ORIGINAL ARTICLE

MARKETING AND ITs ROLE IN PROMOTING INSURANCE CULTURE AND PRPMOTING INSURANCE COVERAGE IN GUILAN PROVINCE

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Abstract: Although the insurance industry in Iran is 80 years old and despite many attempts have been done to develop it in the micro and macro levels, it has not still gained the proper place it deserves; proposing living insurance, which is believed to be an important component of promoting social welfare, still faces with many obstacles; it must be acknowledged that the most important factor in the lack of its being widespread is "the absence of proper culturalization," which causes familiarity of people with the insurance industry in Iran, because it provides the right combination of new things that people are unfamiliar with. This study attempts to investigate the role of marketing in the development of culture and insurance coverage. Regarding purpose, this study is application, and, regarding the type of the survey, it is descriptive-analytical; the methodology of the research is field study. The sample population includes all managers and marketing experts in insurance offices Rasht city, of whom 67 were selected as the sample size. The instrument to collect data in the field of research is the questionnaire by the author. The tests of this research are regression and correlation. The results showed that, according to the Sig which is much less 5 %, and according to the managers and marketing experts of insurance offices, there is significant correlation between two variables, external marketing and internal marketing and the expansion of insurance coverage, at the 95% level.

Key words: Insurance culture, insurance coverage, internal marketing, external marketing, marketing mix

INTRODUCTION

One of the simplest principles of management in all communities is determining the target and trying to achieve it; the viewpoint of 1404 is the golden and final of economic and industry to reach to the peak. It is point where all the organizations of the country, both economic and non-economic sectors, should strive to achieve it. In the meantime, the insurance industry is something which has been obsolete for years; due to the change in leadership of Central Insurance of Iran, the space and scheduling activities for the development of insurance in the country have been provided (Rabie, 2011).

The nature of insurance companies requires to move towards respecting costumer and keeping them since the durability and life of these companies depend on costumers. The more these companies try to keep their costumers, the more successful they will be. If companies spend a small part of their heavy expenses on advertisements on learning marketing and teaching them to their sales agencies and, simultaneously provide the necessary tools for them, the results will be even better. One of the reasons for low insurance penetration is the lack of proper marketing programs. Influence comes

from sales and sales are not possible without professional marketing. Customer orientation primarily needs customer and the customer will not be found without paying attention to marketing. Filling the vacancy of marketing does not require the approvals of Central Insurance or Insurance Council but internal change. Insurance is not bought on its own. It must be sold, and professional marketing is the first step of any sale. Insurance marketing is of the strategic issues in insurance; doing research, identifying needs and providing information, public relations, etc. are useful to achieve the development of insurance. So, doing current study and similar research with an approach to study development of marketing strategies in the insurance industry are extremely important. It is required that insurance and social welfare authorities pay attention to the development of this issue.

Accordingly, the main research question is: what is the role of marketing in the development of insurance culture and insurance coverage?

Literature Review

Table 1. Literature Review.

	Title	Researcher	Year	Summary of Results
1	Providing Effective Marketing Pattern in Insurance Companies in Iran	Behrouz Kafi & Fattaneh Alizadeh Meshkati	2007	In this study, it has been tried to analyze the effective factors in applying effective marketing management and its effect in the function of insurance companies in country.
2	The need to maintain insurance customers using data mining tools	Sahar Garenejad	2011	Based on the results of this study in the insurance industry, data mining process is very useful according to the large amount of data and can provide a competitive advantage for insurers. The data mining process can be used in insurance industry, such as optimizing prices, improving services, attracting new customers, retaining existing customers, etc.
3	The role of Urban Marketing in attracting capital for Integrated Urban Management	Amirhussein Sharia'ti et al.	2001	The results of this study suggest that an important prerequisite for successful urban marketing in municipals are: applying urban marketing, creating strategic perspective, public or private sector participation, etc.
4	The effect of the mixed marketing to attract customers (Case Study: BSI, Kermanshah)	Kamran Nazari	2011	In this study, through referring to the importance of marketing in the competition condition, marketing and management are discussed and it was pointed out that the concept of mixed marketing performance of organizations are determined by using a set of control variables.
5	Factors Affecting on the Loyalty of Insurance Companies, Case Study, Iran Insurance Company	Mahdi Haqiqi Kaffash et al.	2010	The results showed that in the 95% confidence level of customer satisfaction, perceived image of the company and the perceived quality of software are effective in increasing customer loyalty of insurance companies.
6	Investigating the Desired Insurance Services on Keeping and Attracting Customers	Mojgan Khosravi and Amir Khosravi	2008	In this study, considering the unique characteristics of services such intangibility, inseparability, and the effect of each on attracting insurance customers have been examined.

MATERIALS AND METHODS

Since the current study tests the performance of scientific theories in the fields of assessing the performance of organization and customer relationship management and develops the practical knowledge about the quality of the relationship and influence between these two variables, and also it is intended to use its findings to solve specific problems within organizations and try to address practical problem that exist in the real world, the purpose of this study is to develop practical knowledge in a particular field, so, the survey is practical.

The population in this study consists all managers and marketing experts of insurance offices in Rasht who are 80 people.

