



Bancassurance Changing Dimensions Of Banker's And Customer's Perception (A Micro Analysis of Kantapada Block)

*Binayee Mishra

** Dr. Krupasindhu Pradhan

**Lecturer in commerce, U.N. Autonomous College of Sc & Tech, Adaspur Cuttack Odisha*

*** Head , Dept of Analytical and Applied Economics U.N.Autonomous college of Sc & Tech, Adaspur Cuttack Odisha,*

Abstract

Today, the world has moved from narrow banking to broad and need based banking. The business of banking around the globe is changing due to integration of global financial markets, development of new technologies, universalization of banking operations and diversification in non-banking activities. Banks have now entered into insurance business through Bancassurance. Bancassurance means selling insurance product through banks. The study is intended to analyze the opportunities and challenges of bancassurance in Kantapada block under Cuttack district. It also identifies the factors that motivate the customers to avail insurance policies from banks and also problems faced by them. The scope of the study is limited to only 4 banks of kantapada block which distribute insurance policies. The study is based on structured questionnaire and other published reports. It has found that Customers feel that insurance agents have more expertise in insurance products than bank employees of kantapada block and recommended to have more awareness program like campaign; sponsorship program at SV NIRTAR OLATPUR must be placed before customers.

JEL Classification: G21, G22

Key words: Bank, need based banking, bancassurance, customers, Insurance policies

Received 25 August, 2022; Revised 08 Sep., 2022; Accepted 09 Sep., 2022 © The author(s) 2022.

Published with open access at www.questjournals.org

I. (INTRODUCTION & METHODOLOGY)

Today, the world has moved from narrow banking to broad and need based banking. The business of banking around the globe is changing due to integration of global financial markets, development of new technologies, universalization of banking operations and diversification in non-banking activities. Due to all these movements, the boundaries that have kept various financial services separate from each other have vanished. Customer Satisfaction has become the key to modern day successful banking. The modern day customer looks at one stop solution for all his financial needs. The coming together of different financial services has provided synergies in operations and development of new concepts. One of these is Bancassurance. Banks have now entered into insurance business through Bancassurance. Bancassurance means selling insurance product through banks.

Banks and insurance companies come up in a partnership wherein the bank sells the tied insurance company's insurance products to its clients. Bancassurance arrangement benefits both the firms. On the one hand, by selling insurance policies banks earn revenue apart from its fund based income, called fee based income or non-interest income and it is risk free income as the bank plays the role of an intermediary in Bancassurance whereas on the other hand, the insurance firm increases its market reach and customers. The bank acts as an intermediary, helping insurance firm reach its target customer in order to increase its market share.

The Life insurance industry in India, which was a long monopoly of the Life Insurance Corporation of India Ltd, opened up to the private players in the year 1999. This deregulation of the industry was necessitated by the low insurance penetration ratio and the declining customer orientation towards insurance services in the country. The IRDA regulations, keeping in mind the objective of increasing penetration ratio, made it

mandatory for the insurance companies to generate certain portion of their business from the rural areas and the segments of the economy which were earlier left untouched. And the existing direct agency force which was the sole selling insurance intermediary, could not assure the required returns.

Today convenience is a major issue in managing a person's day-to-day activities. A bank that is able to market insurance products has a competitive edge over its competitors. It can provide complete financial planning services to its customers under one roof, for example opportunities for sophisticated product offerings, opportunities for greater customer lifecycle management, diversification and growth of revenue base from existing relationships, diversifying risks by tapping another area of profitability coupled with the realization that insurance is a necessary consumer need.

Kantapada is a block situated in cuttack district in Odisha. Positioned in rural part of Odisha, it is one of the 15 blocks of cuttack district. The block has 75000 population with 90 villages and total 14 panchayat.

STATEMENT OF THE PROBLEM

The Indian banking sector has a long way to go when its success through the bancassurance business is compared to that of the western countries. Bancassurance means selling insurance products through banks. Banks and insurance company come up in a partnership wherein the bank sells the tied insurance company's insurance products to its clients. The bank acts as an intermediary, helping insurance firm reach its target customers in order to increase its market share. By keeping the above said points, the researchers took an attempt to study the opinion of the bankers about marketing practices of INSURANCE products through bancassurance channel and also to study customers perception regarding bancassurance in four banks of Kantapada block.

SCOPE OF THE STUDY:

The study is intended to analyze the opportunities and challenges of bancassurance in Kantapada block under Cuttack district. It also identifies the factors that motivate the customers to avail insurance policies from banks and also problems faced by them. The scope of the study is limited to only 4 banks of Kantapada block which distribute insurance policies. The study covers only those customers who avail insurance policies from banks. The study covers the variables such as opportunities, challenges, level of awareness, motivating factors to avail insurance and problems faced.

RELEVANCE OF THE STUDY:

Bancassurance is one among the different distribution channels for insurance. Due to the recent revolution in banking sector as Jan Dhan Yojana introduced by the NDA government, there has been penetration in the banking sector. But in the same manner, there is lack of similar penetration in the insurance sector. The study aims at finding the reason behind the lack of similar penetration in the insurance sector and also suggests measures for improving insurance penetration.

This research will find out the problems faced by bancassurance customers regarding insurance products. This will help insurance companies to produce more cost effective variety of insurance products as cost of selling insurance products through bank is less because banks existing infrastructure is used for marketing insurance products.

This research will identify the loopholes of bancassurance in Kantapada block, both banks and insurance companies will work on the loopholes, so that more number of insurance products can be marketed to the people of Kantapada block. This will protect against financial risk of the people of the society. This will also help in promoting saving habits of people.

OBJECTIVES OF THE STUDY:

- To find out the awareness level of customers regarding Selling of Insurance Products by the bank.
- To analyse the factors influencing the attitude of bank managers towards bancassurance.
- To examine the factors affecting buying behaviour of customers in purchasing the insurance Policies through the banks.

RESEARCH HYPOTHESES:

The following are the hypotheses developed for the study:

1. There is no significant difference between the perception levels of bank managers of public sector banks with respect to the opportunities of bancassurance in Kantapada block under cuttack district.
2. There is no significant co-relation between the demographic profile of the respondent (age, gender, occupation and education etc.) and their preference on bancassurance.
3. There is no significant variability in the performance level of bank employees regarding bancassurance in Kantapada block.

4. There is no significant association between the levels of awareness of customers and the features of bancassurance products in Kantapada Block.

RESEARCH METHODOLOGY:

Methods of Data Collection

The study will be based upon both primary and secondary data.

Primary data:

A survey was conducted with a target population of kantapara block comprising men and women over 18 years old, who have transactions with banks or an insurance company. Convenience sampling was used for survey. The final questionnaire was administered personally from 50 members including different categories of beneficiaries. The survey was done in the month of May 2022.

Questionnaire Design:

A questionnaire consisting of 20 questions was administered for customers and 10 for bankers to know their perception about bancassurance. The questionnaire was tested in the pg dept of commerce of U.N (AUTO) COLLEGE OF SC & TECH, ADASPUR CUTTACK and based upon the feedback appropriate changes were made to improve the questionnaire to make it more respondents friendly. Participants were asked to express their consent level with 20 statements, which were related to whether they preferred the insurance agent or the bank. For the measurement of all these items a five-point Likert Scale was used (1 = strongly disagree to 5 = strongly agree). In the beginning part, questions relating to the demographics of the respondents were included specifically- gender, age, education, designation and income.

Tools Applied:

Mean:

The mean of only 10 statements administered from the respondents is calculated to know the average preference of customer for buying insurance from banks and Insurance agents. For this we have done the coding of responses such as Strongly disagree 1 , Disagree 2 Neutral 3 Agree 4 Strongly agree 5

The mean responses of all the statements are calculated using this scale.

Standard Deviation:

Standard deviation of all the 10 statements administered among respondents is calculated to know the variability in response of each statement from the average response. If the standard deviation is less, it can be conclude that the responses are around mean response and the mean response is reliable and honest.

Chi-square Test

Mann-whitney u-Test is also applied

LIMITATIONS OF THE STUDY:

1. The research was conducted only among kantapada block. A more diverse sample can be used.
2. The survey examined only 20 questions. More questions regarding pricing, servicing, product feature can be added.

II. (REVIEW OF LITERATURE)

Choudhury, Singh and Saikia (2016) found that customers have favorable experiences when buying life insurance through the bancassurance channel. There are seven core factors that affect customer experience in bancassurance: ease of buying, whether maturity benefit is received, reliability of the channel, responsiveness of the channel, after-sale services, stock market-related information, and accuracy of the channel. Banks should devise a strategy to sustain favorable experiences of their customers, as this enables banks to retain their existing customers while also attracting new ones.

