



CONSUMER GUIDANCE SOCIETY OF INDIA (CGSI)

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Block J, Azad Maidan, Opposite Cama Hospital, Mahapalika Marg, Mumbai 400001.

Website: www.cgsiindia.org; www.cgsi.godaddysites.com **E-mail:** cgsibom@gmail.com

Tel: +91-22-22621612 **Cell:** 8591373571, 8591375883, 8591398781, 9082860054, 9372786613

“Consumer Awareness Study on Insurance Products”

The Consumer Guidance Society of India (CGSI) in collaboration with over 200 students of NCRD's Sterling College of Arts, Commerce & Science recently carried out a “Consumer Awareness Study” designed, primarily to understand the public awareness, perception, usage, and challenges related to insurance products. We are aware that financial inclusion and regulatory focus on consumer protection, is rapidly growing now and this study aims to highlight the key gaps between policy availability and consumer understanding.

More than 200 students actively participated in collecting primary data through door-to-door surveys across Navi Mumbai. Students approached most of the respondents personally, ensuring authenticity of responses. The study covered demographic details, awareness levels, purpose of insurance, satisfaction levels, and suggestions for improvement. This report presents a detailed analysis of the Insurance Study.

Dr. Richa Chandra (Coordinator of DLLE, Sterling College) guided the students. The “Consumer Awareness Survey” engaged 1146 participants, of various age groups from 18 years onwards, both employed and unemployed individuals highlighting the wide representation of community voices.

Some Key Observations of the study:

1. The study indicates that people largely (80%) perceive insurance as a risk protection tool rather than a long-term financial planning instrument.
2. A significant proportion of respondents rely on agents and acquaintances (almost 60%) while purchasing policies, indicating limited independent understanding of insurance products.
3. Awareness levels vary across age groups, with middle-aged respondents showing higher policy ownership, while younger respondents demonstrate awareness but lower participation.
4. Claim settlement procedures and lack of transparency emerged as recurring concerns among respondents.

Suggestions and Recommendations from Respondents:

1. Simplifying policy documents,
2. Faster claim settlement,
3. Greater use of digital platforms,
4. Increased consumer education initiatives.
5. Strong need for insurance companies to build trust with transparent communications.

The table below details the findings of the study.

Age Group	Respondents	Insured	Not Insured	% Insured
18 – 30	469	238	231	51%
31 – 45	369	271	98	73%
46 – 60	232	174	58	75%
Above 60	76	54	22	71%
	1146	737	409	64%

Occupation	Respondents	Insured	Not Insured	% Insured
Employed	605	438	167	72%
Homemaker	127	74	53	58%
Pensioner	40	28	12	70%
Self-Employed	233	149	84	64%
Student	112	34	78	30%
Unemployed	25	14	11	56%
Not Recorded	4			50%
	1146	737	405	64%
Annual Income		Insured	Not Insured	% Insured
Below ₹3 lakh	613	341	272	56%
₹3 – 6 lakhs	241	184	57	76%
₹6 – 10 lakhs	106	87	19	82%
Above ₹10 lakh	82	10	72	12%
No Income	104	55	49	53%
	1146	677	469	59%
Type of Insurance				
Health Insurance	450			47%
Life Insurance	353			37%
Term Insurance	97			10%
Others	54			6%
Type of Life Insurance				
Money Back / Endowment	194			32%
Not Sure / Do not Know	199			33%
Term Insurance	179			30%
ULIP	31			5%
Mode of Purchase				
Agent	330			45%
Bank / Other	95			13%
Employer	121			17%
Online	181			25%
Decision Influenced by				
Advertisements	93			9%
Agent	191			19%
Company reputation	107			11%
Family/Friends	411			41%
Low premium	42			4%
Online research	150			15%
Reason for Insurance Purchase				
Investment	142			20%
Risk Cover	307			42%
Both	275			38%
Exclusions Explained before Purchase				
No	138			19%
Yes	574			81%
Return on Investment Explained before Purchase				
No	277			43%
Yes	365			57%

Renewal Missed		Respondents	
No	601	83%	
Yes	122	17%	
Reason for Missing Renewal			
Did not find useful	6	5%	
Financial issues	8	7%	
Lack of awareness	8	7%	
Others	5	4%	
Poor service	7	6%	
Reason not disclosed	88	72%	
Regret for Missing Renewal			
No	184	61%	
Yes	116	39%	
Is there low Awareness among youth?			
No	227	20%	
Yes	348	31%	
Not sure	550	49%	
Improve Awareness (Suggestions & Recommendations)		Respondents	
Awareness programs in colleges	585	51%	
Employer involvement	141	12%	
Financial literacy workshops	266	23%	
Government initiatives	346	30%	
Mobile apps/Online tools	308	27%	
Others	141	12%	
Simple and faster claim settlement & Transparent policy information	308	27%	
Social media campaigns	519	45%	

The Consumer Guidance Society of India (CGSI), thanks the guiding faculty Dr. Richa Chandra and the enthusiastic students from NCRD Sterling College of Arts Commerce & Science, involved in this “Consumer Awareness Study on Insurance Products” highlighting the crucial role of financial literacy in enhancing insurance penetration, for their commitment, discipline, and sensitivity, for actively interacting with respondents, and collecting insights that significantly enriched the project. We believe that this “Consumer Awareness Study” not only generated valuable consumer insights but also provided students with practical exposure to field-based research and social responsibility.

The Consumer Guidance Society of India (CGSI), also thanks all the respondents for giving their free and frank views to make this “Consumer Awareness Study” a grand success aligning with CGSI’s mission to promote awareness and empower consumers, in addition to fostering a sense of responsibility among young students.

The Consumer Guidance Society of India (CGSI) awarded students taking part in the “Consumer Awareness Survey” with certificates of appreciation. CGSI, in addition, affirms with NCRD Sterling College their commitment to future collaborations aimed at strengthening consumer rights education and awareness, particularly for vulnerable groups of our society.

Contact: The Consumer Guidance Society of India (CGSI) for any further details