1.1 Introduction to New Product Development

In business and engineering, New Product Development (NPD) is the term used to describe the complete process of bringing a new product or service to market. There are two parallel paths involved in the NPD process: one involves the idea generation, product design, and detail engineering; the other involves market research and marketing analysis. Companies typically see new product development as the first stage in generating and commercializing new products within the overall strategic process of product life cycle management used to maintain or grow their market share. The life insurance business was concentrated in urban areas and was confined only to the higher strata of the society.

1.2 Review of Relevant Literature

A study conducted by Sunayna Khurana (2008) article “Customer Preferences in Life Insurance Industry in India”, revealed that the insurance sector plays a very important role in the development of any economy. It is necessary for the economic and overall development of any country.

A study conducted by Raju, S. and Gurupandi, M. (2009) in their article “Analysis of the Socio Economic Background and Attitude of the Policyholders towards Life Insurance Corporation of India”, SmartJournal of Business Management Studies revealed that the study was of great help to the policyholders, as it was aimed at finding the attitude towards the services of Life Insurance Company.

A study conducted by Varaprasad, V. and Murali Krishna, B. (2009) article “Insurance sector: Strategies for Intermediation and Marketing”, Smart Journal of Business Management studies revealed that the suggestions brought forward by this study are mixed. He concluded that in order to make insurance sector significant component of financial intermediation process, complete deregulation and increase in face of reforms are essential at the same time, by adopting proper segmentation capture significant share in the market for the overall benefit of organizations.

Shivanand H. Lengti (2009) in his article “Insurance Disputes in India” revealed that the insurance consumers have the option to select the appropriate authority and forum. It may be the insurance ombudsman or the consumer councils, to settle their disputes.

Praveen Sanu, Gaurav Jaiswal and Vijay Kumar Panday(2009) in their article, “A Study of Buying Behaviour of Consumers towards Life Insurance Company”, Prestige institute of Management and Research, Gwalior, revealed that in present Indian market, the investment habits of Indian consumers are changing very frequently. The individuals have their own perception towards various types of investment plans.

Selvavinayagam, K. and Mathivanan, R. (2010) article has revealed that the competitive climate in the Indian insurance market has changed dramatically over the last few years. At the same time, changes have been taking place in the government regulations and technology. The expectations of policyholders are also changing. The existing insurance companies have to introduce many new products in the market, which have competitive advantage over the products of life insurance companies.

Ramanathan, K.V. (2011) research has resulted in the development of a reliable and valid instrument for assessing customer perceived service quality, awareness level, and satisfaction level of customers towards life insurance industry.

According to Buckingham (2001:37) employees were “intent on sharing with colleagues the many reasons for which they believe their organisation is such a rotten place to work”. Similarly, researchers at Gallup (Brim 2002) and Truss et al (2006) identified an inverse relationship between
employee engagement, or the degree to which a worker is fulfilled by his or her job, and the length of service. According to Brim (2002) such evidence indicates that for most employees, the first year on the job is the best and thereafter it is ‘downhill’. One challenge for employers is to find ways of renewing employees’ engagement levels through the duration of their employment. They may be also internal customers. So before the company launching a new product it must verify their opinion.

1.3 Objectives of the Research
To study the product development among the customers in madurai city.

To study the various functional departments running in Max-New York life

To identify the perception and expectation of the customers regarding the Max New York life product.

To study the product movement of the Max-New York Life insurance in today unfavorable conditions of the market.

1.4 Research Methodology
Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done. This chapter consists of the Research objectives, Data collection methods, Tools used for analysis. The research design adopted is descriptive research in nature. The Researcher has conducted the study within the limited duration so a detailed and comprehensive study could not be made. The data is collected through filling up the questionnaires from employees. The primary data is collected through using well structured questionnaire from employees through personal interview. The secondary data is collected from company website. The research approach used here is Census survey method. (i.e.) the data is collected by considering the whole population .The sample size is 100.

The statistical tools used in this research are Factor Analysis, Reliability Test, and Chi-Square test, cross tabulation.

1.5 Analysis and Interpretation
1.5.1 Reliability Statistics
Cronbach’s Alpha

<table>
<thead>
<tr>
<th>N of Items</th>
<th>10</th>
</tr>
</thead>
</table>

This table shows the reliability of the service quality provided by Max-New York Life Insurance. It shows the project should be reliable one.

