

## Role Of Insurance Companies In Shaping Purchase Intention For Health Insurance Policies In Indian Economy; A Quantitative Study

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### Abstract

*The influence of insurance policy stratagems employed by insurance corporations assumes a pivotal role in moulding the perceptions for procuring health insurance policies within India. In a locale where the clamour for top-tier medical amenities continually escalates, efficacious marketing methodologies bear the potential to engender substantial differentiations. The spectrum of HI-products has been expansively broadened to confer a cornucopia of options, prospects, advantages, and opulence to discerning patrons. It mentions that despite the modification of investment products to include risk and return components, the HI industry struggles to cover more than 30% of Indians. To address these issues, researchers have conducted studies to identify various factors influencing customer decisions. These factors include psychographic (behavioural) and demographic elements. Subsequently, bespoke marketing communiques and pricing methodologies are meticulously fashioned to captivate diverse cross-sections of the populace, be it the youthful professionals, nuclear families, or the esteemed elderly citizens.*

*These stratagems serve a dual purpose, kindling not only the initial sparks of curiosity but also erecting a solid foundation of trust and integrity through the prism of lucid policies and expeditious claims adjudication. The endorsements of contented clientele and the propagation of favourable testimonials further buttress the impetus for procurement. In an arena as fiercely competitive as the domain of health insurance, efficacious marketing manoeuvres emerge as the pivot upon which the pendulum of consumer choices sways, guaranteeing a holistic healthcare umbrella for the residents of Delhi's National Capital Region.*

*Study survey was conducted among 100 people from marketing sector to know the factors that determines role of marketing strategies of insurance companies in shaping purchase intention for health insurance policies in Indian economy and found that Attitude Toward Health Insurance, Subjective Norms in Health Insurance, Purchase & Satisfaction and Perceived Behavioral Control are the factors that determines purchase intention for Health insurance policies.*

**Keywords-** Insurance companies, Indian economy, Insurance policy.

### Introduction

The emerging priority of providing healthcare for the urban poor in India presents a critical challenge, given<sup>1</sup> the rapid urbanization spurred by economic growth.

According to Turner (2010) projections indicate an influx of another 250 million people into Indian cities by 2030. However, the underfunded government health budgets limit the

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public-sector primary care services, forcing a significant portion of healthcare seekers into the private sector.

This private sector, though vital, is fragmented and comprises various providers, including informal and underqualified ones. Many individuals seeking healthcare compromise on basic family needs like food, clothing, and education due to these financial constraints. India possesses a vast network of over 600,000 cooperatives, with 250 million members, which could potentially support the expansion of health insurance. Leveraging these cooperatives could provide a balance between private and public healthcare initiatives. Within this fiercely competitive milieu, it is imperative to fathom the intricacies of customer perceptions concerning service quality.

This comprehension not only empowers businesses to outshine their rivals but also aids in the attraction and retention of a steadfast customer base. As the economic tapestry advances, the mindset of the Indian populace is rapidly undergoing a profound transformation. A few decades ago, the prevailing belief firmly rooted women within the domestic sphere. Such pursuits were perceived as detrimental to the family's reputation and often incurred society's disapproval. This serves as a poignant reminder that the path towards women's financial autonomy and security in India remains far from its culmination.

According to Sharma, acknowledging the persistent debates surrounding the SERVQUAL model and the paucity of documented evidence pertaining to its efficacy in the Australian healthcare context, it becomes imperative to reassess the dimensions of this instrument. This involves the application of factor and reliability analyses, thereby expanding upon earlier research and simultaneously replicating and extending its discoveries. The dimensionality of SERVQUAL, particularly within the healthcare domain, demands close scrutiny. Nevertheless, scholars are yet to reach a consensus on the most efficacious conceptualization and operationalization of service quality. To rectify this lack of consensus, we must first delve into the definitions and attributes of service and service quality.

Service, by its inherent nature, possesses unique traits that distinguish it from the tangible commodities that are often the focal point of research. Comprehending these distinctive attributes is pivotal to grasping the core of the service quality concept. Some service industries heavily rely on tangible equipment to fulfil customer demands, while others operate in a less tangible manner.

