

CHAPTER- I

INTRODUCTION

1.1 Background of the Study

Insurance is a planning of risk and it is a co-operative device. Life insurance provides immense benefit to people. People insure both against the risk of living too long and against the risk of not living long enough. Insurance company receives as premium, payment mainly as annual payment for long period of year. They invest, the sum received money amount are collected and they pay the premium amount under the term of contract called policies either to heirs of people who have not live long enough or to the themselves if they have lived to long. Life insurance provides not only protection against the risk of death, but also act as a mean of support in the time emergency. According to Insurance Business Act 2049 "A contract made by person paying certain amount based on estimated life and he or his beneficiary gets the amount after his death or he get the amount after the expiry of policy period."

Life insurance is a contract between insured and insurer company. In which insured promised to pay a uniform rate of premium at fixed interval of time in consideration of which the insurer agreed to pay the fixed amount on the happening of the event which may be death of the insured or the expiry of a certain number of year. Life insurance is a financial projection against the risk of early death. This contract can be described as "Contingent Contract" because the loss of life can not be compensated but a speedy sum of money is paid, if the insured dies.

Every life insurance company sales his insurance service in the market and the market is supposed the consumer or customer for insurance company, who are insured. For the insurance market development has to involve the consumer/ customer adequately. Therefore, at the present time every insurance company has been realizing of marketing activities and beginning to start the study about the entire marketing activities for the life insurance company.

In the reference of study of LIC (Nepal) Ltd which has been established in 26th December 2000 under the company act 2053. LIC (Nepal) is a registered insurance company. LIC (Nepal) had started the own insurance service since 1st September 2001. LIC (Nepal) is indicated in the Nepal stock exchange Kathmandu. LIC (Nepal) is a joint venture of life insurance corporation of India and it's corporate office is in Kathmandu and branch office are in the Kathmandu, Pokhara, Butwal, Janakpur, Biratnagar, Nepalgunj, Birgung, Dhangadhi, Mahendranagar, Narayanghat, Biratamod and Lahan, and company is in process of opening braches at other place. There are 68 agency office spreading Nepal. Under the Pokhara branch, there are included 7 agency office of Gorkha, Anboo Khaireni, Damauli, Walling, and 3 at Pokhara. LIC (Nepal) collects the information for marketing through the branch and agency office. (LIC, 2009: 2)

The Structure of Board of Directors of LIC (Nepal) Ltd. in given below

Structure of Board of Director of LIC (Nepal) Ltd.

Chairman	Chairman	LIC of India.
Board Director	M.D.	LIC of India.
Board Director	CEOS Director	LIC of Nepal.
Board Director	M.D	Vishal Group Ltd.
Board Director	Independent Director	Dependent
Board Director	Public director	Specialist
Board Director	Senior Exclusives of the company	Nominees of share holders.
Senior Executives		CEO & Director
Senior Executives		Asst G.M.

Source: LIC (Nepal)

Regarding the share holders structure of LIC (Nepal) contains 20% of public, 25% of Vishal group and 55% of LIC (India).

In Pokhara, there are many kind of insurance company has regulated the insurance policy by doing marketing activities. The marketing activities are included such as marketing strategic planning, and forecast consumer & customer analysis, marketing environmental factor, sale promotion, market segmentation and different marketing information system etc.

1.2 Focus of the Study

This study has illustrated the necessary of insurance and it will be very useful and usually to give the knowledge of marketing activities of LIC (Nepal). This study concentrates to solve the problems and difficulties of the marketing sector of insurance company. This study focuses to know about the consumer/customer's want, need, attitude, behaviour, life style, income scale, social and family structure, education etc which is affected directly and indirectly to the insurance market. Because consumer and customer are supposed to the market of insurance company. This study illuminates on the marketing segmentation, and market differentiation according to nature, characteristic and type of insurance consumer and customer helps to search the potential market, and emphasis to development and increasement of insurance market. This study focuses on the insurance plan of LIC. (Nepal).

1.3 Problems of the Study

Life insurance helps to bearing of risk and provide the economical support as compensation to the insurance consumer or customers. Here are only few type of involvement by people in the insurance plan due to lack of knowledge about the insurance. Insurance company are concentrated in the city area than rural area and could not launch the training programme adequately in the rural area. For the marketing activities the necessary data and information can be collected from the primary and secondary source. The relevant and related necessary data may not be gotton from the secondary source for matching of purposive use of marketing activities of LIC (Nepal) and it is difficult to have the qualified respondent for helping to the collection of data from primary sources on the content of marketing analysis.

The major problems of the study are given as bellow.

- What are the mission and vision of lie Nepal?
- What are the number of insured person during the year of LIC Nepal.
- What are the strength and weakness point of LIC (Nepal) in the market area?
- How much LIC (Nepal) has affected by marketing environmental factors?
- Has the LIC (Nepal) analyzed market segment, consumer attitude regarding insurance?
- What could be good suggestion to use the marketing activities.

1.4 Objectives of the Study

Insurance is a profitable investment and it help to fulfill the needs of people, needs of person and protection from uncertain losses. It help to increase the opportunity of employment and welfare of employers. However, regarding to insurance, many person are not known perfectly and do not take interest it. Day by day insurance company has been establishing and competition is maximum. So that insurance company have to the market research. This study basically aim to find out the following.

The specific objectives of the study are given as below:

- To inform the knowledge about the mission and vision of LIC (Nepal).
- To identify the number of insured person in LIC (Nepal)
- To know analyses the affect of marketing environmental factors to the LIC (Nepal).

- To analyses the, market segment, consumer attitude regarding insurance business of LIC.
- To suggest the suitable recommendation for marketing strategy planning for LIC (Nepal)

1.5 Importance of the Study

Research has its own importance because it aims to gain some knowledge and add new literature in the existing field. Firstly, purpose of the study is importance for the researchers to fulfill the academic requirement of master degree. This study will be important to businessman and other interested person. Secondly it will be also useful for agents, insured person & parties and employee of life insurance business to know about the level of person parties who easily accepted the proposal of life insurance. Thirdly this study will be very important for LIC (Nepal) "Specially Pokhara Branch" to study the effect of own self marketing activities & consumer attitude toward LIC (Nepal). This study will help to make the strategic marketing planning.

1.6 Limitation of the Study

Insurance help to reduce, inflation, economic growth of country, facility for foreign trade and collect the adequate amount for large scale of investment. This study has focused on the reference to providing the service to the insurance consumer/ customer. The study possesses some limitation of its own which is given below;

- This study is concerned with only life insurance business, so This study may not present to other insurance.

- This research does not cover the marketing area of Nepal "special reference to Pokhara only.
- Only limited marketing activities are covered by this study.
- This study is related with only marketing activities and insurance business.
- Few marketing activities and consumer attitude are analyzed.
- Financial and time frame is the major problem for the study.

1.7 Organization of the Study

This study is organized into five chapter. Chapter one is the introduction chapter. This chapter contains background of the study, focus of the study, problem of the study, objectives of the study, importance of the study, limitation of the study and organization of the study.

Chapter two "Review of Literature" is concerned with conceptual review and related Review. Conceptual review includes a discussion on the conceptual framework regarding status of the insured and marketing activities of the LIC(Nepal). Related review includes review of articles and review of dissertation.

Chapter three "Research Methodology" includes research design, population and sample, nature and source of data, data collection technique, data processing, data analysis tools and reliability and validity of data.

Chapter four comprises presentation and analysis of data. The data obtained by data processing has been presented using table and figures along with their interpretation. Major findings of the study are also presented in this chapter.

Chapter five is the final section and consists of summary, conclusion and recommendation.

CHAPTER II

REVIEW OF LITERATURE

This chapter is divided into two sections. The first section of this chapter presents the concept of life insurance, insured and concept of LIC (Nepal) Ltd. Second section presents the review of relevant unpublished studies, research articles published in journals and dissertations.

2.1 Conceptual Review

This chapter includes the concept of insurance, concept of life insurance, history of life insurance, importance of life insurance, history and marketing activities of LIC (Nepal) Ltd, concept of insured, concept of insurance market, in policies according to the number of insured person, policies according to the method of payment of policy amount and type of life insurance policies present by life insurance companies of Nepal.

2.1.1 Concept of Insurance

Insurance is a contract made between two parties whereby one party (the insurer) agrees in consideration of money (the premium) paid to them by another party (the insured) to indemnify against loss and or damage as a result of an accident. (Shrestha, 2006: 47)

A person or a company or people insures one's life or properties against such uncertain risk and parties for the safety and security of financial losses that may occur in future. (Shrestha, 1997: 61)

Insurance is a financial arrangement that redistributes the cost of unexpected losses. The insurance arrangement involves the transfer of many different exposures to loss to one insurance pool, which combines the numerous exposures. (Dorfman, 1987: 2)

Insurance is a contract by one party compensation called premium assume particular risk of the other parties and money on a specified contingency. (Patterson, 1957: 6)

Insurance distributes the cost of the risk over a large group of individuals subject to the some risk in order to reimburse the few who actually suffer from the risk. (Ackerman, 1951: 3)

Insurance may be define as a social device providing financial compensation for the effects of misfortune the payment being made from accumulated contribution of all parties participating in the scheme.(Hansel, 1979: 1)

Insurance has been defined as a plan by which large member of people associate themselves and transfer to the shoulder of all, risks that attach to individual. (Magree, 1958: 2)

A contract where by one person called insurer undertakes to pay the another called assured a sum of money or its equivalent on the happening of specified event in the return for the agreed consideration called the premium. (Hardy & Irmay, 1979)

Insurance is a contract between two parties where by one party called insurer undertake, in exchange for a fixed sum called premium, to pay the other party called insured a fixed amount of money on the happening of certain event. (Mishra, 1998: 30)

Thus insurance is a contract. The contract is an agreement between the insured on one hand and insurer on the other, Whereby the insured pay the premium, in consideration of which, the insurer agrees to make good the financial loss suffered by the insured in the event of the insured property sustaining loss or damage due to insured perils.

2.1.2 Concept of life Insurance

It can be said with certainty that life is uncertain. A man may die relatively young, leaving his dependent with-out adequate financial support to maintain them. Similarly a person may meet with serious illness, or an accident that may impair his earning power any person, therefore, who has other dependent upon him for their financial were being, should make provision for the continued financial support of these dependents in the events of his death. He can do this by providing a substitute for the earned income in the form of capital sum or annuity or both. It is impossible to reimburse one's dependent fully for one's loss of earning power in case of an early death. But some sort of arrangement most always is made for their financial support. Similarly, every man face the problem of having a accumulate sufficient funds to meet his requirement on retirement from active life or to leave as estate to his/ her, since most of the people do not have parental property or saving. Only way to achieve these ends is regular saving form current income. One good way to do it is the life insurance. Life insurance affords complete protection to one's dependent against the risk of death. Beside, it also through the semi compulsion of the premium payment defeats to a considerable extent the individual tendency to procrastinate on saving money. More over, the premium amount, one paid, cannot be with drawn as readily as bank deposits or to the full extent in the form of loan. "Life

insurance, therefore, is the assumption by an insuring organization of the risk of death of a policy holder". In other word, the contract made by a person with the life insurance company with a view to get financial protection from the life related risk is know as life insurances. (Joshi, 2006: 52)

In a single word, insurance means security in terms financially viability. Insurance company give security to insurance holder after receiving certain amount of insurance premium. There are many types of insurance such as life insurance, fire insurance, marine insurance, medical insurance, natural calamities etc. In life insurance, the insurance company pays amount to the policy holder's family at the time of his death or at the time of maturity of policy for this, the policy holder has to pay certain amount as a premium at certain interval. (Thakur, 2006: 52)

Life insurance may be as defined as a contract where by one party undertaken to pay to another a certain sum of money on the later death or on his attaining a certain age, in exchange for a cash compensation knows as premium which maybe paid in a lump sun or periodically. (Ghosh and Agrawala, 1959: 21)

Life insurance may be defined as contract where by the insurer in consideration of a premium paid either in a lump sum or in periodically instatements undertakes to pays on annuity or a certain sum of money either on the death of the insured or on the expiry of a certain number of year. (Sharma, 1960: 37)

Life insurance may be define as a contract by the insurer in consideration of a premium, paid either in lump sum or in a periodical. Installment undertakes to pay an annuity or certain sum of money, either on the death of the insured or on the expiry of a certain number of years. (Singh, 2006: 41)

Life insurance is a type of insurance policy that pays a benefit if the person who is insured by the contract dies while the insurance is in force. Life insurance isn't for the people who die, it's for the people with live. (Source: *ALICO Browser*)

Thus, life insurance is the mutual agreement between the insurance company and the insured where the insurance companies promise to make payment to the insured on completion of the term for which he / she is insured. Moreover, it is the bearing of the risk of the life of the insured in case of death. The payment is not sample payment of the total premium that the insured pays but it is the lump sum payment which is the total sum, assured (amount of money insured) plus the bonus declared by the company.

