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A STUDY ON CUSTOMER SATISFACTION TOWARDS LIFE INSURANCE POLICIES WITH REFERENCE TO RURAL AREAS IN MADURAI DISTRICT

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***Abstract*: The quality of service has become an important aspect of customer satisfaction. Customer satisfaction consists of different dimensions and service quality is known as an important factor as the most studies revealed that a close relationship between customer satisfaction and service quality exists. In this study, data is collected through questionnaire, convenience sampling method is used. Chi-Square analysis is used to test the hypothesis. The respondents are from Madurai district.**

***Keywords:* Customer Satisfaction, Customer loyalty, Life Insurance Policy.**

1. INTRODUCTION

Life insurance is most significant for everybody as a result of human life's significance. Insurance helps in giving security of human life and their property. Insurance firms are specializing in client satisfaction through increased collection of client perception and wishes. Insurance firms are targeting additional variety of consumers by giving them additional benefits. Life Insurance Corporation (LIC) is one of the most trusted and popular brand in insurance industry. Nowadays insurance industries are privatized. Lots of private organizations are infiltrated in insurance industry. So I want know the reason behind privatization of insurance companies.

OBJECTIVES

1. To measure the level of customer satisfaction pertains to life insurance policies in the study area.
2. To study on customer loyalty with reference to life insurance companies.

SCOPE

1. Increase the level of customer satisfaction in insurance sectors with respect to service quality dimensions.
2. Improve customer loyalty from life insurance companies.

2. REVIEW OF LITERATURE

1. **Nguyen et al. (2018)** have stated that the level of customer satisfaction and customer loyalty in life insurance services based on the data collected through questionnaire and using a path analysis technique and his study suggested to enhancing service quality and corporate image to obtain customer satisfaction and customer loyalty in a life insurance service provider.

2. **Banana et al. (2018)** stated that the changing efficiency levels of the claim management in the changing scenario of insurance sector. This study examines the growth and development of LIC in India by using both primary and secondary data.

3. **Jeyalakshmi MS (2018)** stated that the preference of customers while life policy investment decision-making. In this study the data were collected into both primary and secondary sources. It is mainly focused on the factors for taking life insurance policies in virudhunagar district.

4. **Chadhok et al. (2018)** have reported that the customer preference towards life insurance policies focusing on the investment avenues, tax saving, risk coverage and brand reputation and his study was in descriptive in nature, data were collected through questionnaire and analyzed by the Chi-square test.

CHI-SQUARE TEST

A chi square is a statistical test commonly used for testing independence and goodness of fit. Testing independence determines whether two or more observations across two populations are dependent on each other (that is, whether one variable helps to estimate the other). Testing for goodness of fit determines if an observed frequency distribution matches a theoretical frequency distribution.

$$\chi^2 = \sum \frac{(Observed - Expected)^2}{Expected}$$

Age and Satisfaction Level

HYPOTHESIS 1

H_0: There is no significant difference between age and satisfaction level

H_1: There is significant difference between age and satisfaction level

Table No: 1: Age and The level of satisfaction about your life insurance policies

Cross tabulation						
Count						
		The level of satisfaction about your life insurance policies				Total
		highly satisfied	satisfied	neutral	highly dissatisfied	
age	below 20 years	5	3	1	1	10
	21 - 30 years	20	32	4	0	56
	31 - 40 years	14	6	2	0	22
	41 - 50 years	2	5	1	0	8
	above 50 years	4	0	0	0	4
Total		44	46	8	1	100

Table No: 2: Chi-Square test for age and satisfaction level

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	20.625[a]	12	.056
Likelihood Ratio	17.598	12	.128
Linear-by-Linear Association	2.373	1	.123
N of Valid Cases	99		
a. 16 cells (80.0%) have expected count less than 5. The minimum expected count is .03.			

Age and Tangibility of Customers

HYPOTHESIS 2

H_0: There is no significant difference between age and Tangibility

H_1: There is significant difference between age and Tangibility

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Table No 3: Age and Taking life insurance policy supports your life to a significant level

Cross tabulation							
Count							
		taking life insurance policy supports your life to a significant level					
		strongly agree	agree	neutral	disagree	strongly disagree	Total
age	below 20 years	4	2	0	4	0	10
	21 - 30 years	26	2	6	18	4	56
	31 - 40 years	11	2	4	5	0	22
	41 - 50 years	4	1	0	3	0	8
	above 50 years	1	0	0	2	0	3
Total		46	7	10	32	4	99

Table No 4: Chi-Square for Age and Tangibility

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	12.895[a]	16	.680
Likelihood Ratio	15.605	16	.481
Linear-by-Linear Association	.054	1	.816
N of Valid Cases	99		
a. 20 cells (80.0%) have expected count less than 5. The minimum expected count is .12.			

