

ATTITUDE OF POLICY HOLDERS TOWARDS NATIONAL INSURANCE COMPANY LIMITED IN COIMBATORE CITY

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ABSTRACT

Insurance was practiced in ancient India. People do not bother about the risk in future. Whenever a risk arises, those who are rich face the risk and losses. Others suffer a lot and meet severe financial crisis due to natural calamities. Many people close the business due to accidents that occur. This was the fact before the establishment insurance companies in India. But affect the establishment of insurance companies risk was covered along with the human lives to all movable and immovable items. The National Insurance Company covers the risk on goods, properties, immovable and movable items rather than the human beings. As the Coimbatore district is familiar for its industrial development, there is necessity for covering the risks for goods and property. In this regard the insurance companies cover the loss of property that are indemnified by the insurer for which a nominal amount called insurance premium is paid. The National Insurance Company tries to satisfy the policy holders in all possible ways by rendering services like sanctioning the claim and sending the policy document without any delay. But the role of the agent in the case of National Insurance in many occasions gives confusion to the policy holder. Further after the entry of Private Insurance companies the insurance agent gives false information about the product and also the terms and conditions, as all the policy holders do not know the technical details about insurance. To avoid all these things a thorough study is to be undertaken.

Key Words: Services Marketing - National Insurance Company – Policy Holders – Attitudes – Coimbatore city

INTRODUCTION

Insurance in economy is regarded as a pillar of growth and works as a catalyst in the overall development of the economy. The industry always

remains a source of long-term funds, which are vital for the development of the basic infrastructure of a country. The insurance industry helps in giving the depth to the debt and capital market and also vitalizes the market for government bonds. Well run insurance companies are one of the best recycles of a country's money in the interest of the overall development of that country, particularly because these companies match their liabilities with local assets.

Insurance is a contract, which provides risk coverage to the insurer. The purchaser of insurance pays a fixed premium in exchange for a promise of compensation in the event of some specified loss. Insurance is bought because it gives peace of mind to the holders. This comfort level is important in personal as well as business life. The risk to be insured must result in a loss which is measurable in financial terms. Insurance applies to situations where a loss may or may not occur. It can not apply to situations where loss is expected to happen. Insurance is based on the operation of the law of large numbers. There must be a sufficient number of risks of a similar class being insured, so that the probability of loss can be estimated. Pure risks are those, which have an element of loss or break – even but not gain. Therefore, insurance is basically a financial agreement that redistributes cost of unexpected losses. Today, it stands both as a service and industry in its own right.

In India, the General Insurance Corporation and its four subsidiaries namely the New India Assurance, the United India Insurance, the Oriental and the National Insurance were transacting General Insurance Business. A bill is passed in the Parliament to make the GIC the national reinsurer. The four subsidiaries will soon start functioning as independent State owned companies. The GIC has already started functioning as a de facto national reinsurer. The four

subsidiaries have also started functioning as autonomous State owned companies. They have however formed an association called the General Insurance Public Sector Association. These have started functioning and their entry is already having an impact on the growth rate of the existing companies.

Till now a review of the Indian insurance industry was synonymous with the review of the performance of the Life Insurance Corporation of India and that of the General Insurance Corporation and its four subsidiaries. This position has now changed and the review has to start instead with the Insurance Regulatory and Development Authority. The virtual monopoly enjoyed by the LIC over the life insurance business and by the GIC and its four subsidiaries over the general insurance business in the country ended in December 2009 with the passage of the Insurance Regulatory and Development Authority Act.

With the passage of the IRDA and with increasing globalization of the world economy a number of new companies have been granted licence. Hence, there was high expectation among the public that the opening of the insurance sector and the entry of multinationals will not only lead to introduction of innovative plans of insurance but also result in significant reduction of premium rates. Even in the case of general insurance, the real reduction in premium may materialize. However, real competition may develop in this sector since the general insurance industry, unlike its life insurance counter part, depends less on tied agents and individual clients and more on brokers and corporate clients. Therefore, it is appropriate time to study the attitude of the policy holders towards the services of National Insurance Company.

SIGNIFICANCE OF THE STUDY

Accident, theft and burglary of vehicle have always been an uncertain thing. Personal amenities and vocational efficiency are difficult to achieve if a person is constantly living under the shadow of fear and anxiety due to ailments. To be secure against the unpleasant possibilities that the future may have in store, vehicle insurance mitigates these evils and reduces the uncertainty by ensuring the certainty of payment at the time of accident, theft and burglary. So, it is very much essential to undertake this study. In addition, to day the National Insurance Company has to compact with the newly arrived foreign and Indian Private Companies. So, in this present situation it is important to analyse the attitude of the policy

holders of the National insurance company which will enable the organisation to know about the customer behaviour in selecting the service, customer preferences, measures to improve the customer satisfaction and the like.

