



A STUDY ON THE PREFERENCE OF STAR HEALTH INSURANCE IN MADURAI CITY

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ABSTRACT:

Health insurance is vital in providing financial security against medical costs, particularly in emerging markets like India. This study investigates the factors influencing consumer preferences for Star Health Insurance in Madurai City, Tamil Nadu. The research aims to identify the key determinants such as brand reputation, policy benefits, affordability, claim settlement processes, and customer service, which affect consumers' decision-making. A structured survey was conducted among 50 respondents, including both policyholders and potential customers, to understand their experiences and preferences. The results indicate that Star Health Insurance is preferred due to its competitive pricing, quick claim settlement, and comprehensive policy offerings. However, the study also identifies areas for improvement, including expanding the network of healthcare providers and enhancing the digital interface for a smoother customer experience. The findings provide valuable insights that can help Star Health Insurance refine its market strategies and improve customer satisfaction. This research contributes to the understanding of consumer behavior in the health insurance sector and offers recommendations for strengthening the company's presence in the region.

KEYWORDS:

INSURANCE, HEALTH, CONSUMER, POLICY, SATISFACTION, CLAIMS.

1.1 INTRODUCTION

Health insurance plays a pivotal role in financial planning, especially with rising healthcare costs and increasing health risks. In India, where access, affordability, and quality of healthcare remain challenges, health insurance is crucial in protecting individuals and families from unforeseen medical expenses. Star Health and Allied Insurance Company, established in 2006, is one of India's leading standalone health insurance providers, offering a wide range of products such as individual health plans, family floater policies, critical illness coverage, and senior citizen-specific plans. The company has built a strong reputation through its customer-centric approach, extensive network of hospitals providing cashless services, and efforts to simplify the insurance process. In Madurai, Star Health's presence has expanded through strategic partnerships with healthcare providers, aggressive local marketing, and the increasing healthcare awareness among residents. This growth mirrors the broader trends in Tamil Nadu and India, where health insurance is gaining importance due to rising medical costs. Despite growing awareness, health insurance penetration in smaller cities like Madurai remains relatively low compared to metropolitan areas. This study seeks to examine the key factors influencing the preference for Star Health Insurance among the residents of Madurai, providing

valuable insights into regional trends, market penetration, and decision-making processes in health insurance. Understanding these preferences will enable Star Health to better tailor its offerings and strategies to the local market.

1.2 STATEMENT OF THE PROBLEM

Despite rising awareness of health insurance in urban centers like Madurai, a significant portion of the population remains underinsured or unaware of the full range of available products. Star Health and Allied Insurance, a leading player in the market, faces challenges in understanding the key factors influencing consumer preferences in Madurai. The problem this study addresses is identifying how factors such as brand awareness, price sensitivity, coverage, claims processes, and service quality shape customers' decisions. Socio-economic and demographic variations also play a role in the adoption of health insurance. This study aims to analyze these factors and assess Star Health's market effectiveness in Madurai. The findings will help identify areas for improvement in customer acquisition and withholding strategies.

1.3 OBJECTIVES OF THE STUDY

- ✓ To analyze the factors influencing consumer preference for Star Health Insurance, including coverage benefits, affordability, and customer

service.

- ✓ To assess the level of customer satisfaction with Star Health Insurance policies, claim processes, and support services.
- ✓ To identify the challenges and expectations of policyholders in Madurai City, helping insurers improve their offerings and services.

1.4 METHODOLOGY

1.4.1 RESEARCH DESIGN

Descriptive research, which aims to describe the characteristics of a population without addressing how, when or why these characteristics emerged, was conducted in Madurai city. Gathering primary data directly from customers using a questionnaire which were then utilized for analysis. The primary data was sourced from general public, employees, and customers. Secondary data will be gathered through literature review and company data. The sample size for this research was 50.

1.4.2 SAMPLE DESIGN:

Sample design refers to the techniques or methods employed by the researcher to select items for the sample, constituting a definite plan to obtain a sample from a given population.

