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Making Insurance Industry in Ghana Better Through Database Management

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Abstract
Building a long-term relationship with customers through effective information management database has become necessary for effective and efficient insurance delivery as a result of the bad impression people have about insurance in Ghana. The idea behind relationship marketing which is the marketing philosophy of the 21st century is the ability to counsel customers as to what they ought to do and what product or service they ought to buy. Such a relationship can only be achieve if insurance organization are in full possession of up-to-date, comprehensive and relevant information about existing, potential and past customers as well as competitors and other micro environmental forces in the industry. The purpose of this paper is to explore how to grow the insurance industry in the midst of the wrong impression people have using relationship marketing through database management using Star Assurance as a case. Qualitative research was used. Empirical data were gathered through in-depth interview with the stakeholders of the institution by using structured questionnaire. Data presentation and analysis was done in accordance with the research objectives .SPSS was used in analyzing the data received from 140 respondents. The study revealed and concludes that though database management is essential yet, that alone cannot improve the firm's bottom-line. Even if care is not taken, the firm can run into serious legal, ethical, technical and image problems.
Key words: Database Management, Relationship marketing, Customer Value Management, Insurance, Indemnify, Marketing Information System,

1.0 INTRODUCTION

One of the critical issues in modern marketing and management practice has been the growth of customer value management (CVM). Many firms have invested in large customer databases to understand, monitor, and influence customer behavior (Winer 2001). Recent figures from Forrester show that more than 73% of large enterprises in the United States have implemented or are planning to implement customer management programs. A critical aspect of CVM is the role of customer value, or the economic value of the customer relationship to the firm (Verhoef &Lemon 2012). Firms aim to increase the value of their customer base by attracting new customers, retaining existing customers, reducing the costs of current customers, and selling more products or service to their customers.

Alan Wilson defines marketing database as 'A manual or computerized source of data relevant to marketing decision –making about an organization's customers (Wilson, A, 2003).The database does not have to be computer-based, it can be kept on hard copy. However, access to database technology is very easy and cheap. Even the cheapest and simplest software is capable of storing a significant number of records.

While the definition limits to itself to customers other definitions spell out the fact that the database will collect data on past and potential customers as well as current customers. The process of systematically collecting in electronic or optical form data about past, current and/or potential customers, maintaining the integrity of the data by continually monitoring customer purchases and/or by inquiring about changing status and using the data to formulate marketing strategy and foster personalized relationships with customers'(Gottfriendson et'al 2005). Wilson says that the database defers from an accounting system in that the data must be relevant to marketing decision-making. This is subtle but important difference. Clearly the accounting system may reveal very interesting information to the marketer. (Wilson, A., 2003) suggests that marketers develop customer database for four reasons:

1. To personalize marketing communications
2. To improve customer service
3. To understand customer behaviour
4. To assess the effectiveness of the organization's marketing and service activities.

Generally, firms invest in database management to enable them design appropriate strategies, track and win back lapsed customers, efficient and effective allocation of resources among customer groups and build strong relationship with customers leading to retention. Database management also enables the organization to analyze and plan in delivering quality services to customers. A well-established information system gives the organization an urge over other competitors in a keen competitive market such as the insurance. It is an undeniable fact that risk will occur one day and cost would be borne by an individual or a group of individuals or a company or even the state as a result of fire, theft, and motor accident. The approximate amount of apparent loss in a given period of time by any particular cause can be calculated of course, someone must or ought to safeguard this and other inevitable causes of action for businesses especially to operate smoothly. This is what insurance sees to do- a contract between two parties the insurer and the insured person for the purpose of providing mutual benefit to both contracting party. The insured person can insure his or her life, property, or anything deemed to be material value. Insurance is undertaken with future in mind if any eventuality as a result of damage will occur, the company is there to indemnify the lost party in view of the premium paid. However, opposite is the situation in Ghana's insurance industry. Most firms intentionally refuse to indemnify the insured after they have suffered certain losses they have insured. The few firms that indemnify their clients do so reluctantly and their clients have to resort to prolong legal battle before they are indemnified. This trend is negatively affecting the performance of most insurance firms in Ghana because of the bad impression customers have about them. This research is therefore conducted with the aim of finding how to grow the insurance industry through database management and relationship marketing using one of the successful firms in the name of Star Assurance. The study also seeks to critically analyze, evaluate and recommend an effective way of using database marketing as a tool for effective marketing planning in other to improve and enhance star assurance customer service. This is necessary because people are of the view that for effective and efficient insurance delivery, there is the need to create a long-term relationship with customers through effective information management database. Other sections of the paper besides this introduction are Literature review, research methodology, results and discussion and conclusion and further research.