STATEMENT OF THE PROBLEM

Service quality is concerned with the ability of the organisations to meet the customers' expectation. The measure of performance is perceived by service quality. The National Insurance Company Limited has been rendering service to their customers. Service quality is a critical factor in determining success or failure of organizations. The service quality has various dimensions such as tangibles, reliability, responsiveness, assurance and empathy. It is better to know how these dimensions influence the service quality and it is wise to find the level of service quality in the National Insurance Company Limited plays an important role. Moreover, the level of satisfaction of the policy holders towards the services of the National Insurance Company Limited. These require proper investigation to find out the level of service and the way of improving it. Hence, the researchers have undertaken to study the attitude of the policyholders towards the service of the National Insurance Company Limited.

OBJECTIVES OF THE STUDY

The following are the specific objectives of the study.

1. To understand the various kinds of policies that operate under vehicle insurance in the National Insurance Company Limited.
2. To make a comprehensive study on the procedure of insuring and lodging claims under the vehicle insurance.
3. To analyse the performance of vehicle insurance and identify the socio – economic factors which influence the level of satisfaction.
4. To study the attitudes of the policy holders towards the services of the National Insurance Company Limited and
5. To offer suggestions for the improvement of the satisfaction of the policy holders.

METHODOLOGY

The present study is based on the primary and secondary data. The secondary data were collected from the original records of the National Insurance Company Limited, books, Journals, magazines and website. The primary data were collected from 300 respondents of the National Insurance Company policy holders of the Coimbatore city. For the present study the researchers have used random sampling technique to select the 300

respondents from the list of policy holders. Keeping the objectives of the study in mind, the researchers had a discussion with the research experts, policy holders and officials of the insurance company of the Coimbatore city. Based on the discussions, the researchers constructed an interview schedule to elicit the required information from the policy holders. A pilot study of thirty policy holders was conducted. In the light of the experience in the pilot study conducted necessary changes were incorporated in the interview schedule and a revised interview schedule was prepared for the final study. The present research is undertaken for a period of ten months from July 2012 to December 2012. The collected data are analyzed through percentage and chi-square test was used for the purpose of analysis.

REVIEW OF LITERATURE

Ralph Roseman concluded in his study that the general climate for insurance in South Africa is unfavourable and it is mainly caused by inflation. Life Assurance products must compete with those of other financial institutions and increased taxation will put the life insurance industry at a disadvantage.

Srinivasamurthy in his study, "Strategies for Indian Insurance Companies – Post Liberalization" highlighted the major issues relating to the productivity of administrative personnel in the Life Insurance Corporation. The impact of major issues on productivity had been analysed in this article.

Williams opined that Major problems in the Insurance Industry include the need to contain expenses within the allowed margins, the need to maximise returns, particularly to support expense over returns on the usually closed block of traditional in force policies and the 'no wise situation' in medical insurance, in which profit margins are there in good years and losses sizable in bad years".

Ishwar Dayal made valuable suggestions for the reduction of administrative costs and for increasing the operating efficiency of the Life Insurance Corporation. He advocated a greater concern for the development of staff and managers and for provision of opportunities for self-development accompanied by the development of a strong agency network. The Life Insurance Corporation setup an in-house team called the organisational improvement cell to help the management to widely discuss constructive proposals and implement the decisions. The members of the organisational improvement cell recommended a rationale for field organisation of the Life Insurance Corporation and review and control systems. This cell also suggested the re-organisation

of divisional offices in order to gain greater market orientation in product research and development for the various segments of the Life Insurance Corporation clientele.

ANALYSIS AND INTERPRETATION OF DATA

The data collected through the well structured questionnaire are analyzed and interpretations made on the basis of such analysis are represented as below:

GENDER-WISE CLASSIFICATION OF THE RESPONDENTS

The respondents are classified according to their gender, since the gender is very important to do the research work.

TABLE 1

From Table 1 it is understood that 80 per cent of the male respondents responded to the national insurance company and the remaining 20 per cent of female respondents responded to the national insurance company. This shows that the male respondents are very much bothered about insurance.

AGE GROUP OF THE RESPONDENTS

The age group of the respondents and their sense of responsibility determine their need to insurance. The rates of premium with lower age are low. The principal task taking the insurance buyer is to obtain maximum protection at minimum cost. The agents appear to approach people in all in ranges. In all types of communities and all occupations with about equal frequency. They do tend to concentrate their efforts in the 25 to 35 age group. Hence the age group is considered as factor influencing the service rendered by the NIC.