Maurya & Ramesh, (2019), certain service enterprises adhere to well-defined standards and practices, such as franchise industries, whereas others thrive on flexibility and customization. Additionally, the values of parity and equity often hold a significant place in the eyes of customers, moulding their perceptions of service quality. In the context of shaping the intentions of purchasing health insurance policies in Delhi NCR, the role of marketing strategies employed by insurance companies assumes pivotal significance.

## **Literature Review**

In the expansive metropolis of Delhi NCR, a multifarious demographic mosaic converges alongside diverse economic strata.

According to Gupta, Anand, & Rana, (2016) sprawling region finds itself amidst an escalating demand for health insurance, primarily attributed to the soaring costs of healthcare, an augmented consciousness of health-related matters, and governmental initiatives.

The realm of healthcare marketing unfolds as a meticulously crafted stratagem, orchestrated for the purpose of enticing fresh healthcare clientele, shepherding them through their

medical odyssey, and sustaining their involvement within the healthcare milieu, be it the system, services, or products.

According to Das, (2013) contemporary landscape, virtually every facet of healthcare-related enterprises engages in marketing endeavours. This encompasses healthcare systems, hospitals, polycentric providers, solitary medical practices, pharmaceutical conglomerates, medical apparatus manufacturers, health insurance providers, consumer brands, and a myriad of other entities. The pinnacle of efficacious healthcare marketing strategies amalgamate myriad channels, precise targeting mechanisms, and discerningly calibrated online and offline initiatives, all geared towards propelling expansion and fostering active participation.

These endeavours remain ardently focused on the discrete key performance indicators and the returns on investments that are germane to the particular market segment. Even the preeminent health insurance policies worldwide may not realize their full potential if shackled to a subpar digital domicile.

According to Tiwari & Yadav, (2012) Google, a staggering 53% of visitors will embark upon a swift exodus, colloquially referred to as "bouncing off," from your online sanctum should it languish in loading for a duration exceeding three seconds. Numerous instruments at your disposal can scrutinize the velocity of your web sanctuaries, such as Pingdom or Google's Page Speed Insights. Enhancing the velocity of your health insurance website necessitates the adoption of self-directed strategies.

This entails migrating to a more dependable hosting service that guarantees expeditious page load times. Additionally, streamlining the multitude of plugins utilized is imperative to avert impeding your website with superfluous database requests from seldom-utilized tools.

According to Souiden, Amara, & Chaouali, (2020) healthcare enterprises exhibit a degree of trepidation when contemplating investments in external media channels, such as conventional advertising platforms like radio, television, billboards, and print publications. These endeavours often entail substantial financial commitments, thus demanding meticulous consideration to ascertain an optimal allocation of resources for discernible returns.

Entrusting decisions of this magnitude to unseasoned healthcare media procurers ensures that your advertising endeavours reach the intended audience with precision.

Positioning a billboard in an inconspicuous locale offers minimal traction in attracting healthcare consumers. Conversely, broadcasting a television advertisement on a channel catering to demographics representative of your typical consumer base can yield a profound boost to your Return on Investment (ROI).

According to Srinivisan, (2010) it may not rival the efficacy of digital advertising, the enduring potency of word-of-mouth referrals remains an indomitable component of a comprehensive medical marketing strategy. The intricate tapestry of human diversity yields a fascinating revelation: distinct cultures harbour unique predilections and purchasing behaviours. A case in point lies within the sphere of kitchen remodelling contractors.

Picture a scenario where such an artisan extends their enterprise to a community wherein the art of haggling is a culturally sanctioned ritual. To secure patrons while ensuring the sustenance of profitability.

Moreover, the observance and reverence for various holidays and cultural customs within specific ethnic cohorts cannot be underestimated.

A fundamental comprehension of the marital status of an individual emerges as a pivotal demographic.

This facet transcends the mere nuances of single parents still being active participants in the life insurance market. The crux of our demographic exploration pivots towards the realm of wedded couples. The fabric of family structure exerts a discernible influence on purchasing proclivities and is an inextricable component of the sales narrative.

The art of marketing necessitates the precision of directing its allure towards the conjugal unit, gravitating towards the most prevalent arbiter in their collective decision-making process. To optimize your website for a discerning readership, a number of strategies can be harnessed.

