CHAPTER 7

Findings, Conclusions and

Suggestions
7.1 SUMMARY:

In India, the service sectors play a very important role. In service sector, insurance sector is one of the important sectors which is growing and has ample scope of growth. In the early years of the new millennium, the global insurance industry was affected by several factors. These included new distribution channels to market insurance products, consolidation and globalization of insurance companies worldwide, rapidly developing technology and changing industry laws and regulations. During this period, there was a spate of acquisition, takeovers and mergers in industry in many parts of the world.

The size of company was an important element determining its market power, and that size also helped companies to reap the benefits of economies of scale in the insurance industry. Industry watchers felt that a large capital base and a thorough knowledge of the language, culture and legislation in the countries concerned were necessary to achieve global dominance and establish a presence in all lines of the highly competitive insurance industry.

Although Indian markets were opened to foreign companies in a number of sectors in 1991, insurance remained out of bounds on both counts. The government wanted to proceed with caution. Liberalization of the Indian insurance market was recommended in a report released in 1994 by the Malhotra Committee, indicating that the market should be opened to private sector competition, and ultimately, foreign private sector competition. Insurance industry, as on 1.4.2000, comprised mainly two players: the state insurers:

**Life Insurers:**

1. Life insurance corporation of India (LIC)

**General Insurers:**

1. General Insurance corporation of India (GIC) (with effect from Dec’2000, a National Reinsurer)

GIC had four subsidiary companies, namely (with effect from Dec’2000, these subsidiaries have been de-linked from the parent company and made as independent insurance companies.

1. The Oriental Insurance Company Limited
The New India Assurance Company Limited
3. National Insurance Company Limited
4. United India Insurance Company Limited

The entry of private sector has led to fierce competition between private sector and public sector general insurance companies. The Customer Relationship Management strategies adopted by both the public and private sector insurance companies have been analyzed through this study.

The main objectives of the study are:-

Customer view point:-

1. To assess the awareness of consumers in respect of various insurance services and service providers and their CRM tradeoffs.
2. To examine the satisfaction level of customers as to various insurance services provided by insurance companies.
3. To analyze the impact of relationship marketing strategies of Private Sector insurance companies & Public Sector insurance companies.

Employees view point:-

1. To examine the promotional tools undertaken to attract the customers.
2. To identify and analyze the CRM as a strategic tool undertaken by insurance companies.

To know about the customer relationship management strategies of public sector and private sector general insurance companies following research methodology has been adopted.

The study is totally based on primary data and secondary data. The primary data has been collected from the customer and employees of insurance company located various locations of Punjab, Haryana & Chandigarh by distributing questionnaire. The primary data is based on the questionnaire and survey, whereas, secondary data has been collected from published and unpublished records and more over from the reports of the insurance companies and from the Insurance Regulatory Development Authority (IRDA).
A descriptive research design has been followed to carrying out this study. The universe/population of the study is customer base of general insurance in all sectors. The sample size was 400 customers and other sample size of 100 with different set of parameters was prepared for Employees of the Insurance companies located in Punjab, Haryana & Chandigarh. The cities were chosen as they are on NH-1 and are Industrially Rich cities (Large and Medium Industries in the cities). The Companies selected for the purpose was ones having Maximum Number of branches in respective cities and more over the important reason behind this selection was on the basis of insurance business generated at these locations.

The data was collected on the basis of Non-Probability sampling. In the study four companies of public sector and four companies of private sector has been taken for study keeping in view their market share and growth.

The universe is heterogeneous the data was collected on the basis of non-probability sampling technique. The whole data was divided in different sections like name, age, profession, marital status, demographic profile of customers and qualification.

7.2 Plans and Polices of Indian general Insurance Industry

In 1973, the general insurance industry was nationalized in order to increase the penetration of insurance in the country. The insurance industry has a very good track record contributing significantly to the country’s economic growth by investing in the government and in socially oriented sectors. The General insurance company was one of the largest financial institutions in India.

