



Sri Sai Vidya Vikas Shikshana Samithi (R)

SAI VIDYA INSTITUTE OF TECHNOLOGY

(Approved by AICTE, New Delhi, Affiliated to VTU, Belgaum, Recognised by Govt., Of Karnataka)
Rajanukunte, Doddaballapur Road, Bangalore - 560 064, Karnataka, India.

Email : svit64@gmail.com
website : www.svit.co.in

Phone No. : (080) 28468191/96/97
Fax : (080) 28468193/198

Ref. No.: SVIT/ /20 -20

Date :

CERTIFICATE FROM GUIDE

It is certified that this Dissertation titled "A Study on comparison of child insurance plan of HDFC Life with its competitors" is based on the original study conducted by A.SARAVANA bearing USN. 1VA11MBA01 of IV semester MBA course under my guidance.

It is further certified that A.SARAVANA has worked satisfactorily under my guidance.

This dissertation is based on the bonafide performance and does not formed the basis for the award of any other degree or diploma by VTU, Belgaum or any other University.

Place:

Internal Guide

Dr. JOGISH D

MBA, Ph.D

Date:

HOD, DEPT of MBA

SVIT, BANGALORE



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CERTIFICATE

It is to certify that the project work entitled reference to "A study on comparison of child insurance plan of HDFC Life with its competitors" is a bonafide work carried out by A.SARAVANA bearing USN 1VA11MBA01 in partial fulfillment for the award of degree of Master of Business Administration of Sri Visvesvaraya Technological University, Belgaum in the year 2022-23. It is certified that all corrections/suggestions indicated for internal assessment have been incorporated in the report deposited in the department library. The project report has been approved as it satisfies the academic requirements in respect of project work prescribed for the award of Master of Business Administration Degree.

Dr. JOGISH.D

MBA, Ph.D

HOD, DEPT of MBA

SVIT, BANGALORE

Dr. H.D RAMACHANDRA

B.E, M.Tech, Ph.D

PRINCIPAL

SVIT, BANGALORE

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EXECUTIVE SUMMARY

HDFC Standard Life insurance is the oldest life insurance company in the world. It is the largest insurer in the UK and is the 28th largest company in the world. In India, the company is marketing life insurance products and unit linked investment plans. From my research at HDFC Life, I found that the company has a lot of competition from other private insurers like ICICI, Aviva, Birla Sun Life and Tata AIG. It also faces competition from LIC. To compete effectively HDFC Life could launch cheaper and more reasonable products with small premiums and short policy terms (the number of year's premiums to be paid). The ideal premium would be between Rs. 5000 – Rs. 25000 and an ideal policy term would be 10 – 20 years. HDFC must advertise regularly and create brand value for its products and services. Most of its competitors like Aviva, ICICI, Max, Reliance and LIC use television advertisements to promote their products. The Indian consumer has a false perception about insurance – they feel that it would not benefit them if they do not live through the policy term. Nowadays however, most policies are unit linked plans where a customer is benefited even if their death does not occur during the policy term. This message should be conveyed to potential customers so that they readily invest in insurance. Family responsibilities and high returns are the two main reasons people invest in insurance. Optimum returns of 15 – 20% must be provided to consumers to keep them interested in purchasing insurance. On the whole HDFC standard life insurance is a good place to work at. Every new recruit is provided with extensive training on unit linked funds, financial instruments and the products of HDFC. This training enables an advisor/sales manager to market the policies better. HDFC was ranked 13 in the Best Places to Work survey. The company should try to create awareness about itself in India. In the global market it is already very popular. With an improvement in the sales techniques used, a fair bit of advertising and modifications to the existing product portfolio, HDFC would be all set to capture the insurance market in India as it has around the globe.

Provider' in 2004, 2005 and 2006 at the Money Marketing Awards, and it was voted a 5 star life and pension's provider at the Financial Adviser Service Award for the last 10 year running. The '5 Star' accolade has also been awarded to Standard Life Investments for the last 10 years, and to Standard Life Bank since its inception in 1998. Standard Life Bank was awarded the 'Best Flexible Mortgage Lender' at the Mortgage Magazine Awards in 2006.

