THE STUDY ON CUSTOMER SATISFACTION AND TRUST LEVEL TOWARDS LIFE INSURANCE COMPANIES IN INDIA

Dissertation Submitted to

The IIHMR University, Jaipur

for the partial fulfillment for the award of the degree of

Master of Business Administration (MBA)

in

Hospital and Health Management

by

Srishti Dewan

Under the Supervision and Guidance of

Dr. Susmit Jain

2023

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DECLARATION BY STUDENT

I hereby declare that this dissertation titled "The study on customer satisfaction and trust level towards life Insurance Companies in India" is the bonafide record of my original research work. I declare that it has not been submitted to any other university or institution for the award of any degree or diploma. Information derived from the published or unpublished work of others has been duly acknowledged in the text.

Srishti

Name of Student: Srishti Dewan

Date: 03-05-2023

CERTIFICATE

This is to certify that dissertation titled The study on customer satisfaction and trust level in insurance companies in India. is a record of the research work undertaken by Srishti Dewan partial fulfillment of the requirements for the awardof the degree of MBA (Hospital and Health Management) from the IIHMR University, Jaipur under my guidance and supervision and his/her approach to the research study has been sincere, scientific, and analytical.

Dr. Susmit Jain
Faculty Guide
IIHMR
University,
Jaipur

Dr. (Col) Mahender Kumar
School Dean
IIHMR University, Jaipur

Date

Date

ABSTRACT

TITLE: The study on customer satisfaction and trust level in life insurance companies

INTRODUCTION

India's market of life insurance has grown significantly in recent years. There were 24 life insurance firms operating in the nation as of March 2020. In the fiscal year 2019–20, the industry's total premium revenue climbed as well, hitting Rs. 2.78 lakh crore. The regulatory body- the Insurance Regulatory and Development Authority of India (IRDAI), has been working to make the legislative framework stronger. However, India's life insurance penetration is still very low when compared to other nations, suggesting that the industry has room to develop.

Consumer satisfaction and trust ratings can offer useful information for enhancing current goods and services or creating new ones. Insurance businesses may modify their solutions to better match consumer expectations, resulting in increased satisfaction and trust levels, by researching the requirements, preferences, and pain points of their clients.

For brand recognition, financial stability, regulatory compliance, product development, and improving the entire customer experience, analyzing customer satisfaction and trust levels in the life insurance sector is essential. Insurance firms may develop closer connections with their clients, inspire trust, and ultimately promote company development and success by giving these factors priority.

METHODOLOGY

Descriptive cross-sectional study was conducted as the information will be collected from a sample of Indian residents holding life insurance policies at any point of time. A semi-structured questionnaire was developed to collect data from the population. The questionnaire will include questions related to demographics, life insurance policy details, customer satisfaction, and trust factors. The sample size of the study was 60 and the convenience sampling technique was used.

FINDINGS AND CONCLUSION

The outcome of this survey offers significant knowledge and information about customer's satisfaction and trust level in life insurance policies in India. According to the study conducted, a considerable number of Indian customers are satisfied and have high trust level in their life insurance policies which indicates that customer believe in life insurance policies.

The respondents identified LIC (Life Insurance Corporation of India), India as their most frequent insurer, demonstrating its monopolistic market presence in the Indian life insurance industry. However, the existence of additional insurance providers also shows that clients have a variety of options. The importance of insurance firms differentiating themselves through outstanding customer service and a clear commitment to the wellbeing of their clients is highlighted by the competitive environment.

Even though the majority of respondents said they trusted life insurance policies, the study found that there is still space for improvement in how well insurance companies align with the interests of their consumers. Insurance providers ought to place a high priority on open communication and make sure that their policies are created to satisfy customers' real needs and expectations. Building trust in this area can improve client happiness and loyalty even more.

KEYWORDS: Life insurance, consumer satisfaction, level of trust, Life insurance companies in India, Policyholders, Life insurance policies

ACKNOWLEDGEMENT

First and foremost, I am deeply grateful to faculty guide Dr. Susmit Jain, for their exceptional guidance, expertise, and mentorship. I am truly thankful for their patience throughout.

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ABBREVIATIONS:

IRDAI- Insurance Regulatory and Development Authority of India

LIC- Life Insurance Corporation of India

PnB MetLife- Punjab National Bank MetLife

CHAPTER 1. INTRODUCTION/ BACKGROUND

India's market of life insurance has grown significantly in recent years. There were 24 life insurance firms operating in the nation as of March 2020. In the fiscal year 2019–20, the industry's total premium revenue climbed as well, hitting Rs. 2.78 lakh crore. The regulatory body IRDAI, has been working to make the legislative framework stronger. However, India's life insurance penetration is still very low when compared to other nations, suggesting that the industry has room to develop.

Indian insurance companies compete fiercely for market share with both domestic and foreign firms. For the advantage of consumers, this competition has resulted in a greater selection of insurance products, improved customer support, and competitive pricing. It is crucial to examine client satisfaction and trust levels in the context of life insurance for a range of reasons. A vital financial instrument, life insurance protects people and their family financially in the case of an early death. For life insurance firms to succeed in the long run, it is crucial to comprehend and handle consumer satisfaction and trust.

There are many suppliers competing for clients' attention in the very competitive field of life insurance. It's essential to distinguish oneself from competitors and have a strong brand identity. Building trust of customers has a significant impact on business recognition and identity. Not only reputation improves but helps in standing out from competitors. Happy consumers are more inclined to share positive remarks about their experiences.

