A COMPARATIVE STUDY OF CRM PRACTICE IN LIFE INSURANCE COMPANIES IN PUNE CITY
A STUDY FOCUSED ON LIFE INSURANCE CORPORATIONS OF INDIA AND TATA AGE LIFE INSURANCE COMPANY PVT. LTD.

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Abstract of the paper

The he study explore strategy adopted by life insurance industry maintain customer relationships. There are various Facts namely satisfaction loyalty retention Complaint management service failure and recovery strategies etc. to major customer relationship. The study find out how these has been used by the industry to maintain relationship. Further the study attempt to bring about a comparative picture of CRM practice follow by a public sector life insurance company and private sector Life Insurance Company.

For the present study researcher has chosen Life Insurance Corporation of India and TATA AIG Life Insurance Company Limited one company from public sector and one company from private sector in Pune city.

Key words : CRM, Customer loyalty, customer retention.

1.1. Insurance sector in India

With largest number of life insurance policy is force in the world insurance happen to be a mega opportunity in India.

Insurance sector to drive Indian CRM market - Insurance companies are experience in acceptable level of customer churn, so they are focusing on keeping the customer they already have.

Spending on CRM is up - Insurance frames spend close to 12 percent of their IT budget on CRM software and services.

The opportunity is huge - according to a report from Indian Infoline India has the highest number of life insurance policy in force in the world. Privatization has lead to new players entering these market and it is expected to grow at rapid pace.

1.2. Customer relationship management

CRM is comprehensive strategy and process of acquiring retaining and partnering with selective customer to create superior value to the company and the customer.

IMPORTANCE OF CRM

- Reduction in customer requirement cost
- Generation of more and more loyal customer
- Expansion of customer base
- Reduction in advertisement and other sales promotion expenses
- Benefiting customer selective approach
- Increase in the number of profitable customers
- Increase in customer partnering etc.

2.1. Objective of the study -

1. To study the existing CRM practices in public sector life insurance company and private sector Life Insurance Company.
2. To bring about a comparative picture of CRM practices followed by a public sector and private sector Life Insurance Company.
3. To study the relationship between customer participation and companies participation regarding implementation and effect of CRM.
4. To analyse the role of life insurance agents regarding CRM implementation.
5. To suggest majors from Bator CRM practices in the life insurance industry.

2.2. Hypothesis –

All other hypothesis are mention under the hypothesis section the main hypothesis is as follows -

H0 : Both public sectors and private sector insurance companies LIC and TATA - AIG respectively are equally efficient in carrying out CRM practices.

H1 : Both public sectors and private sector insurance companies LIC and TATA - AIG respectively are not equally efficient in carrying out CRM practices.

2.3. Research methodology

1. ***Type of research* -** this research study is a descriptive and 'A"nalytical'. Change the study has been done from three angles companies execute executives Life Insurance agents and customers viewpoint.

PARAMETERS OF THE STUDY FROM EXECUTIVE LEVEL

- CRM practices, customer satisfaction, Grievance handling system customer interaction communication customer Loyalty programs, Employee empowerment, Employee satisfaction Value addition services and Technology.

PARAMETERS OF THE STUDY FROM AGENT LEVEL

- Are practices customer satisfaction customer Loyalty program, Grievance handling system

PARAMETERS OF THE STUDY FROM CUSTOMER LEVEL

- Awareness about CRM source of awareness about company reason for choosing the company CRM practices benefited the customer satisfaction Repurchase decision and recommendation to others

2. ***Research plan for the data collection -***

   A. Primary source for data collection - In this study, information has been collected throughout the 'server method' and 'Interview' method.

   B. Second source for data collection - The second data has been collected from books, journals, publish reports, monthly magazine, related website and annual report of the company.

3. ***Sampling plan -***

   a) Population - Approximated number of agents of LIC and TATA - AIG are 12000 and 4000 respt.

   b) Sample elements consists of LIC India and TATA - AIG office in Pune city.

   c) Sampling units - Companies executives, insurance agent and customer

   d) Sample size - 204. The details are explained below-

Companies	Respondents			TOTAL
	Executives	Agents	Customers	
LICI	2	25	75	102
TATA-AIG	2	25	75	102
TOTAL	4	50	150	204

   e) Sampling method - random sampling.

   f) Survey period May 2009 to June 2009

4. Statistical Techniques

Descriptive statistics - Arithmetic mean and standard deviation.

