



# LIC: MEASURING THE EFFECTIVENESS OF INTERNET ADVERTISEMENTS

**Mr. Chidhanandha Kumar N<sup>1</sup>, Ms. S Kavitha<sup>2</sup>**

*<sup>1</sup>IDA21BA012, Dept. of MBA, Dr. Ambedkar Institute of Technology*

*<sup>2</sup>Assistant Professor, Dept. of MBA, Dr. Ambedkar Institute of Technology*

Article DOI: <https://doi.org/10.36713/epra14349>

DOI No: 10.36713/epra14349

## ABSTRACT

*The Insurance sector is an essential part of the economy because it helps people and businesses reduce risk and protect their finances. It functions by obtaining premium payments from policyholders and providing reimbursement for specific losses, such as injuries, diseases, or property damage. It is vital for insurers to adapt and innovate in order to remain competitive and satisfy the changing demands of the market since the industry continuously changes due to advancements in technology, data analytics, and changing customer preferences. One of India's biggest and oldest life insurance firms, the Life Insurance Corporation of India (LIC), was founded in 1956. It is a significant player in the Indian insurance industry and a state-owned organization. LIC serves millions of customers by offering a variety of life insurance and investment products. Given that it is owned by the government, it plays a crucial role in encouraging long-term savings and financial inclusion in India.*

*This article examines the profound influence of internet advertising on the Life Insurance Corporation of India (LIC). As digitalization continues to reshape the business landscape, LIC has embarked on a strategic journey to harness the potential of online advertising. The study investigates the multifaceted impact of internet advertising on LIC, encompassing heightened brand visibility, targeted customer engagement, and operational efficiency. By leveraging data-driven insights and innovative marketing strategies, LIC is not only expanding its market reach but also fostering stronger customer relationships in the digital era. This abstract offers a glimpse into how internet advertising is reshaping LIC's strategies and its pivotal role in securing the corporation's relevance and competitiveness in the contemporary insurance industry.*

**KEYWORDS:** *Internet advertising, LIC insurance services, online marketing, advertising campaigns.*

## INTRODUCTION

In the ever-evolving insurance sector, technological advancements, shifting consumer preferences, and dynamic risk landscapes are driving profound changes. While challenges like cybersecurity threats and regulatory complexities persist, the industry offers promising opportunities for innovation, sustainability, and a heightened focus on customer-centricity. Insurers are increasingly leveraging digital tools, data analytics, and personalized services to adapt to this changing landscape and meet the evolving needs of policyholders.

The Indian insurance sector is experiencing rapid growth and transformation. With a large and diverse population, there's immense untapped potential. Regulatory changes have opened up the market, attracting both domestic and foreign players. Digitalization is driving accessibility and customer engagement, while innovations like health and crop insurance are addressing specific Indian challenges. Despite growth, penetration remains relatively low, indicating room for expansion and increased financial inclusion. Overall, the Indian insurance sector holds significant promise amid evolving customer needs and regulatory reforms.

Online advertising for LIC has become a crucial strategy in reaching a broader audience and enhancing brand visibility. Leveraging the power of the internet, LIC can engage consumers with informative and engaging ad content, emphasizing the importance of compelling messaging. This approach not only aids in customer acquisition and retention but also contributes to overall business performance. Different online advertising platforms, including social media and search engines, offer varying degrees of effectiveness in reaching LIC's target audience. Personalization and relevance are key factors in ensuring that ads align with consumers' needs and interests, increasing the likelihood of positive responses and actions. In summary, online advertising plays a pivotal role in LIC's marketing efforts, driving growth and engagement in the digital age.



## LITERATURE REVIEWS

**1.Pillai, Ghosh, and Vittal in 2016**, conducted research on the Influence of Internet Advertising on Insurance service providers using a review approach. The study involved an examination of existing literature and studies on Internet Advertising strategies employed by insurers, with a focus on Insurance service providers like LIC (Life Insurance Corporation). The primary objective was to assess the Impact of Internet Advertising on these providers and gauge the effectiveness of diverse Internet Advertising strategies in customer outreach and interaction. Although specific findings aren't provided, it's likely that the authors presented an exhaustive review of the prevailing literature on Internet Advertising in the Insurance sector. This encompassed various strategies used by insurers and their efficacy in reaching and engaging customers. The research outcomes could have shed light on the role of Internet Advertising in the Insurance industry, offering insights to inform industry practices and decision-making.

