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## Customer Satisfaction towards L.I.C Policies in Thanjavur District

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**Abstract** - The risk only means that there is a possibility of loss or damage. The damage may or may not happen. Insurance is done against the possibility that the damage may happen. There has to be an uncertainty about the risk. The earthquake may occur, but the building may not have been affected at all. The word 'possibility' implies uncertainty. Insurance is relevant only if there are uncertainties.

**Key words:** *Customer Attitude, Reliability, Services*

### I. Introduction

Insurance is essentially a co-operative endeavor. Under any insurance arrangement basically a large number of persons in effects agree to share the loss which a few of them are likely to incur in further such sharing has the advantages that individual share of the loss is relatively small. When the sharing is done among the large number of persons, the individuals share remains fairly from year to year. Such association of persons for sharing anticipated losses may be brought about voluntarily by all participants or organized by a few individuals or by insurance organization like Life Insurance Corporation of India .

It is the function of insurance in its various forms to protect the few against the heavy financial impact of anticipated misfortunes by spreading the loss among many who are exposed to the risk of similes misfortune while it is not possible to predict which individuals among the many participants are likely to be the victims at misfortune, it is after possible to fore cost the quantum of the loss which the group as a whole may suffer.

AVIVA Life Insurance Company Pvt Ltd provides insurance service for more than 31 years. In order to give better services to customers all over the 61 branches in India were computerized. Another importance aspect is accepting only short term investment. AVIVA life Insurance company India Pvt Ltd., is an important institution accepting long term savings.

## **II. Statement of Problem**

AVIVA Life Insurance Company India Pvt Ltd., renders various services to its policy holders of various types. AVIVA life insurance company India Pvt Ltd., has a well established customers base, because it has its own rewards.

Hence, the focus of the present study is to analyze the attitude and expectation of the policy holders' satisfaction of Thanjavur District, Tamilnadu.

## **III. Objectives of the Study**

1. To examine the awareness of insurance policies among the customers.
2. To analyze and compare benefits of other insurance policies.
3. To study the customer satisfaction towards AVIVA policy.
4. To offer suitable suggestions and recommendation based on the study.

## **IV. Methodology**

The data collected from primary sources are called primary data and secondary sources called secondary data. This study is descriptive study based on survey method. The researcher himself carried out the fieldwork for the present study personally. The survey was conducted during the period from December 2014 to February 2015. Though the interview schedule for the sample units was in English, it was administered in the vernacular. The completed schedule was checked immediately on the spot in order to avoid revisits. Secondary data were collected from the various periodicals, journals, records, from the divisional office of the AVIVA life insurance India Pvt Ltd., AVIVA Investor Book, University library reference books etc.,

Places of respondents of Thanjavur district, Names of the Taluks and blocks in this district are clearly explained that out of 150 policyholders 25 carried on Thanjavur Block, 20 in Pattukottai, 20 in Orathanadu, 30 in Peravurani, 35 in Kumbakonam, and the remaining 20 in the area of Papanasam respectively.

## V. Tools of Analysis

Percentage analysis is used to study the various significant factors that influence the attitude at policy holders was measured with ranking scale. In addition that chi – square test was applied to find out whether there is any significant relationship between the factors and the attitudes.

If the calculated value is greater than the table value at a particular confidence level say 0.05 level, it is concluded that the attitude of the policy holders depend on that variable. If calculated value is less than the table value it is inferred that the independent variable has significance in attitude.

## VI. Limitation of the study

1. This study is conducted by collecting responses from the public. Whose interpretation may not be up to their level of expression of ideas?
2. This study is conducted in Thanjavur District only.
3. The data personal insurance is taken only from the AVIVA Life Insurance India Pvt Ltd., Thanjavur.

## VII. Analysis of customer satisfaction

In this paper the researcher has analyzed a customer satisfaction towards L.I.C polices ( A study with a special reference AVIVA policy ). In Thanjavur district to find out the socio – economic background of the respondents are classified and analyzed on the basis of Age, Gender, Educational Qualification, Employment Status, Monthly Income and the like, Percentage analysis, and the customer satisfaction towards policyholders the researcher has applied the chi-square test.

## VIII. Classification on the basis of age

Age is an important factor for taking the insurance policy and the same influences the attitude of the respondents. Hence, the researcher has classified the Age in to four categories and the results are presented in the table 1.

