



A STUDY ON CUSTOMER SATISFACTION OF IDBI- FEDERAL LIFE INSURANCE

by

RAKESH SHARMA.R

Reg. No. 1120400068

Under the guidance of

Dr. POONGODI. B

Assistant Professor

A PROJECT REPORT

submitted

In partial fulfillment of the requirements

for the award of the degree

of

MASTER OF BUSINESS ADMINISTRATION

Kumaraguru College of Technology

(An autonomous institution affiliated to Anna University, Chennai)

Coimbatore - 641 049

May, 2013

CERTIFICATE



BONAFIDE CERTIFICATE

Certified that this project report titled, "A Study on Customer Satisfaction of IDBI-Federal Life Insurance" is the bonafide work of Mr. Rakesh Sharma.R who carried out the project under my supervision. Certified further, that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

Faculty Guide

Dr. Poongodi.B

Assistant Professor

KCTBS

Director

Dr.Vijila Kennedy

KCTBS

Submitted for the Project Viva-Voce examination held on _____

Internal Examiner

External Examiner



Registered Office: 1st Floor, Thakurani, Galle Complex, Kanaka City, P. B. Marg, Lower Floor (2), Mumbai-400 013, India. www.idbifederal.com
Branch: Sheela Sharmuganjiya, No.45A, 3rd Floor, Cross Cut Road, Opp to Power House, Ponnappan Street, Coimbatore - 641012, Tamil Nadu.

To Whom so ever it may concern

This is to certify that Mr.Rakesh Sharma R (1120400068) successfully completed the Final Project along with on the job training in IDBI FEDERAL Life insurance company Ltd. for the period from on 27th Jan 2013 to 14th April 2013. During this period his conduct was very good.

For IDBI federal Life Insurance Company Ltd.,

C.SHANTHI

ASSITANT BRANCH HEAD



DECLARATION

I hereby declare that this project report entitled "**A Study on Customer Satisfaction of IDBI- Federal Life Insurance,Coimbatore**" as has been undertaken for academic purpose submitted to Anna University in partial fulfillment of the requirements for the award of the degree of Master of Business Administration. The project report is the record of the original work done by me under the guidance of **Dr.Poongodi.B Assistant Professor** during the academic year 2012-2013.

I, also declare, that the information given in this report is correct to the best of my knowledge and belief.

DATE:

PLACE: Coimbatore

Rakesh Sharma.R

ACKNOWLEDGEMENT

I express my gratitude to our beloved chairman **Arutchelvar Dr. N.MAHALINGAM and Management** for the prime guiding spirit of **Kumaraguru College of Technology** for giving me an opportunity to undergo the MBA Degree course and to undertake this project work.

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At the outset, I wish to submit heartfelt sincere, humble gratitude to my beloved parents, brother and friends, who lead, guide all through my life and give me the courage and strength for the successful completion of this major project.

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CHAPTER 1

INTRODUCTION

1.1 About The Study

As the title of the project suggests the main aim of the project lies in studying the marketing process of insurance products and during this process to understand the level of customer satisfaction towards this product and various reactions of the customer as prospects.

The project gives an introduction to the concept of insurance followed by its origin and history and then discusses the current market scenario. Further the project gives introductions to IDBI FEDERAL LIFE INSURANCE COMPANY LTD. and the various products it has for offering to the public.

The project then briefly discusses about the aim of the study, the limitations of the study and the methodology adopted for the research.

A sample size of 150 consumers is taken and their responses are briefly analyzed, tabulated, to know the reactions of customers regarding insurance products of IDBI FEDERAL.

CHAPTER 1: INTRODUCTION

1.2 Organization Profile

IDBI Federal Life Insurance Co Ltd is a joint-venture of IDBI Bank, India's premier development and commercial bank, Federal Bank, one of India's leading private sector banks and Ageas, a multinational insurance giant based out of Europe. In this venture, IDBI Bank owns 48% equity while Federal Bank and Ageas own 26% equity each. At IDBI Federal, we Endeavour to deliver products that provide value and convenience to the customer. Through a continuous process of innovation in product and service delivery we intend to deliver world-class wealth management, protection and retirement solutions to Indian customers. Having started in March 2008, in just five months of inception we became one of the fastest growing new insurance companies to garner Rs 100 Cr in premiums. The company offers its services through a vast nationwide network across the branches of IDBI Bank and Federal Bank in addition to a sizeable network of advisors and partners. As on January 31st 2011, the company has issued over lakhs 2.68 lakhs policies with over Rs 14, 230 Cr in Sum Assured.

IDBI Bank Ltd continues to be, since its inception, India's premier industrial development bank. Created in 1956 to support India's industrial backbone, IDBI Bank has since evolved into a powerhouse of industrial and retail finance. Today, it is amongst India's foremost commercial banks, with a wide range of innovative products and services, serving retail and corporate customers in all corners of the country from 783 branches and 1328 ATMs. The Bank offers its customers an extensive range of diversified services including project financing, term lending, working capital facilities, lease finance, venture capital, loan syndication, corporate advisory services and legal and technical advisory services to its corporate clients as well as mortgages and personal loans to its retail clients. As part of its development activities, IDBI Bank has been instrumental in sponsoring the development of key institutions involved in India's financial sector –National Stock Exchange of India Limited (NSE) and National Securities Depository Ltd, SHCIL (Stock Holding Corporation of India Ltd), CARE (Credit Analysis and Research Ltd).

