

**Level of Trust, Insurance Knowledge and Presence of Cognitive Dissonance in Life
And Unit Linked Insurance Market
Among Retired Beneficiaries in Kerala**

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Abstract

Key Words: Trust on Insurance, Insurance Knowledge, Cognitive Dissonance, Socio-Psychological Factors, Consumerism and Investment Preference.

The term trust is meet the desire of the purchaser and it guarantee what the buyer really anticipated (Collin Mayer, 2008). In the field of psychology, cognitive dissonance is the mental discomfort (psychological stress) experienced by a person who simultaneously holds two or more contradictory beliefs, ideas, or values. In A theory of Cognitive Dissonance (1957), Leon Festinger proposed that “human beings strive for internal psychological consistency in order to mentally function in the real world. A person who experiences internal inconsistency tends to become psychologically uncomfortable, and is motivated to reduce the cognitive dissonance”. Through this study analyses, the lack of trust and insurance knowledge among respondents is a matter of creating cognitive dissonance and try to develop a logical relationship between level of trust, insurance knowledge and cognitive dissonance. Also evaluate the extent of relationship of level of trust on insurance, life insurance knowledge and presence of cognitive dissonance among

retired beneficiaries on suggestion of insurance as an investment tool for young potential investors. Scope of the study is limited to state of Kerala and sample surveys among 170 respondents were conducted via multi-stage random sampling method. The study made use of statistical techniques such as Factor analysis, ANOVA and Regression. The socio-psychological factors of cognitive dissonance have powerful impact in overall level of cognitive dissonance among retired beneficiaries and this overall presence of cognitive dissonance is also depends on the level of trust on insurance and insurance knowledge among retired beneficiaries in life and unit linked insurance market. It also found that trust on insurance, insurance knowledge and presence of cognitive dissonance has direct significant influence on suggestion of insurance as an investment tool for young potential investors.

INTRODUCTION

The term trust is related with psychological aspects of the human being. More accurately we can define 'trust' is belief of the human towards something. The word 'Trust' is meet the expectation of the consumer, investor or a person what they actually want. This may create prime concern in the minds of the people while taking each and every decision, even in our daily life situations. The fiduciary responsibilities reflected in the term trust are; Honest, Diligent, Competent, Care, Integrity, confidence, Loyal, Disclosure, Commitment, Co-operation, closeness, Obligation, Faith, Fairness, Reliability, etc., all these are psychological factors (Colin Mayar, 2008).

The term 'Trust on Investment' implies that belief of the people towards concept of Investment. The people primarily considering the economical features while choosing an investment. But naturally some psychological factors are come in our mind with or without our knowledge. These psychological elements together created trust in our mind towards any investment modes or to any financial institutions. Because the elements which are creating trust, should be reflected in investment selection. But can't think the Trust is a continuous one, it may be end at any time when it is breached. Trust is the prime concern of people while choosing an investment (Collin Mayer, 2008). The trust is not flow through the manmade fiber cables it's based on the exchange of adequate information and expectation (Francis Fukumaya, 1995). The expert consultation and

shared values will help to create trust commitment relationship (William L Solomonson, 2011). Proper communication, education and understanding about market will help to improve trustworthiness towards stock market (Luigi Guiso et al, 2008). The investment trust established on the basis of proper responsiveness to consumer/ investor, fulfillment of promises, adequate safety and return, distribution of information etc (Marjorie E Nesbitt, 2002).

The term insurance knowledge is the possession of the set of skills and knowledge that allows an individual to make informed and effective decisions with all of their financial resources. It examined the relation found in the knowledge health and retirement study between cognitive ability, and in particular numeracy, wealth, and income constant. From a policy perspective, they suggest that the numeracy wealth- relation should not be taken as evidence that increasing financial knowledge will increase the wealth of the households as they enter into retirement. To learn more about these potential relationships, they use health and retirement study to create a number of measures of knowledge of pensions and social security.

