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Abstract
This article is an effort to study the various factors affecting the implementation of CRM while marketing the life insurance products in East Godavari District of Andhra Pradesh, India. Relationship marketing is widely accepted today as a philosophy and set of practices by both academicians and practitioners. The crux of the relationship-marketing paradigm relies on the accepted fact that procuring new clients is costlier than serving existing clients and making the most of the existing customers is a must for enhanced profitability for longer periods.

The study is an empirical design, which utilizes responses of structured questionnaire of 480 respondents from public and private Life insurance companies to explore the ranking of various factors and their impact on marketing the Life insurance products from the agents’ perspective. The study focuses on the ten factors that influences CRM implementation and the agent’s opinion on the influence of these factors and their own organization’s performance of these factors were analyzed.

The comparison of their perspectives of importance of factors and organizational ranking will provide an insight into the gaps in CRM design and implementation.

It was found that most of the factors considered for study were either considered to be very important or important by the agents. The factors involving customer dimensions, organizational dimensions and Customer database management are accepted to be important factors reflecting on the awareness among the agents about the significance of these factors.

Keyword: Customer Relationship Marketing, Factors affecting CRM, Life insurance sector, agents’ perspective.

Introduction:
Relationship marketing is the key that is instrumental to emotionally bond with customers in today’s highly competitive environment and making organizations realize the significance of all employee participation. Insurance sector runs on the agents and their ability to strike the relationship with their customers. The insurance is a long-term commitment and hence relationship marketing is crucial for the success of marketing the product. The perceptions of the agents on what are the significance factors and what is the company’s ranking of these factors surely influences their approach and dealing with the customer. This article is an effort to understand the perceptions of agents on the various factors and the extent of challenge they pose in marketing insurance products and in maintaining effective customer relationship.

The implementation of CRM is regarded as desirable by organizations due to the benefits that accrue from these strategies among these customers, such as greater loyalty and resulting profits. The focus of a CRM strategy is the acquisition, retention and overall customer profitability of the targeted customer segments.

- Acquisition of customers: Organizations always have a need to find new customers for their products/services. This means organizations must incessantly develop strategies to attract...
potential customers to purchase the product/service. The cost of attracting the new customer is estimated to be five times the cost of keeping a current customer happy. (Kotler, 1997)

- Retention of customers: Organizations need to focus on ensuring repeat purchases from existing customers. Organizations can increase their profitability between 20% and 125% if they boost their customer retention rate by 5 percent (Peck, Payne, Christopher & Clark, 2004)

- Profitability: Customer profitability will reflect the financial performance of customers with respect to all the costs associated with the transaction. (Gordon, 1998). Profitability in the case of CRM is determined in the light of Customer Life Time value to the organization, taking account the income and expenses associated with each customer and their respective transactions over time. (Gordon, 1998)

The penetration of insurance in India is still striving to reach 4% against the world average of 6.3% highlighting the scope of penetration for the insurance sector and need to align the marketing strategies with the agent’s perspective.

Life insurance firms meet the criteria for the implementation of CRM as indicated by Philip Kotler.

- A great deal of information concerning their customers and their needs.
- Different products to different customers
- Different financial circumstances resulting in designing different packages of products/services to customers.

PROFILE OF STUDY AREA:
The East Godavari District is located in the North Coastal part of the state of Andhra Pradesh. The District boundaries are Visakhapatnam, West Godavari, and Khammam Districts. Being the largest part of the rich Godavari delta, agriculture and aquaculture are major parts of the economy for this District. With the discoveries of oil and natural gas, it has increased its industrial sector. It is the home of two major fertilizer factories and in addition, gas based power plants and oil refineries. Now it is one of the Largest oil & gas hubs in India. The initial provisional data released by census India 2011, shows that density of East Godavari district for 2011 is 477 people per sq. km and the literacy rate was at 70.99%.

REVIEW OF LITERATURE
(Levitt, 1960), suggested that the purpose of every business is to create and keep customers. He suggested that today’s corporations should view the entire business process as consisting of closely held integrated effort to discover, create, arouse and satisfy customer needs.

The definition given by Kristin Anderson and Carol Kerr (2002) is that Customer Relationship Management is a comprehensive approach for creating, maintaining and expanding customer relationships. In this definition comprehensive means it belongs to the entire organization and not to some parts of the organization and it touches the performance of the entire organization. The second key word in the definition is “approach”, which means “a way of treating or dealing with something.”

