

Impact of Perceived Intention and Satisfaction of Green Practices in Insurance Sector-An Emprical Study

A. Kalaiselvan¹, Annamalai Solayappan², Jothi Jayakrishnan³, K. Sivakumar⁴

¹Research Scholar (Part-Time), Roll No: 1911130086, Department of Business Administration, Annamalai University, Annamalai Nagar, Tamilnadu, India.

Assistant Professor, Department of Business Administration, Peri College of Arts and Science, Mannivakkam, Chennai,

²Assistant Professor, Research Supervisor, Department of Business Administration, (On Deputation from Annamalai University) Sri Subramaniya Swamy Government Arts College, Tiruttani, Tamilnadu, India-631209, Email: an.solayappan@gmail.com

³Professor, Department of Business Administration, Annamalai University, Annamalai Nagar, Tamilnadu, India.

⁴Assistant Professor cum H.O.D, Department of BBA, Jawaharlal Nehru College for women, Pali, Ulundurpet, Kallakurichi District, Tamilnadu, India.

Received: 13.04.2024

Revised : 18.05.2024

Accepted: 25.05.2024

ABSTRACT

Green insurance is a type of insurance that helps to protect the environment and combat climate change. This research study comes under the descriptive research category and focuses on Green Practices in Insurance Sector. Non-Probability convenience sampling method is employed to select the sample size. A sample of 424 respondent are considered for this study. The data collected and then coded according to the responses and analysis was done using SPSS 29 Version (Statistical Package for the Social Sciences) software package. The main objective of the study is to test the relationship between Perceived intention and satisfaction and to study the factors, influence the perceived intention on satisfaction. Based on the analysis finding will be drawn with suitable suggestion. The positive response to green insurance policies is largely driven by the clear communication of benefits, personalized offerings, seamless digital experiences, and transparent practices. When customers understand how their choices contribute to environmental sustainability, and when they see tangible rewards for their eco-friendly behaviours, their satisfaction levels increase significantly.

Keywords: Green insurance, perceived Intention and satisfaction

1. INTRODUCTION

Global warming caused by climate change presents numerous economic, environmental and social challenges worldwide. Efforts to mitigate these challenges are being undertaken globally and the insurance industry plays a significant role in these endeavors (Mills, 2009). Green insurance is a type of insurance that helps to protect the environment and combat climate change. Also known as eco-friendly insurance, it is basically an economic incentive to encourage behavioural change (Belozyorov & Xie, 2021). As more and more people understand their impacts on the environment, they are opting for eco-friendly practices (Stepanova MN, 2021).

2. Method Adopted For The Study

This research study comes under the descriptive research category and focuses on Green Practices in Insurance Sector. Non-Probability convenience sampling method is employed to select the sample size. A sample of 424 respondent are considered for this study. The data collected and then coded according to the responses and analysis was done using SPSS 29 Version (Statistical Package for the Social Sciences) software package.

Objectives of the study

- To test the relationship between Perceived intention and satisfaction
- To study the factors, influence the perceived intention on satisfaction

Hypothesis of the study

H₀1: There is no significant relationship between perceived intention and satisfaction.

H₀2: Perceived Intention do not influence on satisfaction.

3. Analysis And Interpretation

Table 3.1. Relationship between perceived intention and satisfaction

Correlations					
		Satisfaction	Values	Attitude	Behaviour
Satisfaction	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	424			
Values	Pearson Correlation	0.170*	1		
	Sig. (2-tailed)	0.001			
	N	424	424		
Attitude	Pearson Correlation	0.169*	0.782*	1	
	Sig. (2-tailed)	0.001	0.001		
	N	424	424	424	
Behaviour	Pearson Correlation	0.407*	0.133*	0.183*	1
	Sig. (2-tailed)	0.001	0.006	0.001	
	N	424	424	424	424

* Correlation is significant at the 0.01 level (2-tailed).

Source: Primary data computed, * Significant at one percent level.

Interpretation

Table-3.1 explains the relationship between relationship between perceived intention and satisfaction. Here, perceived intention dimensions such as Values, Attitude and Behaviour are considered as independent variables and satisfaction considered as dependent variable. The correlation value such as Values (0.170), Attitude (0.169) and Behaviour (0.407) are positive significant relationship with Satisfaction.

H₀: There is no significant relationship between perceived intention and satisfaction.

In order to examine the above stated hypotheses, Pearson correlation is executed. The P-values are significant at one percent level. Thus, the stated hypothesis (H₀) is rejected. It infers that the Behaviour are having high level correlation and positive significant relationship with Satisfaction. Whereas Values and Attitude are having low level correlation and positive significant relationship with Satisfaction. Hence there is a significant relationship between perceived intention and satisfaction.