In the field of psychology, subjective discord is the psychological distress (mental pressure) experienced by an individual who at the same time holds at least two opposing convictions, thoughts, or qualities. The event of intellectual disharmony is an outcome of an individual playing out an activity that negates individual convictions, standards, and values; and furthermore happens when gone up against with new data that repudiates said convictions, beliefs, and qualities.

In a hypothesis of Cognitive Dissonance (1957), Leon Festinger suggested that "people make progress toward inside mental consistency so as to rationally work in reality. An individual who encounters inward irregularity will in general turn out to be mentally awkward, and is inspired to decrease the psychological cacophony. This is finished by making changes to legitimize their upsetting conduct, either by adding new parts to the cognizance causing the mental discord, or by effectively dodging social circumstances as well as conflicting data liable to build the extent of the intellectual disharmony. Intellectual discord hypothesis recommends that individuals look for mental consistency between their own desires forever and the existential truth of life. To work by that desire for existential consistency, individuals practice the procedure of disharmony decrease so as to constantly adjust their discernments (view of the world) with their activities in reality. In

protection a large portion of the speculators may feel inconvenience towards their life coverage arrangements due to the normal return after their retirement period got is not exactly the genuine return got. So they are not intrigued to recommend the protection to the more youthful ages.

Through this study analyses, the lack of trust and insurance knowledge among respondents is a matter of creating cognitive dissonance and try to develop a logical relationship between level of trust, insurance knowledge and cognitive dissonance. Also evaluate the extent of relationship of level of trust on insurance, life insurance knowledge and presence of cognitive dissonance among retired beneficiaries on suggestion of insurance as an investment tool for young potential investors.

REVIEW OF LITERATURE

Trust is the prime worry of individuals while picking an investment. The term trust is meet the desire of the purchaser and it guarantee what the buyer really anticipated (Collin Mayer, 2008). According to Francis Fukumaya (1995), trust isn't course through the synthetic fibrecables, it depends on the trading of satisfactory data and desire. Consultation with experts and shared esteems helps in creating trust commitment relationship (William L Solomonson, 2011). The demographic factor has huge effect in investment decision. In any case, the demographic factors is firmly connected with trust (Luigi Guiso et al, 2008). Appropriate responsiveness to shopper/investor, fulfilment of promises, adequate wellbeing and return, distribution of information, special considerations and so forth establishes investment trust (Marjorie E Nesbitt, 2002). Providing sufficient data gives opportunity for building reputation and furthermore firm can guarantee 'trust' in the brains of speculator. The divulgence of data enhances the investment and trust (RudhikLunawat, 2009). The broken guarantees are the prime equipped issue in trust. Honest and dependable communication helps in flourishing management (Duane converse Tway, 1994). State of mind towards skill, aims, and positive feelings helps in building trust (Duane converse Tway, 1994). Donna M Romano (2003) established a trust model and proposed that, the trust is principally portrayed by communicating emotions, thought and behavioural intentions. Secondary, trust relies upon trustor's attitude, target and affecting force. Be that as it may, trust is dynamic in nature since it changes upon circumstances. The start and sustain of trust relies upon factors like individual feeling, relationship, commitment and stream of dependable data (James T Colvin Jn,

2014). The best saving of funds and its investment wins better future life and it gives the wellspring of every future need (Horoika and Watanabe, 1997 & Claycamp 1963 & Keynes, 1936). Through this examination we endeavor to build up a legitimate connection between investment trust and level of consumerism. They have more trust towards investment when they decrease their spending conduct and contribute their piece of cash on gainful assets. The term trust has critical effect on investment and consumerism. These two terms are sensibly interrelated. As on this setting it is extremely pertinent to conduct this study in our nation. In this perspective, the present investigation turns out to be exceptionally basic.

