Chapter 2

Research Design

2.1 Introduction

A research design is the document of the study. The design of a study defines the study type, hypotheses, independent and dependent variables, experimental design, data collection methods and a statistical analysis plan. Research design is the framework that is created to seek answers to research questions.

2.2 Review of literature

Bancassurance is a fusion of banking and insurance. Many researchers have studied this phenomenon worldwide. Fan et al. (2011) studied the intention of cross buying insurance in banks along with the factors affecting them. Verhoefa et al. (2001) showed that payment equity negatively affects cross-buying for customers with long relationships. However, if the prices of the supplier are perceived as fairer than the prices of the competitor, the customers' probability of cross-buying increases. Konstantinos et al. (2004) in their study found that consumer awareness of the offering of insurance products by banks is low in contrast to their high willingness to use banks as insurance products provider. Boon et al. (2012) conducted their study in Malaysia and found that user acceptance of bancassurance has positive significant relation with factors like relative advantage, trial ability and observe ability. Yen, et al. (2012) in their study mentioned that service providers' attributes are positively related to customers' perceived relationship quality. Delport et al. (2011) focused on nine

major factors namely continuing involvement, fear of relationship loss, fear associated with switching to competitors, forgiveness, feedback response, feedback for improved service delivery, expectations, feedback to avoid conflict, and initial involvement which should be considered when measuring banking and life insurance customers' relationship intentions. Nixon (1935) found that market for insurance is fertile. General public is interested in insurance and have favorable reaction to it. But due to minimum salaries, they could not afford it in spite of feeling that they needed more insurance. Chui-Cheng (1999) conducted a study on the customers' perception about bancassurance and found that insurance agent scores in negative in respect of reliability and bancassurance scores negatively in respect of empathy with the customers. Kumaraswamy (2012a) emphasized that customers well perceive the bancassurance venture which has multiple benefits ranging from better service quality, advice on financial planning, credibility, transparency dealing, ease of renewals, and electronic banking. Popli and Rao (2009) studied the awareness of Indian retail customers about banks selling the insurance product and their willingness to buy insurance from their respective banks. Kumari (2012) stated in her study that customers trust bank for buying insurance products. Sinha (2005) emphasized the position of banks as "Trusted Brand" advantage. Morgan (1994) emphasized the need to create integration as fundamental to the customer's experience of bancassurance. Berghe et al. (1999) in their study have mentioned that experience of customers for insurance service through bank is high as banks have developed a strong customer focus resulting in simpler and more transparent products designed for the large customers. Cotham et al. (2008) explore the scenario of bancassurance

in the market of Asia (China and India) from consumer's point of view. The result of their study suggested that there is a significant room for improvement throughout the whole bancassurance sales process in Asia. The customer experience is far from delightful overall. Verhoefa et al. (2001) in their study of Dutch Insurance underwriter showed that the effect of satisfaction differs between customers with lengthy and short relationships. Hung (2003) found that service quality makes a positive impact on customer satisfaction, customer satisfaction makes positive impact on customer purchase intentions, customers of both public and private banks make significant difference with dimension of service quality, and customers of both public and private banks make significant difference with customer satisfaction. Chung-Ming Lu (2006) has found that positive relationship reflected by service quality and service value, positive relationship reflected by service quality and satisfaction, positive relationship reflected by service value and satisfaction, positive relationship reflected by satisfaction and intention, non-positive relationship reflected by service quality and intention and non-positive relationship reflected by service value and intention. For bancassurance, personnel service quality, product requirements and enterprise service have significant influence on customer satisfaction (Chang, 2009). The most dissatisfied on of agent service in insurance is reliability and the most dissatisfied of bancassurance is empathy which emerged as the most critical determinants of SERVQUAL measure for service quality consequence the customer satisfaction (Cheng, 1999). Ratiromphan (2011) found in his study that empathy as the most critical determinants of SERVQUAL measure for service quality consequence of the customer satisfaction of bancassurance. Hung (2003)

