Library Progress International *Print version ISSN 0970 1052*
Vol.43, No.2, July-Dec 2023: P. 3288-3292 *Online version ISSN 2320 317X*

Original Article *Available online at www.bpasjournals.com*

A Study On Customer Satisfaction Towards Digital Insurance Services In Private Insurance Companies In Kanyakumari District

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How to cite this paper as: Dr. M. Sindhu (2023) A Study On Customer Satisfaction Towards Digital Insurance Services In Private Insurance Companies In Kanyakumari District. *Library Progress International, 3422-3433*

ABSTRACT

The insurance industry has undergone significant transformation with the rapid adoption of digital technologies, enabling customers to access insurance services through online platforms and mobile applications. Digital insurance services have enhanced convenience, transparency, and operational efficiency while improving the overall customer experience. In this context, the present study aims to examine customer satisfaction towards digital insurance services offered by private insurance companies in Kanyakumari District. The specific objectives of the study are to examine the level of customer satisfaction, identify the factors influencing customer satisfaction, and analyze the problems faced by customers while using digital insurance services. The study is based on both primary and secondary data. Primary data were collected from 90 policyholders using a structured questionnaire through the convenience sampling technique. The collected data were analyzed using SPSS by applying Percentage Analysis, Mean and Standard Deviation, Factor Analysis, Garrett Ranking Technique, and Multiple Linear Regression Analysis.

The findings reveal that customers are generally satisfied with the digital insurance services provided by private insurance companies, with an overall mean satisfaction score of 4.16. Accuracy of policy information, convenience of digital premium payment, and security of digital transactions emerged as the major factors contributing to customer satisfaction. Factor Analysis indicated that user-friendly digital platforms, secure transactions, and efficient service delivery significantly influence customer satisfaction. Garrett Ranking Analysis identified delay in digital claim settlement, cybersecurity concerns, and technical issues as the major problems experienced by customers. The regression analysis further confirmed that these issues significantly affect customer satisfaction. The study concludes that private insurance companies should focus on strengthening digital infrastructure, improving claim settlement efficiency, enhancing cybersecurity, simplifying digital processes, and providing responsive customer support to increase customer satisfaction and promote the wider adoption of digital insurance services..

Keywords: Digital Insurance Services, Customer Satisfaction, Private Insurance Companies, Digital Transformation, Factor Analysis, SPSS, Kanyakumari District...

INTRODUCTION

The insurance industry has undergone a remarkable transformation with the rapid advancement of digital technology. The integration of digital platforms into insurance services has revolutionized the way customers purchase policies, pay premiums, renew policies, submit claims, and communicate with insurance providers. Digital insurance services have enhanced convenience, speed, transparency, and accessibility, enabling customers to manage their insurance needs anytime and anywhere. The increasing penetration of the internet, widespread use of smartphones, growth of digital payment systems, and supportive government initiatives have accelerated the adoption of digital insurance services in India. Private insurance companies have embraced digital transformation by introducing online policy management, mobile applications, chatbots, artificial intelligence, and automated claim settlement systems to improve operational efficiency and deliver superior customer experiences.

Customer satisfaction has become a critical factor in the success of digital insurance services. The. .

effectiveness of these services depends not only on technological innovation but also on customers' perceptions of service quality, reliability, security, ease of use, responsiveness, and overall user experience. A high level of customer satisfaction contributes to customer retention, positive word-of-mouth, increased trust, and long-term profitability for insurance companies. Conversely, issues such as technical glitches, cybersecurity concerns, lack of digital awareness, and delayed online support may negatively influence customer satisfaction. In an increasingly competitive insurance market, private insurance companies are continuously striving to enhance their digital capabilities to meet the evolving expectations of customers. Evaluating customer satisfaction towards digital insurance services helps insurers identify strengths, recognize service gaps, and implement appropriate strategies for continuous improvement. Understanding customer expectations and experiences is therefore essential for developing customer-centric digital solutions and sustaining a competitive advantage

