

A Study on Customer Satisfaction of Insurance Companies

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Abstract:-The initiatives taken by the private players are very competitive and have given immense competition to the on time monopoly of the market LIC. Since the advent of the private players in the market the industry has seen new and innovative steps taken by the players in this sector. The new players have improved the service quality of the insurance. . LIC with its central office in Mumbai and seven zonal offices at Mumbai, Calcutta, Delhi, Chennai, Hyderabad, Kanpur and Bhopal, operates through 100 divisional offices in important cities and 2,048 branch offices. LIC has 5.59 lakh active agents spread over the country. The general insurance industry in India was nationalized and a government company known as General Insurance Corporation of India (GIC) was formed by the Central Government in November 1972. The members of development agency for their spouse's minimum age at the start of the policy 18 years last birthday and maximum age at the start of policy 50 years last birthday.

Key words: Customer Satisfaction, Insurance Policy Paid Details and Development Insurance Plan

I. INTRODUCTION

The introduction of private players in the Companies has added to the colors in the dull industry. The initiatives taken by the private players are very competitive and have given immense competition to the on time monopoly of the market LIC. Since the advent of the private players in the market the industry has seen new and innovative steps taken by the players in this sector. The new players have improved the service quality of the insurance. As a result LIC down the years have seen the declining phase in its career. The market share was distributed among the private players. Though LIC still holds the 85% of the insurance sector but the upcoming

natures of these private players are enough to give more competition to LIC in the near future. LIC market share has decreased from 90% (2012-13) to 95 % (2015-16).

A. Objectives

- To determine reasons behind for an insurance.
- To determine customers perception towards private insurance companies
- To study the types of benefits provided by insurance services.

II. MAJOR PLAYERS IN THE INSURANCE INDUSTRY IN INDIA

A. Life Insurance Corporation of India (LIC)

Life Insurance Corporation of India (LIC) was established on 1 September 1956 to spread the message of life insurance in the country and mobilise people's savings for nation-building activities. LIC with its central office in Mumbai and seven zonal offices at Mumbai, Calcutta, Delhi, Chennai, Hyderabad, Kanpur and Bhopal, operates through 100 divisional offices in important cities and 2,048 branch offices. LIC has 5.59 lakh active agents spread over the country.

In 1995-96, LIC had a total income from premium and investments of \$ 5 Billion while GIC recorded a net premium of \$ 1.3 Billion. During the last 20 years, LIC's income grew at a healthy average of 15 per cent as against the Companies 7.8 per cent growth in the rest of Asia. LIC has even provided insurance cover to five million people living below the poverty line, with 50 per cent subsidy in the premium

rates. LIC's claims settlement ratio at 95 per cent and GIC's at 70 per cent are higher than that of global average of 40 per cent. Compounded annual growth rate for Life insurance business has been 20 per cent per annum

B. General Insurance Corporation of India (GIC)

The general insurance industry in India was nationalized and a government company known as General Insurance Corporation of India (GIC) was formed by the Central Government in November 1972. With effect from 1 January 1973 the erstwhile 107 Indian and foreign insurers which were operating in the country prior to nationalization, were grouped into four operating companies, namely, (i) National Insurance Company Limited; (ii) New India Assurance Company Limited; (iii) Oriental Insurance Company Limited; and (iv) United India Insurance Company Limited. (However, with effect from Dec'2000, these subsidiaries have been de-linked from the parent company and made as independent insurance companies).

C. HDFC Standard Life Insurance Company Ltd.

HDFC Standard Life Insurance Company Ltd. is one of India's leading private life insurance companies, which offers a range of individual and group insurance solutions. It is a joint venture between Housing Development Finance Corporation Limited (HDFC Ltd.), India's leading housing finance institution and The Standard Life Assurance Company, a leading provider of financial services from the United Kingdom.

D. ICICI Life Insurance Company Ltd.

ICICI Life Insurance Company is a joint venture between ICICI Bank, a premier financial powerhouse and LIC, a leading international financial services group headquartered in the United Kingdom. ICICI LIC was amongst the first private sector insurance companies to begin operations in December 2000 after receiving approval from Insurance Regulatory Development Authority (IRDA). The company has a network of about 56,000 advisors; as well as 7 banc assurance and 150 corporate agent tie-ups.

E. ICICI General Insurance Company Limited

ICICI General Insurance Company Limited is a joint venture between ICICI Bank Limited and the US-based \$ 26 billion Fairfax Financial Holdings Limited. ICICI Bank is India's second largest bank, while Fairfax Financial Holdings is a diversified financial corporate engaged in general insurance, reinsurance, insurance claims management and investment management.

