

A Study on Customers' Satisfaction Towards Health Insurance In Trichirappalli City

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ABSTRACT

This paper is aiming to analyse the satisfaction of customers towards the health insurance policies. The study was carried out in Trichirappalli City with a sample of 200 respondents. The satisfaction was measured in detail with five aspects, i.e., customer service, quality of product, performance of employees, procedure for claim and infrastructure facilities. The satisfaction is analysed with the demographical variables of the respondents. The purpose of the study is to understand the customers' perception towards the existing service of the insurance companies. Some valuable suggestions are also made from the findings of the study to improve the satisfaction of the customers and to retain them forever.

Key Words: Customers' Satisfaction, Health Insurance, Satisfaction Towards Insurance Policy

INTRODUCTION

The health insurance is becoming an important part of life. The economical condition and health status of the people bring the health insurance an important thing in day to day life of a common man. The medical care and its expenditure are increasing every day. The cost of medical treatment is also increasing. In this background, the need of the health insurance is a mandatory. There are many public and private companies are providing health insurance in India. There are so many factors to influence the customers to choose a particular company. The satisfaction of the policyholders towards is important to choose and continue the health insurance policy with a company. In this view, this paper analyse the satisfaction of the customers towards their health insurance policy.

HEALTH INSURANCE IN INDIA

Insurance industry in India has lot potential to grow and develop. It is expected to cross Rs 20 lakhs crores in 2020. Indian statistics show around 4% of the GDP spent for healthcare in India. This is lowest among the BRICS nations. But in number of persons concern, it is one of the biggest. Indian health insurance sector has better scope to grow up. The health insurance policies provide many benefits to the policyholders. They can be free from financial risk relating to healthcare which is most important and right for every human being.

REVIEW OF LITERATURES

Masood H. and Tripti Ghosh Sharma (2010) analysed customer satisfaction with service quality in life insurance services. They aimed to explore and consequently confirm the underlying dimensions of consumer

perceptions of service quality vis-à-vis life insurance sector. They found that represent and estimate the multiple and interrelated causal relationships among these perceptual service quality dimensions with the overall satisfaction with life insurance services.

Nasir Zamir Qureshi and Javaid Ahmad Bhat (2015) made a study on An Assessment of Service Quality, Customer Satisfaction and Customer Loyalty in Life Insurance Corporation of India with Special Reference to Srinagar District of Jammu and Kashmir. The objective of the study is to measure the Satisfaction and Loyalty perceptions of Customers towards the Services of Life Insurance Corporation of India. They found that there is a service quality shortfall i.e. perceptions are lower than expectations in all the six service quality dimensions of the study with Personalized financial planning followed by Competence and Assurance being more concerned dimensions.

Mohammad F. Alharbi (2017) published an article on an Empirical Analysis of Customer Satisfaction with Cooperative Health Insurance in Saudi Arabia: The Role of Customer Knowledge, Service Characteristics, and National Culture. His objective is to examine customer satisfaction with cooperative health insurance coverage. He found that great interest for healthcare providers and health insurance companies with regard to more diversification, improvement, and better service delivery for their customer satisfaction.

METHODOLOGY

The study is an empirical and it was conducted in Trichirappalli city during November 2019 with 200 sample respondents. The sample respondents were selected on the basis of convenient sampling method. The required data were collected through well framed interview schedule. The data were analysed with the help of Descriptive statistics, ONE WAY ANOVA and Z test.

OBJECTIVE OF THE STUDY

1. The aim of the study is to analyse the customers' satisfaction towards health insurance in Trichirappalli city.

CUSTOMERS' SATISFACTION TOWARDS HEALTH INSURANCE

The present paper is studying the customers' satisfaction towards their health insurance policy in five aspects. The customer service, quality of the product, performance of the insurance agents and other office employees, claim settlement procedures and infrastructure facilities provided. The total satisfaction is also computed from these five aspects. For measuring the level of satisfaction, five point Likert scale is used. On the basis of the respondents' opinion, every aspect is measured. For finding the relationship of satisfaction with the demographic variables of the respondents, the following null hypothesis is framed.