Roy, Basu, & Ray, (2023), married couples who own abodes may invest in home theatre systems, yet the husband might orchestrate the acquisition with his football season gatherings in mind. Employing contemporary methods such as prefetching, preloading, and reconnecting, which initiate processes like page retrieval and image downloads when users navigate links or scroll down a page, can greatly enhance user experience. An indispensable facet of your healthcare insurance marketing blueprint is post-treatment follow-ups with previous patients, soliciting their feedback to gauge their satisfaction.

This practice not only informs your strategy and optimizes your offering but also cultivates trust, incentivizing customers to return rather than seeking alternatives. It's conceivable that your confidence in your expertise distinguishes you from other healthcare providers or enterprises. However, from a healthcare consumer's perspective, one white coat may appear indistinguishable from the next, and consumers typically exhibit reluctance to procure products or services from unfamiliar sources. The development of a robust, identifiable brand and its widespread promotion contributes significantly to diminishing the overall cost of acquiring new customers and amplifying return on investment. In your quest to accomplish this, you must initially ascertain the unique attributes of your healthcare business.

According to Ahmed, Khan, & Samad, (2016) There's invariably an element that sets your medical team apart, and this is what etches your healthcare organization's name in the memories of consumers. The promotion of awards and accolades for these achievements is an effective method to foster trust in your brand, particularly considering that you are seeking to gain consumers' trust with their health at stake. It might require time to ascertain what resonates most effectively with your brand, but eventually, a cohesive healthcare marketing strategy featuring consistent branding and marketing materials will coalesce and illuminate your brand in the most favourable light.

According to Patel, Parikh, Nandraj, Balasubramaniam, Narayan, Paul, et al., (2015) decades ago, the mere existence of a website sufficed to make a favorable impression on prospective healthcare consumers and aid in the discovery of your healthcare brand identity. In the contemporary landscape, consumer engagement has evolved into a more intricate endeavour as the healthcare sector increasingly embraces virtual healthcare experiences, such as telehealth and remote monitoring. A website now represents the front door of your organization, often serving as the initial point of contact for consumers. If this virtual entryway is not optimized, it may well be the ultimate interaction a person has with your hospital or healthcare practice.

In addition to guaranteeing the accuracy and accessibility of essential contact information, including locations, phone numbers, contact forms, and primary services, the visual content and verbiage should be attuned to the preferences of your consumer base. Moreover, for the cultivation of enhanced engagement, healthcare entities must incorporate value-added experiences, including easy access to information, prompt appointment scheduling, and high-calibre communication with healthcare providers. This commitment to user experience should permeate every facet of interaction, whether by design or happenstance.

User experience represents an integral facet of website design. Occasionally, designers become so engrossed in enhancing visual aesthetics that they inadvertently neglect the patient experience.

According to Siddiqui & Sharma, (2010) it is not uncommon to encounter websites necessitating comprehensive reimagining. However, opportunities to effect incremental improvements that boost business, such as positioning the "Contact Us" form prominently on the webpage, should not be overlooked. The creation of a positive patient experience also entails an analysis of the most typical consumer touchpoints, encompassing websites, social media, paid advertisements, third-party listings, and more. Consumers harbor a desire to interact on their terms, necessitating a medical marketing strategy that accommodates each touchpoint.

In the realm of medical appointments, consumers actively seek validation from peers who have encountered similar experiences. The realm of online assessments continues to ascend the ladder of trustworthiness for both potential and established patients. An astonishing 86% of 1,124 surveyed individuals in the United States entrust online reviews as much as they do personal recommendations. These evaluations are regarded as a reliable compass for selecting a new physician.

Typically, individuals in the healthcare domain only voice their opinions when they are suitably motivated, often following an exceptionally positive or, conversely, a severely subpar experience. The failure to proactively solicit feedback amounts to missed opportunities to highlight positive responses from consumers. To remain attuned to consumer sentiment, it is prudent to contemplate the integration of automated, HIPAA-compliant review platforms into your healthcare marketing strategy. A multitude of such platforms is available, but our agency offers an exceptionally scalable solution that encompasses three vital functions:

According to Dror & Firth, (2014) review and rating platforms allow for ethical solicitation of feedback from healthcare consumers and patients, provided there is no manipulation. The chosen platform should facilitate the request for reviews on a significant scale, either through outreach via text and email or on a one-on-one basis using QR codes, tablets, and individual text messages. Furthermore, it should guide patients towards well-known websites such as Google and Facebook, thus fostering the generation of first-party reviews on your website. For enterprises with a single location, review monitoring may appear manageable; however, it can quickly evolve into a challenging task for providers with multiple locations.

