

**ASSESSMENT OF CUSTOMERS SATISFACTION IN LIFE INSURANCE
CORPORATION WITH REFERENCE TO CHAMOLI DISTRICT OF
UTTARAKHAND**

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*Corresponding authors | Received: 02/01/2023 | Accepted: 15/01/2023 | Published: 30/01/2023

Abstract: Life Insurance Corporation (LIC) is the only public sector company in the insurance industry of India. Due to the fierce competition of private sector insurers, the marginal yearly growth of LIC is declining and if it wants to increase the growth and retain its share in the business, it needs to find the more responsive and immediate solution it. The only easiest ways to an insurance company have for this is its service quality because if customers are not satisfied, then the company will be forced to face competition. The aim of this study is to ascertain the reasons for purchasing life insurance policy and identify those factors of life insurance services which have a significant impact on customer satisfaction in LIC. The study shows that satisfaction of customers is linked with insurance agent and functional services of LIC. The study revealed that behaviour of insurance agent, sum assured for covering of risk, amount of premium, policy terms and conditions, procedure of claim settlement and grievance redressal system are some crucial factors of life insurance services which have creating a significant impact on customer satisfaction. The study also reveals that the level of customer satisfaction in LIC is not good. Hence, it is necessary for the LIC to reassess its services and pay its due consideration on functional services for providing maximum satisfaction to its customers.

Keywords: Customer, Insurance, LIC, Premium, Risk, Service, Satisfaction etc.

Introduction

India has the fifth largest life insurance market among the world's emerging insurance markets. Insurance Industry is one of sectors which have experiencing with an upward growth at a rate of 32-34 percent each year. The credit for this upward growth in the insurance industry can be given to the increasing income of people and their awareness towards insurance products. At present, there are 57 insurance companies in the country, out of which 24 are of life insurers and 34 are of non-life insurers. Life Insurance Corporation (LIC) is the only public sector life insurance company in the country. LIC has more than 28 crore policyholders and an amount of Rs. 34.3 lakh crore in its life funds. LIC's market share is above 64.1 percent and in term of new business premium, its market share is 66.2 percent. Life Insurance Corporation has facing fierce competition among its peers from past few years. Foreign Direct investment (FDI) in the industry under the automatic method is allowed up to 26 percent and licensing of the industry is monitored by the insurance

regulator the Insurance Regulatory and Development Authority of India (IRDAI).

As per annual reports of IRDA it has been found that Life insurance industry recorded a premium income of Rs. 6.29 lakh crore during 2020-21 as against Rs. 5.73 lakh crore in the previous financial year and shown a registering growth of 9.74 percent (12.75 percent in 2019-20), while private sector insurers posted 16.50 percent growth (13.42 percent in 2019-20) in their premium income. The market share of LIC marginally decreased to 64.14 percent in 2020-21 from 66.22 percent in the previous year whereas the market share of private insurer has slightly increased from 33.78 percent in 2019-20 to 35.86 percent in 2020-21.

Due to declining market share of LIC, it is pertinent for the corporation to identify the changing taste and preference of customers for avoiding its business failures and provide more services to their customers. Today every customer is keen towards his satisfaction which has induced him to be more aware regarding the competitive plans offered by the life insurance companies in the edge of competitive life insurance market. So as we know that a satisfied customer is the back bone for any insurance companies. Hence, analyses of customer satisfaction become unavoidable for LIC Company to develop different tools for satisfying and retaining their customers for achieving long term profit.

Review of Literature

Song Hongmei (2006) observes that the customers are dissatisfied with the insurer's services with regard to customer complaint lodged and claim settlement. **Goswami, P. (2007)** found that customers are more satisfied with responsiveness dimension of service quality like promptness and timeliness in service as well as willingness to help the customers. **Panchanatham et al. (2008)** found that the policyholders are highly satisfied with the premium amount fixed by the company and the maturity amount received after the maturity period. **Kaur et al. (2010)** observe that policyholders are more satisfied with the policy features, price, maturity benefits and tax saving contents. **Upadhyaya, D. & Badlani, M. (2011)** have identified that the policyholders are more satisfied with the pricing factor followed by employee competence, product and service, technology, physical ambience of the company, trust, service delivery, advertising and service management. **Power, J.D. (2011)** reveals that customers are more satisfied with the procedure and documentation of timely services followed by low premium and innovative products offered by the Prudential Life Insurance Company. **Tiwari, A. & Yadav, B. (2012)** reveal that prompt customer service, after-sales services, innovative products with flexibility and better communication

