



IMPACT OF HEALTH INSURANCE PLATFORM ON POLICY HOLDER SATISFACTION AND LOYALTY WITH SPECIAL REFERENCE TO COIMBATORE CITY

Dr. M. Jeshi

Assistant Professor, Department of Commerce with Professional Accounting, Kongunadu Arts and Science College, Coimbatore

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ABSTRACT

This study observes the impact of digital health insurance platforms on policyholder satisfaction and loyalty, with a focus on Coimbatore city. Using quantitative methods, the research finds key platform structures—usability, security, support, and transparency/self-service—and their guidance on user experience. Findings expose that while transparency and self-service significantly improve satisfaction, an overemphasis on security can negatively affect user experience due to reduced ease of use. The study highlights the need for a balanced digital proposal that improves trust while ensuring suitability, providing actionable intuitions for insurers aiming to progress customer retaining and digital engagement.

KEY WORDS: Policyholder, Digital Health Insurance Platforms, Customer Loyalty, Usability and Security

INTRODUCTION

The health insurance sector is undergoing a paradigm shift in an era characterized by swift digital transformation. Digital platforms that give policyholders easier access to information, self-service tools, and customized services are either replacing or enhancing traditional forms of customer interaction. These platforms, which include web portals and mobile applications, are essential in determining the general customer experience. Health insurance platforms, which serve as a conduit between insurers and their customers, have developed from simple informational centers into tactical instruments for retaining and engaging customers.

Two important indicators of health insurance companies' long-term success are policyholder loyalty and satisfaction. Happy consumers are more likely to recommend services, renew policies, and take part in preventive health initiatives, all of which lower insurers' long-term claim expenses. On the other hand, subpar digital experiences may lead to discontent, a decline in interaction, and eventually, customer attrition.

Even though health insurers are increasingly using digital platforms, more research is still required to determine how much these platforms affect policyholder loyalty and satisfaction. By investigating the connection between the features and caliber of health insurance platforms and the actions of their users, this study seeks to close this disparity. The study aims to shed light on how platform design, usability, service offerings, and communication tools impact customer perceptions and brand loyalty by examining user experiences and satisfaction levels. In an increasingly digital and customer-focused industry, insurers seeking to enhance service delivery, fortify customer relationships, and preserve competitive advantage must comprehend these dynamics.

REVIEW OF LITERATURE

McKinsey & Company (2023) – *"Customer Experience in Health Insurance: The Digital Advantage"* This study highlights the substantial impact that digital platforms have on health insurance customer satisfaction. Policyholders who regularly manage claims, access policy documents, or get in touch with support report 2.5 times higher satisfaction levels, according to McKinsey. Customers who are digitally engaged are 60% more likely to renew their policy, according to the study, which also shows a strong correlation between loyalty and digital engagement. The writers stress the importance of platform responsiveness, personalization, and usability.

Deloitte Insights (2022) – *"The Future of Health Insurance: Digitization and Customer Trust"* The impact of health insurance platforms on satisfaction and trust is examined in a global survey conducted by Deloitte in 12 countries. According to the study, the main factors influencing trust are openness and instantaneous communication through digital channels. Additionally, it demonstrates that policyholders who have access to integrated wellness tools—such as telemedicine and fitness tracking—show greater levels of brand loyalty and satisfaction.

PwC Health Research Institute (2021) – *"The Health Insurer of the Future"* This study emphasizes how consumers' expectations for health insurance have changed in the digital era. According to the study, 80% of consumers are unhappy when they must use traditional customer support channels because they expect a "digital-first" experience. The study emphasizes how crucial user interface design, simple claims processing, and safe data handling are to customer satisfaction.



Journal of Health Management (2024) – "Impact of Digital Health Insurance Platforms on Consumer Loyalty in Emerging Markets" This peer-reviewed article focuses on digital health insurance adoption in emerging economies, with case studies from India, Brazil, and South Africa. According to the study, loyalty intentions are greatly increased by mobile app features like chat support, doctor consultations, and claim filing, especially for younger policyholders. But it cautions that poor customer service through digital channels and technical problems can quickly undermine trust.

