

Perceptual Tendencies and Consumer Preferences towards Insurance Products

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Abstract: We have conducted a study to know the attitude of customers towards insurance products. We have collected a data from primary sources and Secondary sources. As a part of primary source we have conducted a survey by selecting a small sample. We have adopted various sampling methods like Convenience sampling for the study. Our respondents are from diversified demographics. We have taken a sample through which we have analyzed various demographics like age, gender, income level, education etc. We have also analyzed the respondent's preference towards various insurance policies and insurance premium settlement periods etc. We also have taken ranking system as a tool for our analyses some of the data also collected through the Internet and Books. We have got astonishing results. Our majority of respondents are from the age group 45 to 55, most of them are Male, Married and are from Middle class. We found that there is a high level of awareness regarding insurance products. Slowly the educated respondents prefer the insurance through internet and agents. Most of the people in our respondents are preferring insurance for retirement benefit. The mode of payment for any insurance is through salary deductions and cheques.

Key Words: Demographics, Insurance Products, Attitude, Premium

Introduction

The present study is regarding the consumer perception and behavioral tendencies regarding LIC and its policies. It is in fact that the awareness regarding consumer products has been increasing day in and out. The main reason behind this is the introduction of hundreds of new policies by all the insurance companies every year. Consumer preferences and knowledge of schemes plays a vital role in the selection of right policy. The major success of any insurance company depends upon the brokers and intermediaries operating between the customer and insurance company. The insurance companies' only task is to motivate and hire efficient agents who help in increase the revenue maximization for the company. It is the customer who decides a right policy that suits his requirements who is responsible for the success or failure of any company. We have conducted a survey which clearly reveals the policies that are preferred by the consumers the most. The present study also reveals the reasons and consequences of a right consumer preference. It also reveals various sources and awareness level of consumers. According to our study consumer prefer insurance because of the reasons like Risk Cover, Planning for life stage needs, Protection against rising health expenses, Builds the habit of thrift Safe and profitable long-term

investment, Assured income through annuities, Protection plus savings over a long term, Growth through dividends, Facility of loans without affecting the policy benefits, Tax Benefits.

Objectives of the Study

1. To study about awareness of insurance products with reference to LIC
2. To study about the reasons and preferences of customers towards insurance companies
3. To analyse various customer preferences towards insurance policies
4. To study about customer perception towards premium settlements

Methodology of Study: We have undertaken the study to know about the customer attitude towards various insurance products. We have taken a sample through which we have analyzed various demographics like age, gender, income level, education etc. We have also analysed the respondent's preference towards various insurance policies and insurance premium settlement periods etc. We also have taken ranking system as a tool for our analyses some of the data also collected through the Internet and Books.

Review of Literature

Insurance in India: The insurance industry of India consists of 53 insurance companies of which 24 are in life insurance business and 29 are non-life insurers. Among the life insurers, Life Insurance Corporation (LIC) is the sole public sector company. Apart from that, among the non-life insurers there are six public sector insurers. In addition to these, there is sole national re-insurer, namely, General Insurance Corporation of India (GIC Re). Other stakeholders in Indian Insurance market include agents (individual and corporate), brokers, surveyors and third party administrators servicing health insurance claims. Insurance in India refers to the market for insurance in India which covers both the public and private sector organisations. It is listed in the Constitution of India in the Seventh Schedule as a Union List subject, meaning it can only be legislated by the Central government. The insurance sector has gone through a number of phases by allowing private companies to solicit insurance and also allowing foreign direct investment. India allowed private companies in insurance sector in 2000, setting a limit on FDI to 26%, which was increased to 49% in 2014.^[1] However, the largest life-insurance company in India, Life Insurance Corporation of India is still owned by the government and carries a sovereign guarantee for all insurance policies issued by it.^[2]

