



PERCEPTION OF POLICYHOLDERS TOWARDS PRIVATE LIFE INSURANCE

KEYWORDS

Dr. A. Joseph Xavier

Assistant Professor of Commerce Ayya Nadar Janaki Ammal College Sivakasi

P.Surya

M.Phil Research Scholar
Ayya Nadar Janaki Ammal College

INTRODUCTION

Insurance is defined as a co-operative device to spread the loss caused by a particular risk over a number of persons who are exposed to it and who agree to ensure themselves against that risk. Risk is uncertainty of a financial loss. It should not be confused with the chance of loss which is the probable number of losses out of a given number of exposures. It should not be confused with peril which is defined as the cause of loss or with hazard which is a condition that may increase the chance of loss. Finally, risk must not be confused with loss itself which is the unintentional decline in or disappearance of value arising from a contingency. Whenever there is uncertainty with respect to a probable loss there is risk.

STATEMENT OF THE PROBLEM

Insurance in India has taken galloping stage. It has shown maximum growth rate of 56.99 per cent in 2006 in world after liberalization. Recently De-tariffing since January 2, 2007 has facilitated the insurer to serve the society with quality and lowest cost in the competitive environment. Now insurance is not limited only to life and property risks; it has expanded its scope to insure all the uninsurable risks. It has innovated avenues to manage all the risks attached to business industry, shops, LPG and export, health, catastrophe, liability, guarantee and surety bancassurance and corporate governance. It is expected that in future political parties would go for insurance of the risks related to family, society, business, industry and other economic activities.

OBJECTIVES OF THE STUDY

- To analyze the socio economic profile of the policy holders selected for the study.
- To analyze the policy holders perception towards service quality of Reliance Life Insurance Company.

HYPOTHESES

- There is no significant association between gender of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company.
- There is no significant association between age of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company.
- There is no significant association between Education of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company.
- There is no significant association between Occupation of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance

company.

- There is no significant association between income level of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company.

RESEARCH METHODOLOGY

This study is descriptive and analytical in nature. It covers both primary and secondary data. Pretested interview schedule is used for the collection of primary data from the selected respondents. Secondary data were collected from standard books, journals and websites.

SAMPLE DESIGN

Since the population of the study is unknown and infinite in nature, the researcher has selected 180 policy holders 30 from the six taluks of the Virudhunagar District using stratified random sampling techniques.

ANALYSIS AND INTERPRETATION

1. Socio Economic profile of the respondents

Table – 1 Socio economic profile of the respondents

S.No	Variables	Category	No. of Respondents	Percentage
1	Gender	Male	124	68.90
		Female	56	31.10
		Total	180	100.00
2	Age	20 -25 Years	5	2.80
		26 -30 Years	30	16.70
		31 -35 Years	25	13.90
		36 -40 Years	51	28.30
		41 -45 Years	48	26.70
		Above 45 Years	21	11.70
	Total	180	100.00	
3	Marital status	Married	155	86.10
		Unmarried	25	13.90
		Total	180	100.00
4	Occupation	Self- Employed	47	26.10
		Business	36	20.00
		Agriculture	5	2.80
		Government Employee	45	25.00
		Private Employee	47	26.10
		Total	180	100

S.No	Variables	Category	No. of Respondents	Percentage
5	Education Qualification	Uneducated		
		Up to 10th	5	2.8
		Up to 12th	22	12.2
		Under Graduation	37	20.6
		40	22.2	
		Post Graduation	56	31.1
		Above Post Graduation	20	11.10
	Total	180	100	
6	Income level per annum	Less than Rs. 1 lakh		
		Rs. 1 – Rs. 2 lakhs	64	35.60
		81	45.00	
		Rs. 2 – Rs. 3 lakhs	20	11.10
		15	8.30	
		Above Rs. 3 lakhs		
	Total	180	100.00	

Source: Primary data

From the above Table 1 represents that majority of the respondents (68.90%) are male, majority of the respondents (28.30%) are in the age group of 36 to 40 years, majority of the respondents (86.10%) are married, majority of the respondents (26.10%) are self employed and private employee, majority of the respondents are (31.10%) are post graduation, majority of the respondents are (45.00%) are earned Rs. 1 to Rs. 2 lakhs.