Youth frequently have low dimensions of money related learning and furthermore demonstrates that guardians likewise impact their kids' monetary education, mentalities, and conduct's Gina A N. Cowa, Mat despard, & Issac Osei-Akoto (July 2012). Diverse qualities are related with people utilizing distinctive sorts of monetary guidance. Learning and fulfillment are contrarily identified with the utilization of obligation guiding (Cliff A Robb, Patryk Babiarz & Ann Woodyard ponders (2012). Psychological discord hypothesis indicates the nearness of intellectual components. At least one components that are conflicting with each other lead to psychological disharmony. This examination hypothetically serves an alternate inspiration for settling on an exact choice. Choice between two options, each with positive and negative angles is presumably the most normal sort of choice circumstance (Festinger, (1957) and Fischer Greitemeyer, (2010)). lopsidedness between the communicated dispositions and exhibited conduct has been named as the "protection oddity". This will dependent on clients connections with web based business frameworks. This at present focuses on trust, protection analytics or chance advantage figuring from the point of view of exchanges. While these investigations analyze an imperative part of online data divulgence (Isha Ghosh & Vivek Singh (2016)). This self-dread, the aftereffect of what's called intellectual discord, has been exhibited again and again by analysts who concoct progressively expound clarifications for it (John Tierney (2007)). Conduct fund has been developed because of the deficiencies of the conventional back hypothesis to foresee and contemplate the conduct of people. This paper attempts to give an essential presentation of the idea of conduct fund pursued by the discourse of psychological cacophony idea simplifiedly including the highlights and the approaches to defeat the discord in the venture choices (Amlanjyoti Sharma (2014)).

METHODOLOGY

The study is both descriptive and analytical in nature. For the collection of data, survey method was adopted. Since for the percepts of analysis primary data is mandatory, data were collected from individual respondents of Kerala. The samples were selected in two stages. In the first stage Kerala was divided into 3 zones namely south, central and north zone. From each of these zones one corporation, one municipality and one panchayath were selected. One ward was selected from each of the above chosen corporation, municipality and panchayath on a random basis. In the second stage purposive sampling method was used for the selection of 170 samples from each zone. 50, 55 and 65 samples were collected from Corporation, municipality and panchayath level respectively. Level of trust on Insurance and level of insurance knowledge and presence of cognitive dissonance among the respondents were measured using five point likertscale. Data analysis was done with the help of SPSS package. Statistical tools such as Regression, T-test, ANOVA, Factor Analysis were used for analysis of the collected data.

DISCUSSION OF RESULTS

This study attempt to analyse, the lack of trust and insurance knowledge among respondents is a matter of creating cognitive dissonance and try to develop a logical relationship between level of trust, insurance knowledge and cognitive dissonance. This is also identifies the socio-psychological factors leading to cognitive dissonance. Also evaluate the extent of relationship of level of trust on insurance, life insurance knowledge and presence of cognitive dissonance among retired beneficiaries on suggestion of insurance as an investment tool for young potential investors. All the major variables measured on a five point scale, the maximum value being five and minimum value one.

Level of Trust on Insurance

The following statements are identified for measuring level of trust on insurance among respondents

Table 1

Variables identified for measuring level of trust on insurance

1.	Money invested in Insurance, could be realized in future without any loss.
2.	I believe, insurance companies always tried to full fill the given promises
3.	Post maturity services of the insurance companies are very good
4.	Insurance companies and brokers are trustworthy
5.	Regulations by IRDA are sufficient for the protection of the interest of policy holders
6.	Insurance companies give all key information regarding policies
7.	Insurance advisors/agents suggest the most benefited policies of the investors

Level of Insurance Knowledge

The following variables are identified for measuring level of insurance knowledge among the respondents.

Table 2**Variables identified for measuring level of insurance trust**

1.	I have good understanding about risk coverage/involved in Insurance
2.	Life insurance is not an Investment
3.	Value of the ULIP depends on the market conditions
4.	Total amount receivable on maturity of an Insurance policy can be estimated at the time of subscription
5.	Value of commission available to advisor /agents vary from policy to policy
6.	The time value of money and the level of initiation are important in the choice of an insurance
7.	One can investment in Insurance based on recommendations by Agents/advisor

Level of Presence of Cognitive Dissonance

The following statements are identified for measuring level of presence of cognitive dissonance among the respondents.

