

¹Measuring Influential Factors for Successful Marketing of Life Insurance (Case Study: Mashhad Branches, Iran)

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ABSTRACT

In this survey we have identified the influential factors on life insurance supply in order to identify the affecting factors for success of Mashhad Insurers (as an influential example). Also the emphasis is on the experiences of other countries. So to achieve this goal, at the first step we examine the theoretical fundamental of life insurance, the marketing concept (in general) and the sale of insurance services (in particular), and at the next step we considered to examine some of the insurance companies performance indexes, such as *ALBORZ*, *IRAN* and *ASIA* insurance companies to demonstrate the success of the insurers during the period 2001 to 2004. This study confirmed the success of *IRAN*, *ASIA* and to some extent *ALBORZ* insurance companies, especially from 2002 to end of 2004, and make us to identify success factors by interview and questionnaire tools. The results included three main factors: Individual characteristics of insurers (Va), knowledge (Vb) and retail skills (Vc), and introduced the study of consumer behavior. So at the end of this paper, we presented a three-stage applied model in order to sailing insurance services regarding the experiences of other countries and the results of survey analysis (with an emphasis on life insurance), so that any insurance company in any state can use this model in order to localization of these factors to increase sales of insurance services.

KEYWORDS: Life insurance, marketing, consumer's behavior, insurance vendors, the three-stage model of life insurance marketing.

JEL Classification: E32, R11, L52

INTRODUCTION

Since the beginning of human life, security is noted in various aspects of economic, cultural, social, political and military. But today this problem is almost gone with the advent of insurance industry, so today types of insurance services have great importance for the security of the human from different perspectives. Insurance industry in different countries can be completely removed people's worry about the loss of life (death, injury, disability, etc.) and financial risks (floods, earthquakes, hurricanes, etc.) by offering insurance services especially life insurance. If this is true then insurers will success to attract customers (consumers of insurance services or purchasers of policies) by using different methods of marketing. Indeed they can convince insurers that purchasing of policies (e.g. life policy) can be the best way to create security. This is a main factor for some insurers that distinguish them from others. Therefore this is the main aims of the paper that forms the main object of researcher. And finally makes the applied model to sale of these insurance valuable services.

Therefore according to the small percentage of life insurance sales compared with the non-life insurance and unwilling trend in society, performing this research on a scientific and practical model of life insurance marketing has an important role in life insurance marketing due to the successful operation of the insurers.

LITERATURE REVIEW

Life Insurance in its modern form has emerged after marine and fire insurances; however it has a very ancient root. Two centuries before Christ, Ulpein, the Romans legal counsel, set mortality tables and rules for devotion that the large part of them was used in legal procedures of Europe in the nineteenth century. (Kardgar, 1997)

The first life insurance policy related to the "William Gibbons" at the time of Elizabeth I queen (1583 AD) at the rate of 8%. In the sixteenth century slaves have trade value and when they had been shipped from the port to another port, immediately they were insured as goods. This process was escalated for the formation of the modern scientific view of the life insurance after Lorenzo Tonti (Italian Banker) plan and scientifically with the innovative scientists such as Bernoulli, Deparsiu and Euler that called "Actoriya Science" (the combination of probability science and financial calculations), and then life insurance was based on a firm scientific basis rather than Tonti win-lose bet form. The expertise called this technique: "Actoer". The first insurance company

