

Life Insurance Advertising in India–Analysis of Recent Trends

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The Research paper is based on understanding the basis of marketing in any industry, viz. Consumer Proposition, Consumer Perception, Awareness and Positioning. The industry in respect of which the above-mentioned factors would be studied here is Life Insurance. Life Insurance being one of the growing Industries and giving a major contribution to the country's present growth trend has become a very tempting Piece of Meat for the "Profit Hungry" Corporate Players. Thus, it becomes highly inevitable for the Insurance governing body of the Country "IRDA" to take active interest in making people aware of the regulations made for protection of their rights. With the new beginning made by opening gates for private players in Insurance Industry, clearly mark a significant potential in Indian Market for the Insurance Players. Each private player strives to create a differentiation in the minds of the consumer. Each Awareness program and Advertising Campaign done by the Life Insurance Companies tends to make promises to offer the best of the lot services. This Document would strive to list down the regulations put down by "IRDA" towards Advertising of Life Insurance Companies and Products. ...help understand Company's offers and value propositions for the consumers ...help companies understand the perception of their brand and product in the minds of the consumer.

INTRODUCTION

Analysis of Selected Life Insurance Advertisements Based on Primary Survey

Four television commercials for life insurance products were selected for this part of the research. The principal criteria for selection of these advertisements were that (1) they advertised specific insurance products, and (2) had a high degree of creative content. They were not just advertisements that directly pointed out the features and advantages of the insurance products from a cognitive view point. The survey had two principal objectives. (1) Firstly, it tried to explore as to how effective are the advertisements in connecting with the target audience. (2) Further, given the nature of the advertisements, it was also quite important that they adhered to all the relevant IRDA guidelines on insurance advertising, both in letter and spirit. The regulations as laid down by IRDA are the only ones keeping an eagle's eye regarding objectivity in insurance advertising. The main purpose behind IRDA notifying these regulations is to ensure that consumers are not misled by inaccurate advertisements, thus eventually leading to their losing faith in the same. Advertisements are very important because they constitute the main source of information for prospective customers. At the same time, it is important that they present basic information in a clear, objective and accurate manner; and lead the consumer to appropriate sources for seeking more detailed information. The four television advertisements chosen for the study are listed below.

- Birla Sun Life – Children’s Dream Plan
- Reliance Life Insurance – Money Back Guarantee Plan
- HDFC Standard Life – Home Loan Protection Plan
- Max New York Life Insurance – Smart Steps Unit Linked Child Plan

The survey respondents were predominantly the general public/consumers, but also included a sprinkling of insurance company executives. The general public/consumers were from the educated and middle/upper middle income class, who were well aware of life insurance and were already holders of life insurance policies. The survey was carried out with a limited sample size on an exploratory basis, and not with the objective of establishing statistical validity. The survey covered a broad range of issues and was hence carried out with a limited sample. Specific aspects brought out in this survey can be further studied and validated through extensive research with requisite sampling plans.

Responses to the objective part of the survey are tabulated at Exhibit 1 for the four advertisements numbered as 1 to 4 in the same sequence as listed earlier above. The objective part of the survey began with estimating advertisement recall through a four stage process. The respondents were thereafter shown the advertisements and their responses were sought on various aspects on a five point scale.

The respondents were also subjected to a brief interview and were encouraged to give qualitative feedback on the advertisements. A summarization of the findings from this part of the survey, together with basic details about the advertisements, is presented in the paragraphs that follow. Selected images from the storyboards of the four advertisements together with a brief narration, are provided for ready reference at Annexure 1 to 4 respectively.

