,000	13	29	0	0	42
	1,00,000-2,00,000	8	8	0	0	16
	2,00,000-3,00,000	17	8	0	0	25
	3,00,000-4,00,000	4	7	9	0	20
	4,00,000-5,00,000	0	0	8	0	8
	above 5,00,000	1	0	3	5	9
Total		43	52	20	5	120

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	149.163 ^a	15	.000
Likelihood Ratio	114.375	15	.000
Linear-by-Linear Association	36.117	1	.000
N of Valid Cases	120		

a. 15 cells (62.5%) have expected count less than 5. The minimum expected count is .33.

Inference:

The above Chi-Square table reveals annual income and number of policies. The P-value is 0.000 which is lesser than 0.05, so we reject null hypothesis H₀ at 5% level of significance.

So, we conclude that H₁: there is significant difference between family annual income and number of policy.

Test: 2: ONE SAMPLE T -TEST

4.2.4: Significant difference in the factor that influence customer to choose life insurance during the covid-19 pandemic

The research hypothesis is:

- H₀: There is no significant difference in the factor that influence customer to choose life insurance during the covid-19 pandemic

FACTORS	(Test Value = 3)						
	N	MEAN	STD. DEVIATION	MEAN DIFFERENCE	T	DF	SIG
DEATH BENEFIT	120	1.63	.971	-1.375	-6.517	119	.000*
INVESTMENT	120	2.28	1.070	-.717	-7.334	119	.000*
FOR TAX BENEFITS	120	3.05	1.091	.43	.537	119	.564**
SECURITY TO FAMILY	120	2.26	.974	-.742	-8.338	119	.000*
MORAL OBLIGATION	120	2.42	1.009	-.583	-6.333	119	.000*

Inference:

The P value of variables namely Death benefit (1.63), Investment (2.28), Security to family (2.26) and Moral obligation (2.42) are less than 0.05 at 5 % level of significance. Hence null hypothesis is rejected. It conclude that there is a significant difference in the factor that influence customer to choose life insurance during the covid-19 pandemic.

The P value of the variable Tax benefit (3.05) is more than 0.05 at 5 % level of significance. Hence the null hypothesis is accepted. It conclude that there is no a significant difference in the factor that influence customer to choose life insurance during the covid-19 pandemic.

Test: 2.2: ONE SAMPLE T –TEST

4.2.5 To find out insurer expectations and present solutions

The research hypothesis is:

- H0: There is no significant difference in factor that insurer expectations and present solutions during the covid-19 pandemic.

FACTORS	(Test Value = 3)						
	N	MEAN	STD. DEVIATION	MEAN DIFFERENCE	T	DF	SIG
DIGITAL PAYMENT	120	2.34	.921	-.658	-7.828	119	.000*
MORE RELIABILITY	120	2.46	1.036	-.542	-5.726	119	.000*
QUICK RESPONSE	120	1.71	1.040	-1.292	-13.601	119	.000*
24*7 HELP LINE	120	2.38	1.014	-.617	-6.662	119	.000*
INCREASE IN CLAIM AMOUNT	120	2.24	1.167	-.758	-7.120	119	.000*

Inference:

The P value of variables namely Digital payment (2.34), More reliability (2.46), Quick response (1.71), 24*7 Help line (2.38) and Increase in claim amount (2.42) are less than 0.05 at 5 % level of significance. Hence null hypothesis is rejected. It conclude that there is a significant difference in the factor that insurer expectations and their present solutions during the covid-19 pandemic.

CHAPTER 5

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 FINDINGS OF THE STUDY:

- It was found that 39% of the majority of the respondents were between 18-28 years of age people.
- It was found that 57% of the majority of the respondents were women.
- It was found that 51% of the majority of the respondents were unmarried.
- It was found that 66% of the majority of the respondent's education qualification Graduate.
- It was found that 42.5% of the majority of the respondent's occupation status were students.
- It was found that 35% of an annual income of their family below 1, 00,000 rupees.
- It was found that 60% of the majority of the respondent's having 4 members in their family
- It was found that 31% of the majority of respondents very highly aware about life insurance.
- It was found that 84% of the majority of respondents acknowledge they need life insurance.
- It was found that 89% of the majority of respondents have a life insurance.
- It was found that 11% of respondents don't have a life insurance.
- It was found that 72% of the majority of the respondents have a Star health life insurance policy.
- It was found that 42% of the respondents were influenced by their family to take a life insurance policy.
- It was found that 43% of the majority respondents having 2 life insurance policy.
- It was found that 41% of the majority respondents were highly aware about the terms and condition about life insurance.
- It was found that 88% of the majority respondents paid their insurance premium amount during the covid-19 period.
- It was found that 42.4% of the majority respondents paid their insurance premium amount annually during the covid-19 period.

