

A Study on Customer Relationship Management Implementation & Customer Loyalty, In Insurance Sectors Tamil Nadu, In India

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Abstract- Insurance plays customer relationship management an important role in the financial sector but while there is many research on the casual relationship bank lending and economic growth is often ignored relationship insurance and economic growth. Among financial intermediaries, insurance companies play an important role in carrying out the functions of the financial system. They play an important role through risk management for companies and individuals. Through the issue of insurance policies they collect funds and transfer them to entities to finance real investment. based on what CRM software has become over the past decade, it's easy to see why someone would assume that because CRM performs. The aim of the authors is to present the benefits resulting from the application of new technologies, thus estimating the pace of change, the new opportunities and the need for flexibility in the relationship with customers. These days, many successful businesses operate under a customer-centric business model. Insurance agents aren't traditionally known for developing deep, personal bonds with their customers, with today's CRM solutions, now is the perfect time to make the switch from a project-centric to people-centric approach Retaining customer is important for growth and success of any business organization irrespective to tangible goods industry or intangible (service industry). defines customer retention as the marketing goal of preventing customers from going the competitor. Customer retention is the way in which organizations focus their efforts on existing customers in an effort to continue ensure the successful implementation of crm successful

Keywords- Customer Loyalty, Customer Retention, Customer Service, Insurance Industries Crmstrategy

I. INTRODUCTION

The study is mainly focused on the origin and development of the concept of Customer Relation Management (CRM) in insurance sector industries India and how it will solve the purpose of improving the marketing productivity and enhance mutual value for the parties involved

in the relationship. It has the ability to increases the marketing effectiveness and efficiency that improve the marketing productivity and creates mutual values. It will help in understanding the effectiveness of CRM programs launched by the various insurance sectors. In spite of phenomenal growth in financial sector of the country after 1991, there is a growing general feeling among the users of the financial services about the security and facilities which are not increasing as they might have expected. This feeling may be due to the over reliance of Indian investor on the public sector or nationalized insurance sectors than private or foreign insurance sectors

The insurance sector industry was once dominated by policy-centric, inside-out thinking. Relationships were simple – a policyholder was matched with a policy and perhaps an agent/producer. Much of the executive focus and corresponding technology investment was designed to improve operational efficiencies and manage the portfolio of risks. Those days are rapidly disappearing. Most insurers have done a significant re-orientation around customers, taking the outside-in view and seeking to gain and act on a deeper understanding of their relationships with customers, as well as agents. In fact, insurers ranked customer engagement and experience as the number one strategic initiative in 2015, with 85% of insurers claiming to have major initiatives in progress.

In an earlier age, many insurers (especially larger companies), implemented complex technology solutions to manage relationships. Many of these CRM (customer relationship management) solutions from 10-15 years ago are still in place. Today relationship management is considerably more involved and offers a wider range of advantages, causing many companies to consider whether to extend existing systems or implement new CRM solutions. Technology to manage relationships with agents/brokers/producers has become more important. New types of information beyond contact information, products, and family relationships are becoming necessary to truly understand the customer

(including location characteristics, communication preferences, social networks, and a historical view).

Many insurers are now aggressively working toward becoming digital enterprises. This means that more content is captured, created, managed, and delivered digitally through a broader set of channels, leveraging modern solutions such as customer communications management (CCM). Interactions are being customized, personalized, and informed by the context of the interaction, resulting in a greater awareness of the policyholders and their relationships with the company (and others). For this reason, CRM solutions have once again come to the forefront as vital components of any insurer's strategy.

In today's scenario customer is king. So, for any organization to achieve goals has to maintain Customer Relationship Management and satisfaction level. For this purpose many surveys are being conducted for measuring customer satisfaction level and the way to improve customer services. Some of my batch mates too had conducted survey for measuring customer service level from customer point of view. Are the employees and the customers having good relation with each other in the public as well as the private insurance sector companies? insurance sector companies' employees behave as intermediary between the customer and the top management. They play a vital role in any organization, as they are the personnel who actually interact with the customer relationship management system is to increase knowledge and understanding of the customer, thereby gaining a larger "share of wallet". CRM is a mean for acquiring and retaining valuable customers, optimizing revenue and profitability, and building customer loyalty.

