

## A study on consumer buying behavior towards health Insurance in Kanpur

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#### Abstract:

Let me start with few statistics. There are two deaths every minute due to heart attack. Hundreds of people die every day due to cancer. India is at 3<sup>rd</sup> spot due to deaths of malaria. Almost 5000 children die every day due to several diseases. There are approximately 500 road accident deaths in India every day. Out of this approximately 200 are dying because of lack of medical facility or lack of treatment. What else we need to realize that we need health insurance?

It takes only one visit to a hospital to make us realize how vulnerable we are, every passing second. For the rich as well as poor, male as well as female and young as well as old, being diagnosed with an illness and having the need to be hospitalized can be a hard trial. Heart problems, diabetes, stroke, renal failure, cancer - the list of lifestyle diseases just seem to get longer and more common these days. Thankfully availability of specialty hospitals and specialist doctors has increased over a period of time, but all that comes at higher cost. The super-rich can afford such costs, but what about an average middle class person. For an illness that requires hospitalization/ surgery, costs can easily run into five digit bills. A Health insurance policy can cover such expenses to a large extent.

Health insurance is rising rapidly as an important instrument to fund health care needs of the people. This research paper is based on the area of awareness and purchase behavior of people towards health insurance. Relationship between certain factors will be analyzed such as awareness towards health insurance and purchase behavior, Gender, age and income level. Research is also based on to find out preference of respondents towards type of health insurance. This study is also focused on to identify the various barriers in the subscription of health Insurance

Key Words: Consumer, health Insurance, buying behavior.



### Introduction:

The concept of Health Insurance was proposed in the year 1694 by Hugh the elder Chamberlen from Peter Chamberlen family. In 19th Century "Accident Assurance" began to be available which operated much like modern disability insurance. This payment model continued until the start of 20th century. During the middle to late 20th century traditional disability insurance evolved in to modern health insurance programmes. Today, most comprehensive health insurance programmes cover the cost of routine, preventive and emergency health care procedures and also most prescription drugs. But this is not always the case.

Healthcare in India is in a state of enormous transition: increased income and health consciousness among the majority of the classes, price liberalization, reduction in bureaucracy, and the introduction of private healthcare financing drive the change. Health insurance was highly under developed and least significant segment in India but now it has emerged as awareness has increased. Although it has increased up to certain extent but it has immense opportunity to grow further as still most of the people haven't availed the services of this sector.

Most of the population of India resides in rural area, urban slum area or below poverty line. Due to heavy increase in cost of quality healthcare services people have started finding out solution for health financing options to manage the problem. Government is also trying to make it affordable and accessible for people. When Mr. Narendra Modi took over as Prime Minister in 2014, he envisioned health insurance for everyone. His ambitious National Health Assurance Mission (NHAM) is likely to be launched in coming days. This will bring much needed promise to the evolution of health insurance model in India. To be rolled out in phases, it may take a decade before the scheme can be actually offered to everyone.

National Health Assurance Mission (NHAM) is one example of Government-sponsored Health Insurance schemes (GSHISs). The Congress had launched an ambitious Rastriya Swasthya Bima Yojna (RSBY). It focuses on providing inpatient coverage to families living Below Poverty Line (BPL). With a mere registration fee of Rs. 30, RSBY provides cash-less health insurance to BPL families up to Rs. 30,000. The entire premium is paid by the state (25%) and central (75%) governments. With the introduction of NHAM, RSBY will be gradually merged into NHAM.

Compared to USA where 75 % of people have health insurance, the most common mode of payment for medical services in India is still 'out of pocket'. Thus, there is ample scope for health insurance in India. With government's push for universal health coverage, this market is likely to grow in coming years. Government sponsored Health insurance is likely to be the dominant theme, but private insurance companies can also play a crucial role. Not only they will bring in the much needed investment, their entry will bring better practices, competition and a global insight. Health insurance is currently limited to indoor treatment. There is a need of coverage being extended to outpatient treatment and procedures too.