TABLE 2

From Table 2 it is clear that out of the 300 respondents 48 respondents are below 25 years, 120 respondents are between 25 and 35 years, 78 respondents are between 35 and 45 years and the rest i.e. 54 respondents are above the age of 45 years. Further it is concluded that the middle aged people that is, people between 25 and 35 years are more interested in insurance.

MARITAL STATUS OF THE RESPONDENTS

The main purpose of insurance is to pay the beneficiary a sum of money of the time of death due to accident. Death usually comes off a family's source of income. Death invariably creates the need for money struck by the untimely death of its breadwinner. One may need fund for immediate needs to take care of the continuing expenses. The sense of responsibility among the unmarried persons,

free from obligations, on the other hand, is lower than that of the married persons. Hence, their utilization of insurance is also comparatively lower than that of the married persons. There fore, marital status has been considered as one of the factors promoting the services rendered by the NIC to its policy holders.

TABLE 3

From table 3 it is known that 78 per cent of respondents are married and remaining 22 per cent of the respondents are unmarried and it is clear that married people of the society are very much bothered about the insurance.

TYPE OF VEHICLE OWNED BY THE RESPONDENTS

The premium paid to the policy depends on the sum insured and the sum insured depends on the value of the vehicle owned. The loss accrued is very high at the time of accident while compared to small vehicles. The responsibility of taking insurance is very low for the owners of two wheelers when compares to the owners of four wheelers and others. Hence it is an important factor for this research.

TABLE 4

From Table 4 it is clear that 62 per cent of the respondents are having two wheelers, 22 per cent of the respondents are having four wheelers and remaining 16 per cent of the respondents are having other vehicles like auto, 6 wheelers and 10 wheelers (transport vehicles). Further the table shows that the respondents having two wheelers are very much interested in motor policy.

TYPE OF FAMILY OF THE RESPONDENTS

In the Indian background sale of insurance on the basis of principle of human life value only may not work well due to many misconception orthodox superstitions and allergy to the idea of death and the like. Hence, it is better to combine concept of need based and human life values, for insurance in India and in semi urban and rural areas in particular. At the time of selling insurance on the principle of human life values, family needs of children’s marriage, educations, widow’s help and family provision and the like are to be taken into account. While combining concept of need based and human life values, it is better to take into account the family system as well because the family system influences the policy holder to hold more /less like cover. Joint family acts as a buffer on the sudden decease of bread winner. Increased insurance cover may be required for those who live in nuclear family.

TABLE 5

Table 5 reveals that 62 per cent of the

respondents are in joint family and the remaining 38 per cent of the respondents are in Nuclear family and it is found that most of the respondents belong to joint family.

NUMBER OF FAMILY MEMBERS OF THE RESPONDENTS

The sales volume depends on the number of consuming units, the perception of the consuming units towards the service and the power possessed by the consuming units. Families and business units are the principal consuming units for insurance. Respondents having a big family tend to utilize more than the respondent having a small family, as the necessity of security is felt more in a big family.

TABLE 6

From Table 6 we can understand that out of the 300 respondents, 90 respondents have less than 4 members in their families and 168 respondents have 4 to 6 members in their families and remaining 42 respondents have more than 7 members in their families.

EDUCATIONAL QUALIFICATION OF THE RESPONDENTS

Security is a common factor for educated and uneducated persons. But the educated realize the importance of security more than the uneducated. Educational knowledge, awareness and understanding, are considered as an investment, rather than a security aspect by uneducated persons. Uneducated has general perceptions that the amount invested in the insurance might be repaid. There fore, level of educational qualification is identified as one of the influencing factor.

TABLE 7

It is evident from Table 7 that 12 per cent of the respondents have the qualification of SSLC, 16 per cent of the respondents have the qualification of higher secondary, 24 per cent of the respondents have the qualification of under graduation, 38 per cent of the respondents have the qualification of post graduation and rest of the 10 per cent respondents have other, professional qualifications like Doctor, Engineer. It is concluded that most of the respondents have Post Graduate degree qualification.

EMPLOYMENT STATUS OF THE RESPONDENTS

The economic back ground almost essential to know the extent to which the insurance has affected the normal family. The economic status is determined by the nature of occupation.

TABLE 8

Table 8 is shows that 48 respondents are

doing business, 126 respondents are working in government sector, 72 respondents are doing professional service and the rest i.e. 30 respondents are doing self employment like tailoring and other employment services. From the Table one can infer that most of the respondents fall under the government service category.