Consumer satisfaction and trust ratings can offer useful information for enhancing current goods and services or creating new ones. Insurance businesses may modify their solutions to better match consumer expectations, resulting in increased satisfaction and trust levels, by researching the requirements, preferences, and pain points of their clients.
For brand recognition, financial stability, regulatory compliance, product development, and improving the entire customer experience, analyzing customer satisfaction and trust levels in the life insurance sector is essential. Insurance firms may develop closer connections with their clients, inspire trust, and ultimately promote company development and success by giving these factors priority.

The primary goal is to obtain a thorough comprehension of these variables in order to inform tactics and advancements that will raise client contentment, confidence, and steadfastness in the Indian life insurance industry. Examining and comprehending the variables affecting consumer satisfaction and trust in insurance firms is the aim of this study. In order to assist insurance firms improve their offers, improve client experiences, and develop customer connections, the research looks into these elements. By addressing the specific issues around consumer happiness and trust in the insurance industry, the study aims to support the overall expansion and success of insurance firms.
Enhancing consumer happiness and trust in insurance firms is the issue under investigation. client satisfaction and trust are essential for long-term client retention and acquisition, even if insurance plays a critical function in supplying financial stability and safety. However, the insurance sector frequently has issues with unsatisfied clients, a lack of trust, and poor loyalty. Insurance firms must comprehend the underlying causes of these problems in order to properly solve them.

Customer satisfaction and trust are crucial in the insurance sector for a number of reasons. First of all, happy and devoted clients are more likely to renew their contracts, improving customer retention rates and providing insurance businesses with steady revenue streams. As the cornerstone of every connection between a consumer and a business, trust must be established in order for customers to have faith in the latter's capacity to keep its promises and effectively manage claims. Customer happiness and trust may also operate as distinguishing characteristics in a competitive market, giving insurance businesses an advantage and luring in new clients. The insurance sector's long-term growth and stability depends on addressing consumer satisfaction and trust, which also helps to improve financial inclusion, wealth protection, and general economic growth.

The study's main goals are listed as follows:

1. In order to ascertain the level of customer satisfaction and trust level in insurance policies, the research will collect information from policyholders and analyse their responses.

2. Determine the elements that affect customer satisfaction and levels of trust: The study will pinpoint the crucial elements that affect consumer happiness and faith in insurance providers. These elements may include things like coverage benefits, affordable premiums, customer service excellence, claim resolution procedures, openness, and communication. The study's goal is to give insurance businesses with practical data so they may address areas for development and raise client happiness and trust levels.
3. What factors influence consumer satisfaction and levels of trust? The study will identify the critical factors that have a bearing on customer satisfaction and confidence in insurance companies. These components may include things like coverage features, reasonably priced premiums, outstanding customer service, claim settlement processes, transparency, and openness. The study's objective is to provide insurance companies with useful information so they may identify areas for improvement and boost consumer satisfaction and trust.
4. Offer suggestions for enhancing customer satisfaction and trust: Based on the study's findings, insurance businesses will get suggestions and helpful advice on how to raise levels of customer satisfaction and trust. These suggestions can involve strengthening the functionality of policies, simplifying the way customers are served, improving communication and transparency, and implementing customer-centered procedures.

The study may provide light on the precise areas where consumer happiness, trust, and loyalty in the Indian life insurance industry can be improved. The research's conclusions can help insurance firms, industry regulators, and lawmakers make wise choices, put good plans into action, and solve any gaps or problems that were found.

CHAPTER 2. REVIEW OF LITERATURE:

Numerous research has been carried out to investigate these components in the Indian life insurance market.

1. **SERVICE QUALITY AND ITS EFFECT ON CUSTOMER SATISFACTION AND CUSTOMER LOYALTY: A Qualitative Study of Muang Thai Insurance Company in Krabi, Thailand (Pongsakorn Limna, Tanpat Kraiwanit):**

TABLE 2.1

AUTHOR	TITLE	SAMPLE SIZE	SAMPLING TECHNIQUE	SALIENT FEATURES
Pongsakorn Limna, Tanpat Kraiwanit (2022)	Service quality and its effect on customer satisfaction and customer loyalty: A Qualitative Study of Muang Thai Insurance Company	6	Purposive sampling	Qualitative Approach, Customer Satisfaction and Loyalty, Relationship between customer quality, loyalty and trust.in-depth interview.

In the context of Muang Thai Insurance Company in Krabi, Thailand, the goal of this literature review is to investigate the relationship between service quality, customer happiness, and customer loyalty. The study focuses on the qualitative elements of service quality and how they affect clients' perceptions, levels of satisfaction, and loyalty to the business. The review seeks to offer a thorough understanding of the effect of customer happiness and trust in the insurance sector by looking at the existing literature on this subject.

Customers who are satisfied and pleased with the result and benefits of the investment they have made are more likely to recommend and share their experience with others. According to Oliver's (1999) "Satisfaction-Loyalty Link," clients who are satisfied and happy with the services are more likely to take those services again and hence tend to remain with organization for the long time, not willing to switch to other companies or brand in the same business sector.

The grade of service offered has a big impact on customer trust and willingness to stay. The better quality of the services received has a big impact on customer trust and satisfaction since it makes customers more happier about their investments towards it. According to the literature, customer loyalty is greatly impacted by elements like personalized treatment, effective complaint handling, responsiveness, and overall service experience. Customer loyalty and service quality have been shown to be positively correlated in a number of service sectors, including insurance.

This literature highlights the significance of service quality in influencing customer satisfaction and loyalty in the insurance industry. It emphasizes the need for organizations, specifically Muang Thai Insurance Company, to focus on enhancing service quality dimensions such as reliability, assurance, tangibles, empathy, and responsiveness. By doing this, the business can promote improved customer satisfaction levels, which will increase customer loyalty and produce fruitful commercial results.