Customer relationship management has been defined as “a business approach that integrates people, processes, and technology to maximize relationships with customers” Goldenberg (2008, p.3). According to Peppers and Rogers (2011), there is global tendency in customer relationship management that relates to the shift from transactional model towards the relationship model.

Robert E. Morgan et al. have done their empirical study on the UK insurance sector and found that insurance sales personnel fail to be client-driven during their customer approach and service. They found a gap in attention given to the nature of exchange between the service provider and the customers’ expectations and requirements from the service provider. It was found that there is a mismatch between the relationship marketing implementation at the service encounter and workforce level.

R. Mohan Pisharodi et al. in their article attempted to study the inter-relatedness between relationship strategy, relationship effectiveness, and responsiveness to customer needs using data collected through the administration of the One-to-One Gap Tool in the Indian service sector. The results of statistical
analysis using LISREL provide strong support for the positive relationship between relationship effectiveness and responsiveness to customer needs. The Organizational Activity of relationship strategy was also found to possess relationships consistent with theory.

Jain, R et al. studied the various determinants of customer relationship management effectiveness in India. They emphasized on behavioral dimensions of relationships and taken in – depth interviews as a tool. It was found that CRM many a times, influence the customer’s choice of service provider. The CRM efforts made by service sector companies directly reflects on the customer’s loyalty as per the study. The insurance sector is not an exception.

Petra Persson in his research thesis described CRM and found how companies are realizing the relationship management by using a CRM concept. The main barrier for implementing the CRM functionality in organizations is found to be that the CRM way of thinking is not realized yet by many organizations and employees are apprehensive of the technology used. He reiterates the fact that organizations need to reengineer the business processes and take up CRM which is suitable to the specific company in collaboration with the CRM sellers. He directs the organizations to integrate the marketing, sales, order, production and service process when designing their CRM solutions. ThuyUyen H. Nguyen et al studied the strategies for successful CRM implementation. The initial pull up of information that the marketing employees have with respect to past sales, service records, outstanding records and resolved problems were highlighted in this research paper. This paper is a combination narrative with argument and analysis. The study shows how proper utilization of customer database can enhance the firm’s profitability. Freimut Bodendorf et al. attempted to explain that the extraneous variable made a change to customers expectation and enhanced the demand for service solutions that cover the entire gambit, insurance companies are more and more forced to improve and update their portfolio of products and services to match with the changing customers expectations. The customers not compromising on anything but perfect product or service to their problems and that to with high quality and customized and personalized service when needed, making insurance companies bend upon developing products / services to be presented to the prospective customers at the right time and with the right quality.

Research methodology
The uniqueness of Insurance sector, is, unless the agents are trained on products and target customers, business seeking gets difficult to agents. The reason being, the salient features of each and every product of every Insurance agency varies. The agents opinion on the various factors that are important in implementation of CRM and their opinion on their organizations stand in these aspects will influence their performance. The increasing completion and variation in products and benefits surely makes it mandatory for organizations to study the factors that affect the CRM implementation from the agent’s perspective. The ten factors that are identified as crucial factors were taken for study and the importance given to these factors were analyzed and the respondents opinion on the organizational performance was considered for study.

Research Objectives
The broad objectives of this research is to understand on the customer relationship. The specific objectives are to answer the following questions:-

i. To study the factors that are crucial while designing CRM strategies were considered and their importance from the agents perspective were analyzed.

ii. The agents opinion on their organizations performance on these factors were assessed and correlation will provide a insight on the factors that affect the implementation of CRM.

Research Hypotheses:

i. There is a relationship between the experience and the number of policies marketed by agents

ii. All the factors that were taken for study are of equal significance from the agent’s perspective.

iii. There is a significant difference between LIC agents and private agents opinion on factors importance.

iv. The agents opinion on their organization is similar between LIC agents and private agents
Source of data:
The primary data was collected from the well structured questionnaires administered on the agents and the secondary data was taken from various publications and Journals. The research is heavily dependent on the primary data.

Sampling Techniques and Sample Size
Eight organizations were taken who are willing to provide the data through filled in questionnaires. LIC the leading public enterprise is one and the other seven are private insurance firms. The seven private players are ICICI Prudential Life, Reliance Life, Bajaj Allianz, Tata AIA, HDFC Standard, Birla Sunlife and SBI Life.

The research started by identifying the insurance agents and realized that the huge size of the respondents needed redefining the agents. The term “ACTIVE AGENTS” was defined. Agents who have provided business approved by the organization for the last six months as per the information provided by the branch managers.

