PREFACE
The state sponsored Life Insurance Corporation (hereinafter referred to as LIC) of India was the sole player in the Indian life insurance market before 2000. With the entry of private players, LIC has lost considerable market share to private players although both market size and insurance premia, are on the rise. In India life insurance products were/are bought more as investments for tax savings rather than risk protection. The brand preference in this category has never been explored in depth. It has been largely assumed that life insurance is an unsought product and customer satisfaction a ‘paradox’.

Retaining a customer is four times cheaper than acquiring a new one. The retention of the customers is of utmost importance in the insurance industry in specification. Insurance business is of the relationship building process, where one customer leads to the building of other one. A satisfied customer is like a word of mouth advertisement for the company. The needs of the existing customers should be identified and satisfied well rather than only concentrating at the new accounts.

In order to check out the various opportunities for the LIC of India and to combat with the threats, a research was carried out to check the perception of the customers towards LIC of India and to find out the important criteria that people think about before investing in a life insurance policy.
subjects were chosen from the district of Dehradun, who were already associated with the LIC and a well structured questionnaire (close ended questions and questions based on 5 point Likert Scale) was design to evaluate the status of the policies and services offered by the LIC. After collection of the filled in questionnaires, the results were analyzed and interpreted.

The conclusion’s revealed from the research done shows LIC is certainly having a large customer base. Market share for LIC in the last financial year has increased 6% from financial year 2010-2011, at that time it was 72% and now it is 78%. Although the satisfaction levels are on the higher side, yet there remains a lot to be done by the LIC of India to maximize their customers’ satisfaction and improve the quality of service. The satisfaction of the customer with the services of Life Insurance Companies is linked with the performance of the service. The findings suggest that caution is necessary when attempting to increase the customer's involvement in the production of the service. This is not necessarily negative, if for no other reason than the sentiments are much more enduring. It does, however, make it more critical that the service provider become more adept at delivering service quality as customers becomes more socialized and knowledgeable about their role in service provision.