Table 3

Variables identified for measuring level of cognitive dissonance

1.	The NPV of my Insurance policy is very lower than My initial promised value
2.	There are number of better Investment options are available like SIPs rather than Insurance
3.	I spend major portion of my investment towards Insurance, but I received only less than sum assured
4.	I haven't received assured return from Insurance as equal to my long term commitments
5.	Considering Insurance as a good investment option at my early life was very regrettable
6.	I had shifted my investment in insurance during the policy period to other better investment modes
7.	I feel so cheated, because Insurance was not given the promised value of the policy

Insurance Recommendation

The following statements are identified for measuring how far the respondents suggest youngsters insurance as a good investment tool

Table 3**Variables identified for suggesting insurance as investment tool**

1.	I am not interested to recommend insurance to the younger generation, because it will not ensure promised value of the policy
2.	I can't agree with insurance because, the NPV of present policy is lower than the future maturity value
3.	I can't suggest insurance to others because it will not be a better investment option
4.	Youngsters can go for other better investment options rather than preferring insurance

EXPLORATORY FACTOR ANALYSIS-COGNITIVE DISSONANCE

The major criterion of factor is the Eigen value should be greater than one. In addition to this, Kaisor-Meyer-Olkin test of sampling adequacy, Bartlett's test of Sphericity were used and the result is satisfied. The KMO test result should be greater than 5 and the test of sphericity must be significant.

The following table 5 furnished the VARIMAX rotated component loading values and criterion test values.

Table 5
VARIMAX rotated component factor matrix

Factors	Factors		
	Variability in perception and return	Changes in belief and action	Inconsistency in Investment decision
The NPV of my insurance policy is very lower than my initial promised value	.133	.888	-.022
There are number of better investment options are available like SIPs rather than insurance	.011	-.025	.979
I spend major portion of my investment towards insurance, but I received only less than sum assured	.641	.388	-.079
I haven't received assured return from insurance as equal to my long term commitments	.835	.114	-.209
Considering insurance as a good investment option at my early life was very regrettable	.737	.285	.091
I Had shifted my investment in insurance during the policy period to other better investment modes	.363	.745	-.002
I feel so cheated, because insurance was not given the promised value of the policy	.694	.126	.169
Eigen values	2.282	1.605	1.045
Sum of cumulative % of Variance	32.598	55.529	70.463
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.798
Approx. Chi-Square			143.035
Bartlett's Test of Sphericity Degree of freedom			21
Significance			.000

Source: Primary data

The factor analysis reduces the 7 statements into 3 different components, by after fulfilling the all basic requirements. The first component is the variability in perception and return towards the insurance. Assured return from investment equal to the long term commitments, early life was

very regrettable because of considering insurance as a better investment option, feeling so cheated because of insurance not given the promised value of the policy. The second component comprises that the NPV is much lower than the promised value, the insurance investment option to other better investment mode. These are come under the category of changes in belief and action. The third factor is that inconsistency in investment decision. It include there are number of better investment options are available rather than insurance.

OVERALL LEVEL OF TRUST ON INSURANCE, INSURANCE KNOWLEDGE AND COGNITIVE DISSONANCE

The level of trust among the respondents is 3.3303 out of 5 point scale with a standard deviation of .71541. The level of insurance knowledge among the respondents is found to be below the moderate level (3.3916) with standard deviation of (.93266).The level of presence of cognitive dissonance among the respondents is 3.8992 out of 5 point scalewith a standard deviation of 1.03969

IMPACT OF SOCIO-PSYCHOLOGICAL FACTORS OF COGNITIVE DISSONANCE ON OVERALL LEVEL OF COGNITIVE DISSONANCE

Through the factor analysis, the variables which are influencing the level of cognitive dissonance is grouped as three factors such as Variability in perception and return, Changes in belief and action, Inconsistency in Decision. For assessing the impact of these factors on level of cognitive dissonance, the multiple regression analysis was used. Here cognitive dissonance as dependent variable and the factors given above are the independent variable.

