

**“CUSTOMER PURCHASING BEHAVIOUR TOWARDS INSURANCE PRODUCTS
AT HDFC LIFE LTD”**

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ABSTRACT

Customer purchasing behaviour is a critical factor influencing the growth and sustainability of the insurance sector in India. It refers to the decision-making process and actions of customers in selecting, evaluating, and purchasing insurance products. Understanding such behaviour helps insurers design targeted products, improve customer service, and create effective marketing strategies. The present study titled “Customer Purchasing Behaviour Towards Insurance Products at HDFC Life Ltd” aims to explore the factors that drive customers to purchase insurance policies, their preferences, satisfaction levels, and the effectiveness of HDFC Life Ltd’s offerings in meeting customer expectations. The study was conducted using a structured questionnaire administered to 100 customers of HDFC Life Ltd. Respondents were selected through a purposive sampling method to ensure representation from various demographic and socio-economic backgrounds. In conclusion, the research provides valuable insights into customer purchasing behaviour at HDFC Life Ltd, which can be leveraged to refine marketing strategies, improve service delivery, and align insurance products with evolving customer needs in a competitive market environment.

I. INTRODUCTION

Customer buying behavior towards insurance products is different from purchasing everyday goods. Unlike tangible products, insurance is an intangible service that offers financial protection in times of need. This makes the decision-making process more complex. Consumers consider various aspects before choosing a policy, such as premium costs, coverage benefits, claim settlement process, and brand reputation. Additionally, emotions, past experiences, and advice from family or financial advisors also play a crucial role in shaping their choices.

II. NEED OF THE STUDY

Due to frequent unsuccessful marketing and economic challenges, the individual life insurance market has grown more slowly over the last five years. The economy is recovering, which is lowering unemployment and raising consumer confidence, even if industrial growth is still slow. In addition, the government keeps borrowing rates low to promote discretionary expenditure. Because of this, a lot of customers have shown a renewed interest in buying financial goods, and one of the most promising markets for expansion is life insurance.

III. SCOPE OF THE STUDY

Investigating the elements affecting consumers' choices of different insurance kinds, including life, health, and general insurance, is the goal of the research on consumer purchase behaviour towards insurance goods. It includes the examination of how risk perception, income levels, psychological aspects, brand trust, and demographics influence insurance purchasing behaviour.

IV. OBJECTIVES OF THE STUDY

1. To study the demographic profile of the respondents at the HDFC life.
2. To analyse the customer behaviour and purchase pattern towards Insurance products in HDFC life.
3. To analyse the Customer behaviour towards various types of Insurance products in HDFC life.

V. HYPOTHEIS TESTING

- **Null Hypothesis (H_0):** Consumer demographics (such age and income) and their insurance product-buying behaviour do not significantly correlate.
- **Alternative Hypothesis (H_1):** Customer demographics (such age and income) and their insurance product-buying behaviour are significantly correlated.

VI. RESEARCH METHODOLOGY

The study's approach is designed to make the process of gathering data easier. The survey approach is used to collect the data. The survey approach has been used to get information from investors.

- **Research Design:** Investigative studies
This study employed exploratory research. Exploratory research is used when there are few data sources and the purpose is to uncover and understand options.
- **Data Sources:**
A questionnaire is used to get primary source data from respondents in order to gather information about HDFC Life.
Secondary data is gathered from a variety of journals, periodicals, including magazines and business newspapers, as well as from books and websites that are relevant to the topic.
- **Methods of data collection:** questionnaires, surveys, and in-person interviews were used. HDFC Bank in Hyderabad was the sampling location.
- **Sample size:** Customers were the intended audience.
- All age groups of workers were targeted. HDFC Bank Hyderabad picked a sample size of 100 customers.
- **Sampling Technique:** Convenience sampling yielded 100 HDFC Bank responses.
- **PERIOD OF THE STUDY:** The project will be studied for 45 days, or six weeks.
- **Data Analysis:** Data analysis is critical to any project since it involves reviewing all of our data. Examine the data to comprehend it and support the research.

VII. LITERATURE REVIEW

Jonas R. Jahnert (2025) Insurers are starting to modify their operations and include sustainable features into their insurance offerings. On the other hand, little is known about how customers respond to such sustainable features in insurance policies.

Prerna Sharma (2024) Since insurance coverage is so important nowadays, client perceptions of these goods are critical. This study examines the multiple factors that affect customers' insurance product evaluations and purchases.

Nguyen Thi Ngoc Linh (2024) This research report examines what influences insurance consumers in Hanoi to buy from Military Insurance Joint Stock Company (MIC). The research examines internal and external factors influencing Hanoi consumers' insurance purchases.

Debasish Naskar (2024) In order to battle financial hardships during health troubles resulting from changes in lifestyle and a variety of illnesses, health insurance has become essential in the modern day.

K. Meenendranath Reddy (2023) Even though India has the second-largest population in the world, the country's median life insurance product sales are still much lower than those of several Asian and Western nations.

VIII. DATA ANALYSIS & INTERPRETATION

1. What is your age group?

Age Group	Frequency	Percentile
Under 25	15	15%
25-34	25	25%
35-44	30	30%
45-54	20	20%
55 and above	10	10%
Total	100	100%

Interpretation: - The age group distribution indicates that the largest segment of respondents is aged 35-44, representing 30% of the total sample. This is followed by the 25-34 age group at 25% and the 45-54 age group at 20%. The youngest group, under 25, makes up 15%, while those aged 55 and above account for 10%. This distribution suggests a predominant middle-aged demographic, with younger and older age groups being relatively less represented.

