

Section i

Economics, Insurance



SECTION I INTRODUCTION 1 Background of the study The most significant measure of an industry or an activity is its contribution towards employment generation, strengthening linkages with other sectors of the economy in promoting growth and stability, and creating a sizeable impact on the national income of a country. In developed countries, the Insurance industry is a necessary part of daily life and serves all the above mentioned purposes as opposed to developing countries where insurance is still dependent upon an individual's net disposable income, religious beliefs and government policies. Hence the economic significance of insurance as measured by the total gross premiums to GDP is very high in developed countries in contrast to developing countries. Generally, insurance companies help businesses and individuals in managing risks which can severely impact their economic well-being. Moreover, insurance companies are also termed as the largest investors in capital markets, in addition to being characterized as the sole suppliers of insurance business to reinsurance companies. Life insurance in Bangladesh is very small in comparison to the economy of Bangladeshi Bangladesh the average revenue generated by life insurance constitute only a small (nearly . 23%) of the GDP. Bangladesh has also a low per capita income in life insurance business compared to the other countries in the south Asia region. However the market has been steadily growing but not in a rate as it should be. Economic growth, expansion of infrastructure, industries, trade and commerce is leading to the expansion of the insurance market. Although Bangladesh has opened up its economy considerably in recent years with various reforms aimed at creating favorable investment environment, there are many barriers to encourage both foreign and

domestic investment in the insurance sector. In Bangladesh the social security system or simply the security system is not so strong and life is highly in threat for many reasons including natural and man made reason. But it is found that life insurance demand is low in Bangladesh and people are fond to be indifference about life insurance. This is the area of research.

1. 1 Brief discussion on the secondary Research Factors affecting the life insurance purchase have been the focus of insurance research for many studies. Studies have looked at numerous variables that might be significant in explaining the demand for life insurance. Many studies find conflicting result with previous research. Life insurance consumption is complex because country's social structure, consumer attitude toward insurance and social security system play significant roles Demand for life insurance (Hwang & Greenford, 2005). In many studies it is found that the relationship between income and life insurance demand is positively related (Browne & Kim, 1993; Outreville, 1996) . There is no consistent finding concerning the effect of the level of education on the demand for life insurance (Browne & Kim, 1993; Outreville, 1996). Several studies suggested that highly educated people are willing to accept that life insurance provides economic security for the family and thus tend to spend more on life insurance (Truett & Truett, 1990; Browne & Kim, 1993). On the other hand Anderson & Nevin, 1975; found that income and life insurance demand are negatively related for middle income families and positively related for low and high income families. The effect of social security on the life insurance demand varies from country to country due to social security system (Hwang & Greenford, 2005). It is found that the more the social security the less the need for the

life insurance (Anderson & Nevin, 1975). Industrialization and social structural transformation are directly related to shift in the concentration of the population to the urban area. The decline in the mutual support resulting from decline in the agricultural sector and the decline in the number of children per family industrialization make people financially independent and this increase the demand for life insurance (Hwang & Greenford, 2005). The price of the life insurance and the demand for it are negatively related (Browne & Kim, 1993). In the study of Browne and Kim (1993), average life expectancy is found to be an insignificant factor affecting the demand for life insurance. However, Outreville (1996) shows that longer life expectancy has a positive effect on the life insurance demand as it result in a reduction of price of the life insurance. Age is found to be inconsistent effect on the life insurance consumption as Truett & Truett, 1990; found it is positively related to demand on the other hand Anderson & Nevin, 1975 mentioned age is not significant in life insurance demand. Marital status, family sizes are found to have positive, negative and no impact on the demand for life insurance (Zietz, 2003). Browne and Kim (1993) and Outreville (1996) reveal that inflation has a significant negative relationship with life insurance demand). Lim & Haberman (2004) indicated that savings deposits rate and the price of insurance are two important macroeconomic variables associated with the demand for life insurance in Malaysia. They measure the demand for life insurance in terms of the amount of sums insured rather than the number of policies and macroeconomic variable that was the consideration of the study were the level of financial development, income per capita, inflation rate, savings deposits rate, the price of insurance, stock market return and

demographic variables —crude live-birth rate, crude death rate, fertility rate, life expectancy at birth . Religion may cause a cultural opposition to life insurance (Browne & Kim, 1993). Life insurance industry in Bangladesh is very small to its economy and it has a very low per capita income in life insurance business compared to other countries of the South Asian region (Islam & Mamun, 2005). Ahmad & Khanal (2007) found that Bangladesh ranks 78th in the world and has world market share of 0. 01%. Per capita spending on insurance is only US dollar 2. 30. Insurance premia as a percentage of GDP remains low at 0. 57% where life insurance contribution is 0. 37%. So, Life insurance has a great impact in the economy of Bangladesh but it is not growing as fast as should be. Economic growth, expansion of infrastructure, industries, trade and commerce will lead to the expansion of insurance market. They also expect that the present low insurance penetration in the country points to the potential for future expansion. In Bangladesh there are 18 private and only one public life insurance company in Bangladesh. The private and public sector arrangement are simply inadequate to provide life insurance services to 140 million people of Bangladesh (BIA, 2000; Ahmed, 1997). The number of life insurance policy holder is not increasing satisfactorily (Uddin & Uddin 1999). Lack of confidence, poor service quality and innovations in the product development in life insurance from the service provider side for the lack of interest in Bangladeshi people to buy life insurance (Solaiman & Haque, 1999). Islam & Mamun, 2005 identified fourteen factors which are responsible for poor demand for life insurance in Bangladesh of them most important factors are difficulty in continuation of life insurance policy, claim settlement hurdle.

Given the growing competition from various investment products as well as growing competition from non traditional insurance markets such as bank, the position within the financial industry of current insurance product must be carefully examined and however the change in technology demographic factors, economic environment, many of the significant findings from studies conducted in previous years may likely be considered obsolete (Zietz , 2003).

