



QUALITY OF SERVICES IN GENERAL INSURANCE SECTOR - AN EMPIRICAL ANALYSIS

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Abstract

General insurance is a protective service and it is perceived to be obtained by those who have valuables, like motor car, cargo vehicles, houses, warehouses, and other moveable and immovable properties. These possessors may be individuals, or group of people engaged in some occupation, profession, and vocation. They may be title holders or leaseholders, and may be simple users for some economic benefit. If they buy any GI policy they are to pay the premium as consideration for a period of one year. If any accident or untoward incident takes place and the insured property is damaged or destroyed during the contract period they will be compensated by the insurer.

Key Words: *General Insurance, Quality of Services, Policy Holders.*

INTRODUCTION

It is observed that the purpose of insurance reforms is to introduce competition in the industry which was hitherto confined to public sector enterprises. There are four fold objectives for the liberalization of the GI industry. First objective is to ensure quality service to the satisfaction of the customers at affordable prices. Second is to open the markets to private sector and foreign investment into the industry so as to make the public enterprises to emulate the better and modern management practices. Third, is to control the concentration of wealth in the hands of the few individuals or group of individuals and fourth, is to encourage the industry to seek IT solution so as to ensure speedy service delivery system. An analysis of the changing trends of the industry reveals that it has reached significant heights in quantitative terms. As such it is now proposed to enquire into the levels of customer satisfaction in terms of (insurance) product, price, place (delivery), promotion and settlement of the claims if arise on account of any contingency.

METHODOLOGY

The details of policy holders and their sample by their official status are explained clearly. The chosen sample is consisting of 28 (2%) corporate respondents, 340 (6%) individual and partnership firms from ICICIGC and 19 (2%) corporate enterprises and 135 (6%) non-corporate policy holders from UIIGC. Thus the total size of the sample is 522 (5%) policy holders. Further, a sample of 24 (2%) claimants is also taken out of 1185 claim holders settled in the year 2013-14. The primary data are collected from these three types of policy holders (viz., non-corporate, corporate policy holders and the claimants) during April-December 2014. The purpose of the opinion analysis is to ascertain their levels of satisfaction in terms of expected service, experiences, awareness about the terms and conditions of insurance contract, treatment at their office, service of agents, cost-benefit analysis, value received for the price paid, and the time taken to issue of policy document. The Secondary data were collected from books, journals, websites and other periodicals.

OBJECTIVES OF THE STUDY

1. To study the problems of the customers in obtaining services under different product offers.
2. To ascertain the level of satisfaction of the customer (policy holders) in finalizing the indemnity contract, in the process of claiming the damages and the settlement of claims.
3. To draw conclusions on the basis of the findings and to make suggestions for improving the present status of the general insurance operations.

REVIEW OF LITERATURE

Ramana (2007) in his article "Globalization: Impact on Insurance" says that while joint ventures or alliances of foreign companies with local and domestic firms is the only permissible route of entering into insurance markets of India or China. He observes that the entry of foreign players into insurance business in the new environment cannot be blocked but they can be controlled and supervised. They try to increase their market share by penetrating into new geographical markets/areas with suitable market strategies under the given regulatory and other socio-political conditions. Renu Piliaia (2007) in his article provides an insight into the future of the health insurance industry and prescribes a few avenues for budding insurance companies in the Indian markets. The author has found that Indian insurance industry has experienced a ballooning effect after globalization and the liberalization of the economy. As a matter of fact opinions about the health insurance business in India are scant but Renu Piliaia feels that the general insurance business in India could become vigorous by offering products relating to health insurance. In the article entitled "Standalone Health Insurance Companies: Problems and Prospects" by