1.4.3 METHOD OF SAMPLING:

Sampling is a statistical analysis process where a predetermined number of observations are selected from a large population. In a simple random sample, every member of the population has an equal chance of being chosen.

1.4.4 SIZE OF SAMPLE:

The study's sample size consists of 50 respondents.

1.5 DATA ANALYSIS:

TABLE: 1.5.1

RESPONDENTS OF AGE WISE CLASSIFICATION

Age	No of respondents	Percentage
25 to 35	22	44.0
36 to 45	12	24.0
46 to 55	9	18.0
56 Above	7	14.0
Total	50	100.0

Source Primary Data

INTERPRETATION:

From the above table it is interpreted that 44% respondents like 25 to 35, 24% respondents like 36 to 45, 18% respondents like 46 to 55, 14% respondents like 56 above.

DIAGRAM 1.5.1

RESPONDENTS OF AGE WISE CLASSIFICATION

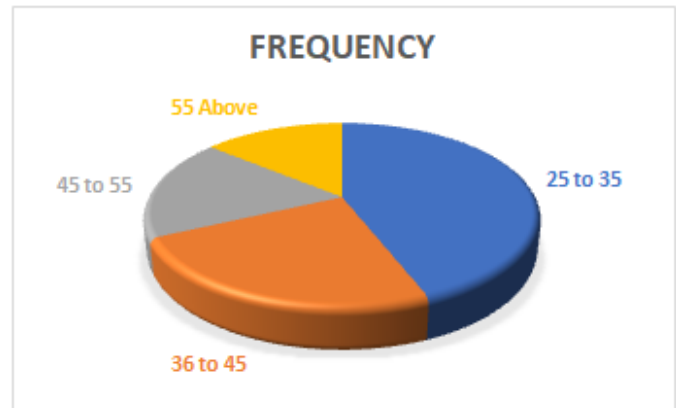


TABLE: 1.5.2

RESPONDENTS OF OCCUPATION WISE CLASSIFICATION

Occupation	No of respondents	Percentage
Salaried	21	42.0
Self-employee	12	24.0
Student	7	14.0
Retired	6	12.0
Unemployed	3	6.0
Other	1	2.0
Total	50	100.0

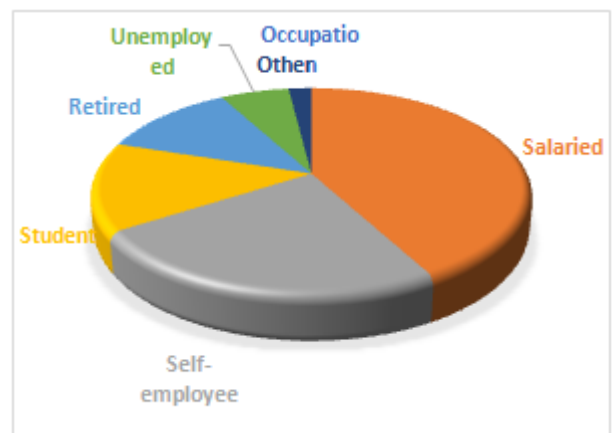
Source Primary Data

INTERPRETATION:

From the above table it is interpreted that 42% respondents like salaried, 24% respondents like self-employee, 14% respondents like student, 12% respondents like retired, 6% respondents like Unemployed, 2% respondents like other.

DIAGRAM 1.5.2

RESPONDENTS OF OCCUPATION WISE CLASSIFICATION



CONCLUSION:

The study on the preference for Star Health Insurance in Madurai City reveals that customers choose this insurance provider primarily due to its comprehensive coverage, cashless hospital network, affordability, and customer service. Factors such as brand reputation, claim settlement ratio, and policy benefits significantly influence customer decisions. However, some respondents expressed concerns regarding premium costs and claim processing time. To improve customer satisfaction and expand its market presence, Star Health Insurance should focus on enhancing its digital services, simplifying claim procedures, and offering more customized insurance plans. By addressing these aspects, the company can strengthen its position in the competitive health insurance sector in Madurai.

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