1. 2 Brief Discussion on the Primary Qualitative Study

Primary qualitative research is very important stage in research since the findings create the basis for further studies and also opens up new arenas that might not have been discussed in the secondary research. During the research many different people holding different positions were met and each of them came up with opinions of their own. In certain cases the concerned people were completely in disagreement with each other's opinions while in other cases they did agree on many issues. Therefore based on what was collected during the research it can be stated that even with diverse opinions there are agreements on many different issues concerning Liquidation of the insurance policies. This section of the report attempts to summarize the findings of the research. The insurance companies do not put ample importance to choose proper marketing strategy. The overall industry image is not positive and very nominal care has been taken to overcome that. The communication by the field representative is very limited and to be more precise only bounded around close relatives and known persons which hinder the growth of the sector. Representatives are not well educated, trained, or smart to impress a learned person. Insurance policy provides a very low return on the investment compared with the same amount of investment in

other sectors like share market or banks. The premium once deposited can not be withdrawn at the time of emergency which creates a negative impact by providing constraints over liquidity of the instrument. Religion is a factor for not buying life insurance policy because most of the people of Bangladesh are Muslim and the Muslim has a negative mindset regarding life insurance. People of Bangladesh does not perceive value of their life to be of importance to attain a life insurance (They think that Allah will take care of everything after death) The legal structure of the country has failed to provide protection against any fraud done on part of the company. Once a premium is lapsed it becomes very difficult to get the previously deposited money back or restart the policy. Bureaucracy of the system and hazards faced by the people to realize claim is considered an important factor of low demand for life insurance in Bangladesh. The policy terms and condition is vague and difficult for people to understand which may be real or caused by the misrepresentation of the field worker. Most of the people of Bangladesh are financially insolvent. A large portion of people live in rural area with financial crisis. So, they don't even think about to buy a policy of life insurance. Very little portion of our total population is financially solvent enough to buy life insurance. Very small percentage of our total population is educated and the percentage is even lower who thinks like an educated person. So, the consciousness about life insurance is very low. Job security in Bangladesh is not up to the standard level. People with low job security don't even think about life insurance which would put more pressure on them as they perceived. Common people especially in rural areas perceive insurance companies as NGOs or Co-operative Society. Many of them have bad

experience about NGOs or Co-operative Society. So, they lost their interest and confidence to open a new policy. Insurance policies provide a low return compared to the same amount of investment in stock, bonds, or savings therefore people are reluctant to opt for insurance policies. Insurance policies does not cover the scenario of inflation hence decreases the demand to obtain a life insurance. The whole industry was state owned for a very long period (1971-1984), during which there was no door to door activity or any effective development program that hindered the growth of the industry and the perception of a weak industry among people created a low demand. During the period of state ownership there were a large number of fraud cases that deprived the insured or the nominee to attain the benefits. The situation created a long lasting bad impression among the people and resulted in lost faith among the people. The social structure of Bangladesh is not favorable for life insurance in Bangladesh . because in Bangladesh family is still dominant by the joint family and when one people die other members of the family supports the family which was depended on the people died. There is absence of proper coordination of life insurance Company and bank in Bangladesh. There is no direct relation between a clients account with the bank and insurance company which make a people enable to debit their account to pay life insurance premium automatically. The absence of local reinsurance company is one of the most predominant indirect factors of low demand of life insurance in Bangladesh . in Bangladesh there is now no local reinsurance company. If there is local reinsurance company in Bangladesh the claim settlement in much case would be easier and faster which will give people idea and impression about life insurance.

1. 3 Gap Analysis There

were mainly a few gaps between the secondary and the findings of the qualitative research. The main areas of irrelevancy can be summarized as: - During qualitative we found that inefficient marketing and communication strategy is one of the main reason of low demand which was absent in the secondary review. - Proper training and education of field representatives was a highlighted factor of the qualitative research but was not found during the secondary research. - The low rate of return is another factor that results in low demand. - The absence of local reinsurance company is a factor that is very crucial. - From secondary survey we identified that marital status as a factor but in the qualitative part we found that the family structure is more important. - From qualitative research we found in Bangladesh the bank and insurance companies are not integrated which is a common scenario in many of the European countries that is one of the reason for lapse. - The legal structure of a country plays vital role which was found in secondary research. - Long term state ownership is one of the main reasons for underdevelopment in insurance in Bangladesh was found during one of the KII. - The perception about value of life in Bangladesh is not very high which another reason for low demand is. - Employment in insurance company is not a very sort after job therefore the younger generations does not give much importance to the insurance sector which is a reason for low demand.

1. 4 The Big research Question What are the main factors behind the low demand for life insurance among common people of Bangladesh? SECTION II OBJECTIVE OF THE STUDY 2 Objective of The Study 2. 1 Broad Objective To identify the factors behind low demand for life insurance among common people of Bangladesh 2. 2 Specific Objective - To identify the relationship

between social security and demand for life insurance - To identify the relationship between birth rate and demand for life insurance - To identify the relationship between average life expectancy and demand for life insurance - To identify the relationship between Inflation (price Level) and demand for life insurance - To identify the relationship between legal structure of Bangladesh and demand for life insurance - To identify the relationship between job security and demand for life insurance - To identify the relationship between timely claim settlement and demand for life insurance - To identify the relationship between Flexible premium paying option and demand for life insurance. - To identify the relationship between religion and demand for life insurance - To identify the relationship between duration of the policy and demand for life insurance - To identify the relationship between higher return from other saving deposits and demand for life insurance - To identify the relationship between poor after Sales behavior and demand for life insurance - To identify the relationship between education level of field representatives and life insurance demand. - To identify the relationship between training level of field representatives and life insurance demand. - To identify the relationship between fraudulent activities practiced by the field representatives and life insurance demand. - To identify the relationship between improper information (Misleading, partial) provided by the Field representatives and demand for life insurance - To identify the effect of coordination between bank and insurance company over the demand for life insurance. - To identify the observable effects due to absence of local reinsurance company over the demand for life insurance. - To identify the effect of tax benefit provided by the government over the

insured amount and the demand for life insurance. - To identify the effect of transferring insurance industry from finance to Commerce ministry over the demand for life insurance. - To identify the effect of differentiating life insurance policies over the demand for life insurance - To identify the effect of lack of cash withdrawal facilities over the demand for life insurance - To identify the relationship between promotional activities undertaken by the insurance companies over the demand for life insurance. 2. 3 Hypothesis - High Social Security decreases the demand for life insurance among the common people of Bangladesh. Dependent Variable: Demand for life insurance Independent Variable: Social Security. Type: Causal Case: Common people of Bangladesh - Increase in birth rate also increases the demand for life insurance among the common people of Bangladesh. Dependent Variable: Demand for life insurance Independent Variable: Birth rate. Type: Causal Case: Common people of Bangladesh - Increase in average life expectancy decreases the demand for life insurance among the common people of Bangladesh. Dependent Variable: Demand for life insurance Independent Variable: Average life expectancy Type: Causal Case: Common people of Bangladesh - The effect of inflation decreases the demand for life insurance among the common people of Bangladesh. Dependent Variable: Demand for life insurance Independent Variable: Inflation Type: Causal Case: Common people of Bangladesh - High savings deposit rate decreases the demand for life insurance among the common people of Bangladesh. Dependent Variable: Demand for life insurance Independent Variable: Savings deposit rate Type: Causal Case: Common people of Bangladesh - Introducing flexibility of time to pay premium will

