

# Periodic Research

## Customers' Perception towards the Products of Birla Sun Life Insurance Company: A Study on Jorhat District of Assam

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#### Abstract

Perception is dynamic and it is affected by various factors. Perception of customers has also changed about the service quality, various products, offering etc. Service industry particularly private insurance companies want to know the perception of their customers so that they can fulfil the demand of the customers. The objective of this paper is to study customers' perception, preference and level of satisfaction towards the products and services of Birla Sun Life Insurance Company Limited. Convenience sampling technique is used to select the respondents for the primary data collection and sample of 50 customers have been selected for the study. The findings of the study are that most of the respondent's perception is positive towards the Birla Sun Life insurance company.

**Keywords:** Perception, Personality, Satisfaction.

#### Introduction

Perception is the process by which an individual selects, organizes and interprets information to create a meaningful picture of the world. Customers' perception is a marketing concept that encompasses customers' impression, awareness and consciousness about a company/product and its offering. Psychology plays an important role in understanding the behaviour of customers and their perception. The various psychological factors like personality, attitudes, motivation etc. determine the customers' perception and help the company to formulate any marketing strategy. Perception is always dynamic and it is varied from person to person, age to age, gender to gender. It is mostly affected by advertising, reviews, public relation, personal experiences etc.

#### Statement of the Problems

Customer's perception towards insurance companies has changed tremendously after the entry of private insurance companies. It is an established fact that, where there is uncertainty, there is risk. People do not have any command on uncertainty. In this context, it must be relayed on insurance companies. Insurance protects against any possible chances of generating uncertain losses. In case of unfortunate premature demise, family can remain financially secure, if there is any insurance policy. The primary purpose of life insurance is to protect the family and also it is considered as a powerful tool to plan for future uncertainty effectively. Due to the entry of private players in insurance sector, there are number of choices in front of the customers. Similarly perception of customers have also changed about the service quality, various products, offering etc. of the insurance companies. If they are dissatisfied, they leave it. Therefore, every enterprise tries to understand the needs and preferences and also their perception about the sectors, so that they can able to satisfy them effectively and efficiently. Keeping this in mind, researcher has chosen the topic entitled- "Customers' Perception towards the Products of Birla Sun Life Insurance Company: A study on Jorhat District of Assam."

#### Birla Sun Life Insurance Company Limited.

Established in 2001, Birla Sun Life Insurance Company Limited (BSLI) is a joint venture between the Aditya Birla Group and Sun Life Financial of Canada. Aditya Birla Group is an Indian multinational conglomerate with presence in India, Thailand, Indonesia, Malaysia, Philippines, Egypt, Canada, Australia and China.

Sun Life Assurance, Sun Life Financials primary insurance business, is one of the leading insurance companies of the world and ranks

amongst the largest international financial services organizations in the world. BSLI has contributed significantly to the growth and development of the life insurance industry in India and currently ranks amongst the top six private life insurance companies in the country. It has an extensive reach through its network of 600 branches and 1, 47,900 empanelled advisors.

Jorhat is not only a famous educational centre of the state, but also a prominent business and commercial place of Assam. Jorhat town is very much well connected with other urban centre of the state as well as other important metropolitan cities of the country by roadways, railways and airways. It is an important administrative, trade, education, research, cultural centre and has good prospect for rapid economic growth in near future. The Jorhat branch of Birla Sun Life Insurance Company was established in the year 2006. This branch comprises of 18 agency managers, more than 700 advisors and 5 senior employees.

### Review of Literature:

Yusuf et al. (2009) found that the attitudes of Nigerians towards Insurance institution and services were mostly negative because of their poor quality services rendered to the customers.

Bhave Ashis (2002) in his study revealed that to keep existing customer is costly than to win new ones. Major attributes of customer satisfaction are product quality, product packaging, keeping delivery commitments, price, responsiveness and ability to resolve complaints and reject report, and overall communication, accessibility and attitude.

Epetimehin M Festus (2011) discussed about importance of marketing segmentation as a tool for improving customer satisfaction and retention in insurance service delivery. This paper suggested that in spite of egalitarian approach that underpins the marketing of insurance, market segmentation may be used to better serve the needs of their customer.

Mittal and Kumar (2007) in their study attempt to evaluate the customer preference in life insurance products. Data were collected from 150 customers of public and private sector insurance companies of Indore. Purposive sampling technique was used. The major finding was that the product attribute factor was the first and maturity period was the last factor as per preference of the customer.

Ananth et.al (2011) made an explorative study to evaluate the customer perceptions of service quality in selected private sector banks. Data were collected from 200 customers of Private Sector Banks using structured questionnaire. Gap analysis and Multi regression were used for analysis of data. The result shows that the dimension of service quality such as Empathy and Accessibility has more gap, as the customer expectations are high to their perceived service. The result also indicated that Empathy-Reliability-Assurance positively influences the service quality. The study implies that bank should reduce the service gap to deliver superior quality of service to retain existing customers as well as to attract new customers.

### Objective of the Study

The objective of the paper is to study customers' perception, preference and level of satisfaction towards the products and services of Birla Sun Life Insurance Company Limited.

### Limitation of the Study

The limitations of the study are stated below-

1. The sample constitutes of those respondents who have purchased the products of BSLI
2. The sample consists of 50 respondents only and respondents were reluctant in responding some of the questions.
3. The study is confined to Jorhat Branch only so, the findings of the study cannot be generalised.