The commercial division of district of East Godavari was taken and stratified Random sampling was taken from each region and after validation of the data 10% of the active agents are taken for the study. The sample size taken for the study is 480. The source of data was Researcher’s field survey, 2013 – 2014.

Research Instrument
The research instrument used for collection of data is the administering of well-structured questionnaire. The questionnaire consists of two sections. Section A consists of information relating to the socio-demographic characteristics of the respondent: name of organisation, sex, age, area of operation, annual income, experience in life insurance sector etc., while section B contains questions on the various factors that affect the implementation of CRM.

Data Analysis:
The data was analysed using SPSS which included both descriptive and inferential statistics. The Likert scale analysis along with mean and standard deviation were used.

- The respondents consist of 80.4% male respondents and 19.6% respondents are female respondents
- It was found that 61.7 percent respondents belong to Life Insurance Corporation of India. The rest 38.3 percent belong to private life insurance firms
- Out of 480 respondents 67.5% of the respondents are degree holders, 13.8% of the respondents have completed their intermediate. 10.6% of the respondents completed their SSC and the remaining 8.1% respondents are post – graduates.
- From the data it is evident that it is evident that 57.7% respondents market 1 – 5 policies per month. 30% respondents market 6 – 10 policies per month. 7.7% respondents are marketing 11 – 15 policies, 3.5% respondents’ market 16 – 20 policies and the rest 1% market more than 20 policies per month.
- Out of 480 respondents 24% of the respondents are earning between Rs.1,50,001 to Rs.2,00,000 annually. 19% of the respondents annual income is between Rs.1,00,001 to Rs.1,50,000. 18.8% respondents annual income is between Rs.50,001 – Rs.1,00,000. 12.3% respondents annual income is between Rs.2,00,001 – Rs.2,50,000. 10.6% respondents annual income is between Rs.2,50,001 – Rs.3,00,000. 8.8% of the respondents annual income is between Rs.1 – Rs.50,000. The remaining 6.7% respondents annual income is above Rs.3,00,000.
- Of the 480 respondents, 33.8% of the respondents have experience of 6 – 10 years, 30.6% of the respondents have experience of 1 – 5 years, 19.4% respondents have an experience of 11 – 15 years, 10% respondents have an experience of 16 – 20 years. And the rest 6.3% of respondents have an experience of above 20 years in life insurance sector.
- Out of 480 respondents it is clear that 33.1% of the respondents are associated with the present organization for 1 – 5 years, 31.7% of the respondents are associated with the present organization for 6 – 10 years, 19.2% respondents
have an experience of 11 – 15 years with the present organization, 9.8% respondents are associated with the present organization for 16 – 20 years. And the rest 6.3% of respondents have an experience of above 20 years in life insurance sector.

When cross tabulation analysis was done it was found that there are 12 respondents with overall experience of 6-10 years have shifted to other firm making them 1 – 5 years experienced with the present firm. 2 respondents with overall experience of 11 - 15 years have shifted to other firm making them 6 -10 years experienced with the present firm. Only 1 respondent with 16 -20 years have shifted to other firm making him 11 – 15 years experienced with the present firm. There are no changes in above 20 years. This reflects a negative trend among the respondents to switch organizations as years of association are increasing.

Table showing the cross tabulation of total experience in life insurance sector * number of policies per month

<table>
<thead>
<tr>
<th>Count</th>
<th>number of policies per month</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 - 5 policies</td>
<td>6 - 10 Policies</td>
</tr>
<tr>
<td>total experience in life insurance sector</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 - 5 Years</td>
<td>121</td>
<td>16</td>
</tr>
<tr>
<td>6 - 10 Years</td>
<td>102</td>
<td>48</td>
</tr>
<tr>
<td>11 - 15 Years</td>
<td>30</td>
<td>51</td>
</tr>
<tr>
<td>16 - 20 Years</td>
<td>11</td>
<td>17</td>
</tr>
<tr>
<td>20 years and above</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>277</td>
<td>144</td>
</tr>
</tbody>
</table>

Correlations

<table>
<thead>
<tr>
<th>total experience in life insurance sector</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>total experience in life insurance sector</td>
<td>.334**</td>
<td>.000</td>
<td>480</td>
</tr>
<tr>
<td>number of policies per month</td>
<td>.334**</td>
<td>.000</td>
<td>480</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).

Interpretation: it was found that there is a strong correlation between the total experience in life insurance and the number of policies marketed per month.

