



A STUDY ON CUSTOMER SATISFACTION TOWARDS IFFCO-TOKIO GIC LTD., BIDAR

¹Ms. Shivani, ²Prof. Mohammed Khalid R P

¹MBA Student, ²Assistant Professor

^{1,2}Department of Management Studies

^{1,2}Ballari Institute of Technology and Management (Autonomous), Ballari, India

Abstract: The Indian insurance industry has become more competitive since it was liberalized, and this improved industry now offers several new career prospects. With the entry of the multinational, things have changed. The need for competent labor is expected to rise as more companies enter the market. Economic growth requires a well-evolved insurance industry since it boosts risk-taking capacity and offers long-term funding for infrastructure development. To succeed in this dynamic and ever-changing world, ambitious expansion goals alone are insufficient. Being the first to cross the finish line and keep going forward to fight and win new fights requires passion, grit, commitment, and an unwavering vision.

Index Terms - Insurance, Schemes, LIC, Health, Risks

I. INTRODUCTION

The origins of insurance can be found in Babylonia, where merchants were enticed to take on the risks associated with the caravan trade by offering loans that would only be paid back (with interest) once the goods had arrived safely. This bottomry-like practice was made official in the Code of Hammurabi (c. 2100 B.C.). A comparable technique was used by the Greeks and the Phoenicians for their maritime trade. Burial clubs were a type of life insurance employed by the Romans covering the cost of the members' funerals and thereafter paying the survivors.

Throughout the 19th century, numerous fraternal orders were established to offer inexpensive insurance to their members, and numerous friendly or benefit societies were established to safeguard the lives and health of their members. Most labor organizations still offer insurance, as do fraternal orders. Many companies provide their staff with group insurance coverage. These policies typically cover life insurance as well as benefits for accidents, illnesses, and old age pensions.

The Indian insurance industry has become more competitive since it was liberalized, and this improved industry now offers several new career prospects. With the entry of the multinational, things have changed. The need for competent labor is expected to rise as more companies enter the market. Economic growth

requires a well-evolved insurance industry since it not only boosts risk-taking capacity but also offers long-term funding for infrastructure development.

II. Need for the Study

To succeed in this dynamic and ever-changing world, ambitious expansion goals alone are insufficient. Being the first to cross the finish line first and to keep going forward to fight and win new fights requires passion, fortitude, commitment, and above all, an unwavering vision. The mentality and commitment to the idea that "The higher we aim, the further we reach" are what drive each of us to consistently accomplish the seemingly impossible.

Any organization's primary goal is to enhance sales, boost earnings, and foster the company's expansion. Customer retention and satisfaction are therefore crucial for achieving these goals. Since they are the company's most valuable asset, customers' requirements should be appropriately met. Providing clients with high-quality items and excellent service is crucial. It has an indirect impact on the company's expansion.

Negative word of mouth is extremely damaging. Word of mouth has been shown to be more effective than advertising. Uncertainty about customer satisfaction levels leads to poor business decisions. The causes of customer churn and declining sales are unknown and unaddressed. As a result, it is necessary to identify and assess the customer perception, attitude, and level of satisfaction with the IFFCO-TOKIO GIC product, as well as to collect both quantitative and qualitative data for the aforementioned problem. As a result of the importance of the aforementioned problem, the research work was initiated.

III. Review of Literature

Podpiera et.al. (2003) have expressed that insurance is the source of the financial system vulnerability and have reviewed the risks and failures of insurance companies. **Choudhury and Srinivasan (2011)** studied the insurance schemes of the central government for vulnerable groups, and to reduce the burden it, the government has issued bonds to manage. However, a proper administration of needed. **Bandyopadhyay et.al. (2020)** diagnosed the Indian insurance industry and identified the key challenges of the sector such as low penetration and density rates, less investment in insurance products, the dominant position of public sector insurers, and their deteriorating financial health.

IV. Objectives of the Study

- 1 To study product awareness and to analyze the factors that influence the customers.
- 2 To study for how long years they are the customers of IFFCO-TOKIO GIC and their opinion about the company.
- 3 To study customer satisfaction with the product and customer service.