The insurance sector grows with its importance in the Indian economy. The things which help the growth of insurance business in both life and general insurance sector are:

1. Continues economic growth and increase in awareness of the need for risk protection will benefit both the sectors.
2. With the increasing income of middle class and increase in purchasing power of people. The IRDA allows registration of new players in the insurance field. It also has the authority to renew, modify, withdraw, suspend or cancel such registration. The
IRDA ensures protection of the interests of the policy holders in matters concerning assigning of policy, nomination by policy holders, insurable interest, settlement of insurance claim, surrender value of policy and other terms and conditions of contracts of insurance.

After creation of IRDA, insurance sector has seen tremendous growth. Before IRDA came into force there were only players’ two players in the field, namely, life insurance Corporation of India (LIC) and General Insurance Corporation of India (GIC). Since then 23 new players have entered in the insurance sector.

The policy perspective as to development of insurance industry led to setting up of IRDA. The IRDA focus is on:-

1. To protect the interest of and secure fair treatment to policyholders.
2. To set, promote, monitor, and enforce high standards of integrity, financial soundness, fair dealing and competence of those it regulates.
3. To ensure speedy settlement of genuine claims, to prevent insurance frauds and other malpractices and put in place effective grievance redressal machinery.
4. To take actions where such standards are inadequate or ineffectively enforced.
5. To bring about optimum amount of self-regulation in day to day working of the industry consistent with the requirement of prudential regulation.

7.3 Marketing strategies of general insurance companies

Marketing is one of the significant functions in any insurance company. The main components of marketing function are product, price, promotion and place. The product occupies a unique place in the marketing mix of a insurance company. The marketing mix is the combination of marketing activities that an organization engages in so as to best meet the needs of its targeted market. The Insurance business deals in selling services and therefore due weight-age in the formation of marketing mix for the Insurance business is needed. The marketing mix includes sub-mixes of the 7 P’s of marketing i.e. the product, its price, place, promotion, people, process & physical attraction. The above mentioned 7 P’s can be used for marketing of Insurance products, in the following manner:
1. **PRODUCT:**

   In India, the Life Insurance Corporation of India (LIC) and the General Insurance Corporation (GIC) are the two leading companies offering insurance services to the users. Apart from offering life insurance policies, they also offer underwriting and consulting services. When a person or an organization buys an Insurance policy from the insurance company, he not only buys a policy, but along with it the assistance and advice of the agent, the prestige of the insurance company and the facilities of claims and compensation.

2. **PRICING:**

   In the insurance business the pricing decisions are concerned with:

   i. The premium charged against the policies,

   ii. Interest charged for defaulting the payment of premium and credit facility, and

   iii. Commission charged for underwriting and consultancy activities.

   With a view of influencing the target market or prospects the formulation of pricing strategy becomes significant. In a developing country like India where the disposable income in the hands of prospects is low, the pricing decision also governs the transformation of potential policyholders into actual policyholders.

   The strategies may be high or low pricing keeping in view the level or standard of customers or the policyholders.

3. **PLACE:**

   This component of the marketing mix is related to two important facets --

   i) Managing the insurance personnel, and

   ii) Locating a branch.

   The management of agents and insurance personnel is found significant with the viewpoint of maintaining the norms for offering the services. This is also to process the services to the end user in such a way that a gap between the services promised and services offered is bridged over. In a majority of the service generating organizations, such a gap is found existent which has been instrumental in making worse the image problem. This is essential to make the work place conducive, attractive and proactive for the generation of
efficiency among employees. The branch managers need professional excellence to make place decisions productive.

4. PROMOTION:

The insurance services depend on effective promotional measures. In a country like India, the rate of illiteracy is very high and the rural economy has dominance in the national economy. It is essential to have both personal and impersonal promotion strategies. In promoting insurance business, the agents and the rural career agents play an important role. Due attention should be given in selecting the promotional tools for agents and rural career agents and even for the branch managers and front line staff. They also have to be given proper training in order to create impulse buying. Advertising and Publicity, organization of conferences and seminars, incentive to policyholder are impersonal communication.

