

# A Study on Customer Relationship Management (CRM) Implementation and Development General Insurance Industry in India

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**Abstract-** This article investigates the effects and the relative importance of the perceived customer Service quality dimensions on insurance industry image, customer satisfaction, and customer loyalty .Liberalization of the financial services sector has led to insurance companies functioning increasingly under competitive pressures; so companies are consequently directing their strategies towards increasing customer satisfaction and loyalty through improved service quality. With the opening of insurance industry to private players, the competition has intensified and it has become very difficult for the companies to attract and retain the policyholders. Every company has recognized the need for shifting from a traditional strategy to survive in the market. It is in this context, the process of CRM has been adopted by all insurance industry companies as well. CRM technologies and campaign management tools are maturing and finding wider adoption with large insurance companies. This study is an Endeavour to examine and evaluate the various CRM initiatives in life insurance companies and compare the strategies used by insurance industry.

**Keywords-** 1. CRM STRATEGIES 2. CUSTOMER PERCEPTION & TRUST 3.CUSTOMER CENTRIC

## I. INTRODUCTION

Customer Relationship marketing is the process of building long term mutually beneficial relationship with customers. The service sectors in the developed countries are using this marketing tool very effectively by taking full advantage of information and communication technologies. Life Insurance Corporation of India characterized by a ritual style of functioning till 1991 had to reinvent and strike a novel path for itself with the opening up of the economy.

There were unprecedented changes and challenges with the onset of liberalization, privatization and globalization in Indian economy. Steep competitions, globalization, growing customer demands have compelled the LIC to find new ways of improving profitability. The role of customers in the field of

marketing has become more pronounced. The organization has begun to think of measures to attract more.

## Customer Relationship Management in India

In the digital economic era, there is a major shift from product based strategy to customer based strategy. This is applicable to insurance sector also. As competition intensifies; it focuses on retaining the old customers and acquiring the new customers. Customer focused strategies require Customer Relationship Management (CRM) to retain and acquire the customers. It helps to sell more products to existing customers and to increase the profitability. It also helps to acquire new customers through various touch points and translate operational data into actionable insights. After Telecom and Banking, it's the turn of Insurance Companies to deploy Customer Relationship Management solutions.

## II. CRM IMPLEMENTATION

CRM is a technology. Implementation of this technology includes collection of valuable information of the customers through previous contacts, surveys and queries. The information is collected through Telecom, E-mail, fax and call centers. It is best fit for providing quality service towards policyholders. Through the implementation of CRM, the insurer gets the advantages of innovative development of product, better operational efficiency and accelerated customer satisfaction. The customers are becoming harder to convince and satisfy. They are more demanding, price and service-conscious, less forgiving and are approached easily by competitors with same or higher offers. This challenge is not to develop satiated customers but to produce very much delighted, loyal and committed customers

The most popular definition of customer satisfaction/dissatisfaction is that it is a comparison of customer expectations to perceptions regarding the actual service encounter. Comparing customer expectations with their perceptions is based on what marketers refer to as the

expectancy model. If customer perception meets expectations, the expectations are said to be confirmed and the customer is satisfied. If perceptions and expectations are not equal, then the expectation is said to be disconfirmed.

CRM has proved to be an effective tool in the quest for better customer relationships for the insurance companies. The customer generally imposes tremendous faith in the agent. The clarifications regarding the customer's questions should be answered in a correct and proactive manner by the agent. With customer attrition rates hitting the roof, the primary challenge for CRM is to ensure customer satisfaction and retention. The keys to customer satisfaction.

### III. EVOLUTION OF CUSTOMER RELATIONSHIP MANAGEMENT

One of the important marketing tools in the developed countries is relationship marketing. The Customer Relationship Marketing (CRM) is a comprehensive approach for creating, maintaining and expanding beneficial relationship with the customers. It has emerged as one of the most widely prescribed solutions for diminishing market share and sluggish growth of many industries in general and banking and financial sector in particular. The customer relationship management is a simple philosophy, which places the customer at the heart of the business processes, activities and cultures for improving customer satisfaction and maximizing profits. In one of the encompassing definitions, customer relationship management is described as "the establishment, development, maintenance and optimization of long term, mutually - valuable relationship between the customers and the organization".

