

Customer Perception And Service Satisfication Towards Star Health Life Insurance – A Study On Coimbatore City

Mrs. S.J. Sembakalakshmi¹, MS. B. Sangeetha Patel²

M. Com (IB), (Ph.D.), Assistant Professor, Department of Commerce with Banking & Insurance,

Sri Ramakrishna College of Arts & Science, Coimbatore.¹

Student of III B. Com B&I, Department of Commerce with Banking & Insurance,

Sri Ramakrishna College of Arts & Science, Coimbatore.²

Abstract: This study examines customer awareness, perception, and service satisfaction toward Star Health Life Insurance. The purpose of the research is to understand how well customers recognize the company's insurance products, how they perceive policy features and benefits, and how satisfied they are with the services provided. The study is based on primary data collected through a structured questionnaire from policyholders, along with supporting information from secondary sources such as reports and articles. The analysis focuses on factors such as awareness level, reasons for policy purchase, claim settlement experience, cashless hospital network, premium affordability, and overall service quality. The findings indicate that higher awareness and clear communication of policy details significantly influence customer perception and satisfaction. Service efficiency, claim processing speed, and support from representatives are also key drivers of positive customer experience. The study suggests that improving customer education and strengthening service responsiveness can further enhance satisfaction and trust in Star Health Life Insurance.

Keywords: Customer awareness, service satisfaction, claim settlement, service quality.

I. INTRODUCTION AND DESIGN OF THE STUDY

Insurance occupies an important place in the complex modern world since risk, which can be insured, has increased enormously in every walk of life. This has led to growth in the insurance business and evolution of various types of insurance covers. The insurance sector acts as a mobilize of savings and a financial intermediary and is also a promoter of investment activities. It can play a significant role in the economic development of a country, while economic development itself can facilitate the growth of the insurance sector.

Star Health insurance is a medical insurance given by an insurance company, wherein it reimburses the medical expenses incurred for a valid hospitalization. The individual has to pay a certain amount once each year, known as premium to keep the star health insurance policy active. Health insurance in India is considered same as hospitalization where the policy covers the hospitalization expenses. The expenses for hospital bed, nursing, surgeon's fees, consultant doctor's fees cost of blood, operation theatre charges are all covered. Certain diseases which are mentioned in the policy's terms and conditions shall be excluded from coverage or may be covered only after one or two years of the policy issue date. Star Health insurance is one of India's leading health insurance companies, established in 2006 and headquartered in Chennai. As the first dedicated health insurer in the country, Star Health focuses exclusively on providing a wide range of health insurance products designed for individuals, families, senior citizens, and people with specific medical needs.

II. OBJECTIVES OF THE STUDY

- To assess the level of awareness among customer about star health insurance product and services.
- To examine customer perception towards the reliability, transparency and overall brand image of star health life insurance.
- To identify the factors influencing customer decisions when choosing star health insurance plans.
- To identify the problems or challenges faced by customers while availing policies and services from star health life insurance.

III. STATEMENT OF THE PROBLEM

Consumers of Star Health Insurance face several challenges that impact their overall experience. One of the major issues is difficulty in understanding various plans and coverage options, making policy selection confusing. Additionally, many customers have limited awareness about Star Health Insurances products and services, which affects their ability to make informed decisions and also consider multiple factors such as premium cost, coverage, network hospitals, and claim settlement process while choosing health insurance plans. And challenges such as lack of clarity in policy terms, delays in claim processing, inadequate customer support, and procedural complexities often lead to dissatisfaction among policyholders. Addressing these issues can help improve customer satisfaction and trust in Star Health Insurance.

IV. SCOPE OF THE STUDY

This study explores the key factors influencing customer preferences for Star Health Insurance in Coimbatore city. It examines various factors influencing customers choice of Star Health Insurance plans, such as premium amount, coverage benefits, claim settlement process, customer service quality, and network hospitals. It also evaluates the level of satisfaction among current policyholders and identifies the problems and challenges faced by customers while availing insurance policies and related services. Additionally, it compares star health insurances with competitors and analyzes customer awareness, perception, satisfaction, and decision-making behavior towards Star Health Insurance products and services.

V. RESEARCH METHODOLOGY

Area of the Study-The area of the study focused is Coimbatore city.

Sources of Data-Both Primary and Secondary data have been used for the analysis.