5. PEOPLE:

Understanding the customer better allows designing appropriate products. Being a service industry which involves a high level of people interaction, it is very important to use this resource efficiently in order to satisfy customers. Training, development and strong relationships with intermediaries are the key areas to be kept under consideration. Training the employees, use of IT for efficiency, both at the staff and agent level, is one of the important areas to look into.

6. PROCESS:

The process should be customer friendly in insurance industry. The speed and accuracy of payment is of great importance. The processing method should be easy and convenient to the customers. Instalment schemes should be streamlined to cater to the ever growing demands of the customers. IT & Data Warehousing will smoothen the process flow. IT will help in servicing large number of customers efficiently and bring down overheads.
7. PHYSICAL DISTRIBUTION:

Distribution is a key determinant of success for all insurance companies. Today, the nationalized insurers have a large reach and presence in India. Building a distribution network is very expensive and time consuming. If the insurers are willing to take advantage of India's large population and reach a profitable mass of customers, then new distribution avenues and alliances will be necessary. The key to success in today's insurance market is to be seen by the consumer and to offer what the competition does not. Here are 3 ways to outshine the competition and enjoy the rewards of success.

Following these 3 principles should be kept in mind to achieve marketing goals and the massive income that are as under:

1. Give More Benefit for the Money- Everyone is offering insurance to their customers. That is the nature of the business. Some are offering the coverage for less and hoping to make up the difference in more sales. Some are offering better coverage and hoping to find the clients that don't mind paying the higher price for the premium policies. The key we are talking about is to offer more for less. Golden nugget of the day: Always give your customers more than they expected to get for their money. Whether company offers lower pricing on premium policies or offer more than the competition for the cut rate prices, company will be the hero if they can surprise customers with benefits and they will brag about company to their friends.

2. Cultivate Customer Relationships- Many companies will sell a policy and then wait to hear from the client. The renewal time is when they come out of their shell to contact the policy holder and ask for a renewal. The concept of relationship management can make the difference. Send out offers, e-cards, or even newsletters on a regular basis. Offer services and tips for free that will bring them back to office. Most of this can be done electronically and the cost is minimal. If customers hear often, they will begin feel like family and be more apt to renew and tell their friends about company services.

3. Market the Internet- Almost all business can be advertised online. This is the first place that the new generations are looking for the things they want. If your advertising is on the first page of Google, you can capture most of the traffic in your industry. Write articles
about the insurance field and make videos of how insurance can help the customer. The more your name and information is out there the more buyers of your policies there will be.

These marketing strategies of general insurance companies are a foundation that can be built upon to create a business that will stand the ravages of time. The internet is where all businesses are making a name for themselves. The trick is in understanding how to do it effectively and efficiently. Knowing how to market online can be the key to your ultimate success. A solid marketing mentoring program would be a big help in your learning process.

7.4 MAJOR FINDINGS OF THE STUDY:

From Customer Perspective:

1. **Major factors considered for selecting a General Insurance company:** Various factors that customers generally keep in mind while choosing an Insurance company are listed out. They are (1) Companies reputation and good image, (2) Staff politeness and kindness, (3) Management ability of the manager, (4) Long-term relationships with customers, (5) Speed of business handling, (6) Ability of computerization, (7) location: business opportunity and transport, (8) Staff professional knowledge, (9) Soundness of Management system, (10) Develop new business to meet unmet demand, (11) Quantity and contents of service items, (12) safety, (13) Follow Government policy, (14) Realize the activities of other Insurance companies, (15) Discounting schemes, (16) Number of branches, (17) Separate the market and do individual marketing, (18) Proceed with proper sales promotion activities. The analysis in this factor revealed that the customers of private sector General insurance mainly choose the company because of efficient and speedy services, customer value, longer working hours and innovative services offered. However Public sector companies are especially chosen because of convenience and safety.

2. **Awareness, Requirements, Expectation of Customers:** The analysis pertaining to awareness, requirements and expectations of Insurance customers has been carried out with the help of percentages, graphs etc. As far as the extent of customer’s awareness is concerned, findings reveal that the levels of awareness of public sector Insurance customers are very low. From the above analysis it reveals that the mean value of private sector general insurance is (4.89) and for public sector is (3.21). The low level of awareness of Public
Sector insurance companies, customer is mainly explained by lack of efforts on the part of companies to advertise their services. Hence, the customers have to rely on personal sources like friends and family members or business colleague etc for acquiring information. On the other hand private sector general insurance companies rely heavily on brochures and publications for gathering insurance information. Insurance companies staff is also instrumental in providing necessary information to the customers.