2.0 LITERATURE REVIEW

2.1 INSURANCE

Insurance is a contract between the insurer and an insured person whereby the insurer undertakes considerations called premium to indemnify the insured against a special form of loss. In other words, it is a way of providing protection against a financial loss in a greater variety of situation. Insurance is normally taken by individual companies and or investors etc to safeguard the lives, properties, subjects, capital etc. For example life insurance help replace income loss to a family if wage- earning parent dies. People can also buy insurance to cover unusual types of financial losses. For example a house owner can insure his house against fire (world Book Inc 1992, volume 2). Ideally, insurance work on the principle of sharing losses, in Ghana, it is one of the fastest growing services; it is undeniable that insurance companies have become marketing oriented. In effect, the insurance industry has more than fourteen insurance companies for which the most prominent ones include State Insurance Company (S.I.C), Enterprise Insurance Company, Vanguard Assurance Limited, Star Assurance Limited, Glico and Done Well Limited. The nature of competition in the insurance industry cannot be over emphasize, hence the need for marketing information system. Database system is used to monitor closely the performance of its services and how dynamic the marketing environment looks like.

2.2 TYPES OF INSURANCE

There are three types of insurance sold by many insurance companies in Ghana. These include;

- Life insurance.
- Private health insurance.
- Property and liability insurance.

a. LIFE INSURANCE.

Life insurance policy provides that, the insurance company will pay a certain amount of money if the insured dies. The amount of money is called the face value or death benefit of the policy. It is paid in a lamp sum or installment for the beneficiary .The person named by the policy holder to reserve the death benefit. Most policy holders insure

themselves if their relative permit so to be done.

Under life assurance, there are three main kinds and they are;

1. Term insurance: Which provide benefit only if the insured person dies within the period covered by the policy. This period may range from one to forty (1-40) or more years. Policy holders are exposed to a variety of policies under term life insurance which includes straight term insurance (which ends automatically after a stated number of years).
2. Whole life insurance: This provides coverage for the life-term of the person insured. The policy holder undertakes for the benefit if his or her independent or beneficiaries and guarantees his or her dependent a comfortable life on his her death. Whole life policy is suitable for those who wish to secure protection for dependencies.
3. Endorsement life insurance: With this kind insurance policy, holder's pays face value of the death of the person insured. However, it is principally a mean of saving money for ones dependencies to keep them secured normally after death. Such policy can be used as collateral and for that special income needs. For example, one can used his policy to help acquire loan to start a business. It is also ideal for people who would like to save towards their children's education.

b. PRIVATE HEALTH INSURANCE.

This pays all or part of the hospitalization, surgery, laboratory test medicine and other related medical care. Risen cost of medical care in the country is increasing and affecting awareness of this policy, hence the current is insisting on the National Health Insurance Scheme (N.H.I.S). This type can be offered by insurance company medical care establishment, employees etc.

1. Hospital expenses insurance.
2. Surgical expenses insurance
3. Out-patient expenses insurance
4. Major medical expenses insurance.

c. PROPERTY AND LIABILITY INSURANCE.

Many individual businesses undertake property and liability insurance to protect their assets against financial losses. Property insurance provides direct compensation when a policy holder possessions are damaged, destroyed or losses as a result of a specific cause of the policy. The following are available under this type of insurance, Motor insurance (automobile), it is the most widely insurance purchase in Ghana. It is indeed important of insurance because of the serious injurious and damage of property that can result from motor accidents. This covers liabilities suffered by the insured motorist, medical payment and non-faulty insurance. (Star Assurance Hand Book).

2.3 MARKETING INSURANCE SERVICE WITH MARKETING INFORMATION SYSTEM (DATABASE).

Generally, marketing a service such as insurance is different from a physical product like detergent. The service makes used of the seven (7) Ps that is product, price, place, promotion, process, people and physical evidence. Therefore, marketers must effectively blend these tools in order to market successfully (Lovelock and Writz 2007).

For marketers to carry this responsibility rightly there is the need to focus on the customer hence, the need for relevant, accurate and adequate information about the target market. Marketing information system seeks to effectively arrest this need by collecting, organizing and analyzing marketing information to provide management with current or conditional future states of the marketing environment and the market responds to company and competitors actions. Accurate and relevant information lead to proper segmentation, targeting and positioning, appropriate pricing, attractive promotional campaign, activities and effective overall service delivery (Woodruff Helen 1995; 43).

As a sign of importance to these and other strategies, the marketer must have the right and relevant information, the tools to get it, and to ensure it judicious and efficient use. Marketing Directors and officers worldwide have acknowledge this fact by setting marketing information system (M.K.I.S) through which both internal and external information are obtained, organized, stored and manipulated for effective prosecution of customers satisfaction agenda. In this era of intensive completion and suppliers, the central government and other action in the marketplace