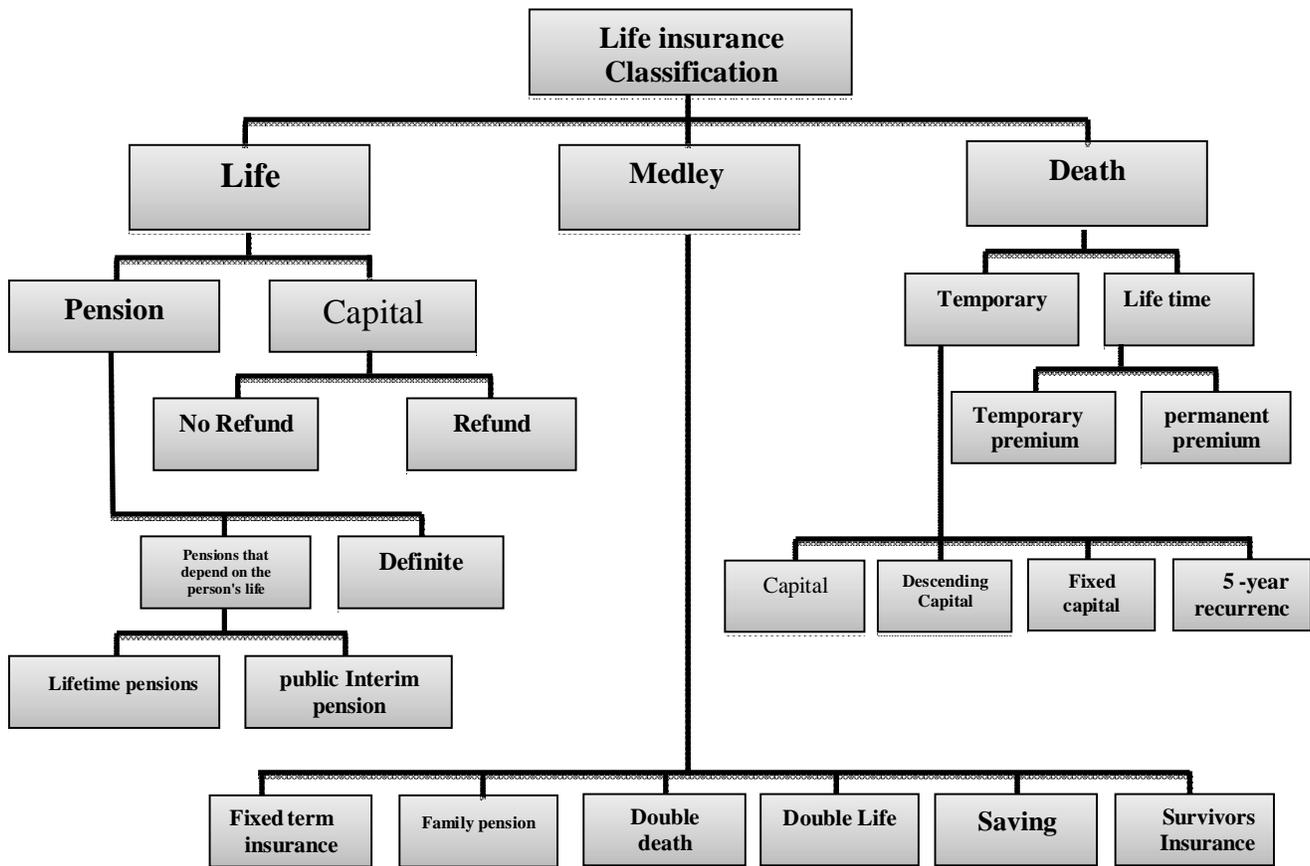
¹This paper is extracted from a research project.

established in England in 1762, and the first scientific research about this matter published in 1812, and then there are a lot of enterprise and corporation advent in the European and American countries. The life insurance in Iran began by a foreign insurance company agency named Victoria in 1314. The first life policy was medley that issued by this company. Since then, another insurance companies began issuing life policy in Iran, such; as ARYA, NATIONAL, ASIA, ALBORZ, OMID, BUILDING & WORK, HAFEZ, TEHRAN, KNOWLEDGEABLE & CAPABLE insurance companies (from 1935 to 1974). Generally life insurance contracts have been divided into four general categories as follows:

- A) Time life insurance (death or the condition of simple death time)
- B) Full life insurance
- C) Saving insurances
- D) Pensions

The above classification is a generic classification, so we can express a comprehensive classification from Mohammad Johariyan’s book, “*life insurance*”. It is presented in figure 1(Joharyan, 1994).

Figure 1



Daria Nesterova has investigated the determinants of the demand for life insurance. He believed that Life insurance market of transition economies had experienced a rapid growth during the last decade. He tries to investigate the impact of the determinants of life insurance demand in Ukraine and several other countries of the region, both CEE and CIS. By using Panel data approach for 14 countries over the period 1996-2006, he found that countries with higher life expectancy at birth, income level, old dependency ratio and countries-members of the European Union have higher levels of life insurance consumption, while financial development indicator, inflation and real interest rate reduce the demand for life insurance across countries. (Daria Nesterova, 2008)

Dorothea Diers studied measuring market-consistent embedded value in non-life insurance. He calculated the market-consistent embedded value (MCEV) based on empirical data and set up an economic balance sheet. After explaining MCEV, the authors derive differences between life and non-life insurance and develop a MCEV model for non-life business. His analysis provided new and relevant information to the stakeholders of an insurance company. He reveals significant valuation difference between MCEV and other factors and argues that

there is a need for a consistent MCEV approach at the insurance-group level. The paper presents a technique for non-life insurance that is easy to use, simple to interpret, and directly comparable to life (Dorothea Diers, 2012)

Ho Taek Yi has surveyed determinants of telemarketer misselling in life insurance services. They try to present and test a model regarding important factors that may help reduce unethical behavior (i.e. misselling) of salespeople in the financial services industry. To test the hypotheses, telemarketers from the life insurance industry in South Korea were surveyed. The results indicate that: ethics training is positively related to salesperson ethical attitude; ethical climate is positively related to salesperson ethical attitude; selling pressure is unrelated to ethical attitude; competitive intensity is positively related to salesperson ethical attitude; competitive intensity is unrelated to misselling; and misselling is inversely related to salesperson ethical attitude, positively associated with product complexity, and positively related to product variety. The potential for financial services industry salespeople to behave unethically is predicted to increase as each condition. (Griffank life, in str 2012)