- It was found that 36% of the majority respondents having up to 5 years term life insurance policy.
- It was found that 54% of the majority respondent's insurance policy were lapsed during the Covid -19 pandemic period.
- It was found that 54% of the majority respondents rated excellent their current insurance policy during Covid -19 period.
- It was found that 88% of the majority respondents did not buy new life insurance policy during the pandemic.
- It was found that 56% of the majority respondent's friends/relatives did not claim any life insurance policy during the pandemic.
- It was found that 42% of the majority respondents considered insurance companies were suffered very highly during Covid -19 period.
- It was found that 37.5% of the majority respondents considered premium amount increased highly during Covid -19 period.
- It was found that 90% of the majority respondent's did not claim any life insurance policy during the pandemic
- It was found that 57% of the majority respondents suggest other to buy life insurance after the covid-19 effect.
- It was found that there is no relationship between gender of the respondents and their satisfaction level of life insurance.
- It was found that there is a relationship between annual income of their family and their choice of insurance policy.
- It was found that there is a significant difference in the factor that influence customer to choose life insurance during the covid-19 pandemic expect Tax benefit.
- It was found that there is a significant difference in the factor that insurer expectations and their present solutions during the covid-19 pandemic.

5.2 SUGGESTIONS & RECOMMENDATIONS:

The COVID-19 crisis raised major market problems as usual. Yet it also provides numerous incentives for the insurance market to re-imagine its business activities. The most critical of these incentives would be continuous exposure, acquisition, interaction and customer support.

- Due to strict social distancing norms and the general preference of people to stay away from physical branches, the industry should direct its focus towards providing all of its services through the digital mood.
- The insurance industry must step up its efforts to connect with their customers in a more proactive manner digitally.
- The industry should work towards providing its customer with products that can be tailor-made according to their needs and requirements.
- With the transition to digital the industry should also focus on enhancing the claim settlement process and make it easy as possible, but also provide customers with faster pay-outs.
- The operation models and engagement are need to process in digital mode. Servicing a constant communication is very important. With the guideline of regulator and innovative mechanism such as sandbox and customer champing, constant customer communication will be very difficult. The insurance industry needs to view the current recession as an incentive for its clients to get closer and be significant
- Behavioral economic tools and strategies can be implemented to attract more customers and adopt digitization.
- For customers the trust on the company is very important so all the transactions and documents collected from them through online has to be transparent.
- To offer additional reporting and fast-track services to those who are additional vulnerable to COVID-19 risks at work
- Extending claim filling periods.
- Easing out preauthorization and certification rules
- Deferring rate hikes, insurance fees, renewals and cancellations.
- Waiving co-payment obligations so that the customers can able to pay their premium amount later after this situation gets over.

- Establish a consistent contact mechanism with all stakeholders to remind them of any policy changes and operating procedures.
- Automating first customer service level by way of bots to handle the temporarily reduced workforce problem.
- A very important aspect of processing insurance claims is the handling of paper, which originates in large part from hospitals and mortuaries. Paperwork related to underwriting and payment management in the insurance industry will be supplemented by full digitization, with all reporting methods of internet-based authentication.

OPPORTUNITIES FOR INSURERS TO EMERGE FROM COVID-19 CRISES:

Business:

- ✓ Allocate capacity to review overall product portfolio mix and compare with client needs in new normal.
- ✓ Use innovation capabilities to reposition the business in the light of the COVID-19 pandemic
- ✓ In business-to - business customers (B2B2C) platforms, there is an urgent need to simplify plans and implement digital methods in full. So, they can use this as an opportunity to deliver the premium.

Customer's moment of truth:

- ✓ Strengthen customer satisfaction by capitalizing and providing more interest on reduced risks such as motor and injuries.
- ✓ Concentrate on potential risk reduction by collaborations with communities and thereby giving clients interest.
- ✓ Supporting customers in their essential need by becoming partners for retail and small and medium enterprise to prove the customer centric.

Partners:

- ✓ Using free ability to help distributors and distribution associates in previously deprioritized projects as well as attempts to digitize.
- ✓ In chaos situations establish yourself as a defensive shield for agents and associates throughout the value chain.

Employee moment of truth:

- ✓ Show employee centricity by the allocation of spare time for upskilling and personal growth of workers and support them in their personal ventures and help them flourish personally.
- ✓ Advance required targets for staff such as compliance-related reports, educational programs and professional deliverables.
- ✓ Using the workers' free ability to engage them in a wider way of contributing to society.