Without the appropriate software, you run the risk of overlooking both positive and negative feedback scattered across various review platforms. Your selected platform should also empower you to respond to online reviews with ease. Gender plays a pivotal role in shaping consumer behavior within the demographic landscape. Understanding gender-specific patterns of consumer behaviour and purchasing tendencies is of paramount importance for enterprises aiming to craft targeted and effective marketing strategies. Men and women often exhibit discernible variations in their consumer behaviour preferences. For example, men prioritize product features and functionality, whereas women place greater importance on attributes like product aesthetics and customer reviews. Recognizing these divergences allows businesses to tailor their product offerings and marketing communications to resonate with each gender. When executed with finesse, gender-specific marketing strategies can yield substantial returns. Brands can reinforce their connection with their target demographic by catering to gender-specific inclinations, interests, and values. Notably, cosmetic companies frequently employ gender-specific marketing tactics to cater to the diverse preferences and desires of their male and female clientele. Nonetheless, it is crucial to confront and transcend gender biases and stereotypes within

marketing campaigns. Forward-thinking enterprises strive to break free from traditional gender norms and foster inclusive and diverse messaging. This approach not only promotes a positive brand image but also assists in cultivating a devoted and engaged customer base.

### Objective

1. To know the factors that determines the Role of Insurance companies in shaping purchase intention for Health insurance policies in Indian economy.

### Methodology

Study survey was conducted among 100 people from marketing sector to know the factors that determines Role of Marketing Strategies of Insurance companies in shaping purchase intention for Health insurance policies in Delhi NCR. Random sampling method and Factor Analysis were used to collect and analyse the data.

### Analysis

**Table 1 “KMO and Bartlett's Test”**

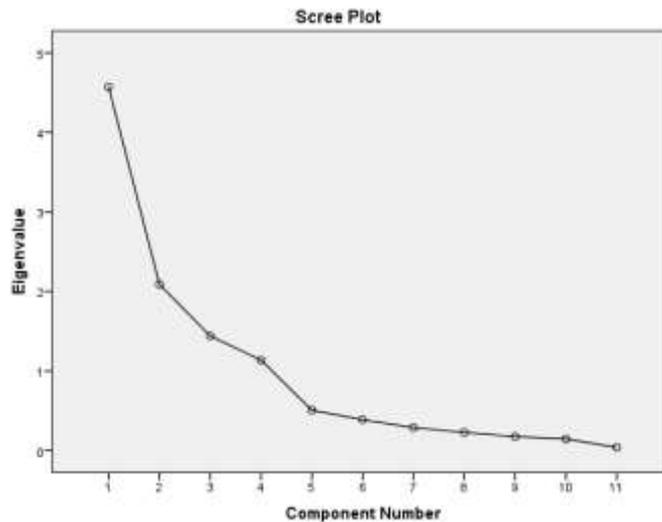
“Kaiser-Meyer-Olkin Measure of Sampling Adequacy”		.754
“Bartlett's Test of Sphericity”	Approx. Chi-Square	808.818
	df	55
	Sig.	.000

In the table above KMO value is 0.754 and the “Barlett’s Test of Sphericity” is significant.

**Table 2 Total Variance Explained**

Component	“Initial Eigen values”			“Rotation Sums of Squared Loadings”		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.571	41.550	41.550	4.571	<b>41.550</b>	41.550
2	2.089	18.994	60.544	2.089	<b>18.994</b>	60.544
3	1.440	13.087	73.631	1.440	<b>13.087</b>	73.631
4	1.136	10.329	83.961	1.136	<b>10.329</b>	<b>83.961</b>
5	.506	4.603	88.564			
6	.387	3.515	92.079			
7	.287	2.608	94.687			
8	.228	2.069	96.755			
9	.174	1.584	98.339			
10	.145	1.314	99.653			
11	.038	.347	100.000			

The “principal component analysis” method was applied to extract the factors and it was found that 11 variables form 4 Factors. The factors explained the variance of 41.550%, 18.994%, 13.087% and 10.329% respectively. The total variance explained is 83.961%.



