

## INNOVATIVE CRM PRACTICES IN LIFE INSURANCE INDUSTRY IN INDIA

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### ABSTRACT

*Relationship marketing is promising as the core marketing commotion for businesses operating in severely competitive environments. Normally, organizations spend six times more to gain customers than they do to keep them. In this manner, several organizations are currently giving careful consideration to their associations with existing customers to hold them and increment a lot of customer's buys. Deregulation of Insurance industry in the universal has brought about expanded number of layers in the market subsequently rivalry. Service organizations have been pioneers in evolving customer retention strategies. This paper mainly focused on how organizations adopt and implement various innovative CRM practices in their life insurance business.*

**KEYWORDS:** *Customer Relationship Management, Customer Retention, CRM Practices.*

### Introduction

In a globalized insurance situation and with severe rivalry in the insurance sector, an business can carry on only with its customer centric strategies. Every association should edge on Customer Relationship Management (CRM) in order to be customer friendly, improvement of customer satisfaction and the ensuing development of the firm. Traditionally, marketing has been seen from the perception of managing association with customer groups. Relationship marketing, however, takes a lot of observation of the business. It underlines on a more extensive scope of business sectors to give the best incentive as far as both the item and furthermore the customer benefit. At present, the CRM is the most recent thought of overseeing and spreading protection business all the more effectively. It is a device that plans protection items which coordinate with the customer desires.

It additionally fabricates customer trust and creates loyalty of the customer. The principle system of CRM is to focus on customer needs, creative advertising channels, uniform quality outlets and distinguishing proof of target showcase and furthermore customer gatherings. The new age organizations guarantee to develop by customer benefits by tuning up innovation, preparing staff and handling existing markets. With better prospects offered in the innovation division, the limits and capacities of the extra security area to hold and enhance customer base is fortified. The convenient and effective strategy towards customer benefit makes this conceivable and satisfactory to the back up plans. The nature of customer relationship is frequently the differentiator. The essential goal of a protection association is to keep up clearness in exchanges and give full insurance to policyholders. The back up plans ought to be most extreme straightforward at the season of the offer of their items. They need to give clear and finish data about the items. The greatest recipient of the opposition among life back up plans has been the customer.

### Objective of the Study

The objective of this study is to identify the innovative CRM Practices adopted and implemented by life insurance organizations.

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### Methodology

The sources of secondary data are published in different manuals, books, research journals, articles, business magazines, life insurance company websites. LIC plays a key role and it is the one and only company in public segment. So a part from LIC here we are having other private companies which are playing a significant role in terms of maintaining and implementing the best CRM practices in the entire Life insurance industry. Here, I mainly focused on to know the Innovative CRM practices in public sector LIC and ten private companies those are HDFC Life, ICICI Prudential, SBI Life, Reliance Life, Bajaj Allianz, Max Life, Aviva Life, Birla Sun life, Met Life and Tata AIA.

#### The following are the few CRM initiatives implementing by LIC

- Online services for renewal and new policies(Some)
- It also provides premium calculator and multiple premium payment options.
- LIC using the latest technology like e-mail and mobiles and also using of Mobile Apps ultimately change in fast and safer customer services in the CRM process.
- LIC establish satellite branches across the nation to link up the branch network, the Corporation took up the expansion of improved customer service even to rural areas.
- Now all customers can transfer insurance payments through any ATM terminal anywhere in the country.

**CRM Practices In HDFC Standard Life:** HDFC Standard Life dedicated to maintain the maximum level of customer service. Customers can manage their account online and access and manage life policies online, avail 17 premium payment options, know about tax benefits and tax laws applicable to their policy, able to contact the company, download policy servicing forms for permissible policy alterations, make claims and enquire about lapse and renewal of policies.

**CRM Practices in ICICI Prudential:** ICICI Prudential sells its products online through mobile or internet. For existing customers get full support about their policies information through online. Existing customers can set standing instructions, view fund progress, get E-statements and perform E- switch, do an online top up, file complaints, go through Pre issuance payments and protect their policy. They also have all the instructions regarding the procedure to file claims, make online claim intimation and avail networking of hospital facilities.

**CRM Practices in SBI Life:** SBI Life Insurance is a JV between SBI and BNP Paribas Cardif. To its existing policy holders, the company offers various services to pay premium online, detailed premium payment procedure, ECS facility, NRI services, claim settlement process, Answers to FAQs, SMS based services and Revival of lapsed policies.

