CHAPTER- 06

FINDINGS,
CONCLUDING REMARKS
& SUGGESTIONS
FINDINGS:
Every research work has its own exerted from the data collection and other observations. These are essential to present so as they may benefit the people concerned to the study. The findings will also help the companies in drawing marketing strategies for their products and services. During my research work I have come across the finding at Bhopal and Sagar and in most of the case they are the same. For study purpose these findings are presented according to marketing mix elements.

1.1 Main Findings;

1.1.1 Product Based Findings:

1) LIC policies are lagging behind in terms of providing Best Returns as observed from Bhopal and Sagar both. It is observed that at Bhopal only 49.39% people said that the LIC polices provide best return on the other hand 52.23% people responded that private company’s policies provide best return. Almost same data is collected from Sagar 54.08% respondent favored best return to LIC’s policies and 55.76% for Private companies. The rejected value of chi-square test (Table: 5.1) establish the fact regarding return variable of LIC and Private companies.

2) Easy payment conditions are better in LIC as observed at Bhopal and Sagar. LIC scored high with 56.62% and 50% favoring it at Bhopal and Sagar respectively. On the other hand private companies are lagging behind with only 31.34% and 30.76% at both the sampled areas respectively. The accepted value of chi-square test (Table: 5.1) indicates the LIC’s success as product feature on payment conditions.

3) Risk coverage is again a prime feature of Life Insurance Products and it is observed high for LIC at Bhopal and Sagar with 61.44% and 60.20 respectively. On the other hand risk coverage as product feature scored low in Private Companies at Bhopal and Sagar at 40.29% and 36.53%. Accepted chi-square value in (Table: 5.1); clearly points out that the LIC is successful in promoting its products as protection against ill happenings on
the other hand private companies products are generally purchased due to their return feature as observed through point 1 and not for risk coverage benefits. This is also evident in their marketing strategies.

4) Availability of loan on policies is easier in LIC’s policies with 42.16 % and 29.59 % observed value at Bhopal and Sagar as compared to private life insurance companies observed at 32.83 % and 28.84 % at Bhopal and Sagar. The lower observed value indicates that loan is generally not considered as the product feature when customer make policy purchase decision but can be used as a good motivational factor during sale of policies. The rejected value (Table: 5.1) of chi-square indicates that there is less awareness among the policy holder about this feature of the product.

5) Market effectiveness of LIC is higher than Private Companies because higher number respondents preferred to buy LIC’s policy (at Bhopal 65.06 % and at Sagar 74.43 %) if they have to purchase another one and not the private one as only 55.22% respondents at Bhopal and 59.61% respondents at Sagar; preferred to buy Private companies policies again.

6) Reliability has emerged as the prime factor behind the purchase of life insurance policies.

7) It is observed that in LIC money back and ULIPS are the major contributor to the company’s sales on the other hand most of the sales of Private companies is associated to ULIP plans only.

8) Guaranteed return is also demanded by the customers in changing market conditions. The introduction of JEEVAN ASTHA policy by LIC in govt. sector and Safe Investment Plans by Bajaj Allianze, Wealth Assurance plan by IDBI Fortis etc. are some examples of changing product based strategies of the companies.

1.1.2 Price Based Findings:

1) It has been observed that 68.67% respondent of Bhopal and 66.32 % from Sagar feel that the premium paid by them against LIC’s policy is worthwhile. While for private companies this is only 47.76 % at Bhopal and 50 at Sagar.
The accepted chi-square value (Table: 5.4) institutes the fact that LIC has more number of policies with lesser premium payments to suit the needs of general households and customers feel that whatever they are paying as premium to LIC will be come back to them with handsome returns.

2) Affordability of LIC's policy is higher than the private companies.

1.1.3 Promotion Based Findings:

1) Media influence of LIC's promotional efforts over the respondents is observed low at Bhopal and Sagar both with 20.48 % and 28.57%. On the other hand Private Companies are leading in this front with 22.36% at Bhopal and 34.61 % at Sagar. This data and rejected value of chi-square test (Table: 5.5) reveal that private companies are able to influence the customer more than the LIC as their media marketing is more aggressive that the government company LIC India Ltd.

2) Television is come out as the most watched media by the customers as 66.56% customers of LIC & 61.19% of Private companies at Bhopal favored this. At Sagar also this 39.79 % and 53.84 % for LIC and Private companies. Other media's like print, outdoor, radio and internet are chosen lesser than television.