Peng, Jeng, Wang and Chen (2017) found that involvement in bancassurance business does lead to improvements in the overall performance of banks. The results suggest that bancassurance provides banks with real benefits, whilst also increasing value for bank shareholders. The study that banks may be better able to utilize their networks and other fixed costs, thereby raising their overall cost efficiency, with the resultant improvements in the skill sets of their employees ultimately raising their technical efficiency. They also found that banks with greater involvement in bancassurance business have greater profitability than other banks.

Singh and Choudhury (2017) found that customers have highly favorable perception regarding reliability, responsiveness, empathy and assurance of bancassurance channel. Customers also perceive that the bank has adequate tangible infrastructure to provide insurance service, which is significant for bringing more customers and retaining old customers as tangible infrastructure is low in public sector life insurance companies for doing business under agency channel. They also opined that yet there are scopes for improvement in customer's perception with respect to the above mentioned attributes as there are possibilities to uplift them to a very high level too.

N. kalaivani.etal (2020) have found that private sector bank managers have high level attitude about bancassurance because private sector bank managers obtained a highest mean rank. Mann-Whitney U test has been employed to analyse the attitude of the public and private sector bank managers regarding factors influencing bancassurance.

The null hypothesis framed is that there is no significant difference between public and private sector bank managers regarding factors influencing bancassurance.

(Salih &Bedoui, 2021)The study aimed to show the development of bank insurance in Jordan during 2008-2019. The study concluded that there are prospects for providing insurance products by banks. The penetration of bank insurance is much lower in public insurance .The main driver behind the market volatility of growth due to the fact that insurance products do not have a significant competitive advantage in the financial sector.

Zahraa Salih Hamdi(2022) The study aimed to show the effect of bank insurance in enhancing the market share of Jordanian banks. The fixed panel was applied. Using indicators such as employee productivity and efficiency, representing bank insurance as an independent variable. The dependent variable includes market share. The results of the analysis showed that bank insurance had a statistical effect on the market share of banking facilities positively, in addition to that, insurance for bankers had a statistical impact on the market share of capital adequacy negatively.

III. (DATA ANALYSIS & INTERPRETATION)

On the basis of data collected from bankers and customers, I have analysed the available information in following manner.

CUSTOMER'S PERCEPTION:

TABLE -1: (RESPONDENT PROFILE-GENDER WISE)

GENDER	FREQUENCY	PERCENTAGE(%)
MALE	22	44
FEMALE	28	56
TOTAL	50	100.0

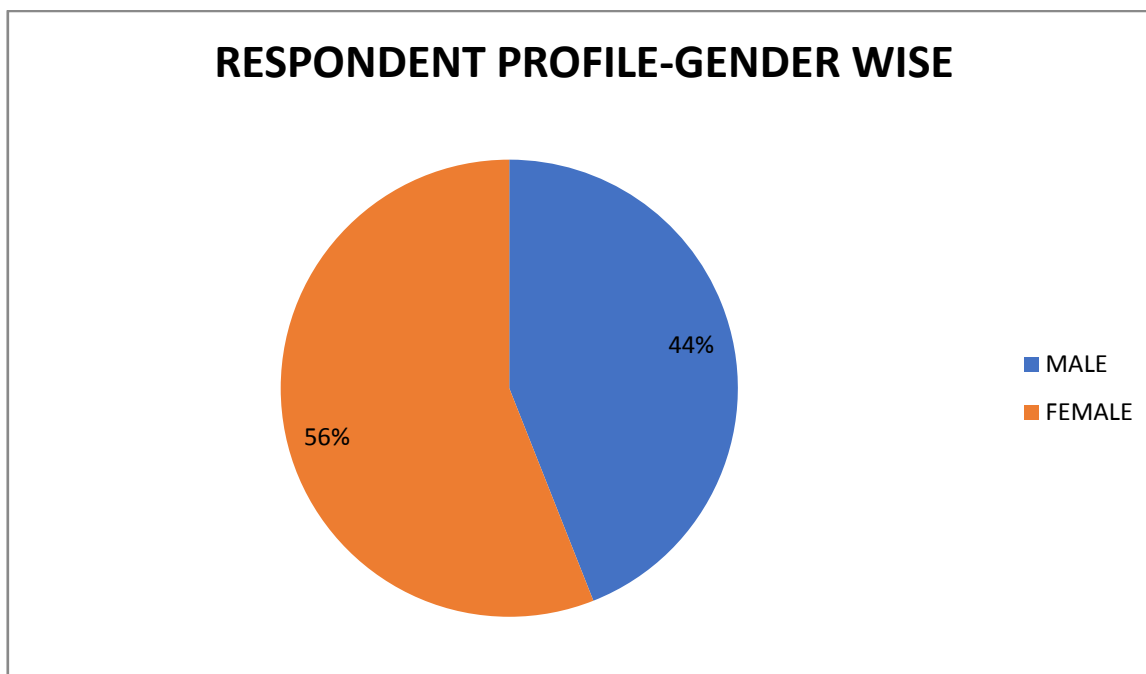


Fig 1:

The above chart is all about my respondent to my research. Gender wise it is classified. Out of 50 respondents 22 belong to male category and remaining are female respondents.

TABLE -2: (RESPONDENT PROFILE- AGE WISE)

AGE	FREQUENCY
18-26	15
27-36	12
37-46	10
47-56	8
56+	5

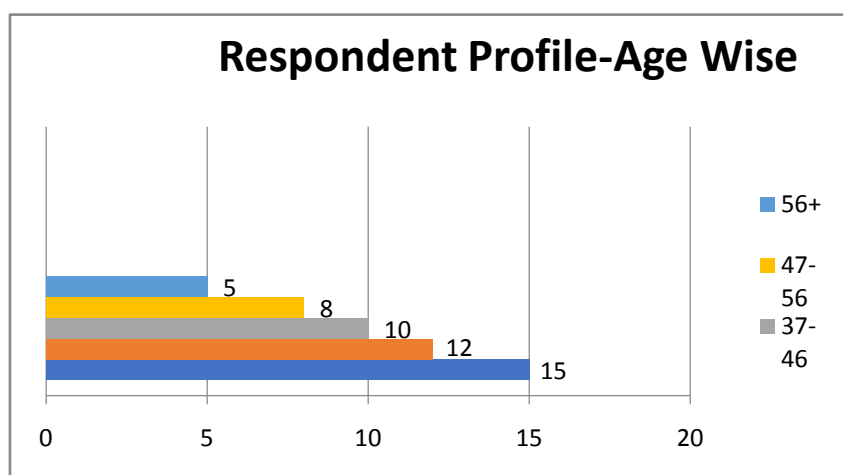


Fig 2:

In my research study, I have chosen. The respondents age wise. According to the bar chart, it shows that higher number of respondents are belong to the age group of (18-26) and lowest are in above age group of 56.

TABLE -3: (RESPONDENT PROFILE- EDUCATION WISE)

EDUCATION	FREQUENCY	PERCENTAGE(%)
MATRICULATION	20	40
GRADUATION	17	34
POST GRADUATION	5	10
DOCTORAL DEGREE	8	16

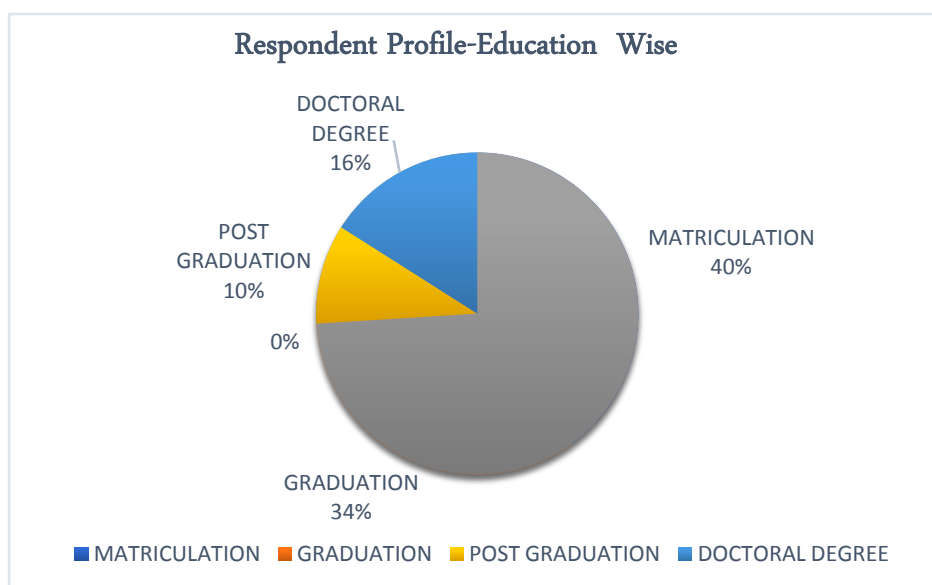


Fig 3:

From the above information we found that my respondents have acquired different qualification level such as matriculation, Graduation, Post Graduation and also highest degree i.e. Ph.D. the pie chart shows that 34% respondents have acquired Graduation degree and 16% respondents are having Ph.D degree.