2.1.3 History of life Insurance

Life insurance made, its first appearance in England in 16th century, the first recorded evidence in England being the policy on life William Gybbons on June 18, 1653. The life insurance developed at "Exchange Alley" the first registered life office in England was the Hand in Hand Society established in 1696. The famous 'Amicable Society for a Perpetual Assurance' office started its operation since 1706. Life insurance did not prosper in the United States during the 18th century because of serious fluctuation in death rate, but soon after 1800, some active interest began to be shown in this enterprise because of the application of level premium plan which had by then been in operation in U.K. for more than a generation. In India some European started the first life insurance company in Bengal presidency, like the Orient Life Assurance company in 1818. The year 1870 was a year of landmark in the history of Indian insurance separating the early period of pioneering

attempts at life insurance from the subsequent period of steady development at the establishment of Indian life office. (Mishra, 1998: 11)

The first life policy was granted to William Gibbon of London in 1583 under written by Richard Mortin and sixteen other individuals. (Erceman and New 1961: 1)

Economic expansion in the 1800s found more life insurance ready for business. The Pennsylvania Company for the Insurance Olives established in 1809 A. D. New England Mutual Life Insurance Company established in 1836 and Mutual Life Insurance Company of New York established in 1843 to cream the market. The beginning of scientific auctorial mortality tables appear and life insurance quadrupled in decade following the civil war. (Bickelhaupt, 1983: 73)

2.1.4 Importance of Life Insurance

Life insurance is a kind of life fund. It gives the support in future. It fulfill the need of person and protection from uncertain losses. It help to increasement of opportunity of insured and his family.

Life insurance pays off if you die: protecting those who depend on the contribution of your earning, disability insurance replace parts of your income if you are unable to work due to accident or illness. An annuity addresses the problem of living too long. In exchange for fixed sum-all or part of your retirement saving. An annuity pays a stream of income for as long as you live. (Kohn, 1998: 375)

Important of Insurance is reduction of worry and fear before and after the loss occurs. Families will feel less worried about accident or serious illness that may reduces their income in future, if they have proper insurance for such perils. They can keep peace of mind. Even after loss,

they can feel safe because insurance companies will pay for them. (Rejda, 2006; 45)

All parties has given its own significance in the insurance business, because its contribution is incomparable in security, investment and making capital to bring the peaceful environment in the men's life and to make the development of the nation. Importances of life insurance become clear from the following points.

- a) The concept of life insurance develops the habit of financial saving and makes the people conscious for their future life, to keep himself and his family financial safe from the disaster created by the financial crisis due to various reasons. It reduce the unnecessary expenses that may be incurred on the luxurious thing to the health like wine, smoking, which help to strength insured and his family's financial aspect.
- b) Insurance is an extra source of income which the insured gets the lump sum amount in future.
- c) Life insurance business helps to maintain economic balance by stopping money inflation by providing loan to the government because a big life insurance fund is accumulated from the amount as premium.
- d) Collected premium is invested in the task of social welfare like building, roads, drinking water and electricity by the government.
- e) By effecting insurance of the employed and the workers of organized institution they feel financially secure and it grows their working capacity, resulting in the growth of domestic production of the country.

- f) Life insurance also opens opportunities of employment. The insurance company, under it, gives employment to many people. Hence it provides employment. (Bhandari, 2003: 316-318)

The importance of life insurance is increasing day by day in the life insurance and it is taken as a medium of freeing the insured and his depended family from the economic crisis. So with the important role, it has become successful to gain popularity in insurance business.

2.1.5 History and Activities of LIC (Nepal) Ltd.

LIC (Nepal) was established under the company Act 2053 of Nepal on Dec.26th 2000, It had started the own insurance business by the lunching the insurance service since 1st Sep. 2001. LIC (Nepal) Ltd. has been indicated in the Nepal stock exchange Kathmandu.(LIC, 2008)

The principle promoters of the company are life insurance corporation of India (55%) and Vishal group of Nepal (25%) the general public holder (20%). Vishal group of Nepal is a famous entrepreneur of the industrial and business sector. Vishal group has expended providing service by efficiency distribution channel all over the Nepal. Vishal group has invested in the industrial and business sector such as the iron & steel, daily consumed product, agriculture related industry, foreign and financial service.(LIC (Nepal), 2009)

LIC of India is that insurance company which has been fully involvement of Indian Government and it has been established under the act his regulated of parliament of India of 1956. It is famous company of India. LIC (India) has 2048 branch office, and 11 Lakh agents LIC India has been coming by rescuing by the taking new technology WAN, IVRS, PPI

and ATM. LIC India is a re-insurer of LIC (Nepal). LIC India has expended the marketing activities in the Britain, Fizi, Morisus, Baharain, Saudi Arabia and Shrilanka and going to expand to other country. LIC has invested in mutual fund and LIC housing finance. (LIC (Nepal) 2009)

LIC (Nepal) has 13756 public share holder according to annual report of 2062/063 of LIC (Nepal). LIC would be delighted to receive suggestions from share holder for further growth of company and LIC (Nepal) would definitely give due consideration of these.

2.1.6 Functions of LIC(Nepal)

There are several functions plays by LIC, provides better services to the customer

i) Consumer or Customer Service

LIC (Nepal) has opened non operating colleting bank account in almost all important centers in the country to enable insurance consumers and agents to deposit premium. There are bank which bank are opened to provide the expected service in this place.

<u>Name of Bank</u>	<u>Place</u>
Nepal Bank Limited	= Dhulabari, Damak, Ilam Taplejung, Terahthum, Rajbiraj Lahan, Sirah Madar, Ghaighat Sarhi, Nawalparasi, Dnag, Syangja Rolpa, Jajarkot, Dolpa, Salyan
NCC Bank	= Narayangadha, Barbise, Sidharnagar
Malika Development Bank	= Mahendranagar, Tikapur
Laxmi Bank	= Banepa

NIC Bank	= Biratnagar, Jankpur, Birtamod, Dharan
Machapuchre Bank	= Pokhara, Damauli
Bank of Kathmandu	= Butwal, Nepalgunj, Hetauda, Dhangdhi, Birgung

LIC (Nepal) has given the policy loan to consumer or customer and it is also provided facility for the consumer/ customer from LIC (Nepal). Policy loan and income from policy loan has been shown in Annexure 1.

During the year 2064/05 LIC (Nepal) has settled 88 death claims for an amount Rs.1.67cr. The total death claims settled since inception have been in which LIC has paid Rs.50480.06. The statement of claims of during the 2064/65 has been shown in Annexure 2 and 3. The statement of provision for outstanding claims at the end of the fiscal year 2064/65 for the market segmentation and market differentiation have been operated the various type of insurance policy according to consumer/ customer income level, education, saving habit and rate etc. There are various type of insurance policy of LIC (Nepal) such as the "Endowment Policy", "Money Back Policy", "Grihalaxmi Policy", "Balmanta & Bal Sneha Policy", "Jivan Ananda Policy" and "Jivan Tarang Policy". These various type of insurance policy have helped to increase the various type consumer/ customer involvement. LIC (Nepal) has provided the various type premium for consumer/ customer which it has been show in annexure 4.

ii) Investments

The total investment of LIC company (including policy loan and short term investments) as the end of Ashad 2065 stored at Rs.287.72 corers as against Rs.210.91 as of Ashad 2064. This shows an increase of Rs

36.41% and has been strictly as per guidelines and rules existing in the country to that effect, as well as per directions of the board of director and the regulator (Bema Samitee) from time to time.

The investment have been made in Govt. Bond, Development Bonds of Nepal Rastra Bank, Nepal Investment Bank Ltd. Fixed deposits with various Commercial Banks, Development Banks, Finance companies, Citizen Investment Trust, and in preference share and debentures of Banks and reputed companies. It is, LIC is endeavour to invest it's surplus in prudent manner keeping the safety of funds uppermost in it's mind but without losing sight of higher returns. Investment of LIC (Nepal) has shown the successful achievement in the business performance which is a form of marketing activities and shown in Annexure 5 & 6

iii) Training Activities:

LIC (Nepal) in the reference of Pokhara has organized the training program in this year which is given as the following:

<u>Place</u>	<u>Training set</u>
Pokhara	4
Syangja	2
Banglung	1
Parbat	1
Damauli	2
Abookhaireni	1
Gorkha	1
Lanjung	1

The above training activities have been successfully completed by LIC (Nepal)

2.1.7 Concept of Insured

Insured means any individual or institution holding a life or general insurance policies.

Insurance Act, Beema Samitee (2006) The insured is the individual whose death will cause the insurer to pay claims. (Dorfman, 1987: 264)

Insured is the person who made on agreement with an insurance company and who receive money if for example they are ill or if they loss or damage something. (Wehmcier and ash by 200)

Thus the people who insure his/her life or property paying the premium are called insured.

2.1.8 Concept of Insurance Market

Concept of Insurance Market a market is simply a term to describe the facilities for buying and selling to take place. The insurance market is not different the commodity 'Sold' Being Security" (**Hemsell, 1979: 89**)

Insurance is not material commodity but a service of availability and the market in which it is dealt embraces the insuring public on the one hand insurer on the other with the various insurance intermediaries. (**Dins Dale and Momurdai, 1971:12**)

2.1.9 Policies

Regarding to policies. Policies are differently applied according person insured, methods of payment with type of company.

i) Policies According to the number of Person Insured

On the basis of number of persons insured in a policy, the policy may be single life policies and Multiple Life Policies. Under the single life

policies, only one individual is insured. And more than one is insured in multiple life policies. (Mishra, 1998: 64)

ii) Policies According to the Method of Payment of Policy Amount.

The policy amount may be paid in Lump sum and in installments. The sum assured is paid in lump sum at the events insured against is known as lump sum policies. Under Installment or Annuity policies, the policy amount is payable in installments. It is beneficial to those whose earning capacities are reduced due to in old age. At that time, this policy may be more helpful. He may continue to get up to fixed period or up to death of both.

iii) Types of Life Insurance policies present by life insurance companies of Nepal:

According to the ALICO (American life insurance company), a member company of America International Group, Inc, has been presenting 3 types of life insurance plan they are as follows:

a) Three payment plan

ALICO's three payment plan provides very high insurance protection and attractive return on Insured investment at a very low cost. The unique feature of the plane is that ALICO pays the face amount in 3 installments. 24 hour Accidental Death Benefit (ADB) provides up to three times of the face amount but not exceeding 1,00,000,000 in case of death by accident. For the entrie duration of the policy, The Insured person are insured for the full face amount plus the accrued bonuses. In the event of death, no deduction is made for the installment already paid. The beneficiary will get the benefits for the full amount fill the last day. Premium will never increase. Cash value, Paid up values extended term insurance values are guaranteed.

b) Education protection Plan:

In this scheme too, like in endowment insurance policy, the period is fixed. the guardian or the patron makes this insurance with the objectives of getting certain amount for the education after certain period. In this types of life insurance, the wished person must compulsorily be a child. If the guardian dies befor the fixed period, he or she doesn't need to pay the amount for premium but the insured amount and the dividend is paid to the child only after the end of the period of such insured amount can be received as a lump sum or installment basis.

c) Endowments:

The policy provides for payment of the face amount of insurance to the policy owner at the expiration of the Endowment period. Death at any time before the expiration of the Endowment period terminates the payment of premiums and the face amount of insurance there becomes due and payable to the beneficiary or beneficiaries designated by the policy owner.

At the maturity of the policy, whether by expiration of the endowment period or prior death, the proceeds of the policy may be paid in accordance with any one of the Optional Modes of settlement provided in the contract.

In addition, ALICO has presenting, supplementary disability and accident contracts.

- Accidental Death Benefit (ADB)

The Accidental Death Benefit issued by the company provides for payments of an additional sum in the event of death form accident. In general, it provides for payment of the additional benefit if he insured before policy anniversary nearest age 65 or before the earlier maturity of

the policy, sustains bodily injury affected solely by external, violent and accident means, resulting in death within 90 days of such injuries.

- Waiver of Premium (WP):

The disability waiver of premium benefit may be attached to any regular life insurance policy or supplementary rider. If attached to the basis policy, it must also be attached to riders providing additional life insurance. The WP benefit in general provides waiving of premium falling due between commencement of and recovery from total disability (as defined in the rider which has continued for 6 (six) months or longer and which has commenced prior to maturity or expiry of the policy, or policy anniversary nearest ago 60 whichever is the earlier date.

Sources:- *Browser of ALICO.*

The life insurance corporation (Nepal) Ltd. a joint venture of life insurance Corporation of India has launching. Types of insurance plan in Nepal they are

- i) Endowment policy
- ii) Money back policy
- iii) Jivan tarang policy
- iv) Jivan Anand policy- (life enjoyment)
- v) Beema kiran Policy
- vi) Bal mamta/ Bal sneh policy
- vii) Griha Laxmi Policy

Source: Browser of life insurance corporation (Nepal) Ltd.

In Nepal Life Insurance Company, there are different types of plans in life insurance. They are as follows.

- i) Endowment plan
- ii) Money back endowment for term 15 and 20 years.

- ii) Endowment and money back endowment with accidental double benefits.
- iv) Loan security life insurance
- v) Child's education and marriage endowment plan
- vi) Child's education and marriage anticipated endowment plan
- vii) Triple benefit scheme with bonus (Jeevan Laxmi Beema plan)
- viii) Annually renewal term group life insurance.

Sources: *Browser of Nepal life insurance.*

National life insurance co. Ltd (NLIC) has conducting different types of life insurance plan they are:

- i) Endowment with Accidental Double benefit life Assurance policy.
- ii) Anticipated endowment life assurance policy.
- ii) Endowment life assurance policy.
- iv) Child education and marriage endowment life assurance policy.
- v) Level term life assurance policy.
- vi) Decreasing-Term life assurance policy.
- vii) Whole life assurance policy.