3) After privatization LIC is also using various Medias like Television, Print, Outdoor, Radio, and Internet. In fact the latest policy of LIC which is closed recently that is JEEVAN ASTHA was heavily advertised on all the listed Medias and the responses were also excellent; it has generated a total premium of more than 15,000 crore.

4) Private companies are also spending heavily on advertisement and other promotional methods. In fact the spending by the private companies on promotion is much higher than LIC.

5) Both LIC and private companies are using the sales promotional schemes like diaries, calendars, year planners etc. as a means of promotions.
1.1.4 Place based Findings:

1) LIC's selling is much depend upon channels of distribution; especially agents as observed high at Bhopal with 54.21 % and Sagar with 83.13 %. However Private Companies sales in comparatively less depended upon as observed from the data from Bhopal at 31.34 % and also at Sagar 40.38 %. This observation indicates that the Private companies have to focus more upon distribution channels. The accepted chi-square value (Table: 5.6) also supports the LIC's strength on this front.

2) Although the number of agents of LIC is much higher than the private companies. The private players are also appointing more and more agents; as the uniqueness and contribution of agents in sales is unmatched.

3) Apart from agents other forms of distributions like bancassurance, shoppassurance, corporate agents etc. have also gaining acceptance. Although LIC is using less potential of these channels; private companies are taking the full leverage of these new distribution alternatives.

1.1.5 Other findings:

1) Claim Settlement is also easy in LIC as observed high at both the sampled cities at 34.93 % and 42.85 % respectively in comparison to the Private Companies at 29.85 % and 19.23%. The reason for this low percentage is non using of this service as the chi-square value (Table: 5.3) is also rejected due to more respondents answering to can't say option in questionnaire/schedule as they have not yet availed this facility.

In general LIC is doing is efficiently and private companies are following the footprints of LIC and trying to provide higher claim settlement satisfaction by settling the claims in minimum possible time as done by the market leader LIC.

2) Overall service satisfaction is also observed high in LIC's policies with 61.44% & 72.44 % satisfied customers at Bhopal and Sagar respectively. Where as in Private companies it is very less in at 31.34% for Bhopal and 44.23 % at Sagar. The observations are also supported by accepted chi-
square value for hypothesis testing in Table: 5.2. This elaborates that Private Companies have to work hard to improve service satisfaction among their customers.

3) The overall rating of the company is observed higher in GOOD than in AVERAGE in LIC at both the areas and it is observed lower in Private Companies.

1.2 Findings from Executives' responses;

1) Employee stability is observed high in LIC than private companies.

2) Financial/ career growth and acceptability of life insurance business is observed main reason of coming of people in this business for both LIC and private companies' executives.

3) Most of the LIC and Private companies' employees were satisfied with their present emoluments but some LIC executive quoted that their packages are not as per the norms of industry.

4) Good earning potential and companies brand image are considered more important for Private Companies executive and for LIC executives cohesive work culture, good earning potential, company's brand image & acceptance of policies are equally important.

5) Importance is given by the executive of LIC and other Private Companies to all factors like- Agent Network, Referrals, Advertising and Mouth Publicity as a method to promote policies.

6) Agent network is observed as the most contributing factor to the companies' sales for LIC and Private Companies both.

7) Observation of women participation in marketing of life insurance is observed low in both LIC and Private Companies indicating that still life insurance is treated as hard core marketing and women are less interested in this.
1.3 Findings from Agents' responses;

1) Agent's stability with the company is also observed high in LIC as to Private companies.

2) It is observed that in LIC money back and ULIPS are the major contributor to the company's sales on the other hand most of the sales of Private companies is associated to ULIP plans only.

3) The influence of agents is observed high in selling the policies in LIC and Private Companies both.

4) Agents of LIC and Private Companies eyes introduction of other channels of distribution as support to their business at both the sampled areas.

5) Although private companies are promoting more but agents satisfaction with the promotional efforts of the companies is observed low as compared to the LIC.

6) Private Companies are gradually gaining acceptance in life insurance market; this fact is observed high by the agents of LIC and Private Companies.