5.3 LIMITATION OF THE STUDY

The research study conducted use to have minor limitations based on the conceptions and practical implications. The various limitations of the study that were identified to have minimal impact are listed below

- a) Difficulty gathering credible results.
- b) The respondents of the study have been selected only from the Ramanathapuram district due to time and pandemic situation.
- c) Timing of the analysis – the data available are in wide view, so it is difficult to extract data from source.
- d) Individual customer documents were no more available.
- e) Some responders are not insured.

5.4 CONCLUSION

In this above research, Companies are looking for new ways to sustain their activities in the wake of the COVID- 19 crisis. The growing number of insurance industry workers who work remotely will open doors for discovering how businesses operate under the modern world, redefining their plans and determining how the teams will work in the future. It will accelerate all sales, which can reduce costs. Changes in insurance policies, field practices or overall industry norms have to be brought to the table by industry associations and councils. Insurance industry will not be able to generate premiums during COVID because there is no physical interaction between agents and policyholders. Hence moving to digitization will help the insurance industry to sustain during and after COVID.

The impact of Covid -19 on the insurance industry is clear. Although it initially derailed the industry progress, it has also led to stimulus in demand for insurance products. And though there are no specific COVID insurance plans, life insurance plans in general cover COVID -19 related deaths too. This has resulted in more people becoming interested in life insurance. Floated by the positive sentiment towards insurance, the industry likely to further intensify its efforts in the near future to increase insurance penetration in Ramanathapuram district

ANNEXURE I – BIBLIOGRAPHY

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ANNEXURE II – QUESTIONNAIRE

NAME: INIYAN BESKI.S

REG NO: 40410072

TOPIC: **Impact of Covid-19 on Life insurance sector**: AN ANALYSIS ON
RAMNATHAPURAM DISTRICT

QUESTIONS:

1. NAME: *

2. AGE: *

UNDER 20

20-30

31-40

41-50

51 AND ABOVE

3. GENDER

A.MALE

B.FEMALE

C.TRANSGENDER

4. MARITAL STATUS: *

A. MARRIED

B. UNMARRIED

5. EDUCATION QUALIFICATION: *

A. OTHERS

B. SCHOOL LEVEL

C. GRADUATE

D. POSTGRADUATE

E. PROFESSIONAL (MEDICAL/BL/ETC)

6. OCCUPATIONAL STATUS: *

A. STUDENT

B. GOVT.EMPLOY

C. PVT.EMPLOY

D.WAGERS

E. HOUSE WIFE

D.OTHERS

7. Annual income of your family (in rupees) *

A. below 1, 00,000

B. 1, 00,000 – 2, 00,000

C. 2, 00,000 – 3, 00,000

D. 3, 00,000 – 4, 00,000

E. 4, 00,000 – 5, 00,000

E. above 5, 00,000

8. FAMILY MEMBERS

A. 2 And below

B.3

C.4

D.5 and above

9. Do you know what life insurance is? *

A. 1 (very less)

B. 2 (less)

C. 3 (average)

D. 4 (high)

E. 5 (very high)

10. Do you think you need life insurance? *

A. Yes

B. No

C. May be

11. Do you have life insurance? (If YES skip next move on) *

- A. Yes
- B. No

12. If No, why you are not interested in buying life insurance?

- A. Complicated
- B. Expensive
- C. Not beneficial
- D. Not transparent

13. What type of insurance do you have? *

- A. Private
- B. Public

14. Which company do you prefer to take life insurance policy? *

- A. Star health
- B. HDFC LIFE
- C.LIC
- D.MAX LIFE
- E.OTHERS

15. Who influenced you to get a life insurance policy?*

- A. Friends
- B. Relatives
- C. Family
- D. Insurance agent

16. How many life insurance policies do you currently have along with your family members?

- A.1
- B.2
- C.3
- D.4 AND ABOVE

17. Do you aware of the terms and conditions of your life insurance policy during the pandemic?*

- A. Very High
- B. High
- C. Average
- D. Less
- E. Very less

18. Are you regularly paying the premium during this pandemic?*

- A. Yes
- B. No

19. How would you like to pay the premium during the pandemic period?*

- A. Monthly
- B. quarterly
- C. Bi-annually
- D. Annually

20. What is the term of your policy? *

- A. Up to 5 years
- B. 6- 10 years
- C. 11-15 years
- D. 16-20 years
- E. More than 20 years

21. Which of the following policies do you have? *

- A. Endowment policy
- B. Children policy
- C. Whole life insurance policy
- D. Pension policy
- E. Money payback policy