3. **Growth of insurance industry:** the present study reveals that the insurance as a whole has registered growth after its liberalization and privatization. The performance of the private sector general insurance companies in terms of growth rate is higher than that of the public sector. The private sector general insurance companies have captured (42.02%) market share in the terms of gross-direct premium in the year 2010-2011.

4. **Building Trust:** Building “Trust” is very difficult for the insurance companies. Trust is the instrument for building Customer Relationship. This has been studied in Public Sector companies and Private Sector companies. In the above analysis the mean value of customer loyalty by implementing CRM in case of private sector General insurance company is (3.75) whereas for public sector General insurance company is (4.53). Public Sector general insurance companies are very fair and well in the trust as people trust Public Sector companies as these are backed by government.

5. **Customer Relationship Management activity:** Relationship Management is very important to retain the customers. The retained customers reduce the cost of sales in the long run for the business. This helps in increasing the profits of the business. Relationship Management is very difficult to maintain in Service Industry. Regular Satisfaction with standardization of services is like conquering Mt. Everest. But the Private Sector general insurance companies are doing it with great zeal and motivation. They provide best of services to the customers promptly thus giving satisfaction to them. “Customer Delight” is the new phenomena in Customer relationship marketing. In Private Sector companies customers feel “moving to other company is not worth the effort”. In Public Sector companies, the customers are of view “my policies are safe”. They are not concerned about the services, as they know expecting a good service from the insurance companies is not possible. The statements on which relationship Management is judged are: company really
cares for me, I am treated with respect in the company, I am trapped in dealing with them, I am more closer to some staff than the company itself, I could get better services somewhere else, my insurance company is by my choice than out of compulsion, moving to other company is not worth the effort.

6. **Customer Satisfaction:** Private Sector insurance companies and Public sector insurance companies are called “The companies with Human Touch”. The customers are of the viewpoint that dealing with the insurance companies gives them total satisfaction and they feel motivated with this, thus it encouraging them to recommend the name of the insurance company to the other persons. Public Sector general insurance companies on the other hand, provide partial Satisfaction to the customers. The mean value of customer satisfaction by implementing CRM in case of private sector General insurance company is (3.94) whereas for public sector General insurance company is (2.85). It shows that it has become difficult to build Customer Relationship among the customers by public sector. Satisfaction is judged by the statements like Physical facilities, equipment, personnel, communication material, ability of perform the promises, willingness to help and provide prompt services, knowledge and courtesy of the staff, caring individualized attention, provides satisfaction.

7. **Commitment of companies towards customers:** Commitment is also an important parameter in building Customer relationship. Commitment comes in the mind of customer if he is getting satisfaction regularly and if he is having any problem, the customer complaint is addressed promptly thus giving him the solution to his satisfaction. Commitment level in Public sector insurance companies is higher. Customers are even willing to pay more for the services provided by these companies. Customers are also committed in Private Sector companies and they are going to recommend to their colleagues. The customers in Public sector general insurance are also committed because of the Trust on the company as the company’s are backed by Government. But the customers of Public Sector Company are willing to go to Private Sector general insurance company it provides better services. The commitment is based to the statements like I will continue to do business with the company, will continue with the company even if it increases the fee, would recommend the colleagues
about the company, and would like to switch to a competitor if I experience a problem with the services.

8. **Impact of entry of Private sector on Insurance Business:** the majority of respondents felt that the entry of the private insurance sector has affected the business of public sector insurance companies. There is positive impact of entry of Private sector Insurance Companies on the Public sector insurance companies in terms of service quality, customer satisfaction, sound product, discounting, distribution and promotional policies adopted by the Public sector undertakings towards better strategic marketing.

