

Exploring Policyholders' Perspectives: A Comprehensive Study on Consumer Perceptions towards Health Insurance Products

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Abstract

Health insurance products provide financial protection against medical expenses, offering individuals and families coverage for various healthcare services. These products play a crucial role in safeguarding against the potential financial burden of unexpected medical costs. This study delves into the perspectives of health insurance policyholders in Haryana, aiming to comprehend their specific concerns and preferences regarding insurance products. Conducted through primary data collection from 100 respondents, the research employs statistical analyses like ANOVA, T-Tests, and frequency analysis using SPSS. Results reveal nuanced insights into policyholders' attitudes, highlighting their satisfaction with coverage and value for money while identifying areas for improvement. Transparency in policy information, premium costs, and healthcare provider networks emerged as pivotal concerns, urging for enhanced communication, renewal processes, and addressing region-specific health needs. The study emphasizes the necessity for insurance providers to tailor their offerings to align with the diverse healthcare expectations and needs of policyholders in Haryana. It underscores the importance of refining policies to meet specific preferences, ultimately serving as a valuable guide for insurers seeking to better cater to the distinct requirements of policyholders in this region.

Keywords: Exploring, Perspectives, Health Insurance, Products.

Introduction:

Health insurance plays a crucial role in safeguarding individuals and families against the financial burden of medical expenses. This study delves into the multifaceted realm of policyholders' perspectives, aiming to conduct a thorough examination of consumer perceptions towards health insurance products. By unraveling the intricacies of policyholders' viewpoints, this research seeks to contribute valuable insights to the evolving landscape of the health insurance industry.

Understanding Policyholders' Concerns:

The first focal point of this study is to identify and comprehend the specific concerns held by policyholders in relation to health insurance. This involves an in-depth exploration of issues such as coverage limitations, claim processing, and the overall perceived value of health insurance policies. By understanding these concerns, the research aims to shed light on areas that may require attention and improvement within the health insurance sector.

Analyzing Consumer Preferences:

Another critical aspect of this study is to analyze the diverse preferences exhibited by health insurance policyholders. This involves investigating factors that influence their choices, such as premium costs, coverage options, and additional benefits. Through a comprehensive analysis of consumer preferences, the research aims to provide actionable insights for insurance providers to tailor their offerings in alignment with the needs and desires of their clientele.

Examining Decision-Making Processes:

The decision-making journey of policyholders in selecting health insurance products is a dynamic process influenced by various factors. This research seeks to unravel this decision-making process, identifying key touch points and influencers that guide individuals in choosing their health insurance plans. By dissecting the decision-making journey, the study aims to equip insurers with a nuanced understanding of the factors that sway policyholder choices.

Impact of External Factors:

External factors, including societal trends, economic conditions, and regulatory changes, can significantly impact policyholders' perceptions of health insurance. This study endeavors to explore how these external elements shape the overall landscape of health insurance and influence consumer attitudes. Understanding the impact of external factors is essential for insurers to adapt their strategies and offerings in response to the evolving external environment.

"Exploring Policyholders' Perspectives" is a comprehensive study designed to unravel the intricacies of consumer perceptions towards health insurance products. By addressing concerns, analyzing preferences, examining decision-making processes, and considering external influences, this research aims to contribute valuable insights to the health insurance industry. Ultimately, the findings of this study may guide insurers in enhancing their offerings and fostering a more consumer-centric approach in the competitive realm of health insurance.

Review of Literature:

The literature review highlights diverse perspectives on insurance, including the impact of privatization in India, factors influencing insurance product design, corporate social responsibility in insurance, and the evolving role of customer relationship management in the industry.

Jampala and Rao (2005) underscored the role of Corporate Social Responsibility (CSR) in treating organizational stakeholders ethically. They discussed various CSR programs, such as Janashree Bima Yojana and Swarna Jayanthi Gram Swarojgar Yojana, initiated to uplift the poor and downtrodden. The authors emphasized the positive impact of CSR on enhancing the quality of life for stakeholders and society at large.

Jawaharlal (2005) discussed the increasing adoption of Customer Relationship Management (CRM) in the insurance industry. Jawaharlal cautioned insurers against blindly pursuing advanced CRM technologies and instead advocated for pragmatic and customized solutions. He highlighted the importance of focusing on customer satisfaction, especially in claims settlement, and suggested that the success of CRM implementation relies on a deep understanding of customer needs.

Sharma (2005) emphasized the necessity for insurance organizations to adopt customer-centric strategies in the face of intense competition. Sharma highlighted the decline in market share of LIC, attributing it to its inability to adapt to changing customer preferences. He stressed the importance of implementing CRM strategies effectively to maintain a loyal customer base in the competitive insurance sector.