F. Single premium policy

22. Has your policy lapsed anytime due to non-payment of insurance premium particularly on this pandemic time?*

- A. Yes
- B. No

23. How would you rate your current policy?*

- A. Excellent
- B. good
- C. Average
- D. Bad

24. Did you buy any new life insurance policy during this COVID-19?*

- A. Yes
- B. No

25. If you or any friends and relatives are facing any problem to claim their policy amount during this COVID?*

- A. Yes
- B. No

26. Do you think Life Insurance Company is suffered during this pandemic?*

- A. Very High
- B. High
- C. Average
- D. Less
- E. No idea

27. Do you think the policy premiums are increased after this COVID? *

- A. Very High
- B. High
- C. Average
- D. Less
- E. No idea

28. Have you ever surrendered any insurance policy during the pandemic?*

A. Yes

B. No

29. Will you suggest anybody to take life insurances after this covid-19?

A. Yes

B. No

C. May be

30. What is your purpose to get a life insurance during the pandemic? *

FACTORS	VERY HIGH	HIGH	MODERATE	LOW	VERY LOW
Death benefit					
Moral obligation					
Investment					
For tax benefit					
Security for family					

31. Main reason for sticking to your Insurance Provider during the Covid-19? *

FACTORS	VERY HIGH	HIGH	MODERATE	LOW	VERY LOW
Quality					
Better service					
Low premium					
Easy to claim					
Better terms					

32. As an insurer what would you suggest in your insurance company to provide the favour to the customer during the covid19 pandemic?

FACTORS	VERY HIGH	HIGH	MODERATE	LOW	VERY LOW
Digital payment					
Quick response					
More reliability					
24*7 help line					
Increase claim amount					

IMPACT OF COVID-19 ON LIFE INSURANCE SECTOR: AN ANALYSIS ON RAMANATHAPURAM DISTRICT

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ABSTRACT

The insurance industry took a giant leap at the twentieth-century mark. Insurance has been an integral part of man's life all over the world. In the case of insurance, the proverb 'Will is the mother of invention' is similarly right. It's already had a significant impact on our society. The Covid -19 pandemic and lockdown have impacted almost all the industries and sectors across the world including the insurance sector which has a significant contribution in the country's GDP and economic development. The study is an attempt to analyse study the effect of COVID-19 pandemic on life insurance sector the growth, sales, risk management, claim paid management and issues and challenges are facing insurer during this pandemic period in Ramanathapuram district. The study is exploratory in nature and thus give new insight to related future researches. In order to conduct the study, the study used qualitative and quantitative interviews to estimate the impact of the pandemic. Presently, the trend is an economic recession with decreasing profits but increasing claims. Covid-19 has adversely affects the life insurance business mainly in term of drop down in sales of new policy, premium income and crises of claim settlement. The experts view that the demand of pure and health insurance has been shown a positive growth due to life uncertainties in times of Covid-19 pandemic.

Key words: Life insurance, Covid -19, Pandemic, Economy, GDP, Sales, Premium.

1. INTRODUCTION

The topic for my research is “**Impact on covid-19 on life insurance sector**” followed by the area of Indian insurance industry. India has traditionally been an underinsured country in health and life insurance schemes. During this pandemic time “Ayushman bhrat”, which has attempted to insure the poor and vulnerable, most of India continues to be underinsured when it comes to the health. Due to the widespread of COVID-19 pandemic, health and life insurance companies are facing various challenges and are foreseeing an impact on these areas.

The insurance industry in India has seen a strong growth series after the year 2000 and broadly divided into two major categories i.e., Life Insurance and Non-life Insurance. Both the sectors are governed by the Insurance Regulatory Development Authority of India (IRDAI). The role of IRDA is to regulate and monitor the entire insurance sector in India. All the insurers have to follow the rules and regulations of the IRDA. The Insurance sector in India consists of a total of 57 insurance companies, out of which 24 companies are the life insurance providers and the remaining 33 are non-life insurers. All life insurance companies offer wide range of products under both individual and group schemes. The Covid-19 pandemic and succeeding lockdown have impacted various sectors of the economy and both life and non-life insurance businesses

has also affected adversely by current pandemic situation. New business policy sales have been dropped, percentage of policy causation has been increased and also noted delay in premium payment. This will bring about the industry losing around four million policies and premiums value around Rs 45,000 crore.

Insurance is the means of protecting from financial losses. It is a form of risk management. It is mainly used to known and unknown risk of a contingent or uncertain loss. Since insurance hedge against risk, this pandemic is one of the examples for managing the risk. During COVID-19 there occurs losses in the Insurance sectors. For India, where compensation is very small, general insurance usually protects both organized industrial operation and organized business employees. Life insurance sales at one time were hit the year ends in March, when they are most remunerative. The buyer-seller confidence gap now has to be bridged, and insurers need to consider the behavioural dynamics of this as well as the investment Process which eventually leads to a dynamic long-term financial decision that goes beyond life. Although Very highly relevant for insurance companies may be able to apply appropriate mitigation strategies to society to continue supporting and ensuring its reach through product development activities is comprehensive.