Why are more people taking insurance policies?: One of the major reasons for an increasing number of people availing insurance policies in India is the growing level of awareness. People nowadays value their lives, their health, and their families even more than before given the tough economic circumstances and so want to make sure that everything is fine even if they are not there. Yet another reason for the growing popularity of insurance policies is the benefit of tax exemption that is provided to family oriented and individual plans. Majority of the private insurers also provide lucrative returns and are now being availed by a section of the Indian society with greater disposable earnings. There is an aspect of psychological comfort attached to

the insurance policies as well - whenever an insurance is availed the policyholder can be more or less assured of a safe future for that particular part of his or her life

History of insurance in India: In 1914, the Government of India started publishing returns of Insurance Companies in India. The Indian Life Assurance Companies Act, 1912 was the first statutory measure to regulate life business. In 1928, the Indian Insurance Companies Act was enacted to enable the Government to collect statistical information about both life and non-life business transacted in India by Indian and foreign insurers including provident insurance societies. In 1938, with a view to protecting the interest of the Insurance public, the earlier legislation was consolidated and amended by the Insurance Act, 1938 with comprehensive provisions for effective control over the activities of insurers

Today LIC functions with 2048 fully computerized branch offices, 100 divisional offices, 7 zonal offices and the Corporate office. LIC's Wide Area Network covers 100 divisional offices and connects all the branches through a Metro Area Network. LIC has tied up with some Banks and Service providers to offer on-line premium collection facility in selected cities. LIC's ECS and ATM premium payment facility is an addition to customer convenience. Apart from on-line Kiosks and IVRS, Info Centres have been commissioned at Mumbai, Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, New Delhi, Pune and many other cities.

Analysis and Interpretation

The primary data collected through the questionnaire from government officials were compiled using spss package and the analysis are presented below.

Respondents Profile of Age

| Age(In Years) | Frequency/ Percentage |
|---------------|--------------------------|
| 25-35 | 4 |
| 35-45 | 25 |
| 45-55 | 66 |
| >55 | 5 |
| Total | 100 |

Table shows, among the 100 sample respondents, the majority of 66% of the respondents fall in the age group of 45-55 years. Another 25% fall in the category of 35-45 years. There are 5% of the respondents who fall in the age group of above 55 years, while the remaining 4% are in the age group of 25-35 years. Thus, from the analysis it can be concluded that the majority (66%) of respondents fall in the age

group of 45-55.

Gender Profile of Respondent :(Source: Primary Data)

Table shows, the 100 sample respondents, the majority of 73% of the respondents are Male, while the remaining 27% are female. Thus, from the analysis it can be concluded that the male respondents constituted the major position (73%)

Marital Status of Respondents

| Marital Status | Frequency/ Percentage |
|-----------------------|----------------------------------|
| Married | 99 |
| Unmarried | 1 |
| Total | 100 |

Table shows, among the 100 sample respondents, the majority (99%) of the respondents are married while the remaining 1% is unmarried among the respondents. Thus, from the analysis it can be concluded that the majority (99%) of respondents who are married.

Experience Profile of Respondents

| Experience of respondent | Frequency/ percentage |
|---------------------------------|----------------------------------|
| Less Than 10 | 11 |
| 10-20 | 27 |
| 20-30 | 57 |
| >30 | 5 |
| Total | 100 |

As it could be seen in Table, among the 100 sample respondents, the highest of 57% of the respondents fall in the experience group of 20-30 years. Another 27% fall in the category of 10-20 years. There are 11% of the respondents who fall in the experience group of less than 10 years, while the remaining 5%

are in the experience group of above 30 years. Thus, majority (57%) of respondents are in the experience group of 20-30.

Annual Income Level of Respondents

| Annual income | Frequency/ percentage |
|----------------------|----------------------------------|
| Less Than 180000 | 27 |
| 180000-300000 | 50 |
| 300000-420000 | 14 |
| >420000 | 9 |
| Total | 100 |

Source: Primary Data)

Table shows, out of 100 sample respondents, the majority 50% of the respondents earn annual income between 180000-300000. Another 27% of respondents are less than 180000. There are 14% of the respondents who earn between 300000-420000, the remaining 9% among the respondents earn above 420000. Thus, from the analysis it can

be concluded that the respondents who earn between 180000-300000 constituted the major position (50%).