found that in bancassurance business, service quality makes a positive impact on customer satisfaction. The study also found that customers of both public and private banks make significant difference with dimension of service quality and customer satisfaction. Lu (2006) showed that in case of bancassurance, the satisfaction is the decisive factor of customer post-purchase intention. Banudevi (2013) examined the satisfaction level of bank customers for the insurance product offered by the bank. The study found that the male gender level of satisfaction for bancassurance product feedback was few than female genders satisfaction level factors and there is significance satisfaction level among respondent of above 50 years age group. It was also found that only married respondents had purchased the bancassurance products and they were satisfied with assistance provided to choose better plan, product features and premium rate. Respondents were neutrally satisfied with late fee charges, premium receipts, policy terms, policy coverage years, underwriting, and NAV price of bancassurance product. Business occupants are found to support the bancassurance product. Shukla et al. (2012) found in their study that customers who acquired insurance policy from the banks were more satisfied for availing more customized services. Benoist (2002) emphasized that for a successful player in bancassurance there is a need to manage critical success factors like quality innovation, short time to market of new products, advanced technologies and low cost. Hoosen (2006) emphasized that a strong organizational structure with executive support, together with simple products designed for bancassurance distribution, a level of integration between the bank and insurer, with the retail network of banks being viewed as a potential contributor to success, the type of

staff selected to conduct the sale are critical success factor of bancassurance. Ku and Hsuang (2010) identified key factors influencing bancassurance success in Mainland China as short time of product innovation, small subsidiary set-up cost, service quality, and sales promotion with high level of performance. Fried (2011) attempted to analyze the reason for successful bancassurance and found that growing middle class consumer with increasing need for protection, goodwill of the bank and accessibility of the bank to a wide range of customers contribute to this success. Moreover offering Insurance serves as value added service to meet client expectation and also as an alternative source of income for the bank. According to the study of Krstic et al. (2011) for successful implementation of bancassurance in Serbia, conditions necessary to fulfill are higher living standards of the population; greater awareness and changed financial culture of citizens; legal approval of tax incentives to the buyers of life insurance policies; top-quality education and continual trainings; as well as motivating factor, in the form of bonuses and commissions over the fixed salary for the banking sector employees who will be responsible for the implementation of this sales channel. In the study conducted by Moore and Moore (1995), it is indicated that repeat business and company success largely depends on the degree the company image matches consumer expectations. It is also stated that satisfaction with insurance company treatment irrespective of loss or level of uninsured coverage may be predicted by the quickness of response from the insurance company, whether a settlement was perceived as fair, how many adjustors or company representatives the policy holder had to deal with, and how informed clients were of their coverage prior to the disaster. Josa (2005) found in their study that company risk,

company size, reductions in expenses, increases in revenues, the size of the national banking industry, the level of deregulation existent within the country, changes in gross national income, and changes in inflationary rates are all significant determinants of bancassurance demand. Sirajudeen (2012) found that time based competition, quality, product range, timely advertisement, follow up, prompt and error free service are the key ingredients for the better service and increasing the sales of bancassurance. Chen et al. (2009) found that reduction in company risk, the size of the company, reductions in company costs and increases in company revenues, the size of the national banking industry, the level of financial deregulation within a country, and the national inflation rate all play significant roles as determinants of bancassurance. Malpani (2003) found in his study that top management buy-in, high customer loyalty, convenience of ready availability, strong marketing pitch by Insurance company, dedicated insurance sales force, stiff sales targets for the bank staff have been the contributors to Bank's leadership position in bancassurance. Shah (2003) in his study concluded that helping banks to penetrate new market segments, increasing quality of business, providing a cost-effective way to build distribution capacity, especially for new market entrants and making a shift from total dependence on tied-agency for existing insurers are some conditions for successful bancassurance strategy. Aggarwal (2004) stated in his study that the key success factors for bancassurance Partnerships are- SWOT Analysis, The right product matrix-product, place, price, promotion, Additional 3 P's of Services-People, Process, Physical Evidence, Technological infrastructure, Integration into the organization culture and philosophy, Commitment from all