create more demand for life insurance among the common people of Bangladesh. Independent Variable: premium flexibility of time Dependent Variable: life insurance demand Type: Causal Case: Common people of Bangladesh - Differentiated insurance policy increases the demand for life insurance among the common people of Bangladesh. Dependent Variable: Demand for life insurance Independent Variable: Differentiated life insurance policy Type: Causal Case: Common people of Bangladesh - Claim settlement in time creates new demand for life insurance among the common people of Bangladesh. Dependent Variable: New demand for life insurance Independent Variable: Claim settlement Type: Causal Case: Common people of Bangladesh - Well educated representatives are necessary to foster life insurance demand. Dependent Variable: Life Insurance demand Independent Variable: education level of representatives Type: Causal Case: representatives - Legal structure of Bangladesh regarding life insurance policy for life insurance among the common people of Bangladesh. Independent Variable: legal structure Independent Variable: demand for life insurance Type: Causal Case: Common people of Bangladesh - Coordination between bank and life insurance companies will ease the premium payment for the policy holder. Independent Variable: coordination between bank and Life Insurance Company Dependent Variable: premium payment Type: Causal Case: Policy holder. - The presence of local re insurance company help timely claim settlement for life insurance companies. Dependent Variable: Claim settlement Independent Variable: Presence of local re Insurance Type: Causal Case: Life Insurance Company - Job security will increase the demand for life insurance. Dependent Variable: Demand for life

insurance Independent Variable: Job Security Type: Causal Case: Job holders of Bangladesh - Religion has an effect on the demand for life insurance. Dependent Variable: Demand for life insurance Independent Variable: Religion Type: Causal Case: Common people of Bangladesh - Duration of the time of the policy has an effect on the demand for life insurance. Dependent Variable: Demand for life insurance Independent Variable: Duration of the time of the policy Type: Causal Case: Common people of Bangladesh - Lack of training of the field representatives decreases the demand for life insurance. Dependent Variable: Demand for life insurance Independent Variable: Lack of training of the field representatives Type: Causal Case: Common people of Bangladesh - Lack of information provided by the field representatives decrease the demand for life insurance. Dependent Variable: Demand for life insurance Independent Variable: information Type: Causal - Tax benefit provided by the government over the insured amount increases the demand for life insurance. Dependent Variable: Demand for life insurance Independent Variable: Tax benefit provided by the government over the insured amount Type: Causal Case: Common people of Bangladesh - Shifting the insurance industry from finance to commerce ministry will increase the demand for life insurance. Dependent Variable: Demand for life insurance Independent Variable: Training of the field representatives Type: Causal - Case: Common people of Bangladesh - The presence of local re insurance company help timely claim settlement for life insurance companies. Dependent Variable: Claim settlement Independent Variable: Presence of local re Insurance companies Type: Causal Case: Common people of Bangladesh - Poor after sales service behavior decreases the

demand for life insurance. Dependent Variable: Demand for life insurance
Independent Variable: After sales service behavior Type: Causal Case:
Common people of Bangladesh - Lack of cash withdrawal facilities decreases
the demand for life insurance. Dependent Variable: Demand for life
insurance Independent Variable: cash withdrawal facilities Type: Causal
Case: Common people of Bangladesh - Lack of promotional activities
decreases the demand for life insurance. Dependent Variable: Demand for
life insurance Independent Variable: promotional activities Type: Causal
Case: Common people of Bangladesh

2. 4 Working Definitions

Income: Income, generally defined, is the money that is received as a result of the normal business activities of an individual or a business.

Level of Education: Education level means 'to draw out' facilitates realization of self-potential and latent talents of an individual.

Social Security: Social security primarily refers to services provided by administrations responsible for social security. In different countries this may include medical care, aspects of social work and even industrial relations.

Birth rate: The number of live births per 1, 000 of the population over a period of time, usually a year (sometimes it is also expressed as a percentage).

Price Level: The price level is a kind of weighted average of the prices of all goods and services for an economy. A commonly used measure is a consumer price index, which is one particular type of price index.

Life expectancy: Life expectancy is the average number of years a human has before death, conventionally calculated from the time of birth, but also can be calculated from any specified age.

Age: Age is the duration, or the measure of time, of the existence of a person or object.

Inflation: The rate at which the general level of prices for goods and services is rising, and,

subsequently, purchasing power is falling. Savings deposit : Savings deposits is the Accounts that pay interest, typically at below-market interest rates, that do not have a specific maturity, and that usually can be withdrawn upon demand. Confidence: Confidence (or lack thereof) is a mental process that arises from considering if a person or thing is capable of something. Life insurance policy: The contract that sets out the terms of life insurance coverage. Level of services: Level of service is a measure by which transportation planners determine the quality of service on transportation devices, or transportation infrastructure. Insurance Claim: Insurance claim is a claim for reimbursement from the insurance company when the insured has suffered a loss that is covered under an insurance policy. Marketing Strategy: A marketing strategy is a process that can allow an organization to concentrate its (always limited) resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage. Impression: Impression is in an Enquiry Concerning Human Understanding.

Communication: Communication is a process that allows organisms to exchange information by several methods. Risk perception: Risk perception is the subjective judgment that people make about the characteristics and severity of a risk. Flexibility: Flexibility is the popular term for the ability to easily bend an object or the ability to adapt to different circumstances. However, in various professional fields, more precise terms are used. Job security: Job Security Index is a measure of the nation's job security level or unemployment risk, by location, occupation, and industry. NGO: A non-governmental organization (NGO) is a legally constituted organization created by private persons or organizations with no participation or

representation of any government. In the cases in which NGOs are funded totally or partially by governments, the NGO maintains its non governmental status as far as no government representatives are part of the organization.

State ownership: Public ownership (also called government ownership, state ownership or state property) refers to government ownership of any asset, industry, or corporation at any level, national, regional or local (municipal); or, it may refer to common (full-community) non-state ownership. The process of bringing an asset into public ownership is called nationalization or municipalization. Coordination: Coordination is the act of coordinating,

making different people or things work together for a goal or effect. 2. 5

Scope The report will try to identify the factors of low demand among common people of Bangladesh based on the survey conducted in Dhaka city . for the survey purpose the both common people and the insurance companies are included. For the better understanding of peoples behavior we use our judgment regarding peoples age and income. We include people age over 25who can afford to pay insurance premium. The report will also suggest the way to over come the short comings of the insurance company.