**Exhibit 1: Survey on Selected Life Insurance Advertisements
- Responses to Objective Questions**

Particulars	Advertisement
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	A1	A2	A3	A4
Sample Size				
Total Respondents	22	20	19	26
General Public	16	16	13	20
Insurance Company Executives	6	4	6	6
Recall Round - General Public Only (Cumulative numbers who could recall the advertisement at the end of each stage)				
Instant Recall - By Name of Insurance Product	3	4	2	4
1st Clue - Brief Description of Advertisement	8	13	8	16
2nd Clue - Audio Clip.	14	14	10	19
3rd Clue - Snapshot	16	15	13	19
After the 3rd Clue the advertisement clipping was shown				
Content Round - General Public & Insurance Company Executives (Rating:1 - Very Low, 5 - Very High)				
<i>A. Emotional Content</i>				
Family Bonding/Attachment	3.8	1.4	4.6	4.3
Traditional Values	1.6	1.2	4.6	2.1
Pride/Motivation	2.2	2.0	3.7	4.8
Sadness/Pathos	3.5	1.2	2.8	4.0
Anxiety/Fear	2.3	1.6	4.3	2.1
<i>B. Attractiveness of Advertisement</i>				
Use of Colors	3.6	3.2	4.2	2.8
Characters	3.6	3.7	4.6	3.9
Storyline & Structure	2.1	2.6	4.0	4.8
Sound/ Audio	3.9	3.1	3.2	4.1
<i>C. Data & Analysis</i>				
Price/Cost Information	1.6	1.2	4.3	1.6
Graphical Data	2.9	1.3	1.6	2.0
<i>D. Mandatory Information</i>				

Mandatory Disclosures	2.8	2.2	2.7	2.4
Time Duration Sufficiency	1.3	1.9	2.3	1.5
Contact Details	3.2	4.6	3.7	3.5
Overall Likeability - General Public & Company Executives (Rating:1 - Very Low, 5 - Very High)				
Avg. of B+C Above	3.0	2.5	3.7	3.2
As Indicated By Respondents (Considering Aspects Covered in A, B, C & D)	3.8	2.7	3.2	4.6
Aggregate Ranking Based on Likeability	2	4	3	1

Note: A1 = Children's Dream Plan, A2 = Money Back Guarantee Plan, A3 = Home Loan Protection Plan, A4 = Smart Steps Unit Linked Child Plan

Source: Survey feedback

The advertisements are analyzed under the following heads:

- Type of Advertisement
- Advertisement Theme & Content
- Insurer's Proposition
- Viewers' Perception
- Meeting IRDA Regulations

Advt. 1: Children's Dream Plan (Birla Sun Life) - 41 Sec.

Type of Advertisement

This is a life insurance advertisement with 'invitation to contract' as well as to 'acquire knowledge'. It invites the viewers to not only acquire information about the specific product, i.e., Children's Dream Plan, but also advises them to invest in the same, as it would help fulfill their aspirations as parent(s) and the dreams of their children.

Advertisement Theme & Content

The basic focus of the advertisement seems to be on relieving the child from the pressures of this competitive world, which restricts and reduces a child's leisure time. A child needs to prepare himself adequately and develop a well-rounded personality. Parents are over anxious to mould the child and equip him with all possible skills, so that he gets ready to face life. But

while doing so, they overlook their children's wishes, thereby making them feel sad and depressed.

Insurer's Proposition

The insurer draws the attention of parents to the issue mentioned above, and seems to advise them to invest in this plan so as to secure the future of their children, without pressurizing their present. The message conveyed is that by investing in this product, one may be able to meet all the expenses required to bring up the child in a holistic manner, such as expenses towards formal education, cost of studying abroad, fees towards extra-curricular lessons and activities, etc. Thus, the main focus of the insurer is attracting parents to have their child's "FUTURE RELAX" without "PRESENT TENSE".







Viewers' Perception

Most viewers contacted during the survey were positively inclined towards this advertisement and the product that was advertised. As one of the respondents said, "This product focuses on one of the most crucial worries of a family - children's future."

The viewers seemed to be quite aware of the advertisement, and said that they can relate to the background tune of "*Bachpan ke din bhula na dena...Aaj khel le, kal bada hai banna...*" i.e., "Don't let yourself forgo the days of childhood; play & enjoy today; you anyway have to grow up tomorrow." Most parents said that they could relate their own experiences with those seen in the advertisement. Not that they suffered the same, because their times did not see such tough competition. But they feel sad about their children who surely are exposed to as much pressure and pain as the one shown in the commercial.

