CHAPTER - V
FINDINGS OF THE STUDY AND SUGGESTIONS

Dr. A. P. J. Abdul Kalam, the former president of India, participating golden jubilee celebrations of LIC said, ‘Security in any facet of life is the primary prerequisite that impels and the society to push forward to get to the heights of social and economic prosperity; Feeling of insecurity would totally dampen any enthusiasm to move forward and would certainly act as a negative factor inhibiting growth nipping in the bud; In such a scenario, the contribution being made by the LIC to nullify such negatives and injecting a positive dynamism in the lives of millions of people in the country can hardly be over emphasised’. (Yogashema, Nov. 2006)

This positive dynamism should not be inadequately imparted ignoring the expectations of insured, in particular of the relatively under insured women. So in the previous chapters the level of perception and satisfaction of the sample insured women towards various aspects of product, place, price and promotion of life insurance were analysed. Below are the important findings of the study.

While 58 per cent of the women in organized category have taken more than a policy 95 per cent of the women in unorganized category have taken only one policy. So, the chances of up selling are comparatively high among the salaried women. If the low premium, high risk policies are introduced the awareness of the same reach the women in unorganized category then also, the insurance density and penetration may become more and easier.

Though there are newer policies now and then introduced in the market only the money back and endowment policies are found preferred by the women policyholders. A maximum of 221 of the 290 policies taken by the women policy holders are of these types. While life polices and term policies which are meant
purely for risk cover failed to attract even the educated salaried women in the organized sector. It shows that for the women the element of savings is given the priority than the element of risk cover.

Though 77 percent of the lives of women from organized category were insured for more than a lakh rupees, 80 per cent of the lives of women from unorganized category were insured for below Rs.One lakh. So, the higher income and premium paying capacity of the salaried women made them to go for a higher life cover. The annual premium of the above Rs.6000 was paid by nearly half of the women in organized sector while there is only a single policy holder form unorganized sector paying such amount of premium. Similarly, the average monthly income of the women policy holders in organised sector is higher than those in unorganised sector.

Annual premium amount paid by the women in the organized category is higher than the amount paid by the women in unorganized category. To verify the data, normal distribution test was used. The test confirms the first hypothesis i.e., the amount insured is higher in case of insured women in the organized category than those in unorganized category.

There is a significant positive relationship, with a correlation coefficient of 0.8, between individual monthly income of the women policy holders and sum assured by them. Similarly, a significant relationship exists between family income of the women policy holders and sum assured by them, for which correlation coefficient was found to be 0.6. A significant relationship between the education qualification of the respondents and sum assured by them was also proved in which the correlation coefficient is 0.735.
As Prof. Lewis (1989) pointed out in his study, proved that life insurance ownership was positively related to household income among the other things. This view was framed as the second hypothesis in the present study and it is proved here also that the relationships between personal income, family income, and education, are positively correlated with the sum assured.

Majority of the women policy holders in unorganized category relies on the agent for payment of premium and they do not have consistent high monthly salary. So they prefer mainly the quarterly mode of premium payment. But the availability, easy access of payment of premium through SSS, and consistent monthly salary prompt the women policy holders in organized sector to go for monthly mode of premium payment.

Life is precious and so one cannot fix any fixed sum assured to the life. The feeling of sufficiency of sum assured is very subjective to the expectations of the insured. Forty-one per cent of the women in organized sector feel that their life is insufficiently covered and 18 per cent of the women policy holders from unorganized category also feel the same. So there is still wide scope of up selling among the women policy holders. This is further supported by the fact that only 26.5 per cent of the existing women policy holders certainly expressed that they will never take another policy in future. And 45.5 per cent feel that they would take another policy certainly immediately or after some time.

The friends and relatives circle play a vital role. Majority of the respondents i.e., 103 chose the Agent just because of the fact that they are their friends or relatives or the references of their friends or relatives. To verify the statement chi-square test was used. The calculated value of $\chi^2$ is 34.93, which is more than the table value ($v = 3, \chi^2_{0.05} = 7.81$). Therefore, the third hypothesis i.e., the women policy holders select the agent upon the suggestions of friends and relatives than other criteria is confirmed.
Though 8.5 per cent of the respondents accept that the rebate offering is the only main criteria to select the agents, a rebate in the form of payment of first two or three premiums are expected by almost all the prospects and the same is offered invariably by all the agents.

