An Empirical Study on Customers' Satisfaction of Life Insurance Policy: With Special Reference to Three Districts of Barak Valley, Assam

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Life insurance being a social provision to partially compensate for financial losses of an individual needs up gradation and innovation to suit the complex needs of customers in 21st century. The growth of life insurance market is directly linked to the present perception and satisfaction of customers with their life insurance policies. It is always wise to periodically judge the changing needs and requirements of customers to further innovate products. Previously, the main objective of buying insurance was protection for dependents. However, insurance now has become more than just a hedge. Customers are now beginning to incorporate insurance plans while drawing up their financial plans. Companies should plan and offer products which can assist their customers in fulfilling their exact set of needs. Hence, insurance companies must move from selling insurance to changing need identification and offering suitable products to satisfy those. The present empirical study is an attempt made to find the satisfaction level of Customers towards their present life insurance policy/s.

Keywords: Life insurance, customer satisfaction, attributes.

Introduction

Customers' needs and requirements have changed substantially over last few decades. With the increase in complexities of life the requirements of customers have also become complex and diverse. Consumers buy not only the products but also the bundle of needs and emotions. Modern goods and services are recognized as essentially psychological things which are symbolic of personal attributes, needs, goals and social patterns of strivings (Sidney Levey, 1959)[i]. The Indian industry, taking advantage of positive conditions in the economy, has seen a spectacular growth in recent years. Against this backdrop, the insurance industry in India has undergone a significant transformation and emerged with noticeable trends. However, it faces increasingly tremendous challenges because of changing customer demographics, technology etc. Previously, the main objective of buying insurance was protection for dependents. However, insurance now has become more than just a hedge. Customers are now beginning to incorporate insurance plans while drawing up their financial plans. Companies should plan and offer products which can assist their customers in fulfilling their exact set of needs. Hence, insurance companies must move from selling insurance to changing need identification and offering suitable products to satisfy those (Rao D. Venkoba, 2006)[ii]. According to G Dhananjayan (2005)[iii], the service sector has fueled worldwide economic growth and it now accounts for 58% of the worldwide GNP. However, along with this tremendous growth comes the challenge to the service industry to live up to the growing demands and changing tastes and preferences of the customers, who are continuously benchmarking one experience against another and are expecting improved services in every area.

In Indian insurance market, the new entrants have a tendency to target the business of the existing companies rather than expanding the market. Thus, much of their effort is lost in capturing the existing customers rather than providing better and innovative products/services. They should indeed develop new products and target the potential niches, which are poorly served or not served at all (Jawaharlal U and S K Rath, 2007)[iv].

Objective of the study:

The present empirical study is an attempt made to find the satisfaction level of Customers towards their present life insurance policy/s.

Methodology:

300 customers from three life insurance companies (LICI, TATA-AIG and ICICI Prudential) across three districts of Barak valley selected through multi stage stratified random sampling with replacement were interviewed using a structured schedule. Out of the total respondents 83 were between 25- 35 years of age, 118 were between 35- 45 years of age, 82 were between 45- 55 years of age and 17 were above 55 years of age.

Further, out of total respondents 208 were males and 92 were females. The annual income of 74 respondents, out of total, was below 2 Lakhs, income of 177 respondents were between 2 to 5 Lakhs, 41 were having income between 5 to 10 Lakhs and

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8 respondents were having annual income above 10 Lakhs.

Vital attributes of life insurance and relative customer satisfaction:

In order to know if the respondents are aware about the pros and cons of the present life insurance policy/s they have, the first question asked to the respondents was" How much aware you are about the pros and cons of present life insurance policy/s you have?"

58.33% respondents have given positive replies indicating that they are fully aware however; 36% have reported that they are partially aware and 5.67% have responded that they are not at all aware. The tabular presentation of their replies is exhibited below:

Table 1
Awareness of respondents about the pros and cons of their life insurance policy

Respondents	Responses			Total
	Fully	Partially	Not at all	
Policy holders of LICI	50	36	14	100
Policy holders of TATA - AIG	57	40	3	100
Policy holders of ICICI Prudential	68	32	------	100
Total	175 (58.33)	108 (36)	17 (5.67)	300

Figures in parenthesis indicate percentages

The second question asked to the respondents is "who introduced the policy to you?" This question is asked to find out the source through which the policy/s is being bought. Out of the total respondents 57% of the customers responded that it was agent who introduced the policy to them. 26.67% responded that the policy has been introduced by the sales Manager or Development Officer. Whereas, 5.33%, 7.33% and 3.67% responded that their life insurance policy has been introduced by friends, colleagues and family member respectively. The tabular presentation of their replies is exhibited below:

Table 2
Source of introduction of policy to the respondents

Respondents	Responses						Total
	Agent	Sales Manager/ DO	Friend	Colleague	Family member	Others	
Policy holders of LICI	92	3		3	2		100
Policy holders of TATA - AIG	41	29	9	12	9		100
Policy holders of ICICI Prudential	38	48	7	7			100
Total	171 (57)	80 (26.67)	16 (5.33)	22 (7.33)	11 (3.67)		300

Figures in parenthesis indicate percentages

The third question asked to the respondents is "How many life insurance policy/s do you have in your immediate family?"In response to this question 62.33% answered that they have only one policy. However, 34.34%, a significant portion of respondents revealed that they have two policies in their immediate family and 3.33% answered that they have three or more policies. The replies clearly indicate that a non negligible proportion of customers had to buy multiple policies to meet their needs. The tabular presentation of their replies is exhibited below:

Table 3
No. of life insurance policies bought by the respondents

Respondents	Responses			Total
	Only one	Two	Three & above	
Policy holders of LICI	49	43	8	100
Policy holders of TATA - AIG	71	29		100
Policy holders of ICICI Prudential	67	31	2	100
Total	187 (62.33)	103 (34.34)	10 (3.33)	300

Figures in parenthesis indicate percentages

The respondents who were found to have enrolled for more than one policy are asked the fourth question, which is "what is the purpose of purchasing multiple policies?"