Graphical methods - Chi square test and T test for independent samples

Type of questionnaires : there are three structure questionnaire used in this study.

The questionnaires are designed using Liker 5 point scale.

2.4. Significance of the study

With the globalization creating opportunities as well as changes for the business, CRM is most effective strategy for successful operation of the business. The companies under study would be benefited by the valuable information provided by the study about their customer, agent and efficiency of CRM system in operation. The comparison between public sector and private sector would add another dimension to the knowledge.

2.5. Limitation of the research study

Due to companies policy of non disclosure of information related to customers, it was very difficult to collect the information. Also because of the non cooperation of respondents in same case research would not gather more information.

3.1. Profile of CRM of the organisation under study -

LICI - The department is handed by manager CRM. Under him works one administrative officer who is helped by two assistants. One and average 30 to 35 complaints are received in a month. Majority of the Complaints are resolved on daily basis otherwise within 3 days. Dosti RM department is linked with the policy servicing department which is branch office CRM department. The CRM department run the software built by the in house team of LIC of India to implement all the practice of CRM.

TATA - AIG - The company has got mud centralised structure for customer services. It has a customer control centre at Powai branch and customer manager group in Mumbai. These two offices are linked with customer care call at branch level. The company uses CAMS software to manage CRM functions. The various function carried out by customer contact centre are settlement of planes customers grievance redress, revival of lapse policy, etc. Customer Management group basicallyProvides counselling or advisory Services.

3.2. Demographic profile of respondents -

Age -

Agents - Majority of the agent in LICI(80%) and TATA - AIG (68%) had age in the category of 18 to 40 years.

Customers - Majority of the customer in LICI(66%) and TATA - AIG had age.

In the category of 18 to 40 years.

Education –

Agents – 18% agents are "Undergraduate", 58% of the agents are "Graduate", 14% of agents are "Post Graduate" and 10% of the agents have completed "Other degrees".

Customers-4% of the customers are "Uneducated", 32% of the customers are "Undergraduate", 13% are "Graduate", 37% completed the "Post Graduation" and 15% customers have "Other degrees".

Annual Income – Table 1 Annual Income of the respondents

	Total		LIC of India		TATA-AIG	
	Agents	Customers	Agents	Customers	Agents	Customers
Base: Agents and Customers	50	153	25	78	25	15
Less than 2 Lakh	50%	58%	36%	60%	64%	56%
Above 2 Lakh	50%	42%	64%	40%	36%	44%

Work experience of agents in insurance companies-

In LICI majority of agents (80%) have experience 5 to 10 years, whereas in TATA-AIG 88% of agents have experience under 5 years.

3.3 Awareness about CRM Practices

Table 2 Awareness of CRM practices

	Total		LIC of India		TATA-AIG	
	Agents	Customers	Agents	Customers	Agents	Customers
Base: Agents and Customers	50	153	25	78	25	75
Yes	70%	76%	68%	74%	72%	79%
No	30%	24%	32%	26%	28%	21%

4 Agents and CRM Practices

4.1 Usage of CRM practices

Table 3 Usage of CRM practices

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base: All agents	25		25		50	
Quick problem solving	25	100%	24	96%	49	98%
Intimating about new plans	25	100%	23	92%	45	96%
Reminding due date of premium	24	96%	24	96%	48	96%
Fixing instalments according to customers	23	92%	23	92%	46	92%
Door step service	22	88%	24	96%	46	92%
Giving rebate	4	16%	4	16%	8	16%
Other	1	4%	1	4%	2	4%

4.2 Reasons for adopting CRM practices

Table 4 Reasons for adopting CRM practices

Table 4 Reasons for adopting CRM practices

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base: All agents	25	25	50			
Retain customers	24	96%	22	88%	46	92%
Increased profit	23	92%	23	92	46	92%
Build brand image	21	84%	24	96%	45	90%
Maintain reputation	21	84%	23	92%	44	88%
Promote product of the company	21	84%	22	88%	43	86%
Counter competition	18	72%	14	56%	32	64%
Other	2	8%	1	4%	3	6%

