

Macro Environment of Indian Life Insurance Business: A PESTLE Analysis

*Dr. Bhagabat Barik**
*Dr. Sanjay Kumar***

The Indian life insurance industry is on par with the world-class multinational companies and is facing stiff competition from peer companies to penetrate the untapped market. This demands a strategic approach in all areas of management. With a view to effectively managing the micro and macro marketing environment, insurance companies want to achieve the break-even at an early stage. Under such circumstances, it is indeed prudent to analyze and understand the market. The present paper discusses the various dimensions of PESTLE framework with respect to life insurance business. Though all forces seem to be equally important, technology, legal and environment factors carry more weight. The paper also indicates a few other cardinal components of PESTLE in Indian life insurance business and industry.

Keywords: Life Insurance, Regulator, Environment, Economy, Market

Introduction

The Indian Life Insurance Industry has a huge potential and it is the biggest in the world. Insurance penetration had reached 3.4 percent during FY16 and it is expected to cross the 4 percent mark in FY2017. (Report of India Brand Equity Foundation, 2017). India, the second largest populated country in the world, has permitted many foreign players also to participate in the insurance business. The foreign expertise and equity in insurance business is the key to manage and expand the market. As reported by India Brand Equity Foundation in 2017, the premium income of life insurance industry has increased to 14.04 per cent in FY17, i.e. Rs 4.18 trillion (US\$ 64.92 billion). The life insurance industry reported 24 percent growth in August 2017 by way of annualized premium by combining both private players and the Life Insurance Corporation (LIC) of India. Marketers also expect a compounded annual growth rate of 12 to 15 percent in the coming

* Professor - Marketing, School of Commerce, Management and Research, ITM University, Raipur; E-mail: bhagabat.barik72@gmail.com

** Vice Chancellor and Professor, School of Commerce, Management and Research, ITM University, Raipur;
E-mail: vc.raipur@itmuniversity.org

five years with penetration levels up to 5 percent by the year 2020. Under such happy circumstances, undertaking regular and periodic studies of the life insurance market is critical to its systematic growth.

Review of Literature

Review of literature is an essential part of academic research. Hence, a few research papers in the area of life insurance business were scanned thoroughly to develop this paper.

Rajasekar, D. and Hymavathi Kumari, T. (2014) have studied the economic factors, and indicated that there was robust growth in insurance industry in 2014 due to the large number of policies sold. The economic condition of the people was reported to be also very good and their household savings have increased substantially.

Hasan, A. (2015) concentrated on the legal aspects of insurance especially focusing on the foreign direct investment (FDI) in the industry. The study pointed out that FDI had a positive impact on the industry in terms of technology, knowledge and best practices from different corners of the world. However, he has cautioned about the risk factors due to the ownership of foreign players who are in control of the insurance companies in the industry.

Chandra Pal, J. D. and Brahmabhatt, A. C. (2015) had studied the impact of liberalization on Indian life insurance industry. The result showed that the marketing mix, service quality and insurance awareness were the major factors which influenced the liberalization. Private insurance companies played a major role during the liberalization period. The Report of the Confederation of Indian Industries (CII) and Ernest & Young (E&Y) in 2016 also stressed that technology adoption and legal factors were the most responsible aspects for the growth of life insurance industry. The study predicted that new technology would act as the core competency in both core and supporting activities. However the regulatory changes in the industry were still a sore point for all the players.

Bawa, K. S. and Samiya Chathha, S. (2016) studied the customer awareness in the life insurance industry. Media vehicles such as television and internet had a major impact among the people in creating and sustaining the awareness in the society. In addition to this, trust and confidence of the people in life insurance augmented their success in business.

Arif, M. (2015) studied the patterns and trends of the life insurance industry in India and found that the number of insurance offices, policies issued and the amount of premium collected were equally important. The study also emphasized a change in strategy with respect to customized products.

The literature reviews have revealed a few factors a piecemeal manner. Many authors and multi-lateral agencies have given their views mostly on legal and technical aspects of the business. So a broad understanding of all the factors is necessary to understand the totality of the life insurance industry. Also the environment needs to be scanned from time to time. The PESTLE framework (explained later in the paper) is a popular tool, and, in this context, it will help to explore the new dynamics of macro environment.