52.67% of respondents answered that they purchased more than one policy mainly for the purpose of tax savings. Whereas, a significant portion of the respondents (39.29%) expressed that the primary purpose of purchasing multiple policies is the fact that a single policy is not able to cover all their needs. Also, 8.04% conveyed that they bought multiple policies on agent's or advisor's request. The tabular presentation of their replies is exhibited below:

Table 4
Purpose of purchasing multiple life insurance policies

Respondents	Responses				Total
	Tax Savings	Single policy not able to cover all the needs	On Agent's/ Advisor's advice	Any other reason	
Policy holders of LICI	19 (37.25)	23 (46)	9 (17.65)		51
Policy holders of TATA - AIG	16 (55.18)	13 (44.82)			32
Policy holders of ICICI Prudential	24 (75)	8 (25)			29
Total	59 (52.67)	44 (39.29)	9 (8.04)		112

Figures in parenthesis indicate percentages

Next question is asked to find out the level of satisfaction of customers with their present life insurance policy/s. In response to the question, "Are you satisfied with the present life insurance policy you have?" only 36.33% of respondents expressed that they are highly satisfied, 8.33% said that they are somewhat satisfied, whereas, 28.67% made it clear that they are somewhat dissatisfied and 26.67% reported that they are highly dissatisfied. These responses clearly indicate significant level of dissatisfaction among respondents regarding their present life insurance policy/s. The tabular presentation of their replies is exhibited below:

Table 5
Level of customer satisfaction with their present life insurance policy/s

Respondents	Responses				Total
	Highly satisfied	Somewhat satisfied	Somewhat dissatisfied	Highly dissatisfied	
Policy holders of LICI	49	4	31	16	100
Policy holders of TATA - AIG	28	11	23	38	100
Policy holders of ICICI Prudential	32	10	32	26	100
Total	109 (36.33)	25 (8.33)	86 (28.67)	80 (26.67)	300

Figures in parenthesis indicate percentages

In order to find out the degree or extent to which the present life insurance policy/s cover the needs of the customers the question "To what extent the policy cover your needs?" is asked. Out of the total respondents, only 37% of respondents reported that their present policy/s fully cover their needs whereas, 29% reported that the policy/s partially cover their needs and a significant portion of respondents (34%) answered that the present policy/s barely cover their needs. The tabular presentation of their replies is exhibited below:

Table 6
The extent to which the present life insurance policy/s cover the needs

Respondents	Responses			Total
	Fully	Partially	Barely	
Policy holders of LICI	49	20	31	100
Policy holders of TATA - AIG	28	34	38	100
Policy holders of ICICI Prudential	34	33	33	100
Total	111 (37)	87 (29)	102 (34)	300

Figures in parenthesis indicate percentages

With a view to ascertain the level of customer satisfaction with their present life insurance policy/s, six vital attributes or features of life insurance namely, risk coverage, partial withdrawal facility, multiple benefits from single policy, premium, regular returns or income and specific or special benefits like pension, child marriage, education etc. Were listed and respondents were asked to rate them in terms of importance they attach to the attributes and also the level of satisfaction they have on a rating scale of 1 to 5. With relation to importance of the attributes, 1 stands for 'not at all important', 2 stands for 'not very important', 3 stands for 'somewhat important', 4 stands for 'important' and 5 stands for 'extremely important' whereas, with relation to satisfaction level of the customers with the attributes, 1 stands for 'very dissatisfied', 2 stands for 'somewhat dissatisfied', 3 stands for 'neutral', 4 stands for 'somewhat satisfied' and 5 stands for 'very satisfied'. The presentations of the results are given below:

As understood from table 7, risk coverage, partial withdrawal facility and premium are considered to be most important attributes of any life insurance policy by the respondents with the highest mean of 5. Regular returns, with a mean of 4.94 are considered to be the next important attribute by the respondents. Multiple benefits from single policy, with a mean of 4.87 are also considered to be an important attribute, if not most. However, specific benefits like pension, marriage of children, education of children etc. is given least importance by the respondents with the lowest mean of 3.51.

Table 7
Importance of various attributes of life insurance to customers

Attributes	Responses			Mean of means
	Policy holders of LICI Mean	Policy holders of TATA - AIG Mean	Policy holders of ICICI Prudential Mean	
Risk coverage	5	5	5	5
Partial withdrawal facility	5	5	5	5
Multiple benefits from single policy	4.78	4.86	4.96	4.87
Premium	5	5	5	5
Regular returns/ income or money back	4.84	4.98	5	4.94
Specific or special benefits	3.55	3.34	3.64	3.51

Table 8 clearly depicts the satisfaction level of the respondents regarding these attributes. Highest satisfaction is expressed by the respondents in case of 'risk coverage' with the highest mean of 4.63 as is considered to be of highest importance. 'Partial withdrawal facility' and 'Premium', which is also considered to be of highest importance in the previous table (table 7), are however, having a mean of only 3.8 and 3.34. 'Regular returns' and 'multiple benefits from single policy' have received a mean of 3.3 and 3.16 respectively. Specific or special benefit has a mean of 2.88 which is lowest as in the previous table. The responses of table 8 indicate a low satisfaction level of the customers with relation to the attributes with only one having a

Table 8
Customer satisfaction with relation to attributes of life insurance

Attributes	Responses			Mean of means
	Policy holders of LICI Mean	Policy holders of TATA - AIG Mean	Policy holders of ICICI Prudential Mean	
Risk coverage	4.7	4.61	4.58	4.63
Partial withdrawal facility	4.82	3	3.58	3.8
Multiple benefits from single policy	3.53	2.88	3.08	3.16
Premium	3.14	3.6	3.28	3.34
Regular returns/ income or money back	3.55	3.01	3.34	3.3
Specific or special benefits	2.8	2.8	3.04	2.88

mean above 4.