#### Need For Customer Relationship Management In The Insurance Industry

The important factors that establish the need for the customer relationship management in the insurance industry,

1. aggressive Competition
2. Well -informed Customers
3. Decline in Brand Loyalty
4. Improved Customer Retention

#### STEPS TO CRM STRATEGY

- ✓ Cost to acquire customers
- ✓ Cost to sell
- ✓ Cost to serve
- ✓ Time to serve
- ✓ Customer satisfaction

- ✓ Return on relationship
- ✓ Competitive advantages
- ✓ Number of customers
- ✓ Retention rate
- ✓ Assessment in the collection of analytics customer's value
- ✓ Revenue per customer
- ✓ Impact of order fulfillment returns and call center actively or actual sales performance

### IV. CUSTOMER SERVICE

- ✓ Customer service is the main key of insurance business. It is an attitude and a series
- ✓ of organized behavior aimed at delivering measurable satisfaction and delight to customers.
- ✓ The customer has to play an important role in knowing his rights and obligations towards the purchase of insurance products. For this, the consumer has to get both pre and post-sale services from the insurers.

#### Customer Relationship Management (CRM) STRATEGY BENEFITS:

CRM is a business strategy to acquire and retain the most valuable customer relationship. CRM requires a customer centric business philosophy and culture to support effective marketing, sales and servicing processes. The purpose of CRM is to improve marketing productivity by increasing marketing efficiency and enhancing marketing effectiveness. The goals of CRM are as follows.

##### Use existing relationship to grow revenue

Enhance profitability by identifying, attracting and retaining the best customers

##### Use integrated information for excellent service

Use customer information to better serve his or her needs. Customer should be surprised by how well you know them.

##### Introduce more repeatable sales process and procedures

In order to enjoy continued success companies must improve consistency in account management and selling.

##### Create new value and instill loyalty

Become a company that is known by its prospective and existing customer for its ability to respond to needs and accommodate request, a company that deserves patronage and to which they will become loyal.

### **Implement a more proactive solution strategy**

Use a customer focused business solution that works across the entire enterprise. Move from reactive data collection to proactive consumer relations that resolve problems on the first call, and eliminating issues before they reach the crisis stage.

#### ✓ **Insurance CRM Gains**

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.

- ✓ CRM Insurance Implementation - Getting it Right
- ✓ **Before embarking on a CRM implementation insurers need to:**

Understand prospective policy holder requirements

Understand what products and services will retain them and increase profitability

It is imperative that the objective behind the implementation is clearly spelt out and understood. Without this it is almost impossible to proceed further. Clarity of objectives both CRM and general organizational goals is mandatory for Insurance CRM success. It is only against this that the actual results are marked. Goals although varying from company to company should be realistic and benefit the firm in the long run. Establishment of these goals has to be done after excessive scrutiny of company requirements. The more clearly defined objectives are the more chance your CRM implementation has of succeeding.

Organizations need to understand that the insurance CRM implementation is not merely about technology. CRM encompasses far more than mere technology and transcends to the customer as well. Organizations need to assimilate the fact that it is a combination of people, processes and technology. Obliterating this fact will surely hamper the process. Making the customer the focal point and understanding that it is about meeting their needs will go a long way in ensuring success. It is imperative that the entire organization realizes the importance of the implantation and endorse it. It requires approval not only from top management but individual employees as well need to give their support Staff need to accept the fact that this will do them good and willingly give off their best customer support effort.