2. 6 Limitation Due to time and budget we have planned to opt out some useful peace of information. We will be conducting our study only in Dhaka. But as geographic and demographic factors of other divisions are different so there might be other factors. So we are undermining this important factor of the research. Moreover we are not considering the day laborer, maids, rickshaw pullers etc mainly the lower income range, but recently there has been a new product from the insurance industry specially to cover them. We think that as this customer segment is still not explored properly so there

lies a potential for the industry to serve this niche. SECTION III

METHODOLOGY 3 Methodology 3. 1 Data Source In this report data from two sources have been used. The sources of the data are as follows. 3. 1. 1 Primary Higher level executives of different insurance firms are primary source. As this segment of the executives actually decides the Strategic and Financial objectives for the company so it was essential to collect the required information about the company and the Insurance industry as a whole. They are also the source of getting the required information to justify the factors behind low demand of life insurance among common people of Bangladesh. Moreover, the variation of organizational structure in different companies bounded the researchers to interview as many different Life Insurance Companies as possible within the time frame. We have designed a questionnaire to cover this segment of our sampling frame. In addition to interviewing high level executives we have decided to carry a questionnaire survey among the policy holders and also the individuals capable of attaining life insurance (Potential Customers). 3. 1. 2 Secondary We have done the secondary literature review which helped us to identify some of the factors related to the low demand for life insurance. But as most of the secondary literature except related literature from IBA Journal and few other Bangladeshi researches, the sampling frame and extraneous factors were different. We have taken the help of the secondary literature information related with the companies like company profiles, the organizational structure of the company, the overall condition of the insurance industry, the findings of factors by previous researchers for the low demand for life insurance among the common people of Bangladesh and the list and address

of the companies. The secondary sources were books, journals, and websites.

3. 2 Research Approach This research aimed to investigate the factors behind the low demand for life insurance among common people of Bangladesh. For this, the researchers conducted a survey among some of the Insurance companies of Bangladesh and some employed common people of Bangladesh. So, the approach of this research was cross sectional research.

3. 3 Types of Survey The survey will be cross sectional in nature as it will be done to investigate only the current scenario and identify the factors. There will be no comparison between past, present, and future condition or the evaluation of Insurance industry in Bangladesh. For our survey method we have decided to first identify our targets

3. 4 Targets From our secondary and primary qualitative research we have identified our targets to be of three categories. Which are: 1. Policy Holders 2. Individuals capable of attaining life insurance (Potential Customers) 3. Life Insurance Companies

3. 5 Demographic & Psychographic Factors Some of the required demographic and psychographic factors identified from the Secondary and primary qualitative research were as following: 1. Income Level 2. Educational Level 3. Social Security 4. Industrialization 5. Birth Rate 6. Price Level 7. Average Life Expectancy 8. Age 9. Marital Status 10. Saving Deposit Rate 11. Confidence on insurance agents 12. Product Differentiation 13. Level of Service provided 14. Types of effective measures 15. Timely claim settlement 16. Marketing Strategy 17. Communication Strategy 18. Selective communication by FR 19. Rate of Return from Insurance companies 20. Education level of FR 21. Perceived Value of life 22. Legal Structure 23. Standard of living 24. Flexible Premium 25. Job Security 26. Coordination

between banks and Insurance Companies

3. 6 Survey Methods Depending on the target and the demographic and psychographic factors we have decided to opt for the following two survey methods.

1. Household: As two segments of our target are policy holders and potential policy holders so this will help us to acquire the required information because we will be able to cover both within household survey.
2. Institutional: We will also do the institutional survey to cover the Life Insurance companies. This method of survey will also help us to find some policy holders and potential policy holders as they are of-course employed.

3. 7 Sampling Plan

The sampling plan of the research is described in the following sections.

3. 7. 1 Population

In total, there are 18 Life Insurance companies in Bangladesh. So as far as the company is concerned we have a population size of 18 Life Insurance companies. The total population of common people of Bangladesh is all the eligible people of Bangladesh who can afford a life insurance policy. These two segments comprises our population.

3. 7. 2 Sampling Frame

Policy holders, Potential Customers and Life Insurance Companies within Dhaka City .

3. 7. 3 Sampling Element - Households - Life Insurance Companies

3. 7. 4 Sampling Unit

We have decided to choose our sampling units dependent on two factors -

- Individuals - Age: Individuals within the age group of 25 to 45 as this is the age group of the population who are employed and main target of the insurance companies
- Income: Individuals who earns at least 20, 000 Taka per month

3. 8 Sampling Methods

if~ Policy Holders & Potential Customers - Multistage Non-probability : As the objective of the study is to find out the factors behind low demand for life insurance among common people of Bangladesh so we had to apply our judgments in selecting individuals to

screen out only those who either have a policy or a potential customer of the insurance. So our common people will not be the total population of Bangladesh rather a segment has to be identified based on judgment. Moreover due to lack of fund and time we have to go for convenience sampling. - Judgmental: The judgment will be based on age and ability of an individual to attain life insurance service. - Convenience: As after the judgment our sampling frame becomes homogenous in nature based on age and income so we will conduct convenience sampling based on accessibility of the source. - Area: Say we will cover Dhanmondi and Gulshan area so our population is heterogeneous in nature but homogeneous across. - Quota: Within each area the population is homogeneous within but heterogeneous across. if~ Institutions - Multistage Non probability: We will cover only the Life insurance companies of Dhaka City by the following sampling techniques. - Convenience: The main reason is that more or less the product type, benefit and life insurance packages are identical in nature across the industry, which makes it homogeneous in nature. Next our personal contact will provide the required access to the Strategic factors which might help us to identify the gap between the consumer needs and product offerings. - Quota: The standard practice, methods, work structure, environment, organizational culture, and mainly the product package of each organization is homogeneous in nature but these factors will get differentiated across different Life Insurance companies. So our population is homogeneous within the company but heterogeneous across different Life Insurance companies.

3. 9 Budget 3. 9. 1 Time Budget - Total number of days: 10 Days Description

Days	Hour	Minute	Total number of available days
10	240	14400	Time

available per day 3. 5 210 Slack time for transportation etc. . 5 30 Effective survey time 3 180 Estimated time required per survey . 33 10 Number of possible sampling per day: $180/10= 18$ Sample size as per time Budget: $10 \times 18= 180$ 3. 9. 2 Financial Budget - Available fund for the total research: Tk 5000 - Required Amount per Sample Element: Tk 10 - Possible Number of sample as per financial Budget: $(5000/10)= 500$ 3. 10 Actual Sample Size After considering both the time and financial budget we have decided on a sample size of 180, which is the lower of the two. This sample size is acceptable as it is well above 100, the minimum required sample size to be reliable. This will also help us to devote our available time more on analysis and get a better understanding of the problem in hand. 3. 11 Field Plan (in days) Activity Schedule/chart (in Days) Activities Oct 30 ' 07 Nov 06 ' 07 Nov 13 ' 07 Nov 24 ' 07 Dec 11 ' 07 Jan 01 ' 08 Jan 11 ' 08 January, 2008 February, 2008 20 21 22 23 24 25 26 27 28 29 30 31 01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 Presentation on Problem Statement ^ Secondary Study Report Submission ^ Working Definition Submission ^ Methodology of Qualitative Study Submission ^ Primary Qualitative Report Submission ^ Presentation on Survey Method ^ Presentation on Sampling Frame ^ Surveying DU campus Surveying IBA hostel campus Surveying Insurance companies in Farmgate campus Surveying Insurance companies in BAnani campus Surveying Fhatirpul, alabagan, and Dhanmondi area Data Input Data compilation, analysis, & interpretation Draft Report Final Report Presentation

