

# Special Reference on LIC with the Influence of Modern Technology on Customer Relationship Management

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## Article Info

Volume 83

Page Number: 2437 - 2441

Publication Issue:

March - April 2020

## Abstract:

One of the newest principles in all service industries is customer relationship management (CRM). Strong CRM allows customers fulfill their needs and a business to expand. In the current scenario, customer satisfaction with insurance companies is facing problems. The aims of the present article are to research the application of modern technology to support the policyholders in customer relationships management and a special reference to LIC. This study would allow the management to understand the use of modern customer service technology for policy holders regarding customers ' satisfaction levels. It helps the management take corrective measures concerning the advanced technology that LIC policy holders use for their customers

## Article History

Article Received: 24 July 2019

Revised: 12 September 2019

Accepted: 15 February 2020

Publication: 19 March 2020

**Key words:** Customer Satisfaction, Customer life time, Consumer service, Employee attitude, modern technology.

## INTRODUCTION

The management of customer relations recognizes the long-term value of potential and present customers. In order to optimize the long-term value, Customer Relationship Management (CRM) could be a strategy to choose and manage customers. The recognition of the importance of customer relationship management (CRM) has developed because of the globalizing business, cutting back on competition, maintaining customer loyalty, gaining more profit, retaining customers and strategic customer care. Today companies must move from customer management to customer retention. But it is not easy in a competitive society to manage and retain

customers for a long while. Throughout addition to managing growing technology, consumers ' desires and expectations are becoming complicated. The organizations are therefore already helping the customer retention database management system. CRM is also a business strategy focused on clients that aims at increasing client satisfaction and customer loyalty by providing each client with a more responsive and personalized service. The most commonly implemented CRM technology initiatives include customer support and service in functional areas. Customer services are a key part of CRM, but CRM also works to coordinate customer relationships throughout all corporate functions so that customers are maintained for a

long time. Customer satisfaction can be increased with the efficient E-CRM system, which enables an enterprise to communicate with its clients through a channel of communication. Customer information is available in the E-CRM software, each organization and every firm has enabled the access of this information. The ECRM system helps an organization recognize its clients and attract individual clients.

The life insurance Corporation of India, founded on 1 September 1956, the very important concept of LIC, aimed at gradually disseminating life insurance to rural areas in particular in order to reach all insurable citizens with the Customer relationship management(CRM)

### **OBJECTIVE OF THE STUDY**

Different customer relation management factors have been studied throughout the Life Insurance Corporation of India. The particular focus of this report is about the use of modern technology for customer service towards policy holders.

### **RELEVANCE OF THE STUDY**

In order to meet customer standards LIC of India should provide quality service. They will respond faster than their rivals to customer demands. The openness and learning character of the life insurance corporation of India will create customer trust and it can build confidence in clients. There are reasons for such dissatisfaction and they must be properly addressed. The study provides solutions to face challenges in the insurance industry. It helps LIC in India to consistently offer better service, which helps not only to acquire and retain its customers but also to create a better corporate image. The interaction between consumers and insurance companies is guided by the new technology adopted by policy holders.

This survey is useful for LIC of India how it is feasible, in modern technology, to introduce CRM in the direction of policyholders which will provide better services in industries and companies.

### **REVIEW OF LITERATURE**

Established CRM by Pavtiyar and Sheth (2001) is a systematic strategy and method for selective customer acquisition, retention and collaboration in order to create superior corporate and customer interest. CRM is one of the most promising and effective marketing developments as per Amstong and Kotler (2003); it can be tremendously effective when rightly used. It develops in terms of relationship marketing and the overemphasis on enhanced utilization of clients by successful customer relationship management. It has developed from ideas like relationship marketing and increased emphasis on upgraded customer retention by effectively managing customer relations. At the early stage of the relationship, customer expectations should be monitored and met. Customer assessment is a key factor in customer retention regarding initial expectations. The retention of customers in a competitive environment today presents a challenge to the survival of the companies is discussed in the article on ' E- CRM in Service Excellence ' Ganesan and Rajagopalan (2004). They emphasize the need to reduce costs, margin erosion and to keep customers are the prime drivers for e-crm businesses. They find that a well-functioning e-crm approach can lead to a variety of quantitative advantages, including increased sales and cross promotion capabilities, an enhanced customer relationship and lower service costs. Al-Azzam (2016) says that with the customer relationship marketing, customer relation management (CRM) will shift. He says that these strategic CRMs, which are applied in a number of areas, such as the insurance, banking and other

companies, have made their target a high level of capital excellence.

Fan and Ku (2010) emphasize that the performance of CRM does not require just technical systems, but efficient service and operating procedures. In a company with an effective communication line, customers should be given the main importance. In addition, using CRM technology is probable to enhance businesses ' ability to maintain positive customer relations by promoting incorporation and sharing of information that affects smooth and efficient corporate customer interactions; proper customer data review and response optimization (Mukerjee & Singh, 2009).

