

STUDY OF CUSTOMER RELATIONSHIP MANAGEMENT IN INSURANCE SECTOR IN INDIA

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INTRODUCTION

Components of CRM

1. **Collaborative CRM** The collaborative interfaces (e-mail, conferencing, chat, real-time applications) that facilitate the interaction between a company and its customers, as well as within the business itself when dealing with customer information (e.g. customer service to sales, sales to marketing).
2. **Operational CRM** The automation of integrated business process that involves front-office customer touch points (sales, marketing, and customer service) via multiple, interconnected delivery channels, including the integration between front and back-office (i.e. sales automatically pulling data out of inventory systems or customer service automatically calling up a customer's billing records).
3. **Analytical CRM** The analysis of data for the purpose of business performance management. It refers to the analysis, modelling and evaluating of data, which is sitting in a data warehouse, a data mart, or various data storehouses to create a mutually beneficial relationship between a company and its customer.

Many businesses will soon move to WAP-based (or other wireless) devices, especially for field service, dispatching and field sales. Again, the engineers are ready many CRM companies offer a version of their CRM tools for the wireless crowd's use. Getting the architecture right for the wireless environment is a tough challenge, so be wary and keep an open mind when looking at these specific CRM offerings.

REVIEW OF LITERATURE

By Lyer, S.R., Dy. Managing Director SBI, "The process of economic liberalization and financial sector reforms brought the issue of customer's focus to the forefront. With their newfound freedom, the foreign Insurance companies, which are already operating in the

country, went for business aggressively. The new breed of private sector Insurance companies joined them. With their technology advantage, they aimed at niche market (segments within segments). The market leader SBI consulted Mckinsey regarding organization restructuring which again was mainly to achieve customer focus. The establishment of strategic business unit's viz., Corporate account group, National insurance companies group international insurance companies group in SBI was nothing but the first step toward getting closer to the customer in the identified market segments with well defined characteristics. Similarly, we can see attempts by other public as well as private sector Insurance companies to shape their structure and functioning with customer view. Meanwhile the customer choice and awareness have increased tremendously in this decade due to more open economy, the advent information technology and media revolution, beside hectic competition for resources by Insurance companies and non-Insurance companies. The customer focus at the unit level has been attempted by creating exclusive delivery channels for specific customer.

Today the insurance companies and the customer relationship have come under sharp focus both at the insurance companies as well as the customer's ends. First and foremost, customers are getting more and more critical of the services they receive. Many customers are not only wanting but expecting better services. The factor viz. lack of competition, administered regime oligopoly, insulated economy which hindered market forces and choice for customers are fading away, forcing Insurance companies to focus on customer. Perhaps the dominant questions, which are bothering the minds of the Insurance Company's management today, are how to improve customer services and build competitive advantage.

A marketing team knows how difficult it is to get new customers; customer retention is therefore a top priority for Insurance companies. Staying in close touch with the customers and seeing the services from the eyes of the customer are key elements the customer retention strategy. Customer complaints should be seen as opportunities for improvement in service.

Payne, Adrian in his article on customer relationship management he said that "CRM is developing into a major element of corporate strategy for many organizations".

Dokey, Sangeeta define CRM as "CRM varies from "know, target sell, service" to "better fulfilment of individual needs" by interaction and storing information".

After reviewing literature from books, it has been seen that customer relationship management deals with the handling of relationship with buyers and management of buyer accounts.

RESEARCH METHODOLOGY

In today's scenario customer is king. So, for any organization to achieve goals has to maintain Customer Relationship Management and satisfaction level. For this purpose many surveys are being conducted for measuring customer satisfaction level and the way to improve customer services. Some of my batch mates too had conducted survey for measuring customer service level from customer point of view. Are the employees and the customers having good relation with each other in the public as well as the private insurance companies? Insurance companies' employees behave as intermediary between the customer and the top management. They play a vital role in any organization, as they are the personnel who actually interact with the customer relationship management system is to increase knowledge and understanding of the customer, thereby gaining a larger "share of wallet". CRM is a mean for acquiring and retaining valuable customers, optimizing revenue and profitability, and building customer loyalty.

The attention of the insurance company's employees about their customers is having a great importance. If they cannot satisfy to the customer then customers can be so dissatisfied that divorce is imminent. So it is very important to give the attention to the customer.

So keeping this aspect in mind, we had planned to conduct a survey related to customer relationship management from the customer as well as the insurance company's employee's point of view. Hence, this topic is selected to know the various quality services that are provided by both public sector insurance companies and private sector insurance companies in order to retain their customers.

SUGGESTIONS

1. Insurance companies should improve their service and leap ahead in customer relationship management by maintaining separate database for high valued customers. Maintaining a comprehensive and exhaustive database indicates as to how Insurance companies can use this information to tap the customers and retain the customers.
2. Insurance companies do not contact their customers very often. To improve upon relationship, Insurance companies should go in for continual contact with customers. "They should contact their high value customers from time to time and also send updates about latest development in their Insurance companies.
3. Although all Insurance companies have a relationship manager but objectives and role of managers is not clearly defined. They are being utilized for Marketing, Finance and various other purposes which distract them from realobjective of CRM.

4. All Insurance companies are not actually making an attempt to measure the effectiveness of CRM. The tools for measuring effectiveness are not widely used.
5. The insurance companies who do not perceive a difference in conventional and relationship marketing should try to change their point of view if they want to survive through cut throat competition from other Insurance companies.
6. Insurance companies should hold a CRM training workshop with customer facing employees to develop and instill a new attitude to creativity and innovation.
7. The insurance companies should do proper planning for relationship management.

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