V. H. N. SENTHIKUMARA NADAR COLLEGE (AUTONOMOUS)

VIRUDHUNAGAR – 626 001, TAMILNADU

RESEARCH CENTRE IN BUSINESS ADMINISTRATION

Ph.D PUBLIC VIVA VOCE

As per the regulations of Madurai Kamaraj University, Madurai, **Mrs.A.MUTHUMARI, (Reg. No. P4168)**, Part Time Research Scholar, Department of Business Administration, The Standard Fireworks Rajaratnam College for Women, Sivakasi, will defend her thesis at a Public Viva-Voce examination through Video Conference mode using Google Meet Platform.

Title of the Thesis

A Study on Customer Perception towards Bancassurance of Public and Private Sector Banks in Virudhunagar District, Tamilnadu.

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The Synopsis of the thesis is avilable in the College Website and a copy of the thesis is available in the Department Library, for reference. Faculty members, Scholars and Students are most welcome to attend the Viva-Voce.

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THE STUDY ON CUSTOMER PERCEPTION TOWARDS BANCASSURANCE OF PUBLIC AND PRIVATE SECTOR BANKS IN VIRUDHUNAGAR DISTRICT, TAMILNADU

SYNOPSIS

1.1 INTRODUCTION

Banking in India originated in the last decades of the 18th century. After the nationalization of banks, the major concern was the productivity and profitability of public sector banks. It was believed that the new direction given to the banks since their nationalization in 1969, and the slacking productivity, has led to declining trends in the profits and profitability. Bancassurance system is one of the most dynamic channels of the distribution of insurance industry, although it appeared recently.

The term involves distribution of insurance products through a bank's branch network. While bank assurance has become a success story in Europe, it is relatively a new concept in Asia. Bank assurance in its simplest form is the distribution of insurance products through a banks distribution channels. In concrete terms bancassurance, which is also known as Allfinanz – describes a package of financial services that can fulfill both banking and insurance needs at the same time. It takes various forms in different countries depending upon the demographic profile, economic situation and legislations prevailing in that country. Demographic profile of the country decides the kind of products bancassurance has to deal with, economic situation will determine the trend in terms of turnover, market share, etc., whereas legislative climate will set the periphery within which the bancassurance has to operate. Its players include:

- Banks selling life, pension and other collective investment products.
- Banks selling general insurance products
- Insurance companies selling banking products (deposits, loans, etc)

1.2 STATEMENT OF THE PROBLEM

Bancassurance is a knot between bank and insurance company. In this model bank sells insurance product with the help of its established network of branches. However the banking sector in India now operates in a more competitive environment than ever before. Customers have a wider choice of less distinguishable products and they are much better informed. These elevate

customer's expectations on how companies should care for them. In this changed environment, creating new customers and retaining the existing ones have become difficult tasks for banks.

For success and survival in this competitive environment, delivering quality service has become a step of paramount importance. This compels the banks to enhance their service quality while providing services to the customers. Reliability is one of the important dimensions of service quality. Reliability is an important aspect of customer retention and customer satisfaction. In today's economy, every company has to fight tooth and nail to retain existing customers, and to acquire new ones. In this light, reliability in service delivery adds as an advantage for the company. Thus there is a need for the banks to focus on this dimension of service quality and identify the factors that affect reliability in delivering insurance related services to the customers.

India has a huge population and in order to reach out to such a huge customer base, insurance companies can make the most of the banks large network. This gave rise to bancassurance. Bancassurance is a process whereby insurance products are sold to the customers at their local banks branch. This relationship is convincing yet highly challenging.

It is very important in the point of view of banks to have a study about the opinion and satisfaction of the customers. So the purpose of the research is to study the view of the customer for using bancassurance services. Therefore an attempt is made by the researcher to identify a customer perception towards bancassurance of public and private sector banks in Virudhunagar district, Tamilnadu.