H₀: There is no significant difference in the mean score of different aspects of satisfaction (customer service, quality, performance, claim and infrastructure) and total satisfaction) according to the demographical nature of

the respondents (Age, gender, marital status, educational qualification, occupation, family size, nature of family, domicile, level of income, richness, status of assessee and amount spent for health insurance).

The hypothesis is tested with the help of ONE WAY ANOVA and Z test at 5% level of significance. The result is given below:

**Table 1 - RELATIONSHIP BETWEEN SATISFACTION AND DEMOGRAPHIC VARIABLES:
ONE WAY ANOVA**

Factors	ANOVA	Age	Education	Occupation	Domicile	Income	Richness	Premium
Customer service	F	2.022	1.292	1.833	0.088	0.566	1.180	3.518
	Sig	0.135	0.278	0.095	0.916	0.569	0.309	0.032
Quality	F	2.273	2.264	0.378	0.626	1.739	2.102	2.671
	Sig	0.106	0.082	0.893	0.536	0.178	0.125	0.072
Performance	F	0.438	1.422	1.133	0.156	4.416	3.457	2.530
	Sig	0.646	0.237	0.345	0.856	0.013	0.033	0.082
Claim	F	0.102	0.124	0.323	0.530	0.413	1.606	0.173
	Sig	0.903	0.946	0.925	0.589	0.662	0.203	0.841
Infrastructure	F	1.745	0.454	0.717	0.735	0.027	1.112	3.226
	Sig	0.177	0.715	0.637	0.481	0.973	0.331	0.042
Total satisfaction	F	1.250	1.595	0.701	0.278	0.993	2.599	3.727
	Sig	0.289	0.192	0.649	0.758	0.372	0.077	0.026

The Table 1 shows the difference in the mean score of satisfaction according to the age, education, occupation, domicile, income, richness and premium paid for health insurance. The mean score about customer service, quality of the insurance product, performance of the staff members, claim procedures, infrastructure facilities and total satisfaction are having difference according to the nature of demographic variables. But there is significant difference of mean score of performance of employees for income level (0.013), richness (0.033) and mean score of the respondents according to the amount spent for health insurance premium for customer service (0.032), infrastructure (0.042) and total satisfaction (0.026). The result of ONE WAY ANOVA shows the significant level less than 5% for these variables. The difference is discussed in detail below.

**Table 2 -MEAN OF SATISFACTION ON PERFORMANCE
ACCORDING TO INCOME LEVEL**

Level of income	Number of respondents	Mean
Low (below Rs. 20000 p.m.)	64	21.5938
Middle (Rs20000-Rs.50000)	66	21.5606
High (above Rs. 50000)	70	19.6571

The Table 2 reveals the mean difference of satisfaction on the performance of the employees according to the income level of the respondents. The satisfaction is high from the low (21.5938) and middle income (21.5606) groups respondents. Low satisfaction is found with high income group respondents (19.6571). There is significant difference in the mean score. Hence, it reject the null hypothesis.

Table 3 - MEAN OF SATISFACTION ON PERFORMANCE ACCORDING TO RICHNESS

Level of richness	Number of respondents	Mean
Low (below Rs 10 Lakhs)	76	20.2500
Moderate (Rs 10 Lakhs – Rs. 1 crore)	90	21.8000
High (above Rs. 1 crore)	34	20.0000

The above table the respondents classified on the basis of the wealth they possess and their mean score of satisfaction towards performance of the employees. The respondents who are having less value of wealth (20.2500) and high value (20.0000) are satisfied less towards the performance of the employees. But the respondents who have moderate wealth (21.8000) are highly satisfied than other groups. The significant difference in the mean score proves that the null hypothesis is rejected. It is concluded that there is a significant difference in the satisfaction score between the respondents according to their richness.

