Factors Affacting the Growth of Life Assurance Business in Nigeria

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Abstract

This research work examined the factors affecting the growth of life assurance business in Nigeria. The research focused on the selected insurance companies in Enugu metropolis. Descriptive research design was used to carry out this study. A sample size of 100 was derived from a total population of 150 staff using Taro Yamane sampling formula. Data analyzed in this study were gotten from a well structured questionnaire and data analysis . Where Z test statistical model was utilized in testing the research hypotheses. Based on analyzed, it was discovered that life assurance business has positive impact on individuals and the growth of Nigerian economy. That the patronage level of life assurance business in Nigeria is still very low, that life assurance business despite its tremendous benefits, has not significantly contributed to the growth of Nigerian economy due to some challenges which include; under-developed domestic financial market, poor capital base of Nigerian insurance companies, poor image Nigerian insurance industry, poor awareness of the benefits of life assurance, economy instability, poor innovation and new product development to mention just a few. The following recommendations were made that there is need for insurance practitioner to periodically develop new product to meet the insurance need of Nigerians; awareness campaign should be carried out about the benefits of life assurance; genuine claims should be promptly settled; competent should be employed among other issues.

Keywords: life Assurance Business, Benefits of life assurance and insurance companies

Introduction

According to Nwite (2007), the development of life assurance business can be traced as far back as 1583. It was in this year that we have the first evidences of life assurance contract know today. A policy was taken on 18th June 1583 on the life of WILLIAM GIBONS for a sum of $38 2 the contract was for twelve months and the Money was to be paid if g Gibons died within the twelve months. He did infact died on 8th May 1584. After a slight dispute over whether twelve moths meant twelve calendar months, the money was paid.

The short-term form of policy taken by William Gibson was the type of life assurance policy issued in those early days. The provision of life assurance continued almost unaltered for the next century with the short-term policy mentioned above, a form of mutual association similar I design to the ancient burial societies where members contribute to a common fund out of which payments were made on the death of members (Nwite, 2007)

Olufawo (2005) states that, “today, we have thousands of life assurance polices issued in Nigerian in form of whole life assurance endowment assurance, term assurance and joint life assurance.” interestingly in advanced countries, life assurance business has become the greatest area of investment because it even encourages savings.

According to Popoola (2011), life assurance is a contract between an insured and an insurer, Where the insurer promises to pay a designated beneficially a sum of money (the benefit) upon the death of the insured person. Depending on the contract, other events such as terminal illness or critical illness may also trigger payment. The policy holder typically pays a premium either regularly or as a lump. Sum other expenses (such as funeral expenses) are also sometime included in the benefits.

The primary objective or aim of life assurance is to provide assurance guarantee (financial protection) against the happening of an insured event which could either be death of the life assured or the expiring of specified period. Life assurance in the first instance existed to pay the sum insured in the event of policy holder’s death. This is the basic theory of life assurance, but the investment aspect of it has tended to overshadow the primary purposes of protection against premature death (Nwite, 2007). In Nigeria, pension business was handled for many years by insurers until a group sold the idea of a contributory pension scheme to the former scheme) were pensioners could not got their pensions (benefits) after queuing for day led to the collapse of the old scheme (Nwite, 2007).

The repeal of the old pension Act of 1979 and consequent amendment of the Nigeria social assurance Trust Fund Act of 1993 brought in the new pension Reform Act, 2004. Today, the pension fund has grown tremendously and is in excess of N1.6 Trillion, about 10 times the premium of N164.5 Billion recorded in the assurance sector in 2008 (Fola, 2012). In the present dispensation, the sector stands the chance to get boosts from some of the statutory polices set for enforcement. They are employers and annuity opened for voluntary patronage by pensioners. The Workmen's compensation Decree of 1987provided cover for permanent or partial disability, accident, sickness and death of workers arising in the course of their employment. Section 40 of the Act compelled majority factory owners to have this policy for all their employees, regarded as workmen.

Section 9 (3) of the Act states that, "employers shall maintain life assurance policy in favour of the employee for a minimum of three times annual total employment of the employee, under the group life scheme. Section 4 of the pension Act 2004 provides that on attaining the age of 50 years or at retirement age, which is stipulated by the employees' organizations, a pensioner's RSA shall not be withdrawn but shall be utilized either as programme withdrawal or as annuity.