Although the Indian health insurance market still lags behind other countries in terms of penetration yet the health insurance segment is rising. It continues to be one of the most rapidly growing sectors in the Indian insurance industry with gross written premiums for health insurance increased by 23 per cent in 2016. The health insurance premium has registered a compounded annual growth rate (CAGR) of 33 per cent for the past eight financial years.



|   | 2015-16   |   |  |                                   | 2014-15   |   |  |                                   |  |
|---|---|---|--|-----------------------------------|---|---|--|-----------------------------------|--|
| Stand Alone<br>Health<br>Insurance<br>Companies | Gross<br>Direct<br>Premium<br>(Rs in<br>Crores) | Net<br>earned<br>premium<br>(Rs in<br>Crores) | U/W<br>Profit /<br>Loss<br>(Rs in<br>Crores) | Net<br>incurred<br>claim<br>ratio | Gross<br>Direct<br>Premium<br>(Rs in<br>Crores) | Net<br>earned<br>premium<br>(Rs in<br>Crores) | U/W<br>Profit /<br>Loss<br>(Rs in<br>Crores) | Net<br>incurred<br>claim<br>ratio |  |
|   | 1   | 2   | 3  | 4                                 | 5   | 6   | 7  | 8                                 |  |
| Star Health<br>and Allied<br>Insurance          | 2007  | 1513  | N.A.   | 53.81%                            | 1469  | 1017  | N.A.   | 63.96%                            |  |
| Apollo<br>Munich<br>Health<br>Insurance         | 1022  | 774   | N.A.   | 64.61                             | 803   | 655   | N.A.   | 60.03%                            |  |
| Max Bupa<br>Health<br>Insurance                 | 476   | 393   | N.A.   | 59.53                             | 372   | 315   | N.A.   | 55.16%                            |  |
| Religare<br>Health<br>Insurance                 | 503   | 287   | N.A.   | 57.25                             | 275   | 154   | N.A.   | 61.13%                            |  |
| Cigna TTK<br>Health<br>Insurance                | 143   | 70  | N.A.   | 78.66                             | 21  | 6   | N.A.   | 64.33%                            |  |

Source: IRDAI



## **Review of Literature:**

Ahuja and De (2004) quoted that demand and supply of health insurance services are not matched there should be some balance between requirement and supply.

Majumdar (2004) stated that health insurance can grow healthily in India. The study examined that actuary has an essential role to play in transacting health insurance business for example in product design and premium rating. The group health insurance business was then intended to be operated more or less on no loss/no profit basis and the cover was being granted to the company's valued clients on accommodation basis.

Ahuja and Narang (2005) provided an overview of existing forms and emerging trends in health insurance for people of low income group and concluded that health insurance schemes have significant scope of improvement in India by providing suitable encouragements and bringing this under the regulatory authority.

Bhat and Jain (2006) analyzed firstly the factors which affect the insurance purchase decision and secondly the factors that which affect the amount of insurance purchase. The results indicate that income and health care expenditure are important determinates of health insurance purchase. Age, coverage of illness, no of children in the family, perception regarding future health care expenditure and knowledge about health insurance also have a positive effect on health insurance purchase.

Lofgren et al. (2008), this study conducted in Vietnam it was found that people who are having good income level are ready to take health insurance or if they have big size of family.

(Fang et al., 2008), People who are having higher expected medical expenditure tend to avail health insurance.

Ghosh (2010) analyzed the health uncertainties of workers in informal employment based on a study conducted in NCR region. The average share of health related expenses was 4.3 per cent of the overall household expenses.

(Bawa & Ruchita, 2011) examined that there was low level of awareness and willingness to join and there were seven key factors acting as a barrier in way of opting for health insurance.

(Suman Goel, 2014) Health insurance companies should come out with clear cut policy details, as many of the respondents had indistinct ideas about the various benefits and risks involved in a policy. The middle and low socio-economic groups are a potential market to be tapped as they are ready to spend a reasonable amount as premium payable per annum rather than huge medical expenses in case of any adversities. If the private insurance players want to venture in the market, they should try to absorb trust in the people as most of the respondents preferred government health insurance schemes, the reason being guarantee for their capital.