Awareness about Life Insurance Policies

| Awareness | Frequency/ percentage |
|-----------|-----------------------|
| Yes | 100 |
| No | 0 |
| Total | 100 |

(Source: Primary Data): As it could be seen in table among the 100 sample respondent all of them were aware of the life insurance policies, (i.e.) 100%.

Thus from the analysis it can be concluded that 100% of respondents are aware of the life insurance policies.

Source of Information

| SOURCE | YES | NO |
|-----------|-----|----|
| Agent | 85 | 15 |
| Employer | 15 | 85 |
| Press | 24 | 76 |
| Relatives | 10 | 90 |
| T.v | 37 | 63 |
| Internet | 10 | 90 |
| Bankers | 21 | 79 |
| Brokers | 4 | 96 |
| Friends | 23 | 77 |
| Mobile | 3 | 97 |

(Source: Primary Data)

As it could be seen in table, among the 100 sample respondent, it is clear that most of the respondents came to know about the insurance through agents (85%) and the second highest source are the T.V (37%). None of the respondents have come to know about the insurance through mobile. Thus, from the analysis it can be

concluded that 85% of the respondents came to know about insurance policies through agents.

Purpose of Taking Policies

| Purpose | Yes | No |
|---------------------|-----|----|
| tax saving | 57 | 43 |
| investment | 38 | 62 |
| life risk | 46 | 54 |
| regular returns | 22 | 78 |
| health maintenance | 19 | 81 |
| retirement benefits | 6 | 94 |
| Others | 1 | 99 |

As it could be seen in table among the 100 sample respondents, 57% have opted Tax saving as the major purpose of taking life insurance policies and Life risk coverage, Investment are also the purpose of taking life insurance policies. Thus from the analysis it can be concluded that most of the respondents

are preferred to take policies for the purpose of Tax Savings.

Ranking for Policies

| POLICIES | RANK 1 | RANK 2 | RANK 3 | RANK 4 | RANK 5 | RANK 6 | RANK 7 |
|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Endowment | 21 | 27 | 20 | 11 | 15 | 3 | 3 |
| Whole life | 8 | 15 | 8 | 8 | 34 | 22 | 5 |
| Money back | 46 | 15 | 10 | 12 | 7 | 9 | 1 |
| With profit | 5 | 8 | 1 | 16 | 13 | 36 | 21 |
| Joint life | 4 | 9 | 12 | 18 | 21 | 17 | 19 |
| Children's | 5 | 13 | 27 | 17 | 7 | 11 | 20 |
| Others | 12 | 13 | 21 | 21 | 3 | 1 | 29 |

(Source: Primary Data)

As it could be seen in table, among the 100 sample respondents, the respondents preferred Money Back policy as rank 1 (46%) and Endowment policy has been ranked as 2 (27%) and Children's policy has ranked as 3 (27%). Thus from the analysis it can be concluded that most of the respondents are ranked money back policy as first.