4.3 Benefits of CRM practices

Table 5 Benefits of CRM practices

Average Score	Insurance Companies		Total
	LIC of India	TATA-AIG	
Base: All Respondents	25	25	50
Overall Benefits of intimating about new plans	3.94	3.73	3.84
Benefits of giving rebate	1.50	3.67	2.80
Benefits of reminding due date of premium	4.36	3.92	4.15
Benefits of quick problem solving	3.69	4.00	3.84
Benefits of fixing instalments according to customers	3.77	3.92	3.84
Benefits of door step service	4.00	4.33	4.16

4.4 Customers' Loyalty program practiced by agents

Table 6 Customer loyalty program practiced by agent

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base: All agents	25	25	50			
Free gift	19	79%	7	29%	26	52%
Recognition	10	42%	10	42%	20	40%
Nothing	2	8%	4	17%	6	12%
Other	12	50%	15	63%	27	54%

4.5 Perception about company's CRM practices

Table 7 Perception about company's CRM practices

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base: All agents	25	%	25	%	50	%
Very Unsatisfied	1	4	1	4	2	4
Somewhat Unsatisfied	1	4	0	0	1	2
Neutral	1	4	0	0	1	2
Somewhat Satisfied	1	28	7	28	14	28
Very Satisfied	15	60	17	60	32	64
Satisfied Box	22	88	24	96	46	92
Total	25	100	25	100	25	100
Mean	4.36		4.56		4.46	
Standard Deviation	1.03		0.73		0.89	
Standard Error	0.21		0.15		0.13	

4.6 Agents' System for Customers' feedback, Suggestions and recommendations

4.6.1 Customers' feedback system

Table 8 Customers' feedback system

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base: All agents	25	25	50			
Sales	15	63%	11	44%	26	52%
Profit	13	54%	4	16%	17	34%
Word of mouth	16	67%	18	72%	34	68%
Customer care/Cell centre	3	1.3%	4	16%	7	14%
Other	6	25%	7	28%	13	26%

4.6.2 Agents' opinion about the type of complaints by customers

Table 9 Type complaints

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base: All agents	25	25	50			
Documentary complaints	10	40%	13	52%	23	46%
Policy lapse	5	20%	5	20%	10	20%
Service complaints [Premium]	11	44%	5	20%	16	32%
Other	1	4%	4	16%	5	10%
Prefer not to answer	1	4%	5	20%	6	12%

4.6.3 Action taken by agents – In response to customers' complaints and queries majority (40%) of the agents said they take quick action and (20%) said they try to solve it within a week and other answers were depending on situation etc.

5 Customers and CRM Practices

5.1 Source of awareness

Table 10 Sources of awareness about the company

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base: All customers	78	75	153			
Through an agent	58	74%	62	83%	120	78%
Advertisement	29	37%	21	28%	50	33%
Recommendation of someone	24	31%	10	13%	34	22%
Employer company/Office	3	4%	0	0%	3	2%
Other	8	10%	2	3%	10	7%

5.2 Mode of contact with company representatives

Table 11 Mode of contact with company representatives

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base: All customers	78	75	153			
Through agent	33	42%	72	96%	105	69%
In person	67	86%	25	33%	92	60%
By telephone	2	3%	9	12%	11	7%
Internet	3	4%	2	3%	5	3%
Other	0	0%02	3%	2	1%	

5.3 Performance of CRM practices of insurance companies

Table 12 Performance of CRM practices

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base: All customers	78		75		153	
Very poor	2	3%	3	4%	5	3%
Poor	6	8%	5	7%	11	7%
Neutral	19	24%	12	16%	31	20%
Good	25	32%	19	25%	44	29%
Excellent	26	33%	36	48%	62	41%
Mean	3.86		4.07		3.96	
Standard Deviation	1.05		1.13		1.09	
Standard Error	0.12		0.13		0.09	

5.4 Reasons for choosing particular insurance company

Majority of people said they buy insurance policy because of the relationship with the agent. This was followed b guarantee of safe investment, attractive policy and reputation of the company as main reasons for the selection. The other reasons given were income tax saving, package deal, good services offered, recommendation by someone, good returns, forced by agent etc.

