



A STUDY ON CONSUMER PERCEPTION ON HEALTH INSURANCE PRODUCTS IN RAYAGADA, RAYAGADA DIST, ODISHA STATE.

(With references to Briisk India ltd.)

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Abstract

Health Insurance is an emerging societal security instrument for those with long-standing health problems, due to chronic illnesses and unable to afford health care system. Health insurance policy covers medical expenses incurred during pre and post hospitalization stages among individuals, and group insurances. The present study explores the “Consumer perception on health insurance products with references to BRIISK ltd”. For this purpose a sample of 100 respondents were collected and statistical analysis such as percentage analysis for demographical information, the Insurer, approach, policy options, and satisfaction levels among the Health Insurance policy holders was carried out.

Keywords: Health Insurance, Consumers Perception, policy.

Introduction

Health and wellness are important factors of life and Indian citizens are started willing to pay more for life insurance. Consumers' perceptions towards the health sector are drastically changed in the last 30 years. Many years ago, there was a concept like “feel well”. In recent times consumers are more alert and they are looking for adequate preventive care, a healthy life-style which helps them to live long. When these medical services are enjoyed within an affordable price then their profit percentage also increased and simultaneously the objective of the companies are also fulfilled. The Health Insurance industry of India was launched in 1986, which was grown knowingly due to the liberalization of the economy and general

awareness. The General Insurance Corporation of India and The Insurance Regulatory and Development Authority (IRDA) started an awareness campaign for all sections of the population. Only 25% of the Indian Population avail the health insurance policy of India. Many Foreign players were entered into the Indian market, as the markets are filled with opportunities.

The India health and medical Insurance market is divided into different type of insurance provider (private, public, standalone health insurance), different types of scheme (voluntary, mandatory, community based, employer based), types of coverage (individual or Family), term of coverage (term or lifetime), product type (Disease, medical, Income protection), demographics (adults, children, senior citizens).

Indian health and medical insurance market growth 2019 to 2024 is expected by 19% (CAGR). The health sector in India is one of the fastest growing sectors in the non- life insurance sector. The Indian market shows a robust double-digit growth of 24.5% in 2017, with a market share of 24.5% in whole nonlife insurance sector. For the last 10 year it has been fastest growing market segment which gives a CAGR of 23%.

Objectives of the study

- To assess the awareness level and source of awareness about health insurance.
- To identify the factors that influence consumers in the selection of health insurance
- To identify the factors that influence consumers in the selection of a particular health insurance policy
- To find out the level of satisfaction of consumers.

Importance of the Study

Indian households are good savers; they do not undertake financial planning and are financially at risk. Households need to understand the risk of both living too long and dying too young. Further, in urban India and amongst the salaried class, insurance is largely used as a tax saving tool, rather than for protection against risk. There is a need to reorient the consumer about the benefits of health insurance for both financial protections as well as for long- term wealth creation. The importance of insurance is unquestionable in modern economies as it serves a broad public interest.

Statement of the Problem

The Indian Insurance industry is closely integrated with the world economy, thereby making it imperative for insurance companies to operate outside national boundaries. During the long monopoly regime, the government attempted minor changes in the procedures without going into the root cause. The deregulation requires the comprehensive changes in the character and basic policies of the industry. Increasing market competition, heightened customer service expectations and the need to build competencies that stand out from the competition are some of the key challenges facing the insurance industry today

Research methodology

Research methodology specifies a method for acquiring the information needed to structure or solve the problem at hand. By methodology of any research means the selection of the representative sample, collection of relevant data, application of appropriate research tools and techniques for analysis. In the present study, extensive use of both primary and secondary data was made systematically. For collecting primary data, field survey technique was used in the study area i.e., Rayagada, Rayagada District , Odisha State.

Methodology is a systematic way of solving a problem it includes the research methods for solving a problem it includes the research methods for solving the problem.

