



Work Culture, Management and Operational Strategy of Life Insurance Companies in India: A Sociological Study in Odisha.

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Abstract: The glory of technological revolution is the story of human civilization. At the same time, in the new economic reality of globalization; insurance companies face many challenges in a dynamic global business environment. Radical changes are taking place owing to the internationalization of activities, the occurring of various risks and the type of covers to match with those risks, growth rates in developed markets, changes customer needs, and the uncertain economic conditions in the developing world exerts pressure on the insurers; The existing insurers are facing difficulties from nontraditional competitors that are entering the retail market with new approaches and through new channels. The basic premise of globalization is opening up of new service markets to provide the developing countries with new opportunities for the expansion of trade and economic growth. This Paper is an attempt to show case various aspects of operational Strategies or Strategic Position of Life Insurance Companies in India, which is well defined by observing the Sociological Study of Life Insurance Companies in Odisha.

Key Words: Technological revolution, Human civilization, Internationalization, Globalization, Operational Strategies.

I. INTRODUCTION:

Financial risk management is a new conceptual framework that views financial protection as a set of measures that support individuals and households to manage financial risks. It includes three strategies to deal with risk (prevention, mitigation and coping), three levels of formality of risk management (informal, market-based and public) and many actors (individuals, households, communities, NGOs, governments at various levels and international organizations) against the background of asymmetric information and different types of risk. This view of social protection emphasises the double role of risk management instruments—protecting basic livelihood as well as promoting risk taking. In most developed countries, governments provide financial benefits to citizens who are eligible on grounds of unemployment, sickness, old age, disability etc through government-aided social security programmes. The situation in developing countries like India is very different. Here, unemployment insurance is unheard of and state pension barely covers a small fraction of the Indian public. Healthcare is often thinly

or sporadically provided; education is typically limited to primary school, and assistance to the infirm and disabled is usually negligible. The sheer size of population and the acute resource constraints make it difficult for governments to provide robust social security programmes. Since India is the largest democracy in the world with enormous socio-economic and cultural diversity, the limited capacity of some households to protect themselves against contingencies (that threaten to lower their living standards) tends to be the primary factor that determines their levels of investments, their ability to take advantage of economic and social opportunities for their financial advancement. There is not much awareness about the need for financial protection, and most life insurance policies are regarded as a tax-saving tool or even a pure investment. Only a minuscule percentage of the population, particularly salary earners and businessmen, own life insurance. There is a large segment of people including businessmen, professionals, farmers, artisans and others who remain “financially unprotected” and outside the purview of any form of financial protection. Even those who own life insurance policies are generally under-protected. In the backdrop of these harsh realities, how financially secure are Indians? How many Indians can cope up with a financial disaster and sustain themselves for a year through their current savings? How many Indian families are at a financial risk if they lose their primary breadwinner? Unfortunately, no systematic and comprehensive empirical assessment of such efforts has been made in the Indian context.

II. WORK CULTURE AND MANAGEMENT:

Life insurance customers are facing major challenge during recession and frequent regulatory changes; their hardcore invested money is in danger during the financial crunch. To meet unforeseen situation in the life insurance Industry, most life insurance companies owe their initial success to a unique strategic proposition involving certain standard of customer needs, customer accessibility, variety of a company’s products and services with clear trade-offs. Activities once were aligned with that position, with the passage of time and pressures of growth, however, led to compromises that

were, at first, almost imperceptible. Through a succession of incremental changes that each seemed sensible at the time; many established life insurance companies have compromised their way to homogeneity with their rivals. The issue here is not with the life insurance companies whose historical proposition no longer viable; their challenge is to start over, just as a new entrant would and market condition get slow down, the competition become so high. In that situation, established life Insurance Company achieving mediocre returns and lacking a clear cut strategy through incremental additions of product varieties, incremental efforts to serve new customer groups and emulation of rivals' activities, the existing life Insurance Company loses its clear competitive position. Typically, the life insurance company has matched and copied many of its competitor's offerings and practices and attempts to sell to the same customer groups. This may create threat for company's sustainable advantage and its strategic position in long run.

Ever since the opening up of the insurance sector to the private and foreign players, the life insurance industry in India is experiencing aggressive strategic and innovative marketing practices for a larger market and opportunity share by concentrating to develop their capabilities of access-based penetration and distribution. Distribution channels have changed the way life insurance is being marketed. Apart from the well established agency channel, the players have been exploring alternative channels viz. bancassurance, corporate agencies, brokers, rural channels, direct and online marketing etc. Though the alternative channels may not be in position to completely replace the personal selling based channels yet they offer an effective reach at reduced cost. The research work attempts to understand the practices of life insurers regarding their leveraging the strengths of multiple channels. It examines the relative significance of personal selling based channels, evaluates the efficacy of newly emerging alternative channels, and separate rural distribution channels and traces the paradigm shift towards the hybrid channel strategy in Indian life insurance industry.