To summarize the findings it can be concluded that LIC is undisputed market leader and the marketing strategies of LIC are better than the Private Companies; but it has to concentrate on few front to strengthen its market positions like;

- Development of alternative product strategies; by combining the benefits of life insurance and also providing good returns.
- Focus upon media strategies to leverage the advantage of its leader image.
- En cashes the Reliable Company's image.
- Also focus upon other means of distributions like bancassurance, shoppassurance etc.
CONCLUDING REMARKS:
Life insurance which is a very sensitive, emotional, personal and intimate kind of service for the betterment of human life as such has come a long way since its inception. The objective of my study framed in the synopsis has been a fruitful attempt in exploring the various dimensions related to life insurance marketing in India with the sample size relating to both metro and urban markets. When I started on the research methodology for finding the strengths and weaknesses of LIC and other private life insurance companies; I also pondered upon the threats and opportunities laying ahead for them. During my research I could gather very practical and applicable data from the sample population and I could interpret my findings as elaborated earlier. However my suggestions and recommendations would surely be useful to the life insurance companies.

As it has been generally perceived LIC of India is the undisputed market leader in life insurance business in India and enjoys the No. – 1 brand status among all players with 64.4 % market share. Such enormous market share needs to further nurtured and developed by adopting very innovative and aggressive marketing strategies.

It is an important point to note here that though LIC is the market leader their marketing strategies sound weaker when we look at the astonishingly appreciable performance of the private players. LIC can not be complaisant any more and needs to identify the forthcoming aggression in the marketing field by the private players. That is why I have suggested a few never before ideas for tightening the marketing approach of LIC. As it is always seen in the marketing arena all the players employ newer and brainy strategies to overpower the opponent at any cost, time and again LIC has to come up to the levels of the private players by injecting aggression, strong CRM methodologies and regaining all the lost grounds to the competitors so far.

On the other hand the private players should not become overconfident by whatever little success they have got so far, thanks to their aggressive sales staff. Otherwise it was really tough to grab any business from LIC as such. Only because LIC has been
there since long customers could look at something new offered to them by somebody.
This fact will always prevail that LIC is 'Old is Gold' kind of organization and it will not take longer for the customers to know that the private companies are more into marketing gimmicks and can not offer miracles.
If the private players want to remain in the game for a longer period of time; they must bring in more transparencies in their offers, show good positive caring attitude in all what they say and do and try to prove themselves against the giant called as Life Insurance Corporation of India.
SUGGESTIONS AND RECOMMENDATIONS:

Prelude:
In line with my synopsis for the research study paper it was but essential to gather vital data regarding the effect of marketing strategies and approaches adopted by the LIC and other private life insurance companies. This was done through actual field study by using a questionnaire as an instrument addressed to customers, executives and agents; the most important components of the market. Detailed data interpretation has already been presented in the previous chapters and the suggestions and recommendations for improvement of each component of the marketing mix are to be dealt with in this chapter.

5.1 Suggestions given by customer to both LIC and Private Players:
During the primary data collection process I have come across very valuable suggestions from the end users/beneficiaries of life insurance service which are listed below and would be extremely useful if adopted and followed by the concerned companies. Marketing has been always a dynamic field where nothing remains constant. That is why a practical feedback of this type helps immensely in framing effective marketing strategies. For products somewhat easier planning is possible but for services it is a typical task due to the inherent characteristics namely intangibility, inseparability, heterogeneity and non inventory.
Here I would again like to emphasize that the modern marketing techniques always demand latest information about the target customers and actual research data is probably the best means available for the same. In the following paragraphs I have segregated the suggestions to describe their utility against each component of the marketing mix; i.e., Product, Price, Promotion and Place.
5.1.1 Product:
The suggestions for product improvement given by customers range from addition of new features, new plans, policy documents terminology to innovative product design.
These are listed as under-

1) Customers expect higher returns on LIC policies which are suggested by majority of customers from both the Metro and Urban areas.

2) Though customers view private policies as offering better returns, they have suggested that the private companies' sales agents should not hide any of the terms and conditions of the policies. This is very important in view of larger awareness level of customers and the subsequent role of IRDA, Insurance Ombudsman, and Consumer Forum in case of grievances.

3) Since life insurance has become an integral part of household economy in countries like India, customers look at small term investments in the form of premium payments and expect quicker returns in a period of 12 – 24 months. On the contrary the IRDA has fixed a minimum lock in period of three years on life insurance policies which prevent small investors with limited income bracket from utilizing the life insurance as an investment options. This definitely restricts the business opportunities for life insurance companies.

4) Over past many years LIC has been lagging behind in offering innovative life insurance products as compared to the private players. Customers have therefore rightly suggested that LIC must introduce more innovations in its products/ policies.

