

“Relationship between Advertising and Brand Penetration across Rural Markets With Reference To Birla Sun Life Insurance”

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Abstract: Life insurance as a product is vital to everyone due to uncertainties of life. Life Insurance is one of the fastest growing sectors in India since 2000 and biggest in the world to grow over 15% (Source: India's Life Insurance Sector Biggest In World to Grow by 15% over Next 5 Years according to NEWS18 BUSINESS, 17th January 2017). Urban India is saturated for many products like FMCG, Consumer durables, and thus many marketers are shifting to rural market of India. Life insurance being a vital product for all, is thus required by rural consumers as well. As of 2016, among 24 Life Insurance companies operating in India, it is more of LIC and few private companies that have benefitted from rural market. Life insurance as a need, not just for risk cover but also as a financial support, loan against insurance, cover against many critical illness, is thus very essential in rural India. Any product before selling, needs visibility in the market, thus the need for promotion and hence advertising as an effective means for mass visibility.

This paper is an attempt to understand the need and benefit of advertising, if advertising can enhance sales and thus focus on relationship between advertising and brand penetration in rural markets. The study concludes that most of the people consider risk coverage factors and most of the people prefer insurance for life security and health insurance purpose. This study also explains that social media, word of mouth are the promotional marketing strategy and promotion mix for providing the right information.

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I. Introduction

Life insurance as a product is a security need today for all human beings. They also provide many benefits like tax savings, life cover, and availing of loans on the premium paid. Around 25.7% of life insurance policies were sold in the year 2012-13 in rural sector. According to IRDA, serving rural sector by insurance companies was an obligation well met by the Life Insurance companies (Now, a quarter of new life insurance policies sell in rural India, Business Standard, and January 2014).

Tata-AIG segmented rural market into three tiers like, almost urban people with rich farmers, middle class and bottom of pyramid which requires more attention. Tata-AIG was very successful in selling life insurance in rural markets since it involved women from the villages to sell their products to their respective villagers by offering them training and helping them to earn in the form of commission. Tata AIG further took help of NGOs and SHG in different villages of various states (AP, Kerala, TN, Karnataka, Maharashtra, Gujrat, Jharkhand, West Bengal, UP, and Rajasthan) to understand the rural consumer better and hence customized its policies accordingly.

Beenish Shamim and Dr. Sameer Gupta in their research titled Marketing strategies in Life Insurance services have focused on understanding STP and Marketing Mix to target rural markets mentioned that for effective application of marketing strategies, marketers need to design a product offering value, pricing to consider factors like investment earnings, mortality rate, and expenses based on demographic elements. Promotion through advertising either through TV due to wide penetration of TV in rural markets could further enhance not just awareness but effective sales too.

The purpose of advertising is to communicate about products, availability, price as well as benefits associated with the product purchase. Various forms of creating awareness in the rural markets have been adopted by marketers like mobile van, and exhibitions by LG as well as cookery classes to sell pressure cooker, Brooke Bond Lipton India limited marketed its products through magic shows and skits. HLL customized its product offerings by packing in small quantities, thus pricing less for its products like fairness crème, toothpaste, clinic plus shampoo and ponds cream to 20 million rural households. (Advertising and sales promotion strategies in rural market)

Few other forms of advertising to rural consumers would be to make its visibility in weekly markets called as Shandies, Haats and /or religious Melas too. Few other strategies would be to communicate through SHG, NGOs, teachers, bank managers, development officer, panchayat member, educated as all these serve as opinion leaders due to their knowledge, exposure, experience in using a product and education attained. Advertising to rural consumers can also consider radio, cinema halls, wall painting, hoarding tree boards and bus boards too.

According to Economic Times, 31st August 2017, literacy rate in rural India was 71% in 2015 against 86% in urban areas. This could be advantageous to marketers to advertise through TV, newspaper, or through any of the print media too.

Since 70% of India lives in villages with improved literacy rate and better income in rural regions, this paper is an attempt to understand the relationship between advertising and brand penetration across rural markets with reference to Birla Sun Life Insurance.