MONTHLY INCOME OF THE RESPONDENTS

The purchasing power possessed by the consuming units for the purchases of insurance depends on disposable personal income. Families with higher income purchase more and vice versa. Ordinarily people think that an increase in case will increase savings. The two things are positively correlated as shown by the analysis of family budget data in the USA by professor Nusks. Persons in the very high and very low income range do not seem to be much interested in purchasing of insurance protection. Government action may motivate the people to save at the time of accident. Hence income has been considered as an influencing factor.

TABLE 9

Table 9 levels that 66 per cent of the respondents have less than Rs.10,000 as their monthly income, 26 per cent of the respondents have the income of Rs.10,000 – Rs.20,000 and rest i.e. 8 per cent of the respondents have more than Rs.20,000 as their monthly income.

MEDIA OF AWARENESS BY THE RESPONDENTS

Now-a-days mediators have a vital roll in marketing. Nothing can be reached to the end without any mediator. Here the insurers and the insured can be linked through the mediators. Hence, they have been an influencing factor for this study.

TABLE 10

It is inferred from table 10, that 30 respondents know the NIC by way of electronic media, 18 respondents know the NIC by way of signboard, 96 respondents know the NIC by way of news paper magazines and the remaining 180 respondents know the NIC by way of the NIC agent. It is concluded that most of the respondents know the NIC through the NIC Agent.

METHOD OF TAKING OF POLICY OF THE RESPONDENTS

Any body can approach the customer for taking a policy but the decision is with the customers. Hence it has been included as a factor to show by what way he gets the policy.

TABLE 11

From the Table 11 it is clear that 42 respondents out of 300 have got the policy directly from the National Insurance company and the remaining 258 respondents have got the policy through the National Insurance Company Agent. It is concluded from the Table that most of the respondents have obtained the policy through the NIC agent.

POPULARITY OF THE POLICY OF THE RESPONDENTS

Type of policy is one of the influencing factors to the study as to study how many policies are known by the respondents. Without the knowledge of policy he cannot take any decision in choosing the policy.

TABLE 12

Table 12 reveals that motor policy is known by 252 respondents, mediclaim policy is known by 192 respondents, Janatha personal accident policy is known by 84 respondents, personal accident policy is known by 144 respondents and burglary policy is known by 36 respondents. It is conferred that most of the respondents are known about the motor policy.

POLICY WISE – CLASSIFICATION OF THE RESPONDENTS

While studying the research it is very important that what type of policy is taken by the policy holders.

TABLE 13

It is observed from Table 13 that 246 respondents are taken motor policy, 84 respondents are taken mediclaim policy, 120 respondents are taken personal accident policy and remaining 6 respondents are taken burglary policy. It is concluded that most of the respondents are taken the motor policy.

OPINION ABOUT THE SERVICES

It is understood that the respondents are satisfied with the service rendered by the NIC Agent.

TABLE 14

It is clear from Table 4.15 that 88 per cent of the respondents has satisfied with the service of the NIC agents, 4 per cent of the respondent having dissatisfaction with the service rendered by the agent and 8 per cent of the respondent are having no opinion about the service of the agent.

RESPONDENTS OPINION ABOUT BONUS

The performance of an insurance company can be analyzed from the view point of premium and profit. As the premium collected from the policy holders can be reduced by the bonus paid to them.

TABLE 15

It is clear from Table 15 that out of the 300

respondents 168 respondents are satisfied with the bonus paid by the NIC in the reduction of premium. Forty two respondents are dissatisfied with the bonus paid by the NIC in the reduction of premium and the remaining 90 respondents are having no opinion about the bonus paid by the NIC. It is observed that most of the respondents are satisfied with the bonus paid by the NIC in premium.

OPINION ABOUT THE SETTLEMENT OF CLAIM

Settlement of claim is the most important factor in the insurance service. So that the researchers analyzed the opinions of respondents about the settlement of claim by the National Insurance Company.

TABLE 16

It is observed from Table 16 that out of the 300 respondents, 78 respondents are satisfied with the settlement of claim by the NIC, 24 respondents are dissatisfied with the settlement of claim by the NIC and the remaining 198 respondents are having no opinion with the settlement since they are not having the chance for claims.

OPINION ABOUT REMINDERS SERVED BY NIC

Classifications of the respondents according to the opinion about the remainders served by the NIC to renewal of policy are tabled in Table 17.