F. Development Insurance Plan

Development Insurance plan is an insurance plan which provides life cover to members of a development Agency for a term of one year. On the death of any member of the group insured during the year of cover, a lump sum is paid to those member beneficiaries to help meet some of the immediate financial needs following their loss.

G. Eligibility

The members of development agency for their spouse's minimum age at the start of the policy 18 years last birthday and maximum age at the start of policy 50 years last birthday. Employees of the Development Agency are not eligible to join the group. The group to be covered is only eligible if it contains more than 500 members.

H. Premium Payments

The premium to be paid will be quoted per member in the group and will be the same for all members of the group. The premium can only be paid by the Development Agency as a single lump sum that includes all premiums for the group to be covered. Cover will not start until the premium and all the member information in our specified format has been received. The premium rate is Rs. 25 per Rs. 10,000 of lump sum, per member.

I. Benefits

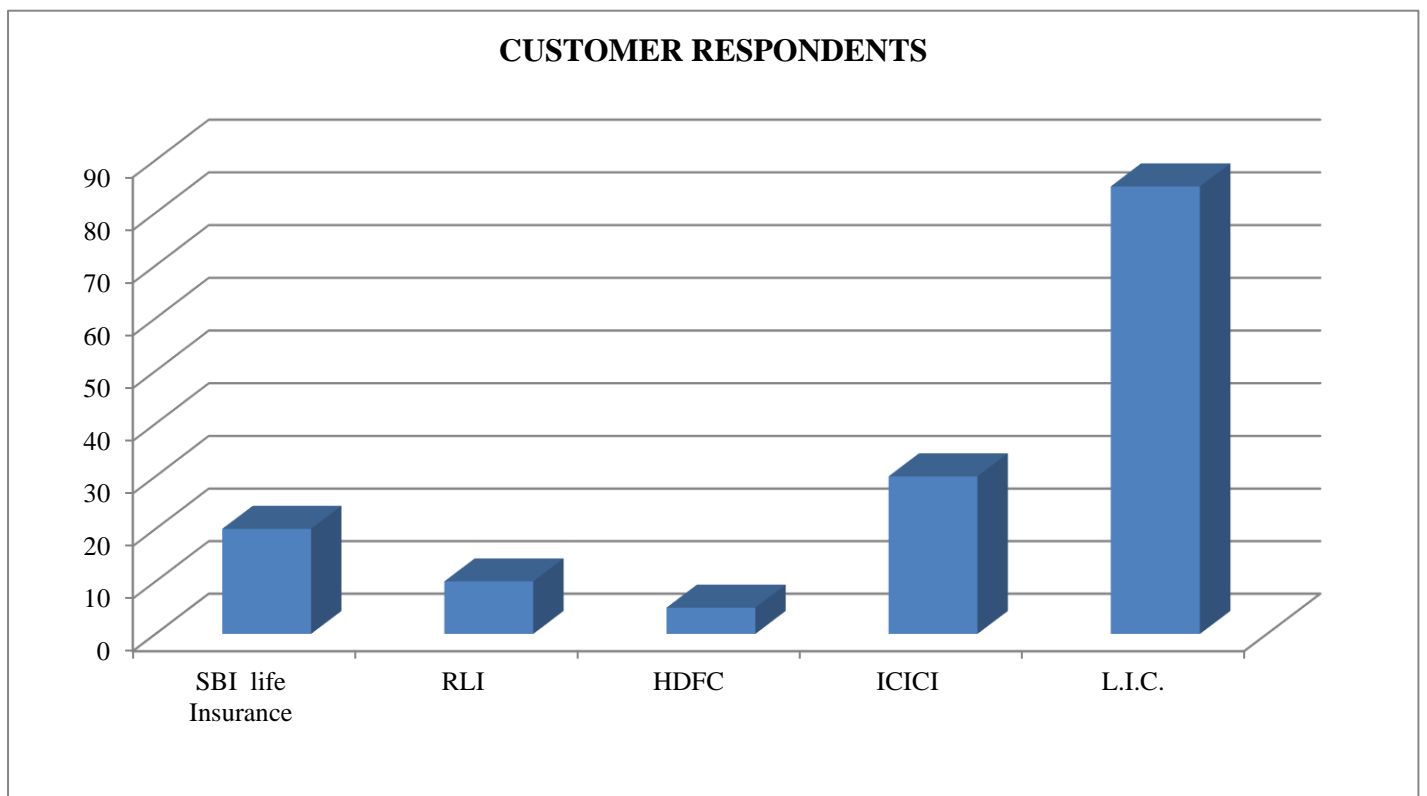
On the death of each member covered by the policy during the year of cover a lump sum equal to the sum assured will be paid to their beneficiaries or legal heirs. Where the death is as a result of an accident, an additional lump sum will be paid equal to half the sum assured. There are no benefits paid at the end of the year of cover and there is no surrender value available at any time.