Meeting IRDA Regulations

The above advertisement, even on close scrutiny, seems to have adequately met with all the requirements for a life insurance advertisement as put down in the regulations by IRDA. Most of the respondents too felt that the advertisement was in order. However, two respondents felt that it could promote pestering by children for reducing parental pressure with regard to their studies and other activities.

		
A child watches cricket being played in the colony while his dad asks him to get ready for tennis coaching.	A child aspires to play with the other children in a ground on his way to his karate class.	A child watches his friends enjoying a game, as he walks and passes by the sea-shore just moments before his swimming classes...
		
His dad understands his aspirations and allows him to play.	The child runs to join the group and feels immensely happy!!!	Birla Sun Life Insurance – Your Dreams. Our Commitment.

Advt. 2: Money Back Guarantee Plan (Reliance Life Insurance) – 20 Sec.

Type of Advertisement

Money Back Guarantee Plan is an insurance scheme that guarantees a specified sum of money to a designated beneficiary upon the death of the insured or to the insured, if he or she survives beyond the plan period. This insurance advertisement also serves the purpose of being an institutional advertisement with an invitation to inquire. It proposes to kindle viewers' interest by telling them what the end result could be, i.e., "Always Up, Never Down". It visibly mentions the contact numbers and other sources of information, prompting the viewers to follow up on the interest kindled, and proceed further towards learning more about the product.

Advertisement Theme & Content

The advertisement does not seem to contain any factors which could inject a strong feeling or emotion by itself. It just tries to strengthen a simple argument which says "Whatever be the market condition, your returns will GROW".

Insurer's Proposition

Reliance Life Insurance's advertisements usually do not convey a direct message. They adopt an indirect way of communicating, which strikes the minds of the target audience, leading to high recall. The present advertisement too follows in the same pattern. In the survey, this advertisement evoked the highest percentage of cumulative recalls after the first clue. The insurer tries to emphasize on the characteristic of the guy's hair strand, which always goes up even if he tries to press it down, now and again. The hair strand symbolizes the returns that

customers would get by subscribing to the insurance plan, which invests in a well-analyzed security portfolio. As mentioned clearly in the advertisement which says, “Market chahey jaisa bhi ho... aapke investments rahey always UP.” - In whatever condition the market is... your investments will always grow UP. Thus, the proposition of the insurer is to reduce the risk of the investor and give him returns which will be certainly more than what one could receive by investing in alternative risk free securities.






Viewers’ Perceptions

Amongst the viewers surveyed, many people had noticed this advertisement, but expressed doubt about accepting the claim made. Overall, most viewers felt that the claim made was more of an exaggeration than a real possibility. A few respondents who were familiar with the happenings in the stock markets critically disclaimed the message conveyed by the advertisement and said that it was unbelievable and unrealistic.

Meeting IRDA Regulations

Although the advertisement mentions clearly that “investments in the scheme are subject to market risks,” the advertisement’s content makes an exaggerated claim that the scheme would provide high returns even under recessionary market conditions. To that extent, the advertisement can be perceived as being somewhat misleading.

ANNEXURE 2: RELIANCE LIFE INSURANCE – MONEY BACK GUARANTEE PLAN

		
<p>A man looks at his hair in the mirror. A strand of hair stands up in spite of his repeated efforts... It seems to become ok, so he starts walking down the street.</p>	<p>But he notices the hair strand going up once again, and again and again. He sets it right a few times and starts walking again...</p>	<p>He meets his lady friend (seems to be his girlfriend), who exclaims that his hair strand is pointing up.</p>
		
<p>He smiles as if to explain that it always remains up; doesn't ever go down.</p>	<p>Exactly like Reliance Money Guarantee Plan...</p>	<p>From Reliance Life Insurance.</p>

Source: Adapted from www.afaqs.com

Advt. 3: Home Loan Protection Plan (HDFC Standard Life) – 20 Sec.

