FACTORS INFLUENCING THE POST-PURCHASE ATTITUDE OF PUBLIC AND PRIVATE LIFE INSURANCE POLICYHOLDERS TOWARDS AGENTS' SERVICES

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ABSTRACT.

Liberalization of the insurance market in India gave entry to many private insurers, resulting in drastic changes in respect to people's choice of companies. With the expansion of the market, insurance penetration and density of the country are getting better, leading to a competition within the companies in terms of policies sold, collection of premium income, settlement of claims and others. Companies are employing different marketing channels, apart from the conventional channel of marketing through individual agents, to stay in the competition. Hence a researcher has made an attempt to analyse the Pre-purchase attitude of the policyholders towards the public and private life insurers' services.

INTRODUCTION

Traditionally, agents were the only channel for selling the insurance products. But with the development of the insurance industry, the distribution channel has expanded and many other intermediaries are engaged in selling the products. A proper distribution channel is important for building good and healthy relations between the distributor and the customers. It also helps in determining the exact need and preference of the customers.

Since independence, Life insurance policy sales are made through agents. Life insurance distribution greatly depends upon individual agents. These intermediaries are the real sellers of life insurance products and services. Life insurance policy sale is always made through this agent channel. He is the mediator of the insurer and the policyholders. He plays an important role in selling the insurance products. Those who want to insure themselves depend upon his help to learn about the various products offered by the insurer, for the premium payment, to get the maturity payment and the claim settlement. So the sale through an agent is an old and useful channel of distribution in selling the insurance products.
 Hence a comprehensive study has been made by the researcher to analyse the attitude of the policyholders towards public and private life insurance agents' services-post-sales.

REVIEW OF LITERATURE

B.K.S. PrakshRao and BhVenkateshwaraRao (2003) in their article entitled Buoyant Rural Markets concluded that the establishment of micro branches and the appointment of specialized insurance agents in rural areas would help insurers to market different insurance products.

R.Desikan (2004) in his article entitled Rising to Customer Expectations recommends that the contents of the insurance policy document should be in simple English.He also recommends that the insurer's transcations should be transparent to their policyholders.

Shivaji Dam (2004)in his article entitled Create the System … and Go Beyond it concluded that insurers should adopt the customer relationship management (CRM) sofetwareapplicastions to retain the old policyholders.

G.V.Rao (2004) in his article entitled Liberalised Customers-A Challenge for Insurers said that insurers should conduct a regular survey to find the perception of the policyholders about their services to assess where they stand.He also stressed that insurers should train their employees to change their attitude.

Ravi Kumar Sharma(2205) in his study An insurance perspective in Eastern up-An Empirical study concluded that the IRDA should take steps to educate the rural people on the private insurance companies.

S.Krishnamurthy (2005) in his article entitled Insurance Sector; Challenges of Competition and Future Scenario concludes that the limited availability of data on insurers, the low awareness among the policyholders,,the inadequate infrastructure and technology are the major problems of the insurance industry in marketing its products

OBJECTIVES OF THE STUDY

1. To study the attitude of the policyholders regarding public and private lifeInsurance agents' services- post- sales

2. To offer suggestions and recommendations to improve the life insurance business.

SCOPE OF THE STUDY

The study has been undertaken mainly to highlight the pre-purchase attitude of the policyholders towards public and private life insurers' agents in Theni District. Government sector, Private sector employees, Businessmen, Agriculturists, Professionals, Pensioners, Self employed, House wives and Self group members have been included in the study. Only individual life insurance policyholders have been taken and others are excluded from the study

SAMPLING DESIGN

The life insurance policyholders of both public and private life insurers have been included in the study. A sample of 350 policyholders representing the various groups such as Government sector, Private sector employees, Businessmen, Agriculturists, Professionals, Pensioners, Self employed, House wives and Self group members of Theni District were interviewed by using a convenient sampling technique.