TABLE -4: (RESPONDENT PROFILE-CATEGORY WISE)

CATEGORY OF RESPONDENTS	FREQUENCY	PERCENTAGE (%)
STUDENT	25	50
LECTURER	12	24
OFFICE ASSISTANT	8	16
CLASS-4 EMPLOYEES	5	10
TOTAL	50	100

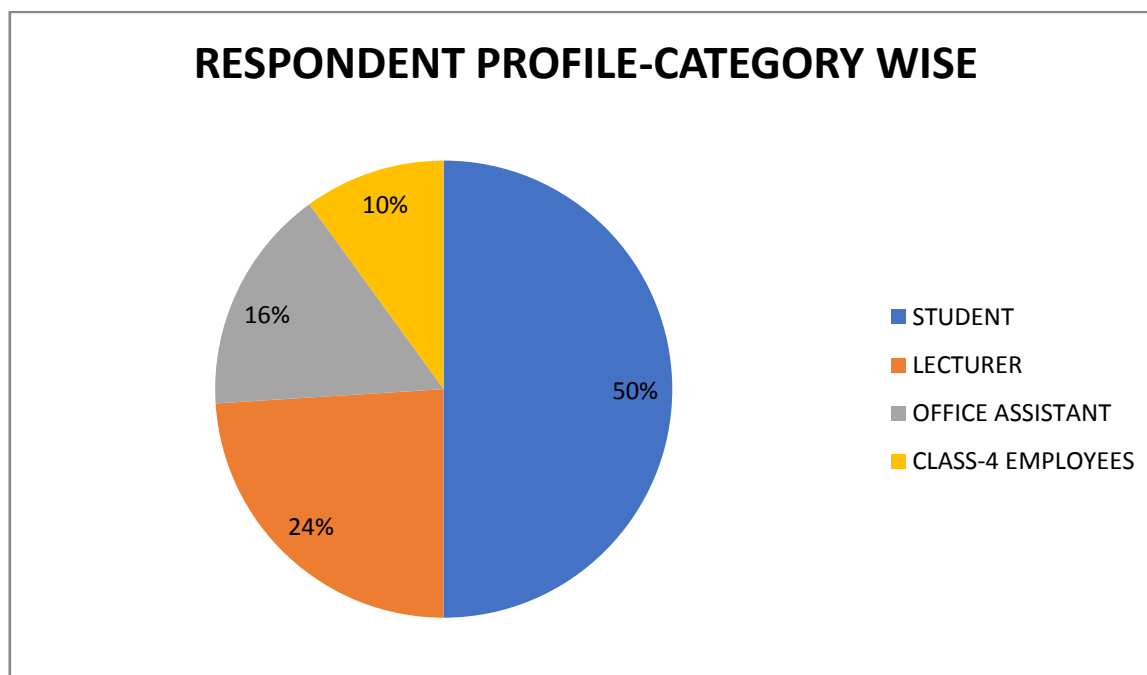


Fig 4:

Here, it is to be found that respondents are in different position like student, lecturer, office assistants and also class 4 employees. I have collected maximum data from students group only.

TABLE -5: (RESPONDENT PROFILE-INCOME WISE)

INCOME	NUMBER
LESS THAN 10,000	10
10,000-40,000	15
40,000-70,000	12
ABOVE 70,000	13

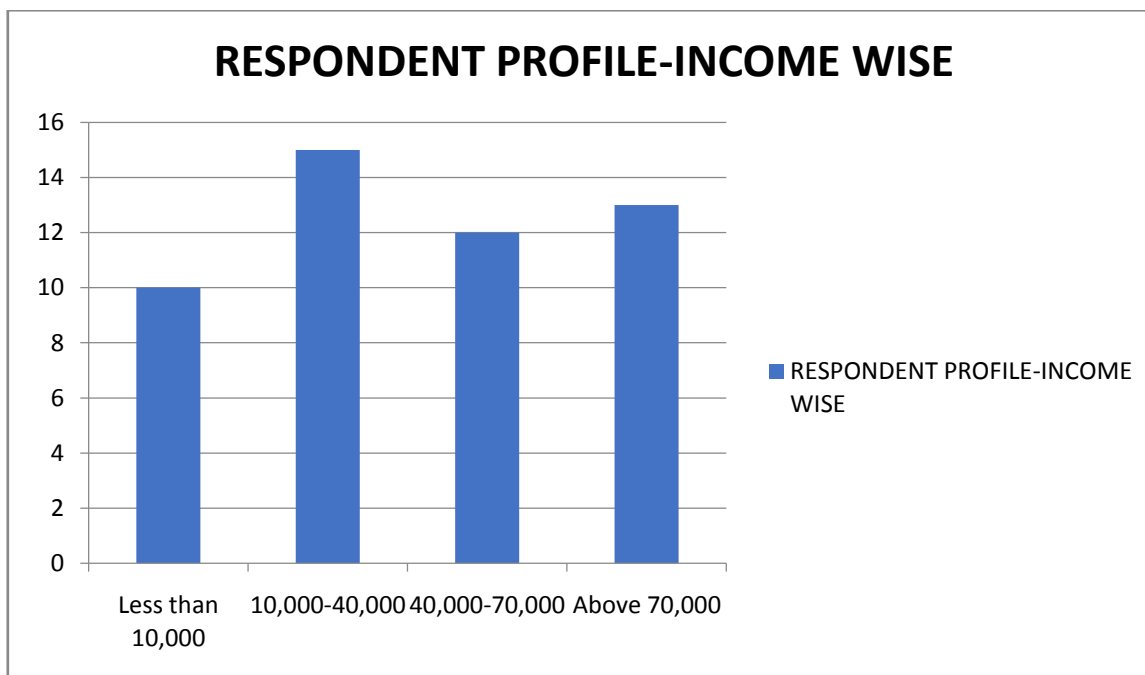


Fig 5:

The above chart shows that 15 respondents having income between 10,000-40,000 and only 10 respondents have income below 10,000. It is clearly understand the interest of the customers to go for bancassurance channel.

TABLE -6: (REASONS FOR BUYING INSURANCE PRODUCTS FROM BANKS)

REASONS	NUMBER	PERCENTAGE (%)
TRUST AND CONFIDENCE	9	18
SERVICE QUALITY	10	20
GOOD TERMS	11	22
UNDER ONE ROOF	20	40
TOTAL	50	100.0

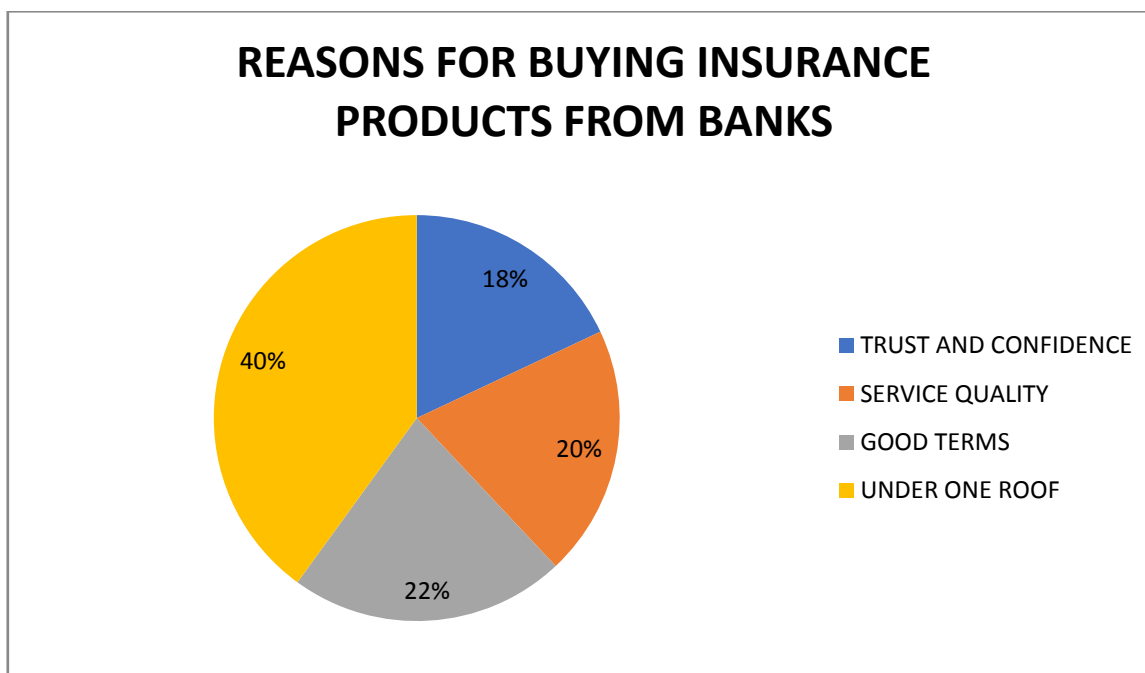


Fig 6:

This pie chart shows the reasons of buying insurance products from banks. The reasons may be good terms, under one roof etc. 40 % responds that they will get all kind of services like banking as well as insurance services under one roof.

TABLE -7: (SOURCE OF INFORMATION)

SOURCE OF INFORMATION	NUMBER	PERCENT (%)
MEDIA	10	20
AGENTS	14	28
SEARCH ENGINE	11	22
BANK EMPLOYEES	15	30
TOTAL	50	100.0

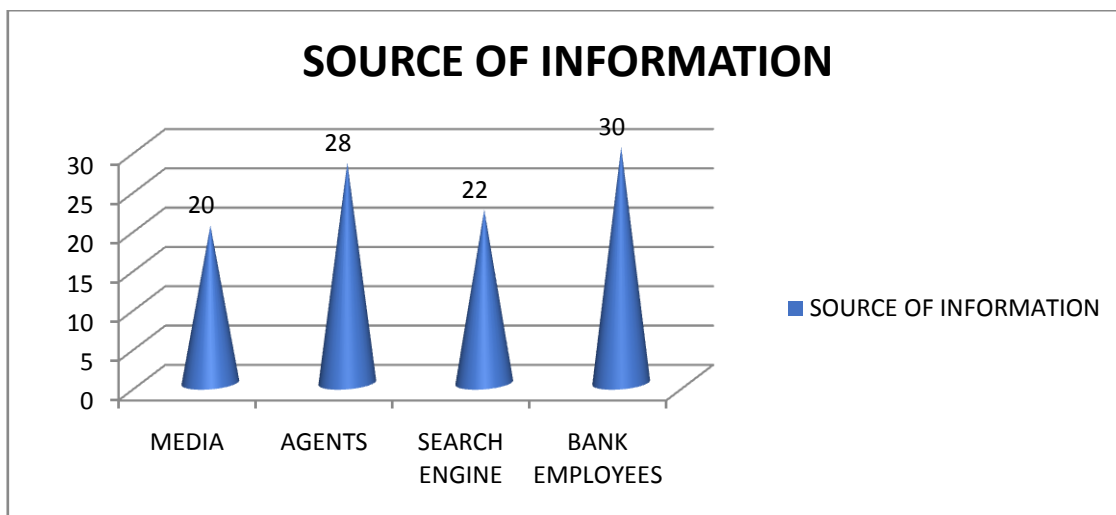


Fig 7:

This graph shows the source of information collected by customers. 30% respondents collected through bank employees and 20% from other media & channels.

TABLE-8:(TYPES OF INSURANCE PRODUCTS PREFERRED BY RESPONDENTS)

TYPES OF PRODUCT	NUMBER	PERCENTAGE (%)
LIC	18	36
GIC	22	44
BOTH	10	20
TOTAL	50	100.0

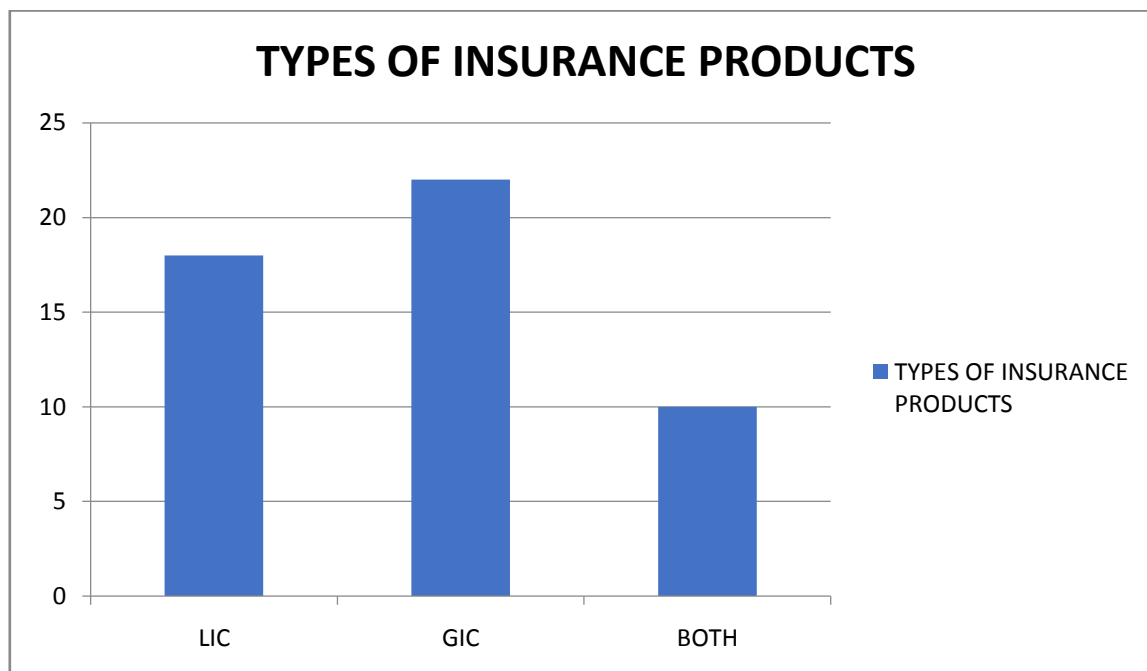


Fig 8:

This graph shows the types of insurance products preferred by customers. 44% i.e. 22 out of 50 respondents preferred LIC products where as 20% i.e. 10 respondents preferred both LIC and GIC products.

TABLE-9 : (AWARENESS REGARDING BANCASSURANCE)

	FREQUENCY(F)	PERCENTAGE(%)
SIGNIFICANTLY	39	78%
PARTIALLY	11	22%
TOTAL	50	100.0

The above table shows the extent of awareness regarding bancassurance service rendered by the bank.

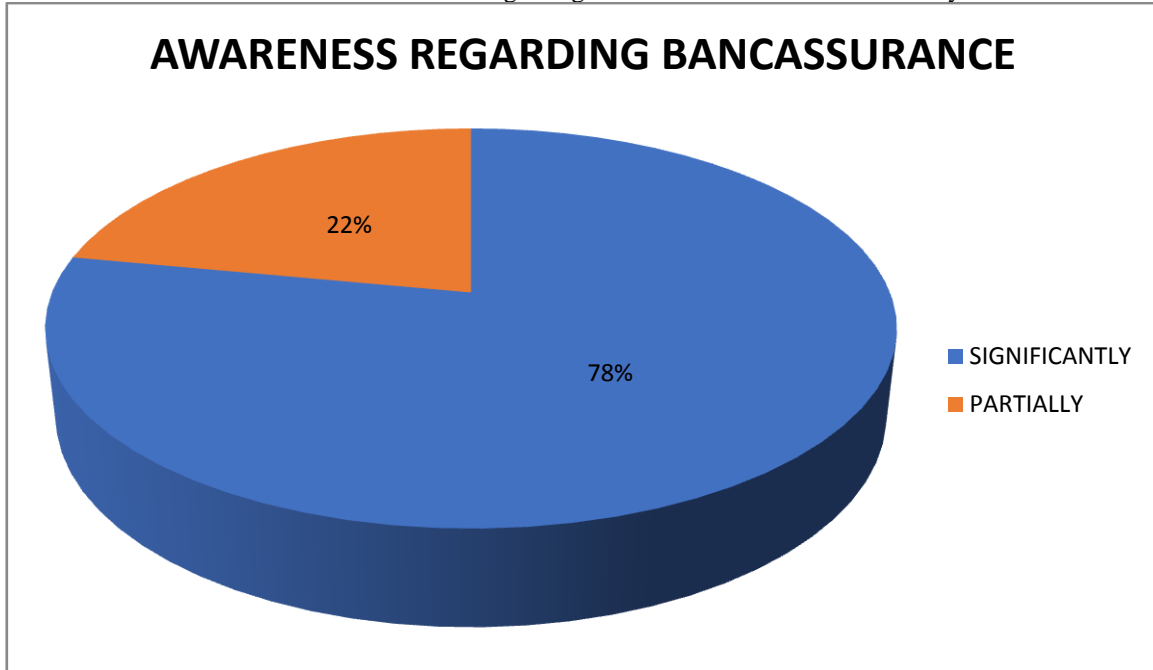


Fig 9:

This graph shows out of total respondents, 78% responded that the knowledge about the bancassurance channel is significant and remaining 22% responded that awareness is only partially.