5.5 Method of payment of premium

Table 13 Method of payment of premium

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base : All customers	77		75		152	
Through an agent	24	31%	64	85%	88	58%
Collection Office	68	88%	11	15%	79	52%
ECS	0	0%	10	13%	10	7%
Online Payment	5	6%	3	4%	8	5%

5.6 Customers Repurchase Decision and Recommendations
5.6.1 Ready to repurchase Life insurance policies
Table 14 Ready to repurchase policies

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base : All customers	78		75		153	
Yes	65	83%	54	72%	119	78%
No	9	12%	16	21%	25	16%
No decision	4	5%	5	7%	9	6%

5.6.2 Recommendation to others to purchase life insurance policies

Table 15 Recommendations about buying policies

	Insurance Companies				Total	
	LIC of India		TATA-AIG			
Base: All Customers who answered	72	53	125			
LIC of India	65	90%	7	13%	72	58%
TATA-AIG	0	0%	45	85%	45	36%
Other	7	10%	2	4%	9	7%

6 Hypothesis Testing

6.1 Gender wise distribution of agents and customers

1. HO: There is no significant relationship between gender and type of respondents.

H1: There is a significant relationship between gender and type of respondents.

Table 16 the gender wise distribution of agents and customers

	Total				LIC India				TATA-AIG			
	Agents		customers		Agents		customers		Agents		customers	
Base: Agents and customers	50	100%	153	100%	25	100%	78	100%	25	100%	75	100%
EMALE	9	18%	33	22%	5	20%	15	19%	4	16%	18	24%
Male	41	82%	120	78%	20	80%	63	81%	21	84%	57	76%

Out of five agents, four agents were males and one was female, same result obtained in case of customers of insurance companies. This may be because of earning members in each family were mostly males than females.

Table 17 Chi-Square results are described as follows

	Cal x2	Tab x2 (1)	Result
Total	0.292	3.84	Accept H_0
LIC of India	0.007	3.84	Accept H_0
TATA-AIG	0.699	3.84	Accept H_0

Table 16 shows the gender wise distribution in customers is independent on gender wise distribution in agents. Null hypothesis is accepted.

Therefore, there is no significant relationship between gender and type of respondents.

6.2 Opinion about importance of CRM practices

2. HO: The average score for importance of CRM practices given by agents is not significantly different than the average score given b customers.

H1: The average score for importance of CRM practices given by agents is significantly different than the average score given by customers.

Table 18 Opinion about Importance of CRM Practices

	Total		LIC of India		TATA-AIG	
	Agents	Customers	Agents	customers	Agents	Customers
Base: Agents and Customers	50	153	25	78	25	75
1-Not at all important	0%	1%	0%	3%	0%	0%
2-Somewhat unimportant	2%	15%	0%	15%	4%	15%
3-Netural	6%	21%	4%	26%	8%	16%
4-Somewhat Important	10%	3%	16%	3%	4%	4%
5-Veryi important	84%	59%	80%	54%	88%	65%
Mean	4.78	4.05	4.76	3.90	4.79	4.20
Standard Deviation	0.55	1.24	0.52	1.29	0.06	1.17
Standard Error	0.08	0.10	0.10	0.15	0.12.0	0.14

Table 19 t-test result are described as follows

	Agent(n=50)		Customers (n=153)		T statistic	Result
	Mean	Sd. Dev.	Mean	Std. Dev		
Total	4.78+	0.55	4.05	1.24	5.72 (tab t(0.01)=2.263)	Reject H_0
LIC of India	4.76+	0.52	3.9	1.29	4.74 (tab t(0.01)=2.263)	Reject H_0
TATA-AIG	4.79+	0.06	4.2	1.17	4.32 (tab t(0.01)=2.263)	Reject H_0

Note- tabulated value of t is defined in parenthesis

Observation-calculated ¦1¦Å tab t (0.01), Reject HO with 0.01 level of significance.

Interpretation – Life insurance agents give more importance to CRM practice than the customers.

6.3 Customers' satisfaction due to various components

a) communications with Agents

3. **HO:** There is no significant difference between average score for factor, "ease of contacting" given by agents from LIC of India and TATA-AIG

  H1: There is a significant difference between average score for factor, "ease of contacting" given by agents from LIC of India and TATA-AIG.

