



International Journal of Multidisciplinary Research and Development



IJMIRD 2014; 1(7): 162-164
www.allsubjectjournal.com
Received: 15-11-2014
Accepted: 03-12-2014
e-ISSN: 2349-4182
p-ISSN: 2349-5979
Impact Factor: 3.762

K. Sankaranarayanan

Assistant professor of
commerce,
A.V.C.College (Autonomous),
Mannampandal,
Mayiladuthurai - 609 305.

Dr. R. Rajanbabu

Associate Professor of
commerce,
A.V.C.College (Autonomous),
Mannampandal,
Mayiladuthurai – 609 305.

Customer satisfaction of life insurance policies with reference to Nagapattinam district

K. Sankaranarayanan, R. Rajanbabu

Abstract

Insurance is the backbone of a country's risk management system. In a contract of an Insurance, by insurer agrees or undertakes in consideration of a sum of Money (premium), to make good the loss suffered by the insured against a specified risk such as fire and any other similar contingency or compensate the insured or beneficiaries on the happening of a specified events such as accident or death. The insurance company established on 1970's. The Government after careful study of the situation resorted to nationalization by an Act of parliament which began to function on 1st Sep 1956. The Objectives of the study is to study the various policies offered by LIC of India, and to study the consumer and preference towards LIC of India. The primary data and secondary data will be collected. The study area is limited to Nagapattinam District.

Keywords: Historical developments in insurance, Lic, satisfaction level of policyholders.

1. Introduction

Man is exposed to risk and uncertainties. For instance, the time of the death of a person is not certain, and in the case of his premature death a man's dependents may find themselves deprived all means of existence. Insurance is the backbone of a country's risk management system. Risk is an inherent part of our lives. Insurance is pooling of risks. In a contract of insurance, the insurer agrees or undertakes in consideration of a sum of money (premium), to make good the loss suffered by the insured against a specified risk such as fire and any other similar contingencies or compensate the insured or beneficiaries on the happening of a specified event such as accident or death.

1.1 Historical Development of Insurance

Marine insurance is the oldest form of insurance known, dating back to ancient Babylonia. And life and health insurance is traced to ancient Greece and Roman. Merchants and traders, until well into the Middle Ages, had to borrow funds to finance their trade or to secure goods on consignment from producers or suppliers. As security for the loans or for the goods of their trade, the merchants pledged not only their ships or other tangible property but also their lives (as slaves) and those of their families as well. Babylonia, in 2000B.C. was the centre of trade with caravans transporting goods to all parts of the known world.

1.2 History of Life Insurance Corporation

The insurance company established on 1970's. Insurance in all country was a competitive industry with a large number of participants in the job. The Government after careful study of the situation resorted to nationalization by an Act of Parliament which began to functions on 1st September 1956. The Corporation's central office is located at Mumbai. The Corporation has been established by an Act of parliament, which received the assent of the president on 18th June 1956. Since the day corporation is having exclusive privilege of carrying of life insurance business in India.

1.3 Statement of the Problem

Some of the challenges faced by the insurance sector pertain to the demand condition, competition in the sector, product innovation, delivery and distribution system, use of technology regulations. Therefore, the future growth depends on how service oriented insurers

Correspondence:

K. Sankaranarayanan

Assistant professor of
commerce,
A.V.C.College (Autonomous),
Mannampandal,
Mayiladuthurai - 609 305.

are going to be. On the demand side, the rise in income will trigger the growth physical and financial assets. However servicing of the large domestic market in India is a real challenge. Besides that, LIC's markets share may be just about respectful, but India's private sector insurance firms have changed the industry's complexion in a mere five years. In this context, it is felt necessary that an analysis of performance of LIC will highlight the need for the study. Hence, an attempt has been made to study the "Marketing of LIC policies with special reference to Mayiladuthurai Branch".

1.4 Objectives of the Study

The present study has to assess the following objectives:

- To study the various policies offered by LIC of India.
- To review the performance Analysis of LIC.
- To study the consumer awareness and preference towards LIC of India.
- To find out the expectations of policy holders in LIC other than private insurance companies.
- To Offer suitable suggestions for efficient performance and conclusion.

2. Methodology

2.1 Nature of the Data

The study will be based on survey method. The study is based on Marketing of LIC policies towards policy holders Nagapattinam District. The study is based on both primary and secondary data.