Primary data- Primary data is also known as fresh data which is done by preparing questionnaire and by collecting the response from the customers.

Secondary data- Secondary data are collected from the journals, websites, articles and newspapers for the analysis.

sample size - The size of sample for the study is 100.

Tools Used for Analysis -Descriptive analysis, Chi-square, ANOVA, Ranking analysis.

Limitations of the study

- The study is confined to Coimbatore city.
- Due to time constraints, only three months have been allotted. The study's ability to gather information about respondents was constrained by a number of questions.

VI. REVIEW OF LITERATURE

Padmavathi and Karunanithi (2025)¹, conducted a study focusing on the performance of Star Health Insurance Company and the perception of customers towards its policies. They emphasize that health insurance plays a vital role in protecting individuals from high medical expenses such as hospitalization, medicines, and consultation fees. The authors note that customer satisfaction, awareness, and preference are key factors determining the success of any health insurance provider. Their study highlights that while many people recognize the importance of health insurance, there is still limited clarity regarding policy benefits and coverage. They also found that Star Health performs well in terms of service quality and network hospitals, but customers expect more transparency and faster claim settlement. Overall, the study concludes that improving awareness and simplifying communication can significantly enhance customer satisfaction and strengthen trust in Star Health insurance policies.

VII. AN OVERVIEW OF THE STUDY

Star Health & Allied Insurance Co. Ltd. is one of India's leading private insurance companies, originally established in 2006 as the country's first standalone health insurer. It offers a wide range of insurance products designed to provide financial protection and peace of mind, including health, personal accident and travel insurance plans tailored to individuals, families and corporates. Known for its extensive network of hospitals across India and customer-centric services, Star Health focuses on delivering easy-to-access coverage and support during medical emergencies

VIII. DATA ANALYSIS AND INTERPRETATION

Table No: 4.1 Age of the respondents

S. No	Age	Number of respondents	Percentage
1	Below 18	11	11.0
2	18-24 years	40	40.0
3	24-35 years	39	39.0
4	Above 35 years	10	10.0
	Total	100	100

Source: Primary Data

It is clear from the above table that out of the total respondents taken for study 11% of the respondents are belonging to the age of below 18 years, 40% of the respondents are belonging to the age group of 18 – 24 years, 39% of the respondents are belonging to the age group between 24-35 years years, 10% of the respondents are belonging to the age group of Above 35 years.

Mostly (40%) of the respondents are belonging to the age group between 18 – 24 years.

CHART NO 4.1: Age of the respondents

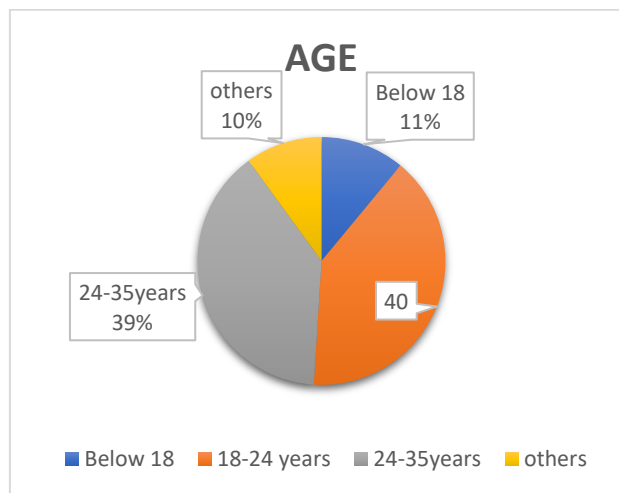


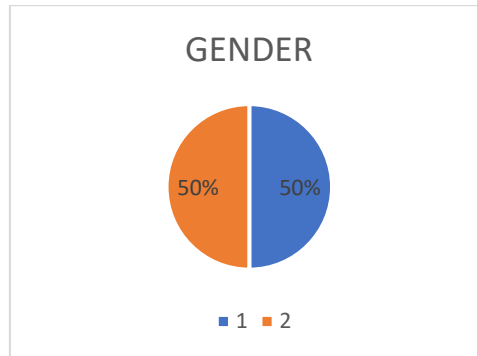
Table No 4.2: Gender of the respondents

S. NO	Gender	No. of Respondents	Percentage
1	Male	47	47.0
2	Female	53	53.0
	Total	100	100

Source: Primary Data

It is clear from the above table that out the total respondents taken for the study that 47% of the respondents are male and 53 % of the respondents are female.