In this study, life insurance is taken into account and the performance of listed companies are analysed and evaluated to acquire knowledge about how the companies hedge against risk during COVID.

CONCEPTS USED AND THEIR DEFINITIONS IN THE STUDY:

The performance of the insurance company can be analysed using three methods. They are

- Premium Generated
- Claims paid
- Expenses of management

Premium Generated: An insurance premium is the amount of money a person or company which has to be pay for an insurance policy for claim at the end of the policy or else. Insurance rates are charged on plans covering wellness, transportation, residence, life and others. Insurance premiums can rise once the policy period is over.

Claims Paid: Claims will only be paid while the policy remains active, the policy cannot be cancelled by the insured facing a claim while the claim is pending, often for years, unless he or she is willing to pay the claim from personal assets.

Expense Management: Expense management refers to the programs that a company has implemented to handle, pay, and monitor costs

Incurred by its staff. Such costs include, but are not limited to, the travel and leisure expenses incurred. Expenditure control involves the rules and practices controlling these spending, as well as the software and resources used to collect and interpret the relevant data.

Insured: Any agency or corporation, or a member thereof, designated by name as the insurance scheme covered persons

Insurer: The party to an insurance policy which undertakes to pay for Losses, pecuniary gains, or services rendered. The word "insurer" is mostly used in insurance companies only, since it applies to all types of individual's persons or an organizations who has enrolled insurance in the company.

Loss: Generally, refers to

- ❖ The quantity by which an insured's interest is decreased
- ❖ The amount sought by an insured claim or
- ❖ The amount paid on behalf of an insured under an insurance contract.

Exposure: The state of being prone to failure due to a certain threat or possibility. Also used as a rating unit measure, or the premium risk base.

Proximate Cause: The real cause of any loss or injury. It is an unbroken chain of cause and effect between an insured danger or negligent action and resulting injury or damage.

Insuring Agreement: The section of an insurance policy the spells out the insured liabilities, the individuals and/or properties protected, their positions and the contract term.

Claim: A request made by the insured or the beneficiary of the insured for payment of the Contract services received. Insurable

Events: Any contingent or unknown event that may damage a person with an insurable interest or create a liability against him, whether past or future, may be insured against, subject to the provisions of the code.

Risk: Uncertainty about the result of a case when there are two or more options. There are two types of risks, Pure Risk: There is no chance of gain or loss, only chances of loss.

Speculative Risk: The chance of both gain and loss. There are five ways to analyse risks,

- ❖ Sharing
- ❖ Transfer
- ❖ Avoidance
- ❖ Retention
- ❖ Reduction

STATEMENT OF THE PROBLEM:

The main attributes to success for every company rely on the client's satisfaction of business. During COVID most of the policy holders will claim their insurance and renewals might get delayed because of the paucity of funds in hands of the policyholders. They have to serve essential insurance during lockdown. Their investments on various filed is also not Beneficial's due to low rate interest. Due to expenses their asset values are depressed. The performance of insurance sector is affected during COVID. The problem to be focused on is, to measure the performance of the life insurance sector during COVID and how the insurance company hedge

NEED FOR THE STUDY

Insurance Sector plays a very significant role in growth of Indian economy. The breaking of monopoly and deregulation of the sector in year 1999, has resulted a double-digit growth in both life and non-life sectors. This sector provides manifold benefits such as covered life risks, health risks, opportunity of savings and investment etc. India is a huge country with second largest population but still the insurance penetration is low as compared to other countries like china, japan, Germany etc. The present Covid-19 pandemic situation and lockdown has significantly hit the insurance business in India. Due to rising number of corona positive cases, the business of life insurance in India is decreasing The insurance industry not only gives protection against life and non-life risks but also provide huge employment and together with banking sector contributes nearly 7% total GDP of an economy. Hence the study becomes important to analyse the after effect of Covid-19 pandemic on business of insurance industry and particularly life insurance which considered as a unique financial tool to cover against life related risks of an individual and family.

2. REVIEW OF LITERATURE:

Ahmed Mahdi Abdulkareem (2021) "An Analytical study of profitability and liquidity positions of selected life insurance companies in India", its main objective is to find out truth which is hidden and which has not been discovered as yet. It's mainly focused on knowing insurance sectors and it is performance in India through study conceptual frame work of profitability and liquidity. Its most of the data was secondary and it interpretation was obtained from the annual reports and financial statements of the reports and financial statements of the selected insurance companies.

