

## **FACTORS AFFECTING BUYING BEHAVIOUR OF CONSUMERS – A STUDY OF HEALTH INSURANCE IN GUJARAT**

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**Abstract:** The present study aims at finding out the combined ability of the Personal, Marketing and Social factors in discriminating an insurance Buyer from a Non Buyer through development of statistical model. The discriminant analysis results have been used to describe each group in terms of its profile, using the group means of the predictor variables viz., Personal, Marketing and Social Factors called centroids indicating the average discriminant score in the two groups i.e. Buyer and Non Buyer. It is hypothesised for the study that the Personal, Marketing and Social Variables collectively do not have the discriminating ability to distinguish a health insurance Buyer from a Non Buyer. It can be concluded that changes in these three factors viz., Personal, Marketing and Social possess significant discriminating power and lead to variance in the discriminating between an insurance Buyer to a Non Buyer. Personal and Marketing Factors have positive influence, while Social factors have negative influence on health insurance buying decision in the State of Gujarat.

**Keywords:** Buying Behaviour, Discriminant Analysis, Health Insurance

## **I. INTRODUCTION**

This research work is to study the level of awareness of consumers about health insurance concept and market, consumer perceptions about health insurance providers, schemes and various factors that influence buying decision of health insurance. There is need to bring entire age group – high risk and low risk under

health insurance cover. Widening the cover of health insurance calls for in depth understanding of consumer thinking and extensive marketing efforts based on that. Hence the study of consumer perceptions and the impact of different contributing factors on consumer purchase decision assume significance to the marketer. Factors identified by the research work are important to the agencies like government and other agencies. The present study portrays health insurance market in the State of Gujarat. The present study also identifies major factors that affect consumers' health insurance buying decision positively and negatively and hence it suggests action areas for health insurance providers, health care providers, central and state governments and various agencies taking care of health insurance. The present study also develops the statistical model of consumer purchase decision which can help to differentiate Buyer and Non Buyer of health insurance product.

In the present research work, analysis has been done towards finding out the combined ability of the Personal, Marketing and Social factors in discriminating an insurance Buyer from a Non Buyer through development of statistical model. The discriminant analysis results have been used to describe each group in terms of its profile, using the group means of the predictor variables viz., Personal, Marketing and Social Factors called centroids indicating the average discriminant score in the two groups i.e. Buyer and Non Buyer. Hence, the present study would be significant because Health insurance has been recognized which are gaining the advantage over insurance policies. In India, where over and above spiritual tourism (Mistry, 2011) medical tourism is rising and expected to grow nearly 7-8 billion dollars by 2020, people of India are getting more aware about health facilities. Health insurance is an emerging channel of distribution adopted by insurers to increase the insurance market and its penetration. Health Insurance can reimburse the expenses of individuals incurred from the long-term illness or sudden injuries to pay the care provider directly.

The objective of this paper is to identify determinants of Consumer Purchase Decision of Health Insurance in Gujarat. It is hypothesised for the study that the Personal, Marketing and Social Variables collectively do not have the discriminating ability to distinguish a health insurance Buyer from a Non Buyer. The study has been carried out as follows: the present section gives the introduction about the present study. The second section discusses a literature review on research work carried out on insurance. The third section outlines the methodology of the present study. The fourth section discusses the result and discussion and the last part of the study outlines findings, conclusion and suggestions.

## **II. LITERATURE REVIEW**

Macroeconomic variables may affect the demand for life insurance (Schlag, 2003). Age, income and education (Kakar & Shukla, 2010), marital status, family size

(Shrivastava & Singh, 2017) and occupation were among the most significant determinants of life insurance demand (Zietz, 2003), while marital status, number of children, financial literacy and number of dependents (Hecht & Hanewald, 2010) income and education (Annamalah, 2013) all have a positive impact on life insurance demand, families without children take into account a wide range of factors for choosing a life insurance policy and families with children consider only a few factors (Ulbinaitė *et al.*, 2013), even participation in micro life insurance is positively correlated with the number of children or dependents in the household indicating a possible bequest motive (Arun *et al.*, 2012). Middle-aged individuals dominate the rural life insurance market; insurance sales agents are important sources of information and influencers for taking life insurance (Bodla & Verma, 2007). Moreover, life events such as marriage, the birth of a child, starting a new job and income growth are positively related to acquiring a life insurance policy or increasing coverage on the previously purchased policy, while life events such as the death of spouse, separation and becoming unemployed contribute toward terminating life coverage (Liebenberg *et al.*, 2012). Thus, life insurance acts as a complement to rather than a substitute for wealth (Heo *et al.*, 2013).