❖ 2.2 NATURE OF BUSINESS CARRIED:

Insurance is a system of spreading the risk of one onto the shoulder of many. While it becomes somewhat impossible for a man to bear by himself 100 percentage losses to his own property or interest arising out of an unforeseen contingency, insurance is a method or process which distributes the burden of the loss on a number of persons within the group formed for this particular purpose. Basic human trait is to be averse to the idea of risk taking. Insurance, whether life or non-life, provides people with a reasonable degree of security and assurance that they will be protected in the event of a calamity or failure of any sort. Insurance may be described as a social device to reduce or eliminate risk of loss to life and property. Under the plan of insurance, a large number of people associate themselves by sharing risks attached to individuals. The risks, which can be insured against, include fire, the perils of sea, death and accidents and burglary. Any risk contingency from these, may be insured against at a premium commensurate with the risk involved. Thus collective bearing of risk is insurance. HDFC STANDARD LIFE is into a business of insurance. It is one of the first private insurance companies. It sell various insurance policy based on the needs of consumer. It has traditional insurance plan as well as modern ulip plan in its portfolio.

❖ 2.3 Vision and Mission:

Vision

"The most successful and admired life insurance company, which mean that we are the most trusted company, the easiest to deal with, offer the best value for money and standards in the Industry".

Mission

"To provide a package of attractive financial services for housing purposes through a competent and motivated team of employees using the state of the art technology to maintain

- HDFC SL sarvgrameenbachat yojana.

Social products

- HDFC development insurance plan.

❖ 2.5 AREA OF OPERATION:

During the year, company continued to increase its focus on service quality. The company aims to provide consistent and high quality service across the country through, all channels of delivery- branches, call centers, internet and the customer portal. Towards this end, periodic service audits conducted across all regional offices and at the call centers provide useful insights into customer requirements and expectations helping the company improve its processes. The company has implemented a Quality Initiative across its offices which regularly measures the effectiveness of its processes, reduces leakage and contributes to increasing revenues, managing costs and improving service quality. The company has also launched a completely revamped website with a big focus on customer education and knowledge. The company has continued to strengthen its presence in the virtual world, both for creating awareness and facilitating self service. The company continues to explore strategic outsourcing partnerships with a focus on handling volumes and reaping economies of scale. The combination of outsourcing partnerships and technology implemented by the company is assisting in improvement of service turnaround times.

HDFC Standard Life company has one of the widest reaches among insurance companies. The company strengthened its number of offices from 103 – 572 across the country in less than 3 years. Through these offices, the company today services customer need in over 730 cities and towns. HDFC Standard Life Insurance Company is head quartered at Mumbai and has established its presence in the states of:

Andhra Pradesh	Assam
Bihar	Chandigarh
Delhi	Goa
Gujarat	Haryana
Himachal Pradesh	Jharkhand
Karnataka	Kerala
Madhya Pradesh	Maharashtra

Meghalaya	Orissa
Punjab	Rajasthan
Tamil Nadu	Uttar Pradesh
Uttaranchal	West Bengal
Trivandrum,	Vishakhapatnam, etc

❖ 2.6 OWNERSHIP PATTERN:

It is a joint venture between HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED (HDFC), India's leading housing finance institution and **STANDARD LIFE PLC**, the leading provider of financial services in the United Kingdom.

HDFC Ltd. Holds 72.37 percentage and Standard life (Mauritius Holding) Ltd. Holds 26 percentage of equity in joint venture, while the rest is held by others.



HDFC Standard Life Insurance Company Limited was one of the first companies to be granted license by the IRDA to operate in life insurance sector. Reach of the JV player is highly rated and been conferred with many awards. HDFC is rated 'AAA' by both CRISIL and ICRA.

❖ 2.7 COMPETITORS INFORMATION:

Life Insurance Corporation of India (LIC):

Life Insurance Corporation of India (LIC) with its central office in Mumbai and seven zonal offices at Mumbai, Calcutta, Delhi, Chennai, Hyderabad, Kanpur and Bhopal, operates through 100 divisional offices in important cities and 2,048 branch offices. LIC has 5.59 lakh active agents spread over the country. Also it transacts business in abroad and LIC is associated with Ken-India Assurance Company Limited, Nairobi; United Oriental Assurance

- **Century International Quality ERA Award:**



Criteria on which the Century International Quality ERA is based: 1. Excellence in Leadership and Business Management, 2. Quality and Excellence, 3. Business and Brand name Prestige, 4. Technology, Innovation and Expansion.

