

A STUDY ON CUSTOMER RELATION SHIP MANAGEMENT USING STRATEGIES, SERVICES IN INSURANCE INDUSTRIES WITH SPECIAL REFERENCE TO THANJAVUR DISTRICT

¹G.BALAKRISHNAN, ²Dr.V.NAGAJOTHI

¹Research Scholar, ²Research Advisor
Research Department of Business Administration
Rajah Serfoji Govt.College (Autonomous)
Thanjavur-613005

Abstract: Over the last few years, savings behaviour and investment for truck then allied services industry has seen rapid changes, which have created a cloud of uncertainty. Mega trends across the business, technology and socio-economic environments are creating disruptions in the existing opportunities and, at the same time, creating new ones. These industries now need to focus on transport proprietor's and government sectors and private and public sectors and own business peoples, strategic alliances, continuous innovation and expanding the motors and other truck industries of services in order to become relevant in the current business scenario. In this period study about Technology will drive the transport business for new investment method for owner peoples for will savings facilitate purchaser engagement with customers by driving quality and speed of service delivery, innovation capabilities, resiliency and reliability of business operations

Keywords: CRM technology service quality management, financial services

INTRODUCTION TO INSURANCE

Insurance is, thus, a financial tool specially created to reduce the financial impact of unforeseen events and to create financial security. Indeed, everyone who wants to protect himself against financial hardship should consider insurance. Traditionally, "the joint family" has been an informal social security in India. In modern society, social security is available only to those who are employed in the organised sector. Insurance is considered one of the tools of social security

CUSTOMER IS KING AS INSURANCE GOES DIGITAL



Customers world over from showbiz to the business of insurance have evolved and are still evolving as digitization takes over all aspects of life and business. Smartphone's with on-the move connectivity have impacted customer behaviour like never before, as buying or paying for a service online is now the norm. However, customers today are more discreet and techs than they were a

decade ago. They sift the dross from the gold before they choose from a plethora of services offered by competitive service providers. The insurance industry, too, has evolved in the last few years but its pace of technology adoption has been slower compared to the fast-evolving base of digitally-connected customers. The need of the hour for the insurance sector is digital mapping of the entire customer lifecycle; companies will have to communicate and serve the customer the way they want. And this is the mantra of any successful business in today's digitized world.

Background of the study:

At the present trends reshape the world of trade and industrial advances and the speed with which new technologies are created and unreal, the loss of geographic advantage follow-on from globalization, the shake-up of by tradition stable industries as a result of deregulation and the rising power of the consumer and their skill to get what they want, at what time they want it, from whomever they want. With this in mind, the relationship experience becomes one of the greatest competitive aspects for a business's survival. This has made companies realize the implication of the four levers of Customer relationship Management, protection, Efficiency understanding price tag to serve,

Significance of the insurance

Insurance is generally considered a means of protecting one's family against the unforeseeable circumstance of the death of an earning member. However, there are a number of other benefits that are not apparent. Some benefits accrue to the individuals and their families, while others assist economic development. For instance, an insurance company takes the risk of large and uncertain losses in exchange for small premiums. This gives a sense of confidence and security to the insured individual through the protection of insurance in the event of an unfortunate incident. In large sized commercial and industrial organizations, it facilitates operations as many of the risks are transferred to the insurer.

Government and Regulator Initiatives: India

The Government of India announced a number of initiatives over the last couple of years to strengthen the country's insurance sector. Foreign investments were permitted through the automatic route up to 49 percent. Service tax on single premium annuity policies was reduced from 3.5 percent to 1.4 percent of the premium paid in certain cases. The **Pradhan Mantri Suraksha Bima Yojana** and the **Pradhan Mantri Jeevan Jyoti Bima Yojana** offered basic insurance at minimal rates through government agencies and private sector outlets. The Government launched an insurance pool of Rs 1,500 crore (mandatory under the Civil Liability for Nuclear Damage Act) to provide civil liability for nuclear damage and prompt compensation to the victims of a nuclear incident through a no-fault liability to the operator.

Moreover, the Government has planned to launch **Bharatiya Krishi Bima Yojana**, an all-in-one insurance scheme for farmers (comprising crop insurance, health cover, personal accident insurance, livestock insurance, insurance cover for agricultural implements like tractors and pump sets, student safety insurance and life insurance). In future, these schemes will play a vital role in improving the business of private players in the rural market. They will require companies to cater to the needs of the rural and economically backward population of the country through unique and customized solutions via easy and accessible distribution models.