Source: *Browser of National life insurance.*

Rastriya Beema Sansthan is presenting various life insurance plans they are as follows.

- i) Endowment life insurance
- ii) Endowment with Accidental Double Benefits life insurance
- ii) Whole life insurance
- iv) Anticipated endowment life insurance or money back policy or three payment plan

- v) Child's education and marriage endowment life insurance
- vi) Term life insurance:
 - a. Level term life insurance.
 - b. Decreasing term life insurance.
- vii) Group Endowment life insurance.

Source: *Browser of Rastria Beema Sansthan.*

2.2 Related Review

In this section, The review of articles, dissertations and other report are included.

2.2.1 Review of Articles

This section provides the review of related studies and research articles published/unpublished in different journal and report. The website W.W.W. Black Well-Synergy.Com. was shown to review. The previous studies and articles.

Krupa and Jean had done study on Adverse Selection in Term Life Insurance Purchasing due to the BRCA1\2 Genetic Test and Elastic Demand in 2007. The objective of the study was to know Consumer groups fear that the use of genetic testing information in insurance underwriting might lead to the creation of an underclass of individuals who could not obtain insurance; thus, these groups wanted to ban insurance companies from to adverse selection that could threaten their financial solvency. To investigate that potential effect of adverse selection in a term life insurance market, a discrete-time, discrete-state. Markov chain had used to track the evolution of twelve closed cohorts of woman, differentiated by family history of breast and ovarian cancer and age at issue of a 20-year annually renewable term life insurance policy.

The insurance demand behavior of these women was tracked, incorporating elastic demand for insurance. During the 20-year period, women might get tested for BRCA1\2 mutations. Each year, the insurer calculates the expected premiums and expected future benefit payouts which determine the following year's premium schedule. At the end of each policy year, women can change their life insurance benefit, influenced by their testing status and premium changes. Adverse selection could result from (i) differentiated benefits following test results; (ii) differentiated lapse rates according to test results; and (iii) differentiated reactions to price increased. It is concluded that with realistic estimates of behavioral parameters, adverse selection could be a manageable problem for insurers. (Biswanathan and Lamaire, 2007: 65-86)

Elijah III and James had done study on Interest Rate Risk and Equity Values of Life Insurance Companies: A GARCH-M Model. The objective of the study was to know the importance of managerial decisions related to interest-sensitive cash flows received considerable attention in the insurance literature. Consistent with the interest-sensitive nature of insurer assets and liabilities, empirical research had shown that insurer insolvency was significantly related to interest rate volatility. They investigated the interest rate sensitivity of monthly stock returns of life insurers based on a *Generalized Auto-regressive Conditionally Heteroskedastic* in the mean (GARCH-M) model. They examined three different portfolios (equally weighted, risk-based, and size-based) with binary variables to explicitly account for varying interest rate strategies adopted by the Federal Reserve System. Results based on data for the period 1975 through 2000 indicated that life insurer equity values were sensitive to long-term interest rates and that interest sensitivity varies across sub periods and across risk-based and size-based portfolios. The

results complement insolvency research that links insurer financial performance to changes in interest rates. (Brewer III and Cadrson, 2007: 401-423)

Yijia and Martin conducted study on the "Household life cycle protection: life insurance holdings, financial vulnerability and portfolio implication" the objectives of this study was to know about life insurance holding, financial vulnerability and portfolio implication" the objectives of this study was to know about life insurance holding, financial vulnerability and portfolio implications. They were using the survey of consumer finance and examined the life cycle demand for different types of life insurance. Specifically, they tested for the consumer's aversion to income volatility resulting from the death of a householder's wage earner through the purchase of life insurance. They first developed a financial vulnerability index to control for the risk to the house hold. Than, examined the life cycle demand for life insurance using several definitions of life insurance. They found, in contrast to previous research, that there is a relationship between financial vulnerability and the amount of term life or total life insurance purchased. In addition, they found that older consumers used less life insurance to protect a certain level of financial vulnerability than younger consumers. Secondly their study provided evidence that life insurance demand was jointly determined as a part of a household's portfolio. Finally they considered the impact of family members' nonmonetary contribution on the household's life cycle protection decision. Their results provided some evidence that householder took into accounts the value of non-monetary contribution in their insurance purchased. (Lin and Grace 2007: 141-173)

Helmut, Thomas and Roman carried out a study on "to hedge or not to hedge: Managing demographic risk in life insurance companies" in 2006.

The objective of the study was to manage demographic risk in life insurance companies. In the analysis, demographic risk, i.e., the risk that life tables change in a nondeterministic way was a serious threat to the financial stability of an insurance company having underwritten life insurance and annuity business. The inverse influence of changes in mortality laws on the market values of life insurance and annuity liabilities created natural hedging opportunities. Within a realistically calibrated shareholder value (SHV) maximization framework, they analyze the implications of demographic risk on the optimal risk management mix (equity capital assets allocation, and product policy) for limited liability insurance company operating in a market with insolvency adverse insurance buyers. Their results had shown that the utilization of natural hedging was optimal only if equity was scarce. Otherwise hedging could even destroy share holder value (SHV). A sensitivity analysis shows that a misspecification of demographic risk had severe consequences for both the insurer and the insured. (Gurndi, and Schulz, 2006: 19-41)

A study conducted by Jean on "The cost of firearm death in the United States: Reduced life expectancies and increased insurance cost," The objective of this study was to know the cost of firearm death in the United States. According to the report, the United States remain far behind most other affluent countries in terms of life expectancy. One of the possible causes of this life expectancy gap was widespread availability of firearms and the resulting high number of U.S. firearm fatalities: 10,801 homicides in 2000, the European Union experienced 1,260 homicides, Japan only 22, using multiple decrement techniques, he had shown that firearm violence shortens the life of an average American by, 104 days (151 days for white males, 362 days for black males). Among all fatal injuries, only

motor vehicle accidents had stronger effect. He estimated that the elimination of all fireman death in the United States would increase the male life expectancy more than the total eradication of all colon and prostate cancers. His results suggested that insurance premiums increase paid by Americans as a result of fireman violence were probably of the same order of magnitude as the total medical costs due to gunshots or the increased cost of administering the criminal justice system due to gun crime. (Lamaire, 2005: 359-375)

2.2.2 Review of Dissertation

This section presents the review of related dissertation and reports prepared by Nepali researcher previously.

Basnet (2002) conducted a study on "Management system of National life and General insurance company (with special reference to life insurance)". The objective of study was to present the function of life insurance department to insure on individual. On the basis of findings, researcher conducted that level of satisfaction of the performance of National life and General insurance company regarding life insurance was found well. He studied about the period from 1996 to 2000. So he gave recommendation to do research to know about the competitors and attract the prospective buyers of life policy by including new policies.

Raut (1995) has conducted study on the financial performance of National life and General insurance Company Ltd. (NLGL). The major objective of the study was to find out financial position of National life and General insurance Co.Ltd. The study medicated that National life and General insurance company did not passes any huge amount of fixed asset. The company's out standing premium was growing in the study period. The return on net worth was satisfactory. The trend of earning per

share was fluctuating. Declared dividend was in increasing trend. Premium earning of National life and General insurance Company in insurance business has increased day by day.

Bhattarai (1978) conducted study to find out the extent of popularity of life assurance business in Nepal along with the finding out of various factors effecting its popularity and evaluated the performance to date. The basis of finding researcher concluded that the prospect of life insurance business in Nepal was quite good. So he recommended selecting the active agents to achieve the goal by utilizing the opportunity.

Shrestha (1979) had prepared a thesis on a study about the assessment of life insurance contracts. The study had covered the period from 1972 to 1977. He concludes that the performance of life business was unsatisfactory. So he recommended motivating the agent, advertising and establishing the branches of office of life insurance.

Suwal (1999) has conducted research to find out the pros and cons of life insurance business especially undertaken by Rastriya Beema Sasthan. The study was related to 14 years of operation. He concluded that the performance of Rastriya Beema Sastha regarding life was found low. So he recommended that customer service department should be set up to motivate the clients in the business.

CHAPTER- III

RESEARCH METHODOLOGY

This chapter presents the methodology adopted in this study. Research methodology is a systematic way to solve the research problem. The basis objective of the study is to analyze the status of marketing of LIC (Nepal). This chapter includes the research design, nature and source of data, population and sampling, data collection techniques or method, data processing, data analysis tools and reliability and validity of the data.

3.1 Research Design

Research design is an integrated frame of the whole study that guides the research in the planning and executing the research is conducted, employing different tools and technique according to the objective of the topic. The research design is the specification of procedure for collecting and analyzing the data necessary to help identify or react to a problem or opportunity of the basic aim of the study is concerned with the marketing activities of LIC (Nepal) in the reference of Pokhara. This study is based upon the descriptive research design, analytical research design.

3.2 Nature and Sources of Data

Source of data is based on primary and secondary source. The primary data and secondary data are collected from the primary source and secondary source respectively. The study is based on primary data collected from the fieldwork through interview, observation, questionnaire and group discussion. Primary data is collected through the

personal contact with the insured person and agents of life insurance companies. The necessary and relevant data is also collected through the different parties agents and agency, branch and Corporate Managers.

The secondary data is collected. from the journal handbook articles, annual publication, report and publication of central Bureais and electronic device such as internet, website, sms, newspaper magazine, text book and reference book etc.

3.3 Population and Sample

The observations that have been collected the insured respondents part of the whole and refers to a part chosen asked the question about the subject matters. Out of them 116 person were found as insured person contains 43 person service, 15 person farmer, 28 person business man, 8 person students and 32 person other. In totally respondents as insured were found the 23 person agent. The sample respondent were taken from services, farmer, business, student and other person through different survey of the study area with aim that a comprehensive, investigation can made.

Table of Numbers of Insured Sample

S.N.	Sample	No of Sample	Percentage
1.	Service	43	37.07
2.	Farmer	15	12.93
3.	Business	28	24.14
4.	Students	8	6.90
5.	other	116	18.96
	Total	116	100

3.4 Data Collection Techniques:

Regarding to collection of data, data have been collected by using different data collecting methods and Techniques. The data collection method or techniques are the following:

- i) Interview
- ii) Observation
- iii) Groups discussion
- iv) Questionnaire

i) Interview

Interview method is adopted for investigation factors such as consumer opinion, attitude, market competition and consumer assumption under the interview method can be used appropriate method such as telephone interview in home interview, focus group discussion, etc.

Telephone interview will be useful if where telephone facility may be provide or available. This method has the advantage of low cost in data collection. Under in-home interview method, interviewer visits the respondents place of residence to conduct the interview and it is also expensive and difficult to manage. Focus group method is conducted only among the demographically homogeneous group at least similar in terms of income, age, gender, scale of ability to insurance. Intercept interview is suitable for very short interview. In depth interview is one to one unstructured interview and it needs to be conducted in quiet place. They all are interviewed about the status of the insured, life insurance policies, performance of LIC (Nepal) "Pokhara" and other feedback that they experienced.

ii) Observation:

Under this method a researcher or company staff records the respondents overt behaviour, taking of the physical condition and event while consumer come to claim the accidental compensation. In this situation of observation researcher or company staff may be used for recording and by taking the observation dairy, checklist, medical report, police report, rating scale, camera, audio and video recorders etc.

iii) Group discussion:

The group discussion method is conducted with agents and employee of insurance company in the period of training for of life insurance business. While insurance company invite to give the training about the insurance then interested people who come from the different occupation and status may be involve in the training. Discussion is focused on about the insured status, policies of LIC (Nepal), importance and objective of and advantage of life insurance, how to insure to an individual, corporate, and grouping. The checklist for the group discussion is designed prior to the discussion knowing to active the required information.

iv) Questionnaire:

Structured question in used for seeking the answer from respondent. It is suitable method when idea, knowledge, feeling, belief, opinion and marketing information are collected from large number of consumer. The Questionnaire is used to generate basic data from the insured employee and agents of life insurance objective of the study. A set of structural question under questionnaire, open and close bath question are asked. Questionnaire structure or designs have been given in the appendix.

3.5 Data Processing

Data processing is a set of process which it helps to analysis the collected crude data by editing, codification, classification, tabulation and interpretation. At the data processing the unnecessary and unimportant information or data are elucidated. The data has been arranged in a tabular form, pie-chart, bar diagram, and graphic as per the requirement of the objective of the research.

3.6 Data Analysis Tools

For the data analysis has to need of both mathematical and statistical tools which it have been used according to the problem and objective of the study. The collected data have been entered into computer and presented systematically in the format of table, chart, graphic and diagrams. For the data analysis have been used the major statistical tools as the following.

i) Percentage

It is a simplest and most popular statistical tools which it is used to summarize the data and compares among the variable relation. On the basis of percent "100" have been taken the rate and numbers or quantity. Thus the percentage is expressed as;

$$\text{Percentage} = \frac{\text{Number of value}}{\text{Sum of value}}$$

ii) Arithmetic Mean (Average)

The arithmetic mean is most popular and commonly used statistical average. A simple average is used to summarized the data as a

presentation of mass data which. It is a value obtained the sum of value of their numbers. Thus the average is expressed as;

$$\text{Average} = \frac{\text{Sum of value}}{\text{No of value}}$$

3.7 Reliability and Validity of Data

The primary data is collected from the field work by myself as a researcher. The secondary data is collected from the reports, books, articles, journals, annual and monthly publication, daily news paper, magazine, and internet etc. which all are authorized publications, consultation with the supervisor has been made and his suggestions direction and tips are admitted for read validation. The necessary data collection have been helped by providing the official report or data by LIC (Nepal)'s branch manager and staff. For the data collection were asked the question about the subject matter with person contains 116 insured person. In the reference of insured person has been sampled from the various sector of LIC (Nepal) "Pokhara" so that there is high level of reliability and validity of this study. There may be reporting error, basically, shortage of time and lack of research experience are limitation.