Ranking for Policies

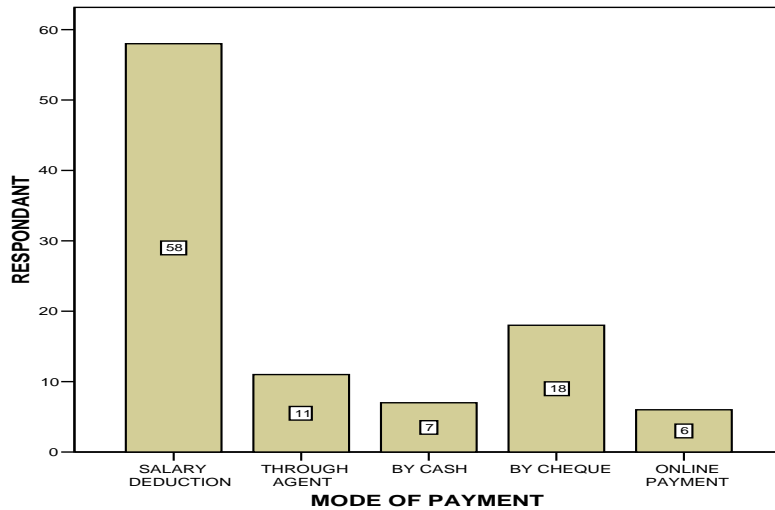
Preferred Premium Period

| Period | Frequency/ Percentage |
|-------------|--------------------------|
| Annual | 21 |
| Half yearly | 16 |
| Quarterly | 15 |
| Monthly | 48 |
| Total | 100 |

Table shows, among the 100 sample respondents, 48% of the respondents preferred monthly premium payment period and 21% of the respondents preferred annual premium payment period. Thus from the analysis it can be concluded that 48% of the respondents preferred monthly premium payment period.

Preferred Premium Payment

| Mode | Frequency/ Percentage |
|------------------|--------------------------|
| Salary deduction | 58 |
| Through agent | 11 |
| By cash | 7 |
| By cheque | 18 |
| Online payment | 6 |
| Total | 100 |



Table, shows, 4.7 among the 100 sample respondents, 58% of the respondents preferred Salary Deduction as mode of payment and 18% of the respondents preferred cheque as the mode payment. Thus from the analysis it can be concluded that 58% of the respondents preferred Salary Deduction as mode of payment.

Preferred Delivery of Policy Documents

| Policy Documents | Frequency/Percentage |
|-----------------------------------|----------------------|
| Online | 3 |
| By post | 22 |
| Through agent | 43 |
| Personally at insurance company's | 32 |
| Total | 100 |

Table shows, among the 100 sample respondents, 43% of the respondents preferred to get the documents through agent and 32% of the respondents preferred to get the documents from the insurance office itself. Thus, from the analysis it can be concluded that 43% of the respondents preferred to get the documents through agent.

Preferred Mode of Settlement

Table shows, among the 100 sample respondents, 75% of the respondents preferred to get the claims settlement through by cheque and 19% of the respondents preferred to get the claims settlement through cash. Thus from the analysis it can be concluded that 75% of the respondents preferred to get the claim settlement through cheque.

Ranking the Details Expected From Agent

| DETAILS | R1 | R2 | R3 | R4 | R5 | R6 | R7 | R8 |
|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <i>Features of policy</i> | 21 | 13 | 24 | 17 | 16 | 5 | 3 | 1 |
| <i>Premium amount</i> | 24 | 30 | 14 | 16 | 8 | 2 | 2 | 4 |
| <i>Period of premium</i> | 21 | 27 | 18 | 12 | 11 | 3 | 6 | 2 |
| <i>Mode of payment</i> | 9 | 7 | 18 | 17 | 23 | 17 | 5 | 4 |
| <i>Terms & condition</i> | 21 | 20 | 17 | 13 | 13 | 9 | 4 | 3 |
| <i>Other benefits</i> | 1 | 0 | 2 | 11 | 15 | 28 | 32 | 11 |
| <i>Other services</i> | 1 | 0 | 0 | 0 | 9 | 23 | 40 | 27 |
| <i>Settlements</i> | 3 | 4 | 7 | 15 | 6 | 12 | 6 | 47 |

Table shows, among the 100 sample respondents, the respondents are expecting the details about premium amount because it has been ranked as 1 (24%) and period of premium has been ranked as 2 (27%) and features of policy has ranked as 3 (24%). Thus from the analysis it can be concluded that most of the respondents ranked premium amount as first detail followed by period of premium and feature of policy.