are those influencing factors which increased the customer satisfaction towards private life insurers in comparison to public sector insurer, LIC. **Kathirvel & Radhamani (2013)** identified that educational qualification and monthly income are found to be associated with policyholder's satisfaction. They also revealed that LIC need comfortable environment to move with officials and new strategies to make their services offerings more effective and efficient. **Subashini, S. & Velmurugan, R. (2016)** found that efficient system ensures the service excellence and customer equity. They also argue that prompt delivery of services in insurance key to customer satisfaction and business growth. **Sathya, Sakthivel, & Balakrishnan (2018)** found that insurance sector requires an effective strategies and actions for achieving competitive advantage through customer satisfaction and retention. **Kannan, M. (2018)** concluded that every insurer should understand the customer requirements and create awareness among the illiterate and rural groups for the growth of business by concentrating on more promotional activities. **Paposa, Ukinkar, & Kaur (2019)** employs SERVPERF model to examine the service quality in LIC and concludes that quality of services has a significant impact on the satisfaction of the customer in the Life insurance industry. **Mathiraj, S.P. & Nagalakshmi, N. (2020)** conducted to analyse the perception of policyholders in public and private life insurance company. The study concludes that public sector organizations capable for providing quality service to its policyholders in all dimensions. Life insurance corporation of India competes with other players in the market vary aggressively, but the low score in the reliability dimension is a contra indicator. **Unnamalai, T. & Rajinikanth, V. (2021)** conclude that LIC dominates the Indian Insurance Industry through a large array of policies and products with a variety of distribution channels to satisfy the customers by enticing offerings and top notch facilities.

Research Gap

There are so many studies have been conducted earlier to evaluate the satisfaction of customer in insurance business. However there is no research work has been conducted to examine the customers' satisfaction towards the insurance services of LIC specifically in the district Chamoli of Uttarakhand. However there is no research work has been conducted till earlier to examine the customers' satisfaction towards the insurance services of LIC in the district Chamoli of Uttarakhand. This study is carried with the motive to fill the research gap and identify the factors that impose a significant affect the customers' satisfaction in LIC. The outcome of this study will not only be useful to the LIC but also to researchers, academicians, customers, and the concerned subject to store new and relevant knowledge.

Objectives of the Study

The main objectives of this study are listed as below;

- To ascertain the reasons of purchasing life insurance policy.
- To identify the determinants of customer satisfaction in life insurance company.
- To assess the level of customer satisfaction in Life Insurance Corporation.

Research Hypothesis

In order to get out the outcome of the objectives of this study, researchers have constructed the following research hypothesis;

- H_0 : There is no significant difference between customer satisfactions for the insurance services of LIC
- H_1 : There is significant difference between customer satisfactions for the insurance services of LIC

Research Methodology

The nature of this study is descriptive and in order to attain the outcome of research objectives of the study following research procedure has been adopted by the researchers:

Sample size:

Sample size of this study is limited to 180 respondents from Chamoli district of Uttarakhand

Sampling Technique

Simple random sampling technique has used in the study to include the samples in sampling frame.

Scope of Study

The scope of this study is confined to the four major cities namely Gopeshwar, Chamoli, Karanprayag and Gauchar of district Chamoli for assessing customer satisfaction in the insurance services of LIC.

Variable of Study

Independent variable like gender, age, education, income, occupation, marital status, family status, factors of life insurance services etc. and dependent variable (LIC) have been taken in this study.

Data Collection

This study considers both primary and secondary data. Primary data has been collected through a structured questionnaire. In this study, Likert's five points scale has been used for knowing the level of customer satisfaction which is ranging from points '1' to '5'

where Points “1” for ‘Very Low’, Points “2” for ‘Low’, Points “3” for ‘Moderate’, Points “4” for ‘High’ and Points “5” for ‘Very High’. Similarly, the secondary data has compiled from various journals and websites of insurance.