GAP analysis focused on 'TOP BOX' with the above six attributes is done to find out the gap between percentage of customers rating the attributes as 'extremely important' and the percentage of customers who reported to be 'very satisfied' with these attributes. The analysis is done on three bases namely, on the basis of age group, on the basis of gender and on the basis of income group. Further, the analysis is done company wise and then on aggregate basis.

Life Insurance Corporation of India (LICI)

It is evident from table 9 that 'Risk coverage' is considered to be extremely important by customers of all the age groups of LICI. The customers of first two age groups are very satisfied

with the risk coverage of their policies but, as we move towards higher age group the gap between the customers who considered the factor as 'extremely important' and the customers who are 'very satisfied' increases.

'Partial withdrawal facility' is also considered to be 'extremely important' by 100% of the respondents across all age groups. First two groups did not respond about the level of satisfaction they have from this attribute whereas, 80% of the third age

Table: 9
Table representing various age groups of LICI's customers rating the attributes as 'extremely important', the relative percentage of customers who reported to be 'very satisfied' with these attributes and the GAP

Attributes	25- 35 years			35- 45 years			45- 55 years			Above 55 years		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100 (25)	100 (25)	0	100 (36)	100	0	100 (30)	80 (24)	20 (6)	100 (9)	44.44 (4)	55.55 (5)
Partial withdrawal facility	100 (25)	—	—	100 (36)	—	—	100 (30)	80 (24)	20 (6)	100 (9)	66.67 (6)	33.33 (3)
Multiple benefits from single policy	100 (25)	40 (10)	60 (15)	100 (36)	30.56 (11)	69.44 (25)	70 (21)	40 (12)	30 (9)	22.22 (2)	0	22.22 (2)
Premiums	100 (25)	52 (13)	48 (12)	100 (36)	50 (18)	50 (18)	100 (30)	40 (12)	60 (18)	100 (9)	0	100 (9)
Regular income	88 (22)	48 (12)	40 (9)	83.33 (30)	38.89 (14)	44.44 (16)	100 (30)	60 (18)	40 (12)	66.67 (5)	22.22 (2)	44.45 (3)
Specific or special benefits	20 (5)	20 (5)	0	13.89 (5)	2.78 (1)	11.11 (4)	40 (12)	10 (3)	30 (9)	100 (9)	11.11 (1)	88.89 (8)

Figures in parenthesis indicate number of respondents

group and 66.67% of the fourth age group expressed that they are 'very satisfied'.

'Multiple benefits from single policy' is considered to be 'extremely important' by 100% of the first two age groups but, 70% of the third age group and only 22.22% of the fourth age group considered it to be 'extremely important'. This is because of the reason that young aged people look for value addition in services more than old age people. There is a significant level of gap (60%) in the first age group i.e. people who rated this attribute as 'extremely important' and the people who are 'very satisfied'. The gap in the second age group

is 69.44%, third age group is 30% and fourth age group is 22.22%.

'Premium' being most important component of life insurance is considered as 'extremely important' by 100% of respondents across all age groups. However, only 52% of respondents in first age group, 50% of respondents in the second age group, 40% of respondents in the third age group and none of the respondents in the fourth age group are 'very satisfied' thereby, creating a gap of 48%, 50%, 60% and 100% in first, second, third and fourth age group respectively. It can be noticed that the gap increases with higher age group.

'Regular income' from the life insurance policy is considered to be 'extremely important' by 88% respondents of first age group, 83.33% of second age group, 100% of the third age group and 66.67% of the fourth age group. However, 48% of first age group, 38.89% of second age group, 60% of the third age group and 22.22% of the fourth age group are 'very satisfied' thereby, creating a gap of 40%, 44.44%, 40% and 44.45% in first, second, third and fourth age group respectively.

'Specific or special benefit' is considered as 'extremely important' by 20% of the first age group, 13.89% of the second age group, 40% of the third age group and 100% of the fourth age group. There is a gap of 11.11% in second age

group, 30% in third age group and 88.89% in fourth group.

Table 10 depicts that both 'risk coverage' and 'partial withdrawal facility' are considered to be 'extremely important' by 100% of male and female respondents of LICI. 89.55% of males and 90.91% females are 'very satisfied' with the risk coverage of their policies thus, the gap is insignificant. Also, 91.04% males and 90.91% females are 'very satisfied' with 'partial withdrawal facility' thus, making the gap insignificant in this case also.

82.09% of males and 87.89% of females considered 'multiple benefits from single policy' as 'extremely important' whereas, only 40.3% of males and 18.18% of females are found to be

Table: 10
Table representing male and female customers of LICI rating the attributes as 'extremely important', the relative percentage of customers who reported to be 'very satisfied' with these attributes and the GAP

Attributes	Male			Female		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100 (67)	89.55 (60)	10.45 (7)	100 (33)	90.91 (30)	9.09 (3)
Partial withdrawal facility	100 (67)	91.04 (61)	8.96 (6)	100 (33)	90.91 (30)	9.09 (3)
Multiple benefits from single policy	82.09 (55)	40.3 (27)	41.79 (28)	87.89 (29)	18.18 (6)	69.71 (23)
Premiums	100 (67)	50.75 (34)	49.25 (33)	100 (33)	27.27 (9)	72.73 (24)
Regular income	92.54 (62)	52.24 (35)	40.3 (27)	75.76 (25)	33.33 (11)	42.43 (14)
Specific or special benefits	32.84 (22)	13.43 (9)	19.41 (13)	27.27 (9)	3.03 (1)	24.24 (8)

Figures in parenthesis indicate number of respondents

'very satisfied'. Hence there is a gap of 41.79% and 69.71% among males and females respectively.