III. DATA ANALYSIS

A. Customer Respondents of Insurance Companies

COMPANY'S NAME	NO.OF RESPONDENTS	PERCENTAGE (%)
SBI life Insurance	20	20
RLI- Reliance Life Insurance	10	10
HDFC	5	5
ICICI	30	30
L.I.C.	85	85
TOTAL	150	150

Table no. 1



Graph No. 1

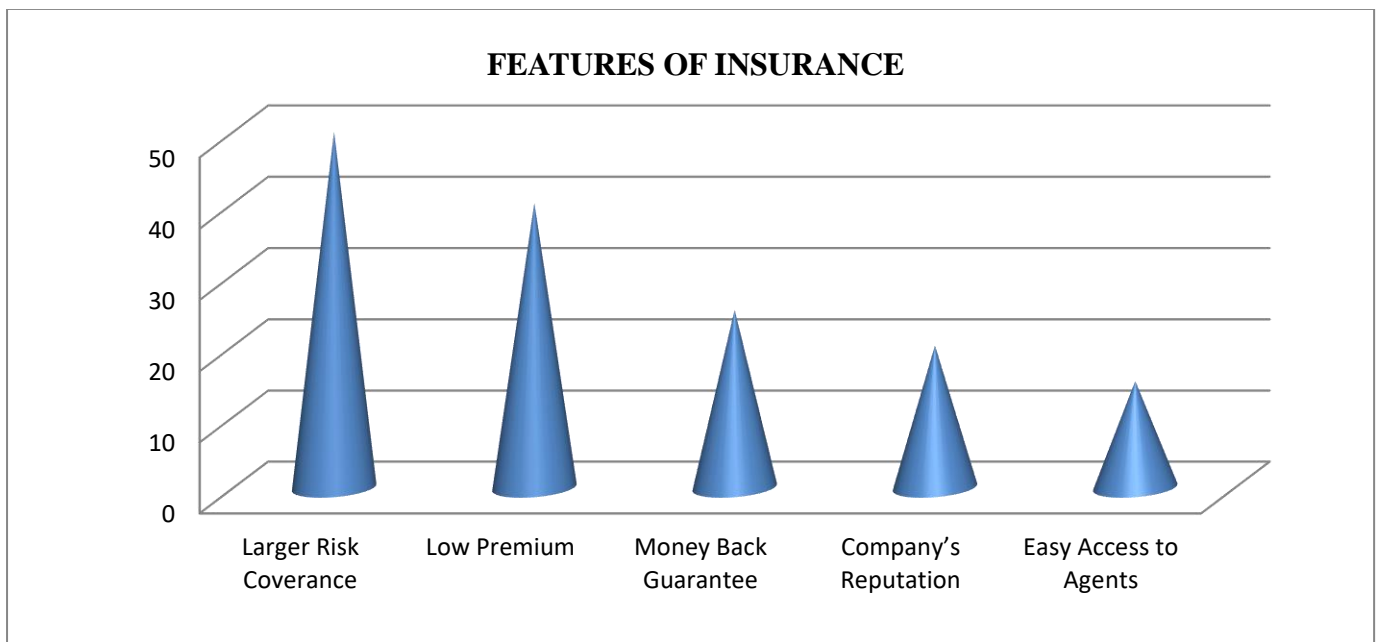
a). Interpretation

85% of the people contacted prefer LIC policy and to any other therefore it is ranked no.1 by that best of respondents. The next respondents of the ICICI and SBI is ranked of 30% and 20% is respectively. The people not pay interest to the RLI and HDFC insurance.