The agents are not only to procure the business but are also expected to serve them meeting policy holders now and then. Nearly half of the women policy holders in organized category agrees that the agents meet them whenever the help is sought which may be because of the fact that the present premium payments or future likely business for them is high in this sector. Similarly, a high 44 per cent women policy holders those who were in unorganized category agrees that the agents meet them only when they fail to pay premiums which may be because of the fact that lapse rate is comparatively higher in unorganized category and needs to be reduced.

To suit the changing needs of the public, insurer offers new policies every year. A high 66 per cent of the women policy holders accept that they are briefed about the new policy features whenever they approach their agents. Still, some 26 per cent of the women policy holders in organized sector allege the agents for not enlightening about the features. Agents are expected not to be biased in choosing the existing women policy holders to brief about the new policies. Even the policy holders who are thinking of surrendering the existing policies may switch over to the new policy if it suits their need.

Though LIC has a wide network with thousands of branches offering online services, still women policy holders depend on agents rather than LIC offices for various services. While 36.5 per cent opined that they relied completely on agent for all the services another 41 per cent of the women policy
holders also accept that they depend mostly on the agent and only to some extent on the branch office. This shows the importance of agents in procuring and servicing the policies.

To study how the women policy holder’s perceive the role of agents and to know in which extent they are satisfied nine elements were taken in to consideration in the study.

Firstly the agents’ role in assisting the proposer while selecting the policy was analyzed, because every insurance agent is to disseminate the requisite information in respect of insurance products offered for sale by his insurer and take into account the needs of the prospect while recommending a specific insurance plan. Only 21 per cent of the respondents discount this role of agents as least or not all important and they can act their own. The rest of the respondents feel that they should be assisted in choosing the policy, premium mode, sum assured, etc., Similarly, only around 21 per cent of the respondents feel that they are not that much satisfied with the agents role in assisting while selecting the policy.

Secondly, the agent’s role in prompt delivery of documents was analysed. Only 26 per cent of the respondents perceive this role of agents as not that much important. On the aspect of satisfaction of women policy holders about this role only 16.5 per cent of women policy holders are not at all satisfied or less satisfied with the agent’s role in assisting while delivering the policy documents. This is because of the fact that the customers perceive that the agents are not speeding up the procedures for the prompt delivery of the documents. On the other hand, 83.5 per cent women policy holders are more satisfied with their agent’s role on this aspect.
Thirdly, the agents’ role in ensuring regular payment of premium was analysed. Every insurance agent shall, with a view to conserve the insurance business already procured through him, make every attempt to ensure remittance of the premiums by the policy holders within the stipulated time, by giving notice to the policy holder orally and in writing. Of the total respondents, only 18.5 per cent perceive this role of agents as not at all important or least important. Thus women policy holders feel that though they are the ultimate payers of premiums, they expect their agents to remind them and help them for the payment of the same. This satisfaction analysis on this role reveals that 31 per cent of the policy holder are not satisfied with this agent’s role in assisting premium payment. The rest of the respondents are satisfied with that role of agent.

Fourthly, the agent’s role in rendering services while policy is in force is analysed. The services may be on various matters like advising for appointment of nominee, alterations in the policy contract arranging for policy loans, conservation of policies, revival of lapsed policies and additional insurance. Around 86.5 per cent perceived this role as is inevitable, 77 respondents perceiving it as more important, 67 as moderately important and 29 others as extremely important. This importance women policy holders place on Agents regarding this role indicates that for all after sales services they mainly depend on the agents.

The satisfaction analysis on this role of agents reveals that 32 per cent of women policy holders are either less satisfied or not at all satisfied. Old policies need to be serviced year to year and renewal commission is paid for continued service the life insurance agent expected to render to the policy holder. So this dissatisfied segment of the customers constituting nearly one-third must be given due attention and services.
Fifthly, the agent’s role in frequency of meeting the customers was analyzed. The meeting frequently with the customers was perceived as not at all important by 33.5 per cent of the women policy holders. Others perceive it as important with varying degrees. The satisfaction analysis on this role of agent reveals that 40 per cent of women policy holders are not satisfied, the rest of the women policy holders are satisfied with various degrees. Of all the nine roles analysed the level of satisfaction is found lower only on this role of meeting the agents frequently.

Sixthly, the role of agent in assisting to avail policy loans was analysed. Though the loan is given by LIC based on the nature of the policy and surrender value the 72.5 per cent of the respondents perceive that the agents role is an important one. The satisfaction analysis of women policy holders reveal that every three out of four agents feel that they are satisfied with the agent’s role in getting policy linked loans.