The Insurance Regulatory and Development Authority (IRDA), the regulator of the country's insurance sector, undertook decisive measures through the formation of two committees to promote e-commerce and financial inclusion. Initiatives, such as e-insurance account and accidental insurance cover for train passengers have had a positive impact towards the growth of the sector. Through e-account, the customers are empowered to maintain their insurance policies in an easy, speedy and efficient manner. The formulation of **IRDA Regulations, 2015**, in line with the amendments made under Section 32 B of the Insurance Laws (Amendment) Act, 2015, will also help in extending insurance cover to the economically-weaker sections.

Leveraging Technology:

Technology is the key driver of the massive transformation that the Indian insurance sector is currently undergoing. It is expected to play a vital role in not just developing newer distribution models but also in improving customers' experience and the way companies serve them. The company's ability to serve its customers in a simpler, smarter and faster manner will define its rate of customer retention and level of market penetration. In future, insurers must be prepared to invest in relevant technology and to serve their customers in real-time by providing immediate solutions to their issues.

CRM Functions and Strategies for Business Needs of Insurer

Identify opportunities to cross sell and up sell primarily due to the fact that systems may not support agents with possible relevant information about the customer. Match the complexity of customer calls with the skills of agents and route calls accordingly. Track customer complaint

LIFE INSURANCE FOR EVERYONE

The Indian demographic profile will continue to provide the right opportunity for the continued growth of the life insurance Industry. Currently 40 percent of the Indian population is below the age of 18. Over the next 15 years, India will continue to be a young country, with a very large part of the population below the age of 30 (refer Exhibit 1), which means that the need for life insurance, i.e. the need for life cover and for long-term savings will continue to dominate. This demographic profile has two implications,

stressing the importance of finding solutions to the need for family security. On the one hand, the young working population needs adequate life insurance cover and also appropriate savings to take care of their pension requirements. The dependent population is also very large, which implies that the income earner has to ensure the right life cover. It means that life insurance companies cannot afford to ignore product innovation and the delivery mechanism in respect of meeting up with the needs of these young customers.

CUSTOMER SATISFACTION

(Kotler 2000), “Customer Satisfaction” is a frequent phase in CRM, and now it becomes a new concept of marketing strategy which is noticed by more and more enterprises. **Kotler considers** that “Satisfaction is a person’s feelings of pleasure or disappointment resulting from comparing a product’s perceived performance (or outcome) in relation to his or her expectations”. So, the objective of the company’s marketing is to enhance the product’s perceived outcome to advance the customer’s expectation for aspire after the “Total Customer Satisfaction”.

(Kessler, 2003, in keeping with Because “Satisfaction” is a feeling and “Customer Satisfaction” is an abstract concept, it means that the “degree of satisfaction” is difficult to measure, but the situation of customer satisfaction can be measured by research and survey with a set of statistics using a Likert2 Technique or scale 39-51). Like the “Correlation curve of Customer Satisfaction” which was made by Schwenk, it is the final statement of customer satisfaction statistics. In the “Correlation curve of Customer Satisfaction”, when the customer service of an enterprise in a general level, the customer’s reaction is not strong, but when the service quality of the enterprise rises or reduces to a certain extent, the praise or complaint will increase several-fold. (Zhu, 2004) Therefore, “Customer Satisfaction” is a direct factor that affects the customer behavior and customer loyalty. Attaching the importance to the

Customer Satisfaction in CRM is a good way for the enterprise to understand customer behavior and build customer loyalty. Moreover, through the implementation of CRM, the enterprise can analyze the customer data and information to know and hold the trend of reputation correlation curve to benefit for improving and enhancing Customer Satisfaction. (Zhu, 2004) Kotler 2000, 35 Likert scale is a psychometric scale commonly involved in research that employs questionnaires.

ANALYTICAL CRM USED IN INSURANCE INDUSTRY

Suitable analytical skills are often interconnected to sales, marketing, and customer service. Analysis and corporations for intelligent and intentionally developed applications for these intelligence are supported and enhanced by these features. Sales analysis helps companies to monitor and monitor client's functions and choices with the help of sales volume forecasting, data quality management, and control over the main performance indicators (KPI) on the map. Marketing applications typically include predictive analyzes of client category and targeting, connectivity, unreliability, and search marketing campaigns. They also come with features to measure the size. Web analytics has evolved significantly from its initial phase, simply following the mouse clicks on the web sites. By appraising customers' "purchasing signals", all the marketers will see who will most likely enter the company's transaction and who are in need of help in the sales process. Many feature firms Analytics CRM are used by the Marketing and Finance sectors to evaluate overall value.