As far as consumer purchase decision is concerned, consumer expectations (Uppily, 2016), promotion variable has the most significant influence and People variable has the weakest influence (Esau, 2015). Insurance consumption decision making is still mostly influenced by monetary considerations such as consumers' evaluation of insurance service in monetary terms and the search for the possibility to reduce the number of premiums payable for insurance (Aurelija *et al.*, 2013). Service quality, ease of procedures and company loyalty are also possessing a significant impact on the consumer's buying behaviour (Guru & Umamaheswari, 2019). Policyholders of the life insurance company perceive the factors like trust in the insurance company, trust in the agent, policy features are most influencing factors, excellent claim, company scheme, the image of the company, premium charged, advertisement and flexibility are the least influencing factors for the policyholder (Aishwarya & Raghunandan, 2020). Socioeconomic factors, individuals' perception and personality traits induce health insurance policy buying behaviour (Srimannarayana & Dhanavanthan, 2019). Product-related factors have a great impact on the purchase decision, while tax gains, coverage about diseases, attitude, awareness, income and age have been critical Factors (Pahwa & Gupta, 2019). Risk coverage, benefits, price/premium and associated services form the key components of core features of an insurance product (Mistry & Singh, 2015). There is significant influence of demographical factors (such as Region, Educational Background, Income and Age) on buying behaviour towards health insurance (Mistry & Vyas, 2021).

From the above review of empirical works, it is clear that different authors have approached their research on insurance products in different ways in varying levels of analysis. These different approaches helped in the emergence of more

and more literature on the subject over time. It gives an idea of extensive and diverse works on insurance products. It has been noticed that the studies on factors affecting the purchase of health insurance in various aspects provide divergent results relating to the study period overlap or coincide. The main reason for the divergence in the results is the use of different method for the measurement of factor affecting the purchase of health insurance. All the studies aimed to analyze factor affecting the purchase of health insurance in India & abroad with several factors. The survey of the existing literature reveals that no specific work has been carried out to examine and ascertain determinants of Consumer Purchase Decision of Health Insurance in Gujarat. The present study is an attempt in this direction and therefore, aims to enrich the literature on identification of determinants of Consumer Purchase Decision of Health Insurance in Gujarat.

### III. METHODOLOGY

1. **Geographical Coverage:** The present research work had geographical coverage of Urban areas of Gujarat i.e., all eight municipal corporations – Ahmedabad, Surat, Vadodara, Rajkot, Jamnagar, Junagadh, Bhavnagar and Gandhinagar – together constituting about 75% of the total urban population.
2. **Sampling Method and Sample Size:** The research study has used multi-stage random sampling as the method of sampling. The sample size of the present study was 800 respondents from all 8 municipal corporations of the State of Gujarat.
3. **Research Instrument:** Questionnaire
4. **Data Collection:** Primary Data has been collected using a structured questionnaire based on a literature study. The questionnaires have been delivered in person to the respondents to ensure a better response rate and completed questionnaires have been collected, providing an opportunity for the respondents to clarify a point if any.
5. **Research Design:** Analysis has been directed towards finding out the combined ability of the Personal, Marketing and Social factors in discriminating an insurance Buyer from a Non Buyer. The discriminant analysis results have been used to describe each group in terms of its profile, using the group means (These group means are called centroids. 'Functions at Group Centroid' indicates the average discriminant score in the two groups i.e. Buyer and Non Buyer) of the predictor variables.

Then, with a view to check the significances of the differences in the means across two classifying groups, i.e. Buyer and Non Buyer, Test of equality of group means have been attempted with the help of Wilks' Lamda by the researcher. Following Hypotheses have been framed and tested to check significances of the difference among people.

### Hypothesis

Null Hypothesis: There is no significant difference among people with an insurance policy and people without an insurance policy with regard to personal, marketing and social factors.

Alternate Hypothesis: There is a significant difference among people with an insurance policy and people without an insurance policy with regard to personal, marketing and social factors.

