FINANCE

Customer Awareness, Life Insurance Advisory and Customer Perception: A Case Study of Tata AIA Life Insurance

Harsh Jasbir Singh Negi[1], Jyoti Sah[2]

[1]Amity University Maharashtra, India
[2]Guide, Amity University Maharashtra, India

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Abstract

Tata AIA Life Insurance operates in India's life insurance sector and offers resolutions associated with protection, savings, wealth creation and retirement needs, broadly speaking. A customer's decision may, in practice, be impacted by income, family responsibilities, affordability, product features, brand reputation and confidence in the advisor, to a significant degree. Life insurance is a long-term financial commitment.

1 Introduction

Tata AIA Life Insurance operates in India's life insurance sector and offers resolutions associated with protection, savings, wealth creation and retirement needs, broadly speaking. A customer's decision may, in practice, be impacted by income, family responsibilities, affordability, product features, brand reputation and confidence in the advisor, to a significant degree. Life insurance is a long-term financial commitment.

The student gained exposure to the customer-facing side of the life insurance business during the 28-day internship as a New Life Advisor Intern, on the whole, and the internship report is outlining learning related to elementary insurance concepts, spotting future customers, starting conversations, explaining the purpose of life insurance, following up with prospects and understanding widespread customer questions and objections, in many respects.

The case centers on the connection between customer awareness and responsible advisory communication, and is examining how an advisor can help a possible customer understand the purpose of insurance, compare broad product categories and appraise policy information without treating a sales conversation as a swap for the customer's own review of policy documents, in actual application.

2 Organizational and business context

Life insurance is typically supporting household financial planning by helping tackle the financial effects of the death of an insured person, subject to the terms and conditions of the policy, in real-world scenarios; hinging on the product, customers may also consider savings, market-linked or retirement-oriented attributes, so these product categories serve diverse purposes and shouldn't be offered as interchangeable, on the whole.

Table 1. Customer needs and the focus of the insurance discussion.

Customer need	Insurance discussion focus
Family protection	Income replacement, dependants, liabilities and appropriate cover
Long-term savings	Premium commitment, policy duration and maturity-related terms
Market-linked goals	Investment risk, fund options, charges and policy conditions
Retirement planning	Long-term goals, income needs and product-specific benefits
Additional protection	Riders, eligibility, extra cost and the risks covered

3 Internship exposure and advisor processes

Table 2. Internship exposure: advisor processes and their relevance.

Process / activity	Learning or business relevance
Product and insurance learning	Understanding basic life insurance concepts, product categories and commonly used terminology
Lead generation	Identifying prospective customers and understanding how potential customer contacts are developed
Introductory customer conversations	Practising how to introduce life insurance and communicate its purpose in simple language
Need discussion	Learning to connect a customer's stated responsibilities and goals with the broad purpose of financial protection
Follow-up	Understanding the importance of timely communication, persistence and maintaining professional relationships
Handling questions and objections	Recognising concerns such as affordability, lack of awareness, product complexity and uncertainty
Documentation and process awareness	Understanding that customer information and policy-related explanations must be accurate and handled through approved processes

The internship report outlines these activities as learning exposure and applied experience; so, it doesn't verifiedly count leads contacted, policies sold, on the whole, and yet, premiums made, and so this case doesn't claim precise sales achievements or conversion rates, to a significant degree.

The experience showed an advisor's part isn't restricted to introducing a product; it also entails listening to the customer's concerns, explaining pertinent information in a balanced manner, avoiding unsupported commits and encouraging the customer to review formal policy documents, to a significant degree.

4 The management challenge

The central roadblock in this case is the gap that can (to a meaningful extent) likely exist between recognising the name of an insurance company and understanding how a life insurance policy works, on the whole; a customer may know that insurance financially protects but may not understand the difference between term protection, savings-oriented products and unit-linked plans, to a significant degree. Customers may also be uncertain about premium continuity, policy exclusions, guaranteed and non-guaranteed benefits, claim documentation or the results of stopping a policy.

A communication challenge for a New Life Advisor is being created by these gaps, on the whole; and thus, the advisor must make information understandable while preserving precision and avoiding exaggerated claims. Still. A conversation stressed only on product features or premium amounts may fail to tackle the customer's actual concern, on the whole; and thus, even as, a first-time buyer may be confused by a discussion that's too technical.