In India, Government of India and lots of insurance companies in India came up with great new life insurance policies and plans to cater everybody in every segment. When choosing life insurance in India, one should read the documents carefully for the terms and conditions along with the benefits available in the policy. Life Insurance Companies in India, the capital intensive business, provides the most important financial instrument to customers aimed at protection as well as long term savings. The Company reaches out to the people through the main traditional route of the agency model for the selling processes of the numerous complex need-based products. The agents help in marketing its policies by spreading the message of life insurance among the masses. They serve as the kingpin for life insurance customers seeking to provide traditional and Innovative products, and focal point for

customers seeking to procure insurance coverage and long term savings. The present research work investigates the factors influencing for Re-discovering of strategic position of Life insurance companies in India, its implication in the Indian society. Sales personnel by providing enough information to the customers, enables them in forming their assessment about the products or services, which ultimately becomes customer value. Customer satisfaction and acumen orientation significantly influence the future business opportunities and if the salespersons are able to foster their relationships with the clients, clients will be more satisfied and more willing to trust, and thus secure the long term demand for the services (Tam and Wong, 2001). According to Crosby et al. (1990) the lack of concreteness of many services of which insurance is one, increases the value of the persons responsible for delivering them. Putting the customer first, and, exhibiting trust and integrity have been found essential in selling insurance (Slattery, 1989). In marketing life insurance, insurance agents are often considered to be marketing complex services (Nik Kamariah, 1995). Insurance sales agents fully understand the customers' needs and requirements as well as build a trusting relationship between themselves and their clients to promote long-term mutually beneficial relationship (Crosby et al., 1990). The agent has to deal with the dilemma between making sales (self interest) and providing service (customer benefit) (Oakes, 1990). Customers are, therefore, likely to place a high value on their agent's integrity and advice (Zeithaml et al., 1993). Insurance agents who sell policies are not employees of the insurance companies. Rather, they work on a commission basis and thus are motivated by the volume of sales made (Annuar, 2004). This is because; insurance agents are involved in long-term commitment and a continual stream of interaction between buyer and seller. After the sale, agents also provide follow-up service and help customers make policy changes in response to changing needs (Noor and Muhamad, 2005). The company – agent link is stronger than the agent – company link, which in turn, is stronger than the customer – company link. Customer loyalty depends on how strong the agents' link with the customer is (Balachandran, 2004). Agents are the indeed ambassadors and the backbone of the insurance industry (Malliga, 2000). Life Insurance Companies of India (LICs), the capital intensive business, provides the most important financial instrument to customers aimed at protection as well as long term savings. The Corporation reaches out to the people through the main traditional route of the agency model for the selling processes of the numerous complex need-based products. The gigantic Superstructure that Life insurance companies have evolved into over the years is in fact built on the singular efforts of the salesperson, the primary contact point of the customers who motivates and persuades them to buy an insurance product. Such a salesperson, a sole player must display highest degree of integrity and ethics to foster a trusting relationship with his clients

who would be more than satisfied and willing to be buyers. At present, except private players, only LIC has around 2.70 million agents and they represent more than 60 percent of the life insurance business (www.licindia.com,) Lepaud, 2008). They concentrate their efforts on seeking out new clients and maintaining relationships with the old ones. If policy holders experience a loss, agents help them to settle their insurance claims. Clearly, the pyramid of Life insurance companies squarely rests on the back of the agents who craft the selling processes to focus more on the needs of his clients – education, home loans, marriage provisions, maximization of wealth, saving for future etc. The traditional market place has given way to dynamic new age professionalism and the Life insurance companies' product basket had in it a variety of products catering to the needs of the different stages of life and appropriate to the risk appetite. However, the kingpin is the primary contact person – the agent. If agents are satisfied with the services or facilities provided by Life insurance companies or even with the environment prevailing in the organization, they can be able to provide efficient services to the customers and help in Companies' success. Hence, in this research work, an attempt has been made to assess the factors influencing agents' perception, in relation to price, promotion, and place towards Life insurance companies' in India.

Operational Strategy: The liberalization of Indian economy ushered in an era of competitive marketing leading to the radical changes in the entire gamut of products and services. The service sector, hitherto limited in nature and scope, changed into an aggressive mode appropriating the front stage touching almost every sphere of human activity, viz., banking, insurance, information technology, welfare etc. and accounted for approximately two-thirds of worldwide GNP right from the beginning of the twenty first century (Kara et al., 2005). Delivering quality service is considered an essential strategy for success and survival in today's competitive environment (Dawkins and Reichheld, 1990; Parasuraman et al., 1985; Reichheld and Sasser 1990; Zeithaml et al., 1990). In the literature, the construct of quality is conceptualized based on perceived service quality (Hishamuddin et al., 2008). Perceived service quality is defined as „global judgment, or attitude, relating to the superiority of the service" (Parasuraman et al., 1988). In the huge service sector, insurance sector is one of the most important entities which has been growing relatively fast in India. At present there are twenty three players in the Indian life insurance industry out of which Life Insurance Corporation is one of the leading public companies, holds largest number of policies in the world to suit different financial requirement of an individual. With a greater choice and an increasing awareness, there is a continuous increase in the customers' expectations and they demand better quality service. Therefore, to sustain in the market, service quality becomes a most critical component of competitiveness for Life Insurance Companies of India. Although, by providing quality

