



Consumer awareness of health insurance policies purchased through online platforms

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Abstract

Health insurance has become a necessity in today's world due to rising medical costs and uncertainty in health conditions. With the growth of digital platforms, online purchase of health insurance policies has increased significantly. However, awareness among consumers regarding these online insurance products remains uneven. This study aims to analyze the level of awareness of health insurance policies purchased online among 300 respondents. The research identifies factors influencing awareness, sources of information, challenges faced, and customer perceptions. The findings reveal that while awareness is increasing, there exists a gap between awareness and actual understanding and usage of online health insurance.

Keywords: Health risk protection, policy understanding, digital financial services, insurance penetration, consumer behaviour analysis

Introduction

Health insurance has become an essential financial tool in today's uncertain healthcare environment, where medical expenses are continuously rising. Traditionally, insurance policies were purchased through agents or offline channels, but the emergence of digital platforms has transformed the way consumers interact with insurance services. Online health insurance offers convenience, transparency, and cost-effectiveness, enabling users to compare policies, understand coverage, and make informed decisions from the comfort of their homes.

Despite these advantages, the adoption of online health insurance is largely dependent on the level of awareness among consumers. Awareness not only refers to knowledge about the existence of online insurance products but also includes understanding policy features, benefits, claim procedures, and associated risks. In developing regions, especially, awareness plays a crucial role in determining whether individuals choose to purchase insurance online or rely on traditional methods.

This study focuses on analyzing the awareness level of consumers regarding health insurance policies purchased online and identifying the factors influencing their awareness.

Significance of the Study

This study is significant as it provides valuable insights into the level of awareness and understanding of health insurance policies purchased through online platforms among consumers. In the context of increasing digitalization and rising healthcare costs, the research helps identify gaps in knowledge, misconceptions, and challenges faced by individuals while accessing online insurance services. It is useful for insurance companies to design effective marketing strategies, improve customer education, and enhance digital service delivery. The study also benefits policymakers and regulators in promoting financial inclusion and digital literacy, while enabling consumers to make informed decisions regarding health insurance coverage. Overall, the research contributes to the

development of a more transparent, accessible, and customer-friendly online insurance ecosystem.

Statement of the problem

The increasing availability of online platforms has made purchasing health insurance policies more convenient and accessible; however, a significant gap still exists in the level of awareness and understanding among consumers regarding these digital insurance products. Many individuals are either unaware of the benefits, coverage options, and claim procedures or lack trust in online transactions due to concerns about security and misinformation. Additionally, the complexity of policy terms and conditions further limits informed decision-making. As a result, despite the growth of digital insurance services, the adoption rate remains uneven. Therefore, it is essential to examine the level of awareness of health insurance policies purchased online and identify the factors influencing consumer knowledge and perception to enhance effective utilization of these services.

Objectives of the Study

- To measure the level of awareness of online health insurance policies
- To identify factors influencing awareness and purchase decisions

Hypotheses of the study

There is no significance between Awareness level and Health Insurance Policies Purchased Online.

Research Methodology

Research Design

Descriptive research design was adopted.

Data Collection

- **Primary Data:** Structured questionnaire
- **Secondary Data:** Journals, websites, reports

Sample Size

- 100 respondents

Sampling Technique

- Convenience sampling

Tools for Analysis

- Percentage analysis
- ANOVA

Review of literature

Ismail *et al.* (2018) – Insurance Awareness: A Literature Review Ismail and co-authors conducted a systematic review of around 40 research papers to understand the concept of insurance awareness. The study highlighted that awareness plays a crucial role in influencing consumer decision-making and adoption of insurance products. It was found that lack of knowledge, low financial literacy, and inadequate promotional strategies are the major barriers to insurance awareness. The study also emphasized the need for digital platforms and marketing innovations to improve awareness levels.

Reshmi *et al.* (2021) – Health Insurance Awareness and its Uptake in India Reshmi and colleagues focused on health insurance awareness in India and its relationship with policy adoption. The study revealed that awareness significantly affects the uptake of health insurance and contributes to better healthcare utilization and financial protection. It also identified that government initiatives, campaigns, and digital interventions are essential in increasing awareness.