1.3 SCOPE OF THE STUDY

Due to the Liberalisation and the Globalisation, banking sector is also progressing at a Very fast pace, and as a result to which competition arises in the banking industry. It is very difficult for banks to survive in this highly competitive environment if they are unable to satisfy their customer. With the support of technology driven information system, customers are expected for new products and services under one roof. Therefore, there need is identify the banks to enhance their products and innovate ideas to deliver products and to reach the customer in proper manner. For that the bank introduced bancassurance services to collaborate with other insurance services sectors for satisfy their customers. The Present "Study on Customer Perception towards Bancassurance of Public and Private Sector Banks in Virudhunagar District, TamilNadu" is an attempt.

An attempt has been made in this study is geographically limited to Virudhunagar district, Tamilnadu. It was undertaken to analyze the service quality, Marketing mix factors of customer satisfaction and service loyalty dimensions of customer perceptions towards bancassurance of public and private sector banks in Virudhunagar district, Tamilnadu. This research study is concerned with the customer perception of 390 public and private sector banks respondents are account holders in selected six banks.

1.4 OBJECTIVES OF THE STUDY

The study was designed to achieve the following objectives:

1. To present an overview of bancassurance of public and private sector banks in Virudhunagar district.
2. To analyze the service quality factors influencing the customer perception towards the bancassurance of public and private sector banks in Virudhunagar district.
3. To identify the level of customer satisfaction towards the bancassurance services of public and private sector banks in Virudhunagar district.
4. To know the service loyalty towards the bancassurance products and services of public and private sector banks in Virudhunagar district.
5. To offer suitable suggestions based on the findings for the improvement of service quality, bank marketing to enhance the customer satisfaction and service loyalty dimensions for bancassurance of public and private sector banks in Virudhunagar district.

1.5 RESEARCH METHODOLOGY

This is an analytical and empirical study based on both primary and secondary data. The data collected for the research predominantly are primary data which are collected from the customers using structured questionnaire. Before starting of actual data collection process, the questionnaire was pre-tested among 35 customers. The present study includes respondents of selected public and private sector banks as samples.

The researcher randomly selected three public sector banks and three private sector banks from among the banks which are popularly known for bancassurance services. State Bank of India, Canara Bank and Indian Bank are the banks selected from the public sector banks category. Tamilnad Mercantile Bank, ICICI Bank and AXIS Bank are the banks come under the private sector bank sector. To determine the sample size, the researcher has applied Raosoft sample size calculator. It shows the recommended sample size of 390 @ 95% confidence level for

unknown population. During data collection, the researcher has applied convenient sampling technique to select the samples. The researcher identified and selected sample respondents who are provided bancassurance services by the selected public sector banks and private sector banks not exceeding 65 numbers from each of the public sector and private sector category under convenient sampling technique. Therefore the sample size is 390. The necessary primary data were collected from the sample respondents by the questionnaire method. A process of cross-checking was highly established to ensure the authenticity of the data with the help of pre-testing and pilot study mechanism.

1.6 LIMITATIONS OF THE STUDY

➢ The study on customer perception towards bancassurance of public and private sector banks is restricted to Virudhunagar District.

➢ The present study has been confined to public and private sector banks ignoring the co-operative banks.

➢ This research is limited to concentrates customer perception ignoring the banker's perception.

➢ The results of the study cannot be substantiated to other areas of the state and country.

1.7 SCHEME OF CHAPTERISATION

The present study has been organized into six chapters,

The first chapter entitled "Introduction and Design of the Study" presents the introduction, statement of the problem, scope of the study, objectives of the study, hypotheses, operational definition of concepts, methodology, sampling design and statistical tools, limitations of the study and chapter scheme.

The second chapter titled "Review of Literature" comprises theoretical perspectives, past study reviews and conclusion. It presents the studies related to banking, insurance and bancassurance.

The third chapter entitled "Bancassurance – Overview" describes introduction, motive behind bancassurance, growing phenomenon of bancassurance, opportunities and challenges in India, current scenario, legal requirements, problems in selling bancassurance, guidelines for bancassurance, success factors, life insurance and its economic uses, Life insurance Vs Non-Life insurance, diversification in banking operation, service quality, customer satisfaction and its

elements of bank marketing, service loyalty and brief profile of selected public and private sector banks in India.

The fourth chapter titled "Analysis of Demographic Characteristics of Customer's Perception towards Bancassurance Services" an attempt made to analysis the demographic and socio-economic characteristics of the respondents.