Federal Bank is one of India's leading private sector banks, with a dominant presence in the state of Kerala. It has a strong network of over 739 branches and 797 ATMs spread across India. The bank provides over four million retail customers

with a wide variety of financial products. Federal Bank is one of the first large Indian banks to have an entirely automated and interconnected branch network. In addition to interconnected branches and ATMs, the Bank has a wide range of services like Internet Banking, Mobile Banking, Tele Banking, and Any Where Banking, debit cards, online bill payment and call centre facilities to offer round the clock banking convenience to its customers. The Bank has been a pioneer in providing innovative technological solutions to its customers and the Bank has won several awards and recommendations.

Ageas is an international insurance company with a heritage spanning more than 180 years. Ranked among the top 20 insurance companies in Europe, Ageas has chosen to concentrate its business activities in Europe and Asia, which together make up the largest share of the global insurance market. They are grouped around four segments: Belgium, United Kingdom, Continental Europe and Asia. It is an undisputed leader in the Belgian market for individual life and employee benefits, as well as a leading non-life player, through AG Insurance. Internationally Ageas has a strong presence in the UK, where it is the second largest player in private car insurance. The company also has subsidiaries in France, Germany and Hong Kong. Ageas has a track record in developing partnerships with strong financial institutions and key distributors in different markets around the world and successfully operates partnerships in Luxembourg, Italy, Portugal, China, Malaysia, India and Thailand. Ageas employs more than 13,000 people and has annual inflows of almost EUR 18 billion.

Product Profile

Wealthsurance: The Wealthsurance Milestone Plan enables the policyholder to save and build wealth to meet their financial goals. This Plan comes with a wide range of 13 investment options and 7 insurance benefits - all packaged with a low charge structure and unmatched flexibility.

Homesurance: IDBI Federal Homesurance Protection Plan provides full insurance cover for properties even under construction, thus ensuring that the beneficiary gets the full sanctioned amount in case of any unfortunate event. It also has an innovative fixed period cover for those who would aim to prepay their loans early.

Bondsurance: Bondsurance is designed for customers looking for guaranteed returns which will not get affected by financial market conditions. It offers guaranteed return on investment along with life insurance cover.

Microinsurance: IDBI Federal Microinsurance Plan is a one of its kind insurance plan which can be very useful for various Micro Financial Institutions and NGOs, wherein not only the members but even the member's family gets an insurance cover.

Termsurance: IDBI Federal Termsurance Protection Plan offers the unique Increasing Cover option that automatically increases the cover every year without increasing the premium.

Healthsurance: This new insurance plan offers a host of features and benefits that are designed to help manage the extra financial burden that comes with hospitalization.

Incomesurance: IDBI Federal Incomesurance™ Endowment and Money Back Plan (Incomesurance™) not only gives you unmatched transparency and flexibility but there are lots of other features which are inbuilt in the product like convenient premium payment options, Tax benefits and double advantage of Endowment and Money Back plan. It is a new type of a Plan, which gives assured returns on bonds every year after the premium payment term. Interest rates vary from 8% to 21.5% based on age and premium of the customer. The plan guarantees additional income on every premium paid in order to satisfy all the financial needs of a child's education, daughter's marriage, parents' security, retirement, etc. The plan provides many benefits and ensures that the customers get guaranteed Annual Payout along with insurance protection. This plan acts as a total cover for all your personal needs. Knowing the customer helped us to combine the Endowment & Money Back plans into a single plan. It linked the returns to the G-Sec rates, transparently declared by the government. Also, the Guaranteed Annual Payout and other benefits upon death are tax-free under Sec 10(10D).

Benefits:

- Offers Endowment and Money back benefits in one plan.
- Offers convenient premium payment options.

- Offers double tax benefit in one plan.
- Allows to customize the plan accordingly.
- Offers complete transparency.
- Provides death benefits as well as benefits for children also.
- Offers full flexibility.

1.3 STATEMENT OF THE PROBLEM

Customer Satisfaction is the buzz word used by the business people for the success of organization in the present world. Due to the increases of heavy competition in every product –line of the insurance companies it becomes difficult for the company to retain the customers for longer period. So to retain the customer for longer period the company has to do only one thing, i.e. satisfy the customers. If customers are fully satisfied by the product it not only rubs the organization successfully but also fetches many benefits to the company.

1.4 SCOPE OF THE STUDY

- To enhance the profit.
- To gain feedback from customers about products, service, and/or support, outside of what customers provide the sale force.
- To improve customer satisfaction and retention.
- To improve market share and the quality of the service.
- To target resources on issues of concern to customers.
- To provide a way for unhappy customers to vent.
- To learn where the company stands in comparison with other companies.
- To increase repeat business.
- To obtain knowledge and information on what customers prefer and make changes accordingly.

REVIEW OF LITERATURE

Paromita Goswami, "Customer Satisfaction with Service Quality in the Life Insurance Industry in India", The Icfai Journal of Services Marketing, Vol. V, No. 1, 2007, The insurance industry in India was opened up to private sector participation in the year 2000. Prior to this, Life Insurance Corporation (LIC) of India was the sole player in the life insurance industry in India. In six years since the entry of private players in the insurance market, LIC has lost 29% market share to the private players, although both, market size and the insurance premium being collected, are on the rise. In 2005, life insurance accounted for 79% of the total insurance market in India. In view of the increasing competition, this paper attempts to understand the dimensions of service quality, which helps ensuring maximum customer satisfaction, and hence, helps life insurers to acquire a larger share of the market. The study was done on a systematic sampling design. SERVQUAL scale was used to discern the different dimensions of service quality and stepwise multiple regression was run with the scores on tangibility, reliability, responsiveness, assurance and empathy as independent variables and customer satisfaction as the dependent variable. It was found that the responsiveness dimension of service quality provides maximum customer satisfaction in the life insurance industry in India.