## SAMPLE DESIGN

This analysis was used by the descriptive nature of science. The research is carried out in the district of Tirunelveli. The primary data collection is based on a formal questionnaire from here. The company report, documents, web sites, journals and books will be contained as the secondary sources of data. 100 samples from 2 LIC divisions in Tirunelveli district were selected for this analysis. The instruments which are used to evaluate is the Kruskal-Wallis test and ANOVA.

## HYPOTHESIS

In terms of customer relationship management factors there is no substantial difference across Age Group.

There is no substantial difference between ' mean rank of policyholders qualification in terms of technological deployment factors.

## ANALYSIS AND INTERPRETATION

**Table1. Age group**

Age	Frequ ency	Percen tage
Below 30	38	38.0
31-40	35	35.0

41-50	21	21.0
Above 50	6	6.0
Total	100	100.0

From primary data

## HYPOTHESIS I

Null Hypothesis: There is no major difference in customer relationship management between Age Groups

**Table .3. ANOVA for significant difference among Age Group with respect to Factors of Customer Relationship Management**

Factors of Customer Relationship Management	Age Group in year				F value	P value
	Below 30	31-40	41-50	Above 50		
Attitude of the Employees	18.63 (5.587)	18.89 (5.779)	19.95 (5.399)	20.17 (4.875)	.342	.795
Knowledge level of the Employees	18.66 (5.318)	18.86 (5.621)	19.62 (5.801)	21.67 (3.266)	.614	.607
Customer Engagement	18.26 (3.266)	18.34 (5.414)	20.52 (4.976)	21.83 (3.251)	2.033	.114
Deployment of Modern Technology	18.55 (4.752)	18.54 (6.176)	20.67 (6.011)	20.33 (5.922)	.876	.457
Customer benefits	18.47 (4.763)	18.17 (5.142)	20.33 (5.462)	22.00 (1.789)	1.712	.170
Overall satisfaction level of customers	92.58 (21.219)	92.80 (25.303)	101.10 (24.890)	106.00 (13.069)	1.172	.325

Note: 1. The value within bracket refers to SD

There is no significant difference of environmental perceptions among age groups in years of employees, because the value of P reach over 0.05. Therefore, the null hypothesis in relation to customer relationship management is acknowledged at a point of 5 percent.

## HYPOTHESIS II

Null hypothesis: There is no substantial difference between the average policyholder rating in terms of technology deployment factors.

**Table .3. Kruskal-Wallis test for significant difference among Mean Rank of qualification of**

## policyholders with respect to Factors of Deployment of Technology

E-Newsletters, E-Application and Mobile Communication of policy holders.

No Star

The mean level of policyholders ' qualifications in relation to factor of technology-deployment contact through social media does not differ significantly because p value is higher than 0.05. Therefore, in social media correspondence, the null hypothesis is agreed at a 5% stage.

## SUGGESTIONS AND RECOMMENDATIONS

If there are found facts that the divisions do not have a CRM. So, insurance companies will have to provide CRM department for each branch. Management of client relations in the present situation is key to success. Areas such as e-payment, mobile communication, e-applications, e-newsletters, e-settlements, social media Interactions In these areas, the dispute settlement is a very high score, which causes problems for parties at the maturity of the policy cycle. Policy holders are protected by insurance companies that change the new technologies.

## CONCLUSION

This study shows that modern technology has an impact on the management of customer relations with a particular reference to LIC. The modern technology used by policy holders in this sense allows the consumer to keep and retain their old customers with the factors of e-paid payment, mobile contact, online application and e-newsletters and social media communications. Advanced online premium technology and e-transaction certainly have improved the quality of LIC customers service in India.

Factors Deployment of Modern Technology	Experience in years					Chi- square value	P value
	Below SSLC	SSLC	HSC	UG	PG	Others	
E-Payment	20.17	47.92	47.92	48.62	55.64	56.28	.001* *
Mobile Communication	28.54	51.69	47.65	52.82	57.45	65.00	.072**
E-Application	27.54	46.69	51.54	53.07	58.38	64.63	.049*
E-News letters	29.04	42.08	49.00	56.37	58.83	49.75	.039*
E-Settlement	32.00	44.19	39.92	54.88	66.13	41.13	.009*
Communication through Social Media	36.63	46.38	44.00	53.89	56.73	63.25	.277

Note: 1. \*\* denotes significant at 1% level

2. \* denotes significant at 5% level

Note: 1. \*\* denotes significant at 1% level  
2. \* denotes significant at 5% level

All \*\*

Since the p value is below 0.01, null hypothesis for the implementation, E-Payment and Mobility of policyholders is rejected at 1 per cent. Therefore, the mean rank of qualification of policyholders ' with respect to technology implementation factors in the e-Payment factors and the Mobile Communications of policyholders is significantly different.

All \*

As P value below 0.05, a 5 percent level null hypothesis with respect to modern technology implementation variables, e-applications, e-newsletters and e-settlement of policy holders is dismissed. Thus, in the factor E-Application, E-Newsletter and E-Settlement of policy holders, there is a significant difference between Mean Competence of Policyholders in terms of technological deployment factors like E-Payment,

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