The attention of the insurance sector company's employees about their customers is having a great importance. If they cannot satisfy to the customer then customers can be so dissatisfied that divorce is imminent. So it is very important to give the attention to the customer.

Scope of the study

Since most insurance companies are not adequately equipped to help their agents deal with customer centered problems CRM insurance enables insurance organizations to survive in a tough economic climate by using the data the insurance company has on the existing customers and then use it to increase the level of profitability. It manages to enhance your customer relationships based on customer's unique requirements.

A wealth of customer data is available but insurance companies do not have it readily assessable nor is it coherent. CRM insurance software creates a holistic view of the customer which helps eliminate customer irritation experienced due to this, when they need to identify themselves repeatedly. Insurance CRM assists Customer Service Representatives when they are not able to properly access customer data. Having ample customer information on hand enables a CSR to be more confident of dealing with the client. It removes the chance of errors.

CRM enables customers themselves to do research on products, have answers to their questions etc. In addition to this policyholders or beneficiaries can check their claim status, change their account information, submit complaints etc. Insurers find that CRM is assisting them in their marketing efforts as well through a comprehensive understanding of the client base. CRM aids the insurance companies by ensuring that campaigns are more affective.

II. OBJESTIVE OF THE STUDY

- To study the demographic profile and awareness levels of the respondents in Tamil NADU
- To examine the gap between expectations and perception on service quality of insurance industries
- To examine the policyholders' perception about the various aspects of insurance industries of India, service quality, customer's retention,
- To study the awareness of insurance agents regarding CRM practices of insurance industries of India in the study area and
- To indentifying customer satisfaction, customer loyalty in insurance industries in the study area

III. SIGNIFICANCE OF CRM IN THE INSURANCE INDUSTRIES

Unlike manufacturing operations, services processes are denied the luxury of stockpiling service products before they are not consumed, nor do they have detailed knowledge of actual upcoming demand. Thus, the characteristics of services negate the opportunity to plan for the service performance, and require the service to prepare for every eventuality, ordering materials arbitrarily, hiring staff, paying for variable costs such as lighting and heating, and often storing materials to await final purchase. The ability to accurately predict future individual purchases would amend these drawbacks, reducing costs, increasing efficiency, increasing customer satisfaction and ultimately, increasing customer loyalty. Thus, the move towards customer

relationship management (CRM) should result in an escalating pattern of increased loyalty, further increasing customer participation, allowing better preparation for each customer, which in turn, increases customer loyalty and reduces the cost in long run.

Regulation and technological improvements are responsible for the vast majority of innovations in insurance industries over the past quarter century. The introduction of personal computers and the proliferation of ATMs in the 1970s captured insurance industries management's attention. The regulatory changes in the 1980s fueled much of the industry's growth, then downsizing as insurance industries focused on amassing market presence, which resulted in significant merger activity. Recent technological improvements are at the root of insurance industries' focus as well as a target for their significant investment.

What drove many insurance industries to invest in ATMs was the promise of reduced branch cost, since customers would use them instead of a branch to transact business. But what was discovered is that the financial impact of ATMs is a marginal increase in fee income substantially offset by the cost of significant increases in the number of customer transactions. The value proposition, however, was a significant increase in that intangible called customer satisfaction. The increase in customer satisfaction has translated to loyalty that resulted in higher customer retention and growing franchise value. Internet insurance industries, a product of the 1990s shows similar characteristics. Again, insurance industries invested believing that the Internet was a lower-cost delivery channel and a way to increase sales. Studies have now shown, however, that the primary value of offering Internet insurance industries services lies in the increased retention of highly valued customer segments. Again, the intangible called customer satisfaction drives the value proposition. CRM is not another ATM or Internet insurance industries. It is not a checking account, a stock or a mortgage. CRM is primarily driven by the innovation of technology, but unlike other technological innovations, CRM has power to help insurance industries quickly and directly improve customer satisfaction. CRM is an added dimension to ensure that what the customer expects is consistent with what the insurance industries is prepared to deliver. One expert in insurance industries CRM initiatives recently said that CRM is an approach that is less focused on providing the right services to the customer than attracting customers who are the right fit for what the insurance industries has to offer. Further, the primary value of CRM is its potential as a customer retention tool.