The fifth chapter titled "Analysis for Customer Perception of Service Quality, Customer Satisfaction and Service Loyalty towards Bancassurance Services" an attempt to investigate the customers towards service quality factors, customer satisfaction factors and service loyalty factors.

The Sixth chapter captioned "Summary of Findings, Suggestions and Conclusion" brings the research report to a logical conclusion by highlighting the summary of findings with a view to obtain answer to the problem posed in the statement of the present research problem and by providing valuable suggestions to the future growth and enhancement of bancassurance to survive in the competitive world.

1.8 FINDINGS OF THE STUDY

1.8.1   SERVICE QUALITY

Expected Service Quality

➢ A Majority of highest expectation scores were tangibility variable for Insurance related Communicative Materials Visually appealing secured high mean score of 6.49, Responsiveness variable for Providing prompt insurance service to customers secured high mean score of 6.25, Reliability variable for Providing prompt insurance services at promised time secured high mean score of 5.35, Assurance variable for Bank employees are customer oriented, friendly and respectful secured high mean score of 6.16 and Empathy variable for Sincerely solve the insured problems and willing to help customers secured high mean score of 5.90.

Perceived Service Quality

➢ A Majority of highest actual service perceived were, Tangibility variable for Insurance related Communicative Materials are Visually Appealing secured high mean score of 6.25, Responsiveness variable for providing prompt insurance service to customers secured high mean score of 5.96, Reliability variable for Performing insurance service perfectly at first time itself secured high mean score of 3.57, Assurance variable for Bankers properly informing customer insurance details and collecting proper premium secured high mean score of 4.59

and Empathy variable for Bank employees give proper value to their regular insurance holders secured high mean score of 5.61. There is no so much difference between the scores of perception but are generally lower than expectations.

1.8.1.1 SERVQUAL ANALYSIS FOR SERVICE QUALITY OF BANCASSURANCE - GAP SCORE FOR PERCEIVED SERVICE QUALITY OF THE RESPONDENTS TOWARDS BANCASSURANCE

➢ The Majority of Expected mean score are higher than the perceived service quality of the respondents the following largest gap scores are Banks have up-to-date information about insurance policies secures first rank in tangibility (-0.95), Banks keeping insurance records accurately secures first rank in responsiveness (-1.93), providing prompt insurance services at promised time secures first rank in reliability (-2.38), Customer feel Safe and secured insurance transactions secures first rank in assurance (-2.11) and Employees give enough time to their insured secures first rank in empathy (-1.14).

➢ **REGRESSION AND F-TEST:** The power of the regression model is represented by the R^2 and is a highly healthy .979 and the F test of the model shows that the significance of the model is high as the significance of F is .000 which is less than .05. So the null hypothesis is rejected. There is significance association between overall service quality and expected service quality dimensions of the respondents.

➢ **T-Test** indicates that the overall service quality dimensions are analyzed such as Tangibility (p-value of $0.044 < 0.05$), Responsiveness (p-value of $0.032 < 0.05$), Reliability (p-value of $0.027 < 0.05$), Assurance (p-value of $0.000 < 0.05$) and Empathy (p-value of $0.011 < 0.05$) are significant. So the null hypothesis is rejected. There is significant association between overall service quality and expected service quality dimensions of the respondents.

1.8.1.2 SERVQUAL ANALYSIS FOR SERVICE QUALITY OF BANCASSURANCE - GAP SCORE FOR EXPECTED SERVICE QUALITY OF THE RESPONDENTS TOWARDS BANCASSURANCE

➢ **REGRESSION AND F-TEST:** The power of the regression model is represented by the R^2 and is a highly healthy .921 and the F test of the model shows that the significance of the model is high as the significance of F is .000 which is less than .05. So the null hypothesis is rejected. There is significant association between overall service quality and overall service quality dimensions of the respondents.

➤ **T-Test** indicates that the overall service quality dimensions are analyzed such as Tangibility (p-value of 0.030<0.05), Responsiveness (p-value of 0.000<0.05), Reliability (p-value of 0.000<0.05), Assurance (p-value of 0.002<0.05) and Empathy (p-value of 0.000<0.05) are significant. So the null hypothesis is rejected. There is significant association between overall service quality and perceived service quality dimensions like tangibility, responsiveness, reliability, assurance and empathy of the respondents.