will be placed in a better position in developing competent and effective marketing strategies.
This unequivocal lend credence to the fact that, information in our contemporary days has become the lifeblood of every service organization, flowing through it and prompting action and decisions. Since, the essence of marketing is to identify customer viewpoint by locating their need and wants and strategizing organization effort to target these identified needs in order to satisfy them profitably (Lacerda et'al 2012). Marketers assess the target markets through the acquisition of accurate and relevant data on them.
On the other hand, it is important to identify customer needs and wants but also to assess the ability to afford the process of satisfying their needs as well as how they can be reach effectively and profitably. Therefore, marketers must use information in variety of ways. Such information includes pricing policy, identification of problems and opportunities, marketing mix decisions, competitor tracking, analysis, monitoring and strategic planning etc.
A comprehensive database put marketers in a good position to identify and address some of the factors which influence customers buying behavior. For instance if the marketing manager of Star Assurance is in possession of a group of potential customers data, it does not make difficult in reaching or paying their premium to Star Assurance. An appropriate way can be developed to reduce the burden on them. When the marketer is able to do this effectively, it will go a long way in shaping customers negative attitude towards insurance, and this be done effectively by the marketer with up-to-date and relevant data on the market.
All these attest to the fact that, services can be marketed properly where the organization is in full possession of accurate and relevant information on the market through the marketing information system (M.K.I.S). Then, the question of how information on the market can be obtained and stored with answers given shortly should be a priority.

DATABASE AND DATABASE MARKETING

Database is a collection of available information on past and present customers together with future prospect structured to allow for the implementation of effective marketing strategies.
According to (Licht et'al 1999) the limitation of the traditional segmentation of the market as well as the very fast evolution of the needs and the customer behavior have encouraged companies to go towards database marketing. The process of creating ,maintaining and using client database and other database with the purpose of contacting the clients of closing commercial transaction and of developing relationships clients. (Kotler and Keller 2002) Database may be generated in two ways; the business can build their own database or acquire the database from an external agency. A database is simply of coherent structure for the storage and use of data. It involves a centralized storage of information to provide common, accurate and updated data which is consistent in the organizational use of data where access to such a system is as flexible as possible. "Database marketing is a networking, relationship building and interacting approach to marketing which uses individually addressable marketing media and channels to extend the company's target audience, stimulate their demand and stay close to them by recording and keeping them. Another classic definition by (Khan and Pillanian 1996)) leading American practitioner stated that "Database is a comprehensive collection of interrelated data serving multiple applications allowing timely and accurate data retrieval of relevant data and having a data management system independent of application". With all these classic definition a simple picture one can get to represent database is an electronic version of office filling cabinet, holding records of customers. (Courtland and Thrill 1992).The underlying principles are that, database facilitate direct marketing. A well established database gives an insight into the marketing environment to help data marketing strategies to fit into the pertaining circumstances in and around an organizational environment. In actual sense, database is an expensive venture, however, its usefulness or impact on the marketing planning outweighs the initial cost required to establish a database for an insurance company like Star Assurance. A simple database can be built through inputs from various sources into a system which can be labeled as fellows;

FIGURE 1.0 ; DATA PROCESSING SYSTEM

Data flows from the inputs column into the database central processing unit where it is organized and analyzed; marketing managers retrieve them for marketing application. There are two kinds, which are FLAT FILE SYSTEM (where all the database are numbered, insurance policy purchased, geo-demographic (information on the same file) and RELATIONAL DATABASE SYSTEM (where a great flexibility and storage efficiency by splitting the data up into a number of tables, which can nevertheless be worked and integrated together. Example of the table may contain

customer data and another geo-demographic environment.

2.5 DATABASE MARKETING OBJECTIVES

Information system can affect the way of firm approaches to customer's service and can provide advantages over competitors. Effective customer service can only be achieved if marketers are able to anticipate and satisfy customer needs and buying behavior more appropriate than other competitors. Marketers in the service sectors as well as in the physical sector, use database marketing to achieve many marketing and corporate objective.

Fundamentally, below are some of the objectives marketers achieved by insisting on database marketing;

1. Competitive analysis: Companies persistently assess the marketing efforts of competitors. They conduct competitive analysis efforts to identify what other companies are doing in terms of pricing, product offering, target consumers, segmentation, advertising, creative works and brand positioning. The information is segmented to compare service based on geography and types of companies.
2. Building customer loyalty: Through database marketing an effective communication is created between an organization and its customers.
3. Marketing research and planning: Database can be used to build strong market surveys and it may be investigated to show purchasing pattern and trends. Database plays an instrumental role in the secondary research.
4. Contact planning: The database can be indicating which group of customers needs to be contacted or given incentives to maintain their level of purchase and commitment. For example, should direct mail be supplied to cash builders plus policyholders only on all policy holders with £5.00 and more premiums? Marketers answer some of these critical questions by using the database marketing.(Boone and Kurtz 1999)
5. Service development and improvement: Service can be tracked through the service product life cycle and weaknesses and opportunities identification records and customer's contacts feedback, compliant and guarantee of warranty claims. This is one of the most principal objectives under database marketing, since this enhances customer satisfaction. Due to the fact that customer records or needs are known through database, management may be able to deliver good service needed by the customers.
6. Cross-selling: Through up- to- data and accurate database, the marketer are put in better position to identify and anticipate other perceived needs of customers and apply this strategy by selling related insurance policies to existing customers. These indicate that database tools have proved beyond doubt that it helps to keep existing customers rather than winning new ones. In higher competitive markets such as the insurance, pushing the "life value" of the customer you already have is just as useful as bringing in new works. Therefore, marketing relationship with existing customers is well as potential customer is central to the pertaining of marketing philosophy; hence importance are the overall marketing planning.