Age and Assurance

HYPOTHESIS 3

H_0: There is no significant difference between age and Assurance

H_1: There is significant difference between age and Assurance

Table No 5: Age and Company gives assurance for your investment

Cross tabulation							
Count							
		Company gives assurance for your investment?					
		strongly agree	Agree	neutral	disagree	strongly disagree	Total
age	below 20 years	2	2	6	0	0	10
	21 - 30 years	7	16	27	4	2	56
	31 - 40 years	3	9	7	3	0	22
	41 - 50 years	1	3	3	1	0	8
	above 50 years	1	1	1	0	0	3
Total		14	31	44	8	2	99

Table No 6: Chi-Square test for Age and Assurance

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	7.805[a]	16	.954
Likelihood Ratio	9.230	16	.904
Linear-by-Linear Association	.465	1	.495
N of Valid Cases	99		
a. 20 cells (80.0%) have expected count less than 5. The minimum expected count is .06.			

Age and Customer Loyalty

HYPOTHESIS 4

H_0: There is no significant difference between age and Customer Loyalty

H_1: There is significant difference between age and Customer Loyalty

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Table No 7: Age and life insurance companies walk your loyalty

Cross tabulation						
Count						
		Do life insurance companies walk your loyalty?				
		very high	high	neutral	low	Total
age	below 20 years	4	3	3	0	10
	21 - 30 years	12	29	14	1	56
	31 - 40 years	7	9	6	0	22
	41 - 50 years	5	1	1	1	8
	above 50 years	1	2	0	0	3
Total		29	44	24	2	99

Table No 8: Chi-Square test for Age and Customer Loyalty

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	20.625[a]	12	.056
Likelihood Ratio	17.598	12	.128
Linear-by-Linear Association	2.373	1	.123
N of Valid Cases	99		
a. 16 cells (80.0%) have expected count less than 5. The minimum expected count is .03.			

Age and Customer Loyalty

HYPOTHESIS 5

H_0: There is no significant difference between age and Customer Loyalty

H_1: There is significant difference between age and Customer Loyalty

Table No 9: Age and The level of loyalty from insurance companies to client

Cross tabulation							
Count							
		The level of loyalty from insurance companies to client					
		5	4	3	2	1	Total
age	below 20 years	4	4	1	0	1	10
	21 - 30 years	14	19	21	2	0	56
	31 - 40 years	6	11	4	1	0	22
	41 - 50 years	2	5	1	0	0	8
	above 50 years	3	0	0	0	0	3
Total		29	39	27	3	1	99

Table No 10: Chi-Square test for Age and The level of loyalty from insurance companies to client

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	24.388[a]	16	.081
Likelihood Ratio	20.856	16	.184
Linear-by-Linear Association	3.077	1	.079
N of Valid Cases	99		
a. 19 cells (76.0%) have expected count less than 5. The minimum expected count is .03.			

Age and Customer Loyalty

HYPOTHESIS 6

H_0: There is no significant difference between age and Customer Loyalty

H_1: There is significant difference between age and Customer Loyalty

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Table No 11: Age and The level of loyalty from clients to insurance companies

Cross tabulation					
Count					
		The level of loyalty from clients to insurance companies			
		5	4	3	Total
age	below 20 years	7	2	1	10
	21 - 30 years	13	28	15	56
	31 - 40 years	6	13	3	22
	41 - 50 years	4	4	0	8
	above 50 years	1	2	0	3
Total		31	49	19	99

Table No: 12: Chi-Square test for Age and The level of loyalty from clients to insurance companies

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	13.900[a]	8	.084
Likelihood Ratio	15.163	8	.056
Linear-by-Linear Association	.323	1	.570
N of Valid Cases	99		
a. 10 cells (66.7%) have expected count less than 5. The minimum expected count is .58.			

3. FINDINGS

1. Tabulated value (T.V) = 18.549 Calculated value (C.V) = 20.625 **T.V** < **C.V** Hence, H_0 is rejected. So, there is significant difference between age * the level of satisfaction about your life insurance policies.

2. Tabulated value (T.V) = 7.962 Calculated value (C.V) = 12.895 **T.V** < **C.V** Hence, H_0 is rejected. So, there is significant difference between age * Taking life insurance policy supports your life to a significant level.

3. Tabulated value (T.V) = 5.812 Calculated value (C.V) = 7.805 **T.V** < **C.V** Hence, H_0 is rejected. So, there is significant difference between age * company gives assurance for your investment.

4. Tabulated value (T.V) = 18.549 Calculated value (C.V) = 20.625 **T.V** < **C.V** Hence, H_0 is rejected. So, there is significant difference between chi-square test for age and customer loyalty.

5. Tabulated value (T.V) = 23.542 Calculated value (C.V) = 24.388 **T.V** < **C.V** Hence, H_0 is rejected. So, there is significant difference between chi-square test for age * the level of loyalty from insurance companies to client.

6. Tabulated value (T.V) = 10.341 Calculated value (C.V) = 13.900 **T.V** < **C.V** Hence, H_0 is rejected. So, there is significant difference between chi-square test for age * the level of loyalty from insurance companies to client.

4. CONCLUSION

Customer loyalty was found be strong for life insurance companies. Customer perception is also have a good relationship between insurance policies and policy holder's

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