Implementing in phases is always easier and far less time consuming as well as being cost advantageous. There are always added advantageous when the implementation is done in stages rather than as a onetime plan. It facilitates the easy involvement of resources when done on a short term basis, and makes easy the constant monitoring of results so that corrective measures can be taken. Adequate metrics need to be established if the organization wants to succeed at its CRM insurance implementation. Without this there will be no benchmark against which performance can be measured. It is imperative to train staff adequately in order to ensure that they are equipped to deal with the CRM implementation. It is essential to have productive staff in order to better customer service. Inexperienced staff will undoubtedly give wrong responses to questions and yield wrong customer service. It is important to see that staff maintains proper customer service. Training staff is thus essential.

CRM manages to put the insurance company in a position where it is able to let staff know which customers are likely to leave and move to competitors. This helps staff take

the required steps to stop this from happening and prevents the loss of valuable policy holders.

### V. CRM WITH INSURANCE INDUSTRY IN INDIA

LIC had issued credit cards to the policyholders. The policyholders can make payment of premium to the Corporation with the help of the credit card. This practice was also taken up by some private insurers. Many insurance companies are also making payments to policyholders through National Electronic Fund Transfer (NEFT) and Electronic Clearing Service (ECS) to ensure speed and safety of funds. Through the Key Performance Indicator (KPI), an insurer can give necessary information to the insured immediately. Automated modes like ECS or standing instructions through a credit card ensure that the customer undertakes limited effort and decreases the risk of lapsation for both the customer and the insurer. Use of mobile phones for remittance of insurance premium is likely to be a reality soon.

Online premium payment options include LIC Website – Net Banking, Debit and Credit card Authorized Banks – Through Axis Bank and Corporation Bank Franchises – AP Online, MP Online, Suvidha Info serve and Easy Bill Pay. Merchants – Premium Point Empowered agents, Life Plus (SBA) & Retired LIC Employee collection.

#### 3.1.2 Key Customer Focus and Organizational Performance

Drienhart and Gregoire (1993) have defined key customer focus as an employee's personal focus to provide Excellent service to customers. An important condition that enables the organization to be truly customer focus is the way in which it delivers value to its customers, as Payne and Frow (2006) propose. Marketing concept

Promotes putting the interest of customers at first and previous scholars consider a customer focus to be the most Fundamental aspect of customer relationship. It is because the marketing concept encourages a business to be forward looking, a customer focused business is likely to be more interested in long-term business success as opposed to short-term profits (Heiens, 2000).

Increasing competition and decreasing customer loyalty have led to the emergence of concepts which focus on the nurturing of relationships to customers (Gebert et al., 2002). Stone(2000) acknowledges that CRM allows firms to develop a robust targeting and enquiry management processes and this help boost new businesses significantly.

Peppers and Rogers (1993) also find that the cost of developing new customers is six times more than retaining old customers. One of the best and obvious ways of achieving this is through a scientifically sound marketing and customer retention strategy. The customer focus involves the establishment of links between customer needs (Donaldson & O' Toole, 2002; Sousa, 2003), customer satisfaction (Gebert et al., 2002; Sousa, 2003) and customer retention and loyalty. This will encourage customers to stay longer, buy more often, thus increasing firm's long term value to the business. Drienhart and Gregoire (1993) suggest that as employees' job satisfaction, job involvement, and job security improve, customer focus also improves. However, customer relationships focus in managing the relationship between organization and its current prospective customer base as a key to success (Gebert et al., 2002). Consequently, it is hypothesized that:

### VI. DIFFERENT TYPES OF LIFE INSURANCE POLICIES

#### • Endowment Policy:

This policy covers risk for a specified period, at the end of which the sum assured is paid

Back to the policyholder, along with the bonus accumulated during the term of the policy.

It is this feature - the payment of endowment to the policyholder when the policy's term is

Complete - that rightly accounts for the popularity of endowment policies.

#### • Whole Life Policy:

This policy runs as long as the policyholder is alive. In other words, risk is covered for the entire life of the policyholder. The whole life policy amount and bonus are payable only to the nominee of the policy on the death of the policyholder. The policyholder is not entitled to any money during his or her own lifetime - there is no survival benefit.