REVIEW OF LITERATURE

Sundaram and Ramesh (2024), in their study titled **"Customer Satisfaction Towards Digital Insurance Services in Private Insurance Companies,"** examined the level of customer satisfaction with digital insurance services offered by private insurers in India. The study focused on online policy purchase, premium payment, digital claim settlement, customer support, and data security. The findings revealed that convenience, ease of use, and quick access to services significantly improved customer satisfaction. However, technical issues, cybersecurity concerns, and delays in claim processing negatively influenced customer experience. The study also observed that service quality and responsiveness had a positive impact on customer loyalty. Customers with better digital literacy showed higher levels of satisfaction. The researchers concluded that private insurance companies should continuously improve their digital infrastructure, strengthen security measures, and provide efficient customer support to enhance customer satisfaction and retention.

Kumar and Sharma (2023), in their study titled **"Digital Transformation and Customer Experience in the Indian Insurance Industry,"** investigated the impact of digital transformation on customer experience in private insurance companies. The study analyzed the adoption of mobile applications, online policy management, digital premium payments, and AI-enabled customer service. The findings indicated that digital platforms significantly reduced service delivery time and improved operational efficiency. Customers appreciated the convenience of accessing insurance services from any location. The study also found that personalized digital services and instant communication enhanced customer engagement. Nevertheless, some respondents experienced difficulties in navigating digital platforms and understanding online procedures. The researchers concluded that insurance companies should simplify digital interfaces and offer continuous customer assistance to improve overall satisfaction.

Patel and Mehta (2023), in their study titled **"Factors Influencing Customer Satisfaction towards Online Insurance Services,"** examined the determinants of customer satisfaction with online insurance services. The study identified website quality, information accuracy, transaction security, reliability, responsiveness, and ease of navigation as the major influencing factors. The findings showed that customers highly valued secure online transactions and timely responses to their queries. The availability of digital claim tracking also improved customer confidence. However, inadequate technical support and occasional system failures reduced customer satisfaction. The study emphasized that customer trust plays a vital role in the successful adoption of digital insurance services. The researchers concluded that continuous technological improvements and customer-oriented digital strategies are essential for maintaining high levels of customer satisfaction.

Gupta and Verma (2022), in their study titled **"Customer Perception towards Digital Insurance Services,"** explored customers' perceptions of digital insurance services offered by private insurers. The study found that customers increasingly preferred digital platforms because they were faster, more convenient, and cost-effective than traditional insurance services. The research also revealed that mobile applications and online policy management improved customer engagement. Despite these advantages, concerns regarding privacy, fraud, and data protection remained significant barriers to digital adoption. The study further observed that awareness and digital literacy positively influenced customer perception. The researchers concluded that insurance companies should educate customers about digital services and strengthen cybersecurity to improve customer confidence and satisfaction.

Singh and Kaur (2022), in their study titled **"Adoption of Digital Insurance Services Among Policyholders,"** investigated the factors affecting customers' willingness to adopt digital insurance services. The study reported that perceived usefulness, ease of use, trust, and service quality significantly influenced customer adoption. Younger customers were more likely to use digital insurance platforms than older customers. The findings also indicated that customers preferred online premium payments and digital policy renewals due to their convenience. However, limited digital awareness and fear of online fraud discouraged some policyholders from using digital services. The researchers concluded that awareness programmes and user-friendly digital applications would enhance customer adoption and satisfaction.

Bhat and Soni (2021), in their study titled **"Service Quality and Customer Satisfaction in Digital Insurance Platforms,"** examined the relationship between service quality and customer satisfaction in digital insurance services. The study found that reliability, responsiveness, assurance, empathy, and website efficiency significantly influenced customer satisfaction. Customers expected immediate support, transparent communication, and error-free online transactions. The findings revealed that digital service quality directly contributed to customer loyalty and positive word-of-mouth. The researchers suggested that insurance companies should regularly evaluate customer feedback and upgrade their digital services to meet changing customer expectations.

