

# Marketing Strategies Of Insurance Companies With Special Reference To Health Insurance In Andhra Pradesh

**S. Chandra Mohan,**  
Research Scholar,  
Dept. of Management Studies,  
Sri Venkateswara University,  
[Tirupati.srikrishnanirmala@gmail.com](mailto:Tirupati.srikrishnanirmala@gmail.com).

**ABSTRACT:** *Health is wealth it is the billion years quote. The recent scenario in insurance industry is raising hopes on future prospects. Among the three categories, life insurance, nonlife insurance and health insurance third one has become more prominent than the two due to the changing global environmental and cultural differences. In India getting minimum health service is still under construction stage. Particularly rural India is suffering a lot. The infrastructural facilities we are having and the per capita spent on health reveals the adverse state of the industry. The maximum amount spent on health is from out of pocket only in India. These circumstances are the best opportunities to the insurer to tap the market. In recent times the announcements like national health policy and GDP allocation percentage increase on health from the central government are giving hope on the better future. The regulatory body IRDA has introduced several new kinds of practices with the motive of boosting insurance industry aiming better service and reach. The companies offering health insurance are (since 2005 with special category recognition) now focusing on reaching customers with combo packs. But, the very lagging area promotion is still under correction. It is the time to have a discussion on health insurance strategies in view of global signs. With this opportunity I tried to bring some of the points relevant for discussion along with the views.*

**Keywords:** Strategy, Health Insurance and Marketing.

## 1. INTRODUCTION:

Health insurance has become an essential product in recent days. Growing demand for this industry is due to changing environmental concerns. The environment which is part of lives adding flavors to this reason either in direct or in indirect mode. The recent studies on growing health concerns by WHO, LANCET and some individual studies highlighted the need of healthy environment. It is to discuss that it is not the problem of one age group, profession, region, caste, sex, country or continent. It is the default disorder of the entire world in present day's scenario. Though technology is helping in reducing wastage and labor in some sort in other side the ratio of increase is growing day by day. As per the data released by the IRDA and The central Government Health Ministry the percentage of GDP we are spending on each is below average than the neighbouring countries. In order to safe guard the future generation and to have a kind of livable space on this earth we need to do a lot towards health matters through addressing the environment.

Health insurance status in India with respect to reach, quality and affordability is at bottom level. Here the case of rural India is merciful. The matters like habits and attitudes are changing the scenario. It is to strongly recommend that health care must be taken care by the Government, society and individual. Marketing of health insurance is required to address some of the strategic instruments like 7p's (Product, Price, Place, Promotion, process, Physical Evidence and People). In this empirical paper I would be explaining about the one important P- People.

## 2. REVIEW OF LITERATURE:

- Health insurance awareness level among the people in India is at poor state. Still even in 21<sup>st</sup> century with advanced technology availability and better infrastructural support majority are unaware of the concept health insurance. It certainly explains about the future care that the system supposed to design. Mainly the rural India is at far distance compare to urban people.  
Medical insurance is growing rapidly than other forms.  
The poor coverage (15%) is still challenging the system.
- This article particularly depicts about the need of universal health coverage.  
Health insurance in India is still a dream of millions.  
Growing health issues relate to the changing environment and life style stressing the need of health coverage to all.

The demographic variations like income, occupation and age are becoming factors.

The social, economical, political and technological elements should be addressed in order to reduce the differences.

### **3. ABOUT THE INDUSTRY:**

Insurance industry has started its journey since 18th century in professional style in India. Marketing of insurance product which is a service based started its journey from the year 2000 with the formation of IRDA. From the year 2005 after categorizing health insurance from the life and non-life insurance by IRDA the segment has become more attractive than interactive. As per the recent studies health insurance is growing at the CAGP of 20 – 25.

The recent FDI hike and the proposal of NHS (National Health Scheme) initiated by the NDA Government definitely adds value to the industry. The prospects of this group now become global destination. The insurance regulatory (IRDA) has liberalized several norms and strengthened rules in order to bring more transparency into the system and to make customer friendly.

#### **7p's:**

Marketing strategy which helps the firm in reaching its goals works as guide. It perhaps corrects the system based processes with the motive of inclusive growth. In distinction the concept marketing differs from strategy in terms of execution. Where strategy is a like a science and marketing act as an art. People of the 7p's give us a very meaningful insight regarding the calculation of marketing and strategy. Because, it is the segment to whom the business is designed for. The person who is in charge of developing marketing strategy must study about this section in detail. Knowledge about this segment helps the person in framing better strategy with useful insights.

In the present system people are been classified into different measures on different parameters. The very popular measures in practice are based on income and social status. In marketing we do classify people based on market potential, diffusion and demographic factors. Companies are developing their strategies by keeping market competition, penetration and potential in many cases. In order to reach the people the sources that they are helping the organizations are marketing department, sales team, media and marketing channels.

With the view of reaching people different products are been taking place from the business. Though governments initiated some schemes like Aam Aadmi Bhima Yojana, ESI, RSBY earlier pradaanmantri jeevan suraksha recently at state and central level the reach is not up to the mark.

### **4. RECOMMENDATIONS:**

Health has become a very conscious product in recent days. With respect to the growing rate of diseases it is indeed required some strategic measures help to address the phenomena. Here are the some recommendations which I thought meaningful. They are;

- Having transparent system,
- Having a subject on health basics right from the primary section,
- Appointing sanitary inspectors from village wise,
- Filling the administrative and infrastructural gaps and
- By maintaining mobile services with full strength equipment every day.

### **5. CONCLUSION:**

Marketing strategy which is a tool to achieve the desired goals of the organization need to be planned designed and executed in a right manner. In a country like India where diversified cultures with differences in income, knowledge and occupation it will definitely become a challenge. To address the issue of health insurance it is the time to have a bright future roadmap.

### **REFERENCES:**

- [1] Universal Health Insurance in India: A way to go forward A humane society must be able to provide basic health access to its citizens irrespective of their paying capacity. Published: March 17, 2015 10:49 am
- [2] Health Insurance in India – The Need for Public Awareness - Written by Policy Bazaar. Modified 15 November 2016