An Indian insurance industry today is witnessing drastic changes. The liberalization of the financial sector and insurance industries sector reforms have exposed the Indian insurance industries to a new economic environment that is characterized by increased competition and new regulatory requirements. As a result, there is a transformation in every sphere of activities of the insurance industries in India, especially in Governance, nature of business, style of functioning and delivery mechanisms. The new generation insurance industries brought the necessary competition into the industry and Spearheaded changes towards higher utilization of technology, improved customer service and innovative products.

The changes in the political, economical, social, cultural and environmental perspective can be seen in business environment too. Above all, the business scenario is highly influenced by the changes in the needs and aspirations of the people. The human factors such as, the mindset of the people, ethics and values, social system, lifestyle, work culture etc. have greatly influenced the different sections of the people for changing their day-to-day requirements. But today, the degree of such changes is very fast and frequency of experience by them is more. Therefore, the consumer status is changed from isolated to connected, unaware to well-informed passive to active.

Consumers now seek to exercise their influence in every walk of the business system, interact with firms and co-create value. As the outreach is enlarged in the industry with the increased number of insurance industries and wider network, the customer demands convenience, comfort, speed, cost- effectiveness and quality services in the insurance industries operations. In the recent years, the Indian insurance industry saw a host of new faces called new generation insurance industries entering with their innovative strategies. All these insurance industries are generally slim in structure but heavily using the technology and multi-channel facilities to reach out to a large section of the customers.

Trends and Current Status of CRM Solutions In insurance sector

SMA research provides strong evidence to support the contention that insurers are investing in implementing and enhancing CRM solutions. The trend over that last three years is telling. In 2013, 1% of North American insurers implemented new CRM systems; in 2014 that percentage rose to 4%. Plans for 2015 indicate that 13% of insurers have new CRM implementations underway, while another 17% have budgeted for major enhancements. This means that almost one-third of North American insurers have key initiatives

related to CRM solutions. In fact, 39% plan annual increases in the CRM budget of over 5% per year through 2018, with 11% increasing budgets by more than 10% annually.

There are distinct differences in the usage of CRM solutions based on the size of the insurer and line of business. Figure 1 shows the percentage of companies that have never implemented a formal CRM solution and have no current plans to change course vs. those that have CRM or are in planning stages. Not surprisingly, more of the smaller companies do not have CRM systems. In addition, the penetration is higher for

Types of Information and Systems

Ideally, all types of relationships with customers and other parties are stored, tracked, and managed in a common CRM solution. Unfortunately, this is rarely the case, although many in the industry are moving closer to this ideal. When evaluating the categories of parties that should be covered in CRM, five “Ps” should be considered

Crm for Prospects, Policyholders, and Producers: Many insurers still have separate technology solutions to manage these three groups. Information about prospects is often stored in prospect or campaign management systems, and managed by marketing and distribution. Policyholder information is central to the main CRM system, with key information retrieved from core policy, billing, and claim systems as well. The distribution/channel management functional areas of the business often have their own databases and systems to manage their relationships and interactions with producers and agents. However, there is a distinct trend to consolidate relationship information about all three of these parties into the common CRM system.

CRM for Partners and Providers: Business partners, such as independent adjusters, law firms, or loss control engineering experts are usually managed by separate technology solutions, and spreadsheets are most commonly used to track that information. The second most common approach is to establish a formal partner management system. Providers, such as those for supplies, office furniture, and technology are the least formally managed, from a CRM perspective. They are most often managed via financial systems for suppliers or via spreadsheets. In theory there is value in understanding these relationships in a CRM context as well,

How are Insurers Approaching CRM Implementations

Challenges Faced by Insurers

CRM is challenging. The solutions and technologies available have advanced significantly over the years, but the technical challenges of data and integration and the business challenges of process redesign and training require careful planning and the advice of experienced professionals. Insurers have identified the most critical challenges: the first is the quality of the data and installing/maintaining the technology is the second. Following closely behind those are two business challenges – employee/agent adoption and training of employees and agents. These key challenges are fundamentally the same ones that insurers faced during the initial wave of CRM implementations in the 2000-2005 time frame. The difference now is that many have the benefit of learning from the initial implementations; there are more experienced professionals available; and the technologies to address data quality, installation, and maintenance issues are now more sophisticated.

