

CONSUMER BEHAVIOUR & PERCEPTION TOWARDS LIC FEMALE AGENTS- AN EMPIRICAL STUDY

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ABSTRACT

Insurance is an essential component of any effective risk management strategy in any nation. There is always the potential for adverse outcomes in our life. Businesses and people alike can purchase a wide range of goods from the various insurance companies in order to protect themselves from potential dangers and safeguard their financial well-being. In addition to this, they play a significant role in the process of financial intermediation within a country and serve as a source of long-term money for the purpose of constructing long-term projects and infrastructure. As a result of their involvement in the financial markets, they contribute to the consolidation of those markets by helping to smooth out any swings that may occur. Insurance is a social mechanism that can lessen or even eliminate the danger of suffering a loss to one's life or one's possessions. The aim of this research is to analyse consumer's behaviour & perception towards LIC female agent & to discuss LIC female agent scenario towards purchasing policies.

Keywords: LIC, Female, Agents, Perception, Consumer Behaviour

INTRODUCTION

A large majority of experts feel that the economic sector, of which insurance is a subset, is among the most crucial fields. If we define insurance as the pooling of the losses of a group of people who are all exposed to the same risk and who have all decided to insure themselves against it, then we have a cooperative system for risk management. This sharing of the loss that is brought on by the risk can be defined as the insurance company paying out a portion of the loss that is brought on by the risk. One way to think of this collaborative approach to risk management is as a sharing of the loss by all parties involved. A financial contribution known as a down payment is made up front in exchange for a commitment to carry out an obligation at a later time. This promise is made in exchange for the financial payment. When a commitment of this nature is made, the customer is put in a position where they have no means of knowing whether or not the promise will be honoured if and when the circumstance calls for it. This puts the customer in an extremely uncomfortable position. Because of this, the consumer is placed in a position of uncertainty. The Life Insurance Corporation (LIC) of India offers an extensive and varied selection of products in order to cater to the requirements of a vast number of unique subgroups that are comprised within the overall population of the country. It provides customised solutions based on their specific financial demands and risk profile, therefore the LIC is focused on its consumers and making sure they're happy when they acquire a policy. This is because it provides customised solutions on the basis of their individual as well as financial needs & also risk profile. This is due to the fact that it offers individualised solutions that take into account the client's specific financial requirements and risk profile.

It is not a figment of the author's mind that, in the insurance industry, it is necessary to provide customers with service that meets their expectations. In the past, insurance marketers have placed a great emphasis on the "client" and have fashioned all of their business practises to cater to the requirements of that individual. This approach has resulted in increased customer satisfaction and retention rates. Nevertheless, in order to give this notion some traction and move it forward, it is essential to understand the amount of happiness that the consumer has with the different elements and qualities of the service that they receive. Customer loyalty, the percentage of consumers who indicate they plan to make additional purchases in the future, and overall business success are all ways in which customer happiness may be measured. Other ways that customer satisfaction can be measured include:

In contrast to the requirements for a product, those for a service might encompass a far broader range of qualitative or intangible characteristics. To investigate the expectations of policyholders (customers) and the level to which they are satisfied with the number of services that are provided by LIC in the city of Coimbatore, which is located in the state of Tamil Nadu, the purpose of this report, which is based on the framework that was outlined earlier, is to accomplish this. Coimbatore is located in the southern Indian state of Tamil Nadu. In particular, the research will concentrate on the anticipations of policyholders who have bought protection from a life insurance business in the city of Coimbatore.

Female LIC Agent – A Next frontier

The market for insurance among women in emerging economies has the potential to increase to between \$570 as well as \$890 billion by the year 2030. The "World Bank and the International Finance Corporation" have set their goals as the eradication of severe poverty and the promotion of shared prosperity. The path out of poverty is never going to be simple, but when personal or natural catastrophes hit, it can be a significant setback on the route. Because of this, we are of the opinion that having access to various financial services, such as insurance, is an extremely important factor in the process of accomplishing the objective of eradicating poverty.