GEOGRAPHICAL AREA OF THE STUDY

The study covers the area of two public life insures' branches and three private life insurers' branches in the taluks of Theni,Aundipatty,Periyakulam,Bodi and Uthamapalayam

METHODOLOGY AND TOOL FOR DATA COLLECTION

The study is an empirical research based on survey method. It involves the collection of primary data from the policyholders of the life insurers in Theni district. The public life insurers' two branches namely Uthamapalayam and periakulam and three private life insurers' branches namely Bajaj Allianz life insurance, the Reliance life insurance and the ICICI Prudential life insurance were selected for the study. The data from the policyholders who have taken policies from these branches were collected with the help of an Interview schedule

MEASUREMENT OF VARIABLES

The researcher has analysed the attitude of policyholders towards the agents' services of both public and private life insurers by using a attitude scale. There is no readymade scale to measure the attitude level of the policyholders. Hence, the researcher has framed the attitude scale by using the Likert Type of scale.In order to test the level of significant services rendered by the public and private life insurers' agents, the researcher used the 'Z' test.

FACTORS INFLEUNCING THE POST-PURCHASE ATTITUDE OF LIFE INSURANCE POLICYHOLDERS

According to the modern life insurance marketing concept,the people are the king for allproducts.To stand in the market, it should satisfy the people.The basic mechanism in the insurance industry is providing the best services to their policyholders. Life insurance addresses four key needs in a customer's economic life cycle which include savings,protection,investment and retirement benefit

.The policyholder's attitude analysis towards agents is an important technique,to assess the opinion of the policyholders since the whole distribution of the life insurance products depends upon the agents services.

The importance given to a factor by a person may not be the same as in the case of another.Thus, it is very difficult to identify the single factor which influences the policyholders to buy the life insurance from the intermediaries.

Table 1.1 shows the attitude of the policyholders regarding the public and private life insurance agents' services during post-sales stage.

TABLE 1.1
Scores Given by the Policyholders towards Agents' Services-Post-Sales

S.NO	STATEMENTS	PUBLIC LIFE INSURER			PUBLIC LIFE INSURER		
		MEAN	SD	RANK	MEAN	SD	RANK

| 01	The agent help the policy holders to get the first premium receipt	4.49	9.702	1	4.34	0.842	1
02	The agent assist to get the policy document	4.40	0.758	II	4.18	0.876	IV
03	The premium date is reminded by the agent regularly	4.22	2.960	III	4.11	0.749	V
04	The agent helps the policy holders to pay the premium	4.13	0.957	V	4.30	0.560	II
05	The agent helps to renew the lapsed policy	4.10	0.953	VII	4.09	0.729	VII
06	The agent helps the policy holders in taking loan from the life insurer	4.05	1.027	VIII	4.11	0.827	V
07	The agent provides proper assistance to reduce or increase the period of the policy	3.99	1.172	X	4.22	0.864	III
08	The agent helps in changing the address, the nominee's name and transfer of policy	4.11	1.108	VI	3.66	1.188	X
09	The agent has sufficient capacity to handle large number of queries	4.18	0.981	IV	3.67	1.296	IX
10	The agent meets the policyholders after taking policy	4.02	1.020	IX	3.83	1.029	VIII
11	The agent shows interest in solving the problems	3.79	1.265	XI	3.58	1.242	XI

Source: Primary Data

From table 1.1 it is understood that out of the eleven statements regarding the services rendered by the public life Insurers' agents, the *first statement* secured the *first rank* (Mean = 4.49, S.D. =0.702) followed by the *second statement*secured the *second rank* (Mean = 4.40, S.D. = 0.758), the *third statement* secured the *third rank,* (Mean = 4.22, S.D. = 0.960), the *tenth statement* secured the *fourth rank* (Mean = 4.18, S.D = 0.981).

The *fourth statement*secured the *fifth rank* (Mean = 4.13, S.D. = 0.957), the *eighth statement,* secured the *sixth rank* (Mean = 4.11, S.D. =1.108), the *fifth statement* secured the *seventh rank* (Mean = 4.10, S.D. = 0.953), the *sixth statement* secured the *eighth rank* (Mean = 4.05, S.D. = 1.027)

The *eleventh statement* secured the *ninth rank* (Mean=4.02,S.D. = 1.020),the *seventh statement* secured the *tenthth rank* (Mean = 3.99, S.D. = 1.172), the*eleventh statement,* secured the *eleventh rank* (Mean = 3.79, S.D. =1.265).