Ranking For Selecting an Agent

| Details | R1 | R2 | R3 | R4 | R5 | R6 | R7 |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <i>Knowledge of policy</i> | 41 | 24 | 9 | 22 | 2 | 1 | 1 |
| <i>Investment advice</i> | 21 | 20 | 33 | 16 | 3 | 4 | 2 |
| <i>Convincing approach</i> | 13 | 29 | 19 | 13 | 12 | 6 | 8 |
| <i>Premium details</i> | 21 | 17 | 16 | 27 | 11 | 8 | 0 |
| <i>Handling documents</i> | 0 | 5 | 6 | 7 | 41 | 22 | 19 |
| <i>Nominee details</i> | 2 | 0 | 5 | 5 | 19 | 46 | 23 |
| <i>Claim settlement</i> | 1 | 6 | 12 | 10 | 12 | 13 | 46 |

(Source: Primary Data)

As it could be seen in table among the 100 sample respondents, the respondents are selecting the agent first to know about the knowledge of the policy because it has been ranked as 1 (41%) and convincing has been ranked as 2 (29%) and investment advice has ranked as 3 (33%). Thus from the analysis it can be concluded that most of the respondents are selecting the agent's by knowledge of policy followed by convincing approach and investment advice.

Ranking for selecting an agent

Ranking the parameters for selecting insurance company

| DETAILS | R1 | R2 | R3 | R4 | R5 | R6 | R7 | R8 | R9 | R10 | R11 | R12 |
|------------------------------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| Brand name | 17 | 19 | 24 | 9 | 9 | 7 | 6 | 5 | 3 | 0 | 1 | 0 |
| Availability of product & services | 13 | 18 | 18 | 16 | 12 | 7 | 5 | 5 | 2 | 1 | 2 | 1 |
| Attractive advertisement | 4 | 3 | 5 | 10 | 11 | 21 | 19 | 9 | 6 | 4 | 2 | 6 |
| Fulfillment of customer needs | 30 | 14 | 16 | 16 | 13 | 2 | 4 | 1 | 1 | 2 | 1 | 0 |
| Fulfillment of insurance | 8 | 10 | 11 | 12 | 12 | 20 | 8 | 8 | 4 | 2 | 3 | 2 |
| Terms & procedure | 11 | 13 | 8 | 15 | 20 | 6 | 13 | 7 | 3 | 1 | 1 | 2 |
| Sales promotion | 1 | 1 | 2 | 1 | 2 | 9 | 2 | 17 | 19 | 12 | 12 | 22 |
| Premium amount | 14 | 13 | 11 | 8 | 14 | 10 | 16 | 3 | 2 | 3 | 2 | 4 |
| Period of premium | 2 | 6 | 2 | 4 | 3 | 13 | 13 | 22 | 16 | 14 | 1 | 4 |
| Mode of premium | 0 | 2 | 2 | 5 | 3 | 4 | 12 | 15 | 29 | 21 | 6 | 1 |
| Rider clause | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 4 | 10 | 26 | 46 | 13 |
| Online service | 1 | 1 | 1 | 2 | 1 | 2 | 3 | 5 | 3 | 14 | 23 | 45 |

(Source: Primary Data)

As it could be seen in table among the 100 sample respondents, the respondents are selecting the insurance company first to fulfillment of customer needs because it has been ranked as 1 (30%) and availability of product and services has been ranked as 2 (18%) and brand name has ranked as 3 (24%). Most of the respondents are selecting the insurance company first to fulfillment of customer needs followed by availability of product and services and brand name.

Preference for Future Policy (Source: Primary Data):

| Particulars | No. of Respondents |
|-------------|--------------------|
| Yes | 34 |
| No | 66 |
| Total | 100 |

Table shows, among the 100 sample respondent 66% of respondents are preferred to take policy in future and 34% of the respondents are not preferred to take policies in future. Thus from the analysis it can be concluded that 66% of respondents are preferred to take policy in future.

Intended Type of Policy In Future : (Source: Primary Data)

As it could be seen in chart 4.21 among the 66 sample respondents, 28 respondents are preferred to take Children's policy and 13 respondents are preferred to take Money Back policy. Thus from the analysis it can be concluded that 28 respondents preferred to take Children's policy.