(Harinder and Pooja, 2014) There are huge opportunities in the way of health insurance. Some of the opportunities are medical cost has risen, specialized treatment become frequent due to the rise in income pattern, low public expenditure on health and family welfare

# **Research Objectives:**

- To analyze the impact of health insurance awareness on purchase behavior
- To find out association age & gender with health insurance purchase behavior
- To analyze the impact of income on health insurance behavior
- To analyze the factors affecting consumer purchase behavior towards health insurance

# Scope of the Study:

This study is conducted to analyze customer's perception towards health insurance as health insurance has a lot of scope to grow in India. People is metro cities are more inclined towards purchasing health insurance, while purchasing pattern in non-metro cities is very low. This study is conducted to find out various constraints in these cities. It might help companies to target non metro cities with different strategies to grow their market share. This study might also help companies to gain insight of psychologies of costumers, which will lead to more clarity on health insurance services and might transform prospective customers to existing customers.

## **Research Methodology**

The study is conducted in Kanpur. **Convenience sampling** is used by giving questionnaire to 200 respondents from various places as sample size.

**Descriptive research design** is chosen. A structured questionnaire is formed for the collection of data, which is containing topic related questions. **Questions are closed ended and scaled**. Along with that various books, journals (international/ national), magazines and websites are also considered for the collection of data. The collected data is further analyzed by using various tools. Duration of the study would lie from **April 2017 to May 2017**.

The study has examined the parameters related with consumer buying behavior towards health insurance.

## Hypothesis Formulation: 1

**Null (H0):** Health insurance awareness does not lead to significant difference in customer's health insurance purchase behavior

**Alternate (H1):** Health insurance awareness leads to increase in customer's health insurance purchase behavior.



### Hypothesis Formulation: 2

Null (H0): There is no significant impact of age on customer's purchase behavior

Alternate (H1): There is a significant impact of age on customers' purchase behavior

## **Hypothesis Formulation: 3**

Null (H0): Higher income level does not lead to significant difference health insurance purchase

Alternate (H1): Higher income level leads to more number of health insurance purchases

## **Hypothesis Formulation: 4**

Null (H0): Gender does not have any significant impact on health insurance purchase behavior

Alternate (H1): Gender has a significant impact on health insurance purchase behavior

## Data Analysis:

1.

|       | what is your gender |           |         |               |            |  |  |  |  |  |
|-------|---------------------|-----------|---------|---------------|------------|--|--|--|--|--|
|       |                     |           |         |               | Cumulative |  |  |  |  |  |
|       |                     | Frequency | Percent | Valid Percent | Percent    |  |  |  |  |  |
| /alid | male                | 108       | 54.0    | 54.0          | 54.0       |  |  |  |  |  |
|       | female              | 92        | 46.0    | 46.0          | 100.0      |  |  |  |  |  |
|       | Total               | 200       | 100.0   | 100.0         |            |  |  |  |  |  |

2.

|       | do you have health insurance |           |         |               |            |  |  |  |  |  |
|-------|------------------------------|-----------|---------|---------------|------------|--|--|--|--|--|
|       |                              |           |         |               | Cumulative |  |  |  |  |  |
|       |                              | Frequency | Percent | Valid Percent | Percent    |  |  |  |  |  |
| Valid | yes                          | 89        | 44.5    | 44.5          | 44.5       |  |  |  |  |  |
|       | no                           | 111       | 55.5    | 55.5          | 100.0      |  |  |  |  |  |
|       | Total                        | 200       | 100.0   | 100.0         |            |  |  |  |  |  |

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|       | What is your income level |           |         |               |            |  |  |  |  |  |
|-------|---------------------------|-----------|---------|---------------|------------|--|--|--|--|--|
|       |                           |           |         |               | Cumulative |  |  |  |  |  |
|       |                           | Frequency | Percent | Valid Percent | Percent    |  |  |  |  |  |
| Valid | below 2.5                 | 44        | 22.0    | 22.0          | 22.0       |  |  |  |  |  |
|       | 2.5-5                     | 45        | 22.5    | 22.5          | 44.5       |  |  |  |  |  |
|       | 5-7.5                     | 37        | 18.5    | 18.5          | 63.0       |  |  |  |  |  |
|       | 7.5-10                    | 41        | 20.5    | 20.5          | 83.5       |  |  |  |  |  |
|       | 10 above                  | 33        | 16.5    | 16.5          | 100.0      |  |  |  |  |  |
|       | Total                     | 200       | 100.0   | 100.0         |            |  |  |  |  |  |

4.