TABLE -10 : GENDER PERCEPTION ASSURANCE

ASSURANCE	MALE FREQUENCY	FEMALE FREQUENCY	TOTAL	MALE %	FEMALE %
LOW ASSURANCE	5	1	6	12	10
MODERATE	12	3	15	30	30
HIGH	13	4	17	33	40
VERY HIGH	10	2	12	25	20
TOTAL	40	10	50	100.0	100.0

The above table clearly shows that the relation between the gender of customers and their perception regarding assurance of bancassurance is not significant.

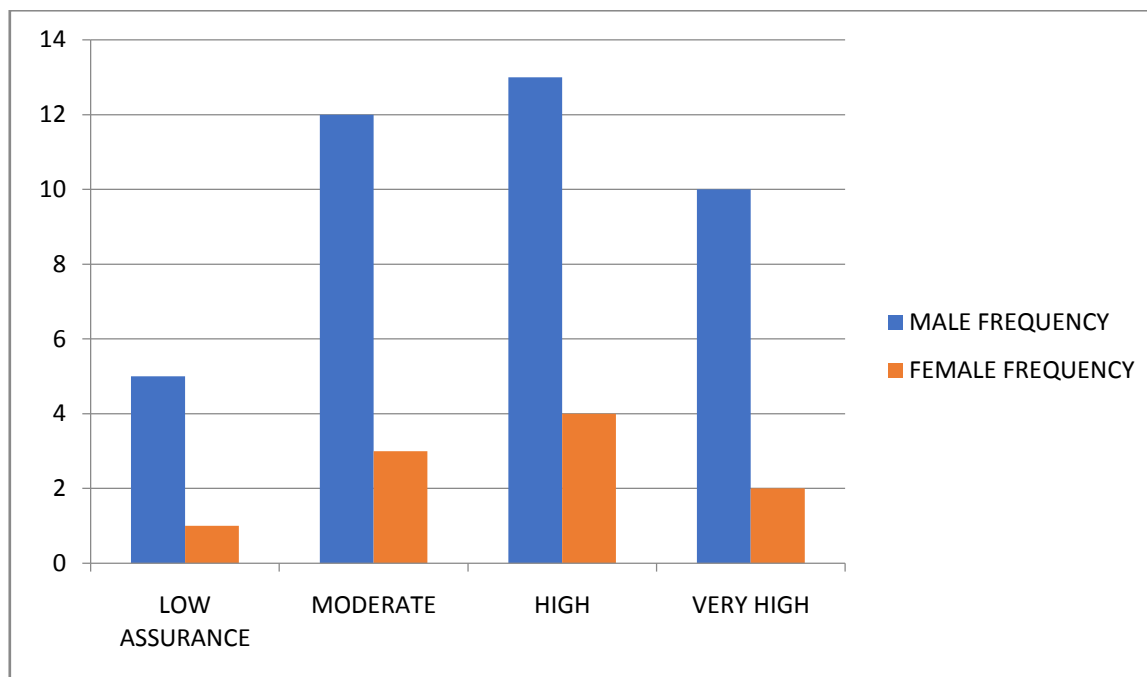


Fig 10

TABLE -11: DISTRIBUTION OF POLICYHOLDERS RESPONDENTS

POLICY HOLDERS	STUDENT	LECTURER	OFFICE ASSISTANT	CLASS-4 EMPLOYESS	TOTAL
Yes	13	8	6	3	30
No	12	4	2	2	20
	25	12	8	5	50

Chi-square value = 1.639

In a category of lecturer and student only 66.00 and 52.00 percent of the respondents respectively purchase the policy through banks while this proportion is 75.00 and 60.00 percent in office assistant and class-4 employees respectively. The pattern of purchasing insurance policy through banks differs significantly in different cities as conveyed by the chi-square value of 1.639. This reveals that office assistant and class-4 employees are highly learned about the bancassurance as compared to their counterparts in students and lecturer category.

TABLE-12: CUSTOMERS ATTITUDE

SL.NO	STATEMENTS	MEAN	S.D
1	Do you think insurance agents give all information needed ?	3	1.01
2	Do you trust bank for all your financial needs?	3.34	1.00
3	Do you feel that your insurance agent will not Force you to buy insurance products?	2.76	1.11
4	Do you think that bank employees have expertise in insurance products?	2.9	0.9
5	Do you think that insurance agent gives all the information needed?	3.02	1.003
6	Do you trust the bank employees?	3.5	0.8
7	Do you trust insurance company for all your financial needs?	2.87	1.07
8	Do you think that bank employees can better advice on insurance products?	3.55	0.77
9	Do you think that bank offers same insurance products?	3.22	0.92
10	Do you think that your insurance agent can better advise you on insurance products?	3.86	0.6

The first statement was regarding whether insurance agents provided all the needed information. And the mean score was equal to 3 which represents that the customers are neither satisfied nor dissatisfied about it, they are just neutral about it (S.D. is as low as equal to 1.01).

In the second statement the trust level of customer for bank employees for all their financial need were analysed and it is concluded that they trust bank employees as the mean score is 3.34 and standard deviation is as low as equal to 1.00 representing reliability of mean value.

In this third statement customers were asked whether bank employees push them to buy insurance products and the customers are neither satisfied nor dissatisfied i.e. neutral on an average as the mean score is 2.76 and the standard deviation is as low as equal to 1.1

In the fourth statement customers were asked whether bank employee has more expertise than insurance agent. In this question customer answer was not satisfied so mean score is only 2.9.

Fifth statement was regarding whether insurance agents provided all the needed information. And the mean score was equal to 3.02 which represents that the customers are neither satisfied nor dissatisfied about it, they are just neutral about it (S.D. is as low as equal to 1.003).

In the sixth statement the trust level of customer for bank employees for all their financial need were analysed and it is concluded that they trust bank employees as the mean score is 3.5 and standard deviation is as low as equal to 0.8 representing reliability of mean value.

From the seventh statement it can be concluded that the people trust bank more than insurance company for all their financial need as the mean score for trust on insurance company is 2.87 less than trust for bank which 3.5 and the standard deviation is as low as equal to 1.07 representing the reliability of mean value.

In the eighth statement they think that the insurance agents can advise them on insurance product as mean is 3.55 (S.D is as low as equal to 0.77) the lower value of standard deviation represents that mean is reliable and there is little variation in the responses of various respondents.

In the ninth statement the customers are indifferent between the products being offered by banks as well as non-bank insurance company as the mean score is 3.22 and the standard deviation is as low as equal to 0.92.

from the tenth question, the customer was neither satisfied nor answer clearly about better advice taken by insurance agent. Here the mean score is 3.86 and S.D is 0.6.

TABLE -13 : LEVEL OF SATISFACTION

ASPECTS	MEAN	S.D
Explanation of Policy Details	3.89	0.49
Dealing Staff Behaviour	3.76	0.88
Complaint attending by Staff	3.71	0.96
Timely disbursement of Benefits	3.91	0.62
Up to date information	4.01	0.62

The comparison of level of satisfaction revealed that there was no significant difference in the level of satisfaction among respondents from the 4 selected cities in case of policy details, premium amount, insurance benefits, staff behaviour, overhead costs and timely intimation by the bank. But significant differences appeared between cities in case of complaint attending attitude of the staff, timely disbursement of benefits, loan facility against policy, recontinuance of lapsed policy and updated information.

The level of satisfaction on complaint attending attitude of the bank staff came to significantly higher among respondents in case of timely disbursement of benefits, updated information as well as staff behaviour.