- **My FM Star of the Industry Awards Excellence in Life Insurance:**



HDFC Life won the Silver award for Excellence in Life Insurance. The Stars of the Industry Awards recognizes individual and corporate excellence across the banking and financial services sector. These Awards were decided by eminent Jury comprising senior professionals. The Awards were given away in 17 categories.

- **CFO100 Roll of Honour:**



❖ **2.11 FUTURE GROWTH AND PROSPECTS:**

HDFC Standard Life Insurance has increased its capital by Rs. 50 crores. This was necessitated on account of the strong growth shown by the company in the current financial year in its life insurance and pension business. The two partners in the joint venture, HDFC and Standard Life Assurance Company of the U.K., have brought in the additional capital and the share capital of the company now stands at Rs. 218 crores. HDFC Standard Life Insurance was capitalized at Rs. 168 crores on day one, well above the minimum requirement of Rs. 100 crores stipulated by the Insurance Regulatory and Development Authority (IRDA). In order to fund the future growth in its business, the paid-up capital is now being increased by Rs. 50 crores. The company had seen a substantial increase in business over the two years and had declared two bonuses. The company is looking at introducing new products for individuals and companies in the coming months.

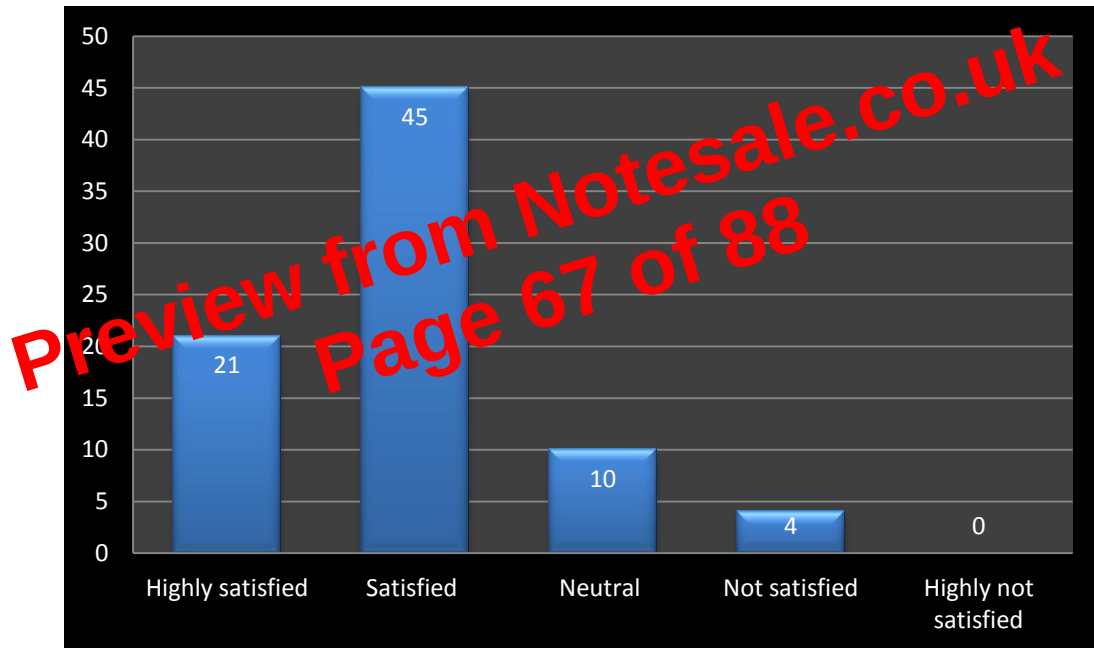
Preview from Notesale.co.uk
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Table no 8.5: Table showing the Respondent satisfaction with HDFC Child Insurance plan.

S.NO	Satisfaction Level	No. of Respondents	Percentage
1	Highly satisfied	21	26
2	Satisfied	45	56
3	Neutral	10	13
4	Not satisfied	4	5
5	Highly not satisfied	0	0
	Total	80	100

Source: - Primary data

Figure no 8.5: Chart showing the Respondent satisfaction with HDFC Child Insurance plan.