Type of research	-Descriptive research
Data source	-Primary and Secondary data.
Data collection method	-Interview and survey
Data collection tools	-Questionnaires
Sample size	-100

Data source

The task of data collection begins after a research problem has been defined. In this study data was collected through both primary and secondary data source.

A. Primary data

A primary data is a data, which is collected for gathering information first time and to analyse the problem. In this study the primary data was collected among the consumers using questionnaire.

B. Secondary data

Secondary data consist of information that already exist somewhere, having been collected for some other purpose. In this study secondary data was collected from company websites, magazines, and brochures.

Sample size

After due consultation with the company supervisor as well as with the college guide, also keeping in mind the requirements of the company for the research, the sample size that was found to be appropriate for the study was 100.

Review of literature

Health insurance is the crucial sector of the economy. Health insurance is the process by which a person protects himself from the financial loss caused due to severe disease and accident. Due to this type of facilities young generation started depend on these insurance policies. Although health insurance concept is much old, but the transfer or sharing the risk was only prevalent in the modern society. These health

insurances are the pocket friendly option due to which large expenditure towards hospitalization in a private facility can be averted against a lower amount of premium.

Study of health insurance: Health insurance becomes one of the most important because of the unpredictable nature of spending. One can have the predictive idea about the future health service required by them but the quantum of money required to be spent on health service cannot be predicted. By improving the provisions of the health insurance and designing the health insurance packages so that most of the risk can be covered but this cannot be feasible as every risk cannot be pooled into one insurance.

1. During the time of corona, it's going to appear to be things area unit slowly easing into normalcy however the fact on the ground is incredibly completely different. In Bharat specifically, cases area unit still more and more rising. these days at over one.3 million confirmed cases in Bharat, currently being the third-worst affected country within the world, it's currently additional important than ever to require necessary precautions to make sure we're within the rose of each health and wealth (Banthin, Blumberg, Simpson et al. 2020).
2. As of last this year of 2020 has been a transformational one due to the COVID 19 pandemic, both lives of people, as well as their perceptions towards health insurance sector and health care perspectives, have been changed. India is now among the top countries that have been severely affected by this virus. Studies have been done both from positive and negative aspects while analysing facts and data. There has been a 30-40% upliftment in the health insurance market that is quite promising in this time as mentioned earlier is considered as a regulating factor of insurance finance market (Banthin, Blumberg, Simpson, 2020).

Consumer Perception- the concept

Consumer perception is defined as a process by which consumers sense a marketing stimulus, and organize, interpret, and provide meaning to it. The marketing stimuli may be anything related to the product and/or brand, and any of the elements of the marketing mix. We can classify the marketing stimuli into two types, namely primary or intrinsic and secondary or extrinsic. The primary or intrinsic stimuli comprise the product and its components, namely brand name, label, package, contents, and physical properties.

The secondary or extrinsic stimuli comprise the form in which the good or service offering is represented through words, visuals, graphics, and the symbolism, or through other cues such as price, outlet, salespeople, or marketing communication.

Perception comprises three components, namely the perceiver, the target (stimulus), and the situation. The characteristics of each of these components influence the perceptual processes of selection, organization, and interpretation. The consumer, actual or prospective, is the perceiver, the 4 Ps are the target, and the buying occasion and the surrounding environment are the situation. Perception is a complex process. After a stimulus is detected by the sense organs, the perceptual process comes into play and involves the interplay of three processes, namely selection, organization, and interpretation. In this way, perception is a dynamic process.

Perception is also an intellectual process, as it involves a lot of cognitive effort. Once sensation takes place, the cognitive processes take over and assign meaning to the stimulus. Consumers possess varying cognitive capacities and capabilities; their backgrounds are diverse, and psychological processes (needs, motivation, learning, attitudes, and values) and sociological factors (culture, sub-culture, and social class) are different. The cognitive processes have a bearing on not only the perceptual mechanism, but also on the resultant output and the behavioural response of the perceiver.