Objectives of the Study

- To check the dimensions of PESTLE in Indian life insurance business
- To offer suggestions with respect to the macro environment in life insurance business

Methodology and Data Sources

Research design was exploratory. Data were collected from secondary sources like books, newspapers, journals and magazines. This took about two months. Various websites were also explored. For a better understanding, few experts in this field were consulted. One month was spent in taking expert opinions which helped in coming up with a few new ideas and strategies. The duration of the study was four months from January to April 2018.

Discussions

PESTLE Framework

PESTLE is one of the strategic tools used by the management for business analysis on a broader aspect. This is applied when the organization intends to expand the business. PESTLE is an acronym coined by Francis Aguilar, a Harvard Professor, in 1967. The study evolved initially as PEST analysis, in which P stands for Political, E for Economic, S for Social and T for Technological. Later on the Legal and Environmental (L&E) factors were added to make it a six-factor analysis. It is a framework which helps to identify the different external factors in the macro environment.

1. Political

The Political factor is one of the important parameters in planning the marketing strategy. It has more uncontrollable elements and contributes to a great extent in understanding the market environment. The ruling governments' (both at the center and the states) regulations and appropriate policies are the key constituents in making the political system strong and robust. We can further discuss the important points under this factor.

1.1. Functioning of the Government

In India, it is observed that many a times not a single political party rules in both the centre and the states. Hence, in most of the cases, the role of the ruling government (party) and its intentions to implement the insurance policy help to facilitate the penetration. The stability of the government and its controlling machinery in this direction are relevant.

The present government at the centre is implementing a series of initiatives to popularize the insurance programmes. The government has a clear policy to popularize life insurance especially among the poor people. For example, implementation of 'Pradhan Mantri Jan-Dhan Yojana (PMJDY), Rastriya Swasthya Bima Yojana (RSBY) and Pradhan Mantri Fasal Bima Yojana (PMFBY) are some of the important and beneficial schemes for popularizing insurance awareness among the people.

1.2 Trends in Regulations

The regulation of every country must give support to the insurance business. The 'Insurance Regulatory and Development Authority of India' (IRDAI) regulates the life insurance industry. In order to give a fillip to the life insurance business, the tax policy, under Section 80C of the Income Tax Act, allows the insured to pay premium and avail income tax rebate up to Rs 1.5 lakh in a financial year. This premium can be paid in the name of self, spouse or dependent children. In the case of Unit Linked Insurance Policies (ULIPs), the income tax benefit is available only when the sum assured is at least 10 times the annual premium and the policy is running for at least five years. For the discontinued unit linked policies of two years, the insured will not gain any benefit. So the regulations and other benefits with respect to life insurance must create a conducive atmosphere. Such supporting regulations issued by the government give confidence to the insuring companies to function in a friendly business environment.

2. Economic

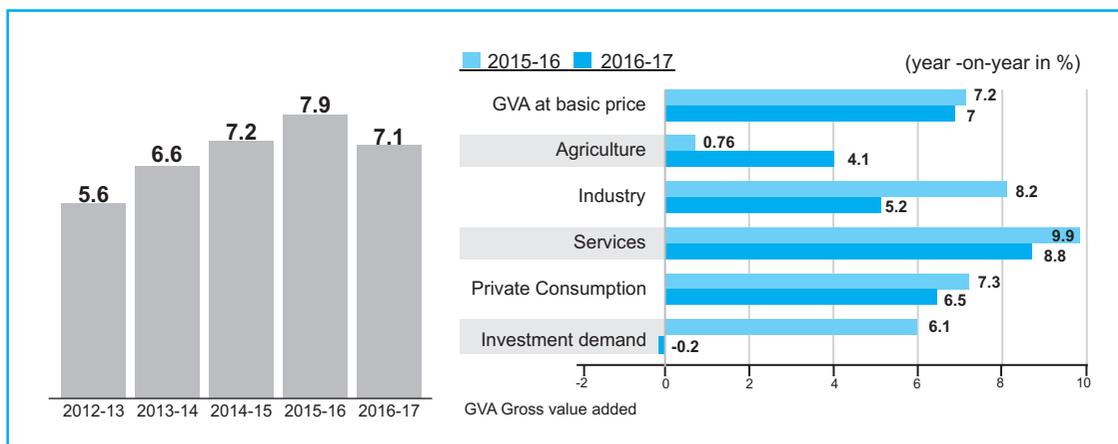
The economic environment of the country strongly influences the insurance business. The health of economy and business opportunities are some of the basic factors that accelerate the business growth. India liberalized and globalized her economy in 2000 so that many private players could enter the insurance arena on a level playing field. During the period from 2000 to 08, the economic growth of India accelerated and the life

insurance business also blossomed. By and large, if the economic condition of the country is in good shape, insurance companies also will reap good returns from their investments. This will in turn trigger faster claims settlement and business expansion.