2.2 Primary Data

Primary data is collect through structural questionnaire with both open ended and close ended questions to get better insight of the respondents.

2.3 Secondary Data

Secondary data here has been collected from the records of LIC of Nagapattinam and it also collected from newspaper, magazines, and websites, books publications related to insurance and marketing and general discussion with LIC officials.

2.3 Sample Size

Samples were collected from both insurance company and policy holders of LIC in which the total sample size of respondents are 150.

2.4 Sample Design

Sample design is determined before is collected. There are many sample design from which researcher choose convenience sampling design. The sample units are selected according the convenience of the investigator researcher.

3. Analysis and Interpretation

Performance Analysis

Table 1: Age Wise Classification of Respondents

S.No	Age Group	Number of persons	Percentage
1	Up to 15	15	10
2	16-30	36	24
3	31-45	57	38
4	46-60	39	26
5	Above 61	3	2
	Total	150	100

Source: primary Data

Table No-1 it is clear that the majority of the respondents belong to the age group 31-45(38percent) followed by in the age of 46-60(26percent). It is referred that the 24 percent of

the respondent belong to the age group 16-30 percent of the respondent belong to the age of upto 15 and remaining 2 percent belong to above 61.

Income Level of Policyholders

Table 2:

S.No	Income	Number of persons	Percentage
1	Below 50,000	60	40
2	50,000-1,00,000	39	26
3	Above-1,00,000	51	34
	Total	150	100

Source: primary Data

Table No - 2 It is observed that majority of the policyholders income ranges is below 50,000 i.e., 40 percent followed by the income of above 1,00,000 i.e., 34 percent and 26 percent

represents income ranges between 50,001 to 1,00,000. The above analysis makes clear that majority of the respondents income is below 50,000.

Occupation – Wise Categorisation of Respondents**Table 3:**

S.No	Occupation	Number of persons	Percentage
1	Govt.Employee	54	36
2	Private Employee	51	34
3	Self Employee	45	30
	Total	150	100

Source: primary Data

Table No - 3 shows that 36 percent of the respondents are Govt. employee, 30 percent are self-employee and the remaining (34 percent) are private employee.

Type of Policy Taken By the Respondents**Table 4:**

S.No	TYPE OF POLICY	Number of persons	Percentage
1	Whole Life Policy	15	10
2	Endowment Policy	69	46
3	Money Back Policy	51	34
4	Others	15	10
	Total	150	100

Source: Primary Data

Table No.4 shows that 46 percent of respondents have taken endowment policy followed by money back policy represents 34 percent. Only 10 percent of respondent have taken whole life policy. The researcher also found that the higher income has taken more endowment policies. The whole life policy not popular among the respondents.

4. Findings and Suggestions

Age is an important factor for taking insurance policy. The majority of the sample respondents have fallen in the age group 31-45 years. The number of women policy holders is very low when compared to that of men.

Income is very important element which determines the amount of policy. Majority of the respondents' income is below 50,000.

There is no much difference between the type of employment and having of life insurance policy, since future is uncertain for every person.

The researcher also found that the higher income group has taken more endowment policies. The whole life policy is not popular among the respondents.

4.1 Suggestions

1. The Branch should increase the customer base in semi urban and rural areas, which offer a huge potential.
2. Customers are expecting policies with tax benefits, followed by value added policies. So insurance companies are required to come up with multi benefit policies including tax benefits.
3. Periodical training should be given to agents to professionalise them because most of the agents are dormant, they give only minimum business, and their average productivity is very low.

5. Conclusion

With the liberalization and entry of private companies in insurance, the LIC of India has started showing signs of significant change. Within a short span of time, private insurance has acquired 13% of the Life insurance market. So, the future in LIC of India will be defined by the increase in pure production protection products, improved positioning and market communication by players and last but not least, improved service levels which will get redefined with every passing day.

6. References**Books**

1. Dickson, G.C.A. and J.T. Steela, Elements of Insurance. Macdonald and Evans Ltd, Estover, Plymouth PL67PZ
2. Hansell, D.S., Elements of Insurance Macdonald and Evans Ltd., Estover, Plymouth PL6 7PZ
3. Kapoor, N.D, Elements of Mercantile Law Sulthan Chand & sons, Educational Publishers, New Delhi.

Journals and Magazines

1. Indian Journal of Marketing 2. Vikalpa 3. Business India4. Insight – The Consumer Magazine
- Website: www.licindia.com