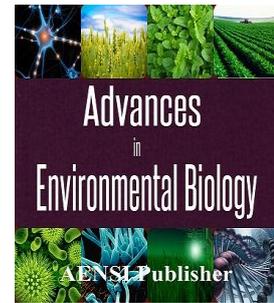




AENSI Journals

Advances in Environmental Biology

ISSN-1995-0756 EISSN-1998-1066

Journal home page: <http://www.aensiweb.com/AEB/>

The Effect of Applying Equipment's in Electronic Business on Increasing Insurance Influent Coefficient in Iran Insurance Co

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ARTICLE INFO

Article history:

Received 26 September 2014

Received in revised form 20 November 2014

Accepted 25 December 2014

Available online 2 January 2015

Keywords:

adoption, penetration of insurance, insurance company, Ecommerce Tools

ABSTRACT

Using e-business tools is one way to increase insurance penetration. This study examines the impact of e-business tools to increase insurance penetration rate in Iran Insurance Company has been done. In this descriptive Insurance Company of Iran, Yazd environment has been studied. Methods: Data collected through questionnaires in the years 93-92, using descriptive and inferential statistics were analyzed by SPSS software. **Results:** (85%) of the employees participating in the study were male and 15% female. The electronic data interchange ($P = 0.001$), catalogs network ($P = 0.004$), blogs ($P = 0.006$), banks and electronic money ($P = 0.001$), a network of Post, Telegraph and Telephone ($P = 0.003$) and increase insurance penetration significant relationship was observed. Between the satellite network and increase insurance penetration rate had no significant correlation ($P = 0.727$). **Conclusion:** Employing the tools of e-commerce (electronic data interchange, catalog networking, blogs, websites, and networks of Post, Telegraph and Telephone banking and electronic money) increasing insurance penetration rate in Iran Insurance Company has an impact.

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To Cite This Article: Mahdi Rezaee Shoroki, Dr. Amir Ashkan Nasiripour, Dr. Esmaeil Kavousi, The Effect of Applying Equipment's in Electronic Business on Increasing Insurance Influent Coefficient in Iran Insurance Co. *Adv. Environ. Biol.*, 8(25), 106-113, 2014

INTRODUCTION

Electronic insurance phenomena resulting from the use of information and communication technology and information management a deep change in the insurance and compensation is such that on the one hand to increase the level of communication with the insured and the buying and selling of virtual domains to broader policy has some kind. Insurance companies with respect to the development of information technology and the presence of new competitors or stronger competitors will advance to stay competitive in your industry are equipped with the innovative. Obviously for uses in this area should be quite careful. A recent study suggests that financial service industry insurance internet use for their activities is very slow steps. [14] Use this new phenomenon (eCommerce tools) in the insurance industry will undoubtedly affect not only the way the insurance companies, but how will affect the insurance industry observers. [17] Today in most developed countries, internet access from one side to make it easy and affordable insurance markets on the other hand, the two leading cause's greater transparency in the market competitiveness of the insurance market and thus increase the welfare of consumers. The use of this technology could improve insurance penetration in the country [18] Electronic insurance provides opportunities to improve the quality of services provided to citizens and they are able to service every minute of the day and information to the insurance policy issued by the inquiry rate, or the loss of access. Insurance of electronic and information technology use in the interaction between insurers and their customers can benefit countless such as the ability to provide services in all the time, not calling for compensation, providing fast and reliable services, insurance fraud prevention and increase the income of the insurer for insurers that use electronic services are able to reduce their costs or in other words to gain a cost advantage over rivals, in fact, the competition has earned more than its competitors and ultimately to survive and grow in the market strengthens. Cost savings can also reduce insurance costs and ultimately increase insurance penetration in the country. It should be noted that such research has been conducted in the country; it may be

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practical benefits of using e-commerce tools on insurance companies in the country, especially Iran Insurance Company introduce authorities with respect to insurance companies in the process-working, improving the quality of work and provide customer satisfaction.

Causes enter the e-commerce:

An organization may be due to the following factors in e-business brings.

1. The high operating costs and lengthy processes to meet client.
2. High overhead costs and the use of technology to create competitive advantage. (Sarafi Zadeh, 2007)

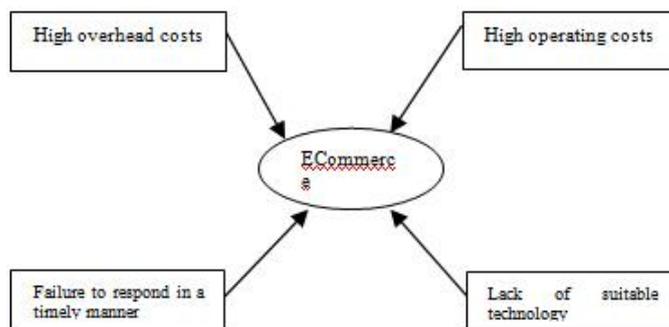


Fig. 1: Causes of e-Commerce.

