

Factors Influencing Insurance Awareness on Life Insurance Products Among the Young Undergraduates in Sri Lanka

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ABSTRACT

Introduction – Life Insurance occupies an essential place in the modern world since life risk, which can be assured, has increased in every walk of life. The main challenge that has to overcome in Life Insurance Industry in Sri Lanka is the lack of awareness among the people. Many people buy a Life Insurance policy and let it lapse and point out most of such cases are derived from people not understanding the value of Life insurance policy. Though the customer has the expansive range of Life insurance products to choose from, wise choices are possible only with requisite awareness within the easy reach in the market. This study aims to identify the factors influencing insurance awareness on Life Insurance products among the young undergraduates in Sri Lanka with particular reference to the undergraduates of University of Kelaniya Sri Lanka.

Design / Methodology – A well-structured questionnaire was used to obtain data to the study. One hundred and sixty (160) respondents were selected through stratified random sampling method from University of Kelaniya. The dependent variable is Life Insurance Awareness while the independent variables are Study Stream (SS), Distribution Channels (DC) and Social Class (SC).

Findings – The findings are revealed that the influence of Study Stream (SS), Distribution Channels (DC), Social Class (SC) to the Life Insurance Awareness proved statistically significant.

Conclusions – Many countries are struggling to improve the insurance system's functioning to enable the financial system. The creation of awareness generation at the university level will benefit the financial system of the country.

Keywords: *Life Insurance Awareness, Study Stream, Distribution Channels, Social Class*