9. **Impact of Promotional activities and Product Pricing on Insurance Business:** the impact of promotional activities of private sector general insurance reveals that it has given tough competition to the public sector general insurance companies. The analysis part indicates that the customers are more convinced with the marketing strategies/policies adopted by the private sector companies and have bought some changes in the public sector undertakings strategies and policies. The overall analysis indicates that (247) customers are largely satisfied with the pricing strategies adopted by the insurance companies, (113) are only satisfied while (40) respondents are not satisfied with the product pricing of the company. In every general insurance company executives are under increased pressure, not only to maintain existing customer relationship, but also to capture a bigger customer’ pie.

10. **General insurance Penetration:** the overall study provides that insurance penetration and density has witnessed an increasing trend in the post-reform period, but still it has to cover a long way to reach at the level of other developed countries like China, Brazil and Russia. The respondents feel that the entry of the private insurance companies has widened the scope of insurance sector, in India. In this (74%) respondents think that the entry of private sector general insurance has affected the business of public sector insurance company to great extent.

11. **Marketing strategies of general insurance companies:** the overall analysis indicates that out of total survey of 400 respondents, 277 (69.25%) respondents opine that marketing strategies/policies of private insurance companies have affected the business of public sector undertakings to a great extent. And 123(30.75%) respondents opine that the
promotional activities of private sector have helped the public sector undertaking to generate new business to some extent.

12. **Impact of Demographic factors:** In this study, an effort has been made to understand the impact of demographic factors on the purchasing power of customers and what type of insurance services are availed by them. The overall analysis indicates that according to qualification, post graduate student (45.5%) mostly prefer house and building insurance and vehicle insurance. From the overall analysis it indicates that service class(65.7%) respondents plays higher role in purchase of general insurance

**From Employees Perspective:**

13. **Customers Choice of General insurance company:** Employees perception towards the customer’s choice of insurance company is different in Public Sector and Private Sector general insurance companies. The customers choose the insurance company because of “its location”, which is closer to the place of living. The second choice for choosing the company is its “Providing proper information about the new plans”. The third choice is “Parking Facility”. The customers choose the insurance company because of the “staff behaviour towards the customer”. The second choice is “Innovative Services” and third choice is giving “E- information” to the customer. Private sector is having upper hands in providing services to the customer.

14. **Proactive Approach or Reactive Approach of the insurance companies:** The proactive approach is always considered to better than reactive approach. In Proactive approach everything is planned well in advance and is executed taking all precautions so that the resources are not wasted unlike reactive approach. In Public sector, almost everything is Reactive. It shows that when the competitor makes its move, only then the public sector reacts. But this is not the case with the Private sector general insurance companies. They are totally Proactive and everything is well planned in advance. They are highly proactive, and that is why they always develop innovative products and services for the convenience of customers. This gives them an edge over the competition. Customers also feel pampered by these innovative products and services and the companies enjoy goodwill.
15. **Effective Complaint Management system:** Grievances handling is an art and its removal should be the first priority of the insurance companies. If the grievances are handled with efficiency and effectively, this could give the general insurance companies an edge over the competitors. In public sector insurance companies, the Complaint Management or Grievances Handling procedure is not well defined.

16. **Over All Assessment of the General Insurance companies:** Overall assessment of Insurance companies is done on the statements: Commitment, helpful attitude, friendliness, care, courtesy, responsiveness, flexibility, competence, comfort, communication, availability, access, cleanliness-tidy, security, reliability, functionality, integrity, aesthetics. The customers have given first choice to “security” in Public Sector general insurance companies; Customers have given first choice to “friendliness attitude and communication system” in Private sector general insurance company.

The overall analysis reveals that:-

1. Most of the respondents are of the opinion that settlement of the claims takes a long time which sometimes frustrate the customer and he starts switching to the other competitors.

2. The present marketing policies of insurance organizations are unable to make aware public totally and hence a drastic change is required in marketing strategies of both the public and private sector undertakings.

3. Due to increase in privatisation and entrance of foreign insurance companies the challenge has increased. To compete with the foreign companies the overall working system of present insurance companies in India is required a change and they should start taking the consumers as their friends.