Even if there are some notable exceptions, the insurance sector as a whole has not yet adopted a comprehensive strategy to increase the number of women who purchase insurance policies. This is despite the fact that the potential for the industry is obvious. This is in part due to the peculiar circumstances that many women find themselves in. The majority of the time, insurance is supplied by employers, but it is not typically geared toward meeting the requirements of women.

In both established and emerging countries, women are more likely to be engaged in labour that is part-time or even unpaid, which exacerbates the challenge that we are already facing. According to a report titled "Risk, Exposure and Resilience to Risk in India Today" by the "Chartered Insurance Institute (CII)" and *Insuring Women's Futures*, even in western countries, 42 percent of women work part-time, but just 13 percent of men do so. Women are overrepresented in the informal sector, which has no "employer" in the conventional sense, and this sector is prevalent in emerging markets. Access to insurance might be difficult for women because the majority of those covered obtain their coverage through their work.

Females particular needs

Women also have specialised needs, particularly in regard to health insurance, which, in developing markets, are frequently not satisfied by typical policies. This is especially the case in countries that are developing economically. The clearest illustration of this is providing a cover for a pregnancy. In addition, women typically leave the workforce earlier but outlive males by several years. Women receive much less from their pensions, if any at all, which makes it difficult for them to maintain their lifestyles and deal with monetary and health issues.

The challenge of getting more women insured

Despite the possibility of profit, the obstacles we discussed may appear insurmountable. Businesses can flourish by satisfying women's needs. First, firms must have accurate client gender information, both overall and for each product. LIC's vast experience with its target on women programme supports the premise that for firms to make headway marketing to female clients, they need a clear baseline, commissions, and incentive programmes. The many years of experience that LIC has had with its "Target on Women" programme helped to back up this idea. One sign of this trend is the increase in the number of women who work as insurance brokers or who buy their own policies. Another important thing to talk about is the need for insurance companies to focus on finding answers.

Review Literature

According to the findings of Ramesh Babu's research analysis from 2002, the level of satisfaction and the consumer behaviour of policyholders are important factors to take into consideration. This piece of work detailed the various aspects that contribute to awareness and satisfaction about personal accident insurance, as well as provided recommendations for how these aspects might be improved based on the perspectives of policy holders. To boost the number of personal accident policies it sells, the corporation ought to give some thought to the key aspects highlighted in this study and make an effort to put its recommendations into action.

In his work, Govardhan, N.M. (2010) makes the categorical statement that the demand for risk covered life insurance products has been increased as a direct result of an increase in the

proportion of the population that is aged and of governments' transition from public to private pension systems. The professional agent has always served as the most important contact between the customer and the life insurance provider. Because of the continual contact that is maintained with the customer, the rate of customer retention in bancassurance is superior than that of any other distribution channel. T. Sharma G. T. (2010), It underscores the necessity of adapting Western research methodology for the purpose of evaluating service quality qualities in the context of Indian life insurance. The research also indicated that a customer's level of satisfaction with the organisation, its agents, and its practical services is affected by the service quality dimensions that are provided, which in turn has an impact on the customer's level of overall satisfaction. Although the life insurance sector in India is the primary focus of this research, the findings and recommendations presented in this article are transferable to the life insurance sectors in other countries, where they can be used to improve service quality and, as a consequence, boost customer satisfaction. Subashini R. (2016) found that further research about customer happiness in banks is possible in order to discover the strategies that banks employ to achieve varying levels of service quality and customer satisfaction throughout the course of a sample period. Dr. T. Unnamalai (2018) has conducted an investigation into the levels of customer contentment and customer awareness of the services provided by the Life insurance corporation. Because policyholders place more reliance in agents, LIC India competes with other market players more aggressively using their human resource of agents. This is due to the fact that policyholders trust agents more.

Need of the Study

The main focus of customer perception, which is one of the most important resources for any insurance company, is figuring out how aware and happy the customer is with their risk-free investment. Because of this, it is very important to find out if LIC agents can be trusted. Most of the female agents at LIC are doing an excellent job of selling policies right now. Policyholders also need agents to be loyal if they want to look into something.

Problem Statement

The study examined how LIC policyholders view and treat female agents. A more competitive and fast-paced market has made policyholders understand more about their insurance and who they bought them from. In insurance, consumer loyalty is key. Female LIC should determine what customers want and rank them so it can use a modern market

environment to minimise mistakes and give clients more services. Long-term success for the LIC business requires knowing what to compute and what tools to utilise to keep clients pleased.

