

INSIGHT OF LIC POLICYHOLDER -WITH A SPECIFIC EMPHASIS ON BELAGAVI DISTRICT

Dr. Soubhagya V Hosamath

Ms.Namitha Suresh

Assistant Professor, Department of Commerce

Assistant Professor, Department of Commerce

Sacred Heart Degree College for Women, Bengaluru

ABSTRACT

Distribution of products and services stands as a fundamental role each and every organisation and for insurance companies, the dispersion of insurance policies and services holds significant importance. This study examines the viewpoints of Life Insurance Corporation of India policyholders, with a specific emphasis on the Belagavi district. Data collection and analysis were conducted in accordance with the study's objectives. both Primary and secondary data collected. The primary data were gathered from respondents through a questionnaire distributed through Google Forms. Convenience sampling was employed to select respondents. Statistical techniques such as descriptive analysis and Chi-square tests were utilized by the researcher for analysis.

Key Words: Insight, Policyholder, LIC

INTRODUCTION

Marketing financial services, particularly in the sensitive sector of insurance, demands meticulous attention. Globalization, technological advancements, and deregulation in recent years have significantly transformed the financial landscape, particularly within the insurance industry. The entry of private and foreign entities has disrupted the longstanding dominance of LIC (Life Insurance Corporation), yet LIC continues to thrive as one of the nation's fastest-growing industries. Its core mission of mitigating life risks and promoting savings remains steadfast. Despite the inherent challenge of marketing life insurance, which hinges on instilling assurance and faith, the emergence of private players has reshaped the competitive dynamics. Nevertheless, LIC has sustained its market presence through a diverse array of life insurance products. This study aims to delve into the perspectives of LIC policyholders, recognizing the crucial role of customer insight in navigating the evolving global economy. Against the backdrop of India's burgeoning economy and the exceptional growth of the insurance sector, particularly LIC, this research endeavors to illuminate the depth of customer view point and perception.

STATEMENT OF THE PROBLEM

A multitude of insurance companies now populate the insurance market, with private players entering the fray. However, amidst this competition, the Indian Life Insurance Corporation, a public entity, poses a significant challenge to the longstanding dominance in the sector. Traditionally, the Life Insurance Corporation of India has commanded a substantial market share. Private insurers seek consumer attention by offering distinct products. Yet, it's imperative to gauge the measurable impact of LIC's influence on individuals. Ultimately, customers prioritize quality service to fulfill their needs, especially in this competitive arena. Thus, LIC must prioritize customer satisfaction to excel amidst its competitors. Hence, this study aims to elucidate customers' perceptions and satisfaction towards life insurance corporation policies.

1.3 OBJECTIVES OF THE STUDY

The main objectives of the present study are as follows

To study the demographic profile of the policy holders of Life Insurance Corporation in Belagavi District

To analyse the insight and satisfaction level of policyholders towards service of LIC in the study area.

To analyse the symmetric measures between demographic factors and Area.

To offer suitable suggestions for better life insurance marketing based on the findings of the study.

HYPOTHESIS OF THE STUDY

H1: Association between Demographic factors and Area

H2: Association between Socio-economic status and Area

REVIEW OF LITERATURE :

C. Balaji (2015), in his paper- Customer awareness and satisfaction of life insurance policy holders with reference to Mayiladuthurai town tries to measure the awareness among the Urban and Rural consumers about the various sectors and also the policies about various premium rates. 100 sample respondents were considered for the study to identify the awareness of LIC policies: and it was found that 87% of the respondents came to know about the policies through the agents. The research concludes that the penetration level of India is only 2.3% when compared to 9-15% in the developed nations.

Krishna Garodia, Dr. Rajat Bhattacharjee, in their paper Factors affecting policy holders' decision: A study of Life Insurance Corporation of India - has analysed through the study that majority of the respondents i.e (81%) of the policy holders are mostly influenced with the security and the assurance (32%) was least influenced with the debt issue and the minimum number of policyholders were identified having neutral in case of the retirement plans and with tax benefits. It can be observed that the majority of the respondents (81%) of the policyholders are mostly influenced with security & assurance and (32%) least influenced with debt issues while the minimum no. of policyholders is (50%) neutral in case of retirement plans and tax benefit.

