



A Study on Effective Marketing Strategies of Max Life Insurance with Reference to Bilaspur District

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Abstract— The present study focuses on effective marketing strategies of max life insurance with reference of Bilaspur district” Here the investigator investigates the marketing strategies of max life insurance and it was summarily proved which has discussed below. The study aims at analysis those marketing strategies which affect their sale.

Index Terms—Insurance, IRDA, Marketing strategies, Risk.

I. INTRODUCTION

Insurance industry has gone through many changes. The liberalization of the insurance industry has never looked back and today stand as one of the most competitive and exploring industry in India. The entry of the private players and the increased use of the new distribution are in the limelight today. The use of new distribution techniques and the IT tools has increased the scope of the industry in the longer run. Insurance is the business which provides protection against financial aspects of risk, such as those to property, life, health and legal liability[1].

Life insurance can be defined as “insurance that provides a sum of money if the person who is insured dies while the policy is in effect”. In 1818 British introduced to India, with the establishment of the oriental life insurance company in Calcutta. The first Indian owned Life Insurance Company was the **Bombay mutual life assurance society** which was set up in 1870[1].

The need to safeguard the family brings in the need for life insurance. Today insurance has become even more important due to the disintegration of the prevalent joint family system Times have changed and the nuclear family has emerged. Apart from other pitfalls of a nuclear family, a high sense of insecurity is observed in it today besides, the family has shrunk[1]. Life insurance is one of the best tax saving options today. Your tax can be saved twice on a life insurance policy-once when you pay your premiums and once when you receive maturity benefits. Money saved is money earned![1].

The primary function of insurance is to provide protection

against future risk, accidents and uncertainty. Insurance cannot check the happening of the risk, but can certainly provide for the losses of risk[1]. Insurance cautions individuals and businessmen to adopt suitable device to prevent unfortunate consequences of risk by observing safety instructions; installation of automatic sparkler or alarm systems, etc. Reduced rate of premiums stimulate for more business and better protection to the insured. Insurance relieves the businessmen from security investments, by paying small amount of premium against larger risks and uncertainty[1].

Insurance serves as savings and investment, insurance is a compulsory way of savings and it restricts the unnecessary expenses by the insured's Insurance is an international business. The country can earn foreign exchange by way of issue of marine insurance policies and various other ways[1]. Max New York Life Insurance Company Ltd. is a joint venture between New York Life, a Fortune 100 company and Max India Limited, one of India's leading multi-business corporations. The company has positioned itself on the quality platform. In line with its vision to be the most admired life insurance company in India, it has developed a strong corporate governance model based on the core values of excellence, honesty, knowledge, caring, integrity and teamwork. The strategy is to establish itself as a trusted life insurance specialist through a quality approach to business[1].

Max New York Life Insurance started its operations in India in 2000. It is the first life insurance company in India to be awarded the ISO 9001:2000 certifications. Max New York offers customized products tailored to suit individual's needs. Max New York Life has adopted prudent financial practices to ensure safety of policyholder's funds. The Company's paid up capital is Rs. 657 crore, which is more than the norm laid down by IRDA[1].

II. METHADODOLOGY

The study will base on secondary and primary data. Secondary data will be collected from records and annual reports, print media and Internet.

Primary data will be collected from 50-100 customers by questionnaire of max life insurance.

Here the researcher selected questionnaire method by using this data will be through structured questionnaire and then tabulated and after analysis and interpretation of the data by using statistical tools and after result will be find out and suggestions and recommendations will be submitted.

Today there are 14 general insurance companies including the ECGC and Agriculture Insurance Corporation of India and 14 life insurance companies operating in the country.

The insurance sector is a colossal one and is growing at a speedy rate of 15-20 Together with booking service, insurance services add about 7% to the country's GDP A well developed and evolved insurance sector is a boon for economic development as it provides long term funds for infrastructure development of the same time strengthening the risk taking ability of the country. The table-1 provides the list of private player in the field of life insurance[2].

1. LIST OF LIFE INSURES

S. No	Registrati on no.	Date of Reg.	Name of the company
1	101	23.10.2000	HDFC standard Life Insurance company Ltd.
2	104	15.11.2000	Max new york life insurance Co. Ltd.
3	105	24.11.2000	ICICI prudential life insurance company Ltd.
4	107	10.01.2001	Kotak Mahindra old mutual life insurance Ltd.
5	109	31.01.2001	Birla sun life insurance company Ltd.
6	110	12.02.2001	Tata AIG life insurance company Ltd.
7	111	30.03.2001	SBI life insurance company Limited.
8	114	02.08.2001	INGVYYA life insurance company private Limited.
9	116	03.08.2001	Bajaj Allianz life insurance company Limited
10	117	06.08.2001	Met life India insurance company Ltd.

There are a total of 13 life insurance companies operating in India, of which one is a public undertake and the

balance 12 are private sector enterprises. Table-2 give the nature of the life insurance companies[3].