2.6 ESTABLISHING DATABASE SYSTEM OR MARKETING INFORMATION SYSTEMS (M.K.I.S)

A customer and environmental database or information can be an organization most valuable asset. These pieces of information data can be bought, borrowed, or build by an organization seeking to enhance its service and profitability. Many marketing decisions are taken on a continuous basis (for example, decision is taken on various aspect of the marketing mix such as adverting, sales promotion, channel networks etc) at least annual hence information becomes a constantly required element to enable management take pragmatic decision or strategies. In a fundamental level, many companies hold a database in some form, but they may not be using it effectively to drive and support their marketing initiatives. This information might include purchases records, enquiries and orders, account details, service records. Often, this information is kept on separate database or mechanical filling system but it provide information to support sales and marketing initiatives with increasing importance now placed on database marketing, companies must understand how they can exploit their customer data in a planned way .A continuous flow of information is also imperative for control and evaluation of marketing decisions (Bearden 2007). Therefore, to be able to achieve these enormous tasks of formulating effective and functional programmed, marketing information systems or database must be established. Since, marketing activities must be interrelated and exist with better activities of the company to ensure standardization and consistency, a comprehensive database must consist of four basic element (i.e. including non-marketing activities) are;

1. Internal report system: Marketing managers rely on orders, sales, price, cost, inventory level, receivables, and payables and so on. By analyzing this information, they can spot important opportunities and problems.
2. Marketing intelligence system: This is a set of procedures and sources used by managers to obtain everyday

information about development in the marketing environment. Marketing managers collect marketing intelligence by reading books, newspapers, and trade publications, talking to customers, suppliers, distributors, and meeting with other company managers.(Barney and Hesterly 1996)

3. Marketing research system: Marketing research is a proactive search for information. It uses model to explain and improve marketing process. Model may be descriptive, decisional, verbal, graphical and mathematical (Abell 1999). By implication, the first three are principal source of data into the information system while the decision support interprets the system into a meaningful and coherent of picture by the use of models, tools, graph etc.

COMPANIES

FIGURE 2.0 Diagrammatic presentation of the information system for insurance

2.11 LEGAL CONSTRAINTS AND CONSIDERATION IN DATABASE MARKETING

Direct marketing, because of its use for personal data, provides media an extension of sales promotion as particularly targeted for legal constraints. In some cases, it may even be a criminal offence to break the law with direct marketing activities in this instance; marketers do have significant reasons to assess data as professional's motivation to make sure they are aware of the legal framework in which they operate. According to UK law (common law) data protection act of 1984 covers eight main principles, the use of information in relation to individual.

Companies need to ensure that personal data is:

1. Lawfully obtained and evenly processed.
2. Held only for registered purpose.
3. Not used in any manner incompatible with registered purpose.
4. Not excessive for these purpose.
5. Accurate, standard and where necessary kept up-to-date.
6. Made available to individual on request.
7. Data should be kept longer than necessary?
8. Property protected against loss of disclosure.

In 1998, there were some amendments to the 1994 Act. The 1998 data protection Act principally sought to enumerate among other things that it is an offence to telephone any person who has joined the telephone preference service.

2.13 DATABASE CHALLENGES IN AN ORGANISATION.

Every organization faces a problem of database to fulfilling their mission. These include:

- Return on investment (R.O.I) is critical: Maximizing Return on investment is more critical than ever, management demands tangible results for the expensive investment in database application development. Many database development efforts fail to yield the result they promise. Choosing the right technology and approach for each level in an organization is critical to maximizing return on investment (R.O.I). This means choosing the cheapest initial solution. This is the most important decision that management must take into consideration to reduce high cost associated with it.
- Managing human resource: Managing people to customize technology is very challenging. The more complex the technology and application, the fewer people are qualified to handle it and the more expensive they are to hire. Turnover is always an issue, and having the right standard in place is critical to successfully supporting legacy application. Training of personnel and keeping up technology is also very challenging. Human resources management and development require substantial investment and training which cannot be underestimated. Insurance companies who want to attract and retain competent personnel must have the financial cloud to do so.
- Rapid deployment is critical: The ability to create database application quickly is important not only for reducing cost, but responding to internal or customer demands. The ability to create application quickly provides a significant competitive advantage. The information technology (IT) manager is responsible for offering alternatives and making trade off to support the business needs of the organization. By using different technologies, you may be able to give the business decision makers choice such as a 60% solution in three months a 90% solution in 12 months or a 99% solution in 24 months (instead of months, it could be years). Sometimes to market is most critical, other times it may be costly, and other times the features of security are not important. Business atmosphere changes quickly and is unpredictable at certain period. We live in a "good enough" rather than perfect world, so knowing how to deliver

"solution quickly gives you and your organization a competitive edge
• Flexibility and maintainability is important: Even with the best system designed, by the time development efforts are completed needs changes. Version fellow vision and a system that's designed to be flexible and to accommodate changes can mean differences between success and failure for the users.
• Scalability is necessary, but often secondary system should be design to manage the expected data and more. But many system never get completed, it is thrown away soon after use, or change so much over a time the initial assessment are often wrong. Scalability is nice, but this is often less important than having a solution quicker. If the application successfully support growth, scalability can be added later when it's financially justified.