100% percent of males as well as females considered 'premium' as 'extremely important' whereas, only 50.75% of males and 27.27% of females are found to be 'very satisfied. Thus, a significant level of gap, 49.25% in males and 72.73% in females, exists in this case.

92.54% of males and 75.76% of females considered 'regular income' as 'extremely important' but, only 52.24% of males and 33.33% of females are found to be 'very satisfied'. Hence, there is a gap of 40.3% in males and 42.43% in females.

'Specific benefits' are considered as 'extremely important' by 32.84% of males and 27.27% of females and as 'very important' by 13.43% of males and 3.03% of females. The gap in this case is 19.41% among males and 24.24% among females.

Table 11 depicts that 'risk coverage' and 'partial withdrawal facility' are considered as 'extremely important' by all income groups. 85.71% of first income group, 91.49% of second income group, 91.67% of third income group and 83.33% of fourth income group are found to be 'very satisfied' with the 'risk coverage' of their life insurance policies and hence the gap is insignificant. With relation to 'partial withdrawal facility',

100% of first income group, 85.11% of second income group, 83.33% of third income group and 100% of the fourth income group are found to be 'very satisfied'. So, the gap in this case is also not significant.

Table: 11
Table representing various income groups of LICI's customers rating the attributes as 'extremely important', the relative percentage of customers who reported to be 'very satisfied' with these attributes and the GAP

Attributes	Below 2 Lakhs/ annum			2- 5 Lakhs/ annum			5- 10 Lakhs/ annum			Above 10 Lakhs/ annum		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100 (35)	85.71 (30)	14.29 (5)	100 (47)	91.49 (43)	8.51 (4)	100 (12)	91.67 (11)	8.33 (1)	100 (6)	83.33 (5)	16.67 (1)
Partial withdrawal facility	100 (35)	100 (35)	0	100 (47)	85.11 (40)	14.89 (7)	100 (12)	83.33 (10)	16.67 (2)	100 (6)	100 (6)	0
Multiple benefits from single policy	77.14 (27)	34.29 (12)	42.85 (15)	82.98 (39)	27.66 (13)	55.32 (26)	100 (12)	50 (6)	50 (6)	100 (6)	33.33 (2)	66.67 (4)
Premiums	100 (35)	45.71 (16)	54.29 (19)	100 (47)	42.55 (20)	57.45 (27)	100 (12)	41.67 (5)	58.33 (6)	100 (6)	33.33 (2)	66.67 (4)
Regular income	80 (28)	42.86 (15)	37.14 (13)	87.25 (41)	48.94 (23)	38.31 (18)	100 (12)	50 (6)	50 (6)	100 (6)	33.33 (2)	66.67 (4)
Specific or special benefits	28.57 (10)	5.71 (2)	22.86 (8)	34.04 (16)	12.77 (6)	21.27 (10)	41.67 (5)	16.67 (2)	25 (3)	0	0	0

Figures in parenthesis indicate number of respondents

'Multiple benefits from single policy' is considered to be 'extremely important' by 77.14% of the first income group, 82.98% of the second income group, 100% of the third and fourth income groups. However, significant gaps are observed in this case with only 34.29% 'very satisfied' in first income group, 27.66% in second income group, 50% in third income group and 33.33% in fourth income group.

'Premium' is again considered as 'extremely important' by 100% of the respondents across all income groups. However, only 45.71% of first income group, 42.55% of second income group, 41.67% of third income group and 33.33% of fourth income group are found to be 'very satisfied' thereby, depicting

significant gaps of 54.29%, 57.45%, 58.33% and 66.67% in first, second, third and fourth income groups respectively.

'Regular income' is considered as 'extremely important' 80% of the first income group, 87.25% of the second income group and 100% of the third and fourth income groups. However, again significant gaps are observed in this case with only 42.86% 'very satisfied' in first income group, 48.94% in second income group, 50% in third income group and 33.33% in fourth income group. This shows that more than half of the respondents are not completely satisfied this attribute who considers it as extremely important.

'Specific benefits' are again considered as 'extremely

important' by comparatively insignificant number of customers. 28.58% of first income group, 34.04% of second income group, 41.67% of third income group and none among the fourth income group considered it as 'extremely important'. However, the gap is significant with only 5.71% 'very satisfied' in first income group, 12.77% in second income group and 16.67% in third income group. This explains that though an insignificant portion of customers look for specific benefits but, their satisfaction level is low.

TATA AIG

It is clear from table 12 that 'Risk coverage' is considered to be 'extremely important' by customers of all the age groups of TATA AIG. 100% customers of first age group are 'very satisfied' with the risk coverage of their policies but, as we move towards higher age group the gap between the customers who considered the factor as 'extremely important' and the customers who are 'very satisfied' increases. Viz. in the second age group, the gap is only 7.69% but, in the third age group it is 50%.

'Partial withdrawal facility' is also considered to be 'extremely important' by 100% of the respondents across all age groups.