2.1 Growth of Economy

India's economy is growing at a faster rate as compared to other developing countries. The large population of India is the base for many companies to market their products and expand their business activities. In 2016-17, the Gross Domestic Product (GDP) of the country was 7.1 percent, which is a good indicator of the growth of the financial markets, including insurance business. Figure 2.1 shows the GDP figures of India from 2012-13 to 2016-17. The World Bank also has projected India's economic growth to be at 7.3 percent in 2018-19 and 7.5 percent in 2019-20. The Asian Development Bank has indicated that India's growth will continue upward in the year 2018, whereas that of China will slow down to 6.6 percent.

Figure 2.1
GDP and Growth Forecast for India

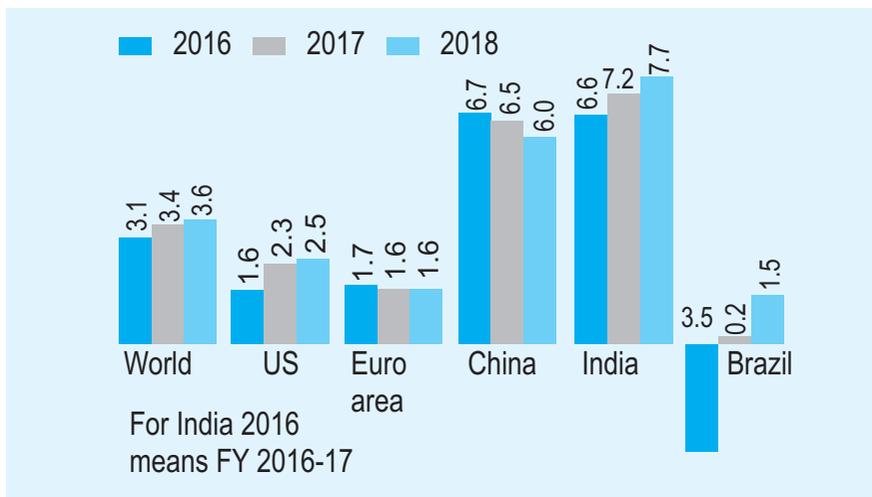


(Source: Statistics Times.Com)

Demonetization and Digital India Programme are the two crucial steps taken by the government which has helped the growth of the economy. All this have a positive effect on insurance business as well. After the currency note ban by the Government of India, the International Monetary Fund (IMF) in the year 2017 estimated that India's growth would be reduced to 7.2 percent in FY 2018.

The Investment Information and Credit Rating Agency (ICRA) also estimated that India's Gross Value Added (GVA) growth at base prices will be 6.6 percent in the year 2017. As revealed from Figure 2.2, the growth of India will be 7.7 percent as compared to China's 6 percent in the 2018. It is strongly believed that India will be the fastest growing economy in the world in the current global economic meltdown, since the economic crisis of 2008.

Figure 2.2
Forecast for India and Global Growth in FY 2016-17 (%)



(Source: The Economic Times, 17th January 2017)

2.2 Status of Current Business and Unemployment

Insurance business in India is in its growth phase. As per India Brand Equity Foundation Report, published on February 2017, the life insurance market grew from US\$ 10.5 billion in FY02 to US\$ 27.5 billion in FY16, and the industry has the potential to grow 2 to 2.5 times by the year 2020 in spite of the multiple challenges she faces. Life Insurance Corporation of India is the market leader with 70.4 percent, and private players are also showing improvement in their performance. The new insurance policies issued by the private sector players in 2015-16 is 61.92 lakh (Report of IRDAI, 2016). So there is a lot of untapped market for life insurers in India.

2.3 Unemployment

Unemployment in India is spiraling at an alarming rate. It had reached the 5 percent mark in 2015-16, with women at 8.7 percent and men at 4.3 per cent (Labour Bureau, 2016). Against this scenario, the life insurance industry can provide a great opportunity for the people to be employed especially as insurance agents in the areas of sales and marketing, whereas operations, training, human resource and finance areas would be taken care of by the insurance professionals. The data released by the insurance regulator in their Annual Report 2016-17 indicates that the number of agents has increased to 20, 88,522 as on March 31, 2017, whereas only 456 corporate agents are working for the insurance industry per se.

