SATISFACTION OF THE POLICYHOLDERS TOWARDS LIFE INSURANCE SCHEMES IN KOTAK MAHINDRA LIFE INSURANCE

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ABSTRACT

Life Insurance Corporation is a service industry which has direct touch with the public by rendering eminent services. Due to Liberalisation, Privatisation and Globalisation (LPG), life insurance business is privatized. After that foreign companies and private companies engaged themselves in life insurance business. Many banks enter into insurance business and succeed in its process. Among these banks, Kotak Mahindra led its role in magnificent manner by its strategic tactics by way of attracting the public towards their insurance policies.Hence, an attempt has been made to anaslyse the level of satisfaction of the policyholders towards life insurance schemes in Kotak life insurance.

Keywords: Insurance, Policyholder, insurance policies, Premium, Bonus, Insurance coverage

INTRODUCTION

Kotak Mahindra life insurance company Ltd. is established in the year 2001 and it is a private insurance company. As per the Annual Reports of Kotak Mahindra, as on 30th March 2020, it has 15 million customers and 232 branches in around 167 Cities and Town in India.[1] The total number of agents is 99,275. It head quartersis located at Mumbai. It offers various protection plans, savings and investment plans and child plans and retirement plans. The company garnered a total premium of Rs. 8132 crores. The company has a networth of Rs. 52,900 crores and assets under management of Rrs.36,049 crores as

reported in Kotak Statistics (2020). It offered 43 life insurance policy schemes.

Our human life is full of risk and uncertainties. One cannot prevent the natural law of death. But it is possible to protect it by way of insuring their life. It will afford the family of the expired one. Life insurance is a boon to many people which helps to provide financial assistance to the family after the death of the insured or enjoy the claim after the attainment of specific age. In the year 2000, life insurance business is privatized by the Government and after that there is a mushroom growth of private insurance companies. Among these, Kotak Mahindra life insurance policies obtained a superior position in the minds of the public. The financial growth and top position of the insurance market are the indicators of this. Due to the innovative and attractive schemes, people are interested to take policies in Kotak Mahindra. Hence, an attempt has been made to analyze the level of satisfaction of the policyholders towards life insurance schemes in Kotak life insurance.

The present study is confined to study the satisfaction of the respondents towards life insurance schemes in Kotak life insurance in Virudhunagar District only. It focusses on the opinion of the customers only. It does not focus on financial performance and comparing Kotak Mahindra with other insurance companies.

Hence, the objectives of the present study are focus on to study the socio-economic profile of the respondents and to analyse the level of satisfaction of the respondents towards life insurance schemes in Kotak Mahindra life insurance

RESEARCH METHODOLOGY

The present study is based on both primary and secondary data. The primary data has been gathered from 325 respondents with the help of well-structured and pre-tested questionnaire. The secondary data has been collected from annual records of Kotak Mahindra life insurance and websites. In Virudhunagar District, totally 7,28,127 are the policyholders of Kotak Mahindra life insurance. By using Yamunae formula, the sample size is determined. As per Yamunae formula at 95 per cent level of confidence, the sample size is 325. A sample of 325 respondents has been selected by using convenience sampling technique. Percentage analysis, mean score analysis and multiple regression analysis has been used to analyse the primary data.

RESULT AND DISCUSSION

In this section, socio-economic profile of the respondents, level of satisfaction of the respondents towards life insurance schemes in Kotak Mahindra life insurance and their relationship between socio-economic profile and level of satisfaction were analysed. Out of 325 respondents, 191 (58.77%) are male and the remaining 134 (41.23%) were female with regard to the age group, 104 (32%) respondents were in the age group in between 30 and 40 years, 83 (25.54%) were below 30 years and 75 (23.08%) were in the age group of above 50 years.

Table 1 shows Socio-Economic Profile of the Respondents

Socio-Economic Profile		*No. of Resp.	Percentage
Gender	Male	191	58.77
	Female	134	41.23
Age (in years)	Below 30	83	25.54
	30-40	104	32.00
	40-50	75	23.08
	50 and above	63	19.38
Educational qualification	School level	188	57.85
	College level	57	17.54
	Others	80	24.62
Occupation	Business	93	28.62
	Employment	161	49.54
	Others	71	21.85
Marital Status	Married	288	88.62
	Unmarried	37	11.38
Monthly income (inRs.)	Below 15,000	151	46.46
	15,000 – 30,000	142	43.69
	Above 30,000	32	9.85

*Number of respondents
Source: Primary data

The data on Educational qualification of the respondents showed 188 (57.85%) have completed their education upto school level, 80 (24.62%) belong to other categories such asITI, Diploma/Certificate holders and57 (17.54%) respondents have completed their education upto college level. The result on Occupation of the respondents showed 161 (49.54%) are employed, 93 (28.62%) are engaged in business and 71 (21.85%) belong to other categories.