Seventhly, the role of agents in representing grievances was analysed. Though it is the responsibility of the LIC to redress a grievance, the agents are expected to channelise the same to the LIC. Only 4 per cent of the respondent’s perceive the role of agents in representing the various grievances to LIC as least important or not at all important one. Of the total 200 respondents 192 respondents perceive that it is relatively moderately or extremely important.

The satisfaction analysis about this role reveals that the 71.5 per cent of the women policy holders are satisfied with this role of agents and 28.5 per cent of the women policy holders are not satisfied with the agent’s role in grievance redressal. The reason for dissatisfaction varies from person to person, depending upon the nature of the grievance. The agents are also not the ultimate redressal
units. Still, this high level of dissatisfaction explains how the women policy holders rely heavily on the agents who are considered as the sole representatives of the policy holders representing their grievances, if any.

Eighthly, the agents role in informing new products and its benefits was analyzed. Only, 30.5 per cent of the women policy holders perceive that this agent’s role is not an important one. The rest of the 69.5 per cent of women policy holders perceive it as an important one whether they get exposed to the new policies from various sources or not. The satisfaction analysis about this role reveals that 32 per cent of the respondents are not satisfied and the rest of respondents are satisfied with this role.

Lastly, the agent’s role in assisting to avail policy loans was analysed. The LIC is used to proactively pay maturity claims well in advance with post dated cheques and has better claim settlement record comparing other insurers. But the agent is expected to render all reasonable assistance to the policy holders or claimants or beneficiaries in filling claim forms and in complying with the requirements laid down in relation to settlement of claims. Only 2.5 per cent women policy holders say this role same as not at all important or least important. Of the total respondents, 42.5 per cent perceive the role of agents in ensuring timely settlements is moderately important and more important, a high 55 per cent perceive it as extremely important one.

The satisfaction analysis about this role reveals that only 4 per cent and 25 per cent of the respondents express that they are not at all satisfied and less satisfied with the agent’s role in assisting the claims respectively. But 71 per cent of the respondents register their satisfaction in various degrees with this role of agents.
The weighted mean values of both of the categories also confirm that of all the nine roles analysed, the women policy holders perceived the agent’s role in ensuring timely claim settlement is more significant one. Analysing the weighted mean value of the satisfaction ranking of the respondent from the unorganized sector, it is found that payment of premium, frequency of agent meeting, getting policy linked loans, role in redressal of grievances, role in informing new products, and role in assisting while making the claims are found negative. It implies that organized sector women policy holders’ satisfaction level upon these roles is very low.

Similarly, except the role in assisting while delivering the policy documents, role in getting policy linked loans and the role in redressal of grievances, the all other factors are having negative weighted mean values in case of unorganized category. It implies that the unorganized sector women policy holders’ satisfaction level upon this agent’s role is very low.

The proposer is expected to possess knowledge about the various features like the premium rate with or without riders, in various modes, expected bonus trend, the eligibility of the loan facility the expected sum on maturity accident benefit attached and mode of payment of premium at the time of taking policies. But only 85 per cent of women policy holders feel that they were completely aware of the premium details at the time of taking their policy, 34 per cent of them were having the knowledge about the bonus rate and 59 per cent of the insured women possessing a clear idea about the loan facility. Other aspects like maturity value, accident benefit and mode of payment were understood by the 69.5 per cent, 40 per cent and 77 per cent of the women policy holders respectively at the time of purchase of policy itself. So it is found that women policy holders paid more attention on and were comparatively knowledgeable
about the premium rate and mode of payment aspects than other life insurance policy related issues.

The Accident Benefit Rider can be enjoyed by paying a very small amount in addition to the actual premium. But 52 per cent of the women policy holders in organized sector and 78 per cent of women policy holders in unorganized sector were not fully aware of this rider at the time of taking the policy.

Opining on the price of the policy i.e., the premium amount, 6 per cent of insured women feel that the premium amount collected by the LIC was too high and 71.5 per cent of the policy holders opined it as moderate only 22.5 per cent of the respondents considered the premium amount for their policy was low.

The analysis on the awareness of women policy holders about the rate of penal interest for lapsed policies and delayed payment reveals that 38 per cent are aware and 62 per cent of the women policy holders are unaware about the penal interest for lapsed policies and delayed payment.

Commenting on the penal interest rate, out of the 76 respondents who are aware of the penal interest 43 opine that it is moderate, 28 as low and 5 others commenting the interest rate as high.