Adarsh Sachan (2020) "The impact of covid-19 in Indian economy with reference to insurance sector", this will analyse the effect of covid-19 in Indian economy in regards to coverage sector. And it's discover how the peoples are react on coverage at same point of covid-19 with some they used statistical equipment like average, sum and ANOVA to discover covid-19 effect on insurance agencies and how its far helpful to grow their business.

C Kalpana & PARAMASIVAN C (2015)," Emergence and growth of online life insurance in India" The prospect of the Indian life insurance sector for the future seems promising. In this field IRDA has also ensured peace and fair play. Innovative product ranges, diverse sales systems, and vivacious advertisement and publicity campaigns run by insurance providers can all be related to the growth of this industry.

Disha Sanghvi (2020) Covid-19: How it's impacted India's insurance industry's, with a crisis like this, there's a rush to extend one's cover. Consistent with the PwC report, pure life covers should see renewed interest, and since that's largely a web market, it should see a lift in demand. Long-term guarantees will look attractive, but insurers will face constraints in continuing to marketing these products as interest rates plummet. It added that the general uncertainty

Dr Ramasamy (2020) "Impact analysis in banking and insurance services industry due to Covid -19 pandemic", covid-19 affects various industries and economics across the globe. It discuss various factors such as lockdown approach, moratorium, and different impacts in banking and insurance sectors. Further it given some recommendations to mitigate the

Situation so that the financial services can continue with the less negative impact which will help for better services to the customer and minimal revenue loss to the fanatical organisations.

Dr. Jitender Singh & Dr. B. S. Bodla (2020), “COVID – 19 Pandemic and lockdown impacts in insurance sector”, This report is an effort to determine the effect of this pandemic on insurance as a result of a lockout resulting in the closing of all commercial enterprises, educational establishments, public and private agencies, suspension of means of transport, etc.

Joydeep Roy (2020)” COVID 19 impacts on the insurance sector” This study provides the depth study on insurance sectors that are affected by COVID. It tells in detail about the areas in insurance sectors are affected and gives some suggestions to uplift the insurance industry after Covid.

Neal Baumann (2020), “Understanding the sector impact of COVID 19” In the insurance industry, the post COVID-19 timeline will not be just about the split between WFH and the office or about the digital transfer of other market processes. The business is an integral part of the banking system and represents all other industries.

OBJECTIVE OF THE STUDY

- To identify the issues and challenges in the life insurance sector during the pandemic period.
- To discuss insurer expectations and present solutions during the Covid 19 pandemic.
- To analyze whether the annual income impact of buying number of insurance policies during the Covid 19.
- To study the various factors that influence the customer to choose Life insurance during this pandemic.

3. RESEARCH METHODOLOGY:

Research design:

Study area	: Ramanathapuram District
Samples size	: 135
Sample people	: All gender
Data	: Primary data
Research method	: Descriptive research
Sampling Method	: Non random sampling
Sampling technique	: convenience sampling technique

Sampling technique

Every researcher may take on a more feasible approach by selecting a small group from the population. The small group is referred to as a sample size, which is a subset of the population that is used to represent the entire population. A sample may be selected from a population through a number of ways, one of which is the Convenience sampling method. This is a non-probability sampling technique where samples are selected from the population only because they are conveniently available to the researcher which means people are sampled simply because they are “convenient” sources of data for researchers. A total number of 135 samples were collected through this sampling technique.

Statistical tools:

All the data analysis was performed using the statistical software SPSS 24. One sample t-test was for analysis of normally distributed continuous data. Categorical variables were compared using Chi-Square Independence of Attributes. The statistical level of significance was assumed at the 5% level. Also, the Pie and Bar diagrams were sketched the data in a scientifically meaningful way using MS-Excel.

Inferential Statistics

Inferential statistics are concerned with making inferences based on relations found in the sample, to relations in the population. In this study, Inferential statistics help us decide, whether the differences between groups that we see in our data are strong enough to provide support for our hypothesis that group differences exist or not. Accordingly, we describe the following statistical tests that help to make assumptions for our study objectives.

Questionnaire model:

The questionnaire was originally written in Tamil and translated by self in English. Due to the pandemic situation the data were collected through google forms only. The data from the 135 samples were classified and tabulated for the purpose of analysis and interpretation. The tabulated data clearly depicts the views of the district “impact of covid-19 on Life insurance sector” in multi dimensions.