The Act delegates the duty of providing the annuity services to the life insurers, but their share of the fund depends on their ability to win the confidence of retires (Aneke, 2006).

According to Ademeso (2013), life assurance business is still developing in Nigeria. What the operators had done in the past was to sell the same traditional products until recently when new products started becoming viable. He noted that though life business is still low in the country, it is not worth comparing the Nigerian economy with others due to certain factor. Some of the foreign economics with developed assurance sector, he says include pension accounts as parts of their industries' (insurance industries) gross figure, which is not the same in Nigerian. He points out that, "Pension contribution in Nigeria as at report in 2012 was about N1.6 Billion; so, imagine that if this is part of the figure we record in insurance, we will not be talking about the kind of low figure that we constantly talk about in life business".

According to 2008 statistic world's life premium stood at $2.5trillion from a total of $437trillion, which African's record revealed a life premium of $37.9billion from a total premium of $54.7billion. In Nigeria, the life arm raked in 40.19billion out of a total premium of $1.24 billion in 2012. In developed economics that have strong insurance industries, the life arm usually derived the sector by contributing the biggest premium amount. For instance, South Africa, the largest insurance market in Africa has population of 40million people and contributed, 78.13 percent of the continent's premium (Popoola, 2011). According to Popooal (2011), Nigeria has continued to record the lowest penetration level in Africa's life insurance market, in spite of its huge population. Nigeria is the biggest life insurance market on the continent. He stated that, if the country's life assurance business is well positioned, it can attain a leadership position on the continent. This research, therefore, is geared towards investigating the impact of life assurance business on the growth of Nigerian economy.

Statement of the problem

Life assurance business has not been popular in Nigeria for years now, despite the introduction of contributory pension scheme in 2004 and the National Health assurance Scheme (NHIS) which are supposed to favour the growth of life assurance business in Nigeria. Nigerian insurance companies have not fully utilized the introduction of contributory pension scheme to market annuity products in Nigeria, due to poor marketing strategies adopted by most Nigerian assurance companies. Life assurance business has suffered set back with its insignificant contribution to the industry's premium (Ademeso, 2013). He stare that, "Nigeria's life assurance business contributes just about 16 percent of the industry total premium. According to Odo (2005), marketing seems easy to describe but extremely difficult to practice. Developed and implementing efficient and effective marketing strategies that incorporate relevant dimensions of the marketing concept which involves the organic tasks of selecting a target market has remained a mirage in Nigeria life assurance marketing. Nigeria has continued to record the lowest penetration level in African's life assurance market, in spite of its huge population that is capable of driving the biggest assurance market on the continent. The life arm of Nigeria's insurance business contributes just about 16 percent of the industries total premium while, the life arm f South African's assurance market alone generates about 70 percent of the industry's total premium income which has estimated to account for 17 percent of South Africa's Gross Domestic product (GDP).

Masinga (2005) asserts that life assurance provides cover to an individual policy holder against ill health, disability, premature death, natural calamities and financial stability in old age. The penetration of life insurance among the Nigerian population is also low compared to other countries. A good example is Malaysia which has an estimated 41% of the population covered by some form of life insurance in comparison to Nigeria which has less than 1% of the population insured (African Insurance Market Outlook, 2010).

Life insurance is beneficial in that the financial interests of one"s family remain protected from circumstances such as loss of income due to critical illness or death of the policyholder and insurance products also have a strong inbuilt wealth creation proposition. It was therefore necessary to find out the factors affecting the growth of life insurance business in Nigeria.

Objectives of the Study

The general objective of this study was to analyze the factors affecting the growth of life assurance business in Nigeria.

The Specific Objectives

The specific objectives of this study were:

a) To determine the effect of professional sales staff training on the growth of life assurance business in Nigeria.
b) To examine how sales promotion of life insurance products affects the growth of life assurance business in Nigeria.
c) To establish the effect of affordability of life insurance products on the growth of life assurance business in Nigeria.

d) To find out the effects of government regulation policies on the growth of life assurance business in Nigeria.

Research Questions

The study attempted to answer the following questions:

a) What is the effect of professional sales staff training on the growth of life insurance business in Nigeria?
b) How do sales promotions of life insurance products affect the growth of life insurance business in Nigeria?

c) What is the effect of affordability of life insurance products on the growth of life assurance business in Nigeria?
d) How do government regulation policies affect the growth of life assurance business in

e) Nigeria?