Ho: The presence of overall level of cognitive dissonance on insurance investors is independent in different socio-psychological Factors leading to it.

Table 6
Model Summary Of Multiple Regression

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.775	.601	.586	.66860	1.241

Source: Survey Data

- a. Predictors: (Constant) Variability in perception and return, Changes in belief and action, Inconsistency In Decision
- b. Dependent Variable: Cognitive Dissonance

Table 7
ANOVA A Model Fitness For Cognitive Dissonance

Model	Sum of squares	DF	Mean square	F	Sig
Regression	54.591	3	18.197	40.707	.000
Residual	36.210	167	.447		
Total	90.801	170			

Source: Survey Data

- a. Dependent Variable: Cognitive Dissonance
- b. Predictors: (Constant) Variability in perception and return, Changes in belief and action, Inconsistency in decision

The model summary table shows the R square value and the standard error of the estimate. Since the R square is .601, 60.1% of the variation in cognitive dissonance can be explained by using these factors. The basic criterion of regression analysis is the Durbin-Watson test value should be less than 2. In this model summary it gives only 1.241

The ANOVA table in this model shows the value of F-Statistics and its significance. Since the significance value (0.000) of the regression model is less than at 5% level of significance. It

revealed that regression of cognitive dissonance of the respondents on the factors is valid. That is those factors have significant influence on the cognitive dissonance of the respondents.

Since the regression model identifies that cognitive dissonance are influenced by these factors (Variability in perception and return, Changes in belief and action, Inconsistency in decision). It is essential to identify the most prominent factors influencing the level of cognitive dissonance.

Table 8
Coefficients- Significance of the factors influencing Cognitive Dissonance

Model	Un standardised coefficients		Standardized Coefficients	T	Sig
	B	Std. Error	Beta		
Constant	.324	.290		1.114	.268
Variability in Perception and Return	.535	.089	.522	5.994	.000
Changes in Belief and Action	.226	.079	.241	2.847	.006
Inconsistency in investment Decision	.166	.070	.182	2.376	.020

Source: Primary Data

Dependent Variable: Cognitive dissonance

The coefficient table shows that the t- value in respect of all independent variables and their significance. In all cases the significant value (.000) of the independent variables on the dependent variable is significant at 5% level of significance. That means those factors have significant influence on the cognitive dissonance of the people in Kottayam district.

The Beta value indicates the relative influence of the independent variables (Variability in perception and return, Changes in belief and action, Inconsistency in decision) On the dependent variable cognitive dissonance. The positive and negative signs of the beta values give the direction

of influence of independent variables on the dependent variable. So the direction of change in the independent variable moves in the same direction of the dependent variable.

IMPACT OF LEVEL OF TRUST ON INSURANCE AND LEVEL OF INSURANCE KNOWLEDGE ON COGNITIVE DISSONANCE

For analysing the dependency of cognitive dissonance on level of trust on Insurance and financial knowledge, the multiple regression analysis is used. Here cognitive dissonance is the dependent variable and trust and financial knowledge are the independent variable.

Ho: The presence of cognitive dissonance in insurance investment is independent in level of insurance knowledge and level of trust on insurance.

Table 8
Model summary of multiple Regression

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.390	.152	.131	.96907	1.672

Source: Survey Data

- a. Predictors: (Constant) Trust, Insurance knowledge
- b. Dependent Variable: Cognitive Dissonance

Table 9
ANOVA- Model Fitness for multiple Regression

Model	Sum of squares	DF	Mean square	F	Sig
Regression	13.796	2	6.898	7.345	.001
Residual	77.005	168	.939		
Total	90.801	170			

Source: Survey Data

- a. Dependent Variable: Cognitive Dissonance
- b. Predictors: (Constant) Trust, Financial Knowledge

The value of the Durbin Watson test is only 1.672 that is less than 2. The model summary table shows (.390), R square 15.2% and standard error of the estimate (.96907). The value of the R Square is 15.2% only. 11.5% of the variation in selection of cognitive dissonance can be explained by level of trust and financial knowledge.

