



## **Corporative Education Report**

### **Consumer's behavior towards life insurance**

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This Report Submitted in Partial Fulfillment of the requirements for

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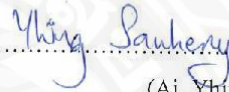
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We have approved this cooperative report as a partial fulfillment of the cooperative education program semester 1/2021.

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## **Acknowledgement**

The internship opportunity I had with Nepal life insurance was a great chance for learning and professional development. Therefore, I feel myself really fortunate to have been given the opportunity to be a part of it. I'm also glad for the opportunity to meet so many amazing individuals and experts who guided me during my internship.

I would like to thank Kathmandu College of Management and Siam University for providing me such opportunity to work at different companies from which I gained valuable exposure to how the Company works. I would also like to thank Mr.Kulanand Gupta sir, Branch manager of Nepal Life Insurance for granting me such a golden opportunity and for helping me enhance my skills and confidence level. He had the kindness to accept me in his company and guide me through my internship with his valuable advices and feedback despite his busy schedule.

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I perceive this opportunity as a big milestone in my career development. I will strive to use gained skills and knowledge in the best possible way, and I will continue to work on their improvement, in order to attain desired career objectives. Hope to continue cooperation with all of you in the future.

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### **Abstract**

Increasingly, the internship has become an essential component of the undergraduate programme. It provides students with a smooth transition from the on-campus environment to the working environment. Students are able to learn about the profession and gain practical experience while simultaneously being able to reflect on what they have learned in the classroom. Through critical and deep study this report examines the consumer's behavior towards life insurance. The objective of the study includes: 1) To apply the concepts and theory in the real world 2) To Observe and identify the process and procedures of the company 3) To expand networks and relationship in the professional world 4) To develop the communication skills 5) To know the competitive strength and weakness of the company. I was assigned to work under the direct supervision of Kulananda Gupta sir. The responsibility assigned to me includes gathering information, helping agents and customers with their queries, and maintaining a good relationship with the customers. With the completion of this internship, I found out that people's attitudes and behavior towards insurance are changing positively.

Keywords: customer behavior, life insurance, behavior

## **Impact of Covid-19**

Corona Virus (coronavirus) The COVID-19 pandemic is the world's most serious public health disaster and the greatest threat to humanity since World War II. Nepal, a landlocked country aiming to get out of the Least Developed Country category, is particularly vulnerable to the COVID-19 pandemic. The government of Nepal has imposed a countrywide lockdown and activated its federal, provincial, and local level procedures to respond to the situation after becoming aware of its vulnerabilities. The extent of the pandemic's impact on Nepal's social economy can be understood on three fronts: first, Nepal's heavy geo-economic reliance on India and China; second, Nepal's economic stability and strength are dependent on tourism, foreign employment, and remittances; and third, Nepal's lack of preparedness and weak health infrastructure to combat a likely outbreak.

Insurance businesses were affected differently based on a variety of criteria, including liquidity, portfolio risk, reliance on reinsurance, free assets, and reinsurer protection. The insurers' early response was inadequate because the Nepali insurance business lacked expertise handling a pandemic, but recovery was swift since most insurance businesses have since adapted to working from distant areas and improved their IT and security standards.

Nepallife insurance has also been affected by covid-19. Due to the widespread pandemic, carrying out day to day activities was getting very difficult and risky. As COVID-19 has affected most of the business, people started asking for a reduced premium. Secondly, many people do not understand that life insurance critical health policy does not cover the loss of pandemics. This caused a lot of arguments between the insurer and their client. As there was a huge reduction in economic activities, most of the people hesitated to buy new policies due to which the company had to face a huge decrease in the number of new policies. Most of the policyholder got scared as they believed that Nepallife insurance would not be able to provide a proper bonus on their policies, they even believed that the company would not be able to provide the promised amount at the maturity period.

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# **1. Introduction**

## **1.1 Company Profile**

NepalLife was established under the Company Act 2053 and Insurance Act 2049 as a public limited company on 2058/01/21 (04/05/2001). NepalLife is the foremost life insurance company established by private investors. The promoters of the company are a group of well known businessmen and business houses of Nepal. Within the sixteen years of operation the Company has set up an excellent business record and has a strong financial position. The company has insured itself with well-known reinsurance company "Hannover Re Life Reinsurance Company", Germany.