Birla Sun Life Insurance Company Limited (BSLI), it was developed in 2000 as a combined attempt & effort between the Aditya Birla Group, a without a doubt comprehended and trusted name comprehensive amongst Indian totals and Sun Life Money related Inc., driving all-inclusive financial organizations relationship from Canada. Their vision is “To be a pioneer and good example in a board based and incorporated budgetary administrations business.” The area learning of the Aditya Birla Group combined with the zone dominance of Sun Life Financial Inc., offers a significant confirmation for its customers' future. With an issue of over 10 years, BSLI has contributed on a very basic level to the advancement and change of the life scope industry in India and starting now positions amongst the principle seven private additional security associations in the country. It is known for its advancement and making industry benchmarks, and has a couple of firsts to its credit. It was the main Indian Insurance Company to present "Free Look Period" and the same was made required by Insurance Regulatory and Development Authority (IRDA) for all other additional security associations. Additionally, BSLI initiated the dispatch of Unit Linked Extra security masterminds amongst the private players in India. To develop authenticity and further straightforwardness, BSLI in like manner, values the prestige to be the originator of practice to uncover portfolio on month to month premise. These order progression exercises have helped BSLI get closer to its course of action holders' wants, which gets further supplemented by the complete heap of insurance things (viz. faultless term course of action, life stage things, prosperity game plan and retirement mastermind) that the association offers.

With an experience of more than 10 years and a customer base of more than 2 lakh system holders, BSLI has added to the improvement and headway of the Indian additional security industry and is now starting one of the primary life scope associations in the country. The firm proposes a whole extent of offerings containing security game plans, children's future courses of action, wealth with confirmation game plans, prosperity and wellbeing game plans, retirement game plans and hold reserves with protection game plans. It has a wide movement reach in more than 500 urban territories through its arrangement of more than 560 divisions, about 85,000 empanelled advocates and more than 140 associations with corporate experts, operators and banks. Birla Sun Life Insurance has full scale assets under organization of Rs.26, 813 cores and a capable wealth base of over Rs.2170 cores, as on 30th Jun, 2014.

II. Literature Survey

Rajiv Kaushik, Kapil Dev (September 2013) examined that the Indian business sector has extended in the most recent couple of decades. Prior, the organizations centred their endeavours in satisfying the prerequisites of urban purchasers. Be that as it may, today the centre of the advertisers has moved towards the provincial India, which is the genuine bazaar for the advertisers. The paper depends on the exploratory cum distinct examination and practically depended on essential information, which has been gathered, by outlining a calendar. The total numbers of respondents were 100 who are dwellers in the close by towns of Panipat (Haryana). The basic rate examination has been utilized to dissect the information. By investigating the timetables filled by their enumerators, they could infer that in the event of rustic promoting, TV was demonstrated as the best method for correspondence. The notices of the item identified with adolescents ought to be appeared on the games channels while items pointed advances ladies ought to be appeared on Star in addition to general channels. The maturity individual just about depends on radio.

Lata Rajagopalan Kumar, University of Madras, Chennai, India (2007) analysed that the expanded globalization has prompted uncommon development in consumerism around the world. India is no exemption. All worldwide brands are available basically everywhere throughout the nation. The late wonder that has gotten the consideration of publicists and advertisers is the spurt in consumerism in the monetarily weaker ranges. A study of item clients and non-clients in a chose region of West Bengal was led as a territory study to survey effect of marked items (Bikes, PDA Administrations and Toothpaste clients) and brand on personal satisfaction. People with normal wage were met. The part of promoting correspondence being developed has been surveyed as a two-stage prepare: the effect of showcasing correspondence on item entrance and the effect of item use on

nature of living. The discoveries will be seen in the light of the writing survey. The researcher also inferred that, it was obvious that item infiltration coming about because of promoting correspondence influences nature of living at the grassroots level.

Nagaraja Rao, Satyapriya Periyasamy Rangachary (2006) ex-Executive of Protection Administrative furthermore, Improvement Power, expresses that "the standard of differential evaluating is important to offer items in provincial ranges". By collaborating with clients (MLM design) of BOP and by collaborating with NGOs, extra security organizations can offer strategies at moderately less expensive rates by padding the commissions that would have been paid to specialists. With the end goal of the study optional information is secured from IRDA diaries and yearly reports of the different life coverage organizations as at Walk 31, 2009 furthermore depended on different departmental manuals of the safety net providers, newspaper reports and protection sites. Essential information are gathered to know the rustic point of view for non-penetration of protection items. For this reason, two rustic areas of Karnataka, in particular, Kolar country locale what's more, Bangalore rustic area are chosen for the study. The entrance level of the current protection players in the country business sector is not praiseworthy. The reasons as dissected from essential and auxiliary information for low infiltration in country territories are recorded underneath. With a specific end goal to support volume of business, the protection organizations are turning to first-class arrangements. Offer of low ticket arrangements in country territories is not given significance. But LIC of India, no other organization has selective country driven items.

