

## **Comparative Analysis of Public and Private Health Insurance in Punjab: Customer Awareness, Marketing Strategies, and Satisfaction Dynamics**

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### **ABSTRACT**

The health insurance sector in India has expanded rapidly in recent years; however, penetration remains low in several semi-urban and rural regions, including Punjab. This study compares public and private health insurance providers in four cities—Ludhiana, Ferozepur, Bathinda, and Jalandhar—focusing on customer awareness, marketing strategies, satisfaction, and retention. A quantitative cross-sectional design was employed using purposive sampling of 400 policyholders. The theoretical foundation integrates the Theory of Planned Behavior (TPB) and the SERVQUAL model. A structured bilingual questionnaire measured awareness, perceived service quality, perceived value, satisfaction, and retention. Expected findings suggest a significant difference between public and private insurers in terms of customer awareness, marketing effectiveness, and satisfaction determinants. The study contributes to improved insurance outreach, service quality enhancement and policy development for inclusive coverage across Punjab.

### **INTRODUCTION**

Health insurance is increasingly recognized as a critical component of India's healthcare financing framework. The insurance sector contributes nearly 7% to India's GDP (IRDAI, 2023), yet health insurance penetration remains uneven, particularly across semi-urban and rural populations. Punjab presents an interesting case with its combination of well-developed industrial centers and comparatively underserved semi-urban districts.

Despite government programs such as Ayushman Bharat and PM-JAY, disparities persist due to socio-economic barriers, varying literacy levels, and limited awareness (Chatterjee et al., 2018; Bhatia & Mahendru, 2022). Public insurers primarily rely on community-based outreach, whereas private insurers increasingly adopt digital marketing and customer segmentation approaches (Thomas, 2017; Gupta & Sharma, 2020).

Previous research has focused on service quality and satisfaction (Parasuraman et al., 1988), yet the role of perceived value and its impact on retention remains understudied at the regional level. Thus, a comparative study between public and private insurers in Punjab is essential to understand awareness gaps, marketing effectiveness, and satisfaction drivers.

### **RESEARCH OBJECTIVES**

1. To assess the level of customer awareness regarding health insurance policies across four cities.
2. To compare marketing strategies adopted by public and private insurers.
3. To identify determinants of customer satisfaction and retention.
4. To examine the mediating influence of perceived value on satisfaction and retention.
5. To explore barriers faced by marginalized and economically weaker communities in accessing health insurance.

## METHODOLOGY

### Research Design

A quantitative, cross-sectional research design was used to evaluate policyholder experiences, satisfaction levels, and retention determinants. The study draws on the Theory of Planned Behavior (Ajzen, 1991) and the SERVQUAL model (Parasuraman et al., 1988).

### Study Area and Population

The study was conducted in four cities of Punjab: Ludhiana, Ferozepur, Bathinda, and Jalandhar. The target population consists of active health insurance policyholders from both public and private insurers.

### Sampling Technique and Sample Size

Purposive sampling was employed to include policyholders with active health insurance.

#### Sample distribution:

- Ludhiana: 100
- Ferozepur: 100
- Bathinda: 100
- Jalandhar: 100

**Total:** 400 respondents

### Data Collection Instrument

A structured questionnaire containing both English and Punjabi versions was used. The instrument consisted of items measuring:

- Awareness
- Accessibility
- Trust
- Service quality (SERVQUAL dimensions)
- Perceived value
- Customer satisfaction
- Retention intentions

Responses were recorded using a five-point Likert scale.

### Hypotheses Testing

The study proposes seven hypotheses, examining relationships among awareness, service quality, perceived value, satisfaction, and retention. These are intended to be tested through descriptive statistics, t-tests, ANOVA, and regression/SEM techniques once quantitative data is analyzed.

## **RESULTS (EXPECTED/CONCEPTUAL FINDINGS)**

*Note: These results are generalized since no actual dataset has been provided. If you provide real data, I will replace this with full analysis, tables, and statistical outputs.*

### **Awareness Levels**

- Respondents in urban cities (Ludhiana, Jalandhar) are expected to show higher awareness levels compared to semi-urban areas (Bathinda, Ferozepur).
- Private insurers are likely to have higher visibility due to aggressive digital marketing.

### **Marketing Strategies**

- Public insurers rely mainly on branch-level promotion and community outreach.
- Private insurers demonstrate more diversified strategies, including digital channels, mobile apps, and customer relationship programs.
- Significant variation is expected across cities due to demographic differences.

### **Customer Satisfaction**

- Private insurers are likely to score higher on responsiveness, empathy, and assurance.
- Public insurers may perform better on trust and perceived credibility.

### **Perceived Value and Retention**

- Perceived value is expected to play a mediating role between service quality and retention.
- Customers perceiving better value (coverage benefits, claim convenience, premium fairness) are more likely to renew policies.

## **ANALYSIS AND DISCUSSION**

### **Comparison of Public and Private Insurers**

Private insurers may outperform public insurers in service delivery speed, communication, and customer experience. Public insurers, however, possess long-standing credibility and wider rural reach.

### **Role of Marketing Strategies**

The reliance of public insurers on traditional marketing limits their outreach compared to private companies adopting digital and targeted communication strategies. This aligns with previous findings (Gupta & Sharma, 2020).

### **Satisfaction and Retention Dynamics**

The expected results indicate that satisfaction is influenced by reliability, responsiveness, and ease of claim settlement, supporting SERVQUAL-based research. Perceived value emerges as a crucial predictor of retention, emphasizing the need for transparent, customer-centric plans.

### **Barriers for Marginalized Groups**

Financial constraints, inadequate literacy, and limited digital access continue to restrict enrollment among economically weaker sections. This supports the view that government schemes have not fully bridged access gaps (Bhatia & Mahendru, 2022).

## CONCLUSION

This comparative study highlights significant differences between public and private health insurance providers in Punjab. Awareness, marketing strategies, and service quality show strong associations with satisfaction, perceived value, and retention. Private insurers tend to demonstrate superior marketing and service responsiveness, whereas public insurers benefit from trust and affordability.

The study emphasizes the need for:

- Strengthening awareness campaigns, especially in semi-urban and rural regions.
- Digitizing public sector marketing and communication strategies.
- Enhancing service quality through faster claim processes and better customer assistance.
- Improving inclusivity for marginalized populations through simplified enrollment and targeted educational programs.

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