### **1.1.1 Mission and Vision**

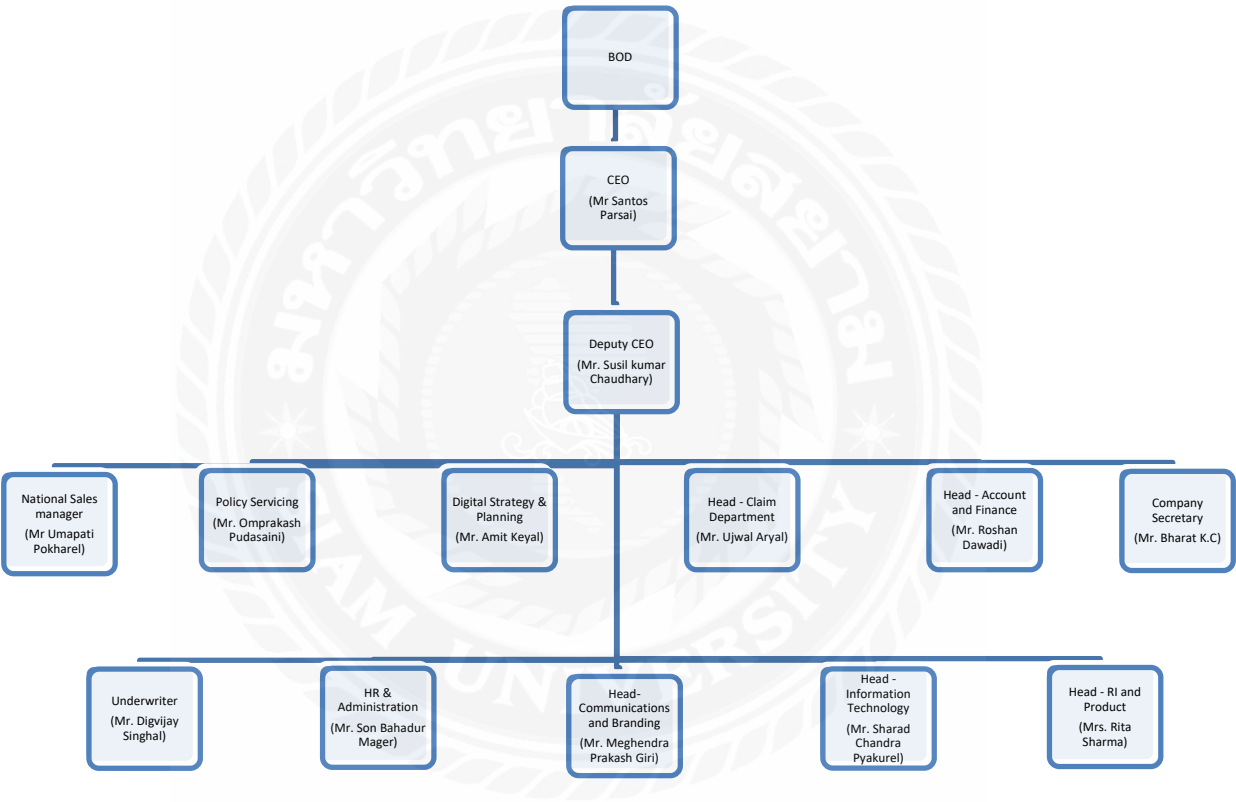
1. To endeavor through the noble institution of Life Insurance in making every family economically safe and secure whereby every citizen of Nepal may contribute his might in building a healthy, prosperous, strong & Vibrant Nation.
2. To cater to financial and social needs of every segment of society by designing differentiated and innovative insurance instruments. To provide after sales service to customers that can be hailed as the best.

Nepal Life Insurance Company has its own identity because of the mission and manner in which it is working. The company is working with a time-bound strategy to fulfill its vision of spreading the message of insurance to every home and to contribute substantially to making Nepal an economically healthy and vibrant nation. Apart from spreading the network of branches all over Nepal, the company plans to make a quantum jump in the number of agents and to provide them adequate training for providing knowledge and skill, so that the company can reach depth in the market. The company is focusing on providing qualitative services of International Standard. The company's ambition is to provide across-the-counter services in all its operations. This ambition cannot be fulfilled without the help of information technology. The company has a strong IT infrastructure. All Branches of NepalLife have been connected through wide-area networking to provide better customer service.



## 1.2 Organizational Structure

The organization is headed by its Chief Executive Officer Mr. Santos Parsai who is entrusted with overall responsibilities of business direction of the organization and leading dynamically towards the attainment of its purpose and principles.



**Figure 1: Organizational Structure**

Mr. Susil Kumar Chaudhary is the Deputy Chief Executive Officer of Nepal life insurance. The role of Nepal Life Insurance's Deputy Chief Executive Officer is to assist the CEO in the overall direction, management, and administration of all aspects of the company's operations, including its programs, products, and services, as well as all aspects of the company's fiduciary, financial, and operating performance in support of the CEO's strategic objectives of the company. The

Deputy CEO will collaborate closely with the CEO to develop management techniques that promote seamless operation and greater performance.

Mr. Umapati Pokharel is in charge of overseeing national sales. The national sales manager is in charge of establishing and implementing successful sales strategies, as well as leading the sales force across the country to meet the target. He's also in charge of conducting research and discovering new potential clients and business prospects.

Mr. Amit Keyal is the executive in charge of digital strategy and planning. He is in charge of offering clients with cutting-edge digital approaches and solutions for their websites and digital marketing. Email marketing, website execution, social media, search, video, or user experience are the main things controlled by the digital and planning team.

Mr. Ujwal Aryal being the head of the claim department is responsible for the strategic process and the claim process. He provides direction to the subordinates in most of the complicated claims. He is also in charge of developing functional strategies and particular targets for the sub-function, as well as budgets/policies/procedures to support such plans.

Mr. Roshan Dawadi is the head of the accounts and finance. The main role of the head of accounting and finance is to lead and guide both the accounting and the tax accounting team. He is also responsible for developing the financial strategies that will help the organization in attaining the organizational goal. Mr. Roshan Dawadi also leads the accounting department in the preparation, monitoring, and analyzing the business's annual budgets.

As the company's secretary, Mr. Bharat K.C is responsible for maintaining the company's statutory books and ensuring the security of the company's legal documents, as well as advising directors on their responsibilities and ensuring that they comply with corporate legislation and the company's articles of association.

Mr. Digvijay Singhal is the underwriter of Nepal life insurance. He is in charge of analyzing the risks connected with applications that fulfill the basic requirements. He is in charge of determining the coverage limits and prices for authorized plans.