|         | Why have you purchased health Insurance services |           |         |               |            |  |  |  |  |  |
|---------|--|-----------|---------|---------------|------------|--|--|--|--|--|
|         |  |           |         |               | Cumulative |  |  |  |  |  |
|         |  | Frequency | Percent | Valid Percent | Percent    |  |  |  |  |  |
| Valid   | health security                                  | 19        | 9.5     | 21.3          | 21.3       |  |  |  |  |  |
|         | expensive health care services                   | 42        | 21.0    | 47.2          | 68.5       |  |  |  |  |  |
|         | tax benefits &<br>investments                    | 10        | 5.0     | 11.2          | 79.8       |  |  |  |  |  |
|         | hectic Lifestyle                                 | 12        | 6.0     | 13.5          | 93.3       |  |  |  |  |  |
|         | others   | 6         | 3.0     | 6.7           | 100.0      |  |  |  |  |  |
|         | Total  | 89        | 44.5    | 100.0         |            |  |  |  |  |  |
| Missing | System   | 111       | 55.5    |               |            |  |  |  |  |  |
| Total   |  | 200       | 100.0   |               |            |  |  |  |  |  |

5.

|       | are you aware of health insurance services |           |         |               |            |  |  |  |
|-------|--|-----------|---------|---------------|------------|--|--|--|
|       |  |           |         |               | Cumulative |  |  |  |
|       |  | Frequency | Percent | Valid Percent | Percent    |  |  |  |
| Valid | highly aware                               | 30        | 15.0    | 15.0          | 15.0       |  |  |  |
|       | aware                                      | 89        | 44.5    | 44.5          | 59.5       |  |  |  |
|       | can't say                                  | 35        | 17.5    | 17.5          | 77.0       |  |  |  |
|       | not much aware                             | 30        | 15.0    | 15.0          | 92.0       |  |  |  |
|       | highly unaware                             | 16        | 8.0     | 8.0           | 100.0      |  |  |  |
|       | Total                                      | 200       | 100.0   | 100.0         |            |  |  |  |



6.

|       | why have not you parenased the nearth insurance |           |         |               |            |  |  |  |
|-------|---|-----------|---------|---------------|------------|--|--|--|
|       |   |           |         |               | Cumulative |  |  |  |
|       |   | Frequency | Percent | Valid Percent | Percent    |  |  |  |
| Valid | lack of money                                   | 16        | 8.0     | 8.0           | 8.0        |  |  |  |
|       | lack of clarity                                 | 69        | 34.5    | 34.5          | 42.5       |  |  |  |
|       | negative perception                             | 33        | 16.5    | 16.5          | 59.0       |  |  |  |
|       | No maturity benefits                            | 39        | 19.5    | 19.5          | 78.5       |  |  |  |
|       | Negative Word of mouth                          | 43        | 21.5    | 21.5          | 100.0      |  |  |  |
|       | Total   | 200       | 100.0   | 100.0         |            |  |  |  |

## Why have not you purchased the health insurance

# Test of independence (Cross Tabulation, Chi square)

1.

Null (H0): There is no significant impact of age on customer's purchase behavior

Alternate (H1): There is a significant impact of age on customers' purchase behavior

# **Case Processing Summary**

|  | Cases |         |         |         |       |         |  |  |
|--|-------|---------|---------|---------|-------|---------|--|--|
|  | Va    | lid     | Missing |         | Total |         |  |  |
|  | N     | Percent | Ν       | Percent | Ν     | Percent |  |  |
| What is your age group *<br>do you have health | 200   | 100.0%  | 0       | 0.0%    | 200   | 100.0%  |  |  |
| insurance                                      |       |         |         |         |       |         |  |  |

# What is your age group \* do you have health insurance Cross tabulation

Count

|                  |       | do you ha<br>insur | ive health<br>ance |       |
|------------------|-------|--------------------|--------------------|-------|
|                  |       | Yes                | no                 | Total |
| What is your age | 20-30 | 34                 | 47                 | 81    |
| group            | 30-40 | 19                 | 33                 | 52    |
|                  | 40-50 | 19                 | 15                 | 34    |
|                  | 50-60 | 17                 | 16                 | 33    |
| Total            |       | 89                 | 111                | 200   |

# **Chi-Square Tests**



|                    | Value   | df | Asymp. Sig. (2-<br>sided) |
|--------------------|---------|----|---------------------------|
| Pearson Chi-Square | 3.985ª  | 3  | .263                      |
| Likelihood Ratio   | 3.989   | 3  | .263                      |
| Linear-by-Linear   | 1 0 7 7 | 1  | 176                       |
| Association        | 1.027   | 1  | .170                      |
| N of Valid Cases   | 200     |    |                           |

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 14.69.