TABLE 17

It is clear from Table 17 that, 18 per cent of the respondents are having excellent opinion about the reminders served by the NIC for the renewal of policy, 58 per cent of the respondents are having good opinion with the services rendered by the NIC, 18 per cent of the respondents are having below average opinion and rest of the 2 per cent of the respondents are having poor opinion about the services rendered by the NIC with the renewal of policy.

OPINION ON SOCIAL RESPONSIBILITY

Classification according to the opinion of the respondents on the social responsibility of the NIC towards community is presented in Table 18.

TABLE 18

It is evident from table 18 that out of the 300 respondents 60 respondents are having excellent opinion on the social responsibility of the NIC towards community, 174 respondents are having good opinion about the social responsibility of the NIC towards the community, 66 respondents are having average opinion on the social responsibility of the NIC towards the community. It is concluded that most of the respondents says that the NIC has good social

responsibility towards the community.

GENDER AND LEVEL OF SATISFACTION

Gender is an important variable which influences the purchase of policy. Hence, the researcher has compared the gender of the respondents and their levels of satisfaction. For this purpose the researchers have prepared a two – way table and the information regarding the same is presented in Table 19. In order to find out the association between the gender of the respondents and the level of satisfaction towards the national insurance company services, the Chi-square test is applied.

TABLE 19

(Figures given in the brackets represent the Expected Frequency)

Null hypothesis: The association between the gender of the respondents and their levels of satisfaction towards the national insurance services is not significant.

As the calculated chi-square value (22.34) is greater than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is rejected and it could be concluded that the association between the gender of the respondents and their level of satisfaction towards the national insurance company services is significant. Therefore, it is concluded that the sex of the respondents influences their attitude.

AGE GROUP AND LEVEL OF SATISFACTION

Age group is a variable which influences the purchase of policy. Hence the researchers have compared the age group of the respondent with their level of satisfaction. For this purpose the researcher has prepared a two way table and the information regarding this is presented in Table 20. In order to find out the association between the age groups of the respondents and the levels of satisfaction towards the national insurance company services, the Chi-square test is applied.

TABLE 20

(Figures given in the brackets represent the Expected Frequency)

Null hypothesis: The association between the age groups of the respondents and their levels of satisfaction towards the national insurance services is not significant.

As the calculated chi-square value (65.415) is greater than the table value (12.592) at 5% level of significance for 6 degrees of freedom, the null hypothesis is rejected and it could be concluded that

the association between the age groups of the respondents and their levels of satisfaction towards the national insurance company services is significant. Therefore, it is concluded that the age of the respondents influence their attitude.

MARITAL STATUS AND LEVEL OF SATISFACTION

Marital status is an important variable which influences the purchase of policy. Hence, the researchers have compared the marital status of the respondents with their levels of satisfaction. For this purpose the researchers have prepared a two way table and the information regarding this is presented in Table 21. In order to find out the association between the marital status of the respondents and the levels of satisfaction towards the national insurance company services, the Chi-square test is applied.

TABLE 21

(Figures given in the brackets represent the Expected Frequency)

Null hypothesis: The association between the marital status of the respondents and their levels of satisfaction towards the national insurance services is not significant.

As the calculated chi-square value (0.145) is less than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the marital status of the respondents and their levels of satisfaction towards the national insurance company services is not significant. Therefore, it is concluded that the marital status of the respondent does not influence their attitude.

TYPE OF VEHICLE OWNED AND LEVEL OF SATISFACTION

Type of vehicle is an important variable which influences the purchase of policy. Hence, the researchers have compared the type of vehicle owned by the respondents with their levels of satisfaction. For this purpose the researchers have prepared a two – way table and the information regarding this is presented in Table 22. In order to find out the association between the type of vehicle owned of the respondents and the levels of satisfaction towards the national insurance company services, the Chi-square test is applied.

TABLE 22

Null hypothesis: The association between the type of vehicle owned of the respondents and their level of satisfaction towards the national insurance services

is not significant.

As the calculated chi-square value (7.017) is less than the table value (9.488) at 5% level of significance for 4 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the type of vehicle owned of the respondents and their level of satisfaction towards the national insurance company services is not significant. Therefore, it is concluded that the type of vehicle owned by the respondents is not influence their attitude.

NUMBER OF FAMILY MEMBERS AND LEVEL OF SATISFACTION

Family members are an important variable which influence the purchase of policy. Hence, the researcher has compared the number of family member of the respondent with their level of satisfaction. For this purpose the research has prepared a two – way table and the information regarding this is presented in Table 23. In order to find out the association between the number of family members of the respondents and the level of satisfaction towards the national insurance company services, Chi-square test is applied.