Validity & Reliability

This study has adopted face validity method for rewording, pre-testing and revaluation for constructing a research instrument. A structured questionnaire was framed with the help of available literature for ensuring the validity of research outcome. Similarly in order to attain error free and consistent result of the study, researchers have applied split-half technique of internal reliability that correlates half of the items with the other half of the items. Karl Pearson’s coefficient of correlation was administered on the pre-survey data and results confirmed that there was a highest positive correlation ($r > 0.75$) among the response of respondents.

Tools for Analysis

Various statistical tools such as arithmetic mean, standard deviation, correlation have been used for interpreting customer’s satisfaction while chi-square tests and t-test have been applied at 5 percent level of significance for the examination of null hypothesis.

Limitation of the Study

Time is the one of the major constraint of this study in collecting the data from the respondents. Since field survey was conducted only at four major cities (Gopeshwar, Chamoli, Karanprayag, & Gauchar) of district Chamoli of Uttarakhand, hence the result of this research is applicable to the study areas only. As the sample size of this study is restricted to 180, hence the outcome of presented research work cannot be generalized.

Data Analysis & Discussion

Demographical distributions of respondents

Following table 1 exhibits the demographical distribution of respondents who are availing the life insurance services of LIC;

Table: 1
Demographical Distribution of Respondents

Variable	Categories	Frequency	Percentage
Gender	Male	105	58.33
	Female	75	41.67
Age	Below 25 years	21	11.67
	(25-35) Years	67	37.22
	(35-45) Years	49	27.22
	45 Years & Above	43	23.89
Education	12 th Pass	29	16.11
	Diploma	23	12.78

	Graduate	50	30.56
	Post Graduate	68	39.44
	Others	10	05.56
Occupation	Service	69	38.33
	Business	37	20.56
	Profession	29	16.11
	Home Construction	31	17.22
	Others	14	07.78
Monthly Income	Less than Rs. 20000	41	22.78
	Rs. (20000-40000)	67	37.22
	Rs. (40000-60000)	58	32.22
	Rs.60000 & Above	14	07.78
Marital Status	Married	99	55.00
	Unmarried	81	45.00
Family Status	Nuclear Family	119	66.11
	Joint Family	71	39.44
Place	Gauchar	45	25.00
	Karanprayag	45	25.00
	Chamoli	45	25.00
	Gopeshwar	45	25.00
	Total	180	100.00

Source: Field Survey

Interpretation: Above table 1 shows that out of 180 respondents, about 42 percent was female whereas 58 percent was of male. Of the respondents, 55 percent was married whereas 45 percent unmarried. Similarly 23 percent of the respondents had income less than Rs. 20000, 37 percent of within Rs. (20000-40000), 32 percent of within Rs. (40000-60000) and 8 percent income of within Rs. (60000 & above). Of the respondents 12 percent had age less than 25 year, 37 percent within age of (25-35) year, 27 percent within age of (35-45) year and 24 percent within age of 45 year and above. According to respondents' occupation, 38 percent were in service, 21 percent in business, 16 percent in profession, 17 percent in home construction and 8 percent in other. According to respondents' educational qualification, 12 percent of 12th pass, 13 percent of diploma, 31 percent of graduation, 39 percent of post graduation, and 6 percent were of others academic background. Of the respondents, 66 percent were belonging to nuclear family whereas 39 percent from joint family. Similarly out of total 180 respondents, each 25 percent of respondents had been selected from their residing place namely Gauchar, Karanprayag, Chamoli, and Gopeshwar.

Reasons for purchasing of life insurance policy

There are so many reasons for a customer for purchasing any life insurance plan. Generally a customer looks for ten competitive elements viz. coverage of risk, riders facility, terms & conditions, rate of premium, holding charges, pre and post services, bonus, company image, tax deduction, and investment benefits etc. in life insurance policy. Following table 2

represents the reasons of 180 respondents for purchasing of life insurance policy.