CHAPTER- IV

PRESENTATION AND ANALYSIS OF DATA

In this chapter the collected data has been tabulated, processed and presented. The data has been arranged in a tabular form, pie-chart, bar diagram etc. as per the requirement of the objective of the research. This chapter includes characteristics of the insured, occupation status of insured, size of family of insured, respondents population by age group, residential area of insured, family income of insured, family expenditure, respondents population by sex, insurance duration of insured, regular premium, insurance premium amount, insurance plan, consumer satisfaction advertising expenses in marketing activities, strength & weakness, marketing environmental factors and mission and vision of LIC (Nepal)

4.1 Mission and Vision LIC (Nepal)

Every Insurance Company have the Mission and vision by own self. Similarly LIC (Nepal) has mission and vision is given as follow.

i) Mission of LIC (Nepal)

Through the various types insurance plan and economical protection for the people to be done the improvement and reforming in the life style of people. For the development economical resource and creation of resource will be lunched the program for people and achieve goal by attractive and expected retain earning for people.

ii) Vision of LIC (Nepal)

To be establish as the important and popular insurance company in Nepal in Nepal by economically and sociologically.

4.2 No of Insured Person of LIC (Nepal)

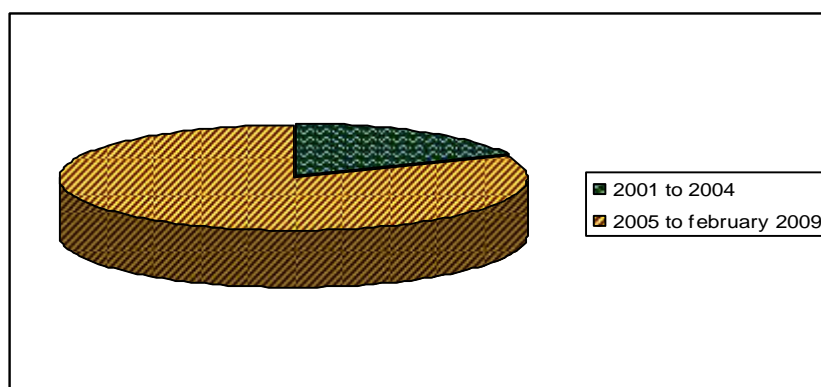
When LIC (Nepal) started the insurance business since 2001 and all kind insurance services was operated through Kathmandu corporate and branch office till the 2003/2004, according to LIC (Nepal) branch office "Pokhara" has insured person 17259 during the period of 2004 to 2008. It shows that the increment of insured person with comparison between the period of 2001 to 2003 and 2004 to 2008. It has been presented the table below.

Table No: 1
No of Insured Person from 2001-2008

S.N.	Period	No of insured	Percentage
1.	2001 to 2003	3895	18.42
2.	2004 to 2008	17259	81.58
	Total	21154	100

Source: Field Study, 2009

This Table No. 1 shows that 3895 insured person are insured in the period of 2001 to 2003 and 17259 insured person insure in the period of 2004 to 2008. The Number of insured of the period of 2004 to 2008 is high. It refers that the insurance marketing activities have been improved highly in the Pokhara branch due to increase the number of insured person.

Figure No. 1**Number of Insured Person from 2001-2008**

Above Figure No.1 shows that 18.42% insured person have done insurance in the period of 2001 to 2004 and 81.42% insured person are in the period of 2005 to February 2009. Numbers of insured person is highest in the period of 2005 to February 2009. It shows that the marketing activities in the Kaski, Syanja, Parbat, Gorkha, Tanahu and Gorkha under the Pokhara Branch office of LIC (Nepal) is improved than the period of 2001 to 2004.

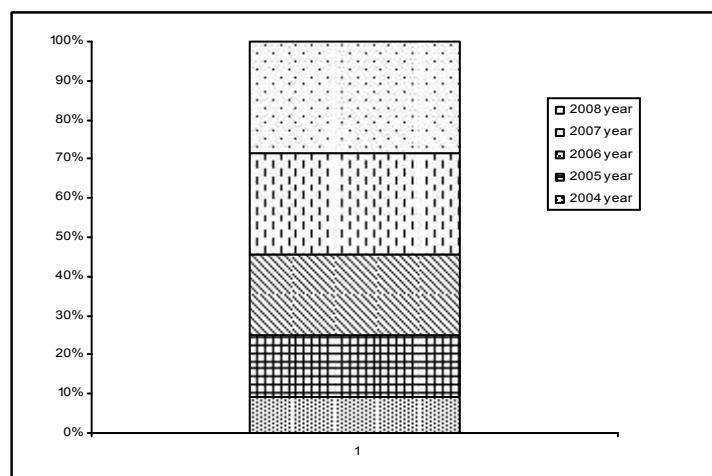
Table No. 2**No. of Insured Person from 2004-2008**

S.N.	Period	No. of insured	Percentage	Cumulative Percentage
1.	2004	1591	9.22	9.22
2.	2005	2739	15.87	25.09
3.	2006	3542	20.52	45.61
4.	2007	4497	26.06	71.67
5.	2008	4890	28.33	100.00
	Total	17259	100	100

Source: Field Study 2009

This table show that 1591 insured person were done the insurance in the period of 2004, 2739 insured person were done the insurance in the period of 2005, 3542 insured person were done the insurance in the period of 2006, 4497 insured person were done the insurance in the period of 2007, 4890 insured person were insured done the insurance in the period of the 2008, highest insurance insured in the period of 2008.

Figure No. 2
No. of Insured Person from 2004-2008



This figure shows that the 9.22% insured person were done the insurance in the period of 2004, 15.87% insured person were done the insured person were done the insurance in the period of 2005, 20.52% insured person were insured in the period of 2006, 26.06% insured person were insured in the period of 2007, 28.23% insured person were insured were done the insurance in the period of 2008.

i) Size of Family of Insured

Family size is the total member in a family. The average family size is calculated by dividing the total population with the total family number. The family structure of Nepal mostly becomes joint family.

However, the average family size of respondents is 5 to 9 members. The family size of respondents is categorized in to 3 heads.

Table No: 3

Size of Family of Insured

S.N	Size of Family	No of Respondents	Percentage
1.	upto 4	12	10.3
2.	5-9	93	80.17
3.	10 & more	11	9.48
	Total	116	100

Source: Field survey 2009

80.17 insured respondents are having 5-9 persons in family followed by 10.3 %, 9.48 4 & 10 more respectively.

Figure No: 3

Family Size of Respondents

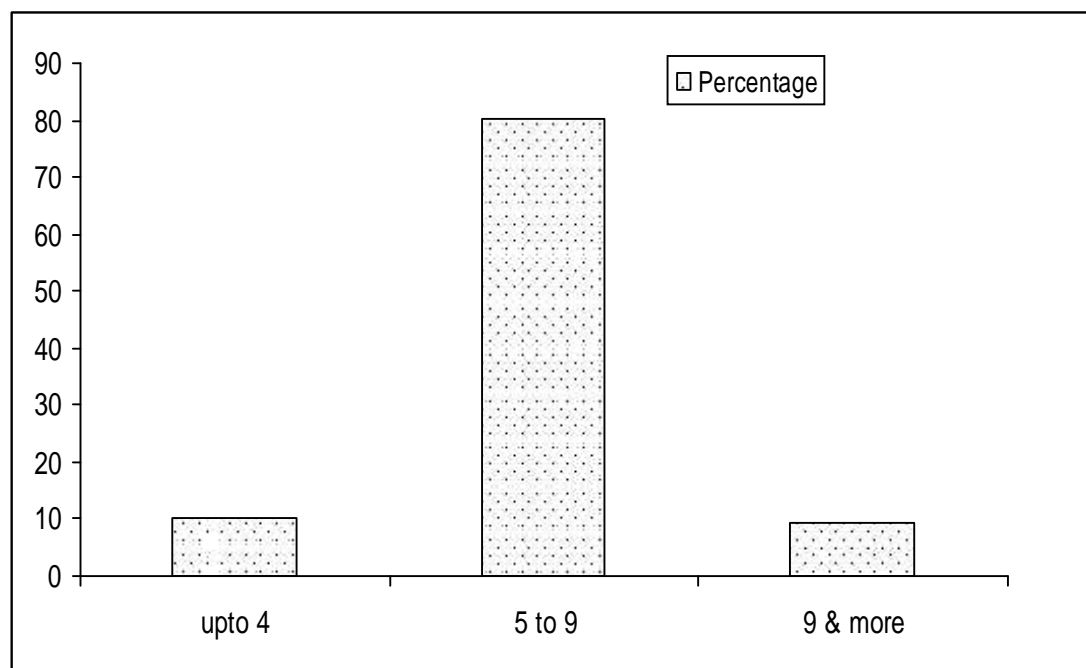


Figure No. 3 Show that 10.35% respondent have up to 4 family members, 8.17% respondents have the family member of 5 to 9 and only 9.48% respondent have and more member in the family. According to field survey 2009, more people are found as insured from the 5 to 9 member family size.

ii) Family Income of Insured

Family income is most important factors to fulfil the family requirement and to enjoy the life. Development depends on the family income because if there is saving then only one can invest it. Family income can be measures at the monthly, half yearly, Quarterly and annually but monthly income is very popular.

Table No: 4

Family Income of Insured

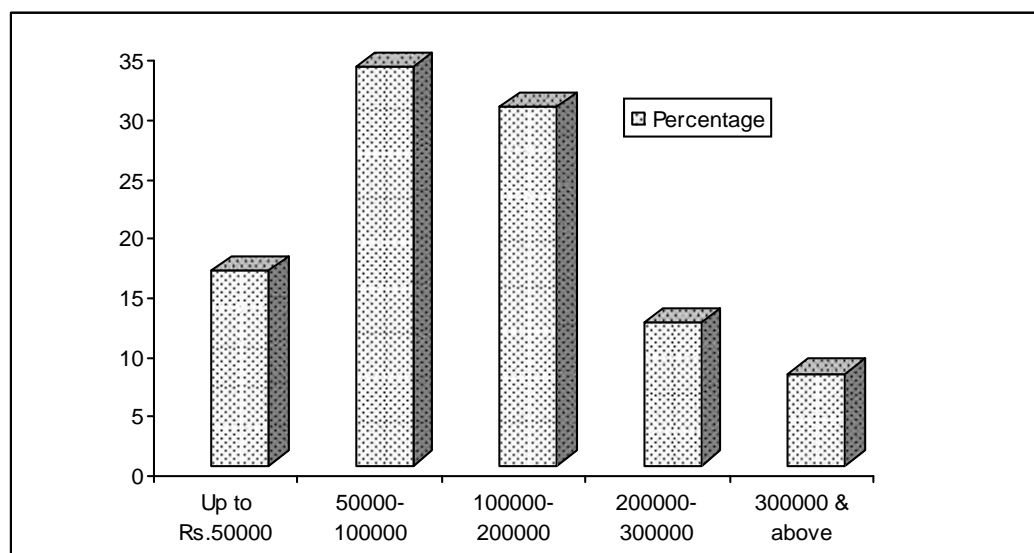
S.N.	Monthly income of the insured	No of Respondent	Percentage
1.	Up to Rs.50000	19	16.38
2.	50000- 100000	39	33.62
3.	100000- 200000	35	30.17
4.	200000- 300000	14	12.07
5.	300000 & above	9	7.74
	Total	116	100

Source; Field survey 2009

Table No 4 shows that 16.38% insured have income of Rs. up to 50000, follows by 33.62% from Rs.50000- 1000000, 30.17% from of Rs.100000-200000- 12.07% from 200000- 300000 and 7.74% from Rs.300000-above respectively. It Table shows that most of the people who have

family annual income of Rs. up to Rs.50000 they do not do insurance. Although they can insure at the policy of minimum amount and who have family income at Rs.50000 to 30000 as annual income, they can be insured possibly. The insured who have family income of Rs.300000 and above they can insure of large amount of insurance policy. Most of insured do not like to pay tax to the government, who have more than family income as up to 200000 annual incomes, insured are attracted from regarding tax saving, saving for future and control financial risk for feature.

Figure No. 4
Annual Family Income of Insured



Figures No 4 shows That 16.38% of insured have annually family member Rs up to 50000 :33. 62% of insured have annually family income Rs 50000 to !00000, 30.1% of insured have annually family income of Rs 100000- 200000, 12.07% insured have annually income of Rs 200000-300000 and 7.76% insured have the family income of Rs 300000 and above. there 70.74% insured are used large amount of insurance policy.

iii) Family Expenditure of Insured:

Expenditure depends on the earning. If the earning less than the expenditure family has to go for borrowing loan. But most of the respondents as insured do expenditure according to their income. They give more emphasis in amusement. If family expenditure become highly at the ratio of earning, e can not save and do not like to insure.

