

A STUDY ON CUSTOMERS PERCEPTION TOWARDS LICHFL IN MAYILADUTHURAI TOWN

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Abstract

According to Maslow, human needs tend to follow a hierarchy of needs from most basic needs to the highest level needs. Basic needs like food, water, clothing, shelter, sleep and sexual satisfaction. They must be satisfied for the very preservation of life. Over the ages, a shelter has remained as one of the most basic and significant needs of human beings. Housing needs of people's have increased various reasons in recent times as the population grows, middle class expands and nuclear family habit in younger generations. However, with high cost of construction materials, high capital cost and accessibility and affordability of house ownership continues to remain a challenge. Housing finance acts as a bridge to provide financing and open up the housing market to aspiring house owners. Life Insurance Corporation Housing Finance Limited (LIC HFL) is one of the biggest finance companies in India. The present study attempt to know satisfaction level of LIC HFL policy holders in Mayiladuthurai town.

Key words: Needs, LIC, Housing Finance Limited, Shelter

INTRODUCTION

LIC Home Finance Limited (LICHFL) was set up by LIC on 19th July, 1989 under the Companies Act, 1956. The main objectives for the setting up of LICHFL were to assist individuals by providing finance for construction and purchase of residential house or flat, to assist individuals by providing finance for extension, of residential units, to provide loans to co-operative societies and housing boards for residential housing projects, etc. The company went public in the year 1994. It is one of the leading housing finance company. The Company possesses an extensive marketing network in India.

Objectives of the study

- To know the socio economic profile respondents towards Life Insurance Corporation Housing Finance Limited (LICHFL)
- To examine the purpose of approaching LICHFL.
- To identify the satisfaction level towards LICHFL.

Statement of the Problem

In today's competition business world various Housing Finance Ltd., are entering in the market. LICHFL is play at major role than housing finance companies. Among various competitor LICHFL will have

maintain same level and provide better service to customers. So this research will be useful for agents and housing companies, to improve their service and know the level of satisfaction among the users.

Research Methodology

The research is based upon both primary and secondary data. The primary data was collected through a questionnaire designed exclusively for the study and followed data was taken from research papers, Journals, magazines and websites. The sample size covered 50 respondents in Mayiladuthurai town.

Limitations

This study has its own limitations.

- The study is covered only in mayiladuthurai town.
- Due to lack of time, data collected and analyzed was limited to 50 respondents.

Classification of Respondents	Gender	No. of Respondents	Percentage (%)
Gender	Male	41	82
	Female	09	12
	Total	50	100
Age	25 – 35	06	12
	36 – 45	24	48
	Above 45	20	40
	Total	50	100
Educational Qualification	HSE	13	26
	Degree	19	38
	Master degree	6	12
	Professional	2	4
	Others	10	20
	Total	50	100
Occupation	Agriculture	03	06
	Monthly Salary	22	44
	Professional	16	32
	Business	9	18
	Total	50	100
Source: Primary Data			

From the above table shows that Gender, Age, Educational qualification and occupation wise percentage analysis of the LICHFL respondents in Mayiladuthurai town.

Gender: It is manifested that 59% respondents were male and rest of 12% respondents were female.

Age: It was inferred that the maximum number of 24 respondents are under the age between 36-45, 40% respondents are above the age group of 45 and remaining 12% respondents are between 25-35 age groups.

Educational Qualification wise of the respondents out of fifty majority (38%) respondents are graduate, 26 per cent of respondent are HSE and 12% respondents are post graduates in the study area.

It observed from the above table, out of 50 respondents around fifty per cent of respondents monthly salaried, three per cent of respondents were doing Agriculture, sixteen per cent of respondents were professional and nine per cent of the respondents were business people.