**2.Banwait and Sapatnekar in 2016**, employed a quantitative research method to explore consumer perceptions and preferences regarding Internet Advertising in the Insurance domain. The study employed a survey questionnaire distributed to a sample of Insurance consumers. This questionnaire encompassed aspects of diverse Internet Advertising techniques and their Influence on consumer behavior and decision- making. The results of the research provided valuable insights into consumer attitudes toward Internet Advertising within the Insurance sector, pinpointing the more effective and influential techniques. The conclusions enhanced the comprehension of consumer behavior with regard to Internet Advertising, thereby aiding Insurance companies in the development of impactful Advertising strategies.

**3.Rao and Panigrahi in 2016** undertook a study involving a literature review and analysis of existing studies and industry reports to identify effective Internet Advertising strategies for Insurance companies, with a particular focus on the Life Insurance Corporation (LIC). The authors collated information on target audience demographics, customization of messages, and online channels employed by Insurance companies, with specific attention to LIC. The research's findings underscored the importance of understanding the demographic traits of the target audience and tailoring messages accordingly. The study also highlighted the significance of utilizing a range of online channels for Advertising to achieve optimal outcomes within the Insurance sector.

**4.Jha and Goyal in 2016** endeavored to explore the Influence of Internet Advertising on customer loyalty in the Insurance industry. Utilizing quantitative research, the authors gathered data via survey questionnaires administered to Insurance customers. The research's focal point was to examine the relationship between the efficacy of Internet Advertising and customer retention, contentment, and loyalty. The findings established a meaningful positive correlation between Internet Advertising effectiveness and customer loyalty. The study posits that adept Internet Advertising can contribute to heightened levels of customer satisfaction, retention, and loyalty in the Insurance sector.

**5.Shunmugam and Durai in 2017**, embarked on a systematic review of prevailing studies, articles, and reports focusing on the role of social media Advertising within the Insurance sector, particularly concerning LIC. The authors dissected and amalgamated findings from multiple sources to glean insights into the advantages and challenges of deploying social media platforms for Advertising and engaging with Insurance customers. The study's conclusions furnished an all-encompassing overview of the potential benefits and hurdles linked to social media Advertising within the Insurance domain. This enhanced comprehension aids in understanding the Influence of social media Advertising on LIC and akin organizations.

**6.Sivaprasad and Reddy 2017** aspired to unearth the digital marketing strategies embraced by Indian Insurance companies, primarily centering on the practices of Indian insurers, including LIC. Employing qualitative research, the authors conducted extensive interviews and procured data from key stakeholders within the Insurance realm. The study's findings highlighted the growing adoption of digital platforms by Indian insurers for Advertising, customer acquisition, and retention goals. The revelations illuminated effective digital marketing strategies harnessed by Indian Insurance companies, casting light on the dynamic landscape within the Insurance sector.

**7.Prabu and Srivastava 2017** set out to scrutinize the consequences of online Advertising on customer behavior in the Indian Insurance domain. Employing a quantitative research methodology, the researchers amassed data through surveys administered to a cross-section of Insurance customers. The research assessed the Influence of online advertisements on assorted aspects of customer behavior, encompassing purchase choices, brand perceptions, and interactions with Insurance companies. The results divulged a notable affirmative correlation between online Advertising and customer behavior, signifying the substantial Impact of online advertisements on customers' choices, brand perceptions, and interactions with Insurance entities in India.

## RESEARCH GAP

The research gap identified in this study can be summarized as Lack of Specific LIC Findings: Existing research reviews various Internet Advertising strategies but doesn't offer specific findings related to LIC. An analysis that directly investigates LIC's Internet Advertising impact and strategies is needed.



Consumer Perception and Trust in LIC's Advertising: The literature reviews general consumer attitudes but doesn't delve into how LIC's specific Internet Advertising efforts shape consumer perceptions and trust.

Exploration of Emerging Advertising Trends: As digital marketing evolves, there's a gap in exploring how LIC adapts to emerging Internet Advertising trends like influencer marketing and AI-driven strategies.

Cross-media and Omnichannel Approach: A gap exists in examining how LIC integrates its Internet Advertising across various digital channels and employs an omnichannel approach.

Regulatory and Ethical Considerations: The impact of regulatory changes and ethical considerations on LIC's Internet Advertising strategies needs further exploration.

## OBJECTIVES OF THE STUDY

- To understand the Impact of Internet Advertising on LIC's marketing strategies.
- To identify the various internet advertising platforms and channels utilized by LIC for promoting its insurance products and services.
- To analyze the customer attitudes and preferences regarding online promotional strategies of LIC.

## HYPOTHESIS FOR THE STUDY

**H0:** The overall satisfaction with LIC does not significantly correlate with the Impression of LIC Online Advertising.