5) Some of the customers have opined that Companies should make a provision for the customers that they can take back money if unsatisfied any time.

6) Switching of policies like available in Home Loans may be introduced in the life insurance sector as well.

7) It is a strong suggestion and emphasizing recommendation from customers that in case if policy lapses the companies should make a provision for the customers that they can take back their paid premium amounts after deduction of applicable service charges.
8) Although loan on LIC and Private Companies policies is available the customers find the process cumbersome and time consuming and also not properly communicated to them. Hence it is a vital suggestion that the loan procedures should be made simpler.

9) The demand for product designed for elderly people, women and students is also highlighted by the respondents for both the sectors.

5.1.2 Price:
Price being the most critical component of marketing mix plays a vital role in the life insurance industry as well. The responses could give valuable suggestion in this direction as under;

1) Customers have suggested that the LIC and private companies must fix up the premium price considering the paying capacity of the target customer for a given policy.

2) Customers perceive the private life insurance policies as more beneficial but emphasized that the annual premium amounts are exorbitantly high and suggested that it should be reduced.

3) Customers desire small premium payment options; i.e., monthly, quarterly, half yearly in proportion to the annual premium amount without any additional charges.

4) Penalty charges in case of late or default in premium payment are quite taxing on the customers and these should be minimized so as to make it easy for the customer to regularize the policies.

5) Suitable premium pricing could help the companies to catch the untapped semi urban & rural market where a large population falls under lower income bracket.
5.1.3 Promotion:
Promotion comprises of personal selling, advertising & sales promotion tactics adopted by the marketing organizations in both product and services. Needless to mention customer’s suggestions in this area would be greatly useful.

1) Customers have suggested that the life insurance companies should offer more attractive promotional schemes apart from the basic package of insurance policies. This means as in products customers must get some consumer surplus in insurance as well.

2) LIC has been acclaimed as the MOST RELIABLE brand in the services sector just recently in the year 2008; and customers expect similar performance from the private companies too.

3) Many of the private life insurance players have arrived in India by way of joint ventures and their domestic partners/parent companies might not be having good standing in the minds of customers and they have to take suitable measures to correct the situation.

4) It is always observed that life insurance companies do not communicate with the customers once the policy is sold to them and therefore the customers feels out of touch with the company and belongingness is lost. Hence it is demanded by the customers that at least mailers should be sent to them informing new schemes/ plans of the companies.

5) Customers have repeatedly mentioned that the agents do not give the detail and complete information about the policies/companies and often hide facts and mislead the customers especially the private players. This results in very high customer dissatisfaction and also negative impression about the life insurance business is formed. Therefore customers suggest that the companies should properly educate their agents about this.

6) Since insurance is a very sensitive service, customers expect that the companies should try to obtain proper market feedback.

7) Customers feel that the insurance companies must direct their efforts to mass market for expansion of life insurance business right up to the lay man.
8) The personal selling efforts of executives indicates extremely high stressful working which is experienced by the customers and they suggest that suitable number of sales staff must be appointed by the insurance companies to handle such massive market.

9) It is advised that private companies should spend on more on branding to enhance their reliability.

5.1.4 Place:
Place is related to creation of or appointment of such distribution channels and outlets to provide the products or services as near to the customers as possible. This is more important for services because the customer's dependency on the service provider is very high.

1) The sales agent is the most important link between the company and the customers. The survey reveals that customers expect the agents to be well trained and groomed to handle delicate services.

2) Customer care centers can be started like kiosks to help customer getting information from time to time.

3) Branch network is the strength of the organizations. To perform service efficiently a vast branch network goes a long way. Private insurance companies should follow the LIC model for establishing a branch network for business expansion.

4) Customers feel that LIC should try to professionalize their agents' services in terms of timeliness, punctuality and honest feedback.

5) MULTILEVEL LEVEL MARKETING (MLM) which is largely prevailing in products could be introduced in the life insurance business as suggested by some customers.
5.1.5 People:
Services necessarily depend upon the most important element that is people. Some suggestions given by customers are as under -

1) Companies’ sales staff as well as back office staff must be well trained on the aspects of complaint handling.

2) Need analysis of the customer should be done properly before giving the policies.

3) Emphasis on proper customer care must be given by the companies.

5.1.6 Process:
Process means the actual action involved in the delivery of service to the target customers. Suggestion in this regards are as under –

1) Few customers demanded improvements in documentations for both LIC and private companies.