Significance of the Study

Life insurance companies will find this study useful in its suggestions about those factors that have contributed to the industry failing to live up to the life insurance clients‟ expectations and led to the low life insurance penetration. It will be of great reference to the life insurance industry in drawing policies and programs aimed at restoring the customers‟ confidence, trust and loyalty with a reflective effect in increased sales and life insurance penetration.

The findings of this study are also expected to put life insurance in proper perspective in the minds of the public by providing a much needed exposure. It will help policy holders and potential policy holders to know exactly what to expect in their dealings with life insurance companies in particular and the insurance industry in general.

The study will also be of importance to the Government of Nigeria, through the Commissioner of Insurance in coming up with appropriate legislation that will ensure there is congruence between policy holders, potential policy holders and the insurance companies

The findings of this study are expected to not only help in filling the void that exists in Nigeria as regards research and publications on life insurance, but also to stimulate discussion in the academic field and provide a fertile ground up on which further research could be based.

Literature Review

In this chapter, the factors affecting the growth of life insurance business in Nigeria were given an in-depth analysis and different literature was reviewed. The research allowed for location of literature from a variety of sources. The sources of literature were texts, books, magazines, journals, previous research works and observations related to the issue at stake. These helped to clarify, strengthen and accordingly direct each stage of the research from the formulation of the research topic to the dissemination and utilization of research findings

Insurance Industry

In the simplest terms, insurance of any type is all about managing risk. The insurance industry can be looked at under the following:

Insurance as a service industry

Evans and Berna (1990) study (as cited in Muchire, 2003), define a service as any activities or benefits that one party can offer to another, which is essentially intangible and does not result in the ownership of anything. To obtain these, consumers exchange money or something else of value, such as their own time. These two establish some unique characteristics of a service. Ogutu (2004) notes that these characteristics include; a high level of intangibility, inseparability of service provider, greater variability in quality and perishability. These characteristics have important marketing implications. Stanton (1978) study (as cited in Etemesi, 2003) adds that a service industry is also characterized by fluctuating demand.

Intangibility

This means that services cannot be seen, tested, felt, heard or smelled before they are bought. To reduce this uncertainty, buyers look for „signals" of service quality. They draw conclusions about the quality from the place, people, price, equipment and communication material they can use. The marketers work is to add tangibles to their intangible offers of life insurance services (Muchire 2003)

Inseparability

This means that services cannot be separated from their providers, whether the providers are people or machines. In case of life insurance services, the employee who provides the service is part of the service. Because the customer is present as the service is provided, the provider – customer interaction is a special feature of services marketing. Both the provider and customer affect the service outcome (Ogutu, 2004)

Variability

According to Diacon and Carter (1992) (as cited in Watene, 2003), this means that the quality of service depends on who provides them as well as when, where, and how they are provided. That means that employees in the same department at an insurance company can serve clients on different levels of pleasantness and speed. The same employee could act differently depending on his or her energy and frame of mind at the time of each customer encounter. Service firms can help manage variability by training their staff on good customer service, give employee incentives or bonuses based on customer feedback.

Perishability

Ogutu (2004) notes that the services cannot be stored for later use or sale. This is never a problem when the demand is steady. It is good for the company to act on peak and off peak period; insurance companies should ensure customer comfort during service delivery so as to create a long lasting relationship with the customer.

Challenges facing Nigeria's Insurance Industry

Drury (2003) noted that the insurance industry faces shrinkage margins and must re – engineer its businesses to stay profitable. The challenges facing the Nigeria‟s insurance industry include:

Professional malpractices – some insurers continue to engage in unprofessional malpractices, which have tarnished the industry‟s reputation. Unless these undesirable practices are overcome, they will continue to dent an already battered image of the industry, leading to further loses of business opportunities for the industry (Marwa, 2007).

Unhealthy competition amongst insurers – Insurers are currently engaged in severe price wars amongst themselves while attempting to wrestle businesses from their rivals so as to survive (Williams, 2002).

Failure to meet insolvency margins by some insurers – The insurance Act provides that insurers transacting life insurance maintain a solvency margin, difference between stipulated assets and liabilities of Nigeria Sh. 10 million or 15% of the previous years‟ direct premium income, whichever is higher, (Marwa, 2007).

According to Ogutu (2004) various other challenges facing the insurance industry include globalization of markets and low level of economic growth.