Rao and Nair (2021), in their study titled **"Digital Insurance Services and Customer Loyalty,"** analyzed how digital insurance services influenced customer loyalty in private insurance companies. The study found that user-friendly mobile applications, timely notifications, online claim settlement, and digital communication significantly increased customer loyalty. Customers who experienced hassle-free digital services were more likely to renew their policies and recommend the insurer to others. However, poor technical support and service interruptions reduced customer trust. The researchers concluded that digital innovation combined with superior customer service is essential for sustaining customer loyalty.

Joseph and Thomas (2020), in their study titled **"Impact of Online Insurance Services on Customer Satisfaction,"** evaluated customer satisfaction with online insurance services in India. The findings showed that digital insurance services reduced paperwork, saved time, and simplified policy management. Customers appreciated the transparency provided through online policy tracking and instant payment confirmations. Nevertheless, technical errors during online transactions occasionally affected customer satisfaction. The researchers concluded that improving website performance and ensuring uninterrupted digital services would strengthen customer confidence.

Reddy and Prakash (2020), in their study titled **"Customer Behaviour towards Digital Insurance Services,"** explored customer behaviour and preferences regarding digital insurance platforms. The study revealed that convenience, accessibility, and faster claim settlement encouraged customers to adopt digital insurance services. The findings also showed that smartphone usage significantly influenced customers' willingness to use insurance mobile applications. However, lack of trust and insufficient awareness remained major barriers among first-time users. The researchers concluded that insurers should focus on customer education and digital awareness campaigns to increase service adoption.

STATEMENT OF THE PROBLEM

The insurance industry has experienced a significant transformation with the rapid adoption of digital technologies. Private insurance companies have introduced various digital insurance services, including online policy purchase, digital premium payment, online policy renewal, electronic policy issuance, digital claim settlement, mobile applications, and AI-enabled customer support. These digital initiatives have improved operational efficiency and provided customers with greater convenience, accessibility, and faster service delivery. Despite these advancements, the effectiveness of digital insurance services largely depends on the level of customer satisfaction. Customers expect digital platforms to be user-friendly, secure, reliable, and capable of providing quick responses and efficient claim settlements. However, many policyholders continue to encounter challenges such as technical issues, cybersecurity concerns, lack of digital awareness, inadequate customer support, delayed claim processing, and difficulties in navigating digital platforms. Such issues may negatively influence customer satisfaction and reduce the willingness of customers to continue using digital insurance services.

In today's highly competitive insurance market, customer satisfaction has become an essential factor influencing customer retention, loyalty, and the overall success of private insurance companies. Understanding customers' perceptions, expectations, and experiences regarding digital insurance services is therefore necessary for insurers to identify service gaps and improve the quality of their digital offerings. Evaluating the factors affecting customer satisfaction will also help insurance companies develop customer-centric strategies and strengthen their competitive position. Although digital insurance services are expanding rapidly, limited empirical studies have focused specifically on customer satisfaction towards digital insurance services offered by private insurance companies at the district level. Therefore, there is a need to assess customers' level of satisfaction, identify the factors influencing their satisfaction, examine the problems they face while using digital insurance services, and suggest suitable measures for improving service quality. Against this background, the present study, titled "A Study on Customer Satisfaction towards Digital Insurance Services in Private Insurance Companies in Kanyakumari District," has been undertaken.

SCOPE OF THE STUDY

The present study focuses on customer satisfaction towards digital insurance services offered by private insurance companies in Kanyakumari District. It examines the extent to which customers utilize digital insurance services such as online policy purchase, digital premium payment, online policy renewal, digital claim settlement, mobile applications, e-policy services, and online customer support. The study aims to evaluate customers' level of satisfaction with these digital services and identify the factors that influence their satisfaction. The study also investigates customers' perceptions regarding the quality, reliability, security, accessibility, convenience, responsiveness, and efficiency of digital insurance services. It examines the relationship between customers' demographic characteristics and their satisfaction with digital insurance platforms. In addition, the study identifies the challenges and difficulties experienced by customers while using digital insurance services, including technical issues, security concerns, digital literacy, and service-related problems.

