

# Customer Perception and Satisfaction towards General Insurance

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*Abstract- Due to ever increasing in costs & competition, organizations now must sell more products & provide a higher level of service than at any time in the past. Fast delivery of service is now more important than price of the product. Without current technology, the increasing demands placed on the people in your customer facing departments would make the job almost impossible. Since privatization of the insurance sector in 2000, the industry has seen immense growth. Out of the 28 General Insurance companies in India, four of them fall under the public sector while the remaining lie in the private sector. The public sector insurance companies have been witnessing heavy and strong competition since the private sector has come into existence as they have brought in a wider range of products and services which attracts the consumer and also satisfy their need. General insurance helps in securing ourselves and things we value like homes, cars, bikes or any other property from any kind of mishap whether it is big or small. General insurance protects insured property from fire accidents, floods, earthquakes, storms, thefts, travel accidents/mishaps or any other kind of calamity, even from the cost incurred against us from legal action depending upon the type of policy selected by the insurer. The reasons behind its spectacular growth are allowing private companies to enter into Indian market, low insurance premium, TPAs (Third Party Administrators), Fast and immediate settlement of insurance claims, also the faster settlement of claim gain customer satisfaction towards insurance and insurance company. Innovative general insurance policies, discounts in insurance products, increasing awareness among people, more distribution channels etc.*

*Indexed Terms- Customer Satisfaction, General Insurance, Sales, Customer Relations, Customer Perceptions, Insurance, Claims.*

## I. INTRODUCTION

Insurance other than life insurance is called general insurance. Insurance contracts have certain principles, such as the principle of compensation. This principle states that the insured must not derive any benefit from the claim.

General insurance, also known as property and casualty insurance, provides a wide range of insurance against contingencies such as illness, property damage, and car accidents. Assets have intrinsic value and are vulnerable to damage. Certain general insurance policies can protect the economic value of your assets and prevent major financial losses. For example, home insurance protects your home and the valuables inside it from disaster and theft.

Insurance is a means of protection from financial loss. It is a form of risk management, primarily used to hedge against the risk of a contingent or uncertain loss.

The insured receives a contract, called the insurance policy, which details the conditions and circumstances under which the insurer will compensate the insured. The amount of money charged by the insurer to the Policyholder for the coverage set forth in the insurance policy is called the premium. If the insured experiences a loss that is potentially covered by the insurance policy, the insured submits a claim to the insurer for processing by a claims adjuster.

The insurance sector in India is basically divided into the two divisions of life insurance and nonlife insurance. The field of property and casualty insurance is also included in general insurance. Both life insurance and non-life insurance are regulated by IRDAI (Insurance Regulatory and Development Authority of India). This governing body has full control over the entire insurance sector in India and

acts as the guardian of the rights of all insurance consumers. For this reason, all insurance companies must comply with their rules and regulations of the IRDAI.

- **CONSUMER SATISFACTION**

Consumer Satisfaction All humans are consumers of different products. is. Businesses cannot exist without consumers. Therefore, customer satisfaction is very important for every entrepreneur.

Customer satisfaction is a term often used in marketing. A measure of how well a company's products and services meet or exceed customer expectations. Customer satisfaction data is one of the most collected metrics for understanding inquiries, he said.

The main advantages he has are two. "“Within the association, the collection, analysis and dissemination of this data will help communicate the importance of caring for our guests and demonstrating that they have had a positive experience with our products and services.”

- **COMMON TERMS USED IN GENERAL INSURANCE**

Insurance – Insurance is a contract in which an insurance company promises to compensate the insured.

Agent - A person or a group of people selling insurance on behalf of an insurance company.

Insurer - A company that receives premiums and underwrites the risk after paying the claims.

Insured - An “insured” is a person who is insured against and pays premiums for various risks.

Premium – The amount you pay to an insurance company, which may be paid in regular instalments or under an agreement with the insurance company of your policy.

Commission - Money paid to an agent or broker who sells insurance products on behalf of an insurance company. Fee paid by insurance company.

Third Party - Others who may be affected by your actions - for example, a car accident involving damage to your vehicle. In this regard, it is important to note that the first party to an insurance policy is you, the second party is your insurance company, and the third

party is the other person or vehicle involved in the accident.

Proposal - This is the application form that must be completed when applying for compensation.

Sum Insured amount – This relates to the value of the goods at risk and is the basis for premium calculation.

**RESEARCH OBJECTIVES:**

- To analyse the customer awareness about General insurance.
- To access the extent to use General insurance by customers.
- To access the various aspects of services provided by General insurance companies.
- To compare the extent of customer satisfaction with quality of general insurance services.
- To determine and compare the extents of customer satisfaction with quality of services on basis of different constituent factors.

**SCOPE OF STUDY**

This study is limited to the consumers within the limit of Raipur city. The study will be able to reveal the preferences, needs, perception of the customers regarding the General insurance products, it also helps the insurance companies to know whether the existing products are really satisfying the consumer needs.

This study will also help the companies to understand the experience and expectations of the existing customers.

A big boom has been witnessed in Insurance Industry in recent times. Many new players have entered the market and are trying to gain market share in this rapidly improving market.

The study deals with Go Digit General Insurance in focus and the various segments that it caters to. The study then goes on to evaluate and analyse the findings to present a clear picture of trends in the Insurance sector.