V. Results and Discussions

There are wide number of insurance schemes and products are available in the market, besides, few schemes and players have showed progressive performance. In this backdrop, the customer satisfaction survey was conducted to the IFFCO-TOKIO customers to evaluate their level of satisfaction and find the expectations and future challenges before the company.

Table 1 Factors Influenced on Customers' Purchasing Decision

Influence	Respondents	Percentage
Advisor	70	46.67
Friends	30	20.00
Advertisement	15	10.00
Others	35	23.33
Total	150	100

(Source: Field Survey)

Customers are influenced in this purchasing decision by many factors. From Table 1 it is clear that, a total number of 70 (46.64%) customers out of total respondents of 150 customers are influenced by the Advisor. 30 (20%) customers are influenced by Friends. 15 (10%) customers are influenced by advertisements and the remaining 35 (23.33%) are influenced by others. Hence, the advisors are the main sources of IFFCO-TOKIO GIC.

Table 2 Product Awareness of Company

OPTIONS	Respondents	Percentage
Yes	92	61.33
No	58	38.67
Total	150	100

(Source: Field Survey)

Many customers are aware of all the products of IFFCO-TOKIO GIC. From Table 2 it is known that 92 (61.33%) customers are aware of the products, whereas the remaining 58 (38.67%) customers are not aware of all the products offered by IFFCO-TOKIO GIC. Hence, the company must provide detailed information about all the products offered by them to customers.

Table 3 Effectiveness of the Advertisement of Company

Options	Respondents	Percentage
Very effective	8	5.33
Effective	48	32.00
Ineffective	94	62.67
Very ineffective	-	-
Total	150	100

(Source: Field Survey)

The majority of the customers said that the advertisement was ineffective compared to other companies. 94 (62.67%) customers said it was ineffective. 48 (32%) customers said it was effective and the remaining 8 (5.33%) said it was very effective. Hence, the company must give effective advertisement that attracts customers.

Table 4 Dependency of Customers to Take Investment Decision.

Consult	Customer	Percentage
My self	65	43.33
Friends	25	16.67
Family	35	23.33
Consultant	25	16.67
Total	150	100.00

(Source: Field Survey)

Customers will mainly make self-decisions while investing. Table 4 shows from whom the customer takes opinions while investing. 65 (43.33%) customer says that they will take opinion themselves while investing. 25 (16.67%) customers say that they will take opinions with their friends. 35 (23.33%) customers say that they will take the opinion of their families and 25 (16.67%) customers say that they will take the opinion of the consultant. Hence, the company must create good opinions in customers while investing.

Table 5 Customers Preference towards Traditional Products

Options	Customers	Percentage
Low risk	40	66.67
Adequate return	20	33.33
Total	60	100

(Source: Field Survey)

Some of the Customers preferred Traditional products because of their Low risk. 40 (66.67%) customers said they preferred it because of its low risk and the remaining 20 (33.33%) customers said they preferred it because of adequate returns. Hence, the company must go for the products which are having low risk in traditional products.

Table 6 Customers Preference towards Market Link Plans

OPTION	Customers	Percentage
Bonus interest	28	31.11
Extra benefit	25	27.78
Flexible liquidity	20	22.22
Transparent	17	18.89
Total	90	100

(Source: Field Survey)

Many customers chosen Market link plans because of Bonus interest. 28(31.11%) customers said because of Bonus interest they go for Market link plans. 25(27.78%) customers said that because of extra benefits they preferred this product.20 (22.22%) customers said that because of flexible liquidity, they went for this product and the remaining 17(18.89%) customers said because of transparent in market link plans they went for those products. Hence the company must give more bonus interest in all the market link plans.

Table 7 Tenure of Being the Customers of the Company

No of years	Respondents	Percentage
Less than 1 year	50	33.33
1-3 year	75	50
3 & above year	25	16.67
Total	150	100.00

(Source: Field Survey)

Most of the customers belong to the 1-3 years category. Table 7 shows that 50 (33.33%) customers are less than 1-year category. 75 (50%) customers said that they are in the 1-3 year category and the remaining 25 (16.67%) customer says they belong to the more than three years category.