Table: 12
Table representing various age groups of TATA AIG's customers rating the attribut es as 'extremely important', the relative percentage of customers who reported to be 'very satisfied' with these attributes and the GAP

Attributes	25- 35 years			35- 45 years			45- 55 years			Above 55 years		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100 (30)	100 (30)	0	100 (52)	92.31 (48)	7.96 (4)	100 (18)	50 (9)	50 (9)			
Partial withdrawal facility	100 (30)	—	—	100 (52)	—	—	100 (18)	—	—			
Multiple benefits from single policy	80 (24)	20 (6)	60 (18)	100 (52)	13.46 (7)	86.54 (45)	77.78 (14)	11.11 (2)	66.67 (12)			
Premiums	100 (30)	83.33 (25)	16.67 (5)	100 (52)	53.85 (25)	46.15 (27)	100 (18)	11.11 (2)	88.89 (16)			
Regular income	100 (30)	26.67 (8)	73.33 (22)	100 (52)	11.54 (6)	88.46 (46)	88.89 (16)	44.44 (8)	44.45 (8)			
Specific or special benefits	20 (6)	20 (6)	0	23.08 (12)	15.38 (8)	7.7 (4)	33.33 (6)	33.35 (6)	0			

Figures in parenthesis indicate number of respondents

However, none of the respondents have expressed their level of satisfaction with this trait.

'Multiple benefits from single policy' is considered to be 'extremely important' by 80% of the first age group, 100% of the second age group and 77.78% of the third age group. There is a significant level of gap (60%) in the first age group i.e. people who rated this attribute as 'extremely important' and the people who are 'very satisfied'. The gap in the second age group is even higher to the extent of 86.54% and in the third age group is 66.67%.

The 'Premium' of life insurance is considered as 'extremely important' by 100% of respondents across all age groups. However, 83.33% of respondents in first age group, 53.85% of respondents in the second age group and only 11.11% of respondents in the third age group are 'very satisfied' thereby, creating a gap of 16.67%, 46.15% and 88.89% in first, second and third age group respectively. It can be noticed that the gap increases with higher age group.

'Regular income' from the life insurance policy is considered to be 'extremely important' by 100% respondents of first two age groups and 88.89% of the third age group. However, only 26.67% of first age group, 11.54% of second age group and 44.44% of the third age group are 'very satisfied' thereby, creating a gap of 73.33%, 88.46% and 44.45% in first, second and third age groups respectively.

'Specific or special benefit' is considered as 'extremely important' by 20% of the first age group, 23.08% of the second age group and 33.33% of the third age group. There is a gap of 7.7% in second age group only.

Table 13 depicts a clear picture of gender wise gap in case of respondents of TATA AIG. As before, 'risk coverage' and 'partial withdrawal facility' is considered as 'extremely important' by 100% of the respondents in both the categories. 86.67% of males and 88% of females are 'very satisfied' with the risk coverage of their individual policies and hence, there is an insignificant gap of 13.33% among males and 12% among females. With regard to 'partial withdrawal facility', none of the respondents have expressed their satisfaction levels.

'Multiple benefits from single policy' is considered to be 'extremely important' by 88% of male respondents of TATA

Table: 13
Table representing male and female customers of TATA AIG rating the attributes as 'extremely important', the relative percentage of customers who reported to be 'very satisfied' with these attributes and the GAP

Attributes	Male			Female		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100 (75)	86.67 (65)	13.33 (10)	100 (25)	88 (22)	12 (3)
Partial withdrawal facility	100 (75)	——	——	100 (25)	——	——
Multiple benefits from single policy	88 (66)	13.33 (10)	74.67 (56)	96 (24)	20 (5)	76 (19)
Premiums	100 (75)	54.67 (41)	45.33 (34)	100 (25)	56 (14)	44 (11)
Regular income	97.33 (73)	18.67 (14)	78.66 (59)	100 (25)	32 (8)	68 (17)
Specific or special benefits	28 (21)	22.67 (17)	5.33 (4)	12 (3)	12 (3)	0

Figures in parenthesis indicate number of respondents

AIG and 96% of female respondents. However, only 13.33% of males and 20% of females are found to be 'very satisfied with this attribute of their life insurance policies. Hence, the gap in this case is very significant (74.67% among males and 76% among females)

'Premium', as before is considered as 'extremely important' by

100% of respondents of both the categories. However, 54.67% of males and 56% of females are found to be 'very satisfied'. So, there is a significant gap of 45.33% among males and 44% among females.

97.33% of males and 100% of females considered 'regular income' as 'extremely important' but, only 18.67% of males

and 32% of females are found to be 'very satisfied' thereby, creating a very significant gap of 78.66% among males and 68% among females.

'Specific benefits', as in previous cases, are considered to be 'extremely important' by insignificant portion of respondents (28% of males and 12% of females). However, the gap in this case is also insignificant (5.33% among males and o% among females).

In case of TATA AIG, there are only three income groups

namely, below 2 Lakhs/ annum income, 2-5 Lakhs/ annum and 5-10 Lakhs/ annum. There are no respondents in the fourth income group (income above 10 Lakhs/ annum)

'Risk coverage' and 'partial withdrawal facility, are considered as 'extremely important' by 100% of respondents across all income groups. 100% respondents of the first income group, 86.67% of the second income group and 83.33% of the third income group is found to be highly satisfied with the risk coverage of their respective life insurance policies and thus, there is 0%, 13.33% and 16.67% among first, second and

Table: 14
Table representing various income groups of TA TA AIG's customers rating the attributes as 'extremely important', the relative percentage of customers who reported to be 'very satisfied' with these attributes and the GAP

Attributes	Below 2 Lakhs/ annum			2- 5 Lakhs/ annum			5- 10 Lakhs/ annum			Above 10 Lakhs/ annum		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100 (7)	100 (7)	0	100 (75)	86.67 (65)	13.33 (10)	100 (18)	83.33 (15)	16.67 (3)			
Partial withdrawal facility	100 (7)	____	__	100 (75)	—	—	100 (18)	—	—			
Multiple benefits from single policy	100 (7)	42.86 (3)	57.14 (4)	89.33 (67)	14.67 (11)	74.66 (56)	88.89 (16)	5.56 (1)	83.33 (15)			
Premiums	100 (7)	71.43 (5)	28.57 (2)	100 (75)	53.33 (40)	46.67 (35)	100 (18)	55.56 (10)	44.44 (8)			
Regular income	100 (7)	28.57 (2)	71.43 (5)	97.33 (73)	22.67 (17)	74.66 (56)	100 (18)	16.67 (3)	83.33 (15)			
Specific or special benefits	57.14 (4)	42.86 (3)	14.28 (1)	21.33 (16)	18.67 (14)	2.66 (2)	22.22 (4)	16.67 (3)	5.55 (1)			

Figures in parenthesis indicate number of respondents

third income groups respectively . None of the respondents have expressed their satisfaction level with the 'partial withdrawal facility'.

