

# Examining Customer Perspectives on Insurance within the Context of Pune City: A Research Investigation

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## Abstract

*Buyer conduct is the investigation of how an individual or a gathering of people acts. Advertisers might understand and determine future market conduct by concentrating on client conduct. It is relevant to a few different organizations in the monetary and business spaces notwithstanding the protection area. A fundamental part of the board is the capacity to screen, survey, and fathom risk and its suggestions. Monetary establishments should think about the market, credit, counterparty, and liquidity gambles while dealing with the cash shared with them. The principal objective of chance administration is to diminish the impacts of various dangers. This paper plans to comprehend the difficulties confronting the protection's business power and leads an exhaustive examination to pinpoint the ideal objective market for protection deals in Pune.*

**Keyword:** Insurance; Awareness; Customer's Perception; Market Segment; Insurance Products.

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## 1. INTRODUCTION

Buying extra security is for the most part finished to safeguard the family in the remarkable occasion that the provider or family head dies. Moreover, it gives a method for setting aside cash and protection as long as necessary. It gives present retirement monetary assistance on more seasoned grown-ups. Alternately, for the reasons for this article, clinical protection is inclusion against actual mischief, handicap, or demise because of a mishap, as well as expenses related with disease.

Worldwide, the protection area is a huge monetary business. By the by, India gets a desolate 1.5% of the whole measure of insurance installments paid around the world. Around 86% of individuals living in rustic regions and 82% of those living in metropolitan regions get no wellbeing program support, as per the Public Example Study (NSS) (The Hindu, 2016). Besides, only 4.1% of the Gross domestic product is spent by the public authority on the wellbeing area (Srivastava, 2016). The extra security industry makes up around 79% of the business, while the

non-disaster protection area makes up around 21%. As far as cash, the health care coverage and disaster protection areas procured premium pay of Rs 27,457Cr and 3,66,943 Cr in 2015-16, separately (IRDA, 2016).

The rise of private organizations has made the Indian area grow incredibly rapidly. There were 54 safety net providers as of the finish of 2016, of which 24 offered extra security, 24 offered general protection, and 5 offered health care coverage. Out of the relative multitude of safety net providers, eight are in the public area and the rest 46 are in the confidential area. These incorporate five free well-being safety net providers, eight general guarantors, and 23 life backup plans.

The protection area's improvement in some random still up in the air by two variables: protection thickness and entrance. Insurance thickness is determined as the proportion of payment to the populace, otherwise called per capita payment, and starting around 2015, it was US\$54.7 contrasted with US\$7500 for Switzerland, demonstrating an elevated degree of under-entrance in India. Insurance entrance is estimated as the level of protection payment to GDP (Gross domestic product), with 3.44% in India and the most elevated figure of 18% for Taiwan (IRDA,2016).

## 2. LITERATURE REVIEW

**Beck and Webb delves (2002)** examine the variables affecting the use of life insurance in different nations. The research highlights several important factors, such as inflation rates, income levels, and the growth of the banking industry. Using an extensive dataset spanning many nations, Beck and Webb offer a thorough examination of institutional and macroeconomic factors. The noteworthy discovery highlights the crucial role that economic growth plays in promoting insurance markets, as seen by the noteworthy positive correlation between income and life insurance consumption. The study also emphasizes the detrimental effects of inflation on the adoption of life insurance, arguing that macroeconomic stability is essential to the expansion of the life insurance industry. The research is a landmark effort in understanding the cross-country variability in life insurance consumption because of its methodological rigor and the size of its dataset.

**Cantiello et al.(2015)** Examine the variables that affect the choice of private health insurance among young individuals. Published in 2015, the study looks at perceptions (such perceived need

for insurance and trust in insurance providers) as well as demographic data (including age, gender, and income). Using a survey-based technique, the authors collect information from a wide range of young adults. According to their findings, young individuals' insurance uptake is significantly predicted by their income and perception of their need for health insurance. Furthermore, views of insurance firms' dependability and integrity are critical to decision-making processes, as seen by the significant impact that confidence in these businesses plays. Given the rising expense of healthcare and the growing significance of private health insurance for younger populations, this study is especially pertinent.