B. Features of Insurance Policy Paid Details

FEATURE	NO.OF RESPONDENTS	PERCENTAGE (%)
Larger Risk Coverage	50	50
Low Premium	40	40
Money Back Guarantee	25	25
Company’s Reputation	20	20
Easy Access to Agents	15	15
TOTAL	150	150

Table no. 2



Graph No. 2

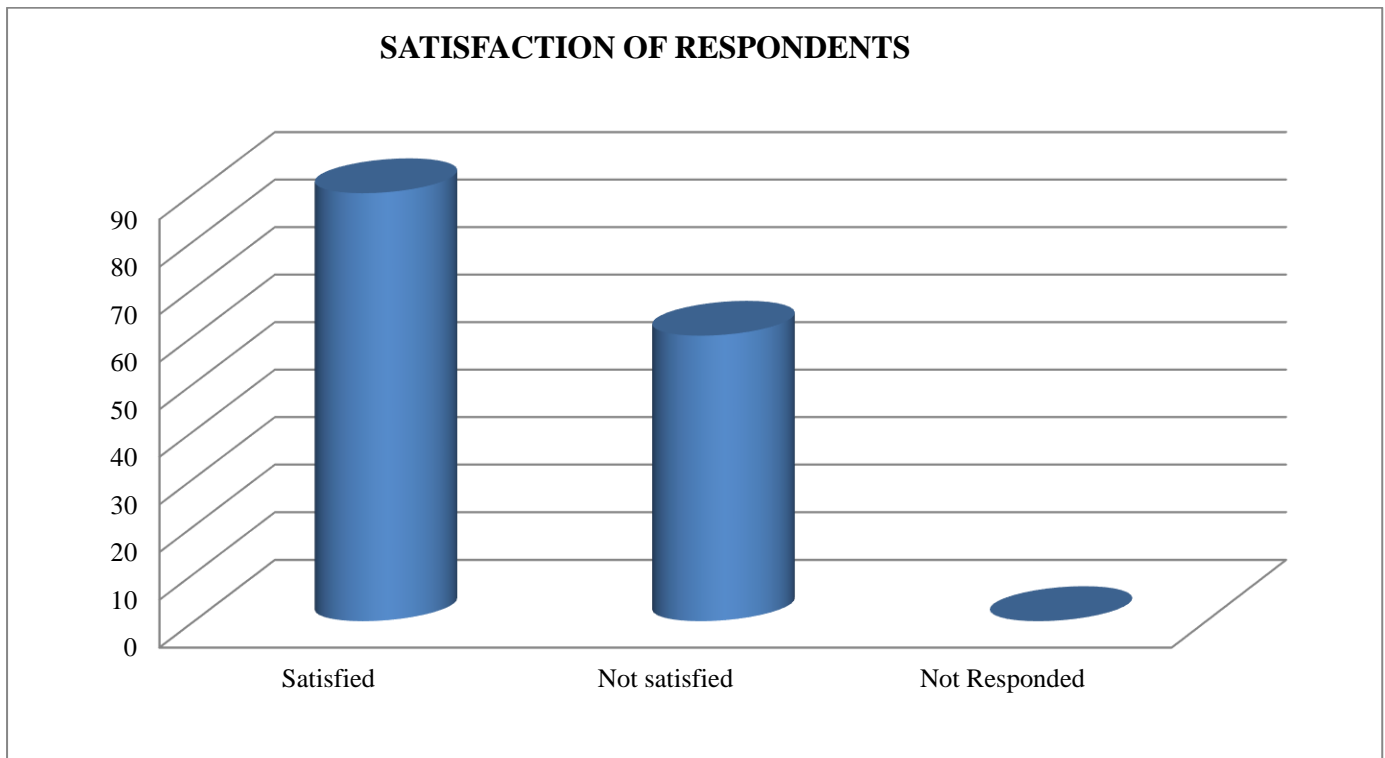
a). Interpretation

Majority of the respondent 50% and 40% found Larger risk coverage and low premium as the most attracted in the both level.

C. Satisfaction of Respondents with Respect to Policy

RESPONSE	NO. OF RESPONDENTS	PERCENTAGE (%)
Satisfied	90	90
Not satisfied	60	60
Not Responded	0	0
Total	150	150

Table No. 3



Graph No. 3

a). *Interpretation*

The respondents 90% of more or less satisfied with their existing policy. the respondents 60% of not satisfied with their existing policy. In this case all of those who have taken a policy have responded.

IV. CONCLUSION

The People are beginning to look beyond LIC for their insurance needs and A very high number of respondents for insurance purposes. It shows how insurance companies have been successful to attract by the marketing and advertising of insurance companies are willing to trust private players with their hard earned money. The general satisfaction levels among public with regards to policy and agents still requires improvement. The insurance companies is well satisfied of all peoples paid money for future benefits.

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