Satisfaction with various dimensions of service quality of reliance life insurance company

Table -2 Satisfactions with various dimensions of service quality of reliance life insurance company

S.No	Dimension	HS	S	NO	DS	HDS	Total
1	Assurance	66 (36.7%)	102 (56.7%)	12 (6.7%)	-	-	180
2	Responsiveness	74 (41.1%)	106 (58.9%)	---	-	-	180
3	Reliability	62 (34.4%)	87 (48.3%)	24 (13.3%)	7 (3.9%)	-	180
4	Empathy	91 (50.6%)	78 (43.3%)	11 (6.1%)	-	-	180
5	Tangible	65 (36.1%)	101 (56.1%)	14 (7.8%)	-	-	180

Source: Primary Data

Table 2 clears that majority of the respondents (56.7%) are satisfied towards assurance, majority of the respondents (58.9%) are satisfied towards Responsiveness, majority of the respondents (48.3%) are satisfied towards reliability, majority of the respondents (50.6%)are highly satisfied towards Empathy, majority of the respondents (56.1%) are satisfied towards Tangibles.

I. Gender and Satisfaction with various dimensions of service quality of reliance life insurance company

To know the Association between Gender and Satisfaction with various dimensions of service quality of reliance life insurance company analysis has been made with the following hypothesis.

Hypothesis - I

“There is no significant association between gender of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company”.

To test the above hypothesis Mann-Whitney Rank Sum ‘U’ test is applied and the result is presented in the following tables.

Table – 3 Mann – Whitney U Test

Variables	Mann -Whitney U	Wilcox no W	Z	Sig. (2-tailed)
Satisfaction towards Assurance	3226.000	4822.000	-.867	.386
Satisfaction towards Responsiveness	2300.000	10050.000	-4.249	.000
Satisfaction towards Empathy	3177.000	4773.000	-1.026	.305
Satisfaction towards Tangibles	2493.000	4089.000	-3.434	.001
Satisfaction towards Reliability	3257.500	4853.500	-.722	.471

Source: Computed Data

From the above result of Mann-Whitney U test it is found that the policy holders are varied in the satisfaction towards responsiveness and tangibles when they are classified based on the gender. That is the significance value is less than 0.05. Hence the null hypothesis is rejected and it is concluded that there is a significant association between the gender of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance Company.

II. Age and Satisfaction with various dimensions of service quality of reliance life insurance company

To know the Association between age and Satisfaction with various dimensions of service quality of reliance life insurance company analysis has been made with the following hypothesis.

Hypothesis - II

“There is no significant association between age of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company”.

To test the above hypothesis Kruskal-Wallis test is applied and the result is presented in the following tables.

Table – 4 Kruskal-Wallis Test

Variables	Chi-Square	Df	Asymp. Sig.
Satisfaction towards Assurance	43.423	5	.000
Satisfaction towards Responsiveness	12.369	5	.030
Satisfaction towards Empathy	23.931	5	.000
Satisfaction towards Tangibles	32.441	5	.000
Satisfaction towards Reliability	19.539	5	.002

Source: Computed Data

From the above result of Kruskal-Wallis Test it is found that the policy holders are varied in the satisfaction towards assurance, responsiveness, empathy, tangibles and reliability when they are classified based on the age. That is the significance value is less than 0.05. Hence the null hypothesis is rejected and it is concluded that there is a significant

association between the age of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company.

III. Educational qualification and Satisfaction with various dimensions of service quality of reliance life insurance company

To know the Association between Educational qualification and Satisfaction with various dimensions of service quality of reliance life insurance company analysis has been made with the following hypothesis.