TABLE 1

Classification of the Respondents on the basis of Age

| Sl. No. | Particulars | Number of Respondents | Percentage of Respondents |
|---------|-------------|-----------------------|---------------------------|
| 1.      | Below – 26  | 7                     | 5                         |
| 2.      | 26 – 35     | 62                    | 41                        |
| 3.      | 35 – 40     | 73                    | 49                        |
| 4.      | Above – 40  | 8                     | 5                         |
|         | Total       | 150                   | 100                       |

Source: Primary Data.

Figure 1

Classification of the Respondents on the basis of Age

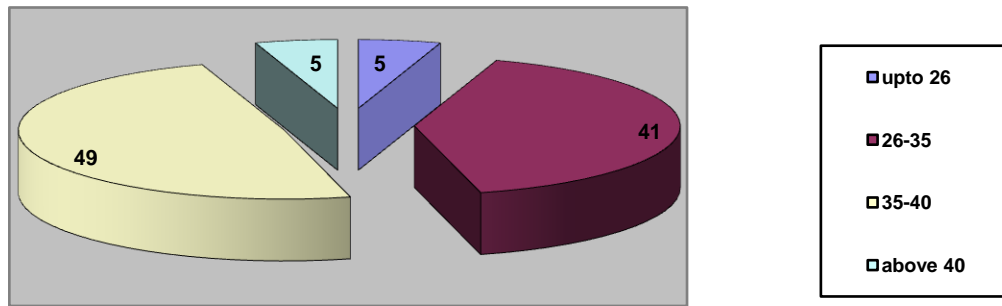


Table 1 clearly states that 49 percent of the respondents are in the age group of 35 – 45. 41 percent of the respondents are in the age group of 26 – 35. 5 percent of the respondents are in the age group of above 40. 5 percent of the respondents are in the age group of below 26. Hence it is observed from Table 4.1 that majority of respondents are in the age group of 35 – 40.

Classification of the Respondents on the basis of Sex:

Hence the researcher has classified the respondents on the basis of their sex and the results are presented in Table 2.

TABLE 2  
Classification of the Respondents on the basis of sex

| Sl.No. | Particulars | Number of Respondents | Percentage of Respondents |
|--------|-------------|-----------------------|---------------------------|
| 1.     | Male        | 102                   | 68                        |
| 2.     | Female      | 48                    | 32                        |
|        | Total       | 150                   | 100                       |

Source: Primary Data.

Table 2 clearly exhibits that 68 percent of the respondents are made and the remaining 32 percent are female. Hence it is inferred that the majority of the respondents are male.

AGE OF THE RESPONDENT:

Age is identified as one of the variables that have significant relationship with the policy holders.

TABLE 3  
AGE AND LEVEL OF SATISFACTION OF CUSTOMERS

| Sl. No. | Age       | Number of Respondents |        |      | Total |
|---------|-----------|-----------------------|--------|------|-------|
|         |           | Low                   | Medium | High |       |
| 1.      | Below –26 | 7                     | -      | -    | 7     |
| 2.      | 26-35     | 15                    | 30     | 17   | 62    |
| 3.      | 35-40     | 33                    | 20     | 20   | 73    |
| 4.      | Above-40  | 4                     | 2      | 2    | 8     |
|         | Total     | 59                    | 52     | 39   | 150   |

Source: Primary Data

From the above table 3 it is clear that the satisfaction level of below 26 Age is 5 percent, the satisfaction level of 26-35 Age is 62 percent, the satisfaction level of 35-40 Age is 73 percent and the satisfaction level of Above –40 Age is 8 percent.

TABLE 3 Chi-Square Table  
(AGE AND SEX LEVEL OF SATISFACTION)

| S/No. | O  | E    | O-E  | (O-E) <sup>2</sup> | (O-E) <sup>2</sup> /E |
|-------|----|------|------|--------------------|-----------------------|
| 1     | 7  | 2.8  | 4.2  | 17.6               | 6.286                 |
| 2     | 0  | 2.4  | -2.4 | 5.8                | 2.417                 |
| 3     | 0  | 1.8  | -1.8 | 3.2                | 0.177                 |
| 4     | 15 | 24.3 | -9.3 | 86.4               | 5.76                  |
| 5     | 30 | 21.4 | 8.6  | 73.9               | 2.463                 |
| 6     | 17 | 16.1 | 0.9  | 0.8                | 0.047                 |
| 7     | 33 | 28.7 | 4.3  | 18.4               | 0.557                 |
| 8     | 20 | 25.3 | -5.3 | 28.0               | 1.400                 |
| 9     | 20 | 18.9 | 1.1  | 1.2                | 0.06                  |
| 10    | 4  | 3.1  | 0.9  | 0.8                | 0.2                   |
| 11    | 2  | 2.7  | -0.7 | 0.4                | 0.2                   |
| 12    | 2  | 2.0  | 0    | 0                  | 0                     |
|       |    |      |      | TOTAL              | 19.567                |

Degree of freedom = 6; @ 5% level = 12.592; Calculated Value = 19.567

#### Chi-Square Test:

There is no association between age and level of satisfaction of sample respondents.