The attitude of the women policy holders in favouring the entry of private players in insurance industry was analyzed. Even after seven years of privatization around 40 per cent of the respondents consisting of 27 organised women policy holders and 54 unorganised women policy holders do not favour the entry of private players. This is because of the perception that the private players are always interested at shareholders’ benefit than the policy holders’ interest. So the
private player’s entry in social security measures like insurance might have not been favoured by the majority of the respondents.

Though nearly, 60 per cent of the respondent favoring the entry only 43 per cent of women policy holders are willing to take policies from the private players. This may be because of the fact that the private players failed to exert confidence from the women policy holders of LIC towards them. In particular, 77 per cent of women policy holders in unorganized sector are willing to take policies form private players. The respondents who were willing to take the policies from private players ranked the better service by the private insurers as the number one criteria that attracts them. The better advertising of private sector, good brand name of the private insurer and the lower premium for the policies of private players were second, third and fourth motivating factors respectively, according to the rankings given by the women policy holders who are willing to take the policies from private players.

The gap between the respondents favoring the entry of and willingness to take policies from private players implicitly explains the expectations of women policyholders to enjoy the fruits of competition. Only a meager 4.5 per cent of the women policy holders disagree with the notion that LIC improved its performance after the entry of private players. On the other hand, a whopping 64.5 per cent of the respondents agree to some extent, to large extent or to a complete level of agreement on this notion that LIC has improved its performance after the entry of private insurers. This is because of the fact that the LIC is consistently trying to brace itself with zeal to deal with the new challenge posed by the new private companies.
On select eight grounds, women policy holders compared LIC with private players. While 59.5 per cent of women policy holders perceive LIC possess novel policy features, the rest of the 40.5 per cent respondents vote this feature in favor of private players. As far as ease of forms is concerned, the private players secure the higher scores than LIC. Only 47.5 per cent of insured women perceive LIC is observing simplicity in the paper works.

In the area of advertising also, the private players are in a better position by securing a score of 59.5 per cent. As far as the aspect of courteousness of agents is concerned, 56 per cent of insured women perceive that LIC agents are more courteous than the private insurers. Similarly, 69 per cent of the women policy holders surveyed views the premium rates charged by the LIC as lower ones.

But when reliability is taken as a measure to assess the performance efficiency, with no reservation, a majority of 83 per cent of the women policy holders perceive that LIC as the best one when comparing with the private insurers. As claim settlement is concerned, LIC once again gets a higher score of 86.5 per cent and only 13.5 per cent of the insured women perceive that the private life insurance companies outperform LIC in claim settlements. On the aspect of grievance redressal, 63.5 per cent of the respondents rate LIC as better grievance handler and 36.5 per cent of the insured women perceive that private players are efficient in handling grievances, than LIC.

Thus, private players are preferred for ease of forms and effective advertisement by the women policy holders, whereas LIC was perceived as a better performer in the aspects like novel policy features, courteous agents, lower premiums, reliability, claims settlement and grievance redressal. Among
the respondents, the women from organized category voted LIC for its reliability and claim settlement aspects as the most two attractive features while comparing with private players. On the other hand they prefer private players for the effective advertisement and ease of forms. The insured women from unorganized category prefer LIC especially for its timely claim settlement and grievance redressal. They prefer LIC over private players in all aspects.

Enquiring the frequency of women policy holders visiting the branch offices, it is found that one third of the insured women surveyed, visited only once and 58.5 per cent of the insured women made regular or occasional visits to the branch office only 8.5 per cent of the women policy holders do not make even a single visit to the branch office so far, which may be due to their complete dependence on the agents.

Another reason is that the increased distance between the locations of the customer to the branch office may limit the accessibility of the insured women to the LIC branches and their services. Because, though one-third of the respondents find an LIC branch office within 10 k.m., from their workplace or residence, 21.5 per cent of the respondents are located more than 30 k.m., away from the branch office.

Enquiring the physical infrastructural facilities available at the branch office it was found that nearly three fourth of the women policy holders who have experience in visiting the branch office were found satisfied with all the facilities provided. Though 92 per cent of the respondents feel satisfied with the spaciousness of the office, their satisfaction level decreases on the other facilities available in the order of drinking water facility (86 per cent), seating arrangement facility (82 per cent), sign boards (80 per cent), space for queues (80 per cent),
interior decorations (76 per cent), ventilation facilities (74 per cent) and illumination and lighting facilities (73 per cent).