2) Although terms and conditions are clearly jotted down on the policy document it is advised by the customers to highlight some key points which are in their greater interest.

3) Settlement of claims is again a process part which needs to be improved.

4) Overall facility improvements are also demanded by the customers it includes; premium payment options, policy documents, contact personal behavior etc.

5.1.7 Physical Evidences:
This element of service makes it visible to the customers. Not many suggestions have come in this but few are listed as -

1) Improvement of policy documents.

2) Alteration of office ambiance to make it more users friendly.

3) Timely reminders to the customers.

4) Inadequate outdoor media coverage is also emphasized by the customers.
5.2 Suggestions given by executives to both LIC and Private companies;
Executives being involved in the actual marketing practices have responded in an
enthusiastic way. Some suggestions given by them are as under-

5.2.1 Product based;
1) Understanding of customers needs while designing products and offering
suitable products will make it easy to sell the policies and increase the
market.
2) Some executive of private companies have suggested that like LIC private
players should also focus upon conventional products to build strong brand
image and regular and long term customer base.
3) Need of better return on policies is faced by the executives.
4) Designing of special products required which will be suitable for rural areas
are also a major suggestion.

5.2.2 Price:
1) Policies of smaller premium with high returns should be introduced because
customers demand the same.
2) Life insurance companies must try to offer some consumer surplus to
enhance price satisfaction of the customers.

5.2.3 Promotion:
1) Executive especially of LIC have suggested that the company should spend
more on people oriented and product focused advertisements and also on
other forms of promotions.
2) Private companies' executives feel that the back office staff should support
in a professional manner whenever a customer visits the office.
5.2.4 Place:

1) Both the LIC and Private Life Insurance Companies must try to enhance their reach up to the target customers by way of expanding their branch network, appointing additional agents.

5.2.5 People:

1) Proper agent training is emphasized by the executives of both LIC and private.
2) LIC executives have opined that their salary structure should be comparable with private companies.
3) Executives of LIC feel that promotions are based upon cadre system and not dependent on performance; which is in fact a discouraging factor for the achievers.

5.2.6 Process:

1) Executives from LIC have suggested that the policy issuance time should be reduced as presently customers have to wait longer to receive the policy documents.
2) LIC executives feel that single window system for handling all customer queries, cash collection and lodging of claims etc.
3) Private Life Insurance Companies executives have suggested that the back office operations comprising issuance of documents and providing information to customer must improve.
4) The executives have also opined that instead of force selling private companies should generate motivational selling.
5) LIC executives also felt that some personal targets must be set for the members of LIC toward contributing to the overall sales of the company.
5.2.7 Physical Evidences:

1) LIC executives have suggested that the policy document should be provided with attractive and laminated cover so as to create better impression in the customers mind.

2) Executives from LIC have suggested that more tangibles gifts like key chains, ball pens etc. should be given to customers apart from calendars and diaries.

3) Private companies' executives feel that attractive calendars, planners etc. should be provided even for prospective customers.

5.2.8 General Suggestions:

1) According to LIC executives Indian companies should reduce their dependency on foreign counterparts.

2) Government should not encourage foreign participation in domestic life insurance business.

3) Awareness about utility of life insurance must be enhanced in general public by concrete efforts jointly by LIC and private companies.

4) LIC executives have opined that instead of going in for a JOINT VENTURE to fight competition companies should try to expand the business on their own.
5.3 Suggestions given by agents to both LIC and Private companies;
Agents being the integral part of marketing process are valuable to the organization. Especially in life insurance business where nearly 80% of total business of companies come from this channel they become key holders. During my observation many interesting and useful suggestion are quoted by the agents are presented as under-

5.3.1 Product based;
1) LIC should do more aggressive promotion through electronic media.
2) Short terms plans shall be introduced to benefit the small investors.
3) Life insurance companies should target their marketing efforts towards matching the tax saving offered by competitors like Fixed Deposits and Mutual Fund Schemes.

5.3.2 Price based;
1) The sales agents have suggested that the life insurance companies should offer 10-15% commission on premium paid by the policy holders over a period of 5 years from the date of commencement of policies. This is a better option as against the present commission structure of the companies.
2) Offering discounts and rebates to customer out the commission receivable by the agents is viewed as unethical marketing practice and should be stopped by all the agents.
3) Uniformity of commission among all companies is desired by the agents so as to make healthy marketing practices all around.