Approaches to CRM

The CRM implementations from the first wave of 10-15 years ago tended to be championed by insurance sectors and deployed as monolithic, on-premises solutions. This new wave of CRM solutions is more often driven by senior business executives and implemented via outsourced and/or cloud/SaaS approaches.

Surprisingly, there are still insurers building bespoke CRM solutions, but the tide has shifted, much like other areas of software, to packages and further toward cloud solutions. For example, 50% of insurers implementing new common CRM solutions are installing software packages, while 36% are implementing either cloud or outsourced solutions. The trend is similar for CRM systems built exclusively for agents/brokers, but insurers show a slightly higher interest in building in-house.

SMA Call to Action

The concept of CRM was introduced to the industry with great fanfare in the late 1990s. Many insurers, especially tier one companies, embarked on major multi-year, enterprise-wide initiatives. That first wave met with mixed success, with gains achieved and many lessons learned. Some did not achieve the promise and the ROI predicted, while other implementations steadily advanced to overcome some of the initial difficulties.

It is a bit of a contradiction that CRM is now experiencing resurgence. On one hand, CRM was at one time considered by many to be too complex to be successful, especially after the business and technical challenges

encountered in earlier years. On the other hand, the industry is now truly focused on becoming customer-centric. The intent and the strategies have been there for many years, but now the C-level support, investment, and energy is there to make improving the customer experience a reality – and a game-changing strategy.

With customer experience taking center stage, CRM once again becomes a mandatory pre-requisite. It is difficult, if not impossible, to understand each customer and serve them real-time in a complex-channel environment without having that centralized approach to managing relationships.

Insurers seeking to improve the customer experience and modernize replace, or install a new CRM system should consider the following:

- Understand where and how relationship information is captured, housed, and managed today, looking at all five “Ps” – prospects, policyholders, producers, partners, and providers.
- Recognize the vital role of solutions that create, orchestrate, manage, and deliver communications, especially Customer Communications Management solutions. These systems will increasingly interact with and rely on CRM.
- Assess the core. Without modern policy, billing, and claims systems it will be difficult to achieve enterprise wide CRM, considering that these are the systems of record that manage the bulk of the transactions.
- Map customer journeys, and develop a plan for how to operationalize insights from the understanding of journey patterns.
- Integrate customer analytics to improve customer touch point experiences with the right message for any interface, any device, and anytime.
- Establish a plan, endorsed and driven from the C-suite, to implement a modern CRM solution.

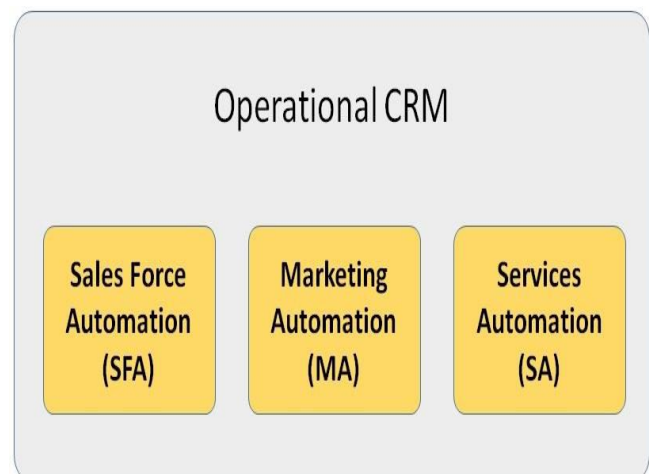
These steps may seem daunting. But with sustained commitment, the right technology partners, and a modern technology platform, CRM can fulfill its original promise and contribute significantly to the success and growth of the company.