The ANOVA table explains the F Statistics (7.345) and its significance. The significant value of this model is .001, which is not more than the 5% level of significance. It is revealed that regression of cognitive dissonance and level of trust and Insurance knowledge is valid. This is the level of trust and financial knowledge are significantly influence on the selecting cognitive dissonance.

The regression model reveals that the level of cognitive dissonance influenced by trust and financial knowledge. The respondents level of trust on Insurance and Insurance knowledge has essential influence in while creating cognitive dissonance among the respondents.

Coefficients of the independent variables explain whether the influence of independent variable (Trust, Insurance knowledge) on dependent variable (cognitive dissonance) is significant or not.

Table 10
Coefficients- Significance of level of trust and insurance knowledge

Model	Un standardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Constant	1.128	.598		1.887	.063
Insurance knowledge	.290	.118	.260	2.454	.016
Trust on Insurance	.327	.154	.225	2.120	.037

Source: Primary Data

Dependent Variable: Cognitive Dissonance

From the above results, it is clear that significant value of financial knowledge (.016) and is below the 5% level. So we can infer that the level of Insurance knowledge of respondents is only have significant influence in the level of cognitive dissonance.

The Beta value of investment trust and level of trust are positive and the cognitive dissonance moves on the same flow of the financial knowledge and level of trust.

DEPENDENCY OF INSURANCE POLICY RECOMMENDATION OF RETIRED BENEFICIARIES ON SOCIO-PSYCHOLOGICAL FACTORS OF COGNITIVE DISSONANCE

The multiple regression is executed to find out the dependability of different socio-psychological factors of cognitive dissonance.

Ho: Life Insurance policy recommendation of respondents is independent on different socio-psychological factors of cognitive dissonance among the respondents

Table 11
Model Summary of multiple regression

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.517	.268	.240	.46164	1.920

Source: Primary Data

- Predictors: (Constant) Variability in perception and return, Changes in belief and action, Inconsistency In decision
- Dependent Variable: Recommendation

Table 12
ANOVA-Multiple Regression

Model	Sum of squares	DF	Mean square	F	Sig.
Regression	6.307	3	2.102	9.865	.000
Residual	17.262	167	.213		
Total	23.569	170			

Source: Primary data

- a. Dependent Variable: Recommendation
- b. Predictors: (Constant) Variability in perception and return, Changes in belief and action, Inconsistency in decision.

The model summary table shows R square (.268) and standard error of the estimate (.46164). Since the R square is the .268, only 26.8% variation in the selection of the recommendation can be explained the level of variability in perception and return, changes in belief and action and inconsistency in decision.

The ANOVA table in this model shows the F statistics (9.865) and its significance value (.000) since the significance value of this regression model is less than 5% level of significance. That means, the level of Variability in perception and return, Changes in belief and action, Inconsistency in decision are significantly influence on the recommendation made by the respondents to the youngsters.

A detailed analysis is required to find out the independent variable which significantly influence the recommendations. The regression analysis also gives a co-efficient table and its significance value with respect to the independent variable.

Table 13
Coefficients- Significance level

Model	Un standardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Constant	.819	.201		4.083	.000
Variability in perception and return	.139	.062	.267	2.261	.026
Changes in belief and action	.110	.055	.230	2.002	.049
Inconsistency in Investment decision	.071	.048	.153	1.477	.144

Source: Primary Data

Dependent Variable: Recommendation

The significance value of the variability in perception and return (.000) and changes in belief and action (.026) is below the significant value 5% level. So we can infer that both the variability and inconsistency have influence on the recommendations among the respondents.