 'Multiple benefits from single policy' is considered to be

'extremely important' by 100% of the first income group, 89.33% of the second income group and 88.89% of the third income group. However, only 42.86%, 14.67% and 5.56% are found to be 'very satisfied' with this attribute. So, there is a

significant gap of 57.14, 74.66 and 83.33 among first, second and third income groups respectively.

'Premium' is considered to be 'extremely important' by 100% respondents of all income groups. However, 71.43% of first income group, 53.33% of second income group and 55.56% of third income group are found to be 'very satisfied' with this attribute. So, there is a gap of 28.57%, 46.67% and 44.44% among first, second and third income group.

100%, 97.33% and 100% respondents of first, second and third income groups reported that 'regular income' from their life insurance policies is 'extremely important'. Whereas, only, 28.57% in first income group, 22.67% in second income group and 16.67% in third income group are found to be 'very satisfied'. Hence, there is a very significant gap of 71.43%, 74.66% and 83.33% among first, second and third income groups respectively.

'Specific benefits' is again not considered to be 'extremely important' by significant proportion of the income groups and the gap in this case is also insignificant.

ICICI Prudential

It is transparent from table 15 that 'Risk coverage' is considered to be 'extremely important' by customers of all the age groups of ICICI Prudential. 100% customers of first age group are 'very satisfied' with the risk coverage of their policies but, like previous cases, as we move towards higher age group the gap between the customers who considered the factor as 'extremely important' and the customers who are 'very satisfied' increases. Viz. in the second age group, the gap is only 6.67% but, in the third and fourth age group it is 20.6% and 62.5% respectively.

'Partial withdrawal facility' is also considered to be 'extremely important' by 100% of the respondents across all age groups.

Table: 15
Table representing various age groups of ICICI Prudential's customers rating the attributes as 'extremely important', the relative percentage of customers who reported to be 'very satisfied' with these attributes and the GAP

Attributes	25- 35 years			35- 45 years			45- 55 years			Above 55 years		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100 (28)	100 (28)	0	100 (30)	93.33 (28)	6.67 (2)	100 (34)	79.41 (27)	20.6 (7)	100 (8)	37.5 (3)	62.5 (5)
Partial withdrawal facility	100 (28)	—	—	100 (30)	76.67 (23)	23.33 (7)	100 (34)	73.55 (25)	26.47 (9)	100 (8)	—	—
Multiple benefits from single policy	100 (28)	28.57 (8)	71.43 (20)	100 (30)	30 (9)	70 (21)	100 (34)	32.35 (11)	67.65 (23)	75 (6)	0	75 (6)
Premiums	100 (28)	78.57 (22)	21.43 (6)	100 (30)	66.67 (20)	33.33 (10)	100 (34)	44.18 (15)	55.82 (19)	100 (8)	0	100 (8)
Regular income	100 (28)	50 (14)	50 (14)	100 (30)	50 (15)	50 (15)	100 (34)	20.59 (7)	79.41 (27)	100 (8)	25 (2)	75 (6)
Specific or special benefits	35.71 (10)	17.86 (5)	17.85 (5)	13.33 (4)	6.67 (2)	6.66 (2)	11.76 (4)	8.82 (3)	2.94 (1)	62.5 (5)	25 (2)	37.5 (3)

Figures in parenthesis indicate number of respondents

However, none of the respondents of the first and fourth age groups have expressed their level of satisfaction with this trait. 76.67% of respondents in second age group and 73.55% of respondents in third age group are 'very satisfied'. So, there is a gap of 23.33% and 26.47% among second and third age groups respectively.

'Multiple benefits from single policy' is considered to be 'extremely important' by 100% of the first, second and third age groups and 75% of the fourth age group. There is a significant level of gap (71.43%) in the first age group i.e. people who rated this attribute as 'extremely important' and the people who are 'very satisfied'. The gap in the second age group is 70%, in the third age group is 67.65% and fourth age group is 75%.

The 'Premium' of life insurance is considered as 'extremely important' by 100% of respondents across all age groups. However, an increasing trend of gap is observed as we move towards higher age groups with 21.43% in the first age group, 33.33% in the second age group, 55.82% in third age group and 100% in the fourth age group.

'Regular income' from the life insurance policy is considered to be 'extremely important' by 100% respondents of all age groups. However, only 50% of the first age group, 50% of second age group, 20.59% of the third age group and 25% of the fourth age group are 'very satisfied' thereby, creating a gap of 50% in first two age groups, 79.41% and 75% in third and fourth age groups respectively.

'Specific or special benefit' is considered as 'extremely important' by 35.71% of the first age group, 13.33% of the second age group, 11.76% of the third age group and 62.5% of the fourth age group. The gaps in this case are mostly insignificant.