Upadhyaya and Badlani (2011), in their research, attempts to identify the key success factors in the life insurance industry, the level of customer satisfaction to survive the intense competition as well as to increase the market share. The major objectives of the study are to identify the factors of the customer satisfaction in the retail life insurance and also to study the importance of the technology in fulfilling the customer satisfaction. Data was collected across 206 insurance customers ranging from ten public and private sector life insurance companies from the major cities of Rajasthan, Maharashtra. On further analysis, it was found that despite high satisfaction levels, there is a lot to be done by management of the retail life insurance to increase the customer satisfaction and also to improve the quality of service. It was found that the satisfaction of the customers with the LIC was found to be connected with the performance of the services offered.

RESEARCH METHODOLOGY AND RESEARCH DESIGN

3.1 Research design

The research is concerned with the insight of LIC Policyholders with special reference to Belagavi District. The data was collected through a well-designed questionnaire in Belagavi district. The study adopted the method of convenient sampling technique.

3.2. Area of the Study

The study is undertaken in Belagavi District.

3.3. Sample Size

The sample size for the study is 100 respondents, in and around Belgaum District.

3.4. Data source The researcher used both primary and secondary data, to achieve the objective of the study.

3.4.1. Primary Data

The primary data was collected through a well designed questionnaire using google form. A questionnaire (google form) was designed and circulated via social media platforms, directing responders to complete a Google Form

3.4.2 Secondary Data

The Secondary data was collected through websites, magazines, books, journals, etc.

3.5 Statistical Tools Used for the Study

The following statistical tools have been used to analyse the collected primary data and were statistically analyzed using SPSS version 22.

Simple Percentage analysis,

Chi square test

Symmetric measures

3.6. Period of the Study

The period of the study covers from April and May 2024.

LIMITATIONS OF THE STUDY

The research study is limited to Belagavi District. The research findings may not generalize to other area.

Totally 100 samples were taken under a convenient sampling method. The result may not generalize to the total population.

DATA ANALYSIS AND INTERPRETATION

Frequency Analysis: The distribution of respondents based on their Gender, Age, Marital Status, Educational qualification and Occupational level was valued and results are shown in the following table:

Table 5.1 : Table showing Demographic Profile of LIC Policyholders

Variables		Number Of Respondents	Percentages
Gender	Male	72	72.0
	Female	28	28.0
Age (in years)	Below 40	34	34.0
	41-50	61	61.0
	51-60	5	5.0
	Above 60	-	-
Marital status	Married	93	93.0
	Single	7	7.0
Educational qualification	SSLC	5	5.0
	PUC	23	23.0
	Undergraduate	57	57.0
	Post Graduate	15	15.0
	Others	5	5.0
Area Resident	Rural	46	46.0
	Urban	54	54.0
Occupation	Government	16	16.0
	Private	23	23.0
	Business	31	31.0
	Others	30	30.0

Source : Primary data

Table 5.1 represents the demographic profile of LIC Policyholders of Belagavi District. The results revealed that the majority of respondents are male (72%), majority of the policyholders age group below 41-50 age, i.e. 61 percent, 93.00 percent are married, and 54.00 percent from urban area.

The educational qualifications of the respondent are more (57%) in graduates, the majority of respondents i.e. 31.00 percent of the respondents are business persons.