3. 12 Questionnaire Outline: Attached 3. 13 Hypothesis Tested: We have tested all the hypothesizes of our research with the help of the Z-value analysis using the formula $Z=(\text{Sample mean}- \text{mean of the scale})/\text{Standard}$

deviation The following table will provide the result for the respective tests

Hypothesis	Z value	Sample Mean	Sd. Dev.	z-value	Cut off value (.05 significant level)	Result of hypothesis
Acceptance or rejection of null hypothesis H0: High Social Security does not decrease the demand for life insurance among the common people of Bangladesh. H1: High Social Security decreases the demand for life insurance among the common people of Bangladesh.	3.65	1.23101	0.528022	1.64	Rejected	
H0: Increase in birth rate does not increase the demand for life insurance among the common people of Bangladesh. H1: Increase in birth rate also increases the demand for life insurance among the common people of Bangladesh.	3.9	0.955416	0.941998	1.64	Rejected	
H0: Increase in average life expectancy does not decrease the demand for life insurance among the common people of Bangladesh. H1: Increase in average life expectancy decreases the demand for life insurance among the common people of Bangladesh.	3.65	0.892993	0.72789	1.64	Rejected	
H0: Inflation does not decrease the demand for life insurance among the common people of Bangladesh. H1: Inflation decreases the demand for life insurance among the common people of Bangladesh.	3.9	0.900142	0.999842	1.64	Rejected	
Hypothesis	Z value	Sample Mean	Sd. Dev.	z-value	Cut off value (.05 significant level)	Result of hypothesis
Acceptance or rejection of null hypothesis H0: Legal structure of Bangladesh regarding life insurance policy does not affect demand for life insurance among the common people of Bangladesh. H1: Legal structure of Bangladesh regarding life insurance policy affects demand for life insurance among the common people of Bangladesh.	3.5	1.086042	0.460387	1.64	Rejected	
H0: Job security does not create more life insurance demand. H1:						

Job security will create more life insurance demand. 3. 625 1. 314368 0. 475514 1. 64 Rejected H0: Claim settlement in time does not create new demand for life insurance among the common people of Bangladesh. H1: Claim settlement in time creates new demand for life insurance among the common people of Bangladesh. 3. 375 1. 274755 0. 294174 1. 64 Rejected H0: Introducing flexibility of time to pay premium does not create more demand for life insurance among the common people of Bangladesh. H1: Introducing flexibility of time to pay premium will create more demand for life insurance among the common people of Bangladesh. 3. 65 1. 16685 0. 557055 1. 64 Rejected H0: Religion has no effect on low demand for life insurance among common people of Bangladesh H1: Religion has an effect on low demand for life insurance among common people of Bangladesh 3. 45 1. 357789 0. 331421 1. 64 Rejected Hypothesis Z value Sample Mean Sd. Dev. z-value Cut off value (. 05 significant level) Result of hypothesis Acceptance or rejection of null hypothesis H0: Duration of the time of the policy decreases the demand for life insurance H1: Duration of the time of the policy decreases the demand for life insurance 3. 6 1. 236206 0. 485356 1. 64 Rejected H0: High savings deposit rate does not decrease the demand for life insurance among the common people of Bangladesh. H1: High savings deposit rate decreases the demand for life insurance among the common people of Bangladesh. 3. 5 1. 320451 0. 378659 1. 64 Rejected H0: Poor after service behavior of the representatives does not decrease the demand for life insurance H1: Poor after service behavior of the representatives decreases the demand for life insurance 3. 4 1. 316561 0. 303822 1. 64 Rejected H0: Lack of education of the filed representatives

does no decrease demand for life insurance demand. H1: Lack of education of the filed representatives decreases the demand for life insurance demand.

4. 15 0. 769615 1. 494253 1. 64 Rejected H0: Lack of training of the filed representatives does no decrease demand for life insurance demand. H1: Lack of training of the filed representatives decreases the demand for life insurance demand. 3. 85 1. 291987 0. 657901 1. 64 Rejected H0: Fraudulent activities of the filed representatives does not decrease demand for life insurance demand. H1: Fraudulent activities of the filed representatives decreases the demand for life insurance demand 3. 725 1. 395735 0. 519439

1. 64 Rejected Hypothesis Z value Sample Mean Sd. Dev. z-value Cut off value (. 05 significant level) Result of hypothesis Acception or rejection of null hypothesis H0: Improper information provided by the filed representatives does not decrease the demand for life insurance demand H1: Improper information provided by the filed representatives decreases the demand for life insurance demand 4. 1 1. 150251 0. 956313 1. 64 Rejected H0: Coordination between bank and life insurance companies will ease the premium payment for the policy holder. H1: Coordination between bank and life insurance companies will ease the premium payment for the policy holder. 4. 3 0. 822753 1. 58006 1. 64 Rejected H0: The presence of local re insurance company help timely claim settlement for life insurance companies. H1: The presence of local re insurance company help timely claim settlement for life insurance companies. 3. 95 0. 959434 0. 990168 1. 64 Rejected H0: Tax benefit from the government over the insured amount will increase the demand for Life Insurance H1: Tax benefit from the government over the insured amount will increase the demand for Life

Insurance 3. 525 1. 260596 0. 41647 1. 64 Rejected H0: Shifting Insurance industry to Finance ministry from Commerce ministry will increase the demand H1: Shifting Insurance industry to Finance ministry from Commerce ministry will increase the demand 3. 875 1. 435583 0. 609509 1. 64 Rejected Hypothesis Z value Sample Mean Sd. Dev. z-value Cut off value (. 05 significant level) Result of hypothesis Acceptance or rejection of null hypothesis H0: Variation in policy Design will increase the demand for Life Insurance H1: Variation in policy Design will increase the demand for Life Insurance 3. 3 1. 453554 0. 206391 1. 64 Rejected H0: Lack of cash withdrawal facilities against premium is a factor of low demand for Life Insurance H1: Lack of cash withdrawal facilities against premium is a factor of low demand for Life Insurance 3. 4 1. 335895 0. 299425 1. 64 Rejected H0: Promotional activities failed to attract customer H1: Promotional activities failed to attract customer 3. 9 0. 928191 0. 969628 1. 64 Rejected