Kamal Gulati, Arvind Kumar, V. Ravi, "E-CRM and Customer Satisfaction in Indian Insurance Industry", Asian Journal of Business and Economics Volume 2, No.2.3 Quarter III 2012, The financial reforms posed a lot of challenges before the Indian insurance sector, one of the major challenges faced by insurance companies' deals with the customer satisfaction and loyalty. Today's insurance customers have become more aware and rational in their approach than ever. Customer satisfaction and formulation of marketing strategies to attract more and more customers towards the insurance provider are now becoming a key issue in order to survive in the competitive insurance industry for every insurance company. The current study is an attempt to find out gap between expected and perceived satisfaction level of insurance company customers. For the purpose of the study, data were collected through primary sources by framing a questionnaire on the basis of SERVQUAL scale and review of literature. To analyze the collected data, Gap

Analysis and t-test have been employed. The results of the study bring out the major differences in customers' expectations and perceptions from insurance services thus showing dissatisfaction among insurance company customers.

Govind Johri, "Customer Satisfaction in General Insurance Industry", Customer Satisfaction In General Insurance Industry-1A Step Towards competitiveness:A Journal of Risk and Insurance Pravartak,Vol.IV Issue 3, March 2009. Customer service management is a multi faceted area on any public service business. Customer satisfaction is most important criterion, Which encompasses quality product and value addition through value evidence of what was implied to provide ultimate customer satisfaction. Customer (dis) satisfaction is cascading inn nature and requires building relationship of confidence and trust with utmost commitment, internal accountability and a sense of care of customer. The insurer must try to get closure to customer through 6C concept and by implementing customer experience management by understanding customer's value propositions through all his interactions and give Weightage to more focused methodology.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 TYPE OF RESEARCH

- Quantitative Research studies: It allows the company to develop an understanding of the "big picture" of their customers' experience based upon a relatively small number of interviews. In most cases, the result of the quantitative studies is based upon a large number of interviews, depending upon the size of the population and the amount of segmentation desired, "large" may vary from 50 responses to 100- 1000 of response through interviews, mails, telephones and most recently used internet –based surveys and related data collection method. This "sample" of the company's customer must be carefully designed and drawn in order to get the varied result.
- Qualitative Research studies: This is used by companies to provide a detailed and/or unconstrained understanding of customer experience. Its result in most cases is based upon dozens of interviews. This research is not designed to provide insights that are projectable to the customer population; instead it is used for initial exploration of experiences and topics or to probe more deeply the reasons behind customer perceptions. Focus groups (group depth interviews) and "one-on-ones" (individual depth interviews) are examples of the qualitative studies.

3.2 OBJECTIVES OF THE STUDY

Primary objective:

- To make a detailed study about what best satisfies the customers.
- To speculate about possible behaviors among the customers
- To know the factors that determines the consumer buying behavior.
- To know about how consumers get aware of the product and through which media.

- Allocating appropriate resources to the improvement of customer satisfaction

Secondary Objective:

- How consumers react towards the changing environment.
- How well are the consumers aware of the changes made in the products?

3.3 DATA AND SOURCES OF DATA

Research Methodology is a way to systematically solve the research problem. This study has been done through primary data analysis. The Questionnaire has been prepared and collected with the customers of IDBI-Federal Life Insurance.

3.4 TIME PERIOD COVERED

The time period covered is 12 Weeks.

3.5 SAMPLE SIZE & SAMPLING TECHNIQUE

A sample size of 150 consumers is taken and their responses are briefly analyzed, tabulated, to know the reactions of customers regarding insurance products of IDBI FEDERAL.

For the analysis of responses collected from respondents Ms Excel is used the various tools used in Excel are:

- Pivot Tables (For Cross Tabulation)
- Preparing Simple Tables.

Pivot Tables: It is the most powerful yet intimidating features in Ms.Excel. It quickly allows us to summarize and analyze large amount of data in list of tables— independent of the original data layout in the spreadsheet—by dragging and dropping columns to different rows, columns, or summary position.

Cross Tabulation: It is the process of creating a contingency table from the multivariate frequency distribution of statistical variables. Heavily used in survey research, cross tabulations (or crosstabs for short) can be produced by a range of statistical packages, including some that are specialized for the task. Survey weights often need to be incorporated. Unweighted tables can be easily produced by some spreadsheets and other business intelligence tools, where they are commonly known as pivot tables.

3.6 LIMITATIONS OF THE STUDY

- The response from the customers can be biased.
- Since the sample size is limited, it may lead to the partial true factor about the research.
- The problem can occur due to time constraints
- There are chances of error in sampling while collecting, coding and decoding.
- The limitation may occur in terms of geographical and financial constraints.
- Customer feedback at times can be too scientific and methodical to capture the human instincts and traits of consumers.
- In the modern era, with limited attention spans and fast-paced work/lifestyles, even the most loyal customers don't want to be bombarded with regular customer satisfaction and feedback surveys, which may lead in giving the company wrong information at times.

