MARKET RESEARCH CONCERNING THE OPINION OF THE POTENTIAL CLIENTS REGARDING INSURANCE

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Abstract
In countries in course of development, insurance has recently become a highly approached and exciting field, especially in the context of the financial crisis. The crisis had the opposite effect on people's attitude concerning the need for security, increasing their responsibility to assess possible risks. As a result of the market research I've made, I tried to identify aspects related to the approach of insurances in Romania, from the perspective of people who have signed contracts of life insurance.

Key words: potential clients, insurance activity, efficiency, indicators, insurance improve

JEL Classification: O 21

Introduction
Worldwide, in the last two years, the insurance market registered a decline in the total premiums cashed. Despite the general trend a growing in the life insurance market it has been registered. In Romania, the insurance market began to develop in 2002. As it isn’t a mature market, there are many aspects that can be captured in its evolution.

The insurance market can be measured and evaluated by using several indicators. As I have not considered accurate enough to draw conclusions, we conducted a research during 2011 among a sample of 295 people who signed a specific contract or life insurance. Therefore, we were able to highlight various aspects of personal insurance market, generating conclusions and proposals (based on the responses of interviewees) to maximize this activity.

The objectives of the research and the definition of the context
This research aims at identifying the preferences of the potential customers for insurance companies and the services they provide. The market research aimed at people who didn't have life insurance contract, people who might choose to purchase insurance contract in a near more distant future. Meanwhile, proposals for improving insurance products and services have been identified.

The challenge of this research is that the Romanian market is an atypical one in terms of the consumption services segment.

To obtain conclusive results, we chose a heterogeneous sample in terms of level of training, age and occupation. However it was intended to get a certain variation in the extent of the
activity/interest through direct or indirect involvement in the insurance industry, in a largely homogeneous economic area.

This target allows us to identify if there are major differences between how the people perceive elements/components of knowledge and learn the importance of insurance system. Starting from the objectives outlined above, I issued an individual questionnaire.

The structure of the questionnaire

In the present work there are selected six questions considered relevant to the topic researched. These questions try to determine a top of life insurance companies of consumers in a developing country such as Romania.

1. How important is a personal insurance for you?

![Figure 1. The importance of the life insurance](image)

Among respondents who do not have life insurance, there are a higher proportion of responses "less important", respectively 23.4%. This means that 69 of those interviewed did not give much importance to make a life insurance contract. A personal insurance is considered essential for more than 11% of respondents, representing an extremely small percentage. This phenomenon can be explained by the lack of information they present to subjects or misunderstanding of the principles underlying the operation of life insurance.

It is remarkable that there is a considerable disparity on classifying insurance in the category "important". This option was chosen by more than 50% of people (143 respondents).

The figure confirms a structural distribution rather uniform of the 295 interviewees. Responses from the entire group interviewed, shows that 60% consider important and very important to have a personal insurance. It is an interesting phenomenon, especially since no one from the interviewed persons has such an insurance.

2. In which measure do you know the offer of the existing personal insurances in Romania?

According to the knowledge level of the offers of the existing personal insurances in Romania, the interviewed persons present various levels, as expected.
The modal\textsuperscript{1} option for the interviewed persons is under 20\%, which has a rate of 42, 4\%. However, we can remark a lower level (under 40\%) of knowledge, respectively 73, 2\%. This could prove that these people have no insurance because they are not informed, or not very attentive to all aspects of an insurance policy. This phenomenon is explained also by the promotion of primarily property insurance products: home insurance, car, crops etc. Therefore, the insurance market in Romania is at the beginning, it doesn't have a fundamental "culture".

3. Please identify and classify in a descending order, the top 5 insurance companies which are the most popular on the Romanian market:

<table>
<thead>
<tr>
<th>INSURANCE COMPANIES</th>
<th>Total percentage</th>
<th>No. respondents</th>
<th>Average rank</th>
<th>Final rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) ING Asigurări de viață</td>
<td>1232</td>
<td>281</td>
<td>4,39</td>
<td>1</td>
</tr>
<tr>
<td>b) AIG Life</td>
<td>706</td>
<td>212</td>
<td>3,33</td>
<td>4</td>
</tr>
<tr>
<td>c) BCR Asigurări de viață</td>
<td>728</td>
<td>211</td>
<td>3,45</td>
<td>2</td>
</tr>
<tr>
<td>d) Asiban</td>
<td>294</td>
<td>115</td>
<td>2,56</td>
<td>9</td>
</tr>
<tr>
<td>e) Allianz Tiriac</td>
<td>851</td>
<td>247</td>
<td>3,44</td>
<td>3</td>
</tr>
<tr>
<td>f) Asirom</td>
<td>536</td>
<td>163</td>
<td>3,30</td>
<td>5</td>
</tr>
<tr>
<td>g) Aviva</td>
<td>313</td>
<td>131</td>
<td>2,39</td>
<td>11</td>
</tr>
<tr>
<td>h) Grawe</td>
<td>173</td>
<td>106</td>
<td>1,63</td>
<td>14</td>
</tr>
<tr>
<td>i) Generali</td>
<td>617</td>
<td>193</td>
<td>3,20</td>
<td>7</td>
</tr>
<tr>
<td>j) Omniasig Viață</td>
<td>528</td>
<td>163</td>
<td>3,24</td>
<td>6</td>
</tr>
<tr>
<td>k) Interamerican</td>
<td>310</td>
<td>122</td>
<td>2,53</td>
<td>10</td>
</tr>
<tr>
<td>l) Garanta</td>
<td>158</td>
<td>92</td>
<td>1,72</td>
<td>13</td>
</tr>
<tr>
<td>m) Astra</td>
<td>311</td>
<td>121</td>
<td>2,57</td>
<td>8</td>
</tr>
<tr>
<td>n) Unita</td>
<td>213</td>
<td>103</td>
<td>2,07</td>
<td>12</td>
</tr>
<tr>
<td>o) Alta...</td>
<td>36</td>
<td>32</td>
<td>1,13</td>
<td>15</td>
</tr>
</tbody>
</table>

In order to identify the informational level regarding the insurance companies, which issue personal insurances, a hierarchy from one to five points, it was establish, where the most known company gets 5 points.