Hypothesis - III

“There is no significant association between Education of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company”.

To test the above hypothesis Kruskal-Wallis test is applied and the result is presented in the following tables.

Table – 5 Kruskal-Wallis Test

Variables	Chi-Square	Df	Asymp. Sig.
Satisfaction towards Assurance	15.187	5	.010
Satisfaction towards Responsiveness	36.274	5	.000
Satisfaction towards Empathy	42.011	5	.000
Satisfaction towards Tangibles	20.527	5	.001
Satisfaction towards Reliability	37.992	5	.000

Source: Computed Data

From the above result of Kruskal-Wallis Test it is found that the policy holders are varied in the satisfaction towards assurance, responsiveness, empathy, tangibles and reliability when they are classified based on the educational qualification. That is the significance value is less than 0.05. Hence the null hypothesis is rejected and it is concluded that there is a significant association between the educational qualification of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company.

IV. Occupation and Satisfaction with various dimensions of service quality of reliance life insurance company

To know the Association between Occupation and Satisfaction with various dimensions of service quality of reliance life insurance company analysis has been made with the following hypothesis.

Hypothesis - IV

“There is no significant association between Occupation of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company”.

To test the above hypothesis Kruskal-Wallis test is applied and the result is presented in the following tables.

Table - 5 Kruskal-Wallis Test

Variables	Chi-Square	Df	Asymp. Sig.
Satisfaction towards Assurance	23.477	4	.000
Satisfaction towards Responsiveness	9.996	4	.040
Satisfaction towards Empathy	10.165	4	.038

Satisfaction towards Tangibles	18.962	4	.001
Satisfaction towards Reliability	51.824	4	.000

Source: Computed Data

From the above result of Kruskal-Wallis Test it is found that the policy holders are varied in the satisfaction towards assurance, responsiveness, empathy, tangibles and reliability when they are classified based on the occupation. That is the significance value is less than 0.05. Hence the null hypothesis is rejected and it is concluded that there is a significant association between the occupation of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company.

V. Income level and Satisfaction with various dimensions of service quality of reliance life insurance company

To know the Association between income level and Satisfaction with various dimensions of service quality of reliance life insurance company analysis has been made with the following hypothesis.

Hypothesis - V

“There is no significant association between income level of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company”.

To test the above hypothesis Kruskal-Wallis test is applied and the result is presented in the following tables.

Table – 6 Kruskal-Wallis Test

Variables	Chi-Square	Df	Asymp. Sig.
Satisfaction towards Assurance	18.366	3	.000
Satisfaction towards Responsiveness	36.122	3	.000
Satisfaction towards Empathy	18.186	3	.000
Satisfaction towards Tangibles	38.992	3	.000
Satisfaction towards Reliability	25.349	3	.000

Source: Computed Data

From the above result of Kruskal-Wallis Test it is found that the policy holders are varied in the satisfaction towards assurance, responsiveness, empathy, tangibles and reliability when they are classified based on the income level. That is the significance value is less than 0.05. Hence the null hypothesis is rejected and it is concluded that there is a significant association between the income level of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance company.

FINDINGS OF THE STUDY

1. The majority of the respondents (68.90%) are male
2. The majority of the respondents (28.30%) are in the age group of 36 to 40 years.
3. The majority of the respondents (86.10%) are married.
4. The majority of the respondents (26.10%) are self employed and private employee.
5. The majority of the respondents are (31.10%) are post graduation.
6. The majority of the respondents are (45.00%) are earned Rs. 1 to Rs. 2 lakhs.
7. The majority of the respondents (56.7 %) are satisfied towards the assurance of Reliance Life Insurance Company.
8. The majority of the respondents (58.9 %) are satisfied