Table 2.1
Unemployment Rate in India

No.	Category	Rate (%)
1	Rural	3.71
2	Urban	4.12
Total	India	3.84

(Source: Report of BSE & CMIE as on May 1, 2017)*
*(*30 day moving average)*

2.4 Other Factors Affecting the Economy

Other important factors that have an impact on insurance business are globalization and technology adoption. Foreign players have strong technology base. All the operational details with respect to policy are integrated with the hardware and software for better and quicker service. All the 25 foreign insurance players that are presently in the life insurance business in India are equipped with adequate and dedicated technologies to face the peer competition. Utilization of technology, like the Internet of Things (IoT) and Robotic Process Automation (RPA) are now becoming popular in the life insurance industry.

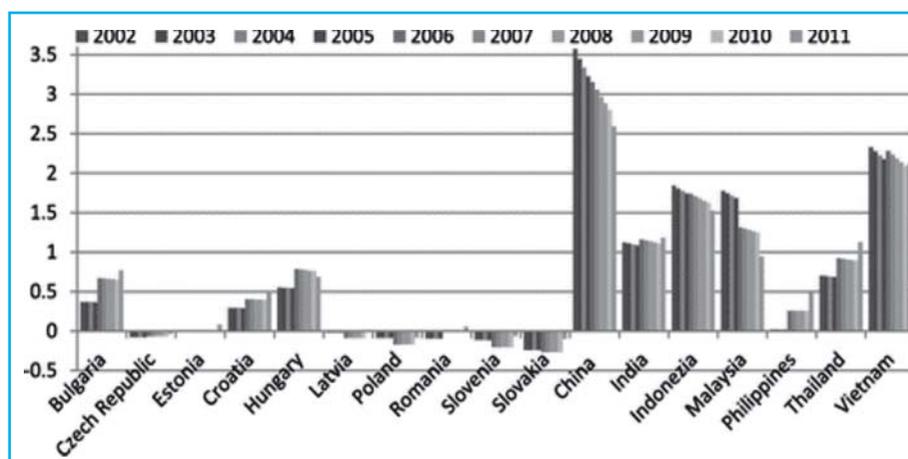
Table 2.2
Life Insurance Companies in India with Foreign Partners/Collaborators

No.	Name of Life Insurance company	Foreign Partner	Country
1	AEGON Life Insurance Company Ltd.	AEGON	Netherland
2	Aviva Life Insurance Co. India Ltd.	Aviva Plc	England
3	Bharti AXA Life Insurance Company Ltd.	AXA Group	France
4	Bajaj Allianz Life Insurance Company Ltd.	Allianz SE	Germany
5	Birla Sun Life Insurance Co. Ltd.	Sun life Financial	Canada
6	Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited	HSBC Insurance	Hong Kong
7	DHFL Pramerica Life Insurance Company Ltd.	Prudential Financial Inc	USA
8	Future Generali India Life Insurance Co. Ltd.	Generali	Italy
9	HDFC Life	Standard Life	Scotland, UK
10	ICICI Prudential Life Insurance Co. Ltd.	Prudential Corporation Holdings Limited.	UK
11	IDBI Federal Life Insurance Co. Ltd.	Ageas	Belgium
12	India First Life Insurance Company Limited.	Legal & General	England
14	Kotak Mahindra Old Mutual Life Insurance Ltd	Old Mutual.	South Africa
16	Max Life Insurance company Ltd.	Mitsui Sumitomo Insurance Co. Ltd.	Tokyo, Japan
17	PNB MetLife India Insurance Company Ltd.	MetLife International Holdings LLC.	USA
18	Reliance Nippon Life Insurance Company Ltd	Nippon Life Insurance	Japan
20	SBI Life Insurance Co. Ltd.	BNP Paribas Cardiff S.A	France
21	Shriram Life Insurance Co Ltd	Sanlam	South Africa
22	Star Union Dai-ichi Life Insurance Company Ltd	Dai-ichi Life Insurance Company Limited	Tokyo, Japan
23	Tata AIG Life Insurance Company Ltd	AIA Group Ltd	Shanghai
24	Edelweiss Tokio Life Insurance Co. Ltd	Tokio Marine Holdings Inc.	Japan

(Source: Author's own synthesis from secondary data)

Urbanization is another feature of life that Indian insurers are experiencing. Among the developing countries of Asia, India is the front runner in urbanization. The urban global population is expected to grow exponentially between the years 2011 and 2030. The data released by 'Swiss Re' in 2013 indicates that in the world scenario, urban population in India will account for an increase of 16 percent or 218 million people.