### Methodology

The study is primarily a descriptive and analytical. The study is undertaken on the customers of Birla Sun Life insurance company, Jorhat district of Assam. This study is based on both primary and secondary data. The secondary data were collected from books, journals and internet. An interview schedule was structured after thorough consultation and discussion with academic and professional experts. The same was first administered to ten (10) customers to collect their suggestion and the interview schedule was suitably modified in the light of their suggestion. There after the full version of Interview schedule was administered to the chosen sample. The schedule was administered to sample respondents living in different parts of Jorhat town. The researcher has adopted convenient sampling technique for collecting data. The primary data have been collected from 50 respondents belonging to different sections and various part of Jorhat town. The collected data were classified, edited and tabulated with the help of SPSS 14.0 Version for analysis. Simple statistical techniques were adopted for analysing the data and drawn inferences there form.

### Analysis of Data and Findings

The present study is based on a sample of 50 customers. The demographic profile of sample customers is shown in table-1.

**Table-1**

**Demographic Profile of the Respondents (n=50)**

Demographic Factors	Frequency	Percent
<b>Age in years</b>		
25-35 years	12	24%
36-45 years	25	50%
46-60 years	13	26%
<b>Gender</b>		
Male	32	64%
female	18	36%
<b>Educational Qualification</b>		
Undergraduate	12	24%
Graduate	23	46%
Post Graduate	13	26%
Others	12	24%
<b>Occupation</b>		
Service	12	24%
Business	21	42%
Self employed	9	18%
others	8	16%
<b>Income (monthly)</b>		
Below Rs 20000/-	13	26%

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Rs 20001/- to 40000/-	26	52%
Above Rs 40000/-	11	22%
<b>Marital Status</b>		
Married	38	76%
Unmarried	7	14%
Divorcee	0	00%
Widow	5	10%

### Source: Field study

The demographic characteristics of the respondents (Table-1) shows that majority (50%) of the respondents belonged to the age group 36 to 45 years. It is also seen that most of the respondents (64%) were male. It is further revealed that most of the respondents (46%) were graduates, followed by post graduate (26%). From the above table it is also cleared that most of the respondents (42%) are belonged to the business occupation followed by service (24%). It is illustrated from the above table that majority (52%) of the respondents fall into monthly income group of Rs 20001/- to Rs 40000/. It is also seen that majority of the respondents (76%) were married.

**Table-2**  
**Preference of different products of BSLI**

BSLI Products	Frequency	Percent
Protection plan	3	6%
Saving with protection	4	8%
Retirement plan	7	14%
Unit link plan	21	42%
Children plan	6	12%
Term assurance plan	6	12%
Health plan	3	6%
Total	50	100%

### Source: Field Study

From the table-2 it is seen that majority (42%) of the respondents prefer unit link plan and only 6% of the respondents prefer protection and health plan. It implies that customers of the Birla Sun Life Insurance Company want to invest money in the insurance products to earn money not only for protection of future life.

**Table-3**  
**Satisfaction Level of Customers towards the Various Services**

Services	Satisfied	Neutral	Dissatisfied	Total
SMS Alert	37 (74%)	6 (12%)	7 (14%)	50(100%)
Online payment	43 (86%)	2 (4%)	5 (10%)	50(100%)
Collection of premium	40 (80%)	4 (8%)	6 (12%)	50(100%)
Renewal information	34 (68%)	7 (14%)	9 (18%)	50(100%)
Settlement of claim	26 (52%)	12 (24%)	12 (24%)	50(100%)
Response of the employees	31 (62%)	3 (6%)	16 (32%)	50(100%)
Loan facility against policy	14 (28%)	11 (22%)	25 (50%)	50(100%)
Promptness of services	39 (78%)	1 (2%)	10 (20%)	50(100%)

### Source: Field study

From the table-3 it is found that majority of the respondents are satisfied with the services offered by BSLI except loan facility of the company towards the customers. It is also seen that in case of settlement of death claim, 24% of the respondents are indifferent attitude and the same percentage of respondents are dissatisfied also. It indicates that the customers are not in a position to satisfy with this service.

### Findings

Following are the findings of the study:

1. Middle age group people (36-45 years) are more interested to invest in the product of BSLI Company.
2. Out of the total respondents 64% are male, it indicates that this company is male dominated.
3. Out of the total respondents (46%) most of the respondents are Graduate.
4. Most of the respondents (42%) having life insurance policy are business man.
5. Most of the respondents having life insurance policies are fall in monthly income group of Rs 20001/--Rs40000/
6. 76% of the respondents are married.
7. Most of the respondents (42%) preferred unit link policy followed by retirement policy (14%).
8. 74% of the respondent agreed that they are satisfied with the SMS alert service.

9. 86% of the respondents agreed that they are satisfied with the on line services provided by BSLI.
10. 80% of the respondents agreed that the company timely collects and informs about the premium due.
11. In case of renewal information, 68% customers are satisfied.
12. Only 52% of the respondents are satisfied in case of settlement claim and 24% of the respondents are in indifferent attitudes.
13. 62% of the respondents agreed that the responses of the employees are satisfactory.
14. In case of loan facility against the policy, 50% of the respondents are dissatisfied.
15. 78% of the respondents agreed that the employees are prompt in their services.

### Conclusion

In this competition era, it is a most difficult task for any company to create a positive perception, satisfy the customers towards their company. BSLI as a private sector insurance company must try to create positive perception and satisfy their customers to retain them and to attract new customers for not only to grow but for survival also. The company must be offered quality products and services. Employees should be sincere and must be knowledgeable to solve any problem of the customers. New generation generally demand more and more latest technology,

so BSLI should try to fulfil the expectation of the customers to survive in this competition world.

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