2. Nature of life insurance co. Ltd.

S. NO.	Name of the company	Nature of Holding
1	Alions Bajaj life insurance Co.	Private
2	Aviva life insurance	private
3	Birla sun life insurance co.	private
4	HDFC standard life insurance co.	private
5	ICICI Prudential life insurance co.	Private
6	ING Vlsya life insurance co.	Private
7	Life insurance corporation of India	Public
8	Max new york life insurance company	Private
9	Met life insurance co.	Private
10	Om Kotak Mahindra lie insurance co.	Private
11	Reliance insurance	Private
12	SBI life insurance co.	Private
13	TATA- AFG life insurance company	Private

Table -3 shows the market share of the lifeinsurance companies in India[4]

3. Players and their market share (%)

S. No.	Name of the players	Market share
1	Life insurance corporation of India	76.07%
2	ICICI prudential life insurance company	6.91%
3	Allianz Bajaj life insurance co.	4.75%
4	SBI life insurance co.	2.98%
5	Birla sun life insurance co.	1.72%
6	HDFC standard life insurance co.	1.66%
7	TATA-AIG life insurance company	1.46%
8	Max New York life insurance co.	1.28%
9	Aviv life insurance	1.08%
10	Om kotak Mahindra life insurance	0.71%
11	IXIG Vysya life insurance co.	0.54%
12	Met life insurance co.	0.37%
13	AMP SANMAR	0.46%
14	SAHARA LIFE	0.03%

Any business is likely to be more successful when a strong marketing view point as philosophy permeates the thinking and guided the decision and actions of everyone in the business[5].

In role of provider of goods and services we make such marketing related decisions as choosing who our customers are, what goods and service to offer where to sell our goods and services what features to emphasize and what price to charge. In role of customer, the marketing practices of goods and services provider impact on many of the decision made by different individuals. The role of marketing in the success of a business has only recently been recognized perhaps one of the earliest and most notable writes who stressed the importance of marketing was "Peter Ducker"[10].

"Marketing is a social and managerial process by which individual and groups obtain what they need and want through creating, offering and exchanging products of value with others". "Marketing job is to covert social needs into profitable opportunities". "Marketing is a social and managerial process by which individual and groups obtain what they need and want through creating, offering and exchanging products of value with others"[6]

"Marketing job is to covert social needs into profitable opportunities"[6]. The consumer is at the center and all other marketing activities operate around this central point customer[5].

A company operating under the marketing concept takes its main direction from the market place, i.e. from the knowledge and undertaking of its customer needs, wants and desires[5]. This becomes the main basis for organizing operations. Thus the marketing concept has three main features:-

- 1) A market or customer orientation.
- 2) A subordination of departmental aspiration to company wide goal and
- 3) A unification of company's operation

Market Segmentation is widely defined as being complex process consisting in two main phase

- Identification of broad large markets.

Segmentation of these markets in order to select the most appropriate target market and develop marketing mixes accordingly[7]. Targeting involves breaking a market into segments and then concentration your marketing effect on one or few segments. Target marketing can be the key a small business success. The beauty of target marketing is that it makes the promotion, pricing and distribution of your product and or services easier and more cost effective Target marketing provides a focus to all of four

marketing activities Max Life Insurance Company established in 2000, in one of the most admired private insurance companies in India. Max life insurance company Ltd is a joint venture between max India Ltd, an India multi business corporate and misuse Sumitomo insurance co. Ltd. a member of MS and AD insurance group a general insurance . The company has stard its commercial operations 2001.

Max life insurance company Ltd. offers comprehensive life insurance and retirement solutions for long term savings and protection to more than thirty lac customers. Mr. Rajesh Sud is the chief executive officer and managing director of max life insurance.

Max life insurance was ranked fourth among private life insurance companies with a market share of 10.3% in the financial year 213-14, for the same financial year the company has been on of the fastest growing life insurance companies with cross written premium of 7,279 crores[8].

As on 31st March 2014, Max New York life insurance had assets under management of Rs. 24,716 crores. the company won the trophy for "Best under Writing initiative of the year" Banking, financial services and insurance excellence awards.

Max life insurance company Ltd. currently distribution model to sell its products that includes the agency distribution partnership distribution, distribution focused on converging markets and alliance marketing through employed sales force max life has pan India presence with logo offices across the country.

Max life insurance the leading non-banking channel private insurer in India, has witnessed consistent year on year growth as mentioned by a recent report. The company recorded a growth of 10% in its operation revenue which was recorded at Rs. 2,243 crores, while the insurer also posted a 92% increase in its profit before tax, which reached Rs 140 crores. Additional improvements of max life insurance's operations included a 16% annual growth in the firm's assets under management, which was recorded at Rs 34,709 crores. This is the first result that has been posted for max life insurance subsequent to the demerger of max India, into three separate entities.

