

A Study on Satisfaction echelon of Customer Towards Shriram General Insurance Services

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ABSTRACT

Shriram General Insurance Company Limited is a Joint Venture between Shriram Capital Limited (Part of Shriram Group) and Sanlam Limited. In this Joint Venture, Shriram Capital Limited holds 74% of Equity and Sanlam Limited holds the balance 26% of the Equity. Thousands of consumers are dissatisfied with the way their claims are served despite spending money on insurance policies and premium. A nationwide study of four insurance sectors life, health, home and motor insurance was conducted by Voluntary Organization in Interest Consumer Education, India's leading consumer organization. Surveying 3600 consumers in 8 metros, the study included 12 Life Insurance and 11 Non life Insurance companies. Interestingly, this study revealed that none of the company has a satisfied customer base. Companies most selling product is motor insurance, based on this survey the maximum customer's are satisfied with shriram general insurance co ltd. Also customer demand for the online service from company. Shriram general insurance company cover the maximum market by providing good services to customer. Shriram also work for increasing awareness about general insurance in public.

1. Introduction

History of Indian insurance market:-

Life Insurance in its current form was introduced in 1818 when Oriental Life Insurance Company began its operations in India. General Insurance was however a comparatively late entrant in 1850 when Triton Insurance company set up its base in Kolkata. History of Insurance in India can be broadly bifurcated into three eras: a)- Pre Nationalization b)- Nationalization and c)- Post Nationalization. Life Insurance was the first to be nationalized in 1956. Life Insurance Corporation of India was formed by consolidating the operations of various insurance companies. General Insurance followed suit and was nationalized in 1973. General Insurance Corporation of India was set up as the controlling body with New India, United India, National and Oriental as its subsidiaries. The process of opening up the insurance sector was initiated against the background of Economic Reform process which commenced from 1991. For this purpose Malhotra Committee was formed during this year who submitted their report in 1994 and Insurance Regulatory Development Act (IRDA) was passed in 1999. Resultantly Indian Insurance was opened for private companies and Private Insurance Company effectively started operations from 2001.

Shriram General Insurance Co .Ltd

Shriram General Insurance Company Limited is a Joint Venture between Shriram Capital Limited (Part of Shriram Group) and Sanlam Limited. In this Joint Venture, Shriram Capital Limited holds 74% of Equity and Sanlam Limited holds the balance 26% of the Equity. Sanlam is the largest General Insurance Company in South Africa. Sanlam Limited was established in 1918, demutualized in 1998 and is a leading financial services group in South Africa engaged in the business of general insurance, life insurance, investment and independent financial services. The market capitalization of

Sanlam is approximately USD 6 billion and has over USD 60 billion of assets under management Shriram Group has 5 million customers, 80,000 Agents / Associates, 30,000 Employees, and 1300 branches spread all over the Country. Financial Services constitute the core business of the Group, with Shriram being a clear leader in the truck financing and chit business. Shriram Transport Finance Company, is the largest Commercial Vehicle Financing NBFC in the country and Chit Fund Business of the Group is Numerous in the industry across India. In Consumer Finance, Shriram has presence all over India. Shriram Group has been pursuing diversification in areas other than financial services. Currently the group has presence in project engineering, property development, auto ancillaries and software services and is also looking to enter other industries.

Shriram General Insurance is augmenting and graduating from general to specialize." We are hiring Specialist Officers in various fields like **Claims, Legal, Marketing, Underwriting, Accounts, Audit, Pre-Inspection etc.** Is the largest private sector general insurance company in India with a Gross Written Premium (GWP) of Rs. 2,456 crore for the year ended 31 March 2015. The company issued over 56 lakh policies and settled over 26 lakh claims and has a claim disposal ratio of 99% of claims settled against claims reported as on March 31, 2015.

2. Reviews on Life insurance

As it is aptly insisted in Life Insurance Council's Code of Best Practice for Indian Life Insurers, as a trustee of policy-owners' savings, a life insurance company has the responsibility to safeguard customers' interest at all times and ensure their continued confidence in the integrity and professional conduct of life insurers. The policy-owner's trust placed on the managers of life insurance companies casts a

heavy responsibility to ensure that their institutions are professionally managed at all levels and they do, and are seen to, conduct their business with the highest level of integrity. If the insurers understand all the expectations of the insurers and do their best to meet them, customers are said to be satisfied.

Thousands of consumers are dissatisfied with the way their claims are served despite spending money on insurance policies and premium. A nationwide study of four insurance sectors life, health, home and motor insurance was conducted by Voluntary Organization in Interest Consumer Education (VOICE), India's leading consumer organization. Surveying 3600 consumers in 8 metros, the study included 12 Life Insurance and 11 Non life Insurance companies. Interestingly, this study revealed that none of the company has a satisfied customer base. (Source: India's First ever Customer Satisfaction on Insurance Sector) Public sector Insurance companies despite their long standing presence in insurance sector are losing out the customer base as consumers lose confidence in their service.