Table 16 depicts that both 'risk coverage' and 'partial withdrawal facility' are considered to be 'extremely important' by 100% of male and female respondents of ICICI Prudential. 96.97% of males and 64.71% females are 'very satisfied' with the risk coverage of their policies thus, the gap is insignificant in case of males but, significant in case of females. 45.45% males and 52.94% females are 'very satisfied' with 'partial withdrawal facility' thus, making the gap 54.55% and 47.06% in case of males and females.

98.48% of males and 97.06% of females considered 'multiple benefits from single policy' as 'extremely important' whereas, only 22.73% of males and 38.24% of females are found to be

Table: 16
Table representing male and female customers of ICICI Prudential rating the attributes as 'extremely important', the relative percentage of customers who reported to be 'very satisfied' with these attributes and the GAP

Attributes	Male			Female		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100 (66)	96.97 (64)	3.03 (2)	100 (34)	64.71 (22)	35.29 (12)
Partial withdrawal facility	100 (66)	45.45 (30)	54.55 (36)	100 (34)	52.94 (18)	47.06 (16)
Multiple benefits from single policy	98.48 (65)	22.73 (15)	75.75 (50)	97.06 (33)	38.24 (13)	58.82 (20)
Premiums	100 (66)	54.55 (36)	45.45 (30)	100 (34)	61.76 (21)	38.24 (33)
Regular income	100 (66)	36.36 (24)	63.64 (42)	100 (34)	41.18 (14)	58.82 (20)
Specific or special benefits	27.27 (18)	10.61 (7)	16.66 (11)	14.71 (5)	14.71 (5)	0

Figures in parenthesis indicate number of respondents

'very satisfied'. Hence there is a gap of 75.75% and 58.82% among males and females respectively.

As in case of previous two companies, 100% percent of males as well as females considered 'premium' as 'extremely important' whereas, only 54.55% of males and 61.76% of

females are found to be 'very satisfied'. Thus, a significant level of gap, 45.45% in males and 38.24% in females, exists in this case.

100% of males as well as females considered 'regular income' as 'extremely important' but, only 36.36% of males and 41.18%

of females are found to be 'very satisfied'. Hence, there is a gap of 63.64% in males and 58.82% in females.

'Specific benefits' are considered as 'extremely important' by 27.27% of males and 14.71% of females and as 'very important' by 10.61% of males and 14.71% of females. The gap in this case is insignificant.

Table 17 depicts that 'risk coverage' and 'partial withdrawal facility' are considered as 'extremely important' by all income groups. 78.13% of first income group, 90.91% of second income group, 81.82% of third income group and 100% of fourth income group are found to be 'very satisfied' with the 'risk coverage' of their life insurance policies and hence the gap is insignificant. However, with relation to 'partial withdrawal facility', only 59.38% of first income group, 43.64% of second income group, 45.45% of third income group and 0% of the fourth income group are found to be 'very satisfied'. So, the gap in this case is very significant.

'Multiple benefits from single policy' is considered to be

Table: 17
Table representing various income groups of ICICI Prudential's customers rating the attributes as 'extremely important', the relative percentage of customers who reported to be 'very satisfied' with these attributes and the GAP

Attributes	Below 2 Lakhs/ annum			2- 5 Lakhs/ annum			5- 10 Lakhs/ annum			Above 10 Lakhs/ annum		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100 (32)	78.13 (25)	21.87 (7)	100 (55)	90.91 (50)	9.09 (5)	100 (11)	81.82 (9)	18.18 (2)	100 (2)	100 (2)	0
Partial withdrawal facility	100 (32)	59.38 (19)	40.62 (13)	100 (55)	43.64 (24)	56.36 (31)	100 (11)	45.45 (5)	54.55 (6)	100 (2)	0	100 (2)
Multiple benefits from single policy	96.88 (31)	50 (16)	46.88 (15)	98.18 (54)	21.82 (12)	76.36 (42)	100 (11)	0	100 (11)	100 (2)	0	100 (2)
Premiums	100 (32)	43.75 (14)	56.25 (18)	100 (55)	65.45 (36)	34.55 (19)	100 (11)	45.45 (5)	54.55 (6)	100 (2)	100 (2)	0
Regular income	100 (32)	43.75 (14)	56.25 (18)	100 (55)	38.18 (21)	61.82 (34)	100 (11)	27.27 (3)	72.73 (8)	100 (2)	0	100 (2)
Specific or special benefits	21.88 (7)	15.63 (5)	6.25 (2)	21.82 (12)	10.91 (6)	10.91 (6)	27.27 (3)	9.09 (1)	18.18 (2)	50 (1)	0	50 (1)

Figures in parenthesis indicate number of respondents

'extremely important' by 96.88% of the first income group, 98.18% of the second income group, 100% of the third and fourth income groups. However, significant gaps are observed in this case with only 50% 'very satisfied' in first income group, 21.82% in second income group, 0% in third and fourth income group.

'Premium' is again considered as 'extremely important' by 100% of the respondents across all income groups. However, only 43.75% of first income group, 65.45% of second income group and 45.45% of third income group are found to be 'very

satisfied' barring the fourth income group where 100% are 'very satisfied' thereby, depicting significant gaps of 56.25%, 34.55% and 54.55% in first, second and third income groups respectively.

'Regular income' is considered as 'extremely important' 100% of all the income groups. However, highly significant gaps are observed in this case with only 43.75% 'very satisfied' in first income group, 38.18% in second income group, 27.27% in third income group and 0% in fourth income group. This shows that significant proportion of the respondents are not completely satisfied this attribute who considers it as 'extremely important'.

'Specific benefits' are again considered as 'extremely important' by comparatively insignificant number of customers. 21.88% of first income group, 21.82% of second income group, 27.27% of third income group and 50% of the fourth income group considered it as 'extremely important'. The gap is insignificant in most of the cases with only 6.25%

in case of first income group, 10.91% in case of second income group and 18.18% in case of third income group.