SECTION IV FINDINGS AND ANALYSIS 4 Findings and Analysis: We have conducted several analysis using the statistical tool SPSS including frequency distribution, Reliability test (Cronback's Alpha), Multiple regression, Skewness, Kurtosis, Anova, Test for normality etc. The details are provided in the annex a short analysis of some of the important factors are given below. Data has been analyzed using both descriptive statistics and the inferential statistical tools are used. Descriptive statistics such as mean, standard deviation skew ness, and kurtosis are used. To describe the comparative importance variables mean score and standard deviation were used. Correlation, Multiple Regression, ANOVA, Factor analysis also done 4. 1 Factor Analysis: The output of the factor analysis are as followings

Component Matrix(a)

Component	1	2	3	4
Affect of variation in policy design	.919			
Affect of religion	.919			
Affect of local re-Insurance companies	.915	.334		
Affect of fraudulent activity of field representatives	.911	-.300		
Affect of lack of cash withdrawal facilities	.909			
Affect of level of training of Field representative	.907			
Affect of social security level	.902			
Affect of ease of claim settlement	.860			
Affect of shifting from finance ministry to commerce ministry	.859			
Affect of misleading information by field representatives	.826			
Affect of Life expectancy	.814			
Affect of return from other financial instruments	.814	-.416		
Affect of poor after sales behavior	.779	-.471		
Affect of legal support	.721	-.551		
Affect of Birth ratel	.721	-.453	.424	
Affect of Tax benefit provided by the government	.707	-.579		
Affect of ease of premium payment	.682	-.585	.300	
Effect of promotional activities	.681			
Affect of Job security	.675	.556	.329	
Affect of co-ordination between bank and Insurance companies	.654	.559	.355	
Affect of Inflation	.605	.461		
Affect of time consuming policy	.633	-.733		
Affect of education level of field representative	.534	.719		

Extraction Method: Principal Component Analysis. a 4 components extracted. Total Variance Explained

Component	Extraction Sums of Squared Loadings	Total % of Variance	Cumulative %
1	14.316	62.245	62.245
2	3.078	13.381	75.626
3	1.549	6.736	82.362
4	1.259	5.473	87.835

Extraction Method: Principal Component Analysis.

From the above two tables of factor analysis we are able to identify 4 main components of life insurance demand. Component 1: (Overall situation of the insurance industry) This component covers up the total set of 23 factors and it is able to describe 62.245% of the total variance. It has an eigenvalue of 14.316. The main dominant factors within this component are Affect of

variation in policy design, Affect of religion, Affect of local re-Insurance companies, Affect of fraudulent activity of field representatives, Affect of lack of cash withdrawal facilities, Affect of level of training of Field representative, Affect of social security level . The most important factor of this component is variation in policy design and religion. Component 2: (Financial and Structural aspects) This component contributes to 13. 381% of the total variance. This component has 8 factors which are Affect of return from other financial instruments, Affect of poor after sales behavior, Affect of Birth rate, Affect of ease of premium payment, Affect of Job security, Affect of Inflation, Affect of time consuming policy, Affect of education level of field representative. This component has an eigenvalue of 3. 078. The most important factor of this group is t. he lengthy time requirement to maintain the policy Component 3: (Role of government) This component covers up the total set of 7 factors and it is able to describe 62. 245% of the total variance. It has an eigenvalue of 1. 549. The main dominant factors within this component are fraudulent activity of field representatives, legal support regarding life insurance from government, Tax benefit provided by the government, Ease of premium payment, Job security, and co-ordination between bank and Insurance companies Inflation. The most important factor of this group is the needed co-ordination between the insurance companies and banks Component 4: (Design and microeconomic factors) This component contributes to 13. 381% of the total variance. This component has 8 factors which are Affect of return from other financial instruments, Affect of poor after sales behavior, Affect of Birth rate, Affect of ease of premium payment, Affect of Job security, Affect of Inflation, Affect of time

consuming policy, Affect of education level of field representative. This component has an eigenvalue of 1. 259. Promotional activities have been identified as the most important factor of this group.

4. 2 Summary Statistics:

Summary statistics on all variable employed in our study are shown in the following table. The mean, standard deviation, skewness, kurtosis and standardized Cronbach's alpha for each sub scale is provided in this table. The highest static mean for the variables is 4. 29 and it shows that the most of the respondent perceive life insurance as a time consuming policy. The highest static standard deviation for the variables is 1. 385 which shows that the respondents were The negative skewness of the mentioned factors shows that these factors have a significant impact on the demand for life insurance upon which people I. e. people are agreed on their impact for their not buying of life insurance.

4. 3 Corelation Analysis:

The correlation of the variable is shown in Appendix 2. The correlation analysis was conducted for two reasons. The presence of multicollinearity which indicate when the inter correlation between two variables are above 0 . 8. The second reason is to identify the relation between two variables. From the table we can find that the relation between birth rate and fraudulent activities are not significant. All the other variable has significant relationship with other.

2. 6. 1. 1 REGRESSION ANALYSIS: Coefficients (a) Model Un standardized

Coefficients	Standardized Coefficients	t	Sig.	B	Std. Error	Beta
1 (Constant)	-					
Affect of social security level	. 864	. 258	. 834	3. 352	. 218	. 900
Affect of Birth rate	. 145	. 159	. 109	. 914	. 367	. 002
Affect of Inflation	. 071	. 256	. 050	. 276	. 110	. 195
Affect of Life expectancy	-. 077	-. 566	. 575			

Dependent Variable: Life insurance demand

Coefficients (b) Model

Unstandardized Coefficients Standardized Coefficients t Sig. B Std. Error Beta
 1 (Constant) 1.403 .422 3.328 .002 Affect of religion .756 .226 .805 3.348 .002 Affect of time consuming policy -.513 .244 -.498 -2.107 .042 Affect of return from other financial instruments -.012 .289 -.012 -.041 .967 Affect of poor after sales behavior .369 .223 .381 1.649 .108

Dependent Variable: Life insurance demand Coefficients(c) Model

Unstandardized Coefficients Standardized Coefficients t Sig. B Std. Error Beta
 1 (Constant) .000 .000 .000 1.000 Affect of legal support .000 .000 .000 .000 1.000 Affect of Job security .000 .000 .000 .000 1.000 Affect of ease of claim settlement 1.000 .000 1.000 307892142.197 .000 Affect of ease of premium payment .000 .000 .000 .000 1.000