Research Methodology

The research is descriptive in nature. Total 150 policyholders approached for the study from Coimbatore, Tamil Nadu. Primary data analysed with SPSS & secondary data has used to satisfy the theoretical edge of the study. Secondary data has been taken from websites, published reports, articles & government websites. Ranking method has been used to find the reasons why purchase policies through LIC female agents. Similarly chi-square test applied for the sake of analysis.

Objective of the Study

- To analyse consumer's behaviour & perception towards LIC female agent
- To discuss LIC female agent scenario towards purchasing policies.

Hypothesis of the study

H1: There is no significant difference in consumer's behaviour & perception based on gender-wise agent.

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Table -1 Reasons to purchase LIC policies from female agents

S.No.	Reason	Rank Scoring	F	%
1	Investing for the Sake of Secured Future	#Rank=1	76	50.6
2	Well Known Female Agent	#Rank=4	47	31.3
3	Prompt & Honest Services	#Rank=8	32	22.6
4	Good Recommendations From Family & Friends	#Rank=5	41	27.3
5	Easy to Access	#Rank=9	28	18.6
6	Risk Coverage	#Rank=6	39	26.0
7	Purpose of Savings	#Rank=3	66	44.0

8	Saving Tax	#Rank=2	67	44.6
9	Self- Interest & Others	#Rank=7	34	22.6

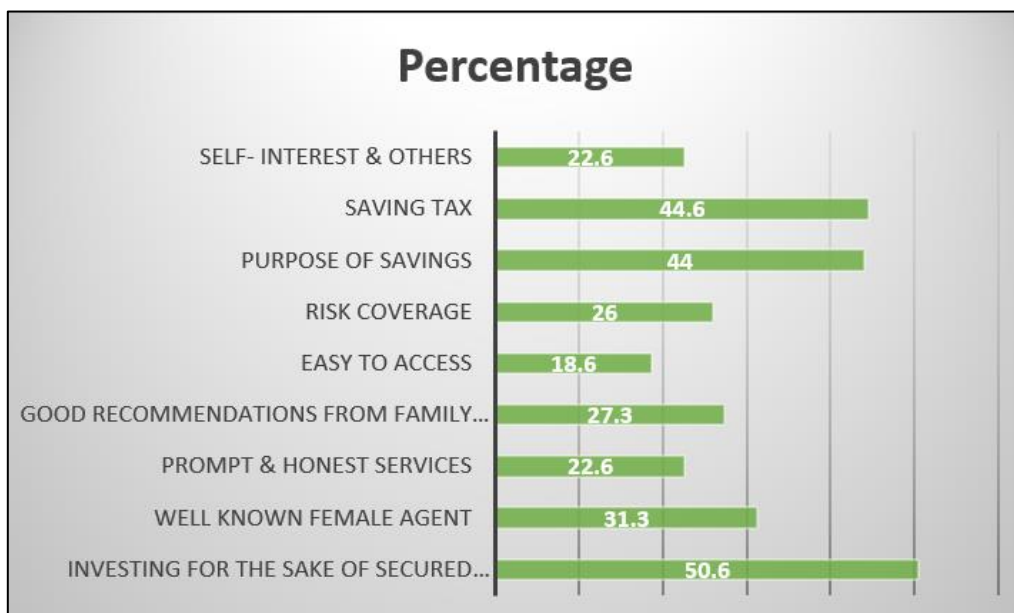


Table 1 indicates that people normally purchase policies from female LIC agents due to the following reasons. Rank 1 respondents invest money for the sake of their secured future. Second rank comes for the reason of saving tax. 3rd rank having reason for savings purpose. Similarly rank 4th, the reason behind the known female agent whereas rank 5th reason by recommendation of close family person or friends. While 6th rank comes for risk coverage & 7th, 8th & 9th rank for the sake of self-interest, honest services & easy to access. These are the rank wise preferences of respondents to invest in LIC policies specially through female LIC agents.