The policy linked loan analysis revealed that only half of the respondents availed the loans whereas the rest were either ineligible or unwilling to avail the loan facility from the LIC. Among the respondents who availed loans, women from unorganized category constitute 70 per cent and only 30 per cent is from the organized category. This may be due to the fact that women in unorganized sector need credit facility from LIC as it is difficult for them to access other forms of organised financial sources.

The low rate of interest stood first, while listing the reasons for availing policy linked loans from the LIC. Of the women policy holders availing the policy linked loans, 63 per cent acknowledge this same fact. As a second reason for availing policy loan, the quick realization of loan was quoted by 11 per cent women policy holders. Each of the two reasons namely, the convenient repayment terms and no compulsion for immediate repayment attract 8 per cent insured women to avail loans.

Exploring what is the prime source of information about the new policies introduced by LIC it is found that 45 per cent of the women policy holders came to know about the new policies through advertisements only, which is followed by the agents’ source. For nearly one-fourth of the respondents, the prime source of information is friends and others, who may be other policy holders acting as media to carry the message of the insurer. But as far as, the respondents from organized sector are concerned, the friends and relatives are ahead of agents in passing information about the new policies.
Though sending reminders to pay premium is not an obligatory thing on the part of insurer, LIC used to send the same generally. Of the respondents 83 per cent receive the premium notices regularly from the life insurance authorities and 17 per cent of insured women are not in receipt of the premium notices properly. In other words, this 17 per cent segment may fail to pay premium in time or may pay penal interest, failing of which may even lead to lapse of policy.

Investigating the understandability of the policy documents 75 per cent of the women policy holders accepts that the policy document is not understandable. Only 25 per cent state that the language of the document is understandable. Even 65 per cent of the women from organised category who are comparatively literate feel the same.

Analysing the awareness of women policy holders on the various features and developments happening in insurance industry, it is found that 64 per cent of the respondents consisting of 80 women of organised category and 48 women of unorganized category, is aware of the health insurance policy. On the other hand, 36 per cent of the respondents consisting of 20 women in organised category and 52 women in unorganized category are unaware of the health insurance policy. The very low level of awareness among the women from unorganized category is mainly due to the fact of their low level of education and exposure.

Following the low level of awareness, the penetration of the health insurance products among women is very low, which was clearly supported by the figures showing the nature of policies taken by the respondents. Except a single woman in unorganized category others do not have a health insurance policy and 88 per cent of the respondents in organized category also, do not have a health insurance policy.
After giving awareness about the health insurance if needed, the perception of the women policy holders about the health insurance policies was studied. It is found that one-third of the women policy holders perceive health insurance policy as useful to certain extent and in addition to them, 9.5 per cent of others perceive it as highly useful. On the other hand, around one-fourth of the respondents perceive health insurance as not at all useful one.

Though 12 per cent of the women policy holders from the organized sector alone took the health insurance policy it is found that 73 per cent of the family of the women policy holders acknowledge that they spend more than Rs.10000 per annum which would otherwise have been used to take health insurance policy. Similarly, 10 per cent of the women policy holders spend more than Rs.1000 per annum as family health expenses from the unorganized category in which just one per cent took health insurance policies.

As far as the awareness of the women policy holders about the pension policies which is being in force right from the year 2001, forty seven per cent of the women policy holders remain in dark and only 53 per cent of women policy holders are found partially or fully aware of the pension plans.

Similarly, majority of 41.5 per cent of the insured women consisting of 17 women from organised category and 66 women from unorganised category are unaware of the existence of regulator IRDA.

The exclusively women insurance policies like Jeevan Bharthi are supposed to address the specific needs of women. But it is found that 20 per cent of women policy holders including 13 per cent from organized sector 27 per cent unorganized category are not even aware of the existence of the same. This is
further supported by the secondary data of the Thanjavur Main branch of Thanjavur division which revealed that out of the 6408 policies taken by the women policy holders, just 5 Jeevan Bharathi policies, assuring an aggregate sum assured of Rs. 4500000 were taken for the female lives.

As for as the awareness regarding the group insurance is concerned, it is found that 26.5 per cent of the respondents is fully aware of the group insurance schemes prevailing in the insurance market: While 11 per cent of the insured women are completely unaware of the information regarding group insurance, 62.5 per cent of the respondents are partially aware of the same.

Similarly, only 12 per cent of the women policy holders are unaware of the guaranteed additions and irrespective of the category, majority of the respondents, i.e., 88 per cent are fully or partially aware of the same additions.