services to its customers, the Corporation can differentiate itself from other service firms and will able to improve its profitability. The purpose of the present study is to measure customers' perception towards service quality, a part of strategic position of Life Insurance Companies of India by applying a framework developed by Sureshchandar et al. (2001). Moreover, the study also identifies the relationship between each of generated strategic position dimensions and customers overall evaluation of operational strategy in India. Liberalization of the financial services sector has led to life insurance companies functioning increasingly under competitive pressures; so life insurance companies are consequently directing their strategies towards increasing customer satisfaction and loyalty through improved operational strategies like quality customer service, increasing productivity, superior product offerings and so on. This research strives to develop a valid and reliable instrument to measure customer perceived service quality for young policy holders in life-insurance sector. The resulting validated instrument comprised of six dimensions: assurance, personalized financial planning, competence, corporate image, tangibles and technology. Further the results of analytical hierarchy process highlighted the priority areas of service instrument with assurance is the best predictor, followed by competence and personalized financial planning. With the liberalization and internationalization in life insurance industry, customer satisfaction through superior service quality which is an important ingredient of strategic position of life insurance companies has become an important means of differentiation and path to achieve business success in India. Such differentiation based on service quality can be a key source of competitiveness for life insurance companies and hence have implication for leadership in such organizations. With the increasing demands of customer, life insurance sector has become competitive. The one for all or all for one syndrome is being given a go- by. Customers are becoming increasingly aware of their expectations, and demand higher standards of services, as technology is enabling them to make comparisons quickly and accurately. Their perceptions and expectations are continually evolving, making it difficult for service providers to measure and manage services effectively. The trend of life insurance companies is shifting from a product-focused view to a customer-focused one has been developing recently as life insurance products become increasingly hard to differentiate in fiercely competitive markets. Life Insurance companies in India are consequently directing their strategies towards increasing customer satisfaction and loyalty through improved service quality. It is becoming desirable for life insurance companies to develop a customer centric approach for future survival and growth. The awareness has already dawned that prompt, efficient and speedy service alone will tempt the existing customers to continue and induce younger generation customers to try the services of the company. In the life insurance sector, most of the companies have

equivalent offerings. Service marketers have realized. Over past few years that competition can be well managed through quality. Thus right strategic position or operational strategy is imperative to achieve competitive advantage in contemporary life insurance industry. Poor strategic position places a firm at a competitive disadvantage. Strategic position offers a way of achieving success among competing services, particularly in case of firms that offer nearly identical services, such as life insurance, where establishing service quality may be the only way of differentiating oneself. Such differentiation can yield a higher proportion of consumer's choices, and hence mean the difference between financial success and failure.

Life Insurance Marketing is one of the most strenuous jobs for those who are involved in the insurance marketing. It is because of the everlasting conflict between the life insurance companies which want to profit the most and the life insured person who wants to get as much compensation as possible from the life insurance company. Commissions for the Life Insurance companies are very high and they seldom make profits out of the policies. Also the insurance policy needs to be transparent so that the potential customer understands it totally and should not feel that they have been treated unfairly by the insurance company. The Life insurance companies were paid very little premiums by young children or healthy people and thus the scope for profit was very small and those who paid high rates of premium were the older beings who died and the Life insurance companies compensate for that.

However, nowadays the Life insurance premiums are almost the same for a young adult and an old person who just had a major operation. In the Life Insurance Marketing Companies already deals with this type of a scenario, what one can do is to change the public perception about the Life insurance companies. One can connect himself or herself with companies whose workers need a plan for Life Insurance. One can also go to crowded places and advertise for the Life insurance Company. The Life Insurance Companies prefer to go for Group Life Insurance for a group of people from a particular company or a family so that they get a group of customers and even if they compensate for some of them for various reasons they usually make it up with other's premiums. They also get less paper to control and also they provide better facilities for their clients. So to promote this type of policy they need to have social and industrial connections.

Life Insurance market helps developing that even for other policies like term life insurance and permanent life insurance one needs to be aware of making people realize the profits of the policy by various means provided by marketing agencies. So before going for a Life Insurance Marketing one actually needs to know the market target and the desires of the people who are actually seen as potential insurance customers. The confusion about the way a Life Insurance Marketing conductor can draw the

potential Insurance holder's attention evaporates fast if he knows his targets and aims clearly. So, it is important to conduct a sound survey and then attract people.

III. LIFE INSURANCE MARKETING STRATEGIES:

A very common way to promote a Life insurance company through Life Insurance Marketing is to make the name of the company familiar to others by means of television commercials, handing out pamphlets, hanging banners in populated areas and by providing exciting offers. Telephone marketing is another way of Life Insurance Marketing. One can see the telephone companies send messages about various offers and they even make phone calls. Web Insurance Marketing is another good strategy to promote insurance policies. The pop ups that one sees while using Internet are actually a very effective way of sending messages across the potential insurance customers. One should listen to the existing Life Insurance Policy Holders as well as the potential Life insurance policy holders and listen to what people who actually matters have to say. One common problem that the insured persons face is that the insurance companies do not inform its clients about the hike in the premium rates. These things should be kept in mind. Not only that, a client should be informed about everything related to his policy and the Life insurance company should keep the transparency as much as possible. Community Life Insurance Marketing is another different way to get promotion and a high recognition for the Life Insurance Company. Eminent workers join local community institutions, such as Chamber of Commerce, and by signing up there one can help out various projects that take place. These kinds of activities and social works on behalf of the Life insurance company helps the company to get free publicity as their names are published in news paper and in media also. Doing charity works also helps the Life insurance companies to come across various people who act as volunteers and can act as their potential Life insurance clients. People also like to deal with likeminded people and companies and this is how many deals are made. A Life Insurance Company should not charge different Life insurance client different charges for the same policy. This kind of policy gives the Life insurance policy holders the feeling that they are being treated unfairly and also that the Life insurance companies are only looking for profits and not the betterment of customer welfare. When a Life insurance claim is filed, especially for a very big hefty amount, the Life insurance Company should help out the policy holder in processing out the paperwork. One should not let bureaucracy enter and make it so difficult for the one making the claim so that he gives his claim. This has always been a common tactic on the insurance company's part to avoid paying claims claimed by the policy holder. This though makes a short term profit for the company but it hurts in the long run as the reputation of the company is hampered severely. People in this Life insurance industry should always try to keep in constant

