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A STUDY ON CUSTOMER SATISFACTION LEVEL OF LIC WITH SPECIAL REFERENCE TO CUSTOMERS OF MALAPPURAM DISTRICT

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ABSTRACT

Human life is open to various risks and un certainties. Business is also full of risks and uncertainties. So there arises the need for a system which protects property and human beings from various risks. Insurance fulfils this need. This study consists of 80 sample size .The data's were collected from both primary and secondary data and the questionnaire is used for collecting primary data from customers. The sampling technique used is random sampling. This study reveal that majority of the customers are satisfied with LIC.

INTRODUCTION

In our daily life, whenever there is uncertainty there is involvement of risk. The instinct of security against such risk is one of the basic motivating forces for determining human attitudes. As a sequel to this quest for security, the concept of insurance must have been born. The urge to provide insurance or protection against the loss of life and property must have prompted people to make some sort of sacrifice willingly in order to achieve security through collective co-operation. Insurance is a means of shifting the risks to the insurers for a consideration called premium. It is a method by which the society protect itself from uncertainties by involving insurance companies. Insurance may be defined as a contract in writing under which one party agrees in return for a consideration to indemnify the other party against the loss or damage suffered on account of an uncertain future event or contingency or to pay a specified sum on the happening of a specified event. Broadly insurance contract can be divided into life and non life insurance. Life insurance in particular provides protection to house hold against the risk of premature death of its income earning member. Non life insurance provides protection against accidents, property damage, theft and other liabilities.

Consumer satisfaction is the key for the success of any business. It refers to the level perception of the buyer resulting from comparing the perceived performance of the product or services in relation to the expectation of the buyer. Consumer satisfaction depends upon the actual performance in relation to buyers expectations. If the products performance falls short of expectations the customer id dissatisfied. If the products performance matches the expectations, the consumer is satisfied. If the performance exceeds the expectation the consumer is highly satisfied or delighted.

RELEVENCE OF THE STUDY

Public enterprises in any country cannot perform all the economic and business activities efficiently. Even in socialist country, public enterprises in all the fields cannot discharge their full responsibilities. Complete governmentalisation will lend towards slave or political confusion. Now a day, many public enterprises are wasting

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public money because of continuous loss and less production. Such enterprises should be handed over to the competent private enterprises. Many public enterprises are in loss now, because of various reasons like lack of flexibility, inefficiency, defective appointment policy, etc. Due o these reasons, many private companies are enter in to the market. As a result, competition increased insurance industry along with other financial institutions has been constantly under pressure of privatization. Competition brings more products with extensive risk categorization, better technology and better consumer services. All private insurance firms provide these facilities to their customers. So LIC compelled to provide all these services to customers. It is necessary to study that if there is any significant change has occurred in the mind of old LIC policy holders due to the entry of private insurance companies. This study reveals that how much the consumers are satisfied with the products, services, claim settlement, loan facilities, etc offered by LIC.

OBJECTIVES OF THE STUDY

1. To analyze the customer satisfaction level of LIC.
2. To analyze what are the factors consumers consider while thinking of an investment.
3. To suggest necessary recommendations for improving the services of LIC

SOURCES OF DATA

Information for the study has been collected from both primary and secondary sources. Primary data has been collected by interviewing LIC customers and secondary data has been collected from various websites, published record , journals, etc

AREA OF STUDY

Area of study confined to Malappuram District

SAMPLE SIZE

80 customers are selected for the study

TOOLS OF ANALYSIS

- Percentage
- Graphs

LIMITATIONS OF THE STUDY

1. The busy work schedule of respondents and agents
2. Behavior of customer is unpredictable. Changes in attitudes, belief and financial position affect their behavior.

ANALYSIS AND INTERPRETATION

1. CONSUMER PROFILE

1.1 SEX WISE CLASSIFICATION

Sex	Number of respondents	Percentage
Male	64	80
Female	16	20
Total	80	100

Interpretation: This table reveals that the respondents consists of only 20 percentage are female members and 80 percentage of respondents are male members.

1.2 AGE WISE CLASSIFICATION

Age	Number of respondents	Percentage
Below 20	4	5
20-30	20	25
30-40	36	45
40 and above	20	25
Total	80	100

Interpretation: This table reveals that the respondents consists of 5% below 20 years, 25% adult aged that between 20 and 30 years, 45% is in between 30 years and 40 years and 25% between 40 and above.

1.3EDUCATIONAL WISE CLASSIFICATION

Category	Number of respondents	Percentage of respondents
Below SSLC	0	0
Up to Plus Two	4	5
Graduate	28	35
Above graduate	48	60
Total	80	100

Interpretation: This table reveals that the qualification of 5% of the respondents are upto plus two,35% are graduates, 60% are above graduates and there is no persons in below SSLC category.

1.3 INCOME WISE CLASSIFICATION

Income	Number of respondents	Percentage
Up to 25000	8	10
25000-50000	12	15
50000-200000	28	35
200000-500000	20	25
500000 and above	12	15
Total	80	100

Interpretation: Among 80, people only 8 persons are upto25,000 income level, 12 persons between 25,000 to 50,000; 28 persons between 50,000 to 200000 income level and 20 person between 200,000 to 500,000 income level and 12 respondents in 500,000 and above category

1.4 OCCUPATION WISE CLASSIFICATION

Category	Number of respondents	Percentage
Agriculture	2	3
Industry	6	8
Business	26	32
Professional	16	20
Salary	22	27
Others	8	10
Total	80	100

Interpretation: Among 80 respondents, 2 persons are agriculturists, 6 persons are engaged in industry, 26 persons are conducting businesses, 16 persons are professionals, 22 persons are salaried persons and 8 persons belongs to other occupations.