V.K. Sarma it is argued that health insurance is not as popular as any other general insurance product because of poor marketing exercise. Standalone Health Insurance Company is a solution which IRDA is contemplating for the spread of health insurance. Problems surrounding healthcare services are more complex since different stakeholders can appreciate only their personal interests. He says that unless they develop an integrated perspective and take a long term view of the issue involved, there will not be any satisfactory solution for the problem. Ned Ricks in his book "Principles of Principled Life Insurance Selling" endorsed that the insurers must keep their business practices client-centered. In this book he argues that to face the growing competition among the public sector, foreign insurance and private insurance companies the process of modern marketing techniques should be followed such as prospecting, discovery, closing and handling client concerns and delivery. Thus it is a way to promote and sustain insurance business in the liberalized environment. The book entitled "Insurance Industry: Trends and Regulations" of U.Jawaharlal is presented in four sections viz., development in the industry, various aspects of risk management, corporate governance and regulations and role of group insurance and pension schemes. He says that the post-liberalization era has witnessed remarkable developments such as the entry of private players, greater choice among products and services, introduction of new distribution channels and the emergence of IRDS as one of the leading financial regulators in the Indian insurance industry. His work highlights the significance of risk management and governance, apart from market strategies. D. Satish (2007) in his article entitled "Technology Impact on General Insurance - The Evolving Landscape", argues that technology would change not only the way people go about their day-to-day activities but also the way insurance business would be run the future. He advises that insurance companies themselves upgrade their technologies to add value to the customer and beat competition. It is one of the marketing strategies that would ensure efficient and effective delivery of insurance service. He analyzed the possibilities of application of technology in motor insurance and health insurance business. K.G.P.L. Ramadevi (2007) in her article "De-Tariff of General Insurance Industry and Product Filing under File and Use Procedures- Regulatory Perspective" observes that visible benefits of reforms in the insurance can be seen in the form of more players, variable product choice, increased premium growth, introduction of new intermediaries and improved service parameters. About 70% of the non-life insurance business is governed by TAC for tariff determination. The mandatory compliance of tariff by law has given little leverage for insurers to design innovative products or offering flexible pricing. As a matter of fact one of the intended benefits of opening up of the insurance market in India was the expansion of the scope of insurance products. Tariff determination as per the Law is limiting the innovative offers of the insurance companies. Hence, she advocated de-tariff measure since it unfreezes those caps of the TAC and facilitates flexible pricing of products. The above survey of literature in brief reveals that (i) on account of liberalization of insurance sector private players entry has become a phenomenon, (ii) consequent to the entry of large number of insurers it is expected to experience a competitive insurance market, (iii) following the competitive environment, the insurers are expected to provide variety of services with assured quality, (iv) to face the increasing competition, efficient human resources is a pre-requisite and (v) liberalization of the insurance field does not mean unfettered freedom but they are subjected to close supervision, regulation and direction under the regulatory agencies. Since liberalization is expected to create competition and as a result a compulsion among the companies to provide quality service for customer satisfaction it is a rational to study the degree of customer satisfaction and the trends in insurance business. All these achievements are normally reflected in the business quantitative parameters like premium collected, profits, increase/decrease in the unexpired risk reserves, claims admitted and discharged and decreased average cost of service. This being the backdrop, the present study in the ensuing chapters proposes to analyze all these aspects.

QUALITY OF SERVICES IN GENERAL INSURANCE SECTOR- AN ANALYSIS

Therefore a field survey is launched to collect the opinions of the GI policy holders of these two select companies and the claimants with regard to the quality of service- whether the service is satisfactory or unsatisfactory and that too at affordable price. These policy holders may be; individuals, partnership firms, and corporate enterprises engaged in any productive occupation or vocation. As general insurance is a protective service it is perceived to be obtained by those who have a valuables, like motor car, cargo vehicles, houses, warehouses, and other moveable and immoveable properties. These possessors may be individuals, or group of people engaged in some occupation, profession, and vocation. They may be title holders, or leaseholders, and may be simple users for some economic benefit. If they buy any GI policy they are to pay the premium as consideration for a period of one year. If any accident or untoward incident takes place and the insured property is damaged or destroyed during the contract period they will be compensated by the insurer. Therefore, for the purpose of this study they are included in the category of individual policy holder. The reliability and validity of the responses of the interviewees for which parameters like age, literacy, occupation, and experience are examined

Age Structure

Age represents maturity of the person by which careful behavior develops over a time. Out of the total 262 individual respondents, as stated above 175 are from UIIGC and 87 are from ICICIGC . Table 1.1 explains that about 51% are in the age group of 40 -50 years and about 29% are of more than 50 years age. About 49% of the respondents in UIIGC and 57%

in ICICIGC are in the age group of 40-50 years and about 35% in UIIGC and about 20% of interviewees in ICICIGC are having the age of more than 50 years. All this data vividly explain that almost all respondents are of high maturity status due to which one can confidently say that their responses can be taken as reliable.