1.8.1.3 ANOVA TEST FOR SERVICE QUALITY OF BANCASSURANCE

There are no significant difference between demographic profiles and factors extracted towards the service quality factors adopted on the following:

✓ There is no significant difference among overall service quality factors and the extracted factors of overall expected service quality like tangibility, responsiveness, reliability, assurance and empathy.

✓ There is no significant difference among overall service quality of the respondents and factors extracted from the overall perceived service quality factors like Tangibility, Responsiveness, Reliability, Assurance and Empathy.

1.8.2 CUSTOMER SATISFACTION TOWARDS 7P'S OF MARKETING MIX

The multiple regression analysis and ANOVA used, to measure the extent to which the various independent attributes defined in each of below 7 Ps of Marketing Mix practices like Product, Price, Place, Promotion, People, Process and Physical Evidence to analysis the overall customer satisfaction of the bancassurance investors towards each dimensions, had unveiled the following inference:

1.8.2.1 CUSTOMER SATISFACTION TOWARDS PRODUCT MIX

➤ A vast majority of highest mean score for providing innovative insurance products at right time, providing proper benefits on survivals of insurer, banks insurance policy have price related information with the mean score of 3.36, 2.84 and 2.75 accordingly secure first, second and third ranks.

➤ **REGRESSION AND F-TEST:** The power of the regression model is represented by the R^2 and is a highly healthy .870 and the F test of the model shows that the significance of the model is high as the significance of F is .000 which is less than .05. So the null hypothesis is rejected. There is significance association between overall customer satisfaction and overall product mix strategies.

- **T-test** indicates that the overall customer satisfaction towards product mix dimensions are analyzed such as Timely Intimation about New Life Insurance Products (p-value of 0.001<0.05), Proper Benefits on Death of Insurer (p-value of 0.000<0.05), Flexible Payment Structure(p-value of 0.000<0.05) and Tax Reduction Benefits (p-value of 0.000<0.05) are significant. Hence, the null hypothesis is rejected.

1.8.2.2 CUSTOMER SATISFACTION TOWARDS PRICE MIX

- A Majority of bank providing special insurance scheme benefits secures first rank (3.63), Low insurance premium price with secures second rank (3.53), Premium amount on various insurance is competitive secures third rank (3.35).

- **REGRESSION AND F-TEST:** The power of the regression model is represented by the R2 and is a highly healthy .807 and the F test of the model shows that the significance of the model is high as the significance of F is .000 which is less than .05. Hence the null hypothesis is rejected. There is significance association between overall customer satisfaction and overall price mix strategy of the respondents.

- **T-test** indicates that the overall customer satisfaction towards price mix dimensions are analyzed such as Premium amount on various insurance is competitive (p-value of 0.002<0.005), Insured Premium amount are nominal (p-value of 0.005<0.05) and Low Insurance Premium Price (p-value of 0.102<0.05) are significant. Hence the null hypothesis is rejected.

1.8.2.3 CUSTOMER SATISFACTION TOWARDS PLACE MIX

- A Majority of Environment friendly location secured first rank with the mean score of (3.30), banks located in convenient places and good physical facilities secured second rank with the mean score of (2.92), have comfortable bank layout secured third rank with the mean score of (2.68).

- **REGRESSION AND F-TEST:** The power of the regression model is represented by the R2 and is a highly healthy .803 and the F test of the model shows that the significance of the model is high as the significance of F is .000 which is less than .05. Hence the null hypothesis is rejected. There is significance association between overall customer satisfaction and overall place mix strategy of the respondents.

- **T-test** indicates that the overall customer satisfaction towards place mix dimensions are analyzed such as banks located in convenient places (p-value of 0.000<0.005), providing

convenient timing of insurance operations (p-value of 0.007<0.05), environment friendly location (p-value of 0.012<0.05) and proximity to transportation (p-value of 0.021<0.05) are significant. Hence the null hypothesis is rejected.