About Strategy Meets Action

Strategy Meets Action (SMA) is dedicated to helping the business of insurance sector modernize, optimize, and innovate for competitive advantage. Exclusively serving the insurance sector industry, SMA blends unbiased research findings with expertise and experience to deliver business and technology insights, research, and advice to insurers and IT solution providers. By leveraging best practices from both the management consulting and research advisory disciplines, we take a unique approach – offering an unrivaled set of services, including retainers, research, consulting, events, and innovation offerings.

This white paper is based on SMA’s experience, research, and insights. HP Extremes and Avanade have paid for distribution rights, and have not influenced the survey data or analysis. The content is a synopsis of SMA’s analysis and insights.

IV. OPERATIONALISATION OF THE CONCEPT



Sales Force Automation

SFA is the application of technology to manage selling activities. It standardizes a sales cycle and common terminology for sales issues among all the sales employees of a business. It includes the following modules:

- **Product Configuration:** It enables salespersons or customers themselves to automatically design the product and decide the price for a customized product. It is based on if-then-else structure.
- **Quotation and Proposal Management:** The salesperson can generate a quotation of the product prices and proposal for the customer by entering details such as customer name, delivery requirements, product code, number of pieces, etc.

- **Accounts Management:** It manages inward entries, credit and debit amounts for various transactions, and stores transaction details as records.
- **Contact Management:** It is enabled with the features such as customers' contact details, salespersons' calendar, and automatic dialing numbers. These all are stored in the form of computerized records. Using this application, a user can communicate effectively with the customers.
- **Opportunity Management:** It lets the users identify and follow leads from lead status to closure and beyond closure.

Marketing Automation

Marketing automation involves market segmentation, campaigns management, event-based marketing, and promotions. The campaign modules of Marketing Automation enable the marketing force to access customer-related data for designing, executing and evaluating targeted offers, and communications.

Event-based (trigger) marketing

is all about messaging and presenting offers at a particular time. For example, a customer calls the customer care number and asks about the rate of interest for credit card payment. This event is read by CRM as the customer is comparing interest rates and can be diverted to another business for a better deal. In such cases, a customized offer is triggered to retain the customer.

Service Automation

Service automation involves service level management, resolving issues or cases, and addressing inbound communication. It involves diagnosing and solving the issues about product.

With the help of Interactive Voice Response (IVR) system, a customer can interact with business computers by entering appropriate menu options. Automatic call routing to the most capable employee can be done.

Consumer products are serviced at retail outlets at the first contact. In case of equipment placed on field, the service expert may require product servicing manual, spare parts manual, or any other related support on laptop. That can be availed in service automation.

Future CRM Trends

Here are some upcoming trends the CRM solution vendors are following:

Integrating Data from Multiple Channels

The CRM solution providers are working on moving social media data to more secure communication channel. They are also exploring how they can integrate unstructured data coming from multiple channels such as Email and mobile smartphones.

Handling Big Data

As the data is penetrating from multiple channels with high volume, velocity, and variety, the CRM solution providers are exploring how this big data can be managed well to be able to use effectively.

Shifting to Cloud-based CRM

The businesses are preferring cloud-based CRM software to overcome the problems with on premise CRM software (in which every new feature development requires an expensive upgrade). The cloud-based CRM also lessens the burden of business for investing in infrastructure.

Social CRM

The customers are into the practice of reading reviews, recommendations, and judging the product or service before deciding to purchase. The businesses are keen to employ social CRM tools in their CRM software as the social media can bring an insight of customer preferences and behavior.

The Mobile CRM is expected to be Powerful

Today's CRM solution providers are investing a handsome amount to bring more rigor in the mobile platforms of CRM applications.

V. HYPOTHESIS OF THE STUDY

Customer Relationship Management leads to the ultimate satisfaction and retention of the customer mainly in the service industry. After the era of free economy the new entrants have crowded the market and attracting the customers of existing players by providing the better services than the existing one. To examine the factors related to CRM strategy

and customer satisfaction dimensions of executives and customers, the following three null hypotheses were framed.