DATA ANALYSIS AND INTERPRETATION

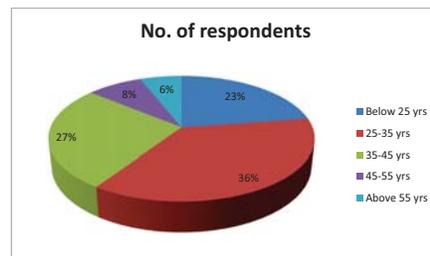
TABLE 4.1

Age group

Options	No. of respondents
Below 25 yrs	34
25-35 yrs	55
35-45 yrs	40
45-55 yrs	12
Above 55 yrs	9

CHART 4.1

Age group



Inference:

Chart 4.1 infers that 36% of the people fall under an age group of 25-35 years, followed by 27% people between 35-45 and then 23% people below 25 years and then 8% people from 45-55. There are 6% people fall under the age group above 55 years.

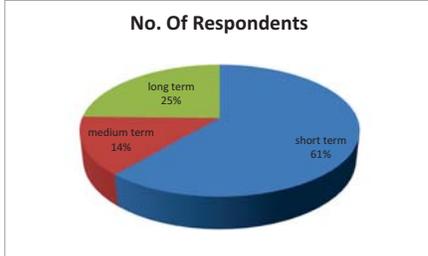
TABLE 4.2

Occupation

options	No. of respondents
student	23
self employed	53
employee	69
others	5

CHART 4.2

Occupation



Inference:

Chart 4.2 infers that 41% of the people fall under the occupation employee, followed by 36% people as self employed and then followed by 15% people as student and then. There are quite a 3% of people fall under the other occupation.

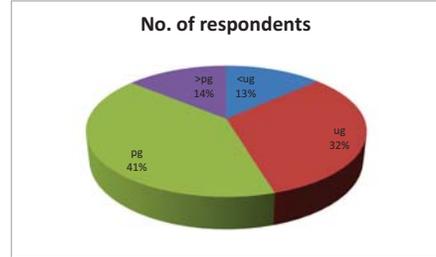
TABLE 4.3

Education

options	No. of respondents
<ug:	20
ug	48
pg	61
>pg	21

CHART 4.3

Education



Inference:

Chart 4.3 infers that 41% of the people are post graduates, followed by 32% people as under graduates and then followed by 14% people as above post graduates and then the rest of 13% people are below under graduates.

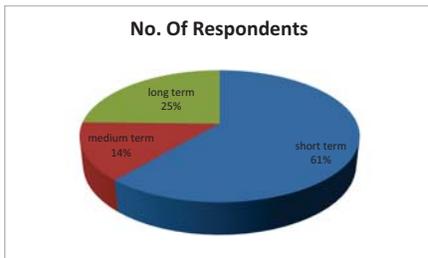
TABLE 4.4

Your annual income

Options	No. Of respondents
Up to 1 lakhs	16
1- 2 Lakhs	5
2-3 Lakhs	13
3-4Lakh	35
4-5Lakh	32
5 Lakhs and above	49

CHART 4.4

Your annual income



Inference:

Chart 4.4 infers that 33% of the people earn above 5 lakhs, followed by 23% people earning between 3-4lakhs, followed by 21% people earning between 4-5lakhs, followed by 11% people earn upto 1 lakh, suggesting us the capacity of people to invest is quiet high.

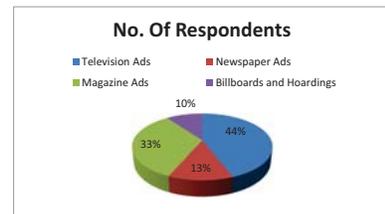
TABLE 4.5

Type of advertising attracts you more.

Options	No. Of Respondents
Television Ads	66
Newspaper Ads	19
Magazine Ads	50
Billboards and Hoardings	15

CHART 4.5

Type of advertising attracts you more.



Inference:

Chart 4.5 infers that 44% of the people are attracted towards television advertisements as television advertisements can be visualized by the customers. Customers are also fascinated by magazine ads. Quite less number of customers are attracted toward newspaper ads and billboards and hoarding ads as they majority fade away after been seen once.

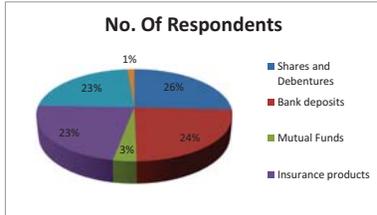
TABLE 4.6

Which one according to you is the best investment plan.

Options	No. Of Respondents
Shares and Debentures	39
Bank deposits	36
Mutual Funds	5
Insurance products	34
Post Office Savings	35
Others	2

CHART 4.6

Which one according to you is the best investment plan.



Inference:

Chart 4.6 infers that there are major differences in people's choices and customers find shares and debentures to be best investment option probably because of the high returns followed by bank deposits which are considered to be safe and then insurance and post office savings is also liked by customers.

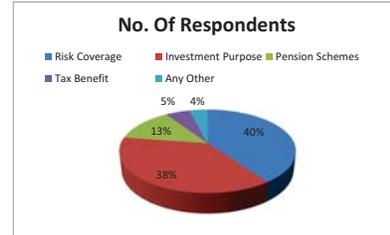
TABLE 4.7

Why Insurance policy.

Options	No. Of Respondents
Risk Coverage	60
Investment Purpose	56
Pension Schemes	20
Tax Benefit	8
Any Other	6

CHART 4.7

Why Insurance policy.



Inference:

Chart 4.7 infers that most of the people invest in insurance to cover their risk of uncertainty, followed by people who want to invest their money. Quite few people look for pension schemes and tax benefits while looking for insurance policies.