Table showing the respondents opinion on the factors and their importance in CRM implementation

<table>
<thead>
<tr>
<th>Factors and their Importance In CRM Implementation</th>
<th>Very Important</th>
<th>Important</th>
<th>Average</th>
<th>Less Important</th>
<th>Least Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collecting of complete customer information is very important</td>
<td>427 (89%)</td>
<td>47 (9.8%)</td>
<td>2 (0.4%)</td>
<td>2 (0.4%)</td>
<td>2 (0.4%)</td>
</tr>
<tr>
<td>Storing, updating and access to customer information at right time is very important</td>
<td>168 (35%)</td>
<td>250 (52.1%)</td>
<td>58 (12.1%)</td>
<td>1 (0.2%)</td>
<td>3 (0.6%)</td>
</tr>
<tr>
<td>Designing of Effective targeted Marketing communication is very important (promotional activities)</td>
<td>182 (37.9%)</td>
<td>242 (50.4%)</td>
<td>56 (11.7%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Having effective communication with agents is very important</td>
<td>207 (43.1%)</td>
<td>169 (35.2%)</td>
<td>103 (21.5%)</td>
<td>1 (0.2%)</td>
<td></td>
</tr>
</tbody>
</table>
Having total commitment from top management is very important
Employee involvement in CRM implementation is very important
There is a need for Sales and marketing process integration is very important
Streamlining of organizational structure and business processes is very important.
Need for reducing inter channel conflicts and departmental conflicts is very important.
Involvement of customer Participation and feedback is very important

<table>
<thead>
<tr>
<th>Factors and their Importance In CRM Implementation</th>
<th>Mean</th>
<th>PS</th>
<th>Median</th>
<th>SD</th>
<th>Statistic</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collecting of complete customer information is very important</td>
<td>4.86</td>
<td>96.61</td>
<td>5</td>
<td>0.45</td>
<td>-0.85</td>
<td>0.40</td>
</tr>
<tr>
<td>Storing, updating and access to customer information at right time is very important</td>
<td>4.21</td>
<td>80.16</td>
<td>4</td>
<td>0.70</td>
<td>-1.16</td>
<td>0.24</td>
</tr>
<tr>
<td>Designing of Effective targeted Marketing communication is very important (promotional activities)</td>
<td>4.26</td>
<td>81.56</td>
<td>4</td>
<td>0.65</td>
<td>-1.88</td>
<td>0.06</td>
</tr>
<tr>
<td>Having effective communication with agents is very important</td>
<td>4.21</td>
<td>80.31</td>
<td>4</td>
<td>0.78</td>
<td>-0.29</td>
<td>0.77</td>
</tr>
<tr>
<td>Having total commitment from top management is very important</td>
<td>4.06</td>
<td>76.56</td>
<td>4</td>
<td>0.78</td>
<td>-0.47</td>
<td>0.64</td>
</tr>
<tr>
<td>Employee involvement in CRM implementation is very important</td>
<td>3.92</td>
<td>72.92</td>
<td>4</td>
<td>0.93</td>
<td>-0.59</td>
<td>0.56</td>
</tr>
<tr>
<td>There is a need for Sales and marketing process integration is very important</td>
<td>3.77</td>
<td>69.27</td>
<td>4</td>
<td>1.00</td>
<td>-2.64</td>
<td>0.01*</td>
</tr>
<tr>
<td>Streamlining of organizational structure and business processes is very important.</td>
<td>3.91</td>
<td>72.76</td>
<td>4</td>
<td>0.88</td>
<td>-0.11</td>
<td>0.91</td>
</tr>
<tr>
<td>Need for reducing inter channel conflicts and departmental conflicts is very important.</td>
<td>4.19</td>
<td>79.79</td>
<td>4</td>
<td>0.82</td>
<td>-1.76</td>
<td>0.08</td>
</tr>
<tr>
<td>Involvement of customer Participation and feedback is very important</td>
<td>4.41</td>
<td>85.31</td>
<td>5</td>
<td>0.94</td>
<td>-0.02</td>
<td>0.98</td>
</tr>
</tbody>
</table>

* Significant at 5% level
** Significant at 1% level

When analyzed about the various factors and their importance in CRM implementation, the following is the response:

1. 89% of the respondents accepted that collection of complete information of the customer is very important in marketing life insurance products, 9.8% accepted it’s important and 0.4% each accepted as average, less important, least important. Percentage score (PS) is 96.61 and median value 5 indicates that most of the agents are accepting that collecting complete information of the customer is Very important in CRM implementation and the P value 0.40 indicates the opinion of agents of both LIC and private organization have similar opinion.
2. When analyzed about the storing, updating and access to customer information at right time, more than 50% of the respondents accepted that it is important, 35% accepted that it is very important, 12.1% accepted that storing, updating and access to customer information is of average importance. PS is 80.16 and median value of 4 indicates that most of the Agents are accepting that the storing, updating and access to customer information at right time is important in CRM implementation and the P value 0.24 indicates the opinion of Agents of both LIC and private organization have similar opinion.