5.3.3 Promotion based;
1) For educating general public about benefits of life insurance companies and the Govt. should make joint efforts to design suitable promotional campaigns for both Metro and Urban areas.
5.3.4 Place based;
   1) Need of additional back offices and customer touch point is felt by the agents.
   2) Improvement of facilities at branches/offices is also a common suggestion.

5.3.5 People based;
   1) In the tough sector like insurance sales & marketing people need to be continuously motivated by both monitory and non-monitory motivators.
   2) More professional training and development facilities at the company's end are also suggested by the agents.

5.3.6 Process related;
   1) Agents should provide appropriate information to the customers regarding their policies.
   2) The overall process time of generation of policies should be minimized.

5.3.7 Physical evidences related;
   1) Life insurance companies should provide better, long lasting quality of policy documents as they need to be preserved for longer period of time by the customer.
   2) Additional material like calendars; diaries, memo pads etc. should be provided in large quantities by the companies.

5.3.8 General Suggestions;
   1) Most of the sales agents suggest that they should be employed on salary basis and incentive, commission can be kept as additional motivator.
   2) Agents feel that there should be internal assessment of skills and marketing techniques so as to generate better marketing results in the field.
   3) Guaranteed returns schemes are welcomed by customers and should be regularly introduced by life insurance companies.
5.4 My own suggestions to life insurance companies based upon the observations and findings:

I feel it appropriate before arriving at the concluding comments that I should put forth some valuable suggestions which are drawn on the basis of earlier analysis of observations, findings and interpretations of data presented in previous chapters. I am confident that these suggestions would be definitely useful to the life insurance companies for adopting suitable marketing strategies so as to provide better services to the society at large.

Since life insurance is necessarily a people oriented service business any improvement in the marketing approaches by the companies, whether LIC or Private will certainly benefit all sections of the society, I have not segregated the suggestions and offered them as common suggestions as presented on the next page -

5.4.1 Suggestions for Product related strategies;

1) Since women’s participation has increased in all walks of life it is the need of the day that specific life insurance products should be designed to provide risk coverage to women. Such products can be targeted at various life cycle stages and categories of women such as school girls, college girls, working women- according to professions for example Air hostesses, Doctors, Nurses, Professors, Police Officers, Advocates etc.; that is according to their exposition to risk, casual labor women, housewives etc.

2) For enhancement of reach to maximum number of customers and to attain better market share the life insurance companies must adopt newer sales channels such as; MULTI LEVEL MARKETING, this has been very successfully used by product marketing organizations like Amway all over the world.

3) ULP plans have become very popular with people in general but recently it has been observed that almost all the private life insurance companies market ULPs with one or the other gimmick. This has affected the customers trust level negatively and it is imperative for the life insurance companies to
RE INTRODUCE or RE LAUNCH Unit linked policies with transparent terminology and assured returns on the complete amount paid by the customers. Such steps are urgently required to be taken in view of the very recent developments in the market following the news published in leading media. (Ref.; Business Bhasker dated 19/01/09)

4) Customers always look for innovative and attractive products. Keeping this in mind the life insurance companies should design short term policies giving tax saving benefits as presently being highlighted by NBFCs for their investment schemes. This will nullify competition if any from this new sector challenging life insurance schemes.

5.4.2 Suggestions for Price related strategies;

1) Life insurance companies can aggressively tap the newly growing market segment of women by introducing exclusive products for the various categories of women supported by suitably differentiated premium pricing brackets at justifiable concession rates.

2) Easy Installments Plans (EIP) shall be re framed so as to suit the lower income groups and people having non stable income. This can be designed on the lines of Pigmy Schemes of banks or daily installment plans of Sahara India etc.

3) Whenever any premium payment gets delayed the companies levy interest/penalty charges which can be minimized or eliminated to enhance the customers satisfaction.

4) There is a wide discrepancy among the commission offered by LIC and other private life insurance companies to their agents and sales associates which should be removed by introducing uniform commission structure for mutual benefits.
5.4.3 Suggestions for Promotion related strategies;

1) I have observed that very limited number of ladies work as sales executives or back office managers with both LIC and Private Companies. In view of the latest circumstances where large number women are working in almost all sectors, the life insurance companies should also appoint lady sales executives for increasing their business.