Interpretation:

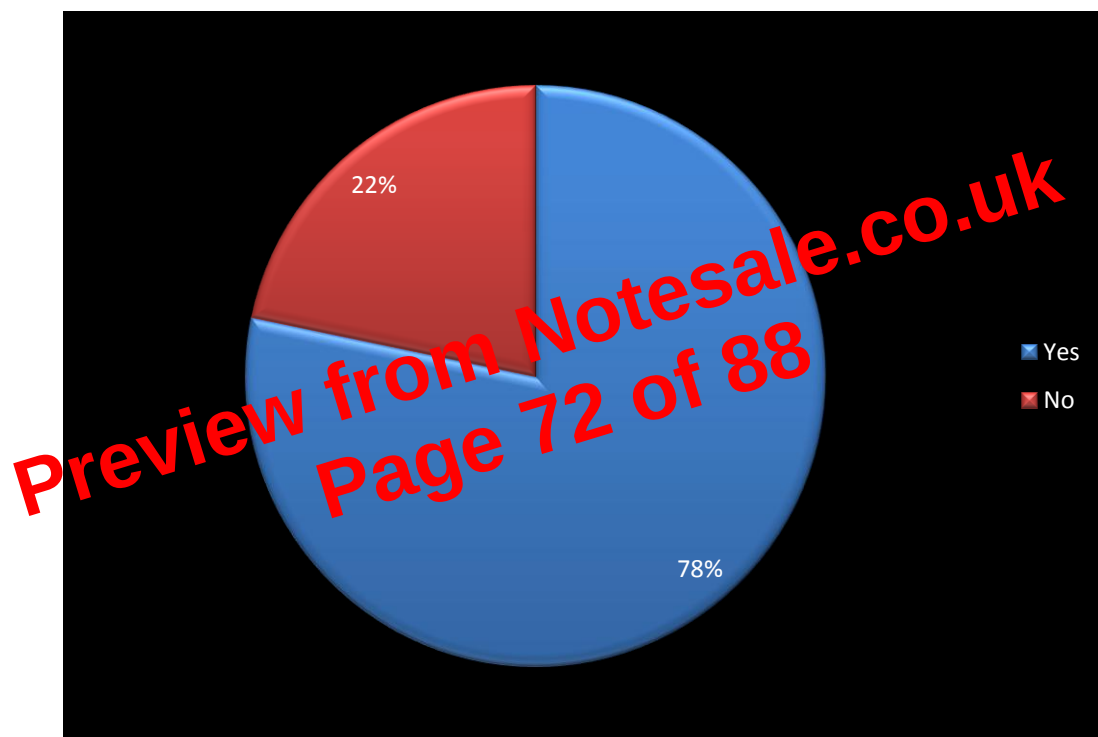
From the survey it was observed that 21(26%) respondents are highly satisfied, 45(56%) of the respondents are satisfied, 10(13%) of the respondents are neutral, 4(5%) of the respondents are not satisfied and 0% of the respondents are highly not satisfied with this child insurance plan.

Table no 8.7: Table showing the respondent's opinion whether HDFC Children's plan has fulfilled their expectations.

S.NO	Fulfilled	No. of Respondents	Percentage
1	Yes	18	78
2	No	5	22
	Total	23	100

Source: - Primary data

Figure no 8.7: Chart showing the respondent's opinion whether HDFC Children's plan has fulfilled their expectations.



Interpretation:

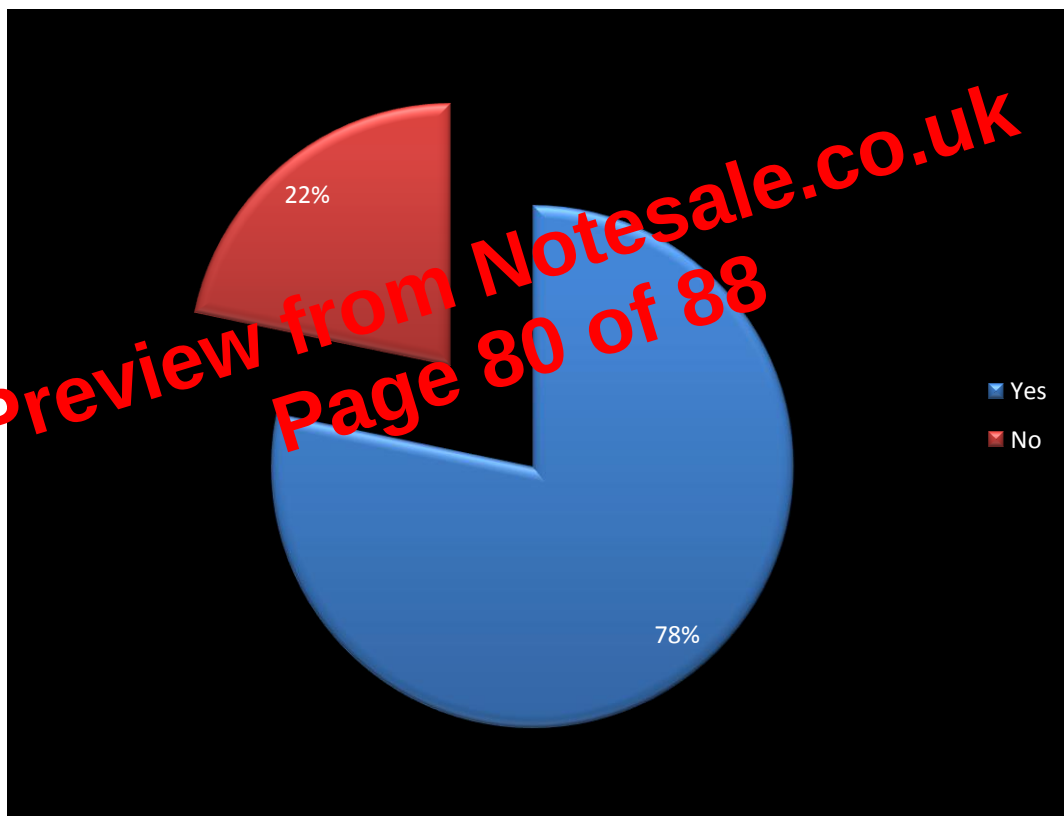
From the survey it was observed that 18(78%) of the respondents said this plan fulfill their Children dreams and 5(22%) of the respondents said this plan not fulfill their Children dreams.

Table no 8.12: Table showing whether the respondents will recommend HDFC Children plan to others.

S.NO	Recommend this product	No. of Respondents	Percentage
1	Yes	18	78
2	No	5	22
	Total	23	100

Source: - Primary data

Figure no 8.12: Chart showing whether the respondents will recommend HDFC Children plan to others.



Interpretation:

From the survey it was observed that 18(78%) of the respondents said they will recommend this product to others and 5(22%) of the respondents said they will not recommend this product to others.

SUGGESTIONS

- Awareness level of the HDFC Children plan among the respondents is very good. Hence try to build same relationship with respondents and also work on remaining 20% of respondents who are not aware of HDFC children plan as soon as possible.
- HDFC Children plan should offer some more new benefits in child insurance plan to attract more respondents compare to other companies.
- Majority of the respondents have said that other company policies are better than HDFC Child Insurance Plan so try to match the competitor's by offering better policies at reasonable rates to the respondents.
- Need some more advertisements on local channels about Child Insurance plan so try to adapt new strategies on Advertisement.
- Out of 23 respondents 5(22%) of them said that HDFC Children's plan didn't fulfill their children dreams so try to provide some more information about the benefit of the plan to regain the remaining respondents.
- Out of 100 respondents 13% of them are not satisfied about premium paying terms & benefits provided by the Insurance Company. Hence, amendments can be made in this regard by offering insurance cover at reasonable premium rates and also provide some more new benefits to the respondents.
- Majority of the respondents have preferred Child Insurance plan for their Children's future and Tax savings purpose. Hence give some more new schemes related to Child Insurance plan which attract more customer compare to other companies.

CONCLUSION

The study was conducted to compare the Life Insurance product of HDFC Life with its competitors. The study has been able to accomplish its objectives, by thoroughly analyzing and identifying the competitive position of HDFC Life, strengths and weaknesses of various insurance covers among the clients of various insurance companies, customer's awareness and perception about the company and its products. The company may highly be benefited by the outcome of this study.

The outcome of the study has proved that the performance of the company is outstanding in comparison with other competitors in Child Insurance plan and that the company has a higher reputation among customers.

It is concluded that the company could initiate various steps based on the recommendations given in this report. The company by adopting some of the recommendations, if not all, can further improve its performance and occupy a leading position among other competitors in the Life insurance market (i.e., Children's plan) in future years to come.