



Special Issue - Innovative Commerce: Bridging Business and Computer Applications (ICBBCA-2026)

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A STUDY ON CUSTOMER PERSPECTIVE TOWARDS LIFE INSURANCE POLICY IN MADURAI CITY

Dr.T.Thamaraiselvi

Assistant Professor,

PG Department of Commerce with Computer Applications,

*Mannar Thirumalai Naicker College,
Madurai, Tamil Nadu, India.*

P.Kavipraveen

Student,

PG Department of Commerce with Computer Applications,

*Mannar Thirumalai Naicker College,
Madurai, Tamil Nadu, India.*

R.Kowsik varshan

Student,

*PG Department of commerce with Computer Applications,
Mannar Thirumalai Naicker College,*

Madurai, Tamil Nadu, India.

Abstract

The present study titled "A Study on Customer Perspective Towards Life Insurance Policy in Madurai City" aims to explore and analyze the perceptions, preferences, and influencing factors that shape customers' attitudes toward life insurance policies in the urban population of Madurai. Life insurance is a critical financial instrument that provides risk coverage and financial security for individuals and their families. Despite its importance, awareness and customer perception vary widely due to socio-econ factors, educational background, and personal experiences.

Keywords: Customer perception, Life Insurance Policy, Customer Loyalty, Risk Management, Service Quality, Insurance Satisfaction

Introduction

The concept of insurance has gained significant importance in modern society as it provides individuals and families with financial security against unforeseen risks. Among the various types of insurance, life insurance policies occupy a central position, as they not only provide protection against the economic consequences of premature death but also serve as a tool for long-term savings, investment, and financial planning. In developing countries like India, where economic uncertainties and family

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responsibilities are high, life insurance has become an essential mechanism for ensuring financial stability. Over the years, the Indian life insurance sector has experienced tremendous growth, largely due to increased awareness, diversification of policies, and the entry of multiple players in the market.

Objectives

- To assess the level of awareness among customers about life insurance policies in Madurai city.
- To identify the factors influencing the purchase of life insurance policies.
- To evaluate the role of service quality in shaping customer satisfaction with life insurance providers.
- To compare the perception of customers towards public sector and private sector life insurance companies.

2. Research Methodology

2.1 Research Design

Research design provides the overall framework and structure for conducting a study in a systematic manner. For the present study on customer perspectives towards life insurance policies in Madurai city.

2.2 Sources of Data Primary data

Refers to data collected first-hand by the researcher specifically for this study.

Secondary data

Refers to data that was previously collected by someone else for other purposes but useful for your research.

2.3 Sample Size

A sample size of around 150–200 respondents is considered adequate for meaningful analysis.

2.4 Sampling Technique

Non-Probability Sampling Convenience Sampling In this study, Convenience Sampling method is used

2.5 Tools Used for Analysis

The data collected will be analyzed using simple statistical tools such as percentages, averages, and frequency distributions to understand the general trends. Additionally, tools like Chi-square tests, correlation, and regression analysis may be used to identify the relationship between demographic factors and customer preferences. Graphs, charts, and tables will be employed for effective presentation of results.

2.6 Variable Studied

The primary dependent variable is customer perspective, which may be measured in terms of customer satisfaction, attitude, awareness level, and purchase intention towards life insurance policies. The independent variables influencing customer

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perspective include demographic factors such as age, gender, education, occupation, income level, and marital status.

3. Key Factors Influencing Customer Satisfaction in life insurance

3.1 Service Quality

The quality of service provided by the insurance company plays a major role in customer satisfaction. Prompt responses, professional behavior of agents, clear communication, and easy accessibility of services increase customer confidence and satisfaction.

3.2 Claim Settlement Process

A smooth, transparent, and quick claim settlement process is one of the most critical factors. Customers expect hassle-free documentation and timely payment. Delays or complications in claims can reduce satisfaction significantly.

3.3 Premium Affordability

Customers are satisfied when the premium amount is reasonable and affordable according to their income level. Flexible premium payment options also improve satisfaction.

3.4 Policy Features and Benefits

Comprehensive coverage, additional riders, bonus benefits, and flexibility in policy terms enhance customer satisfaction.

Customers prefer policies that match their financial goals and security needs.

3.5 Trust and Company Reputation

Trust in the insurance company and its brand image strongly influence satisfaction. A company with strong financial stability and good public reputation creates confidence among customers.

4. Data Analysis

Table 1: Occupation

Particulars	No. of Respondents	Percentage
Employed	35	27.3%
Un Employed	23	18%
Self Employed	11	8.6%
Students	56	43.8%
Others	03	2.3%
Total	128	100%

Source: Primary Data

Interpretation

From the above data total respondent are 128 from which 35 is Employed, 27.3%, 23 are Un Employed means 18%, 11 members is Self Employed, 8.6%, 56 is Student, 43.8%, and the others 03, 2.3%.

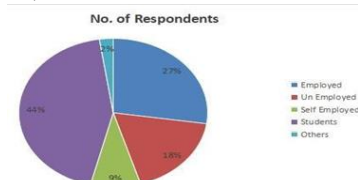


Fig 1: No. of Respondents



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Finding of the study

- The Majority of 44% of Respondents are student that is their occupation
- The Majority of 32 % of Respondents monthly once they are often does life insurance
- The Majority of 40% of Respondents 2-5 years they are long life insurance

Suggestion

The suggestions put forward in this study are rooted in a deep understanding of the attitudes, needs, and challenges faced by customers in Madurai City with regard to life insurance policies. It is evident that while awareness of life insurance exists, the actual depth of knowledge, trust in providers, and satisfaction with services still leave room for significant improvement. To bridge the gap between customer expectations and industry offerings, it is essential that insurance companies adopt a more customer-centric approach.

Conclusion

The study on customer perspectives towards life insurance policies in Madurai City reveals a multifaceted view of how individuals perceive, evaluate, and engage with life insurance products. It highlights that while awareness about life insurance is relatively high among the population, there remains a significant gap in terms of understanding the detailed features, benefits,

and technicalities of different policies. Customers in Madurai primarily view life insurance as a tool for financial security, especially for protecting their families in case of unforeseen events.

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