Hence the hypothesis framed by the researcher is rejected because calculated value is 19.567 greater than the table value 12.592 at 5% level hence there is an association between age and level of satisfaction of the sample respondents.

#### SEX OF THE RESPONDENT

Sex is identified as one of the variables that have significant relationship with the policyholder.

In order to find out whether there is any relationship between sex and the customer satisfaction of the policyholders the researcher has applied the chi- square test.

Table 4 shows sex of the policyholder a customer satisfaction towards AVIVA policies (a study with reference to AVIVA policy in Thanjavur District).

TABLE 4  
SEX AND LEVEL OF SATISFACTION OF CUSTOMERS

| Sex    | Number of respondents |        |      | Total |
|--------|-----------------------|--------|------|-------|
|        | Low                   | Medium | High |       |
| Male   | 30                    | 42     | 30   | 102   |
| Female | 10                    | 20     | 18   | 48    |
| Total  | 40                    | 62     | 48   | 150   |

Source: Primary Data

From The Above Table 4 it is clear that the satisfaction level of sex of male 68 percent and satisfaction level of sex of female 32 percent .

### Chi – square test

There is no association between sex and level of satisfaction of sample respondents.

Table 4 states that the hypothesis framed by the researcher is rejected because calculated value is 11.0457 greater than, the table value 5.99 at 5% level. Hence there is a association between sex and level of satisfaction of the sample respondents.

### CHI - SQUARE TABLE (SEX AND LEVEL OF SATISFACTION)

| S/NO  | O  | E    | (O-E) | (O-E) <sup>2</sup> | (O-E) <sup>2</sup> /E |
|-------|----|------|-------|--------------------|-----------------------|
| 1     | 30 | 27.2 | 2.8   | 7.84               | 2.2882                |
| 2     | 42 | 42.2 | .0.2  | 0.04               | 9.4786                |
| 3     | 30 | 32.6 | -2.6  | 6.76               | 0.2073                |
| 4     | 10 | 12.8 | -2.8  | 7.84               | 0.6125                |
| 5     | 20 | 19.8 | 0.2   | 0.04               | 0.0220                |
| 6     | 18 | 15.4 | 2.6   | 6.76               | 0.4389                |
| TOTAL |    |      |       |                    | 11.0457               |

DEGREE OF FREEDOM =2 TABLE OF X<sup>2</sup> @ 5% level = 5.99

Calculated value = 11.0457

### EDUCATIONAL QUALIFICATION OF THE RESPONDENT

Educational Qualification is identified as one of the variables that have significant relationship with the policy holders.

In order to find out whether there is any relationship between education qualification and the customer satisfaction of the policy holders the researcher has applied the Chi-square test.

Table 5 shows educational qualification of the policy holder a customer satisfaction towards L.I.C. Policies. (A study with special reference to AVIVA Policy in Thanjavur District)

TABLE 5  
EDUCATIONAL QUALIFICATION & LEVEL OF SATISFACTION

| Sl. No. | Educational Qualification | Number of Respondents |        |      | Total |
|---------|---------------------------|-----------------------|--------|------|-------|
|         |                           | Low                   | Medium | High |       |
| 1.      | School Level              | 15                    | 30     | 15   | 60    |
| 2.      | College Level             | 24                    | 36     | 19   | 79    |
| 3.      | Illiterate                | 3                     | 5      | 3    | 11    |
|         | Total                     | 42                    | 71     | 37   | 150   |

Source: Primary Data

From the above Table 5, it is clear that the satisfaction level of Educational Qualification school level of 40 percent, the satisfaction level of educational qualification college level 53 percent and the satisfaction level of educational qualification Illiterate 7 percent.

### CHI-SQUARE TEST:

There is no association between educational qualification and level of satisfaction of sample respondents.

Degree of Freedom = 4

Table, value of  $X^2$  at 5% level = 9.488

Calculated value of  $X^2$  = 10.9326

Hence the hypothesis framed by the researcher is rejected because calculated value is 10.9326 greater than the table value 9.488 of 5% level. Hence there is an association between educational qualification and level of satisfaction of the sample respondents.