Table: 2

Reasons for Purchasing Life Insurance Policy

Sr. No.	Reason	Frequency	Percentage	Rank
1	Coverage of Risk Cover	155	86	I
2	Rider Benefits	91	51	X
3	Terms& Conditions	121	67	III
4	Affordable Premium Amount	129	72	II
5	Charges	119	66	IV
6	Pre & Post Services	96	53	IX
7	Amount of Bonus	116	64	V
8	Company Image	112	62	VI
9	Tax Deduction Benefit	107	59	VII
10	Investment	101	56	VIII

Source: Field Survey

Interpretation: Table 2 shows the reasons and priority of 180 respondents for choosing life insurance policy. The corresponding analysis of respondents answers reveal that they had given first priority to life insurance for covering of risk (86%), second for the amount of premium (72%), third for terms & conditions of policy (67%). Similarly, respondents had given fourth priority to the charges of life insurance policy (66%), fifth to amount of bonus (64%), and sixth to the image of Life Insurance Company (62%). The respondents had given seventh priority to the life insurance policy for tax deduction benefits (59%), eighth to the investment purpose (56%), ninth to pre and post insurance services (53 %), and tenth to rider benefits (51%).

Identification of the key determinants of customer satisfactions in Life Insurance Services

Generally, it is seen that before buying any insurance plan of a life insurance company, customer has some queries or questions in the mind about that particular insurance company. After that he tries to find get the answers of these queries questions in the services and benefits provided by the life insurance companies. These benefits are related to the insurance services that a life insurance company provided to its customers at the time of purchasing policy, and before & after the maturity of policy. The quality and delivery modes of such services subsequently become a crucial determinants for knowing of customer satisfaction or dissatisfaction. The general characteristics of life insurance services which can be the basis to ascertaining the customer satisfaction are as follows;

- The availability of different kinds of insurance schemes/policies

- Sum assured on the coverage of risk
- Advisor's guidance at the time of selecting policy.
- Assistance rendered by the officials for filling up forms.
- A convenient procedure on incepting the policy.
- Timely issue of policy document.
- A well defined and understandable language of terms and conditions.
- Amount of premium charged on the policy.
- Timely intimation for payment of premium before the due date
- Amount of bonus declared on insurance policy
- Working hours of the branch
- Behaviour of employee to clients.
- A stress-free procedure of claim settlement.
- A well-designed online service portal.
- Prompt solution of problem through phone helpline service
- A Hassel free grievance redressal system.

Ascertaining the level of customer satisfaction in LIC

Customers' satisfaction in LIC can be analyzed into two ways viz. (a) Demographical Analysis of Customer Satisfaction in LIC and (b) Analysis of Customer Satisfaction for the quality of Life Insurance Services. The analyses of each of these are as follows;

Demographical Analysis of Customer's Satisfaction in LIC

Following table 3 shows the analysis of demographical satisfaction of 180 respondents who are the customers in LIC and living in Chamoli district of Uttarakhand;

Table: 3
Customer Perception for the Services of LIC

Basis		Level of Satisfaction					Total	Mean	S.D.	Significance at 5% Level
		Very Low	Low	Moderate	High	Very High				
Gender	Male	15 (14%)	29 (28%)	22 (21%)	18 (17%)	21 (20%)	105 (100%)	3.01	1.02	$\chi^2 = 13.90$, $V_4 \chi^2_{0.05} = 9.49$, As $(\chi^2 > V_4 \chi^2_{0.05})$ Difference is Significant
	Female	04 (5%)	13 (16%)	18 (24%)	29 (38%)	11 (15%)	75 (100%)	3.40	1.09	
	Total	19 (11%)	42 (23%)	40 (22%)	47 (26%)	32 (18%)	180 (100%)	3.17	1.11	
Age	<25 Year	08 (38%)	02 (10%)	03 (14%)	01 (5%)	07 (33%)	21 (100%)	2.85	1.72	$\chi^2 = 19.63$, $V_{12} \chi^2_{0.05} = 21.03$ As $(\chi^2 < V_{12} \chi^2_{0.05})$ Difference is not significant
	(25-35) Year	13 (19%)	18 (27%)	09 (13%)	15 (23%)	12 (18%)	67 (100%)	2.92	1.38	
	(35-45)Year	08 (16%)	11 (22%)	04 (9%)	16 (33%)	10 (20%)	49 (100%)	3.18	1.41	
	45 Year & Above	10 (24%)	08 (19%)	06 (13%)	04 (9%)	15 (35%)	43 (100%)	3.13	1.60	
	Total	39 (22%)	39 (22%)	22 (12%)	36 (20%)	44 (24%)	180 (100%)	3.04	1.42	