RESEARCH METHODOLOGY
Echtner and Ritchie (1991) assert that using structured and unstructured methodologies is vital to accurately measure the research phenomenon. Going by this assertion, both structured and unstructured approaches were used for this paper. To gain an insight, this study used a qualitative approach involving 140 respondents comprising 120 customers and 20 management staff of Star Assurance. Questionnaire and interviews were used to collect all the necessary data from the management and customers of the organizations mentioned earlier. With regards to the questionnaire, both open-ended and close-ended questions were used. This question style was adopted because it will facilitate ease understanding on the part of the respondents. The questionnaires were given to customers personally and they were assisted to fill. To get the respondents (sample- 140), purposive sampling techniques was used. That is, the selection of the respondents was as a matter of necessity. This technique was used because it helps in saving cost and the cost saving may be used to improve the quality of the research through increasing sample size. Again, the data, when compared to random methods which are perhaps double the cost, has been proved to be acceptable provided that the research is managed effectively. A combination of Statistical tools or normal distribution curves and software packages such as SPSS were used to analyze the data

4.0 DATA ANALYSIS AND DISCUSSION

.4.2 GENERAL PUBLIC/CUSTOMERS PERSPECTIVE

Out of the one twenty (120) responses received customers, there are seventy five (75) males representing 60% of the sample and 45 females representing 40%. It is therefore dear that males respondents were more than females and males undertake insurance than females.

TABLE 2

TABLE 3

Analyzing the educational level of customers, 25 respondents representing 20.8% had completed senior high school, 18 respondents constituting 15.0% had completed A' level exams, 55 respondents constituting 45.8% had also completed tertiary education of H.N.D and first degree, 12 respondents representing 10% had completed their second degree course and 10 respondents were having professional qualification representing 8.3% . The table below shows educational level of clients or customers. It also shows *(mean 2.7, standard deviation1.157, variance 1.338),* this average response of educational background of respondent is within A' level and H.N.D/ first degree.

FIGURE 3

TABLE 4

In analyzing 'do customers want insurance company to have their data or information' 78 of the respondent answered 'YES' representing 65% which means they agree and want their data or information to be collected by the Star Life Assurance Company Limited. Respondent of 42 answered 'NO' representing 35 which means that they don't want their information or data to be collected by the above company.

FIGURE 4

TABLE 5

From the table above, it indicate that 56 respondent representing 46.7% considered the database system to be excellent, 19 respondents representing 15.8% also consider it to be very good. 28 respondents representing 23.3%

take it to be good whiles 17 respondents representing 14.2% considered it to be poor in terms of their database system. The table below shows educational level of clients or customers. It also shows *(mean 2.05, standard deviation 1.129, variance 1.275),* this average responses of the respondent show that, they rate the database system of Star Life Assurance Company as good.

FIGURE 5

TABLE 6
From the 120 questionnaires that were received 48 respondents said 'YES' which represent 40% and 72 respondents said 'NO' which represent 60% which means they are not happy with Star Life Assurance database and it implementation. Those who said 'NO' went on further to comment that the company i.e. Star Life Assurance do not effectively use database and its implementation system.

FIGURE 6

TABLE 7
It can be deduced from the above distribution table that 72 respondents representing 62.5% have negative perception and 30 respondents representing 25% have positivetive attitude whiles 18 respondents representing 8.5% cannot express their opinion about the insurance companies in Ghana. On the other hand it also shows *(mean 1.56, standard deviation 0.756, variance 0.568),* this average responses of the respondent show that, they have negative perception for insurance Company in Ghana.

4.3 MANAGEMENT PERSPECTIVE
For management, twenty (20) questionnaires were answered by them which have been analyzed below.

TABLE 8

From the table, our observations are that 14 respondents constituting 70% said yes to the question and 6 respondents representing 30% said no about the relevance to have a database in place. It also shows *(mean1.30, standard deviation 0.470, variance 0.221),* this average responses of the respondent show that, it is relevant to have database system for Star Life Assurance Company

TABLE 9
From the table above, out of the 20 management respondents, 14 representing 70% were of the view that database system has improved the loyalty level of the customers whiles 6 representing 30% were of the view that database system had not improved on their customers loyalty level. also shows *(mean1.30, standard deviation 0.470, variance 0.221),* this average responses of the respondent show that database has improve customer loyalty' for Star Life Assurance Company The above presentation indicates that the company had been able to increase the customer loyalty through the database system.