1.8.2.4 CUSTOMER SATISFACTION TOWARDS PROMOTION MIX

➢ A Majority of technology based insurance delivery channels (3.18) secured first rank, availability of net banking arrangements (2.98) secured second rank, bank employees personal selling of insurance services (2.96) secured third rank.

➢ **REGRESSION AND F-TEST:** The power of the regression model is represented by the R2 and is a highly healthy .834 and the F test of the model shows that the significance of the model is high as the significance of F is .000 which is less than .05. Hence the null hypothesis is rejected. There is significant association between overall customers satisfaction towards promotion mix strategies adopted.

➢ **T-test** indicates that the overall customer satisfaction towards promotion mix dimensions are analyzed such as banks give efficient insurance sales promotions (p-value of 0.000<0.05), bank employees providing personal selling of insurance products effectively (p-value of 0.000<0.05), display for insurance policy details at ATM centers (p-value of 0.007<0.05) and technology based insurance delivery channels (p-value of 0.025<0.05) are significant. Hence the null hypothesis is rejected.

1.8.2.5 CUSTOMER SATISFACTION TOWARDS PEOPLE MIX

➢ A Majority of smooth relationship between employees and customers with the mean score of (2.90) secured first ranks. Adequate number of bank employees of (2.80) secured second rank, personal advice on insurance purchase of (2.76) secured third rank.

➢ **REGRESSION AND F-TEST:** The power of the regression model is represented by the R2 and is a highly healthy .987 and the F test of the model shows that the significance of the model is high as the significance of F is .000 which is less than .05. Hence the null hypothesis is accepted. There is no significance association between overall customers satisfaction towards overall people mix strategies.

➢ **T-test** indicates that the overall customer satisfaction towards Personal advice on insurance purchase (p-value of 0.000<0.05), Employees providing adequate knowledge on all insurance services and its benefits (p-value of 0.000<0.05), Professionally sound banking executives (p-value of 0.000<0.05), Create word of mouth communication , advertising and customer

retention (p-value of 0.000<0.05), Satisfactory performance of customer care services (p-value of 0.001<0.05), Well trained bank employees (p-value of 0.000<0.05), Customer conscious and committed employees (p-value of 0.000<0.05) and smooth relationship between employees and customers (p-value of 0.011<0.05) are significant. Hence the null hypothesis is rejected.

1.8.2.6 CUSTOMER SATISFACTION TOWARDS PROCESS MIX

➤ A Majority of Quick response to customer queries of (3.76) secured first rank, Convenient business hours of insurance operations of (3.30) secured second rank, Simplicity of legal formalities of (2.99) secured third rank.

➤ **REGRESSION AND F-TEST:** The power of the regression model is represented by the R2 and is a highly healthy .827 and the F test of the model shows that the significance of the model is high as the significance of F is .000 which is less than .05. Hence the null hypothesis is accepted. There is no significant association between overall customers satisfaction towards process mix strategies.

➤ **T-test** indicates that the overall customer satisfaction towards Timely response to customer queries (p-value of 0.020<0.05), banks upgraded delivery system of insurance amount (p-value of 0.023<0.05), Prompt attention and effective insurance services (p-value of 0.001<0.05) and quick response to customer queries (p-value of 0.049<0.05) are significant. Hence the null hypothesis is rejected.

1.8.2.7 CUSTOMER SATISFACTION TOWARDS PHYSICAL EVIDENCE MIX

➤ A Majority of logo creates visualization and bank identity with a mean score of (2.87) secures first rank, good appealing printed materials with a mean score of (2.82) secures second rank, proper queuing arrangements with a mean score of (2.76) secures third rank.

➤ **REGRESSION AND F-TEST:** The power of the regression model is represented by the R2 and is a highly healthy .804 and the F test of the model shows that the significance of the model is high as the significance of F is .000 which is less than .05. Hence the null hypothesis is accepted. There is no significant association between overall customers satisfaction towards overall physical evidence mix strategies.

➤ **T-test** indicates that the overall customer satisfaction towards adequate parking facility (p-value of 0.000<0.05), proper queuing arrangements (p-value of 0.000<0.05), sufficient amenities (p-value of 0.034<0.05) and logo creates visualization and bank identity (p-value

of 0.000<0.05) and good appealing printed materials (p-value of 0.000<0.05) are significant. Hence the null hypothesis is rejected.