The Life Insurance Business in Nigeria

Life insurance is a contract between the policy holder and the insurer, where the insurer promises to pay a designated beneficiary a sum of money (the "benefits") upon the death of the insured person. Depending on the contract, other events such as terminal illnesses or critical illnesses may also trigger payment (Marwa, 2007).

According to the Insurance Act, Cap 487, Part B (as cited in Insurance Regulations, 2010), for a life insurance business to be registered, the minimum paid up capital should be at least one hundred and fifty million Nigerian shillings. The registration fees should be one hundred and fifty thousand shillings as per section 30 of the Act.

Table 1.1: Classes of life insurance business in which separate accounts are maintained

Serial No.	Brief description of classes
31	Bond Investment business
32	Industrial life insurance business
33	Ordinary life insurance business
34	Superannuation business

Life insurance policies

Term assurance – is an assurance cover for a term or a temporary period against financial loss. It is paid when the assured dies within the term or period sought for. This provides temporary insurance during the period of an unusual financial strain. This is also convertible to a permanent insurance and can be used to liquidate some particular debts (Marwa, 2007).

Whole life insurance – Is also called ordinary life and provides protection for the lifetime of the assured at a level premium. Premiums are paid so long as the insured is living, that is purposively designed as a saving investment (Margot, 1971).

Endowment life insurance – This is split into pure endowment policy and a combination of term assurance and pure endowment. Pure endowment policy pays the policy amount only if the insured survives past the endowment period (Marwa, 2007).

Margot (1971) noted that life insurance companies are faced with the mechanics of selling life insurance. It has often been said that this is never bought, but always sold (in other words, the persuasive words of a life office representative, a broker or an agent are necessary if people are to be made aware of the advantage, if not the necessity, of life cover).

Theoretical Framework

Factors affecting the growth of life Assurance business

Various factors affecting the growth of life insurance business are discussed as below:

Professional sales staff training

Today"s customers expect insurance sales people to have deep product knowledge, to ideas to improve the customers operations, and to be efficient and reliable. These demands have required companies to make a much higher investment in sales force training. They have to be trained on sales techniques and in the company"s products, policies, and customer satisfaction (Ogutu, 2004).

Kotler (2003), states that, “customers are value – maximisers.” They form an expectation of value and act on it. Buyers will buy life insurance from a firm that they perceive to offer the highest customer – delivered value, which is the difference between total customer value and total customer cost. A buyer"s satisfaction is a function of the insurance product"s perceived value and the buyer"s expectations. Customer satisfaction should be a goal and a marketing tool.

Diacon and Carter (1992) study (as cited in Kamau, 2003) notes that the insurance company"s marketing staff especially the sales representatives need to be motivated always. Some will put their best effort without any special coaching from management. To them, selling is the most fascinating job in the world; they are ambitious and self – starters. However, the majority requires encouragement and special incentives. These may include a bonus, cash rewards, and other allowances. According to Maigo (2000), life insurance companies should know about the prices they are selling their products and should also understand their customers" needs.

Wells, Stafford and Friedman study (as cited in Etemesi, 2004) cite lack of professionalism as a source of customer dissatisfaction in the insurance industry. Lack of technical and experienced staff can lead to improper interpretation of the policy provisions and consequently payment of a claim that was not otherwise payable under the policy.

Munguti (2006) notes that the widespread customer dissatisfaction in the insurance industry has been of great concern to various stakeholders in the industry. This is due to various impediments to efficient provision of services to customers.

In his book, Dorfman (2004) notes that there has been significant changes in the marketing of all types of insurance in the preceding decades. The marketing of life insurance has been an area of obvious change. During the early part of the twentieth century, it was common for life insurance agents to come to an insured"s home on a weekly basis or monthly basis to collect a small premium for "burial" insurance. This type of life insurance now has almost disappeared. Dorfman (2004) continues to note that today, many individuals who previously identified

Sales promotion of life insurance products

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According to Berkowitz, Kery, Hartley and Rudelius (1997) study (as cited in Kamau, 2003), promotion includes all activities the company undertakes to communicate and promote its products and services to the target market. Promotion represents the fourth element in the marketing mix commonly referred to as the 4P"s of marketing. The promotion element comprises of a mix of tools available for the marketer called the promotional mix. Life insurance companies employ these tools so as to reach their customers and persuade them to purchase their products.