TABLE-14: FUTURE INTENTION OF RESPONDENTS

INTENTION	STUDENTS	LECTURER	OFFICE ASSISTANT	CLASS-4 EMPLOYEES
DEFINITELY WILL NOT	3	4	1	2
CAN'T SAY	4	3	2	1
DEFINITELY WILL	7	2	2	1
PROBABILITY WILL	11	3	3	1
MEAN	3.83	4.07	3.22	2.04
S.D	1.08	0.77	1.02	0.61

The average score of intention came to be 3.83 (probably will) in student category, 4.07 (probably will) in lecturer, 3.20 (can't say) in office assistant and 2.04 (probably will not) in class-4 employees. The data showed that the intention of buying insurance policy from banks in future was significantly higher among respondents from students and lecturer as compared to those in office assistant and class-4 employees. However, the extent of intention was significantly the lowest among respondents from class-4 amongst all the respondents.

4.2 BANKER'S PERCEPTION :

TABLE – 15 : DISTRIBUTIONS OF BANKS BY AREA WISE

CATEGORY	NO. OF RESPONDENTS	PERCENTAGE (%)
S.B.I	12	24
CANARA BANK	20	40
P.N.B.	10	20
INDIAN BANK	8	16
TOTAL	50	100

In my research study, Four major banks have taken into account. State bank of India, Canara Bank , Indian bank and also Punjab National Bank of kantapada block. 40 percent customers are having bancassurance in canara bank and few have preferred Indian Bank.

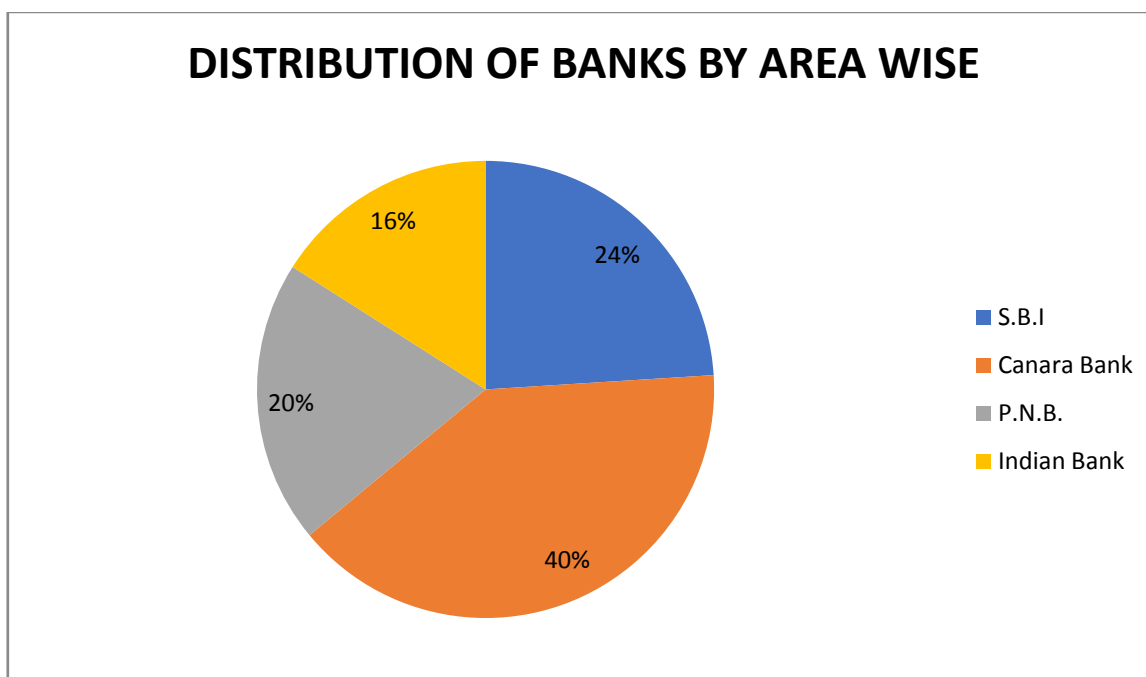


Fig 11

TABLE – 16: DISTRIBUTION OF BRANCHES BY LOCATION

LOCATION	RESPONDENTS	PERCENTAGE (%)
ADASPUR	25	50
KANTAPADA	06	12
OLATPUR	19	38
TOTAL	50	100

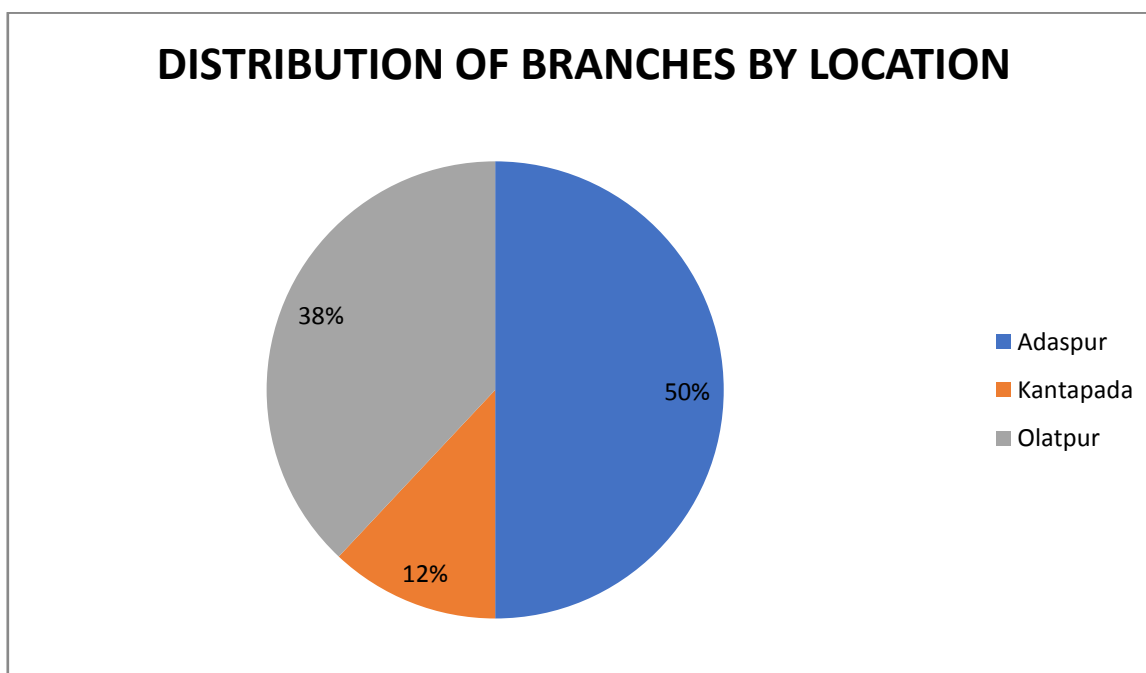


Fig 12 :

The graph shows that, 25 respondents come under Adaspur locality, 06 respondents come under Kantapada locality and 19 respondents come under Olatpur locality.

TABLE – 17 NUMBER OF STAFFS IN DIFFERENT BRANCH IN KANTAPADA BLOCK

NUMBER	FREQUENCY	PERCENTAGE (%)
BELOW 5	22	44
05 TO 10	15	30
ABOVE 10	13	26
TOTAL	50	100

It is clear from table 17 that 44% bank branches of Kantapada block have below 5 no of employees where as 26% have more than 10 no of employees which shows that the bank are doing their best to serve the customers.