TABLE 4.8

Features you consider before taking an Insurance policy.

	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
Insurance coverage					
High returns					
Low premium amount					
Flexile withdrawals					
Risk involved					

CHART 4.8.1

Features you consider before taking an Insurance policy.

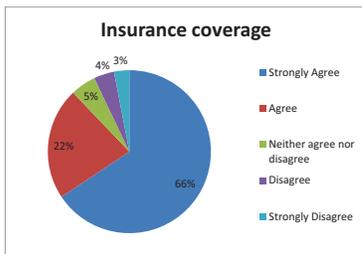


CHART 4.8.2

Features you consider before taking an Insurance policy.

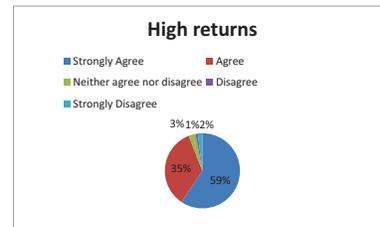


CHART 4.8.3

Features you consider before taking an Insurance policy.

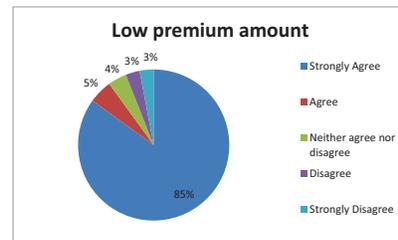


CHART 4.8.4

Features you consider before taking an Insurance policy.

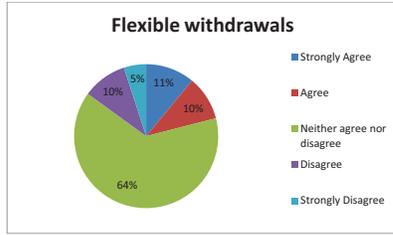
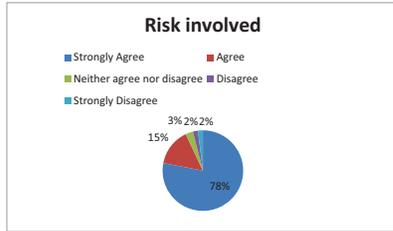


CHART 4.8.5

Features you consider before taking an Insurance policy.



Inference:

The above chart no:4.8.1 to chart 4.8.5 infers that most of the customers are inclined towards low premium, high returns, insurance coverage, and less risk but on the other hand flexible withdrawals are not of such high concern.

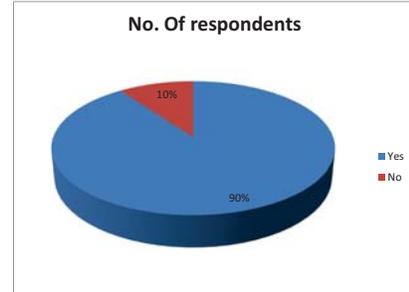
TABLE 4.9

IDBI Federal as reliable and trustworthy.

Options	No. Of respondents
Yes	135
No	15

CHART 4.9

IDBI Federal as reliable and trustworthy.



Inference:

The above chart 4.9 infers that 90% of the customers consider IDBI FEDERAL LIFE INSURANCE CO. LTD. as a reliable and trustworthy brand, mainly because of the IRDA norms which are regulated upon all insurance companies. A small amount of customers (10%) consider the company as not so reliable and trustworthy brand.

TABLE 4.10

Features of the insurance product offered to you by the company in which you are holding the policy.

Features of the products	1	2	3	4	5
Insurance coverage					
High returns					
Low premium amount					
Flexible withdrawals					

CHART 4.10.1

Features of the insurance product offered to you by the company in which you are holding the policy.

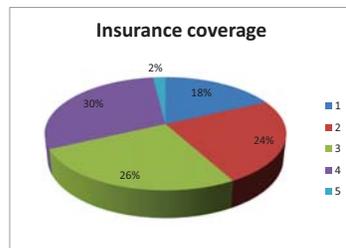


CHART 4.10.2

Features of the insurance product offered to you by the company in which you are holding the policy.

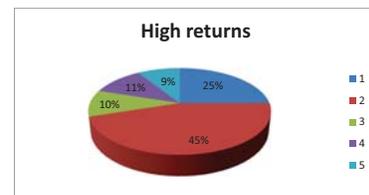


CHART 4.10.3

Features of the insurance product offered to you by the company in which you are holding the policy.

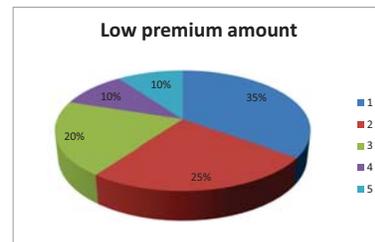
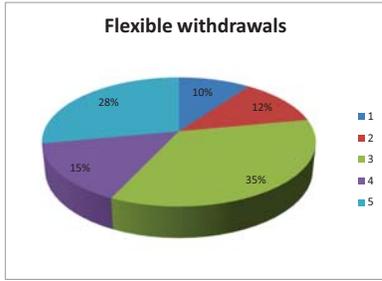


CHART 4.10.4

Features of the insurance product offered to you by the company in which you are holding the policy.



Inference:

The above chart no:4.10.1 to chart 4.10.4 infers that there are many customers who are satisfied with their insurance policies in different companies, but on the other hand there are a handful of customers who are not fully satisfied by their insurance policies in terms of insurance coverage, high returns, low premium and flexible withdrawals.