Educational	12 th Pass	05 (17%)	08 (28%)	03 (10%)	11 (38%)	02 (7%)	29 (100%)	2.89	1.26	$\chi^2 = 11.24,$ $V_{16}\chi^2_{0.05} = 26.36$ As $(\chi^2 < V_{16}\chi^2_{0.05})$ (Difference is not significant)
	Diploma	04 (17%)	06 (26%)	02 (9%)	05 (22%)	06 (26%)	23 (100%)	3.13	1.47	
	Graduate	12 (24%)	11 (22%)	04 (8%)	14 (28%)	09 (18%)	50 (100%)	2.94	1.48	
	Post –Graduate	16 (24%)	09 (13%)	13 (19%)	19 (28%)	11 (16%)	68 (100%)	3.00	1.41	
	Others	02 (20%)	02 (20%)	01 (10%)	03 (30%)	02 (20%)	10 (100%)	3.01	1.44	
	Total	39 (22%)	36 (20%)	23 (13%)	52 (29%)	30 (17%)	180 (100%)	2.98	1.29	
Occupation	Service	10 (14%)	08 (12%)	16 (23%)	23 (33%)	12 (17%)	69 (100%)	3.27	1.28	$\chi^2 = 43.85$ $V_{16}\chi^2_{0.05} = 26.36$ As $(\chi^2 > V_{16}\chi^2_{0.05})$ (Difference is significant)
	Business	12 (32%)	06 (16%)	01 (3%)	02 (5%)	16 (43%)	37 (100%)	2.89	1.79	
	Professional	02 (7%)	11 (38%)	08 (28%)	02 (7%)	06 (21%)	29 (100%)	3.03	1.24	
	Homemaker	08 (26%)	07 (23%)	05 (16%)	06 (19%)	05 (16%)	31 (100%)	2.78	1.42	
	Others	03 (21%)	02 (14%)	02 (14%)	05 (36%)	02 (14%)	14 (100%)	3.07	1.38	
	Total	35 (19%)	34 (19%)	32 (18%)	38 (21%)	41 (23%)	180 (100%)	2.97	1.54	
Monthly Income	Less than Rs. 20000	11 (27%)	06 (15%)	05 (12%)	09 (22%)	10 (24%)	41 (100%)	3.16	1.52	$\chi^2 = 13.17,$ $V_{12}\chi^2_{0.05} = 21.03,$ As $(\chi^2 < V_{12}\chi^2_{0.05})$ (Difference is not significant)
	Rs. (20000-40000)	15 (22%)	10 (14%)	09 (13%)	15 (22%)	18 (26%)	67 (100%)	3.08	1.30	
	Rs. (40000-60000)	14 (24%)	04 (7%)	11 (19%)	21 (36%)	08 (14%)	58 (100%)	2.92	1.38	
	Rs. 60000 & Above	03 (21%)	02 (14%)	05 (36%)	01 (7%)	03 (21%)	14 (100%)	3.08	1.48	
	Total	43 (24%)	22 (12%)	30 (17%)	46 (26%)	39 (22%)	180 (100%)	2.97	1.54	
Marital status	Married	14 (14%)	19 (19%)	27 (27%)	18 (18%)	21 (21%)	99 (100%)	3.13	1.33	$\chi^2 = 5.24,$ $V_4\chi^2_{0.05} = 9.49,$ As $(\chi^2 < V_4\chi^2_{0.05})$ (Difference is not significant)
	Unmarried	19 (23%)	17 (21%)	13 (16%)	12 (15%)	20 (25%)	81 (100%)	2.96	1.51	
	Total	33 (18%)	36 (20%)	40 (22%)	30 (17%)	41 (23%)	180 (100%)	3.05	1.42	
Family Status	Nuclear Family	26 (24%)	11 (10%)	15 (14%)	27 (25%)	30 (28%)	109 (100%)	3.22	1.34	$\chi^2 = 1.58,$ $V_4\chi^2_{0.05} = 9.49,$ As $(\chi^2 < V_4\chi^2_{0.05})$ (Difference is not significant)
	Joint Family	19 (27%)	08 (11%)	11 (15%)	12 (17%)	21 (30%)	71 (100%)	3.11	1.58	
	Total	45 (25%)	19 (11%)	26 (14%)	39 (22%)	51 (28%)	180 (100%)	3.17	1.55	
Place	Gauchar	11 (24%)	10 (22%)	02 (4%)	14 (31%)	08 (18%)	45 (100%)	2.96	1.46	$\chi^2 = 18.45,$ $V_{12}\chi^2_{0.05} = 21.03,$ As $(\chi^2 < V_{12}\chi^2_{0.05})$ (Difference is not significant)
	Karanprayag	08 (18%)	09 (20%)	06 (13%)	13 (29%)	09 (20%)	45 (100%)	3.13	1.41	
	Chamoli	14 (31%)	02 (4%)	07 (16%)	10 (22%)	12 (26%)	45 (100%)	3.04	1.55	
	Gopeshwar	08 (18%)	11 (24%)	09 (20%)	12 (27%)	05 (11%)	45 (100%)	2.89	1.29	
	Total	41 (23%)	32 (34%)	24 (13%)	49 (27%)	34 (19%)	180 (100%)	3.01	1.45	