Table No. 5

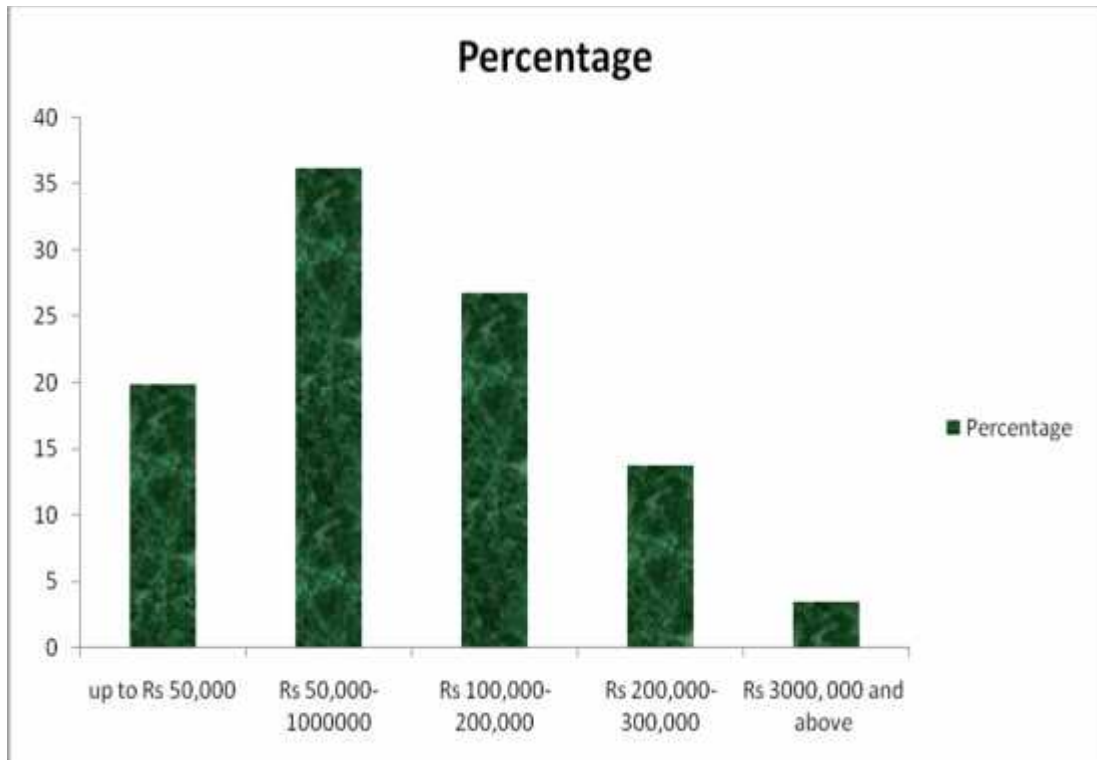
Annual family expenditure of the Insured

S.N.	Annual expenditure of respondent	No of the respondents	Percentage
1	up to Rs 50,000	23	19.83
2	Rs 50,000-1000000	42	36.21
3	Rs 100,000-200,000	31	26.72
4	Rs 200,000-300,000	16	13.72
5	Rs 3000, 000 and above	4	3.45
	Total	116	100

Source: Field survey 2009

Table No. 5 shows that 19.83 insured have annual family expenditure of Rs up to Rs 50000, 36.21 insured have the family annual expenditure of 50,000-100,000 26.72 insured have the annual family expenditure of Rs 1000,000-200,000 13.72 insured have the annual expenditure of Rs 200,000-300,000 and 3.49% insured have annual family expenditure of Rs 300,000 and above.

Figure No.5
Family Expenditure of Insured



Figures No. 5 shows that 19.83 respondents have annual family expenditure of Rs up to 50000, followed by 36.21 % for Rs 50000-100000, 26.72% for of Rs 100,000-200,000, 13.72 % Rs 200000-300000. The highest expenditure groups in Rs 500000- 10,00000.

iv) Occupational Status of Insured

Occupational status affects to the insurance market and business because insured person or parties are encouraged through income, so they are doing insurance nick and tax saving. Respondent have different type of occupation like, service, farmer business, student and other.

The occupational which status of the respondents are given in the table, which it is categorized into 5 group

Table No:6
Occupational Status of the Insured

S.N.	Occupation	Total no of the Responded	Percentage
1.	Service	43	37.07
2.	Farmer	15	12.93
3.	Business	28	24.14
4.	Student	18	6.90
5.	Other	22	18.96
	Total	116	100

Source; Field survey 2009

Table no. 6 shows the most of insured are doing from service such as teacher, engineer, pilot, lecturer, official employee of private business, organization, government, and NGO or INGO.

Insures from service sector contains 43 respondent the followed by Business (28) (15) farmer , (8) student and (22) other such as broker, dirver, tailor, painter, carpenter, mason and construction labour, barbar and worker of workshop respectively.

Occupational status of the respondents is given in the figure No 2

Figure No 6

Occupational Status of the Respondents

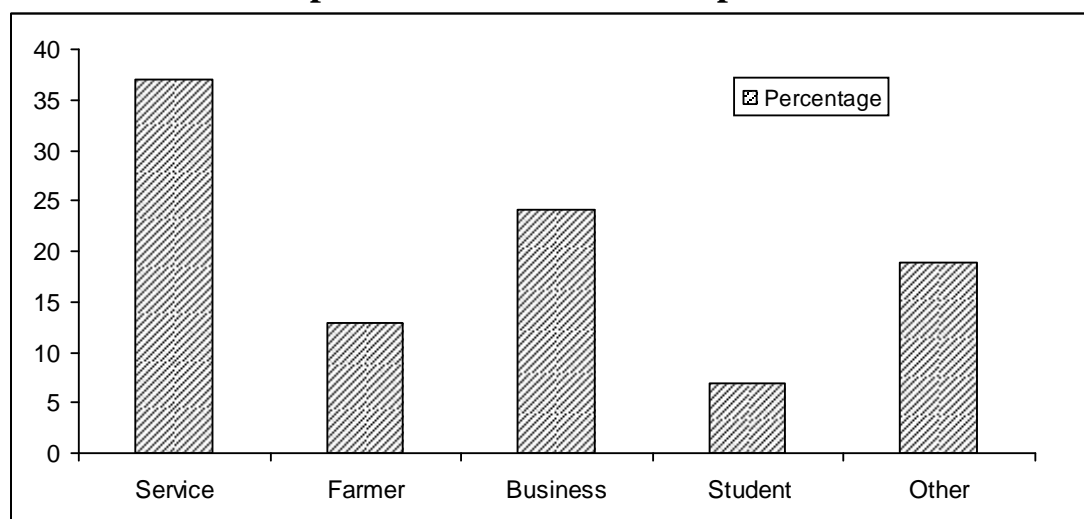


Figure no 6 shows that 37.07 percent respondents are from services, 12.93% are from farmer, 4.14% are from business, 6.90% are from student, and 18.96% are in other occupation. It shows that the skilled people who have regular income may be consumer of LIC (Nepal).

4.3 Market Segmentation of Insured Person

i) No. of Insured person by Various District.

In "Pokhara" branch of LIC (Nepal), all kind of insurance marketing activities has been organized, policy and marketing activities are regulated under the Pokhara brance. Under the Pokhara brance of LIC (Nepal) has included the totally insured person 21154 during the period of 2004 to February 2009. These are insured from different district.

Table No.:7

No of Insured Person by Various District.

S.N.	Various Sector (Dist)	No of insured (Totally)	Percentage
1.	Kaski	6905	32.64
2.	Syangja	2741	12.96
3.	Parbat	2966	14.02
4.	Gorkha	2405	11.37
5.	Tanahu	4956	23.43
6.	Lamjung	755	3.57
7.	Other	426	2.01
	Total	21154	100

Source: Field study 2009

This table No. 7 Shows that 6905 insured person are in the Kaski, 2749 insured person are in the Syangja, 2966 insured person are in the Parbat 2405 insured person are in the Gorkha, 4956 insured person are in the

Tanahu, 755 insured person are in the Lamjung, and 426 insured person are in the other place of under the Pokhara brance office of (LIC (Nepal)

Most of people as insured are of Kaski district today. The insured person are going to increase day by day.

Figure No. 7
No of Insured Person of by Various District.

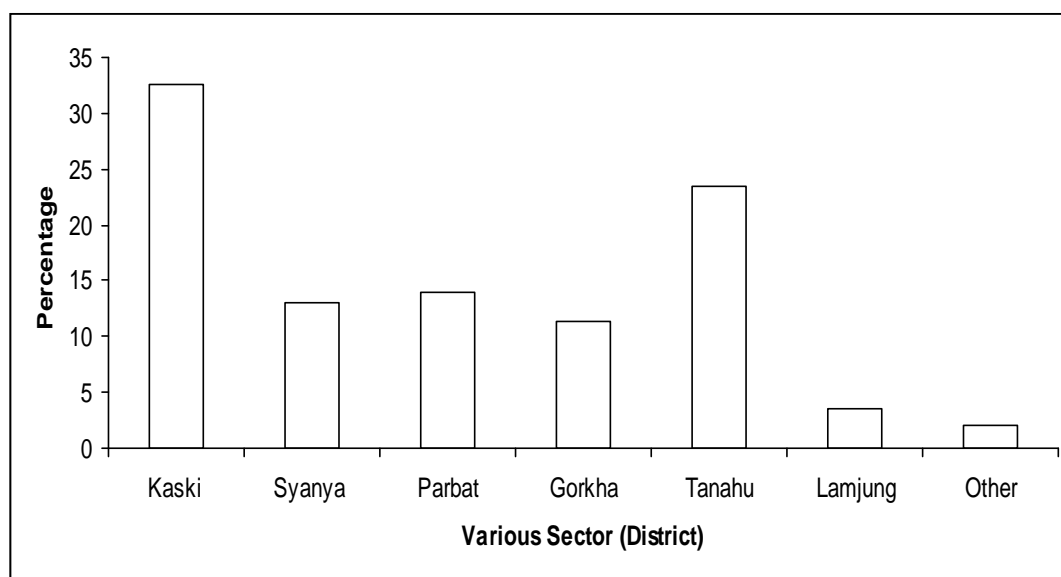


Figure No. 7 shows that 32.64% insured person are from the Kaski district 12.96% insured person are from the Syangja, district, 14.02% insured person are from the Parbat district, 11.37% insured person are from the Gorkha district, 23.43% insured person are from the Tanahu district, 3.57% insured person are from the Lamjung district, and 2.01% insured person are from the other sector. Most of insured people are from Kaski district followed by the Tanahu district. Pokhara branch is going to establish the agency office rapidly in the Palpa and Banglung.

ii) Residential Area of Insured

Residential area of insured effects directly to the insurance business and market due to their income level, in fracture facilities and earning opportunity, family and social structure. Residential area of insured are given in the table no. 8

Table No.: 8
Residential Area of Insured

S.N.	Area	No. of Insured	Percentage
1.	VDC (Least developed) or rural	24	20.62
2.	VDC (developed)	45	38.79
3.	City	47	40.52
	Total	116	100

Source: Field Study 2009

Above table shows that 24 insured are lived in VDC (least developed area), 45 insured are lived in VDC (developed area), 47 insured lived in city area. Integrate of VDC area are involved the 69 insured.

Figure No 5
Residential Area of Insured

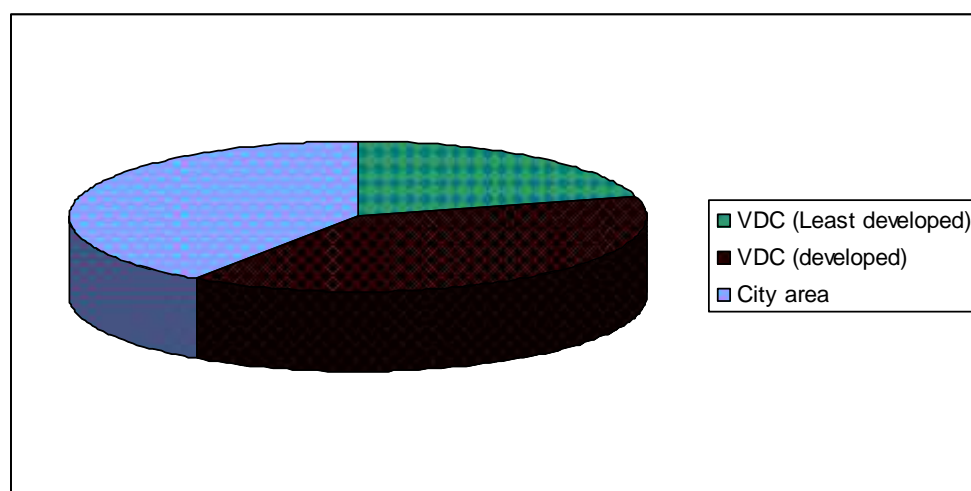


Figure No 8 shows that 20.62% insured are from VDC (Least developed), 38.79% are from the VDC (developed) and 40.52% are from the city area. Insured found in city area but integrate of VDC (developed and Least developed) area more insured are from VDC than city area. However it is found in the study field of large amount by the city area. Nepal is a country. Where VDC are more than city. So that most of insured are from VDC. Where it proves that most of the insured are from city area due to higher earning opportunity.

iii) Respondents Population by Age Group

The respondents population by age group is classified in to 4 group, which is shown in the Table No 9.