The results of this qualitative study, specifically in relation to Muang Thai Insurance Company in Krabi, Thailand, have the potential to add to the body of knowledge already known about service quality, client satisfaction, and client loyalty in the insurance sector. The knowledge acquired can help create plans and programs that increase customer satisfaction and loyalty, which will ultimately increase the business's competitiveness and long-term success.

2. **POST PURCHASE EXPERIENCE OF CONSUMERS IN LIFE INSURANCE POLICIES: AN EMPERICAL STUDY (Vishal Kumar and Neha Singh):**

TABLE 2.2

AUTHOR	TITLE	SAMPLE SIZE	SAMPLING TECHNIQUE	SALIENT FEATURES
Vishal Kumar and Neha Singh (2020)	Post purchase experience of consumers in life insurance policies: an empirical study	396	Stratified sampling	Quantitative data analysis, Factors Influencing after-Purchase Experience, importance of trust and financial security, Relevance of Service Innovation and Quality

This review of the literature focuses on Vishal Kumar's empirical research on consumers' post-purchase experiences with life insurance contracts. The study investigates the elements that affect customer loyalty and satisfaction after buying life insurance plans. The review aims to learn more about the after-purchase experience of life insurance policies.

This literature review emphasises the significance of the after-purchase experience of life insurance policies and its influence on consumer behaviour. The empirical research by Vishal Kumar offers insightful information on the elements that affect consumer happiness and subsequent advocacy and loyalty. The results highlight how crucial it is for insurance businesses to prioritise customer-centric initiatives in order to improve the post-purchase experience and create lasting relationships with clients. Insurance firms can enhance customer happiness, brand loyalty, and general business performance by comprehending and addressing the important elements highlighted in this study.

3. **DOES LOYALTY AND SATISFACTION SUPPORT CUSTOMER RETENTION IN LIFE INSURANCE SECTOR? - AN EMPIRICAL STUDY**

TABLE 2.3

AUTHOR	TITLE	SAMPLE SIZE	SAMPLING TECHNIQUE	SALIENT FEATURES
Ranganathan Venkatesan and Jayanth Jacob (2019)	Does loyalty and satisfaction support customer retention in life insurance sector? - an empirical study	462	Combination of purposive and snowball sampling techniques	Data analysis by- SmartPLS 3 and AMOS, combination of physical questionnaires and an online questionnaire, Sample Selection, customer retention

This review of the literature places emphasis on a research study conducted by Ranganathan Venkatesan and Jayanth Jacob that analyses the relationships between customer satisfaction, loyalty, and retention in the life insurance sector. The study aims to shed light on the factors that influence customer retention and the significance of satisfaction in order to forge long-lasting relationships with customers in the insurance business.

According to this study, Customer happiness and retention have a positive relationship. Customers who are satisfied are more inclined to stick with an insurance provider and stay with the company for long. Due to the fact that loyal clients frequently have positive interactions with the business over time, loyalty in turn strengthens satisfaction. Therefore, insurance businesses can increase customer retention rates by better understanding the elements that influence loyalty and satisfaction performance.

The purpose of the study was to find out how customer retention affects the life insurance industry. The study demonstrated the significance of retaining satisfied customers by confirming a significant positive link between customer satisfaction and customer loyalty. Customers who are satisfied with a business's services are more likely to avail those services again and again in the future and tend to share the quality and experience they have received. Building trust is a crucial asset for life insurance companies as it establishes better reputation and hence leading in profitability and growth. The provision of high-quality service and the persuasive skills of agents and insurance authorities have a significant impact on customer retention. Loyalty is the root cause, and retention is the effect, so they go hand in hand.

4. **A STUDY ON FACTORS AFFECTING CUSTOMER INVESTMENT TOWARDS LIFE INSURANCE POLICIES (**Ms. Babita Yadav, Dr. Anshuja Tiwari)

TABLE 2.4

AUTHOR	**TITLE**	**SAMPLE SIZE**	**SAMPLING TECHNIQUE**	**SALIENT FEATURES**
Ms. Babita Yadav, Dr. Anshuja Tiwari (2012)	A study on factors affecting customer investment towards life insurance policies	150	stratified and purposive sampling method	Both primary and secondary data sources, use of different statistical technique, importance of consumer preferences.

In the study, the importance of life insurance as a source of financial security for people and their families against unforeseen risks and losses is emphasised. It emphasises how life insurance encourages saving among people in addition to offering protection and security. The writers highlight the crucial role that Life Insurance Corporation of India (LIC) has played in protecting millions of individuals from hazards like accidents or untimely deaths.

The study uses both primary and secondary data sources and adopts an exploratory and descriptive research design. A well-planned interview schedule is used to gather the primary data, and the IRDA annual reports, insurance journals, magazines, and websites are used to gather the secondary data.

The study's findings offer crucial new information about consumer preferences and choices in the life insurance market. It notes that LIC is the most well-known and widely-accepted brand in life insurance while also highlighting the progressive rise in market share of private insurers as a result of enhanced services and increased client confidence. According to the survey, in order to draw in clients, insurance companies should concentrate on raising life insurance knowledge, lowering premium costs, and providing innovative solutions based on customer needs.

In conclusion, this body of study advances knowledge of the variables affecting consumers' investing choices in life insurance contracts. It emphasizes how crucial demographic information and consumer preferences are in influencing these choices. The results offer insightful suggestions for insurance businesses on how to improve their client offerings, raise customer happiness, and spur expansion in the life insurance market.