Kalyana Prateem has investigated and discussed the current life insurance portfolios: rules-in-use, interest rate risk, and Solvency II. He tries to provide an overview on potential impacts German primary life insurers. His Findings showed that some participants have started to consider the run-off option for selected carriers; he found that this option may represent an appropriate consequence not only for foreign insurers ceasing their business in Germany but also for domestic insurance groups. His research help to bring into focus the strong challenges by both the upcoming regulatory Solvency II and the current market conditions. (Kaes life Radzvangs) 2012

Under the Life insurance death and life benefits largely. These policies are important from two aspects: One of them is the provision of financial loss due to the death of the insured at the time of insurance and the other one is capital provision during expiration insurance time for old age beneficiaries which are better this policy be perfect by purchasing supplemental insurance and disability. In this type of life insurance; (Sheydayi, 1998)

1. Insurance companies are required to pay the capital both when the insured dies during the policy term and when they live during this period.
2. Medley insurance has been established from temporary insurance with downward capital and upward savings trend. The saving factor is gradually increased until it is equal with the term insurance capital. Until then medley insurance is usually 10, 15, 20, 25, 30 years or more. (Up to 30 years)
3. Security on capital risk of death for capital formation
4. Providing children education expenses as well as capital formation in case of death during aging and senility. It is noteworthy that most people have limited income and insurance needed to be more supply side. Buying a short-term co-insurance or medley insurance will make available investment for a person without any provision need for them. For example, a young man who is not married still in need of additional support while he spends a part of his limited income for the high insurance fees or policy of medley insurance.

Therefore, we not recommend buying this policy in cases where it is necessary to provide temporarily or permanently. Because its premium is higher than the other premiums and also with increasing insured age and insurance term it increases and decreases, respectively. Considering the impact of marketing and sale of insurance services (especially life policies) is very important and we investigate this process in next step.

The concept of marketing and its stages (with an emphasis on insurance services vendors)

Generally, "marketing is a series of processes and operations in which individuals and organizations are trying to change the quality and quantity of exchanges with the need and demand of others to achieve their goals." There is a fundamental concept in this definition. First, marketing is a process. Actually consists of several stages, which associated with together and interact with each other as members of a system. Another point in the above definition is that marketing being bound for individuals and organizations. Similarly, in this definition, the quality and quantity determination of transactions is the basis of marketing activities, which lead to marketing. Therefore, marketing efforts must show its result in change of quality and quantity in trade. Another issue lies in the definition is that marketing activities focus on identifying and meeting the needs of our customers. This is a concept that forms the core of marketing efforts. Finally note that any person or organization will follow specific target through marketing efforts. Sometimes more sales for profit and positive mentality of consumers can be specific behavioral in terms of audiences or any interaction between them. But it is important that the marketing process should pass through as a scientific process to achieve the goal.

First step; steps of marketing research and as follows the market opportunities Second step; market segmentation and selecting target markets Third step; determining the composition of the marketing mix Fourth step; management of marketing efforts The first step in the marketing process is necessary to assist senior managers in strategic and effective decision-making. The following three methods of collecting data into collection (Ayad, 2003) financial and personnel information, sales reports, information about customer complaints etc ... This information is used to form an updated database

2) Collecting marketing information from outside the company including; information contained in newspapers, magazines, statistical reports and other sources of information outside the organization.

3) Marketing research: major issues that marketing research is carried out to meet them is the problems associated with the company's customer or consumer behavior. The theoretical background is needed for a proper understanding of the necessary factors influencing on consumers' behavior (insurers in this study) that marketing research or sales and distribution networks are the other research topics for an insurance company of target markets and market segmentation. Customer's behavioral factors can be classified based on their buying. The discussion of market segmentation discussed to achieve optimal choice of target markets. But markets should be having the following characteristics (Dasthazee, 1998), it means that we can determine the size of various sectors of the market.

2. They can be available, i.e. we can do a lot of activity in the market and they influence on them.
 3. They can be remarkable, i.e. there is enough demand. However, the choice of target markets should be based on criteria such as, demand size and market future growth, the attractiveness of the market. The third step is the competitive of marketing mix between these elements company's goals with the target market sales and market share for marketing managers, and include:

- 1) Product
- 2) Price (cash or installment)
- 3) Place of distribution or distribution networks (branches or insurance companies)
- 4) Promotion or elements of communication (advertising, salesmanship, public relations and sales promotions) that have a major impact on consumers' minds (insured). (Rostami, 2002)

These are common tools which are used in both goods and services marketing (including insurance and non services). Sale item is as an element of marketing communication and also it is a part of the third step. However, the general impression in public is that most insurers consider marketing as synonymous with vendors. But "vendor of insurance services is a person who has a good relationship with other persons and organizations and always tries to convince them for purchasing insurance services." In other words, "the vendor of insurance services try to transfer idea of buying insurance services to some one else". So he must be considered the four steps of marketing to achieve his goals. According to the above definition, we can say: "Salesmanship is the art of convincing others." The seller is someone that tries to convince others accepting an idea or a product. The role of sales is managing the marketing effort. In the fourth step, programs and strategies are highlighted for the company's marketing activities. Determinations of competitive strategies and the long and short term programs in this step are the most important activities. Because without an appropriate competitive strategy, can not survive in a competitive market for a long time. There is also only one strategy does not guarantee success of institution or insurance company. It's required that a good long term program set for implementing this strategy. This is in order to determine the type of marketing activity, i.e. when and how to advertise? How do we sell? How to determine the price? What sales channels to use?