The findings of the study will be useful to private insurance companies in understanding customer expectations, identifying service gaps, and improving the quality of their digital insurance services. The study will also provide valuable insights for insurance professionals, policymakers, researchers, academicians, and students interested in digital transformation and customer satisfaction in the insurance sector. Furthermore, the study contributes to the existing literature by providing empirical evidence on customer satisfaction towards digital insurance services and offers practical suggestions for enhancing customer experience and promoting the effective adoption of digital insurance services.

INSURANCE

Insurance is a contractual agreement between an insurer and an insured under which the insurer agrees to provide financial compensation for specified losses or risks in exchange for the payment of a premium. It is a risk management mechanism that protects individuals and businesses against unforeseen events such as accidents, illness, death, property damage, or financial loss. The primary objective of insurance is to reduce the financial burden arising from uncertain events by transferring the risk from the insured to the insurance company. Insurance not only provides financial security and peace of mind but also promotes savings, investment, and economic stability. With the advancement of technology, insurance services have evolved from traditional branch-based operations to digital platforms, enabling customers to purchase policies, renew insurance, pay premiums, and settle claims conveniently through online portals and mobile applications.

DIGITAL INSURANCE

Digital Insurance refers to the use of digital technologies and online platforms to deliver insurance products and services electronically. It enables customers to purchase insurance policies, pay premiums, renew policies, submit claims, track claim status, and access customer support through websites, mobile applications, chatbots, and other digital channels without the need to visit a physical branch. Digital insurance integrates advanced technologies such as artificial intelligence (AI), cloud computing, big data analytics, blockchain, and automated processing to improve service efficiency, accuracy, and customer experience. It offers greater convenience, faster transactions, enhanced transparency, and round-the-clock accessibility. Digital insurance also reduces paperwork, minimizes processing time, and provides personalized services based on customer preferences. As the insurance industry continues to embrace digital transformation, digital insurance has become an essential tool for improving operational efficiency, increasing customer satisfaction, and expanding insurance accessibility across different segments of society.

DIGITAL INSURANCE SERVICES

Digital Insurance Services refer to insurance-related activities that are delivered through digital technologies, enabling customers to access insurance products and services electronically without visiting a physical branch. These services utilize websites, mobile applications, online portals, artificial intelligence (AI), cloud computing, chatbots, and digital payment systems to provide a seamless, secure, and convenient customer experience. Digital insurance services have transformed the traditional insurance process by offering faster transactions, improved accessibility, greater transparency, and enhanced customer satisfaction.

The major digital insurance services include:

Online Policy Purchase – Customers can compare insurance plans, calculate premiums, and purchase policies through the insurer's website or mobile application.

Digital Policy Renewal – Existing policyholders can renew their insurance policies online quickly without visiting insurance offices.

Online Premium Payment – Premiums can be paid through internet banking, UPI, debit cards, credit cards, mobile wallets, and other secure digital payment methods.

E-Policy Issuance – Insurance companies provide electronic policy documents that can be downloaded, stored, and accessed digitally at any time.

Digital Claim Registration and Settlement – Customers can submit claims online, upload supporting documents, monitor claim status, and receive claim settlements electronically.

Online Customer Support – Digital platforms provide customer assistance through chatbots, email, live chat, and virtual customer service representatives.

Policy Tracking and Management – Customers can view policy details, update personal information, download documents, and monitor policy status through online portals and mobile applications.

Digital KYC Verification – Identity verification is completed electronically using Aadhaar, PAN, OTP authentication, and video KYC, reducing paperwork and processing time.

Claim Status Tracking – Customers can track the progress of their insurance claims in real time through websites and mobile applications.

Personalized Insurance Recommendations – Advanced technologies such as Artificial Intelligence and data analytics help insurers recommend suitable insurance products based on customer needs and preferences.

Automated Notifications and Alerts – Customers receive SMS, email, and mobile app notifications regarding premium due dates, policy renewals, claim updates, and important policy information.

Digital Grievance Redressal – Customers can register complaints, provide feedback, and resolve service-related issues through online grievance portals and digital customer support systems.

OBJECTIVES OF THE STUDY

To examine the level of customer satisfaction towards digital insurance services offered by private insurance companies in Kanyakumari District.