### INCOME OF THE RESPONDENT:

Income is identified as one of the variables that have a significant relationship with the policy holders. In order to find out whether there is any relationship between income and the customer satisfaction of the policyholders the researcher has applied the Chi-square test.

Table 6  
INCOME OF THE RESPONDENTS

| INCOME          | NO. OF REPENDENTS |        |      | TOTAL |
|-----------------|-------------------|--------|------|-------|
|                 | Low               | Medium | High |       |
| 10,000 – 15,000 | 18                | 40     | 23   | 81    |
| 15,000 – 25,000 | 13                | 20     | 20   | 53    |
| 25,000 – 35,000 | 4                 | 5      | 4    | 13    |
| Above – 35,000  | 3                 | -      | -    | 3     |
| Total           | 38                | 65     | 47   | 150   |

From the above table 6 It is clear that the satisfaction level of income 10,000 – 15,000 54% percent, the satisfaction level of Income 15,000 – 25, 000., 35 percent, the satisfaction level of income 25,000- 35,000., 9 percent and the satisfaction level of income above 35,000 – 2 percent.

## CHI – SQUARE TEST

There is no association between educational qualification and level of satisfaction of sample respondents.

Hence the hypothesis framed by the researcher accepted

## CLASSIFICATION ON THE BASIS OF THEIR MONTHLY INCOME

Monthly income is an important factor which affects the attitude of the respondents. Hence the researcher has classified the income into four categories. Table 4.5 presents the monthly income of the respondents.

TABLE 7

Classification on the basis of their monthly income

| Sl.No. | Income        | Number of respondents | Percentage of respondents |
|--------|---------------|-----------------------|---------------------------|
| 1.     | 10000 – 15000 | 81                    | 54                        |
| 2.     | 15000 – 25000 | 53                    | 35                        |
| 3.     | 25000 – 35000 | 13                    | 9                         |
| 4.     | Above 35000   | 3                     | 2                         |
|        | Total         | 150                   | 100                       |

Source: Primary Data.

Table 7 clearly exhibits that 54 percent of the respondents are earning a personal monthly Income of Rs.10000 – 15000. 35 percent of the respondent are earning a personal monthly Income of Rs.15000 to 25000 and 9 percent of the Respondents are earning a personal monthly Income of Rs.25000 to 35000, and 2 percent of the Respondents are earning a personal monthly Income of above Rs.35000.

## CLASSIFICATION ON THE BASIS OF ACCESSIBILITY:

Accessibility is your opinion about advisor of AVIVA is an important factor that determines the satisfaction of respondents. Hence the researcher has classified the data in to 5 categories as shown in the

TABLE 8

CLASSIFICATION OF THE RESPONDENTS ON THE BASIS OF ACCESSIBILITY IS YOUR OPINION ABOUT ADVISOR OF AVIVA

| Sl.No | Particular    | Number of respondents | Percentage of respondents |
|-------|---------------|-----------------------|---------------------------|
| 1     | Excellent     | 11                    | 7                         |
| 2     | Good          | 109                   | 73                        |
| 3     | Average       | 24                    | 16                        |
| 4     | Below average | 6                     | 4                         |
| 5     | Poor          | -                     | -                         |
|       | Total         | 150                   | 100                       |

Source: Primary data

Table 8 Indicates that out of 73 percent of the respondents are having good opinions on the accessibility is your opinion about advisor by AVIVA .16 Percent of the respondents are having Average on the Accessibility is your opinion about by AVIVA.7 percent of the respondents are having excellent on the accessibility is your opinion about advisor by AVIVA.4 percent of the respondents are having below average on the accessibility is your opinion about advisor by AVIVA. No respondents are poor.



Classification of the respondents on the basis of the doctor / staff was courteous (yes) did you under go medical tests your policy.

The Doctor/Staff was courteous is an important factor that determines the satisfaction of respondents. Hence, the researches has classified the data into 5 categories as shown is the Table 9.

TABLE 9  
Classification of on the basis of the doctor/staff was courteous:

| Sl.No. | Particulars                | Number of respondents | Percentage of respondents |
|--------|----------------------------|-----------------------|---------------------------|
| 1      | Strongly Agree             | 9                     | 10                        |
| 2      | Some what Agree            | 33                    | 39                        |
| 3      | Neither Agree not disagree | 37                    | 43                        |
| 4      | Some what disagree         | 7                     | 8                         |
| 5      | Strong by disagree         | -                     | -                         |
|        | Total                      | 150                   | 100                       |

Source: Primary Data

Table 9 exhibits that 43 percent of the respondents neither agrees nor disagrees on the doctor / staff was courteous. 39 percent of the respondents somewhat agree on the doctor / staff was courteous.

