



**Uva Wellassa  
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**PERSONALIZED DETERMINANTS OF THE DEMAND  
FOR LIFE INSURANCE**

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## ABSTRACT

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When it comes to insurance purchases people claim a demand of insurance since their life time they believe in the risks they have to confront during it. People try to minimize the risk they have to face in a financial yardstick and that is why they want an adequate insurance coverage which brings them financial assistance when people are in utmost trouble. Considering this usual situation in the insurance market households play a role of paramount importance for the insurance demand. This study examines the relationship between personalized determinants and life insurance demands of people in Sri Lanka. For this task samples have been selected from three districts which have the highest density of population in Sri Lanka in comparison to other districts of the high country in accordance with the demographic statistics pointed out by the Central Bank report annual 2010 Colombo are Colombo, Kandy and Galle. Western, Central and Southern provinces. 150 questionnaires were distributed among householders. The dependent variable is the demand for Life Insurance Policy. There are seven independent variables: income, expenditure, age, educated level, dependants, gender and civil status. The result revealed that there is a positive and significant relationship between age and education and the demand of the selected households. Expenditure and gender has significantly negative relationship between householders' demands for life insurance. Descriptive statistics and logit regression analysis have been employed to analyse data.

***Key words: Life insurance demand, personalized determinants***