**Carrin and James' (2005)** study on the shift to social health insurance (SHI) as a means of achieving universal health coverage (UHC) was published in the *International Social Security Review*. The study finds important variables that affect the effectiveness of SHI schemes' implementation, including as institutional capability, political commitment, and the way the insurance benefits package is designed. Carrin and James stress the need of equal coverage and sustainable finance methods, contending that these components are necessary to achieve UHC. They offer case examples from different nations to show diverse approaches to putting SHI into practice, stressing both achievements and difficulties. The report is an invaluable resource for scholars and politicians interested in health system changes and the quest of universal health care because of its in-depth examination and useful insights.

**Ćurak, Džaja, and Pepur (2013)** examines how socioeconomic and demographic variables affect Croatia's need for life insurance. The study employs survey data from Croatian families to examine the correlation between life insurance purchase behavior and variables including age, income, education, and work status. The results show a favorable correlation between demand for life insurance and greater income and education levels, indicating that consumers are driven by financial security and knowledge of the benefits of insurance. The survey also reveals that those who are younger and have steady jobs are more likely to get life insurance. This study emphasizes how demographics play a significant role in determining the life insurance markets and offers insightful information to insurers that want to customize their offerings to appeal to particular population groups.

### 3. METHODOLOGY

Essential and auxiliary information have both been utilized in the review. The essential information came from the examination did utilizing an immediate poll that was given to the members. We assembled data on the drive from housewives, unit chiefs, teachers, counsels, resigned/VRS people, and youths without occupations. The data was accumulated through discussions and the poll. The examination was spellbinding in nature as its objective was to decide fulfillment levels and discernments. Overviews were given to 100 respondents in Pune. The answers were the establishment for the essential information required for the exploration. In the wake of get-together, the information was arranged, got done, and classified for examination.

The writing that filled in as need might have arisen for the review was taken from different sources, including books, diaries, and sites. The imminent market for individuals protection in Pune was depicted with the help of industry members.

### 4. DATA ANALYSIS

**Table 1:** Attention to the Protection Business

Section	Indeed	No	Total
House spouse	18	5	10
Resigned/VRS individual	23	1	15
Jobless youth	19	4	5
Others	23	1	20
Total	86	12	50
Rate	86%	12%	50%

Understanding: Table 1 shows that 86% of the overall population is proficient about the protection area. Only 12% of individuals are uninformed about the protection area.

**Table2:** The Worth of Protection

<b>Section</b>	<b>Yes</b>	<b>No</b>	<b>Total</b>
House spouse	22	3	10
Resigned/VRS individual	23	2	20
Jobless youth	20	2	5
Others	23	2	15
Total	91	7	50
Rate	91%	7%	50%

Source from Essential Information

That's what table.2 exhibits, regardless of the way that 91% of the populace figures out the worth of protection, 7% don't.

**Table 3:** Wellsprings of Awareness

<b>Section</b>	<b>TV</b>	<b>paper</b>	<b>Magazine</b>	<b>Friends</b>	<b>Total</b>
House spouse	9	10	8	2	5
Resigned/VRS individual	12	10	4	3	15
Jobless youth	6	17	-	5	10
Others	10	12	3	4	20
Total	34	46	13	11	50
Rate	34%	46%	13%	11%	50%

Table 3 exhibits how 34% of individuals found out about protection through TV, 46% through papers, 13% through magazines, and only 11% through companions.

**Table 4:** Household Income

<b>Section</b>	<b>5000-10000</b>	<b>10000-15000</b>	<b>15000-20000</b>	<b>20000-25000</b>	<b>Total</b>
House spouse	5	12	9	1	26
Resigned/VRS individual	5	10	11	3	26
Jobless youth	5	11	7	6	24
Others	5	13	9	2	24
Total	17	44	33	9	100
Rate	17%	45%	33%	9%	100%

Original source of information

Table 4 illustrates that 17% of the participants fall within the salary bracket of 10,000–15,000, 45% fall within the 15000–20,000 category, 33% fall within the 20000–25,000 category, and a mere 9% fall within the 25000–30,000 area.