contact with the existing customers as well. The competition in the insurance market is so fierce today that no company wants to lose out on a customer to another company. Clients who are not contacted for a longer period of time normally fail to remain loyal to the insurance company and look for a different Life insurance company. The company can keep the records of the client's birthday and days like anniversary and send him or her small tokens of love or loyalty at a regular basis. If the company can afford a little more it can send dinner coupons to the Life insurance policy holder. These things play a major role and can be considered as an effective Life Insurance Marketing strategy. May be the most crucial thing in insurance marketing is to always speak about unity and honesty while dealing with a business. A Life Insurance Holder can find so many frauds in various life insurance companies today, that life insurance customers are going for products and services which are trustworthy to them. Feeling safe is about insurances and other things are most important as far as the insurance holder is concerned. So, if a company remains loyal to its customers it will itself do Life Insurance Marketing for itself. So, only by remaining loyal to its customers the company can do a world of good to its reputation and this would in itself bring more potential Life Insurance Holders to the company, because the customers prefer safety more than anything else these days. Essentially life insurance provides financial protection to your family and dependents in the event of any unforeseen event or your untimely death. To cover you under a life insurance policy, an insurance company will charge you a certain sum of money (called the premium) periodically. The premium paid helps cover the risk that the life insurance company takes by insuring your life and in turn entitles your family to receive a fixed lump sum. The premium you pay depends on a variety of factors including age, health and the amount of life cover you want to name a few. However, premiums are typically lower for younger, healthier people, so starting early is always beneficial for you. There two major categories under which all life insurance plans can be categorized. These categories are as follows:

Traditional life insurance plans - Traditional life insurance plans make sure that the investments made by the policy holders are not exposed to equities. They are also called as non-unit linked insurance plans. Such plans are suited for customers looking for pure risk protection. These insurance plans are also suitable for those who are totally risk averse and want complete safety of their investments.

Unit Linked Insurance plans (ULIPs) - ULIPs, as the name suggests, allows for the investments made by the policyholders to get exposed to equities. They may also be called as market linked life insurance plans. ULIPs are suited for customers who aim for wealth creation over a long term. The level of equity exposure can be as per your risk appetite thus making ULIPs highly

flexible. Life Insurance is required because of the following factors -

Life Insurance takes care of those who are financially dependent on you even when you are not around to look after them. Retirement planning requires wise investments during your working life in order to live comfortably during retirement. A good retirement plan takes care of your retirement, as there is no guarantee of a consistent income post retirement. The expenses you may incur in future will keep increasing due to inflation, thus even a fluctuation in your income may lead to a compromised lifestyle, Limited access to information and the time constraints you have may lead to inefficient management of your investments resulting in grim returns. Savings plan enables individuals to secure their financial future by helping you to get attractive returns. Your limited appetite to take risk may hinder you from parking your savings into pure equity options.

Overall strategic position of life insurance Companies in India: Distribution - the key differentiator: It has been two years since the Indian life insurance market has opened up, and the new entrants into the market have set up shop in every major city. The public sector companies have already established themselves in the market. But there are multiple challenges faced by these life insurance companies, of which two are critical: Designing of products suiting the market and Using the right distribution channel to reach the customer. While the companies have been quite successful in dealing with the first of these challenges using the existing product features and leveraging the technical know-how of their partners, most are still grappling with the right channel mix for reaching potential customers.

This research work discusses the distribution channels part of strategic position of the life insurance companies from the perspective of the socio-cultural ethos of the market and how these channels fit into it, along with where the various companies face challenges and bottlenecks. Whenever any debate arises about the intermediaries and distribution channels, the discussion veers to technology and its impact on distribution. However, the authors believe that the basic existential problems being faced by the channels in this market needs to be looked into first, and then the question of enablers - technology, tools, training, learning etc. -- is to be taken up.

Challenging Scenario demanding role transformation of intermediaries in Life Insurance Company: Life Insurance has to be sold the world over, and the Asian Market is no exception. The touch point with the ultimate customer is the distributor or the producer (as they are known in certain markets), and the role played by them in life insurance markets is critical. It is the distributor who is makes the difference in terms of the quality of advice for choice of product, servicing of policy post sale and settlement of claims. In the Asian markets, with their distinct cultural and social ethos,

these conditions will play a major role in shaping the distribution channels and their effectiveness. In today's scenario, life insurance companies must move from selling insurance to marketing an essential financial product. The distributors have to become trusted financial advisors for the clients and trusted business associates for the insurance companies. This calls for leveraging multiple distribution channels in a cost effective and customer friendly manner. For example, in the developed markets producers (brokers and agents) form the major channels of distribution, while the web as a complementary channel is catching up slowly. According to a Forrester survey, 88% of the Life insurance executives responding identified agents as the primary channel of distribution. The distinction of channels in the developed markets is: personal distribution systems and direct response systems.

Personal distribution systems include all channels like agencies of different models and brokerages, bancassurance, and work site marketing.

Direct response distribution systems are the method whereby the client purchases the insurance directly. This segment, which utilizes various media such as the Internet, telemarketing, direct mail, call centers, etc., is just beginning to grow.

