

Customer Perception and Satisfaction Towards General Insurance

Abstract

The objective of this study is to evaluate customer perception and satisfaction towards general insurance services, with a specific focus on Go Digit General Insurance in Raipur, Chhattisgarh. As insurance awareness grows in India, understanding how customers perceive these services becomes crucial. The research incorporates a survey of 100 respondents to analyze factors such as awareness, usage patterns, service satisfaction, and policy preferences. Findings indicate a general satisfaction among users, though awareness of policy terms and the quality of service delivery present areas for improvement. The study helps insurers refine their strategies and improve customer experience.

1. Introduction

1.1. Consumer and Satisfaction

In the modern financial ecosystem, insurance plays a vital role in protecting individuals and businesses against uncertainties. Customer satisfaction in this domain is crucial as it directly impacts retention, loyalty, and referrals. As Mahatma Gandhi rightly emphasized, customers are central to any enterprise. Their satisfaction determines the long-term viability and reputation of a company.

Philip Kotler defines customer satisfaction as “the extent to which a product’s perceived performance matches a buyer’s expectations.” In insurance, this includes parameters like claim settlement, ease of access, affordability, and service quality.

1.2. The Indian Insurance Sector

India’s insurance sector includes life and non-life (general) insurance. While life insurance covers life risks, general insurance includes health, vehicle, travel, home, and fire insurance. The sector has evolved post-2000 with the entry of private players and increased FDI limits. The Insurance Regulatory and Development Authority of India (IRDAI) governs the sector.

1.3. Go Digit General Insurance

Go Digit is a new-age insurer backed by Fairfax Group. It leverages technology to simplify insurance for consumers. The company provides digital-first solutions for motor, health, travel, and gadget insurance. With a 94% claim settlement rate within 16 months of launch, Go Digit has rapidly gained customer trust and market share.

2. Objectives of the Study

1. To analyze customer awareness about general insurance.
2. To assess the extent of general insurance usage among consumers.
3. To evaluate various aspects of services provided by general insurers.
4. To compare customer satisfaction based on service quality.
5. To explore satisfaction variance based on key service factors.

3. Scope of the Study

This study is geographically limited to Raipur city and centers on Go Digit General Insurance customers. It provides insights into customer preferences, awareness levels, and satisfaction. This scope helps insurers better understand local consumer expectations and develop products accordingly.

4. Literature Review

Key studies examined:

- **Kavitha, Latha & Jamuna (2012):** Found diverse customer attitudes towards general insurance using factor analysis.
- **Legendary Kumar (2009):** Explored developments in health insurance; emphasized third-party administrators' role.
- **Narsingha Rao (2007):** Addressed motor insurance complexities and the role of the Motor Vehicles Act.
- **Rajesham & Lagender (2005):** Discussed evolving insurance penetration and privatization benefits.
- **Yogita Sharma (2013):** SWOT analysis revealed low insurance penetration as both a challenge and an opportunity.
- **Ruby Singh (2014):** Emphasized consumer protection laws and customer-centric service.

5. Research Methodology

Parameter	Details
Research Design	Descriptive
Sample Size	100 respondents

Sampling Method	Random Sampling
Primary Data	Structured questionnaire (online/offline)
Secondary Data	IRDAI reports, academic journals, websites

The structured questionnaire included both open- and closed-ended questions covering awareness, service experience, satisfaction levels, and insurer preference.

6. Data Analysis and Interpretation

6.1 Demographics

- **Age:** 79.6% were below 25 years.
- **Gender:** 54.9% male, 45.1% female.
- **Education:** 62.1% postgraduates, 33% graduates.
- **Employment:** 28.2% self-employed, 25.2% salaried.

6.2 Insurance Usage

- **Popular products:** 60% had four-wheeler insurance, 57% two-wheeler, 53% health.
- **Mediclaim Policy:** 59.8% had one; 40.2% did not.
- **Annual Renewal Belief:** 68.6% agreed insurance should be renewed yearly.

6.3 Perception and Awareness

- **Compulsion vs. Risk Protection:**
 - 61.2% take insurance because it's mandatory.
 - 78.6% take it for risk coverage.
- **Awareness:**
 - 56.3% were aware of policy terms.
 - 35.9% had partial awareness.
 - 7.8% had no idea.

6.4 Service Satisfaction

- **Claim Settlements:**
 - 64.1% agreed private insurers were faster.
- **Preferred Providers:**
 - 50.5% preferred private insurers.
- **Agent Competency:**
 - 71.8% felt agents were knowledgeable.

6.5 Overall Satisfaction

- **Overall Rating:**
 - 40.8% rated services as "Good".
 - 35.9% as "Very Good".
 - 17.5% as "Excellent".
- **Dissatisfaction Reasons:**
 - 31.7% due to delayed policy documents.
 - 25.6% due to agent issues.
 - 25.6% due to claim delays.

7. Findings

- Younger respondents dominate the insurance customer base.
- Most customers are satisfied with services.
- Awareness about policy terms is moderate, indicating a communication gap.
- Private insurers are perceived as more efficient in claim settlements.
- Customers value service quality over cost or brand name.

8. Limitations

1. Geographical scope limited to Raipur.
2. Self-reported data may include biases.
3. Sample size (100) may not reflect national trends.
4. Focus on one company limits generalizability across the sector.

9. Conclusion

General insurance plays a vital role in mitigating everyday risks. This study shows that a majority of customers are satisfied with their general insurance providers, especially private companies like Go Digit. However, there's a clear need for improved transparency, better agent training, and more customer education. Companies that emphasize digital simplicity and customer-centric services are likely to build long-term trust and retention.

10. Recommendations

1. **Improve Communication:** Clear explanations of policy terms at the point of sale.
2. **Strengthen After-Sales Service:** Regular follow-ups, simplified claim tracking.
3. **Digital Tools:** Enhance mobile app functionality and self-service portals.
4. **Awareness Campaigns:** Conduct workshops/webinars to educate policyholders.

5. **Agent Training:** Ensure agents are equipped to explain products effectively.

11. References

- Google Scholar: <https://scholar.google.com>
- Go Digit Insurance: <https://www.godigit.com>
- IRDAI Annual Reports
- Journals cited in literature review (Kavitha et al., Kumar, Sharma, etc.)