Table No:9

Respondents Population by Age Group

S.N.	Age group years	Population	Percentage
1.	Less than 20 year	13	11.21
2.	20-40 years	59	50.86
3.	40-60 years	41	35.34
4.	60 & Above years	3	2.59
	Total	116	100

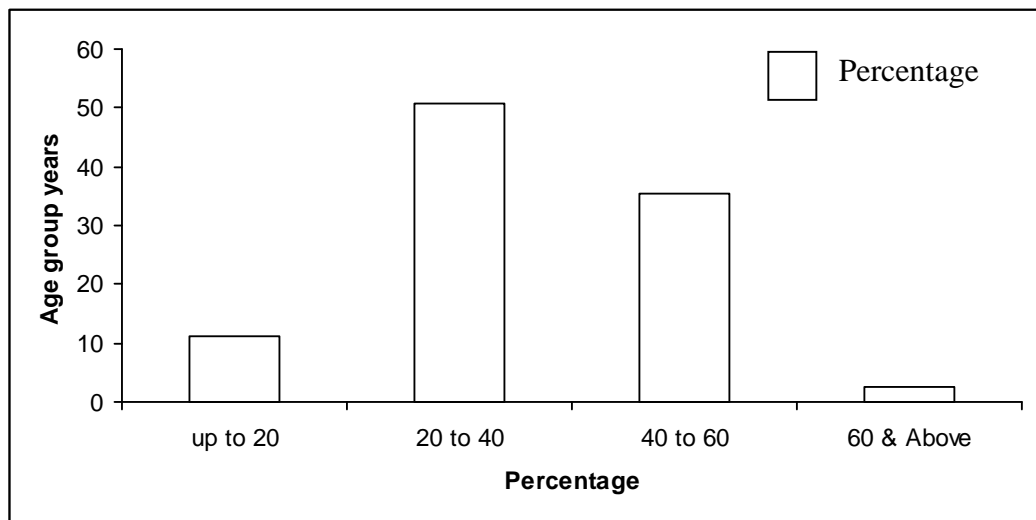
Source; Field study 2009

Population by age group are shown as table no 9. There are 13 insured taken from group of less than 20 years of age, followed by 59 insured of 20-40 years of age 41 insured of 40- 60 years of age, and 3 insured of 60 and above of age respectively. It is clearly shown that age between 20- 40 years and 40- 60 years are main customer of life insurance business. LIC

(Nepal) has maximum number of insured person from the age group of 20 to 40 years 240-6090in 50 years the average life of insured pennon in LIC (Nepal)

All these age group descriptions of the insured population are clearly illustrated in the Figure No 4.

Figure No 9
Respondents Population by Age Group



The figures No 9 shows that the respondents population by group age denotes 11.21% in up to 20 of group age, 50.86% in 20-40 group age, 35.34% in 40- 60 group age and 3% in 60 and above group age.

Above this figure proves that age between 20 to 50 year age's people are doing life insurance, and from the field study has been found that 60 and over age's people has included in Jivan ananda insurance policy. More people from group age 20- 40 year age has done the insurance. All insurance company charges highly premium rate for the age group of 60 and above due to highly risk to invest for this age group by the insurance company.

iv) Respondents by Population by Sex

Number of respondents insured by sex in given below.

Table No: 10

Respondent by Population by Sex

S.N.	Sex	Population No.	Percentage
1	Male	89	56.73
2	Female	27	23.27
	Total	116	100

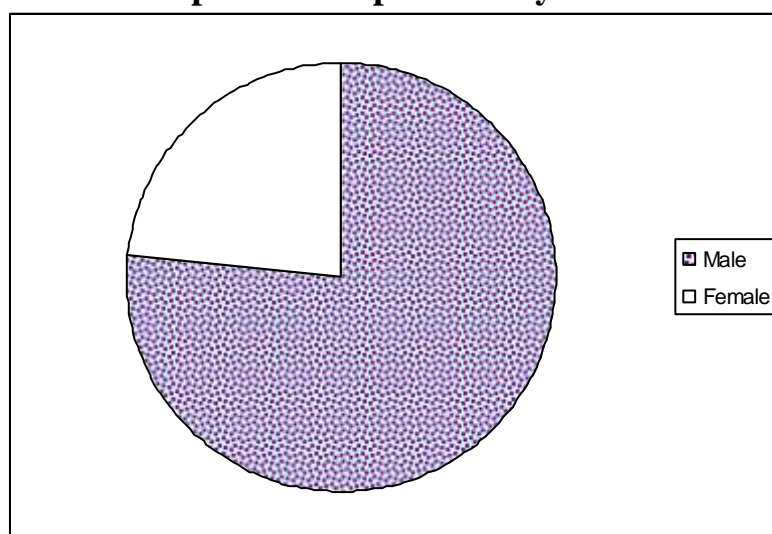
Source: Field study 2009

The table no. 10, Above data clearly shows there number of insured male as more then female According census 2001, the population of females are more than male. Female has no knowledge about the insurance but also insurance companies has been operated the insurance policies regarding increase female insurance such as griha laxmi insurance plan.

The insured population by sex of the study area is clearly presented in the figure no. 10

Figure No 10

Respondent Population by Sex



As clearly demonstrated in the figure No. 10 There are 76.73% male and 23.27% female as an insured person. Most of people has done the life insurance.

v) Insurance Duration (Time period) of the Insured.

Insurance duration refers to the time period for the insurance in which the insured person pay premium as regular interval basis. This is given in the table No 11

Table No 11
Insurance Duration (Time period)

S.N.	Year of Premium pay	No of insured	Percentage
1.	up to 5 year	11	9.48
2.	5 to 10	17	14.65
3.	10 to 15	56	48.28
4.	15 to 20	28	24.14
5.	20 to 25	4	3.45
	Total	116	100

Source: Field survey; 2009

The table No 11 shows the 11 insured respondents who have done insurance for the period of upto 5 year, followed by 17 insured for 5 to 10 year, 56 insured of 10 of 15 year, 28 insured of 15 to year and 4 insured of 20 to 25 year. According to field survey 2009, Most of insured for the period of 10 to 15 they are insured the endowment policy how LIC (Nepal) Ltd. Most of respondents involve in the children insurance policy in the insurance duration of 5 to 10 years.

The information about the insurance duration is shown in the Figure No 11

Figure No: 11
Insurance Duration (Time period)

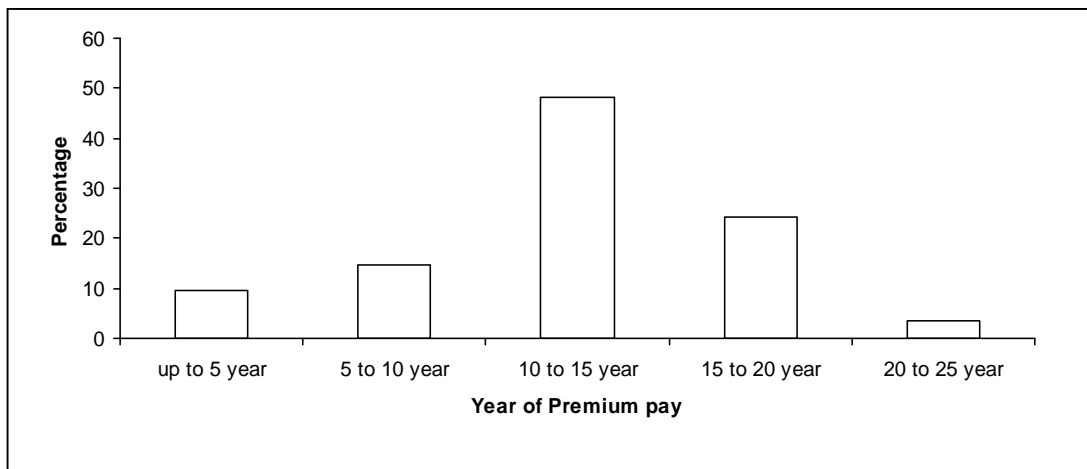


Figure No 11 shows that 9.48% respondents have done life insurance for the insurance duration of up to 5 year, following 14.65% for duration of 5 to 10 years, 48.28% duration of 10 to 15 year, 24.14% for duration of 15 to 20 year and 3.45% respondent have for duration of 20 to 25 year.

According to field study 2009 it has been found that most popular insurance duration is 10 to 15 year, secondly is 15 to 20 and in the insurance duration on 15 to 20 year has been found that large amount insurance has been involved in the LIC (Nepal) is given siron anand and Jivan tarang insurance plan has been involved by the most of people as insured in the insurance duration of 15 to 20 year.

vi) Regular Premium Policy

The regular premium to the insurance company on the base of regular premium policy and payment period which is categorized by the annually, half yearly, Quaterly and monthly is called the regular premium pay method. A policy issued in the name of insured by on insurer, on the condition that premium shall be paid regularly or equal installments with-in the insurance period is called regular premium policy.

Table no: 12
Type of Regular Premium Policy

S.N.	Period	No of insured	Percentage
1.	Annual	72	62.07
2.	Half yearly	34	29.31
3.	Quarterly	7	6.03
4.	Monthly	3	2.59
	Total	116	100

Source: Field study 2009

This table No 12 shows that 72 insured pay premium annually, followed by 34 insured pay premium half yearly, 7 insured pay premium Quaterly and 3 insured pay premium monthly. According to field study, Half yearly premium method is most popular than quaterly and monthly but some insured urges that quaterly regular premium pay system is most useful for them. During the survey annual premium payment methods serin maximum than other one.

The regular premium pay system or method is given in the Figure No 12

Figure No 12
Type of Regular Premium Policy

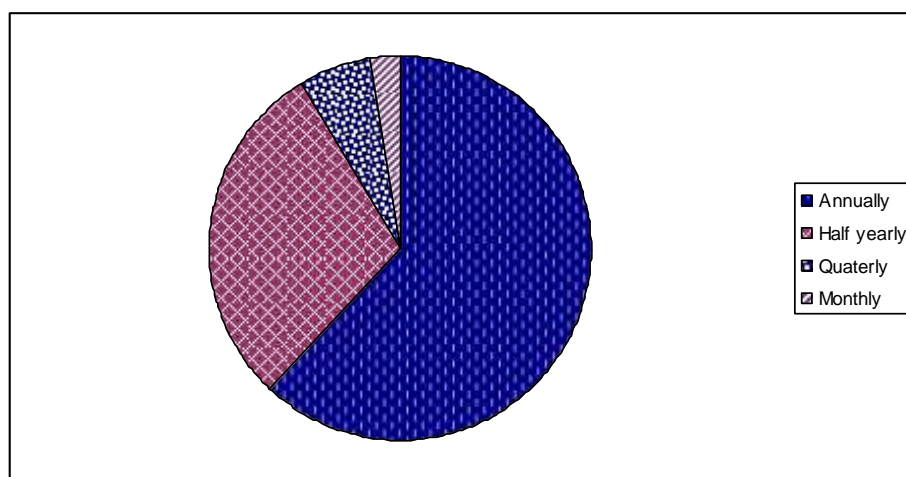


Figure No 12 shows that 62.07% insured pay premium annually which is greatest percent, 29.31% insured pay premium half yearly, 6.03% insured pay premium quaterly and 2.59 respondents pay premium monthly.

According to agents and company staff of insurance company, Most of people, as insured pay the regular premium payment annually and secondly business -man pay, the regular premium payment as quaterly and monthly.

vii) Insurance Premium Amount

Insurance premium amount is contract made by the person paying certain amount based on estsnated life and he or his beneficiary gets the amount after his death or he gets the amount after the expiry of policy period. Payment of insurance premium reflects the economic status of the insured. Insurance premium amount is given in the

Table No 13

Insurance Premium Amount

S.N.	Premium Amount in Rs.	No of insured	Percentage
1.	up to Rs.5000	31	26.73
2.	Rs.5000 to 10000	43	37.07
3.	Rs.10000 to 15000	26	22.41
4.	Rs.15000 to 20000	11	9.48
5.	Rs.20000 & more	5	4.31
	Total	116	4.31

Source; Field study 2007

Table No 13 shows that 31 insured pays the insurance premium amount of up to Rs.5000, 43 insured pay the insurance premium amount of

Rs.5000, 11 insured pay the insurance premium amount of Rs.15000 to 20000 and 5 insured pay the insurance premium amount of Rs.20000 and above.

