



# MARKETING STRATEGIES IN SELECT MOTOR INSURANCE COMPANIES WITH REFERENCE TO EXTENDED MARKETING MIX

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In today's competitive world, the achievers will be defined not just by how much they spend on marketing but how smartly they spend it. In order to make reach the products or services into the hands of customers, organizations require marketing strategies. Marketing strategy provides an organization an edge over its competitors.

Marketing strategy is choosing the target market and making the appropriate marketing mix. It tells how an organization reaches its predetermined objectives. A great marketing strategy will definitely help the companies help to improve and expand their business to reaches that are usually beyond their grasp. Marketing insurance companies can base their marketing strategies in terms of 7 P's of marketing viz., Product, Price, Place, promotion, people, physical evidence and processes. The present study is confined to the extended P's which includes People, Physical evidence and Processes. The extended marketing mix explains three more P's in addition to the original four P's. These three are included in the services marketing

For services industry apart from the four P's the extended P's i.e., people, processes and physical evidence plays a very crucial role. People include those who are directly or indirectly involved in the trade of the product or service. They are mainly customer contact employees, customers, personnel and management. The customer contact employees are the key people who provide the actual service to the policyholders and are the face of the organization.

## **Objective of the study:**

To understand the various marketing strategies adopted in the select public and private motor insurance companies with reference to extended marketing mix i.e., People, Processes and Physical evidence

## **Need for the study:**

The present study focuses on the extended P's of marketing strategies which are very crucial in services sector especially in the motor insurance and also there felt a need to study the strategies implemented in the select public and private insurance companies

## Methodology

**Sample Selection:** Top two companies with highest net premiums during the past five years in public and private insurance companies are selected for the study.

**Data:** Primary data is collected from the companies websites, newspapers, Annual reports for the study and analyzed thereof.

**Scope of the study:** The study is confined only to the extended marketing strategies within the selected sample companies.

## People Strategies

In order to take the competitive advantage there is a very much need for the insurers to move from the traditional standard and stereotypic products to the realm of customized products which suits best for each niche at the same time makes the product different from their competitor.

Marketing Strategies brings with it a new set of rules which makes to think “out of the box” and adoption of technologies. People related strategies include vast manpower which affects in structural and managerial hindrance. It creates a belief in the public that the more number of employees provide better service to the customers. People related strategies include training programmes to employees and agents.

In motor insurance dealers and agents are the people who sell the products to the policyholders. At the time of claim, call centre executives are the persons who take the call and guide the policyholder in claiming the policy.

Table: 1

People Strategies of the Select Companies in Motor Insurance

Company	People related strategy
New India Assurance company	Every month training programmes are conducted to agents, development officers and employees. Upgrade training programmes are also conducted to employees twice a year
National Insurance company	During promotions training will be given to employees for up gradation.
ICICI Lombard	Employees are given training at NSEIT which is IRDAI certified exam centre. product training are given when a new product is launched both to employees and agents
Bajaj Allianz company	Yearly once training is given to employees and when the new products are launched agents are given awareness programmes

Source: Primary data

All the selected companies are providing training to their employees, agents and development officers round the year. Training is also provided at the time of new product launches. There is no difference in people strategy with respect to select public and private companies.

## Process Strategies

The term ‘process’ in the service marketing mix includes the activities, ways and procedures by which the service is delivered to the customer. This process involves a series of steps and activities in delivering the service. It is one of the important P’s within the service marketing mix. This ‘P’ comprises all the activities and services where the people involved plays an important role. It is important that the company executives take care of the information about possible delivery times with this, the customers’ expectations can be met.

“Processes” refers the actual procedure, mechanism and few of the tasks by which the service is delivered. In motor insurance there are two types of process strategies

1. Customer process strategies
2. Operational process strategies

Customer process strategy includes “insurer and insured” meet. Center of customer needs, customer complaints with regard to the behavior of staff and reason for delay in claim settlement.

Operational process strategies includes systematic computerization strategy, employee tele-call strategy, issue of insurance brochures and manuals.

Table : 2

Process Strategies of the Select Companies in Motor Insurance

Company	Process related strategies
New India Assurance company	Separate manuals used for Third Party and Own damage claims. Follow ups by the staff for renewals and lapse. Claims service is provided by taking the phone calls from policyholders
National Insurance company	Through phone claims get registered Separate manuals for Third party(TP) claims and Own damage(OD) claims
ICICI Lombard	Customer portal Intermediary app Garage app
Bajaj Allianz company	Toll free number or website link provided to register claim. Surveyor appointed to assess the claims severity and general information manual are filled up at the time of claims register Deploying mobility solutions analytics cloud and other technological innovations  Focusing more towards paperless journey

Source: Primary data

## Physical Evidence Strategies

The physical evidence also known as services cape, refers to an environment in which a service comes out from an exchange between an employee and a customer combined with a tangible product. The physical evidence includes an instance brochures, company stationery, company website, reports, business cards, etc.

In Motor insurance rarely the customer or the policyholder comes into the physical environment of the company as the policy is purchased either at dealer point or through agent. However, during this era of digitalization the website and content marketing has become very crucial in going with a company. Also, tele-caller language delivery, periodic updates, brochures and the policy itself are the physical evidences in motor insurance influencing the purchase of policies by the policyholders to a very great extent.

Table : 3

Physical Evidence Strategies of the Select Companies in Motor Insurance

Company	Physical Evidence strategies
New India Assurance Company	Website, tele caller services through toll free Brochures
National Insurance Company	Five day working week Brochures released for new offers by Head office Website, periodic updates through phone
ICICI Lombard	Website, digital communication Language delivery usage Periodic updates and brochures policy itself with barcode scanning
Bajaj Allianz	Website, digital communication 24*7 call centers Telematics solutions, vehicle self inspection tools for motor renewals

Source: Primary data

NIA has customer care department for extending quality service to the policyholders and the prospects. Online information about the company's products are provided in the website of the company for the benefit of the public 24\*7 for inquires of various products, claims and grievances in Hindi and English

ICICI Lombard has made many efforts in tangibilising the services they offer specially with the help of website and digital communications as they have mobile apps for policy purchases and renewals.

Both the select private companies i.e., ICICI Lombard and Bajaj Allianz are using digital communication rigorously in order to increase the market share whereas the select public companies

New India and National insurance are not much utilizing the digital communication. When compared to New India and National insurance, New India is better ahead of national Insurance with regard to physical evidences. The main drawbacks in public companies are that they are lacking towing facilities, cashless garages and five day working days per week.

## FINDINGS

1. All the select public and private companies are providing training to their employees and agents on yearly basis and when required. There is no difference in people strategy adopted by the select public and private companies.
2. In the process of “Process” strategy, the select public companies are using manuals and telephones at the point of registering the claims whereas the select private companies are using the technology i.e., mobile apps, customer portal, garage app, mobility solutions, analytics cloud.
3. With regard to the Physical evidence, the private companies are using the websites, digital communication, vehicle self inspection tools for motor renewals, periodic updates and brochures, policy with barcode scanning.
4. The select public companies are providing the services through toll free number and website with five day working week. The select public companies should focus more on usage of technology in delivering the motor insurance services to the policyholders.

## SUGGESTIONS

1. The Companies need to educate the policyholders as many does not know the ins and outs of motor insurance other than that it's mandatory.
2. Content marketing is the best way to reach today's digital savvy policyholders who just go through the company information on their smart phones.
3. More focus to be done on retaining the interest and intent of purchase while going through the websites.
4. Interesting content should be placed on the top of the site and complete information about the products to be provided.

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