Benefits of E-commerce:

- Reduce costs by reducing the cost of processing and data re-entry and reduce administrative costs and reduce paperwork at the time of the trade.

E-commerce according to customers via 4 components:

1. Increase the number of customers
 2. The competitor's customers
 3. The acquisition of new customers
 4. Charge higher prices through to differentiate and customize products to customer's raises revenue.
- Doing Business on the Internet, many businesses' information needs to be provided making. Information on tendering, competitive, market trends and the like benefit for those have been using e-commerce.

Obstacles to the development of a comprehensive e-commerce

1. Lack of coordination rules
 2. The weakness of the Shah of information
 3. Lack of sufficient velocity to form government
 4. Risks for Insurers [9].
- Experience in the field of electronic commerce policy

United States of America:

Working Group on Electronic Commerce was co-commissioned the proposer directing, coordinating and reporting activities in the field.

America's government strategy is based on five principles:

1. The private sector should play a leading role in this field.
2. Governments should avoid the use of electronic commerce unjustified restrictions.
3. The State shall protect and enforce the restrictive laws, simple, predictable and consistent for trade.
4. Governments should consider the unique characteristics of the Internet.
5. In the world of electronic commerce over the Internet should be facilitated.

European Union:

In April 1977 the European Commission policies related to e-commerce in the form of a European initiative on e-commerce report published. The policies outlined in this report, the rapid growth of electronic commerce in Europe, provide a framework for future action in the field of electronic commerce and to raise awareness and encourage the exchange between the parties in question. Executive proposal mentioned in this document such as access to global markets, legal and regulatory issues and creating the right environment for e-commerce was concerned. The document attempts to Europe's position in the international consensus to create the conditions for international e-commerce to be determined through negotiations.

ASEAN countries:

ASEAN countries (ASEAN- Association of South-East Asian Nation) launched the importance of electronic commerce and its impact on business performance of Member States, Senior Economic Officials Meeting of the ASEAN Coordinating Committee agreed to the creation of electronic act. Malaysia as one of the founders of the Union of coordination in the development of electronic commerce in the form of a regional council supports. The country has a national agenda in the field of information technology developed countries join the 2020 parliament.

E-government and the situation in Iran:

The term e-government means the use of the Internet by government agencies to provide services and information to the public, businesses and other government agencies. One of the benefits of e-government is that all citizens, businesses, government agencies and other government employees can be through a website on the Internet. And without the limitations of space and time have access to government information and services. In the past or have any working relationship between citizens and administrative managers of state enterprises was possible only with the two sides in an office. E-government has several benefits. Including, provide better public services to citizens, improve communication between government agencies and other government organizations, business and industry, citizen empowerment through access to information and effective management of public affairs. The advantages of lower administrative corruption are citizen empowerment through access to information and effective management of public affairs. The advantages of lower administrative corruption, increasing accuracy and transparency in government jobs, more welfare, the growth of state revenues and reduce costs. The application areas of e-government are divided into quartet. First, communication between government and citizens, in fact, be the most important and widespread use of e-government. The use of the information on the accounts to pay bills such as electricity, water, telephone and via the Internet traffic fines will appear in the Satlaha (Government to Citizen G2C) is called. Second, the connection between the business and the industry in which the state government to provide services to the commercial and industrial sectors over the internet deals. Offering services such as permits and licenses do the buying and selling of goods and services, etc. In this section, the so-called Government to (Business) G2B is done. The third section, the communication between the government and its employees with the purpose of providing information to the public employees using internal networks (Internet) is a variety of information, including personal information, such as benefits, pensions, staff and latest news about the activities and demands of other employees in the department called (Government to Employee G2E) is called, is performed. The fourth part, the relationship between the stated by the end of its relationship with other government agencies through internal networks, includes the Internet or extranets. Preparing the annual budget and five-year plans are good examples in this section called the Internet (Government to Government) G2G said.