Researching about the experience of some Asian countries and Iran's recent performance in life insurance sales:

Japan along with other countries mentioned in table (1), comprise more than 55 percent of the world population. This country possesses 23% of the world's real GDP (in 1997) and 57% of real GDP in Asia and also in trading life and non-life insurance 83 and 74 percent in Asia, respectively. Also in 1997, these 12 countries indicate 29 percent of the world's premiums totally. The life and non-life insurance indicate 15 and 38 percent of the world's premiums, respectively.

The four Asian tigers (Hong Kong, South Korea, Taiwan and Singapore) constitute about 16 percent of the total non-life premiums and 13 percent of life premiums in Asia. However, South Korea ranked first among these four countries and has second ranking in Asia and its share in life and non-life insurance market is 9 and 10 percent, respectively. China and India have not had any share in Asia's insurance market as the most populous countries.

Overall premiums of these countries even lower than the Swiss insurance premiums. However, India has recently taken serious steps to a great extent and offset this income gap. Emerging economies of South East Asia (Malaysia, Indonesia, Thailand and the Philippines, and Vietnam) are allocated lower percentage of total premium revenue in Asia (4 percent non-life insurance and 1 percent life insurance). The influences and contributions of premium in Asian countries in 1997. According to the table, it is observed that the Japanese insurance market has been in the first place, but China, India and Vietnam are passing their primary period. Of course India has good performance by the gradual privatization of the insurance industry. (Central Insurance of Iran Publications, Tehran, 2002.)

Table 1. Life and non-life insurance in selected Asian countries

Country	Influence of insurance (income, percent)		Gross direct premiums (million dollars U.S.)	
China	0.64	0.82	5872	7557
Hong Kong	1.12	2.43	1945	4202
India	0.56	8.39	2.74	5161
Indonesia	0.65	0.58	1384	1348
Japan	2.45	9.42	101277	389350
Malaysia	2.19	2.18	2162	2.46
Philippines	0.8	0.71	670	475.7
Singapore	1.31	3.83	1265	588
South Korea	3.79	11.63	13935	3699
Taiwan	1.69	4.40	4790	42738
Thailand	1.22	1.22	1592	12468
Vietnam	0.46	0	116	1582

Resource: sigma

As a general comment it can be said that the life insurance market has more concentration than non-life insurance sector. Almost in all Asian countries, these five life insurer can be allocated a share of more than 60%. Even in Hong Kong, where 55 percent of life insurer provides those services, 5 honor insurer of this country cover life insurance market a bit more than 50 percent (50.6). This shows that in Indonesia and Philippines, small mediators allocated high proportion of market relatively.

Table 2. Combining life insurers in 1997

Country	Share of market in 10 largest companies (percent)	Medium-sized based on premium income (U.S. \$ million)	Number of life insurers
India	100	100	1
Vietnam	100	99.2	8
Singapore	89.9	92	14
Thailand	99	91.4	13
Taiwan	93.3	82.8	31
Philippines	92	79.6	36
Malaysia	93.4	73.6	18
South Korea	93.4	73.5	23
Indonesia	80.3	67.7	60
Japan	82.2	60.1	44
Hong Kong	68	50.6	55

Resource: sigma

In Hong Kong, Singapore, Thailand, Philippines and Indonesia, foreign insurers have been active more than anywhere else. In general, foreign insurers in the life insurance are most active than non-life insurance. Performance of insurance industry in the Malaysian (with emphasis on life insurance) indicates that despite the economic downturn, the Malaysian insurance industry continued two-digit growth in premium income. In 1997, premium in life and non-life insurance sectors increase 144.4 percent this year. The important point is that more than half of the income is life insurance premium. The share of premium income in nominal GNP increases to 75 percent in 1997, while the equivalent figure was 4.1 percent in 1996. In terms of net premiums increased 11.1 percent, to 1581.4 million ringgits, while the new number of policies and insured assets increased 21.9% and 18.2% respectively (they were, -12.2% and 0.5%, respectively in 1996) and was grew to 1,106,764 policies and 899193.3 million ringgits.(Table 4.) However, other studies indicate that the Malaysian life insurance industry's total revenues experience a growth (7.8 percent) and have reached to 8272.2 million ringgits in 1998. Due to the lower growth of new insurance activities, the insurance proceeds received was reached to 6524.9 million ringgits, which is the second highest in Malaysia with a gap of 14.2% compared to 1997. The insurance (life insurance) had lower mortality rates than the general public (no insurance), which have been a factor in order to reduce the damages payable.