Then, with a view to describe how best discriminating ability of functions possess, Eigen Values (The Eigen Values are related to the canonical correlation.) have been calculated to test the following hypothesis:

### Hypothesis

Null Hypothesis: There is no significant discriminating power in the variables

Alternate Hypothesis: There is significant discriminating power in the variables.

Then, the significance of the discriminant function was tested with the help of Wilks' Lambda (Wilks Lambda is one of the multivariate statistics. The lower the value of Wilks Lambda, the better it is. Wilks Lambda of 1 is when the observed group means are equal, while a small Wilks Lambda is small when the within-groups variability is small compared to the total variability.) and Chi-square by framing the following hypothesis:

### Hypothesis

Null Hypothesis: The Personal, Marketing and Social Variables collectively do not have the discriminating ability to distinguish a health insurance Buyer from a Non Buyer.

Alternate Hypothesis: The Personal, Marketing and Social Variables collectively have the discriminating ability to distinguish a health insurance Buyer from a Non Buyer.

Relative Importance of each Independent Variable has been checked with the help of standardized coefficient (The Standardized Canonical Discriminant Function Coefficients is used to calculate the discriminant score. The score is calculated as a predicted value from the linear regression using the above standardized coefficients and standardized variables), Discriminant Function ( $Z = a + b_1x_1 + b_2x_2 + b_3x_3$  (where, Z is Dependent Variable, a is constant term,  $b_1, b_2, b_3$  are Corresponding Unstandardized Discriminant Function Coefficient and  $x_1, x_2, x_3$  are Independent Variables), Decision Rule (A further way of interpreting discriminant analysis results is to describe each group in terms of its profile, using the group means (centroids) of the predictor variables. 'Functions at Group Centroid' indicates the average discriminant score in the two groups.

Cases with scores near to a Centroid are predicted as belonging to that group. These two scores are equal in absolute values but have opposite sign discriminating the score.) and thereby discriminating ability of combined model has been developed. The researcher has used the technique of Factor Analysis for the identification of the Core Dominant Factors (i.e. underlying variables, or factors, that explain the pattern of correlations within a set of observed variables) affecting the health insurance purchase decision in the State of Gujarat because it did not require pre-existing of functional relationships and has been considered well known for data reduction i.e. reduction of a large number of variables into a few numbers of core factors.

**6. Limitations:** The present study is based on primary data which has been collected through a questionnaire. The accuracy of data depends on the true response of the respondents. The geographical scope was limited to the state of Gujarat. Hence, the generalisation of findings might be limited to societies similar to Gujarat.

## IV. RESULT AND DISCUSSION

### 1. Statistical Model

With a view to identify determinants of Consumer Purchase Decision of Health Insurance in Gujarat the researcher identified and analysed three factors, viz., Personal, Marketing and Social on the basis of Pilot Study conducted by the Researcher. Hence, a Statistical Model has been developed with the three factors i.e. Personal factors, Marketing Factors and Social Factors. Further in this section, analysis has been directed towards finding out the combined ability of the Personal, Marketing and Social factors in discriminating an insurance Buyer from a Non Buyer. The discriminant analysis results have been used to describe each group in terms of its profile, using the group means (These group means are called centroids. 'Functions at Group Centroid' indicates the average discriminant score in the two groups.) of the predictor variables.

**Table 1: Statistics of Group Factors (Personal, Marketing and Social) in Combined Model**

		Group Statistics			Valid N (listwise)	
<i>Do You Have a Health Insurance Policy?</i>		<i>Mean</i>	<i>Std. Deviation</i>	<i>Unweighted</i>	<i>Weighted</i>	
Non Buyer	Personal	2.07105	0.91596	204	204.00	
	Marketing	2.03411	0.90980	204	204.00	
	Social	2.68815	1.00558	204	204.00	
Buyer	Personal	2.58375	0.95868	202	202.00	
	Marketing	2.53900	0.94686	202	202.00	
	Social	2.78631	1.03362	202	202.00	

In the Table 1, the group statistics of the three factors which have been taken to find out the discriminating ability have been presented. The group statistics gives the distribution of observations into different Groups. Since in the present research the researcher has categorized into Two Groups viz., Buyer and Non Buyer, the data has been grouped into 2 groups viz., Buyer and Non Buyer. If the means of all the variables have been measured individually and as groups, it is detected that, the means for people with a health insurance policy (Buyer) are high (Personal Factors - 2.58375, Marketing Factors – 2.53900, Social Factors – 2.78631) when compared to people without a health insurance policy (Non Buyer) (Personal Factors - 2.07105, Marketing Factors – 2.03411, Social Factors – 2.68815).

