A STUDY ON POLICYHOLDERS AWARENESS AND SATISFACTION TOWARDS INSURANCE COMPANY AND IT’S POLICIES

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Abstract: This study investigates the customer awareness of and satisfaction with insurance corporations. In light of the public's growing awareness of life's unpredictability and the intense competition in the insurance sector, it is important for insurance companies to comprehend what their clients need. In order to determine the factors influencing consumer awareness of and satisfaction with insurance companies and their policies, this study is based on primary data that was collected through a questionnaire from 50 policyholders. Mann Whitney U Test and Kruskal Wallis H Test were used to analyze the data.

Index Terms - Policyholders Satisfaction, Policyholders Awareness, Insurance companies and Policies.

I. INTRODUCTION

The need for insurance has grown significantly in the complex modern world because every profession now carries far greater risk. As a result, the insurance industry has expanded, and several insurance covers have been evaluated. The insurance industry also serves as a financial intermediary, a savings mobilizer, and an investment activity promoter. It contributes significantly to a nation's economic development, which in turn might encourage the expansion of the insurance industry. One will be surprised to learn how many of the dangers to which an individual is exposed can really be covered. Companies that provide general insurance provide a range of policies that cover various risk kinds. In addition to the lack of information on this, most people are unaware of the value that insurance, as a potential choice, could provide to their life. While the cost of insurance and an individual's insurance priorities are important factors in why some people choose not to purchase insurance, other factors include ignorance of the different insurance options and a failure to view insurance as a tool for protection. It is the duty of all parties involved to raise this knowledge. In the context of a person's overall financial planning, insurance is a crucial instrument. It helps to lessen the financial toll that personal risks take on people. The importance of insurance has grown to the point where it is now jokingly referred to as "life assurance" and has stopped serving as the family's sole "protection" or "legacy" in favor of being a significant investment opportunity. Insurance is a specialized business that relies heavily on consumer interaction at order to emphasize product diversity and define the complexity of the policies and processes, it is essential to involve the customers at every step of the transaction due to the significance of providing personalized solutions. In order to lower risks and uncertainties, all these distinguishing characteristics lead clients to seek for long-term partnerships with their insurance agents and service providers.
India is quickly establishing itself as a powerful economy and world force. It is expanding and developing quickly. India's insurance industry has been around for around 150 years. All sectors of the economy are expanding significantly, and insurance is no exception. Because of the large population of Indians and the low levels of insurance penetration, it is actually the most booming sector among all the others. The Indian market demonstrated enormous potential for many insurers at a time when the global insurance market was on the approach of stagnation due to company saturation insurance businesses into the hitherto untapped markets. The insurance industry is currently in its third phase of development. Before the two nationalizations of longlife insurance and general insurance in 1956 and 1971, respectively, the first phase was the long expansion phase. The second phase saw the sector as a whole turn into a governmental monopoly. Large public sector insurers are now facing competition from a number of new private sector businesses in India's third phase. According to the current trends, it appears that there will be 35 to 40 participants in the market in 10 years, evenly distributed between life and general insurers doing business in India.

II.OBJECTIVES

- To analyze factors that influences the policyholders in selecting insurance company and its policy.
- To examine the role of the policies and their awareness towards the level of satisfaction of insurance policyholders.
- To discover the problems faced by the insurance policyholders encountered during the claim

III.SCOPE OF THE STUDY

The purpose of the study was to determine how awareness impacted and how satisfied the health insurance policyholders. This was accomplished by gathering data on the policyholder’s socioeconomic status, knowledge of health insurance providers, knowledge of insurance processes, knowledge of insurance policies, and satisfaction with those plans.

IV.STATEMENT OF THE PROBLEM

By providing long-term funding for the creation of infrastructure and at the same time strengthening the public’s capacity for accepting risks, the insurance sector contributes significantly to the growth of any economy and the social life of the people. In actuality, insurance businesses are the best sources for generating long-term funding for the economy's overall growth. Individual customers’ well-being, business profits generated by consumer spending and patronage, and the stability of the political and economic system all depend on satisfied customers. In the past, there was little knowledge of general insurance in India. Many Indians did not even have enough money to support themselves with their earnings. Their focus was on their health, well-being, and education. Like their international counterpart, an Indian customer purchases plans to ensure secure savings for the future and receive tax benefits. Insurance is now seen as a basic necessity in Indian society. Insurance was hardly ever acknowledged as a multifaceted form of security. Only as an investment opportunity, not as a pure risk protection, is insurance popular in India. Customers learn about the insurance products through agents whose goal and expectation from the company is to generate commission rather than providing quality service and making the product features more transparent to the customers. The majority of insurance products offered by insurance companies focus on giving the customers an opportunity for investment.

V.RESEARCH METHODOLOGY DATA COLLECTION

Data for this study were obtained from primary sources using a structured questionnaire. For this study, Non-Probability Sampling technique has been adopted. Under Non-Probability Sampling, the Convenient sampling method is used to collect the sample. A sample of 50 respondents were chosen for the study.