**H1:** The overall satisfaction with LIC does significantly correlate with the Impression of LIC Online Advertising.

## RESEARCH TYPE

The research study describing fall under the category of "Descriptive Research." This research aims to describe and document the characteristics, behavior, and patterns within a specific group or population. The study would focus on understanding the impact of Internet Advertisement of LIC. Descriptive research involves collecting and analyzing data to provide a comprehensive picture of the subject being studied, without attempting to establish cause- and-effect relationships.

## SCOPE OF THE STUDY

The scope of this study focuses on the Impact of Internet Advertising on LIC. To Identify the various internet advertising platforms and channels utilized by LIC for promoting its insurance products and services. To analyse the customer attitudes and preferences regarding online promotional strategies of LIC. It encompasses an analysis of LIC's marketing strategies, customer behaviour, and overall business performance in relation to Internet Advertising campaigns. To study the effectiveness of different Internet Advertising channels utilized by LIC.

## Source of Data Collection

### Primary Data

Primary data refers to original data that is collected directly from the source for the purpose of a specific research study, investigation, or analysis. It is data that is collected firsthand, specifically for the research at hand and has not been previously published or used in any other study. Primary data collected through surveys. Surveys will be conducted with structured questionnaire consists of multiple questions with respect to LIC and to gather their opinions and feedback regarding Internet Advertising.

### Secondary Data

The term "secondary information" refers to facts and figures that have been collected and made publicly available from sources other than the original researcher or for a different purpose. This refers to information that was collected for one purpose but used in another line of inquiry or analysis. Secondary data, gathered from places like the internet and academic journals, is gathered for the purposes of a literature review.

**Sampling Unit:** People who use Internet and exposed to online advertisements.

### Sampling Method

Convenience sampling is non-probability sampling is used in research to choose participants based on their availability and proximity to the researcher. This approach is one of the simplest and most often used in sampling, however it does have some limitations and may have certain biases.

**Sample Size:** The study conducted with 100 LIC customers.



### STATISTICAL TOOLS

The hypothesis test and chart analysis are utilized to analyze data using SPSS, utilizing percentage and bar charts to determine the relationship between variables.

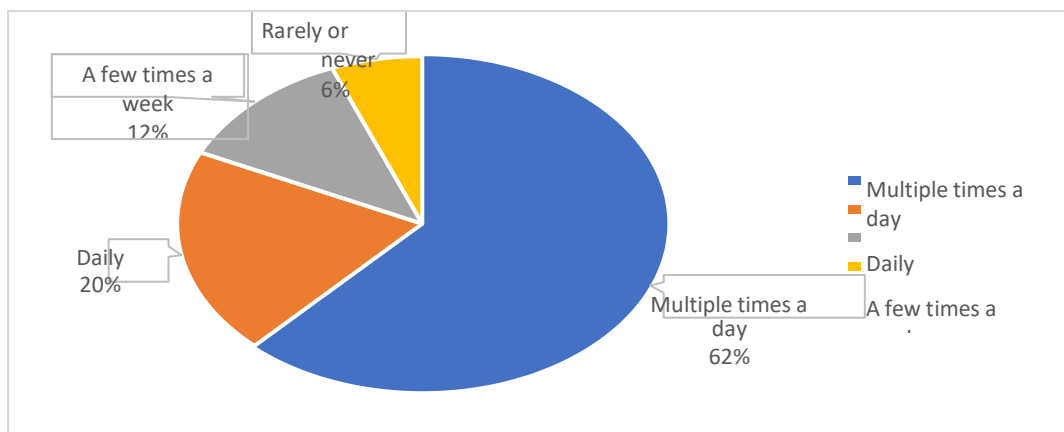
### DATA ANALYSIS AND INTERPRETATION

**Table: Frequency of Internet Usage in a Typical Week**

Response	No of Respondents	Percentage
Multiple times a day	62	62%
Daily	20	20%
A few times a week	12	12%
Rarely or never	6	6%
<b>Total</b>	<b>100</b>	<b>100%</b>

**Analysis:** From the above table, it shows that the 62% respondents use internet multiple times a day, 20% respondents come under the category of using internet daily, 12% respondents use internet few times a week and 6% use internet rarely or never.

**Chart: Frequency of Internet Usage in a Typical Week**



**Interpretation:** From the above table it can be interpreted that the respondents use internet multiple times a day which helps to understand the digital behaviour of the target audience. In today's digital age, online advertising is a prominent medium for reaching consumers. By assessing how frequently individuals use the internet.