Briisk Ltd. Profile

Briisk India is a subsidiary of Briisk Limited UK. We believe in small team making a big impact. Our digital products and distribution-led insurance solutions - Instant Transaction Platform (ITP) and Professional Services (BPS) - transform the way insurance. Under the umbrella of Briisk Global, Briisk India envisions that right insurance products reach out to the ones who need it the most, starting with 1 billion+ Indians.

Briisk has been actively working in the Indian market since 2017 in the General Insurance as well as Life Insurance market. The primary ideology behind setting up a local shop in India came after a successful micro insurance campaign run by Briisk over a course of 2 years where more than 15,000 individuals from financially disenfranchised society were brought under the umbrella of insurance.

Following that, Briisk strengthened its stronghold in the Indian market through our B2B and B2C clients and our strategic partners consisting of insurers and distributors. While we served the farthest corners of the country, and individuals and companies were resonating with Briisk's products and services, the foundation of Briisk India, a subsidiary of Briisk Limited, was laid.

After successfully integrating the micro insurance product, through BDNI, Briisk ITP is now integrated with India's largest public insurance distribution network with more than 4,55,000+ IRDAI-certified rural insurance agents.

CONSUMER PERCEPTION ON HEALTH INSURANCE PRODUCTS AN ANALYSIS AND INTREPRETATION

Table:1

Sl.no	Parameters	Scale Level	No of Respondents	Percentage
1	Brand value	5-very important	34	34%
2	Price	4- important	39	39%
3	Local office	5-very important	37	37%
4	Local agent	4 important	39	39%
5	Number of hospital coverage	5 very important	50	50%
6	Local hospital coverage	5 very important	37	37%
7	Premium hospital coverage	5 very important	37	37%
8	Easy to purchase	4 important	34	34%
9	Easy to claim	4 important	40	40%
10	Recommendation of agent	4 important	31	31%
11	Expert opinion	4 important	37	37%
12	Family members Opinion	5 very important	37	37%
13	Friends and colleagues' opinion	5 very important	32	32%

According to the 5 point liker scale, observed that people opinion on health insurance. Out of 100 respondents who gave the highest point of their opinion in the scale was considered. According to that wrote the interpretation.

i) Brand value -wise selecting a policy:

From the above table Sl.No.1 Brand value, identify that 34percentage of people said while selecting a policy brand value is very important parameter. It indicates Liker scale 5th point.

ii) Price -wise selecting a policy

From the above table Sl.No.2 price, identify that 39 Percentage of people said while selecting a policy price is important parameter. It indicates Liker scale 4th point.

iii) Local office -wise selecting a policy

From the above table Sl.No.3 Local office, identify that 37 Percentage of people said while selecting a policy Local office is very important parameter. It indicates Liker scale 5th point.

iv) Local agent -wise selecting a policy

From the above table Sl.No:4 Local agents, identify that 39 Percentage of people said while selecting a policy Local agent is important parameter. It indicates Liker scale 4th point.

v) Number of hospital coverage -wise selecting a policy

From the above table Sl.No.5 Number of hospital coverage, identify that 50 Percentage of people said while selecting a policy Number of hospital coverage is very important parameter. It indicates Liker scale 5th point.

vi) Local hospital coverage -wise selecting a policy

From the above table Sl.No.6 Local hospital, identify that 37 Percentage of people said while selecting a policy Local hospital is important parameter. It indicates Liker scale 4th point.

vii) Premium hospital coverage -wise selecting a policy

From the above table Sl.no.7 premium hospital coverage, identify that 37 Percentage of people said while selecting policy premium hospital coverage is very important parameter. It indicates Liker scale 5th point.

viii) Easy to purchase -wise selecting a policy

From the above table Sl.No.8 Easy to purchase, identify that 34 Percentage of people said while selecting a policy Easy to purchase is important parameter. It indicates Liker scale 4th point.

ix) Easy to claim -wise selecting a policy

From the above table Sl.No.9 Easy to claim, identify that 40 Percentage of people said while selecting a policy Easy to claim is important parameter. It indicates Liker scale 4th point.