**Table 5:** A Rundown of Insurance Agency

<b>Section</b>	<b>ICICI Prudential</b>	<b>Bajaj Allianz</b>	<b>Tata AIG</b>	<b>ING Vysya</b>	<b>Total</b>
House spouse	15	1	4	1	26
Resigned/VRS individual	16	1	3	1	24
Jobless youth	15	4	3	-	26
Others	18	0	2	1	24
Total	67	9	15	5	100
Rate	67%	9%	16%	5%	100%

Originating from Original Data

Table 5 reveals that, of the private insurance businesses, ICICI Prudential was voted No. 1 by 67% of respondents, Tata AIG Insurance by 16%, Bajaj Allianz by 5%, and ING Vysya by 6% as the top insurance company.

**Table 6:** Respondents' desire to work in the insurance industry

Section	Yes	Maybe	No	Total
House spouse	16	3	3	24
Resigned/VRS individual	19	1	2	26
Jobless youth	14	5	3	24
Others	12	8	2	26
Total	64	20	13	100
Rate	64%	20%	13%	100%

Originating from Primary Information

Based on Table 6, 64% of respondents are interested in pursuing a career in insurance, 20% may be interested, and 13% are not interested in doing so.

**Table 7:** Preferences of Respondents

Section	Engine insurance	Health insurance	Property insurance	Credit insurance	Total
House spouse	3	21	3	2	25
Retired/VRS person	6	16	3	3	25
Jobless youth	6	6	11	6	25
Others	11	6	9	3	25
Total	23	46	24	11	100
Rate	23%	46%	24%	11%	100%

Originating from Original Data

Table 7 reveals that 24% of respondents favor property insurance, 23% support auto insurance, 11% support credit insurance, and 46% of respondents choose health insurance.

**Table 8:** Respondents' tendency for effective money management is because

Section	Safety	Liquidity	Tax benefit	Good return	Total
House Spouse	16	3	3	7	26
Resigned/VRS individual	17	2	3	7	24
Jobless youth	8	3	9	9	24
Others	10	2	8	9	26
Total	48	7	20	29	100
Rate	48%	7%	20%	29%	100%

Originating from Original Data

Table 8 reveals that % of respondents, 48% like insurance investments because they are secure, 29% want a strong return, 20% want tax benefits, and just 7% want liquidity.

**Table 9:** Respondents premium to interest in protection to different reserve funds roads in future

Section	Yes	No	Not sure	Total
House Spouse	11	6	11	24
Resigned/VRS individual	9	5	12	26
Jobless youth	10	8	10	24
Others	13	9	6	25
Total	40	25	38	100
Rate	40%	25%	38%	100%

Originating from Original Data

According to Table 9, 40% of respondents are prepared to choose an insurance investment above other savings options in the future, 38% are unsure, and 25% are not prepared to make such a choice.



**Table 10:** Respondents' understanding of how their insurance investment benefits their stock market investing

Segment	Yes	No	Do not know	Total
House Spouse	4	4	16	24
Resigned/VRS individual	10	4	9	26
Jobless youth	14	4	5	26
Others	11	2	9	24
Total	38	14	39	100
Rate	38%	14%	39%	100%

## Beginning from Unique Information

Table 10 shows that 38% of respondents don't fathom the advantages of putting resources into the financial exchange, 39% do perceive these advantages, and 14% case that putting resources into protection doesn't assist one with understanding these advantages.

**Table 11:** Respondents' knowledge of favorable return

Section	Yes	No	Do not know	Total
House Spouse	16	3	9	26
Resigned/VRS individual	17	2	9	26
Jobless youth	19	2	7	24
Others	21	2	5	24
Total	70	6	27	100
Rate	70%	6%	27%	100%

## Originating from Original Data

According to Table 11, 70% of respondents would prefer that investing in insurance yields a clear positive return, 27% are unaware of good returns, and just 6% believe that investing in insurance would provide a negative return.