A second obstacle is normally affordability and long-term commitment; indeed, a premium that's appearing manageable at the time of buy may become difficult if income or household expenses change, on the whole. Customers should, of course, understand the payment term, policy duration and effects of missed premiums before deciding, broadly speaking.

The internship report also is spotting a research limitation, including no confirmed primary customer-survey dataset was supplied for the report, to a significant degree, and then on, the case doesn't claim to measure actual customer awareness levels or spot the most popular purchase factor among Tata AIA customers, on the whole.

5 Customer decision factors

Table 3. Customer decision factors.

Decision factor	Why it matters in a customer discussion
Affordability	The premium should be considered against income, vital expenses and the ability to continue payments, in actual application.
Sum assured / cover	The amount of protection should be considered in relation to dependants, debts and future financial responsibilities, on the whole.
Policy term	The duration should be understood in relation to the period for which protection or other policy benefits are currently needed, in actual application.
Benefits and exclusions	Customers should understand what's covered, what's left out; in turn, on top of that, which benefits are, in effect, guaranteed or conditional, to a significant degree.
Brand and claims information	Well the same, total claim statistics don't guarantee an individual claim outcome, and company disclosures may, by design, inform confidence.
Advisor support	Clear explanations and responsive communication can, in effect, help customers understand product information and next stages, in real-world scenarios.

6 Illustrative company and industry exhibit

The following indicators are reproduced from the student's internship report and are introduced as reported company or industry information, in many respects; and thus, they offer context for the case; they aren't findings created by the student's internship activities, to a significant degree.

Table 4. Company and industry indicators reported in the internship report.

Indicator	Reported value	Interpretation / limitation
Tata AIA total premium income, FY 2024–25	₹31,484 crore	Company-level premium income; it indicates business scale, not customer awareness.
Growth in total premium income	23% year-on-year	Reported growth for the stated financial year; it doesn't establish the reason for growth, on the whole.

Indicator	Reported value	Interpretation / limitation
Individual weighted new business premium income, FY 2024–25	₹8,511 crore	A new-business measure reported in the internship report; it's separate from total premium income, broadly speaking.
Claim settlement ratio by number, FY 2024–25	99.41%	An total company-reported ratio for the period; it isn't a promise that every future claim will be paid, on the whole.
India insurance penetration, FY 2024–25	3.7%	Sector-level insurance premiums relative to GDP, as mentioned in the internship report.
Life insurance penetration, FY 2024–25	2.7%	Life insurance segment indicator; it isn't a direct measure of an individual's knowledge.

7 Analysis of key customer and advisory areas

7.1 Customer awareness

Awareness should perhaps be assessed beyond whether a person has heard of life insurance, on the whole. Uncomplicated examples can be employed by an advisor and ask the customer to explain key points in their own words. Applicable fields are encompassing understanding the purpose of protection, differences among product categories, premium continuity, policy exclusions and claim methods.

7.2 Product selection and affordability

The lowest premium isn't automatically the best choice; the customer is mainly needing to understand what protection is generally provided and whether the commitment is often sustainable, broadly speaking; product selection entails balancing the amount of cover, policy term, premium affordability and the benefits offered, broadly speaking.

7.3 Trust and communication

The customer should be given time to review the formal brochure, benefit illustration and policy wording, in many respects; trust is supported by exact explanations, transparent discussion of shortcomings, timely responses and avoidance of guaranteed-return or claim-related commits that aren't supported by the policy contract, in real-world scenarios.

7.4 Follow-up and relationship management

Follow-up helps uphold communication with possible customers, explain questions and explain the next stages; it should remain professional and respectful of a customer's decision not to continue, to a significant degree.

8 Recommended management response

Table 5. Recommended management response.

Priority / timeline	Recommended action	Expected benefit
Immediate / ongoing	Use a uncomplicated, uniform explanation of the purpose of life insurance and distinguish protection from savings or market-linked traits, on the whole.	Improved customer understanding and fewer misunderstandings.
Before product discussion	Understand the customer's stated responsibilities, financial goals and premium comfort before exploring product options, in real-world scenarios.	More relevant and customer-focused conversations.
During explanation	Explain premium term, policy duration, key benefits, exclusions, charges and non-guaranteed elements employing current formal documents.	Clearer expectations and more informed decisions.
After discussion	Invite questions and encourage customers to review the policy brochure, benefit illustration and policy wording, in actual application.	Better transparency and customer confidence.
Follow-up stage	Preserve professional follow-up data and respect the customer's preferred communication and decision.	More organised prospect management and stronger relationships.
Ongoing learning	Update product knowledge and use only current company-approved information and processes.	Reduced risk of outdated or inaccurate explanations.