x) Recommendation of agent -wise selecting a policy

From the above table Sl.No.10 Recommendation of agent, identify that 31 Percentage of people said while selecting a policy Recommendation of agents' important parameter. It indicates Liker scale 4th point.

xi) Expert opinion -wise selecting a policy

From the above table Sl.No.11Expert opinion, identify that 37 Percentage of people said while selecting a policy Expert opinion is important parameter. It indicates Liker scale 4th point.

xii) Family members' opinion -wise selecting a policy

From the above table Sl.No.12Family members' opinion, identify that 37 Percentage of people said while selecting a policy Family members' opinion is very important parameter. It indicates Liker scale 5th point.

xiii) Friends and colleagues' opinion -wise selecting a policy

From the above table Sl.No.13Friends and colleagues' opinion, identify that 32 Percentage of people said while selecting a policy Friends and colleagues' opinion is very important parameter. It indicates Liker scale 5th point.

FINDINGS

In the research found that most of the respondents are graduated. Research is mainly conducted in the Rayagada. Many of the respondents are in the age of 20-25 years of age. From the above research we can concluded that customers are extremely aware whether the plan is familiar with them need of the consumers.

Brand value, identify that 34 Percentage of people said while selecting a policy brand value is very important parameter. It indicates Liker scale 5th point.

- Price, identify that 39 Percentage of people said while selecting a policy price is important parameter. It indicates Liker scale 4th point.
- Local office, identify that 37 Percentage of people said while selecting a policy Local office is very important parameter. It indicates Liker scale 5th point.
- Local agent, identify that 39 Percentage of people said while selecting a policy Local agent is important parameter. It indicates Liker scale 4th point.
- Number of hospital coverage, identify that 50 Percentage of people said while selecting a policy Number of hospital coverage is very important parameter. It indicates Liker scale 5th point.
- Local hospital, identify that 37 Percentage of people said while selecting a policy Local hospital is important parameter. It indicates Liker scale 4th point.
- Premium hospital coverage, identify that 37 Percentage of people said while selecting a policy premium hospital coverage is very important parameter. It indicates Liker scale 5th point.
- Easy to purchase, identify that 34 Percentage of people said while selecting a policy Easy to purchase is important parameter. It indicates Liker scale 4th point.
- Easy to claim, identify that 40 Percentage of people said while selecting a policy Easy to claim is important parameter. It indicates Liker scale 4th point.
- Recommendation of agent, identify that 31 Percentage of people said while selecting a policy Recommendation of agent is important parameter. It indicates Liker scale 4th point.
- Expert opinion, identify that 37 Percentage of people said while selecting a policy Expert opinion is important parameter. It indicates Liker scale 4th point.
- Family members' opinion, identify that 37 Percentage of people said while selecting a policy Family members' opinion is very important parameter. It indicates Liker scale 5th point.
- Friends and colleagues' opinion, identify that 32 Percentage of people said while selecting a policy Friends and colleagues' opinion is very important parameter. It indicates Liker scale 5th point.

SUGGESTION

- As per the findings the insurance company must consider the most important parameter as local office, number of hospital coverage, local hospital coverage, premium, family members opinion, friends and colleagues opinion.
- And give less priority to the less important parameter like brand value, price, local agent, easy to purchase, easy to claim, recommendation of agent, expert opinion so that the customers will be satisfied and they may purchase the health insurance policy.

Scope of future research

Health insurance is requiring for everyone forever, so there is a further scope of this study to conduct different location different states is possible and it is helping to understand the consumer's perception on health products.

Conclusion

The objective for which the present project work was taken up was to consumer perception on health insurance, to identify factors that influence consumers in the selection of health insurance. And to find out the level of satisfaction of customers as per the study main source of perception about health insurance the main reason for choosing health insurance policy is to cover the risk of illness. According to the statically analysis of this study less people utilizing Health insurance so need more motivation to the people for importance of Health insurance.

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