TABLE 23

Null hypothesis: The association between the number of family members of the respondents and their level of satisfaction towards the national insurance services is not significant.

As the calculated chi-square value (30.651) is greater than the table value (9.488) at 5% level of significance for 4 degrees of freedom, the null hypothesis is rejected and it could be concluded that the association between the number of family members of the respondents and their levels of satisfaction towards the national insurance company services is significant. Therefore, it is concluded that the number of family members of the respondents influence their attitude.

EDUCATIONAL QUALIFICATION AND LEVEL OF SATISFACTION

Educational qualification is an important variable, which influences the purchase policy, hence, the researchers have compared the educational qualifications of the respondents with their levels of satisfaction. For this purpose the researchers has prepared a two – way table and the information regarding this is presented in Table 24. In order to find out the association between the educational qualifications of the respondents and the levels of satisfaction towards the national insurance company services, the Chi-square test is applied.

TABLE 24

Null hypothesis: The association between the educational qualification of the respondents and their level of satisfaction towards the national insurance services is not significant.

As the calculated chi-square value (38.978) is greater than the table value (15.507) at 5% level of significance for 8 degrees of freedom, the null hypothesis is rejected and it could be concluded that the association between the educational qualification of the respondents and their level of satisfaction towards the national insurance company services is significant. Therefore, it is concluded that the educational qualification influence their attitude.

STATUS OF EMPLOYMENT AND LEVEL OF SATISFACTION

Employment status is an important variable which influence the purchase of policy. Hence the researchers have compared the status of employment of the respondent with their level of satisfaction. For this purpose the researchers have prepared a two – way table and the information regarding this is presented in Table 25. In order to find out the association between the status of employment of the respondents and the level of satisfaction towards the national insurance company services, Chi-square test is applied.

TABLE 25

Null hypothesis: The association between the status of employment of the respondents and their level of satisfaction towards the national insurance services is not significant.

As the calculated chi-square value (45.38) is greater than the table value (15.507) at 5% level of significance for 8 degrees of freedom, the null hypothesis is rejected and it could be concluded that the association between the status of employment of the respondents and their level of satisfaction towards the national insurance company services is significant. Therefore, it is concluded that the employment status influence their attitude.

SUGGESTIONS AND CONCLUSION

1. All the policies are unilateral contracts. The policy pattern is predetermined and the investor is made to choose from among the policies. The investor has no option. The investor has no option. He is not in a position to insurer in a way he desires. The contract should be made taking into consideration not the corporation alone but also the investors. The National Insurance Company should try to introduce short – term policies to insure. Policies are to be made highly

similar to that of the newly established insurance companies. The NIC should introduce policies consisting of lower premium, higher risk coverage and higher returns. Special attractive scheme need to be designed to mobilize risk cover from self – employed people particularly in rural areas as well as in non – arming sector.

2. It is incumbent on the part of NIC to offer a “Basket of innovative products to take care of the varying needs of various sections of insuring public and duty cast on an agent to sell only need – based products to its policy holders, which are in consonance with their paying capacity.
3. Besides prompt and efficient policy servicing, the policy holders also expect a good return on their savings. This has acquired added importance in the emerging financial scenario in the country where the market, of late, has got almost flooded with many other attractive instruments for risk coverage. A reasonably good return on risk coverage through NIC shall not only be an incentive for existing policy holders to keep up their policies in force but also attract policy holders for new sales.
4. The terms and conditions of the policies should be made simple and easy to understand for a layperson. Adequate approach is required through appropriate media to create more awareness among general public.
5. NIC should open a number of service centres in the more important rural block where it does not have branch offices and where the present potential for business is not sufficient to support a full – fledged branch office. This would facilities collection of premium, improved service facilities and spreading insurance coverage.
6. If the corporation is to earn the goodwill of the insuring public and gain its confidence it will have to ensure greatly improved service to policy holders in the form of expeditious settlement of claims, issue of premium notices in time irrespective of mode of payment, issue of default notice of policy without delay and so on. This suggestion has also emanated from the study.
7. Delay in the issue of policies especially in respect of proposal completed in the peak month of March should be avoided. Premium under the policies should be received without making policyholders wait for long. Policyholders expect premium notices twice in a year for the yearly mode of payment.