Preferred Insurance Company In Future

| Company | Respondent |
|----------------|-------------------|
| LIC | 55 |
| HDFC | 9 |
| BAJAJ | 1 |
| ICICI | 1 |
| Total | 66 |

(Source: Primary Data)

Table shows, among the 66 sample respondents, 55 respondents are preferred to take LIC as there company and 9 respondents are preferred to take HDFC as there company. Thus from the analysis it can be concluded that 55 of the respondents preferred to take LIC as there company and among the private company HDFC as their company.

Holding Of Insurance Policy

| Particulars | Holding Policies |
|--------------------|-------------------------|
| Yes | 98 |
| No | 2 |
| Total | 100 |

(Source: Primary Data)

As it could be seen in Table among the 100 sample respondent 98% of respondents are currently having policies and 2% of the respondents are not having policies. Thus from the analysis it can be concluded that 98% of respondents are currently having policies.

Current Insurance Company

| Current company | Respondent |
|------------------------|-------------------|
| LIC | 64 |
| LIC AND HDFC | 27 |
| LIC AND ICICI | 4 |
| HDFC | 1 |
| OTHERS | 2 |
| Total | 98 |

Table among the 98 sample respondents, 64 respondents is having policies in LIC and 27 of respondents are having policies in both LIC and HDFC and 4 respondents are having in HDFC. Thus from the analysis it can be concluded that 64 of the respondents are having policies in LIC and HDFC is in the second place when compared to others private players.

Present Purpose of Taking Policies

| Purpose | Yes | No |
|----------------------------|------------|-----------|
| <i>Tax saving</i> | 55 | 42 |
| <i>Investment</i> | 39 | 59 |
| <i>Life risk</i> | 36 | 62 |
| <i>Regular returns</i> | 30 | 68 |
| <i>Health maintain</i> | 18 | 80 |
| <i>Retirement benefits</i> | 8 | 89 |

Tables among the 98 sample respondents, 59 respondents are having policies for the purpose of tax savings and 39 respondents are having policies for the purpose of Investment. Thus from the analysis it can be concluded that 59 respondents are having policies for the purpose of tax savings.

Current Premium Payment Period

| Period | Respondent |
|--------------------|-------------------|
| <i>Annual</i> | 13 |
| <i>Half yearly</i> | 13 |
| <i>Quarterly</i> | 20 |
| <i>Monthly</i> | 51 |
| <i>One time</i> | 1 |
| <i>Total</i> | 98 |

(Source: Primary Data)

Table shows, among the 98 sample respondents, 51 respondents are paying monthly premium payment and 30 respondents are paying quarterly premium payment. Thus from the analysis it can be concluded that 51 respondents are paying

monthly premium payment.

Current Premium Amount Paid Annually

| Amount | Respondent |
|------------------|-------------------|
| <i>< 3000</i> | 23 |
| <i>3000-5000</i> | 34 |
| <i>5000-7000</i> | 22 |
| <i>>9000</i> | 19 |
| <i>Total</i> | 98 |

Table shows, among the 98 sample respondents, 34 respondent's annual premium payment is in between Rs 3000-5000 and 23 respondent's annual premium payment is below Rs 3000. Thus from the analysis it can be concluded that 34 respondent's annual premium payment is in between Rs 3000-5000.

Satisfaction Level for Present Agent

| Agent Service | H.S | S | C.S | D | H.D | Total |
|-----------------------------|------------|----------|------------|----------|------------|--------------|
| Knowledge about policies | 42 | 50 | 4 | 1 | 1 | 98 |
| Investment advices | 8 | 83 | 5 | 1 | 1 | 98 |
| Convincing approach | 4 | 82 | 10 | 2 | 0 | 98 |
| Payment of premium | 9 | 83 | 5 | 1 | 0 | 98 |
| Claim settlement | 6 | 37 | 55 | 0 | 0 | 98 |
| Change of nominee | 6 | 68 | 21 | 2 | 1 | 98 |
| Handling over the documents | 4 | 34 | 60 | 0 | 0 | 98 |

(Source: Primary Data)

Table shows, among the 98 sample respondents, the respondents are satisfied with agent services like Knowledge about the policies, Investment Advices, Convincing Approach, Payment of Premium and Change of Nominee but the respondents are not aware of their own Claim settlement and Handling over the Documents, so its comes under can't say category. Thus from the analysis it can be concluded that the respondents are satisfied with the current agent services.