TABLE 10
From the table above, the number of respondents who said they have customers database were 8 representing 40%, 3 staff members also respond ended they have suppliers database representing 15%. 2 respondents constituting 10% and 7 management members said they have a comprehensive database of all the above groups

TABLE 11

With this question, out of the 20 respondents, 2 of the respondents answered yearly which represent 10%, 4 of the respondents answered quarterly which represent 20%, 5 of the respondents answered monthly which represent 25%, 5 of the respondent answered weekly which represent 25% whiles 4 also answered daily which represent 20%. This means management update their database system monthly and weekly per respondents given the data is illustrated below

FIGURE 7

TABLE 12

with respect to database application have any impact on "sales" out of the twenty (20) questionnaires 17 respondents constituting 85% said yes and 3 respondents constituting 15% replied no. It also shows *(mean3.25, standard deviation 1.293, variance 1.671),* this average responses of the respondent show that, management update their database system monthly, it is clear that majority of staff members of Star Life Assurance believe database has great impact on sale and its absence could possibly affect the fortunes of companies.

5.8 CONCLUSION AND RECOMMENDATION

It is an undeniable fact that the wrong impression coupled with intense competition in the insurance industry call for the use of Relationship Marketing through database management. Even though, this will help the firms in so many ways yet, one should not lose sight of the fact that this concept alone cannot move the organization. In some cases the challenges embedded in database management can affect the firm drastically. One should therefore not believe that this alone can help change the fortunes of the firm overnight. The firm must work on its core service because it is not only important as a result of its effects on customer perceptions and behaviours but also because it defines to a large extent the tasks of other areas. Any firm that wants to be competitive in this competitive industry must work on its extended 'Ps' People, Process and Physical evidence because whether Database marketing will be successful or not largely depends on them especially the 'People'. There must be huge investment in training and motivation as well as systems such as complaint system and software to make the whole system succeed. Integrated, brand and relational communication such as acquisition, retention and recovery communications should also be looked into.

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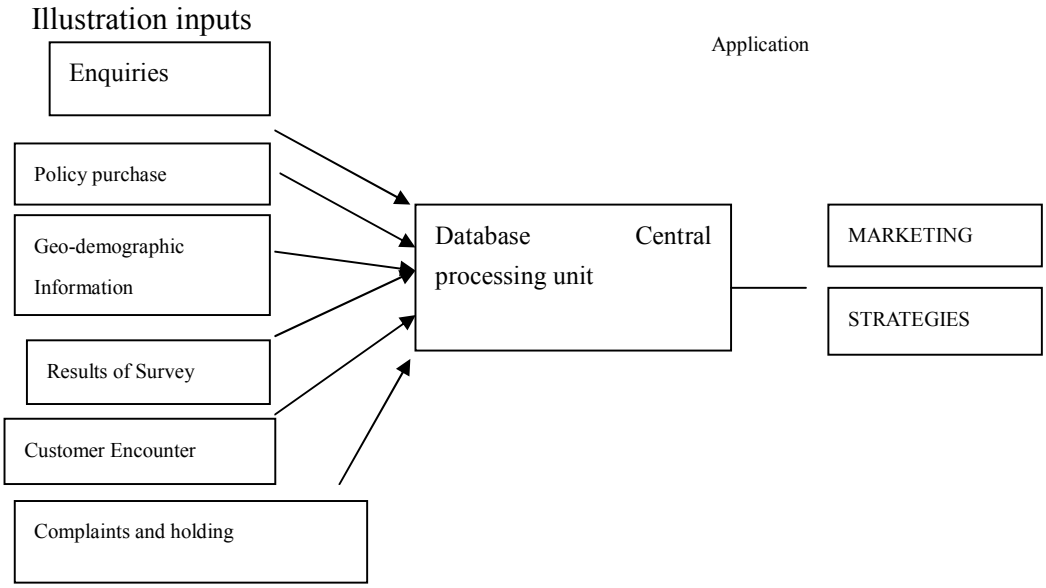

FIGURE 1.0 ; DATA PROCESSING SYSTEM

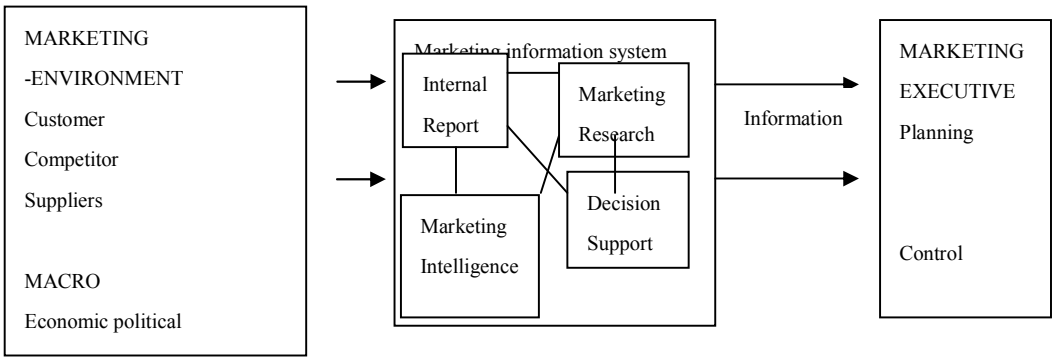

FIGURE 2.0 Diagrammatic presentation of the information system for insurance

Table 2 This is shown in the table below.