RESEARCH BACKGROUND

Evaluating the performance of Mashhad Insurers as an influential example:

1) Evaluating the performance of IRAN Insurance Company (2001- 2004)

According to data from survey studies, increasing investment of life insurance has been proved from June 2003 to end of this year. The price of received premium from the sale of life insurance

growth in 2001. But gradually show positive growth from 2002 until the first 6 months in 2004. The first of this year due to market conditions, usually sales of insurance services to somewhat stagnant, and second quarter of each year, usually the sale process will increase. Generally the total amount of life larger than ASIA and ALBORZ insurance companies. Of course the expansion and the number of agencies and their reputation are among the factors that have brought superior. But whether these effective? In this study we have tried to answer it.

Table 4. Distribution of premium in life insurance activities in Malaysia

Years	Life insurance	Medley life insurance savings	temporarily life insurance (time)	Other	Total
Million ringgits					
1993	388.8	223.6	190.1	142.8	945.3
1994	373.5	297.3	229.6	191.6	1262
1995	521.7	407.1	224.4	257.3	1510.5
1996	447.8	355.8	384.5	234.7	1422.8
1997	504.7	378	378	305.2	1581.4
Change percentage					
1993	33.6	10.8	-15.4	35.2	14.8
1994	21.8	33	57.6	34.2	33.5
1995	10.2	36.9	8.3	34.3	19.7
1996	-14.2	-12.6	18.5	-8.8	-5.8
1997	12.7	10.6	-1.7	30	11.1
Share per year					
1993	41.1	23.7	20.1	15.1	100
1994	37.5	23.6	23.7	15.2	100
1995	34.5	27	21.5	17	100
1996	31.5	25	27	16.5	100
1997	31.9	24.9	23.9	19.3	100

Source: sigma

Table 5. List of life insurance issued contracts

Period	Premium funds (rials)	Total issued policies (rials)	Accident insurance funds (supplemental life insurance)	Policy funds (rials) (life insurance)
2001/1/1 – 2001/3/31	150,263,400	1620	41,320,000,000	41,960,000,000
2001/4/1 – 2001/6/30	210,511,200	1829	49,730,000,000	51,280,000,000
2001/7/1 – 2001/9/30	197,682,500	1772	49,902,000,000	51,102,000,000
2001/10/1 – 2011/12/31	178,998,300	1573	45,890,000,000	46,390,000,000
2002/1/1 – 2002/3/31	160,814,700	1277	38,730,000,000	39,160,000,000
2002/4/1 – 2002/6/30	13,410,520	890	29,510,000,000	29,875,000,000
2002/7/1 – 2002/9/30	86,011,000	617	21,000,000,000	21,225,000,000
2002/10/1 – 2002/12/31	10,417,900	608	20,275,000,000	20,465,000,000
2003/1/1 – 2003/3/31	102,488,100	682	23,695,000,000	24,675,000,000
2003/4/1 – 2003/6/30	148,705,600	812	29,550,000,000	30,140,000,000
2003/7/1 – 2003/9/30	169,803,300	900	34,363,000,000	34,683,000,000
2003/10/1 – 2003/12/31	365,701,700	1022	36,905,000,000	37,165,000,000
2004/1/1 – 2004/3/31	149,873,000	492	23,882,000,000	24,157,000,000
2001/4/1 – 2004/6/30	175,713,800	714	34,870,000,000	35,985,000,000
Total	2,120,395,020	14808	479,622,000,000	488,262,000,000

Source: Data from field studies of plan survey in IRAN Insurance Company (Mashhad)

2) Evaluating the performance of ASIA Insurance Company:

According to statistical studies obtained during 1998 – 2003, table 6 shows that the number of issued policies for the Mashhad city has been declining in this period. But the investment of insured have increased 1999 against to 1998, and then decreased until the end of 2002. It is interesting that the capital of insured person and annual premiums had an increasing trend in 2003 (against to 2002). In other words, the insured capital and premiums amount increased 7% and 14% respectively in 2003 against to 2002. Study also shows that the production of group time life insurance has an increasing process and then has a 35% reduction and was 620,683,295 rials in 2003. But at the end of the first six months of 2004 represents the number 73,687,037 rials and the premium amount in the second quarter of 2004 grew 68 percent compared with the second quarter of 2003.

Table6. Production of group time life insurance, ASIA insurance company (Rails)

2001	2002	2003	2004	Year	
11	7	16	10	Number	First three month
38310643	165438748	810439342	37460547	Amount	
11	5	36	7	Number	Second three month
516140290	51732404	21599138	36226490	Amount	
11	7	5	0	Number	Third three month
187670703	420112474	515409028	0	Amount	
14	15	12	0	Number	Fourth three month
211504453	322997929	304053843	0	Amount	
47	34	69	280	Number	Sum
953626089	960281555	620683295	14406000	Amount	

(Interviews, 2004)

Table 7 also shows that the number of book time life policies (individual) has increased from 2001 to 2003. The total amount received premium has increased from 2001 until the end of 2003 and for the first 6 months of 2004 was more than the first 6 months of 2001 and 2002 but it was reduced about 3% at the first six months of 2003.