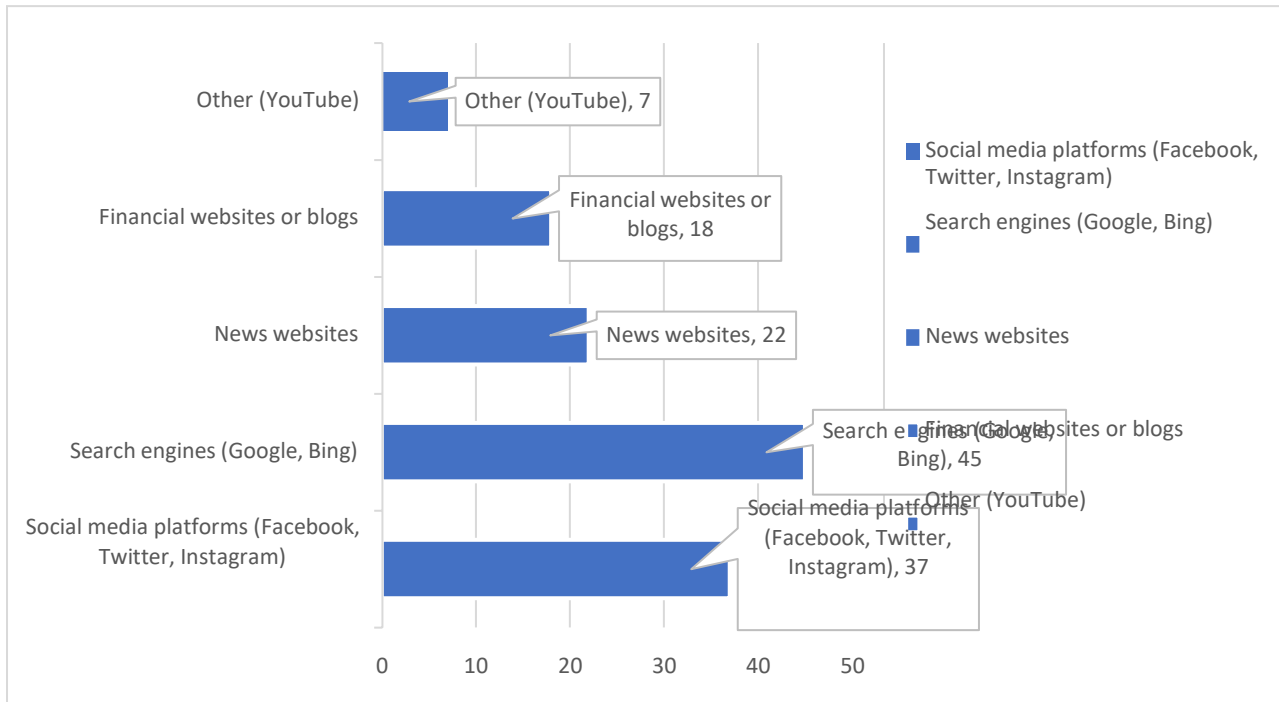
**Table: Online Platforms where LIC Advertisements are Seen**

Response	No of Respondents	Percentage
Social media platforms(Facebook, Twitter, Instagram)	37	37%
Search engines (Google, Bing)	45	45%
News websites	22	22%
Financial websites or blogs	18	18%
Other (YouTube)	7	7%
<b>Total</b>	<b>129</b>	<b>100%</b>

**Analysis:** From the above table, it shows that the 45% respondents have seen LIC advertisements on search engines, followed by 37% on social media platforms. 22% respondents have seen in News websites and financial websites/blogs and 18% respondents have seen in financial websites or blogs.



**Chart: Online Platforms where LIC Advertisements are Seen**



**Interpretation:** From the table above respondents have seen LIC ads in different platforms offer varying visibility and audience engagement. Helps to allocate resources effectively and focus on platforms with higher user engagement for better outcomes. Search engines and social media platforms are the most effective online platforms for LIC to reach potential customers.