5. **CUSTOMER PERCEPTION ABOUT LIFE INSURANCE SERVICES PROVIDER COMPANIES: AN EMEPRICAL EVIDENCE (**Dr. Manjit Singh)

TABLE 2.5

AUTHOR	**TITLE**	**SAMPLE SIZE**	**SAMPLING TECHNIQUE**	**SALIENT FEATURES**
Dr. Manjit Singh (2020)	Customer perception about life insurance services provider companies: an empirical evidence	500	Combination of purposive and quota sampling techniques.	Comparison of public and private life insurance companies, many factors tt\aken into account while comparison.

The study recognises the significance of how consumers' attitudes and behaviours towards life insurance service providers are shaped by their perceptions of those providers. It acknowledges that various factors and components such as the quality of the services, after purchase client satisfaction, trust of the customers in the life insurance policies have an impact on the profitability and growth in future of the life insurance companies. This study uses an empirical research methodology and employs a well-crafted questionnaire to gather primary data. The study's major conclusions are based on an examination of consumer attitudes. It implies that customers' perceptions are significantly influenced by how satisfied they are with the services offered by life insurance firms. Furthermore, it is acknowledged that trust and reputation play a key role in how clients see service provider businesses. According to the report, in order to positively impact consumer views, life insurance firms must concentrate on improving service quality, customer happiness, and trust-building.

The study's major conclusions are based on an examination of consumer attitudes. It implies that customers' perceptions are significantly influenced by how satisfied they are with the services offered by life insurance firms. Furthermore, it is acknowledged that trust and reputation play a key role in how clients see service provider businesses. According to the report, in order to positively impact consumer views, life insurance firms must concentrate on improving service quality, customer happiness, and trust-building.

In illustrating the significance of client perceptions in the life insurance market, the literature comes to a close. It implies that insurance firms can obtain a competitive edge, enhance customer pleasure, and increase customer loyalty by comprehending and managing client perceptions. The study offers perceptions that can be helpful to life insurance providers in retention.

CHAPTER 3. METHODOLOGY:

1. **RESEARCH QUESTION:**
    - What factors influence customer satisfaction, trust, and loyalty towards life insurance policies in India?

2. **OBJECTIVES:**
    - Analyze the level of customer satisfaction and trust towards life insurance policies in India.
    - Identify the factors that influence customer satisfaction, trust, and loyalty towards life insurance policies in India.

3. **HYPOTHESIS:**
   H0: There is no significant relationship between the factors influencing customer satisfaction, trust towards life insurance policies in India.
   H1: There is a significant relationship between the factors influencing customer satisfaction, trust towards life insurance policies in India.

4. **MATERIAL, METHODS**:

   STUDY DESIGN: The study will be Descriptive Cross-sectional study as the information will be collected from a sample of Indian residents holding life insurance policies at any point of time.

   SETTING: Gurugram, Haryana based - PNB MetLife Insurance Company Limited: One of the top life insurance providers in India is PNB MetLife India Insurance Company Limited, which was founded in 2001. It is a partnership between MetLife Insurance and Punjab National Bank.

5. **STUDY POPULATION**

    - **Study tools:** Questionnaire: A semi- structured questionnaire was developed to collect data from the population. The questionnaire will include questions related to demographics, life insurance policy details, customer satisfaction, and trust factors.

6. **DURATION OF STUDY**: Three Months (3rd March- 3rd June'2023)
7. **SAMPLE SIZE:** 60 respondents

    - SAMPLING TECHNIQUE: **Convenience Sampling** will be used as the sample will be drawn from the part of the population that is close to hand. Convenience sampling is strategy used in research investigations is convenience sampling. It entails picking people who are simple for the researcher to reach and convenient. Without employing a random or systematic process, the researcher selects participants for the study who are easily accessible and practical to include.

8. **DATA COLLECTION PROCEDURE**: The data collection could involve a combination of primary and secondary data sources. The primary data could be collected through a **structured questionnaire**. The secondary data **Academic journals and articles** (Peer-reviewed academic journals and articles on topics related to life insurance, consumer behavior and customer satisfaction).

9. **OPERATIONAL DEFINITIONS:**

- **Customer satisfaction:** Customer satisfaction is the subjective evaluation of a policyholder's overall happiness with their life insurance policy and their interaction with the insurance provider.
- **Trust factors**: The operational definition of trust factors could include specific variables or indicators that contribute to the establishment and maintenance of trust in life insurance policies.
- **Policyholder**: A person who is the owner of the insurance policy purchased and pays premium in intervals and receive benefits and assured sum at the event of their death.
- **Life insurance policy**: According to the Insurance Regulatory and Development Authority of India (IRDAI), life insurance is a mutual contract between an insurer (insurance company) and insured (policyholder), where financial protection and benefits are offered to the policyholder's beneficiaries in the event of their death.

PLAN- DATA ANALYSIS

- This analysis will involve describing the characteristics of the study population and variables of interest such as customer satisfaction level and trust factors using descriptive statistics. Along, with literature review of research studies, a semi structured questionnaire is prepared. A meticulously crafted questionnaire was designed, incorporating both structured and open-ended questions to gather comprehensive insights. The purpose of the questionnaire is to learn and gain more knowledge about people's first-hand experiences with life insurance policies and measure the degree of trust level in them.ability. Participants were questioned about the importance of the life insurance poicies as well as whether they would suggest products and services to their friends, family, or acquaintances.

- A comprehensive understanding of the participants' opinions on life insurance policies is made by the questionnaire's semi-structured approach, which allowed for a balanced combination of quantitative information from structured questions and qualitative input from open-ended responses
- Data interpretation: Based on the results of the analysis, it will be determined, the level of customer satisfaction and trust that have an impact on Indian consumers. The study's results will provide understandings and will offer valuable insights into the level of customer satisfaction and faith in life insurance policies.

CHAPTER 4. RESULTS AND DISCUSSIONS

The study's findings offer insightful information about Indian consumers' happiness and trust in life insurance products. The survey included 60 participants, covering a range of ages and professional experiences.

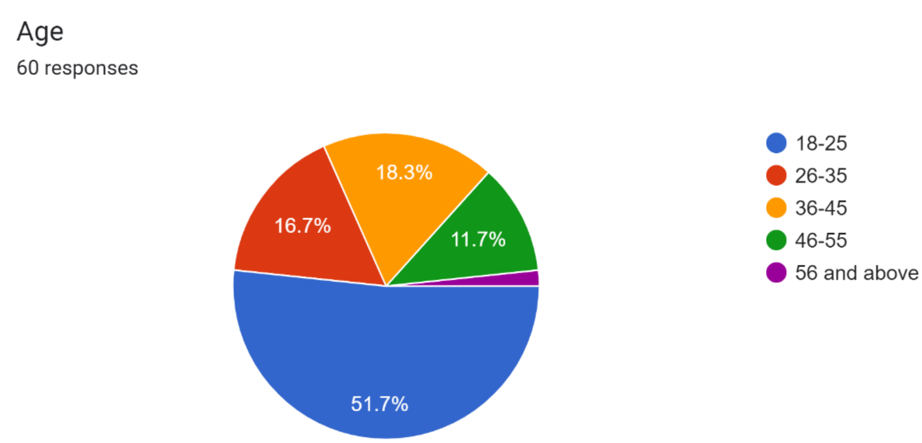

FIGURE- 4.1. DEMOGRAPHIC DISTRIBUTION

Demographic Distribution: Among the participants, 51.7% were between the ages of 18 and 25, demonstrating a sizable representation of the youth population. This shows that younger people are utilizing life insurance contracts actively. This conclusion is consistent with young adults' rising understanding of the value of financial preparation and protection.

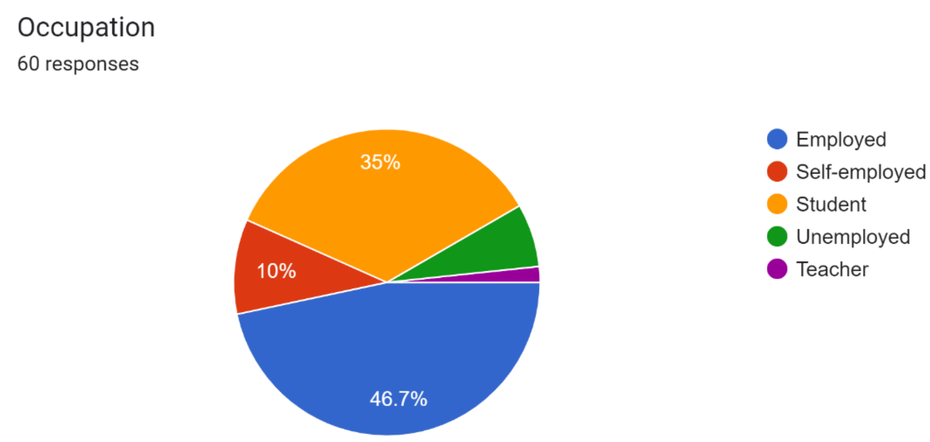

FIGURE-4.2. OCCUPATION

46.7% of respondents reported having a job, which shows a variety of people with various levels of financial stability and risk tolerance. A thorough understanding of consumer satisfaction and faith in life insurance policies can be obtained by comparing the opinions of employed and jobless individuals.

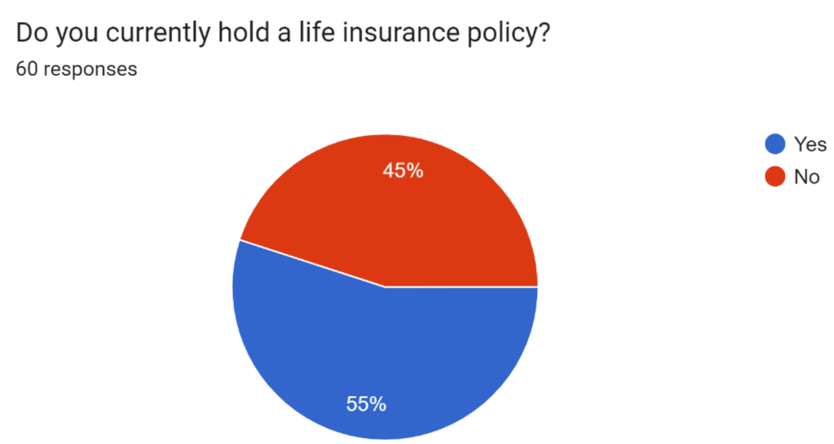

FIGURE-4.3. OWNERSHIP OF LFE INSURANCE POLICY

Ownership of a Life Insurance Policy: Of all participants, 55% said they owned a life insurance policy.

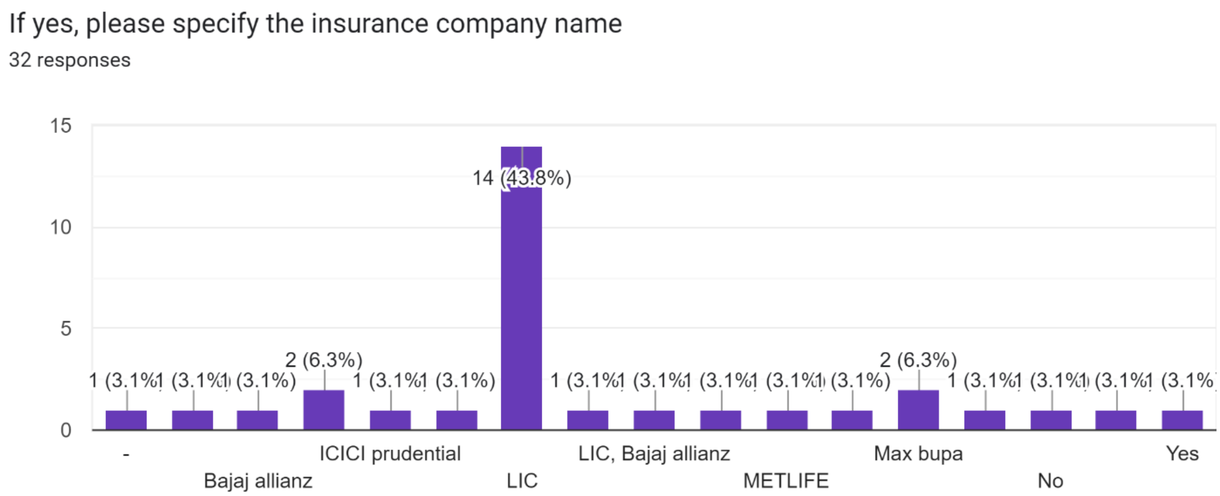

FIGURE-4.4. NAME OF THE INSURANCE COMPANY

India's LIC emerged as the most popular insurer among policyholders. This research emphasises LIC's monopolistic market position in India's life insurance market. Additionally, it implies that clients of LIC trust the company and are more inclined to select it as their preferred insurer. It is significant to notice that there are other insurance providers as well, as this shows that there are alternatives and market competition.

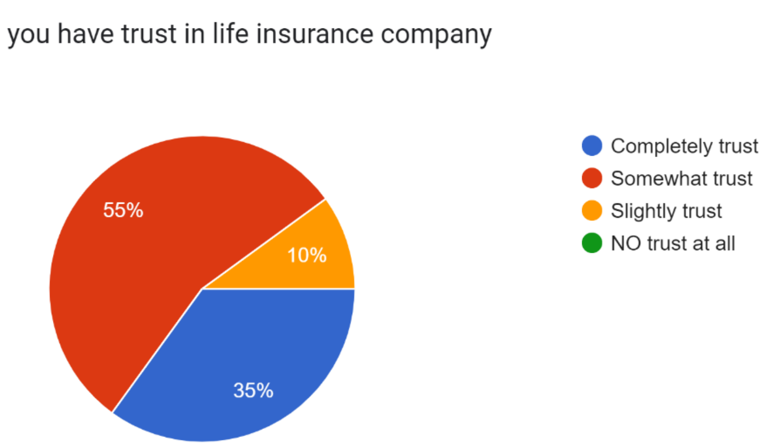

FIGURE-4.5. TRUST LEVEL

Trust Levels: Regarding trust levels, 35% of respondents said they had complete faith in life insurance plans, while 55% of respondents said they had some faith in them. The fact that none of the respondents said they had little faith in life insurance coverage is noteworthy. This result shows that clients have confidence in insurance firms and have a favorable opinion of life insurance products. It shows that the majority of clients think life insurance providers are dependable and uphold their commitments.

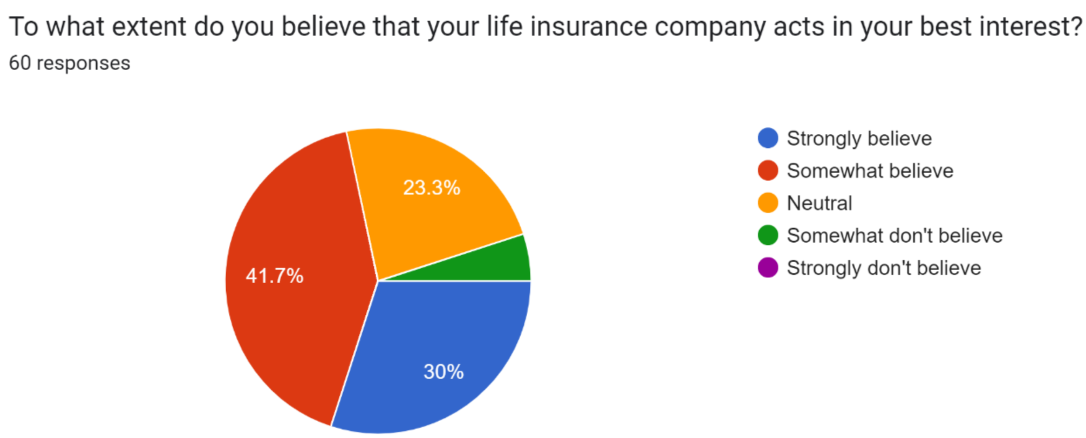

FIGURE-4.6. BELIEVE THAT LIFE INSURANCE ACTS IN BEST INTEREST

Alignment with Customers' Best Interests: When asked if they think their life insurance business acts in their best interests, 30% of respondents said they definitely believe it, while 55% said they believe it somewhat. According to this conclusion, there is room for growth in terms of establishing a solid commitment to consumer welfare and fostering confidence in this area. Insurance providers should prioritize open dialogue and providing products and services that actually fulfil the requirements and expectations of their clients.

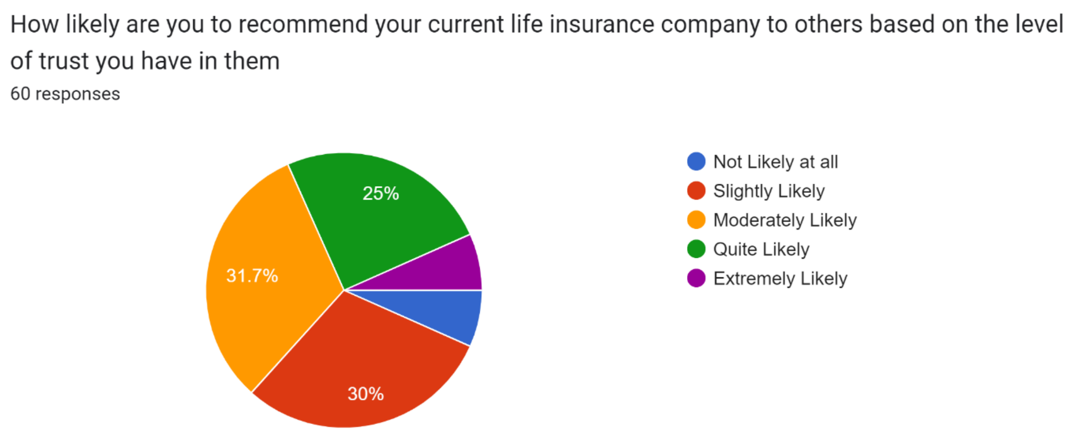

FIGURE-4.7. RECOMMENDATION OF CURRENT LIFE INSURANCE COMPANY

According to the findings, 30% of the 60 respondents said that their level of trust in their current life insurance provider makes them slightly more likely than not to refer them to others. This result implies that even while these respondents have a certain degree of trust, they might not be completely confident or enthusiastic about referring their insurance provider to others.

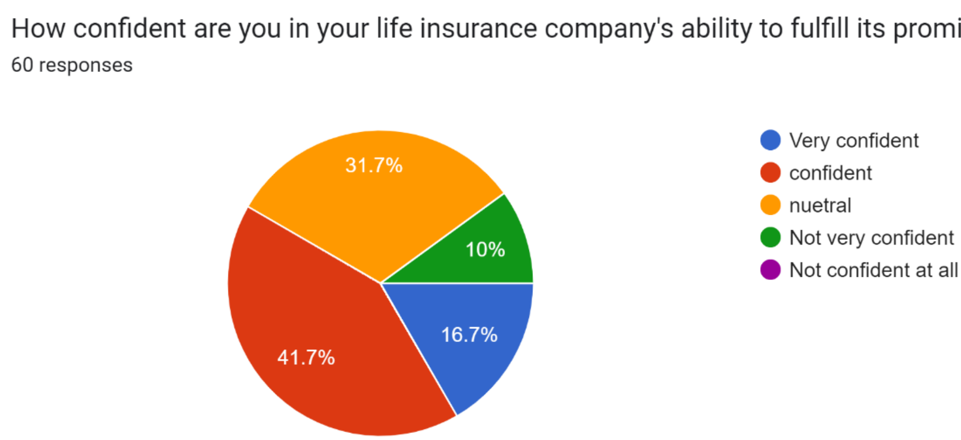

FIGURE-4.8. CONFIDENCE IN FULFILLING ITS PROMISES

The findings show that out of the 60 respondents, 16.7% expressed a high degree of confidence in the life insurance policies that they have purchased from different life insurance companies while 41.7% expressed confidence. Combining both of the percentages makes 58.4% which demonstrates that major portion of respondents have confidence in their life insurance policies and has the potential to keep its promises and commitments

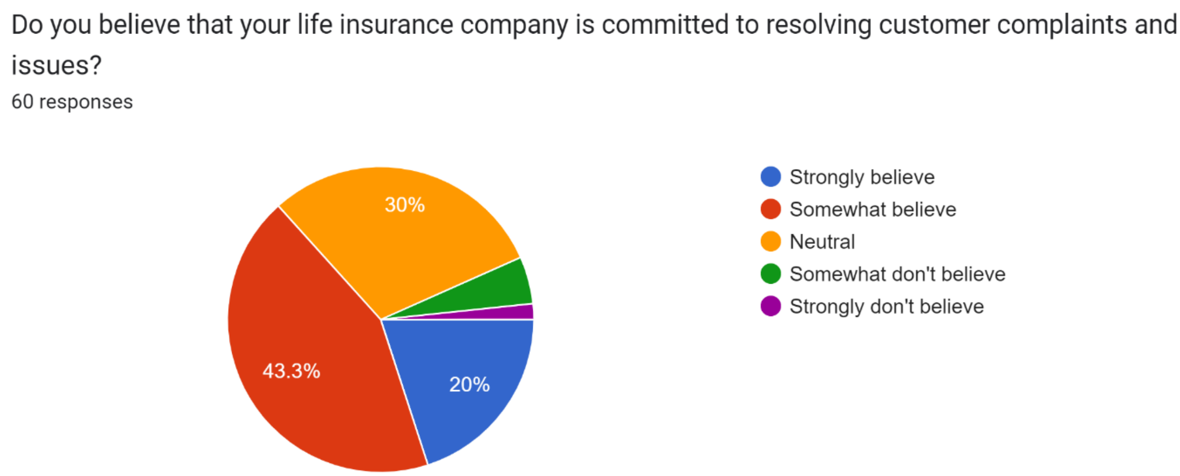

FIGURE-4.9. RESOLVING COSTOMER COMPLAINTS AND ISSUES

The combined percentage of those who strongly believe and somewhat believe makes 63.3% which constructs major proportion of respondents having the perception that insurance companies are committed to resolving complaints and issues.

This outcome demonstrates that a large portion of respondents had favourable levels of confidence in their life insurance company's capacity to keep its commitments. This indicates that some customers may have had mixed experiences or may be uncertain about the company's ability to handle complaints and issues satisfactorily.

CHAPTER 5. CONCLUSION

The outcome of this survey offers significant knowledge and information about customer's satisfaction and trust level in life insurance policies in India. According to the study conducted, a considerable number of Indian customers are satisfied and have high trust level in their life insurance policies which indicates that customer believe in life insurance policies

The study also emphasizes on the sizeable proportion of young people in the sample within the age bracket of 18–25 age. Insurance companies can take advantage by utilizing the studies that shows trends of consumer preferences, factor affecting their purchasing decision and then they can use these trends to develop unique products and services.

The respondents identified LIC (Life Insurance Corporation of India), India as their most frequent insurer, demonstrating its monopolistic market presence in the Indian life insurance industry. However, the existence of additional insurance providers also shows that clients have a variety of options. The importance of insurance firms differentiating themselves through outstanding customer service and a clear commitment to the wellbeing of their clients is highlighted by the competitive environment.

Even though the majority of respondents said they trusted life insurance policies, the study found that there is still space for improvement in how well insurance companies align with the interests of their consumers. Insurance providers ought to place a high priority on open communication and make sure that their policies are created to satisfy customers' real needs and expectations. Building trust in this area can improve client happiness and loyalty even more.

Several suggestions can be made to improve consumer satisfaction and trust in life insurance policies in India based on the study's findings. These include increasing customer interactions, making policy terms and conditions more transparent, getting regular customer feedback, spending money on employee training programmes, and working with regulatory organisations to create industry-wide standards and best practises.

Insurance providers in India can promote higher levels of client happiness, trust, and enduring loyalty by putting these suggestions into practise. Customers' growing confidence in the worth and dependability of life insurance plans would help to support the sector's overall growth and sustainability in India.

With the insurance business becoming more digitalized and technologically advanced, it is crucial for Indian insurance companies to understand how customers' demands and expectations are changing. Insurance providers can efficiently serve India's broad consumer base and secure their long-term success in this cutthroat industry by adjusting and enhancing their goods and services on a continuous basis.

The importance of client satisfaction and trust in the Indian life insurance industry is generally highlighted by this research study. It offers useful information that insurance businesses, decision-makers, and industry stakeholders may use to develop strategies that support customer-centric business practises and better understand the elements affecting consumer views.

CHAPTER 6. RECOMMENDATION:

Several suggestions can be made to improve consumer satisfaction and trust in life insurance policies in India based on the study's findings. These consist of:

Building Stronger Customer Relationships: Insurance businesses should place a high priority on strengthening their connections with their clients. This can be done through providing personalized services, excellent communication, and quick response to client complaints.

Increasing Transparency: Insurance policies should be presented in a straightforward and understandable way so that customers are fully aware of all the terms, conditions, and advantages. To promote trust, it is essential that fees, charges, and claim settlement processes are openly disclosed.

Obtaining Regular Feedback: Insurance businesses can improve overall customer satisfaction and identify areas for development by putting in place procedures for collecting regular client feedback. Regular consumer preference and concern surveys and feedback loops can be quite insightful.

Employee Training: To maintain a customer-centric attitude, employers must invest in thorough training programs for staff. Employees should be given the appropriate training and education to effectively handle consumer inquiries and concerns.

Collaboration and Industry Standards: Establishing industry-wide standards and best practices that put the interests of customers first can be accomplished through collaboration between insurance companies and governing bodies. This can increase confidence and trust in the life insurance industry as a whole.

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ANNEXURE:

RESEARCH QUESTIONNAIRE:

Customer Satisfaction and Trust Factors in Life Insurance

srishti1999dewan@gmail.com Switch account

Not shared

* Indicates required question

Age *

- (•) 18-25
- ( ) 26-35
- ( ) 36-45
- ( ) 46-55
- ( ) 56 and above

Occupation *

- ( ) Employed
- ( ) Self-employed
- ( ) Student
- ( ) Unemployed
- ( ) Other: ______

Do you currently hold a life insurance policy? *

- ( ) Yes
- ( ) No

If yes, please specify the insurance company name

Your answer

How much do you have trust in life insurance company *

- ( ) Completely trust
- ( ) Somewhat trust
- ( ) Slightly trust
- ( ) NO trust at all

To what extent do you believe that your life insurance company acts in your best interest? *

- ( ) Strongly believe
- ( ) Somewhat believe
- ( ) Neutral
- ( ) Somewhat don't believe

How likely are you to recommend your current life insurance company to others based on the level of trust you have in them *

- ( ) Not Likely at all
- ( ) Slightly Likely
- ( ) Moderately Likely
- ( ) Quite Likely
- ( ) Extremely Likely

How confident are you in your life insurance company's ability to fulfill its promises? *

- ( ) Very confident
- ( ) confident
- ( ) nuetral
- ( ) Not very confident
- ( ) Not confident at all

Do you believe that your life insurance company is committed to resolving customer complaints and issues? *

- ( ) Strongly believe
- ( ) Somewhat believe
- ( ) Neutral
- ( ) Somewhat don't believe
- ( ) Strongly don't believe