#### • Term Life Policy:

This policy covers risk only during the selected term period. If policyholder survives the term, the risk cover comes to an end. A term policy is designed to meet the needs of people who are initially unable to pay the larger premium required for a whole life or an endowment assurance policy.

No surrender, loan or paid-up values are granted under these policies because reserves are not accumulated. On the usual term assurance plans, accident and/or disability benefits are not granted.

• **Money Back Policies:**

Unlike endowment insurance policies, where the survival benefits are payable at the end of the endowment period, money-back policies provide for periodic payments of partial survival benefits during the term of the policy, as long as the policyholder is alive. An important feature of this type of policies is that in the event of death at any time within the policy term, the death claim comprises the full sum assured, without deduction of any of the survival benefit amounts, which may have already been paid as money-back components. Similarly, the bonus is also calculated on the full sum assured.

• **Joint Life Policies:**

This policy is similar to endowment policies offering maturity benefits to the policyholders, apart from covering risks like all life insurance policies. But joint life policies are categorized separately as they cover two lives simultaneously, thus offering a unique advantage in some cases, notably, for a married couple or for partners in a business firm.

• **Children's Insurance Policies:**

This policy includes those through which parents or legal guardians can provide for life insurance for their child from birth. The risk cover commences from the child attaining the age of 12/17/18/21 (known as the Date of Risk), and will vest itself on the child upon his or her attaining adulthood at the completion of 21 years, if the case demands so. Until the child attains adulthood, the parents are owners of the policy and have to pay the premium periodically.

• **Pension Plan or Annuities:**

An annuity is an investment that you make, either as a single lump sum amount or through installments paid over a some years, in return for which you receive a specific sum every year, every half-year or every month, either for life or for a fixed number of years. After the death of the individual, or after the fixed annuity period expires for annuity payments, the invested annuity fund is refunded, perhaps along with a small addition, calculated at that time. Annuities differ from all the other forms of life insurance discussed so far in one fundamental way - an annuity does not provide any life

insurance cover but, instead, offers a guaranteed income either for life or a certain period.

## VII. REVIEW OF THE LITERATURE

**Anjana Grewal (2001)**, in her research paper titled “**Winning Strategies and Processes for Effective CRM in Banking and Financial Services**” has presented a case study on relationship management practices developed in a leading foreign bank in India in the early nineties. It is a practical paper providing insights on what makes it happen. A model has been developed thereafter. The model outlines ten stages for effective customer relationship practices in financial services. These stages span across defining the customer relationship, understanding transaction behavior and business volumes for different customers, developing a customer profitability model, creating the organization structure to support relationship management practices, developing training programmers', relationship pricing and continuously evaluating the role of relationship managers.

**Gupta and Sonal Shukla (2002)** in their research article titled “**Learning from Customer Relationship Management (CRM) Implementation in a Bank**” highlight the learning's from Customer Relationship Management (CRM) implementation in the banking sector. The study brings to light that CRM systems are particularly relevant to retail financial services companies, which allow much of the management of the customer relationship to be automated with the objective of maximizing profitability of individual customer relationships whilst minimizing the cost of managing those relationships. The study also reveals that there is no difference between the public and private sector banks in the seven variables pertaining to service quality studied.

**Sajal Kabiraj, D.P. Agrawal and Deepali Singh (2004)** in their research article titled “**Organizational Practices for Implementing Customer Relationship Management: A Survey of Retail Banking in India**” have studied how CRM allows retail banks to integrate customer-interaction channels and provide consistency to their interactions with customers, generate better customer intelligence, customize their offerings and communicate with customers, manage customer interactions and relationships more effectively, and manage the customer portfolio by assessing the lifetime value of customers. The paper is based upon a survey of CRM end users banks that is ten public sector banks and ten private sectors banks in Mumbai and Kolkata.