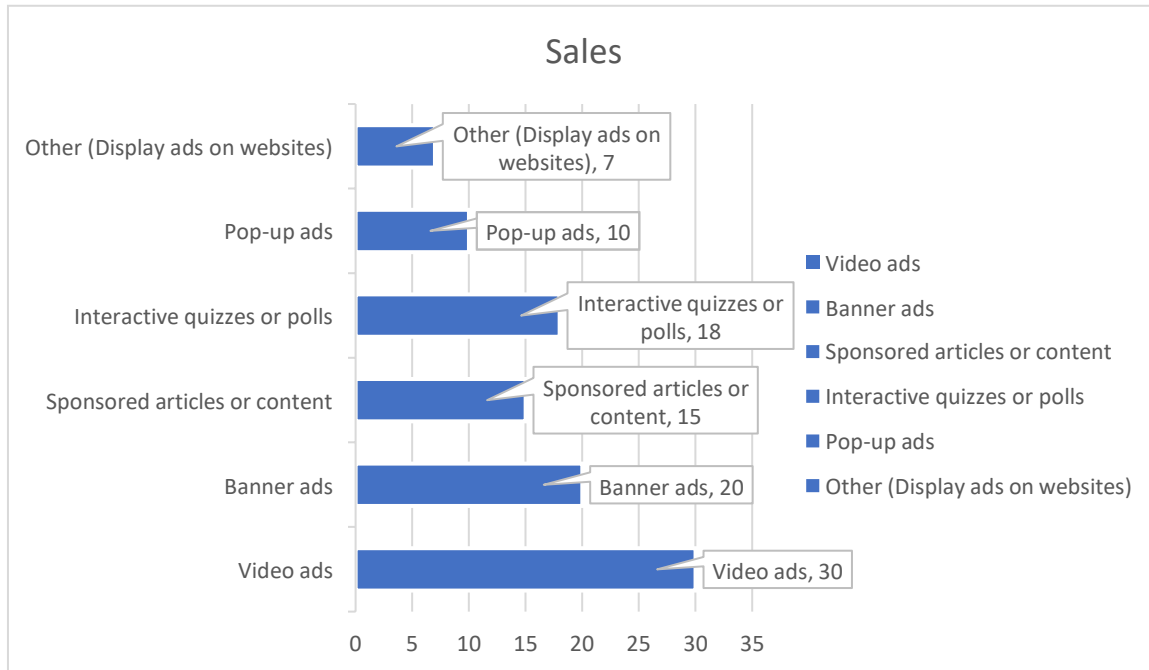
**Table: Type of LIC Internet Advertisements Seen**

Response	No of Respondents	Percentage
Video ads	30	30%
Banner ads	20	20%
Sponsored articles or content	15	15%
Interactive quizzes or polls	18	18%
Pop-up ads	10	10%
Other (Display ads on websites)	7	7%

**Analysis:** From the table above, it shows that 30% respondents have seen video ads are the most seen type of LIC internet advertisements, 20% respondents have seen Banner ads, 18% respondents have seen Interactive Quizzes or Polls, 15% respondents fall under sponsored articles or content, 10% respondents have seen Pop-up ads and 7% respondents have seen other ads.



**Chart: Type of LIC Internet Advertisements Seen**



**Interpretation:** The above table, it shows that Different ad formats have varying degrees of effectiveness and user engagement. By understanding which types of ads are more prominent or appealing to the audience. The table shows that video ads are effective in capturing the attention of respondents, followed closely by banner ads and interactive quizzes/polls. This indicates the importance of visual and interactive elements in online advertising for LIC.

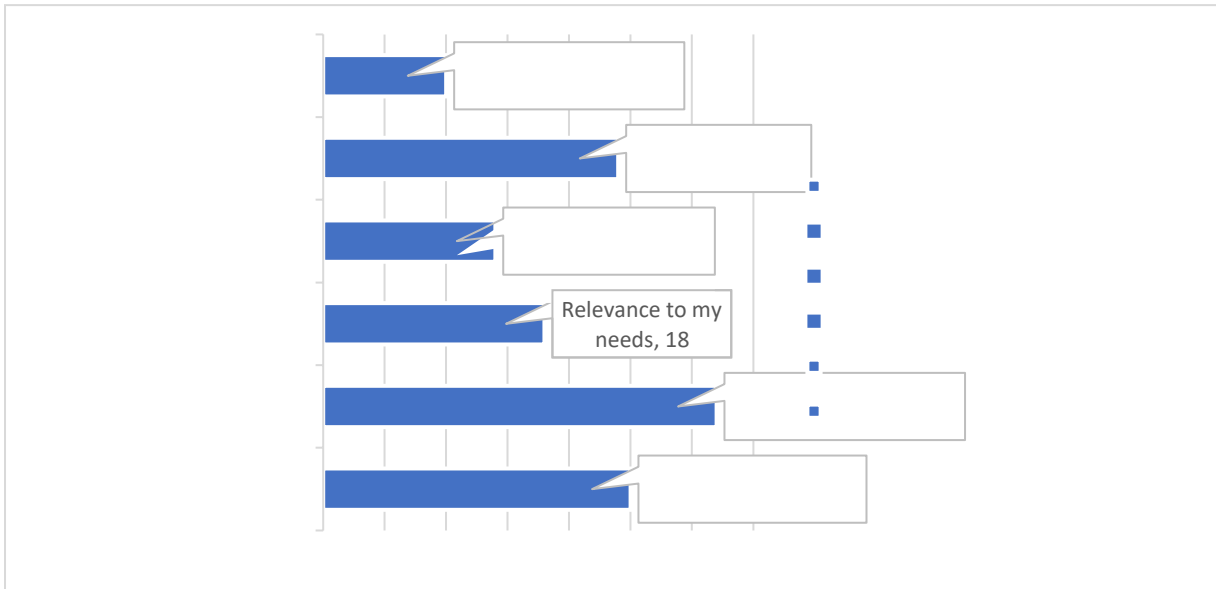
**Table: Motivation to Click on LIC Internet Advertisements**

