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## Customer awareness and satisfaction of life insurance policy holders with reference to Mayiladuthurai town

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### Abstract

The insurance sector in India has come a full circle from being an open competitive market to nationalization and back to a liberalized market again. Tracing the developments in the Indian insurance sector reveals the 360 degree turn witnessed over a period of almost two centuries. Insurance may be described as a social device to reduce or eliminate the risk of loss of life and property. Under the plan of insurance a large number of people associate themselves by sharing risk attached to individuals. Life Insurance sector after privatization is maturing from mere security as single purpose behind owning a policy to one of better investment options as well as policies is available with multiple options and riders. Now at present around 13 private co.'s are operating in life insurance sector. But real competition is coming from HDFC AND ICICI which is utilizing competitively their old database in attracting customers through cross-selling of financial products at one roof.

**Keywords:** Life Insurance company (LIC), ICICI Prudential, HDFC Insurance Company, Bajaj, SBI, and customers, etc.

### 1. Introduction

Life insurance is designed to protect life and to protect family against financial uncertainties that may result due to unfortunate demise or illness. It can also view as a comprehensive financial instrument, as a part of the financial planning offering savings & investment facilities along with cover against financial loss. By choosing the right policy as per the needs. I.e. customized solutions, you will be able to plan for a secure future for yourself and your loved ones.

### 2. Statement of the problem

Insurance sector is a booming sector and the penetration in India is quiet low. So, all the private players are trying to increase the market share in the public. This study also involves creating awareness among the urban and rural consumer about the insurance sector and also the various policies involving various premium rates. Since the penetration of private companies and policies is low among the consumer, it is necessary to create awareness about life insurance policies and to know the satisfaction level among consumer. Hence the present studies entitled awareness about it among the consumer

### 3. Methodology

The researcher have collected Primary and secondary data. The Primary data were collected from the Policyholders. Secondary data collected from Journals, websites, books, etc.

### 4. Review of literature

Bansal (2005) in an article, "Insurance Sector: in Privatization on the Right Track" discussed the recommendations for changes in the structure of the industry and policy framework. The suggestions to improve the functioning of LIC and to examine the role of intermediaries. Since 1991 Indian economy have been going through European financial reforms. Consequent to the important landmark reforms in the financial sector, the insurance sector in India is going to witness sea change. Liberalization entails on modernizing industrial system by removing unproductive controls, encouraging private and foreign investment and integrating Indian economy with the global economy Xharbrahimi (2006) (knowledgementdigest.com) in his research paper, "Technology and Life Insurance Distribution" discussed the effect of technology on Life Insurance Distribution, Whether life insurers and insured are aggressively seeking to make use of into Rent or not.

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Technology in the insurance industry has evolved from providing enhanced operation processing to facilitating corporate strategy. More recently, technology is becoming an important part of Corporate Life Insurance Competitive Strategy and is increasingly employed in achieving a competition edge. This article examines some of the opportunities that technology solutions offer to life insurance. Thus, it may be safely assumed that the most significant innovations in product distribution by far will be the direct result of the extent to which technology is embraced. Insurers with well-conceived technology solutions will get competitive advantage. In a few years' time, it might be possible that those who try to resist the flow of internet technologies will be no more successful.

### 5. Objectives of the Study

- To create an awareness about insurance company.
- To find out the awareness of people about insurance policies.
- To find out the customer satisfaction level among the go with their respecting insurance companies in which they hold the policies.
- To offer suggestions based on findings.

### 6. Analysis and Interpretation

**Table 1:** Awareness about the Insurance Company

Company name	Yes	No
LIC	100	0
Birla	20	80
HDFC	70	30
Bajaj	30	70
ICICI	52	48
SBI	60	40
Sriram	15	85
Kotak	5	95
Aviva	2	98
Reliance	10	90
Tata AIG	16	84
MetLife	0	100
Max Newyork	8	92
Sahara	4	96
Barathi	0	100
ING Vysya	20	80

(Source: Primary Data)

Table No - 1 among the 100 sample respondent, it is clear that 100% of the respondents are aware of LIC. And among the private players HDFC has ranked first (70%) and followed by ICICI (52%), BAJAJ (30%), BIRLA (20%). None of the respondent has come to know about MetLife and Max Barathi AXA life insurance. Thus most of the respondents are aware of LIC and in the private sector HDFC Standard Life insurance.

**Table 2:** Awareness of the Policies

Policies Name	Yes	No
Endowment	84	16
Whole life	44	56
Money back	86	14
With profit	26	74
Joint life	40	60
Children's	55	45
Convertible	3	97
Without profit	4	96
Variable Insurance	0	100
Annuity policy	9	91
Handicapped policy	14	86
Retirement policy	34	66
Salary saving scheme	38	62
ULIP	20	80

(Source: Primary Data)

Table No- 2, shows among the 100 sample respondents, 86% of the respondent are preferred money back policy and 84% of respondent are preferred endowment policies. None of the respondents are preferred to Variable insurance, without profit policy and handicapped policy. Thus from the analysis it can be concluded that most of the respondents are preferred to take money back and endowment policies.

**Table 3:** Satisfaction Level for Insurance Company

Insurance company	H.S	S	C.S	D	H.D	Total
Brand name	37	53	5	2	1	98
Product & service	20	76	2	0	0	98
Customer needs	12	74	6	4	2	98
Attractive advertisement	10	73	10	5	0	98
Terms & procedures	10	80	7	1	0	98
Sales promotion	2	67	29	0	0	98
Premium amount	19	72	5	2	0	98
Period of premium payment	17	77	4	0	0	98
Mode of payment of premium	20	68	10	0	0	98
Availability of rider clause	5	41	50	2	0	98
Online service	3	34	61	0	0	98
Loans against policies	3	27	67	1	0	98
Settlement of claims	3	26	69	0	0	98

(Source: Primary Data)

Table No - 3 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.

## 7. Findings

- 87% of the respondents came to know about insurance policies through agents
- Most of the respondents are preferred to take money back and endowment policies.
- 100% of respondents are aware of the life insurance policies.
- 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 money back and endowment policies.

## 8. Suggestions

- 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.

## 9. 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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