Models of e-commerce in insurance companies:

More recently work patterns for internet distribution within all insurance companies have come into existence. Administrative support e-business solutions for insurance contracts and settlement (and payment of damages) in the B2B sector are becoming more dominant. In general, the following models are classified as current electronic commerce:

1. Insurance Companies website
2. Commodity inputs (the websites describing the goods and services insurance)
3. EDS (insurance brokers online)
4. Risk Markets on line
5. Marketing on-line entries, point of sale (sale of goods through insurance sites)
6. Mutual auctions (reverse auctions)

Insurance penetration and electronic insurance services:

Insurance penetration, the ratio of premiums to GDP is produced. To increase the penetration and the development of the insurance industry, new products should be designed according to customer needs. To this policy and the development of this industry and lead to increased sales. How in the world of electronics and electronic insurance services can be divided into two general categories.

1. Virtual Insurance Companies in this type of insurance company, providing services only through electronic distribution channels and no buildings and offices, are carried out.
2. Double insurance companies these companies are a mix of traditional and electronic channels [12].

Insurance sales process

1. The customer's contact with the market.
2. The insurance company and the customer enter information about the rates and terms of insurance to Search.
3. The customer selects the type of insurance you need.

4. The customer fills in a form of insurance proposal and electronically sent to the insurer.
5. The issuance of an insurance company, to review and approve the proposal form
6. The amount of the premium customer pays by credit card.
7. Insurer to pay the premium received and confirmed.
8. Insurance policy issued electronically and electronically sent to the insurer and the insured would receive electronically [11]

Insurance benefits-mail:

Insurance benefits from a perspective of the insurer, and the insurer contracted centers are considered. [12].

Benefits Insurance Marketing on the Internet

- 1) Marketing on the Internet is easy.
- 2) For the marketer insurance, there is no convincing threat.
- 3) It is very easy and simple.
- 4) Less time spent.
- 5) Affordable
- 6) There is a vast and infinite possibility
- 7) New ideas and thoughts in this way are supported [7].

Challenges in the world of electronic insurance

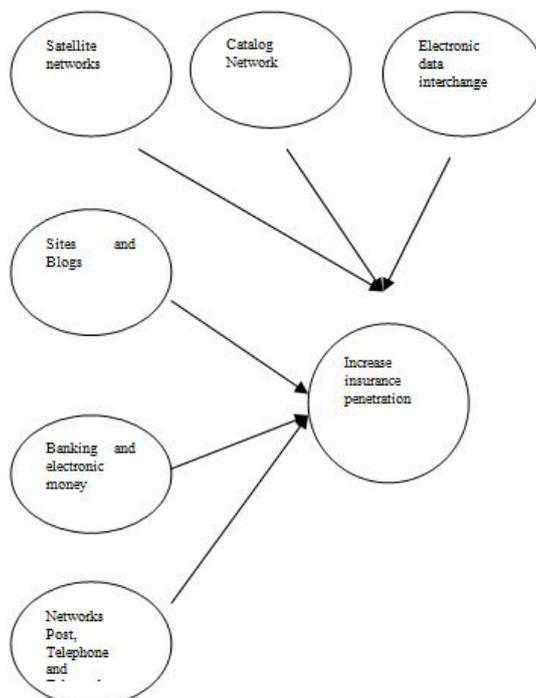
- 1) Legal issues
- 2) Security and Protection of Privacy
- 3) The possibility of abuse and money laundering
- 4) Standards and the possibility to exchange information

Because of the challenges mentioned measures to resolve these issues at the international level are ongoing [3].

Methods:

In this study, the research project (correlation) is a survey. Descriptive picture of the current situation offers and the use of survey methods measure the deviation of performance. The purpose of this research in terms of applied research takes place. The research aims to increase the use of e-commerce tools; insurance penetration in the country is done in 2013-2014 years. Data collection and field-based documents so that the first phase of research, interviews, observation and refer to the theses, articles and website information gathered in the second phase, data were collected using questionnaires.

Variables in the form of a conceptual model:



The population:

The population is said to all the people and the specific ways that are relevant to the research topic, with common attributes and liable to be desired results. The population in this study as "all branches of Iran Insurance Company" is defined and to select a sample survey of the population of the five branches of insurance in Yazd province were selected by random sampling.

Findings:

In Part 4 of the research hypotheses using data collected is get tested.

First hypothesis:

H0: electronic data interchange (EDI) to increase insurance penetration in the country is not effective.

H1: electronic data interchange (EDI) to increase insurance penetration in the country is effective.

Number	Assume 1	Total Assume
51	So much	
28	A lot	
18	Average	
2	Very low	
1	Low	
100	Total	

Test statistics	
Total Assume	Chi
30.334	Degrees of freedom
4	Significant level
0.001	

According to the table, such as the level of significance ($P = 0.001$) the hypothesis is confirmed that electronic data interchange (EDI) to increase insurance penetration in the country.

The second hypothesis:

H0: catalogs network to increase insurance penetration in the country is not effective.

H1: catalogs network to increase insurance penetration in the country is effective.