1.8.2.8 ONE-WAY ANOVA BETWEEN DEMOGRAPHIC PROFILE OF THE RESPONDENTS AND THE FACTORS EXTRACTED FROM STATEMENTS DESCRIBING OVERALL CUSTOMER SATISFACTION TOWARDS PRODUCT, PRICE, PLACE, PROMOTION, PEOPLE, PROCESS AND PHYSICAL EVIDENCE ADOPTED

➢ **ANOVA Test** used to measure the difference explain that there are no significant difference between demographic profiles and factors extracted towards the customer satisfaction on people mix factors adopted on the following:

❖ There is significant association between gender and the factors extracted from statements of price and people mix of the respondents at 5% level.

❖ There is significant association between age and the factors extracted from statements of price and place mix of the respondents at 5% level.

❖ There is significant association between marital status and the factors extracted from statements of Product, Price, Place, Process and Physical Evidence of the respondents at 5% level.

❖ There is significant association between Educational Qualification and the factors extracted from statements of Price and Place of the respondents at 5% level.

❖ There is significant association between Occupation and the factors extracted from statements of Product, Price, Place, Promotion, People, Process and Physical Evidence of the respondents at 5% level.

❖ There is significant association between Monthly Income and the factors extracted from statements of Price of the respondents at 5% level.

❖ There is significant association between Number of Family Members and the factors extracted from statements of Place and Price of the respondents at 5% level.

❖ There is significant association between Number of Earning Members and the factors extracted from statements of Price and Place Mix of the respondents at 5% level.

❖ There is significant association between Type of Banking Sector and the factors extracted from statements of Price and Place Mix of the respondents at 5% level.

1.8.3 SERVICE LOYALTY TOWARDS BANCASSURANCE

➢ A Majority of Encourage others to do more insurance transactions for banks only with a mean score of (3.46) secures first rank, Switch to other banks, if problem for current bank insurance services mean score of (3.30) secures second rank, Comfortable direct debit to insurance premium payment detected by customer account mean score of (2.83) secures third rank.

➢ **F- Test:** The power of the regression model is represented by the R2 and it is highly healthy .983 and the F test of the model shows that the significance of the model is high as the significance of F is .000 which is less than .05. Hence the null hypothesis is rejected. There is significant association between overall service loyalty towards factors extracted from service loyalty adopted.

➢ T-test indicates that the overall service loyalty towards, Say positive things to other customers about the purchase of insurance products through banks (p-value of 0.001<0.05), Encourage friends and relatives to buy insurance products through banks (p-value of 0.002<0.05), Buy more number of insurance products through banks in the next few years (p-value of 0.008<0.05) and Switch to other banks, if you problem for current bank insurance services (p-value of 0.000<0.05) are significant. Hence the null hypothesis is rejected.

1.8.3.1 FACTOR ANALYSIS

All the 18 statements describing the service loyalty factors converged into six factors named as purchase intention (.953), price sensitivity (.942), customer loyalty (.983), communication (.906), behavioral loyalty (.989) and attitudinal loyalty(.892)

1.8.3.2 ANOVA TEST

There are no significant difference between demographic profiles and factors extracted towards the service loyalty factors adopted on the following:

❖ There is significant association between Gender and the factors extracted from statements of Behavioral Loyalty of the respondents at 5% level.

❖ There is significant association between age and the factors extracted from statements of Customer Loyalty, Communication, Behavioral Loyalty and Attitudinal Loyalty of the respondents at 5% level.

❖ There is significant association between Marital Status and the factors extracted from statements of Price Sensitivity, Customer Loyalty, Behavioral Loyalty and Attitudinal Loyalty of the respondents at 5% level.

- ❖ There is significant association between Educational Qualification and the factors extracted from statements of Behavioral Loyalty of the respondents at 5% level.

- ❖ There is significant association between Occupation and the factors extracted from statements of Behavioral Loyalty of the respondents at 5% level.

- ❖ There is significant association between Monthly Income and the factors extracted from statements of Behavioral Loyalty and Attitudinal Loyalty of the respondents at 5% level.