Table 4 - MEAN OF SATISFACTION ACCORDING TO PREMIUM PAID

	Level of premium	Number of respondents	Mean
Customer service	Less	57	21.5263
	Moderate	117	21.2222
	High	26	24.2692
Infrastructure	Less	57	13.2105
	Moderate	117	13.5128
	High	26	15.2308
Total satisfaction	Less	57	89.4912
	Moderate	117	89.3675
	High	26	98.9231

The Table 4 indicates that mean difference according to the level of premium paid by the respondents. High premium paying (above Rs.20000) respondents are highly satisfied (24.2692) towards customer services than other less (less than Rs. 10000) and moderate level (Rs.10000 – Rs.20000) of premium paying respondents. Its significant level is only 3.2% as per ONE WAY ANOVA test. High premium paying respondents are highly satisfied (15.2308) with the infrastructure facilities provided by the insurance company. Other group respondents have less satisfaction. Hence, the framed null hypothesis is rejected. Total satisfaction also has significant difference between the respondents according to their level of premium paid. High premium paying respondents are highly satisfied with overall health insurance services (98.9231) and less (89.4912) and moderate group (89.3675) respondents are satisfied less. Hence, the framed null hypothesis is rejected. Other demographic variables are not having significant difference in the mean score of satisfaction and its different

aspects. The framed null hypothesis is accepted for these variables. Other variables with two categories are studied with the help of Z test. The result is given below.

Table 5 - RELATIONSHIP BETWEEN SATISFACTION AND DEMOGRAPHIC VARIABLES: Z TEST

Factors		Gender	Marital status	Family size	Family Nature	Assessee
Customer service	t	-1.440	-1.124	1.732	-0.617	-0.589
	sig	0.151	0.262	0.085	0.538	0.557
Quality	t	-2.071	-0.019	0.374	-1.528	-0.074
	sig	0.040	0.985	0.709	0.128	0.941
Performance	t	0.993	0.024	-0.406	-1.460	-1.562
	sig	0.322	0.981	0.685	0.146	0.204
Claim	t	1.509	0.414	-1.062	-1.676	-0.860
	sig	0.133	0.680	0.289	0.095	0.391
Infrastructure	t	-0.197	-0.219	-0.744	-1.346	0.059
	sig	0.844	0.827	0.458	0.180	0.953
Total satisfaction	t	-0.609	-0.318	0.190	-1.739	-1.139
	sig	0.543	0.751	0.850	0.084	0.256

The Table 5 shows the result of Z test testing the null hypothesis. The result proves that the framed null hypothesis is true for all the cases except the gender on the quality of the insurance product. The calculated Z value is -2.071 which is lesser than -1.96. Hence, the significance is 0.040 (4%). Hence, it is concluded that there is significant difference in the mean score. It is further analysed in detail as below:

Table 6 - MEAN OF SATISFACTION ACCORDING TO GENDER

Gender	Number of respondents	Mean
Male	106	20.2736
Female	94	21.9149

The above table reveals the significant difference in the mean of satisfaction towards quality of product. The female respondents have high satisfaction (21.9149) than male respondents (20.2736). It is significant difference as per the Z value. Hence, the framed null hypothesis is rejected for this gender and the quality of the product relationship.

SUGGESTIONS

1. The high income respondents are not highly satisfied with the performance of the agents and other staff of the insurance companies. They may expect recognition for their status. Hence, it is suggested that the companies should change their strategy of approach with high income group respondents.
2. Only high insurance premium paying customers are satisfied with the customer services, infrastructure and overall satisfaction. The insurance companies should improve their services to satisfy all customers irrespective of the size of the policy.

3. It is found that female respondents are satisfied towards the quality of the insurance product. The male respondents are not satisfied highly with Insurance coverage, Minimum Premium amount and Flexibility Linked hospitals for the treatment. Hence, it is suggested that the companies should focus on these factors while approaching for selling the product to the male customers.

SUGGESTIONS FOR FURTHER STUDY

1. The study has considered five aspects customers' satisfaction i.e., customer service, quality of the insurance product, performance, infrastructure and procedure for claim. Other aspects uncovered, if any, may be included for further study.
2. It has been done in the health insurance sector. Further, it may be conducted on other insurance like life insurance and general insurance.

CONCLUSION

The customers' satisfaction determines the success of the business. The health insurance industry in India is fast growing sector. In this scenario, it is important not only to attract new customers, but it is also to retain the existing customers. Hence, the knowing the customers' satisfaction is compulsory one. This article tried to get an overall idea about the customers' satisfaction on the health insurance policies. The findings and suggestion may be helpful to the insurance companies to improve their customers' satisfaction.

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