The beta value of the above 3 factors are positive and the recommendation moves on the same flow of the variability, belief and inconsistency.

DEPENDENCY OF INSURANCE POLICY RECOMMENDATION OF RETIRED BENEFICIARIES ON LEVEL OF INSURANCE TRUST AND LEVEL OF INSURANCE KNOWLEDGE

This table may help them to identify the dependence of insurance policy recommendation of retired beneficiaries on level of insurance trust and level of insurance knowledge.

Ho: Life Insurance policy recommendation of respondents is independent on Level of trust on Insurance and Level of Insurance knowledge.

Table 14

Model Summary- Multiple Regression

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.418	.174	.154	.48716	1.590

Source: Primary Data

- a. Predictors: (Constant) Insurance Knowledge, Trust
- b. Dependent Variable: Recommendation

Table 15

ANOVA- Model Fitness for Recommendation

Model	Sum of squares	DF	Mean	F	Sig.
Regression	4.109	2	2.054	8.656	.000
Residual	19.461	168	.237		
Total	23.569	170			

Source: Primary Data

a. Dependent Variable: Recommendation

b. Predictors: (Constant) Financial Knowledge, Trust

The model summary table shows R square (.174) and standard error of the estimate (.48716). Since the R square is the .174, only 17.4% variation in the selection of the recommendation can be explained the level of trust and Insurance knowledge The ANOVA table in this model shows the F statistics (8.656) and its significance value (.000) since the significance value of this regression model is less than 5% level of significance. That means the level of trust and financial knowledge will significantly influence the recommendations made by the respondents.

A detailed analysis is required to find out the independent variables which significantly influence the recommendations. The regression analysis also gives a co-efficient table and its significance value with respect to the independent variable.

Table 16
Coefficients- significance level of trust and financial knowledge

Model	Un standardized Coefficients		Standardized Coefficients	T	Sig
	B	Std. Error	Beta		
Constant	1.728	.300		5.752	.000
Trust	-.185	.078	-.250	-2.388	.019
Financial knowledge	.235	.059	.413	3.948	.000

Source: Primary Data

Dependent Variable: Recommendation

The above coefficient table presents the Beta values, t-values and their significance. The significant value of trust (.019) and Insurance knowledge (.000) are less than the significant level of 5%. That means the trust and Insurance knowledge are significantly influence the recommendations. The Beta value of Insurance knowledge is positive and the recommendation moves on the same flow of Insurance knowledge. The independent variable trust shows the negative value which means the recommendation moves on the opposite direction.

SUGGESTIONS

1. Insurance companies and brokers must provide all key or hidden information regarding life insurance policies.
2. IRDA to take adequate measures to improve level of insurance knowledge among the retired beneficiaries. Conducting knowledge sharing programmes, campaigns etc should be encouraged in order to increase the level of insurance knowledge.
3. IRDA should adopt strict measures to control unauthorised brokers/intermediaries from the field of insurance; this can be helps to reduce fear about frauds in the field of life insurance and in the minds of investors.
4. Before going to an investment in insurance, potential investors shouldconduct a detailed comparison between initial policy value and Maturity value (NPV at the time of maturity) of preferred insurance policy; this can be helps to reduce cognitive dissonance at the time of maturity period.
5. Investors can also conduct detailed comparison between Insurance policy value, period of time and amount of premium with other investment options and its features.

CONCLUSION

This was done to identify whether level of trust on insurance, insurance knowledge and presence of cognitive dissonance among retired beneficiaries in life insurance market has direct significant influence on suggestion of insurance as an investment tool for young potential investors. The socio-psychological factors of cognitive dissonance have powerful impact in overall level of cognitive dissonance among retired beneficiaries and this overall presence of cognitive dissonance

is also depends on the level of trust on insurance and insurance knowledge among retired beneficiaries in life and unit linked insurance market.

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