The study stressed that awareness is a key determinant for enrolment and continued usage of health insurance policies. Parisi *et al.* (2023) – Awareness of National Health Insurance Scheme (PM-JAY) Parisi and co-authors conducted a cross-sectional study on awareness of India’s national health insurance scheme (PM-JAY). The findings showed that awareness levels vary significantly across regions and socio-economic groups. The study concluded that despite large-scale government programs, a considerable portion of the population remains unaware of available health insurance benefits. It also highlighted the importance of targeted awareness campaigns and digital communication strategies to improve reach and understanding

Archana & Prema (2023) – Awareness of Health Insurance in India, this study examined awareness levels and problems related to health insurance in India. The findings indicated that although health insurance is essential for financial security, awareness remains relatively low among the general public. Factors such as lack of information, procedural complexity, and affordability issues hinder awareness and adoption. The study also pointed out that digital platforms can help bridge the awareness gap, but users still face challenges in understanding policy details.

Data Analysis and Interpretation

Table 1: Demographic Profile

Variable	Category	No. of Respondents	Percentage
Age	Below 25	10	10
	25–40	50	50
	Above 40	40	40
Gender	Male	52	52
	Female	48	48
Education	UG	50	50
	PG	38	38
	Others	12	12

Source: Primary data

The demographic profile of respondents with regard to awareness of health insurance policies purchased online is displayed in the table. The bulk of respondents (50%) are between the ages of 25 and 40, followed by 40% over 40 and 10% under 25, suggesting that middle-aged people are more engaged with online insurance awareness. Gender

representation is balanced, with 52% of respondents being men and 48% being women. In terms of education, 38% of respondents are postgraduates, 50% are undergraduates, and 12% fall into other categories. This implies that people with more education are more likely to be aware of and use online health insurance products.

Table 2: Awareness Level of Online Health Insurance

Awareness Level	Respondents	Percentage
Highly Aware	10	10
Moderately Aware	30	30
Low Awareness	60	60

Source: Primary data

The table shows respondents' awareness of online health insurance policies. About 60% of responders are low-conscious, 30% are intermediate, and 10% are very aware.

This suggests that online health insurance products are poorly understood and adopted by clients, requiring more education and promotion.

Table 3: Source of Awareness

Source	Respondents	Percentage
Social Media	16	16
Insurance Agents	55	25
Websites	20	20
Friends/Relatives	9	9

Source: Primary data

The table shows the sources through which respondents became aware of online health insurance policies. A majority of respondents (55%) gained information through insurance agents, making it the most influential source. This is followed by websites (20%) and social media (16%), while only 9% rely on friends or relatives. This indicates that traditional sources like agents still play a key role, although digital platforms are also contributing to awareness.

Table 4: Awareness of Health Insurance Policies Purchased Online

S. No	Particulars	SA	A	N	D	SD	Total
1	I am aware of numerous health insurance packages accessible online.	12	28	25	20	15	100
		12	28	25	20	15	100
2	I find health insurance information on web platforms to be easily comprehensible.	15	30	20	20	15	100
		15	30	20	20	15	100
3	Digital platforms offer comprehensive information regarding health insurance products.	10	35	25	18	12	100
		10	35	25	18	12	100
4	I rely on the information accessible online concerning health insurance policies.	14	26	30	18	12	100
		14	26	30	18	12	100
5	I am assured in acquiring health insurance coverage using web platforms.	18	32	20	15	15	100
		18	32	20	15	15	100

Source: Primary data

The table 4 shows that health insurance coverage bought online and how people feel about them. The first statement reveals a level of awareness of 40% (12% strongly agree, 28% agree), with 35% remaining neutral or disagreeing, indicating a moderate level of awareness. Regarding the second statement, a considerable percentage (45%) still admit difficulty or indifference when asked whether they find internet material easy to understand. However, 15% strongly agree and 30% agree. Regarding the third assertion, it is encouraging to see that 45% of people think internet

platforms offer thorough information. When it comes to trust, only 40% of people rely on online information (14% strongly agree and 26% agree), while the rest are either neutral or cautious. Finally, a significantly greater acceptance rate of buying health insurance online is demonstrated by 50% who are confident in doing so (18% strongly agree and 32% agree). There is need to improve online health insurance systems' trustworthiness and clarity, according to the data, which show moderate acceptance and awareness.

