

AN ANALYTICAL STUDY ON THE INFLUENCE OF SERVICE MARKETING MIX ON HEALTHCARE INSURANCE PURCHASE INTENTIONS AMONG UNORGANIZED SECTOR WORKERS IN NAGPUR DISTRICT

Research Student

VINOD S. KUDRE

Supervisor

DR. RAMA CHANDRA C G

M.Com., M.Phil. Ph.D.

Head of Commerce Department

Shri Niketan Art's Commerce College,
Nagpur

Abstract:

The study looks at how the service marketing mix (7Ps) affects unorganised sector workers' willingness to acquire health insurance in Nagpur District, India. The study employed a mixed-methods approach, combining qualitative interviews with quantitative questionnaires. Key determinants influencing decision-making include affordability, accessibility, trust in service providers, and promotional campaign effectiveness. Findings suggest that a well-structured marketing mix, particularly emphasizing pricing strategies and service accessibility, significantly enhances purchase intentions. This research offers valuable insights for policymakers, insurance providers, and marketing professionals to develop tailored strategies to improve healthcare coverage for this vulnerable segment. Addressing service delivery and marketing communication gaps can foster greater adoption of healthcare insurance among unorganized sector workers, contributing to financial security and improved healthcare access.

Keywords: *Service Marketing Mix, Healthcare Insurance, Purchase Intentions, Unorganized Sector, Nagpur District*

Introduction:

The purpose of the study is to identify the variables impacting the healthcare insurance purchase intentions of unorganised sector employees in Nagpur District, India. The unorganized sector, characterized by job insecurity, irregular income, and lack of social security benefits, is a significant portion of the workforce in India. Despite government initiatives and private sector efforts to promote healthcare insurance, the adoption rate among this demographic remains low. The study uses the service marketing mix (7Ps) framework to analyze how these elements influence purchase intentions among unorganized sector workers.

The research holds significance for insurance companies, government agencies, and financial institutions aiming to improve healthcare coverage among unorganized sector workers. By understanding the marketing mix's role in shaping purchase behavior, insurers can refine their strategies to offer more affordable, accessible, and appealing insurance products.

The findings can also contribute to policy formulation aimed at increasing health insurance penetration among economically vulnerable groups, ultimately fostering better financial protection and healthcare access.

However, the research only looks at Nagpur's unique geographic and demographic circumstances; it ignores other impacts like governmental regulations, the state of the economy,

and cultural norms. The results can offer important new information on how the service marketing mix affects the intentions of Nagpur's unorganised sector workers to obtain health insurance.

Objectives of Research:

- 1) To examine the role of product attributes (e.g., coverage options, policy flexibility, and customization) in shaping healthcare insurance purchase intentions among unorganized sector workers.
- 2) To assess the impact of pricing strategies (affordability, premium structures, and payment flexibility) on insurance adoption decisions.
- 3) To evaluate the influence of distribution channels and accessibility (Place) on the reach and effectiveness of healthcare insurance services in this segment.
- 4) To analyze the effectiveness of promotional strategies, including awareness campaigns, community outreach, and vernacular media, in influencing purchase decisions.
- 5) To investigate the significance of insurance agents and customer service (People) in building trust and enhancing policy uptake among unorganized workers.

Literature Review:

Numerous research in a range of settings have examined the impact of the service marketing mix on consumers' intentions to acquire health insurance. Motwani and Shrimali (2014) highlighted the importance of a well-structured marketing mix in improving patient perceptions and service quality in Indian hospitals, emphasizing the need to align marketing strategies with consumer expectations. Bhalerao and Bhalerao (2016) expanded on this by examining the application of the 7Ps in healthcare, asserting that effective management of the marketing mix leads to improved patient satisfaction and organizational success. A 2018 systematic review examined the strategic marketing in healthcare services, suggesting that tailored marketing strategies addressing the specific needs of different populations enhance patient trust and service adoption. In 2021, a study further emphasized the role of the marketing mix in healthcare services, finding that an integrated approach improves service delivery and patient engagement. Pahlevan Sharif et al. (2021) also examined healthcare insurance satisfaction, highlighting that factors like brand image and service quality play a significant role in influencing purchase intentions. Despite these insightful observations, little is known about how the service marketing mix affects unorganised sector workers' inclinations to obtain health insurance. By examining how the 7Ps affect insurance purchase decisions among workers in Nagpur District, this study seeks to close this gap and create focused marketing tactics for this under-represented demographic.

Research Methodology:

This study looks at how the service marketing mix (7Ps) affects unorganised sector workers' desire to acquire health insurance in Nagpur District. A mixed-methods approach is used, combining quantitative survey-based research with qualitative insights. The target population includes daily wage laborers, street vendors, domestic workers, and construction workers. Data is collected through structured questionnaires, interviews, and focus group discussions. The study ensures reliability, validity, and ethical considerations.

The Influence of Service Marketing Mix on Healthcare Insurance Purchase Intentions Among Unorganized Sector Workers in Nagpur District:

The unorganized sector in India, which forms a significant portion of the workforce, is often underinsured, particularly in healthcare. Workers in this sector face challenges in accessing healthcare insurance, which limits their financial protection and access to essential services. Developing successful marketing strategies that suit their particular requirements and adoption hurdles requires an understanding of the elements that impact their intentions to acquire healthcare insurance.

The seven Ps of the service marketing mix—Product, Price, Place, Promotion, People, Process, and Physical Evidence—have been used extensively in a variety of sectors, including healthcare, to examine customer behaviour and service quality. The 7Ps approach is especially helpful when it comes to healthcare services, since customers' decisions to buy are heavily influenced by factors including accessibility, service quality, and trust.