Graph 5.1 : Graph Showing Demographic Profile of the LIC Policyholders

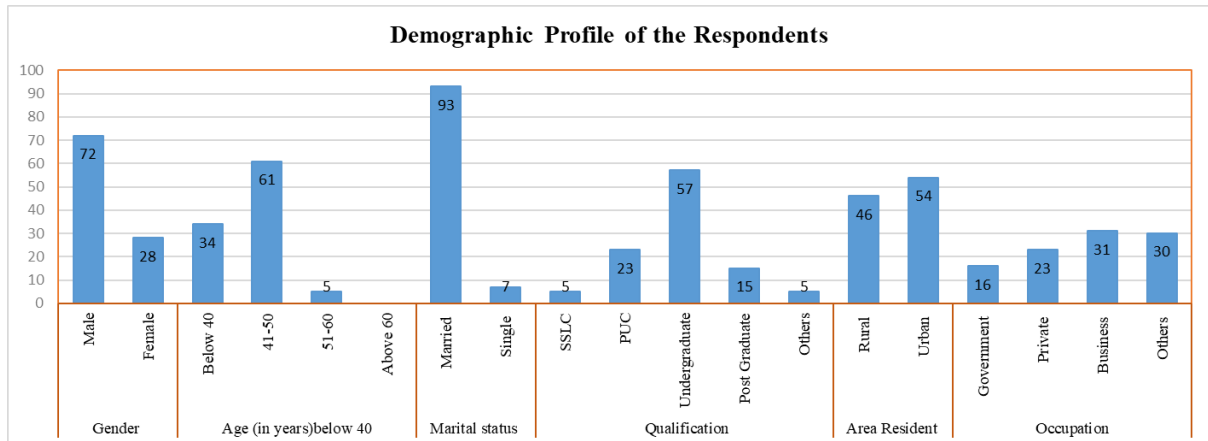


Table 5.2 : Table showing Perception and Satisfaction Level of LIC Policyholders

Variables		Number Of Respondents	Percentages
Policy plan (LIC)	05-10	03	3.0
	10-15	11	11.0
	15-20	75	75.0
	20—25	11	11.0
Premium Period	Quarterly	28	28.0
	Half yearly	42	42.0
	Annually	30	30.0
Mode of payment	Online	90	90.0
	Offline	10	10.0
Reasons for choosing LIC	More Benefit	03	3.0
	More Security	97	97.0
LIC Products	Highly satisfied	35	35.0
	Satisfied	65	65.0
	Average	-	-
	Dissatisfied	-	-
	Highly dissatisfied	-	-
LIC Services	Highly satisfied	04	4.0
	Satisfied	69	69.0
	Average	27	27.0
	Dissatisfied	-	-
	Highly dissatisfied	-	-

Source : Primary data

Table 5.2 represents that 75.00 percent of the policyholders prefer 15-20 years LIC plans, 42.00 percent of the policyholders prefer to pay premium amount half yearly, 90.00 percent of the policyholder prefer online payment, 97.00 percent of the policyholders chosen LIC plans because of its security, majority (65%) of the policyholders satisfied with LIC products and 69.00 percent of the policyholders were satisfied with LIC Policy Services.

5.3 CHI-SQUARE TEST:

Chi-square is applied to find the relationship between the demographic factors, socio-economic factors and Area (rural and urban) of the respondents.

5.3.1 : ASSOCIATION BETWEEN DEMOGRAPHIC FACTORS AND AREA

5.3.1 (a) Test for Association Between Gender and Area

Table 1 : Table showing Gender and Area of the Respondents

Gender	Area				Total	Percentage
	Rural	Percentage	Urban	Percentage		
Male	35	48.6	37	51.4	72	100
Female	12	42.9	16	57.1	28	100

From the above table, it is clear that most (51.4) of the respondents were male belongs to urban area of the Belagavi District.

Table 2 : Chi Square Test for Gender and Area

	Value	Degree of freedom	
Pearson Chi-Square	0.268 ^a	1	0.605
Continuity Correction	0.087	1	0.768
Likelihood Ratio	0.269	1	0.604
Linear-by-Linear Association	0.265	1	0.607
N of Valid Cases	100		

From the above Table, shows that the result is significant since the significant value is more (0.605) than 0.05. Hence we accept the null hypothesis. Which means that there is no significant association between gender and area of the policyholders.

Table 3: Symmetric Measures for Gender and Area of The Respondents

	Value	Approx. Sig.
Phi	0.052	0.605
Cramer's V	0.052	0.605
Contingency Coefficient	0.052	0.605
	100	

From the above table, it is found that the strength of association between demographic factor gender and area is 0.052. Which indicates that only 5.2 % of very low association between gender and area of the respondents.

5.3.1 (b) Test for Association Between Age and Area

Table 1 : Table showing Age and Area of the Respondents

Age	Area				Total	Percentage
	Rural	Percentage	Urban	Percentage		
Below 40	20	58.8	14	41.2	34	100
41-50	25	41.0	36	59.0	61	100
51-60	02	40.0	3	60.0	5	100

From the above table, it is clear that majority (59.0) of the respondents were between 41-50 belongs to urban area of the Belagavi District.

Table 2 : Chi Square Test for Age and Area of the Respondents

	Value	Degree of Freedom	Significance Value
Pearson Chi-Square	2.893 ^a	2	.235
Likelihood Ratio	2.900	2	.235
Linear-by-Linear Association	2.481	1	.115
N of Valid Cases	100		

From the above table, shows the result is significant since the significant value is more (0.235) than 0.05. Hence, we accept the null hypothesis. Which means there is no significant association between age and area of the respondents.