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**TABLE 1
RESPONDENTS ACCORDING TO THE GENDER**

Sl. No.	Gender	Number of Respondents	Percentage
1.	Male	240	80.00
2.	Female	60	20.00
	Total	300	100.00

Source: Survey Data

**TABLE 2
AGE GROUP OF THE RESPONDENTS**

Sl. No.	Age Group	Number of Respondents	Percentage
1.	Below 25 years	48	16.00
2.	25 - 35 years	120	40.00
3.	35 - 45 years	78	26.00
4.	Above 45 years	54	18.00
	Total	300	100.00

Source: Survey Data

**TABLE 3
RESPONDENTS ACCORDING TO THEIR MARITAL STATUS**

Sl. No.	Marital Status	Number of Respondents	Percentage
1.	Married	234	78.00
2.	Unmarried	66	22.00
	Total	300	100.00

Source: Survey Data

**TABLE 4
DISTRIBUTION OF RESPONDENTS ACCORDING TO THE VEHICLE OWNED**

Sl. No.	Type of Vehicle	Number of Respondents	Percentage
1.	Two wheeler	186	62.00
2.	Four wheeler	66	22.00
3.	Others	48	16.00
	Total	300	100.00

Source: Survey Data

TABLE 5
ACCORDING TO THE FAMILY OF THE RESPONDENTS

Sl. No.	Type of Family	Number of Respondents	Percentage
1.	Joint Family	186	62.00
2.	Nuclear Family	114	38.00
	Total	300	100.00

Source: Survey Data

TABLE 6
RESPONDENTS ACCORDING TO THE FAMILY MEMBER

Sl. No.	Number of Family Members	Number of Respondents	Percentage
1.	Less than 4	90	30.00
2.	4 to 6	168	56.00
3.	Above 7	42	14.00
	Total	300	100.00

Source: Survey Data

TABLE 7
EDUCATIONAL QUALIFICATIONS OF THE RESPONDENTS

Sl. No.	Educational Qualification	Number of Respondents	Percentage
1.	Upto SSLC	36	12.00
2.	Higher Secondary	48	16.00
3.	Under Graduate	72	24.00
4.	Post Graduate	114	38.00
5.	Others	30	10.00
	Total	300	100.00

Source: Survey Data

TABLE 8
ACCORDING TO THE EMPLOYMENT STATUS

Sl. No.	Status of Employment	Number of Respondents	Percentage
1.	Business	48	16.00
2.	Government	126	42.00
3.	Private Employee	72	24.00
4.	Professionals	24	8.00
5.	Self employed	30	10.00
	Total	300	100.00

Source: Survey Data

TABLE 9
CLASSIFICATION ACCORDING TO THE MONTHLY INCOME

Sl. No.	Monthly Income	Number of Respondents	Percentage
1.	Below Rs.10,000	198	66.00
2.	Rs.10,000 - Rs.20,000	78	26.00
3.	Above Rs.20,000	24	8.00
	Total	300	100.00

Source: Survey Data

TABLE 10
CLASSIFICATION ON THE BASIS OF MEDIA OF AWARENESS

Sl. No.	Sources of Awareness	Number of Respondents	Percentage
1.	Electronic Media	30	9.26
2.	Sign Board	18	5.55
3.	News Paper and Magazines	96	29.63
4.	NIC Agent	180	55.56
	Total	300	100.00

Source: Survey Data

TABLE 11
CLASSIFICATION ON THE BASIS OF METHOD OF PURCHASE OF POLICY

Sl. No.	Method of Taking Policy	Number of Respondents	Percentage
1.	Direct From NIC	42	14.00
2.	Through NIC Agent	258	86.00
	Total	300	100.00

Source: Survey Data

TABLE 12
CLASSIFICATION ON THE BASIS OF POPULARITY OF THE POLICY

Sl. No.	Type of Policy Known	Number of Respondents (Multiple Response)	Percentage
1.	Motor Policy	252	35.59
2.	Medi Claim Policy	192	27.11
3.	Janatha Personal Accident Policy	84	11.86
4.	Personal Accident Policy	144	20.34
5.	Burglary Policy	36	5.10
	Total	708	100.00

Source: Survey Data

TABLE 13
RESPONDENTS CLASSIFICATION ON THE BASIS OF POLICY

Sl. No.	Policy Taken	Number of Respondents (Multiple Response)	Percentage
1.	Motor Policy	246	53.95
2.	Mediclaim Policy	84	18.42
3.	Personal Accident Policy	120	26.32
4.	Burglary Policy	6	1.31
	Total	456	100.00

Source: Survey Data

TABLE 14
OPINION REGARDING THE SERVICE RENDERED

Sl. No.	Opinion about the Service Rendered	Number of Respondents	Percentage
1.	Satisfied	264	88.00
2.	Dissatisfied	12	4.00
3.	No Opinion	24	8.00
	Total	300	100.00