- ❖ There is significant association between Number of Family Members and the factors extracted from statements of Behavioral Loyalty and Attitudinal Loyalty of the respondents at 5% level.

- ❖ There is significant association between Number of Earning Members and the factors extracted from statements of Behavioral Loyalty of the respondents at 5% level.

- ❖ There is significant association between Number of Earning Members and the factors extracted from statements of Customer Loyalty and Behavioral Loyalty of the respondents at 5% level.

1.8.4 OPINION ABOUT THE BANCASSURANCE FUTURE

The result of **CHI-SQUARE TEST** reveals that

- ➢ There is significant impact between gender and opinion regarding future perspective of bancassurance services.

- ➢ There is significant impact between Age and opinion regarding future perspective of bancassurance services.

- ➢ There is no significant impact between Marital Status and opinion regarding future perspective of bancassurance services.

- ➢ There is significant impact between Educational Qualification and opinion regarding future perspective of bancassurance services.

- ➢ There is significant impact between Occupation and opinion regarding future perspective of bancassurance services.

- ➢ There is significant impact between Monthly Income and opinion regarding future perspective of bancassurance services.

1.9 SUGGESTIONS BASED ON FINDINGS

❖ The study shows that only least amount of unmarried customers invested the bancassurance services. So that the bankers create awareness towards the bancassurance services for the unmarried customer to enhance the sales volume of bancassurance and to satisfy the unmarried customers.

❖ Most of the customers are highly preferred to invest pension schemes only. The bank gives proper training for their employees regarding to provide other bancassurance investment to motivate them.

❖ The study reveals that mobile advertising are one of the major source of information for the customer. Better trained employees as well as effective and informative marketing techniques can give boost to the bancassurance business.

❖ Arrange various awareness programs and other awareness measures to spread the concept and usage of bancassurance among the customers.

❖ Performance appraisal for bank employees needed to improve the sales performance of bancassurance in public and private sector banks.

❖ Bank may also offer after sales and service and it could increase selling insurance products through banks.

❖ Banks offer best insurance products at least premium cost to attract the customers.

❖ Banks may also increase the quality of bancassurance service to increase the satisfaction level of the bancassurance customers.

❖ Banks may also do the settlement of claims properly which will increase the trust and reliability of customers to the banks.

❖ The bank must give appropriate training to their employees to sell bancassurance products so that they can respond customer queries and supply them relevant product information to their clients according to their needs.

❖ The insurers can devise new campaign to motivate bank employees for selling the insurance policies. The winner of each campaign can be awarded with foreign tour, gold, cash prizes etc. thus the inner urge to sell more and win can be increased.

1.10 CONCLUSION

Sophisticated insurance industry in India has been progressing at a rapid speed. The customer who takes the insurance policy through bancassurance channel is expected to enjoy dual support. In other words, support from bank as well as insurance company. The scope for better customer services is higher in bancassurance. The critical information technology, ever changing life style and trends of the customers and the expectation of high quality service makes it essential for the public and private sector banks to design innovative product mix strategies and to apply appropriate marketing strategies and concepts to capture substantial market share in the banking industry bancassurance services. To enhance better relationship towards banker and customer, it creates good service loyalty to satisfy the target customers at a profit to the bank. There is a bright future for bancassurance in the Indian insurance market. The insurance companies need to design products specifically for distributing through banks. Growth rate of insurance income is remarkable in some of the banks so there is very good scope for further development in the selling of bancassurance products by the public and private sector banks in the long run. Thus the researcher concluded that bancassurance is gaining remarkable recognition in the all over Indian market.

1.11 RECOMMANDATION FOR FUTURE STUDIES

The present study relates to the customer perception towards bancassurance of public and private sector banks in virudhunagar district, tamilnadu. The following areas have been identified by the researcher for the further study:

❖ A comparative study on customer perception towards bancassurance in public and private sector banks in virudhunagar district.

❖ A study on banker's perception towards bancassurance in commercial banks in virudhunagar district.

❖ An impact of bancassurance channel in public and private sector banks in virudhunagar district.

❖ A study on bancassurance problems and challenges in public and private sector banks in India.

❖ A study on reliability of bancassurance channel in public and private sector banks in virudhunagar district.