In order to achieve sales success On-Demand CRM has tools that allow accurate and up to the minute reports to be created providing users with the information needed to optimize sales efforts. Real time updates as leads enter and advance through the sales pipeline provide information needed to track success of individual staff, teams, campaigns and opportunities; this tool is great for increasing the success of sales by allowing users to zone in on the most productive areas as well as track their own sales growth.

CRM APPLICATION OF THE INSURANCE INDUSTRY

(G.BALAKRISHNAN & V, NAGAJOTHI) JUNE 2017[ONLINE]: 2395-1052 ISSN) first of all it is an incessant product development. Which reduces the cycle time for introduction of new products. Secondly there is efficient supply. Which enables faster communication with agents and brokers and reduces the cost to distribute and update information. Thirdly servicing by use of contact center management systems enabling better servicing thus reducing costs. Fourthly claims by introduction of CRM systems helps in web based loss filing and checking the claims position. Fifthly optimizes the selling strategy thus helping in exact forecasting of customer behaviour and better territory management. Lastly helps in developing a definitive ROI policy through the use of various metrics such as customer satisfaction ratings, represent the number of customer complaints and knowing about the customer attrition levels.

Forza and Salvador, (2008) pursuant to in response to flawed CRM software decision-making provided a conceptualization of the essential functions of Product Configuration (PC), Product Data Management (PDM) and CRM systems, discussing how these functions help a company to manage its product variety and how they relate to each other. To augment the possibilities for successful CRM implementation, they proposed that two core data structures of PC systems, namely the sales and technical configuration models are essential elements of the information management infrastructure of a company offering a large variety of products, because they enable a number of important product variety management functions also present within PDM and CRM systems.

CRM TECHNOLOGIES USED IN INSURANCE INDUSTRY

One of the best marketing techniques for customer relationship management is one-on-one communication with the customer, In order to have a high level of customer retention, the customers must be happy with the level of fulfilment they receive with the

company's ability to meet or exceed their needs. Besides meeting or exceeding their needs, an important aspect of customer satisfaction is perception. If the customer perceives that a company truly cares about their needs, they will continue to patronize a business." Customer Relationship Management by Walking Around " Customer Relationships and the Ten-Foot Rule The following rule is a good start to get all employees on board.

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 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, Have your company organized any programmed to create awareness among the customers regarding various plans and policies

MEAN AND STANDARD DEVIATION FOR ANALYTICAL CRM USED IN INSURANCE INDUSTRY

Table – 1
Mean and standard deviation for Analytical CRM of used Insurance Industry

Mean and standard deviation for Analytical CRM of used Insurance Industry	Mean	Std. Deviation
Data mining	3.97	1.159
Decision support	3.47	1.592
Business intelligence	3.75	1.500
Online analytics process	3.60	1.504
Use Information contact all department in improve the quality of customer services	4.17	1.035
Interact with customer through personal channel	3.64	1.474
Interact through letter	3.19	1.587
Interact through Fax	3.23	1.717
Interact through phone	3.66	1.479
Interact through web	3.26	1.548
Interact through E-mail	3.38	1.529
Support coordination	3.49	1.403

Source: Output generated from SPSS 22

From the above table, the identified mean for all the attributes of employees' opinion on Mean and standard deviation for Analytical CRM of used Insurance Industry. factors involved rendering the Analytical CRM of used Insurance shows that, 'Data mining, Decision support, Business intelligence, Online analytics process, Use Information contact all department in improve the quality of customer services Interact with customer through personal channel, Interact through letter, Interact through Fax, Interact through phone, Interact through web, Interact through E-mail, Support coordination,' falls on the scale as Slightly agree. The standard deviation of the respective attributes shows that all the factors of the employees' opinion on Analytical CRM of used Insurance Industry aspects of Analytical CRM of used deviate more towards the scale agree. However, the standard deviation alone is not particularly useful without a context within which one can determine a meaningful result. The above result shows that all the factors are felt as agreeable by the employees for measuring the Analytical CRM of used Insurance Industry from their perception and they experience form the insurance industry considered for the study.

T- test for gender of the employees and Analytical CRM of used Insurance Industry

HYPOTHESIS

Null Hypothesis H0- There is no significant difference between the mean score of gender of the employees and Analytical CRM of used Insurance Industry.

Alternative Hypothesis H1- There is significant difference between the mean score of gender of the employees and Analytical CRM of used Insurance Industry.