- H⁰₁: The CRM is highly significant for the insurance sectors
- H⁰₂: The factors of CRM do not have any relation with the CRM strategies of the insurance sectors
- H⁰₃: There is no difference in the CRM strategies of the public, private and foreign insurance sectors operating in India

VI. RESEARCH METHODOLOGY

The design of the present study is exploratory to some extent and descriptive and diagnostic to a large extent. Further the study is diagnostic due to the fact that an attempt has been made to see the relationship between the implemented CRM strategies and how far these strategies have succeeded in enhancing or maximizing the level of customer's satisfaction and retention.

UNIVERSE OF THE STUDY

The universe of the study is confined to all nationalized, private and foreign insurance sectors operating in India, which carried out different kinds of retail insurance sectoring operations and practices the CRM programmers.

SURVEY POPULATION

The survey population of the study includes only those insurance sectors, which have implemented the CRM programmed or strategies.

SAMPLE SIZE

The study has been conducted on the basis of dual sample in the area of NCR (Delhi and neighborhood cities). The first sample is of insurance sectors. The sample for the study has been taken from the survey population and that is too being confined only to the four nationalized, two private and two foreign insurance sectors. The sampled insurance sectors have been chosen on the basis of non – random purposive sampling and the second sample is of customers. The respondents have been selected on the basis of random and purposive sampling and for this purpose the user's list has been obtained from the sampled insurance sectors. Twenty five executives and hundred customers from each category of insurance sectors have been taken for the study.

DATA COLLECTION

The data was collected by administering the questionnaire with the participating respondents. The individual heads related to CRM were interviewed with an objective to understand their CRM organizational practices, culture, problems and plans. Since the nature of the proposed is empirical and, therefore, the data has been used is mainly primary. However secondary data has also been used in the study. The secondary information has been collected from the research articles, available brochure, records, and reports of the insurance sectors and rest of the secondary data has been collected from the Internet. For the purpose of collecting primary data as per the requirement of the objectives of the study, a comprehensive schedule / questionnaire was designed and administrated to the sampled respondents of the insurance sector.

STATISTICAL TOOLS USED

In order to analyze the collected data for converting it into valuable information, the following statistical tools have been used.

- a) The percentage analysis of each factor was done to develop the understanding on the position of each variable of these factors
- b) Simple Arithmetic Mean has been used for the reliable representation of the entire data.
- c) Standard Deviation has been calculated to measure the level of deviation present in the data.
- d) Kaiser-Meyer-Olkin and Bartlett's test to measure the adequacy of the sampling to use for exploratory factor analysis (EFA).
- e) Exploratory factor analysis for deleting the questions with lower factor load (for more preparation to do the confirmatory factor analysis).

So keeping this aspect in mind, we had planned to conduct a survey related to customer relationship management from the customer as well as the insurance sector company's employee's point of view. Hence, this topic is selected to know the various quality services that are provided by both public sector insurance sector companies and private sector insurance sector companies in order to retain their customers.

CUSTOMER EXPECTATION STRATEGY

The insurance sectors can design the customer experience strategy by understanding the overall organizational vision and mission, defining the organization's

customer service direction, slogan and values, ensuring customer service, sharing the customer experience

Strategy via a comprehensive communications program and ensuring that this strategy does not conflict with other business strategies.

THE UTILITY OF THE STUDY

In terms of utility, the study certainly has filled in the existing gap in the literature relating to Customer relationship management industry. The findings of the present shall be of interest to the academicians and researchers on the one hand, and the corporate sector in general and selected units in particular, on the other.

