



A STUDY ON CUSTOMER ATTITUDE TOWARDS PRIVATE INSURANCE WITH REFERENCE TO ICICI PRUDENTIAL

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Abstract

In view of liberalization and globalization insurance sector in India has been opened up for private players (domestic and global) to consequent the passing of the Insurance Regulatory and Development Authority (IRDA) venturers and domestic companies as per the act and issued licenses to regulated business. The Insurance Regulatory and Development Authority is given role to protect the consumer's interest and to enable healthy growth of the insurance market. Today, ICICI is a multidimensional organization offering individual life insurance, group insurance, pension and gratuity schemes, housing loans and mutual fund schemes. It also operates in countries like Fiji, Mauritius, U.K., Nepal, Bahrain and Srilanka. ICICI prudential is universally acknowledged to be an institution which eliminates risk, substituting certainly for uncertainty and comes to the timely aid of the family in the unfortunate event of death. Thus researcher studied about the customer attitude towards the private insurance with reference to ICICI Prudential.

Key words: IRDA, ICICI Prudential and Insurance.

Introduction

In the new economic reality of globalization, insurance companies face a dynamic global business environment. Radical changes are taking place owing to the internationalization of activities, the appearance of new risks, new types of covers to risks with new risk situations, and unconventional and innovative ideas on customer service. Low growth rates in developed markets, changing customer needs, and the certain economic conditions in the developing world are exerting pressure on insurers' resources while testing their ability to survive. The existing insurers are facing difficulties from non-traditional competitors that are entering the retail market with new approaches and through new channels. The basic premise of globalization is opening up of new service markets to provide the developing countries with new opportunities for the expansion of trade and economic growth.

Statement of the Problem

Now a day's people have more awareness towards ICICI policies. Today, people wish to have an ICICI prudential Life Insurance policy. But all the products are not successful. Some popular ICICI policies are preferred by the people. At the same time the successful item of new product is becoming increasingly hard to achieve. The factors which affect the insurance market today are changing customer behaviour, government intervention, competition, technology, distribution networks, automation technological advancement, quality in client relationship etc. Changing life style, societal perception and brand loyalty are the radical changes that are taking place in customer profile.

Objectives of the Study

- To study the policyholders awareness towards ICICI policies.

Methodology

The primary data were collected from policyholders who took life insurance policies from ICICI Prudential Life Insurance. Primary data was collected through interview schedule. The researcher used convenient sampling technique. The sample size of the study consists of 200 respondents. The tools used for the study are Descriptive analysis and Analysis of Variance.

Results and Discussion

Descriptive Analysis

- 39 percent of the respondents belong to the age group of 35-45 years.
- 88 percent of the respondents are male
- 41 percent of the respondents are graduates under educational qualification
- 41 percent of the respondent's occupation is business.
- 29 percent of the respondent's monthly family income is between the range of Rs.15000 and Rs.20000.
- 44 percent of the respondents are aware of bank for investment.
- 48 percent of the respondents are aware of the ICICI prudential thorough agents and development officers.
- 38 percent of the respondents have taken the policy of life time super type of ICICI Prudential

Analysis of Variance

Age and awareness of various types of investment

Null hypothesis: There is no significant difference between the age of the respondents and their awareness towards various type of investment.

Table 1, Age and awareness of various types of investment

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	7.188	4	1.797	.691	.599
Within Groups	506.732	195	2.599		
Total	513.920	199			

The ANOVA result shows that at 5% level of significance, with the 'Significant value of .599' there is no significant difference between the age group of the respondents and their level of awareness towards various types of investment. Hence the hypothesis is accepted.

Educational qualification and awareness of various types of investment

Null hypothesis: There is no significant difference between the educational qualification of the respondents and their awareness towards various type of investment.

Table 2, Educational qualification and awareness of various types of investment

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	19.711	3	6.570	2.606	.053
Within Groups	494.209	196	2.521		
Total	513.920	199			

The ANOVA result shows that at 5% level of significance, with the 'Significant value of .053' there is no significant difference between the educational qualification of the respondents and their level of awareness towards various types of investment. Hence the hypothesis is accepted.

Occupational status and awareness of various types of investment

Null hypothesis: There is no significant difference between the occupational status of the respondents and their awareness towards various type of investment.

Table 3, Occupational status and awareness of various types of investment

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.948	4	.487	.185	.946
Within Groups	511.972	195	2.625		
Total	513.920	199			

The ANOVA result shows that at 5% level of significance, with the 'Significant value of .946' there is no significant difference between the occupational status of the respondents and their level of awareness towards various types of investment. Hence the hypothesis is accepted.

Family income and awareness of various types of investment

Null hypothesis: There is no significant difference between the family income of the respondents and their awareness towards various type of investment.

Table 4, Family income and awareness of various types of investment

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.859	3	1.620	.624	.601
Within Groups	509.061	196	2.597		
Total	513.920	199			

The ANOVA result shows that at 5% level of significance, with the 'Significant value of .601' there is no significant difference between the family income of the respondents and their level of awareness towards various types of investment. Hence the hypothesis is accepted.

Conclusion

The public is aware of need for insurance. By introduction of new schemes will have a good reception among the investors. There exists a competition between private and public sector. The latest announcement made by the government regarding the participation of seventy four percent equity contributions in private insurance sector will pay way for faster growth of private institutions.