New clients can profit of administrations of Premium adding machine, Need investigation number cruncher, Retirement adding machine, Human Life Value (HLV) mini-computer, Buy Policy Online Tools, Financial Planner devices, Proposal tracker, Order a shape, Meet an Advisor, Child instruction Planner, Tax mini-computer and Easy Plan Finder. A similar module likewise permits joining with the IRDA gateway to such an extent that the controller cans inquiry the framework to track gripes. With the new arrangement, SBI Life can effectively benefit any question/consistent in light of the fact that they have a merged perspective of all the past installments and history of client connection readily available taking into account quicker goals and prompt heightening for issue that require further examination.

**CRM Practices in Reliance Life:** For each protestation they get, they have a relating token from the controller which tracks the goals and characterizes the turnaround time. CRM Practices in Reliance Life protection. The organization gives online administrations to IVR (Interactive voice reaction) ECS and direct charge premium installment choices, Fund execution data, guarantee documenting strategy, download of structures, encourage work area and toll free contact numbers for questions and protestations.

**CRM Practices in Bajaj Allianz:** Bajaj Allianz gives Online Calculators – Return adding machine, Right safeguard mini-computer, Right contribute number cruncher and Retire rich adding machine. Life devices, for example, Manage your Policy, Claim Process and Get Claim status are given to strategy holders. Extra administrations incorporate Premium Renewal alternatives, Benefit outlines and Retrieve spared statements and Life FAQs.

**CRM Practices in Max Life:** CRM activities This is the primary association to have given a free look time of 15 days for the Customers - later on IRDA made this required, first Indian life back up plan to have given distinctive administrations to the specialists and clients over telephone, first organization to have begun toll free lines for operator Services, first life guarantor in India to have begun benefit focuses at the provincial level, first and the sole Indian life safety net provider to have incorporated the Lean approach of administration perfection in administration industry and first Indian life back up plan to have been granted ISO 9001:2008 accreditation.

Aside from the above accomplishments the normal CRM procedures incorporate client administrations, for example, Premium installment choices (More than ten alternatives) like Pay Online, Pay by Phone, Auto charge, Drop box or branch check get. IVR (Interactive Voice Response) to comprehend inquiries, Escalation Matrix to report inquiry to larger amount, Answers to as often as possible made inquiries, SMS reports on NAV, Last sum paid, arrangement status, approach due date, Unit Statement. Clients can download premium receipts and get data about pulled back plans.

**CRM Practices in Aviva Life:** The organization guarantees clients of day by day arrangement of data and the successful correspondence with as principle needs in their work. They offer different potential outcomes for access to the data about their items and administrations. They offer discussions to their clients and intend to give satisfactory arrangements that meet their individual needs.

### Suggestions

- Every life insurance company branch should form a proper customer grievance cell facility. The cell should exertion out an efficient strategy to clear the complaints of the agents and policyholders. Main work of this cell would be customer feedback, customer satisfaction determination and maintain good customer relationship management strategy.
- The life insurance companies should provide all physical facilities to the customers in every branch. The life insurance companies should arrange the facilities to the customers like toilet, good drinking water, sitting facilities and so on.
- The life insurance companies have to initiate steps to educate the customers about new services/new products (policy renewal in online, new policy arrival in online, premium due date in online, e-CRM and the like).
- Now-a-days, the corporate sector is promoting basic educational and health facilities as part of their social responsibility programmes. The software companies are an example in this respect. Therefore, it is suggested that the life insurance companies should also take up such responsibility besides its profit-making activities, as it is a major service sector in the society. 5. The Life Insurance companies must adopt Customer oriented Plan coverage through advisors, Easy settlement through wide area network by Agents/Officers, arrangement of more number of workshops/seminars for customer orientation, their employees must be instructed to maintain a good linkage with the present customers ,

### Conclusion

CRM practices of life insurance companies have seen a dramatic change over the past few years. Most of the insurance companies have very transparent and effective CRM models. However it is evident that the private companies have been the pioneers in initiating the CRM strategies because of service quality perceptions and increased competition in the industry. Customer services in private companies far outweigh the facilities offered in the public sector LIC. It was found that LIC has reinvented its strategies to stay abreast with IRDA regulations and provide varied facilities to its customers. 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 private life insurance companies due to their persistent efforts to build new customers and retain existing customers. Private companies also made it relatively easy for customers to revalidate lapsed policies and are very effective in quick claim settlements. There is definitely a shift of customers' preference from public sector LIC to private life insurance companies. This would be even more evident if private companies continue to reinvent themselves, develop customer need based products, eliminate mis-selling and concentrate on customer satisfaction and customer relationship building as its main prerogative.

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