Table 1.1: Age Pattern of Individual GI Policy Holders

Age	UIIGC	ICICIGCI	Total
20 - 30	11(06.28)	08(09.19)	19(07.26)
30 - 40	19(10.86)	11(12.64)	30(11.45)
40 - 50	85(48.57)	50(57.47)	135(51.54)
50 - 60	33(18.86)	09(10.34)	41(15.65)
60 - 70	21(12.00)	06(06.90)	27(10.31)
70 & above	06(03.43)	03(03.46)	09(03.44)
Total	175 (100)	87 (100)	262 (100)

Source: Computed data.

Literacy levels of Respondents

Education is one of the most important indices of the knowledge and judgment of a person. It supposes to enable the people to give replies to queries appropriately. To ascertain whether their opinions are to be taken as reliable or not education is considered, Table 1.2 gives the information about the education levels of the respondents of both UIIGC and ICICIGC separately. It can be seen that out of 262 policy holders in both the companies together only three have B. Tech qualification belonging to UIIGC which works out to hardly 2% of 175 and only one belongs to ICICIGC which works out to 1%. 'Other' qualifications include B. Pharmacy and Polytechnic diploma. Policy holders with these qualifications are 11 in UIIGC and 9 in ICICIGC. Most of the policy holders in UIIGC and ICICIGC are graduates who can read and write any type of documents. In UIIGC the percentage of graduates is about 34% and in ICICIGC it is about 61%. About 67% of UIIGC are graduates and 68% of ICICIGC are graduates and in age group of 40 – 50 years. All these analysis amply reveals that almost all policy holders are capable of understanding the terms and conditions of the policies and also they are wise to reply the queries properly.

Table 1.2: Literacy Levels of Individual GI Policy Holders

A) UIIGC

Age	Below SSC	SSC	Graduation	Post Graduation	B. Tech	Others	Total
20 - 30	--	--	8(13.56)	03(21.43)	--	--	11(06.28)
30 - 40	--	--	11(18.64)	06(42.86)	02(66.67)	--	19(10.86)
40 - 50	06(14.63)	23(48.94)	39(66.10)	05(35.71)	01(33.33)	11(100)	85(48.57)
50 – 60	16(39.02)	16(34.04)	01(01.69)	--	--	--	33(18.86)
60 - 70	14(34.15)	07(14.89)	--	--	--	--	06(03.43)
70 & above	05(12.20)	01(02.13)	--	--	--	--	06(03.43)
Total	41(100)	47(100)	59(100)	14(100)	03(100)	11(100)	175(100)
% to total of the Row	(23.43)	(26.86)	(33.71)	(08.00)	(01.71)	(06.28)	(100)

B) ICICIGC

Age	Below SSC	SSC	Graduation	Post Graduation	B. Tech	Others	Total
20 - 30	--	--	06(11.32)	02(100)	--	--	08(09.20)
30 - 40	--	--	10(18.89)	--	01(100)	--	11(12.64)
40 - 50	02(15.38)	03(33.33)	36(67.92)	--	--	09(100)	50(57.47)
50 – 60	03(23.08)	05(55.56)	01(01.89)	--	--	--	09(10.34)
60 - 70	05(38.46)	01(11.11)	--	--	--	--	06(06.93)
70 & ABOVE	03(23.08)	--	--	--	--	--	03(03.45)
Total	13(100)	09(100)	53(100)	02(100)	01(100)	09(100)	87(100)
% to total of the Row	(14.94)	(10.00)	(60.92)	(02.30)	(00.92)	(10.00)	(100)