3. When analyzed about the promotional activities, half of the Agents accepted that it is important to design the effective targeted marketing communication, 37.9% accepted it is very important and only 11.7% stated it as of average importance. PS of 81.56 and median value of 4 indicates that most of the agents are accepting that the Designing of Effective targeted Marketing communication is important and the P value 0.06 indicates the opinion of Agents of both LIC and private organization have similar opinion.

4. 43.1% accepted that having effective communication with agents is very important, 35.2% accepted that it is important, 21.5% stated that effective communication with agents is of average importance. PS is 80.31 and median value of 4 indicates that most of the Agents are accepting that the having effective communication with agent is important and P value 0.77 indicates the opinion of Agents of both LIC and private organization have similar opinion.

5. 45.4% of the Agents responded that having total commitment from the top management is important, 31.5% responded that it is very important, 21.3% accepted as average importance. PS is 76.56 and median value of 4 indicates 3/4th of the respondents accepted that it is important and P value 0.64 indicates the opinion of Agents of both LIC and private organizations have similar opinion.

6. 38.8% accepted that Employee involvement in CRM implementation is important, 30% accepted that it is very important, nearly 25% accepted that as average that it’s either important or unimportant, 5% accepted that it is less important and 1.3% accepted that it is least important. PS is 72.92 and median value 4 indicates that most of the Agents are accepting that the employee involvement in CRM implementation is important and P value 0.56 indicates the opinion of Agents of both LIC and private organizations have similar opinion.

7. 35.6% stated that the need for Sales and marketing process integration is important, 27.5% stated that it is very important, 23.5% accepted that it is of average importance, 13.1% accepted that is less important and 0.2% accepted that it is least important. PS is 69.27 and median value of 4 indicates that most of the agents are accepting that the need for Sales and marketing process integration is important but the P value of 0.01 indicates that opinion of agents of both LIC and private organizations are not similar.

8. When analyzed about the Streamlining of organizational structure and business processes, 43.5% accepted that is important, 27.15% accepted that it is very important, 23.8% accepted that as average that it’s either important or unimportant, 4.6% are in a opinion that it is less important and 1% accepted that it is least important. PS is 72.76 and median value of 4 indicates that most of the agents are accepting that the Streamlining of organizational structure and business processes is important and P value of 0.91indicates the opinion of Agents of both LIC and private organizations have similar opinion.

9. 44.4% accepted that need for reducing inter channel conflicts and departmental conflicts is important, 39.6% accepted that it is very important, 12.9% accepted that as average that it’s either important or unimportant, 1.9% are in a opinion that it is less important and 1.3% accepted that it is least important. PS is 79.79 and median value of 4 indicates that most of the agents are in a opinion that there is need for reducing inter channel conflicts and departmental conflicts is important and P value 0.08 indicates the Agents of both LIC and private organizations have similar opinion.

10. More than 50% of the agents responded that Involvement of customer Participation and feedback is very important, 21.9% responded that it is important, 10.2% accepted that as average that it’s either important or unimportant, 1.9% are in a opinion that it is less important
and 2.7% accepted that it is least important. PS is 85.31 and median value 5 indicates that most of the agents are in a opinion that Involvement of customer Participation and feedback is very important and P value 0.98 indicates the agents of both LIC and private organizations have similar opinion.

From the above analysis it is clear that there are many factors that are important in CRM implementation and many factors have median value of 4 which indicates all the Agents feel that complete customer information, sorting, updating and access to customer information at right time, designing effective targeted marketing communication, having effective communication with the agents, having total commitment from top management, Employee involvement, Sales and marketing process integration, Streamlining of organizational structure and business processes, Need for reducing inter channel conflicts and departmental conflicts, Involvement of customer Participation and feedback is highly important and based on P value it indicates that for most of the factors all the Agents of both LIC and private organizations have similar opinion.

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