4. **HO:** There is no significant difference between average score for factor, "Clarity of information about newly launched schemes" given by agents from LIC of India and TATA –AIG.

  H1: There is a significant difference between average score for factor, "Clarity of Information about newly launched schemes" given by agents from LIC India and TATA –AIG.

5. **HO:** There is no significant difference between average score for factor, "Response time on Enquiries/complaints" given by agents from LIC of India and TATA-AIG

  H1: There is no significant difference between average score for factor, "Response time on Enquiries/complaints" given by agents from LLIC of India and TATA-AIG

Table 20 Customers' satisfaction with communications with Agents

	Total		LIC of India		TATA-AIG		t-Statistic	Result
	Mean	Std.Dev.	Mean	Std.Dev.	Mean	Std.Dev.		
Ease of contacting	4.46	1.23	4.27	1.37	4.67	1.03	1.56 (tab t(0.05)=1.97)	Accept H_0
Clarity of information about newly launched schemes	4.56	1.02	4.35	1.23	4.77	0.69	2.00 (tab t(0.05)=1.97)	Accept H_0
Response time on Enquiries/complaints	4.14	1.33	3.94	1.43	4.36	1.19	1.55 (tab t(0.05)=1.97)	Accept H_0

Note –tabulated value of t is defined in parenthesis

Observation-For ease of contacting and response time on enquiries/complaints, calculated t ¦Ã tab t (0.05), Accept Ho with 0.05 level of significance.

For Clarity of information about newly launched schemes, calculated ¦ t ¦Ã tab t (0.01), Reject HO with 0.05 level of significance.

Interpretation-Customers satisfaction due to ease of contacting and response time on enquiries/complaints" taken by agents is statistically same for both the companies. But in case of clarity or information about newly launched schemes customers satisfaction is higher in case of TATA –AIG.

b) Quality of Staff

6. HO: Regarding the opinion about 'quality of staff', average score given b customers of LIC of India for all factors, (Relevant knowledge of Staff, Courtesy of Staff, Helpfulness of Staff and The staff treated you as a valued customer) individually, is not significantly different than average score given by customers of TATA-AIG.

H1: Regarding the opinion about 'quality of staff', average score given by customers of LIC of India for all factors, (Relevant knowledge of Staff, Courtesy of Staff, Helpfulness of Staff and The staff treated you as a valued customer) individually, is significantly different than average score given by customers of TATA-AIG.

Table 21 customers' satisfaction with Quality of staff

	Total		LIC of India		TATA-AIG		T-Statistic	Result
	Mean	Std.Dev.	Mean	Std.Dev.	Mean	Std.Dev.		
Base: All Customers	153		78		75			
Relevant knowledge of Staff	3.81	1.21	4.19	1.30	3.41	0.98	3.41 (tab t(0.01)=2.606)	Reject H_0
Courtesy of Staff	4.10	1.26	4.47	1.04	3.71	1.34	3.21 (tab t(0.01)=2.606)	Reject H_0
Helpfulness ofs Staff	4.10	1.15	4.46	0.96	3.72	1.21	3.39 (tab t(0.01)=2.606)	Reject H_0
The Staff treated you as a valued customer	3.82	1.26	4.10	1.28	3.58	1.19	2.25 (tab t(0.01)=2.606)	Reject H_0

Note-tabulated value of t is defined in parenthesis

Observation calculated ¦t¦Å tab t (0.01), Reject HO with 0.01

Interpretation-Customers' satisfaction with the quality of staff is higher in LICI

c) Problem Soling by Agents.

7. **HO:** Regarding the opinion about "Problem Solving by Agents", average score given b customers of LIC of India is not significantly different than average score given by customers of TATA-AIG

   H1: Regarding the opinion about "Problem Solving by Agent", average score given by customers of LIC of India is significantly different than average score given by customers of TATA –AIG.

Table 22 Customers satisfaction with problem solving by agents

	Total		LIC of India		TATA-AIG		T-Statistic	Reasult
	Mean	Std. Dev	Mean	Std.Dev.	Mean	Std.Dev.		
Base: All Customers	153		78		75			
The way problems were resolved	4.25	1.30	4.10	1.35	4.41	1.23	1.17(tab t(o.05)=1.97)	Accept H_0

Note-tabulated value of t is defined in parenthesis

Observation calculated ¦t¦Ã tab t (0.05), Accept Ho with 0.05 level of significance.

