

Factors Affecting on Cross Selling of Dwelling House and Personal Accident Insurance for Private Motor Car Policyholders in Sri Lanka

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This paper attempts to examine the private motor car insureds' cross selling viability on dwelling house and personal accident insurance policies in Sri Lankan non-life insurance industry. There are 15 general insurance companies after the segregation regulation was introduced while three companies are still operating as composite insurers accounting 55.3 billion rupees of growth written premium and industry has grown by 3.66% in general insurance in 2014..All the general insurance companies' portfolio dominated by motor insurance, which is the highest loss line class among general product classes as 76.48%. Cross selling non motor products to motor insurance policies became an essential requirement for general insurance companies because this will improve the combined performance ratio. The study was carried out using a range of qualitative and quantitative methods consisting of questionnaires, using randomly selected 250 insurance advisors and in-depth interviews with 25 senior managers from 18 insurance companies with secondary data. The study revealed that cross selling direct antecedents namely cross selling self-efficacy, motivation and role clarity were valid predictors of cross selling sales performance and there was a positive impact by those variables. Out of the study, managers were also perceived that cross selling is an idle strategy for developing the new business in general insurance industry to face the future challenges. Industry should initiate non motor product introduction into sales advisors' job induction and structured training programmes. Further a proper reward system with a valued incentive system must be implemented to the sales advisors for a better development of the general insurance industry.

Keywords: Cross Selling; Self-efficacy; Sole Clarity; Non Life Insurance