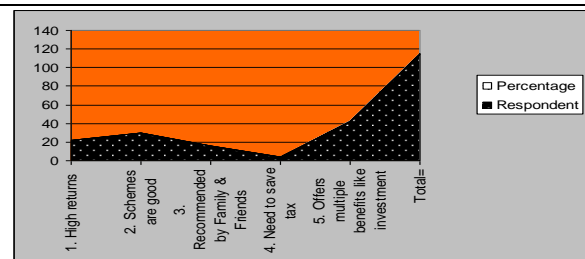
Distribution Scenario in the Indian market: In today's Indian life insurance market, the challenge to insurers and intermediaries is two-pronged: Building faith about the company in the mind of the client and Intermediaries being able to build personal credibility with the clients. Traditionally tied agents have been the primary channels for life insurance distribution in the Indian market; the public sector life insurance companies have their branches in almost all parts of the country and have attracted local people to become their agents. The agents are from various segments in society and collectively cover the entire spectrum of society. A person who has lived in the locality for many years sells the products of the insurance company with a local branch nearby. This ensures the last mile touch point being closer to the customer. Of course, the profile of the people who acted as life insurance agents suggests they may not have been sufficiently knowledgeable about the different products offered, and may not have sold the best possible life insurance product to the client. Nonetheless, the life insurance customer trusted the life insurance agent and company. This arrangement worked adequately in the absence of competition. In today's scenario life insurance agents continue as the prime channel for life insurance distribution in India, as is the case in most markets, supported by call centers to a small extent. Almost all the new players follow this model primarily because the regulations for other channels are yet to be put in place. However there is great excitement in the industry over the impending broker regulations, and life insurance companies are planning possible channels in their enthusiasm to increase volumes. The belief that all these channels will grow and seamlessly integrate to bring in business

seems a fallacy. What has emerged is a much more difficult and evolving life insurance market scene with existing players, more new players coming in, and global marketing practices and ideas being tested. But none of this has changed the fundamental character of the market that is correct strategic position of life insurance companies in India, which we believe will take more time than expected.

The present research tried to understand the strategic position of life insurance companies and its valued stakeholder by using different research method. The present research work is conducted among 100 stakeholders or life insurance advisors and managers of life insurance companies of Bhubaneswar, which would definitely provide a concrete understanding of life insurance companies' existing strategic position in India in general and Odisha in particular. The findings of the research are given below:

Table and Graph 40:

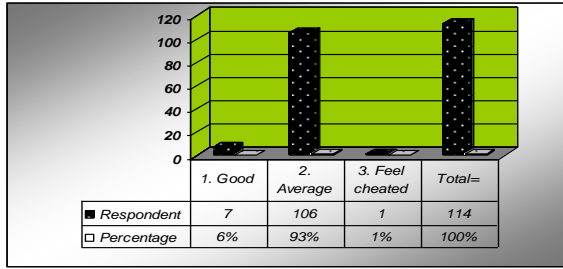
Reasons for investing in Insurance Plans of XYZ Life Insurance.	Respondent	Percentage
1. High returns	22	19%
2. Schemes are good	30	27%
3. Recommended by Family & Friends	16	14%
4. Need to save tax	4	3%
5. Offers multiple benefits like investment insurance +Tax Saving	42	37%
Total=	114	100%



Above table and graphs are indicating the reasons for investing in Insurance Plans of XYZ Life Insurance. Majority of the respondents means 37% said because of multiple benefits where as 3% its because of only tax saving.

Table and Graph 41:

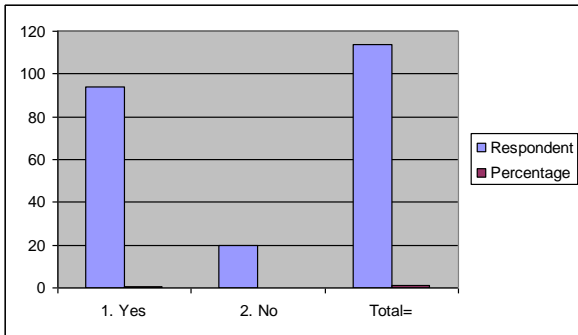
Feelings after investing in Insurance Plans of XYZ Life Insurance.	Respondent	Percentage
1. Good	7	6%
2. Average satisfaction with the investment decision	106	93%
3. Feel cheated	1	1%
Total=	114	100%



Above table and graphs are showing customer feelings after investing xyz life insurance companies, 93% are feeling average satisfaction, 6% respondents feel good, where as 1% respondent feels cheated.

Table and Graph 42:

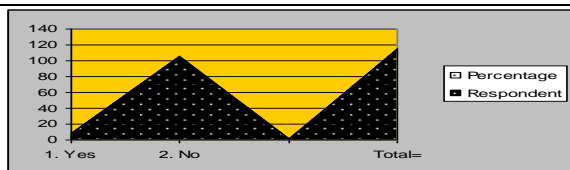
Insurance Agents / Marketing Executives recommend for XYZ Life Insurance.	Respondent	Percentage
1. Yes	94	82%
2. No	20	18%
Total=	114	100%



From the above table and graph, it is found that 82% of the respondents' LI policies are recommended by insurance agents, where as 18% respondents bought policies without life insurance agents' recommendation.

Table and Graph 43:

Recommendation for XYZ Life Insurance is authentic & information on product is true.	Respondent	Percentage
1. Yes	8	7%
2. No	105	92%
3. NA	1	1%
Total=	114	100%

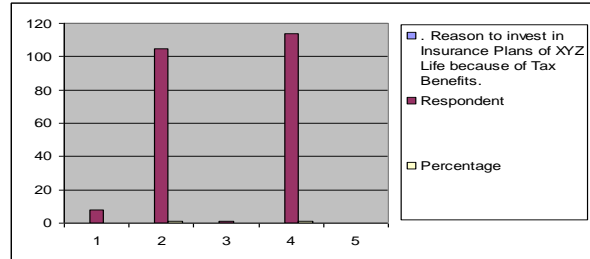


92%, Majority of the respondents have given the opinion that recommendation for XYZ Life Insurance is not authentic & information on product is not true. 7% respondents are found, recommendation of xyz is

authentic and information is true. 1% respondent is indifferent opinion.

