



# Mapping of Opportunities in Health Insurance Marketing – An Insurance Agent Perspective

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## Abstract

Health insurance market is well established in most of the countries in the world but in India it remains an untapped market. The 3.2% of Indian fall under the poverty line due to high medical bills. This is indicating that the Indian population is still uncovered market of health insurance policies. This is because of not aware about the features and benefits of health insurance policies and they are also unaware of how it will support to medical treatment without cash. There are only very few are insured their lives under health insurance policy in India. The health insurance market has number opportunities to grow. In this perspective the researcher need to identify the various opportunities involved in health insurance sector. In this backdrop, there is need to study the opinions of non-insurer for not having the health insurance policy. For this structured questionnaire was designed and collected the opinion of non-insurers with regard to health insurance. The researcher identified the various opportunities like creating awareness, providing information to improve the knowledge of non-insures, availability of various services with the health insurance and building trust on health insurance which will improve the market. The researcher also analyzed the various constrains faced by the non-insures in the health insurance market. The main objective of this paper is to analyzing the insurance agent perspective in Mapping of Opportunities in health insurance marketing in India. The descriptive research method used to present this paper.

**Key words:** Health Insurance, Marketing, Insurance Agents.

## **Introduction:**

Health insurance has become a necessity for each and every individual in India. Health insurance provides risk coverage against the medical expenditure is caused by unforeseen emergencies. To get an individual best medical treatment without financial burden will required a health insurance. Buying a health insurance to an individual and their family members is no longer an option now –a-days it become a compulsory. Health insurance market is well established in most of the countries in the world but in India it remains an untapped market.

According to World Health Organization (WHO) statistics 31 percent are urban and 47 percent rural people of India meet their medical expenses by taking financed loans or sale of assets and majority of Indian spend their entire earnings of healthcare. It is also found that the 3.2% of Indian fall under the poverty line due to high medical bills. This is indicating that the Indian population is still uncovered market of health insurance policies. This is because of not aware about the features and benefits of health insurance policies and they are also unaware of how it will support to medical treatment without cash. Due to which they lose their lifetime savings or sell their precious assets to pay the medical bills to settle with inferior medical treatment. The health insurance is one which covers all the medical tests, doctor fees, costs of the ambulance, hospitalization charges, post-hospitalization charges which covers the doctor visits, medicines and medical tests. Health insurance improves the healthcare and also increases the accessibility to quality treatment where cost is the main barrier. In India, people face the common situation when they do not have sufficient cash to spent on sudden medical emergency, there health insurance play an import role. An appropriate treatment at right time is more important and it is possible with active health insurance policy. The most important benefit from the health insurance is cashless treatment at network hospitals.

### **Significance of the Study:**

Indian rural and urban people are new –a-days more educated and become health conscious due to rise in living standards and the most of insurance companies are creating awareness on benefits and feature of health insurance. The public and private sector are providing various health insurance policies to various customers. After the deregulation many private sector insurance companies role has increased by introducing innovative insurance products to customer. The liberalization of economy opened doors to foreign investors in health insurance sector and to cover wider area.

There are only very few are insured their lives under health insurance policy in India. The health insurance market has number opportunities to grow. In this perspective the researcher need to identify the various opportunities involved in health insurance sector. In this backdrop, there is need to study the opinions of non-insurer for not having the health insurance policy. For this structured questionnaire was designed and collected the opinion of non-insurers with regard to health insurance. The researcher identified the various

opportunities like creating awareness, providing information to improve the knowledge of non-insures, availability of various services with the health insurance and building trust on health insurance which will improve the market. The researcher also analyzed the various constrains faced by the non-insures in the health insurance market.

**Objective of the study:** The main objective of this paper is to analyzing the insurance agent perspective in Mapping of Opportunities in health insurance marketing in India.

**Research Methodology:** The descriptive research method used to present this paper. The study mainly based on primary data collected from the insurance agents by using structured questionnaire. The questionnaire is distrusted to 230 health insurance agents and collected 202 properly filled questionnaires. The collected data is tabulated, interpreted by using suitable statistical techniques.

### **Demographic Profile of Non- Health Insurers**

Demographic profiles of non-insurers are important to study their socio-economic position in society of non-insurers in the study area. These factor influence purchase decision regarding the product and availing the services from various sectors. The demographic profile include to study the gender, age, marital status, education, occupation and other are also analysed below. Table-1 presents the gender –wise Distribution of Non-insurers.