**Jeremy Galbreath and Tom Rogers (1999)** in the article titled "Customer relationship leadership: a leadership and motivation model for the twenty-first century business" have

highlighted that Customer Relationship Management (CRM), is a new approach to managing customers. CRM is about the management of technology, processes, information resources, and people needed to create an environment that allows a business to take a 360-degree view of its customers. CRM environments, by nature, are complex hence require organizational change and a new way of thinking about customers. Creating such an environment requires more than adequate management of the customer relationship or new technologies, it requires new forms of leadership as well.

**Rajshekhar G. Javalgi, and et al.,** (2006) in their research article titled "Marketing Research, Market Orientation and Customer Relationship Management: A Framework and Implications for Service Providers" have highlighted the need to be able to understand consumers in faraway places is increasing. Marketing research is a key mechanism through which service companies understand their current as well as potential customers. They have explored the essential linkages between market research, market orientation, and Customer Relationship Management (CRM). The findings of this study imply that in today's hyper-competitive markets service firms must be market-oriented in order to be competitive, and that market research plays a critical role in generating the needed data on which a market orientation can be developed and implemented, which, in turn, can enhance the practice of CRM.

### VIII. NEED AND IMPORTANCE OF THE STUDY

Customer Relationship Management (CRM) has become a globally recognized business practice and yet it is still loosely defined and rarely well defined. CRM means many different things to different people. It is possible to develop a greater understanding of it by looking at its origin and principles that drove its development. It was in 1990's that relationship marketing emerged when true value of retention and the use of lifetime value as a business case was recognized.

### SCOPE OF THE STUDY

The study has been undertaken mainly to highlight the customer relationship management with Life Insurance Corporation of India in The District. This study is extremely useful to research scholars to gain knowledge in customer relationship management. It helps the practicing managers to know about the trends in marketing scenario for arriving at better decisions. It helps the customers to rate the services provided by the insurance industry. Based on the components identified, the relative importance of the insurance industry with that of the competitors is measured

### OBJECTIVES OF THE STUDY

- ✓ To study the demographic profile and awareness levels of the respondents in Thanjavur District.
- ✓ To analyze the CRM practices implemented by the Insurance industry Thanjavur in Tamil Nadu in the study area.
- ✓ To examine the policyholders' perception about the various aspects of, service quality, customer retention, customer satisfaction, customer loyalty in of Thanjavur in the study area.
- ✓ To study the awareness of insurance agents regarding CRM practices of India in the study area

### RESEARCH METHODOLOGY

The survey method is adopted in order to elicit relevant information pertaining to the Customer Relationship Management (CRM) practices implemented by the selected service organizations viz. Banking, Life Insurance and Telecommunications in the state of Thanjavur. To begin with a pilot survey was conducted to clarify and finalize the key issues.

After the pilot survey the selected service organizations were visited and responses were collected. A well designed comprehensive questionnaire was the research instrument that was self administered and in some cases it was administered in person to obtain responses from selected high ranking customer relationship management (CRM) officers and managers.

A separate survey of the customers was also conducted. Information from the customers of these organizations was also obtained with the help of a well designed self-administered questionnaire.

### SOURCES OF DATA

The researcher adopted the survey method to collect the required information for the study. Information from the concerned CRM/Marketing officers and managers was collected on one hand and on another the customers of these selected organizations were also surveyed with the help of a questionnaire, which was used as the main research instrument. Both, primary and secondary sources of data were utilized for the study.

### STATISTICAL ANALYSIS TOOLS

The one way ANOVA test, Friedman TEST, technique, Independent variable importance for neural

network model are applied to test the various hypotheses set out by the study.

**DATA ANALYSIS AND INTREPRETATION:**

**ANOVA test for educational status of the RELATED SERVICE QUALITY customer Relationship management and of rural & urban customers towards insurance industries.**

**HYPOTHESIS**

**Null hypothesis H0-** There is no significant relationship between the mean score of educational status of the customer Relationship management and of rural & urban customers towards insurance industries.

**Alternative hypothesis H1-** There is significant relationship between the mean score of educational status of the customer Relationship management and of rural customers towards insurance industries.