Figure 2.3
Growth Rate of Urbanization in Emerging Countries of Europe and Asia



(Source: Dragos, S. L. (2014), Life and Non-life Insurance Demand: The Different Effects of Influence Factors in Emerging Countries of Europe and Asia'.

3. Social Factors

Social factors have impacting influence and telling significance in insurance business. It helps to understand the marketing environment with respect to society and its parameters like demographics, culture, etc. All these indicate a trend to availing of all products and services. Few marketers also refer to it as socio-cultural factors which involve culture of the people. Social factors are mostly not in the control of marketers and trend setters but are directly or indirectly responsible for driving the market in the long run.

3.1 Demographic Variables

Demography deals with the characteristics of human population. It is a major opportunity factor in life insurance purchase decision. All researchers have confirmed that it plays a vital role in the expansion of the life insurance industry.

Demographic variables mostly deal with personal information or statistics. In the case of insurance business these details comprise income, education, family size, family type, gender, age and employment data. Data on education and income are the most crucial information for life insurance sale/purchase. It is found from literature that people with strong educational backgrounds are far more aware of its need and tend to benefit from insurance, hence they prefer to purchase life insurance policies.

3.2 Cultural and Ethical Aspects

Culture greatly influences life insurance business. Companies that establish a good culture are normally successful also in the insurance business. Many customers are of the view that the LIC of India cultivates standard business ethics. Also the culture of a particular country influences the motive for life insurance cover. For Example, in developed countries, insurance is compulsory from birth; but in a developing country like India, it is normally a 'push' product. As life insurance mostly deals with uncertainty and risk, cultural practices along with financial security concerns drive people to have a positive attitude in acquiring insurance policies.

3.3 Impact of Media

Various branches of the communication media have a major role in imparting insurance awareness and, of course its sale. Apart from the traditional media, the digital and social media are also great sources of motivation/inspiration for the customers. The on-line insurance market accounts for around Rs 700 crore of insurance sales. The process of digitalization, started in 2005, have given companies the freedom of comparing insurance policies on-line. Later on, the companies themselves came up with a plan to promote on-line term insurance policies. By 2010-11, digitalization was more prominent in the industry. The Survey Report, 2011, of the National Council of Applied Economic Research (NCAER) and Insurance Regulatory and Development Authority (IRDA) found that the visual media are more popular among both the insured (39.4 percent) and the uninsured (31.9 percent) households as compared to the print medium which is only 23.7 percent and 20 percent respectively. However, to get more information, urban population depends more on print and visual media as compared to their rural counterparts. Hence, the roles of the media along with other factors that impact on insurance business are to be fully taken advantage of by the insurance players.

4. Technological Aspects

Technology has impacted the entire business world including insurance industry in a big way. In fact it is a key element in the life insurance business. Almost all the functional

operations are carried out based on digital technological advancement. Issuance of on-line policies to customers claims settlement, customer profiling, etc., are the key tasks where the role of technology has proved to be indispensable to the insurers.

4.1 Internet Facility

Use of the internet in the life insurance business has benefitted both the insurance companies and the regulator. In a recent development, the regulator has allowed all insurers to open e-insurance accounts from October 2016 onwards so that policy holders can view their policy details and manage their own accounts on-line. The amount of off-line premium collection has also declined due to the on-line facility. In the case of some companies, the premium for 'Term Plan' policies is Rs 18 per day for an assured sum of Rs 1 crore. Tables 4.1 and 4.2 show the name of entities and electronic policies in detail.