Dependent Variable: Life insurance demand Coefficients (d) Model Unstandardized Coefficients

Standardized Coefficients t Sig. B Std. Error Beta
 1 (Constant) 1.248 .928 1.345 .188 Affect of co-ordination between bank and Insurance companies -.492 .218 -.317 -2.254 .031 Affect of Tax benefit provided by the government -.110 .172 -.083 -.640 .527 Affect of local re-Insurance companies .865 .239 .855 3.622 .001 Affect of shifting from finance ministry to commerce ministry .539 .145 .607 3.706 .001 Affect of variation in policy design -.631 .225 -.720 -2.804 .009 Affect of lack of cash withdrawal facilities .514 .201 .539 2.557 .016 Effect of promotional activities -.032 .185 -.023 -.173 .864

Dependent Variable: Life insurance demand From the a above analysis we can see that the dependable variable Life insurance demand is well explained by the independent variable social security because here the significant value is .002 which is well below .05. Similarly, it is also well explained by religion (.002), time consuming policy (.002), ease of claim settlement (.000), ease of premium payment (.000), and ease of local re-Insurance companies (.001).

042), claim settlement (. 00), co-ordination between bank and Insurance companies (. 031), local re-Insurance companies (. 001), shifting from finance ministry to commerce ministry (. 001), variation in policy design (. 009), cash withdrawal facilities (. 016). 4. 4 Anova: The ANOVA table (one Way) is shown in the Appendix 3 From ANOVA we can see that divorced people thought that life insurance is a good way of investment. They blame affect of claim settlement as the most important factor of not buying life insurance for them. On the other hand people of age between 25-35 are found more interested to buy life insurance that they considered life insurance as more attractive investment than other. Most of the people within this age bracket contributed the claim settlement problem as prime factor. People who are graduate thought that life insurance is a good way of investment but they opt that the effect of claim settlement problem and the long time required to maturity is main reason for low demand for life insurance in Bangladesh. The female are in the favor to invest in life insurance and of the factors they claimed that the effect of claim settlement problem and the long time required to maturity is main reason for low demand for life insurance. Section V 5 CONCLUSION We have identified some of the factors from the qualitative and Secondary researched. Depending on the findings we have developed hypotheses and specific objectives. Based on the findings of our Quali we have developed the questionnaire. After conducting the Quantitative research we have found several important factors of demand for life insurance and we are happy that none of our hypothesis was proven wrong and we have successfully identified around 23 factors. As life insurance is a part and parcel for any successful economy

therefore the findings of this research will help the insurance companies to work on their lacking and improve the low demand scenario around the life insurance industry. 6 RECOMMENDATION Base on the study the following recommendation are made to improve the insurance company's performance and the image. 1. Recruit educated human resources and trained them properly. Employ educated and trained people in the field representative level 2. Introduce premium flexibility to the convenience of the customer. 3. Take immediate action to reduce the hassle in claim settlement and make the claim settlement process ease and prompt at the time of disbursement. 4. Make more promotional activities to draw the attention of the clients. 5. Make people aware about the importance of life insurance at the time when they are and when they are not alive. 6. Coordination between bank and insurance company should be established so that people will get more flexibility and ease. 7. Local re insurance company should be established to handle the big risk promptly 8. Insurance industry should be transfer to finance ministry to commerce ministry 9. Cash withdrawal and loan facilities against the premium. 10. monitoring strictly to stop fraud of any kind at management level to field level References: .

Ahmed, Shahiduddin, (1977) Insurance Business in Bangladesh, Bureau of Business Research, University of Dhaka. Ahmad, S. & Khanal, Dilli R. (2007) Services Trade in Developing Asia: A case study of the Banking and Insurance Sector in Bangladesh, Asia-Pacific Research and Training Network on Trade Working Paper Series, No. 38, July 2007 American Council of Life Insurers, (2006) Life Insurers Fact Book 2006, at 67 American Council of Life Insurers, (2001) Life Insurers Fact Book 2001, at 104 Anderson D. R. & Nevin,

J. R. (1975) Determinants of young marrieds life insurance purchasing behavior: An empirical investigation, *Journal of risk and insurance*, 42: 375-387. BIA, Bangladesh Insurance Academy (2000) *Insurance Journal*, Vol. 51. Britannica Concise Encyclopedia, published by Encyclopedia Britannica, Inc. Black, K. J., and H. J. Skipper, 2000, *Life & Health Insurance*, 13th ed. (New Jersey: Prentice-Hall, Inc). Browne M. J. & K. Kim (1993) An international Analysis of life insurance demand, *Journal of Risk and Insurance*, 60: 616-634. Brown, J. R., and Kim, Y. (1999) Are The Elderly Really Over-Annualized? New Evidence on Life Insurance and Bequests, NBER Working paper 7193. Burnett, J. J., and B. A. Palmer, 1984, Examining Life Insurance Ownership Through Demographic and Psychographic Characteristics, *Journal of Risk and Insurance*, 51(3), 453-467. Downes, J. and Goodman, J. (2007) *dictionary of Finance and Investment Terms*, 7th edition, by John Downes and Jordan Elliot Goodman, published by Barron's Educational Series, Inc. (2007 ed) *Encyclopedia of Small Business*, by The Gale Group, Inc. (2007 Hammond, J. D., Houston, B. D., and Melander, R. E. (1967) Determinants of Household Life Insurance Premium Expenditure: An Empirical Investigation, *Journal of Risk and Insurance*, 34: 397-408. Hwang, T. and Gao, S. (2003) The Determinants Of Demand For Life Insurance In An Emerging Economy-The Case Of China, *Managerial Finance*, 29: 82-96 Hwang, Tienyu & Greenford, Brian (2005) A cross-Sectional analysis of the determinants of life insurance consumption in mainland China, Hong Kong and Taiwan, *Risk Management and Insurance Review*, 2005, Vol. 8, No. 1, 103-125. Islam, Nazrul & Mamun, M. Z. (2005) Factors for not buying life insurance policies in a developing country: A case of Bangladesh, *Journal of Business Administration*, Vol. 31

