Personal Parameters Related Behavioural Study Of Life Insurance Customers In District Karnal, Haryana (India)

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Abstract: In the present study customer level of LIC. As per response 45% response cover from services where as 27% response from profession. It means LIC customers/consumers mostly covers from service sector which is 45% of total survey out minimum from progression that is 27% from the overall study. It means LIC should devote more effects to cover businessman as can as professional customer so that LIC well stay in acute competitions. Age group of customers. As per response 11% customers belong to 10-20 years. 31% customers belong to 20-30 years, irrespective of their occupational level. 43% customers belong to 30-40 years which cover services and business occupation. 30% customer belong to above 40 years. Income group of customers. As per survey 9% customer category are below 50000, whereas 29% customer are related to 50000-1lakh income group. Only 5% customer category of above 3 lakh 37% customer are related to 1 lakh to 2 lakh and 20% customer are related to 2 lakh-3 lakh. It was found high income group respondent are adopted maximum amount policy as compare low income group. Because their financial position will be strong.

Introduction:

The insurance sector is seeking to maintain a balance between acquiring customers and developing existing ones, customer acquisition is vital, as no retention strategy will entirely stem customer defection. An insurance company is experiencing unacceptable levels of customer churn, thanks to which they are focusing on keeping the customers they already have in a bid to ensure a net growth in their customer base. Today, the focus is on selling more products to existing customers to improve profitability. A couple of years ago, LIC dominated the insurance market with the help of its sales force and channels and margins were reasonably high. Today, there are close to 20 companies offering (DEC, 2000) both life and general insurance products. All of them have equally strong international and local partners; all are focusing upon similar geographies and target audiences. The new firms selling life insurance and non-life insurance [pensions, insurance as saving, etc] have failed to emulate the LIC model because margins are getting squeezed. There are several pain areas that new insurance firms face—acquiring new customers, retaining them, cross-selling products and controlling rising costs while providing comprehensive support.

Life insurance is a must for everyone because life is very precious. With a population of over one billion, national and international life insurance companies, see India as a land of opportunities and a market for big business. Until 1999, the business of life insurance in India was the monopoly of life insurance corporation of India (lic). Privatization witnessed dynamic changes in the insurance industry and most of the private insurance companies are joint ventures with recognized foreign players across the globe. Customers are the main pillar of life insurance business. Every company tries to attract and retain existing customers to keep their profits high. The proper understanding of customers, their needs and expectations help insurance providers to bring improvement in product as well as services offered. When compared with the developed foreign countries, the Indian life insurance industry has achieved only a little because of low consumer awareness, poor affordability, delayed customer services, lack of suitable products. In today's cut throat competition, it becomes essential for life insurers to provide better customer services, spread more awareness, emphasis on need based innovative products and reasonable price. So that, every individual may avail the benefits of insurance and protect their lives against future uncertainties.

Materials and Methods:

Research design is the specification of method and procedure for according the information needed. It is the frame work or the plant of study that is used as a guide in collecting and analysis the data. The design helps the researcher to organize his ideas in a form

thereby facilitating him to look for flow and inadequacies. The nature of the data to be collected very much depending upon the research design. Therefore, preparation of research design should be done with great care as any error in it may upset the entire project and very purpose of the researcher will be defeated. The present study, primarily is descriptive in nature as it involves finding behaviour of consumer towards life insurance policy of which the policy and the extent to which these activities varies with income, age, sex occupation and other characterization.

Sample Design: In most at research studies it becomes almost impossible to examine the entire universe. The only alternative thus is resort to sampling. Sampling is simply a process of learning and to known about the population on the basis of sample drawn from it. Sampling is based on the law of statistical regularity and the law of inertia of large numbers. While the first law tells about the similarity of characteristics between the sample and the large group, second law gives emphasis on large sample because of compensating effect of deviations in opposite directions keeping in view both the laws and the time and money constraints, a sample should be selected. The study is based on district Karnal. The attention is always sought to be given while selecting such a sample so that it may be convenient in terms of size and also on the other hand representative of universe under study.

Sample Unit: Before selecting a sample a decision has to be taken concerning a sample unit. The sample unit may be geographical, social, residential, age, sex, income, spouse or it may be an individual. Since the objectives of the study was to get factor affecting of life insurance customer it was decided that the unit of sample to be considered that the unit of sample to be considered was to be individual person, spouse, children and dependent. Life insurance policy takes mostly every person. Therefore all respondents taken are service person, business person and professional. Any person who is able to reply the question asked by researcher, is the unit.