Table 4.1
Name of Entities Acting as Insurance Repository

Sl. No.	Name of Organizations Working as insurance Repository
1	National Insurance-Policy Repository
2	CDSL Insurance Repository Limited
3	Karvi Insurance Repository Limited, Hyderabad
4	CAMS Repository Services Limited, Chennai

(Source: Annual Report of IRDAI, 2015-16, as at 31st March 2016)

Table 4.2
Electronic Policies

Sl. No.	Type of Policy	Minimum Sum Assured (Rs Cr)	Minimum Premium single/annual) (Rs Cr)
1	Pure Term Policy	10	10,000
2	Other than Pure Term (Including TROP)	1	10,000
3	Pension Policies	NA	10,000
4	Immediate Annuities	NA	10,000

(Source: Outlook Money, November 2016, Pg 22)

4.2 Analytics and Other Tools

Analytics is now a powerful and important tool for the insurance industry (Chattopadhyay, 2011). It has helped the entire industry in customer retention, policy selling and servicing and in all other operations. Though, it is in its nascent stage, there is a chance of more growth due to the untapped market. The major companies in this area are: SAS, Oracle, SAP, Microsoft, Analytica, Way Pals and Aureus Analytics. According to the data released by NASSCOM in June 2016, the analytics market in India is expected to touch \$2.3 billion by the end of 2017-18. Insurance companies have also used sensor technologies like telematics to 'trap' and monitor the individual policy holder. With the rapid technological changes and their adoption, the life insurance industry is driving towards sustainable growth with an early breakeven with the strong customer base.

5. Legal Aspects

Like in all other businesses, legal factors are quite indispensable with many unruly elements. All policy innovations are to be understood properly and examined from time to time. Insurance in general is a contract between the insured and the insurer. Also the gestation period for this business is high. So the legal obligations with respect to regulator, government and other supporting institutions are critical.

5.1 Regulatory Bodies

The Indian life insurance industry is also strictly regulated as compared to many countries in the world. The Insurance Regulatory and Development Authority of India (IRDAI) is the regulator to develop and monitor the entire insurance industry. All life and general insurers are periodically checked, assured and insured by the regulator in India. The General Insurance Corporation (GIC), which is the only reinsurer in India, also comes under the ambit of the same regulator. The regulator issues various regulations and procedures for the smooth functioning of the insurance industry.

5.2 Supporting Institutions

Apart from the regulator, the Indian insurance industry is properly guided and shaped by other national-level organizations. The National Insurance Academy (NIA), Pune, is one of the premier institutions that help the insurance industry to train, educate, conduct research and offer consultancy services. The Insurance Institute of India (III) is also one of the oldest organizations which assist the industry in capacity

building by conducting various competitive examinations. In addition to all these, The Life Insurance Council and the General Insurance Council coordinate with various stakeholders to make the industry more vibrant and service focused. So the managerial and legal aspects of the insurance industry are supportive and contribute to the proper functioning of the insurance players.

6. Environmental Factors

And the last item in the PESTLE analysis of insurance is the environmental factor. Global economy has fundamentally changed the environment of life insurance business. A complete positive business atmosphere is essential for the Indian insurance industry to grow. Every insurance business, with respect to its SWOT analysis, must focus on the key area of operation. The thrust area may be the mode of operation, employee retention and the scrutiny of business practices of various players in the industry. The style of management or leadership is essential as it plays a vital role in managing the insurance business.

6.1 Style of Management

It is observed from literature review that the Life Insurance Corporation of India (LIC) follows a democratic style of leadership. Each division or SBU is entrusted with specific responsibility, and, also allows flexibility in their making business decisions. The LIC Annual Report - 2015-16 indicates that there are 73 customer zones to provide need-based and customer- friendly services to the policy holders. In contrast, many private companies believe in the autocratic style of leadership. Majority of their business decisions are taken at their head or corporate offices. Laissez-faire style of leadership is very limited in their style of management of the business. All these nuances in business operations staff relations and ethical standards have an impact on the performance of the staff.

6.2 Insurance Operation

Life insurance operation is one of the costly businesses. Opening of new offices and their management impose a financial burden on a business entity. The number of offices has increased in the case of both the LIC (15) and the private players (23) during the period 2016-17. This is really a good sign as it points to the increased geographical locations and reach of the industry.