## 2. Tests of Equality of Group Means

With a view to check the significances of the differences in the means across two classifying groups, i.e. people with health insurance and without health insurance tests of equality of group means has been attempted by the researcher. Following Hypotheses have been framed and tested to check significances of the difference among people.

### Hypothesis

Null Hypothesis: There is no significant difference among people with an insurance policy and people without an insurance policy with regard to personal, marketing and social factors.

Alternate Hypothesis: There is a significant difference among people with an insurance policy and people without an insurance policy with regard to personal, marketing and social factors.

**Table 2: Tests of Equality of Group Means**

Tests of Equality of Group Means

	<i>Wilks' Lamda</i>	<i>F</i>	<i>df1</i>	<i>df2</i>	<i>Sig.</i>
Personal	0.927	32.477	1	404	.000
Marketing	0.929	30.530	1	404	.000
Social	0.982	7.541	1	404	.000

The table 2 shows Tests of Equality of Group Means. As P Value < 0.05, it can be concluded that the means significantly differs among all the categories. It indicates that, there is a significant difference among people with an insurance policy and people without an insurance policy with regard to personal, marketing and social factors. Hence, Null hypothesis is rejected and alternate hypothesis is accepted.



### 3. Eigen Values

With a view to describe how best discriminating ability of functions possess, Eigen Values are required to be calculated. The Eigen Values are related to the canonical correlation. The canonical correlation of the predictor variables viz., Buyer and Non Buyer has been given in the below analysis to test the following hypothesis:

#### Hypothesis

Null Hypothesis: There is no significant discriminating power in the variables

Alternate Hypothesis: There is significant discriminating power in the variables.

**Table 3: Eigenvalues**

Eigenvalues				
<i>Function</i>	<i>Eigenvalue</i>	<i>% of Variance</i>	<i>Cumulative %</i>	<i>Canonical Correlation</i>
1	.512a	100.0	100.0	.582

*Note:* a. First canonical discriminant functions were used in the analysis.

The Eigen value (0.512) indicates the proportion of variance explained. A larger Eigen Value explains a string function. In this model only one canonical function has been taken and thus the percentage of variance was 100%. The cumulative % of the variance gives the current and preceding cumulative total of the variance. As mentioned above, as there has been only one function in the present research, the percentage of cumulative variance was also 100%.

The canonical correlation is a correlation between the discriminant scores and the levels of these dependent variables. The higher the correlation value, the better the function that discriminates the values. 1 is considered as perfect. The Canonical Correlation of 0.582 would be considered good and it can be concluded that the function discriminated the value in a better way. The square of the canonical correlation was 0.34 and hence 34 % of the variance in the discriminating model was due to changes in these three factors viz., Personal, Marketing and Social. Hence, Null Hypothesis is rejected and Alternate Hypothesis is accepted. It can be concluded that there is significant discriminating power in the variables.

### 4. Test of Significance of the Discriminant Function

The significance of the discriminant function was tested by framing the following hypothesis:



## Hypothesis

**Null Hypothesis:** The Personal, Marketing and Social Variables collectively do not have the discriminating ability to distinguish a health insurance Buyer from a Non Buyer.

**Alternate Hypothesis:** The Personal, Marketing and Social Variables collectively have the discriminating ability to distinguish a health insurance Buyer from a Non Buyer.

**Table 4: Wilks' Lambda**

<i>Test of Function(s)</i>	<i>Wilks' Lambda</i>	<i>Chi-square</i>	<i>df</i>	<i>Sig.</i>
1	.661	156.246	3	.000

Assuming 95% Level of Confidence  $\alpha = 0.05$   
p value (Sib Value of the above output) = .000

*Note:* Rule: Reject Null Hypothesis and Accept Alternate Hypothesis

The statistical test of significance for Wilks Lambda was carried out with a chi square transformed statistic. In the present case, Wilks Lambda value was .661 with Chi-square value of 156.246 with 3 degrees of freedom. As the Group means significantly differed among all the categories and there has been a significant difference among people with an insurance policy and people without an insurance policy with regard to personal, marketing and social factors. Wilks Lambda value of .661 was considered lower and better as well.

