



## LIFE INSURANCE CORPORATION SERVICES IN KANYAKUMARI DISTRICT

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### Abstract

Life Insurance industry contributes to the financial sector of an economy and also provides an important social security net in developing countries. The growth of the life insurance sector in India has been phenomenal. The Life Insurance Corporation's main aim is customer satisfaction. Life Insurance Corporation of India is the largest insurance provider in India. LIC has a profound impact on Indian public and private sector. It has a longstanding history and was one of the first tertiary sector public companies to be established in India. Customer servicing today has become the midpoint of insurance companies. The main aim of this study is to know the consumer services of Life Insurance Corporation. This study attempts to analyse the customer services of Life Insurance Corporation in Kanyakumari District.

**KEYWORDS:** Life Insurance, LIC, Services, Factors, measurement of levels.

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### INTRODUCTION

The story of insurance is probably as old as the story of mankind. The same instinct that prompts modern businessmen today to secure themselves against loss and disaster existed in primitive men also. They too sought to avert the evil consequence of fire and flood and loss of life and were willing to make some sort of sacrifice in order to achieve security. Though the concept of insurance is largely a development of the recent past, particularly after the industrial era- past few centuries-yet its beginnings date almost 6000 years.

Life Insurance Corporation of India (LIC) is an Indian central public sector undertaking headquartered in Mumbai, Maharashtra, India. It is under the ownership of Ministry of Finance, Government of India.

The Insurance Corporation of India was established on 1 September 1956, when the parliament of India passed the Life Insurance of India Act, nationalizing the insurance industry in India. Over 245 insurance companies and provident societies were merged together.

LIC reported 290 million policy holders as of 2019, a total life fund of 28.3 trillion and a total value of sold policies in the year 2018-19 of 21.4 million. The company also reported to have settled 26 million claims in 2018-19. It ranked 98<sup>th</sup> on the 2022 Fortune Global 500 list with a revenue of 775,283 crore (US\$97 billion) and a profit of 4,415 core (US\$550 million).



## REVIEW OF LITERATURE

Dr.A.W.Unas & S.Ram Kumar, (2015) "A study on policy holders satisfaction on service of LIC : Reference to Coimbatore district". In his study the policyholder's level of satisfaction relating to services of LIC. Most of the respondents satisfied with services of Life Insurance corporation. The Life Insurance Corporation customer attract the LIC providing lot of the service. Life Insurance Corporation should focus on assurance and tangibility to further strengthen the level of service quality. Life Insurance Corporation of India competes other players in the market very aggressively, but the low score in the reliability dimension is a contra indicator.

Sandeep Chaudhary & Jasneet Kaur, (2016) "Consumer Perception regarding Life Insurance Policies: A factor analytical approach". In this study to Know the satisfaction level of consumers with respect to private and public insurance. The study has

extracted six factors that affect the buying decision of a consumer are customised and timely services. The consumer perception is the important to the study for the analysing the satisfaction level to the Life Insurance Policies. The people must invest more in these plants to get the benefit of investment along with insurance. Even after the privatisation the share of private sector is very low thus private sector should try to win the trust of investors. The private sector and the policyholder relationship is very good and the customer satisfaction level also excellent by the public insurance. Most of the LIC policyholders liked the product. They must offer new and innovative products to build better customer relationships. The amount of premium being charged for insured must be kept low in order to reduce the dissatisfaction of policyholders. More female must have Life Insurance Policies.

## OBJECTIVES OF THE STUDY

- To delve into the demographic profile of the customers of Life Insurance Corporation.
- To evaluate the policy holders' services by Life Insurance Corporation.

## SCOPE OF THE STUDY

The study is based on the services of Life Insurance Corporation in Kanyakumari District.

## LIMITATIONS OF THE STUDY

- The study covers only the 80 samples.
- The study depends upon the restricted only Kanyakumari District.

## RESEARCH METHODOLOGY

- Primary data:  
Primary data collected were original in nature and collected for the first time. The primary data was collected from 80 respondents.
- Secondary data:  
Secondary data has been collected from books, journals and websites.

## AREA OF STUDY

The study was conducted in the various Taluk of Kanyakumari District.

## SAMPLING DESIGN

The study on the various services of Life Insurance Corporation in Kanyakumari District used simple random samples techniques with eighty samples.

