A Study on Policyholders Satisfaction Towards Marketing Practices of LIC Products

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ABSTRACT

Insurance is described as a social device to or eliminate risk of loss to life and property. Insurance is a collective bearing of risk. Insurance spreads the risks and losses of few people among a large number of people as people prefer small fixed liability instead of big uncertain and changing liability. Insurance is a scheme of economic operation by which members of the community share the unavoidable risks. The risks which can be insured against include five, the perils of sea, death, accident and burglary. The members of the community subscribe to a common pool or fund which is collected by the insured to indemnify the losses arising out of risks but it provides for the losses of risk. It is a scheme which corers large risk by paying small amount of capital. Insurance is also a means of saving and investment.Jeevan Anand is one of the most popular plans of LIC (Life Insurance Corporation).

1. INTRODUCTION

Insurance is described as a social device to or eliminate risk of loss to life and property. Insurance is a collective bearing of risk. Insurance spreads the risks and losses of few people among a large number of people as people prefer small fixed liability instead of big uncertain and changing liability. Insurance is a scheme of economic operation by which members of the community share the unavoidable risks. The risks which can be insured against include five, the perils of sea, death, accident and burglary. The members of the community subscribe to a common pool or fund which is collected by the insured to indemnify the losses arising out of risks but it provides for the losses of risk. It is a scheme which corers large risk by paying small amount of capital. Insurance is also a means of saving and investment. Jeevan Anand is one of the most popular plans of LIC (Life Insurance Corporation). It combines features of both endowment and whole life plans, with extra premium to pure endowment plan. ''JEEVAN ANAND'' a With Profit Assurance Plan, is a combination of the Whole Life Plan and the most Popular Endowment Assurance Plan. The plan provides the pre-decided Sum cover on the life continues till death.

2. SIGNIFICANCE OF THE STUDY

The results of the study would be very useful to the public at large as it aims to locate ways to ensure easy availability of insurance services at the right time, at the right place, in the right quality, at the right price and in the right forms. It will help them to improve the safety and security of their lives by understanding the features and suitability of LIC products and becoming policy holders.

3. STATEMENT OF THE PROBLEM

The life Insurance corporation of India introduced many insurance schemes for its customers. They are convertible terms Assurance Plan, New Bima Kiran, Jeevan – Aadhar, Jeevan Vishvas, New Jana Raksha, Jeevan Rekha, Jeevan mitra and Bima Plus etc. Among those insurance schemes, Jeevan anand is one of the most popular plan of life insurance corporation of India since it combines features of both endowment and whole Life plan, with little extra premium compared to pure endowment plan. The plan provides the pre-decided sum cover on the life continues till death. Hence, the study of the policyholder's satisfactions with regard to Jeevan anand policy in Namakkal branch.

4. SCOPE OF THE STUDY

An attempt has been made to study satisfaction of the Jeevan anand policyholders in Namakkal branch.

5. REVIEW OF LITERATURE

A   person not named in an insurance policy if considered an insured for purpose of preventing subrogation, when the insurer seeks subrogation in attempting to recover from the insured on the risk the insurer agreed to take upon payment of the premium.[1] (Fire man's Insurance Company v. Whaler [New York Supreme Court] 2004 LCH Fire case,)

Perhaps my favorite case involving the question of an ambiguity in an   insurance contract is the case of Holding Inns corporate v. Aetna Insurance company[2.] (2004 CCH Fire and casualty cases, pp. 430-69)

6. OBJECTIVES OF THE STUDY

 ➢ To know the marketing practices of life insurance corporation of India Ltd.
 ➢ To identify the socio-economic conditions of the Jeevan anand policyholders.
 ➢ To analyze a satisfaction level of Jeevan anand policyholders.

7. HYPOTHESIS OF THE STUDY

 ➢ Age of the respondents do influence the source of information in the policy.
 ➢ Income of the respondents do influence the sum assured in the policy.

8. METHODOLOGY OF THE STUDY

a)   SAMPLING DESIGN

Sampling is a process of tracing a new from a target population, analyses the sample data and making conclusion about the population. About 90 respondents has been selected for this study. A

simple random sampling method is adopted for this study. The respondents were the jeevan policyholders who is residing at Namakkal branch.

b) COLLECTION OF DATA

The study is mainly based on primary data. The secondary data is also used for theoretical background. The primary data is collected from the jeevan anand policyholders who is residing within the jurisdiction of life insurance corporation ltd of Namakkal branch.

c) LIMITATIONS OF THE STUDY

1. Due to time constraints, the researcher is unable to meet all the respondents of Jeevan anand policyholders in Namakkal branch.
2. The researcher is not able to use more number of statistical tools in this study.

d) ANALYSIS OF DATA

The processing of data is necessary because, the collected data should be examined and errors and mistakes rectified. After all the processes are over, the analysis is to be made. The analysis is done with the help of some statistical tools. The research is used a percentage analysis, diagrammatic representation of data and chi – square test as statistical tools for analysis of data.