Belch and Belch (2001) (as cited in Kabui, 2002) defines promotion as the coordination of all seller initiated efforts to set up channels of information and persuasion to sell goods and services or promote an idea. While implicit communication occurs through the various elements of the marketing mix, most of an organisation"s communications with the market place take place as part of a carefully planned and controlled promotional program.

Kotler (2003) noted that companies often need to restructure their business and marketing practices in response to significant changes in the business environment, such as globalization, deregulation, computer and telecommunications advancements, and market fragmentations. The main responses of business firms to a rapidly changing environment include empowering personnel to produce more ideas and take more initiative. This should be the case with marketing and selling of life insurance products.

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elements of the marketing mix, most of an organisation"s communications with the market place take place as part of a carefully planned and controlled promotional program.

Affordability of life insurance products

According to Kotler (2003), pricing is the amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or service. An increasing number of companies are basing their prices on the product"s perceived value. Price is considered along with other marketing mix variables before the marketing program is set.

Government regulation policies

Life insurance products selling are highly affected by developments in the political and legal environment. These factors include laws, government agencies and pressure groups that influence and limit various organisations and individuals (Kotler, 2003). Marketers of life insurance products need to understand their customers" purchasing power. The available purchasing power in an economy depends on current income, prices, savings, debt and credit availability (Muchire, 2003). Marketers must pay close attention to major trends in income and consumer spending patterns (Kotler, 2003).

The Insurance Regulatory Authority (IRA) issued new guidelines in the year 2009 barring a single insurance company from offering both life and general businesses, or what is known as composite insurance, as a way of enhancing management in the industry. Composite underwriters were given options to split their businesses in to two independent companies and sell one or to place the two under a holding company. The split according to IRA is hoped to reduce cases where composite insurers divert life insurance investments – which are long – term in nature – into plugging short – term cash flow gaps arising out of general business claims, adversely affecting the life insurance business. The separation is among reforms that include limiting individual shareholding to no more than 25 per cent. The reforms begun with the Insurance Amendment Act 2006, which established IRA as an autonomous regulator in place of the Office of the Commissioner of Insurance, which was a department in the Treasury (Association of Nigeria Insurers, 2010).

An insurer carrying on in Nigeria long term insurance business but not general insurance business shall keep at all times total admitted assets of not less than his total admitted liabilities and ten million shillings or five per centum of the total admitted liabilities, whichever is higher. For the purposes of this section, in the case of long term insurance business, the amount of liabilities in respect of the policies of the business at any time shall be the amount of those liabilities at that time as determined by an actuary, which shall not be less than that calculated on the minimum bases prescribed (Insurance Act Cap. 487, Section 41 par. 1 and 4, 2010).

Where an insurer carrying on long term insurance business has not issued a new policy of that category of insurance for a period of twelve months from the appointed date, or from the date of issue of the last policy, whichever is later, the Commissioner may, with the approval of the Board, direct the insurer to frame proposals for transfer or amalgamation of its business to or with an insurer. Where an insurer fails to comply with a direction, or if the proposals framed by the insurer are in the opinion of the Commissioner unsatisfactory, the Commissioner may himself frame a scheme for the transfer of the business to another insurer specified by the first - mentioned insurer and approved by the Commissioner. Where an insurer fails to implement a scheme framed by the Commissioner and the Commissioner considers that the continuance in business of that insurer is likely to lead to insolvency, or is otherwise contrary to the interests of policy holders he may, with the prior approval of the Board – order an investigation of that insurer; or apply to the court for the winding up the business of the insurer (Insurance Act Cap. 487, Section 10 par. 1, 2 and 3 (a) and (b), 2010).

The government through the Commissioner of Insurance should ensure that policies and regulations aimed at shielding the life insurance business from harsh socio – economic, political and legal factors and environmental factors are formulated to ensure positive contribution towards the growth of life insurance business in Nigeria (Ogutu, 2004

Kotler (2003) noted that companies often need to restructure their business and marketing practices in response to significant changes in the business environment, such as globalization, deregulation, computer and telecommunications advancements, and market fragmentations. The main responses of business firms to a rapidly changing environment

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include empowering personnel to produce more ideas and take more initiative. This should be the case with marketing and selling of life insurance products.

THEORETICAL FRAMEWORK

This study will be anchored on two theoretical frameworks; Yaari's theoretical models of 1965 and economic growth theory.