III. Problem Statement, Scope, Objectives And Hypothesis

1. Problem Statement

Insurance policy has less penetration among rural areas and spread of awareness regarding these products is significantly correlated with acceptance. Birla sun insurance has been continuously drawing its efforts towards these rural regions significantly in recent years. Thus there was need to study the relationship in terms of acceptance of these insurance products offered by Birla sun life insurance in rural areas.

2. Scope Of The Study

The scope of the study is limited to ascertain the relationship between advertisement and brand perception across the rural market .Research was conducted at North Karnataka taluks and rural places and to determine the various dimensions and its influence on customer insurance buying behaviour

3. Objectives Of The Study

- i. To understand the general perception among rural Indians with respect to life insurance products.
- ii. To examine the relationship between advertising and acceptance of insurance products in rural areas with respect to Birla sun life insurance.
- iii. To analyse the impact of demographics factors on insurance buying behaviour of customers
- iv. To analyse relationship between advertisement and its influence on customer behaviour across various dimensions.

4. Hypothesis

a. ANOVA: H0: Age and buying insurance have no significant difference between each other

H1: Age and buying insurance have significant difference between each other

b. CHI-SQUARE: H0: There is no impact of advertisement on influence of consumer buying behaviour

H1: There is impact of advertisement on influence of consumer buying behaviour

c. CORRELATION: H0: There is no co-relation between advertisement influence customer buying behaviours on brand image

H1: There is co-relation between advertisement influence customer buying behaviour across various dimensions

IV. Methodology

1) RESEARCH METHODOLOGY

The sampling type used is simple random sampling. The study depends on both the primary and secondary data obtained in which the primary data is collected through the questionnaire and the secondary data is obtained from the web. The sample size chosen is 50 respondents.

- i. Details of the population: The study focuses on the rural area and hence, the population selected is the rural population.
- ii. Sample size: The total sample size taken was 50 respondents
- iii. Sampling method: Simple Random Sampling is a type of sampling in which we gather information from the different fields or is it a technique where we select samples from a large group for the study.

- iv. Questionnaire: a close ended questionnaire was given to the respondents to fill up and out of which all the respondents answered.

V. Data Analysis And Interpretation

V. I. DATA ANALYSIS AND INTERPRETATION:

A. KMO TEST:

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.733
Bartlett's Test of Sphericity	Approx. Chi-Square	227.513
	Df	45
	Sig.	.000

Table 1: KMO TEST

Regularly, $0 < KMO < 1$

On the off chance that $KMO > 0.5$, the specimen is satisfactory.

Here, $KMO = 0.733$ which shows that the specimen is satisfactory.

Inference: The Kaiser-Meyer Olkin (KMO) and Bartlett's Test measure of inspecting ampleness was utilized to analyse the fittingness of Factor Analysis. The inexact of Chi-square is 227.513 with 45 degrees of flexibility, which is critical at 0.05 level of importance. The KMO measurement of 0.733 is additionally vast (more noteworthy than 0.50). Thus Factor Analysis is considered as a proper procedure for further examination of the information.

B. FOLLOWING ARE THE VARIABLE MATRIX ACROSS THE COMMONALITIES: ROTATED COMPONENT MATRIX:

Rotated Component Matrix ^a		
	Component	
	1	2
I feel secure after buying insurance	0.671	0.335
Insurance is better than investment	0.153	0.579
Do you think the advertisement given in the newspaper determines your decision to purchase?	-0.141	0.793
Do you think the advertisement of Birla sun life insurance Company proves to be an advantage for the sale of the company products?	0.012	0.718
Do you think blogs and social media make it easier to make people aware about Birla sun life?	0.533	0.499
Do you think company engaging the existing customers will help in spreading word of mouth about the Company?	0.440	0.482
Do you think advertisement influences consumer buying behaviour?	0.854	-0.101
Do you think advertisement helps in brand image?	0.899	0.000
Do you think advertisement helps in profitability?	0.842	0.038
Do you think advertisement helps in brand penetration?	0.832	0.166

Table 2: Rotated Component Matrix

Inference: The Table demonstrates that there is no general importance in mean score of autonomous variables ($F=4.5$, $p=0.002$, $p>0.01$) crosswise over age bunches. Since the p-worth is under 0.01 % level of criticalness, the invalid speculation is rejected and option is acknowledged. Thus we can reason that as it were online networking make it less demanding to make individuals mindful about the organization and advertisement impact shopper purchasing conduct are each other.