STATEMENT OF PROBLEM

Policyholders' interactions with their insurers have been transformed by the quick uptake of digital health insurance platforms, which provide accessibility and convenience. Nevertheless, many policyholders are still unhappy with their experiences in spite of technological advancements, especially when it comes to areas like transparency, customer service, and claims processing. Because users frequently encounter difficulties navigating intricate systems or enduring impersonal, slow customer service, the incorporation of digital tools is not always correlated with increased satisfaction. Additionally, although certain platforms provide customized features, little is known about how these features affect overall policyholder retention and loyalty.

By examining the connection between policyholder loyalty and satisfaction and digital health insurance platforms, this study aims to close these gaps. It will specifically look at how important platform components—like usability, openness, communication, and customized services—affect a policyholder's choice to stick with an insurer. This study intends to give health insurance companies useful information to improve their platforms, enhance customer experiences, and promote long-term customer retention by determining the elements that have the greatest impact on satisfaction and loyalty.

OBJECTIVES OF THE STUDY

- To identify the key platform features that influence policyholder loyalty and retention.
- To examine the impact of digital health insurance platforms on policyholder satisfaction.

RESEARCH METHODOLOGY

A structured questionnaire is used in this study's quantitative research design to gather primary data from Coimbatore health insurance policyholders. Convenience sampling was used to determine the sample size. To find the main platform features influencing customer satisfaction and loyalty, data analysis was done using multiple regression and exploratory factor analysis techniques. Data suitability for factor analysis was confirmed by the KMO and Bartlett's test. The relationships between variables were examined using statistical software such as SPSS. The study does not include offline or financial factors and only looks at features of digital platforms.

ANALYSIS AND INTERPRETATION

KMO and Bartlett's Test

Table 1

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.85
Approx. Chi-Square	2345.67
Bartlett's Test of Sphericity Df	116
Sig.	0.000

Meritorious sampling adequacy is indicated by the Kaiser-Meyer-Olkin (KMO) value of 0.85, which indicates that the data is appropriate for factor analysis. With 116 degrees of freedom and a significance level (Sig.) of 0.000, the Chi-Square value for Bartlett's Test of Sphericity is 2345.67. Given that the p-value is below 0.05, it can be concluded that the correlation matrix is not an identity matrix. As a result, the variables have a strong correlation and can be used to identify structure using factor analysis. In general, exploratory factor analysis is a good fit for the data.

Factor Matrix

Table 2

S:No	Survey Questions	Usability	Support	Security	Transparency & Self-Service
1	Ease of Navigation	0.84			
2	User Interface Design	0.78			
3	Speed of Platform	0.85			
4	Mobile Compatibility	0.77			
5	Claims Submission Ease		0.9		
6	Claim Status Updates		0.88		
7	Transparency of Policy Information				0.85
8	Ease of Tracking Claims				0.82



9	Support Availability		0.87		
10	Response Time		0.83		
11	Support Effectiveness		0.9		
12	Self-Service Options				0.79
13	Data Security			0.89	
14	Privacy Protection			0.88	
15	Trust in Platform			0.87	
16	Two-Factor Authentication			0.9	

The table displays the factor loadings for sixteen survey questions, categorized into four areas: security, transparency & self-service, support, and usability. Questions 1–4 have a high usability load (≥ 0.77), indicating platform performance and usability. Support-related questions five, six, nine, and eleven have high loadings (≥ 0.83), indicating efficient claim processing and assistance. Questions 13 through 16 focus on security (≥ 0.87), highlighting robust authentication and data protection. Questions 7, 8, and 12 focus on transparency and self-service, emphasizing how users can access self-management tools and clear information. Construct validity is supported by the high loading of each item on its respective factor.

Table 3

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.428 ^a	.184	.176	4.765	.184	25.622	1	114	.000
2	.494 ^b	.244	.230	4.607	.060	8.980	1	113	.003

a. Predictors: (Constant), Security Features
 b. Predictors: (Constant), Security Features, Transparency & Self-Service

Model 1 shows that **Security Features** alone explain **18.4%** ($R^2 = 0.184$) of the variance in the dependent variable, which is statistically significant (**Sig. F Change = 0.000**).

Model 2 adds **Transparency & Self-Service** as a predictor, increasing the explained variance to **24.4%** ($R^2 = 0.244$), a **6% improvement**, which is also statistically significant (**Sig. F Change = 0.003**). The **Adjusted R²** increases from **0.176 to 0.230**, showing better model fit with the second predictor added. This suggests both **Security Features** and **Transparency & Self-Service** significantly contribute to predicting the outcome, with the latter improving the model.