Marital Status of the respondents reverted 288 (88.62%) are married and the remaining 37 (11.38%) are unmarried. Monthly income of the respondents showed 151 (46.46%) have earned below Rs. 15,000 per month, 142 (43.69%) have earned Rs. 15,000-Rs. 30,000 per month and 32

(9.85%) have earned above Rs. 30,000 per month.

Table 2 shows satisfaction of the Policyholders towards Life Insurance Schemes in Kotak Life Insurance

Statements	Highly Satisfied	Satisfied	No Opinion	Dissatisfied	Highly Dissatisfied	Total
More number of policy covers	135	54	37	48	51	325
Availability of accident coverage	151	67	29	41	37	325
Reasonable premium	78	98	37	36	76	325
Fair rate of bonus	94	87	52	43	49	325
Good customer care	81	29	34	94	86	324
Availability of grievance handling cell	165	78	11	19	52	325
Dissemination of information	197	84	13	18	13	325

Mean score analysis has been used to analyse the satisfaction of the policyholders towards life insurance schemes in Kotak Life Insurance.

TABLE 3 shows satisfaction of the policyholders towards Life Insurance Schemes in Kotak Life Insurance

Mean Score Analysis

Statements	Highly Satisfied	Satisfied	No Opinion	Dissatisfied	Highly Dissatisfied	Total Score	Mean Score	Level
More number of policy covers	675	216	111	96	51	1149	3.54	Satisfied
Availability of accident coverage	755	268	87	82	37	1229	3.78	Satisfied
Reasonable premium	390	392	111	72	76	1041	3.20	Satisfied
Fair rate of bonus	470	348	156	86	49	1109	3.41	Satisfied
Good customer care	405	116	102	188	86	897	2.76	No opinion
Availability of grievance handling cell	825	312	33	38	52	1260	3.88	Satisfied
Dissemination of information	985	336	39	36	13	1409	4.34	Highly satisfied

Source: Primary data

Level of satisfaction is classified as

0-1 Highly dissatisfied

1-2 Dissatisfied

2-3 No opinion

3-4 Dissatisfied

4-5 Highly Satisfied[2]

From Table 3, it is clear that the respondents are highly satisfied with dissemination of the information by Kotak life insurance; they are satisfied with more number of policies, availability of accident coiverage, reasonable premium, fair rate of bonus and availability of grievance handling cell. They expressed no opinion about the statement 'good customer care'.

Satisfaction of the Policyholders towards Life Insurance Schemes in Kotak Life Insurance – Multiple Regression Analysis

Table 4 shows Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.814	0.787	0.786	0.0594

Source: Primary data

Table 4 shows that the multiple correlation coefficient is 0.814 and it measures the degree of relationship between the actual values and the predicted values of the level of satisfaction towards Kotak life insurance policies. Because the predicated values are obtained as linear combination of gender, age, education, occupation, marital status and monthly income - coefficient value of 0.814 indicates that the relationship between dependent and independent variables are positive.

The Coefficient of Determination R-square measures the goodness-of-fit of the

Multiple Regression Analysis has been carried out to analyse the level of satisfaction of the policyholders towards life insurance schemes in Kotak life insurance. Dependent variable: Level of Satisfaction towards Kotak Life Insurance Policies (Y)
Independent variables:

1. Gender (X_1)

2. Age (X_2)

3. Educational Qualification (X_3)

4. Occupation (X_4)

5. Marital Status (X_5)

6. Monthly Income (X_6)

estimated Sample Regression Plane (SRP) in terms of the proportion of the variation in the dependent variables explained by the fitted sample regression equation. [3] Thus, the value of R-square is 0.787 simply means that about 7.87% of the variation in level of satisfaction towards Kotak life insurance policies is explained by the estimated SRP that uses socio-economic variables as the independent variables and R square value is significant at 5 per cent level.