- towards the responsiveness of Reliance Life Insurance Company.
9. The majority of the respondents (50.6 %) are highly satisfied towards the empathy of Reliance Life Insurance Company.
 10. The majority of the respondents (56.61%) are satisfied towards the tangibles of Reliance Life Insurance Company.
 11. The majority of the respondents (48.3%) are satisfied towards the reliability of Reliance Life Insurance Company.
 12. It is found that there is a significant association between the gender of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance Company.
 13. It is found that there is a significant association between the age of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance Company.
 14. It is found that there is a significant association between the educational qualification of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance Company.
 15. It is found that there is a significant association between the occupation of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance Company.
 16. It is found that there is a significant association between the income level of the respondents and their satisfaction with various dimensions of service quality of reliance life insurance Company.

SUGGESTION

1. It is suggested that reliance life insurance company may treat the policy holders without considering their gender for responsiveness and tangibles factor.
2. It is suggested that reliance life insurance company may treat their policy holders without discriminating them based on their age, educational level, occupation, income level for all five factors.

CONCLUSION

Insurance plays an important role in the development of the economy of any country. It has the dual role of influencing the economy and stimulating growth. It inculcates the habit of saving among the public and private funds for investing in various schemes as per the government to utilize the investment for the development of the economy. Most of the respondents feel that the private insurance company employee and agent's service and customer service is satisfied. More number of people have interested in joining the private life insurance company.

REFERENCE

1. V. Chandrakala, "Study of Consumers Perception about Life Insurance Policies" Indian Journal of Marketing, Volume – II, 1992, pp 60-70. | 2. Shilpa Thakur, "Competition in Life Insurance Sector of India", Indian Journal of Marketing, Volume – IV, 2000, pp 25-35. | 3. Srivastava O.C. and Srivastava, S. "Indian Insurance Industry transition and prospects", The Journal of Risk & Insurance, Vol.VI, No2, 2001, pp - 110. | 4. Saibaba, R., Prakash, B. and Kalyani, V. "Perception and attitude of women towards life insurance policies", Indian Journal of Marketing, 2002, Vol. 32, No. 12, pp. 10-12. | 5. Rajesham, and K.Rajender, "Changing Scenario of Indian Insurance Sector", Indian Journal of Marketing, Vol. XXIV, No.4, 2006, pp – 20-50. | 6. R.Vijayalakshmi and Pa.Keerthi, "A Study on the Service Quality of LIC as Expected and Perceived by its Policy Holders", Journal of Contemporary Research in Management, July-December, 2007, p-74. | 7. Athma. P and Kumar. R "An explorative study of life insurance purchase decision making: influence of product and non-product factors", Journal Risk & Insurance, Vol. IV, 2007, pp 19-21. | 8. Ogenyi E. Omar, "The Retailing of Life Insurance in Nigeria: An Assessment of Consumers' Attitudes", Journal of Retail Marketing Management Research, Vol.1 No.1, October 2007, pp.41-47. | 9. Lavanya Vedagiri Rao, "Innovation and New Service Development in Select Private Life Insurance Companies in India", IBIMA, Volume 1, 2008, pp 45 – 65. | 10. Affiaine Ahmad, and Zalina Sungip, "An Assessment on Service Quality in Malaysia Insurance Industry", IBIMA, Volume 1, 2008, pp- 70-80. | 11. Sunayna Khurana, "Customer Preferences in Life insurance industry in India", Journal of Marketing, Volume 6, No.3, 2008, p.60 -68. | 12. Shivanand H Lengti, "Insurance disputes in India", Journal of Marketing, Volume 7, 2009, P.83. | 13. Praveen Sanu, Gaurav Jaiswal, Vijay Kumar Panda, "A study of buying behavior of consumers towards LIC", Prestige institute of Management, Volume 3, issue ¾, 2009, | P-1. | 14. S. Raju and M. Gurupandi, "Analysis of the Socio economic Back ground and attitude of the policy holders towards life insurance corporation of India", Smart Journals, Volume 5, 2009, P-21.