The above table shows that out of the eleven statements regarding the services rendered by the private life insurers' agents, the *first statement* secured the *first rank,* followed by the *fourth statement* which has fetched the *second rank;* the *seventh statement* secured the *third rank,* the *second statement* secured the *fourth rank,* the *third statement and the sixth statement* secured the *fifth rank,* the *fifth statement* fetched the *seventh rank,* the *eleventh statement* fetched the *eighth rank,* the *eighth statement* fetched the *nineth rank* and the *tenth statement* secured the *tenth rank.and the eleventh statement* fetched the *eleventh rank*.

CHART 1.1 Total Mean Scores and Standard Deviation
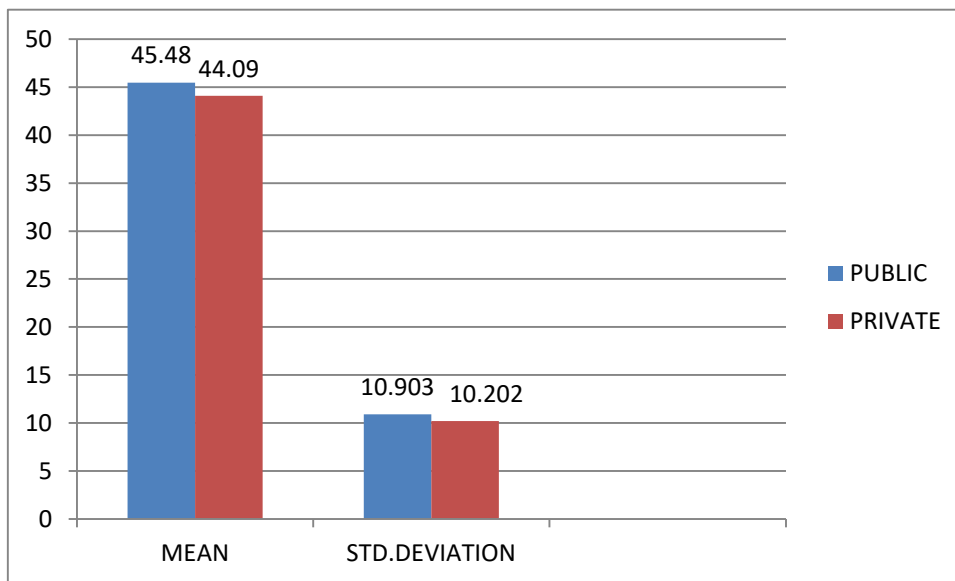
'Z' Value = 1.8654

Not significant at 5% level (20 D.F. = 1.96)

Inference:

There is no significant difference between the agent's services perceived by the sample public and private life insurance policyholders at the post -sales stage.

SUMMARY OF FINDINGS FROM THE 'Z' TEST ANALYSIS

There is no significant difference between the post-purchase attitude of the policyholders regarding the public and private life insurers' agents services.

SUGGESTIONS

1. It is suggested that both public and private the life insurers' agents must approach the people as advisors and behave like friends than as professionals. They must focus on addressing and solving the people's immediate financial problems.

2. They should advice the people on the value of life insurance and try to change the mind set of the people to spend their hard earned money to buy life insurance.

3. Both the public and private life insurance agents should move with policyholders closely with respondents by attending some important functions of the local areas in order to establish social rapport with policyholders. They should conduct " service camps" to fulfill the insurance needs of the people.

4.The users of mobile phones and internet are increasing due to the development of tele-communication. But in the study area, the perception of the policyholders regarding the electronic service is very low.

Eventhough they have mobile and internet, they didn'tuse such products due to lack of awareness and they depend upon the agents' services regarding the payment of premium, renewal of lapsed policy and claims settlement. Hence, the agents' role is very important in improving the services of the life insurance business in india.

CONCLUSION

"A satisfied policyholder is an asset to the company". There fore, for the successful running of life insurance business, the efforts of agent is necessary. Innumerable Indians are illiterate, ignorant or under-educated. They have to be carefully educated on the need for insurance and on the details relating to every kind of policy. This is an exciting job for the agents.

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