Table 3.2. Factors Influence the Perceived Intention on satisfaction

R	R Square	Adjusted R Square	F	Sig. Value
0.424 ^a	0.180	0.174	30.632	0.001*

Source: Primary data computed. *Significant at one percent level.

Coefficients ^a					
Perceived Intention	Unstandardized Coefficients		Standardized Coefficients	T	Sig. Value
	B	Std. Error	Beta		
(Constant)	11.218	1.229		9.126	0.001*
Values	0.544	0.353	0.109	1.540	0.124 (NS)
Attitude	0.054	0.324	0.012	0.165	0.869 (NS)
Behaviour	2.508	0.289	0.390	8.681	0.001*

Source: Primary data computed. *Significant at one percent level, NS-Non-Significant.

Interpretation

Table-3.2 explains the factors influencing Perceived Intention on satisfaction. Here Perceived Intention such as Values, Attitude and Behaviour are considered as independent variables and satisfaction is considered as dependent variable.

H₀: Perceived Intention do not influence on satisfaction.

Further, stepwise multiple regression is applied to identify the most predictor Perceived Intention on satisfaction. Regression analysis is applied to know the effect of exploratory variables on the dependent variable. The adjusted r-square value is found to be 0.174. It is inferred that the independent variables are influenced at 0.174 levels. It is found that the independent variables of Perceived Intention such as Values, Attitude and Behaviour are influenced at 17.4 percent towards satisfaction. The p-value is 0.001. So, the hypothesis is rejected.

The unstandardized co-efficient beta value indicates the strength of relationship between dependent and exploratory variables. It is expressed by the equation as follows;

$$\text{Satisfaction} = 11.218 + (2.508) \text{ Behaviour}$$

It is found that the Behaviour is positively influencing the Satisfaction. Hence, Perceived Intention influence on satisfaction.

4. Findings Of The Study

- ❖ To find out the relationship between perceived intention and satisfaction, Pearson correlation is executed. There is a significant relationship between perceived intention and satisfaction. The P-values (0.001) are significant at one percent level. Thus, the stated hypothesis (H₀) is rejected. Hence there is a significant relationship between perceived intention and satisfaction. It infers that the Behaviour are having high level correlation and positive significant relationship with Satisfaction. Whereas Values and Attitude are having low level correlation and positive significant relationship with Satisfaction.
- ❖ Multiple regression is applied to identify the most predictor Perceived Intention on satisfaction. It is found that the independent variables of Perceived Intention such as Values, Attitude and Behaviour are influenced at 17.4 percent towards satisfaction. The p-value is 0.001. So, the hypothesis is rejected. Behaviour is positively influencing the Satisfaction. Hence, Perceived Intention influence on satisfaction.

5. Suggestions Of The Study

- ✓ By Handling the complaints and grievances in the effective manner like 24X7 customer help desk (WhatsApp services) and toll-free numbers which leads to satisfaction towards green insurance practices.
- ✓ Give awareness programmes about the green insurance services like e-wallet, safety and security services etc. makes the customer loyal towards green insurance practices.
- ✓ Environmentally friendly services like paperless documents make attractive and effective CRM programmes like offers, value added services to retain customers
- ✓ There is a low relationship with purchase intention. Hence, the insurance company allocate an investment portfolio to green bonds, renewable energy projects, and companies with strong environmental, social, and governance (ESG) practices. Aligns the insurance company's financial strategies with sustainability goals, potentially yielding both financial and environmental returns.

6. CONCLUSION

The result of the study implies that challenges such as lack of infrastructure, lack of awareness and education among individuals and businesses, lack of regulatory frameworks and policies to support, lack of demand, political instability, corruption and security concerns are found challenging for the success of green insurance in developing countries. The positive response to green insurance policies is largely driven by the clear communication of benefits, personalized offerings, seamless digital experiences, and transparent practices. When customers understand how their choices contribute to environmental sustainability, and when they see tangible rewards for their eco-friendly behaviours, their satisfaction levels increase significantly.

REFERENCE

- [1] Belozyorov SA, Xie X (2021). China's green insurance system and functions. E3S Web of Conferences, 311. <https://doi.org/10.1051/e3sconf/202131103001>
- [2] Mills E (2009). A global review of insurance industry responses to climate change. Geneva Pap Risk Insur Issues Pract, 34, 323–359. <https://doi.org/10.1057/gpp.2009.14>
- [3] Stepanova MN (2021). The place and role of insurance in shaping a "green" economy. Vestnik Universiteta 10, 147-154. <https://doi.org/10.26425/1816-4277-2021-10-147-154>