Table 2. The alpha score of the questions of the questionnaire

Components	Alpha Score
Domestic Marketing	0.813
Customer-friendly values	0.418
Convenience shopping	0.734
Customer costs	0.828
Relations with customers	0.523
External marketing	0.871
Product	0.731
Price	0.777
Promotion	0.851
Place (distribution)	0.675
Insurance Culture	0.891

Table 3. The score of the normality test of the sample population

One-Sample Kolmogorov-Smirnov Test		Internal	External	Culture	Marketing
	N	67	67	67	67
Normal Parameters[a,b]	Mean	3.4787	3.5802	3.3717	3.5464
	Std. Deviation	0.73594	0.52357	0.63408	0.52520
Most Extreme	Absolute	0.100	0.087	0.056	0.061
Differences	Positive	0.054	0.069	0.041	0.057
	Negative	-0.100	-0.087	-0.056	-0.061
	Kolmogorov-Smirnov Z	0.816	0.714	0.458	0.499
	Asymp. Sig. (2-tailed)	0.518	0.688	0.985	0.965

a. Test distribution is Normal.
b. Calculated from data.

In this study, after collecting the questionnaire, first, by using the Kolmogorov-Smirnov (k-s) test, the normality of the population was assessed; in case of normality, the parametric tests will be used, but in case of the lack of normality, the non-parametric tests will be used, and the relationship between variables will be reviewed.

RESULTS

The main hypothesis: There is a significant relationship between marketing and promotion of the culture and insurance coverage.

Table 4. Coefficients[a]

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.401	0.387		1.038	0.303
	Marketing	0.838	0.108	0.694	7.766	0.000

Hypothesis 1: There is a significant relationship between the internal marketing and promotion of culture and insurance coverage.

Table 5. Regression test between internal marketing and promotion of culture and insurance coverage

Significant Level	Fixed Amount	Beta Coefficient	Determination Coefficient	R Value
0.000	1.498	0.625	0.391	0.625

Hypothesis 2: There is a significant relationship between the external marketing and promotion of culture and insurance coverage.

Table 6. Regression test between external marketing and promotion of culture and insurance coverage

Significant Level	Fixed Amount	Beta Coefficient	Determination Coefficient	R Value
0.000	0.545	0.652	0.425	0.652

The results of the research findings:

Based on the results, it was found that there is a significant relationship between internal marketing and promotion of culture and insurance coverage. With respect to Sig amount which is less 5%, there is a significant relationship between the two variables of internal marketing and promotion of the culture and insurance coverage at 95% level; the strength of this relationship is equal to 0.625. To determine the direction of this effect, with regard to the beta coefficient, it can be observed that this effect is direct and positive. On the other hand, the coefficient of determination in the hypothesis is 0.391, i.e. the independent variable can predict about 39% of the variability of the independent variable; so, the regression model can be written as follows:

$$Y = 0.625X + 1.498$$

About testing the next hypothesis, it was found that there is a significant relationship between external marketing and promotion of culture and insurance coverage,. With respect to Sig amount which is less than 5%, there is a significant relationship between the two variables of external marketing and promotion of the culture and insurance coverage at 95% level; the strength of this relationship is equal to 0.625. To determine the direction of this effect,

with regard to the beta coefficient, it can be observed that this effect is direct and positive. On the other hand, the coefficient of determination in the hypothesis is 0.425, i.e. the independent variable can predict about 42% of the variability of the dependent variable; so, the regression model can be written as follows:

$$Y = 0.652X + 0.452$$

It should be noted that the results of current research confirm the results of the previous research, for example, Kamran Nazari (2010), along with emphasizing the importance of marketing in a competitive market, pays attention to reviewing marketing and market management, and, then, discusses the mixed role of marketing in attracting customers for Bank Saderat Iran in Kermanshah province. The results concluded that there is a meaningful relationship between diversity of services and knowledge of clients from it and attracting customers and, also, between the advertising and attracting customers. Finally, it was determined that there is a significant relationship between expediting facility to costumers and attracting the resources of clients and customers. In general, there is a significant relationship between various elements of mixed marketing and attracting customers in Saderat Bank in city of Kermanshah.

DISCUSSION

The survey found that the majority of the population, due to the economic and living problems in coping with risks, is risky people while the per capita share of insurance premiums issued, which represents a

penetration rate, is very low. The underlying cause can be attributed to the cultural problems of the concept of insurance (website, Aftab newsletter); if risk transfer concepts to others and risk tolerance level by each of the members of society are established in the culture of the people, a major step to develop the insurance

culture of people can be taken in the country. On the other hand, the insurance companies, through expanding their services and also obtaining anticipations about the insurance needs of people, can consider new and a variety of services to supply for market. In this field, new statistical and computational models can produce competitive rates, and providing insurance services, through taking into account the supply market, has already declined.

taken by the insurance companies in recent years.

In contrast to this culture, the critical anti-cultural issue is the lack of public confidence in the insurance and insurance industry as well as official dealers of insurance in the market. By increasing the number of sales layers and the presence of other intermediaries including market makers, the profit for the seller and

1. More attention to the development and promotion of crisis management by insurance among different groups of people through mass media

2. Making people aware of the insurance protection features

3. Making people aware of the fact that insurance is not a luxury item but a necessary commodity for life.

From among other cases which had an important role in the development of insurance culture is developing customer's culture and customer-orientation from the suppliers of this service. Forming customer clubs and offering different services for them and providing them with various fidelity programs to insurance companies are the steps to attract customers and respect customer-orientation

increasing monetary seller have been the top issue which is a foundation to reduce public confidence of the insurance people purchase.

Recommendations

Based on the results of this study, the following recommendations are offered:

Suggestions for future research:

1. Studying the attitudes of citizens to insurance and its development
2. Studying the role of mass media in promoting the culture of insurance
3. Studying the effect of relationship management with customer in promoting the insurance culture

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