A STUDY ON INVESTORS AWARENESS AND ATTITUDE ABOUT LIFE INSURANCE IN THANJAVUR DISTRICT

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Abstract
Life Insurance is intangible in its nature hence majority of the Indian population cannot understand its meaning. After history of more than two hundred years of life insurance sector in India it is still under penetrated with 27 percent. Almost all the insurers knows that it is not bought and it has to be sold, even still there are lot of misconceptions in the minds of Indians towards the concept of insurance hence it caused complications in marketing its products. Marketing activities of life insurance companies is all about to inform, bringing awareness, develop belief, to form positive attitude, to reinforce trust etc. in the minds of the consumers by using tools such as advertising, public relations, displays, word of mouth, sales promotion, personal selling etc. Insurers may form positive attitude or may cause negative attitude so knowing the feelings of respondents found essential. Today customers are more informed with number of options; even still majority of the population in India is still uninsured. Hence we find a need to understand the customer's attitude towards the insurance products and their level of investments. This paper makes an attempt to analyze the awareness and attitude of the life insurance investor's with reference to the Thanjavur District.
Keywords: Life Insurance Policy, Investors satisfaction, Investors attitude.

1.Introduction

The Government of India issued an Ordinance on 19th January 1956 nationalizing the Life Insurance sector and Life Insurance Corporation came into existence in the same year. The Life Insurance Corporation (LIC) absorbed 154 Indian, 16 non-Indian insurers as also 75 provident societies—245 Indian and foreign insurers in all. In 1972 with the General Insurance Business (Nationalization) Act was passed by the Indian Parliament, and consequently, General Insurance business was nationalized with effect from 1 January 1973. The LIC had monopoly till the late 90s when the Insurance sector was reopened to the private sector. Before that, the industry consisted of only two state insurers: Life Insurers (Life Insurance Corporation of India, LIC) and General Insurers (General Insurance Corporation of India, GIC). GIC had four subsidiary companies. With effect from December 2000, these subsidiaries have been de-linked from the parent company and were set up as independent insurance companies: Oriental Insurance Company Limited, New India Assurance Company Limited, National Insurance Company Limited and United India Insurance Company. This paper makes an attempt to analyze the awareness and attitude of the life insurance investor's with reference to the Thanjavur District.

2. Methodology of the study
Collection of Data

This study uses the primary data obtained from life insurance investor's in the Thanjavur District. The Questionnaires used for the collection of data was a structured one that is the questionnaire was the main tool for collecting the data. The questionnaires were presented to

ensure clarity and prompt response from the respondent. Preliminaries interviews were undertaken to frame the structure of questions to be asked. The secondary data were collected from various text books, annual reports of IRDA bulletins, Journals, Articles, Newspapers, Publication of the Insurance companies, Websites.

Sample size

The sample size were 400 convenience sampling was adopted to select the life insurance investor's. The questionnaires was distributed to the investor's at their 500 questionnaires were issued, the researchers was able to collect only 400.

Statistical tools

The primary data have been collected from the respondent from different areas and have been properly stored, classified, edited and tabulated in a proper format and analyzed by developed appropriate statistical tools. The statistical tests are conducted at one percent and Five percent level of significance.

Review of literature

The Planning Wing of the LIC Divisional Office, Thanjavur (1987) has conducted a sample survey on "Customer Satisfaction". The objectives of the study found the level of consumer satisfaction regarding the services, particularly on aspects such as timely dispatch of discharge forms, reminders, the cooperation given by agents or development officers, courtesy and sympathy of Company officials, receipt of the policy amount within the due date etc. The results of the study revealed the following points.

The Insurance Institute of India prepared a Project Report on "Marketing of Life Insurance", (1987). This project was undertaken to examine the following aspects: Extent of life insurance coverage, awareness, attitudes and beliefs of people on life insurance, perceptions, sense of identification of employees with Life Insurance Company. He concluded that LIC is a better avenue of investment than bank deposits. LIC products are sold easily among the consumers on account of its reliability.