TABLE No.2
PURPOSE OF LOAN

Loan	No. of Respondents	Percentage
Purchasing of Plot	7	14
Purchasing of House	5	10
Construction of Building	21	42
Extension of Building	8	16
Others (Repairs/Renovation/Expenses)	9	18
Total	50	100.00

Source: Primary Data

Out of fifty respondents a maximum of 21(42%) respondents have availed loan for the purpose of construction, 8 (16%) respondents have availed loan for the purpose of extension of house, and 9(18%) respondents have availed loan for the purpose of other expenses. The loan availed for purchase of plot constitutes 14 per cent and purchase of house constitutes 10 per cent.

TABLE No.2
SATISFACTION LEVEL REGARDING VARIOUS FACTORS OF LIC HOUSING FINANCE

S. No	Statements	HS	S	N	DS	HDS	Total	Mean	S.D.
1	Processing time of loan	15	19	1	12	3	50	3.57	1.35
		30	38	2	24	6	100.00		
2	Tenure of loan	14	18	1	12	5	50	3.43	1.42
		28	36	2	24	10	100.00		
3	Security Requirement	14	21	2	10	3	50	3.61	1.30
		28	42	4	20	6	100.00		
4	Repayment Schedule	17	19	0	12	2	50	3.69	1.32
		34	38	0	24	4	100.00		
5	Rate of Interest	22	17	0	8	3	50	3.88	1.34
		24	34	0.00	16	6	100.00		
6	Adequacy of loan	17	18	0	13	2	50	3.65	1.34
		34	36	0	26	4	100.00		
7	Loan Procedure	13	19	1	12	5	50	3.41	1.40
		26	38	2	24	10	100.00		

8	Grievance Handling	22	16	0	9	3	50	3.84	1.36
		44	32	0	18	6	100.00		
Over all		17	18	1	11	3	50		
		33.5	36.75	1.25	22	6.5	100.00		

Source: Primary data

The respondents of 44 per cent are highly satisfied with the grievance handling of the LICHFL. However, ten per cent of the policyholders are highly dissatisfied with tenure of loan and loan procedure. The average acceptance level also indicates that the highest level of satisfaction is with the rate of interest charge by the LICHFL with acceptance level of 3.88, followed by Grievance Handling with acceptance level of 3.84 and co-operation from the staff with acceptance level of 3.75.

The Repayment Schedule has an acceptance level of 3.69 and Knowledge of Staff with acceptance level of 3.67 among the policyholders. The attentiveness as well as efficiency of the staffs with respective acceptance level is 3.67. The adequacy of loan, security requirement, processing time of loan and Behaviour of staffs have the respective mean score 3.65, 3.61, 3.57 and 3.47 respectively among the policyholders.

The respondents have assigned the least acceptance level of 3.43 for Tenure of loan and 3.41 for Loan Procedure towards the policyholders. Based on the overall thirteen factors towards the opinion regarding LIC loan. 31.37 per cent and 32.25 per cent of the policyholders highly are satisfied and satisfied respectively.

With regard to the policyholders' opinion towards the loan provided by the LIC 1.98 per cent, 21.57 per cent and 7.84 per cent are neither or nor satisfied, dissatisfied and highly dissatisfied respectively.

Finding of the Study

- Majority of the respondents are male.
- Majority of the respondents are age group between of 36-45 Years (48%).
- Majority of the respondents are completed graduate (38%).
- The majority of the respondents are business man.
- Around fifty per cent of respondent approach loan for the purpose of construction of buildings.
- Majority of respondents are satisfied with LICHFL handling of customer grievance during loan periods.

Suggestions

The researcher suggested that based on analysis and findings of the study. Minimum per cent respondents in the study area they are approached LICHFL for the purpose of constructed houses and purchase of plot. So, that housing finance limited should provide more loans for above purposes.

Conclusion

The present studies conclude that the LICHFL of India is the leading Public sector company in India. Housing Finance Ltd., have facing rigid competition among exist and the new competitors. Among the competition LICHFL should concentrate agriculturist respondents and reduce time for loan taking process and relaxation document charges to enrich future.

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