Response	Frequency	Percentage (%)
Males	75	60
Females	45	40
Total	**120**	**100**

Source: Researcher field survey, 2012.

Table 3 Education level of customers

Response	Frequency	Percentage (%)	Mean	Standard dev.	Variance
SHS	25	20.8%	2.7	1.157	1.338
A' level	18	15.0%			
H.N. D/ first degree	55	45.8%			
Second degree	12	10%			
Professional degree	10	8.3%			
Total	**120**	**100**			

Source: Researcher field survey, 2012

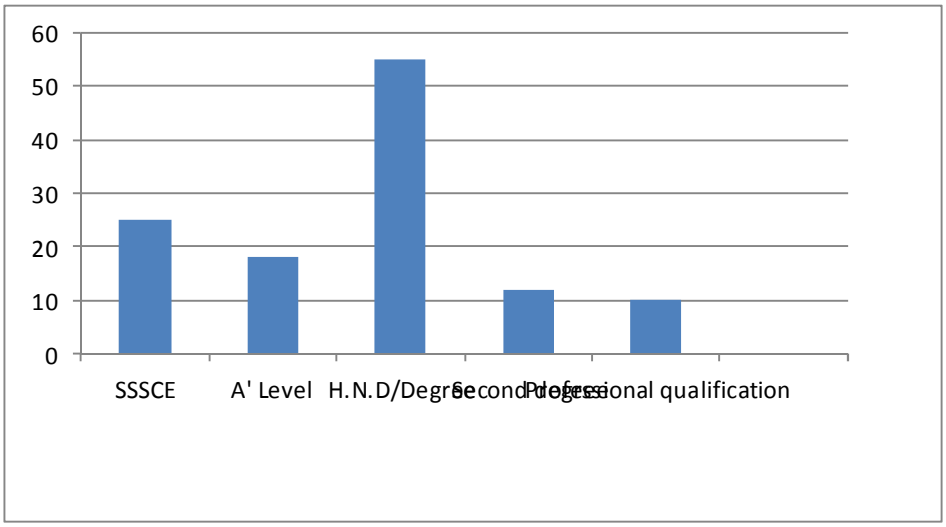

Figure 3.0 A bar chart representing educational level of customers of star assurance company limited

Response	Frequency	Percentage (%)
Yes	78	65%
No	42	35%
Total	**120**	**100**

Table 3. Responses on having customers Database.
Source: Researcher field survey, 2012

A question we also asked about 'Does customers want their insurance company i.e. Star Life Assurance to have their data or information.

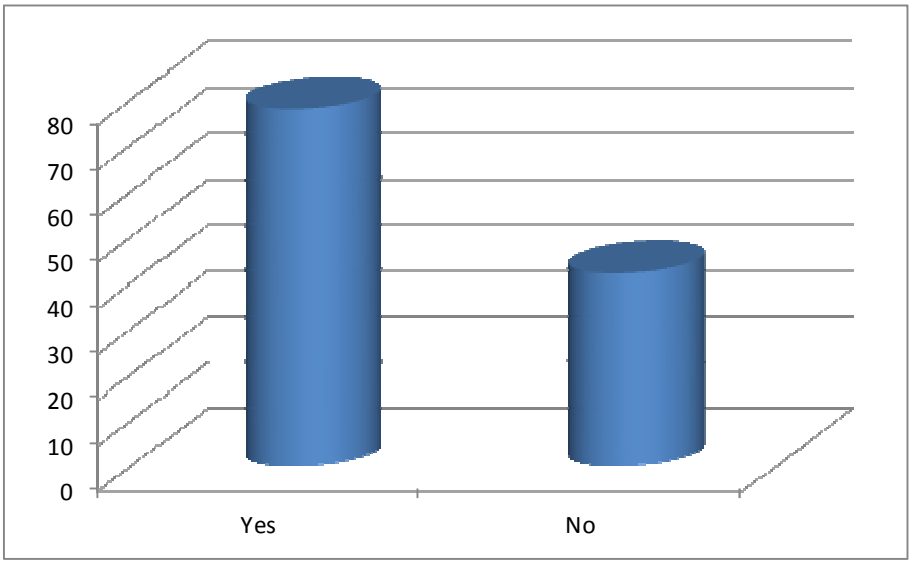

FIGURE 4

Response	Frequency	Percentage (%)	Mean	Standard dev.	Variance
Excellent	56	46.7	2.05	1.129	1.275
Very good	19	15.8			
Good	28	23.3			
Poor	17	14.2			
Total	120	100			

Table 5. How respondents rated the database system of the above company.
Source: Researcher field survey, 2012.

Figure 5 A bar chart showing Customers behavior

Response	Frequency	Percentage (%)
Yes	48	40
No	72	60
Total	**120**	**100**

Table 6. Table showing customers' impression about Star Assurance database management. Source: Researchers field survey, 2012.