The key result in the Chi-Square Tests table is the Pearson Chi-Square.

- The value of the test statistic is 3.985
- The footnote for this statistic pertains to the expected cell count assumption (i.e., expected cell counts are all greater than 5): no cells had an expected count less than 5, so this assumption was met.
  - The corresponding p-value of the test statistic is p = .263
  - Since the p-value is more than our chosen significance level (α = 0.05), we are failed to reject the null hypothesis.

2. Null (H0): Gender does not have any significant impact on health insurance purchase behavior

Alternate (H1): Gender has a significant impact on health insurance purchase behavior

|   |       |         | <u> </u> |         |       |         |  |  |
|---|-------|---------|----------|---------|-------|---------|--|--|
|   | Cases |         |          |         |       |         |  |  |
|   | Valid |         | Missing  |         | Total |         |  |  |
|   | Ν     | Percent | Ν        | Percent | Ν     | Percent |  |  |
| what is your gender * do<br>you have health | 200   | 100.0%  | 0        | 0.0%    | 200   | 100.0%  |  |  |
| insurance                                   |       |         |          |         |       |         |  |  |

# Case Processing Summary

## what is your gender \* do you have health insurance Cross tabulation

|                     |        |  | do you have health<br>insurance |        |        |
|---------------------|--------|--|---------------------------------|--------|--------|
|                     |        |  | yes                             | no     | Total  |
| what is your gender | male   | Count                                    | 55                              | 53     | 108    |
|                     |        | % within do you have<br>health insurance | 61.8%                           | 47.7%  | 54.0%  |
|                     | female | Count                                    | 34                              | 58     | 92     |
|                     |        | % within do you have<br>health insurance | 38.2%                           | 52.3%  | 46.0%  |
| Total               |        | Count                                    | 89                              | 111    | 200    |
|                     |        | % within do you have<br>health insurance | 100.0%                          | 100.0% | 100.0% |



| Chi-Square Tests      |                |    |                 |                |                |  |  |  |
|-----------------------|----------------|----|-----------------|----------------|----------------|--|--|--|
|                       |                |    | Asymp. Sig. (2- | Exact Sig. (2- | Exact Sig. (1- |  |  |  |
|                       | Value          | df | sided)          | sided)         | sided)         |  |  |  |
| Pearson Chi-Square    | <b>3.925</b> ª | 1  | .048            |                |                |  |  |  |
| Continuity Correction | 3.380          | 1  | .066            |                |                |  |  |  |
| Likelihood Ratio      | 3.946          | 1  | .047            |                |                |  |  |  |
| Fisher's Exact Test   |                |    |                 | .063           | .033           |  |  |  |
| Linear-by-Linear      | 2 006          | 1  | 048             |                |                |  |  |  |
| Association           | 5.900          | 1  | .048            |                |                |  |  |  |
| N of Valid Cases      | 200            |    |                 |                |                |  |  |  |

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 40.94.

b. Computed only for a 2x2 table

The key result in the Chi-Square Tests table is the Pearson Chi-Square.

- The value of the test statistic is 3.925
- The footnote for this statistic pertains to the expected cell count assumption (i.e., expected cell counts are all greater than 5): no cells had an expected count less than 5, so this assumption was met.
  - The corresponding p-value of the test statistic is p = .048

Since the p-value is less than our chosen significance level ( $\alpha = 0.05$ ), we reject the null hypothesis.

3.