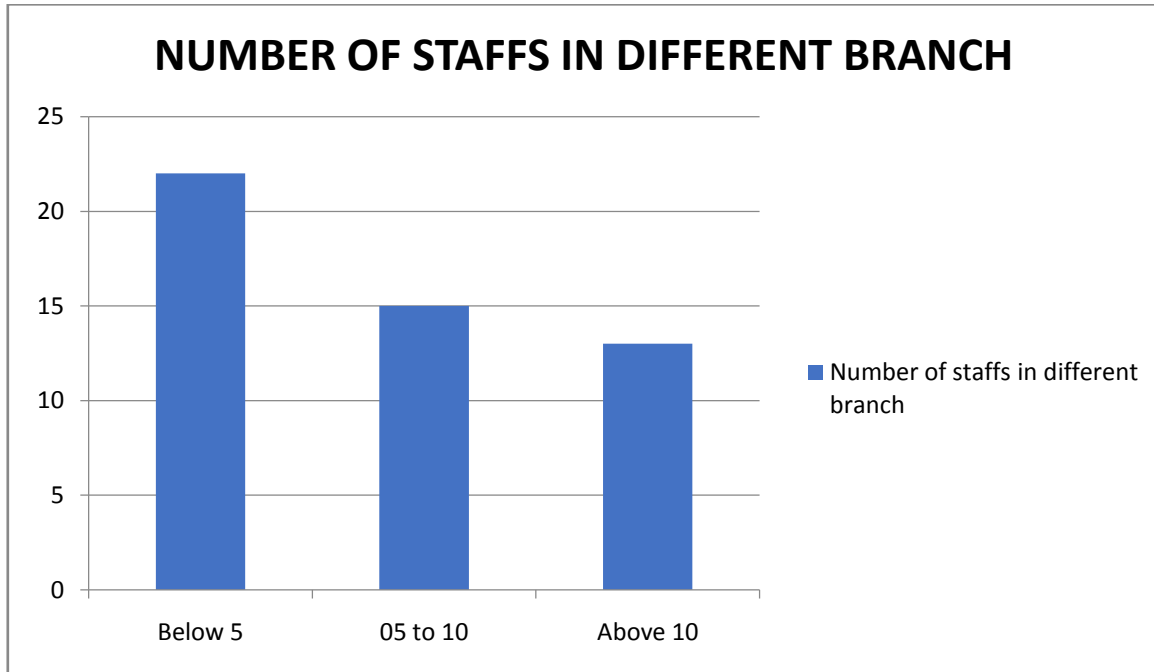


Fig 13

TABLE – 18: AVERAGE NUMBER OF CUSTOMERS VISITING BRANCH DAILY

BANK	NO. OF CUSTOMERS
INDIAN BANK	BELOW 50
P.N.B.	50-80
S.B.I.	80-110
CANARA BANK	ABOVE 110

It is inferred from Table -18 that in State Bank of India, 80-110 customers are visited daily whereas less than 50 customers are visited Indian Bank on daily basis.

TABLE – 19 : TYPES OF INSURANCE POLICIES DISTRIBUTED

TYPE	NO. OF RESPONDANTS	PERCENTAGE (%)
LIFE ONLY	20	40
NON-LIFE ONLY	12	24
BOTH	18	36
TOTAL	50	100

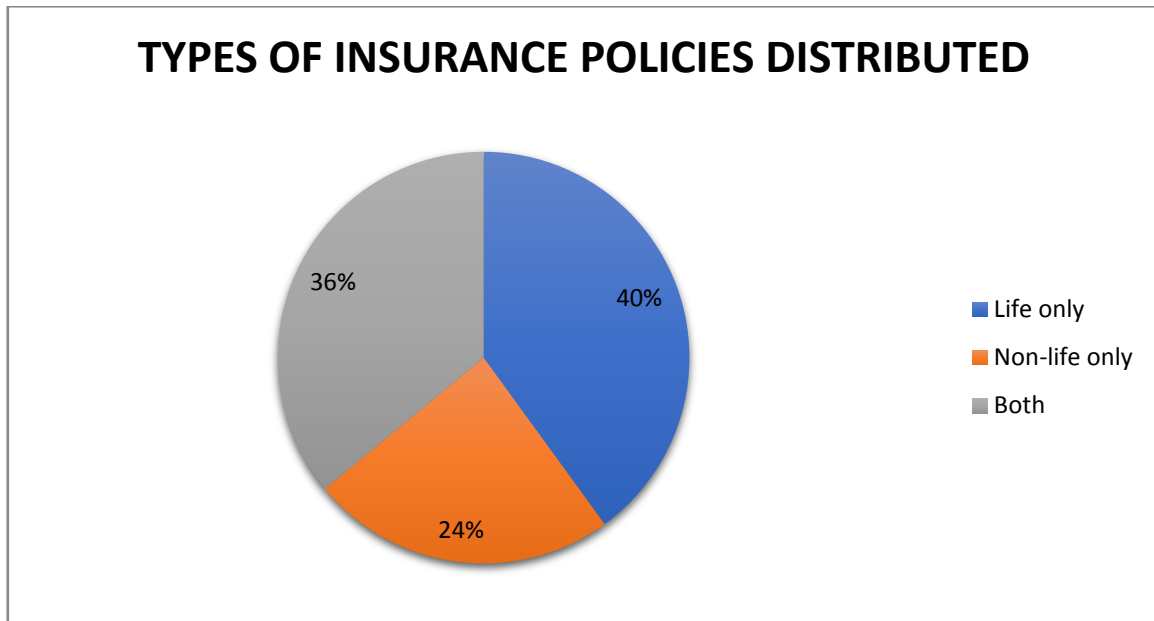


Fig 14:

Out of 4 branches, 40% have distributed Life only, 36% have distributed both Life and Non-life only due to market demand of product by customers.

TABLE – 20: YEARS OF EXPERIENCE

YEARS	NAME OF BANKS
1-10 YEARS	PNB
10-20 YEARS	S.B.I.
20-30 YEARS	INDIAN BANK
ABOVE 30 YEARS	CANARA BANK

It is to be depicted that Canara Bank has been selling Insurance Products through Bancassurance since 20 years whereas state Bank of India has served just decades back as it was introduced at Adaspur in the year 2011.

TABLE – 21: POLICIES PROMOTED BY BANKS

NAME OF POLICY	NO. OF RESPONDANTS	PERCENTAGE (%)
ENDOWMENT	07	14
CHILD PLAN	13	26
TERM INSURANCE	14	28
PENSION PLAN	10	20
OTHERS	06	12
TOTAL	50	100

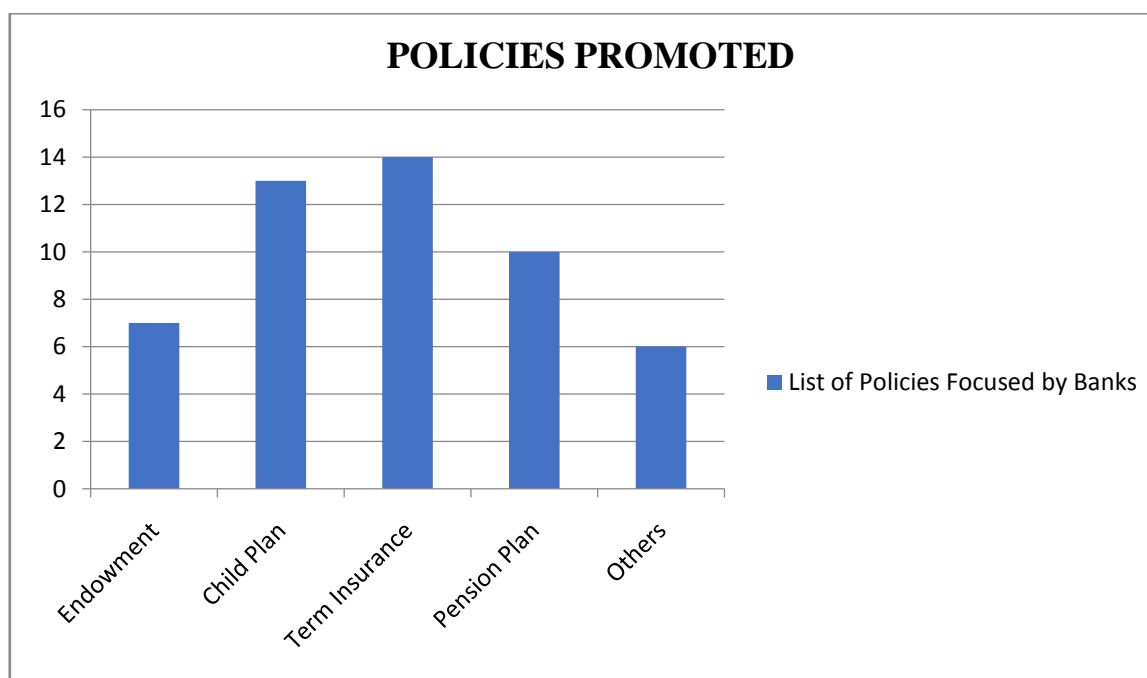


Fig 15: Out of 4 branches, it is to be observed that 26% focussed on child plan, 28% prefer to invest in term insurance plan and very few prefer on other sources like health plan, ULIP plan, Money back plan etc.