Source: Computed Data

Here, S.D means standard deviation

Interpretation: Table 3 reveals that female respondents found highly satisfied (3.40) in comparison to the satisfaction of male (3.01) regarding the services of LIC. Similarly the

respondents who were the age of (35-45) years (3.18) and 45 years & above (3.13) had shown their satisfaction in LIC whereas those respondents whose age below to 25 years (2.85) and between (25-35) years (2.92) shown their dissatisfaction. Similarly on the basis of respondents' educational qualification, diploma holders (3.13), post-graduate (3.00) and other (3.01) had shown their satisfaction in LIC, except the respondents who were educated to 12th (2.89) and graduate (2.94). Similarly level of satisfaction had found low in case of respondents who have indulged either in business (2.89) or home- construction (2.78) except those satisfied who were either indulging in service (3.27) or profession (3.03) or other livelihood activities (3.07). Respondents whose monthly income had of Rs. 20000-40000 (3.16) and Rs. 40000-60000 (3.08) found satisfied in the LIC whereas those whose monthly income either below to Rs. 20000 (2.97) or Rs. 60000 & above (2.92) found dissatisfied. As per respondents' marital status, married respondents (3.13) showed their satisfaction in LIC whereas satisfaction level of unmarried (2.96) found low. As per family status, nuclear family (3.22) showed maximum satisfaction in LIC in comparison to respondents living in joint family (3.11). As per residing place, respondents who belong to Karanprayag (3.13) and Chamoli (3.04) found satisfied in LIC whereas those who were living at Gauchar (2.96) and Gopeshwar (2.89) found dissatisfied. The analysis of data revealed that there was a big variation found in the rating assembled on the basis of income and occupation of respondents.

Results of Research Hypothesis

The result of research through chi-square test at 5 percent level of significance reveals that research null hypothesis (H_0) is accepted for the demographical variables viz. age, education, income, marital status, family status, place of respondents and concludes that there is no significant difference in the customers satisfaction for the insurance services of LIC. Whereas due to rejection of null hypothesis for the demographical variable viz. gender, and occupation where alternative hypotheses (H_1) is accepted and concludes that there is significant difference in the customers satisfaction for the insurance services of LIC.