the stakeholders, Efficient monitoring and tracking of the entire process, Clearly defined roles and responsibilities, Accountability and Ownership. Rayala and Irala (2004) mentioned in their study that the success of bancassurance depends on how the social and cultural needs of the target population are understood. Since a major segment of the Indian population has low disposable income, meaning that every rupees won will be obtained after a lot of persuasion and the expected value for money is high. Thomas (2005) in his study found that gigantic branch network, strong client data base, the faith of customers on banks are some of the factors which could make the bancassurance a success in India. Neelamegam and Veni (2008) suggested that the success of bancassurance greatly hinges on banks ensuring excellent customers relationship, adequate training of staffs coupled with sufficient incentive system. Pathak (2009) in his study showed that social and cultural factors, as well as regulatory considerations and product complexity, play a significant role in determining how successful bancassurance is in a particular market. Gupta et al. (2012) suggested in their study that the success of bancassurance greatly hinges on banks ensuring excellent customers relationship, highly mechanized and automated banking channels, internet banking, ATMs, etc. As for the study of Tiwari and Yadav (2012) is concerned, it is mentioned that for success in bancassurance, bank should laid high emphasis on improved service quality, aggressive selling, customized insurance products, settlements of claims. Apart from these, incentives and proper motivation to the marketing personnel ,simple IT supports, performance appraisal and sales training of bank managers will also contribute in the success of bancassurance. Sarvanakumar et al. (2012) found

that ensuring excellent customers' relationship can contribute for success in bancassurance. Moreover adequate training coupled with sufficient incentive system could avert the banks' staff resistance if any. Rajkumari (2007) undertook a study in order to identify the customers' attitude towards purchase of insurance products and also their knowledge on the bancassurance formats available through banks. The study found that there is a low level of awareness about bancassurance among bank customers and suggested that online ads, contacts with the bancassurance clients at regular basis can improve insurance penetration level. The study also concluded that safety is the key factor which should be assured to public to penetrate the private insurers. Padala and Fasiuddin (2009) in their study concluded that bancassurance would mostly depend on how well insurers and bankers understanding is with each other and how they are capturing the opportunity and how better service they are providing to the customers. Cummins et al. (1972) found that concentration and competition are inversely related. The states where concentration was highest tended to have a lower percentage increase in ordinary insurances in force as well as a higher premium rate per dollar of insurance. Dharmalingam and Kannan (2011) stated in their study that bancassurance is facing some hurdles in the form poor manpower management, lack of call centre, no personal contact with customers, inadequate incentive to agents etc. The study suggested that by increasing number of policy, number of investors and more efficient service, bank can gain increased market share. Kumar (2011) emphasized that bancassurance is facing some challenges in product development, regulatory support, and short term approach of bancassurance business, bank's poor sales culture, poor and inadequate customer

data and relationship management, time constraint of bank personal, and continuity of the insurance policy up to the period of maturity. Partner (2001) reported that as late and newcomers to the Insurance business, banks have achieved a significant rate of market penetration especially in the Life market. Corneliu and Elena (2007) reported that bancassurance penetration has increased particularly in emerging markets. Teunissen (2008) stated in his study that banks have a competitive advantage over other distribution channel, compared to insurance companies, banks benefit from the visibility and convenience of their branch network, the trust that most clients have in their bank and its brand as well as the more frequent interaction with the client than in case of traditional life insurance channels. Kirui (2009) stated that with the emergence of bancassurance, the insurance sector would be able to increase its penetration levels. The sector would also witness the emergence of innovative products. Kumar (2005) concluded in his study that bancassurance has emerged as a very important channel for distributing the products of the new insurance companies which started in India post-reforms and the Private life insurance companies have gained the most from the bancassurance tie-ups. He also stated that bancassurance will play a significant role in selling insurance in India. Chawla and Singh (2007) mentioned that among the new emerging channels of insurance business, bancassurance has taken a lead as compared to the other channels. Banerjee (2009) concluded that bancassurance or selling of insurance products through banks has become a major Para-banking activity for banks in India. Andhra Business Bureau (2010) reported that bancassurance would generate 40 per cent of private insurers' premium income by 2012. The impressive branch