Classification of the respondents on the basis of the tests conducts hygienically (yes) did you undergo medical tests yours undergo medical tests your policy?

The tests conduct hygienically is an important factor that determines the satisfaction of respondents. Hence the respondents has classified in the Table 9.

TABLE 10  
Classification of the respondents on the basis of the tests conducts hygienically

| S.No | Particulars                | Number of respondents | Percentage of respondents |
|------|----------------------------|-----------------------|---------------------------|
| 1    | Strongly Agree             | 14                    | 16                        |
| 2    | Somewhat Agree             | 44                    | 51                        |
| 3    | Neither Agree not disagree | 22                    | 26                        |
| 4    | Somewhat disagree          | 6                     | 7                         |
| 5    | Strong by disagree         | -                     | -                         |
|      | Total                      | 150                   | 100                       |

Source: Primary Data

Table 10 exhibits that 51 percent of the respondents somewhat agree on the tests conduct hygienically. 26 percent of the respondents neither agree nor disagree on the tests conduct hygienically. 16 percent of the respondents strongly agree on the tests conducts hygienically.

## IX. Findings

- According to the present study 68 of the respondent are make and the remaining is female.
- It is found out that majority of respondents (49%) are in the age group of ( 35 – 40 ) and only five percent of the below 26.

- The present study reveals that 53% of the respondents are college level and 7% of the respondents are illiterate.
- It is evident from the study that 59% of the respondents are having Govt. Organization and the only 4 percent of the respondent below others
- The present study reveals that (2%) of the respondents are earning a personal monthly income (35000) and (54) percent of the respondent are earning a personal monthly income of below (10000- 15000) to make suggestion based on the findings of the study
- In the present study it is found that (43%) of the respondents obtained the term policy and (6%) of the respondent obtained the traditional policy
- From the present study it is found out that 61 percent of the respondent are paying only yearly basis.
- It is found out that all the respondents (100%) of the respondents on the basis of do the staff helps when you are not able to fill proposal form only.
- In the present study 61 percent of the respondent have not availed any complaints and the remaining 39 percent of the respondent have complaints.
- It is found out that 36 percent of the respondent are having name selling mistake and 14 percent of the respondents are having any overwriting.
- It is found out that 69 percent of the respondents are having good opinion on the remainder served by AVIVA and 0.64 percent of the respondents are having poor on the remainders served by the AVIVA.
- It is found that 43 percent of respondents neither agree nor disagree on the doctor / staff was courteous and percent of the respondents somewhat disagree on the doctor / staff was courteous.
- It is found that 56 percent of the respondents 15 days on the after complete the medical tests your policy reached you in days and no respondents are above 30 days.
- It is found that 100 percent of the respondents have willed you recommended AVIVA to your friends and your family.

### **X. Suggestion**

- The AVIVA Life insurance company India pvt Ltd should necessary step for initialing policy purchase among the female
- The AVIVA life insurance company India pvt Ltd should necessary step for initiating policy purchase in the age group of below – 26 years
- The AVIVA life insurance company India Pvt Ltd should introduce new life policy scheme at lower premium for middle Income groups.

- The AVIVA life insurance company India Pvt Ltd should take necessary step for promoting the life insurance business in the remote areas.
- The AVIVA like insurance company India pvt. Ltd. should simplify the process for easy realization of matured policy and the claim of policy and the claim of policy due to the death of the policyholders.
- It is suggested that the AVIVA like insurance company India pvt. Ltd. should more number of branches in the rural area to help the rural people for taking the life insurance policy as well as availing the loan facility.

## **XI. Conclusion**

AVIVA is the world's oldest insurance groups, with a history dating 1696, the group employees serving 30 million customers in over 25 countries with more than 291 billion of assets under management. At present the AVIVA life insurance corporation of India has 40 branches and 224 locations its branch and banc assurance network, with a strong well trained sales force of over 6000 financial planning advisers.

At present record sales were achieved through both banc assurance and district sales force channel banc assurance channel recorded a robust growth of 74% with Rs. 51.9 cores. While district sales force achieved sales of Rs.33.8 cores in present 2006 – 2009 were 33.8 cores

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