Source: Computed data

Occupation and Profession of Individual Policyholders

Occupation and profession leave indelible impressions on the people of that elm. Their way of approach in solving the problems will be different from each other. Similarly their decision making capabilities also vary according to the vocation in their life. Hence, it could also be taken as one of the norms to consider whether their replies to questionnaire are dependable or not. Table 1.3 indicates the occupations and profession of the individual policy holders in UIIGC and ICICIGC separately. Out of total 262 policy holders 82 are from business which constitutes 31.30% of all and next comes government employees and professionals in that order. The policy holders from industry are very much limited to only 3% of all the respondents. Insurer-wise analysis of policy holders reveals that there are more number of businessmen at 27% and 39% in UIIGC and ICICIGC respectively. Next to businessmen policy holders, government employees and professionals rank in that order in both the insurers viz. UIIGC and ICICIGC. An analysis of the occupation and profession of policy holders by insurer discloses that in UIIGC there is more number of private employees and agriculturists than in the ICICIGC. This is ample evidence about the social orientation of the UIIGC and as private company, the ICICIGC has chosen to rope in only the businessmen and industrialists. All these analysis again indicate that the replies from the respondents can be considered as reliable as the industrialists and businessmen take decisions only after a careful and meticulous consideration of several factors. The above information throws light only on the broad category of the occupation and profession of policy holders.

Table 1.3: Occupation of Individual Policy Holders

<i>Occupation</i>	UIIGC Nos.	ICICIGC Nos.	Total Nos.	% of UIIGC to Total	% of ICICIGC to Total
Business	48(27.43)	34(39.08)	82(31.30)	58.54	41.46
Govt. Employees	44(25.14)	21(24.14)	65(24.81)	67.69	32.31
Private Employees	31(17.17)	06(06.89)	37(14.12)	83.78	16.22
Profession	41(23.43)	19(21.84)	60(22.90)	68.33	31.67
Agriculture	07(4.00)	03(3.45)	10(03.82)	70.00	03.00
Industry	04(2.29)	04(4.60)	08(03.05)	50.00	50.00
Total	175(100) (66.80)	87(100) (33.20)	262(100) (100)		

Source: Computed data

Occupational Experience

Experience in their respective occupation and profession make the people perfect and strong in their conceptions and perceptions. It is also one of the criteria that explain the capacity of understanding and responding to the questions asked. They will also gain in-depth knowledge in the field of activity concerned. The data presented in Table: 1.4 explain the service experience from which it is clear that out of 262 total respondents of UIIGC and ICICIGC together, 75 (28.68%) have the experience of 10 to 20 years and 56 (21.37%) have less than 10 years. Thus about 50% of the respondents are matured and the other 50% are highly matured. An analysis of the experience of respondents company-wise in their respective fields reveal similar trend as that of aggregate picture. However, the experience pattern of respondents from ICICIGC is a little different from the aggregate scenario. For instance out of total 41 respondents with experience of 30 – 40 years only 29% are from ICICIGC. Thus the respondents from ICICIGC are to a large have similar seniority All these analysis indicate that their responses to the questionnaire can be taken as fair as possible. The above analysis leads to a conclusion that the replies to the questionnaires from the sample policy holders are fairly reliable. After ascertaining the degree of possible-reliability of the responses it is now proposed to analyze the opinion of the policy holders with regard to their experiences with the insurers from whom they obtained the policies. As such it is now proposed to know the quality of service obtained by the insured with which they are satisfied or otherwise.

Table 1.4: Experience in Their Respective Occupation and Profession

Number of Years	UIIGC No.	ICICIGC No.	Total No.	% of UIIGC to Total	% of ICICIGC to Total	Total
Less than 10	37(21.14)	19(21.84)	56(21.37)	66.07	33.93	100
10 to 20	48(27.43)	27(31.03)	75(28.63)	64.00	36.00	100
20 to 30	39(22.29)	23(26.44)	62(23.66)	62.90	37.10	100
30 to 40	29(16.57)	12(13.79)	41(15.65)	71.00	29.00	100
40 to 50	22(12.57)	06(06.90)	28(10.69)	78.60	21.40	100
	175(100)	87(100)	262(100)			