Table 5 shows variables in the Multiple Regression Analysis

Parameter	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	4.824	0.054		18.714	0.000
Gender	0.269	0.108	0.2671	3.954	0.223
Age	0.597	0.140	0.219	7.698	0.365
Educational qualification	0.967	0.018	0.138	11.369	0.001
Occupation	0.257	0.038	0.036	15.664	0.02
Marital status	0.287	0.057	0.012	7.962	0.158
Monthly income	0.987	0.062	0.004	5.217	0.000

Source: Primary data

The multiple regression equation is

$Y = 4.824 + 0.269X_1 + 0.597_2 + 0.967X_3 + 0.257X_4 + 0.287X_5 + 0.987 X_6$

The regression equation points out :

Here the coefficient of X_1 is 0.269 which represents the partial effect of gender on level of satisfaction towards Kotak life insurance policies, holding the other variables as constant. The estimated positive sign implies that such effect is positive that the level of satisfaction towards Kotak life insurance policies score would increase by 0.269 for every unit increase in gender and this coefficient value is significant at 5% level.

The coefficient of X_2 is 0.597 which represents the partial effect of ageon level of satisfaction towards Kotak life insurance policies, holding the other variables as constant. The estimated positive sign implies that such effect is positive that the level of satisfaction towards Kotak life insurance policies score would increase by 0.597 for every unit increase in age and this coefficient value is significant at 5% level.

The coefficient of $X_3$is 0.967 which represents the partial effect of educational qualification on the level of satisfaction towards Kotak life insurance policies, holding the other variables as constant. The estimated positive sign implies that such effect is positive that the level of satisfaction towards Kotak life insurance policies score would increase by 0.967 for every unit increase in educational qualification and this coefficient value is significant at 5% level.

The coefficient of X_4 is0.257 which represents the partial effect of occupation on the level of satisfaction towards Kotak life insurance policies, holding the other

variables as constant. The estimated negative sign implies that such effect is negative that the level of satisfaction towards Kotak life insurance policies score would increase by 0.257for every unit change in occupation and this coefficient value is significant at 5% level.

The coefficient of $X_5$is 0.287 which represents the partial effect of marital status on the level of satisfaction towards Kotak life insurance policies, holding the other variables as constant. The estimated positive sign implies that such effect is positive that the level of satisfaction towards Kotak life insurance policies score would increase by 0.287 for every unit increase inmarital statusand this coefficient value is significant at 5% level.

The coefficient of $X_6$is 0.987 which represents the partial effect of monthly income on the level of satisfaction towards Kotak life insurance policies, holding the other variables as constant. The estimated positive sign implies that such effect is positive that the level of satisfaction towards Kotak life insurance policies score would increase by 0.987 for every unit increase in monthly income and this coefficient value is significant at 5% level.

Based on standardized coefficient value, X_6 (Monthly income) is the most important factor on the Level of satisfaction towards Kotak life insurance policies followed by X_3 (Educational Qualification), X_2 (Age), X_5 (Marital status), X_1 (Gender)and X_4 (Occupation).

Table 6 shows the result of ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	39.408	5	7.882	6.137	0.000[b]
Residual	553.535	431	1.284		
Total	592.943	436			

Source: Primary data

From ANOVA results, it is known that there is a significant association between dependent and independent variables as its p value is equal to 0.000 (p=0.000)

To Conclude the respondents were highly satisfied with dissemination of the information by Kotak life insurance; and they were satisfied with more number of policies, availability of accident coverage, reasonable premium, fair rate of bonus and availability of grievance handling cell. They expressed no opinion about the statement 'good customer care'. The data onGender wise contribution revealed the level of satisfaction towards Kotak life insurance policies to the extent of 26.9 per cent.

Likewise their contribution in Age wise showed the level of satisfaction towards Kotak life insurance policies at 59.7 per cent.

Educational qualification and occupation contribute the level of satisfaction towards Kotak life insurance policies were 96.7% and 25.7% respectively. Marital status and Monthly income contributed the level of satisfaction towards Kotak life insurance policies were28.7 % and 98.7 % respectively.

SUGGESTIONS

On the basis of findings of the study, some suggestions are given.

- Kotak Mahindra life insurance has to improve customer care services as it got least score in the level of satisfaction.
- While focusing the public for insurance coverage, Kotak Mahindra have to consider the monthly income

of the people. They have to design the policies which are suitable to low and medium income group of people.

CONCLUSION

Even though there is a face tough competition in the insurance sector, Kotak Mahindra stands first due to its strategic positioning of products, market analysis and proper settlement of claims. Due customer care is focused, it will retain its present postion ever.

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