banking architecture that reaches every part of the country and touches every economic segment of the population contributes in the bright prospects for bank distribution in India. Kumaraswamy (2012) examined the bancassurance business of Indian banks and suggested that bancassurance with the increasing usage of information technology and enhanced customer sophistication, will play an important role in future growth of life insurance. Krishnamurthy (2003) concluded that bancassurance distribution channel is currently attracting the maximum attention in India from both insurers and banks. In comparison to the non-life products, life insurance products are more prominent in bancassurance distribution. It was also found that the enormous trust that the banks command in the minds of public, close knowledge of the customers' background help banks in selling life insurance. Kulshreshta and Satsangi (2007) in their study found that the factors such as: greater fee based income, improved profit margins, effective utilization of the resource etc motivate banks to enter into bancassurance, while the factors such as: to expand the existing market, access to ready client base of banks and encash the brand name of the banks motivate insurance companies for the same. It was also found that customer preferred bancassurance to purchase a policy due to more benefits and being an authentic media. Chatley (2012) emphasized that bancassurance as an alternate distribution channel has contributed to the growth of insurance business by leveraging the benefits to customers, bankers and insurance companies. Momeni and Ramesha (2011) in their study found that Insurance industry has been growing at a commendable rate; bancassurance has grown rapidly during the last 5 years. Bancassurance offer huge business potential for

banks and insurance companies because of growing economy and banking and insurance sector. Shah (2008) has highlighted the low level of insurance penetration India and the huge opportunity available before the insurers in India. They also concluded that the bancassurance has a huge potential in India. Anonymous (1942) found that, Massachusetts system of Saving Bank Life Insurance provided dependable Life Insurance and annuities at low cost. The study also showed that in New York, bank providing Insurance found it as a valuable source of goodwill and that it attracted substantial number of new customers to the bank. Belth (1971) reported that the prices of savings bank life insurance are low relative to the prices charged by major life insurance companies for comparable coverage. Jorgensen (1972) emphasized that the insuring public will be best served by a life insurance industry that is well managed and efficiently staffed. Berghe et al. (1999) found that banks with their technology driven services and detailed database can provide tailor-made insurance products and related services with a one stop shopping convenience. Burnett and Palmer (1983) in their study stated that life insurance consumers who have larger amount of life insurance, consider insurance to be very important, and who are younger, single, not opinion leaders , tend to be female and are concerned about their health tend to rely on agents for life insurance purchasing decision. Bergendahl (1995) identified five key factors for profitability as the number of branches; the number of specialists per branch; the number of customers to the bank; the cross-selling ratio; and the reduction over time in costs of selling and administration. Fiordelisi and Ricci (2011) in their study highlighted the competitive viability of bancassurance as a distribution

channel, especially in terms of cost efficiency and in terms of profitability, the study suggested that the mix of products should be continuously revised to adapt to customer needs and the evolution of financial markets. Tienyu and Simon (2005) found that bancassurance firms are more cost efficient than other types of insurers in the Irish life insurance industry. Chen et al. (2008) suggested that higher involvement in bancassurance helps banks improve their cost scope economies. The study also stated that banks with more correspondent insurers, larger numbers of branches, greater numbers of customers, a more intensive product focus, and a higher proportion of invested assets are more likely to realize revenue scope economies. Liang and Ching (2011) in their study found that banks strategically involved in the service of non-life insurance will benefit by simultaneously enhancing returns and reducing risks. Casu et al. (2011) concluded that bancassurance offers financial Institutions a mechanism to rebalance their risk exposures. Fields et al. (2007) mentioned in their study that bancassurance firms are viable entities that may play an important role in the future evolution of the U.S. financial system. Fiordelisi and Ricci (2011) have highlighted the competitive viability of bancassurance as a distribution channel, especially in terms of cost efficiency. In terms of profitability, findings suggest that the mix of products should be continuously revised to adapt to customer needs and the evolution of financial markets. Artikis et al. (2008) unveiled the significant changes and rapid growth of the Greek financial services sector in the context of bancassurance. Muntaqua et al. (2008) mentioned that bancassurance in India offers tremendous potential and becomes one of the key growth drivers as the rise in employment opportunities in the sector; reduce in the amount of idle