Analysis of Customer Satisfaction for the Insurance Service of LIC

Following table 4 exhibits the level of customer satisfaction for each of the factor of life insurance services of LIC;

Table: 4
Customer Satisfaction for the Insurance Services of LIC

Service Factors	Level of Satisfaction					Total	Mean	S.D.	Significance at 5 percent
	Very Low	Low	Moderate	High	Very High				
Availability of the schemes	17 (9%)	11 (6%)	32 (18%)	67 (37%)	53 (29%)	180 (100%)	3.71	1.21	t (p) = 1.519, V _{4t0.05} =2.776, (Difference is not significant)
Guidance for selection of policy	21 (12%)	18 (10%)	26 (14%)	75 (42%)	40 (22%)	180 (100%)	3.52	1.26	t (p) = 1.049, V _{4t0.05} =2.776, (Difference is not significant)
Assistance to fill-up forms	27 (15%)	28 (16%)	31 (17%)	59 (33%)	35 (19%)	180 (100%)	3.26	1.08	t (p) = 2.311, V _{4t0.05} =2.776, (Difference is not significant)
Behaviour of officials	40 (22%)	31 (17%)	35 (19%)	41 (23%)	33 (18%)	180 (100%)	2.98	1.42	t (p) = 2.281, V _{4t0.05} =2.776, (Difference is significant)
Convenience in incepting policy	37 (21%)	23 (13%)	25 (14%)	61 (34%)	34 (19%)	180 (100%)	3.17	1.41	t (p) = 1.588, V _{4t0.05} =2.776, (Difference is not significant)
Well defined terms & conditions	41 (23%)	19 (11%)	33 (18%)	49 (27%)	38 (21%)	180 (100%)	2.86	1.45	t (p) = 2.785, V _{4t0.05} =2.776, (Difference is significant)
Sum assured on policy to cover risk	35 (19%)	41 (23%)	39 (22%)	47 (26%)	18 (10%)	180 (100%)	2.84	1.20	t (p) = 2.817, V _{4t0.05} =2.776, (Difference is significant)
Premium charged on policy	45 (25%)	36 (20%)	31 (17%)	39 (22%)	29 (16%)	180 (100%)	2.83	1.31	t (p) = 2.919, V _{4t0.05} =2.776, (Difference is significant)
Timely notice for premium	32 (18%)	41 (23%)	26 (14%)	55 (31%)	26 (14%)	180 (100%)	3.01	1.34	t (p) = 2.139, V _{4t0.05} =2.776, (Difference is not significant)
Amount of bonus declared	40 (22%)	48 (26%)	21 (12%)	37 (21%)	34 (19%)	180 (100%)	2.87	1.44	t (p) = 2.316, V _{4t0.05} =2.776, (Difference is not significant)
Procedure for the settlement of claim	45 (25%)	39 (22%)	27 (15%)	43 (24%)	26 (14%)	180 (100%)	2.81	1.31	t (p) = 2.964, V _{4t0.05} =2.776, (Difference is significant)
Grievance Redressal system	37 (21%)	51 (28%)	23 (13%)	36 (20%)	33 (18%)	180 (100%)	2.87	1.42	t (p) = 2.254, V _{4t0.05} =2.262, (Difference is not significant)

Working hour of office	37 (21%)	45 (25%)	31 (17%)	39 (22%)	28 (16%)	180 (100%)	2.86	1.37	t (p) = 2.928, V ₄ t _{0.05} =2.776, (Difference is significant)
Phone helpline service	21 (12%)	39 (22%)	45 (25%)	38 (21%)	37 (21%)	180 (100%)	3.17	1.29	t (p) = 2.852, V ₄ t _{0.05} =2.776, (Difference is significant)
Online portal service	35 (19%)	39 (22%)	25 (14%)	38 (21%)	43 (24%)	180 (100%)	3.08	1.45	t (p) = 2.793, V ₄ t _{0.05} =2.776, (Difference is significant)

Source: Computed Data

Here, S.D means standard deviation

Interpretation: Table 4 exhibits that respondents found satisfied for some of LIC services such as availability of the schemes (3.71), guidance in selection of policy (3.52), official assistance in filling of application form (3.26), convenience in incepting of policy (3.17). Respondents also found satisfied in LIC for the services viz. timely noticing for due premium (3.01), any time enquiry through phone helpline service (3.17) and well designed online portal service (3.08). On the contrary respondents found dissatisfied in LIC for services such as the behaviour of officials (2.98), easy and understandable language of terms & conditions (2.86), sum assured for covering of risk (2.84), amount of premium (2.83). Similarly respondents also found dissatisfied in LIC for the amount of bonus (2.87), procedure of claim settlement (2.81), grievance redressal system (2.87), and office working hour (2.86). Data analysis also reveals that there was a highest variation found in the rating of respondents towards the policy's terms & conditions, amount of bonus declared, and online portal services of the LIC.