VII. DATA ANALYSIS AND INTERPRETATION

1.1. RELIABILITY AND VALIDITY DATA

As the Cranach’s alpha of one parameter CUSTOMER RELATIONSHIP MANAGEMENT And Analysis To customer reveal more than .correct as alpha. So, it is confirmed that the data are highly reliable and valid for analysis. The following table show that, the Cronbach’s alpha value for CUSTOMER RELATIONSHIP MANAGEMENT And Analysis To customers

Table.1.1.Reliability and Validity of data

| Reliability Statistics | |
|------------------------|------------|
| Cronbach's Alpha | N of Items |
| .746 | 6 |

Table.1.2. ANOVA test for income and CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PRACTIES IN INSURANCE INDUSTRY AND ANALYSIS TO CUSTOMER

| CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PRACTIES IN INSURANCE INDUSTRY TO CUSTOMER | F | Sig. |
|---|--------|------|
| High technology with minimum cost is introduced | 9.602 | .000 |
| Potential customers are communicated in one-to one manners by advanced technology | 7.178 | .000 |
| Time consuming to increase the employees places The is conveniently located and easy to find | 14.619 | .000 |
| I will encourage my friends and relatives to buy insurance products from insurance | 5.10 | .000 |
| Technology is acquired to manage real time customer information and feed back | 4.776 | .001 |
| Have your company organized any programmed to create awareness among the customers regarding various plans and policies | 3.754 | .012 |

Based on the result generated by SPSS 20, there is no significant values of High technology with minimum cost is introduced , Potential customers are communicated in one-to one manners by advanced technology, Time consuming to increase the employees places The is conveniently located and easy to find, I will encourage my friends and relatives to buy insurance products from insurance, Technology is acquired to manage real time customer information and feedback are, Have your company organized any programmed to create awareness among the customers regarding various plans and policies less than 0.05. so null hypothesis is rejected. Therefore. There is significant relationship between age and customer relationship management And Analysis To customers

Table.1.3 KMO and Barrett’s Test of CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PRACTIES IN INSURANCE INDUSTRY AND ANALYSIS TO CUSTOMER

| KMO and Bartlett's Test | | |
|--|--------------------|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .991 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 2.161E3 |
| | Df | 15 |
| | Sig. | .000 |

Source: Output generated from SPSS 20

High value of KMO (0.991 > .05) of indicates that factor analysis is useful for the present data. The significant value for Bartlett’s test of Sphericity is 0.000 and is less than .05 which indicates that there exists significant relationships

among the variables. The resultant value of KMO test and Bartlett’s test indicates that the present data is useful for factor analysis.

Table.1.4 Total variance explained for CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PRACTICES IN INSURANCE INDUSTRY AND ANALYSIS TO CUSTOMER

| Component | Total Variance Explained | | | | | | | | |
|-----------|--------------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
| | Initial Eigen values | | | Extraction Sums of Squared Loadings | | | Rotation Sums of Squared Loadings | | |
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 3.860 | 60.792 | 60.792 | 3.660 | 60.792 | 60.792 | 3.627 | 60.321 | 60.321 |
| 2 | 1.078 | 16.458 | 78.451 | 1.048 | 17.458 | 78.451 | 1.080 | 18.003 | 83.544 |
| 3 | .799 | 15.987 | 93.438 | | | | | | |
| 4 | .340 | 5.171 | 97.608 | | | | | | |
| 5 | .076 | 1.486 | 99.094 | | | | | | |
| 6 | .041 | .806 | 100.000 | | | | | | |

Source: Output generated from SPSS 20
All the statements of the CUSTOMER RELATIONSHIP MANAGEMENT And Analysis To customer are loaded on the two factors.

Table 1.5 Rotated Component Matrix of CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PRACTICES CUSTOMER RETENTION, IN INSURANCE INDUSTRY AND ANALYSIS TO CUSTOMER

| Rotated Component Matrix ^a | | |
|--|-----------|------|
| Variables | Component | |
| | 1 | 2 |
| High technology with minimum cost is introduced | .912 | .036 |
| Potential customers are communicated in one-to-one manners by advanced technology | .901 | .063 |
| Time consuming to increase the employees places The is conveniently located and | .811 | .102 |
| I will encourage my friends and relatives to buy insurance products from insurance | .732 | .078 |
| Technology is acquired to manage real time customer information and feed back | .140 | .714 |
| Have your company organized any programmed to create awareness among the customers regarding various plans and policies? | .337 | .665 |

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 3 iterations.