Table and Graph 44:

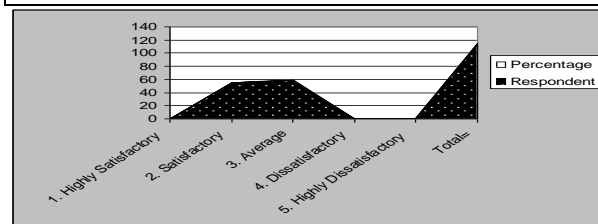
Reason to invest in Insurance Plans of XYZ Life because of Tax Benefits.	Respondent	Percentage
1. Yes	8	7%
2. No	105	92%
NA	1	1%
Total=	114	100%



92% respondents believe that tax benefit is not a main reason to invest in xyz life insurance Company. 7% believe in this favour. 1% has opinion on the same.

Table and Graph 45:

Level of Premium amount to be paid in Insurance Plans of XYZ Life Insurance Company.	Respondent	Percentage
1. Highly Satisfactory	0	0%
2. Satisfactory	55	48%
3. Average	59	52%
4. Dissatisfactory	0	0%
5. Highly Dissatisfactory	0	0%
Total=	114	100%

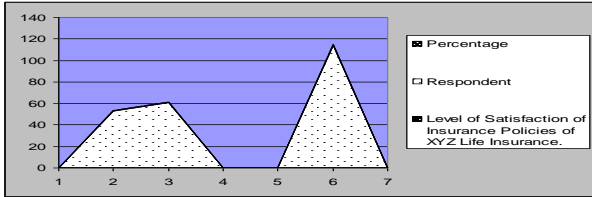


48% of the respondents are satisfied with the level of Premium amount to be paid in Insurance Plans of XYZ Life Insurance Company, 52% are having average satisfaction.

Table and Graph 46:

Level of Satisfaction of Insurance Policies of XYZ Life Insurance.	Respondent	Percentage
1. Highly Satisfactory	0	0%
2. Satisfactory	53	46%

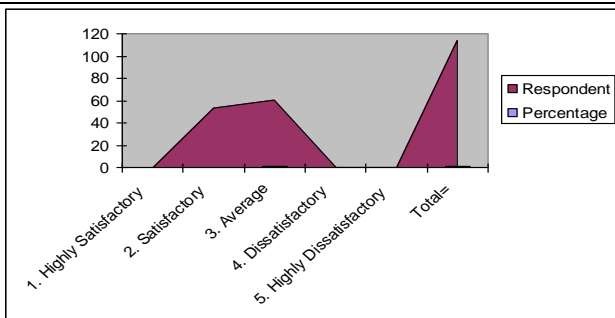
3. Average	61	54%
4. Dissatisfactory	0	0%
5. Highly Dissatisfactory	0	0%
Total=	114	100%



46 % of the respondents are satisfied with the life Insurance Policies of XYZ Life Insurance Company, 54% are having average satisfaction on the same.

Table and Graph 47:

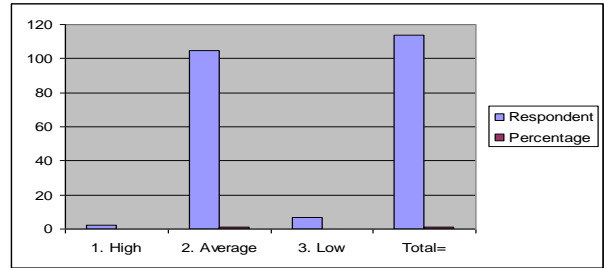
.Level of Returns in Insurance Policies of XYZ Life Insurance.	Respondent	Percentage
1. Highly Satisfactory	0	0%
2. Satisfactory	53	46%
3. Average	61	54%
4. Dissatisfactory	0	0%
5. Highly Dissatisfactory	0	0%
Total=	114	100%



46 % of the respondents are satisfied with the level of returns of XYZ Life Insurance Company, 54% are having average satisfaction.

Table and Graph 48:

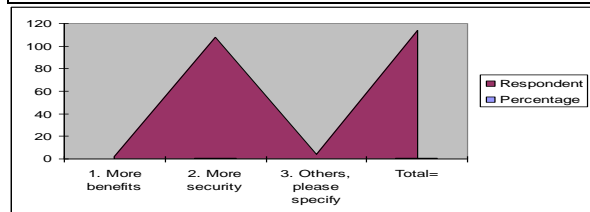
How are the Charges in Insurance Policies of XYZ Life Insurance	Respondent	Percentage
1. High	2	2.00%
2. Average	105	92.00%
3. Low	7	6.00%
Total=	114	100%



92 % of the respondents are believed that charges of XYZ Life Insurance Company is average, 2% are found high where as 6% of the respondents are found, low.

Table 49 and Graph 49:

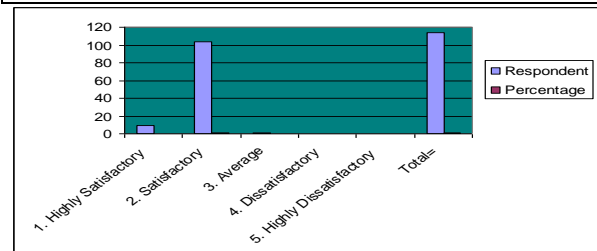
Reason of likeness for Insurance Policies of XYZ Life Insurance.	Respondent	Percentage
1. More benefits	2	2%
2. More security	108	95%
3. Others, please specify	4	3%
Total=	114	100%



95% found high security is the reason of likeness for Insurance Policies of XYZ Life Insurance, 2% for more benefits, 3% said personal likeness without any particular reason.