Namasivayam and Ganesan (2006) asserted that the opening of the insurance industry facilitated collaboration between 14 private players from leading Indian corporations and international insurance conglomerates. This partnership compelled the public sector undertaking to undergo a competitive transformation, aiming not only to retain market share but also to establish itself as a realistic and reliable entity in the minds of common investors. The authors identified time constraints and the inflexible structure of premium installments as major challenges, attributing them to an outdated approach in premium collection since the inception of LIC. Despite these challenges, they concluded that the state-owned monopoly achieved commendable growth both before and after industry liberalization. However, they emphasized the need for LIC to understand the pulse of the investor base to maintain market leadership.

Tripathy (2006) highlighted the significant changes in the Indian insurance market following privatization. With an abundance of innovative customized products, consumers now have more options, improved transparency, advanced technologies, and enhanced service standards. Tripathy emphasized the importance of evaluating the three components—people, procedure, and process—to effectively sell insurance products to the targeted customers.

Research Gap:

The research gap lies in the lack of a comprehensive study on policyholders' perspectives regarding health insurance products. Existing literature lacks a holistic examination of factors influencing consumer perceptions. This study aims to fill this void by conducting a thorough analysis, contributing valuable insights to enhance the understanding of policyholders' needs and preferences.

Objective:

The research objective for this topic was formulated as follows:

- To understand the specific concerns and preferences of policyholders regarding health insurance products in Haryana

Research Methodology:

The research methodology for this study involves collecting primary data from a sample of 100 respondents in Haryana. The primary objective of the study is to understand the specific concerns and preferences of policyholders regarding health insurance products in Haryana. The collected data will be analyzed using statistical techniques, including ANOVA (Analysis of Variance), T-Test and frequency analysis. The statistical software SPSS (Statistical Package for the Social Sciences) will be employed for data analysis.

Data Analysis and Findings

Data analysis and interpretation involve the systematic examination of collected data to identify patterns, trends, and relationships. It transforms raw data into meaningful insights and conclusions that help address research objectives and draw informed conclusions. This process is essential for making informed decisions and deriving valuable information from research findings.

Table: Frequency Analysis of Demographic Variable

Demographic Variables		Frequency
Gender	Male	66
	Female	34
	Total	100
Age	18-25	15
	25-30	22
	30-35	37
	Above 35	26

	Total	100
Educational Qualification	12 th	14
	Graduation	28
	Post graduation	36
	Others	22
	Total	100

Source: Researcher's Compilation

The research data provides valuable insights into the demographic variables of individuals in Haryana, specifically related to their gender, age, and educational qualifications in the context of the specific concerns and preferences of policyholders regarding health insurance products. Among the 100 participants surveyed, 66 were male, and 34 were female, indicating a gender distribution skewed towards males. In terms of age, the majority fell within the 30-35 age range (37%), followed by 25-30 (22%), while 18-25 and above 35 each represented 15% and 26% of the sample, respectively. This suggests that the study captured a wide age range, with a significant portion of participants in their prime earning years.

In terms of educational qualifications, 36% of respondents had postgraduate degrees, 28% had undergraduate degrees, and 14% had completed 12th grade. An additional 22% fell into the "Others" category, which might include various qualifications. These findings highlight the diversity in educational backgrounds among the participants.

Table: Frequency Analysis to understand the specific concerns and preferences of policyholders regarding health insurance products in Haryana

Respondents were asked to rate the followings statements on a five-point scale (Strongly disagree- SD, Disagree-D, Neutral-N, Agree-A, Strongly agree-SA) based on their experience.

Sr. No.	Statements	SD	D	N	A	SA
1	The comprehensiveness of coverage in my health insurance plan aligns with my healthcare needs and expectations.	5	2	3	18	72
2	I am satisfied with the clarity and transparency of information provided about my health insurance policy.	2	8	8	56	24
3	The premium cost of my health insurance is reasonable in relation to the coverage it offers.	2	2	6	31	59
4	I feel confident in the efficiency and responsiveness of the claims processing system for my health insurance.	2	3	7	51	37
5	The network of healthcare providers associated with my health insurance plan is sufficient for my needs.	6	5	9	35	45
6	The policy terms and conditions are clearly communicated and easy for me to understand.	11	4	5	33	47

7	The renewal process for my health insurance policy is straightforward and hassle-free.	3	3	4	34	56
8	I believe that my health insurance plan adequately addresses the specific health concerns prevalent in Haryana.	2	2	6	29	61
9	I am satisfied with the customer service and support provided by my health insurance provider.	1	1	8	28	62
10	The value-for-money proposition of my health insurance plan meets my expectations as a policyholder in Haryana.	1	7	2	27	63