Max Life, the company recorded the net profit before tax of 1NR 3.980 million, as compared to 1NR 3. Insurance Company Limited announced audited earnings results for the six months of 2013. For the period 750 million in the same period last year, recording a growth of 6%. This rise in net profit was a result of steady revenue coupled with better productivity and cast efficiency An indication of a company's ability to meet short-term debt obligations: the higher the ratio, the more liquid the company is. Current ratio is equal to current assets divided by current liabilities. If the current assets of a company are more than

twice the current liabilities, then that company is generally considered to have good short-term financial strength. If current liabilities exceed current assets, then the company may have problems meeting its short-term obligations

Max Life Insurance renews brand strategy, shifts spotlight from advisors to company. The new campaign revolves around the fact that good or 'sachchi advice' is tough to come by. Max Life Insurance as a brand has always stood up for honesty and transparency in a category that is complex and confusing and where trust takes a while to be earned. For the last few years, the brand has propagated the thought of being 'Aapke Sachche Advisor', putting the spotlight on its advisors who are genuine, sincere and do what is right for their customers. Moving forward in its honesty journey, the brand has now decided to take the higher ground of 'Sachchi Advice', this time, putting the spotlight on the company as a whole.

At Max Life Insurance, we are of the firm opinion that rather than spending money on things and items that will provide fleeting happiness, one should look at savings for the various stages of life so that the interests of our near and dear ones are protected in the long term. After taking care of these important needs, the disposable income could be used to indulging in things that bring immediate gratification and joy.

Also, most people tend to live under the shadows of misplaced optimism, believing that misfortune will never strike them and postpone buying life insurance over things that provide immediate gratification. Therefore, it has become increasingly important for Life Insurance companies to step forward and educate the consumers about the importance and integrities of Life Insurance. These forums have become a parallel source of information about consumer preferences and consumer outreach, along with the conventional statistical and marketing tools. Our social media strategy has allowed us to drive two-way interactive communication with both existing customers and prospects and take consumer engagement to the next level. This is complemented by a focused search engine optimizing strategy that helps us monitor and proactively address consumer concerns. This further reiterates Max New York Life as a consumer-centric brand."

On how the brand uses the online medium to reach its customers, "We extensively use our own online initiatives and horizontal and vertical portals to drive maximum consumer outreach for product and ongoing customer communication, customer service and customer engagement. Essentially, this creates opportunity for the business to drive targeted marketing and create interactive engagement initiatives for greater consumer-connect. Our digital strategy provides a window to engage proactively with customers; understand behavioral patterns; assess consumer needs and preferences and drive consumer

awareness and loyalty for the brand." [9] The following table-4 shows the annual increase in the number of customer

4. Annual Increase in Customer.

Year	No. of Customers	Increase in No.	% increase
2012-13	9000	-	-
2013-14	15800	6800	76.0%
2014-15	17600	1800	11.4%
2015-16	19100	1500	8.50%
2016-17	22000	2900	15.2%

The table-5 gives information about increase in the policies sold by Max life insurance company in the district of Bilaspur for the five consecutive years.

5. Annual Increase in the no of policies sold

Years	No of policies sold	Increase	% increase
2012-13	400	-	-
2013-14	500	100	25.00%
2014-15	600	100	20.00%
2015-16	550	50	8.33%
2016-17	600	50	9.09%

The table – 6 provides information regarding the annual increase in the turn over of Max life insurance in the district of Bilaspur for the five consecutive years.

6. Annual increase in the turn over

year	Turnover	Increase in Turnover	% increase
2012-13	80,00000	-	-
2013-14	87,00000	7,00,000	8.75%
2014-15	95,00000	8,00,000	9.20%
2015-16	1,50,00000	55,00,000	57.90%
2016-17	1,25,00000	25,00,000	7.00%

III. CONCLUSION

The present state of max life insurance is good and also creating good brand name in this field. As it is said that individuals satisfactions leads to be group satisfaction, Max life insurance have worked thoroughly and introduced many new strategies as a part of marketing tool to satisfy their employees, Advisor(Agents) providing friendly environment, stable management, adequate trainings available, growth opportunities, so that the employee can perform better and also loyal towards the company. The main strategy which is followed by max life is Direct selling (personal selling) target customer those

who are financial sound and according to their needs they convince them. This old strategy of marketing is used by max life insurance and makes it unique in itself.

The tables clearly indicates that the number fo policy sold by Max Life (Bilaspur) as an Agency increased consistently. The large growth in the year of 2013-14 shows the faith on the company. The growth rate after this financial year is tending towards a constant trend. This may be attributed to the sharing of customers by other private insurance firms. Nnumber of new marketing tactics where used by the company such as cold calling, increasing networking channels and also using the social wave like facebook, twitter, bloggers etc which effects sales of the company. Through this modern strategies they increased their channels of networking but more focused on direct selling. They commonly approaches the people through their Advisors as for marketing they where using tagline "AAPK SACCHE ADVISOR".

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