In the present case; at 95% level of confidence, p value of .000 is less than .05. Hence, Null Hypothesis is rejected and Alternate Hypothesis is accepted. It can be concluded that there might be a statistically significant discriminating power in the variables included in the model and therefore the Personal, Marketing and Social Variables collectively would have the discriminating ability to distinguish a health insurance Buyer from a Non Buyer. Thus, Discriminant function can be used for further explanations.

## 5. Checking for Relative Importance of each Independent Variable

On comparing the standardized coefficient, it would be possible to identify which independent variable is more discriminating than the other variables. The higher the discriminating powers, the higher the standardized discriminant coefficient would be.

Each Standardized Canonical Discriminant Function Coefficient in absolute values reflects the relative contribution of each of the predictor variable on the discriminant function. Here it was found that Personal Factors (0.928) was exerting more influence in discriminating between an insurance buyer to a non-buyer,

**Table 5 Standardized Canonical Discriminant Function Coefficients**

<i>Standardized Canonical Discriminant Function Coefficients</i>	<i>Function</i>
	1
Personal	0.928
Marketing	0.597
Social	-1.080

immediately followed by Marketing Factors and Social Factors. It is to be noted that Social Factor had shown negative impact in discriminating between an insurance Buyer to a Non- Buyer. Based on the coefficient above, the relative important predictor variables can be ranked as summarized below:

**Table 6: Ranking of the Variable**

Ranking of the Variable

<i>Rank</i>	<i>Predictor Variable</i>
1	Personal Factor
2	Marketing Factor
3	Social Factor

## 6. Formulating Discriminant Function

The standard form of the Discriminant Function is

$$Z = a + b_1x_1 + b_2x_2 + b_3x_3$$

Where, Z - Dependent Variable (Health Insurance Buying Decision)

a - Constant Term

b<sub>1</sub>, b<sub>2</sub>, b<sub>3</sub> - Corresponding Unstandardized

Discriminant Function Coefficient

x<sub>1</sub>, x<sub>2</sub>, x<sub>3</sub> - Independent Variables

(Predictor Variables/ Factors viz., Personal Factors, Marketing Factors, Social Factors)

Since the predictive equation is being constructed, the unstandardized canonical coefficient would be used to construct the discriminant function.

## 7. CANONICAL DISCRIMINANT FUNCTION COEFFICIENTS

**Table 6: Canonical Discriminant Function Coefficients**  
Canonical Discriminant Function Coefficients

	<i>Function</i>
	1
Personal Factors (PF)	0.995
Marketing Factors (MF)	0.662
Social Factors (SF)	-1.049
(Constant)	-0.802

*Note:* Unstandardized coefficients

The 'Canonical Discriminant Function Coefficients' indicates the unstandardized scores concerning the independent variables. It is the list of coefficients of the unstandardized discriminant equation.

Hence,  $Z = a + b_1x_1 + b_2x_2 + b_3x_3$

$$Z = -0.802 + (0.995x_1) + (0.662x_2) - (1.049x_3)$$

Therefore,

$$\text{Health Insurance Buying Decision} = -0.802 + (0.995 \text{ PF}) + (0.662 \text{ MF}) - (1.049 \text{ SF})$$

The coefficients with large absolute values correspond to variables with greater discriminating ability.

## 8. FORMULATION OF THE DECISION RULE

**Table 7: Functions at Group Centroids**

<i>Do You Have a Health Insurance Policy?</i>	<i>Function</i>
	1
Non Buyer	-.710
Buyer	.717

*Note:* Unstandardized canonical discriminant functions evaluated at group means

A further way of interpreting discriminant analysis results is to describe each group in terms of its profile, using the group means (centroids) of the predictor variables. 'Functions at Group Centroid' indicates the average discriminant score in the two groups. Cases with scores near to a Centroid are predicted as belonging to that group. These two scores are equal in absolute values but have opposite sign discriminating the score. In this case, it was found that, people (Non Buyer)

who did not have an insurance policy produce a mean of -0.710, while people (Buyer) who have an insurance policy produce a mean of 0.717. Since the 2 groups viz., Buyer (202) and Non Buyer (204) are not equal, weights on the centroids would be used to find the dividing point with the help of the dividing rule as under:

$$\begin{aligned}
 &= (n1)(\text{Non Buyer}) + (n2)(\text{Buyer}) / n1 + N2 \\
 &= (204)(-0.710) + (202)(0.717) / 204 + 202 \\
 &= -144.84 + 144.834 / 406 \\
 &= -0.006 / 406 \\
 &= -0.00001477832
 \end{aligned}$$