2) Customers have indicated that they feel out of touch with the companies once life insurance policy is given to them. The challenge here is not only to gain customers but to retain them anticipating repeat business from them. If customers are satisfied with the responsiveness of the life insurance service provider, they are likely to take up new policies, and also engage in positive word of mouth which would further increase the number of policies being sold. Hence it is suggested that companies must employ customer care officers who will look after the CRM aspect by using any or more of the following tools;

   a) New Year, birthday, anniversary greetings through mobile sms/ emails should be sent to customers.

   b) In case of timely payments, referrals, additional policies etc. thank you cards should be sent.

3) On the back side of intimation slips, money receipts and remainders; information about companies’ new policies and plans should be printed. Customers see these documents carefully and preserve the same hence the chances of good promotional communication are stronger.

4) Television being the most popular media having extensive viewer ship is used for advertising by the life insurance companies heavily. However I wish to suggest that though the national level channels are the preferred choice; the local cable T.V. is also highly popular among masses and the companies should use this media as well for enhancing their awareness and sales.

5) Since today’s markets are highly dynamic and volatile in nature the companies must devise such means to obtain latest market feedback to face
the challenges effectively. Customer feedback is the key to handle specific problems imposed by external factors by taking proactive measures in time.

5.4.4 Suggestions for Place related strategies;

1) Apart from addition of latest channels of distribution in life insurance like; bancassurance, shopassurance etc., the companies can introduce MULTI LEVEL MARKETING with dual objective of new business and creating employment opportunities for the society.

2) Though all the life insurance companies have network of branch/ sales offices the need of the time is to have RETAIL approach as a new feather in the cap. This is so because ‘Retail’ is the most happening spot of marketing canvas today.

3) Expansion of branch networks in the up country markets and in satellite townships in metro areas is advised because the metro and urban areas are expanding day by day with an average traveling distance of about 30-40 km. from residence to the insurance companies branch office, involving time and conveyance expenses.

5.4.5 Suggestions for People related strategies;

1) Almost all life insurance companies have an in house HR department and training and development facilities but still the job satisfaction level among the employees is pretty low. Here I would like to suggest that the companies must use innovative appraisal systems and professional training modules including guest lectures by practicing managers from other industries also.

2) Selling life insurance is a stressful job and most of the sales staff is not aware about stress management techniques. I here by suggest that campaigns should be organized from time to time to train the staffers for using YOGA, MEDITATION, PHYSICAL EXERCISES and GAMES etc. for relieving stress.

3) Though LIC has in-house training and development cells the sales personals lack the professional expertise because LIC does not engage a marketing expert/ trainer from other industries to impart the necessary skills.
LIC largely depends on senior officials only as trainers and they do not go beyond orthodox training systems due to lack of knowledge.

5.4.6 Suggestions for Process related strategies;

1) Single window system must be introduced on the lines of nationalized banks for providing all services to the customers including cash receipts cheque receipts, issuance of policies, giving product information etc.

2) A common complaint observed by me from the customers is- Agents and sales staff of companies especially private do not reveal all necessary information at the time of giving the policies, which reflects on the customer satisfaction adversely when he comes across the technicalities and faces some loss. This deteriorates the companies' image in the mind of the customers. I suggest that life insurance must take proper care to educate their staff and bring in ethical practices in dealing with customers.

3) I wish to suggest to the life insurance companies that they should start issuing the policy documents ON LINE, as is being done by General Insurance Companies for automobiles.

5.4.7 Suggestions for Physical Evidences related strategies;

1) Most of the life insurance customers find the policy document as an ordinary piece of paper just confirming the terms & conditions, maturity value etc. The customers find it cumbersome to protect and preserve the policy documents over the term of policy. I suggest that the companies can enhance the customers delight by providing plastic coated or laminated insurance policy documents.

2) Small gifts from time to time should be given to the customers.

Apart from the above life insurance companies should remain alert and awake about the changing marketing scenario and must understand the customers' perceptual biases and try to adopt such marketing strategies to strengthen the bond with the customers and ensure a long term profitable business with high market shares.

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SCOPE FOR FURTHER RESEARCH:
Official research conducted on this unique topic of marketing strategies of life insurance companies in India is quite limited in number. I believe a lot of scope is available for young research scholars to explore research avenues in this.

In the near future we will witness a great upheaval in the life insurance market offering research possibilities in the following areas;

- Study of marketing strategies of life insurance companies for all metro cities.
- Various states wise research can be done.
- Different cities of M. P. can be taken up as base for research.
- Study regarding more factors and sub factors can be done.

Such studies will help to develop an ideal model of marketing strategies for life insurance companies.

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