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2. REPONDENTS OPINION ABOUT AWARENESS OF LIC POLICY

Criteria	Number of response	Percentage of response
Agents	60	75
Friends and relatives	8	10
Advertisements	12	15
Others	0	0
Total	80	100

Interpretation: This table shows that 75% of the respondents aware about LIC policy from agents, 10% heard from friends and relatives, and 15% respondents heard about LIC policy from advertisement.

3. REASONS FOR SELECTING LIC POLICIES

Criteria	Number of respondents	Percentage
Credibility	32	40
Awareness	12	15
Popularity	16	20
Benefits	16	20
Agents pressure	4	5
Total	80	100

Interpretation: This table shows that 40% respondents takes LIC policy due to its credibility,20% taken it due to its benefits and again 20% due to its popularity, 15% respondents takes it due to awareness level of policy and only 5% takes LIC policy due to the agents pressure.

4. SATISFACTION LEVEL OF RESPONDENTS WITH THE PRESENT POLICY

Criteria	Number of respondents	Percentage
Very much satisfied	24	30
Satisfied	48	60
Not satisfied	4	5
No opinion	4	5
Total	80	100

Interpretation: This table reveals that majority of the respondents are satisfied with the present policy , 30% are very much satisfied, only 5% respondents are not satisfied and again 5% have no opinion.

5. SATISFACTION LEVEL OF RESPONDENTS WITH AGENTS AFTER SALES SERVICES.

Criteria	Number of response	Percentage
Very much satisfied	20	25
Satisfied	52	65
Not satisfied	8	10
No opinion	0	0
Total	80	100

Interpretation: This table reveals that 65% of the respondents are satisfied ,25% are very much satisfied and only 10% are not satisfied with the agents after sale services.

6. SATISFACTION LEVEL OF RESPONDENTS WITH THE SPEED OF CLAIM SETTLEMENT

Criteria	Number of responses	Percentage
Fully satisfied	10	12
Satisfied	60	75
Not satisfied	6	8
No opinion	4	5
Total	80	100

Interpretation: This table shows that majority of the respondents are satisfied with the speed of claim settlement of LIC. 12% are fully satisfied,8% are not satisfied and 5% of the respondents have no opinion.

7. SATISFACTION LEVEL OF RESPONDENTS WITH TREDRESSAL PROCEDURE ADOPTED BY LIC

Criteria	Number of responses	Percentage
Fully satisfied	16	20
Satisfied	40	50
Not satisfied	12	15
No opinion	12	15
Total	80	100

Interpretation: This table reveals that 50% of the respondents are satisfied with the redressed procedure of LIC, 20% are fully satisfied, 15% are not satisfied and again 15% respondents have no opinion about the redressed procedure adopted by LIC.

8. RESPONDENTS OPINION ABOUT INVESTMENT IN LIC

Criteria	Number of responses	Percentage
Growth in investment in long term	32	40
Generating current Income	8	10
Generating current income and growth in investment	40	50
Total	80	100

Interpretation: This table shows that 50% respondents invested in LIC both for generating current income and growth in investment, 40% invested for the purpose of growth in investment in long term and rests 10% respondents invested in LIC for generating current income.

9. FACTORS CONSIDERED BY THE RESPONDENTS WHILE THINKING OF AN INVESTMENT

Criteria	Number of responses	Percentage
Return	28	35
Safety	40	50
Liquidity	8	10
Others	4	5
Total	80	100

Interpretation: This table shows that 50% respondents considering the safety factor while thinking of an investment, 35% considering the return factor, 10& considering the liquidity factor and only 5% respondents are considering other factors while thinking of an investment.

FINDINGS OF THE STUDY

1. Customers belongs to the income group of 50,000 to 200,000 are taking majority of the LIC policy.
2. Majority of the customers selecting LIC policy due to its credibility.
3. Majority of the policy holders are satisfied with the LIC
4. Majority of the customers are satisfied with agents after sales services
5. Majority of the policy holders are satisfied with the speed of claim settlement.
6. Majority of the customers invested in LIC for generating current income and growth in investment.

RECOMMENDATIONS

1. Measures are to be adopted for increasing the awareness about the policy among customers.
2. Adopt effective performance appraisal system to increase the efficiency of agents and employees.
3. More intimate customer relationships helps the corporation to retain existing customers and to capture more and more customers.
4. Change their traditional style, because the young people's gives preference to private insurance companies.

CONCLUSION

The insurance sector has come into sharp focus in India in the recent time due to the changes taking place in terms of number of companies offering insurance products, the variety of products in the market. When a customer recognizes quality, it is reflected in customer satisfaction. Customer satisfaction in turn, can lead to increased revenue. Customers are economic asset but, it is not enough solely to satisfy customers; for a business to be successful in the long run, it must satisfy customers at a profit. Although there are many insurance companies in the life insurance industry, barring a few all the others are struggling for survival. Innovation in every aspect is required to survive and to increase the penetration level of insurance, campaigns should be launched to increase awareness about benefits and importance. Instead of pushing the policies to customers through agents, demand should be created so that the customer pulls the policies Each and every product and services launched by the insurance company should be in favor of increasing need of policy holders. IRDA should be more and more responsible to the insurance sector by determining some standard. It should be mandatory to every insurer to make more and more responsible and responsive to the policy holders

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