Philip Kotler- "person's feeling of pleasure or disappointment which resulted from comparing a product's perceived performance or outcome against his/ her expectations"

Dr P C Shejwalker (1989) in his article "Training in Life Insurance Marketing" discussed the importance of trained agents' force to develop the life insurance business. He stressed that present selection pattern of the agent should be changed. He expressed his opinion that private or independent institute should be invited to impart training to the agents. Shesha Ayyer.V. (1999) in his article entitled, "New Insurance products in the next century", forecasted the importance of insurance cover at old age.

Vijayavani.J., (1999) in her prize winning technical paper entitled "Cost effective distribution channels of life insurance products" suggested that to tap policy holders, insurance tie-ups with banks, mutual funds and benefit consultants and brokerage and benefit consultants, company and fund managers can be introduced

Holsboer Jan H (1999), investigated the link between insurance sector development and economic growth in context with the recent changes in the external environment for insurance companies in Europe. He developed a model based on the interest rate (r), growth of the working population (n), the economic growth rate (g). The benefits of the pay pension system of the funded pension system were analyzed in this model.

General Insurance

Definition: Insurance contracts that do not come under the ambit of life insurance are called general insurance. The different forms of general insurance are fire, marine, motor, accident and other miscellaneous non-life insurance.

Description: The tangible assets are susceptible to damages and a need to protect the economic value of the assets is needed. For this purpose, general insurance products are bought as they provide protection against unforeseeable

contingencies like damage and loss of the asset. Like life insurance, general insurance products come at a price in the form of premium.

Life Insurance

A life insurance policy is a contract with an insurance company. In exchange for premiums (payments), the insurance company provides a lump-sum payment, known as a death benefit, to beneficiaries in the event of the insured's death.

Typically, life insurance is chosen based on the needs and goals of the owner. Term life insurance generally provides protection for a set period of time, while permanent insurance, such as whole and universal life, provides lifetime coverage. It's important to note that death benefits from all types of life insurance are generally income tax-free

There are many varieties of life insurance. Some of the more common types are discussed below.

Term life insurance

Term life insurance is designed to provide financial protection for a specific period of time, such as 10 or 20 years. Typically, premiums are level and guaranteed for that time. After that period, policies may offer continued coverage, usually at a substantially higher premium rate. Term life insurance is generally a less costly option than permanent life insurance.

It's important to note that, although term life can be used to replace lost potential income, life insurance benefits are paid at one time in a lump sum, not in regular payments like pay checks.

Universal life insurance is another type of permanent life insurance designed to provide lifetime coverage. Unlike whole life insurance, universal life insurance policies are flexible and may allow you to raise or lower your premium or coverage amounts throughout your lifetime. Like whole life insurance, universal life also has a tax-deferred savings component, which may build wealth over time. Additionally, due to its lifetime coverage, universal life typically has higher premiums than term.

Needs it helps meet: Universal life insurance is most often used as a flexible estate planning strategy to help preserve wealth to be transferred to beneficiaries. Another common use is long term income replacement, where the need extends beyond working years. Some universal life insurance product designs focus on providing both death benefit coverage and building cash value while others focus on providing guaranteed death benefit coverage.

Whole life insurance

Whole life insurance is a type of permanent life insurance designed to provide lifetime coverage. Because of the lifetime coverage period, whole life usually has higher premiums than term life. Policy premiums are typically fixed, and, unlike term, whole life has a cash value, which functions as a savings component and may accumulate tax-deferred over time.

3. Objectives of the study

The main objective of study creates customer relationship towards existing customer as well as new customer.

1. To study the satisfaction level of customer towards Shriram General Insurance.
2. Increase awareness of general insurance in public.
3. To study the consumer buying behavior towards Shriram General Insurance.
4. To understand the customer relationship activities for existing customer.

,Customer are use only 25% for car Insurance Maximum customer are having insurance for Two wheeler.

Shriram Company Insurance awareness

Awareness of shriram general insurance	YES	NO
Customer	80	40
Percentage	66.66%	33.33%

Source- Primary Data

Interpretation

As per the response the 66.66% customer are aware about the shriram general insurance. Remaining 33.33% customer are not aware about shriram general insurance.

Which company's insurance do you have for your vehicle?

Company	ICICI Lombard	NEW INDIA	SRIRAM GENERAL	OTHER
Respondent	15	15	70	20
Percentage	12.50%	12.50%	58.33%	16.66%

Source- Primary Data

Interpretation

12.5% People Using ICICI Lombard Service. 12.5% People Using New India Insurance.