Table 8 Customers Opinions about the Company

Option	Respondents	Percentage
Excellent	28	18.67
Good	84	56
Satisfactory	38	25.33
Not satisfied	-	-
Total	150	100

(Source: Field Survey)

The majority of the customers have having Good opinion of the company. 84 (56%) customers said they had a good opinion of the company. 38 (25.33%) customers said they are satisfied and remaining 28 (18.67%) customers said the company was Excellent. Hence, we can know that the customers have having good opinion of the company.

Table 9 Benefits Expected by the Customers from Products

Benefits	Respondents	Percentage
Lifetime benefit	40	26.67
Retirement Solution	60	40
Monitory benefit	35	23.33
Others	15	10
Total	150	100

(Source: Field Survey)

Retirement solution is the benefit that customers expect from the product. When respondents were asked about the benefits that customers expect from the product, 60 (40%) customers said that they would expect a retirement solution. 40 (26.67%) customers look for lifetime benefits, 35(23.33%) customers expect monetary benefits, and 15(10%) customers expect other benefits. Hence, the company must give products that have high retirement solutions.

Table 10 Customer Satisfaction towards Product

Option	Customer	Percentage
Highly satisfied	20	13.33
Satisfied	73	48.67
Average	22	14.67
Dissatisfied	15	10
Highly Dissatisfied	20	13.33
Total	150	100.00

(Source: Field Survey)

The customers are satisfied with their product. Table 10 shows that 73(48.67%) customer are satisfied with their products. 20(13.33%) customers are highly satisfied with this product. 22 (14.67%) customers are average levels, 15(10%) customer are dissatisfied with their product and 20(13.33%) customer are highly dissatisfied with their product. Hence, we can know that customers are satisfied with their products.

Table 11 Satisfaction Level towards Customer Service

Options	Customers	Percentage
Excellent	20	13.33
Good	75	50
Normal	53	23.34
Not satisfied	20	13.33
Total	150	100

(Source: Field Survey)

Many of the customer's satisfaction levels towards customer service are good. 75(50%) customer says their satisfaction level is good. 20(13.33%) customer says their satisfaction level is excellent, 35(23.34%) customer says their satisfaction level is normal and the remaining 20(13.33%) customer says they are not satisfied with their customer service. Hence, the majority of the customer's satisfaction level with customer service is good.

VI. Suggestion

- The Customers are very aware of the company product and hence, there are ample opportunities to promote the product much more effectively.
- The study shows that the advertisement is not effective and therefore, the company should decide to make the advertisements more effective through proper media of communication.
- Majority of customers decide on the investment by themselves and hence, the company should educate the customer to a great extent, which helps to decide on the investment faster and more effectively.
- Customers nowadays prefer product, which has low risk and bonus interest. Therefore, the company should concentrate on these products and introduce new products that fall into this segment.
- The company has a good image in the eyes of the customer and should try to excel itself through its exclusive service.
- Around 40% of the customer expect retirement solutions, that yield high return and tax benefit, which is one of the areas where the company need to give more concentration.
- The study shows that 73% of the customers are interested in investing in the future. It is an opportunity for the company to tap a big market in the future,

VII. Conclusion

People are extremely busy everywhere because of the shifting work culture and way of life in our society. Every day, people have expectations that are rising. They are asking to receive greater value for their money. They have many options, and they won't think twice about switching. Therefore, the primary criterion for any business hoping to expand and become more competitive will be customer satisfaction.

Numerous factors have been found to influence the customer satisfaction level, which is fairly recognizable, according to the study on evaluating customer satisfaction and perception level. Through awareness campaigns, the company should educate the customer about the product and take the necessary actions to gain their trust. The truth is that the rivals will be releasing the identical goods.

References

1. Podpiera, Richard, Davies, Nigel, and Das, Udaibir S. (2003), Insurance and Issues in Financial Soundness, IMF W.P. 03/138, pp. 03-37.
2. Bandyopadhyay, Kuntala, Ray, Saon, and Thakur, Vasundhara (2020), India's Insurance Sector: Challenges and Opportunities, ICRIER W.P. 394, pp. 1-27.
3. Choudhury, Mita, and Srinivasan, R. (2011), A Study on Insurance Schemes of Government of India, Unpublished Report, National Institute of Public Finance and Policy, pp. 5-67.
4. <https://www.iffcotokio.co.in/>