Though LIC is known for declaring of bonus as return to the policy holders 9.5 per cent of the women policy holders are unaware of the bonus rate and very high 46.5 per cent and 44 per cent of the insured women are partially aware and fully aware about the rate of bonus for their policy respectively.

As for as, the surrendering of policy is concerned only 21 per cent of the respondents are unaware of the surrender value of their life insurance policies. Almost every 4 out of 5 women policy holders are fully or partially aware of the surrender value.

Analysing the savings mode preference of the women policy holders it is found that they prefer the various modes, on weighted rank basis in the following order; savings in the post offices, savings in the form of Jewellery, savings in
Banks, savings as chits, savings in provident funds, savings by taking insurance policies, savings in real estate and savings by acquiring shares and units.

But the category wise analysis reveal that women in organized category prefer the provident funds and bank deposits are the first two best destinations for their savings. For them, as specified already, insurance is the sixth preferred mode of savings. The women in organized category prefer insurance as the best fifth mode of savings which is ahead of PF, real estate investments and shares and units.

As the modern day insurance offers several other benefits apart from the risk cover how the policy holders perceived these benefits was analyzed. From the weighted scores of the ranks of women policy holder, it is found that they view insurance primarily as a risk cover, secondly as a savings instrument and finally, a tax shield. While these aggregates match the views of women policy holders form unorganized category, those from organized sector differently viewed the same. They perceive the insurance mainly as tax saver, secondly as savings mode and third only as a risk cover.

The satisfaction index constructed for this purpose reveals that satisfaction is more than the expected level on the four attributes namely, premium amount charged by the insurer, policy status notice, courtesy of staff at LIC office, and change of nomination.

Though they expect better performance from LIC on all the other 14 aspects, as per the weighted score the dissatisfaction is high in case of ease of forms. Next to ease of forms, it is the claim settlement aspect wherein the
customers still expect more from the insurer by means of simpler and speedy settlements.

Thirdly the gap between the expectations and satisfactions is found glaring on the aspect of bonus. The respondents feel that they are not intimated with the bonus amount. They further feel that the rate of bonus, which is noted in terms of thousand rupees of sum assured per annum, is misleading and may be expressed as percentage. A few others feel that the bonus rate is too low as if the insurance is a savings instrument in nature. Some of the respondents are expecting the bonus to be paid in cash every year.

Next to the bonus amount, the gap between the expectation and satisfaction gets narrowed down in case of the following attributes in the following order: product features, policy revival, medical exam procedures, grievance settlement, surrender of policy, transfer of policy, granting policy loans, age of admission and loan recovery procedures.

**Suggestions and Policy Measures:**

The progress of LIC and the achievements deserve appreciation. It designed so many new plans to suit the needs of all categories; which are socially advantageous. The successful implementation of any policy depends upon a chain of action between the agents, development officers and administrative office staff. If there is a sudden break in the chain, there will be a stoppage. Hence there should be a better understanding and good relationship between them. From the experiences gained in the study, following are some of the suggestions made to the LIC and to the Government.
1. Some private insurance companies have begun to offer women insurance cover at lower premium than men pay. The premium differential mostly on term plans. ICICI -Prudential Life Insurance, Kotak Mahindra Life Insurance, Birla Sun Life Insurance and Future Generali extend this benefit to women on term plans. Besides, ICICI Prudential Life Insurance charges lower premiums even on unit linked insurance plans for women. These differentials premium are based on the assessment that women have a longer life expectancy than men.

This incentive is very beneficial to women. Some examples are given below: for a forty year old person taking a ten year life cover for an assured sum of Rs.20 lakhs, Future Generali charges Rs.7522 as premium for men and Rs.6488 for women; Similarly, for a fifty year old taking a ten year life cover of an insured sum of Rs. 20 lakhs, KotakMahindra Life Insurance charges Rs.15618 from men and Rs. 12729 from women; Birla Sun Life charges Rs.3254 from men per annum and Rs.3188 from women for assuring a sum of Rs.10lakhs for a twenty year term policy.

Eyeing for the highly potential segment, private players offer the differential premiums. But the LIC is yet to consider the same. It is to be noted that the maternal mortality rate is no higher than the male accident death rate. So, instead of covering the female lives with all the restrictions and medical examinations and charging extra premium charges fair treatment needs to be given to the fair sex. So, it is strongly suggests that premium rate concession should be given to the female lives, considering the higher longevity in to account. If it is done, this will be a major break through in a insurance history of India and there is a likely hood of covering a female lives and thus strengthening the weaker sex.