Table – 1 data indicates that the 63.86% respondents are male and 36.14% respondents are female. There are 55.94% respondents belong age group of between 36 to 45 years, 26.24% respondents are belong to below 35 years and 17.82% respondents belonging to above 45 years. There are 46.04% respondents below graduates of non-insurers, 35.15% respondents are completed graduation and 18.81% respondents are above gradation. It is observed that the majority of the respondents are below gradates and completed graduation in the study area. They are very few are completed above graduation of non-insurers in the study area. It indicates that the level of education influence the purchase decisions regarding the health insurance policies because educates people more concerned about their safety and their family members. Around 46% respondents are working private organisation, 24.26% respondents are working Government organization, and

16.34% respondents running their own business and 13.37% respondent are working as professionals. Around 96% respondents are earn income between Rs. 3, 00,001 to Rs. 6, 00,000 yearly, 33% respondents are earn below Rs. 3,00,000 yearly and 19% respondents are earn above Rs. 6,00,0001 yearly. Therefore, it is indicates that the majority of the respondents of non-insurers are earn between Rs. 3, 00,001 to Rs. 6, 00,000 yearly. It is observed that the earning capacity of non-insurers are very low because of this they are not taking the health insurance policies.

Table –1: Demographic Profile of Non-Insurers

Demographic Profile	Respondents	%
<b>Gender-wise Distribution</b>		
Male	129	63.86
Female	73	36.14
<b>Age-wise Distribution</b>		
Below 35 years	53	26.24
Between 36 to 45 years	113	55.94
Above 46 years	36	17.82
<b>Level of Education</b>		
Below Graduation	93	46.04
Graduation	71	35.15
Above Graduation	38	18.81
<b>Occupation –wise Distribution</b>		
Professionals	27	13.37
Government Employees	49	24.26
Private Employees	93	46.04
Business	33	16.34
<b>Level of Income –Wise Distribution</b>		
Below Rs. 3,00,000	67	33.21
Between Rs. 3,00,001 to Rs. 6,00,000	96	47.79
Above Rs. 6,00,001	39	19.00
<b>Total</b>	<b>202</b>	<b>100</b>

Source: Primary Data.

### Mapping of Opportunities by Creating Level of Awareness

As per a report by Federation of Indian Chamber of Commerce & Industry (FICCI), there are only 27 per cent Indian are have health insurance plan which is very low when compared to our population growth. It clearly indicates that the large number of population in India is unaware of health insurance products and their benefits. In this connection, there is need to study the level of awareness towards health insurance policies. Table – 2 presents the how to increase level of Awareness towards health insurance policy.

Table- 2: Level of Awareness towards Health Insurance

Statements	SA	A	N	D	SD
Explaining the features and benefits are associated with it	21 (10%)	76 (38%)	27 (13%)	41 (20%)	37 (18%)
Health insurance reduces the medical expenses	68 (34%)	33 (16%)	29 (14%)	31 (15%)	41 (20%)
How health insurance give future security	79 (39%)	34 (17%)	21 (10%)	39 (19%)	29 (14%)
How much it is necessary to family members	31 (15%)	69 (34%)	31 (10%)	27 (13%)	44 (22%)
How networked hospitals helpful in modern medical treatment	33 (15%)	41 (34%)	28 (15%)	71 (33%)	29 (12%)

*Sound: Primary Data.*

Above data in table displays that the 38% respondents agree with to create awareness on features and benefits are associated with the health insurance policy, 34% respondents strongly agree to create awareness on how health insurance policies are reduces medical expenses, 39% respondents agree to create awareness on how health insurance policy is necessary to entire family and 34% respondents agree to create awareness how network hospitals are helpful in medical treatment.

### Opinion towards Information provided regarding Health Insurance

The Indian health insurance penetration showing very low as compared with other countries like the United States and United Kingdom are five times higher. When compared in within the state highest penetration recorded in Delhi and West Bengal and very lowest recorded in the state of Haryana and Meghalaya. Hence, there is need to study the respondents level of knowledge about health insurance products.

Table – 3 presents the level of knowledge about Health Insurance products.

Table – 3: Level of knowledge about Health Insurance Products

Statements	SA	A	N	D	SD
Provide knowledge on where and how to obtain health insurance necessary	37 (18%)	100 (49%)	19 (9%)	21 (10%)	27 (13%)
Required information is not available to insurer	79 (39%)	41 (20%)	24 (12%)	34 (17%)	26 (13%)
An appropriate guidance is required to insurer	32 (16%)	81 (40%)	30 (15%)	37 (18%)	24 (12%)

Unable to provide required documents of health insurance	91 (45%)	31 (15%)	21 (10%)	26 (13%)	34 (17%)
Unable to provide health insurance claim process	90 (44%)	32 (16%)	30 (15%)	24 (12%)	28 (14%)

Source: Primary Data.

The above data clearly indicates that 49% respondents agree to provide knowledge on where and how to obtain health insurance necessary to improve knowledge of insurers, 39% respondents strongly agree with the required health information is not available to insurer with agents, 40% respondents agree opinion that the an appropriate guidance is required to insurer, 45% respondents strongly agree with the health insurance companies are unable to provide required documents of insurance and 44% respondents strongly agree with the health insurance companies are unable to provide health insurance claim process. Therefore, it is observed that the majority of the respondents are opinion that the health insurance companies should provide knowledge on where and how to obtain insurance policies.