The National Council of Applied Economic Research, New Delhi conducted two surveys in 1988 and 1989 on "Appraisal of Quality Service in Service Organizations" and "Quality Services in Life Insurance Company" respectively. These two studies were sponsored by the Life Insurance Company. The policyholders' general feeling is that the demand notice must be sent in time. Some policyholders rated the quality of services was excellent. Hence, by providing prompt services, the customer relationship is maintained for a long period of time.

Ashis Deb Roy (1987) in his article entitled "We Care for our Customers" has examined the nature and importance of better customer services to policyholders and has emphasized the need for quality in service. He has given a detailed note on the various steps to be taken by Life Insurance Company to improve the customer service such as training programmes conducted by Company to its agents and employees, opening new branches and introduction of computers in insurance branch offices.

Venkatesh, N.C. (1987) I   n his article entitled "On the Trail of Better Service" has discussed the importance of better and personal servicing to the customers and has emphasized the importance of satisfying the policyholders.

3.   Satisfaction of the Investors

        Respondent satisfaction for taking Life Insurance Policy
The following table describes the satisfaction wise distribution of the respondents selected for the study. These are classified as highly satisfied, satisfied, neutral and not satisfied

Level of Satisfaction	No. of Respondent	Percentage
Highly satisfied	73	18.3
Satisfied	279	70.3
Neutral	42	10.5
Not satisfied	6	0.9
Total	**400**	**100**

The above table states that 73 (18.3%) of the respondents says very much satisfied, 279 (70.3%) of the respondents says satisfied, 42 (10.5%) of the respondents don't say anything and 6 (0.9%) of the respondents says not satisfied. It is found that most 279 (70.3%) of the respondents says satisfied for taking Life Insurance Policy.

Gender	Satisfaction of the Investor								Total	
	Highly satisfied		Satisfied		Neutral		Not satisfied		No.	%
	No.	%	No.	%	No.	%	No.	%		
Male	60	19.3	212	69.9	30	9.8	5	1.0	311	100
Female	13	14.6	67	71.9	12	12.9	1	0.6	89	100
Total	**73**	**18.3**	**279**	**70.3**	**42**	**10.5**	**6**	**0.9**	**400**	**100**

The above Table states gender with investor satisfaction out of 400 respondents, 311 respondents are Male, under these 60(19.3%) respondents highly satisfied; 212(69.5%)respondents are satisfied; 30((9.8%)respondents says nothing; 5(1%) of the respondents not satisfied. 89 respondents are female under these 13(14.6%) respondents highly satisfied; 64 (71.9%) respondents satisfied;12(12.9%) respondents nothing and rest of 1(0.6%) respondents not satisfied.

	Value	df	sig
Chi-Square	3.277	3	Ns

        (Ns- Not significant, Table value-7.815)

Hypothesis:
There is no significant relationship between gender and investor satisfaction.

Result: Chi-Square test was applied to find whether there is significant relationship between gender and investor satisfaction. The calculated value of chi-square is 3.277 which is less than the table value of 7.815 at 5% level of significance. Since the calculated value is less than the table value it is inferred that there is no significant relationship between gender and investor satisfaction. Hence the hypothesis is accepted.

Age with Investors satisfaction

| Age | Satisfaction of the Investor | | | | | | | | Total | |
| | Highly satisfied | | Satisfied | | Neutral | | Not satisfied | | | |
	No.	%	No.	%	No.	%	No.	%	No.	%
Up to 30	9	15.4	42	70.9	6	11.1	3	2.6	59	100.0
31-40	10	15.1	49	70.5	10	14.4	0	0.0	69	100.0
41-50	23	16.4	96	69.8	16	12.7	2	1.1	137	100.0
51-60	27	24.2	80	70.5	5	4.8	1	0.4	114	100.0
61 & above	4	16.7	15	71.4	5	11.9	0	0.0	21	100.0
Total	**73**	**18.3**	**279**	**70.4**	**42**	**10.5**	**6**	**0.9**	**400**	**100.0**