Table – 4.6

ANOVA test for educational status of the RELATED SERVICE QUALITY customer Relationship management and of rural & urban customers towards insurance industries.

customer Relationship management and of rural & urban customers towards insurance industries.	Value	Significant Value
Performs the service at the right time	5.724	.000
Provides the best service	4.682	.000
Well informed about the progress of complaint	7.118	.000
Accurate and error free billing system	7.614	.000
Promptness of Service	7.740	.000
Queries taken seriously	7.005	.000
Quick complaint registration	4.886	.000
Willingness to attend the personal complaint of the customer	8.089	.000
Friendly and Politeness	3.876	.002
Adequate knowledge to handle queries	3.343	.005
Friendly behavior instills confidence in Customer	3.890	.002
Feel Safe in Customer Transactions	2.954	.012
Easily Accessible	4.599	.000
Customer is made to feel important	3.528	.004
Gives individual attention to each Customer	9.329	.000
Understands specific needs of customer	5.622	.000
Physical Facilities are Attractive	6.190	.000
Easy to contact the Employees	5.052	.000
Installation of Modern Equipments	5.617	.000

Source: Output generated from SPSS 20

Based on the result generated by SPSS 20, the significant values of all the variables related to the product quality of insurance industries in respect of customers’

opinion on of rural & urban customers are greater than 0.05. So the null hypothesis is accepted in these cases (Performs the service at the right time, Provides the best service, Well informed about the progress of complaint, Accurate and error free billing system ,Promptness of Service, Queries taken seriously, Quick complaint registration, Willingness to attend the personal complaint of the customer ,Friendly and Politeness, Adequate knowledge to handle queries ,Friendly behavior instills confidence in Customer ,Feel Safe in Customer Transactions ,Easily Accessible ,Customer is made to feel important ,Gives individual attention to each Customer ,Understand specific needs of customer ,Physical Facilities are Attractive ,Easy to contact the Employees, Installation of Modern Equipments)

Therefore, there is no significant relationship between the mean score of educational status of the customer and insurance industries of rural markets in respect of customers’ opinion on customer relationship management of rural & urban customers in rural markets (Performs the service at the right time, Provides the best service, Well informed about the progress of complaint, Accurate and error free billing system ,Promptness of Service, Queries taken seriously, Quick complaint registration, Willingness to attend the personal complaint of the customer ,Friendly and Politeness, Adequate knowledge to handle queries ,Friendly behavior instills confidence in Customer ,Feel Safe in Customer Transactions ,Easily Accessible ,Customer is made to feel important ,Gives individual attention to each Customer ,Understand specific needs of customer ,Physical Facilities are Attractive ,Easy to contact the Employees, Installation of Modern Equipments)

**4.3.3 FRIEDMAN TEST FOR SIGNIFICANT DIFFERENCE BETWEEN MEAN RANKS OF SERVICE QUALITY OF CUSTOMERS TOWARDS INSURANCE INDUSTRIES IN THANJAVUR AND TIRUCHIRAPPALLI DISTRICTS**

**Null Hypothesis:** There is no significant difference between mean ranks towards the service quality of rural & urban customers towards insurance industries.

**Alternative Hypothesis:** There is a significant difference between mean ranks towards the service quality of rural & urban customers towards insurance industries.

Table – 1

Friedman test for significant difference between mean ranks towards the related to service quality of rural & urban customers towards insurance industries

service quality of rural & urban customers towards insurance industries	Mean Rank	Chi-Square value	Degrees of freedom	Asymp. Significant
Performs the service at the right time	10.75	394.786	18	.000
Quick complaint registration,	10.43			
Well informed about the progress of complaint	10.51			
Accurate and error free billing system	10.20			
Promptness of Service	10.25			
Queries taken seriously	10.06			
Provides the best service	10.89			
Willingness to attend the personal complaint of the customer	10.27			
Friendly and Politeness	9.87			
Adequate knowledge to handle queries	9.96			
Friendly behavior instills confidence in Customer	9.82			
Feel Safe in Customer Transactions	9.58			
Easily Accessible	9.62			
Customer is made to feel important	9.36			
Gives individual attention to each Customer	9.81			
Understand specific needs of customer	9.62			
Physical Facilities are Attractive	9.61			
Easy to contact the Employees	9.76			
Installation of Modern Equipments	9.62			