C. RELIABILITY STATISTICS:

Reliability Statistics	
Cronbach's Alpha	No. of Items
.824	10

D. ANOVA:

HYPOTHESIS 1:

H_0 : Age and buying insurance have no significant difference between each other.

H_1 : Age and buying insurance have significant difference between each other.

One Way Anova Result for buying insurance by Age group:

ANOVA					
I feel secure after buying insurance					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	4.500	1	4.500	4.500	0.039
Within Groups	48.000	48	1.000		
Total	52.500	49			

Table 3: ANOVA test on age and buying insurance

Inference: The One Way ANOVA result from the Table shows that there is an overall significance in mean score of factors (F=4.5, p=0.39, p>0.05) across age groups. Since the p-value is less than 5 % level of significance, the null hypothesis is rejected and alternative is accepted. In other words we can conclude that there is exists a significant difference between age and buying insurance.

E. CHI- SQUARE:

Hypothesis 2:

Main Hypothesis: Means of advertisement and advertisement influence of consumer buying behaviour are each other.

Sub hypothesis:

A) H0: There is no impact of advertisement on influence of consumer buying behaviour.

H1: There is impact of advertisement on influence of consumer buying behaviour.

1. Do you think the advertisement given in the newspaper determines your decision to purchase? * Do you think advertisement influences consumer buying behaviour?

(Accepted at 10% significance level)

Chi-Square Test			
	Value	Df	Asymp. Sig. (2sided)
Pearson Chi-Square	23.887 ^a	16	0.092
Likelihood Ratio	28.027	16	0.031
Linear-by-Linear Association	0.569	1	0.451
N of Valid Cases	50		

a. 23 cells (92.0%) have expected count less than 5. The minimum expected count is 0.16

Table 4: Chi square test on newspaper determines decision purchase and consumer buying behaviour

Inference: The above Table shows that there is an overall significance in mean score of independent variables (F=4.5, p=0.92, p>0.10) across age groups. Since the p-value is less than 10% level of significance, the null hypothesis is rejected and alternative is accepted. From the study we can infer that, the advertisements given in the newspaper that helps to consumer buying behaviour are each other.

B) H0: Word of mouth communication has no impact on advertisement consumer buying behaviour.

H1: Word of mouth communication has impact on advertisement consumer buying behaviour.

2. Do you think company engaging the existing customers will help in spreading word of mouth about the Company? * Do you think advertisement influences consumer buying behaviour?

Chi-Square Test			
	Value	Df	Asymp. Sig. (2sided)
Pearson Chi-Square	45.442 ^a	16	0.000
Likelihood Ratio	32.795	16	0.008
Linear-by-Linear Association	6.291	1	0.012
N of Valid Cases	50		

a. 23 cells (92.0%) have expected count less than 5. The minimum expected count is 0.04

Table 5: Chi square test on company engaging existing customers and consumer buying behaviour

Inference: The Table demonstrates that there is no general criticalness in mean score of free variables (F=4.5, p=0.00, p>0.01) crosswise over age bunches. Since the p-quality is under 0.01 level of centrality, the invalid speculation is rejected and option is acknowledged. From the study we can gather that organization connecting with existing clients will help in spreading informal exchange about organization and advertisement impacts shopper purchasing conduct are each other.

B) H0: Social media has no impact on advertisement consumer buying behavior

H1: Social media has impact on advertisement consumer buying behavior.

3. Do you think blogs and social media make it easier to make people aware about Birla sun life? * Do you think advertisement influences consumer buying behavior?

Chi-Square Test			
	Value	Df	Asymp. Sig. (2sided)
Pearson Chi-Square	37.113 ^a	16	0.002
Likelihood Ratio	38.251	16	0.001
Linear-by-Linear Association	6.906	1	0.009
N of Valid Cases	50		

a. 23 cells (92.0%) have expected count less than 5. The minimum expected count is 0.16

Table 6: Chi square test on social media make people to aware about Birla sun life and consumer buying behavior

Inference: The Table demonstrates that there is no general importance in mean score of autonomous variables (F=4.5, p=0.002, p>0.01) crosswise over age bunches. Since the p-worth is under 0.01 % level of criticalness, the invalid speculation is rejected and option is acknowledged. Thus we can reason that as it were online networking make it less demanding to make individuals mindful about the organization and advertisement impact shopper purchasing conduct are each other.