Table and Graph 50:

Rate of customer's overall satisfaction with Insurance Policies of XYZ Life Insurance.	Respondent	Percentage
1. Highly Satisfactory	9	8%
2. Satisfactory	104	91%
3. Average	1	1%
4. Dissatisfactory	0	0%
5. Highly Dissatisfactory	0	0%
Total=	114	100%

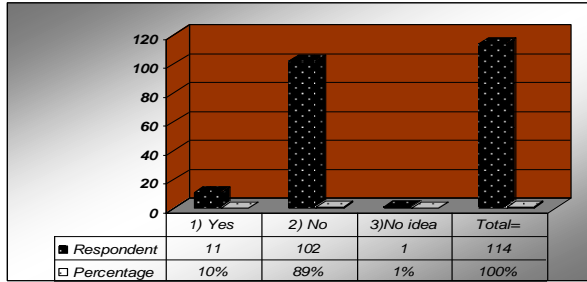


91 % of the respondents are satisfied with XYZ Life Insurance Company, 8% respondents' satisfaction level

is highly satisfactory, and 1% said its average satisfaction.

Table and Graph 51:

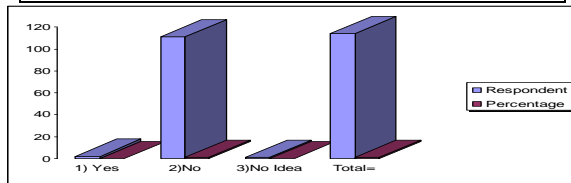
Level of Customer's satisfaction with the minimum premium amount to meet their goal.	Respondent	Percentage
1) Yes	11	10%
2) No	102	89%
3)No idea	1	1%
Total=	114	100%



89 % of the respondents are not satisfied with the level of minimum premium of XYZ Life Insurance Company, 10% are satisfied with the minimum premium, 1% said, no idea about the minimum premium.

Table and Graph 52:

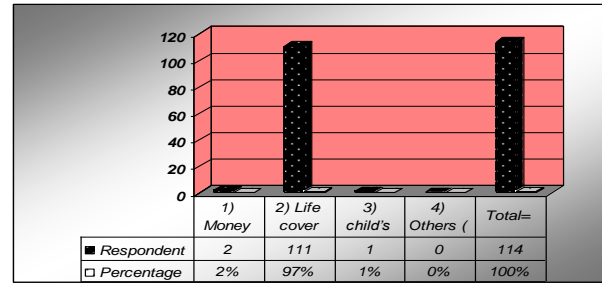
Satisfaction level with the maturity age of their policy.	Respondent	Percentage
1) Yes	2	2%
2)No	111	97%
3)No Idea	1	1%
Total=	114	100%



97 % of the respondents are not satisfied with the maturity age of XYZ Life Insurance Company, 2% are satisfied with the minimum premium, 1% said, no idea about the maturity age.

Table and Graph 53:

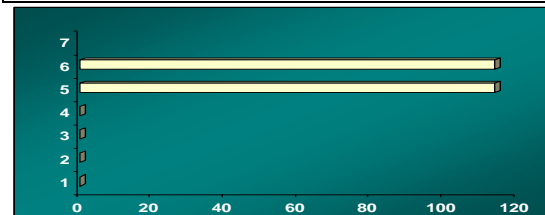
Reason of taking this life insurance policy (for future goal)?	Respondent	Percentage
1) Money	2	2%
2) Life cover	111	97%
3) child's education	1	1%
4) Others (Plz specify)	0	0%
Total=	114	100%



97% said life coverage, 2% said money and 1% said child's education are the reason of taking this life insurance policy.

Table and Graph 54:

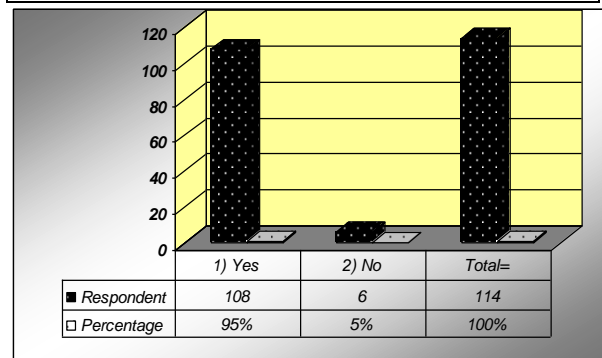
Most productive life insurance company for customer.	Respondent	Percentage
1) Bajaj Allianz	0	0%
2) ICICI Prudential	0	0%
3) Kotak Mahindra	0	0%
4) LIC	114	100%
Total=	114	100%



100% said LIC is the most productive life insurance company in India.

Table and Graph 55:

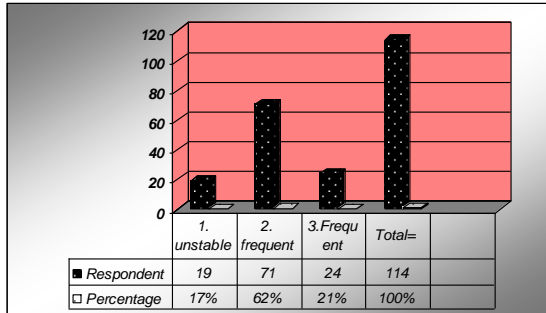
Level of satisfaction with the services of the said life insurance company	Respondent	Percentage
1) Yes	108	95%
2) No	6	5%
Total=	114	100%



95 % of the respondents are satisfied with XYZ Life Insurance Company, 5% are not satisfied with xyz life insurance company.