Null (H0): Higher income level does not lead to significant difference in health insurance purchase

Alternate (H1): Higher income level leads to more number of health insurance purchases

| Case Processing Summary  |       |                     |   |         |     |         |
|--|-------|---------------------|---|---------|-----|---------|
|  | Cases |                     |   |         |     |         |
|  | Va    | Valid Missing Total |   |         |     |         |
|  | Ν     | Percent             | Ν | Percent | Ν   | Percent |
| What is your income<br>level * do you have<br>health insurance | 200   | 100.0%              | 0 | 0.0%    | 200 | 100.0%  |

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|                     |           | ·  | do you have he |        |        |
|---------------------|-----------|--|----------------|--------|--------|
|                     |           |  | yes            | no     | Total  |
| What is your income | below 2.5 | Count                                    | 17             | 27     | 44     |
| level               |           | % within do you have<br>health insurance | 19.1%          | 24.3%  | 22.0%  |
|                     | 2.5-5     | Count                                    | 21             | 24     | 45     |
|                     |           | % within do you have<br>health insurance | 23.6%          | 21.6%  | 22.5%  |
|                     | 5-7.5     | Count                                    | 21             | 16     | 37     |
|                     |           | % within do you have<br>health insurance | 23.6%          | 14.4%  | 18.5%  |
|                     | 7.5-10    | Count                                    | 23             | 18     | 41     |
|                     |           | % within do you have<br>health insurance | 25.8%          | 16.2%  | 20.5%  |
|                     | 10 above  | Count                                    | 7              | 26     | 33     |
|                     |           | % within do you have<br>health insurance | 7.9%           | 23.4%  | 16.5%  |
| Total               |           | Count                                    | 89             | 111    | 200    |
|                     |           | % within do you have<br>health insurance | 100.0%         | 100.0% | 100.0% |

# What is your income level \* do you have health insurance Cross tabulation

| Chi-Square Tests   |                     |    |                 |  |  |  |
|--------------------|---------------------|----|-----------------|--|--|--|
|                    |                     |    | Asymp. Sig. (2- |  |  |  |
|                    | Value               | df | sided)          |  |  |  |
| Pearson Chi-Square | 12.428 <sup>ª</sup> | 4  | .014            |  |  |  |
| Likelihood Ratio   | 12.999              | 4  | .011            |  |  |  |
| Linear-by-Linear   | 126                 | 1  | <b>E1</b> 4     |  |  |  |
| Association        | .420                | L  | .514            |  |  |  |
| N of Valid Cases   | 200                 |    |                 |  |  |  |

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 14.69.



The key result in the Chi-Square Tests table is the Pearson Chi-Square.

- The value of the test statistic is 12.428
- The footnote for this statistic pertains to the expected cell count assumption (i.e., expected cell
  - counts are all greater than 5): no cells had an expected count less than 5, so this assumption was met.
    - The corresponding p-value of the test statistic is p = .014

# Since the p-value is less than our chosen significance level ( $\alpha = 0.05$ ), we reject the null hypothesis.

4. Null (H0): Health insurance awareness does not lead to significant difference in customer's health insurance purchase behavior

Alternate (H1): Health insurance awareness leads to increase in customer's health insurance purchase behavior.

| Case Processing Summary     |     |         |     |         |     |         |  |
|-----------------------------|-----|---------|-----|---------|-----|---------|--|
|                             |     | Cases   |     |         |     |         |  |
|                             | Va  | llid    | Mis | Missing |     | tal     |  |
|                             | N   | Percent | Ν   | Percent | Ν   | Percent |  |
| are you aware of health     |     |         |     |         |     |         |  |
| insurance services * do you | 200 | 100.0%  | 0   | 0.0%    | 200 | 100.0%  |  |
| have health insurance       |     |         |     |         |     |         |  |

| Are you aware of health insurance services * Do you have health insurance Cross tabulation |                |  |                              |        |        |
|--|----------------|--|------------------------------|--------|--------|
|  |                |  | do you have health insurance |        |        |
|  |                |  | yes                          | No     | Total  |
| are you aware of health  | highly aware   | Count                                    | 5                            | 25     | 30     |
| insurance services   |                | % within do you have health<br>insurance | 5.6%                         | 22.5%  | 15.0%  |
|  | Aware          | Count                                    | 39                           | 50     | 89     |
|  |                | % within do you have health insurance    | 43.8%                        | 45.0%  | 44.5%  |
|  | can't say      | Count                                    | 19                           | 16     | 35     |
|  |                | % within do you have health<br>insurance | 21.3%                        | 14.4%  | 17.5%  |
|  | not much aware | Count                                    | 17                           | 13     | 30     |
|  |                | % within do you have health insurance    | 19.1%                        | 11.7%  | 15.0%  |
|  | highly unaware | Count                                    | 9                            | 7      | 16     |
|  |                | % within do you have health insurance    | 10.1%                        | 6.3%   | 8.0%   |
| Total  |                | Count                                    | 89                           | 111    | 200    |
|  |                | % within do you have health insurance    | 100.0%                       | 100.0% | 100.0% |