Mr. Son Bahadur Mager is in charge of selection and recruiting, as well as administrative tasks. He performs an analytical function in ensuring that the human resources database regularly and properly represents current employee facts and circumstances.

Mr. Meghendra Prakash Giri is responsible for the entire PR and brand-related items and to conduct marketing research to support the company objective and keep updated with the latest current trends and procedures of marketing and branding.

Mrs. Rita Sharma is the head of Reinsurance and product. She is responsible for analyzing and choosing the most appropriate reinsurance company and policy for the company.

Mr. Sharad Chandra Pyakurel, the head of information and technology, is in charge of monitoring the infrastructure of technical operations, managing a team of IT people, and tracking technology in order to accomplish corporate goals, decrease security threats, and maintain operations and systems.

### **1.2.1 My Job position**

During my internship program I was appointed in the help desk where I have to help the customers in their queries. I was also assigned to help the new agents who have not taken any training and does not have much idea about our insurance policies. My position as an intern was very flexible as I was assigned in different works as per the requirement of the branch office. Under the direct supervision of our branch manager Kulanand Gupta sir I was sent on different field works and also in different training programmes. I also word as an agent during my internship programme.

### **1.3 Statement of problems**

Nepal is an evolving market for Insurance companies. People's attitude towards Insurance is rapidly changing. For a developing country like Nepal Insurance is a strong pillar of the financial system, a permanent and huge source of income for commercial banks and capital markets. So, for the financial stability and rapid growth of the country's economy government should provide proper assistance to the insurance sector. Although being such an important part of the country's economy, the government is not providing proper guidance and facilities to the insurance industry. The regulatory issues in the insurance sector are critical because the industry has been

troubled by poor corporate governance practices, poor service quality, an increase in fraudulent activities, low insurance coverage and penetration, underinsurance, misselling and forced selling, and a lack of qualified insurance personnel. Facilities like online insurance are not being prioritized by the government as well as by the regulator. In Nepal, the power has been highly centralized by the regulator as most of the activities of the Insurance companies are being highly controlled by the Regulator. Due to which the growth of the company has slowed down as the insurance companies don't have proper freedom to modify their policies and plans.

#### **1.4 Intention and motive to choose Nepallife insurance**

Nepal is an evolving market for Insurance companies. People's attitude towards Insurance is rapidly changing. For a developing country like Nepal Insurance is a strong pillar of the financial system, a permanent and huge source of income for commercial banks and capital markets. Insurance has played a vital role in helping the economy of Nepal broom due to which Nepal government is providing special care and support to the insurance company of Nepal. So the future of life insurance in Nepal seems to be very bright.

Nepallife insurance is one of the oldest insurance companies in Nepal and has a strong financial position in the insurance market. It has the highest insurance funds among all the insurance companies of Nepal. In terms of paid-up capital, Nepallife Insurance is the largest insurance company in Nepal. It has totally paid-up capital of Nrs.5.5 arba which is double its closest competitor. It has also the highest reserve and surplus, life assurance funds. Nepal life insurance also excels in premium collection. The net premium of NICL is almost double to its closest competitor LIC Nepal. It is also the company with the highest investment and loan against policies (lone taken by a policyholder against policy) and the highest net profit. It is also the company that provides the highest bonus to its shareholders. I choose Nepal Life insurance since it is the strongest and most stable insurance company in Nepal with proper management systems.

## 1.5 Strategy Analysis

Strategic analysis refers to the process of conducting research on a company and its operating environment to formulate a strategy.

### 1.5.1 SWOT Analysis

SWOT stands for strength, Weakness, Opportunity, and Threat. SWOT analysis is a framework used to evaluate a company's competitive position and to develop strategic planning. SWOT analysis assesses internal and external factors, as well as current and future potential.

<b>SWOT</b>	<b>Positive</b>	<b>Negative</b>
<b>Internal</b>	<b>Strength</b>	<b>Weakness</b>
<b>External</b>	<b>Opportunity</b>	<b>Threat</b>

**Figure 2: SWOT Analysis**

**Strength:** Strength refers to the positive internal factor of the organization. The following are some of Nepal life insurance's main strength.

- **High Capital:** The Company's Promoters are mostly well-known businessmen, and it has a capitalization of Rs. 100 crores. The company has a total paid-up capital of 4.4 Arba whereas the toughest competitor has the total paid-up capital of only 6.65 Arba Nepal Life Insurance is the In the year 2019 NLIC made the highest net profit of 28.05 crores where the toughest competitor made the profit of 7.12 crores only.
- **Trained Staff:** Their staff is one of their greatest assets. NLIC has a philosophy of training its employees within the company and preparing them for the required position. They also agreed that one of the key reasons their firm has been number one for the past six years is because of their well-trained employees.

**Weakness:** Weakness refers to the negative internal factors of the organization. Some of the key Weaknesses of Nepal life insurance are listed below.

- Unable to reach rural areas: Nepal is a developing country, there are still some places where there is no proper linkage of infrastructure. So people of those areas have no proper access to the facilities of the life insurance.
- Lack of proper awareness program: People in ruler part of our country are still unknown about the facilities of Life insurance policies. So proper awareness program should be organized from time to time.