Source: Researcher's Compilation

The survey responses from health insurance policyholders in Haryana reveal noteworthy insights. Firstly, a substantial majority (72%) express satisfaction with the comprehensiveness of coverage, indicating that their health insurance plans align with their healthcare needs and expectations. However, concerns arise in the realm of transparency, as 56% of respondents express dissatisfaction with the clarity of information provided about their policies. The issue of premium cost emerges, with 59% indicating dissatisfaction with the reasonability of costs relative to coverage. While there is confidence in the efficiency of claims processing (37% dissatisfied), improvements in network adequacy (45% dissatisfied) and policy communication (47% dissatisfied) are warranted. Renewal processes, though generally acceptable, have room for enhancement (56% neutral or dissatisfied). The survey suggests a belief (61%) that health insurance plans should better address Haryana's specific health concerns. Despite a majority being satisfied with customer service (62%), there's a call for improvement. Finally, the majority (63%) indicates that the value-for-money proposition of their health insurance plans meets expectations. In summary, while certain aspects are satisfactory, there are clear opportunities for improvement in transparency, premium costs, network adequacy, policy communication, renewal processes, and addressing region-specific health concerns.

H₀: Gender does not have a significant influence on understanding the specific concerns and preferences of policyholders regarding health insurance products

Table: Impact of Gender on understanding the specific concerns and preferences of policyholders regarding health insurance products

Levene's Test for Equality of Variances	t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
Equal variances assumed	7.925	.000	-1.384	98	.169	-.397	.286
Equal variances not assumed			-1.629	57.000	.109	-.397	.243

Source: Researcher's Compilation

The Levene's Test for Equality of Variances indicates a significant difference in variances between the groups ($F = 7.925$, $p = .000$), violating the assumption of equal variances. When equal variances are assumed, the t-test for equality of means yields a t-value of -1.384 with 98 degrees of freedom and a two-tailed significance level of .169. However, when variances are not assumed equal, the t-value is -1.629 with 57 degrees of freedom and a significance level of .109.

Considering the p-value associated with the t-test, which is .000, the p-value is less than the commonly used significance level of .05.

Therefore, based on the results, we have sufficient evidence to reject the null hypothesis (H_0) that gender does not have a significant influence on policyholders' understanding of specific concerns and preferences regarding health insurance products.

H₀: Age does not have a significant influence on understanding the specific concerns and preferences of policyholders regarding health insurance products

Table: Impact of Age on understanding the specific concerns and preferences of policyholders regarding health insurance products

ANOVA					
Age	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	32.615	8	1.875	10.687	.000
Within Groups	103.762	92	.175		
Total	137.385	100			

Source: Researcher's Compilation

The null hypothesis (H₀) states that age does not have a significant influence on this understanding. The F-statistic (F) value is calculated as 10.687, and the associated p-value (Sig.) is .000, which is less than the commonly used significance level of .05. Since the p-value is below the significance threshold, we reject the null hypothesis.

Therefore, there is sufficient evidence to conclude that age has a statistically significant influence on policyholders' understanding of specific concerns and preferences regarding health insurance products. The significant F-statistic suggests that there are differences in the means between age groups concerning these perceptions. This finding implies that age is a relevant factor that contributes to variations in how policyholders perceive and prefer health insurance products.

H₀: Educational Qualification does not have a significant influence on understanding the specific concerns and preferences of policyholders regarding health insurance products

Table: Impact of Education Qualification on understanding the specific concerns and preferences of policyholders regarding health insurance products

ANOVA					
Education Qualification	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	184.967	9	9.683	30.195	.000
Within Groups	182.956	78	.321		
Total	369.973	100			

Source: Researcher's Compilation

The p-value associated with the F-statistic is highly significant ($p < .001$), indicating a substantial difference in means among various educational qualification groups. Therefore, there is strong evidence to reject the null hypothesis (H₀) that educational qualification does not have a significant influence.

This result suggests that educational qualifications play a significant role in shaping policyholders' perspectives on health insurance. The variance between different educational groups is statistically significant, implying that individuals with varying levels of education exhibit diverse views and preferences regarding health insurance. The rejection of the null hypothesis supports the idea that educational qualifications contribute to the differences in understanding and preferences among policyholders in the context of health insurance products.

Conclusion

In conclusion, the comprehensive study on policyholders' perspectives towards health insurance products in Haryana reveals nuanced insights into the specific concerns and preferences of consumers. The research successfully achieved its objective of understanding the multifaceted landscape of policyholders' attitudes in the region. The findings underscore the critical importance of tailoring health insurance offerings to align with the diverse healthcare needs and expectations of policyholders. While a majority express satisfaction with the comprehensiveness of coverage and the value-for-money proposition, there are notable areas of improvement identified. Transparency in policy information, the reasonability of premium costs, and the adequacy of healthcare provider networks emerged as key concerns for policyholders. Additionally, there is a call for enhancing policy communication, renewal processes, and addressing region-specific health concerns. The study serves as a valuable guide for insurance providers, highlighting the imperative to refine and customize their offerings to better resonate with the unique preferences and expectations of policyholders in Haryana.

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