58.33% People Using Sri Ram General Insurance Service.Out of 16.66% people using other company insurance service. SHRIRAM GENERAL INSURANCE gives good service to customer that's why majority of customer take a service of this company.

why did you choose shriram general insurance?

Reason	Customer	Percentage
Fast Service	60	50.00%
Less Premium	30	25.00%
fast Claim Settlement	10	8.33%
Other	20	16.66%

Source- Primary Data

Interpretation

All the customer are choose SHRIRAM GENERAL INSURANCE because 50% says fast service , 25% say's less premium 8.33% respondent says fast settlement & other choose SHRIRAM GENERAL INSURANCE because of other reason.

Satisfaction about Shriram General Insurance co ltd service

Satisfaction level	Satisfied	Not satisfied	Can't say
Respondent	85	20	15
Percentage	70.83%	16.66%	12.50%

Source- Primary Data

Interpretation

In the survey we can say that 70.83% of the customers are satisfied with Shriram general Insurance ltd. while 16.66% customers feel they are not satisfied because of claim services Of Shriram General Insurance Co Ltd,While 12.50% of the customers can't say.

4. Research Methodology :

1. A customer survey method is used to get the feedback from the customers.
2. The total sample size of this project is 120 respondents.
3. This project survey is conducted in Mumbai city.

Sample Design:

- **Sample Size:** 120 respondents as a sample size from different areas of Mumbai City.
- **Sampling Technique:** Random Sampling Technique for this Study Project
- **Location Of Survey:** New panvel , Belapur , khanda colany, kamothe, kalamboli, panvel

5. Data analysis and interpretation

Occupation of Respondents

Occupation	Business	Salaried	Other
No. of respondent	80	30	10
Percentage	66.66%	25.00%	8.33%

Source- Primary Data

Interpretation

From the above information the majority of respondents have their own business some Customer are salaried or employee and other are general customer.

Awareness about general insurance

Awareness	Yes	No
Response	105	15
Percentage	87.50%	12.50%

Source- Primary Data

Interpretation

In the above chart out of the 105 respondent 87.50% people are aware about the general insurance but remaining 12.50% respondent not aware about the general insurance.

Type of vehicle you have an insurance

Product Name	Car Insurance	Two wheeler insurance	GCCV Vehicle Insurance	PCCV wheeler insurance
Customer	30	45	25	20
Percentage	25.00%	37.50%	20.83%	16.66%

Source- Primary Data

Interpretation

From this chart 16.66% response for PCCV Insurance ,from this chart 37.50% customer having the TW Insurance ,From this chart 20.83% customer are use for GCCV Insurance

Which type of services you expect from shriram general insurance?

Service	By courier	Online services	By Agent	all of these
Respondent	30	45	25	20
Percentage	25.00%	37.50%	20.83%	16.66%

Source- Primary Data

Interpretation

25%customer ask for courier service for insurance,then37.50%customer ask for online service.But 20.83%people are demand for service by agent and Remaining 16.66%people ask for all of these services.In that it is clear that the majority of customer demand for the online service for the insurance because it is faster than the other services or less time consuming.

6. Finding:

During the Study Project I found the finding Analysis about SGI. Majority of the company's customers are satisfied with Shriram General Insurance Co Ltd service. The reason for taking Shriram General insurance fastest policy provided services than Other company By providing various services to customer company maintain the relation with customer also find a new customer. Company should try to provide a online service to customer. Maximum customer are satisfied with SHRIRAM GENERAL INSURANCE Customer expectations from company is to provide a good service and also settle the claim in minimum period . Shriram General Insurance company

is trying to increase the awareness about general insurance in people.

7. Conclusion

Companies most selling product is motor insurance, based on this survey the maximum customer's are satisfied with shriram general insurance co ltd. Also customer demand for the online service from company. Shriram general insurance company cover the maximum market by providing good services to customer. Shriram also work for increasing awareness about general insurance in public. To Provide fastest online services & fast claim settlement to the customer. Company should provide & Published advertisement in urban & rural market.

Shriram general insurance has today become a mainstay of any market economy since it offers plenty of scope for garnering large sums of money for long periods of time. Though privatization of the insurance sector is feared to affect the prospects of the Shriram general insurance, the study shows that the Shriram general insurance continues to dominate the sector. Private sector insurance companies also tried to increase their market share. Private life insurers used the new business channels of marketing to a great extent when compared with Shriram general insurance. Selling more unit-linked plans helps private players grab market share from Shriram general insurance. Investment pattern of Shriram general insurance and private insurers also showed some differences. Solvency ratio of private life insurers was much better than Shriram general insurance in spite of big losses suffered by them.

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