## STATISTICAL TOOLS

- ❖ Percentage Analysis



Percentage analysis is the method to represent raw streams of data as a percentage for better understanding of collected data.

$$\text{Percentage analysis} = \frac{\text{Number of respondents}}{\text{Total number of respondents}} \times 100$$

❖ **Likert’s scale**

Rensis likert’s scaling was instrumental in developing summated rating scale based item analysis. Likert scale is the most popular of all measurement scale. It is meant for measuring ordinal attribute like attitudes. It is designed to measure the intensity with an attitude expressed. This scale consists of a number of statements which expresses each statement in terms of 5 degrees of agreement. For example:

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

**ANALYSIS AND INTREPRETATION**

The data were analysed with the help of the sample respondents’ percentage, Likert’s scale.

**TABLE 1  
 AGE SAMPLE RESPONDENTS**

SI.NO	AGE	NO. OF RESPONDENTS	PERCENTAGE
1	20-30	10	12.5
2	30-40	12	15
3	40-50	15	18.75
4	50-60	20	25
5	Above 60	23	28.75
	Total	80	100

**Source: Primary source**

With regard to age, ten respondents (12.5 percent) of them were of 20 to 30 years age. Twelve respondents were 30 to 40 years of age, (15 percent). Fifteen respondents (18.75 percent) of them were in the 40 to 50 years age group. Twenty respondents were (25 percent) of them 50 to 60 years of age. Twenty three respondents were (28.75 percent) of them above 60 years. Majority of the respondents of Life insurance were above 60 years age group for the analysis conducted on the services based on the Likert’s scaling techniques for services provided.

**TABLE 2  
 GENDER OF SAMPLE RESPONDENTS**

SI.NO	GENDER	NO. OF RESPONDENTS	PERCENTAGE
1	Male	49	61.25
2	Female	31	38.75
	Total	80	100

**Source: Primary source**



The above table shows the gender of the policyholders and forty nine respondents (61.25 percent) were male. Thirtyone respondents were female (38.75 percent). Majority of the sample respondents for this study were male.

**TABLE 3**  
**MARITAL STATUS SAMPLE RESPONDENTS**

SI.NO	MARITAL STATUS	NO. OF RESPONDENTS	PERCENTAGE
1	Married	32	40
2	Unmarried	27	33.75
3	Divorce	21	26.25
	Total	80	100

Source: Primary source

The above table shows the marital status, thirty two respondents (40 percent) of them were married. Twenty seven respondents' marital status (33.75 percent) was unmarried. Twentyone respondents were (26.25 percent) divorcee. Majority of the sample-respondents that is thirty two respondents (40 percent) were married.

**TABLE 4**  
**LIFE INSURANCE CORPORATIONS' SERVICES**

SERVICES	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	SRTONGLY DISAGREE	TOTAL SCORE	MEAN SCORE	RANK
Customer relationship	29 (145)	20 (80)	12 (36)	10 (20)	9 (9)	290	3.62	I
Employees skills	25 (125)	17 (68)	20 (60)	7 (14)	11 (11)	278	3.47	III
Response to enquiries	22 (110)	19 (76)	18 (54)	12 (24)	9 (9)	273	3.41	VI
Communication	20 (100)	23 (92)	17 (51)	13 (26)	7 (7)	276	3.45	V
Agent approach	26 (130)	18 (72)	19 (57)	8 (16)	9 (9)	284	3.55	II
Office hours	28 (140)	19 (76)	11 (33)	7 (14)	15 (15)	278	3.47	III
Agent ability	23 (115)	16 (64)	15 (45)	14 (28)	12 (12)	264	3.3	VII

Source: Primary source.



According to the Likert's scale analysis it was found that first preference is customer relationship and the customer gave importance for the relationship of the employees with the policyholder and their attitude. The second preference goes to agent approach and the conduct and services of the agents to their policy holders. The third rank goes to office hours and employees' skills that is with to regard to the timing of LIC and the skills which the employees had. The fifth preference was for communication capacity of the employees. The sixth preference was for response to enquiries of the policy holders and the responses. The least preference was for agents' ability.

#### FINDINGS

- Majority of the respondents were above 60 years age group of Life insurance services provided.
- Majority of the sample respondents were male.
- Majority of the sample that is thirty two respondents (40 percent) were married.
- The majority of the sample respondents satisfied with the customer relationship with the insurance services to policy holders of Kanyakumari District.

#### SUGGESTIONS

- Life Insurance Corporation must development the agent ability as it was not at all satisfactory.
- The agents should improve the customer response by Life Insurance Corporation.

- Policy procedure compared with other services of LIC should be improved.
- Agent should improve the communication skill.

#### CONCLUSION

The research resulted in the development of a reliable of instrument for assessing customer services. The people are aware of the risk they face in their present fast life. The LIC is playing an important role in securing the life of the policy holders. Government also provided various beneficial insurance schemes under its social welfare schemes. These findings can be transformed into effective strategies for the policyholders, services.

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