Table 3: Symmetric Measures for Age and Area of the Respondents

	Value	Approx. Sig.
Phi	.170	.235
Cramer's V	.170	.235
Contingency Coefficient	.168	.235
	100	

It is found that the strength of association between demographic factor age and area is 0.168. Which indicates that only 16.8 % of very low association between age and area of the policyholders.

5.3.1 (c) Test for Association Between Marital Status and Area

Table 1 : Table showing Marital Status and Area of the Respondents

Marital Status	Area				Total	Percentage
	Rural	Percentage	Urban	Percentage		
Married	41	44.1	52	55.9	93	100
Single	06	85.7	01	14.3	07	100

From the above table, it is clear that most (55.9%) of the respondents were married and belongs to urban area of the Belagavi District.

Table 2 : Chi Square Test for Marital Status and Area of the Respondents

	Value	Degree of Freedom	Significant Value
Pearson Chi-Square	4.529 ^a	1	.033
Continuity Correction ^b	3.012	1	.083
Likelihood Ratio	4.906	1	.027
Linear-by-Linear Association	4.484	1	.034
N of Valid Cases	100		

From the above Table, shows the result is significant since the significant value is less (0.03) than 0.05. Hence we reject the null hypothesis. Which means that there is a significant association between marital status and area of the policyholders.

Table 3: Symmetric Measures for Marital Status and Area of the Respondents

	Value	Approx. Sig.
Phi	-.213	.033
Cramer's V	.213	.033
Contingency Coefficient	.208	.033
	100	

From the above table, It is found that the strength of association between marital status and area is 0.208. Which indicates that only 20.8 % of very low association between marital Status and area of the respondents.

5.3.1 (d) : Test for Association Between Educational Background and Area

Table 1 : Table showing Educational Qualification and Area of the Respondents

Qualification	Area				Total	Percentage
	Rural	Percentage	Urban	Percentage		
SSLC	03	60.0	02	40.0	05	100
PUC	09	39.1	14	60.9	23	100
UG	27	47.7	30	52.6	57	100
PG	08	53.3	07	46.7	15	100
Total	47	47.0	53	53.0	100	100

From the above table, it is clear that most (52.6) of the respondents were completed under graduates and belongs to urban area of the Belagavi District.

Table 2 : Chi Square Test for Educational Qualification and Area of the Respondents

	Value	Degree of freedom	Significant Value
Pearson Chi-Square	1.156	3	.764
Likelihood Ratio	1.162	3	.762
Linear-by-Linear Association	0.155	1	.694
N of Valid Cases	100		

From the above Table, shows the result is significant since the significant value is more (0.764) than 0.05. Hence we accept the null hypothesis. Which means that there is no significant association between educational qualification and area of the policyholders.

Table 3: Symmetric Measures for Educational Qualification and Area of the Respondents

	Value	Approx. Sig.
Phi	.108	.764
Cramer's V	.108	.764
Contingency Coefficient	.107	.764
	100	

From the above table, it is found that the strength of association between educational background and area is 0.107. Which indicates that only 10.7% of very low association between gender and area of the policyholders.

5.3.2 . TEST FOR ASSOCIATION BETWEEN SOCIO-ECONOMIC STATUS AND AREA

5.3.2 (a) : Test for Association Between Occupation and Area

Table 1 : Table showing Occupation and Area of the Respondents

Occupation	Area				Total	Percentage
	Rural	Percentage	Urban	Percentage		
Government	10	62.5	06	37.5	16	100
Private	11	45.8	13	54.2	24	100
Business	16	51.6	15	48.4	31	100
Others	10	34.5	19	65.5	29	100
Total	47	47.0	53	53.0	100	100

From the above table, it is clear that most (65.5%) of the respondents business persons belongs to rural area of the Belagavi District.

Table 2 : Chi Square Test for Occupation and Area of the Respondents

	Value	Degree of Freedom	Significant Value
Pearson Chi-Square	3.645 ^a	3	.302
Likelihood Ratio	3.689	3	.297
Linear-by-Linear Association	2.502	1	.114
N of Valid Cases	100		

From the above Table, the result is significant since the significant value is more (0.302) than 0.05. Hence we accept the null hypothesis. Which means that there is no significant association between occupation and area of the respondents

Table 3: Symmetric Measures for Occupation and Area of the Respondents

	Value	Approx. Sig.
Phi	.191	.302
Cramer's V	.191	.302
Contingency Coefficient	.188	.302
	100	

From the above table, It is found that the strength of association between occupation and area is 0.188. Which indicates that only 18.8% of very low association between occupation and area of the policyholders.