TABLE NO 1
AGE AND SOURCES OF INFORMATION

AGE (IN YEARS)	SOURCES OF INFORMATION					TOTAL
	THROUGH FAMILY MEMBERS	THROUGH FRIENDS	THROUGH AGENTS	ADVERTISEMENTS	OTHERS	
Below 20 Years	1 (10.00)	2 (20.00)	3 (30.00)	2 (20.00)	2 (20.00)	10 (100)
From 21-40 years	1 (3.57)	4 (14.28)	18 (64.29)	5 (17.86)	_	28 (100)
From 41-60 years	2 (5.00)	2 (5.00)	18 (45.00)	8 (20.00)	10 (25.00)	40 (100)
61 and above	1 (8.33)	2 (16.67)	9 (75.00)	_	_	12 (100)
Total	5 (5.56)	10 (11.11)	48 (53.33)	15 (16.67)	12 (13.33)	90 (100)

Source: primary data

Age and sources of information is presented in table the respondents of 61 and above years of age, majority (75%) of the respondents known about the policy through agent. It could be seen that

irrespective of all the age group, a majority (53.33%) or more than a one – half of the total respondents were known about the policy through their agents.

TABLE NO 2
INCOME AND SUM ASSURED

INCOME (PER MONTH)	SUM ASSURED				TOTAL
	LESS THAN Rs. 50,000	Rs. 50,001 - Rs. 1,00,000	Rs.1,00,001 – Rs. 5,00,000	ABOVE Rs. 5,00,001	
Below Rs.10,000	6 (28.57)	12 (57.14)	3 (14.29)	–	21 (100)
Rs.10,001- Rs.20,000	8 (38.10)	10 (47.62)	2 (9.52)	1 (4.76)	21 (100)
Rs.20,001- Rs. 30,000	5 (27.78)	6 (33.33)	4 (22.22)	3 (16.67)	18 (100)
Above Rs. 30,001	8 (26.67)	10 (33.33)	6 (20.00)	6 (20.00)	30 (100)
Total	27 (30.00)	38 (42.22)	15 (16.67)	10 (11.11)	90 (100)

Source: primary data

Income of the respondents and their sum assured is presented in table no. 2. The respondents who earned a income of below Rs, 10000, 57.14 percent of the respondents and 28.57 percent of the respondents were invested a sum of Rs.50001 – Rs.100000 and less than Rs.50000 respectively. Whereas the respondents who earned an income between Rs. 100001 – 200000, 47.62 percent of the respondents and 38.10 percent of the respondents were invested a sum of less than Rs 50000 and Rs 50001 – Rs 100000 respectively. In case of the respondents of Rs 20001 – 30000, 27.78 percent and 33.33 percent of the respondents were invested in jeevan anand policy for less than Rs 50000 and Rs 50001 – Rs 100000 respectively. Whereas the respondents who earned an income of Rs 30001 and above, 26.67 percent and 33.33 percent of the respondents were invested a sum of less than Rs 50000 and Rs 50001 – Rs 100000 respectively. An equal percentage of (20%) the respondents were invested a sum of Rs 100001 - Rs 500000 and Rs 500001 and above. It is clearly understood that a majority (42.22%) of the respondents were invested a sum of Rs 50001 – Rs 100000 regardless their income level.

9. HYPOTHESIS

Income of the respondents do influence the sum assured in the policy.
Chi – Square Value   -   9.72
Table value   -   16.9

The chi – square value is 9.72 which is lesser than the table value of 16.9 at 5% level of significance. The hypothesis is rejected. Hence, income of the respondents is statistically insignificant with respect to sum assured in the policy.

10. CONCLUSION

Majority of the respondents were gets information about jeevan anand policy through an agent. Most of the respondents has rated the jeevan anand policy as good as compared to other insurance policies. The results of hypothesis testing is revealed that the socio-economic characteristics of the respondents such as as is statistically significant with respect to source of information of the jeevan anand policy. Whereas income is statistically insignificant with respects to sum assured of the jeevan anand policy. Besides, the respondents has fully satisfied with jeevan anand policy of the Life Insurance Corporation of India Limited.

11. REFERENCES

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[7] www.namakkal

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