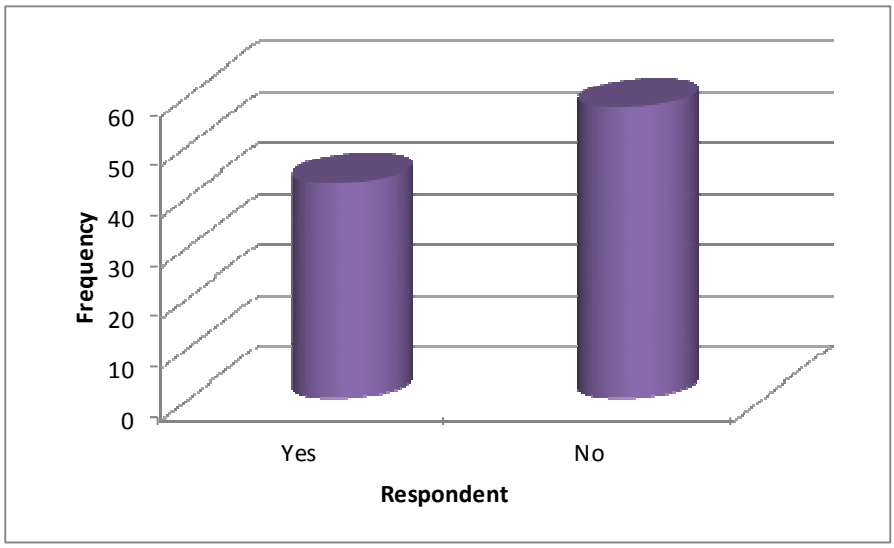

FIGURE 6

Indicator	Frequency	Percentage (%)	Mean	Std dev.	variance
Positive	30	25%	1.56	0.756	0.568
Negative	72	62.5%			
Can't tell	18	8.5%			
Total	120	100			

Source: Researcher field survey, 2012.

Table 7. Represent respondent perception about insurance companies in this country.

Response	Frequency	Percentage (%)	mean	Std Dev.	Variance
Yes	14	70	1.30	0.470	0.221
No	6	30			
Total	**20**	**100**			

Source: Researchers field survey, 2012.

Table 8. Relevance of having customers' database.

Response	Frequency	Percentage (%)	mean	Std Dev.	Variance
Yes	14	70	1.30	0.470	0.221
No	6	30			
Total	**20**	**100**			

Source: Researchers field survey, 2012.

Table 9 Analysis of improvement of customer loyalty through database

indicators	Number of respondents	Percentage (%)	Total of angle
Customers	8	40	144
Suppliers	3	15	54
Competitors	2	10	36
All the above	7	36	126
Total	**20**	**100**	**360**

Source; Researchers survey, 2012.

Table 10. Responses on the coverage of databse.

indicators	Frequency	Percentage (%)	Mean	Std Dev.	Variance
Yearly	2	10	3.25	1.293	1.671
Quarterly	4	20			
Monthly	5	25			
Weekly	5	25			
Daily	4	20			
Total	**20**	**100**			

Source: Researchers field survey, 2012.

Table 11

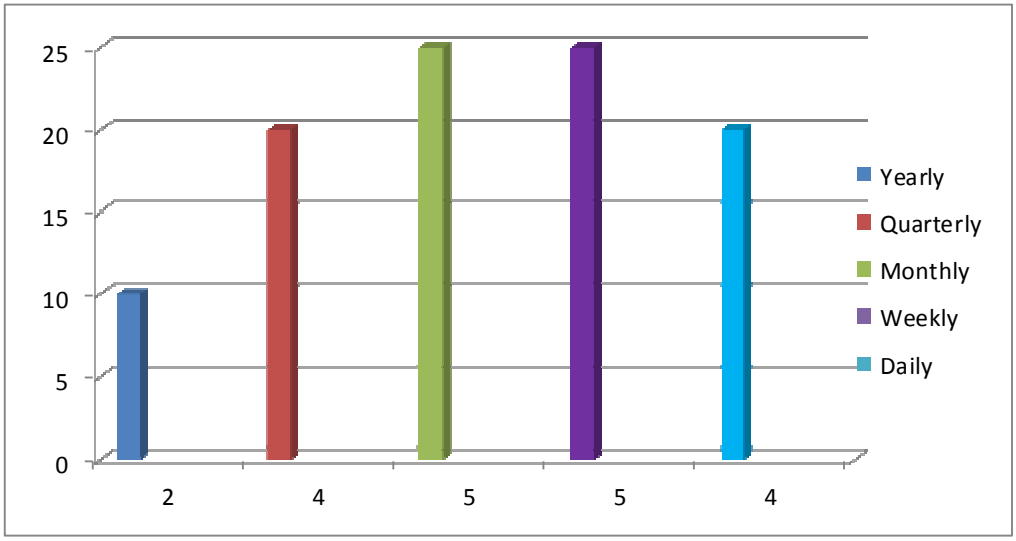

Figure 7. Responses on how database is updated

Response	Frequency	Percentage (%)	mean	Std Dev.	variance
Yes	17	80	1.20	0.410	0.168
No	4	20			
Total	**20**	**100**			

Source; Researchers survey 2012.

Table 12. Table showing management responses on the impact of database on sales.

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