No. 1 & 2, 1-22. Jerry, R. H. II, (2005) Life, Health, and Disability Insurance: Understanding the Relationships. *Journal of Law, Medicine & Ethics* Knoppers, B. M., Lemmens, T. and Béatrice Godard, B. (2006) Genetics and life insurance in : Canada: points to consider *Kotler, P. and Keller, K. L. (2006) Marketing research, 12th edition Pearson Prentice Hall* Lim, C. C. & Haberman, S. (2004) Macroeconomic Variables and the Demand for Life Insurance in Malaysia (Google. com) Lin, Y. and Grace, M. F., (2007) Household Life Cycle Protection: Life Insurance Holdings, Financial Vulnerability, and Portfolio Implications *The Journal Of Risk And Insurance*, 2007, Vol. 74, No. 1, 141-173 Lewis, F. D., 1989, Dependents and the Demand for Life Insurance, *American Economic Review*, 79(3), 452-467. Outreville F. J (1996) Life insurance markets in developing countries, *Journal of Risk and Insurance*, 63: 263-278. Solaiman M & Haque M. A.(1999) Developing of Insurance Industry in Bangladesh: An Innovative Approach, *Insurance Journal, Bangladesh Insurance Academy*, Vol. 50, 43-47. Truett D. B. & Truett L. J. (1990), The demand for life insurance in Mexico and the United States: A comparative study, *Journal of Risk and Insurance*, 57: 321-328. Uddin, M. S. & Uddin M. M (1999) Insurance Marketing in Bangladesh: A case Study, *Insurance Journal, Bangladesh Insurance Academy*, Vol. 50, 61-75. Yuengert, A. M., (1993) The Measurement Of Efficiency In Life Insurance: Estimates Of A Mixed Normal-Gamma Error Model, *Journal Of Banking And Finance*, 17: 488-496. . Zeitz, E. N. (2003) An Examination of the demand for life insurance, *Risk Management and Insurance Review*, 2003, Vol. 6, No. 2, 159-191 Web Resources:. 1. <http://ardictionary.com/Common/8866> 2. <http://dict.die.net/interest> 3. www.brainyquote.com

com/words/in/interest179685. html 4. [http://www. answers. com/topic/life-insurance? cat= biz-fin](http://www.answers.com/topic/life-insurance?cat=biz-fin) 5. [http://eresource. univdhaka. edu](http://eresource.univdhaka.edu) 6. [www. marketingprofs. com](http://www.marketingprofs.com) 7. [www. marketingpower. com](http://www.marketingpower.com) 8. ([http://en. wikipedia. org/wiki/Hindu_joint_family](http://en.wikipedia.org/wiki/Hindu_joint_family), [http://en. wikipedia. org/wiki/Nuclear_family](http://en.wikipedia.org/wiki/Nuclear_family)) 9. ([http://en. wikipedia. org/wiki/Income](http://en.wikipedia.org/wiki/Income)) 10. ([http://en. wikipedia. org/wiki/Education](http://en.wikipedia.org/wiki/Education)) 11. ([http://en. wikipedia. org/wiki/Social_security](http://en.wikipedia.org/wiki/Social_security)) 12. ([http://encyclopedia. thefreedictionary. com/industrialization](http://encyclopedia.thefreedictionary.com/industrialization)) 13. ([http://encyclopedia. farlex. com/birth+rate](http://encyclopedia.farlex.com/birth+rate)) 14. ([http://encyclopedia. thefreedictionary. com/price+level](http://encyclopedia.thefreedictionary.com/price+level)) 15. ([http://encyclopedia. thefreedictionary. com/life+expectancy](http://encyclopedia.thefreedictionary.com/life+expectancy)) 16. ([http://medical-dictionary. thefreedictionary. com/age](http://medical-dictionary.thefreedictionary.com/age)) 17. ([http://financial-dictionary. thefreedictionary. com/inflation](http://financial-dictionary.thefreedictionary.com/inflation)) 18. ([http://financial-dictionary. thefreedictionary. com/Savings+deposits](http://financial-dictionary.thefreedictionary.com/Savings+deposits)) 19. ([http://encyclopedia. thefreedictionary. com/confidence](http://encyclopedia.thefreedictionary.com/confidence)) 20. ([http://financial-dictionary. thefreedictionary. com/Life+insurance+policy](http://financial-dictionary.thefreedictionary.com/Life+insurance+policy)) 21. ([http://encyclopedia. thefreedictionary. com/Level+of+service](http://encyclopedia.thefreedictionary.com/Level+of+service)) 22. ([http://encyclopedia. thefreedictionary. com/Marital+Status](http://encyclopedia.thefreedictionary.com/Marital+Status)) 23. ([http://financial-dictionary. thefreedictionary. com/insurance+claim](http://financial-dictionary.thefreedictionary.com/insurance+claim)) 24. ([http://encyclopedia. thefreedictionary. com/Marketing+strategy](http://encyclopedia.thefreedictionary.com/Marketing+strategy)) 25. ([http://en. wikipedia. org/wiki/Impression](http://en.wikipedia.org/wiki/Impression)) 26. ([http://en. wikipedia. org/wiki/Communication](http://en.wikipedia.org/wiki/Communication)) 27. ([http://encyclopedia. thefreedictionary. com/Perception+of+risk](http://encyclopedia.thefreedictionary.com/Perception+of+risk)) 28. ([http://encyclopedia. thefreedictionary. com/Flexibility](http://encyclopedia.thefreedictionary.com/Flexibility)) 29. ([http://en. wikipedia. org/wiki/Job_security](http://en.wikipedia.org/wiki/Job_security)) 30. ([http://encyclopedia. thefreedictionary. com/NGO](http://encyclopedia.thefreedictionary.com/NGO)) 31. ([http://encyclopedia. thefreedictionary. com/State+ownership](http://encyclopedia.thefreedictionary.com/State+ownership)) 32. ([http://en. wikipedia. org/wiki/Coordination](http://en.wikipedia.org/wiki/Coordination))

Background of the study	1
1. 1 Brief discussion on the secondary Research	2
1. 2 Brief Discussion on the Primary Qualitative Study	4
1. 3 Gap Analysis	6
1. 4 The Big research Question	7
2 Objective of The Study	8
3 Methodology	18
3. 1 Data Source	18
3. 1. 1 Primary	18
3. 1. 2 Secondary	18
3. 2 Research Approach	19
3. 3 Types of Survey	19
3. 4 Targets	19
3. 5 Demographic & Psychographic Factors	19
3. 6 Survey Methods	20
3. 7 Sampling Plan	21
3. 7. 1 Population	21
3. 7. 2 Sampling Frame	21
3. 7. 3 Sampling Element	21
3. 7. 4 Sampling Unit	21
3. 8 Sampling Methods	22
3. 9 Budget	23
3. 9. 1 Time Budget	23
3. 9. 2 Financial Budget	23
3. 10 Actual Sample Size	24
3. 11 Field Plan (in days)	24
3. 12 Questionnaire Outline: Attached	28
3. 13 Hypothesis Tested:	28
4 Findings and Analysis:	33
4. 1 Factor Analysis:	33
4. 2 Summary Statistics:	36
4. 3 Corelation Analysis:	37
4. 4 Anova:	40
5 CONCLUSION	42
6 RECOMMENDATION	43