Sampling Technique: The procedure that a researcher adopts in selecting the items for the sample via convenient sampling technique. One is probability sampling and other is non probability sampling technique. While probability sampling is concerned with selection of unit purely on chance using random choice on the other hand non probability sampling is concerned with conscious selection of units considering personal convenience, expert judgment or any other type of conscious research selection. To obtain information for this study non-probability sampling method was resorted to. The commence and quota sampling technique are used to collecting data in term of responses of respondent. This is because the researcher has to collect data from different groups of respondents with regard to their income, age, sex, residential status and occupation. There is only non-probability sampling is used.

Sample Size: Bigger the size of the sample it renders greater representatives of the whole universe. But the above advantage become at little avail when we consider the time and cost evolved in handling a large sample. Sample size should be optimum. An optimum sample is one that fulfills the requirement at efficiency, representativeness, reliability and flexibility. Before deciding the sample size the size of universe, the resources available and the degree at precision desired keeping in view the extreme paucity of time and money the sample size was restricted to 200 respondents in Karnal District.

Data Collection Method: "GIGO" garbage in and garbage out is a common phase. It means the results will be good if the data put is good. There are mainly two types of data: Primary Data and Secondary Data. For the present study secondary data are not available. So we collected primary data through a closed-ended questionnaire design in such a way to provide the relevant information on the over all behavior of customer to LIC. 25 questions pertaining to the problem were formed to collect the relevant information so the study reach its logical results. Most of the questions were of multiple choices. Some questions were left open ended and the respondent were given full chance to give their discretion and frank views. As such, the schedule was struggle and its objectives to the respondents were also made clear. Also we helped the respondent to understand the meaning of question whenever needed while answering the question. The schedule was administrated personally by the researcher and also restored to observational method. Primary data indicated about life insurance policy. Preference effect of income, age, occupation, family support, risk, tax, purpose etc. The data for the study has been collected from both primary and secondary sources. The primary data has been collected through a well-drafted interview schedule. The secondary data has been collected from irda annual reports, insurance journals, magazines and insurance website.

Statistical Tools: Analysis is essential for a scientific study and for ensuring that we have all relevant data for making completed comparison and analysis. The terms analysis refers to computation of certain measure along with searching for patterns of relationship that exist among groups. To have a suitable interpretation statistical tool and technique like percentage of counted facts has taken and to establish the relationship. For measuring various phenomena and analyzing the collected data effectively and efficiently to draw sound conclusions,

a number of statistical techniques including chi-square, correlation, weighted average score have been used for the testing of hypotheses.

Data Analysis: Analysis of data involves a number of closely related operation, which are performed with the purpose of summarizing. The collection and organizing these in such a manner that they answer the research question the data were interpreted and analysed to get the results for conclusion and recommendations. For better presentation of the study and to make it more interesting, following steps were taken in the present study.

Results: Table shows about customer level of LIC. As per response 45% response cover from services where as 27% response from profession. It means LIC customers/consumers mostly covers from service sector which is 45% of total survey out minimum from progression that is 27% from the

overall study. It means LIC should devote more effects to cover businessman as can as professional customer so that LIC well stay in acute competitions. Table shows about age group of customers. As per response 11% customers belong to 10-20 years. 31% customers belong to 20-30 years, irrespective of their occupational level. 43% customers belong to 30-40 years which cover services and business occupation. 30% customer belong to above 40 years. Table-2 shows about income group of customers. As per survey 9% customer category are below 50000, whereas 29% customer are related to 50000-1lakh income group. Only 5% customer category of above 3 lakh 37% customer are related to 1 lakh to 2 lakh and 20% customer are related to 2 lakh-3 lakh. It was found high income group respondent are adopted maximum amount policy as compare low income group. Because their financial position will be strong.