The age with investor satisfaction out of 400 respondents, 59 respondents are in the age group below 30 years under these 9 (15.4%) respondents are highly satisfied; 42 (70.9%) respondents are satisfied; 6 (11.1%) respondents are neutral and the rest of 3 (2.6%) respondents are not satisfied. 69 respondents are in the age group between 31-40 years, under these10 (15.1%) respondents are highly satisfied; 49 (70.5%) respondents are satisfied; 10 (14.4%) respondents are neutral and no one is saying not satisfied.137 respondents are in the age group between 41-50 Years, under these 23 (16.4%) respondents are highly satisfied; 96 (69.8%) respondents are satisfied; 16 (12.7%) respondents are neutral and rest 3(1.1%) respondents are not satisfied. 114 respondents are in the age group between 51-60 years, under these 27 (24.2%) respondents are highly satisfied; 80(70.5%) respondents are satisfied; 5 (4.8%) respondents are neutral and the rest 1 (0.4%) respondents are not satisfied. 21respondents are in the age group of 61years and above, under these 4 (16.7%) respondents are highly satisfied; 15 (71.4%) respondents are
satisfied; 5 (11.9%) respondents are neutral.

	Value	df	Sig
Chi-Square	22.712	12	*

Hypothesis: There significant relationship between age and investor satisfaction.
Result: Chi- Square test was applied to find whether there is significant relationship between age and investor satisfaction. The calculated value of chi-square is 22.712 which is higher than the table value of

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21.026 at 5% level of significance. Since the calculated value is higher than the table value it is inferred that there is significant relationship between age and investor satisfaction,. Hence the hypothesis is not accepted.

4.   **Findings**

▢   The satisfaction of the investor, out of 400 respondents, 311 respondents are male and the rest 89 respondents are female.

▢There is no significant relationship between gender and investor satisfaction.

▢Age with investor satisfaction, out of 400 respondents under the age group of 41-50 years and 42 respondents are under the age group of 61 years and above.

▢There is significant relationship between age and investor satisfaction.

▢The place of residence with investor satisfaction, out of 400 respondents, 276 respondents are living in the villages and the rest of 124 respondents are lining in the town.

▢There is significant relationship between place of residence and investor satisfaction.

▢Monthly income with investor satisfaction, out of 400 respondents, 156 respondents monthly income is 25,000 and above, 47 respondents monthly income is between Rs.10, 000 - Rs. 15,000.

▢ There is no significant relationship between monthly income and investor satisfaction.

▢ Monthly investment with investor satisfaction, out of 400 respondents, 320 respondents monthly investment is below Rs.3000 and 10 respondents monthly investments is between Rs.5000 – Rs.8,000.

5. **Suggestions**

▢It is observed from the study that in order to enhance the life insurance investor's satisfaction, the life insurance companies must look into all the factors relating to services and frequently inform the life insurance investors about the current status of policies, launch of new policies through mobile alerts, e-mail intimation or directly through telephone. This will have direct impact on the life insurance investor's level of satisfaction.

▢   All the customers who enter the office must be given de respect, acceptance of their complaints and enquiry irrespective of their demographic status.

▢   The delivery of services is purely based on the human resource. Hence the employees and agents in these companies must be properly trained and imparted with knowledge skills so that they become professional in delivering services.

▢   Literacy is a very important factor to inculcate awareness in the minds of the people. The insurance business is significantly influence by literacy factor. It is because of the lack of advertisements, advertisements in the sense that not by using only electronic media but by using the field force to a greater extent. It is a very tough job to convince the rural lower educated person's masses about life insurance.

6.   **Conclusion**

Life Insurance companies should have a clear vision and mission that should be known to all the stake holders like employees, agents, customers, business associates etc. and accordingly each one should be clearly directed. The companies should design the products, which should satisfy the personal needs of customers with an ample degree of flexibilities. To achieve greater insurance penetration, private sector insurance companies have to create a more vibrant and competitive industry, with greater efficiency, choice of products and value to customers. The Insurance industry is facing a healthy competition, which

really benefits to public. Life insurance companies should be re- framing their strategies to attract customers.

7. References

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