STUDY AREA:

This study was carried out investigate the awareness about the electric scooter on women in Ramanathapuram district. The study confined to Ramanathapuram district of Tamil Nadu state covering taluks Thiruvadanai, R.S.Mangalam, Thondi, Paramakudi, Rameshwaram, Kamuthi, Kadaladi, Mudhukalathur and Ramanathapuram

IMPORTANCE AND SCOPE OF THE STUDY

The insurance sector has a considerable impact on the economy as a whole. Insurance is important because we face many uncertainties in life and it is not possible to prevent the unwanted events that occur in our lives. Insurance also facilitates loss mitigation, financial stability, and promotes trade and trade activities resulting in sustainable economic growth and development. Insurance risks are spreading. It is important to study this sector during a crisis like COVID, so that we can hedge against the risks. Through being able to raise their money and support customers by offering protection for the vulnerable, we will learn the ways to boost the insurance market there. People can also claim the insurance. The future of life insurance industry has a several changes in their regulatory framework, rules, regulations and premium amount it will lead to further change in the industry conducts its business and engages within its customers also. The study of the relationship between the COVID19 and life Insurance sector is based on the results obtained from the data analysis. Therefore this study is most important in the present and feature of economic development of the country. The study will help the concern to work in the areas of importance for future planning. The study has been done with a motive to change the attitude of the people towards buying an insurance product. These study acts as an example for the future generations.

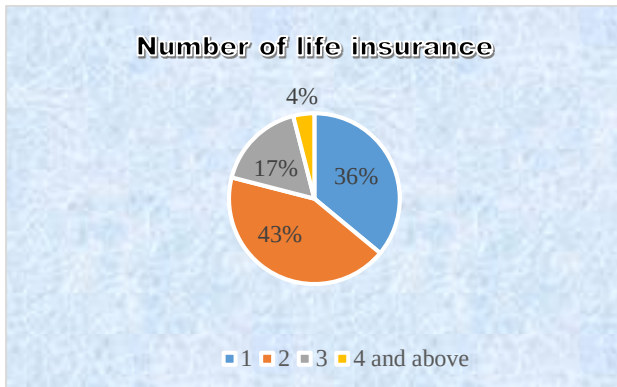
4. DATA ANALYSIS AND INTERPRETATION:

4.1 Diagrammatic representation:

4.1.1 Table 1: Number of life insurance respondents currently having:

S. No	Factor	No of respondents	percentage
1	1	43	36%
2	2	52	43%
3	3	20	17%
4	4 and above	5	4%
Total		120	100

Fig1



Interpretation

From the above table and pie chart is interpreted that the respondent's insurance policy 43% are having 2 insurance policies, 17% are 3 policies, 4% are 4 and more policies and remaining 36% are having 1 life insurance policies.

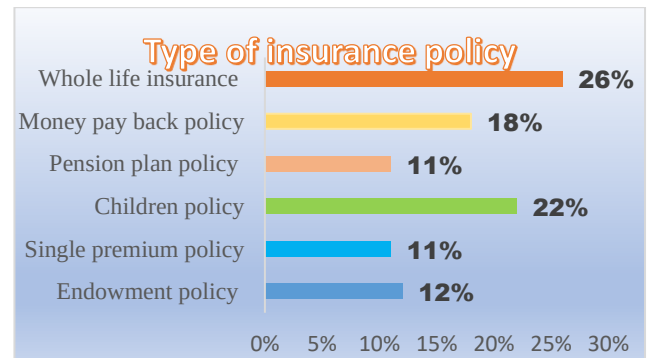
Inference

Majority (43%) of the respondents are having 2 life insurance policies.

4.1.2 Table 2: Types of policy respondents having during covid-19:

S NO	Particulars	Percentage
1.	Endowment policy	12%
2.	Single premium policy	11%
3.	Children policy	22%
4.	Pension plan policy	11%
5.	Money pay back policy	18%
6.	Whole life insurance	26%
TOTAL		100

Fig2



Interpretation

From the above table and Bar chart interpreted that type of insurance policy respondents currently having 12% respondents are having Endowment policy, 11% are Single premium policy, 22% are children policy, 11% are pension policy, 18% are money payback policy and remaining 26% respondents are having whole life insurance policy.

Inference

Majority (26%) of the respondents having Whole life insurance policy

4.2 INFERENCE STATISTICS:

4.2.1: Relationship between annual income of family and number of policies respondents taken

The research hypothesis is:

H0: There is no significant difference between family annual income and number of policies.

H1: There is significant difference between family annual income and number of policies.

Table 3:

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	149.163 ^a	15	.000
Likelihood Ratio	114.375	15	.000
Linear-by-Linear Association	36.117	1	.000
N of Valid Cases	120		

a. 15 cells (62.5%) have expected count less than 5. The minimum expected count is .33.

Inference:

The above Chi-Square table reveals annual income and number of policies. The P-value is 0.000 which is lesser than 0.05, so we reject null hypothesis H0 at 5% level of significance.