**Opportunity:** Opportunity refers to the external factor that affects the organization positively.

Some of the key opportunities for Nepal life insurance are listed below:

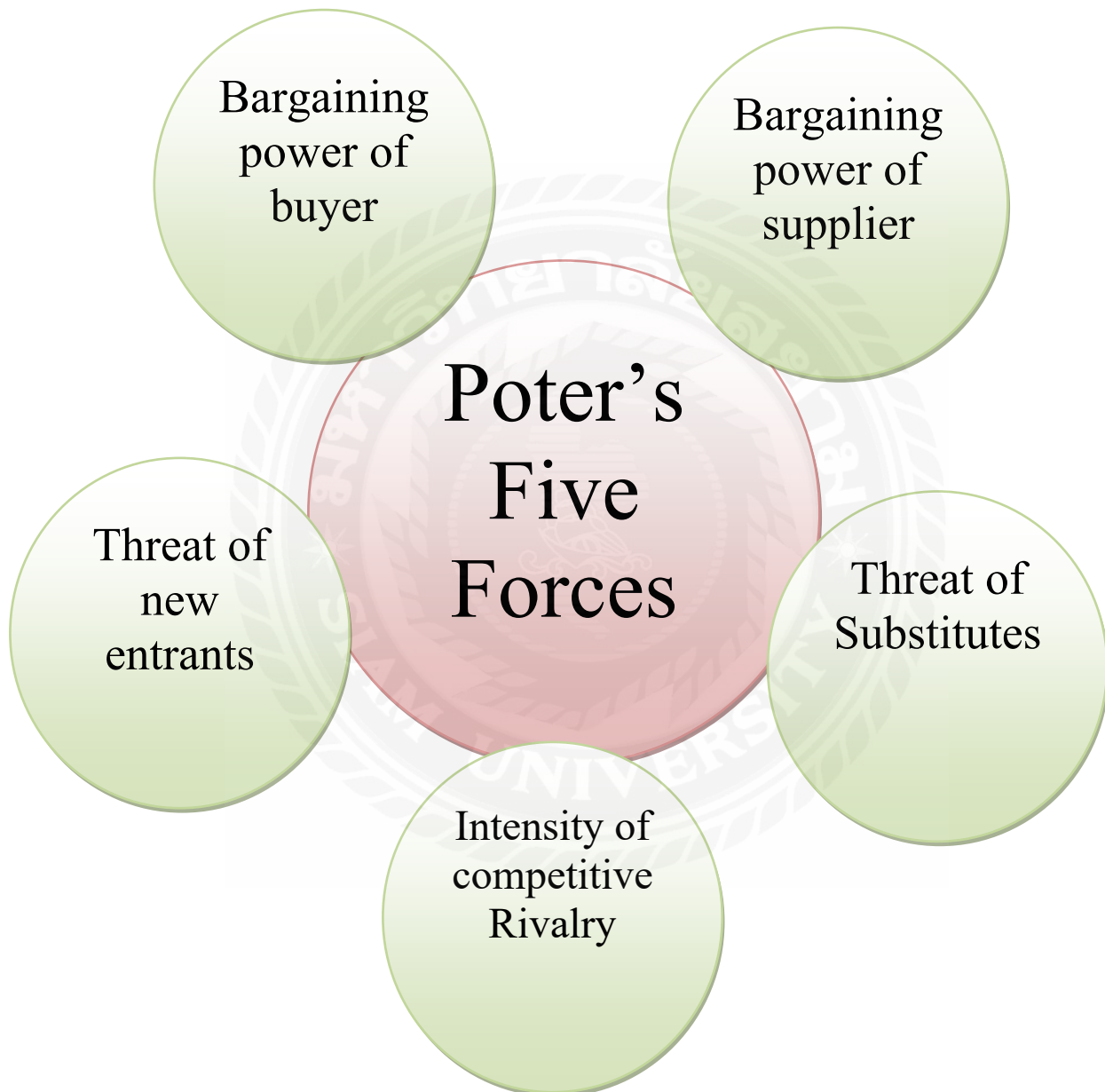
- Uncovered market: The majority part of our country remain untouched. These areas continue to be a favorable market for the insurance firm to expand in. They can easily attract clients in those emerging areas by explaining the value of life insurance and therefore gaining their faith in the company.
- Growing population: Growing population means a growing number of life insurance policies.
- Increasing people awareness towards Insurance: Nepal is a developing country, it is an increasing market for life insurance companies. People's attitudes towards life insurance are positively changing.

**Threat:** Threat refers to the external factor that affects the organization negatively. Some of the threats for Nepal life insurance are listed below:

- Rising competition: Competition for Nepal life insurance is increasing rapidly due to the massive increase in the number of new insurance companies in a short period of time.
- Natural calamities: A natural calamity is an unforeseeable event that causes massive destruction of resources and loss of life. Natural calamities increase the number of life insurance claims and increase the expenses of the company.

### 1.4.2 Porter's Five Forces

Porter's Five Forces is a model that identifies and analyzes five competitive forces that shape every industry and helps determine an industry's weaknesses and strengths. Each of the five forces, listed below has its own impact and influences in the insurance industry.



**Figure 3: Porter's Five Forces**

**Intensity of Competitive Rivalry:** It is defined as the intensity of competition in a certain industry. Competitive rivalry has a significant impact on product and service pricing and marketing techniques. Since the insurance market is not much developed in Nepal, the policy plans and premiums are highly regulated by the insurance board (Beema Smiti) in Nepal, due to which there are fewer areas to differentiate ourselves from other companies. As a result, the key area where we can set ourselves apart is in the level of service we deliver.