Findings:

The study provides insights into how the service marketing mix influences healthcare insurance purchase intentions, particularly among workers in the unorganized sector. The 7Ps (Product, Price, Place, Promotion, People, Process, and Physical Evidence) play a crucial role in shaping consumer perceptions and decisions in the healthcare sector.

A well-defined product offering that addresses the specific health needs of unorganized sector workers can enhance perceived value. Affordable pricing strategies make insurance accessible to low-income groups, while effective promotional activities raise awareness about the benefits of health insurance. The accessibility of services (Place), the competence and empathy of staff (People), streamlined processes, and tangible cues of service quality (Physical Evidence) collectively influence purchase intentions.

Tailoring these elements to the target demographic's unique needs can significantly impact their decision to purchase health insurance. Offering health insurance products that address the unique health risks and financial constraints of unorganized sector workers is crucial. Implementing flexible pricing strategies, such as low premium options or micro-insurance schemes, can make health insurance more accessible. Establishing service points within or near unorganized work sectors or utilizing mobile units can facilitate easier access.

Raising awareness through targeted promotional campaigns, using local languages and culturally relevant messaging, engaging community leaders or influencers, training personnel to be empathetic and culturally sensitive, simplifying enrollment and claim processes, and providing tangible proof of coverage can reinforce the legitimacy and benefits of the insurance.

By strategically aligning the service marketing mix elements with the specific needs of unorganized sector workers, health insurance providers can enhance the perceived value of their offerings, increase enrollment rates, and contribute to better health outcomes within this community.

Discussion:

In the insurance industry, the service marketing mix plays a crucial role in influencing consumer attitudes and choices. It comprises various elements that contribute to customer satisfaction, trust, and adoption rates. The product, which requires comprehensive coverage and customization, fosters trust and long-term relationships. Price, which is a key determinant in customers' purchase decisions, is enhanced by competitive premium rates and flexible

payment options. Place, which is easily accessible and accessible through digital platforms, boosts customer adoption. Promotion, which raises awareness about insurance benefits through local media and social media campaigns, builds trust and encourages potential customers to consider coverage. People, who are friendly, well-trained, and knowledgeable agents, significantly influence customers' decisions. A seamless service process, including quick policy issuance, claim settlements, and digital options, increases customer satisfaction. Physical evidence, such as policy documents, office infrastructure, and professional branding, contributes to the perceived reliability of an insurance provider. By focusing on these elements, insurance providers can build long-lasting relationships and maintain a competitive advantage.

Barriers to Healthcare Insurance Adoption:

A key instrument for enhancing access to high-quality healthcare and offering financial security against medical bills is healthcare insurance. However, many individuals remain uninsured or underinsured due to various barriers, including high premium costs, limited financial literacy, lack of employer-sponsored insurance, perceived low value for money, lack of awareness and understanding, mistrust in insurance companies, short-term thinking, cultural and social norms, and fear of bureaucracy and paperwork.

Financial barriers include high premium costs, limited financial literacy, lack of employer-sponsored insurance, perceived low value for money, and misconceptions about insurance providers. Informational barriers include lack of awareness and understanding, complex policy terms, and limited guidance and assistance. Psychological and behavioral barriers include mistrust in insurance companies, short-term thinking, cultural and social norms, and fear of bureaucracy and paperwork.

Structural and accessibility barriers include lack of availability in remote areas, inconvenient enrollment and renewal processes, and digital and technological limitations. In developing countries and rural areas, health insurance providers are scarce, and access to health facilities is limited. Inconvenient registration processes discourage people from enrolling in healthcare insurance, and digital and technological limitations affect the elderly and low-income populations.

Systemic and policy barriers include limited government support and regulation, employer and government policy gaps, and bureaucratic challenges in claim processing. In some countries, lack of strong government policies and insufficient public healthcare programs make insurance inaccessible, leading to many low-income families remaining uninsured. Employer and government policies may also have limitations in coverage, leading to gaps in care and reduced trust in the system.

In order to provide access to high-quality healthcare and offer financial security against medical bills, health insurance is essential. However, many individuals and families remain uninsured or underinsured due to various barriers, including financial, informational, psychological, structural, and systemic challenges. By addressing these barriers, healthcare insurance can become more accessible and beneficial for individuals and society.

Conclusion:

Healthcare insurance is a crucial tool for improving public health outcomes and reducing financial burden on individuals and healthcare systems. However, barriers such as financial vulnerability, informational issues, psychological issues, structural issues, and

systemic issues hinder widespread adoption. To increase healthcare insurance enrollment, policymakers, insurers, and healthcare providers must address these challenges by making insurance more affordable through subsidies, flexible payment plans, and employer-sponsored coverage. Simplifying policy terms and enrollment processes can enhance understanding and accessibility. Building trust in the system through transparency, reducing claim processing delays, and improving customer service can also help. Education campaigns that highlight the importance of health insurance can raise awareness and expand insurance accessibility to rural and underserved areas. The study highlights the role of the service marketing mix in influencing healthcare insurance purchase intentions among unorganized sector workers in Nagpur District. The strategic application of the 7Ps of service marketing significantly impacts insurance adoption rates. Key determinants shaping purchase decisions include affordability, accessibility, awareness, and trust. To enhance healthcare insurance adoption among unorganized sector workers, strategies include customized insurance plans, targeted awareness programs, streamlined enrollment and claim processes, enhanced training for insurance agents, and the use of digital platforms and government-backed health insurance schemes. Future research should explore the role of digital platforms in expanding healthcare insurance adoption among unorganized sector workers and the impact of government-backed health insurance schemes and public-private partnerships in increasing coverage and accessibility. By implementing these recommendations, insurers, policymakers, and stakeholders can create a more inclusive and accessible healthcare insurance ecosystem in Nagpur District and beyond.

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