Majority (53%) of the respondents are female.



Chi-square Tests

H₀: There is no significant relationship between Age group and the motivation of health insurance plans.
H₁: There is a significant relationship difference Age group and the motivation of health insurance plans.

Table No 3 describes the analysis of Age group and the motivation of health insurance plans.

Particulars	Value	Df	Asymp. sig. (2-Sided)
Pearson chi-square	19.073 ^a	9	.025
Likelihood Ratio	22.919	9	.006
Linear -by-Linear Association	.015	1	.904
N of Valid Cases	100		

a.13 cells (81.3%) have expected count less than 5. The minimum expected count is .04

INTERPRETATION:

Hence the value is less than 0.05, we reject null hypothesis and accept alternate hypothesis. So, there is a significant difference between Age group and the motivation of health insurance plans.

ANOVA – (Analysis of Variance)

Describes the differences between marital status and awareness of star health insurance

H₀: There is no significant difference between marital status and awareness of star health insurance
H₁: There is a significant difference between marital status and awareness of star health insurance

ANOVA					
marital status and awareness of star health insurance					
	Sum of squares	df	Mean square	F	Sig.
Between groups	1.742	3	.581	.2465	.067
Within groups	22.618	96	.236		
Total	24.360	99			

INTERPRETATION

The F value is .2465 and its significant at the level of significances .067 at the degree of freedom 3. In F test if the significant value is above 0.05 then accept null hypothesis and reject the alternate hypothesis and this study shows there is significant variation between marital status and awareness of star health insurance.

TABLE NO 4.5 RANKING ANALYSIS
Factors influencing the respondents towards the star health life insurance

Factors	Rank	1	2	3	4	5	Score	Mean	Rank
	Value	5	4	3	2	1			
Premium Amount	No	20	9	14	4	3	209	0.217	II
	Score	100	56	42	8	3			
Hospital Network Availability	No	16	11	17	6	1	188	0.195	III
	Score	80	44	51	12	1			
Coverage Benefit	No	12	12	17	6	3	238	0.247	I
	score	75	48	51	61	3			
Claim Settlement Ratio	No	12	11	10	8	7	157	0.163	V
	scores	60	44	30	16	7			
Reputation of Insurance company	No	11	15	10	4	12	165	0.171	IV
	score	55	60	30	8	12			

(source: primary data)

From the above table it is clear that out of the total respondents for the study reason for choosing the star health insurance. Most of the respondents have given priority to coverage benefit, followed by factors like premium amount, hospital Network availability, Reputation of company, claim settlement ratio. It's Concluded that the Respondents have given top Priority to Coverage Benefits.

FINDINGS OF THE STUDY

- Mostly (40%) of the respondents are belonging to the age group between 18 – 24 years.
- Majority (53%) of the respondents are female.
- Chi-square analysis reveals a significant association between Age group and the motivation of health insurance plans.
- ANOVA Analysis Shows That Differences Between Martial Status And Awareness Of Star Health Insurance.
- Ranking analysis shows the Factors influencing the respondents towards the star health life insurance

SUGGESTIONS OF THE STUDY

- ✚ Focus marketing on the 18–24 age group with low-premium and digital-friendly health plans.
- ✚ Create women-focused policy benefits and targeted awareness campaigns since most respondents are female.
- ✚ Customize promotional messages by age group, as motivation to buy insurance differs with age.
- ✚ Run separate awareness programs based on marital status with relevant plan examples.
- ✚ Highlight top-ranked influencing factors clearly in advertisements and agent communication.
- ✚ Simplify policy details and awareness materials of Star Health Insurance for easier understanding.
- ✚ Use social media and campus programs to improve youth awareness.

IX. CONCLUSION

This study concludes that customer awareness, perception, and service satisfaction play a significant role in shaping the overall success of Star Health Life Insurance. The findings indicate that customers who possess clear knowledge about policy features, coverage benefits, premium structure, and claim procedures tend to develop a more positive perception of the company. Service quality factors such as timely claim settlement, responsive customer support, transparency, and ease of communication strongly influence satisfaction levels. Although most customers express satisfaction with the reliability and trustworthiness of the company, certain areas such as faster grievance handling and simplified documentation can further enhance customer experience. Overall, improving awareness programs and continuously upgrading service quality will help strengthen customer loyalty and long-term relationships with the insurer.



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