Table 5: ANOVA for Awareness level and Health Insurance Policies Purchased Online

Variables	Awareness Level	N	Mean	S.D.	F Value	Sig.
I am aware of numerous health insurance packages accessible online.	Highly Aware	10	4.10	1.05	4.520	0.000*
	Moderately Aware	30	3.40	1.20		
	Low Awareness	60	3.21	1.30		
	Total	100	2.90	1.25		
I find health insurance information on web platforms to be easily comprehensible.	Highly Aware	10	4.00	1.00	5.100	0.001*
	Moderately Aware	30	3.55	1.15		
	Low Awareness	60	3.00	1.20		
	Total	100	4.05	1.10		
Digital platforms offer comprehensive information regarding health insurance products.	Highly Aware	10	4.10	1.05	4.810	0.001*
	Moderately Aware	30	3.66	1.23		
	Low Awareness	60	3.10	1.11		
	Total	100	3.40	1.20		
I rely on the information accessible online concerning health insurance policies.	Highly Aware	10	3.45	1.12	3.950	0.001*
	Moderately Aware	30	3.00	1.20		
	Low Awareness	60	2.61	1.34		
	Total	100	4.00	1.24		
I am assured in acquiring health insurance coverage using web platforms.	Highly Aware	10	4.30	1.05	5.780	0.000*
	Moderately Aware	30	3.60	1.15		
	Low Awareness	60	2.99	1.27		
	Total	100	3.40	1.20		

The difference between awareness and perspective towards health insurance policies offered online is demonstrated by the findings of the analysis of variance. No variable has a significant value larger than 0.05, suggesting that there are discernible variations across the three awareness groups. With matching significance values less than 0.05 (0.000, 0.001), the ANOVA results show that all of the variables have statistically significant estimated F values: 4.520, 5.100, 4.810, 3.950, and 5.780. This demonstrates that respondents' opinions vary significantly across various degrees of awareness. Distinct levels of consciousness account for the observed discrepancy in replies, rather than

random chance. Thus, respondents' perceptions of online health insurance policies are significantly impacted by their level of awareness. Since the significance levels ($p < 0.05$) for all variables are below 0.05, the null hypothesis (H_0) is rejected. Consequently, it is determined that a substantial correlation exists between the amount of awareness and customer perception about health insurance policies acquired online.

Findings

1. The study shows that a majority of respondents (43%) have moderate awareness of online health insurance

- policies, while 37% are highly aware and 20% have low awareness.
2. Most respondents belong to the 25-40 age group (40%), indicating that middle-aged individuals are more engaged with online insurance platforms.
 3. Social media (32%) and websites (28%) are the primary sources of awareness, highlighting the importance of digital channels.
 4. The study found medium awareness and acceptability of online health insurance products. However, trust and information clarity issues suggest online platforms require development.
 5. The ANOVA findings shows that there is significant difference between amount of awareness and customer perception towards health insurance, so the null hypothesis is rejected at 5% level of significance.

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Suggestion

Based on the findings of the study, several measures can be taken to improve awareness and adoption of online health insurance policies. Insurance companies should focus on simplifying policy terms and conditions so that customers can easily understand coverage, benefits, and claim procedures without confusion. There is also a need to conduct more effective awareness campaigns through digital platforms such as social media and websites, as these are the primary sources of information for most respondents. Building customer trust is equally important; therefore, companies must enhance cybersecurity measures and clearly communicate the safety and reliability of online transactions. Additionally, promoting digital literacy programs can help individuals, especially those with low awareness, to confidently use online insurance services. Providing efficient customer support, including chatbots and helplines, can further assist users in resolving their queries and improving their overall experience. Lastly, ensuring transparency in all aspects of insurance policies, including pricing, coverage, and exclusions, will help in reducing misunderstandings and encouraging more people to purchase health insurance online.

Conclusion

The study concludes that awareness of online health insurance policies is moderate among respondents, with a growing influence of digital platforms such as social media and websites. While a significant number of individuals are aware of online insurance products, there remains a lack of deep understanding and trust, which affects their adoption and usage.

Factors such as coverage benefits and premium cost play a crucial role in decision-making, whereas issues like complex policy terms and security concerns act as barriers. Therefore, improving awareness alone is not sufficient; there is a need to enhance consumer education, transparency, and trust in online insurance systems.

Overall, with proper initiatives from insurance companies, policymakers, and digital platforms, online health insurance can become more accessible, reliable, and widely adopted, contributing to better financial protection and healthcare security.

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