Table7. Production of book time life insurance (individual), ASIA insurance company (Rails)

2001	2002	2003	2004	Year	
104	118	166	136	Number	First three month
5880000	11504000	9543000	37460547	Amount	
108	42	104	7	Number	Second three month
5893000	2084000	5328000	36226490	Amount	
88	37	108	0	Number	Third three month
4846000	1814000	8301000	0	Amount	
163	303	166	0	Number	Fourth three month
8926437	16314000	8904000	0	Amount	
463	500	544	17	Number	Sum
25545637	31716000	32076000	73687037	Amount	

Field studies data from ASIA insurance companies, (2005)

Table 8 shows the decreasing process in the number of life policies and savings from 2001 to 2003. These statistics show that the number of issued life policies and savings has increased in the first 6 months of 2004 compared with the same month of 2002 and 2003. The received premium amount has increased in the first 6 months of 2004 compared with 2001, 2002 and 2003.

Table8. Production of life insurance and savings, ASIA insurance company (Rails)

2001	2002	2003	2004	Year	
2232	1830	1556	1867	Number	First three month
1976465700	1717999725	1873145250	2723230710	Amount	
2962	1392	1547	1698	Number	Second three month
2621924950	1430379200	2155836553	2949112580	Amount	
2118	1385	1076	0	Number	Third three month
1924323900	1538952650	1364672650	0	Amount	
2333	1648	1372	0	Number	Fourth three month
2330401400	1678191550	1942417350	0	Amount	
9645	6255	5551	3565	Number	Sum
8853115950	6365523125	7336080803	5672343560	Amount	

However, table 9 shows that the number of issued policies has increasing process between 2001 and 2003. This case has been increased about 13% in the first 6 months of 2004 (with 3862 issued policies) than the first 6 months of 2003. Overall received premium shows a decrease process in 2002 against to 2001 and an increase process in 2003 against to 2002. These studies also represent about 18% growth for the first 6 months of 2004 compared with the first 6 months of 2002. Also the life insurance sales for the whole province show the number of 30,939,085,051 from 2001 until the last 6 months of 2004.

Table9. Total production of all kinds of life insurance, ASIA insurance company (Rials)

2001	2002	2003	2004	YEAR	
2347	1955	1738	2013	Number	First three month
2020656343	1894942473	2693136592	2767568257	Amount	
3081	1439	1687	1849	Number	Second three month
3143958240	1484195604	2182763691	2992868340	Amount	
2217	1429	1189	0	Number	Third three month
2116840603	1960879124	857564622	0	Amount	
2510	1966	1550	0	Number	Fourth three month
2550832490	2017503479	2255375193	0	Amount	
10155	6789	6164	3862	Number	Sum
9832287676	7357520680	7988840098	5760436597	Amount	
30939085051		Rials amount of life insurance sold in the last 6 months 2001 to 2004			

3) Evaluating the performance of ALBORZ Insurance Company

The company offers a variety of life insurance. Unfortunately due to legal restrictions on research data, the researcher has not been analyzed the information. Therefore with an optimistic assumption we extend the relative success of ASIA and IRAN insurance corporations to ALBORZ insurance company. In the next step we will analyze the success of the insurers.

RESEARCH METHODOLOGY

1) The identification and rank the affecting factors in life insurance marketing:

In the next step, researcher used some interviews and questionnaires to identify the affecting factors for success of Mashhad insurers in life insurance sales (with the manager of the IRAN insurance company). The results of the interviews indicate that the following factors shall be identified as success factors in insurance in Mashhad (about 50 years)

2. Primary measures in IRAN insurance company for Culture
3. Prospective prudence citizens in Mashhad
4. Good selling channels
5. Effective management
6. Need for the future or insecurity about the future
7. Ads factors

The above factors were measured result of the experience of other countries in a 30-item questionnaire based on Likert rating scale values . It should be noted that the questionnaire consisted of 30 questions that the first 11 items was determined the operating characteristics of the successful vendor Va (Variables Q1 to Q11). And another questions (12–21) related to the insurers knowledge and skills (Vb). And finally the main factor (Vc) were measured by consumer behavior according to other questions. After pilot testing, alpha coefficient (reliability scale) and the desired sample size of 155 patients achieved from target population (the experts of IRAN, ASIA and ALBORZ insurance corporations in Mashhad) the questionnaire distributed and its descriptive statistics were analyzed (distributional indexes). The rank correlation coefficient (Spearman) were computed and analyzed between subsidiary variables that measured main variables (Vc, Vb, Va). The results of these studies imply endorsement of the influential identified factors. So both the main and subsidiary variables were identified as the most important factors in success of research, also statistical analysis with 5 and 1 percent of standard errors (95% and 99% certainty) have confirmed the effects of these factors in success of life insurance sales by the insurers in Mashhad.