Type of Advertisement

This advertisement almost completely devotes itself to the specific insurance product, and lays no particular emphasis on the insuring company or its brand name. It advertises a special life insurance product that covers home loan liabilities in the event of death of the insurer, against payment of a single premium. The advertisement is an invitation to inquire and contract, as it clearly mentions the terms of contract and the means for contacting the insurer (the premium amount and the contact phone number and the number for sending an SMS.)

Advertisement Theme & Content

This advertisement adopts a different approach from other advertisements analyzed in this document. The insurer here delves upon the “Responsibility Factor” applicable to any head of the family. The insurer seems to target the emotional self of the family head. The advertisement brings into focus each member of the family, explaining their requirements and expectations; thereby reminding the head of the household about the magnitude of responsibility placed on him, in fulfilling every ones’ dreams.

Insurer’s Proposition

The Insurer is quite well known for advertisements highlighting aspects such as legacy, pride and being self-dependent. With this advertisement, the insurer has added one more dimension to the advertising communication – the feeling of authority and responsibility.

One notable feature of this advertisement is that it does not portray the eldest male member of the family as the head or the decision maker. The decision maker here seems to be the eldest son, who is taking responsibility for the family.

The insurer tries to emphasize the words “...*Kyu ki Vishal Kumar rahey na rahey... Kumar Sadan rahega hamesha ke liye.*” – Because, even if Vishal Kumar ceases to exist, ‘Kumar Sadan’ will always be there (with all its happiness, memories, love and self respect), as Vishal Kumar as the head of the family has rightly planned and invested in the Home Loan Protection Plan, which would take care of repaying the home loan. His family need not rely on anyone else on the event of his not being around.



Viewers’ Perception

Among the four advertisements included in the present survey, this one was perceived by the respondents to be the most educative, motivating and complete, probably because it emphasized the family head’s responsibility towards securing the future of his entire family, while the other advertisements had a comparatively narrow and at times individualistic focus. Those survey respondents who were heads of families opined that this advertisement was worth taking a lesson from. However, some of the other respondents (who were not family heads) reacted negatively to the term “*Vishal Kumar rahey na rahey*” – “whether Vishal Kumar exists or not.” They said that “the thought of loss of the main member of the family is really a harsh one,” and that the advertisement could have conveyed the same idea in a milder way.

Meeting IRDA Regulations

This advertisement has taken advantage of the emotional role of the family head in securing the future of one's dependents, thereby masking the more objective role of being a financial planner. The insurer tactfully uses the plank of security for the family in attracting attention towards the advertised product. Further, any member of the family who watches this commercial could become the initiator and/or influencer, thus increasing the chances of the product being sold. At the same time, the advertisement does not violate any advertising norms and meets the regulations. It includes all the required cautionary statements, and contact particulars for seeking further information.

ANNEXURE 3: HDFC STANDARD LIFE INSURANCE - HOME LOAN PLAN

		
<p>A family enjoys each others' company. A dad plays with his "Superman" kid.</p>	<p>A grandmother listens to music playing with her grand children...</p>	<p>Husband and wife get together and share the "remote control" - leaving aside their ego...</p>
		
<p>Grand father recalls his moments of victory.</p>	<p>The chief earner (protagonist) promises the family, happiness, safety & security even in case of his non existence.</p>	<p>By investing in HDFC Standard Life Insurance's Home Loan Protection Plan.</p>

Advt. 4: Smart Steps Unit Linked Child Plan (Max New York Life) - 20Sec.

Type of Advertisement

This is an advertisement with an indirect invitation to contract. The insurer very beautifully strings together the emotional chords to attract the viewer. The insurer does not seem to show this advertisement with an intention to invite viewers to inquire about the product, but directs them to message a particular number so as to invest in the product.

Advertisement Theme & Content

This is yet another advertisement that touches the sentiments of the decision maker of the house. Elder male members, usually fathers, are said to be much more attached and inclined towards their daughters. The advertiser leverages on the bonding between father and daughter to end the commercial on a very touching note, when the father gets emotional. The viewers tend to completely miss the presence of the mother, who stands just beside the father.