remittance and investible funds thereby resulting in drastic economic development of the country. The study also found that bancassurance results in potential growth of insurance sector and private sector companies in India. Kumaraswamy (2012b) emphasized that bancassurance provides ample scope for the banks to diversify and to increase their fee based income by leveraging the existing customer database. Moreover the products sold through bancassurance can give better value with reduced price, diversified, quality products and doorstep service and offer lesser premiums for customers due to lower distribution cost. Karunagaran (2006**)** in his study attempted to explore the scope for bancassurance models as feasible source of sustainable income to banking sector by exploiting the synergy in the context of India. Johnson (1961) suggested two big objectives for marketing executives of life insurance. Firstly, educating and training sales men to make them fully capable of counseling and giving sound financial solution to the individuals. Secondly, to educate the public with sales promotions, advertising in order to make them desire of using the services of these sales men. Zultowski (1979) recommended that in order to have buyer initiated sales, agent –client relationship need to be initially established through prospecting and the agent who works hard to establish and maintain quality relationship with clients will have repeat sales to established clients and sales to new clients recommended by established clients. Flur and Lisa (1997) suggested that the sale of life insurance through banks will meet an important set of consumer needs. In addition, a bank's branch network allows the face-to-face contact that is so important in the sale of life insurance. Carow (2001) concluded that the sale of insurance by banks will increase competition for sales made by

insurance agencies and life insurance companies. Hislop et al. (2002) suggested that the right customers need to be provided with products which are attractive and to encourage customers to cross buy, the bancassurance route must be accompanied by changes in strategy, organizational dynamics, improved systems, better trained and rewarded staff and appropriate products. Merikas and Staikouras (2005) found that insurers are using the banks' clientele to increase their market share through strategic alliances with both domestic and foreign firms. Norman (2007) recommended that pursuing a specialized, local approach to bancassurance is the most effective way in maximizing its benefits. The conclusion obtained by Kalotychou and Staikouras (2007) in their study regarding the type of insurance business involved, is that the majority are mixed insurers followed by life and non life providers. Hao-Tsung Ma (2005) in his study concluded that the construction of marketing mix in branch bank insurance business is "the products conformability to customer needs", "the activities of attractive sales promotions", "powerful and effective sales channels", "lower-extras pricing" and "the appeal to product structure value". Kamath (2011) showed that though bancassurance has traditionally targeted the mass market, Bancasurers have begun to finely segment the market, which has resulted in tailor-made products for each segment. This widens the scope of the product in the years to come. Banks have been accepted as a source of insurance products. Chowdhury (2004) stated that bancassurance is an important tool in the hands of bankers, insurers and customers to maximize their benefits at a time. Sridharan and Allimuthu (2009) also discussed the benefits of the bancassurance for the bankers, insurance companies and customers. They concluded that banking sector

was a potential channel useful for the insurance companies for selling their products.