Figure No 13
Insurance Premium Amount

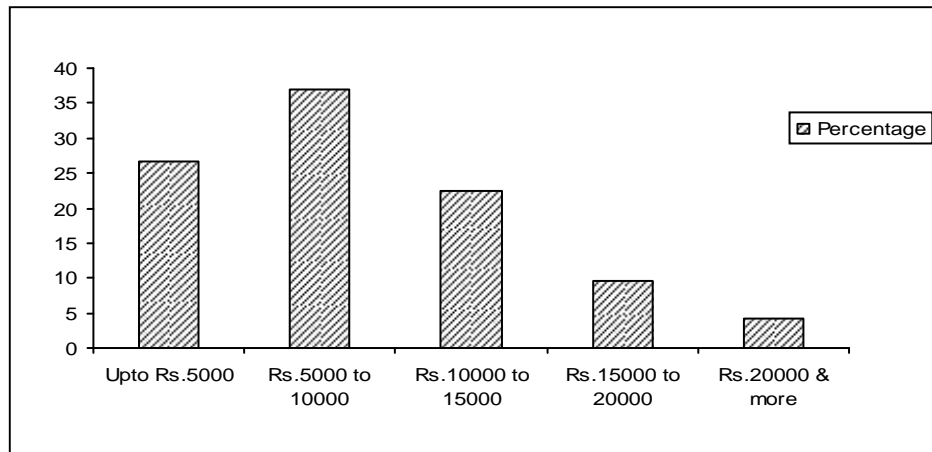


Figure No 13 shows that 26.73% insured pay the premium annually up to 5000, 37.07% insured pay the premium annually Rs.5000 to 10000, 22.4% insured pay premium Rs.10000 to 15000, 9.48% insured pay premium Rs.15000 to 20000, and 4.31% insured pay premium Rs.20000 to 25000 annually. This Table indicates that most of the insured pay premium up to Rs.5000 to 10000 annually.

viii) Insurance Plan or Policy

Every insurance company has operated the different type of insurance plan or policy for the consumer attraction of insurance business and service. Different type insurance plan also tries to cover the insurance market and help to increasment of insurance business.

The insurance plan or policy is given in the below.

Table No 14
Insurance Plan or Policy

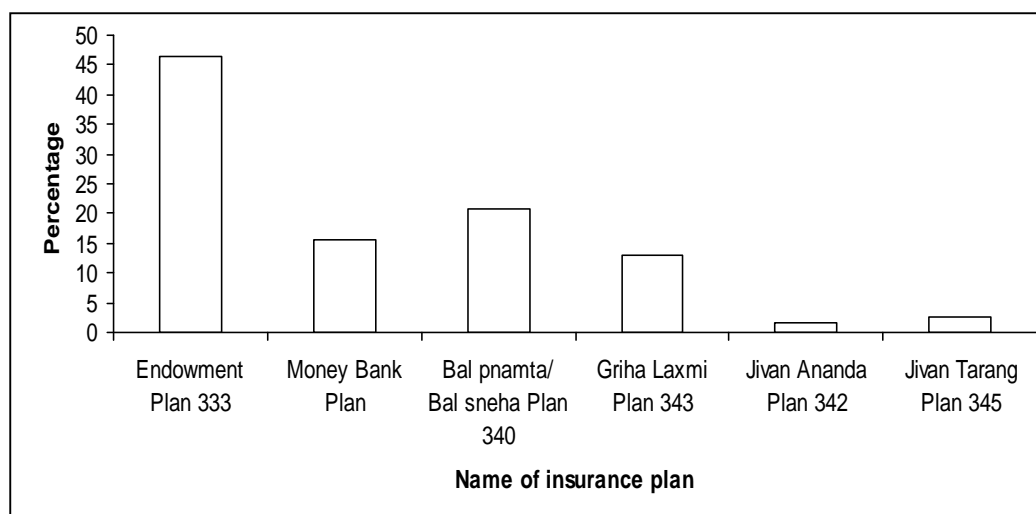
S.N.	Name of insurance plan or policy	No of insured	Percentage
1.	Endowment Plan 333	54	46.55
2.	Money Back Plan	18	15.52
3.	Bal Mamta/ Balsneha Plan	24	20.62
4.	Griha Laxmi Plan 343	15	12.93
5.	Jivan Ananda Plan 342	2	2.58
6.	Jivan Taranga Plan 345	3	2.58
	Total	116	100

Source: Field Study 2009

This Table No 14 shows that 54 insured have involved in the Endowment Insurance 18 insured have involved in the Money Back Insurance Plan, 24 insured have involved in the Bal Mamta & Bal Sneha Plan, 15 insured in Jivan Ananda Insurance Plan, and 3 insured in Jivan Tarang Insurance Plan. In the Endowment Insurance Plan of LIC (Nepal) have higher insured person. Which is very popular in the field area. Grihalaxmi Insurance Plan has not successfully attracted to the female for insurance.

LIC (Nepal) (LIC) has operates the different type service for child/ insurance so if is succeeded child insurance but it is not better as compare to number of population of children.

Figure No 14
Number of Insured of Insurance Plan or Policy



This table shows that 46.55% insured have involved in the Endowment Insurance Plan or Policy, 15.52% insured have involved in The Money Back Plan, 20.69% insured have involved in the Balmamta & Bal Sneha Insurance Plan, 12.23% insured have involved in the Griha Laxmi Insurance Plan, 1.73% insured have involved in the Jivan Annanda Insurance Plan and 20.58% insured have involved in the Jiven Tarang Insurance Plan. Most people are involved in the Endowment Insurance Plan. Which is highest insured than other insurance plan? On the base of female population are low insured people in the Griha Laxmi Insurance Plan.

4.4 Advertising Expenses in Marketing Activities

Without the expenses cannot image to operating the marketing activities. Under the marketing activities have been organized. It is found that LIC (Nepal) use the indoor advertising medial (Printing the brushier, directory hand book) and radio & newspaper, display media (Display name boards), marketing activities (Public relation, training program, sales promotion through agents & agency office).

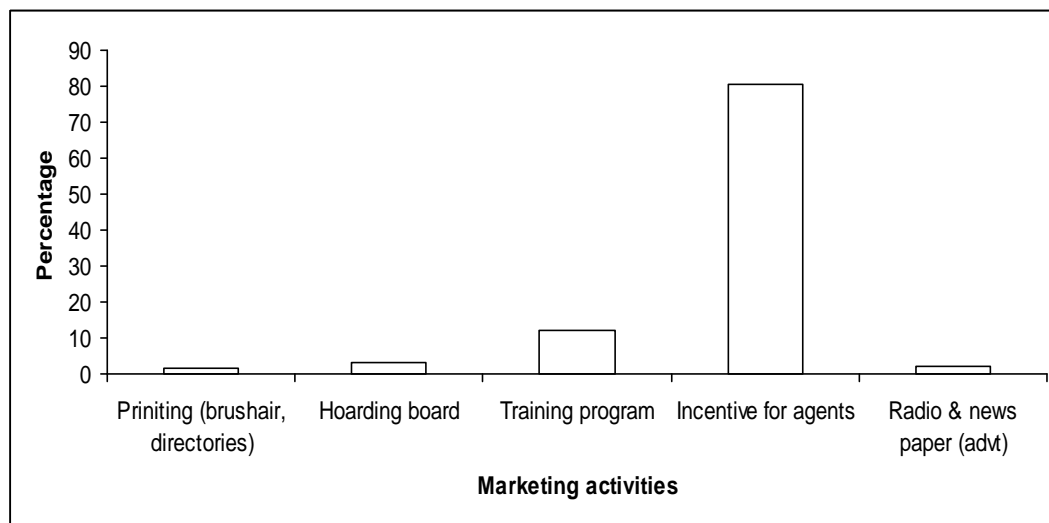
Table No.: 15**Advertising Expenses in Marketing Activities**

S.N.	Marketing activities	Annual expenses Rs.	Percentage
1.	Printing (brush air, directories)	45270	1.83
2.	Hoarding Board	80450	3.24
3.	Training program	301300	12.15
4.	Incentive for agents	2002400	80.70
5.	Radio & news paper (advt)	51630	2.08
	Total	24800050	100

Source: Field study 2009

Figure No. 15 shows that 1.83% expenses annually in the printing such as The brushier & directory hand book advertising, 3.24% expenses is annually in the Hoarding board, 12.15% expenses annually in the training program, 80.70% expenses is annually in the incentive for agents and 2.08% expenses is annually in the radio & news paper advertising of LIC (Nepal). Most of the marketing activities are sales promotion through incentive for agents have been done the expenses highly by the LIC (Nepal) and it is most popular, effective and appropriate option for marketing activities. LIC (Nepal) has focused on agents for to advertising.

Figure No. 15
Advertising Expenses in the Marketing Activities



This figure shows that highest expense have been done in the incentive for agents. Through the agents, training program helps to take public relation directly among the people word of mouth and face by face talk are the best advertising method for LIC (Nepal).

Pokhara branch has done all marketing activities for all the district. It is found that most of people listen the radio and F.M. service in the VDC and city both area. It is to be the effective. Training program helps to increase the publicity about the insurance and increase knowledge to the consumer. Training program help to encourage to the agents, and employee, develop the knowledge & skill, for agents as well as number of insured person.

4.5 Strengths and Weakness Point of LIC

LIC (Nepal) Ltd has strengths point in the marketing area that it has been lunched the various type insurance policy of such as Endowment insurance policy, Money back policy, GrihaLaxmi policy, Bal Mamta & Balsneh policy, Jivan Anandha policy and Jivan Tarang policy helps to

covers the insurance consumer's needs and want. LIC (Nepal) has emphasized and done market segmentation on the basis of consumers' age, sex, premium duration, insurance maturity period etc. LIC (Nepal) have also weakness point that LIC (Nepal) have not emphasized to advertise. It has not lunched the training program in the VDC (Least developed) area, only concentrated in city and developed VDC area. Regarding to strength and weakness respondent have been given the following views regarding LIC.

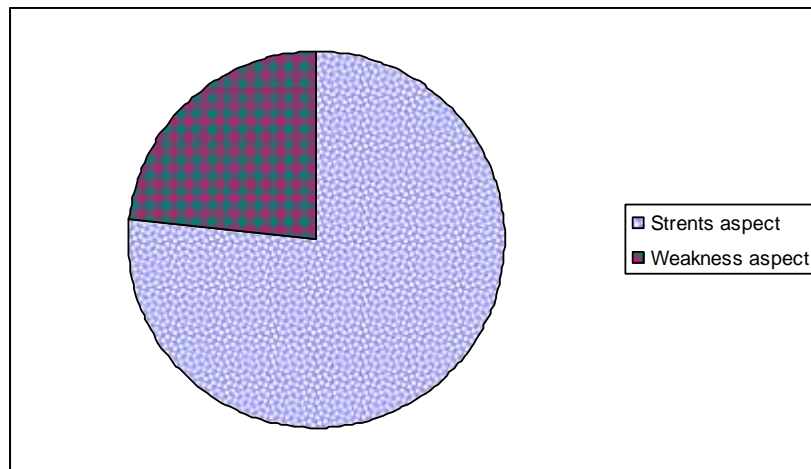
Table No: 16
Strength and Weakness Aspect of LIC (Nepal)

S.N.	Description	No of respondent	Percentage
1.	Strength aspect	89	76.73
2.	Weakness aspect	27	23.27
	Total	116	100

Source: Field Study 2009

This Table shows that 89 respondents have implied for strength aspect of LIC (Nepal) is marketing activities among 27 respondents have also implied for weakness of LIC's (Nepal) marketing activities.

Figure No. 16
Strengths and Weakness Aspect of LIC (Nepal)



This Figure No. 16 shows that 76.73% respondent have implied for strengths point for LIC (Nepal) marketing activities and 23.27% respondent have implied for weakness point of LIC (Nepal) marketing activities.

4.6 Marketing Environmental Factors (MEF)

Marketing environmental factors affects the insurance market of LIC (Nepal) and MEF has been divided into two factors, one is external environmental factors and other internal factors.

External environmental factors includes the economical factors, political-disputes and instability, Geographical infrastructure, socio-culture factore. Internal environmental factors includes the organizational objective, policies, structure, and employee behaviour. To know the factors and environment factors was asked to the respondents that affected in the marketing of insurance activities.

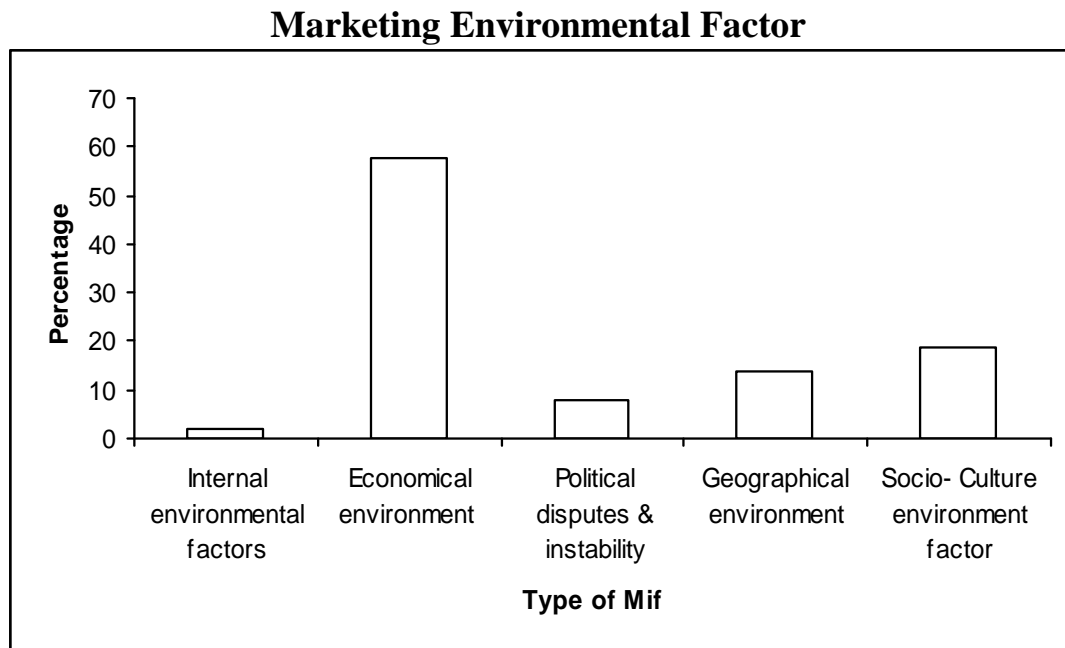
Table No:17
Marketing Environmental Factors (MEF)

S.N.	Type of MEF	No of Respondents	Percentage
1.	Internal environmental factors	2	1.73
2.	Economical environmental factors	67	57.76
3.	Political disputes & instability	9	7.76
4.	Geographical environment factors	16	13.79
5.	Socio-culture environment factors	22	18.96
	Total	116	100

Source: Field Study 2009

This Table No 17 shows that 2 respondents have said that internal environment factors have effected to the insurance market of LIC (Nepal), 67 respondents have said that economical factors have effected to the insurance market, 16 respondents have said that geographical factors have effected to the insurance market, 22 respondents have said that socio-culture factors have effected to the insurance market. Most of respondents have focused for economical factor and secondly socio-culture factors have effected to insurance market because most of people have not known about the insurance.