2) The analysis of rank correlation coefficient between sub (qi) and affective variables (Va, Vb and Vc) in success of insurers marketing management in Mashhad:

The Results of this study by testing the main hypothesis indicate that their is a significant relationship between "identified variables affecting on sales Insurance services (life insurance emphatically) and the variables associated with them (Va, Vb and Vc). Generally rank correlation coefficient showed a strong positive correlation between subsidiary and main course variables and proved that Vb, Va and Vc are the most important factors in selling life insurance in Mashhad. For example, the following calculations is the output analysis of SPSS software for a rank correlation coefficient test of the first variable's questions (q1) with Va, indicating the 78% rank correlation coefficient between q1 (the good and positive outlook on life insurance Sale) with Va (the main variable and measured characteristics of successful salespeople). This coefficient is significant with a probability of almost 100% during the two-sided test.

Table 10. Prioritization the effective factors on life insurance providers (qi) in Mashhad

Rank	qi	Sum	Measured Variables Description Vc	qi	Sum	Rank	Measured Variables Description Vb	qi	Sum	Measured Variables Description Va	Rank
1	q28	687	Advertising factor for culture	q13 q17	669	1	Training courses by insurance company and recognize insurance vendors of services	q6	665	Accurately identify customer's needs	1
2	q29	674	Demand factor of middle age in Mashhad	q19	668	2	Insurers' knowledge with techniques for Sale	q7 q11	654	Morphological characteristics of insurers and marketers and the responsibility of insurers in their insurance companies	2
3	q23 q24	667	Prospective prudence citizens and their income in Mashhad (economic factors)	q15	663	3	The insurers' familiarity with computers in company	q9	653	Using female marketers	3
4	q27	662	Demand of women in purchasing of life insurance	q16	657	4	Insurers' familiarity with the market situation and competition	q10	648	Using male marketers	4
5	q25	661	Demand of middle age for life insurance	q14	652	5	Self management	q3	644	Marketers hard working and following-up	5
6	q26	660	Recommendations from family friends and communication factors	q12	647	6	Having sufficient knowledge in the field of marketing for Insurers	q1	641	A good attitude about life insurance Sale	6
7	q22	652	Popular culture in Mashhad for using insurance services	q20	645	7	Participative and advisory management in the company	q2	638	Using customer-oriented methods	7
8	q30	639	Relative validity of insurance company compared with rivals	q18	643	8	Insurers' familiarity with interview techniques	q8	630	Marketers' gender	8
								q5	628	Motivation of insurers in working	9
								q4	624	Insurer's desire to succeed	10
		5,969			65,555				7,097	Total Scores	

CONCLUSION AND RECOMMENDATION

1) Conclusion

According to the research finding we conclude that selling insurance services has a direct and significant relationship with marketing process which involves several steps. It seems more important that the result and the ultimate efforts of marketers related to convincing customers (insured). So buying the product or services can be their final decision. We showed that providing insurance services is one of the most important communication elements alongside other elements such as advertising, public relations and sale promotions. In general, the performance of the insurance industry indicates that insurance companies about life insurance in Iran have produced the amount of 56.4% higher premiums in 2002. Meanwhile, the IRAN insurance company with 76.1% in issued premium increased its share from 55.2% to 62.2% and other insurance companies (ASPIA, BORZ and Dana) in the showing that some countries such as Japan allocated insurance business in Asia about life and non-life insurance (over 83% and 74% respectively). After Japan some another countries are allocated such as South Korea, Hong Kong, Singapore and Taiwan. Of course other countries are allocated lower percentages of insurance income (life insurance) like China, India, Vietnam, Malaysia, Thailand, Indonesia, Philippines. For example; the experience of life insurance sales in Bangladesh shows that this country with low per capita income and taxation had a lot of success thanks to vocational training presented to insurers, the insurance special diploma of insurance industry in Malaysia shows that despite the economic recession prevailing in this country, insurance industry has continued to its two-digit growth. Of course the total life policies have an important role to creating growth with 31.9% in received premium in 1997. However, in recent years the death rate has remained constant in Malaysia. Insured persons had lower mortality rates than the general public (not insured); this factor is effective for reducing paid damage. Also this country's insurance industry had 7.8% growth in 1998.

Experience in some developed countries such as (USA) show that about 0.75 of all new policies issued for persons aged 15 to 34 years. The survey also shows that most of the buyers of life policies are women that the main reason for this matter has been announced the increase in divorce rates and the role of this study in the identifying of effective variables (factors) in marketing process and selling of services, the experience of other countries and interview with the manager of IRAN insurance Mashhad) were identified three groups of variables (Vc, Vb, Va) that each of these main variables

subsidiary variable (qi). Analysis showed a high and even very high impact on the success of selling insurance insurers in the city of Mashhad.

Data analysis about the life insurance in IRAN, ASIA and ALBORZ Insurance companies (in Mashhad) indicate that both IRAN and ASIA Insurance companies during the 2003 and 2004 experience more successful than 2001 and 2002 in the sale of life insurance and creating its premium. Also the results of the rank correlation coefficient between qi with Va, Vb and Vc indicate that these variables have a positive and significant impact on the success of life insurance insurers.

