



LITERATURE REVIEW ON CUSTOMER ENGAGEMENT IN INSURANCE INDUSTRY

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ABSTRACT The Concept of review is to analyze the previous work on a subject to reflect a deep base to the researcher as the current study. The review of literature can take various forms like argumentation review, integrative review, historical review, methodological review, systematic review and theoretical review. The review of literature not only presents the facts but also give a framework for future research. So in this regard the researcher has tried to focus systematically review on Customer Engagement in the Insurance Sector. Digitalization helps to measure customer engagement insurance sector by leveraging technology. This study emphasized to highlight various elements of Technology influencing Customer Engagement in Insurance Sector.

KEYWORDS :

Introduction

The firm can manage customer engagement behavior by taking more integrative and comprehensive approach that acknowledges its evaluation and impact overtime.

In this digital age organizations depend upon technologies to provide customer –centric solution by understanding well about customer's behavior and continuously improving business process of the organization.

Research Review on Customer Engagement

The research literature on customer engagement is very large and covers a no of dimensions. The following section provides a brief summary of research in different areas of customer engagement in Insurance sector.

Meyer and Schwager (2007) discuss a customer engagement concept that originate from customer experience and defined as Customer Experience is the internal and subjective response customers have to any direct or indirect contact with a company. Direct contact generally occurs in the course of purchase, use, and service and is usually initiated by the customer. Indirect contact most often involves unplanned encounters with representatives of a company's products, service or brands and takes the form of word-of-mouth recommendations.

Gentile, Spiller, and Noci (2007) have suggested a the theory of customer engagement which implies that the customer experience originates from a set of interactions between a customer and a product, a company, or part of its organization, which provoke a reaction. This experience is strictly personal and implies the customer's involvement at different levels (rational, emotional, sensorial, physical, and spiritual)"

Sharma and Agarwal (2005) discuss the insurance sector in India in the pre-nationalisation era, post nationalisation era, post liberalisation era and emerging scenario. To be more competitive and responsive to the needs of the societies, the insurance players would be required to concentrate on the various strategies viz. environmental analysis, restructuring organisations, human resource development. efficient marketing strategies, distribution channels and corporate governance.

Rajesham and Rajender (2006) also discuss the changing scenario of the Indian insurance sector. They point out the challenges in the present scenario as increasing India's share in the global insurance market, having qualified, skilled actuaries and penetration in rural markets.

Barkur et al (2007) study the influence of five critical factors on service quality in the insurance sector and attempt to obtain a generic solution to enhance the quality of service. The research is based on

system dynamics methodology, which involves sequential phases. The results of this research have indicated that the key parameters, e.g. past experience, personal needs, external communication, word of mouth, and active clients have significant influence on service quality.

Parasuraman, A., Valarie A. Zeithaml and Arvind Malhotra (2005), studies have focused on understanding how customers assess the quality of service delivered through websites – “e-service quality” – and developing scales to measure that construct through finding from previous studies offer some insights on self service technologies like e-service quality.

Gronroos, (1984), discuss about the quality of service for both technical and functional aspects, is the key ingredient in achieving customer satisfaction. The positive customer perceptions of service quality contribute to enhance customer satisfaction.

Oliver, R.L. and Swan, J.E (1989) feel that it is seldom clear which general dimensions of product performance are important to the consumer and how these dimensions are related to satisfaction. This study examines one aspect of the relationship between expectations, performance, and satisfaction. Satisfaction involves the two processes: instrumental performance; and expressive performance. The instrumental performance is necessary, but not sufficient condition for satisfaction.

Muffatto and Panizzolo (1995) develop a framework for customer satisfaction and provide a detailed description of the relationship structure between the different elements of the organisational structure. The authors propose a framework for the analysis of the organisational processes related to customer satisfaction. The framework has three sections; planning processes, design processes and monitoring processes. This means using an integrative and holistic approach, which optimises the interaction of primary processes and activities.

Kanji and Wallace (2000) recognized customer as economic assets. When a customer recognizes quality, it is reflected in customer satisfaction. Customer satisfaction in turn, can lead to increased revenue.