Figure No. 17



This Figure No.17 shows that 1.73% respondents have focused for insurance market have been effected from internal environmental factors, 57.70% respondents have focused to the insurance market have been effected from Economical environmental factors, 7.76% respondents have focused to the insurance market have been effected from political disputes and instability, 13.76% respondents have focused to the insurance market from the geographical environment factors.

4.7 Consumer Satisfaction Towards LIC (Nepal)

Consumer is the king and the success of insurance business depend on their ability to satisfy. So that the insurance company has to study about the new ideas and method to satisfy the consumer.

Table No: 18
Consumer Satisfaction

S.N.	Grand ranking of consumer	No of Respondents	Percentage
1.	Excellent	6	5.17
2.	Very good	19	16.38
3.	Good	47	40.52
4.	Satisfactory	36	31.04
5.	Poor	8	6.89
	Total	116	100

Source: Field Study 2009

This Table No 18 shows that 6 respondents response the answer as excellent for consumer satisfaction, 19 respondents responses the answer as very good, 47 respondents responses the answer as good, 36 respondents responses the answer as poor for consumer satisfaction. The insurance company has to emphasis about the consumer attraction and minimize to their complain by giving good and efficient service.

Figure No: 18
Consumer Satisfaction



This Figure No 18 shows that 5.17% respondents react as excellent, 16.38% respondents react as very good for consumer satisfaction, 40.52% respondents react as good for consumer satisfaction, 31.04% respondents react as satisfactory, and 6.89% respondents react as poor for consumer satisfaction. Here it is found that it is necessary to increase and improve the insurance service to all kind insurance consumer. to achieve excellently by insured person.

4.8 Business Performance of LIC (Nepal)

There is given the new business performance of the company as the following:

Description	2064/65	2063/64	Growth rate
Number of Policies	27975	29139	- 4.0%
First Premium income (Rs. in crores)	19.23	19.31	- 0.4%

LIC (Nepal) has succeeded in business performance by reforming market position business activities and expended the investment sector. There are given the improvement of business performance of LIC (Nepal) as the follow.

Description	2065/66	2064/65	Growth rate
Number of Policies	14442	19419	26.5%
First Premium income (Rs. in Lakh)	1132.30	761.37	48.7%

It may be observed that there has been a healthy growth in business for the LIC (Nepal), in both number of policies and first premium income in current year. By this result have been improved in life fund. As at the end of ashad 2065, The life fund of the company stood, the life fund of the

company stood at 249.23 crores as against 168.89 crores at the end of Ashad 2064. This means the life fund grew at the rate of 47.5% A life insurance company is required to undertake valuation of its funds by an actuary once every 3 year as per provision of section 26 of the insurance act 2049 (1992) of Nepal and the valuation exercise as at Ashadh 2065 is being undertaken by the company.

4.9 Major Findings of the Study

- 1) Those study was conducted with 116 insured contain 43 person services, 15 person farmer, 28 person business man, 8 person student and 22 person other and 3 person agents among the 116 insured person of life insurance company of Pokhara.
- 2) 76.73 percent male respondent as insured are male and 23.73 percent respondent as insured are female.
- 3) 10.35 percent insured person 1-4 of family size, 80, 17 percent have 5-9 member of family size 9.48 percent have 10 to more member of family size.
- 4) Main occupation of respondents are service which covers the 37.07 percent, 12.93 percent respondents have farmers, 24.14 percent respondents have students and 18.96 percent respondents have other.
- 5) 16.38 percent respondents have annual family income of Rs 50,000-1,00,000 , 30.17 percent respondent have annual family income of Rs 100,000 to 200,000 12.07 percent of respondent have annual family income of Rs 200,000 to 300,000 and 7.76 percent of respondents have annual family income of Rs. 300 to above.

- 6) 19.83 percent of respondents have annual family expenditure of Rs 50,000 36.31 percent of respondents have annual family expenditure of Rs 50000 to 100,000, 26.72 percent of respondents have annual family expenditure of Rs 100000 to 200000, 13.79 percent of respondent have annual family expenditure of Rs 200,000 to 300,000 and 3.45 of respondent have annual family expenditure of Rs.300000 to above.
- 7) 76.73 percent male respondents have done insurance and 23.27 percent female respondents have done insurance so it shows that most of insured population is head of the family.
- 8) 20.69 percent respondent are from VDC (Least developed), 38.79 percent respondents are form VDC (developed) and 40.52 percent respondents are from city area. It proves that most of respondents are from VDC (Least developed + developed VDC) area. But insurance gross amount are invested highest from city are than VDC Area.
- 9) 62.07 percent respondents as insured pay premium annually, 29.31 percent respondent as insured pay the premium half yearly, 6.03 percent respondents as insured pay the premium amount Quaterly and 2.59 percent respondents pay the premium amount monthly.
- 10) 9.48 percent respondents as insured have done insurance for the period of up to 5 years, 14.65 percent respondents as insured have done the insurance for the period of 5 to 10 years, 48.28 percent respondents as insured have done the insurance for the period of 10 to 15 years, 24.14 percent insured respondents have done insurance for the period of 15 o 20 year and 3.49 percent insured respondents have done insurance for the period of 20 to 25 years.

- 11) Insurance business has been affected from the economic problem of respondents has not involved expectively in the insurance plan & policy due to lack of infrastructure facilities, earning opportunity, proper education, political disputes on is stability and income level.
- 12) There are many insurance companies and they have operated the different type of insurance policy by own self. By this result insurance consumer are confused about the types of insurance company and they can not say which one is better.
- 13) The insurance company has not succeeded to provide the facility to consumer most of respondents are implied that consumer satisfaction is just good.
- 14) 62.07 percent insured person wants to pay the regular premium annually it is highest number of payer.
- 15) 37.07 percent insured person if fallen the group premium amount of Rs 5000 to 10,000 because it is suitable for middle class, so it is very popular premium amount rate than other like as Rs 20000 more for
- 16) Endowment policy (46.55 percent insured person) is highest involvement than pother plan such as the Jivan Ananda (10.73 percent) insured person.
- 17) Griha laxmi insurance plane have only 12.93 percent female are involve. It is found that little female are done the insurance.
- 18) 40,52 percent respondents are given the positive answer for the marketing activities of Lic (Nepal) but 6.89 percent respondent are criticizes of about the marketing activities of Lic (Nepal).
- 19) Under the pokhara branch of Lic (Nepal) has been established the agency office in the Syangja, Parbat Gorkha Tanahu, Kaski,

Lamjung and Totally insurance person are 21154 since the 2001 to 2008.

- 20) LIC (Nepal) has 76.73 percent strength and 23.27 percent weakness for the marketing activities.
- 21) Various type insurance policy is a strength point of LIC (Nepal) have obtained 76.73 percent support of respondents.

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ANNEXURE-7

QUESTIONNAIRE

Question for the Respondent (insured)

Sample no:

1. Personal information:

Name of respondent:.....

Address (permanent):.....

Address (Temporary):.....

Contact No:.....

Age.....

Sex: Male.....

Female.....

Occupation:.....

Date:.....

2. Please Tick ✓ for short answer.

1) Insurance duration of the insured?

a) 0-10 year b) 10-15 years c) 15-20 years

d) 20-25 years e) others

2) Which on is your regular premium policy?

a) Annually b) half yearly c) Quaterly

d) Monthly

3) What is your insurance premium amount?

a) up to rs 5000 b) Rs 500to 10,000

c) Rs 10001-1500

d) Rs 1500- 20,000 e) More than Rs 20, 001

4) What is your insurance policy?

- a) Endowment policy b) Money back polics
 c) Jivan Tamang d) Jivan Anand e) Griha Laxmi
- 5) What is your monthly income?
 a) up to Rs 10,000 b) Rs 10,000-20,000
 c) Rs 20,000- 30,000 d) Rs 30,000-40,000
 e) More than 40,000
- 6) What is your monthly expenditure?
 a) up to Rs 10, 000 b) Rs 10,000-20,000
 c) Rs 20,000-30,000 d) Rs 30,000-40,000
 e) More Than 40,000
- 7) What do you have taken the facility with the insurance policy?
 a) Accident benefit b) Term Rider facility
 c) Non-medical facility d) All
- 8) What is your education level?
 a) below 10 class b) S.L.C. pass c) intermediate
 d) Bachelor and above d) Only literature
- 9) What is your average sales amount as per day? (If your are businessman)
 a) Less than Rs. 5000 b) Rs. 5000-10000
 c) Rs. 10,000-15,000 d) Rs. 15,000-20,000
 e) More than Rs. 20,000
- 10) What is your occupation?
 a) Farmer b) Service c) Businessman d) Contactor
- 11) Why do you insure?
 a) To save b) to keep the deposit habit
 c) To support for any kind risk
 d) By only emplasing of other person
 e) To future generation f) All

3. Please answer the question.

a) Do you encourage to insure and to whom?

b) Do you have published about the insurance and where?
.....

c) What kind you have gotten the deal of LIC's staff?
.....

d) Do you understand about the insurance and How much?
.....

e) Do you ever share your problem with company and agents?
.....

Please recommended some solutions to make the consumer oriented planning?.....

Thank You

ANNEXURE -9

Questionnaire for Official Staff

I am conducting a research entitled marketing analysis of LIC Nepal as a requirement for any Master Degree in Business Studies. I would be very grateful, if you could kindly provide your valuable time to fill in this Questionnaire. The information collected will be kept confidential and this study be kept for academic purpose. Thank you for your kind co-operation.

Name:

Address (Permanent):

Address (Temporary):

.....

Post: Contact No.:

Marital Status: Age:

Sex:

Please answer the Question

1. Personal information.

a) What is your qualification Level?

b) How much you have experience of your job?

.....

c) How much your monthly income?

.....

d) What is your monthly expenditure?

.....

e) How many staff are in your company or office?

-
- f) Are you satisfy from your job?
.....
- g) Are you ever taken they any kind training?
.....

2. Specific Questions:

- a) What are Mission and vision of your company "LIC Nepal"?
.....
- b) What are the strength and weakness point of your company?
.....
- c) How much LIC Nepal has been affected from marketing environmental factors?
.....
- d) Where are you organized the Training Program?
.....
- e) What have been the effected to the trinee from training program?
.....
- f) How much the insured member has been increased due to Training?
.....
- g) Do you want to organize the training program again and where?
.....
- h) Do you take the attention toward the camplain of consumer?
.....
- i) In which situation and How do you face of the insured clims?
.....

- j) What will be your launched the program to encourage for the female?
.....
- k) Do you have ever observed the market area?
.....
- l) What do you have gotton the react about consumer and marketing position?
.....
- m) Have you ever taken the attention about agents of your company how?
.....
- n) Was the message identified with your insurance plan? Do you examine the advertising effectiveness How?
.....
- o) What kind of service you have given to insure which is competitor of you company?
.....

Thank you

ANNEXURE – 8

Questionnaire for Agents

I am conducting a research entitled Marketing analysis of L.I.C. Nepal as a requirement for my Master's Degree in business studies. I would be very grateful, if your could kindly provide your valuable time to fill in this questionnaire. The information collected will be kept confidential and solely be used for academic purpose. Thank you for your kind co-operation.

Name:

Address: Date:

Age: Marital Status: Sex:

1. Personal information

a) What is your academic qualification?

.....

b) How much you have experience as agents?

.....

c) Are you satisfy from your work as agents why?

.....

d) How much you have income at per month?

.....

e) What do you do in addition time aspect the agents?

.....

f) How much you have family member?

.....

g) How do you have insured person since you have been as agents?

.....
 h) Have you insured and where?

2. Specific Question

a) What is the famous Regular Premium policy?

b) What is the popular insurance duration among the insured?

c) What is the academic qualification of most insured?

d) What age of people are mostly influences in life insurance
 business?

e) What level of income of the people has been doing life
 insurance?

f) Where are most of insured has been living?

g) What is the level of knowledge and skill of the insured of the
 study area?

h) Do you have got the react of any kind of insured about the
 LIC's service?

i) How do you encourage to insure to the people?

j) Is there anything comments of advertisement effectiveness
 and what do you get the lesson from there?

k) What kind of insured consumer react?

.....

l) What do you give the suggestion to your company?

.....

Please you would like to recommended anything?

Thank You