Source: Output generated from SPSS 20

The total variance accounted for, by all the two factors with Eigen value greater than 1 is 83.544 percent and the remaining variance is explained by other variables. Among the two factors, the first factor accounts for around 60.321 percent of variance which is the prime criteria considered in customer relationship management And Analysis To customer The statements are converted into 2 factors using factor analysis.

THE FOLLOWING ASPECTS RELATED TO CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PRACTICES, CUSTOMER LOYALTY, IN INSURANCE INDUSTRY AND ANALYSIS TO CUSTOMER IS CONVERTED A SINGLE FACTORS.

1. High technology with minimum cost is introduced
2. Potential customers are communicated in one-to one manners by advanced technology
3. Time consuming to increase the employees places The is conveniently located and easy find
4. I will encourage my friends and relatives to buy insurance products from insurance
5. Technology is acquired to manage real time customer information and feed back
6. Have your company organized any programmed to create awareness among the customers regarding various plans and policies

VIII. CONCLUSION

Highlight the concept of Customer relationship management, its growth and the problem faced by the Customer relationship management industry. It also enlightens the present status of Customer relationship management industry in India and its comparison with rest of the developed or developing countries.

The present efforts should certainly lead us to generate a meaningful set of statistics in the field of Customer relationship management in India. The study also shows the real picture of the Customer relationship management, which is useful for the industry to draw certain assumptions in general and very much particular to the units, which were examined. The factors, which are important for growth of insurance industry, the importance of investor-investee relations, quality of successful insurance industries helps to understand the industry clearly. Clearly, this will aid the corporate management in general and those of the firms investigated in the study in particular, in resolving a series of problem.

IX. SUGGESTIONS

1. insurance sector companies should improve their service and leap ahead in customer relationship management by maintaining separate database for high valued customers. Maintaining a comprehensive and exhaustive database

indicates as to how insurance sector companies can use this information to tap the customers and retain the customers.

2. insurance sector companies do not contact their customers very often. To improve upon relationship, insurance sector companies should go in for continual contact with customers. “They should contact their high value customers from time to time and also send updates about latest development in their insurance sector companies.
3. Although all insurance sector companies have a relationship manager but objectives and role of managers is not clearly defined. They are being utilized for
4. Marketing, Finance and various other purposes which distract them from real objective of CRM.
5. All insurance sector companies are not actually making an attempt to measure the effectiveness of CRM. The tools for measuring effectiveness are not widely used.
6. The insurance sector companies who do not perceive a difference in conventional and relationship marketing should try to change their point of view of they want to survive through cut throat competition from other insurance sector companies.
7. insurance sector companies should hold a CRM training workshop with customer facing employees to develop and in still a new attitude to creativity and innovation.
8. The insurance sector companies should do proper planning for relationship management.
9. Further, the in depth studies in the same field such as the present course and future challenges for modern tools and techniques of CRM, Traditional Vs Modern CRM can also become the issues of vital interest in research.
10. The theoretical framework can also be extended like consumer behavior and CRM in insurance sectoring industry and advertising and CRM in insurance sectoring industry can also serve as the research problems for scholars and industry. Additionally, it is possible that other external variables (which have not been specified in this study) can have an influence on the CRM strategies of insurance sectors.
11. Thus, from the analysis conducted in previous chapters finally, it could be concluded that the customized product and services, customer focus, CRM organization, customer knowledge management, communication management, technology processes and CRM tool and facilities are the major factors, which have direct impact on the formulation and implementation of the CRM strategies by Indian insurance sectors.
12. The insurance sectors have realized the significance of CRM as it result in developing customer loyalty and trust, customer retention, enhancing the customer satisfaction which eventually provides the competitive advantage to these insurance sectors in the era of this passionate

competition. The study also point out that the CRM strategies of foreign insurance sectors have been found as the most effective in compression to public and private sector insurance sectors. Further it could moreover be summarized that public sector insurance sectors have to change there mind set regarding the needs and expectation of their customers for developing and maintaining the better customer relationship.

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