Das and Samanta (2005) considered customer satisfaction as a business survival requirement. The results identify eight factors which could reflect the customer satisfaction level. These are productivity, quality of delivery, meeting delivery schedule, technical support, communication, proactive or promptness in response, skill level and domain knowledge.

Meirovich and Bahnan (2008) study links between quality and consumers' emotions and eventually with their satisfaction. This study

introduces two components of total quality structure; quality of design and quality of conformance, for analysis of the link between quality and customer emotions. The results show that there is a significant relationship between possible combinations of two quality dimensions and customers' affective responses in terms of both their valence and intensity. An interesting finding of this study suggests that customers value quality.

Odoyo and Nyangosi (2011) stated that, the technological advances place in the hands of insurance companies and agents, the tools to bring new savings and better services to the consumers. Digitization has made it possible to process and communicate information faster, cheaper and more easily and reliably than ever before.

Ranjit Shankar (2016) in his blog in www.finextra.com had an opinion that, main components of a successful digital strategy include enhancing customer experience and focused management of customer relationship. Owing to increasing market competitiveness in the insurance industry, a cost involved in acquiring customer share is rising. Therefore, it becomes imperative for companies to retain customers. This can happen with continuous improvement in delivering a better customer experience that is digitally inclined.

Pahuja and Chitkara (2016) analyzed the data related to the study on perception towards E-insurance and awareness, collected through structured questionnaire returned by sample selected through convenience sampling technique. Hypothesis was tested through one way ANOVA. Author concluded that age and gender do not have any relationship with use of E-insurance.

Jagendra Kumar (2016) quoting industry research and analyses of BCG, said that in the 2-3 years, three out of every four insurance purchase decisions will be influenced by digital channels of sales and marketing. That's an astounding number. It simply demonstrates the power of digital media and its growing role in the insurance sector in India.

Supriya G., Sangita P., Madhuri G. (March 2014) Impacts of ICT Application on the Insurance Sector (E-Insurance)", they have analysed that step in the world of e-insurance, as the first step, it is necessary to know the positive benefits of ICT application on insurer and its customers and the probable barriers they may face to have complete electronic interaction based on ICTs. Also comparative study of benefit to consumers from commerce (manual insurance) and e-commerce (e-insurance) will help to improve the shortcomings.

Dr.S.Hariharaputhiran (March 2012), has suggested that in order to increase consumer adoption of e-services, the sources of consumer confusion, apprehension and risk need to be identified, understood and alleviated. E-commerce provides tremendous opportunities in different areas but it requires careful application for consumer protection issues.

Many companies, organizations, and communities in India are initiating to take advantage of the potential of e-commerce, critical challenges remain to be overcome before e-commerce would become an asset for common people.

Choudhuri (2014) explained that customers are not only relationally attached with the different kinds of people in their daily life but also directly related with their service providers in different ways. Major Observation have indicated that in the modern age of the society, the technology savvy customers' awareness about the several existing life insurance products depends on a number of factors like culture wise, nation wise, sector wise as well as industry wise.

Narendar and Sampath (2014) observed that the level of awareness towards the rights and duties regarding insurance is negligible. The main aim to understand the awareness of the people towards the rights and duties towards life insurance products after the privatization of the insurance sector with special reference demographically to Indian insurance sector.

Conclusion

India is the fifteenth largest insurance market in the world in terms of premium volume, and has the potential to grow exponentially in the coming years. Due to this reason this research has a significant affect in Insurance sector. This research has attempted to review few

important articles of customer engagement in Insurance sector. India are going to take advantage of the potential of e-commerce in Insurance sector. The study reflects the focus of the individual behavior, attitudes and also creating the awareness regarding their contribution on Indian insurance sector. It has concluded that the no. of dimensions have been used for the customer engagement. After summarizing customer engagement studies, customer engagement is seen as critical to improve customer acquisition and retention and therefore profitability of the organization. Satisfaction, loyalty and Referral are seen as antecedents into customer engagement.

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