Table 6.1:
Number of Life Insurance Offices (As on March 31, 2017)

<i>Insurer</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
Private	3072	6391	8785	8768	8175	7712	6759	6193	6156	6179	6057
LIC	2301	2522	3030	3250	3371	3455	3526	4839	4877	4892	4897
Industry	5373	8913	11815	12018	11546	11167	10285	11032	11033	11071	10954

(Source: IRDAI Annual Report 2016-17, pg 16)

6.3 Claims Settlement and Other Issues

In life insurance business, a quick claim settlement at the right time by the insurer gives a boost to the insurance business environment besides making the insured feeling contented. The data released by the insurance regulator had shown the claim settlement ratio for LIC to be 98.33, whereas in the case of the private life insurers it was 93.72. During 2016-17, the life insurance companies had settled 8.60 lakh claims of individual policy holders, totalling a pay out of Rs. 13, 850.62 crore. The number of claims repudiated/rejected was 12,769, worth Rs. 657.77 crore. The numbers of repudiations have marginally declined by 0.97 percent in 2016-17 compared to the 0.98 percent in the previous year. In the case of private insurers, the settlement ratio had gone up by 2.24 percent during the financial year 2016-17 (as against 93.72 percent) compared to 91.48 percent during the previous year. The rejections came down to 4.85 percent in the year 2016-17 compared to the 6.67 percent in the previous year. The industry settlement ratio increased to 97.74 percent in 2016-17 from 97.43 percent in 2015-16 and the repudiation ratio decreased to 1.45 percent compared to the 1.73 percent in 2015-16.

Table 6.2
Individual Death Claims Settled by the Life Insurer: 2016-17

(Figures in percent of policies)

Life Insurer	Total claims	Claims paid	Claims repudiated/ Rejected	Claims unclaimed	Claims pending at year-end	Break-up of claims pending: Duration-wise (Policies)			
						<3mths	3-<6mths	6-<1yr	>1yr
Private Total	100	93.72	4.85	0.58	0.86	78.66	7.86	2.97	10.51
LIC	100	98.31	0.97	0.31	0.42	86.98	9.68	1.94	1.40
Industry Total	100	97.74	1.45	0.34	0.47	85.09	9.26	2.17	3.47

(Source: IRDAI Annual Report 2016-17, pg 14.

Major Findings and Results

The PESTLE analysis has helped to identify the varied forces operating in the external environment. The study has ascertained that the life insurance industry is heading for a major transformation and it is expected to be the fastest growing sector in the Indian economy when India can boast currently as the fastest growing economy. The study also reveals that new laws and regulations are being issued by the regulator from time to time for its conducive growth. The economic condition of the people has improved as compared to earlier periods. The 5 percent unemployment in the economy provides ample opportunities for employment particularly in the insurance industry. The dedicated technological support factors are moving apace enabling easy access to and use of electronic medium and internet facility to expand the insurance reach. The Indian political and business environment is no doubt shaping the Indian economy as an 'easy to do business destination'. The present PESTLE study of the six factors has highlighted the following important sub-points which are required to be taken into account for building up a strong base for macro-economic environment of the Indian insurance business.

Table 6.3
Important Points Drawn from PESTLE Analysis

POLITICAL	<ul style="list-style-type: none"> • Stability & Attitude of the Government • Tax Policy • Support for legislation & Implementation
ECONOMIC	<ul style="list-style-type: none"> • Growth of Economy • Unemployment • Other factors affecting Economy
SOCIAL	<ul style="list-style-type: none"> • Demographic variables • Cultural & ethical aspects • Impact of Media
TECHNOLOGICAL	<ul style="list-style-type: none"> • Use of Internet • Analytics and other tools
LEGAL	<ul style="list-style-type: none"> • Regulatory Bodies • Supporting Institutions
ENVIRONMENTAL	<ul style="list-style-type: none"> • Management and operation • Claim settlement

(Source: From author's own analysis)

Conclusion

In India, the life insurance industry with its "larger than life" image has achieved much since its inception. However, it is still facing severe challenges in terms of customer-friendly products and pan-market acceptance. Though the micro environment is manageable due to expertise and competency of foreign players, the macro aspect is still baffling. It is opportune to examine these external forces using the PESTLE analysis, which is one of the suitable frameworks to judge and take action with respect to the "missing links". Both the controllable and uncontrollable factors at play need to be identified through this analytical process. The government, insurers, regulators and other stakeholders must monitor the insurance industry on a regular basis with integrity, sincerity and intensity and show the red light, when and if necessary.

The PESTLE analysis is a very vast subject. It is difficult to cover extensively all the controllable and uncontrollable factors in one paper. However, it leaves tremendous scope for the researcher(s) to further develop this analytical framework which will be more robust and time-tested for application to business - particularly insurance business.

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