Yarrri (1965) Theoretical model was based on mortality and uncertainty of lifetime. According to Yaari, survival uncertainty can simply be incorporated using mortality table. Yaari's model has undoubtedly become the most applied theory in life insurance theoretical framework of studies because it focuses on mortality and model to explain the demand for life insurance. The assumption of the theory was manly connected to the 1941 ordinary mortality table.

Economic growth theory was developed in 1950s' in USA which was based on Keynesian premises. In the Keynesian approach to the analysis of economic growth, demand does not automatically equal investment, demand especially demand for capital investment plays a key role in economic growth.

The assumption of the theory, according to Keynesian model of economic growth states that; "the rate of accumulation is the main strategic factor and the Basic parameter of long-range economic growth. Such growth is stable when savings are stable, proportion of income and capital is in stable relationship to output, creating what is known as guaranteed rate of growth. The choice of these two theories was included by the fact that life based contracts tend to fall into two major categories;

1. **Protection polices**: This types of policies are designed to provide a benefit in the event of specific event, typically a lump sum of the event. A common form of this design is term assurance. Hence, without proper calculation of mortality, adequate premium will not be charged based on the age and life expectancy of the insured to prospective insured. This, Yaari (1965) theoretical model will be relevant for this study.

2. **Investment Policies:** The main objective of these topics is to facilitate the growth of capital by regular or single premiums. Without accumulation of fund through variable investment returns, this objective would have been undermined. This is in line with the assumption of economic growth theory according to Keynesian model which states that; "the

rate of accumulation is the main strategic factor and the basic parameter of long-range economic growth.

Concept of life assurance

Life assurance is contract between an insured (insurance policy holder)and an insurer. Where the insurer promised to pay a designated beneficiary a sum of money upon the death of the insured person, depending on the contract, other events such as terminal illness or critical illness

Methodology

The researcher made use of descriptive research design to investigate the factors affecting the growth of the life Assurance business in Nigeria. According to Udeze (2005), descriptive methods simply call for a researcher making an observation of his environment and recording events in a particular phenomena or condition. It is systematic gathering of information from respondents for the purpose of prediction some aspects of behaviour of the population or phenomena which they have been expose to. The choice of this design was based on the fact that the researcher made use of primary data to carry out this study.

The population is presented in the table below for easy comprehension

Company	Number of staff	Percentage%
IGI insurance	28	18.7
NICON insurance	30	20
Zenith insurance	32	21.3
First life assurance	35	23.3
Africa Alliance insurance	25	16.7
Population	**150**	**100**

The formula is stated as fellows

$$nh = \frac{n \times Nh}{N}$$

Where, nh= number of questionnaire allocated to each company.

N= total sample size

Nh= number of staff per company

N= total population of the study

IGI Insurance Company

nh=190×23

150=20

nh= 20 staff of IGI Insurance

NICON insurance

nh= 109x28

150 =21.8

nh= 22 staff of NICON Insurance

zenith Insurance

nh= 109x32

159=23.2

nh=23 staff of zenith insurance

First life Assurance

nh= 109x35

150 =25.3

Africa Alliance Insurance

nh=109x25

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150 =18.1

nh= 18 staff of African Alliance

FINDINGS

Based on the data presented and analysis done by the researcher in this study is study are as follows

1. That the patronage rate of life insurance business in Nigeria is still very low.

2. There are major factor significantly affecting the growth of life assurance business in Nigeria. The factors include.

- Poor capital base of Nigerian insurance companies

- Under developed domestic financial market

- Consumer poor awareness of the benefits of life assurance polices.

- Poor infrastructural development in the country such as “ICT”.

- Poor image of the Nigeria insurance industry.

- High rate of inflation and economic instability which affects life assurance investments.

- Insufficient actuarial data in Nigeria.

- Life assurance business has positive impact on individuals and the growth of Nigerian economy.

-. There are strategies and techniques that could be used for effective marketing of life assurance policies in Nigeria as well as the patronage level.

-. However, it was discovered that as moment (presently) life assurance business has not significantly contributed to Nigeria’s Gross Domestic Product (GDP).

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Conclusion

Based on the findings of this research the researcher reached the following conclusion.

Life assurance business will significantly contribute to the economic growth of Nigeria. However, at the m

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Life assurance business despite its tremendous benefits to individuals and the economy at large is yet to attain its pride of place in Nigeria. The penetration or patronage rate of life assurance business is still very low, but the ugly trend could be reversed if adequate strategies and techniques are employed

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