Mishra (2012) listed out the issues and problems in bancassurance in India. Lack of interest and motivation among the bank staff in promoting bancassurance products was the major issue. Hong and Lee (2014) found that perceived value', 'trust', 'image' and 'satisfaction' were the key determinants of customers' cross-buying intentions on bancassurance in South Korea and Taiwan. Monayery (2013) stated that bancassurance is considered as one of the modern measures to activate and stimulate the insurance sector. Oaca Sorina (2012) analyses different aspects of the bancassurance phenomenon as one of the most important trend in the evolution of the European financial services industry. Alavudeen and Rosa (2015) in their study conclude that there is a bright future for bancassurance in the Indian insurance market. They also found that people trust their bank. This is the reason behind buying insurance policy from bank instead of agents. Bancassurance is a significant milestone in the Insurance business (Neelaveni, 2015). Chari and Jayalakshmi (2014) stated that bancassurance is undoubtedly growing as an important and trustworthy channel in India and banking customers are increasingly showing interest in this channel. Jan and Baber (2014) and Nair et al. (2012) in their study highlighted the growth of bancassurance in India. Bhateja (2014) in her study revealed a growing trend of bancassurance in the life insurance industry as it showed more than three times growth in the life insurance premium.

2.3 Scope of the study

The study focuses on customers' perception, experience regarding life insurance service provided by bank channel and customer satisfaction from the bancassurance services. In bancassurance, two companies are involved in rendering of service one is the bank and the other is the insurance companies. So, the service to be received by the customer is also of two dimensions. One is bank related service and the other is insurance company related service.

- In this study, only the insurance service provided by the SBI is studied and insurance company specific services are not considered.
- The study considers customers of State Bank of India branches in Guwahati availing life insurance service from the bank. The personal data collection is carried out during the year 2013 to 2014.

2.4 Objectives of the study

The present study considers the following objectives:

1. To study the experience of the customers availing life-insurance services from State Bank of India in the area under the study.
2. To know the perception of the customers availing life-insurance services from State Bank of India in Guwahati.
3. To determine the level of satisfaction of bancassurance customers of State Bank of India in Guwahati.

2.5 Hypotheses of the study

Following are the null hypotheses considered in the study:

- There is no significant association between demographic variables and customers' experience with bancassurance.

- There is no significant difference amongst customers' perception towards compliance, tangible infrastructure, reliability, responsiveness, assurance and empathy.
- There is no significant association between demographic variables and customers' perception of bancassurance.
- There is no significant difference between expectation and experience of customers buying life insurance service from State Bank of India, Guwahati.

2.6 Research questions

Answers to the following research questions are sought in the study.

1. What is the overall level of experience of customers of bancassurance channel?
2. What are the factors affecting the experience of customers of bancassurance channel?
3. What is the level of perception of customers of bancassurance channel with respect to different aspects?
4. What is the overall level of expectation of customers from bancassurance channel?
5. Is there any impact of demographic variables on customers' expectation?

2.7 Research methodology

The study is conducted using the following research methodology:

a. Universe of the study

The universe of the study consists of all those customers of 37 branches of State Bank of India, Guwahati who have received life insurance related services through the different branches of State bank of India.

b. Sample units and Sample size

Using random sampling design from the population of 3315 customers (as on 11th March, 2013) at 95% confidence level and 5% confidence interval, a sample of 345 customers is obtained. This sampling unit is the customers of the bank who have bought the life insurance product from the bank.

c. Data collection

The study is mainly based on primary data. The tool of "structured questionnaire" is used to collect the necessary information relevant for the study. For secondary data, official reports and records, journals, newspapers, magazines are assessed.

d. Development of Questionnaire

Based on literature review, experts' opinion, pilot survey and own observation, a questionnaire is developed. Questionnaire is developed for collecting primary data from the bank customers who have availed life insurance service from the bank. Customers' experience is considered as latent variable. To measure this latent variable, 31 items were considered. The detail of questionnaire is enclosed in the appendix. For measuring customer experience, the responses on items mentioned in the questionnaire were obtained on a five-point scale ranging from very favourable experience to very unfavourable

experience. Some of the questions were in reverse scaling to ensure accuracy of response.

Customers' perception is measured with respect to six dimensions namely compliance, tangible infrastructure, reliability, responsiveness, assurance and empathy. The variables considered to measure a particular attribute were converted into statements and respondents were asked to give their opinion on those statements on a five point scale. The detail of the questionnaire is attached in appendix. Thus, the responses regarding the statements considered for each of the selected dimension were obtained on a five-point scale ranging from very high level of compliance, tangible infrastructure, reliability, responsiveness, assurance, and empathy respectively to very low level of compliance, tangible infrastructure, reliability, responsiveness, assurance, and empathy respectively. Some of the questions were in reverse scaling to ensure accuracy of response.