Source: computed data

Extension of GI Service

It is possible that there might be a few policy holders who purchased GI service for the first time or second time or for far more times. The presumption is that higher the number of purchase of GI service by an individual greater should have been the utility, compulsion, or satisfaction with the insurance policy service. However, this is to be read subject to many other dimensions or variables. To begin with an attempt is made to know that how many respondents are new policy (first time) holders and how many are by renewals of the policies. It can be seen from Table: 1.5 that out of the total 262 respondents from UIIGC and ICICIGC together 88 (33.58%) are first time buyers of GI service, 98 (37.40%) are second time customers, 53 (20.23%) are third time buyers, 14 (5.34%) are fourth time policy holders and the rest of 9 (3.44%) are quiet senior policy holders with five or more than five times buying. Further, the data in Table 1.5 reveals that there are no respondents in ICICIGC with more than three times renewed-policies. However, a few senior policy holders with more than three year (times) renewal policies are there in UIIGC. This significant difference between UIIGC and ICICIGC is on account of their year of genesis. The former insurer is quiet senior company with more than 70 years of existence whereas the latter (ICICIGC) is of recent origin with hardly fifteen years of existence. Occupation-wise analysis of continuity of policy holding reveals that only the engineers, cargo operators (transport operators), and private taxi owners, agricultural farmers are with high continuity in possessing risk coverage. Annexure Table 5.C reveals that senior policy holders are more with UIIGC than with ICICIGC for the reason explained above. Moreover, ICICIGC has limited product offer that are useful to weaker section community and farmers. Almost all policy holders under profession category are quite junior holders. Doctors, Lawyers, Teachers, Auditors have obtained the finance from the auto financiers who insist compulsory insurance cover. Coming to the business community a mixed picture emerges because of their perceived risks. However, policy holders with ICICIGC are of quite recent buyers of insurance policies. All these data analysis clearly reveals that the weaker section people and farmers are still heavily depending upon the UIIGC since the private insurance like ICICIGC operators are more looking at business than at the social responsibilities.

Table 1.5: Individual Continuity of GI Policies UIIGC Vs ICICIGC

Times	UIIGC	ICICIGC	Total	% To Total
1 st	49	39	88	33.58
2	59	39	98	37.40
3	44	09	53	20.23
4	14	--	14	05.34
5	09	--	09	03.45
Total	175	87	262	99.95

Source: Computed data

Objectives for Opting GI Services

Earlier it is observed that most of the policy holders are educated, experienced, and engaged in business. They being well-informed people will have their own objectives in purchasing insurance cover. Their buying decisions are always influenced by some objectives. They may be having multiple objectives but in an order of priority. However, if there is only one objective of buying any product or service this prioritization would not arise. In the questionnaire served to the sample customers, a list of possible objectives is suggested. They are developed only after oral enquiries with current customers and prospective customers. Further they are reinforced with the knowledge acquired by reading the brochures, pamphlets, and promotion literature supplied by the companies to the intermediaries. This list has seven perceived and possible objectives and the interviewees are asked to check them in order of their preference and priority. The responses are tallied into manageable data and tabulated. Table 1.6 contains the prioritized objectives and the policy holders are requested to tick them in order of their priority in buying the insurance policy from the GI company. The objectives, since they are from the point of customers will not be different from company to company. As such the responses of the policy holders are not bifurcated by insurers. The checked priorities are ranked according to Likert seven point scale and further processed to ascertain the general prioritization of objectives. The processed data in Table explain that 'to avoid the risk' is the objectives that stood in first rank, 'getting the tax benefit' as second; 'insistence of the financiers' as third; 'to get repair facility' as fourth, 'security' as fifth; 'to get reimbursement' as sixth and 'to get compensated the loss' as seventh. A close scrutiny of all these priorities amply explains that the very purposes which normally explained by the intermediaries are the same as the policy holder express. Therefore there is a need to suitably enhance the business promotion strategies on the same plank.

Table No. 1.6: Objectives of Buying GI Policies (Rank Analysis)

Objectives	Ranking								Total	Rank
	7. TB	6.SS	5.FS	4.COM	3.RE	2RF	1AR			
1. Tax Benefit	192 (1344)	09 (54)	14 (70)	21 (84)	04 (12)	09 (18)	06 (06)	1588	2	
2. Security & Safety	75(525)	16(96)	13(65)	21(84)	34(102)	06(12)	09(09)	893	5	
3. Insisted by the Financial Institution	201(1407)	07(42)	09(45)	01(04)	07(21)	10(20)	07(07)	1546	3	
4. To Get compensated in case of loss	05(35)	71(426)	16(80)	26(104)	47(141)	03(06)	19(19)	811	7	
5. To get reimbursement	17(119)	69(414)	04(20)	26(104)	34(102)	19(38)	43(43)	840	6	
6. To get repair facility	10(70)	74(666)	56(280)	21(84)	16(48)	09(18)	34(34)	1200	4	
7. To avoid Risk	211(1477)	09(54)	04(20)	02(08)	08(24)	01(02)	05(05)	1590	1	