Satisfaction Level Scores For Agent Service

| Satisfaction Level | Scores | No. of Respondents |
|---------------------------|---------------|---------------------------|
| Highly Dissatisfied | Exactly 7 | 0 |
| Dissatisfied | 8 – 14 | 0 |
| Can't Say | 15 – 21 | 1 |
| Satisfied | 22 – 28 | 86 |
| Highly Satisfied | 29 – 35 | 11 |

(Source: Primary Data)

Table clearly shows that 86 respondents are got scores in between 22 – 28, thus, the respondents are satisfied with the agent service.

Satisfaction Level for Insurance Company

| <i>Insurance company</i> | <i>H.S</i> | <i>S</i> | <i>C.S</i> | <i>D</i> | <i>H.D</i> | <i>Total</i> |
|-------------------------------------|-------------------|-----------------|-------------------|-----------------|-------------------|---------------------|
| <i>Brand name</i> | 34 | 56 | 6 | 1 | 1 | 98 |
| <i>Product & service</i> | 17 | 80 | 1 | 0 | 0 | 98 |
| <i>Customer needs</i> | 9 | 81 | 5 | 2 | 1 | 98 |
| <i>Attractive advertisement</i> | 6 | 81 | 8 | 3 | 0 | 98 |
| <i>Terms & procedures</i> | 9 | 80 | 8 | 1 | 0 | 98 |
| <i>Sales promotion</i> | 1 | 67 | 30 | 0 | 0 | 98 |
| <i>Premium amount</i> | 17 | 74 | 6 | 1 | 0 | 98 |
| <i>Period of premium payment</i> | 15 | 79 | 4 | 0 | 0 | 98 |
| <i>Mode of payment of premium</i> | 18 | 70 | 10 | 0 | 0 | 98 |
| <i>Availability of rider clause</i> | 4 | 42 | 50 | 2 | 0 | 98 |
| <i>Online service</i> | 2 | 31 | 65 | 0 | 0 | 98 |
| <i>Loans against policies</i> | 3 | 27 | 67 | 1 | 0 | 98 |
| <i>Settlement of claims</i> | 3 | 26 | 69 | 0 | 0 | 98 |

(Source: Primary Data)

Table shows, among the 98 sample respondents, the respondents are satisfied with the company services like Brand name, Availability of Product and Services, Fulfillment of Customer needs, Attractive advertisement, Terms and Procedures, Sales Promotion measures, Premium amount, Period of premium payment, Mode of payment of premium but the respondents are not aware of Claim settlement, Loans against policies, Online services and Availability of rider clause, so its comes under can't say category. Thus from the analysis it can be concluded that the respondents are satisfied with the current company services.

Satisfaction Level Scores For Insurance Company

| Satisfaction Level | Scores | No. of Respondents |
|---------------------------|---------------|---------------------------|
| Highly Dissatisfied | Exactly 13 | 0 |
| Dissatisfied | 14 – 26 | 0 |
| Can't Say | 27 – 39 | 0 |
| Satisfied | 40 – 52 | 87 |
| Highly Satisfied | 53 – 65 | 11 |

Table clearly shows that 87 respondents are got scores in between 40 – 52, Thus, the respondents are satisfied with the insurance company.