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## **Chi-Square Tests**

|                    |         |    | Asymp. Sig. (2- |
|--------------------|---------|----|-----------------|
|                    | Value   | df | sided)          |
| Pearson Chi-Square | 13.476ª | 4  | .009            |
| Likelihood Ratio   | 14.536  | 4  | .006            |
| Linear-by-Linear   | 0 201   | 1  | 002             |
| Association        | 9.201   | T  | .002            |
| N of Valid Cases   | 200     |    |                 |

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 7.12.

The key result in the Chi-Square Tests table is the Pearson Chi-Square.

- The value of the test statistic is 13.476
- The footnote for this statistic pertains to the expected cell count assumption (i.e., expected cell
- counts are all greater than 5): no cells had an expected count less than 5, so this assumption was met.
- The corresponding p-value of the test statistic is p = .009

# Since the p-value is less than our chosen significance level ( $\alpha = 0.05$ ), we reject the null hypothesis.

# **Findings:**

- On the basis of the analysis it has been found that out of 200 respondents 108 were males and 92 were female respondents
- Out of 200 respondents 44.5 percent people are having income level less than 5 lacs & 16.5 percent people are having income level more than 10 lacs.
- In response to question regarding awareness towards health insurance services out of 200 respondents 8% (16) respondents are totally unaware of health insurance services, while 59.5 % people are aware of health insurance services.
- In spite of being aware of health insurance services there are only 44.5 percent (89) respondents who have availed health insurance services.
- Out of the lot who have availed health insurance, 47.2 % respondents have availed it due to expensive health care services.
- Out of 200 respondents 69(34.5 %) respondents have denied to take health insurance due to lack of clarity, 43 respondents have not taken health insurance because of negative word of mouth & 39 respondents have given the reason of no maturity benefits for not availing health insurance.



- On the basis of first assumption we are unable to find out any association between respondent's age group and health insurance buying behavior.
- In second assumption, it has been analyzed that Male category is more tending towards purchase of health insurance in comparison to female category. Association is found between gender and health insurance purchase behavior.
- In third assumption, it has been analyzed that income is having a significant impact on health insurance purchase behavior.
- In fourth assumption, it has been observed that there is a significant association between health insurance awareness and health insurance purchase behavior.

# Limitation of the research:

- Every research work has its own limitation. In this particular research biggest limitation can be interest of respondent.
- Responses of respondent might be biased.
- Time constraint was there. Research was conduct in time period of two months.
- Sample of this research may not represent whole population as sample size is limited.
- As this research is conducted in one city only, outcome might not be applicable to apply for other cities.

# Scope for further research in future

This research has helped to find out association between various attributes such as gender, age, income with health insurance purchase behavior. Further research can be conducted on health insurance purchase behavior of higher income group or why male percentage is more towards health insurance buying. Certain causes can be identified afterward for not purchasing health insurance even after having full awareness. Although health insurance purchased has increased in last few years Health insurance is having huge scope in India as India is untapped market in this sector. Further research can be in from of identifying right product for right customers, which might help companies to increase their market share in the same. Further focus of research can be digitization of health insurance or impact of digitization on health insurance sector.

# Conclusion:

Health insurance has become vital these days for everyone. Due to expensive health care service, it is not affordable for everyone to get appropriate health care service. Health insurance has made it easy for people to afford it, but due to lack of awareness and lack of clarity, a lot of people haven't availed it yet. Company should come up with clear policy and appropriate detail about the service. They should make it clear about all the risks and benefits. Middle income groups should be targeted properly as they are high potential market for these health insurance companies. Companies should make it hustle free for customer for better retention and that might also help to add new customers as well. Company's agents and employees should be ethical in approach and they should have decent knowledge of services offered by their company. Finally we can say that health insurance has grown a lot in last few years but it has still a lot of scope to grow further as majority of the population has not availed it yet. Better clarity, transparency, knowledge sharing will definitely help health insurance market share to grow.

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