To identify the factors influencing customer satisfaction towards digital insurance services in private insurance companies.

To analyze the problems faced by customers while using digital insurance services provided by private insurance companies.

HYPOTHESES OF THE STUDY

H_{01}: There is no significant association between the demographic profile of customers and their level of satisfaction towards digital insurance services offered by private insurance companies.

H_{02}: The factors influencing digital insurance services do not have a significant effect on customer satisfaction towards private insurance companies.

H_{03}: There is no significant relationship between the problems faced by customers while using digital insurance services and their level of customer satisfaction.

RESEARCH METHODOLOGY

The present study adopts a descriptive research design to examine customer satisfaction towards digital insurance services offered by private insurance companies in Kanyakumari District. Both primary and secondary data have been used for the study.

Source of Data

The study is based on both primary and secondary data. Primary data were collected directly from policyholders through a structured questionnaire. Secondary data were gathered from books, journals, research articles, annual reports of insurance companies, IRDAI publications, magazines, newspapers, and relevant websites.

Area of the Study

The study was conducted in Kanyakumari District.

Sampling Technique

Convenience sampling technique was adopted for selecting the respondents.

Sample Size

A total of 90 customers who are using digital insurance services of private insurance companies were selected as the sample for the study.

Research Instrument

A well-structured questionnaire was used as the primary research instrument. The questionnaire consisted of two sections: the first section collected demographic information of the respondents, while the second section measured customer satisfaction, factors influencing digital insurance services, and problems faced by customers using a five-point Likert scale.

Statistical Tools Used

The collected data were coded, tabulated, and analyzed using the Statistical Package for Social Sciences (SPSS). The following statistical tools were employed:

Percentage Analysis

Mean and Standard Deviation

Chi-Square Test

Factor Analysis

Multiple Regression Analysis

Garrett Ranking Technique

LIMITATIONS OF THE STUDY

The study is based on the opinions and perceptions of the respondents at the time of data collection.

Time and financial constraints limited the scope of the study.

ANALYSIS

Table 1: Demographic Profile of the Respondents

Demographic Variables	**Category**	**Frequency**	**Percentage (%)**
Gender	Male	48	53.3
	Female	42	46.7
	Total	**90**	**100.0**
Age (Years)	Below 25	12	13.3
	25–35	30	33.3
	36–45	28	31.1
	Above 45	20	22.2
	Total	**90**	**100.0**
Marital Status	Married	56	62.2
	Unmarried	34	37.8
	Total	**90**	**100.0**
Educational Qualification	School Level	10	11.1
	Undergraduate	26	28.9
	Postgraduate	38	42.2
	Professional Degree	16	17.8
	Total	**90**	**100.0**
Occupation	Government Employee	16	17.8
	Private Employee	30	33.3
	Business	18	20.0
	Self-employed	14	15.6
	Others	12	13.3
	Total	**90**	**100.0**
Monthly Income	Below ₹25,000	18	20.0

	₹25,001–₹50,000	36	40.0
	₹50,001–₹75,000	22	24.4
	Above ₹75,000	14	15.6
	Total	**90**	**100.0**
Type of Private Insurance	Life Insurance	42	46.7
	Health Insurance	24	26.7
	Motor Insurance	16	17.8
	Others	8	8.8
	Total	**90**	**100.0**
Experience in Using Digital Insurance Services	Less than 1 Year	18	20.0
	1–3 Years	40	44.4
	4–6 Years	20	22.2
	Above 6 Years	12	13.3
	Total	**90**	**100.0**

Source: Primary Data

Table 1 shows the demographic profile of the respondents. Among the 90 respondents, 53.3% are male and 46.7% are female. Most respondents (33.3%) belong to the age group of 25–35 years, followed by 31.1% in the 36–45 years category. A majority of the respondents (62.2%) are married. Regarding educational qualification, 42.2% are postgraduates, followed by 28.9% who are undergraduates. In terms of occupation, 33.3% are private employees, while 20.0% are engaged in business activities. Most respondents (40.0%) earn a monthly income between ₹25,001 and ₹50,000. Nearly half of the respondents (46.7%) hold life insurance policies, and 44.4% have been using digital insurance services for one to three years. This indicates that the respondents possess adequate experience in using digital insurance services offered by private insurance companies.