2. What is your gender?

Gender	Frequency	Percentile
Male	55	55%
Female	45	45%
Total	100	100%

Interpretation: -The gender distribution reveals a slight majority of male respondents, accounting for 55% of the total sample, while female respondents make up 45%. This nearly balanced gender representation indicates a fairly equitable participation of both males and females in the survey. Although male respondents slightly outnumber their female counterparts, the difference is not pronounced, suggesting that the perspectives gathered reflect a diverse and inclusive sample.

10. I prefer purchasing insurance online rather than through an agent.

Response	Frequency	Percentile
Strongly agree	30	30%
Agree	25	25%
Neutral	20	20%
Disagree	15	15%
Strongly disagree	10	10%
Total	100	100%

Interpretation: -The survey results show that 55% of respondents (30% strongly agree and 25% agree) prefer purchasing insurance online rather than through an agent. This indicates a strong inclination towards digital channels for insurance purchases, likely driven by convenience and accessibility. Meanwhile, 20% remain neutral, and 25% (15% disagree and 10% strongly disagree) prefer traditional, agent-mediated channels. These findings suggest a shift toward digital adoption in insurance buying behavior, though a substantial segment still values personal interactions.

TEST OF HYPOTHEIS

- **Null Hypothesis (H_0):** There is no significant relationship between customer demographics (such as age and income) and their purchasing behavior towards insurance products.
- **Alternative Hypothesis (H_1):** There is a significant relationship between customer demographics (such as age and income) and their purchasing behavior towards insurance products.

Sl. No.	Likert Description	Scale	DEMOGRAPHY (%)	Customer Purchase behaviour (%)
1	Strongly Disagree		14%	20%
2	Disagree		25%	34%
3	Neutral		30%	27%
4	Agree		42%	48%
5	Strongly Agree		59%	54%

	Average	34%	36%
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TEST OF HYPOTHEIS

• **Null Hypothesis (H_0):** Consumer demographics (such age and income) and their insurance product-buying behaviour do not significantly correlate. 34% of insurance products and 36% of consumer demographics are average. Since there is a 2% difference between the two variables, the alternative hypothesis is accepted and the null hypothesis is rejected.

• **Alternative Hypothesis (H_1):** Customer demographics (such age and income) and their insurance product-buying behaviour are significantly correlated. 34% of insurance products and 36% of consumer demographics are average. There is a 2% discrepancy between two variables. The null hypothesis is accepted and the alternative hypothesis is rejected.

IX. FINDINGS

1. Around 30% of respondents are likely to belong to the 35–44 age group, with 55% likely being male and 35% holding a bachelor's degree. About 40% seem to be employed full-time, and 30% report household incomes between ₹50,001–75,000.
2. Nearly 70% of individuals appear to currently own insurance products, while 60% are likely to have made a purchase within the last five years. And Life insurance is likely the most preferred type (29%), followed by health (27%), auto (23%), and home insurance (21%).
3. Life insurance is likely the most preferred type (29%), followed by health (27%), auto (23%), and home insurance (21%). And About 55% of respondents seem to prefer well-known brands, suggesting brand trust plays a crucial role.
4. Approximately 55% are inclined to make insurance purchases online, indicating a digital shift. And Around 45% are likely willing to pay more for better coverage, and 55% appear to prefer flexible plans.
5. A majority of 65% seem to prioritize coverage, whereas only 40% value customer service as a key factor. And Promotional offers like discounts influence 40% of respondents, while 36% seem responsive to advertisements.

X. SUGGESTIONS

1. Enhance Digital Platforms Strengthen online insurance channels with user-friendly interfaces, seamless navigation, and quick policy comparisons. Since many consumers prefer purchasing insurance online, digital platforms should be intuitive and offer a hassle-free experience.
2. Focus on Comprehensive Coverage Emphasize the importance of adequate coverage in marketing campaigns, showcasing real-life examples of how comprehensive plans protect against unforeseen circumstances.
3. This adaptability meets the growing demand for personalized insurance solutions. Leverage Trusted Brand Reputation Highlight brand strengths, such as claim settlement efficiency, customer service ratings, and awards.

4. Trust in established brands remains a strong decision driver, so continuous improvement of brand image is crucial. Improve Customer Service Invest in training, technology, and processes to enhance customer service quality.
5. Avoid over-reliance on price-based incentives, which may devalue long-term relationships.
6. Train the Role of Insurance in Financial Planning Educate consumers about how insurance fits into holistic financial planning. Use financial planning workshops, digital content, and advisor consultations to emphasize its necessity and long-term benefits.

XI. CONSLUSION

The survey analysis of customer buying behavior towards insurance products reveals insightful patterns and preferences. A majority of respondents demonstrated engagement with insurance, with many holding diverse policies including life, health, auto, and home insurance. While comprehensive coverage and brand reputation significantly influence purchasing decisions, the shift towards digital channels is evident, as many respondents prefer online platforms over traditional agents. Flexibility and better coverage were valued over price alone, though discounts and promotions were moderate motivators.

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