

**FACTORS INFLUENCING ON CONSUMER PURCHASE  
DECISION OF LIFE INSURANCE PRODUCTS  
(WITH REFERENCE TO THE GALLE DISTRICT)**

*This Dissertation is submitted as a partial fulfillment of the degree of Bachelor of  
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## **Factors Influencing on Consumer Purchase Decision of Life Insurance Products (With reference to the Galle District)**

### **ABSTRACT**

Insurance plays a significant role in the life of humanity. The necessity and need of Insurance is felt when something adverse happens in the life of the humans. Objective of this study was to identifying the main influence factors of consumer purchasing decision of life insurance product. In the present situation, there is a significant increment in Long Term Insurance (life insurance) Premium income (Insurance Board of Sri Lanka, 2011)

The research has conducted based on four different influence factors namely Promotional Factors, Service quality factors, Product factors and Risk - return factors. (Jain and Talach, 2012). Descriptive statistic and chi-square analysis have applied to identify the research objective and 80 life insurance policyholders who were in the Galle district has taken as the sample for the study. The statistical results of this study provided important insights to the insurance companies in designing their overall activities. In accordance with statistical finding shows the highest influence factor of purchasing decision is 'promotional factors' and under main sub indicator was suggestions from relation or friend factor. Another indicator was Agent recommendation and considerable consumers get the life insurance policy depended on the insurance agent. The results revealed though

companies launch various kind of advertisements strategies it not highly influence to consumers purchasing decision and brand name also is not significantly influence to purchasing decision of life insurance policies under promotional factors. Awareness of policy is main cause to purchasing life insurance under Product factors and under Service quality factors, was technology adaptation.

The study assists to improve the market share of companies and the development of the insurance sector. As a whole, this study will be a benefit for entire life insurance industry in Sri Lanka.

***Key words: Life Insurance, Promotional factors, Product factors***