**Threat of new entrance:** Every industry, like competitive competition, confronts the prospect of new rivals entering the market, and this danger influences branding, distribution, and strategy within the sector. In Nepal, there are a total of 19 insurance companies out of which 9 were introduced in the year 2017. Almost 50% of the total life insurance companies were introduced in the same year which suggests that there is a high threat of new entrants in the Nepalese insurance market.

**Bargaining power of Buyer:** The strength of buyers and suppliers, the next two factors, point to a fundamental law of business that defines supply and demand laws. If various options for buying items and services are available, buyer influence can be a force to consider in any market. In such a market, buyers have power, and they may pressure industry suppliers for cheaper pricing or better product quality. In Insurance companies as most of the plans and policies are controlled by the Nepal insurance board (Beema Smiti) So customization of the policies is harder. But large corporate clients who pay a large sum of premium can have some bargaining power. But as whole bargaining power of buyers in the Nepalese Insurance market is weaker.

**Bargaining power of the Supplier:** The pressure that suppliers may exert on companies by rising prices, reducing quality, or strictly restricting product/service availability is known as buyer power. Agents have always used their power to sway policyholders' decisions to place business with certain insurers. However due to the establishment of Insurance branches in a different part of the country the power of the supplier is gradually decreasing.

**Threat of Substitute:** In a developing market like Nepal there is a very low threat of substitutes. However, in the developed insurance industry, the insurtech movement has made the replacement service a reality by enabling innovation in insurance products, such as on-demand and usage-based insurance solutions, which appeal to younger consumers searching for an



alternative to traditional insurance. So the Insurance market of Nepal may also face a similar threat of substitutes in the near future.

## **1.6 Objective of study**

The primary purpose of this internship is the fulfillment of the requirement for the degree of Bachelor of Business Administration in Kathmandu College of Management, Siam University. As a part of the academic course, each student is required to undergo an internship in a relevant organization approved by the University for 16-18 weeks.

One of the main purposes of this internship is to generate a thorough understanding of the workplace relationship, performing the activities, and engaging oneself in the working environment. In a way, it is more about understanding how theoretical knowledge can be applied in real-world organizations. As a BBA student and intern, this would help me to pave the way towards growth in my academic as well as personal development. Apart from the general objectives, the specific objectives are highlighted below:

1. To acquire exposure in the working environment resulting in the development of practical knowledge, confidence, and diplomacy.
2. To learn and apply theoretical knowledge practically in the workplace.
3. To develop interpersonal, managerial, and communication skills.
4. To come up with the possible strategies to achieve a competitive advantage.
5. To be a valuable asset for the organization by contributing to positive aspects.
6. To study and understand the trend in life insurance market.

As per my interest in the Insurance field, I got a wonderful opportunity to join Nepallife insurance as an intern. The main objective of the internship in Nepallife insurance is to know more about general insurance and to develop my agency skills and knowledge. As per my objective of the internship, I got a wonderful and valuable experience.

## **1.7 Roles and Responsibility**

As an intern, the main responsibility I was assigned was to learn and gain experience. I was expected to learn as much as I can while doing the work. So for that purpose I was assigned with different task. Some of the major task I was assigned are:

### **1. Assist in day-to-day task**

In the beginning I was only asked to assist my seniors in their day to day works and learn from the work done by the seniors. My supervisors and seniors used to assign me general tasks to educate me on the ins and outs of the company, to assess my general skill set, and to bring my talents up to pace.

Here are some of the roles and responsibility assigned:

- Performing clerical duties: I was given the task of maintaining, organizing, and arranging the policy files. I was also expected to give clients and agents with the necessary documents and files. One of the main jobs assigned to me was to assist the client and agents in organizing the relevant documents.
- Events handling: As an insurance company we have to organize many training programmes for the new agents. During such training programme I was asked to contact each new agent and inform them about the training Programme. I was also asked to manage required instrument for the programme. I also got instruction to take necessary details of the agents.
- Field visit: In Nepal, people's understanding of Insurance has not been clear yet. People in remote areas are unaware of the facilities provided by the insurance companies. People in remote areas find insurance as an unsafe investment. So, with the motive to spread awareness about the insurance policies we along with many different agents visit each house in nearby remote areas and help them understand more about the insurance policies of Nepallife insurance.

### **2. Learn and gain experience**

During my internship I was expected to learn as much as I can from the work assigned. It can be broken down into two main areas:

- Picking up hard skills: Hard skills are the technical abilities required to properly complete your intern tasks and, eventually, job tasks. Learning how to run a computer program, creating a corporate report, managing corporate inventories, and keeping policy files are just a few of the hard skills I picked up during my internship.
- Brushing up on your soft skills: Soft skills are just as crucial as hard skills in the workplace. Soft skills refer to our capacity to connect with others and form mutually beneficial connections. Talking, listening, dispute resolution, time management, and the development of empathy are all examples. During my internship, I focused on improving my communication skills. Day-to-day interaction with different clients and agents has helped me develop my communication skills, interaction skills, conflict handling skills, time management skills.

### **3. Job shadowing**

The method requires “shadowing” someone as they perform their everyday tasks, monitoring their actions, and learning what the position entails through indirect experience, as the term implies. I was first simply given to light jobs and assisting others with their job. I was asked to observe and study the job of others. As I became more comfortable with the surroundings, I was given additional responsibilities day by day.

### **4. Taking on the increasing amount of responsibility**

With the passing of time, I was given more and more duties. At first, I was only given simple and straightforward duties. As my knowledge of the job and the workplace grew, I was entrusted with increasing responsibility. My superiors and seniors first examined my abilities, knowledge, and hard work; nevertheless, as I showed myself to my supervisors and seniors, I was entrusted with increasingly important jobs.