**Figure 1 Scree Plot**

The graph above depicts the Eigen values generated from the "Total Variance Explained table" for an elbow with 4 components.

**Table 3 Rotated Component Matrix**

S. No.	Statements	Factor Loading	Factor Reliability
	<b>Attitude Toward Health Insurance</b>		<b>.908</b>
1	Overall attitude toward health insurance shaped by their trust in the insurance provider	.919	
2	Risks covered/uncovered by Health Insurance	.849	
3	The usefulness of health insurance	.840	
	<b>Subjective Norms in Health Insurance</b>		<b>.894</b>
4	Social Influence changes purchase decision	.905	
5	Internal Factors influence purchase intention	.845	
6	External Factors affects buying behavior	.843	
	<b>Purchase And Satisfaction</b>		<b>.883</b>
7	Satisfaction of HI policy indicates the level of satisfaction with the services	.960	
8	Marketers focus on important Factors and Purchase of health insurance	.956	
9	Brand Image of Insurance Companies is responsible for buying behavior	.704	
	<b>Perceived Behavioral Control</b>		<b>.812</b>
10	Perceived Behavioral Control focus on Knowledge and resources	.903	
11	Barriers to Purchase of Health Insurance must be addressed by insurance companies	.901	

**Attitude Toward Health Insurance** is factor one which includes the variables like Overall attitude toward health insurance shaped by their trust in the insurance provider, Risks covered/uncovered by Health Insurance and the usefulness of health insurance. second factor is **Subjective Norms in Health Insurance** and its associated variables are Social Influence changes purchase decision, Internal Factors influence purchase intention and External Factors affects buying behaviour. Third factor is **Purchase and Satisfaction** which includes the variables like Satisfaction of HI policy indicates the level of satisfaction with the services, Marketers focus on important Factors and Purchase of health insurance

and Brand Image of Insurance Companies is responsible for buying behaviour. Fourth factor is **Perceived Behavioral Control** and its associated variables are Perceived Behavioral Control focus on Knowledge and resources and Barriers to Purchase of Health Insurance must be addressed by insurance companies.

**“Table 4 Reliability Statistics”**

“Cronbach's Alpha”	“N of Items”
.845	11

The reliability for 4 constructs with total of eleven elements is 0.845.

### **Conclusion**

In the realm of health insurance policies in Delhi NCR, the role of marketing strategies wields a profound influence over the inclination to purchase. According to Savitha & Banerjee, (2021) comprehensive study has unveiled a myriad of pivotal factors that hold substantial sway over an individual's decision to initiate or sustain their health insurance coverage. These elements have been revealed to exert a resoundingly positive and substantial impact on the choices made by individuals in Delhi NCR. Concerns have been raised by customers regarding the timely receipt of renewal notifications, as a failure in prompt delivery can potentially lead to policy discontinuation, thereby leaving individuals without access to their medical coverage. Furthermore, as the demographic landscape undergoes transformation due to an aging population and a diminishing demographic dividend, a pressing need arises to address the imminent issues within the realm of financial gerontology. Innovative and adaptable offerings must be formulated to cater to the evolving needs of this cohort. Insurance products are no longer perceived solely as instruments for risk mitigation but also as investment avenues.

With an escalating demand for credit and collateral in the guise of life insurance coverage, there arises an augmented need to realign insurance offerings Insurance products are no longer perceived solely as instruments for risk mitigation but also as investment avenues.

With an escalating demand for credit and collateral in the guise of life insurance coverage, there arises an augmented need to realign insurance offerings with the shifting financial landscape. The instrumental role of marketing strategies remains undiminished in shaping the purchase intentions of individuals regarding health insurance policies in Delhi NCR.

The study was conducted to know the factors that determines the Role of Insurance companies in shaping purchase intention for Health insurance policies in Indian economy and found that Attitude Toward Health Insurance, Subjective Norms in Health Insurance, Purchase & Satisfaction and Perceived Behavioral Control are the factors that determines purchase intention for Health insurance policies in Delhi NCR.

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