Source: Computed data

Legend: TB: Tax Benefit
SS: Security and Safety
FI: Insisted by the Financial Institution
COM: To Get Compensated in case of loss
RE: To get Reimbursement
RF: To get Repair Facility
AR: Avoid Risk

Insurance Product Preference

The GI companies offer many types of GI products to increase the volume of business and also according to market demand. Earlier it is observed that UIIGC offer variety of products catering to the needs of urban, rural people, and also a number of social insurance schemes whereas the product range of ICICIGC is not so wide. However, the rationality in product-offer is founded on the demand, profitability and degree of risk that the received perceived. Table 1.7 explains that UIIGC has a variety of products whereas it is not so because of non-offer by the ICICIGC. The most popular and oft preferred GI product is 'motor insurance' in both the companies but the percentage of customers buying this product is higher (79.31%) in ICICIGC than in UIIGC (48.00%) because of many inter-locutory arrangements. The next product that is often bought from UIIGC by the customers is personal accident insurance whereas it is Mediclaim that has much demand from ICICIGC. By enquiry it is understood that the Agents are promising TPA arrangements from ICICIGC. As against this the percentage of Mediclaim demand is hardly 21% of policy holders. There is a possibility that one person may buy at a time insurance coverage for more than one property item (insurable interest). Hence the total of columns will not be totaling to the sample size from UIIGC and ICICIGC. All these analysis indicate that there is a heavy demand for Motor Insurance and this item includes two wheeler, three wheelers and different purpose vehicles.

Table 1.7: Preferred Gi Products by the Customers (UIIGC Vs ICICIGC)

Type of Policy Preferred	UIIGC (175)	ICICIGC (87)	Total (262)
Motor	84(48.00)	69(79.13)	153(58.39)
Fire	18(10.23)	18(20.69)	36(13.74)
Mediclaim	36(20.57)	65(74.71)	101(38.55)
Householders Insurance	17(09.71)	--	17(06.49)
Personal Accident	46(26.29)	30(34.48)	76(29.01)
Machinery Breakdown	13(07.43)	--	13(04.96)

Source: Computed data

Product Offers

The core product is, no doubt insurance service but different sections of the community require different risk covering schemes. The reason is that the composition of assets, as stated earlier depends upon the nature of economic activity that the person carries on. For instance, a farmer will have cattle, pump set, and farm equipment in which he has deep 'insurable

interest'. His capacity to buy the product may also be limited. Hence, the insurance coverage for such product should be of high quality at affordable price. Further, the product offer should promote inclusive growth. The economic activity in the country is growing. Geographical mobility of the people increased enormously. Hence they need differentiated products at affordable cost. The Malhotra Committee recommended that after opening up of the market the insurers should come up with social insurance schemes to help weaker section people. Hence, all the insurers irrespective of their ownership pattern are expected to make different types of product-offers to cater to the needs of different communities in the society. Earlier, it is noted that the UIIGC is offering social insurance products and the penetration is also deep. The present study enquired into the product offers of the two sample insurers and listed them in Table 1.8. This survey outcome is on account of the focus on the urban community (viz., Vishakapatnam). However, the ICICIGC had itself announced that they are catering to the high-end clientele like Jewellers, and Diamond dealers.

Table: 1.8: GI Products Offerings – A Comparative Analysis

<i>Policy Name</i>	<i>UIIGC</i>	<i>ICICIGC</i>
1. Fire Insurance	Yes	Yes
2. Marine Insurance	Yes	Yes
3. Motor	Yes	Yes
4. Personal Accident	Yes	Yes
5. Janatha Personal Accident(JPA)	Yes	No
6. Grameena Personal Accident(GPA)	Yes	No
7. Mediclaim	Yes	Yes
8. Jan Arogya Insurance	Yes	No
9. House Holder Insurance	Yes	Yes
10. Workmen Compensation Insurance	Yes	Yes
11. Shop Keepers Insurance	Yes	Yes
12. Student Insurance	Yes	No
13. Hut Insurance	Yes	No
14. Agriculture Pump Set	Yes	No
15. Office protection Shield	Yes	No
16. Child Birthright Policy	Yes	No
17. Horse/Pony/Mule/Donkey Insurance	Yes	No
18. Sheep & Goat Insurance	Yes	No
19. Poultry Insurance	Yes	No
20. Pig Insurance	Yes	No
21. Raja Rajeswari Kalyana Yojana	Yes	No
22. Animal Driven Cart Insurance	Yes	No
23. Honey bee Insurance	Yes	No
24. Peal Cycle Insurance	Yes	No
25. Critical Illness	No	Yes