Interpretation-Customers' satisfaction about problem solving by gents is statistically same in both the companies.

d) *Other components*

8. HO: Regarding the opinion about "other components of customer satisfaction", average score given b customers of LIC of India for all other components, (Giving rebate, Reminding due date of premium, Fixing instalments according to customers and Door Step Service) individually, is not significantly different than average score given by customers of TATA –AIG.

H1: Regarding the opinion about "other components of customer satisfaction", average score given by customers of LIC of India for all other components, (Giving rebate, Reminding due date of premium, Fixing instalments according to customers and Door Step Service) individually, is significantly different than average score given by customers of TATA-AIG.

Table 23 Customer satisfaction with other components

	Total		LIC of India		TATA-AIG		T-Statistic	Reasult
	Mean	Std. Dev	Mean	Std.Dev.	Mean	Std.Dev.		
Base: All Customers	153		78		75			
Giving rebate	4.25	1.30	4.19	1.37	4.32	1.23	0.48(tab t(o.05)=1.97)	Accept H_0
Reminding due date of premium	4.25	1.30	4.22	1.28	4.29	1.33	0.28(tab t(o.05)=1.97)	Accept H_0
Fixing instalments according to customers	4.58	1.14	4.73	0.88	4.43	1.35	1.37(tab t(o.05)=1.97)	Accept H_0
Door Step Service	4.25	1.30	4.29	1.31	4.21	1.30	0.31(tab t(o.05)=1.97)	Accept H_0

Note-tabulated value of t is defined in parenthesis

Observation calculated ¦ t ¦Ã tab t (0.05), Accept Ho with 0.05 level of significance.

Thus, regarding the opinion about "other components of customer satisfaction", average score give by customers of India for all other components, (Giving rebate, Reminding due date of premium, Fixing instalments according to customers and Door Step service) individually, is not significantly different than average score given b customers of TATA-AIG.

Interpretation-There is no significant difference in satisfaction between customers of LIC of India and TATA-AIG with respect to above mentioned factors.

6.4 Comparison of Actual customer satisfaction with the agents' perception about customer satisfaction.

9.   **HO:** The average score for agents' perception about customer satisfaction is not significantly different than the actual customer satisfaction.

   H1: The average score for agents' perception about customer satisfaction is not significantly different than the actual customer satisfaction.

Table 24 Comparison of Actual customer satisfaction with the agents' perception about customer satisfaction

	Total		LIC of India		TATA-AIG	
	Agent	Customers	Agent	Customers	Agents	Customers
Base: Agents and customers	50	153	25	78	25	75
Very Unsatisfied	2%	3%	4%	3%	0%	4%
Somewhat Unsatisfied	2%	6%	4%	4%	0%	8%
Neither unsatisfied nor Satisfied	4%	5%	8%	6%	0%	3%
Somewhat Satisfied	22%	20%	20%	23%	24%	17%
Very Satisfied	84%	66%	64%	64%	76%	68%
Mean	4.56	4.40	4.36	4.42	4.76	4.37
Standard Deviation	0.69	1.08	1.11	0.91	0.18	1.25
Standard Error	0.10	0.09	0.22	0.10	0.04	0.14

Table 25 t-test results for Comparison of actual customer satisfaction with the agents' perception about customer satisfaction

	Agents(n=50)		Customers (n=153)		T-Statistic	Result
	Mean	Std. Dev.	Mean	Std. Dev.		
Total	4.56	0.69	4.4	1.08	1.21(tab t(0.05)=1.97)	Accept H_0
LIC of India	4.36	1.11	4.42	0.91	0.08(tab t(0.05)=1.98)	Accept H_0
TATA-AIG	4.76	0.18	4.37	1.25	2.6(tab t(0.05)=1.98)	Accept H_0

Note-tabulated value of t is defined in parenthesis

Observation-overall and particularly in case of LIC of India, calculated ¦t¦Ã tab t (0.05), Accept Ho with 0.05 level of significance.