According to the results of table 10, and the ratio of total assets to the total number of variables, these affective variables (Va, Vb, Vc) can be prioritized by table 11 on research considered success.

Table11. Prioritizing the variables

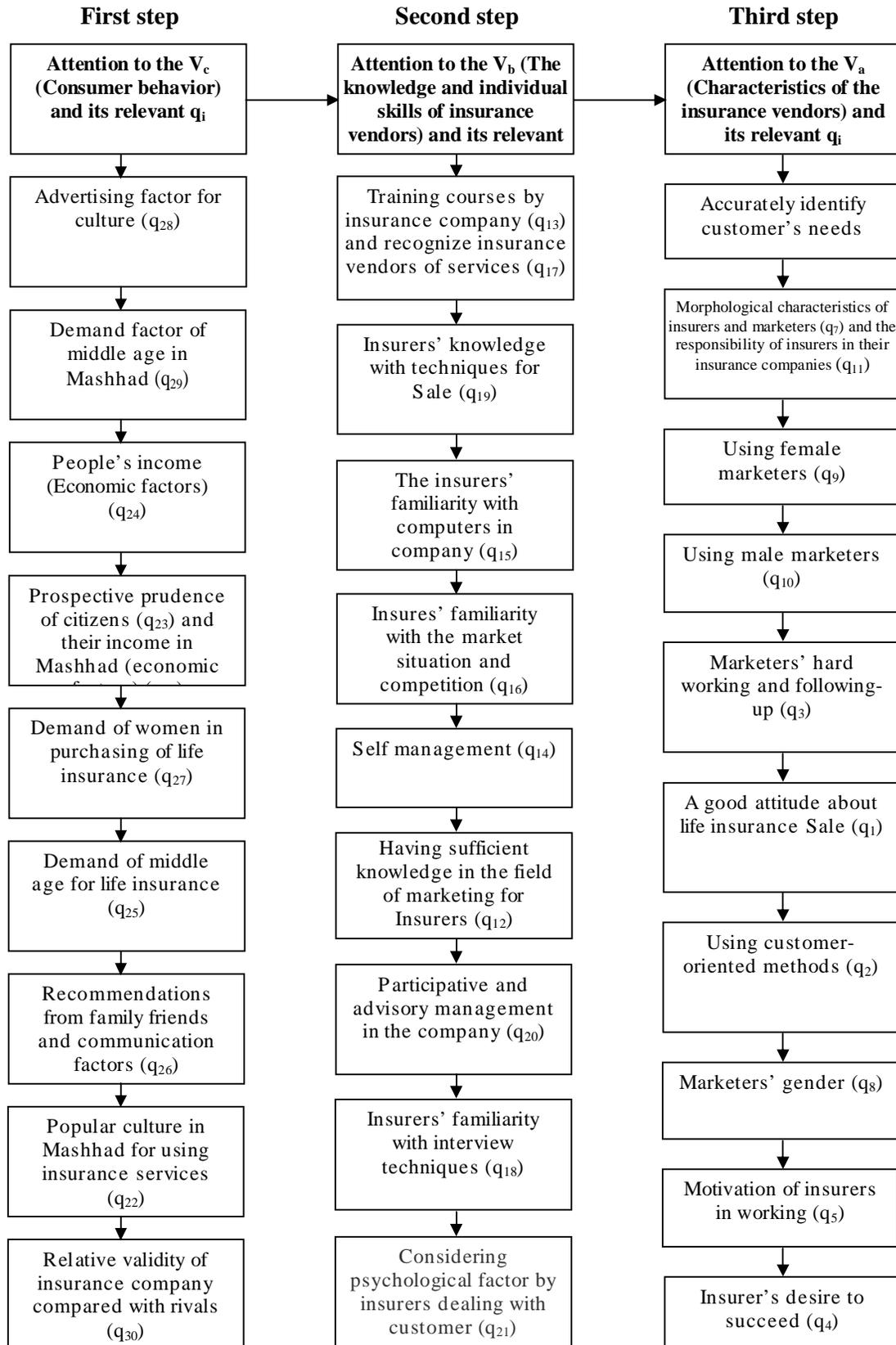
Rank	Description of variables	Variables
3	Insurance vendors characteristics	Va
2	The knowledge and skills of insurance vendors	Vb
1	Consumer's behavior	Vc

Resource: study results

2) Recommendations

Generally according to the results of this study, the researcher offered a 3 stage model for increasing the success of life insurance sales. Of course the main and subsidiary variables (qi) have been classified by total achieved scores, so it can't lessen the importance of other variables. This model can be localized in other states (in accordance with social, cultural and economic) and can be used in order to increase insurance services sale (including life insurance). Also according to the opinions of other insurance experts, author suggests that insurance researchers in the field of providing Iranian life insurance table (instead of French table) should exclude obstacle rules in order to flexible contracts of life insurance. It is obvious that reducing the above problems beside identified factors in this plan can increase sales of insurance services (in general) and life insurance (in particular and according to the present study).

Practical model for using effective main and subsidiary variables for insurer's success in life insurance sale



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