To measure customer satisfaction of bancassurance channel, 31 items considered under customer experience were taken into account. Respondents were asked to rate these 31 statements from the perspective of their expectation regarding these statements. Customers satisfaction is considered as a function of difference between "customers' expectation" and "customers' experience" of 31 items considered in the questionnaire. For measuring customers experience and expectation, the responses on above mentioned items were obtained on a five-point scale ranging from very favourable experience/expectation to very unfavourable experience/expectation.

Besides, demographic information is also collected from the respondents. The demographic information includes age, gender, marital status, number of family members, family income, education and occupation of customers.

A copy of questionnaire is appended in the appendix 1.

e. Administration of questionnaire

A list of 3315 customers was obtained on 11th march, 2013. Out of these 3315 numbers of customers, 415 numbers of customers were identified by using random table at 95% confidence level and 5% confidence interval. Then questionnaire was distributed among these 415 numbers of customers. Out of this, 350 filled up questionnaires were returned. After scrutinizing 350 filled up questionnaires, 5 questionnaires were found defective and incomplete. Therefore these 5 filled up questionnaires were rejected. Thus there were 345 questionnaires filled up accurately.

2.8 Profile of the respondents

A. Age of customers

Table 2.1
Age of Customers

Age group	Frequency	Percent
Less than 25 years	1	.3
25 years to 35 years	17	4.9
35 years to 45 years	93	27.0
45 years to 55 years	179	51.9
More than 55 years	55	15.9
Total	345	100.0

Source: Compiled from questionnaire

Table 2.1 shows that majority of the customers are of age group 45 years to 55 years.

B. Gender of customers

Table 2.2
Gender of Customers

Gender	Frequency	Percent
Male	260	75.4
Female	85	24.6
Total	345	100.0

Source: Compiled from questionnaire

Table 2.2 represents that majority of the customers are male.

C. Marital Status of customers

Table 2.3
Marital Status of Customers

Marital status	Frequency	Percent
Married	319	92.5
Unmarried	12	3.5
Divorced	3	.9
Widow/Widower	11	3.2
Total	345	100.0

Source: Compiled from questionnaire

It is evident from table 2.3 that substantial numbers of customers in bancassurance are married customers.

D. Number of family members of customers

Table 2.4
Family members of Customers

No. of family members	Frequency	Percent
1	2	.6
2	21	6.1
3	77	22.3
4	156	45.2
5	58	16.8
6	23	6.7
7	5	1.4
8	1	.3
More than 8	2	.6
Total	345	100.0

Source: Compiled from questionnaire

It is reflected in the table 2.4 that highest numbers of customers have the family size of 4.

E. Family income of customers

Table 2.5
Family income

Family income	Frequency	Percent
Less than 2 lakh	38	11.0
2lakhs to 5 lakhs	210	60.9
5 lakhs to 8 lakhs	55	15.9
8 lakhs to 11 lakhs	28	8.1
More than 11 lakhs	14	4.1
Total	345	100.0

Source: Compiled from questionnaire

It is reflected in the table 2.5 that highest numbers of customers have the family income between 2 lakhs to 5 lakhs.

F. Education of customers

Table 2.6
Education of Customers

Education	Frequency	Percent
Less than class 10	47	13.6
Less than class 12	45	13.0
Undergraduate	64	18.6
Graduate	135	39.1
Post Graduate	38	11.0
Others	16	4.6
Total	345	100.0

Source: Compiled from questionnaire

It is showed in table 2.6 that highest numbers of customers are Graduate.