**LIMITATION**

1. Not all losses are covered Insurance does not cover all types of damage suffered by the insured.

2. Long process Insurance claims typically involve lengthy legal processes.
3. Insurance is a business After all, insurance companies run businesses. Companies may try to provide as little coverage as possible to the insured.
4. Possibility of criminal offense Insurance benefits can induce crime.
5. Lower ROI Insurance policies do not offer significant ROI compared to other financial products such as stocks and mutual funds.

## II. LITERATURE REVIEW

Tripathy (2004), in his study, used marketing variables to examine how customers perceive insurers' services. He studied customer characteristics and preferences. He analysed customer preferences on various variables. The authors suggested that to achieve greater penetration of insurance, private sector companies need to create a more dynamic and competitive industry with increased efficiency, product choice and value for customers.

Ruby Singh, (2014) Studied that in Consumer protection laws and measures in Insurance Sector. Customer is becoming the kind in market. Customer expects fair price of the product, good quality, product service, prompt after sales service.

Savitha (2014) has analysed the major source of income like premium and expenses like claims of General Insurance Company to measure the operational efficiency. The author found that the overall efficiency of the General Insurance Company is good.

Kamal Gulati, (2012) studied customer satisfaction level and analysed quality of service and after sales relationship is very important. Many a times in Insurance industry, it is assumed that "Sell it and forget it" nature of insurance agents and employees. But it will not let the companies to survive for longer time.

Yogita Sharma, (2013) The SWOT analysis i.e., "Strength, weakness, Opportunities and threats" in insurance sector in India has been studied. There is huge potential for growth in insurance sector in India,

very low penetration of insurance is a big concern as well as it is big opportunities also.

Alpesh D. Naik and Preety J Panicker (2018) found in their study that vehicle insurers offer a General Insurance policy that are satisfactory to the majority of customers. However, few people think that the service needs to be improved. Areas proposed for improvement are long-term insurance contracts (up to three years) without annual renewal, faster claims settlement, lower premiums, or government. Subsidies for farmers and low-income households. Insurance company ideology has taken a positive turn. Their main focus is making life easier for their customers. Thanks to these technologies, the insurance industry has realized that it will only benefit if the customer understands the complex nature of one of the most important industries: insurance. With customers at the forefront, 2018 was a year of challenges, opportunities and new technologies.

Ram Pratap Sinha (2007) In his study titled 'Productivity and Efficiency of the Indian General Insurance Industry', his deregulation of the Indian general insurance industry had farreaching implications in terms of market size, structure and operations. I was. General insurance penetration in India is relatively low by international standards, so there is significant growth potential. In this article, we use data envelopment analysis and Malmquist to analyze the data of non-life insurance companies in terms of technical and scale efficiency and total factor productivity in the three-output/three-input framework for 2003-2004 and 2004-2005. It compares the performance of 12 companies. Total factor productivity index. Public sector insurers outperform private insurers in average technical efficiency at constant 16 scale returns, but private insurers have higher average technical efficiency than public sector insurers at variable scale returns. is slightly higher.

## III. RESEARCH METHODOLOGY

RESEARCH DESIGN: The research design was descriptive in nature.

## METHOD OF DATA COLLECTION

**PRIMARY DATA COLLECTION:** The data collected for the purpose or for a particular problem in original known as primary data. I have used the structured questionnaire in my research process which has carefully designed keeping the entire objective in mind. The structured questionnaire consists of both open-ended and close-ended type question.

**SECONDARY DATA COLLECTION:** The data which is already available i.e., they refer to data which have already been collected or analysed by someone else.

Various sources of secondary data is Internet, References, Websites, e-literature

**Descriptive Research:** Descriptive research design is a type of research methodology that aims to describe and document the characteristics, behaviours, and patterns of a specific population or phenomenon. It focuses on providing an accurate and detailed account of the subject under investigation, without attempting to establish causal relationships or make predictions. Descriptive research design is often used to answer "what," "who," "where," and "how" questions.

**Random Sampling:** Random sampling is a method of selecting a sample from a larger population in such a way that every individual or element in the population has an equal chance of being included in the sample. It is a fundamental technique used in research to ensure the representativeness and generalizability of findings from the sample to the larger population.

**Structured Questionnaire:** A structured questionnaire is a data collection instrument used in research that consists of a predefined set of questions or items presented in a consistent and standardized manner. It is designed to gather quantitative or qualitative data from respondents in a systematic and structured format.

**SAMPLING** In statistics, quality assurance and survey methodology, sampling is the selection of the subset (statistical sample) of individual's from within a statistical population to estimate characteristics of the whole population.

**SAMPLING PLAN:** Sampling plan was detailed outline of measurements will taken at what time, on which material, in what manner and by whom.

**SAMPLING TYPE:** In my research process I have used Random sampling.

**SAMPLING SIZE:** I have taken approx. 100 sample size.

## CONCLUSION

For those who want to live risk-free, general insurance is a viable option. Everything involves risks. That's why it is so important to keep everything we own safe and ensure this security through insurance. General insurance covers insurance such as theft. Personal insurance such as health insurance and accident insurance are also covered by general insurance.

The survey found that most of the respondents have Motor insurance for motorcycles/cars, as well as health insurance.

Respondents also agree that they take out and purchase general insurance every year to cover their risks.

Respondents thinks that settlement of claim in private sector companies is faster than public sector general insurance companies.

Thus, from the study about maximum customers are satisfied with general insurance services as they have the knowledge about the services which are being offered to them.

From the surveyed data maximum respondents dissatisfied with services because of policy document not received at time, average respondents dissatisfied as they are dissatisfied by the agent services, some respondents dissatisfied because of delay in claim settlement.

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