Source: Computed data

FINDINGS AND CONCLUSIONS

After taking the GI policy the experiences at grass root level may change their (insured) attitude towards the insurer, the intermediaries, and the system of insurance itself. To evaluate the customer satisfaction levels, an enquiry in to their experiences with various parties would be helpful. Hence an inquiry is made into the experiences of the policyholder with regard to eight variables. They are (a) Tax Benefits; (b) Natural Calamities; (c) Compulsions; (d) Documentation; (e) Reimbursement of Damages incurred; (f) Awareness; (g) Propriety of Premium; and (h) Role of the intermediaries. Responses to each variable given above by sub-variables are analyzed in detail to determine the impact of liberalization in the GI market. The responses of the policy holders are analyzed in the context of objectives stated by the insurers earlier.

Tax benefits, It can be seen from Tables that 21.14% of UIIGC and 18.39% of ICICIGC policyholders could claim tax benefits successfully. The percentage of policyholders claiming this benefit is small because that tax benefits are just relevant to Mediclaim and in case of other insurance product, the policyholder can debit to the profit and loss, if any.



Natural Calamities. About 17% of UIIGC and 15% of ICICIGC policyholders experienced natural calamities to their insurable interest and compensation was received adequately by them. They are not having any complaints against anybody including the insurer in this regard.

CONCLUSIONS

As stated earlier that the financiers who finance the purchase of equipment, vehicles, machinery, hypothecation of goods and godowns insist that the borrower should take insurance cover to meet any contingency. They make it compulsory condition to avail the financial accommodation. They also insist that the policy should also include 'bank clause' so that the money payable by the insurer against claims will reach them directly. It is a type of pre-emptive caution normally taken by the financiers. It can be observed from the data that about 43% of UIIGC and 32% of ICICIGC policyholders bought the GI service due to compulsions of the financiers. Again 32% of UIIGC and 32% of ICICIGC purchased GI policy from the insurer suggested by the financiers. An important observation, at this stage, is that the financier did not inform the customer prior to all this process of buying insurance cover. Of course, in a few cases, the GI services are secured by the debtors by their own choice. Even in these cases, the financiers accepted such policies.

Documentation: Original copies of insurance policies and other related papers are received by the insured though the policy was sponsored by the financiers. About 88% of UIIGC and 70% of ICICIGC admit that the policy document received by them is readable and legible. However they are lengthy running into three to four pages. Hence, only 43% of UIIGC and 47% of ICICIGC policy holders reveal that they have gone through the documents.

Damages Reimbursement: In UIIGC about 26% and about 45% in ICICIGC policy holders experienced damages to the insurable interest. All the claims are admitted by the UIIGC but only 41% by the ICICIGC with regard to the reimbursement of damages. The formalities for submitting the claims are said to be complex according to 26% of policyholders of UIIGC and it is only 10% of the policyholders of ICICIGC experienced this problem. The Data explains that only 7% of UIIGC and 40% of ICICIGC customers admit that the compensation received by the claimants is reported to be adequate. The people who are dissatisfied with the amount of compensation did not prefer a complaint with Ombudsman. due to elaborate legal formalities.

Awareness: It is noted earlier that the ICICIGC has no GI products with social security focus whereas UIIGC have many of such programs. However, the field survey reveals that only 75% of the policyholders know about this.

Propriety of Premium: About 75% of the UIIGC reveals that the premium for almost all popular products is not high. In other words, it is reasonable. The customers of ICICIGC maintained silence about this aspect. They neither say that the premium is high nor low nor comparable. About 89% of UIIGC and 93% of ICICIGC policyholders discloses that they received the policy papers in good time.

Role of Intermediaries: Consistent with the earlier observation, 8% of the UIIGC policyholders reveal that the intermediaries played tricks when the insured left some funds with them- either for payment or for receiving the compensation. Such reports from ICICIGC policyholders are not communicated. Whenever the policyholders visited the branch office, or divisional office of UIIGC the reception was cold according to 15% of the policyholder.

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