TABLE – 22 : FACTORS INFLUENCING BANK MANAGERS

STATEMENTS	Mean Rank			
	CANARA BANK	S.B.I.	INDIAN BANK	P.N.B.
Service under one roof	5.55	4.76	3.2	3.22
Insurance needs of customers	6.23	5.1	4.13	4
Marketing expertise of bank managers	5.9	4.6	4.2	3.89
Profitability improvement	3.6	3.33	2.35	2.9
Rural Penetration Scheme	5.8	5.35	4.67	7.1

M. Whitney U test = 10.08
 DF = 04
 P. Value = 0.00
 Result = Significant

It is found that Canara Bank manager has high level attitude towards bancassurance because manager obtained highest mean rank. Among five statements, SBI gave second Rank to marketing.

Expertise of bank with the mean rank of 5.9. Hence the CV of Mann Whitney U test is 10.08 which is significant as its P. Value is less than 0.05 level of significance. Thus hypothesis is rejected. Hence, there is difference between Canara Bank manager and other bank manager regarding factors influencing bancassurance.

TABLE – 23: APPOINTMENT OF BANCASSURANCE OFFICER

BANCASSURANCE OFFICERS	BANK NAME
YES	CANARA BANK
YES	PNB
NO	SBI
NO	INDIAN BANK

Out of 4 branches SBI do not appoint any bancassurance officer for distributing insurance policies and other banks have appointed bancassurance officer for distributing insurance policies.

TABLE –24 : WAYS TO INFORM CUSTOMERS ABOUT SELLING OF INSURANCE PRODUCTS

WAYS	NO OF RESPONDENTS	PERCENTAGE (%)
DISPLAY IN BRANCHES	25	50
CANVASING CUSTOMERS	12	24
INSURANCE AGENT	8	16
PERSONAL RELATION	5	10

TOTAL	50	100
-------	----	-----

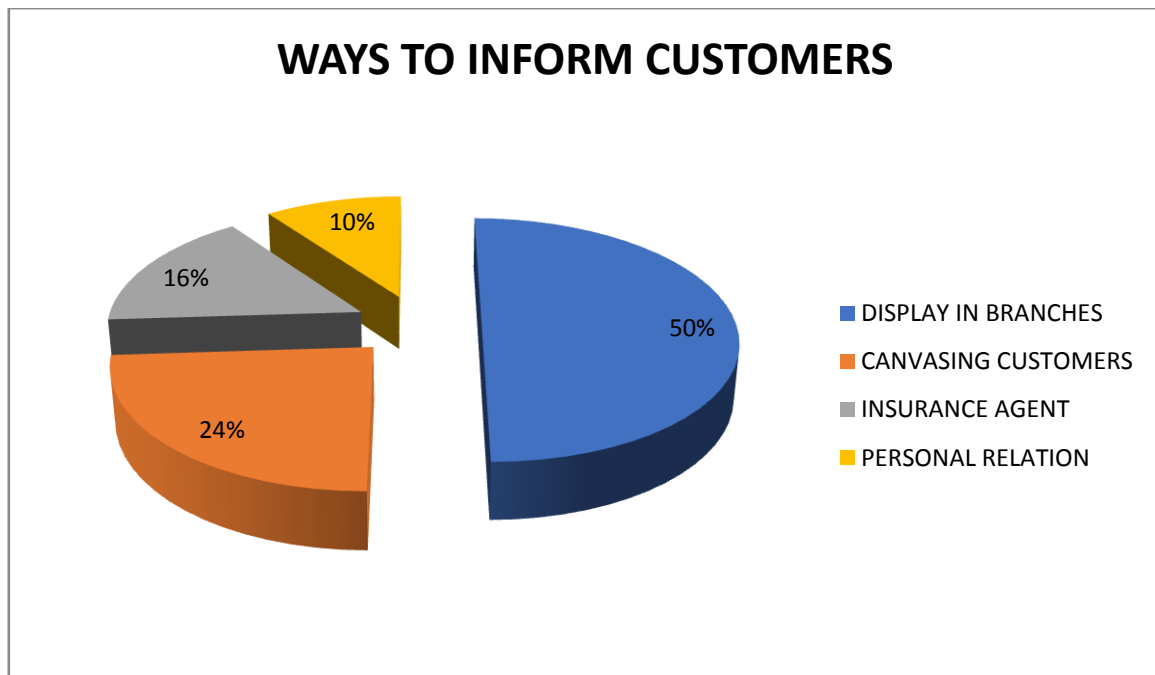


Fig 16:

Different ways has been adopted by above banks of kantapada block regarding the selling of insurance products such as display board at bank, through personal relation and also canvassing customers.

IV. (CONCLUDING REMARKS)

FINDINGS:

- Respondents (50%) do not appoint bancassurance officer for distributing insurance policies in banks. Respondents are neither satisfied nor dissatisfied about the performance of bancassurance officers, and they have very good opinion about the performance of bancassurance business.
- Customers feel that insurance agents have more expertise in insurance products than bank employees of kantapada block.
- Customers feel that insurance agents Can better Advice than bank employees On Insurance Products.
- Customers trust bank more than insurance Company For their Financial requirements.
- Customers Feel that Insurance Agents Push them to buy Insurance Products than bank employees.
- Trust and convenience in terms of location are the important factors behind purchase of Insurance products from banks by customers.
- References from friends, colleges and media advertisement are the main source of information about Insurance products
- Recruiting enough employees, training, rewarding may motivate the employees to provide quality services.

SUGGESTIONS:

- Banks in kantapada should try to exploit the existing opportunities to cross-sell insurance products through their branch network, by designing a clear and effective marketing strategy aimed at increasing awareness and customer's willingness to choose banks as insurance providers.
- Banks should focus an integrated marketing communication strategy that encompasses advertising, public relations and direct marketing in order to inform their customers about the provision of insurance services via their branch network.
- More awareness program like campaign, sponsorship program at SV NIRTAR OLATPUR must be placed before customers.
- Banks and insurer must take initiatives for the smooth functioning of banking and insurance services.
- Bancassurance processes quickly compared to another channel.
- Encourage more SHG Members to go for insurance services apart from banking services.

V. CONCLUSION:

Overall it can be concluded that the customers are aware of bancassurance as a medium of insurance distribution and are also willing to adapt it as their future mode of buying life and non-life insurance. Respondents in KANTAPADA BLOCK are more in favour of purchasing directly through bancassurance while the intention of buying policy from banks in future is higher. The reasons for this shift have been noted as ease in payment of premium, timely intimation of policy details, staff behaviour etc. On the other hand, customers who doubt the complaint attending attitude of the bank staff and strongly feel that “two bosses cannot serve” are reluctant for relying in on banks as insurance intermediaries. Hence to tap this potential, the banks and insurance companies need to work on the whims and fancies of the customers and improve upon the factors that inhibit them from going ahead and accepting banks as a single window solution for all their investments need. If nurtured properly, banks can go a long way in contributing to the insurance growth in the country.

REFERENCES:

- [1]. Barathi, C And C.D. Balaji. (2011). Innovative Strategies To Catalyse Growth Of Indian Life Insurance Sector– An Analytical Review. Indian Journal Of Commerce And Management Studies, Vol –II, 136-145.
- [2]. Barua, Abheek, (2004), Bancassurance – New Concept Catching Up Fast In India. The Chartered Accountant, 1348 – 1351.
- [3]. Bilange, C. Pandit, (2011), A Comparative Study Of Customer Perception Rendered By Public And Private Sector Banks, Indian Journal Of Commerce And Management Studies, Vol – II, 110-114
- [4]. Boon, Lim Kah; Chein, Teo Siew And Yittjia, Cheong (2012), “User Acceptance Of Bancassurance In Malaysia”, International Conference On Management, Economics And Finance Proceedings.
- [5]. Chakraborty, Shibashish (2006), Factors Affecting Customers Choice Of Life Insurance Products. Marketing Mastermind.
- [6]. Cheng- Ru Wu, Chin-Tsai Lin And Yu – Fan Lin (2008). What Forms Of Bancassurance Alliance Model Is Customers' Preference? Journal Of Modelling In Management, 3(3), 207-219.
- [7]. Karunagaran, A. (2006). Bancassurance: A Feasible Strategy For Banks In India? Reserve Bank Of India Occasional Papers, 27(3), 125-162
- [8]. Kesiraju Krishnapani, “Bancassurance : Challenges And Opportunities In India” ICFAI Press, 2003 Edition
- [9]. Kuhlemeyer, A .Gregory And Allen, H. Garth, (1999), Customer Satisfaction With Life Insurance: A Benchmarking Survey. Financial Counselling And Planning, 10 (2), 35-49.