Finally, from the above analysis, mean gap is calculated age wise, gender wise and income wise. The tabular presentation is exhibited below:

The mean value tables clearly depicts that the 'risk coverage' is considered to be 'extremely important' by all respondents across various age groups, genders and income groups. The satisfaction level decreases with the increase in age of the respondents. This is because of the very fact that 'risk coverage' attribute of life insurance decreases with the increase in age. So, the gap is significant in higher age groups. With relation to gender, it is observed that gap among the males are marginal (8.94%) and females are more (18.79%). Among the income groups, the gap is highest in case of last group with highest income (38.89%) whereas, others are insignificant.

'Partial withdrawal facility' like 'risk coverage' is considered as

Table: 18
Age wise Mean GAP

Attributes	25- 35 years			35- 45 years			45- 55 years			Above 55 years		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100	100	0	100	95.21	4.79	100	69.80	30.2	100	40.97	59.03
Partial withdrawal facility	100	—	—	100	25.56	74.44	100	51.18	48.82	100	22.22	77.78
Multiple benefits from single policy	93.33	29.53	63.8	100	24.67	75.33	82.59	27.82	54.77	48.61	0	48.61
Premiums	100	71.3	28.7	100	56.84	43.16	100	31.76	68.24	100	0	100
Regular income	96	41.56	54.44	94.44	33.48	60.96	96.3	41.68	54.62	55.56	15.74	39.82
Specific or special benefits	25.24	19.29	5.95	16.77	8.28	8.49	28.36	17.38	10.98	54.17	12.04	42.13

Table: 19
Gender wise Mean GAP

Attributes	Male			Female		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100	91.06	8.94	100	81.21	18.79
Partial withdrawal facility	100	45.50	54.5	100	47.95	52.05
Multiple benefits from single policy	89.52	25.45	64.07	93.65	25.47	68.18
Premiums	100	53.32	46.68	100	48.34	51.66
Regular income	96.62	35.76	60.86	91.92	35.5	56.42
Specific or special benefits	29.37	15.57	13.8	17.99	9.91	8.08

Table: 20
Income wise Mean GAP

Attributes	Below 2 Lakhs/ annum			2- 5 Lakhs/ annum			5- 10 Lakhs/ annum			Above 10 Lakhs/ annum		
	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP	Extremely Important (%)	Very Satisfied (%)	GAP
Risk Coverage	100	87.95	12.05	100	89.69	10.31	100	85.61	14.39	100	61.11	38.89
Partial withdrawal facility	100	53.13	46.87	100	42.92	57.08	100	42.93	57.07	100	33.33	66.67
Multiple benefits from single policy	91.34	42.38	48.96	90.16	21.38	68.78	96.3	18.52	77.78	100	16.67	83.33
Premiums	100	53.63	46.37	100	53.78	46.22	100	47.56	52.44	100	66.67	33.33
Regular income	93.33	38.39	54.94	94.86	36.60	58.26	100	31.31	68.69	100	16.67	83.33
Specific or special benefits	35.86	21.4	14.46	25.73	14.12	11.61	30.39	14.14	16.25	16.67	0	16.67

'extremely important' by 100% of respondents across various age groups, genders and income groups. The first age group is silent about their satisfaction level related to this attribute however, the gap is significant among second age group (74.44%), third (48.82%) and fourth age group (77.78%). The gap is observed to be significant gender wise with 54.5% gap among males and 52.05% among females. With relation to income groups, the gap is found to be consistent and significant with 46.87%, 57.08%, 57.07% and 66.67% among first, second, third and fourth income groups.

'Multiple benefits from single policy' is considered to be 'extremely important' by first three age groups barring fourth group where 48.61% of respondents only considers it as 'extremely important'. The gap in this case is significant with 63.8%, 75.33%, 54.77% and 48.61% among first, second, third and fourth age groups. Gender wise also it is considered to be 'extremely important' and the gap is significant (64.07%, 68.18% among males and females respectively). 91.34%, 90.16%, 96.30% and 100% of first, second, third and fourth income groups considered it to be 'extremely important' whereas, only 42.38%, 21.38%, 18.52% and 16.67% are found to be 'very satisfied' thereby, showing a very significant gap of 48.96%, 68.78%, 77.78% and 83.33% among first, second, third and fourth income groups.

'Premium' as the most important component of life insurance is considered to be 'extremely important' by all respondents across various age groups, genders and income groups. The gap increases with the increase in age with 28.7%, 43.16%, 68.24% and 100% in first, second, third and fourth income groups respectively. The gap are significant in case of gender too, 46.68% among males and 51.66% among females. The gap in first income group is 46.37%, second income group is 46.22%, third income group is 52.44% and fourth income group is 33.33%.

96%, 94.44%, 96.3% and 55.56% of first, second, third and fourth income groups considered 'regular income' as 'extremely important' but, only 41.56%, 33.48%, 41.68% and 15.74% are found to be 'very satisfied' thereby, showing significant gaps of 54.44%, 60.96%, 54.62% and 39.82% respectively. 60.86% gap is observed in case of males and 56.42% in case of females. All income groups have considered it as 'extremely important' whereas, significant gaps are observed (54.94%, 58.26%, 68.69% and 83.33%).

'Specific benefits' child education, marriage etc. are considered to be 'extremely important' by comparatively less proportion of respondents but, the gap is significant. Viz. 54.17% of fourth age group considered it as 'extremely important' and only 12.04% are 'very satisfied' and hence, there is a gap of 42.13%.

Conclusion:

It is clearly evident from the study that the satisfaction level of customers with various attributes of life insurance is low. There is ample scope of innovation and creativity to explore the vast untapped market of life insurance and also to satisfy customers.

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