The Insurer's Proposition

The advertisements of Max New York Life are generally known for their content based on fun and frolic. This advertisement however narrates the story of a daughter who is taught by her father to remain strong in times of distress. She decides to make her father feel proud, not letting herself down by small hiccups in life and rises to touch the skies - "*Bachpan ka khel me ek haar ho gayi to kya, Zindagi ke khel me AAKHIR JEETUNGI MAI.*" ("What if I lose a game during play in childhood? Finally, I shall win in the game of life.") This statement of the daughter does not only motivate any other daughter to aspire for her own growth in the field of her liking, but also attracts fathers to invest in their daughters' bright future.







The insurer motivates both the insuree (father) and the beneficiary (daughter) through the play of emotions. The advertisement prompts the father to help his child to achieve whatever future she aspires for. The other advertisement for children's related plan considered in this study used a kind of negative reinforcement - avoiding stress for the child. This advertisement exclusively uses positive reinforcement by communicating the message that investing in this plan will help your kids grow and meet their goals.

Viewers' Perception

Viewers rated this advertisement very high on recall and related scales. When asked to compare with the first advertisement (i.e., Birla Sun Life's Children's Dream Plan), which is for a very similar product, most respondents felt that Birla Sun Life's advertisement made a greater impact in some ways, because it left one with a feeling of sadness and discomfort regarding the way they were pressurizing their children. However, they liked the present advertisement more, because it avoided negativity. In fact one of the respondents commented "We need not be scared to get us into thinking about our children's future. We are definitely working on it, and if someone has a suggestion, it should be put in a milder and more positive way as in this advertisement."

Meeting IRDA Regulations

This advertisement fully abides by IRDA's norms by a wide margin; it makes all the mandatory disclosures in large font. It also takes a politically correct and acceptable stance by motivating parents to invest in their children's future, particularly in educating the girl child.

		
<p>Dad is happy looking at his daughter enjoying playing musical chairs at a birthday party...The music suddenly stops and the girl starts to look for a chair to sit. She runs to the last empty chair but misses it to ...</p>	<p>..another girl; gets utterly sad. Girl starts crying. Dad wipes her cheek with a finger stroke and asks her not to cry. What if the daughter misses and loses a few games in childhood?</p>	<p>Dad has taken care for his daughter to be self reliant and grow by investing in Max New York Life Insurance's SMART Steps Unit Linked Child Plan.</p>
		
<p>Dad sees his daughter becoming a successful pilot and gets emotional</p>	<p>Now the daughter wipes his cheeks and asks him not to cry, exactly as he did to her.</p>	<p>...For details on risk factors, terms and conditions, please read respective sales brochures carefully before ...</p>

Source: Adapted from www.afaqs.com

CONCLUSION

The opening up of life insurance to the private sector has attracted many players, including international financial giants, who have formed joint ventures in India in view of there being a large untapped potential for this business in India. At the same time, the sudden influx of competition and the explosion in the variety of insurance products on offer has necessitated increased advertising. Television and print are the two most popular media for life insurance advertising.

Not only has there been a huge increase in the quantity of insurance advertising in recent years, but there is also a dramatic shift in the content and focus of these advertisements. Earlier, life insurance advertisements were predominantly staid and tried to sell the product by directly referring to the principal benefits such as security for one's dependents, savings and tax benefits. However, now-a-days, life insurance advertising has become rich in creative content and most advertisements adopt the emotional route much more than the rational route to attract the attention and interest of prospective customers.

Given the complex and sensitive nature of life insurance, the Insurance Regulatory and Development Authority (IRDA) has drawn up a set of guidelines which all insurance advertisements are required to follow, in addition to other laws that may be applicable. A short

survey that was carried out has indicated that life insurance advertising has by and large been quite successful in making an emotional connect with the prospective audience, at the same time being well within the ambit of the advertising regulations. All said and done, life insurance is an “unsought product” and the transformation that has taken place in the advertising of this product category in India over the last few years is indeed astounding to say the least.

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