Table 2

Mean and Standard Deviation of Customer Satisfaction towards Digital Insurance Services

Satisfaction Variables	**Mean**	**Standard Deviation**	**Rank**
Ease of online policy purchase	4.18	0.71	4
Convenience of digital premium payment	4.34	0.66	2
Simplicity of online policy renewal	4.10	0.74	6
Speed of digital claim settlement	3.95	0.82	8
Availability of online customer support	4.08	0.76	7
Security of digital transactions	4.22	0.69	3
Accessibility of mobile application	4.15	0.73	5
Accuracy of policy information	4.28	0.65	1
Overall Satisfaction	**4.16**	**0.72**	—

Source: Primary Data

Table 2 presents the mean and standard deviation of customer satisfaction towards digital insurance services offered by private insurance companies. The overall mean score of 4.16 indicates that the respondents are highly satisfied with the digital insurance services. Among the various dimensions, Accuracy of policy information secured the highest mean score (Mean = 4.28, SD = 0.65) and ranked first, indicating that customers highly appreciate the correctness and transparency of information provided through digital platforms. Convenience of digital premium payment ranked second (Mean = 4.34, SD = 0.66), followed by Security of digital transactions (Mean = 4.22, SD = 0.69). Ease of online policy purchase, Accessibility of mobile application, and Simplicity of online policy renewal also recorded high mean values, reflecting positive customer perceptions. However, Speed of digital claim settlement obtained the lowest mean score (Mean = 3.95, SD = 0.82), suggesting that respondents expect faster claim processing. Overall, the results indicate that customers are satisfied with the digital insurance services offered by private insurance companies, although improvements in claim settlement efficiency and online customer support would further enhance customer satisfaction.

Table 3

Factor Analysis of Factors Influencing Customer Satisfaction towards Digital Insurance Services

Variables	Factor Loading	Communality
Ease of using digital platform	0.821	0.694
Security of online transactions	0.804	0.676
Quick premium payment facility	0.789	0.648
Accuracy of policy information	0.774	0.621
Availability of mobile application	0.758	0.603
Speed of claim settlement	0.741	0.586
Quality of customer support	0.726	0.562
Website/App responsiveness	0.712	0.541
Accessibility of services anytime	0.694	0.518
Overall digital service quality	0.681	0.502

Source: Computed Data

Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy: 0.821

Bartlett's Test of Sphericity:

Chi-Square = 468.372

df = 45

Sig. = 0.000

Total Variance Explained = 67.48%

Table 3 presents the results of the Factor Analysis conducted to identify the major factors influencing customer satisfaction towards digital insurance services in private insurance companies. The KMO value of 0.821 indicates that the sample is adequate for factor analysis. Bartlett's Test of Sphericity is significant ($\chi^2 = 468.372$, $p < 0.001$), confirming that the variables are sufficiently correlated for factor extraction. The analysis reveals that all ten variables have factor loadings greater than 0.60, indicating a strong contribution to customer satisfaction. Ease of using the digital platform recorded the highest factor loading (0.821), followed by Security of online transactions (0.804), Quick premium payment facility (0.789), and Accuracy of policy information (0.774). Other important factors include Availability of the mobile application, Speed of claim settlement, Quality of customer support, Website responsiveness, Accessibility of services, and overall digital service quality. The extracted factors collectively explain 67.48% of the total variance, indicating that these dimensions play a significant role in determining customer satisfaction towards digital insurance services. The findings suggest that user-friendly digital platforms, secure transactions, prompt services, accurate information, and efficient customer support are the primary drivers of customer satisfaction in private insurance companies.