**Table 12:** Knowledge of the primary amount among respondents

Section	Yes	No	Do not know	Total
House Spouse	15	2	7	24
Resigned/VRS individual	21	-	2	26
Jobless youth	17	2	5	24
Others	19	3	2	26
Total	75	5	19	100
Rate	75%	5%	19%	100%

Originating from Original Data

According to Table 12, 75% of respondents believe that the principal amount invested in any insurance is guaranteed to be returned, 19% are unaware of the principal amount, and 5% disagree.

**Table 13:** Respondents' knowledge of changes in the stock market and their insurance payout

Section	Yes	No	Do not know	Total
House Spouse	6	5	15	26
Resigned/VRS individual	16	3	7	26
Jobless youth	15	3	8	24
Others	17	2	7	24
Total	51	10	40	100
Rate	51%	10%	40%	100%

Originating from Original Data

According to Table 13, 51% of respondents believe that fluctuations in the stock market won't have an impact on the insurance return. Ten percent of respondents say that stock market fluctuations will have an impact on the insurance return, whereas forty percent of respondents are unaware of this relationship.

## 5. RESULT

Findings are an inevitable byproduct of all studies. This study also includes these findings. Roughly 87% of the general public is thought to be aware of the insurance industry. But there are a lot more people in the housewife's group who don't know anything about the insurance business. It is essential that everyone understands the importance of insurance since the insurance industry exists. Less than 8% of people do not understand the importance of insurance in their daily lives.

- The promotional plan is a critical component of any product's marketing strategy. The bulk of insurance carriers lack a consistent and efficient advertising plan. People's awareness of insurance has increased thanks in part to newspapers. A well-known brand name makes it simpler for a product to expand its market share rapidly. The majority of the industry lacks a suitable brand name. In the private insurance industry, ICICI Prudential has the top ranking, followed by Tata AIG insurance, with the remaining businesses placed second and third, respectively.

As the cost of living continues to vary, it is getting more and harder for those in the middle class to obtain insurance coverage.

- When it comes to insurance, the great majority of consumers choose health insurance over alternative options. That safety is the main factor behind people's preference to invest in insurance.
- Investing in insurance is more likely to be chosen by more people in the future than alternative ways to save money. It is well known that individuals are aware of the return on insurance and the relationship between return and stock market swings.

## 6. DISCUSSION

One in thirteen people do not know that the insurance industry even exists. Of the population, 8% do not understand the need of obtaining insurance. Implementing efficient strategies is required to achieve the objective of raising the untapped population's awareness of insurance. For insurance companies located in Pune to successfully market their products, they must use cutting-edge strategies.

Housewives and retired individuals may be the target demographic for insurance companies' marketing campaigns. For these two demographics, they would need to work harder than for the

other two. Part-time employment in the insurance industry is more widespread. To meet this criterion, insurance companies have to find people who are willing to work part-time and teach them with certain skills.

As the world's most successful private insurance firm, ICICI Prudential has a forty percent market share. Other insurance companies must make the required adjustments if they want to grow their customer base and market share among individuals. By utilizing other powerful media, like television, magazines, and so on, the general public's awareness has to be increased.

## 7. CONCLUSION

In addition to rising wages and rising assets, the insurance industry has enormous potential because of the system's growing instability. We are living in a riskier environment, in a way. Global trade is expanding. Technology is evolving and replacing itself more quickly. Insurance will be crucial in lowering the amount of risk that people and organizations must take on in this more unpredictable environment, for which there is sufficient proof as of late. The insurance sector has to be aware of the new situation.

(a) New product development;

(b) reasonable price;

(c) prompt claim resolution

How protection is moved toward needs to adjust to the times. Stretching out protection inclusion to a more extensive scope of exercises and a greater part of the populace ought to be the objective of the Indian protection industry. The business' three core values ought to be to: contribute assets to acquire greatest yield for policyholders predictable with capital wellbeing; charge expenses something like stringently actuarial contemplations warrant; and furnish policyholders with proficient and convenient help. The objective of spreading protection might be achieved with innovative hierarchical technique and a tenacious devotion to more readily support.

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