5.3.2 (b): Test for Association Between Income and Area

Table 1 : Table showing Monthly Income and Area of the Respondents

Monthly Income	Area				Total	Percentage
	Rural	Percentage	Urban	Percentage		
Below 20,000	15	41.7	21	58.3	36	100
20,000-40,000	21	43.8	27	56.3	48	100
Above 40,000	11	68.8	05	31.3	16	100
Total	47	47.0	53	53.0	100	100

From the above table, it is clear that majority (48%) of the respondents income level is Rs.20,000-40,000 and belongs to urban area of the Belagavi District.

Table 2 : Chi Square Test for Monthly Income and Area of the Respondents

	Value	Degree of Freedom	Significant Value
Pearson Chi-Square	3.653 ^a	2	.161
Likelihood Ratio	3.702	2	.157
Linear-by-Linear Association	2.414	1	.120
N of Valid Cases	100		

From the above Table , shows the result is significant since the significant value is more (0.161) than 0.05. Hence we accept the null hypothesis. Which means that there is no significant association between monthly income and area of the policyholders.

Table 3: Symmetric Measures for Monthly Income and Area of the Respondents

	Value	Approx. Sig.
Phi	.191	.161
Cramer's V	.191	.161
Contingency Coefficient	.188	.161
	100	

From the above table, It is found that the strength of association between monthly income and area is 0.188. Which indicates that only 18.8% of very low association between monthly income and area of the policyholders.

5.3.2 (c): Test for Association Between Monthly Savings and Area

Table 1 : Table showing Monthly Savings and Area of the Respondents

Monthly Savings	Area				Total	Percentage
	Rural	Percentage	Urban	Percentage		
Below 10%	09	45.0	11	55.0	20	100
10%-20%	16	40.0	24	60.0	40	100
20%-30%	15	50.0	15	50.0	30	100
Above 30%	07	70.0	03	30.0	10	100
Total	47	47.0	53	53.0	100	100

From the above table, it is clear that majority (40%) of the respondents makes 10-20 percent savings from their monthly income and belongs to urban area of the Belagavi District.

Table 2 : Chi Square Test for Monthly Savings and Area of the Respondents

	Value	Degree of Freedom	Significant Value
Pearson Chi-Square	3.051 ^a	3	.384
Likelihood Ratio	3.097	3	.377
Linear-by-Linear Association	1.708	1	.191
N of Valid Cases	100		

From the above Table , shows the result is significant since the significant value is more (0.384) than 0.05. Hence we accept the null hypothesis. Which means that there is no significant association between monthly savings and area of the policyholders.

Table 3: Symmetric Measures for Monthly Savings and Area of the Respondents

	Value	Approx. Sig.
Phi	.175	.384
Cramer's V	.175	.384
Contingency Coefficient	.172	.384
	100	

From the above table, It is found that the strength of association between monthly savings and area is 0.172. Which indicates that only 17.2 % of very low association between monthly savings and area of the policyholders.

FINDINGS FROM THE ANALYSIS:

Demographic Profile Findings

The majority (72% respondents are Male .

The majority (61 %) of the policy holders belong to the age group below 41-50 age.

The majority (93%) are Married.

The majority (54%) are from urban area.

The majority (57%) respondents were Graduates.

The majority (31%) respondents are Business holders.

Perception And Satisfaction Level Findings

The majority (75 %) of the policy holders preferred 15- 20 years plans.

The majority (42%) of the policy holders preferred to pay a premium amount half-yearly.

The majority (90%) of the policy holders prefer online mode of payment.

The majority (65%) of the policy holders opted for the policy for the matter of safety.

The majority (69%) of the policy holders were identified to be satisfied with the policy services offered.

Cross Table Findings :

51.4 % of the respondents were male and belonged to the urban area of the Belagavi District.

59.0% of the respondents were between the age group of 41-50 belongs to urban areas of the Belagavi District.

55.9% of the respondents were married and belonged to the urban area of the Belagavi District.

52.6 % of the respondents were under graduates and belong to urban areas of the Belagavi District.

65.5% of the respondents are business persons belonging to the rural areas of the Belagavi District.

48% of the respondents income level ranges from Rs.20,000-40,000 and belongs to urban areas of the Belagavi District.

40% of the respondents make 10-20 percent savings from their monthly income and belong to the urban area of the Belagavi District.

Chi Square Test Findings

There is no significant association between gender and area of the policyholders.

There is no significant association between age and area of the respondents.