**7.5 SUGGESTIONS**

Based on the empirical study of Public Sector General Insurance and Private Sector General insurance companies in Punjab, Haryana and Chandigarh few suggestions are considered to be important for the working of the Insurance companies and building Customer Relationship in Insurance sector which further helps companies to manage
customer loyalty. It is right to opine that the marketing practices need a new look, an innovative approach and the conceptualization of the holistic concept of management can make it possible.

The following suggestions have been given to improve the customer service and marketing orientation of general insurance companies.

1. **Implementation of CRM strategies:** the implementation of customer relationship management programs are aimed at providing with full facilities like customer profitability, better customer service, customer loyalty and increased customer satisfaction. This analysis indicates that customers are more convinced with the CRM strategies adopted by the private sector companies. Due to this public sector undertakings have also forced to make changes in their CRM strategies.

2. **Implementation of Technology and new Equipments:** It can be suggested that in order to increase productivity, both the public insurers as well as the private insurers should go for full computerization including latest technology and also appoint trained computer experts to handle the insurance service. Private sector general insurance companies have upper hand in technology and use of equipment. So it is suggested to public sector general insurance companies that they should also adopt new technologies at faster rate to attract more customers.

3. **Organize training programs for field force:** From time to time, training of manpower is suggested in order to cope with the increasing customer demands at more speed, accuracy and quality service / product. In this both Public and Private sector general insurance companies train their agents as well as employees so that there cannot be any type of fraud with the customers.

4. **Committing reliability and responsiveness:** The public sector must improve its service quality level in terms of tangibility, reliability, responsiveness, empathy, product availability and product convenience. In this private sector general insurance companies have upper hands as compared to public sector companies. So public sectors companies should play a fair game in the market.
5. **Managing Loyalty by solving customer claims:** To improve customers' retention and loyalty, these companies should focus more on improving procedures and formalities of claim settlement so that claim can be settled as early as possible and also reasonable amount of claim should be paid to the customers. Private sector has upper hands in solving customer claims and complaints, so it is suggested to public sector general insurance companies that they should consider these things properly for managing loyal customers.

6. **Layout/ Infrastructure:** Insurance premises should be attractive and equipped with all the facilities like drinking water, lighting, parking facilities etc. From the above analysis it has come to light that Private sector general insurance companies has upper hands in infrastructure than the public sector insurance companies. Public sector insurance companies should also provide customers with above facilities.

7. **Knowledge about the product and services:** Frontline employees who make the deepest impression on the customer. An energetic dedicated and well knowledge counter staff member with an ability to be in proper touch with customer can produce better results than a major advertisement campaign. This is a major concern in both public as well as private sector general insurance companies. So both types of general insurance companies should give proper training to their front desk employees according to the customers’ requirements.

8. **Providing Flexible/ Convenient working Hours:** It is evident that public sector companies, customers said that their general insurance companies do not provide flexible/convenient working hours. So public sector companies should work on this thing, there are many clients whose office/working hours are the same as the insurance companies has, so these types of strategy or providing services to customers help them in retaining customers for longer period of time.

9. **Improving overall visibility:** Visibility includes proper well dressed staff, overall decor of the Insurance/branches, providing proper sitting arrangements and well labelled counters etc. It is evident that private sector companies are having upper hand as compare to public sector companies. And it is suggested to public sector general insurance companies that they should work accordingly to make overall visibility of it.
10. **Advertisement campaign:** in this competitive world advertisement is one of the best strategies of CRM. To make customer more aware of the services and new schemes offered and to motivate them to use these schemes frequently, appropriate publicity and advertisement should be done. Private sector general insurance has upper hands in performing this activity, so it is suggested that public sector general insurance companies should also adopt this strategy.

11. **Customized Services:** Services offered by all general insurance companies are similar to each other and price for them is also almost same. So it is suggested to them that there should be a product for each class of the society. Private sector insurance companies are upper hand as compare to public sector insurance companies. Private sector insurance companies provide fast services within specified time period than the public sector insurance companies.