Findings

- ❖ HDFC Standard Life Insurance Co. Ltd. has increased its share capital by Rs 50 Crores.
- ❖ The two partners in the joint venture, HDFC Ltd. and Standard Life Assurance Company, U.K. have brought in the additional capital and the share capital of the company now stands at Rs 218 Crores.
- ❖ HDFC Standard Life Insurance’s cumulative premium income, including the first year premiums and renewal premiums is Rs. 1532.21 Crores Apr-Mar 2013 - 14.
- ❖ It has covered over 1.6 million individuals out of which over 5, 00,000 lives have been covered through our group business tie-ups.
- ❖ It was necessitated on account of the strong growth shown by the company in the current financial year in its life insurance and pension business.
- ❖ Majority (66%) of respondents fall in the age group of 45-55.
- ❖ The male respondents constituted the major position (73%).
- ❖ Majority (99%) of respondents who are married.
- ❖ Majority (57%) of respondents are in the experience group of 20-30.
- ❖ The respondents who earn between 180000-300000 constituted the major position (50%).
- ❖ 100% of respondents are aware of the life insurance policies.
- ❖ 85% of the respondents came to know about insurance polices through agents.
- ❖ Most of the respondents are aware of LIC and in the private sector HDFC Standard Life insurance.
- ❖ Most of the respondents are preferred to take policies for the purpose of Tax Savings.
- ❖ Most of the respondents are preferred to take money back and endowment policies.

- ❖ Most of the respondents are ranked money back policy as first.
- ❖ 48% of the respondents preferred monthly premium payment period.
- ❖ 58% of the respondents preferred Salary Deduction as mode of payment.
- ❖ 43% of the respondents preferred to get the documents through agent.
- ❖ *75% of the respondents preferred to get the claim settlement through cheque.*
- ❖ Most of the respondents ranked premium amount as first detail followed by period of premium and feature of policy.
- ❖ 75% of respondents are preferred public sector.
- ❖ Most of the respondents are selecting the agent's by knowledge of policy followed by convincing approach and investment advice.
- ❖ Most of the respondents are selecting the insurance company first to fulfillment of customer needs followed by availability of product and services and brand name.
- ❖ 66% of respondents are preferred to take policy in future.
- ❖ 28 respondents preferred to take Children's policy.
- ❖ 55 of the respondents preferred to take LIC as there company and among the private company HDFC as their company.
- ❖ 98% of respondents are currently having policies.
- ❖ 64 of the respondents are having policies in LIC and HDFC is in the second place when compared to others private players.
- ❖ 45 of the respondents having two policies.
- ❖ 57 respondents having Endowment policy.
- ❖ 59 respondents are having policies for the purpose of tax savings.
- ❖ 51 respondents are paying monthly premium payment.
- ❖ 34 respondent's annual premium payment is in between Rs 3000-5000.
- ❖ The respondents are satisfied with the current agent services.
- ❖ 86 respondents are got scores in between 22 – 28, so the respondents are satisfied with the agent service.
- ❖ The respondents are satisfied with the current company services.
- ❖ 87 respondents are got scores in between 40 – 52, so the respondents are satisfied with the insurance company.

Recommendations

- ❖ In view of the competition from LIC and other private players in the market, HDFC Standard Life should organize more awareness campaigns to create awareness and to promote their existing products.

- ❖ More new products and services should be innovated through financial engineering process to tap rural and social sectors.
- ❖ To retain old customers and to attract new customer's products with adds-on features should be introduced besides attractive advertisements.
- ❖ To reach out more customers, tie-ups with companies, in various sectors can be arranged to cover the insurance needs of their employees.
- ❖ As the awareness level among the government officials for some insurance policies like ULIP, Money back plan, Endowment plan, Children's plan, Protection plan, etc. are very low, periodical awareness programs in the respective government officials with concurrence of higher officials should be conducted.
- ❖ To enhance the satisfaction level of policyholders and to avoid losing the existing customers periodical market surveys should be conducted.

To utilize one of the most important marketing channel (commercial banks) very effectively for promoting the products, steps should be taken to make the banks incorporate successful sales tactics used by them to sell other financial services.

Conclusion

Insurance sector is one of the most booming sectors in India. The penetration level of insurance in India is only 2.3% when compared to 9-15% in the developed nations. There is a huge market for the Insurance products in the future in India. The project was very useful to the researcher to understand the life insurance business.

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