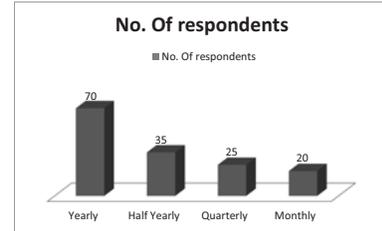
TABLE 4.11

Your preferred mode of payment.

Options	No. Of respondents
Yearly	70
Half Yearly	35
Quarterly	25
Monthly	20

TABLE 4.11

Your preferred mode of payment.



Inference:

The above chart 4.11 infers that majority of the customers are satisfied with a yearly payment mode, may be because of onetime payment in a year to avoid reminders from the company. There are 35% of the customers who like to opt for half yearly premium payment and 25% of the customers opt for quarterly payment whereas only 20% people have opted for a monthly payment mode.

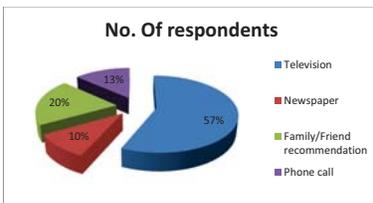
TABLE 4.12

Aware of IDBI Federal.

Options	No. Of respondents
Television	85
Newspaper	15
Family/Friend recommendation	30
Phone call	20

TABLE 4.12

Aware of IDBI Federal.



Inference:

The above chart 4.12 infers that maximum number of people is aware about IDBI FEDERAL LIFE INSURANCE CO. LTD. is through television advertisements. Some customers are aware about the company through friend or family recommendations and some through phone calls and quite a less amount of people are aware through newspaper, may be due to the reason that they just have only one look of it and then forget it.

TABLE 4.13

Insurance plans offered by IDBI Federal.

	Yes	No
Wealthsurance Plan		
Bondsurance Plan		
Retiresurance Plan		
Group Microsurance		
Homesurance Plan		
Termsurance Plan		
Healthsurance Plan		
Loansurance Plan		
Incomsurance Plan		

CHART 4.13.1

Insurance plans offered by IDBI Federal.

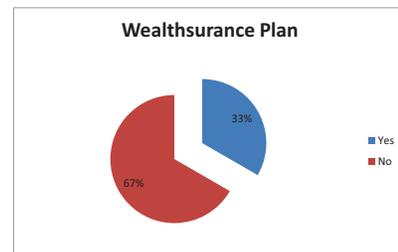


CHART 4.13.2
Insurance plans offered by IDBI Federal.

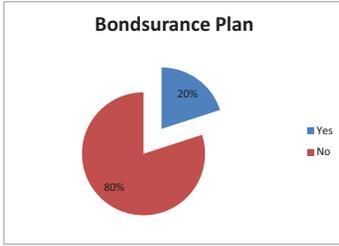


CHART 4.13.4
Insurance plans offered by IDBI Federal.

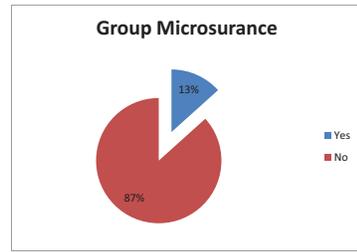


CHART 4.13.3
Insurance plans offered by IDBI Federal.

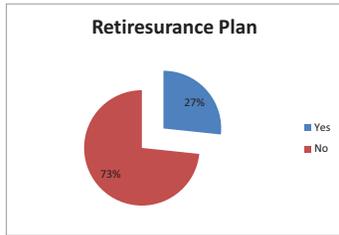


CHART 4.13.5
Insurance plans offered by IDBI Federal.

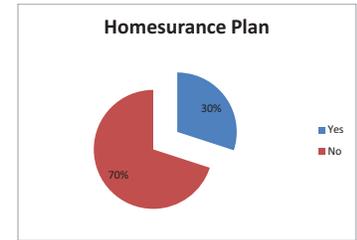


CHART 4.13.6
Insurance plans offered by IDBI Federal.

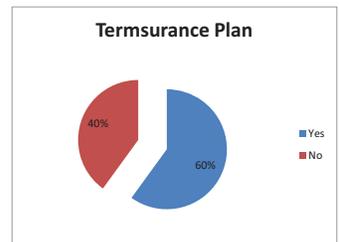


CHART 4.13.8
Insurance plans offered by IDBI Federal.

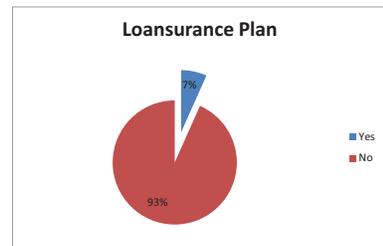


CHART 4.13.7
Insurance plans offered by IDBI Federal.

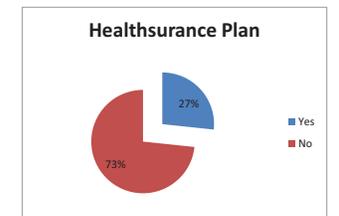


CHART 4.13.9
Insurance plans offered by IDBI Federal.



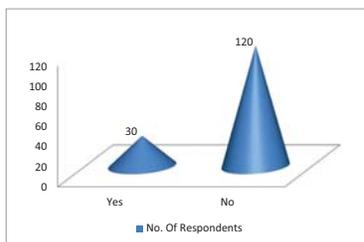
Inference:

The above chart no:4.13.1 to chart 4.13.9 infers that majority of the customers are hardly aware of the products offered by IDBI FEDERAL LIFE INSURANCE CO. LTD. Incomsurance and Termsurance are the two which are better known products compared to the other products offered by the company.