Response	No. of Respondents	Percentage
Appealing visuals and design	25	25%
Interesting message or offer	32	32%
Relevance to my needs	18	18%
Discounts or special offers	14	14%
Curiosity to learn more	13	24%
Other (Personalized recommendation)	10	10%
Total	100	100%

**Analysis:** From the table above, it is evident that 32% respondents are interested in clicking LIC ads Because of their Interesting messages or offers, 25% respondents are motivated to click for their Appealing visuals and design, 24% respondents are curiosity to learn more, 18% respondents are motivated to click because if their needs,10% respondents have other opinion.



**Chart: Motivation to Click on LIC Internet Advertisements**



**Interpretation:** The graph shows that the respondents are interested in appealing messages/offers by LIC's internet ads, shows the effectiveness of their advertising strategy. It shows that LIC's internet ads motivates the respondents to click.

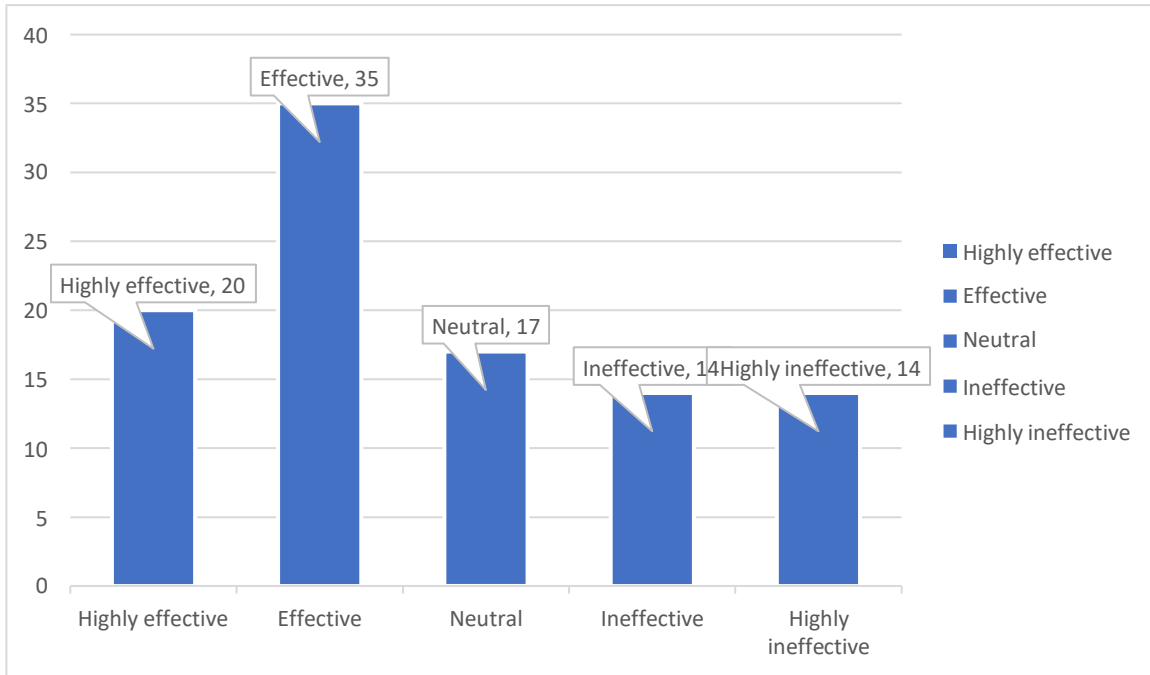
**Table: Effectiveness of LIC's Internet Advertising**

Response	No of Respondents	Percentage
Highly effective	20	20%
Effective	35	35%
Neutral	17	17%
Ineffective	14	14%
Highly ineffective	14	14%
Total	100	100%

**Analysis:** From the table above, it shows that the respondents find LIC's internet advertising to be effective, with a total of 55% highly effective, 17% respondents are neutral and 14% respondents are feeling it is ineffective and 14% respondents its highly ineffective.