1.5.2 Exploratory Factor Analysis
KMO and Bartlett’s Test

<table>
<thead>
<tr>
<th>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</th>
<th>0.810</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bartlett’s Test of Sphericity</td>
<td>Approx. Chi-Square</td>
</tr>
<tr>
<td>DF</td>
<td>45</td>
</tr>
<tr>
<td>Sig.</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.

a. There are 3 components extracted.

Your opinion about MAX Newyork Insurance

-0.766

Your feelings about key advantages of product

-0.664

Your expectation level towards this product

-0.550

1.5.3 Chi-square Test

H0 = There is no significant difference between Gender Wise Classification and the

Your level of acceptance that product

H1 = There is significant difference between Gender Wise Classification and the

Your level of acceptance that product

1.5.4 ANOVA

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2,476</td>
<td>6</td>
<td>413</td>
<td>1.754</td>
<td>0.117</td>
</tr>
<tr>
<td>Within Groups</td>
<td>21,884</td>
<td>99</td>
<td>225</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>24,360</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>3,047</td>
<td>6</td>
<td>508</td>
<td>0.931</td>
<td>0.477</td>
</tr>
<tr>
<td>Within Groups</td>
<td>50,713</td>
<td>93</td>
<td>545</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>53,760</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The first table shows that 58 male customers are operating account in Max-newyork and the remaining of 42 female customers is operating account in Max-newyork. The level of acceptance is higher in agree with 32 customers. The second table shows the chi square value which is 10.164 and its significant is at 0.95 levels. Since this level of significance is greater than 0.05 we may accept the null hypothesis with high degree of confidence. So there is no significant difference between different types of bank and waiting time of the customers. Note that footnote (b) states that no cells have expected less than 5. That is good because otherwise a condition for using of chi-square would be violated. A good condition is that no more than 20% of the cells should have expected frequencies less than 5.
The above table shows whether the overall F’s for demographic profile of customers were significant or not by using the ANOVA program. Note that the out of demographics groups, age group and gender group of customers differ significantly where F ratio is used to determine the size of the mean differences for each individual independent variables comparison, educational F (93,6) = 4.938, P = 0.000 and marriage F (93,6) = 2.394, P = 0.034. The test of between groups shows that F ratio for age wise which are statistically significant (p<0.05) level.

1.6 Findings and Recommendations

With the Analysis it was revealed that brand name of the company should not be familiar to the public. SO the company must make the steps to solve the problem.

When comparing to competitors advertisement are not effective to attract the customers this is the main reason to public will not capture the brand name as well as product details. SO company makes effort to create attractive advertisement.

Advisors should not be facilitated for a long time.

When the customer wants to apply insurance the Minimum premium is high in Max Insurance. It will highly reflected in the negative projection. So Middle class people & lower level people unable to take max-Newyork insurance policies. Hence I Suggested that company re-modify the policy and get all level of customers.

As for the analysis the employees are satisfied with Product terms and conditions. So the company maintain the same policy of what they have done in past.

Employees of the company should be response as public queries regarding Insurance. Even it takes longer time they explain patiently. In this regards they are expecting incentives and promotion for their kind of motivation. Hence I Suggested that company consider this for maintain their service in long time.

Employees of the company should not take much interest to do their advisors work for a long time.

1.7 Conclusion

Today there are number of insurance companies are running in the world. Out of this Max-Newyork is one of the leading company. In this research we focus on Employee’s opinion towards the new Product Development in Max Newyork. When the company introduces the new product People responseare mentioned in different ways. The adoption of a new technology can be analyzed using a variety of diffusion theories such as the Diffusion of innovations theory. But based upon research we found that the employees have some opinion towards the company. Even out of so many hurdles the organization makes arrangements for their remuneration in time, training programmers to improve their personal skills. But using some of the mechanism and suggestions the company will growth and well developed in the market.

### Table: Marriage Wise Classification

<table>
<thead>
<tr>
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<th>Between Groups</th>
<th>Within Groups</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5.063</td>
<td>32.777</td>
<td>37.840</td>
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<tr>
<td></td>
<td>6</td>
<td>93</td>
<td>99</td>
</tr>
<tr>
<td></td>
<td>844</td>
<td>352</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.394</td>
<td>0.034</td>
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</table>

### Table: Educational qualification Wise Classification

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<th>Within Groups</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>61.700</td>
<td>191.593</td>
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<tr>
<td></td>
<td>6</td>
<td>92</td>
<td>98</td>
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<td></td>
<td>10.283</td>
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<td></td>
<td>4.938</td>
<td>0.000</td>
<td></td>
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1.8 References: