

CUSTOMER SATISFACTION STUDY ON VEHICLE INSURANCE OF GENERAL INSURANCE COMPANIES WITHIN VAPI CITY

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ABSTRACT

In this study, the attempt has been made to find out the satisfaction level of policy holder of various general insurance companies with respect to vehicle insurance and services provided within Vapi city.

A sample of 50 Respondents has been taken for study. For the selection of the sample, Non probability judgments-cum-convenience sampling technique was used. The findings of this study will reveal level of customer satisfaction.

KEYWORDS: *Customer Satisfaction, General Insurance, Vehicle Insurance*

INTRODUCTION

Today, there are 33 Insurers under 'General' category as per IRDAI website (www.irdai.gov.in), who provide non-life insurance. Besides public and private insurance companies, banks are also providing general insurance to its customers through its subsidiaries. The basic purpose of general insurance is to provide protection to the economic value of assets. Therefore, to protect these economic resources, people take the general insurance. Insurance other than life insurance falls under the category of general insurance. General insurance comprises of insurance of property against fire, burglary, other immovable property, etc.

Non- life or general insurance deals with insurance covering non life objects like animals, agricultural crops, goods, factories, cars, etc. Non - life insurance also covers losses through individual behaviors like: Fraud, burglary, non fulfillment or promises (in case of repayment of mortgage loans), professional negligence by doctors, etc.

LITERATURE REVIEW

- Customer satisfaction measures how well the expectations of a customer concerning a product or service have been met. Customer satisfaction is an abstract concept and involves such factors as the quality of the product, the quality of the service provided, the atmosphere of the location where the product or service is purchased, and the price of the product or service.
- Tripathy (2004), in his paper, has made an attempt to find out the perception of customers towards the services of insurance company through marketing variables. He has investigated the characteristics and preference of customers. He has analyzed preference given by customers to different variables. The author suggested that to

achieve greater insurance penetration, private companies have to create more vibrant and competitive industry, with greater efficiency, choice of products and value for customers.

- Khurana (2008), in his paper, made an attempt to identify the customer's preference for various factors. He tried to examine customer's preference towards plans and policies of insurance companies, their purpose of buying the insurance policies, satisfaction level of customers and their future plans for insurance policies.
- Goswami (2007) has tried to analyze the dimensions of service quality and made an attempt to understand various factors that ensure maximum customer satisfaction in the life insurance industry in India.

RESEARCH METHODOLOGY

Objective of the Study: The main objective is to study the satisfaction level of policy holders about general insurance companies of Vapi city.

Hypothesis: H0: Satisfaction level of insurance holders is independent from the company.

- **Research Design:** In this study, the researcher has used research design which is descriptive in nature. A survey was conducted amongst policy holders of general insurance companies who possess vehicle insurance.
- **Sample Size:** A sample of 50 respondents was taken for the survey and data analysis.
- **Sampling Unit:** Sampling unit consists of consumers having vehicle insurance policy from general insurance companies within Vapi city, Gujarat.
- **Sampling Technique:** A convenience sampling technique (non-probability sampling) was used for the survey.
- **Data Collection:** Primary data were collected with the help of structured questionnaires from 50 respondents with having valid vehicle insurance from general insurance companies in Vapi city.

DATA ANALYSIS, INTERPRETATION & FINDINGS

Data Analysis: As mentioned above, the study is based on a sample of 50 customers. The demographic profile of sample customers is shown in Table 1.

Table 1: Demographic Characteristics of Sample Customers (n=50)

Demographic Factors		No. of Respondents	
		In Number	In Percentage
Gender	Male	32	64
	Female	18	36
Age	20-30	15	30
	31-40	20	40
	41-50	11	22
	Above 50	04	08
Marital Status	Married	32	64
	Unmarried	18	36
Educational Qualification	Undergraduate	10	20
	Graduate	24	48
	Postgraduate	16	32
Annual Income	Below Rs. 1,00,000	02	04
	Rs. 1,00,000 to Rs. 2,00,000	09	18
	Rs. 2,00,000 to Rs. 3,00,000	20	40
	Above Rs. 3,00,001	19	36

Table 1 – Cond.,

Occupation			
	Student	02	04
	Service	30	60
	Professional	16	32
	Business	02	04

Interpretation: There were two main reasons to analyze the demographic features of the respondents. First, to clear a profile of general insurance customers and second to analyze customer satisfaction based on demographic characteristics. Demographic profile includes gender, age and marital status, education, occupation and income level.

From Table 1: It is found that, out of total respondents, 64% respondents are male and the rest are female.40% are in the age group of 31-40 years.48% of the respondents are graduate followed postgraduate 32% and 20% are undergraduate.40% of the respondents fall in the yearly income between Rs. 2,00,000 to Rs. 3,00,001. 36% of the respondents are Above Rs.3,00,001.50% of the respondents are service holders, 24% are students, 22% are professionals and 4% of the respondents are in business.

Table 2: Give the Name of Your General Insurance Company?

Name of Company	No. of Respondents	Percentage
HDFC ERGO	07	14
RELIANCE	03	06
ICICI LOMBARD	10	20
TATA AIG	05	10
IFFCO TOKIO	06	12
BAJAJ ALLIANZ	02	04
ADITYA BIRLA GENERAL INSURANCE	03	06
NEW INDIA ASSURANCE CO. LTD.	06	12
NATIONAL INSURANCE	04	08
CHOLAMANDALAM MS GENERAL INSURANCE	04	08

Interpretation: Table 2 indicates the numbers of customers of different general insurance companies. In the study, total 10 insurance companies including public and private sector general insurance companies were taken.

From Table 2: It is found out that 80% of the respondents are customers of private general insurance companies, whereas 20% are customers of public general insurance companies.

Table 3: How Would You Rate Overall Satisfaction for General Insurance Company?

Response	No. of Respondents	Percentage
Highly Dissatisfied	00	00
Dissatisfied	05	10
Neutral	08	16
Satisfied	27	54
Highly Satisfied	10	20

Table 3 reveals that 54% of policy holders are satisfied, 20% are highly satisfied and 14% are neutral, whereas 10% are dissatisfied with the services provided by general insurance companies.

From Table 3: It is found out that out of total respondents, 54% of policy holders are satisfied, 20% are highly satisfied and 14% are neutral whereas 10% are dissatisfied with the services provided by general insurance companies.

Table 4: Mean Comparison of Companies

Table: Level of Satisfaction			
	Observed N	Expected N	Residual
Highly Satisfied	10	12.5	-2.5
Satisfied	28	12.5	15.5
Neutral	8	12.5	-4.5
Dissatisfied	4	12.5	-8.5
Total	50		

Table 5: Test Statistics

	Level of Satisfaction
Chi-Square	27.12
Df	3
Asymp. Sig.	0

Assumption: As from the above table (Table: Test Statistics), it is determined that the P value is (.000), and hence the hypothesis is rejected.

And thus it is assumed that with varying insurer, the satisfaction level varies.

LIMITATIONS OF STUDY

- The study is limited to 50 respondents of selected general insurance companies of Vapi city.
- It may be possible that there may be biases in the responses given by respondent, which ultimately constrains the result of the study.

CONCLUSIONS

From the study, it is concluded that, in general, the vehicle insurances provided by general insurance companies are satisfactory to majority of customers. However, a minority believes that the service has to be improved. The area of improvement suggested are long term insurance policies (up to 3 years) without an annual renewal, reduction of period in claim settlements, reduced premium or Govt. subsidy for the farmers & low income families.

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