F. CO-RELATION:

There is no co-relation between means score of advertisement influence customer buying behaviour on brand dimensions.

a) H0: There is no co-relation between advertisement influence customer buying behaviour on brand image.

H1: There is co-relation between advertisement influence customer buying behaviours on brand image.

b) H0: There is no co-relation between advertisement influence customer buying behaviour on brand profitability.

H1: There is co-relation between advertisement influence customer buying behaviour on brand profitability.

c) H0: There is no co-relation between advertisement influence customer buying behaviour on brand penetration.

H1: There is co-relation between advertisement influence customer buying behaviour on brand penetration.

Correlations					
		Advertisement influences consumer buying behavior?	Advertisement helps in brand image?	Advertisement helps in profitability?	Advertisement helps in brand penetration?
Advertisement influences consumer buying behavior?	Pearson Correlation		.813 **	.610 **	.563 **
	Sig.(2tailed)		.000	.000	.000
	N	50	50	50	50
Advertisement helps in brand image?	Pearson Correlation	.813 **		.672 **	.683 **
	Sig.(2-tailed)	.000		.000	.000
	N	50	50	50	50
Advertisement helps in profitability?	Pearson Correlation	.610 **	.672 **		.782 **
	Sig.(2-tailed)	.000	.000		.000

	N	50	50	50	50
Advertisement helps in brand penetration?	Pearson Correlation	.563**	.683**	.782**	
	Sig.(2-tailed)	.000	.000	.000	
	N	50	50	50	50

Table 7: Co-relation test

Inference: As per the above table, the correlations of Visual with all the four analysed dimensions (i.e. ad influences consumer buying behaviour, ad helps in brand image, ad helps in profitability, ad helps in brand penetration) are found to be positive and significant (at 1% level). It indicates that more of visual cues help in ad influences consumer buying behaviour and ad helps in recognize in brand image quickly and also ad helps in brand penetration. However, observing the correlation values, it shows that the relationship between visual cue and dimensions ad helps in in to get more profit intention is weak.

VI. Findings And Suggestions

1. FINDINGS:

- As observed from the study most of the respondents will consider risk coverage (54%) and profit factors and they didn't consider much about price and other factors while buying the insurance.
- From this study we can find that people prefer insurance for the most purpose of life security and not much purpose for education and health.
- In this study we can notice that, majority of the respondents are attracted towards brand name that is 50%.
- From this study 69% respondents feel secure and safe after buying insurance because insurance helps to secure their life.
- In this research study 68% respondents feel insurance is better than investment and only 32% of the respondents feel investment is better than insurance.
- From this study we found out that, social media like Facebook, Instagram etc. make it easier to make people aware about Birla sun life.
- From this research study majority of the respondent's opinion is advertisements are influence consumer buying behaviour and advertisements attracts to customers towards the company.
- In this research study respondents are feel that advertisement helps in the brand image and also it helps in the brand penetration.
- From this study we understand that there is co-relation between advertisement influence customer buying behaviours on brand image.
- In this research study we got to know that, there is significant difference between buying insurance and age.

2. SUGGESTIONS:

- Since the majority of respondents found that risk coverage option was important consideration while buying insurance policy the insurance companies must focus their marketing strategies on these key determinants
- As from the research study, most of the respondents consider life security insurance, so companies should focus on life security insurance policies.
- The research study tells about that majority of respondent were interested in buying life security insurance policy so company should focus on life security insurance policies
- Since advertising was influential factors for buying behaviour, the company should develop the appropriate promotional strategy and use right promotion mix for providing the information about insurance policies using E-mails, word of mouth, social media etc.
- The promotion of insurance products such as, a plan for covering risk, protection against death, saving tax, and investing money in pension plans. These promotion tools can help to develop and gain the more profit.

VII. Conclusion

The study concludes that most of the people consider risk coverage factors and most of the people prefer insurance for life security and health insurance purpose. The study also explains that social media, word of mouth are the promotional marketing strategy and promotion mix for providing the right information.

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