**Chart: Effectiveness of LIC's Internet Advertising**



**Interpretation:** High levels of effectiveness suggest that the ads are achieving their intended goals, such as engaging viewers and motivating them to take action. From this LIC can refine its advertising approach to create more impactful and persuasive online campaigns.

**Table: Most attractive Online Advertisements by LIC**

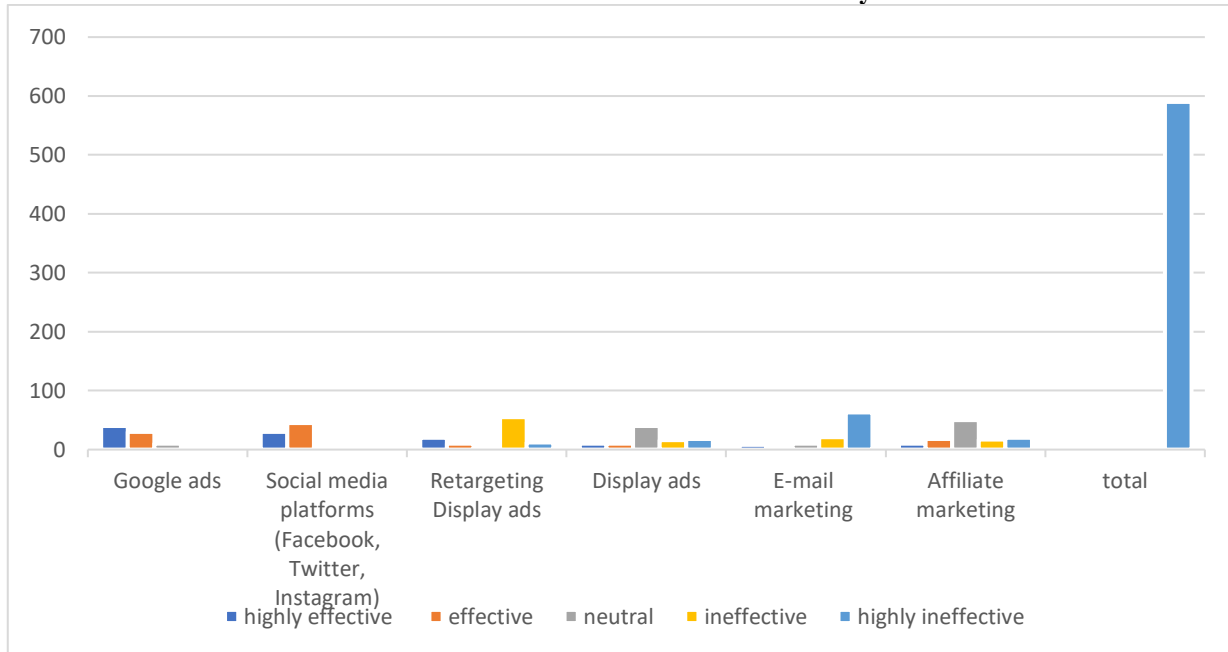
Response	Highly Effective	Effective	Neutral	Ineffective	Highly Ineffective
Google ads	40	30	10	5	2
Social media platforms	30	45	5	4	3
Retargeting Display ads	20	10	3	55	12
Display ads	10	10	40	16	18
E-mail marketing	8	5	10	21	63
Affiliate marketing	10	18	50	17	20
<b>Total</b>					<b>590</b>

**Analysis:** From the above table, 63% of respondents feel that e-mail marketing is highly in effective, 55% respondent feel that retargeting display ads are ineffective, 50% respondents feel affiliate marketing is neutral, 45% feel that social media is effective and 40% of google ads are highly effective.





**Chart: Most attractive Online Advertisements by LIC**



**Interpretation:** From the graph above, google ads and social media ads are the most effective and attractive ads, helps to allocate resources effectively and focus on platforms with higher user engagement for better outcomes. Search engines and socialmedia platforms are the most effective online platforms for LIC to reach potential customers.

**HYPOTHESIS**

**H0:** The overall satisfaction with LIC does not significantly correlate with the Impression of LIC Online Advertising.