So, we conclude that H1: there is significant difference between family annual income and number of policy respondents taken.

4.2.2 Significant difference in the factor that influence customer to choose life insurance during the covid-19 pandemic

The research hypothesis is:

- H0: There is no significant difference in the factor that influence customer to choose life insurance during the covid-19 pandemic

Table 4: one sample T-test

FACTORS	(Test Value = 3)						
	N	MEAN	STD. DEVIATION	MEAN DIFFERENCE	T	DF	SIG
DEATH BENEFIT	120	1.63	.971	-.1375	6.517	119	.000 *
INVESTMENT	120	2.28	1.070	-.717	7.334	119	.000 *
FOR TAX BENEFITS	120	3.05	1.091	.43	.537	119	.564 **
SECURITY TO FAMILY	120	2.26	.974	-.742	8.338	119	.000 *
MORAL OBLIGATION	120	2.42	1.009	-.583	6.333	119	.000 *

Inference:

The P value of variables namely Death benefit (1.63), Investment (2.28), Security to family (2.26) and Moral obligation (2.42) are less than 0.05 at 5 % level of significance. Hence null hypothesis is rejected. It conclude that there is a significant difference in the factor that influence customer to choose life insurance during the covid-19 pandemic.

The P value of the variable Tax benefit (3.05) is more than 0.05 at 5 % level of significance. Hence the null hypothesis is accepted. It conclude that there is no a significant difference in the factor that influence customer to choose life insurance during the covid-19 pandemic.

4.2.3 To find out insurer expectations and present solutions

The research hypothesis is:

- H0: There is no significant difference in factor that insurer expectations and present solutions during the covid-19 pandemic.

Table 4: one sample T-test

FACTORS	(Test Value = 3)						
	N	MEAN	STD. DEVIATION	MEAN DIFFERENCE	T	DF	SIG
DIGITAL PAYMENT	120	2.34	.921	-.658	-7.828	119	.000 *
MORE RELIABILITY	120	2.46	1.036	-.542	-5.726	119	.000 *
QUICK RESPONSE	120	1.71	1.040	-1.292	-13.601	119	.000 *
24*7 HELP LINE	120	2.38	1.014	-.617	-6.662	119	.000 *
INCREASE IN CLAIM AMOUNT	120	2.24	1.167	-.758	-7.120	119	.000 *

Inference:

The P value of variables namely Digital payment (2.34), more reliability (2.46), Quick response (1.71), 24*7 Help line (2.38) and Increase in claim amount (2.42) are less than 0.05 at 5 % level of significance. Hence null hypothesis is rejected. It conclude that there is a significant difference in the factor that insurer expectations and their present solutions during the covid-19 pandemic

5. FINDING OF THE STUDY

- It was found that 88% of the majority respondents paid their insurance premium amount during the covid-19 period.
- It was found that 42.4% of the majority respondents paid their insurance premium amount annually during the covid-19 period.
- It was found that 54% of the majority respondent's insurance policy were lapsed during the Covid -19 pandemic period.
- It was found that 37.5% of the majority respondents considered premium amount increased highly during Covid -19 period.
- It was found that there is a relationship between annual income of their family and their choice of insurance policy.
- It was found that there is a significant difference in the factor that influence customer to choose life insurance during the covid-19 pandemic expect Tax benefit.
- It was found that there is a significant difference in the factor that insurer expectations and their present solutions during the covid-19 pandemic.

6. SUGESSTION AND RECOMMENDATION:

- Due to strict social distancing norms and the general preference of people to stay away from physical branches, the industry should direct its focus towards providing all of its services through the digital mood.
- The insurance industry must step up its efforts to connect with their customers in a more proactive manner digitally.
- The industry should work towards providing its customer with products that can be tailor-made according to their needs and requirements.
- With the transition to digital the industry should also focus on enhancing the claim settlement process ad make it easy as possible, but also provide customers with faster pay-outs.
- Behavioral economic tools and strategies can be implemented to attract more customers and adopt digitization.
- For customers the trust on the company is very important so all the transactions and documents collected from them through online has to be transparent.
- To offer additional reporting and fast-track services to those who are additional vulnerable to COVID-19 risks at work
- Establish a consistent contact mechanism with all stakeholders to remind them of any policy changes and operating procedures.

7. CONCLUSION:

The impact of Covid -19 on the insurance industry is clear. Although it initially derailed the industry progress, it has also led to stimulus in demand for insurance products. And though there are no specific COVID insurance plans, life insurance plans in general cover COVID -19 related deaths too. This has resulted in more people becoming interested in life insurance. Floated by the positive sentiment towards insurance, the industry likely to further intensify its efforts in the near future to increase insurance penetration in Ramanathapuram district

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