TABLE 4.14
Have you invested in any of these plans.

Options	No. Of Respondents
Yes	30
No	120

CHART 4.14
Have you invested in any of these plans.



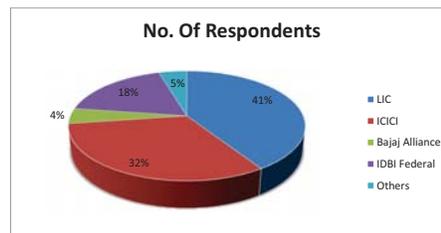
Inference:

The above chart 4.14 infers that 80% of the customers have not yet invested in any of the products offered by IDBI FEDERAL LIFE INSURANCE CO. LTD., a small share of 20% of the people have invested in insurance policies offered by the company.

TABLE 4.15
Which insurance company's policy do you own.

Options	No. Of Respondents
LIC	45
ICICI	35
Bajaj Alliance	5
IDBI Federal	20
Others	5

TABLE 4.15
Which insurance company's policy do you own.



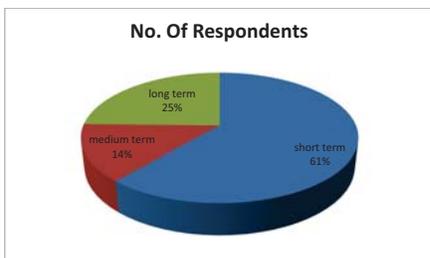
Inference:

The above chart 4.15 infers that a majority of the people have in LIC insurance policy, probably because of its long existence in the market, followed by ICICI. IDBI Federal has quite less share as compared to LIC and ICICI.

TABLE 4.16
Your preference in term of investment.

options	No. Of Respondents
short term	92
medium term	21
long term	37

CHART 4.16
Your preference in term of investment.



Inference:

The above chart 4.16 infers that a majority of the people prefer for short term and followed by long term and remaining respondents prefer for medium term which is the lowest compared to short term and long term.

CHAPTER 5

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 FINDINGS

- Majority of the people fall under an age group of 25-35 years, followed by people between 35-45 and then followed by people below 25 years and then 45-55. There are quite a few who fall under the age group above 55 years
- Majority of the people fall under the occupation employee, followed by people as self employed and then followed by people as student and then. There are quite a few who fall under the other occupation
- Majority of the people are post graduates, followed by people as under graduates and then followed by people as above post graduates and then the rest of the people are below under graduates
- The majority of the people earn above 5lakhs, followed by people earning between 3-4lakhs, followed by people earning between 4-5lakhs, suggesting us the capacity of people to invest is quiet high.
- Most of the people are attracted towards television advertisements as television advertisements can be visualized by the customers. Customers are also fascinated by magazine ads. Quite less number of customers are attracted toward newspaper ads and billboards and hoarding ads as they majorly fade away after been seen once.
- There are major differences in people's choices and customers find shares and debentures to be best investment option probably because of the high returns followed by bank deposits which are considered to be safe and then insurance and post office savings is also liked by customers.

- Majority of the customers are hardly aware of the products offered by IDBI FEDERAL LIFE INSURANCE CO. LTD. Incomsurance and Termsurance are the two which are better known products compared to the other products offered by the company.
- 80% of the customers have not yet invested in any of the products offered by IDBI FEDERAL LIFE INSURANCE CO. LTD., a small share of 20% of the people have invested in insurance policies offered by the company.
- A majority of the people have in LIC insurance policy, probably because of its long existence in the market, followed by ICICI. IDBI Federal has quite less share as compared to LIC and ICICI.
- A majority of the people prefer for short term and followed by long term and remaining respondents prefer for medium term which is the lowest compared to short term and long term

- Most of the people invest in insurance to cover their risk of uncertainty, followed by people who want to invest their money. Quite few people look for pension schemes and tax benefits while looking for insurance policies
- Most of the customers are inclined towards low premium, high returns, insurance coverage, and less risk but on the other hand flexible withdrawals are not of such high concern
- 90% of the customers consider IDBI FEDERAL LIFE INSURANCE CO. LTD. as a reliable and trustworthy brand, mainly because of the IRDA norms which are regulated upon all insurance companies. A small amount of customers (10%) consider the company as not so reliable and trustworthy brand.
- There are many customers who are satisfied with their insurance policies in different companies, but on the other hand there are a handful of customers who are not fully satisfied by their insurance policies in terms of insurance coverage, high returns, low premium and flexible withdrawals.
- Majority of the customers are satisfied with a yearly payment mode, may be because of onetime payment in a year to avoid reminders from the company. There are 35% of the customers who like to opt for half yearly premium payment and 25% of the customers opt for quarterly payment whereas only 20% people have opted for a monthly payment mode
- Maximum number of people is aware about IDBI FEDERAL LIFE INSURANCE CO. LTD. is through television advertisements. Some customers are aware about the company through friend or family recommendations and some through phone calls and quite a less amount of people are aware through newspaper, may be due to the reason that they just have only one look of it and then forget it.