**H1:** The overall satisfaction with LIC does significantly correlate with the Impression of LIC Online Advertising.

**This Hypothesis is tested using Spearman Rank Correlation test.**

**Case Processing Summary**

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Overall satisfaction with LIC * impression of LIC online adds	100	77.5%	29	22.5%	129	100.0%

**Overall satisfaction with LIC \* impression of LIC online adds Crosstabulation**

		Count					Total
		Informative and engaging	Repetitive and annoying	Captivating and persuasive	Irrelevantand confusing	any other	
Overall satisfaction with LIC	Extremely Satisfied	6	4	4	3	3	20
	Satisfied	8	5	15	3	1	32
	Neutral	3	2	11	1	2	19
	Dissatisfied	5	3	3	3	1	15
	Extremely Dissatisfied	6	2	3	2	1	14
Total		28	16	36	12	8	100



### Symmetric Measures

Value			Asymptotic Standard Error <sup>a</sup>	Approximate T <sup>b</sup>	Approximate Significance
Interval Interval	by Pearson's R	-0.066	.109	-.654	.515 <sup>c</sup>
Ordinal Ordinal	by Spearman Correlation	-.050	.109	-.496	.621 <sup>c</sup>
N of Valid Cases		100			

a. Without making assumptions about the null hypothesis.

b. Employing the asymptotic standard error under the assumption of the null hypothesis.

c. Grounded in the approximation of normal distribution.

### Interpretation

The correlation stands at 0.515, indicating a positive correlation. As a result, the alternative hypothesis is embraced, leading to the rejection of the null hypothesis. This permits the assertion that a substantial connection exists between the general contentment with LIC and the perception of LIC Online Advertisement.

### FINDINGS AND SUGGESTIONS

The Findings reveals that the usage of internet is high, Term insurance is the most commonly known insurance when think of LIC and the most seen ads of LIC is video ads and banner ads it is seen on the platform search engine (google, Bing) and social media. LIC's online ads motivates respondents to click again and again because of their interesting messages and offers and appealing visuals and designs while there is chance and room for improvement in target content, address ineffective impression, tracking and communicating can be improved.

### CONCLUSION

The conclusion reveals that LIC's internet advertising has a significant impact on customer perceptions and engagement. While there is room for improvement in terms of personalization and content creativity, a majority of respondents found LIC's online advertising effective and were motivated by interesting offers and visuals. To continue its success in the digital realm, LIC should consider these findings and adapt its online advertising strategies accordingly.

### REFERENCES

1. **Banwait, S. S., & Balasivanandha, S. (2019).** *Effectiveness of internet advertising on customer loyalty: A case study of LIC insurance services. Journal of Business and Marketing Research, Volume, Issue 17(1), Pg.no.1-14.*
2. **Durai, V. R., Sivaprasad, K., & Reddy, N. V. (2018).** *Online advertising and consumer perception: A study on LIC insurance services. Journal of Marketing and Consumer Behaviour in Emerging Markets, volume issue 3(2), pg.no97-110.*
3. **Jha, A. K., Goyal, R. K., & Prasad, S. V. (2020).** *Internet advertising and customer trust: An empirical study on LIC insurance services. Journal of Digital Marketing, volume issue 8(2), 113-128.*
4. **Ghosh, P. K., & Venkataraman, P. S. (2020).** *Digital advertising and its impact on consumer purchase intention: A study on LIC insurance services. Journal of Marketing and Communication, volume issue 8(1), pg.no 23-34.*
5. **Panigrahi, S. K., & Sapatnekar, S. L. (2018).** *The influence of internet advertising on purchase intention: A study on LIC insurance services. Journal of Business and Economics Research, volume issue 16(2), pg.no 67-78.*
6. **Pillai, P. N. R. (2019).** *Impact of online advertising on consumer behaviour: A study with reference to insurance products. International Journal of Marketing and Management Research, volume issue 10(2), pg.no 65-76.*
7. **Prabu, S. B., Srivastava, S. K., & Keshav, R. P. (2017).** *Impact of internet advertising on customer engagement: A study on LIC insurance services. International Journal of Management and Social Sciences, volume issue 6(3), pg.no 187-198.*
8. **Sapatnekar, S. L., Rao, M. R., & Panigrahi, S. K. (2021).** *Analyzing the effectiveness of internet advertising in the Insurance Industry: A case study of LIC. International Journal of Business Research and Management, volume issue 12(1), pg.no 45-58.*
9. **Shunmugam, M. S., & Thampi, S. M. (2022).** *Role of internet advertising in enhancing brand awareness: A study on LIC insurance services. Journal of Insurance and Financial Management, volume issue 9(2), pg.no 87-101.*
10. **Srivastava, S. K., & Prabu, S. B. (2022).** *Analyzing the impact of internet advertising on brand perception: A study on LIC insurance services. Journal of Marketing Research and Case Studies, volume issue 2022(1), pg.no 28-41.*