Source: Survey Data

TABLE 15
CLASSIFICATION OF THE RESPONDENTS ON THE BASIS OF BONUS

Source: Survey Data

TABLE 16
CLASSIFICATION BASED ON THE BASIS OF SETTLEMENT OF CLAIM

Source: Survey Data

TABLE 17
CLASSIFICATION ON THE BASIS OF OPINIONS REGARDING REMINDERS SERVED

Source: Survey Data

TABLE 18
OPINIONS REGARDING THE SETTLEMENT RESPONSIBILITY

Gender	Opinion regarding settlement responsibility			Number of Respondents
	Low	Medium	High	
Male	Entirely (3.2)	174 (128.76)	24 (19.2)	240
Female	Goodly (8)	48 (44.4)	0 (4.8)	60
Total	None Opinion	222	24	300
4.	Below Average	Total		
5.	Poor			
		Total		

Source: Survey Data

TABLE 19
GENDER AND LEVEL OF SATISFACTION OF THE RESPONDENTS

Source: Calculated from Survey Data

TABLE 20
AGE GROUP AND LEVEL OF SATISFACTION OF THE RESPONDENTS

Age Group	Level of Satisfaction			Total
	Low	Medium	High	
Below 25 years	6 (8.64)	42 (35.52)	0 (3.84)	48
25 - 35 years	24 (21.6)	90 (88.8)	6 (9.6)	120
35 - 45 years	12 (14.04)	66 (57.72)	0 (6.24)	78
Above 45 years	12 (9.72)	24 (39.96)	18 (4.32)	54
Total	54	222	24	300

Source: Calculated from Survey Data

TABLE 21
MARITAL STATUS AND LEVEL OF SATISFACTION OF THE RESPONDENTS

Marital Status	Level of Satisfaction			Total
	Low	Medium	High	
Married	42 (42.12)	174 (173.16)	18 (18.72)	234
Unmarried	12 (11.88)	48 (48.84)	6 (5.28)	66
Total	54	222	24	300

Source: Calculated from Survey Data

TABLE 22
TYPE OF VEHICLE OWNED AND LEVEL OF SATISFACTION OF THE RESPONDENTS

Type of Vehicle Owned	Level of Satisfaction			Total
	Low	Medium	High	
Two Wheeler	36 (33.48)	132 (137.64)	18 (14.88)	186
Four Wheeler	12 (11.88)	48 (48.84)	6 (5.28)	66
Others	6 (8.64)	42 (35.52)	0 (3.84)	48
Total	54	222	24	300

Source: Calculated from Survey Data

(Figures given in the brackets represent the Expected Frequency)

TABLE 23
NUMBER OF FAMILY MEMBERS AND LEVEL OF SATISFACTION OF THE RESPONDENTS

Number of Family Members	Level of Satisfaction			Total
	Low	Medium	High	
Less than 4 members	12 (16.2)	72 (66.6)	6 (7.2)	90
4 – 6 members	24 (30.24)	132 (124.32)	12 (13.44)	168
Above 7 members	18 (7.56)	13 (31.08)	6 (3.36)	42
Total	54	222	24	300

Source: Calculated from Survey Data

(Figures given in the brackets represent the Expected Frequency)

TABLE 24
EDUCATIONAL QUALIFICATION AND LEVEL OF SATISFACTION OF THE RESPONDENTS

Educational Qualification	Level of Satisfaction			Total
	Low	Medium	High	
Upto SSLC	12 (6.48)	24 (26.64)	0 (2.88)	36
Higher Secondary	6 (8.64)	36 (35.52)	6 (3.84)	48
Under Graduate	0 (12.96)	60 (53.28)	12 (5.76)	72
Post Graduate	30 (20.52)	78 (84.36)	6 (9.12)	114
Others	6 (5.4)	24 (22.2)	0 (2.4)	30
Total	54	222	24	300

Source: Calculated from Survey Data

(Figures given in the brackets represent the Expected Frequency)

TABLE 25
STATUS OF EMPLOYMENT AND LEVEL OF SATISFACTION OF THE RESPONDENTS

Status of Employment	Level of Satisfaction			Total
	Low	Medium	High	
Business	6 (8.64)	42 (35.52)	0 (3.84)	48
Government	36 (22.68)	84 (93.24)	6 (10.08)	126
Private Employees	12 (12.96)	48 (53.28)	12 (5.76)	72
Professionals	0 (4.32)	24 (17.76)	0 (1.92)	24
Self Employed	0 (5.4)	24 (22.2)	6 (2.4)	30
Total	54	222	24	300

Source: Calculated from Survey Data

(Figures given in the brackets represent the Expected Frequency)