

Assessment of Consumer Perceptions of Postal Life Insurance: With Particular Reference to Madurai, Tamilnadu State

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Abstract

Finding out how consumers feel about postal life insurance is the aim of this study. The research paper "Study On Customers Perception Towards Rural Postal Life Insurance Policy Special Reference To Manjeri Head Post Office" by Dr. P Kannan and Mrs. Aneesath.M., which was published in the "International Journal of Research in Social Sciences Vol. 9 Issue 4(1), April 2019, ISSN: 2249-2496," served as the basis for this investigation. The consumers of Tamilnadu State's Madurai City are the subject of this study. Using a random selection technique, 100 responders were chosen from Madurai City's numerous post offices. The study's findings indicate that, although often using other program benefits, most consumers are unaware of the postal life insurance program. Among those who are aware lack of interest is a common tendency when buying PLI since they are not fully aware of its advantages due to a lack of publicity, poor advertising, and an indifferent consumer interaction policy.

Keywords: Consumer, Postal life Insurance, Insurance Policy, Awareness.

Introduction:

The Ministry of Communication oversees the India Post division. Another name for it is the Department of Post. Lord Dalhousie laid the groundwork for the modern postal system in 1854. With over 150,000 post offices, it is the largest postal network in the world. To service India's rural population, over 90% of them are located in rural areas. India Post offers a wide range of services to its customers, including postal life insurance, retail services, money transfers, parcel services, mail services, and savings bank plans. For those residing in the nation's rural areas, India Post serves as a major conduit for the implementation of numerous government plans and social security programs. It offers underbanked and unbanked groups financial services. of the nation. India Post is a significant service provider that offers both modern technology-based services and essential traditional mail services. (Coverage)

India Post Postal Life Insurance In 1884, the postal life insurance service was introduced. It is among India Post's earliest services. Because the Government of India supports PLI, it is safe and dependable. By reducing the policy premium in comparison to other life insurance carriers, India Post is offering the general population an affordable service. Additionally, it offers customers a significant return on investment. Policyholders on PLI are also eligible for bonuses and loan facilities. Life insurance policy types include:

- Whole Life Assurance (Suraksha): This policy covers the policyholder for the whole of their life.

The nominee will get the bonus and the amount assured in the event of the policyholder's death.

- Endowment Assurance (Santosh): The policyholder will receive the amount assured and any accumulated bonus at the conclusion of the period, or the nominee will receive it if the policyholder passes away before the end of the term.
- Suvidha Convertible Whole Life Assurance: This insurance is initially a whole life policy that, after five years, can be changed to an endowment policy.
- Sumangal, or Anticipated Endowment Assurance, is a money-back plan that is perfect for people who require regular returns. Periodically, the guaranteed amount is paid in installments, and the remaining amount plus the bonus are paid at the conclusion of the term.
- Yugal Suraksha Joint Life Assurance: This policy is intended for spouses and covers both of them under a single policy.
- Bal Jeevan Bima (Children Policy): Offers financial stability for children's welfare and education. Eligible only are the offspring of current PLI policyholders. (Life Insurance via Postal)

Review of literature:

1. The study "Evaluation of Rural Postal Life Insurance Policy Perception by Customers with Particular Reference to Manjeri Head Post Office." The study's goal is to investigate respondents' perceptions of rural postal life insurance, according to the authors, Dr. P Kannan and Mrs. Aneesath.M, who published their work in the International Journal of Research in Social Science (ISSN No. 2249-2496). According to Dr. P. Kannan, the majority of individuals are aware of the policy but are uninterested in their plan. 2. A study conducted among residents of Kanchipuram District on the effectiveness and performance of rural postal life insurance published with ISSNs 2277–3878 in the International Journal of Recent Technology and Engineering (IJRTE). Authors D. Bhuvneshwari and S. Tamilarasi discussed in Volume 8, May 2019 the Kanchipuram District's residents' understanding of and motivation for investing in PLI, learning that India Post ought to take the lead in introducing new insurance products. To boost the number of policies, India Post should develop an appropriate awareness campaign. (2019, D. Bhuvaneshwari) 3. Dr. M.K. Gupta and Nidhi Gupta's research article, "An Empirical study of Postal life Insurance in Reference to LIC and private Insurance in NCR," compared postal life insurance with LIC and private life insurance companies. The outcome explains that in order to compete with other businesses, India Post must create an efficient marketing plan, properly train its agents, and implement new regulations. Post offices' work environments and cultures need to be in accordance with the customers' interests. Gupta, Dr. M.K. (2012) 4. Writers In their study "Comparative Evaluation of the Postal Life Insurance Offered by India Post the Pioneer Institution in the Life Insurance industry of India," Drs. Akhil V. and Deepa Mathew claimed that although India Post has the largest network in India, its PLI plans are not very popular due to a lack of publicity, whereas LIC and Private Insurance Companies have more popular life insurance products because they are effectively using publicity mediums to grow their business. Mathew (2023) 5. According to Asha Ramteke, S.S. Khanuja, and O.P. Chandrakar's study paper, "Early Returns Influence the Working Population of Madurai Postal Division: With Reference to Postal Life Insurance," that one of the central government's well-liked life insurance programs is postal life insurance. The popularity of policies among customers is the subject of the study. According to the study's findings, Santosh is the most widely used policy among the numerous postal life insurance plans. (Ramteke Asha, 2016)

Statement of the Problem

One of the significant programs offered by India Post to its customers via its extensive nationwide network in both urban and rural areas of the nation is postal life insurance. Numerous researches have been done on the Rural Postal Life Insurance Scheme and the attitudes of consumers toward it. The current study is predicated on the opinions of customers on Postal Life Insurance, another India Post program. This survey aims to determine consumer awareness, perceptions, and satisfaction levels about postal life insurance.

Research Methodology:

The major data used in this study was gathered via questionnaires from Indian customers. The India Post official website, numerous journal publications, and research papers are the sources of the secondary data. The gathered data is analyzed using statistical tools such as the weighted average and chi square test to improve the results. One hundred respondents from various Madurai city post offices make up the sample size.

Objective of the study:

- To assess consumers' knowledge about postal life insurance
- To evaluate the respondent's degree of satisfaction with postal life insurance.

Limitations of the Study:

Customers of the several post offices in the Madurai District in the Indian state of Tamilnadu are the only subjects of this study. If the study is conducted at a different time or location, the results may alter.

Result Analysis:

Awareness of Consumers towards Postal Life Insurance :

"Do you Know about the Postal life insurance Policy Provided by India Post?" is the first question in the questionnaire about consumer knowledge of postal life insurance.

H0 = Postal Life Insurance is known to the respondents.

H1 = Postal Life Insurance is unknown to the respondents.

TABLE 1 : Awareness of Consumers towards Postal Life Insurance

S. No	No. of Observations	Observed Frequency	Expected Frequency
1	Yes	70	50
2	No	30	50

Formula of chi square Test :

$$\chi^2 = \sum(O_i - E_i)^2/E_i$$

TABLE 2

Degree of Freedom	1
Table Value	3.841
Calculated Value	16

Interpretation: At the 0.05 significance level, the critical valve for df = 1 is approximately 3.841, while the computed value is 16. The null hypothesis that respondents are aware of postal life insurance was

rejected since the computed value in this case is greater than the table value of 3.841, which indicates that the observed frequencies differ significantly from the expected frequencies. Postal Life insurance is unknown to India Post customers.

Question 2 : Do you have a postal Life Insurance Policy ?

TABLE 3: Status of Having Postal Life Insurance

S. No.	Postal Life Insurance	No. Of Respondent	Percentage
1.	Yes	38	38%
2.	No	62	62%
		100	100%

Analysis: Out of 100 respondents, only 48% have a postal life insurance coverage, while 62% do not. Thirty of the sixty-two respondents are unaware of PLI.

Question 3: What kind of policy do you have for postal life insurance?

TABLE 4: Types of Postal life insurance Policies

S. No.	Name of the Policy	No. of Respondent
1.	Santosh	15
2.	Surksha	04
3.	Suvidha	05
4.	Yugal suraksha	03
5.	Sumangal	09
6.	Children policy	02
	Total	38

TABLE 5: Consumers Perception Towards Postal life Insurance

Policy	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Rank 6	Weight	Rank
Santosh	15	08	06	05	04	00	177	I
Surksha	04	06	08	10	05	05	131	IV
Suvidha	05	10	05	08	06	04	140	III
Yugal Surksha	03	06	08	10	05	06	126	V
Sumangal	09	08	10	05	03	03	158	II
ChildrenPolicy	02	04	07	09	06	10	109	VI

Weight for Rank : Rank 1 = 6, Rank 2 = 5, Rank 3 = 4, Rank 4 = 3, Rank 5 = 2, Rank 6 = 1.