2. Women excel everywhere-as anchor at home, achiever at work. Though the women specific policy Jeevan Bharathi, is in force in year 2003 (though
modified recently), majority of the women policy holders are not even aware of the very existence of the same. The insurance officials should take effective steps to popularize women policies like Jeevan Bharathi among women, so that special needs of women could be addressed in a better way.

3. Though the women policy holders want their money back during their life time itself provided there is no risk, the majority of them still expect a portion of sum assured to be paid on their death also. To meet their needs policies with a combination of money back and whole life with extended non premium paying term policies may be introduced in the market.

4. Similarly, women with unearned income prefer low-premium, high-risk policies. But the level of awareness found to be very low among them. The insurance agents are also found less interested in marketing these plans as it fetches low income and involves medical examination procedures. So, it is suggested that the LIC capitalizing its wide network do the needful to launch awareness programmes among women, particularly who live in rural and semi-urban places.

5. When a husband takes policies in the name of his wife, he is not allowed to utilize SSS facility. If the LIC permits the breadwinner to avail the SSS facility for the policies taken in the name of his wife, it can attract more number of policies. It is to be noted here that if a policy is taken for the lives of their family members, the premium is deductible under Income Tax Act. So if the SSS facility is given, higher amount of transparency as well as ease in payment can be ensured.

6. Nearly one-third of women policy holders surveyed are not satisfied with the agent’s role in rendering services while policy is in force. Yet, they feel that the agent is sole representative to represent their grievances to the insurer. Not only to insure the premium payments and to render services but also to widen the
scope of up-selling the agents are expected to be in touch with the policy holders. As the agents are getting the renewal commission only for continued service, it is suggested that LIC should ensure whether the agents are doing the due follow-ups. The agents must be properly instructed about the importance of after sales service convening periodical motivational meetings by LIC.

7. The respondents acknowledge the fact that they came to know about the newly arrived policies through advertisements only which is followed by agent’s source. But at the same time, the private insurers are considered as better advertisers by group of respondents. So, the LIC should take necessary steps to make better advertisements in regional languages also. Sufficient advertisements should be given in the local dailies and in local cable networks in regional languages about new plans and revival camps. Considerable amount may be allotted for this purpose in the budget of this branch.

8. Similarly, the names of the plan are found hard to remember and recollect as almost all the names are in Hindi language. The LIC may consider better brand names in simple English which may have far-reaching impact in the states where Hindi is not the regional language.

9. The present style, font size and language used in the policy document make even the well educated find difficult to understand. Plain, simple and easily understandable language is to be used in all the communications of LIC including the insurance policy document. It is preferable if the same is in regional language.

10. For the delayed payment of premiums, an eight percent of interest is charged by the LIC. This interest rate is in effect from the year 1987. In present state of economy in which the interest rates are falling, the revival interest rate may be halved resulting in a higher retention ratio.
11. So as to avoid delayed payment of premium, penal interest payment and lapse of policy, the premium remainders may be made periodically via SMS to mobiles and E-mails of the customers. The services of agents may be obtained to collect insured’s contact phone numbers and e-mail addresses if any.

12. As the LIC is the largest PC user in the country, at least for those who prefer LIC may provide the facility of dematerialization of all documents, not issuing the policy documents physically and making everything available on-line. The insurable population is widely spread out over the large geography it is not easy to cover through single distribution strategy. So direct/on-line purchase may also be encouraged. Further it is suggested that, a part of the savings to the LIC accruing in the form of unexpended commission, may be passed to those who make these direct purchases.

13. India is a predominately rural country. New players may tend to favour the creamy layer of urban population. But, a large portion of the insurable population resides in rural places only. Comparing to other insurance players, LIC is concentrating more on the non urban market. Still, considering the size of the potential market and the difficulties faced by the existing policy holders in these places the LIC may open higher number of branches in rural areas at least at all the taluk head quarters.

14. If the premium is paid under the monthly mode, the insured has to pay 5 per cent extra amount with the premium. But if the same is done by the monthly SSS mode it is not so. The insured in unorganized sector feel penalized with this discriminatory treatment of LIC. So, it is suggested to the LIC that this 5 percent difference should be reduced, if not wiped off, and uniformity may be ensured.

15. Life insurance is universally acknowledged to be an institution which eliminates risk, substituting certainty for uncertainty and comes to the timely aid of the family in the unfortunate event of death of the breadwinner. The timely
death claim settlements are one of the most expected things in any insurer. It is suggested that LIC should ensure that timely payment of the death claims is made and no intermediary gets benefited in this process.