### **5. Network**

Building relationships with our supervisors, coworkers, customers, and clients is an important part of networking. To have a successful career, we will need the assistance and support of those in positions of power. Building positive client relationships is also beneficial to the company. One of the most essential benefits we may receive during our internship is the opportunity to network. Finding a mentor, building a helpful peer group, establishing positive relationships with

elders, and boosting customer connections are just a few of the significant benefits of our internship.

## 2. Internship Activities

### 2.1 Assignment and Responsibility of the student

Throughout the internship, I was assigned to work at the help desk, go on the field visit, and help in the marketing of the Nepallife insurance. I was also asked to work as an agent and I was also given my own agent Id. In addition, I also had a chance to attain different training programs.

1. **Help desk:** My major task during the internship was to work in a help desk and help the customers as well as new agents with their queries. I was assigned to help the customer understand the insurance policies and help them in their decisions. I was also assigned to provide the required form to the agents and customers.  
Moreover, I was asked to keep the track of the new agents and update their status in the office. I was asked to call each and every new agent and enquire about their policies. I was also asked to check the documents provided by the agents and help them in managing the required documents.
2. **Field visit:** In Nepal, people's understanding of Insurance has not been clear yet. People in remote areas are unaware of the facilities provided by the insurance companies. People in remote areas find insurance as an unsafe investment. So, with the motive to spread awareness about the insurance policies we along with many different agents visit each house in nearby remote areas and help them understand more about the insurance policies of Nepallife insurance.
3. **Marketing activities:** As mentioned above, the basic job I did was to work at the help desk and to go on field visits. In this short period of internship, I was also provided with agent training and marketing training. So for the implication of the training provided by the insurance, I was asked to visit relatives, neighbors, and friends' homes to inform them

about the insurance policies of the Nepallife insurance. It gave me a basic understanding of exactly what and how I need to do in actual work.

### 2.3 Job process diagram



Figure 4: Job process diagram

## 3. Identification of Problem Encountered during the Internship

### 3.1 Problem encountered

The internship was very fruitful for me as I got a lot of opportunities to learn. I got a thorough understanding of the workplace relationship, performing the activities, and engaging oneself in the working environment. It was my first experience to work as an intern in an insurance company. I was very unfamiliar with such a work environment and work issues. It was very hard for me to cope up with the work environment. I had to face different problems and difficulties during my internship period.

As I was the only intern in the company, I felt very incompetent as I was comparing myself with the professionals. Although I was treated very well and respectfully by my seniors and

supervisors, yet I felt hard to communicate and pursue my problems and queries with the seniors. In the beginning, I expected to be an important part of an organization but I was only offered assisting works by my supervisors and seniors. In professional life late submission of work, late attendance is not tolerated, due to which I got very nervous to complete my work within the given time frame. Maintaining a proper balance between work, academics and, personal life was very challenging for me during the beginning days. As I have to work under the supervision of many seniors, sometimes I get confused about the work process as I was being instructed differently by different supervisors and seniors. As I got familiar with the work environment and got agent training I was entrusted with more works and assignments due to which I felt very hard to manage my time and complete all the assigned works within the time boundary. As most of the forms and documents of Nepallife Insurance are in the Nepali language, it was very hard for me to read and write those documents and forms in the Nepali language. Moreover, as I am working in the terai region in our country where many people speak the Maithili language. Understanding and replying in the Maithili language was very hard for me. So every time I come up with people speaking the Maithili language I had to ask for help from other people.

### **3.2 Problem Solving**

Each insurance company has its distinct challenges; however, the most pressing concern for all insurers is protecting the health and safety of its employees and partners including brokers and agents in the insurance community. The focus of our company should be to review and update their crisis management plans and take protective steps to continue operations with little disruption to clients. Our company should consider establishing temporal multi-purpose emergency decision-making units purposely for this pandemic to coordinate responses and set new safety protocols to contain shocks. They should also set up a comprehensive communications system to keep employees, clients, distributors, and other partners fully informed about the status of business continuity plans and information on how to remain safe. Our company should also adapt to working from remote locations. They should enable and equip company staff from actuaries, underwriters, and claim managers to work offsite, most probably from homes. They should particularly make it possible for employees to access necessary files from homes. The company could have provided proper technical equipment to their employees. With good digital tools, this should not be a problem for insurers. This could potentially be a

period of productive planning, training, and outreach to stakeholder groups at remote distances. Even during the time of the pandemic, our branch has organized many agent development programs, despite organizing so many agent training programs the company could have organized 1-2 training program to teach the employees and staff to work under the social distancing regulation.

Working as an intern at Nepallife Insurance was very insightful for me. During my internship, I had to face different problems and challenges. Some of the problems were so tough that I even lose my confidence level for some time. But due to the proper guidance of my supervisors, I was able to overcome those problems. As I got more familiar with the work environment I started getting more confident and skillful. I started taking those challenges as the opportunity to learn and develop myself. I still find difficulty in reading and writing in the Nepali language and communicating in the Maithili language but I am trying my best to learn and solve my problem. I have found this internship as a big and important milestone of my life from which I got much valuable experience and knowledge.