Interpretation: This table shows how customers feel about various postal life insurance plans. According to the results of the weighted average approach, consumers' top choice when buying a postal life insurance policy is Santosh, while their least favorite is the children's policy.

Question 4: In your opinion, is PLI the greatest choice for investments? Out of 100 respondents, 66 respondents say "yes," 26 say "may be," and 12 say "no." Question 5: Among several life insurance plans, why do you select a postal life insurance policy?

TABLE 6: Reason for selection of Postal Life Insurance

S. No.	Reason of Selection	No. of Respondents
1.	Brand Value	38
2.	Public Sector Company	38
3.	Low Premium High Return	26
4.	Easy claim settlement	17

Interpretation:

Because of India Post's strong brand, all 38 respondents selected Postal Life Insurance. India Post has greater trust than other life insurance policies because it is a public sector organization. While 17 agreed with rapid claim resolution, 26 said that PLI offers low premiums and good returns.

Question 6: In your opinion, do postal insurance products have a higher rate of return than other savings options?

Out of the 70 respondents, 56 concur that, in comparison to alternative saving options, the rate of return on postal life insurance products is high.

Question 7: Do you believe that Postal Insurance prioritizes excellent customer service over sales volume?

Forty-eight of the seventy respondents concurred that Postal Life Insurance prioritizes superior service. amount of sales. It demonstrates that ten people who are aware of the PLI policy but are not currently investing in PLI agree that India Post's service quality is adequate. On the other hand, 22 out of 70 respondents are aware of the PLI policy but do not currently invest in PLI since they are unsure about India Post's satisfactory services.

Question 8: Do you believe that agents and staff members often update and advise clients on policy status, new goods, and services?

Of the 70 respondents, 38 of them agreed that agents and staff should regularly update and advise consumers on policy status, new products, and services.

Question 9: Do you believe that India Post's theme layout, advertising language, and media are appealing and educational enough to draw in customers?

Sixty-two of the 70 respondents concurred that the advertising, theme layout, and instructional media are insufficient. They believe that India Post is failing to implement an effective strategy for promoting their goods.

Question 10: Do you believe that India Post is consistently improving its technology capabilities to meet the needs of its customers?

Of the 70 respondents, 58 concurred that India Post is constantly improving its technology skills to meet the needs of its clients. Five said, "Maybe," and seven disagreed with the statement.

Findings:

1. Of the 70 responders, sixty-two agreed that the instructional material, theme layout, and advertising are inadequate. They think India Post isn't putting their products into a successful marketing plan.
2. Question 10: In your opinion, is India Post continuously enhancing its technological capacity to satisfy the demands of its clients?
3. 58 out of 70 respondents agreed that India Post is always enhancing its technological capabilities to better serve its customers. Five responded with "Maybe," while seven stated they didn't agree with the statement.

Suggestion

1. In order to reach an increasing number of clients, India Post must implement an effective marketing strategy. The most concerning factor regarding postal life insurance is ignorance.
2. In order to compete with other life insurance firms, new and improved PLI products must be offered.
3. To draw customers to the advantages of Postal Life Insurance, advertising policies need to be updated to reflect consumer interests and be more successful.
4. The current need is for more skilled agents and employees. They should receive thorough training on how to interact and communicate with clients.

Conclusion:

With its extensive network, India Post is able to offer its customers the best services. It is a crucial public service that has a direct relationship to the clients. Customers have higher expectations and want more amenities from organizations in this digital age. The Department of Post, a public sector organization under the Ministry of Communication, has a highly strong brand. Customers think their investment is in a secure company because it is a central government-owned enterprise. However, due to a lack of a marketing plan and appropriate advertising guidelines, the majority of them are unaware of India Post's offerings, including the Postal Life Insurance Service, which makes it less well-liked by India Post customers.

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