12. **Customer satisfaction:** As per the above analysis and by asking questioner from the customer it has become clear that customers of private sector general insurance are more satisfied then the services provided by the public sector general insurance companies. So it is suggested that public sector general insurance companies should adopt more CRM strategies to attract more customers and to retain with the existing ones also.

13. **Behavioural activities of the staff:** The employees of private companies’ behave more politely and are always willing to solve their customer’s response immediately whereas such trend is missing in employees of public sector general insurance companies. So it is suggested that public sector companies should also behave in the same manner.

14. **Installation of help counters:** A special counter to help customers should be installed which ensures regular availability of slips, brochure and other information to the customers and help them in filling the forms and other formalities of the insurance company. So it is advisable to public sector and private sector general insurance companies that they should provide full material in their offices.

15. **Creativity in Marketing of Insurance services:** Private sector insurance companies are very aggressive in marketing the products and services in Print, Audio and Audio Visual Medias where as the Public sector Insurance companies are far behind the aggressive
marketing. Usually public sector advertisement appears in print media. So it is suggested that public sector general insurance companies should also adopt effective advertisement strategies to compete in the insurance industry.

16. **Develop service Quality:** there must be a commitment to excellence and willingness to put the customer first. It starts with a mindset or attitude. The employees need to be motivated to look for way to succeed and not to fail. If for some reason they fail to do what customer wants, alternative must be there to counter the failure. Private sector takes the lead as compare to public sector general insurance companies in terms of service quality.

17. **Regulatory frameworks:** the regulator performs a key role in terms of ensuring the viability, integrity and stability of the financial system and that public confidence in the financial structure of an economy is maintained. However, the heterogenic and increasingly complex nature of the insurance sector makes the regulation and supervision of the insurance sector considerably complicated. Additional challenges arise from the rapid changes in the insurance sector over the last decades, which have made it difficult for regulators, to keep up with developments of the industry. While also developed countries have experienced failures, challenges are bigger for developing countries, whose regulatory infrastructure frequently remains minimal or inadequate. So it is suggested that the updates are necessary for the regulatory bodies.

18. **Solving customer problem:** it is suggested that customers should be encouraged to first approach Ombudsman in case of any problem during the term of their insurance. The companies should inform their customers well in time about the meetings arranged for them as many of their problems can be addressed in these meetings. Such meetings help to increase the credibility of the companies to a great extent.

The study suggested that if the public sector wants to increase its service quality or customer satisfaction level as compared to private sector, it should enhance the level of service on some important items, namely, ‘Physical facilities visually appealing’ of tangibility, ‘Company shows sincere interest in solving customer problems’ and Goodwill’ of reliability, ‘Employees and agents constantly communicate with customers’ of responsiveness, ‘Operating at every hours convenient to all their customers,’ commit to
ethics and promote ethical behaviour. There is need to spend more on enhancing their brand image too.

7.6 CONTRIBUTION OF THE STUDY

The present study has highlighted various factors, which the insurance companies should consider while formulating there marketing strategies. An analysis of awareness, requirement, expectations, performance, trust, satisfaction, commitment etc. is more required in the case of both Public and Private sector General insurance companies. Thus, through this study, Public and Private sector general insurance companies are suggested to inculcate customer centric orientation in their work culture, mechanize their operations, advertise and promote their services and products vigorously, in order to keep their market share intact in the long run. Not only this, they have to go for devising suitable marketing strategies in order to retain the customer and they should adopt new advanced technology like E-CRM, so that the customer can be fully delighted with the overall services of the different General Insurance companies.

7.7 FUTURE DIRECTION OF STUDY

As it is not possible to cover all the possible dimensions of the problem in one study, an effort has been made to identify further areas of research.

- An exclusive study of Customer Relationship Management strategies of insurance industry can be researched in future period.

- A comparative study of marketing strategies of Indian and International General Insurance companies can be researched.

- Various services offered in the Indian insurance sector and its impact on marketing strategies has been discussed in brief. Each service can be further analysed in detail with special reference to its performance in the Indian general insurance sector.

- The present research focuses only on the CRM in general insurance a study of private sector and public sector. Future research can be done to analyse the CRM in both life and general insurance companies.