The recommendations are intended as an academic management response; indeed, Tata AIA's authorised protocols and applicable regulatory needs must be followed by any customer interaction, lead record, proposal or policy-related activity, in actual application.

9 Decision point for discussion

The customer is, in practice, concerned about affordability, doesn't clearly understand the difference between protection and savings-oriented products, and questions about what happens if premiums are usually missed, in real-world scenarios; and thus, a future customer is interested in life insurance but is currently unsure whether to continue; in turn, the advisor has restricted time for the explanation of the available information, broadly speaking.

The decision is how the advisor should structure the conversation; the case is supporting a needs-led method, such as understand the customer's concerns, explain the applicable notions in plain language, use current formal records and avoid pressuring the customer into a decision, broadly speaking. Should the advisor begin with a product presentation, emphasize first on the customer's needs, explain the foundational ideas, or tackle affordability and policy conditions before checking any product?

10 Discussion questions

- Why is normally customer awareness essential in the life insurance business?
- How does a New Life Advisor contribute to customer education and trust?
- What's the difference between elementary awareness of life insurance and understanding policy terms?

- Why should, by design, maybe affordability be considered over the full premium-payment period rather than only at the time of buy?
- How should an advisor explain the difference between protection-oriented, savings-oriented and unit-linked products?
- Why should probably company-level claim settlement ratios not be treated as a guarantee of an individual claim?
- What information should a customer review, before committing?.
- Which three recommendations in this case should an advisor prioritise, and why?

11 Learning outcomes

- Life insurance is a long-term financial product that's needing clear explanation of purpose and benefits, in actual application.
- Customer awareness includes understanding policy features and shortcomings, not merely recognising an insurer's name, in many respects.
- Communication, listening, follow-up and relationship-management skills are being needed by a New Life Advisor, in actual application.
- Affordability, cover amount, policy term, exclusions and premium continuity are, more accurately, significant parts of customer decision-making, broadly speaking.
- Trust rests on transparent communication and the use of precise, current and authorised product information, in real-world scenarios.
- Context is being offered by company and industry statistics but can't replace confirmed customer-level research, on the whole.
- Internship exposure is helping connect classroom concepts in finance and marketing communication with customer-facing financial services, in actual application.

12 Conclusion

The importance of customer awareness and responsible advisory communication in the life insurance sector is shown by the internship-based case of Harsh Jasbir Singh Negi at Tata AIA Life Insurance, in real-world scenarios; the 28-day internship as a New Life Advisor Intern offered exposure to insurance concepts, prospect identification, introductory customer conversations, need discussions, follow-up and prevalent customer questions, broadly speaking.

The case is suggesting that an effective advisor conversation should begin with understanding the customer's concerns and explaining the purpose of insurance in clear language, in many respects; product features should be assessed alongside affordability, policy duration, exclusions and the customer's ability to keep up premiums, in actual application. Background can be offered by company-level performance indicators; in turn, still, they don't establish individual customer understanding or policy suitability.

The case is intended for academic discussion and doesn't gauge an individual policy or offer personalised insurance advice, to a significant degree; in fact, a stronger customer experience rests on precise information, transparent communication, professional follow-up and a customer-led decision process, in many respects.

13 Teaching note and data-use disclaimer

Suggested course areas, like Financial Services, Marketing of Financial Products, Customer Relationship Management, Business Communication and Financial Planning, on the whole.

Suggested classroom approach, like Ask students to map the advisor-customer interaction, spot the information gaps faced by a possible customer, distinguish company-level indicators from customer-level proof and design a clear, ethical explanation process, broadly speaking.

Data-use disclaimer, including This case has been prepared by reorganising material from the student's Tata AIA Life Insurance Summer Internship Project Report into the six-page academic discussion-case arrangement employed in the friend's sample, in actual application; internship activities and company/industry indicators are included only to the extent supported by that report, in actual application. The company statistics are reproduced as stated in the internship report and should be inspected against original formal publications before formal external use; this case isn't an audit, product recommendation or autonomous verification of company performance; no customer survey percentages, lead counts, policy sales, premium collections or conversion rates have been invented.

References

[1] Insurance Regulatory and Development Authority of India (2025). Annual report 2024-25.

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[3] Tata AIA Life Insurance Company Limited (n.d.). .

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