G. Occupation of customers

Table 2.7

Occupation of Customers

Occupation	Frequency	Percent
Professional	11	3.2
Employee officer grade	61	17.7
Employee non Officer grade	268	77.7
Others	5	1.4
Total	345	100.0

Source: Compiled from questionnaire

It is represented in table 2.7 that substantial numbers of customers are employees of non officer grade

2.9 Data analysis

The reliability of the questionnaire is assessed by computing co-efficient alpha that measures the internal consistency of the items. Alpha was developed by Lee Cronbach in 1951 to provide a measure of the internal consistency of a test or scale. Internal consistency describes the extent to which all the items in a test measure the same concept or construct and hence it is connected to the inter-relatedness of the items within the test (Tavakol and Dennick, 2011). To analyze the experience of the customers regarding bancassurance channel, statistical tests like mean, standard deviation, Cronbach's alpha are used. Factor analysis is used for data reduction. Factor analysis is a statistical method concerned with the reduction and summarization of observed variables in terms of common underlying dimensions or factors (Hair et al., 2003). For assessing the influence of demographic variables on customers' experience, multiple linear regression analysis is used. Multiple linear regression analysis employs a model that describes the relationships between a dependent variable and more than one independent variables**.** It helps to find out the role that multiple independent variables play in accounting for variance in a single dependent variable (Nathans et al., 2012; Uyanik and Guler, 2013). To investigate the perception of the customers towards bancassurance channel, statistical tools like mean, standard deviation, One-Sample Kolmogorov-Smirnov Test, Friedman Test and value of Cronbach's alpha is used. The Kolmogorov-Smirnov (K-S) statistic is a nonparametric test statistic used to solve goodness-of fit problems (Sukkasem,

2010). The one sample Kolmogorov-Smirnov test is used to test whether a sample comes from a specific distribution. Introduced by Kolmogorov (1933), this test is used to determine whether a sample comes from a population which is normally distributed. The Friedman test is a non-parametric statistical test developed by Milton Friedman (Milton, 1937; Milton, 1939; Milton 1940). The Friedman test is one of the nonparametric tests of multiple group measures. It is used to approve the null hypothesis that the multiple group measures have the same variance to a certain required level of significance (Brahmia and Strasbourg, 2014). For investigating association of demographic variables on customers' perception towards various dimensions considered, Cramer V test is applied. Cramer V test is a measure of association between two nominal variables, giving a value between 0 and +1 (inclusive). It is based on Pearson's chi-squared statistic (Harald, 1946). To analyse customers satisfaction of buying insurance services from bank, statistical tools like mean, standard deviation, Cronbach's Alpha, Wilcoxon Signed rank test are used. Wilcoxon signed rank test is a non-parametric statistical hypothesis test. It is used in comparing two related samples, matched samples or repeated measurements on a single sample to find out if their population mean ranks differ. The test is named after Frank Wilcoxon (Wikipedia, 2015). Multiple linear regression analysis is used to study impact of demographic variables on customer satisfaction. To analyze the expectation of the customers regarding bancassurance channel, statistical tests like mean, standard deviation and Cronbach's alpha is used. Cramer V test is used to analyze association between demographic variables and customers' expectation from bancassurance.

2.10 Chapterisation

The present study is pursued under the following Chapterisation Scheme:

Chapter 1: The introductory chapter presents historical perspective and theoretical background of bancassurance, the policy guidelines on bancassurance.

Chapter 2: This chapter discusses research design of the study. The chapter deals with the review of literature in global as well as Indian context with an intention to identify the interactive variables and find the research gap. Objectives, hypotheses, research methodology, scope and limitations of the study are also discussed in this chapter.

Chapter 3: This chapter discusses the experience of the customers availing life-insurance services from State Bank of India in Guwahati.

Chapter 4: This chapter attempts to know perceptionof the customers availing life-insurance services from State Bank of India in the area under the study.

Chapter 5: This chapter presents customers' expectation from bancassurance channel of State Bank of India in Guwahati.

Chapter 6: This chapter describes the level of satisfaction of bancassurance customers of State Bank of India in Guwahati.

Chapter 7: The Epilogue chapter includes the summary of findings, suggestions, scope for further research studies and conclusion.