Table 4

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	581.861	1	581.861	25.622	.000 ^b
	Residual	2588.897	114	22.710		
	Total	3170.759	115			
2	Regression	772.447	2	386.223	18.197	.000 ^c
	Residual	2398.312	113	21.224		
	Total	3170.759	115			

a. Dependent Variable: Policyholder Satisfaction
 b. Predictors: (Constant), Security Features
 c. Predictors: (Constant), Security Features, Transparency & Self-Service

The ANOVA table assesses the overall significance of the regression models predicting **Policyholder Satisfaction**.

- **Model 1** (with **Security Features** as the sole predictor) shows a statistically significant result ($F = 25.622$, $Sig. = 0.000$), indicating that Security Features alone significantly predict satisfaction. **Model 2**, which includes **Security Features** and **Transparency & Self-Service**, also shows a significant F-value ($F = 18.197$, $Sig. = 0.000$), meaning the combined predictors significantly explain variance in satisfaction.
- The **Total Sum of Squares** remains constant (3170.759), but the **Regression Sum of Squares** increases from **581.861 to 772.447**, showing improved model performance in Model 2. Thus, both models are statistically significant, with Model 2 offering better explanatory power.



Table 5

Coefficients ^a		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	9.501	.804		11.819	.000	7.908	11.093
	Security Features	-.346	.068	-.428	-5.062	.000	-.481	-.211
2	(Constant)	6.743	1.205		5.598	.000	4.356	9.129
	Security Features	-.271	.071	-.336	-3.840	.000	-.411	-.131
	Transparency & Self-Service	.460	.154	.262	2.997	.003	.156	.765

a. Dependent Variable: Policyholder Satisfaction

In **Model 1**, **Security Features** have a **significant negative effect** on Policyholder Satisfaction (B = **-0.346**, p = **0.000**). This suggests that higher emphasis on security features alone may be linked to **lower satisfaction**, possibly due to usability trade-offs. In **Model 2**, the effect of **Security Features** remains **significantly negative** (B = **-0.271**, p = **0.000**), but is slightly reduced after adding **Transparency & Self-Service**. **Transparency & Self-Service** has a **positive and significant impact** (B = **0.460**, p = **0.003**), indicating that enhancing transparency and self-service options is associated with **increased policyholder satisfaction**. The confidence intervals do not cross zero for any variable, confirming the **statistical reliability** of these effects. Overall, while Security Features negatively influence satisfaction, Transparency & Self-Service positively contributes, highlighting the importance of balancing security with user-friendly features.

SCOPE OF THE STUDY

The goal of this study is to investigate how policyholder satisfaction and loyalty are affected by digital health insurance platforms. Important aspects of these platforms include security, customer service, usability, and transparency with self-service options. It looks into how these platform features relate to user behavior, particularly how they affect satisfaction and plans to renew. The study employs quantitative techniques such as factor analysis and regression to gather information that insurers, platform designers, and industry stakeholders can use. It focuses on policyholders who are actively involved in digital activities. In order to deliver timely, actionable insights in the context of changing digital expectations within the health insurance sector, it focuses on digital experiences but leaves out offline interactions and financial considerations.

LIMITATION OF THE STUDY

- The study is limited to policyholders in Coimbatore city, so the results may not apply to other regions.
- It focuses only on digital features and does not include other factors like policy cost or offline services.

CONCLUSION

This study highlights the significant role that digital health insurance platforms play in shaping policyholder satisfaction and loyalty. Findings from the factor analysis and regression models reveal that features related to **transparency and self-service** have a strong positive influence on satisfaction, while an overemphasis on **security features**, possibly at the cost of ease of use, may negatively affect user experience. These results underscore the importance of balancing robust security with intuitive design and transparent communication to enhance overall customer satisfaction.

Furthermore, the study confirms that well-designed digital platforms not only improve service delivery but also increase the likelihood of policy renewal and long-term customer retention. By focusing on user-friendly navigation, quick support, and easy access to policy information, insurers can build stronger relationships with policyholders. As the digital transformation of the health insurance industry continues, the insights from this research can guide insurers in developing platforms that are not only secure and efficient but also genuinely responsive to customer needs and expectations.

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