Table-1: Customer's age group in Life Insurance Corporation

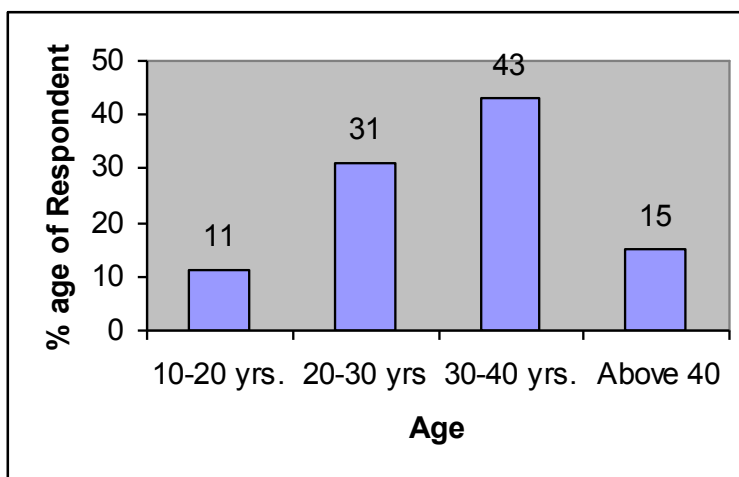| Sr. No.	Age (Year)	Response	Response (%)
1.	10-20	22	11
2.	20-30	62	31
3.	30-40	86	43
4.	Above 40	30	15
	Total	200	100

Fig. 1. Customer's age group in Life Insurance Corporation

Table-2: Income and Customers behavior in LIC

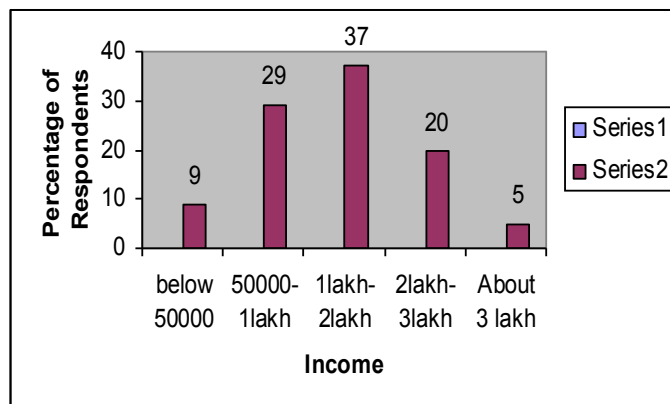| Sr. No.	Income (Annual)	Response	% Response
1.	Below 50,000	18	9
2.	50000-1 lakh	58	29
3.	1 Lakh-2 Lakh	74	37
4.	2 Lakh-3 Lakh	40	20
5.	Above 3 lakh	10	5
	Total	200	100

Fig. 2. Income and Customers behavior in LIC

Table-3 Customers Occupational level for deciding policy

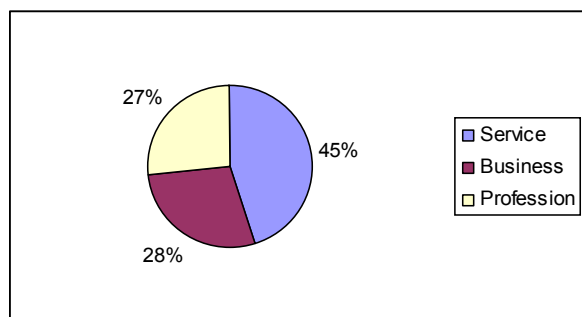| Sr. No.	Level	Response	% of Response
1.	Service	90	45
2.	Business	56	28
3.	Profession	54	27
	Total	200	100

Fig. 3. Customers Occupational level for deciding policy.

Conclusion:

Adopted life insurance policy. On the other hand below 20 and above 40 aged persons adopted life insurance policy as comparison to 20 to 30 and 30-40. It was found that most of the respondent adopted life insurance policy who lies in high income group as compare to low income group. Out of the entire 200 respondent 90 respondent were found serviceman. 56 respondents were businessman. On the other hand 54 respondents were in profession. The present study shows that agents are the most important media of awareness influencing a majority of respondent. Media, family/relative and self effort also an effective way for awareness of any normal pension but to lesser extent. It was found that 96% person/respondent knew about life insurance in Karnal district in and only 62% know about other private players in the Karnal District. Majority of the respondent feel that insurance is must for future security of life, 93% respondent feel

life insurance should be taken necessarily, while 7% respondent feel no need of life insurance. It was found that majority of the respondent taker of life insurance policy are male. 71% are male and 29% are female. That is clear men are fully aware about life insurance. But there is financial problem barrier for life insurance. Every one cannot afford life insurance. Majority of respondent were motivated to take policy of their spouse in comparison to children and dependent. Role specification in the buying process, the role of family group is worth while reference group and pear groups are the second most influencer in the buying process. Relatives play some role in buying process.

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