\textsuperscript{1} The modal value represents the interval or the characteristic with the higher frequency
• 212 persons know AIG Life, 3.33 points, level 4;
• And 211 persons know BCR Life Insurances 3.45 points, level 2.

It may be noted that, although they don’t have insurance contracts, the interviewed persons know the insurance companies on the market, even if they don’t make a clear difference between selling life insurance and selling general insurance. Knowledge is due to advertising and exchange insurance information with family, friends or colleagues. It should be also noted that some of the subjects were approached by an insurance consultant and they know the offer.

4. How do you rate the activity of local personal insurance companies?

It’s very interesting to evaluate the quantitative and qualitative aspects of the insurance business. For this, a 5-point scale from -2 to 2 it has been established. After centralizing and processing the notes, the values obtained were very small. This is explained by the lack of information regarding the operation of life insurance products. However, one can notice that most of the sample showed that insurance companies inform their customers of their available offers.

![Figure 3. Important aspects of the insurance company activity](image)

In the sample interviewed there is no average of over one point. Respondents maximum score was for "Providing continuous information concerning the products" 0.72 points, followed by "The diversity of products offered" score 0.61. "Quality of the services offered by the involved personnel" scoring 0.34, represents a satisfactory score compared with the maximum score assigned (0.72). Other attributes are below 0.29 points, while the opposite is "Transparency of the calculations contained in insurance policies" of only 0.03 points.

The following three attributes registered negative values:

✓ Safety presented by insurance intermediaries -0.2 points;
✓ Aspects of updating the insured sums provided in the event of inflation or currency depreciation -0.26 points;
✓ Transparency of the calculations contained in insurance policies -0.02 points.

5. How do you appreciate the ratio between the insurance premium and the obtained benefits?

This question has the purpose to identify the knowledge of the interviewees about the potential cost of life insurance. We checked therefore the information received from the potential clients using direct or indirect sources concerning the premium. Based on the answers received we can establish, indirectly, the relation between the effect-benefit for them.
The relation between the paid premium is considered as optimum for 48.1% and totally unprofitable for 4.1%. To this question, 142 (over 48%) from the interviewed people considered this relation as optimum, 50 clients (over 16%), considered it profitable and no respondent considered it very profitable. It is remarkable the large number of respondents who consider the relation unprofitable, respectively 91 (over 30%). This high percentage can be justified by the fact that insurances are considered to be a way to become rich and to make business.

6. What proposals and suggestions can you make in order to improve the security of life insurances?

This is one of the most important questions because it allows us to find solutions to improve relations and social contract between two parties: the insured person on the hand and the insurance company on the other one. The answers of the respondents are interesting as they can offer solutions for the insurance companies to attract new clients.

✓ More frequent advertising, TV shows and debates, internet; Advertising of higher quality, more explicit for people of all kinds; Promoting insurances with competent and trustworthy people, training on specific situations of intermediaries, because the staff presents only the lesson learned in the company; Greater attention to the staff and its qualifications; The quality of the intermediary is a problem and the discount of the intermediary should be given from the profit of the insurer and not the insured; Temperate and train brokers which are too insistent when the premium needs to be paid, and this insurance seems an obligation and not something useful; The offers should be publicized more, explained in more detail, the presentations are disappointing; Offers should be more transparent and products should be based on social class or income, offers for all categories; Separate information on life insurance and pension; More flexibility of the contracts as contracts are standard and they cannot be negociated

✓ The products should be more advertised for the insured, because insurance premiums are too highly reported to the insurance benefits; Disclosing clearly all the benefits and disadvantages of such insurance; The diversity of products offered to those with lower incomes; Online information, information on the new products offered by the insurers and after issuing the contracts the brokers denaturize the relation between client and insurance company; In case the premium cannot be paid anymore from real reasons, the reimbursement should be at least reported to the sum paid until that moment; The possibility to have a saving product for a short period of time

✓ Better information on a product type with examples of calculation; Correct customer information without intentional omissions of representatives, insurance claims in case of bankruptcy of the company; The products, also the clauses of the contracts to be presented more explicit and.
Conclusions

According to the analysis of proposals, we can remark that respondents made suggestions about five points. The first is advertising. People who have insurance policies want a better promotion, according to the types of products, using all media means. The second aspect concerns the preparation and quality of the personnel. The potential clients want to work with professional sales agents and insurance brokers, better trained and more attentive to customers’ wishes. The third issue concerns the supply of insurance products. Interviewees want a diverse range of products depending on needs and on transparency. The fourth issue concerns the content of contract of insurance products. The potential customers propose a clear explanation of all the clauses of the contract, of the contract compliance, increased real benefits and new insurance products for people with lower incomes and savings products in shorter periods of time. Insurers should optimize the product offerings and strengthen communication with customers and potential customers. A better communication and knowledge will enable their efforts in development assistance activities, providing not only cash compensation, but also nature benefits to make the insured person’s life easier.

References