Table -1.1

T- test for gender of the employees and Analytical CRM of used Insurance Industry

Group Statistics						
Analytical CRM of used Insurance Industry	Gender	N	Mean	T- Value	Significant Value -2	Result
Data mining	MALE	58	3.88	-.919	.341	Not significant
	FEMALE	42	4.10			
Decision support	MALE	58	3.36	-.795	.421	Not significant
	FEMALE	42	3.62			
Business intelligence	MALE	58	3.60	-1.150	.238	Not significant
	FEMALE	42	3.95			
Online analytics process	MALE	58	3.47	-1.051	.284	Not significant
	FEMALE	42	3.79			
Use Information contact all department in improve the quality of customer services	MALE	58	4.16	-.167	.867	Not significant
	FEMALE	42	4.19			
Interact with customer through personal channel	MALE	58	3.60	-.290	.768	Not significant
	FEMALE	42	3.69			
Interact through letter	MALE	58	2.86	-2.491	.013*	Significant
	FEMALE	42	3.64			
Interact through Fax	MALE	58	2.81	-2.986	.003**	Significant
	FEMALE	42	3.81			
Interact through phone	MALE	58	3.40	-2.131	.036*	Significant
	FEMALE	42	4.02			
Interact through web	MALE	58	2.98	-2.142	.030*	Significant
	FEMALE	42	3.64			
Interact through E-mail	MALE	58	3.09	-2.306	.021*	Significant
	FEMALE	42	3.79			
Support coordination	MALE	58	3.12	-3.237	.001**	Significant
	FEMALE	42	4.00			

Source: Data generated from the gender of the employees Insurance Industry in Thanjavur.

** Denotes significant at 1% level

*Denotes significant at 5% level.

Interpretation:

The above mentioned table shows that the T- test for significant difference between gender of the employees and Analytical CRM of used Insurance Industry. Since the estimated sig. value for the variables considered for the study is greater than .05 [Std. Value], the Null hypothesis is accepted. (Except) Since the significant value for Interact through letter, Interact through E-mail, Interact through web, and Interact through phone shows the value of 0.013, 0.021, 0.030 and 0.036 lesser than the 0.50. Hence we conclude that there is significant difference between gender of the employees and Analytical CRM of used Insurance Industry. at 5% level. Since the significant value for Support coordination and Interact through Fax shows the value of 0.001 and 0.03 lesser than the 0.50. Hence we conclude that there is significant difference between gender of the employees and Analytical CRM of used Insurance Industry., at 1% level.

Helps recognise loyal clients

A robust and automated online CRM software is of great use when it comes to gaining valuable insights into customer behaviour, buying patterns and history. For example, you get details on the following:

- How long the customer is buying from you
- What services/products s/he has purchased until now
- Purchase frequency
- Buying patterns

You can leverage all this data along with other KPIs and metrics offered by a CRM solution for devising targeted marketing campaigns.

Conclusion

CRM: Three small letters, with three core concepts:

- **Customer** – the heart of your company;

- **Relationship** – the key to growing your company;
- **Management** – the power of your company to maintain

These customer relationships the sum of these concepts equates success. Ultimately, a CRM system helps you attract and retain customers. Think about how you're doing this today, and think about how technology can support you in improving your company's processes now and over time. Even if it is the first time a customer service rep is speaking to a long-time and loyal client, she can personalise their interaction to let a loyal customer know that great service is going nowhere.

References

- [1] Hogarth, Jeanne M. (2006): 'Financial Education and Economic Development'. Paper prepared for Improving Financial Literacy, International Conference hosted by the Russian G8 Presidency in co-operation with the OECD, 23–30 November.
- [2] IRDA (2010): Annual Report, Insurance Regulatory and Development Authority, India.
- [3] OECD (2006): Summary Records of a Conference on Financial Education, India, 21–22 September.
- [4] NCAER (2008): 'How India Earns, Spends and Saves', a Max New York Life –NCAER Study
- [5] Agariya, A. & Singh, D. (2012). CRM Scale Development and Validation in Indian Insurance Sector. *Journal of Internet Banking and Commerce*, 17(2), 1-21.
- [6] Baluchami, N.K., & Sundar, C., (2007). Customer relationship management a Focus: A case of life insurance corporation. *Organisational Development*, 13(1), 20-24.
- [7] Broady-Preston, J., Felice, J., & Marshall, S. (2006). Building Better Customer Relationship: case studies from malsa and the U.K.. *Library Management*, 27(6&7), 430-445.
- [8] Chawla, S., Singh, F., & Singh, B. (2007). Customer relationship management in Life Insurance Industry: Issues and Prospects. *Organisational Management*, 13(1), 25-28.
- [9] Dash, B. & Mishra, B., (2012). E-CRM practices and Customer Satisfaction in Insurance Sector. *Research Journal of Management Science*, 1(1), 2-6