5.2 SUGGESTIONS

- A little more aggression in direct marketing strategies is needed to increase the customer relationships and to provide better service to the customers.
- When a customer has not understood the scheme, then the sellers should make sure that they are friendly towards the customers and should have patience.
- Most of the people are not having any proper knowledge/ awareness regarding the different products offered by the company, I would suggest that a better means of communication is adopted and the customers are updated regularly, so that they are attracted towards the products.
- I would suggest that there should be an increase in the number of capital guarantees schemes with low premium, so that the middle class and rural customers can be attracted.
- The schemes should be introduced according to the needs and profits of the customers.
- The bank calculator must be provided with the brochure to the customers for their better understanding.
- Along with product, service has to be given ample opportunity to differentiate along the competitors as styling and services.
- Wide range of publicity is needed to withstand the competition and to attract the customers.

- Company should maintain continuous relationship with the employees and customers to increase the market share.
- The company employees should make sure that they win the customers trust and be calm during that process.
- There should be continuous maintenance of quality in service, to maintain the brand loyalty.

Conclusion on Customer Satisfaction:

- Customers know generally that a policy covers; they also know that there are several fine prints in insurance contracts which they do not know or perhaps care to know at the time of buying. And they also generally seem to conclude that when it comes to making a claim under an insurance policy, there could be several issues of which they are just unaware at the time of buying the policy in the first place.
- There has been a vast change in the approach of the insurance agent from the pre-liberalization days. While the agents in the past established informal contacts with potential buyers and often depended on referrals from friends and family members, the new age companies insist on a professional and often aggressive stance on the part of the sales staff.
- Brand awareness of IDBI FEDERAL LIFE INSURANCE CO. LTD. is to be improved more and should be updated by the latest means of communication with the customers.
- As per the analysis IDBI should give higher returns with low premium, as that is what is most expected by the customers.

- The customers today expect the insurance agent (or other intermediaries such as the bank assurance sales staff) to provide ready comparison of the competitor's products and how the product of the agent is suggesting its superior to others.
- For higher customer satisfaction level, the company must look into its internal factors, so that it can create profit as well as higher brand image.

CONCLUSION

The overall project has helped me learn a lot which is not there in books. The practicality of the subject is totally seen in the real sense. I thank IDBI FEDERAL LIFE INSURANCE COMPANY LTD., for providing this opportunity to me as a summer intern and to show me the path of knowledge and experience, which will help me to succeed in the career and excel into bright future.

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Appendix

A STUDY ON CUSTOMER SATISFACTION OF IDBI- FEDERAL LIFE INSURANCE

We at IDBI believe that customers are the sole reason for our success. Kindly spare a few minutes to answer some brief questions about our company and its services.

- 1) Name: _____ Telephone: _____
- 2) Gender: i) Male ii) Female
- 3) In what age group do you fall under?
- i. Below 25 Yrs
 - ii. 25-35 Yrs
 - iii. 35-45 Yrs
 - iv. 45-55 Yrs
 - v. Above 55 Yrs
- 4) Occupation:
- i) Student ii) Self employed iii) Employee iv) Others
- 5) Education:
- i) < UG ii) UG iii) PG iv) >PG
- 6) What is your annual income?
- i. Up to Rs 1 lakhs
 - ii. Rs 1lakh – 2 lakhs
 - iii. Rs 2 lakhs – 3 lakhs
 - iv. Rs 3 Lakhs – 4 Lakhs
 - v. Above 4 Lakhs.
- 7) What sort of advertising attracts you more?
- i. Television Ads
 - ii. News papers Ads
 - iii. Magazines Ads
 - iv. Bills boards and hoardings Ads

11) Do you consider IDBI Federal as reliable and trustworthy?

- i. Yes
- ii. No, please give a reason _____

12) How do you rate the features of the insurance product offered to you by the company in which you are holding the policy? (5- Highest to 1- Lowest)

S. No	Features Of Insurance Product	Give Your Rating
i)	Insurance Coverage	
ii)	High Returns	
iii)	Low Premium Amount	
iv)	Flexible Withdrawals	

13) What is your preferred mode of payment?

S. No	Your Preferred Mode Of Payment	High preference	Moderate preference	Least preference
i)	Yearly			
ii)	Half yearly			
iii)	Quarterly			
iv)	Monthly			

14) How are you aware of IDBI Federal?

- i. Television
- ii. Newspaper
- iii. Friend/Family recommendation
- iv. Phone call
- v. Do you know about any of the following Insurance plans offered by IDBI Federal?

8) Which one according to you is the best investment option? 1-5. (1-Best to 5-Worst).

S. No	Best Investment Option	Your Ranking
i)	Shares and debentures	
ii)	Bank deposits	
iii)	Mutual funds	
iv)	Insurance products	
v)	Post office savings	
vi)	Others	

9) Why would you take up an insurance policy?

S. No	Why Insurance Policy	Rank (1-5)
i)	Risk Coverage	
ii)	Investment purpose	
iii)	Pension schemes	
iv)	Tax Benefit	
v)	An Income	

10) What are the features you consider before taking an Insurance policy?

	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
Insurance coverage					
High returns					
Low premium amount					
Flexile withdrawals					
Risk involved					

	Yes	No
Wealthsurance Plan		
Bondsurance Plan		
Retiresurance Plan		
Group Microsurance		
Homesurance Plan		
Termsurance Plan		
Healthsurance Plan		
Loansurance Plan		
Incomsurance Plan		

15) Have you invested in any of these plans? (if yes, please mention the plan)

- i. Yes, _____
- ii. No.

16) Which insurance company's policy do you own?

- i. LIC
- ii. ICICI Prudential
- iii. Bajaj Alliance
- iv. IDBI Federal
- v. Others

17) What is your preference in term of investment?

	Rank your preference (1-3)
Short term	
Medium term	
Long Term	