16. In India, Life insurance is popular because Savings through life insurance guarantee full protection against risk of death of the saver. Life insurance encourages 'thrift'. It allows long-term savings since payments can be made effortlessly because of the 'easy installment' facility built into the scheme. The post office savings is very popular among the women policy holders in unorganized sector especially in rural places. So it is suggested that, LIC may float ‘post-assurance’, making a tie-ups with post offices, just like bancassurance. As the postal life insurance market is very small one, it will never become a competitor to the giant like LIC. Instead, the either to untapped rural market could be effectively penetrated. Since, both these institutions are in the hands of government, post-assurance could easily be introduced.

17. Though LIC is the only insurer distributing higher amount of bonus, the customers fail to feel the same as this is generally given only at the time of claim. The insurer may allow the bonus to be encashed immediately. This study revealed that the money-back and endowment are the mainly preferred policies. It shows the human nature of expecting immediate returns. So, if the bonus is paid annually in cash to select policies, it will be appreciated by the insurers.

18. Today SHGs play an important role in economic empowerment of women. Group insurance schemes, through LIC, may be made mandatory to all the members of SHGs by the Government of India. Apart from securing the lives of women, this may pave the way for realizing the importance of insurance and for easy penetration of individual policies among them.

19. Emerging markets across the world are rapidly awakening to the importance of health insurance. A mass movement of ‘health- insurance- for –all’
is particularly vital to the health of the economy. Though the health insurance is the fastest growing segment of the insurance industry, the penetration of the health insurance products among women is very low. Health insurance coverage is mostly needed and highly useful for women especially for those in unorganized category. But unfortunately, they are unaware of the policy. This problem may be solved by bringing awareness among women through mass media advertisements and through special health campaigns by the insurers. Further it is suggested to the Government to launch new health insurance scheme, specially introduced giving coverage through Self Help Groups (SHGs) and Non Governmental Organizations.

20. Ten years back itself to enhance the employability of the graduates, University Grants Commission identified insurance as one of the very few vocational courses to study. So, UGC instructed the colleges to start courses like B.Com (Insurance). Unfortunately, till date no college paid interest to start the course in TamilNadu, in spite of bright promising actuarial placements the course offers. Except a very few institutions, there is not even a paper in any of the economics, commerce and statistics degree courses, which are very relevant to insurance. So majority of the graduates in economics are coming out without any knowledge of insurance. So, it is suggested that the curriculum framing committee’s to do the needful to include the insurance subject at least for the courses like economics and commerce. As the earlier instructions of the UGC are unheard the government should ensure the same to prevent our graduates becoming insurance illiterates.

Scope for Further Research

From the experiences in the present study, the scope for further research is hereby suggested. This study concentrated only on the individual policies of
women policy holders, due to time constraint. Future studies may include other forms of policy also.

Similarly, as the private insurers are yet to penetrate sizeably in the women segment, they were excluded from the study. In future, research may be carried out inclusive of policy holders from other insurers also. And thereby, one can spot out the changing needs of the women policy holders in a better way. Similarly, apart from analyzing the expectations of policy holders, one can take up the same of those who are yet to be insured, thus suggesting some measures to fill the gap.

In the present study, it is learnt that the experiences of women policy holders regarding claims settlements vary considerably from person to person. So a detailed micro study may be conducted on the satisfaction analysis of women policy holders on the claim settlement mechanisms of insurers. This study may also throw light on the positive as well as negative roles played by the intermediary.

Finally, based on the secondary data about the premium rate offered by the various insurers for female lives, a comprehensive analysis of all the insurance schemes may be made, suggesting the better ones to the female lives.

CONCLUSION:

Customers need an environment of trust to be able to invest their money in a financial product, especially life insurance, which provides a social security net. Life insurance products are complex and not easy to understand. A customer relies greatly on the advice of the service provider and any breach in that bond of trust has serious consequences for the business as a whole.

In the liberalized Indian insurance industry whole life products, unit-linked personal insurance products, and riders may find greater acceptability with
rising customer awareness about customized, personalized and flexible products. New products and new technology will play a crucial role in reducing the cost and, therefore, make it cost effective to serve the large population in particular to the female segment in India. In the present study, it is found that nearly three-fourth of the existing women policy holders are of the view that they may take another policy in future if their economic conditions improve and their existing expectations are satisfied. So to tap the women insurance market adequately, the LIC is to rise to the expectations of the insured. They give life and the insurer should proactively protect theirs.