There is a significant association between marital status and area of the policyholders.

There is no significant association between educational qualification and area of the policyholders.

There is no significant association between occupation and area of the respondents

There is no significant association between monthly income and area of the policyholders.

There is no significant association between monthly savings and area of the policyholders.

Symmetric Measure Findings

5.2 % of very low association between gender and area of the respondents.

The strength of association between demographic factor age and area is 0.168. Which indicates that only 16.8 % of very low association between age and area of the policyholders.

The strength of association between marital status and area is 0.208. Which indicates that only 20.8 % of very low association between marital Status and area of the respondents.

The strength of association between educational background and area is 0.107. Which indicates that only 10.7% of very low association between gender and area of the policyholders.

The strength of association between occupation and area is 0.188. Which indicates that only 18.8% of very low association between occupation and area of the policyholders.

The strength of association between monthly income and area is 0.188. Which indicates that only 18.8% of very low association between monthly income and area of the policyholders

The strength of association between monthly savings and area is 0.172. Which indicates that only 17.2 % of very low association between monthly savings and area of the policyholders.

SUGGESTIONS

The insurance providers must focus on marketing and developing their products on the certain target demographics comprising age groups ranging from 25- 40 and extending the awareness of savings in LIC policies to the rural sectors.

The policy providers can consider offering more educational resources and financial planning tools to cater the educated customer base.

The policy holders can also explore the tailored products and services by providing business - related insurance coverage schemes.

The insurance providers should emphasize and promote Long- term policies.

It is advised that the insurance provider should invest in various user friendly and secure online payment platforms to cater the demand of the customers.

There is a relatively high satisfaction rate but the insurance providers can thrive to work and address areas of concern to improve the customer satisfaction and loyalty.

Since the majority of the respondents are married individuals and undergraduates in urban areas, a measure to offer financial literacy programs or resources to help them make informed decisions about insurance and financial plans can be extended. an additional awareness program can be extended to educated the rural background about the insurance schemes can be extended,

Gathering regular feedback from the policyholders in both the rural and the urban areas can be done to understand the unique needs and preferences , this can help in refining the products and services of insurance to beneficially suit their individual requirements.

Regular monitoring on the demographic trends can be conducted on a periodic basis to stay updated about any shifts or swaps in customer preferences that influence the insurance- related decisions.

While demographic factors are significant, it is also advised to consider examining other variables such as lifestyle preferences, psychographic preferences and the financial goals that may exert stronger influence on the preferences and behaviours of choosing a policy.

By incorporating these suggestions the insurance providers can better address, align the unique demographic characteristics and financial behaviours of the population in Belagavi District leading to more tailored and effective insurance offerings that meet the specific needs of the customer base leading to enhanced customer satisfaction to meet the diverse facts and business growth.

CONCLUSION

In conclusion, the research study focusing on LIC policyholders in the Belagavi District, the following conclusions can be drawn as the study provides valuable insights into various factors like the demographic profile, the perception levels, the satisfaction levels and the associations that has been generated between the demographic factors and the area of LIC policyholders in the district of Belagavi. The above findings can guide the Life Insurance Corporation in tailoring the marketing strategies, focusing on improving the customer satisfaction, providing an enhancement of various service deliveries to the diverse needs of the policyholders in the region.

REFERENCES:

- Dr. S. Ramesh, S. Mathivanan(2016):"Customer Satisfaction with LIC Policies: A Study in South India"International Journal of Marketing & Human Resource Management, Volume 7, Issue 2
- Dr. Nidhi Gupta, Dr. Sunil Kumar(2018):"A Comparative Study of Customer Satisfaction with LIC Policies in Urban and Rural Areas":Journal of Rural Development, Volume 37, Issue 3
- Dr. Anjali Sinha, Dr. Rahul Sharma (2019):"Customer Satisfaction and Perception towards LIC Policies: A Case Study in Mumbai" Indian Journal of Commerce & Management Studies, Volume 10, Issue 1
- Dr. Swati Singh, Dr. Deepak Gupta(2017):"An Empirical Study on Customer Satisfaction with LIC Policies: Evidence from Delhi-NCR Region"Journal of Insurance & Risk Management, Volume 11, Issue 2
- Dr. Priya Sen, Dr. Amit Sharma(2015) :Determinants of Customer Satisfaction with LIC: A Study in Kolkata Metropolitan Area ,South Asian Journal of Management Sciences, Volume 5, Issue 1