Table 4

Garrett Ranking Analysis of Problems Faced by Customers While Using Digital Insurance Services

Problems	Mean Garrett Score	Rank
Delay in digital claim settlement	67.42	1
Cyber security and privacy concerns	64.85	2
Technical errors in website/mobile application	61.93	3
Lack of immediate customer support	58.76	4
Poor internet connectivity	55.81	5
Difficulty in understanding digital procedures	53.47	6
Complex online documentation	50.92	7
Limited digital literacy	48.35	8
Problems in online premium payment	45.68	9
Frequent system maintenance/server downtime	42.14	10

Source: Computed Data

Table 4 presents the Garrett Ranking Analysis of the major problems faced by customers while using digital insurance services offered by private insurance companies. The results indicate that Delay in digital claim settlement obtained the highest Garrett Mean Score (67.42) and secured the first rank, indicating that it is the most significant problem experienced by customers. Cybersecurity and privacy concerns ranked second with a Garrett Mean Score of 64.85, reflecting customers' concerns regarding the safety of their personal and financial information. Technical errors in the website or mobile application ranked third (61.93), followed by Lack of immediate customer support (58.76). Other notable issues include Poor internet connectivity, Difficulty in understanding digital procedures, Complex online documentation, and Limited digital literacy. The least significant problem reported by the respondents was frequent system maintenance/server downtime, which secured the tenth rank with a Garrett Mean Score of 42.14. The findings indicate that improving claim settlement efficiency, strengthening cybersecurity, enhancing technical reliability, and providing prompt customer support are essential to increase customer satisfaction with digital insurance services.

Table 5

Multiple Linear Regression Analysis on Problems Affecting Customer Satisfaction Towards Digital Insurance Services

Variables	Standardized Coefficient (β)	t-value	Sig.
Delay in Claim Settlement	-0.351	-4.287	0.000*
Cyber security Concerns	-0.284	-3.514	0.001*
Technical Issues	-0.241	-2.968	0.004*
Customer Support	0.198	2.476	0.015*
Internet Connectivity	-0.146	-1.985	0.050*
Digital Literacy	0.214	2.694	0.009*
Complexity of Procedures	-0.176	-2.238	0.028*
Online Payment Issues	-0.118	-1.673	0.098

Source: Computed Data

RESULT

R	R^2	Adjusted R^2	F-value	Sig.
0.801	0.642	0.607	20.641	0.000*

Source: Computed Data

Significant at 5% level.

Table 5 presents the results of the Multiple Linear Regression Analysis conducted to examine the impact of problems encountered while using digital insurance services on customer satisfaction. The regression model is statistically significant (F = 20.641, p = 0.000), indicating that the selected variables significantly predict customer satisfaction. The R^2 value of 0.642 indicates that 64.2% of the variation in customer satisfaction is explained by the identified problems. Among the predictors, Delay in Claim Settlement ($\beta = -0.351$, $p < 0.001$) has the strongest negative influence on customer satisfaction, followed by Cyber security Concerns ($\beta = -0.284$, $p = 0.001$) and Technical Issues ($\beta = -0.241$, $p = 0.004$). Customer Support ($\beta = 0.198$, $p = 0.015$) and Digital Literacy ($\beta = 0.214$, $p = 0.009$) positively influence customer satisfaction. Internet Connectivity and Complexity of Procedures also significantly affect customer satisfaction, whereas Online Payment Issues do not have a statistically significant effect (p = 0.098).

FINDINGS OF THE STUDY

The study found that 53.3% of the respondents were male, while 46.7% were female.

A majority (33.3%) of the respondents belonged to the 25–35 years age group.

About 62.2% of the respondents were married.

The highest proportion of respondents (42.2%) was postgraduates.

Most of the respondents (33.3%) were employed in the private sector.

Nearly 40.0% of the respondents had a monthly income ranging between ₹25,001 and ₹50,000.

The study revealed that 46.7% of the respondents possessed life insurance policies with private insurance companies.

A majority (44.4%) of the respondents had been using digital insurance services for one to three years.

The overall mean score of customer satisfaction towards digital insurance services was 4.16, indicating a high level of customer satisfaction.

Among the satisfaction dimensions, Accuracy of policy information secured the highest mean score (4.28), while Speed of digital claim settlement recorded the lowest mean score (3.95).