In case of TATA –AIG, calculated ¦t¦Å tab t (0.01), Reject Ho with 0.05 level of significance.

Interpretation-On the whole the agents' perception about customers' satisfaction matches with the actual customers' satisfaction. The result is same for the agents of LIC of India. But in case of TATA-AIG actual customer satisfaction is less than the agents' perception about the customer satisfaction.

6.5 Comparison of customer satisfaction between LICI an TATA-AIG

10. **HO:** Both public sector and private sector insurance companies i.e. LIC India and TATA-AIG respectively are equally efficient in carrying out CRM practices.

   H1: Both public sector and private sector insurance companies i.e. LIC India and TATA-AIG respectively are not equally efficient in carrying out CRM practices.

Table 26 Comparison of customer satisfaction between LIC of India and TATA-AIG

	LIC of India		TATA-AIG		T-Statistic	Result
	Mean	Std. Dev.	Mean	Std. Dev.		
Base: All Customers	78		75			
Overall customer satisfaction	4.42	0.91	4.37	1.25	0.28(tab t(0.05)=1.97)	Accept H_0

Note-tabulated value of t is defined in parenthesis

Observation calculated ¦ t ¦Ã tab t (0.05), Accept Ho with 0.05 level of significance.

Interpretation- it follows from the statistical calculations that both the companies under study are equally efficient in carrying out CRM practices.

7.1 Conclusions

On the whole, the agents' perception about customers' satisfaction matches with the actual customer satisfaction. The result is same for the agents of LIC of India. But in case of TATA-AIG actual customer satisfaction is less than agents' perception about the customer satisfaction.

Regarding the comparison of satisfaction level of customers' of LIC of India and TATA-AIG it follows from the statistical calculations that both the companies under study are equally efficient in carrying out CRM practices. One very significant observation through out the study was that average figure was mostly between 4 and 5. As the study is conducted on the basis of Liker scale it shows both the company's performance was rated between satisfactory and very satisfactory.

Though statistically equally efficient each of these companies have their areas of better performance. In case of TATA-AIG, agents maintain high contact with the customers so, customers do not need to visit branch offices for their work. In case of clarity of information about newly launched schemes it wins higher customer satisfaction. It had comparatively lesser number of customers having service complaints and the customers are highly satisfied with response time on enquiries/complaints. There are higher numbers of customers satisfied with companies CRM practices.

In case of LIC of India, there are many reasons for customers to give it preference. It enjoys higher visibility in the market. Based on this study it was better than TATA-AIG in areas like quality of staff, lesser number of documentary complaints, reaping comparatively higher benefits of reminding due date of premium payment customer acknowledging that the staff treat team as valued customer, customers satisfaction with higher flexibility in fixing installments according to them. The one point which is its competitive edge it's a very high percentage of customers are ready to re purchase policy and recommended other by from LIC of India which shows a higher retention rate and thus higher loyality. In fact, the many of the TATA - AIG customer wants to recommend other to buy from LIC of India.

7.2. Recommendations

Suggestion by the researcher on the basis of overall study

In case of LICI, the major problems in customer service where premium collection, bureaucratic approach etc. Therefore the company should work on following areas -

1. Arranging means and ways to open more collection counters. The company should encourage customer to pay premium through internet ECS and etc.

2. To instill professionalism in its stuff it should go for knowledge updating through seminar and training programs.

3. Further company need to improve its functioning in areas like spending premium reminders, policy documents, quick settlement of all types of complaints etc.

4. Company should go for modernisation and set up facilities like info centres.

5. Most importantly to maintain the competitive edge and customer base it need to continuously come up with new products.

In case of TATA - AIG major problems were forced sellin, delay in sending policy documents etc.

Therefore the company should work on following areas -

1. The company should encourage need based selling approach among its agents.

2. The agent should explain all the details about the policy to prospect without making any fake promises.

3. The agent and company should make proper follow up the customer after the selling of policy and making of any query / complaint .

4. The agent should maintained proper communication with the customers. The company should devise a way to develop two way communication between company and the customer.

5. The company should see that the policy documents premier reminders premium payment receipt etc. are sent on time.

Further, company need to increase its visibility among masses in both Urban and rural areas. So, it should go for extensive promotions.

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