Table and Graph 56:

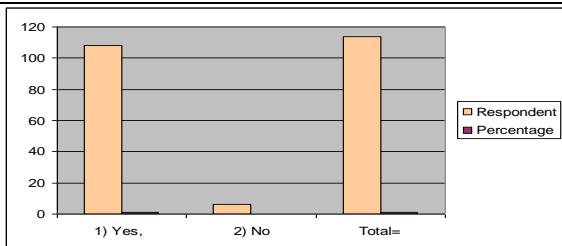
Reason for affecting Life insurance market penetration.	Respondent	Percentage
1. unstable market condition,	19	17%
2. frequent regulatory changes.	71	62%
3.Frequent Sales force changes by company.	24	21%
4.Any other reason.	0	0%
Total=	114	100%



62% of the respondents said frequent regulatory changes, 21% said frequent sales force change and 17% said unstable market condition are the reasons for affecting life insurance market penetration.

Table 57 and Graph 57:

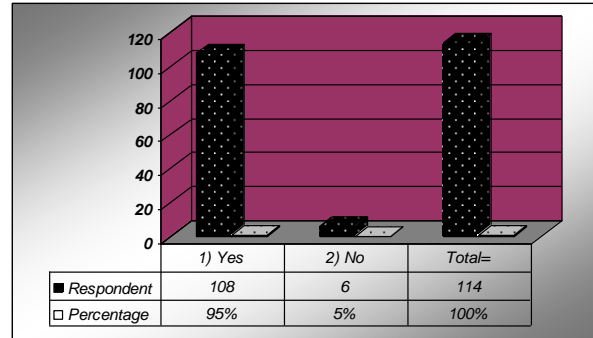
Unstable market & frequent regulatory changes affect customer's savings.	Respondent	Percentage
1) Yes,	108	95%
2) No	6	5%
Total=	114	100%



95% of the respondents have the opinion that unstable market & frequent regulatory changes affect customer's savings, 5% are not agreed with same statement.

Table and Graph 58:

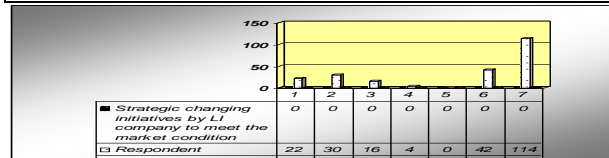
Strategic re-discovery require for changing situation & meeting lifetime goals	Respondent	Percentage
1) Yes	108	95%
2) No	6	5%
Total=	114	100%



95% of the respondents have the opinion that Strategic re-discovery require for changing situation & meeting lifetime goals 5% are not agreed with same statement.

Table and Graph 59:

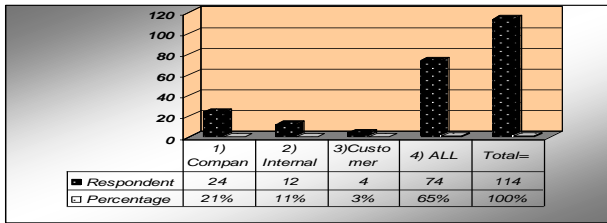
Strategic changing initiatives by LI company to meet the market condition	Respondent	Percentage
1) Price (commission) changes.	22	19%
2) Product changes.	30	27%
3) Place Changes	16	14%
4) People changes	4	3%
5) No Changes	0	0%
6) Can't say	42	37%
Total=	114	100%



27% of the respondents believe that strategic re-positioning through product changes, 19% believe on price changes, 14% believed place changes, 3% believe that people changes of life insurance companies can meet market condition, where as 37% are unable to give any opinion on the same statement.

Table 60 and Graph 60:

Highly vulnerable Stakeholder during the unstable financial condition	Respondent	Percentage
1) Company.	24	21%
2) Internal Clients	12	11%
3) Customer	4	3%
4) ALL	74	65%
Total=	114	100%



21% of the stakeholders said company, 11% said internal clients, 3% said customers, where as 65% majority of the respondents are given the opinion that all the stakeholders of life insurance companies are highly vulnerable during the unstable financial condition.

CONCLUSION AND FINDINGS:

Above tables and graphs are clearly indicating the socio-economic profile of the respondents including saving and investment pattern and the strategic position, 3 Ps Product, Price, Place, Promotion, another new P is included in this study People or Policy holder of life insurance company which would definitely provide research inputs for the said research work for conclude note. From the above graphs and tables, it is observed that policy holders' socio-economic life is greatly influenced by the changing strategic positions of Life Insurance Company. Policyholder's decision making process on investment and saving patterns are affected by strategic position of Life Insurance Company. At the same time life insurance companies' strategic position 4 Ps are badly affected by changing market condition and frequent regulatory changes, which hampers life insurance business in India. So there is a direct relationship between policy holder's saving and investment and Strategic position of Life Insurance Company in India. At the sometime there is a direct relationship between strategic position of Life Insurance Company and recession/ frequent regulatory changes, these two major factors are badly affecting life insurance companies existing strategic position, which encourage to rediscover the existing strategic position of life insurance companies in India. It affects the claim settlement of the customers. At a time when customer service and satisfaction is becoming the key to success for life insurance companies, the claim repudiation ratio (in case of death claims) has improved over the last financial year.

In order to safeguard the interest of young policy holder, to protect their life time savings, rediscovering the strategic position of life insurance companies are needed. This may find out ways to protect policy holders' interest and encourage more customers to save and invest their money in life insurance companies in India.

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