Result of Hypothesis

On the examination of research hypothesis through t- test at 5 percent level of significance for the service quality of LIC, it has revealed that null hypothesis (H₀) is accepted in respect to some of the insurance services of the LIC such as availability of the insurance schemes, guidance of the advisor in policy selection, agents assistance in fill up forms, convenience on inception of policy, intimation for due premium on time, amount of bonus, and grievance redressal system and concludes that there is no significant difference in the customers' satisfaction regarding these aforesaid insurance services of LIC. Whereas the null hypothesis (H₀) is rejected for behaviour of officials, clear and understandable language of policy terms and conditions, sum assured for covering of risk, amount of premium charged on policy, procedure for the settlement of claim, working hours of the branch, phone helpline service, and online portal services of LIC, and concludes that there is significant

difference in the customers' satisfaction regarding the aforesaid insurance services of LIC.

Findings

Some important things have been revealed through this study, the details of which are highlighted as follows;

- Majority of respondents were below 35 years age and expressed dissatisfaction in the insurance services of LIC.
- Majority of respondents were married and found highly educated.
- Majority of respondents found satisfied for the advisor guidance for selection of policy.
- Majority of respondents have assigned satisfactory ratings to the official for their assistance in filling the forms.
- Majority of respondents said that it is easy to incept the LIC policy.
- Majority of respondents have confirmed that due premium notice is timely come from the LIC to their phone.
- Majority of respondents found satisfied towards the number of policies of LIC.
- Majority of the respondents have not satisfied towards the procedure of claim settlement and redressal system of LIC.
- Majority of respondents do not satisfy for the amount given as coverage of risk on their policy.
- Majority of respondents have said that LIC charged a heavy amount as premium on the policy.
- Majority of respondents said that amount of bonus declared by LIC is not as per their expectation.
- Majority of respondents stated that the language of policy's terms and conditions are described in completed language.

Conclusion

The study concludes that the satisfactions of LIC's customers are associated to the services provided by the corporation through its agents and in its functional services. The study reveals that income, education and occupation are those demographical factors which have created a significantly impact on customer satisfaction in LIC. The study concludes that the level of customer satisfaction in LIC was not satisfactory. The study reveals that insurance agents played a significant role for boosting customer satisfaction and most of the respondents satisfied from their motivating and helping behaviour. Similarly language of policy terms and conditions, sum assured for covering of risk, amount of premium,

procedure of claim settlement and grievance redressal system of the LIC are those functional services of LIC which have creating a significant impact on the mindset of customers.

No doubt that the purpose of taking insurance plan of LIC ensures the protection of spouse and children of insured person. But the present life insurance market has become very competitive than before. Today there are so many private life insurance companies in the market and that are working to attract the customers by assessing the loophole of their competitors. That is why if the Life Insurance Corporation has to maintain its supremacy in the life insurance market for a long time, then it has to reevaluate its functional services and continually work on it to enhance the level of customer satisfaction.

Suggestions & Managerial Implications

To keep the trust of the people and attract more and more customers to the LIC, following types of suggestions can be given to improve its insurance service quality;

- LIC terms and conditions stated in the policy document should be in simple language. Instead the use complicated and technical terms, it should be better to use simple words in the paragraphs with suitable examples. It is also advisable to the corporation to highlight key points of terms and conditions so that it can easily understand on one reading.
- LIC should come up with innovative products that not only meet the changing needs of customers but provide them a variety of options with a heavy amount as for covering of risk through the payment of nominal premium.
- LIC should encourage the customers for long term investment in insurance and devise it's polices with the perspective of maximum return and effective coverage of risk instead to focusing on tax benefits.
- LIC should continually make the improvement in the quality of services and selling its products through appropriate distribution channel.
- LIC should follow a simple procedure of claim settlement in order to increase customer economic value.
- LIC's Grievance Redressal system should not be complex. but it should be able to solve the problems of customers immediately.
- LIC should assess the impact and relative contribution of each factor of insurance services on the satisfaction of customer in order to allocate resources to different levels in their hierarchy.

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