### Opinion towards Services Provided by Health Insurance Products

The insurance companies are playing an important role in providing various policies to customers and at the same providing services to their customers to attract more and more customers. The health insurance companies should take care to satisfy customers through providing various services. In this connection, there is need to study the various services provided by health insurance companies. Table – 4 presents the level of services provided by health insurance companies.

Table – 4: Level of Services Provided by Health Insurance Products

Statements	SA	A	N	D	SD
The services are not reached at expected level of customers	31 (15%)	86 (42%)	26 (13%)	25 (12%)	36 (18%)
Health insurance companies are transparent in issuing policies	25 (12%)	40 (20%)	26 (13%)	46 (23%)	67 (33%)
Most of the multispecialty hospitals are involved	95 (47%)	25 (12%)	21 (10%)	39 (19%)	24 (12%)
Health insurance policy issue process is too lengthy	73 (36%)	41 (20%)	26 (13%)	29 (14%)	35 (17%)
Branch locations are at convenient to customers	32 (15%)	33 (17%)	30 (15%)	63 (31%)	46 (23%)

Source: Primary Data.

Above data indicates that the 42% respondents agree with the health insurance company services are not reached at expected level of insurer and 18% respondents strongly disagree with this also. Around 33% respondents strongly disagree with the health insurance companies should be transparent in issuing policies and 20% respondents agree with this also. The 47% respondents strongly agree with the statement of most of the multispecialty hospitals are involved and only 12% respondents strongly disagree with this. The 36% respondents strongly agree with the health insurance policy issue process is too lengthy and 20% respondents also agree with this. Around 23% respondents strongly disagree with the statement of branch locations are should be convenient to customers and 17% respondents agree with this.

### Opinion towards Trust Building factor of Health Insurance

The trust building is a daily activity or commitment of health insurance companies. Building trust is the process of bringing all the members together and developing trust on their exercises. The building trust of health insurance companies depends on agents, branch location and experiences of customers. In this connection, there is need to study which factors building trust on health insurance policies. Table 5: presents factors related to building trust of health insurance companies.

Table – 5: **Opinion towards Trust Building factor of Health Insurance**

Statements	SA	A	N	D	SD
Health insurance agents unable to build trust	37 (18%)	30 (15%)	24 (12%)	81 (40%)	32 (16%)
Advertisements build trust on health insurance companies	30 (15%)	32 (16%)	20 (10%)	29 (14%)	93 (46%)
Health insurance policies will build trust in family members	25 (12%)	92 (45%)	18 (09%)	31 (19%)	38 (15%)
Health insurance policies are building trust in future perspectives	21 (10%)	95 (47%)	25 (12%)	39 (19%)	24 (12%)
Customers are willing take health insurance policy	36 (18%)	31 (15%)	20 (10%)	92 (46%)	25 (12%)

Source: Primary Data.

Above data reveals that the 40% respondents disagree with the statement of health insurance agents unable to build trust and 18% respondents are strongly agree with this. Around 46% respondents strongly disagree with advertisements build trust on health insurance companies and only 16% respondents agree with

this. The 45% respondents agree with the health insurance policies will build trust in family members and 15% respondents strongly disagree with this. Around 47% respondents agree with the statement of health insurances policies are building trust in future perspective and 19% respondents disagree with this. The 46% respondents disagree with the statement of customers are willing to take health insurance policy and only 18% respondents strongly agree with this.

### **Findings of the Study:**

- The majority of the non-insurers are male in the study are and very few are female. The majority of the respondents are belonging to middle age and below age group. Above middle age group are very low in the study area, thus the respondents are not showing interest towards purchase of health insurance policies. The health insurance has the opportunity create awareness about the policies and provide information their services to insurers. It is clearly indicates that the private employees salaries are very low is the main reason they are not taking the health insurance policies in the study area. The earning capacity of non-insurers are very low because of this they are not taking the health insurance policies.
- The health insurance market have opportunity when creating awareness on features and benefits are associated with the health insurance, how health insurance reduces the medical expenses, how health insurance give future security, how much it is necessary to family members and how the network hospitals are helpful in modern treatment.
- The health insurance companies should be available to require provides information regarding policies and appropriate guidance is required to insurer. The health insurance companies should provide required documents to the insurer and should provide health insurance claim process to be clear to understand.
- The health insurance companies need to concentrate to reach the customer expectations should maintain transparent in issuing policies and at the same time reduce the time in issuing process. The health insurance companies need to include multispecialty hospitals and health insurance branch locations are to be convenient to more customers.



- The majority of the respondents' opinion that the health insurance agents are able to build trust builds trust in family members and health insurance policies will build trust in future perspective also. The advertisements unable to build trust on health insurance policies and most of the respondents are not interested to take health insurance policies.

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