

A Study on The Factors Influence on Buying Intention of Life Insurance (with Special Reference to Colombo and Gampaha Districts in Sri Lanka)

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Low penetration levels in life insurance business reflect that the people have lower level of purchasing intention of life insurance. This situation leaves a question on why the purchasing or buying intention of people on life insurance is at a lower level in Sri Lanka despite of the benefits provided by a life insurance policy. Based on this situation, the research problem is formulated as “What are the factors influencing the buying intention of life insurance?”

The main research objective of the study is to study the factors influencing the customers’ buying intention of life insurance. In addition to that, specific objectives of the study constitute of identifying key factors, highest influencing factor and demographic factors on buying intention of life insurance while providing valuable recommendations to the management.

The methodology for testing the hypothesis contains a quantitative survey. That indicates this research uses the deductive approach. While data gathering was carried out utilizing both primary and secondary sources, a standard questionnaire was used as the main method of gathering data for the research. Descriptive statistics tools such as mean, standard deviation, range, and inferential statistics tools such as correlation, and ANOVA were used in order to analyze the data gathered through questionnaire.

According to analyzed data, while there is a positive relationship between independent variables and the dependent variable which represents buying intention, the highest positive correlation exists between the long terms benefits of a life insurance policy and the buying intention on life insurance.

Key Words: *Buying Intention, Corporate Image, Service Quality, Traits of Salesperson, Long Term Benefits*