Source: Output generated from SPSS 20

From the above table, it is found out that all the variables related to the customers’ opinion on Service Quality of rural & urban customers of the insurance industries had significance value less than 0.05 at 1 Per cent significance, thus the null hypothesis is rejected. Thus, it is concluded that there is significant difference between mean ranks towards customers’ opinion on Service Quality of rural& urban customers. Out of the customers’ opinion on Service Quality of rural& urban customers variables, the Provides the best service has the highest rank (10.89).So, that customers’ opinion on Service Quality of rural & urban customers is influenced by Provides the best service.

Table – 2

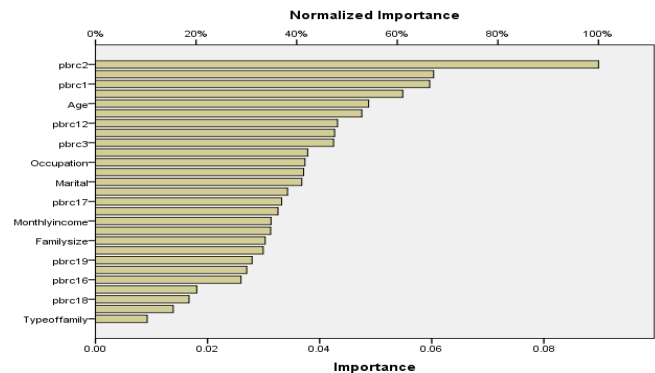
Independent Variable importance for Neural Network Model for the overall satisfaction of the service quality of customers towards insurance industries

Independent Variable Importance	Importance	Normalized Importance
Age	.049	54.3%
Gender	.018	20.1%
Marital Status	.037	41.0%
Educational Status	.043	47.5%
Occupation	.037	41.6%
Family Size(includes children)	.030	33.7%
Type of Family	.009	10.3%
Monthly Income	.031	34.9%
Performs the service at the right time	.060	66.4%
Quick complaint registration,	.090	100.0%
Well informed about the progress of complaint	.042	47.3%
Accurate and error free billing system	.030	33.3%
Promptness of Service	.033	36.3%
Queries taken seriously	.037	41.4%
Provides the best service	.038	42.2%
Willingness to attend the personal complaint of the customer	.027	30.1%
Friendly and Politeness	.014	15.5%
Adequate knowledge to handle queries	.060	67.2%
Friendly behavior instills confidence in Customer	.034	38.2%

Source: Output generated from SPSS 20

Figure – 2.1

Normalized importance for overall satisfaction of the service quality of rural & urban customers towards insurance industries.



The table and diagram shows the service quality of rural & urban customers towards insurance industries “Quick complaint registration,” is contribute more towards the output of overall satisfaction of the customers.



## IX. CONCLUSION

The concept of CRM is vital to the insurance sector. Good customer service is the best brand for any mode of insurance. The entire business process consists of highly integrated efforts to , create, arouse and satisfy customer's needs. The modern business has realized it and is making all out efforts to become „customer-centric“ across the globe. Hence, the customer relationship management is not a once-for-all affair but a continuous process. It is the integral approach of dealing with customers by deploying the advanced information technology. Most of the insurance companies have very transparent and effective CRM models. Majority of the respondents were of the opinion that the services provided by insurances companies have redefined the whole concept of insurance. When LIC was the only insurance company customers were at a disadvantage due to its monopoly position and seller oriented selling of life insurance products However life insurance products are now need based and customer centric. Customers have shown a clear preference for life insurance companies due to their persistent efforts to build new clients and retain existing clients

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