### **3.3 Recommendation**

For the developing country like Nepal life insurance market is rapidly booming. People's attitude towards life insurance is positive changing. Nepallife insurance should understand the requirement and needs of the people and work for the development of insurance industry of Nepal. People in remote areas are not aware about the facilities of life insurance so Nepallife should work on spreading awareness and making them understand the importance of life insurance. People in remote areas who are aware about the life insurance do not have proper access to the life insurance so Nepallife should work in establishing sub-branches in remote areas. Although Nepallife is the company with highest number of branches but yet it has not been able to provide proper accessibility to its customers so it should open Work on increasing its branches. One of the greatest strength of Nepallife insurance is their trained staff and trained agents. But due to lack of proper communication module their agents are not updated about the new schemes and policies. Since we have to call each and every agent to inform about the new schemes and policies which would be very time consuming and slow means of communication.

So Nepallife should work on creating an effective communication module for its agents and staffs.

## **4. Contribution and Learning Process**

### **4.1 Contribution made during Internship**

The internship program has provided me a lot of opportunities to help me grow my knowledge and skills. From my side, I have tried my best to contribute some to the company. Some of the contributions I have made during my internship are:

- I have worked very hard to assist all the seniors in their work.
- I have tried my best to answer and solve all the queries of the customers and new agents.
- I have also worked very hard in the field visit. Although I only work as the assistant to Roshan sir and Manoj sir I tried my best to help them in each and every fieldwork.
- I have also worked and an agent of Nepal life insurance and have done my best to help them collect policies.
- I have also provided proper assistance in managing the regular training program organized by our branch

### **4.2 Learning**

The main objective of this internship report is to analyze the consumer's behavior towards Life Insurance. Consumer behavior is the study of how individual customers, groups, or organizations select, buy, use, and dispose of ideas, goods, and services to satisfy their needs and wants. It refers to the actions of the consumers in the marketplace and the underlying motives for those actions.

Consumer behavior explains the reasons and logic behind purchasing decisions and consumption patterns. It explains the process through which buyers make decisions. Studying consumer behavior is important as it enables us to focus our effort on where we can get effective results. By knowing the consumer's requirement we can provide or customize our product according to the consumer's requirement. Our ultimate goal is to influence consumer behavior and convert



this into the profit of our company. Consumer behavior not only includes the actual buyer and his act of buying but also the various roles played by different individuals and the influence they make on the final decision.

Security of money invested, risk coverage, saving, and availability of tax benefits are the main reason for people to buy a life insurance policy. The main challenge for an agent or insurance company is to identify the main motivating factor of the customer and provide the product as per their requirement.

#### **4.2.1 Findings**

- Persons over the age of 30 are more likely to get insurance coverage than younger people.
- People are more interested in savings plans than in life insurance. Better the saving plan more of the policies.
- Very few people are interested in a pure life insurance policy.
- Term life policies are hardly preferred by people. People often get term life insurance only when they are required to do so by their paperwork.
- People in rural regions prefer to pay monthly rather than semi-annually or annually.
- People in city areas prefer annual and semi-annual payments rather than monthly payments.
- People only prefer life insurance when someone (agents) goes to their doorstep and offers them the insurance policies.
- When it comes to purchasing life insurance coverage, family and friends play a significant role.

#### **4.2.2 Knowledge Received**

An internship is an opportunity to test drives a career without making any serious commitments. It provides you with experiences, lessons, and the tools we need in our future. One of the most important things you can gain from an internship is practical knowledge. This can include knowing how to communicate with our seniors and customer, how to manage time, how to fulfill tasks that is relevant to your desired career path, and sharpening the skills that we already possess.

Some of the knowledge I received from my internship are:

- **Teamwork:** During my internship, I learnt how to work as part of a team rather than focused just on myself. I also learned tolerance in situations where I completely disagreed with the decisions of the other group members and the group leader. Unlike in college, when the job is done by a few people and credit is given to the entire team. Here, the work is more professional where each member is assigned a certain task and each member works hard to complete the work.
- **Adaptability skills:** I was not adaptive to the new work environment at first, but as time went, I became more familiar with it, making it simpler for me to work. This has aided my personal development.
- **Problem-solving skills:** During my internship, I was exposed to a variety of challenges and concerns. And I'm progressively learning how to solve such issues.
- **Professional Communication skill:** One of the most important skills I've gained through my internship is the ability to talk professionally. After this internship, I have a better understanding of how to conduct in a more professional manner.
- **Handling the Responsibilities:** My internship experience has taught me to be more accountable and responsible for the tasks provided to me as well as how I make decisions.
- **Time management:** My internship served as a platform for my professional career. This internship taught me how to create a suitable balance between my job, academic, and personal lives.

## 5. Conclusion

### 5.1 Summary of highlights

I would like to describe this internship as a positive and rewarding experience. I have got a golden opportunity to meet and network with so many people that I am sure will be able to help me with opportunities in my career. From this internship, I have gained valuable practical knowledge that I would never have gained through books. I was also provided with different training programmes which helped me know a lot about life insurance. Once I realized the

things and work I had to do I organized my day and work so that I was not overlapping or wasting my time. I learned that I needed to be organized and have proper time management ability to work successfully. The internship was also helped me find out what my strengths and weaknesses are. This helped me to know what skills and knowledge I have to develop in the near future. I would like to thank the whole family of Nepallife insurance for providing me the opportunity to work under their supervision as an intern and showing me the path of knowledge and experience which helped me succeed in my career and enter into a bright future.