The centroids are the extreme point to formulate the decision rule and are represented below:

Non Buyer	Dividing Point	Buyer
-0.710	-0.00001477832	0.717

The decision rule classification will be as under:

$$\begin{aligned}
 \text{Non Buyer, if } & -0.710 < Z < -0.00001477832 \\
 \text{Buyer, if } & -0.00001477832 < Z < 0.717
 \end{aligned}$$

## V. FINDINGS, CONCLUSION AND SUGGESTIONS

### 1. Findings

- 1) The means for people with a health insurance policy (Buyer) are high when compared to people without a health insurance policy (Non Buyer). It was confirmed through Test of Equality of Group Means. It was found that means significantly differed among all the categories and hence there was a significant difference among people with an insurance policy and people without an insurance policy with regard to personal, marketing and social factors.
- 2) From Eigen Values relating to the Canonical Correlation, it was found that 34 % of the variance in the discriminating between an insurance Buyer to a Non Buyer was due to changes in these three factors viz., Personal, Marketing and Social and hence there was significant discriminating power in the variables.
- 3) By testing significance of the Discriminant Function, it was found that there might be a statistically significant discriminating power in the variables included in the statistical model and therefore the Personal, Marketing and Social Variables collectively would have the discriminating ability to distinguish a health insurance Buyer from a Non Buyer.

- 4) From Standardized Canonical Discriminant Function Coefficients, it was found that Personal Factors was exerting more influence in discriminating between an insurance buyer to a non-buyer, immediately followed by Marketing Factors and Social Factors. Personal and Marketing Factors found to be having positive influence, while Social factors had negative influence on health insurance buying decision.
- 5) On the basis of Canonical Discriminant Function Coefficients, it was found that health insurance buying decision would be made on the basis of the following Statistical Model or Discriminant Equation:  
**Health Insurance Buying Decision = - 0.802 + (0.995 PF) + (0.662 MF) - (1.049 SF)**
- 6) Discriminant Equation expressed positive impact of personal and marketing factors on health insurance buying decision, while negative impact of social factors thereon.
- 7) From the analysis of Discriminating Ability of Combined Model, it was found that people (Non Buyer) who did not have an insurance policy produce a mean of -0.710, while people (Buyer) who had an insurance policy produce a mean of 0.717.

## 2. Conclusion

It can be concluded that changes in these three factors viz., Personal, Marketing and Social possess significant discriminating power and lead to variance in the discriminating between an insurance Buyer to a Non Buyer. Personal and Marketing Factors has positive influence, while Social factors has negative influence on health insurance buying decision in the State of Gujarat.

## 3. Suggestions

It is suggested that government, insurance authority and health insurance providers should take actions to replace unawareness of health insurance consumers with awareness, awareness with knowledge, knowledge with liking, liking with preference, preference with conviction and conviction with buying. Moreover, Steps should be taken to inculcate the culture of health insurance among the people by explaining the benefits of health insurance and thereby diverting their attitude and perception to be Buyer from Non Buyer. The perceived purchase decisions of Buyer affects purchase decision of Non Buyer without direct interaction between them. With a view to convert Non Buyer into Buyer, the people should be made aware about each and every aspects relating to health insurance. They should feel importance of health insurance for their family and sense of security. To increase the number of buyers of health insurance products, Health insurance providers and health care provider should exercise transparency in their functioning. They should also implement calculated marketing strategies by

developing and placing the best health insurance product at competitive price with the help of proper promotion techniques and distribution channel. It is suggested that health insurance providers should make the consumers aware about the companies, features of health insurance products such as schemes, cost, benefits, diseases coverage and claim procedure so as to facilitate consumers to take health insurance buying decision. Moreover, level of awareness on the basis of regions, educational background, income and age of the consumers, it is suggested that health insurance providers should divide the health insurance market in various segments and introduce customized health insurance products so as to cater different needs of consumers and increase prevalence of health insurance in the state of Gujarat. As concern over increasing healthcare cost has negative impact on buying decision, it is suggested to increase the base of consumers at low premium for lower section and reasonable premium for medium/ higher section of the society with a view to have more and more buyers of health insurance and create healthy society.

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