NON-PARAMETRIC T-TEST

Whenever the assumptions in the given population are uncertain, the non-parametric test is used in which are also considered as a parametric counterpart. When data are not distributed normally or when they are on an ordinal level of measurement, non-parametric test are used for analysis. The basic rule is to use a parametric t-test for normally distributed data and a non-parametric test for skewed data.
MANN-WHITNEY U TEST

TABLE: 1.1
The factors influencing the policy holders

<table>
<thead>
<tr>
<th>Test Statistics</th>
<th>Factors creditability</th>
<th>Factors awareness</th>
<th>Factors benefits</th>
<th>Factors popularity</th>
<th>Factors pressure</th>
<th>Factors friends</th>
<th>Factors advertisement</th>
<th>Factors others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mann-Whitney U</td>
<td>237.500</td>
<td>206.000</td>
<td>202.500</td>
<td>196.500</td>
<td>184.500</td>
<td>237.000</td>
<td>215.500</td>
<td>231.500</td>
</tr>
<tr>
<td>Wilcoxon W</td>
<td>328.500</td>
<td>947.000</td>
<td>293.500</td>
<td>287.500</td>
<td>925.500</td>
<td>328.000</td>
<td>306.500</td>
<td>322.500</td>
</tr>
<tr>
<td>Z</td>
<td>-.218</td>
<td>-.941</td>
<td>-1.007</td>
<td>-1.158</td>
<td>-1.402</td>
<td>-.226</td>
<td>-.721</td>
<td>-.348</td>
</tr>
<tr>
<td>Asymp.Sig. (2-tailed)</td>
<td>.828</td>
<td>.347</td>
<td>.314</td>
<td>.247</td>
<td>.161</td>
<td>.821</td>
<td>.471</td>
<td>.728</td>
</tr>
</tbody>
</table>

a. Grouping Variable: Gender

Hypothesis

H0: The awareness and satisfaction of policy holders towards insurance company and its policies among the customers and gender of the respondent is same.

H1: The awareness and satisfaction of policy holders towards insurance company and its policies among the customers and gender of the respondent is not same.

Interpretation

From the above table 1.1, it is inferred that the table value is more than the significant value (0.05).

KRUSKAL WALLIS TEST

TABLE: 1.2
The factors influencing the policy holders

<table>
<thead>
<tr>
<th>Test Statistics</th>
<th>Problem lack</th>
<th>Problem coverage</th>
<th>Problem claim</th>
<th>Problem renewal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kruskal-Wallis H</td>
<td>1.559</td>
<td>5.770</td>
<td>3.297</td>
<td>2.800</td>
</tr>
<tr>
<td>Df</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Asymp.Sig.</td>
<td>.669</td>
<td>.123</td>
<td>.348</td>
<td>.423</td>
</tr>
</tbody>
</table>

a. Kruskal Wallis Test
b. Grouping Variable: Age

Hypothesis

H0: There is no significant mean difference between the problem faced by the insurance policyholders during the claim across the different age group of the respondent.

H1: There is a significant mean difference between the problem faced by the insurance policyholders during the claim across the different age group of the respondent.

Interpretation

From the above table 1.2, It is clear from that the table value is more than the significant value (0.05).

VI. FINDINGS

• Mann-Whitney U test shows that the awareness and satisfaction of policy holders towards insurance company and its policies among the customers and gender of the respondent is same.

• Kruskal Wallis test shows that there is no significant mean difference between the problem faced by insurance policy holders during the claim across the different age group of the respondent.
VII. SUGGESTION
• The respondents are neutral about tax benefit, risk coverage & saving, security with high return which shows that they are unaware about the aspects and if the company tries to give more advertisements about the policies, then the level of awareness about the policies can be increased in future period.
• In our study our respondent admitted to being affected influenced by friends and family. This demonstrates that if a company changes its policies through recommendations, the demand can be fulfilled, which will boost the company’s volume.
• The study reveals that most of the respondents have faced the major problems, namely final claim formalities are more tedious, delay in the settlement of the claim amount and legal requirements delay the claiming process in the private sector insurance companies. In case of private general insurance companies, most of the respondents have reported that delay in the settlement of the claim amount, final claim formalities are more tedious and legal requirement delays the claiming process as their major problem. Therefore, both the public and private sector insurance companies should resolve the problems to increase customer satisfaction.
• The area of significant improvement applies to the following areas, technical advancement of insurance, employee clean appearance, convenience in premium payment, customer awareness programs, commitment and ethical behavior.
• The general insurance companies should ensure better branch office location good reputation in the market, sound financial strength and regular correspondence with agents by meeting, accurate product line to increase satisfaction in the study area.

VIII. CONCLUSION
India’s general insurance sector is in a crucial stage of development. In the last five years, general insurance has increased at a rate of around 20%, reaching a yearly premium of Rs.70,000 crore. The low penetration rates, however, offer plenty of room for expansion. Given the general recession in the economy, the weak investment stream, and the changes brought on by the de-tariffed regime, the industry has faced difficult business conditions. Due to claims ratios that are significantly higher than worldwide benchmarks, the industry is plagued with rising underwriting losses. Despite the unrest, there have been a few good things that have happened as well. As consumers become more aware of the advantages of general insurance, retail lines have recently experienced rapid growth. Players would need to reevaluate every part of their business models, including pricing, products, risk management, client acquisition, and distribution, in order to reach profitability. Undoubtedly, progress would require the participants to work together to improve their worldwide claims and operations skills.

REFERENCE