#### **4.2 Evaluation of work experience**

During my internship I have experience both positive and negative situations. Over my internship of 16 weeks, I have gained many new valuable hard and soft skills. I have faced different ups and down during my internship. I was also appreciated and given a price for completing my agent target and working as an intern side by side. So as a whole my internship was very fruitful where I learned a lot about the insurance industries. I got a golden opportunity to work side by side with the employees of Nepallife insurance inaruwa branch, where I learned a lot about the real life challenges in huge companies. The internship programme was very beneficial for me as I not only developed my skills and knowledge but also help me in making contacts and relationship with many people

#### **4.3 Limitations of Co-Op studies**

Although the internship programme has provided a lot of knowledge, yet I face some of the limitation during my internship programme. Some of the limitations I face during my internship are mentioned below.

- **Time:** The time duration provided to me to work as an intern was not sufficient to learn every detail of the company and insurance industry.
- **Busy schedule of Supervisor:** Since my supervisor had to look after the whole branch, he was not able to provide proper guidance during my internship. So I had to work under different people and employees during my internship.
- **Confidential information:** Some of the records and files were only available to certain personnel, limiting the scope of the research.

- **Confusion to follow leads:** As I was only intern in our branch, so I had to follow the lead of all the employees. So sometime the lead given by different people used to oppose each other.
- **Area:** As our branch is located in Small municipality, so there were limited areas to study.

### **Recommendation**

Nepal is an evolving market for Insurance companies. People's attitude towards Insurance is rapidly changing. For a developing country like Nepal Insurance is a strong pillar of the financial system, a permanent and huge source of income for commercial banks and capital markets. So, for the financial stability and rapid growth of the country's economy government should provide proper assistance to the insurance sector. Although being such an important part of the country's economy, the government is not providing proper guidance and facilities to the insurance industry. The regulatory issues in the insurance sector are crucial as the industry has been faced with poor corporate governance practices, poor quality of services, rising of fraudulent activities, low insurance coverage, and penetration, under insurance, misselling and forced selling, lack of qualified insurance personnel. Facilities like online insurance are not being prioritized by the government as well as by the regulator. In Nepal, the power has been highly centralized by the regulator as most of the activities of the Insurance companies are being highly controlled by the Regulator. Due to which the growth of the company has slowed down as the insurance companies don't have proper freedom to modify their policies and plans.

Nepallife insurance is one of the oldest insurance company of Nepal and it also the most trusted company. Being the face of Nepalese insurance company, Nepallife insurance should provide some assistant to the insurance board in improvement of insurance market in Nepal. People in rural part of our country are still unknown about the facilities provided by the insurance companies, so being the face of insurance industry of Nepal and first mover, Nepallife insurance should focus in organizing awareness programme in rural areas also. Since all the policies are controlled and created by the Nepal insurance board, there is no proper way to differentiate itself from other insurance companies. So to differentiate itself they should focus in spreading

branches and increasing its availability. As the agents are the face of the insurance company, the management should organize training programmes for agents more frequently. There must be good incentive schemes designed for the agents as these can act as the motivators for the agents. The scheme of permanent job placement must be introduced for those agents who have shown extra ordinary performance. Regular meeting should be conducted with the financial and marketing consultant to solve the emerging problem of the company.



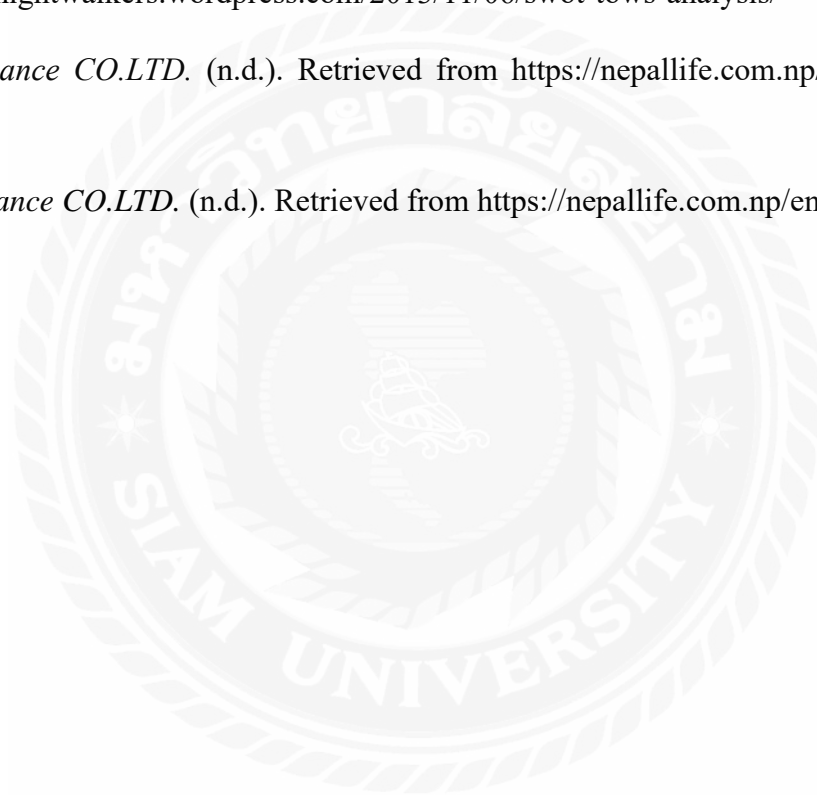
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## Annex

### Photo of Work



**Figure 5: Training certificate**

During my internship I was provided with different training to sharpen my skills and knowledge of Insurance.



**Figure 6: Target completion**

During my internship I was given certain target that I need to complete in the required period of time. On completion of target within the given period of time I was honored by our branch manager Kulananda Gupta sir.