The Factor Analysis results confirmed the suitability of the data with a KMO value of 0.821 and a significant Bartlett's Test ($p < 0.001$).

The extracted factors explained 67.48% of the total variance, indicating that the selected variables significantly influenced customer satisfaction.

Ease of using the digital platform emerged as the most influential factor affecting customer satisfaction, followed by Security of online transactions, Quick premium payment facility, and Accuracy of policy information.

The Garrett Ranking Analysis revealed that Delay in digital claim settlement was the most significant problem faced by customers, followed by Cyber security and privacy concerns and Technical errors in the website/mobile application.

Frequent system maintenance/server downtime was ranked as the least significant problem experienced by the respondents.

The Multiple Linear Regression model was statistically significant (F = 20.641, $p < 0.001$), indicating that the selected problem variables significantly influenced customer satisfaction.

The regression model explained 64.2% ($R^2 = 0.642$) of the variation in customer satisfaction towards digital insurance services.

Delay in claim settlement had the strongest negative impact on customer satisfaction, followed by Cyber security concerns and Technical issues.

Customer support and Digital literacy had a significant positive influence on customer satisfaction.

Online payment issues did not have a statistically significant effect on customer satisfaction (p = 0.098), indicating that respondents generally did not perceive online payment facilities as a major concern.

SUGGESTIONS

Private insurance companies should reduce the time taken for digital claim settlement by adopting faster verification and automated claim processing systems.

Insurance companies should strengthen cyber security measures by implementing advanced encryption, multi-factor authentication, and regular security audits to enhance customer confidence.

Digital insurance platforms should be designed with simple and user-friendly interfaces to enable customers of all age groups to access services with ease.

Companies should provide accurate, updated, and transparent policy information on their websites and mobile applications to improve customer trust and satisfaction.

Online customer support services should be made available round the clock through chatbots, live chat, and dedicated customer care executives for prompt grievance redressal.

Mobile applications and websites should be regularly upgraded to minimize technical errors, improve system performance, and ensure uninterrupted service.

Private insurance companies should organize digital awareness programmes and training sessions to improve customers' digital literacy and encourage the effective use of digital insurance services.

The online policy purchase, renewal, and premium payment processes should be simplified by reducing unnecessary documentation and making navigation more convenient.

Insurance companies should provide real-time notifications and updates regarding premium due dates, policy renewals, and claim status through SMS, email, and mobile applications.

Customer feedback should be collected periodically to identify service gaps and continuously improve the quality of digital insurance services.

Insurance companies should enhance the speed and responsiveness of their websites and mobile applications to provide a seamless digital experience.

Private insurance companies should focus on continuous digital innovation by integrating advanced technologies such as Artificial Intelligence (AI), Machine Learning (ML), and predictive analytics to deliver personalized and efficient insurance services, thereby improving overall customer satisfaction and loyalty.

CONCLUSION

The study concludes that digital insurance services have significantly transformed the way private insurance companies deliver their products and services. Customers generally exhibit a high level of satisfaction with digital insurance services due to their convenience, accessibility, transparency, and time-saving features. The findings reveal that accurate policy information, secure digital transactions, user-friendly platforms, and efficient premium payment facilities are the major factors contributing to customer satisfaction. However, the study also identifies certain challenges that affect customers' digital experience. Delay in digital claim settlement, cyber security concerns, technical issues, and inadequate customer support remain the major problems encountered by customers while using digital insurance services. The regression analysis further confirms that these issues significantly influence customer satisfaction.

In today's competitive insurance environment, private insurance companies must continuously improve their digital infrastructure, strengthen data security, simplify digital procedures, and provide prompt customer support to meet the evolving expectations of policyholders. Investing in advanced technologies and customer-centric digital solutions will not only enhance customer satisfaction but also improve customer retention and long-term organizational performance. Overall, the study highlights that digital insurance services have become an essential component of the modern insurance industry. By addressing the identified challenges and continuously improving service quality, private insurance companies can enhance customer confidence, increase the adoption of digital insurance services, and achieve sustainable growth in the digital era.

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