Table - 2 Consumer Perception about the services of LIC Female Agents

Statement	(HS)	(S)	(N)	(DS)	(HD)	Mean
The Female agent's encouragement to buy the policies	29	76	38	7	0	2.02
Good advice/assistance at the time of purchasing policy	25	84	31	8	2	2.01

Female agents are Consistent in releasing polices faster	22	72	43	10	3	2.08
Maintaining transparency by female LIC agents after issuing the policy	21	68	42	17	2	2.40
Female agents are prompt to send renewal notices on time	26	57	53	13	1	2.28
Describing company's guidelines towards issuing loans secured by insurance policies	19	64	49	14	4	2.33
Loan processing and rate of interest for policy holders	29	47	52	18	4	2.36



As per table 2, the highest mean value is 2.40 for the statement “maintaining transparency by female LIC agents after issuing the policy” whereas the lowest mean value is 2.01 for the statement “ good advice/assistance at the time of purchasing policy”.

Where,

- ✓ Highly Satisfied (HS)
- ✓ Satisfied (S)
- ✓ Neutral (N)
- ✓ Dissatisfied (DS)
- ✓ Highly Dissatisfied (HD)

Table - 3 Chi-Square test- Consumer Perception Gender-wise

Statements (Perception Level)	Gender		Total
	M	F	
(HS)	24	16	40
(S)	22	13	35
(N)	30	20	50
(DS)	06	09	15
(HD)	04	06	10
Total			150
Calculate Value (Chi-Square Test)			1.8795
DF			5

The above table-3 shows that male LIC agents are 24 & female LIC agents are 16 which are extremely satisfied respondents. The Chi-square test has used to calculate, the value is 1.8795 & the table calculated value is 2.356 at the degree of freedom level is 5. In the above-analysis, since the calculated table value is higher than the calculated value that's why the null hypothesis automatically accepted & therefore the alternate hypothesis subject to rejected. Hence there is no significant difference in consumer's behaviour & perception based on gender-wise agent.

Findings of the study

Even though there is a lot of competition in the industry, the survey indicates that there is a significant need for female LIC agents in today's society; nonetheless, male agents still outnumber female agents by a significant margin. In the fast-paced climate of today, maintaining client loyalty has evolved into an essential component of successful customer retention strategies. This may be accomplished by providing customers with alluring options and first-rate amenities. Customers who are happy and provide a lot of revenue for businesses are desirable in today's market because of the increased level of competition, the vast number of different policies and products, and the numerous different distribution channels. Increasing the proportion of insured women is something that can be accomplished, in our opinion, and should be a priority. If this endeavour is successful, there will be a number of important additional benefits, including the following: women will have a greater opportunity to participate in the economy; women will have access to a greater number of employment opportunities within the insurance industry.

Conclusion

It can be concluded that because of female LIC agents, the contribution from women in the household towards insurance has dramatically increased. Even women with low to middle level income groups are prepared to spend ten to twenty percent of their monthly earnings on insurance. This is a testament to the success of female LIC agents. This finding is in line with what has been observed in the field of micro-credit, which implies that women are familiar with risk-awareness than men and default on their loans less frequently. Women frequently look for a daily counsellor who can assist them in overcoming obstacles. The currently available insurance policies, which were most likely developed with the requirements of men in mind, do not live up to the standards set by women in terms of mitigating risk in the here and now and better preparing for the future. To find a solution to this problem, it will be necessary to develop a deeper comprehension of the worries that women have regarding their finances and their health and to provide those women with the resources necessary to eliminate or reduce risk. Insurers need to reach out to women in their communities who have power to enhance their communities' awareness of insurance and the number of people who use insurance while also improving the overall level of trust in the market. Consumers can be educated about danger and protection through the formation of

partnerships with healthcare as well as non-profit organisations. When it comes to gender issues, regulation has the potential to give a significant impetus. To broaden access to insurance, public and private organisations need to strengthen their capabilities and develop a deeper understanding of women's requirements. In conclusion, the insurance sector has the potential to expand and thrive if its companies and intermediaries work together to increase gender diversity at the board, management, and employee levels, and if they also collaborate to share the best practises in the industry. When such measures are taken, addressing the women's market and catering to their needs becomes second nature.

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