Number	Assume 2	Total Assume
27	So much	
45	A lot	
26	Average	
1	Very low	
1	Low	
100	Total	

Test statistics	
Total Assume	Chi
18.73	Degrees of freedom
4	Significant level
0.004	

According to the table, such as the level of significance ($P = 0.004$) thus, the hypothesis is confirmed by the increase in net catalogs i.e. insurance penetration in the country is important.

The third hypothesis:

H0: satellite networks to increase insurance penetration in the country are not effective.

H1: satellite networks to increase insurance penetration in the country are effective.

Number	Assume 3	Total Assume
6	No answer	
24	So much	
27	A lot	
32	Average	
9	Very low	
2	Low	
100	Total	

Test statistics	
Total Assume	
2.8220	Chi
5	Degrees of freedom
0.727	Significant level

According to the table, such as the level of significance (0.727P =) so do not confirm the hypothesis that satellite networks to increase insurance penetration in the country is not effective.

Fourth hypothesis:

H0: blogs and sites to increase insurance penetration in the country are not effective.

H1: blogs and sites to increase insurance penetration in the country are effective.

Number	Assume 4	Total Assume
62	So much	
26	A lot	
11	Average	
1	Very low	
0	Low	
100	Total	

Test statistics	
Total Assume	
24.43	Chi
3	Degrees of freedom
0.006	Significant level

According to the table, such as the level of significance (P = 0.006) the hypothesis is confirmed, the blogs and websites to increase insurance penetration in the country. The main objective of this study was to evaluate the impact of the application of e-business tools to increase insurance penetration in the country. To achieve this goal, after a review of the literature and explored in previous papers and set the frame of reference of research using quantitative research (surveys) and questionnaire of Iran Insurance Company has tried to answer the research questions. The findings suggest that insurance companies, have a positive attitude towards e-commerce and most e-commerce as an opportunity to consider and that the use of e-commerce positive impact it will have on the insurance industry. Shortage of specialist ICT (ICT) and low skilled manpower and expert in the field of e-commerce major infrastructure requirements for Iran Insurance Company are listed. Not having the rest of the backup (such as electronic money and telecommunication networks), the lack of rules and requirements (electronic signature, copyright, etc.), the pervasive lack of use of the Internet and limited access to the traditional attitude of the corporate culture among the obstacles hindering the implementation of e-commerce on the Iranian insurance is evaluated.

Discussion of results:

As mentioned in the conclusions of the paper mentioned eCommerce tools have been effective in increasing insurance penetration except for the satellite network and the answer to the first question is a sub-study. Based on this information the proper and full uses of electronic tools that may be useful respondents also satellite networks have shown little interest. On the other hand, with regard to insurance coverage available and presented by Iran Insurance Company if you can talk population and jobs such as professional liability insurance, engineering, their homes to fire and theft insurance and natural disasters, third party insurance for their vehicles and body and the capital itself and its products as well as manufacturing plants covering fire so buy. In other words, we can say that people can somehow need insurance to get full. It should be noted that at the beginning of this research refers to the phenomenon of electronic banking, E-commerce and e-government was insured mail. Results from this study compared with previous research suggest that the use of e-commerce tools not only for upstream activities and the tools to inform on the internet and the right to choose our customers and policyholders are used.

1. Compared with other research results show that e-commerce has become one of the least expensive ways to conduct business activities.
2. Other studies also show that the complexity of the problem of Internet sales involve complex nature of some insurance products one of the major challenges for the insurance company to process your mail [6] fortunately, the present study suggests that such obstacles have been removed with the use of e-commerce tools.
3. Before the advent of the Internet, many large enterprises of electronic data interchange used to communicate with their customers the results of this study indicate that the use of electronic commerce tools for a large company but small companies can also use it to interact with their customers. This means the device is currently utilizing the internet and the development of e-commerce and information exchange among communities is common.

Conclusion:

According to this study it can be concluded that the use of all the tools mentioned in e-commerce research increase insurance penetration in the country have been on the satellite network. Employees of the insured's positive attitude towards the implementation and deployment of e-commerce tools have in general, most of them good electro-commerce as an opportunity (the threat or challenge) labels and to a large extent on the use of e-business tools as necessary to have your company. Department of Marketing and Sales as well as research and development suited to the application of e-commerce tools on the other hand, motor insurance, freight, life and people are more consistent for sale on line. Use of e-commerce tools to improve the image of Iran Insurance Company as a leading company and new, as well as facilitate cooperation and knowledge transfer among stakeholders (shareholders, employees, agents and working capital) and reduce the cost of investment needed to develop a network of agencies, reduce the cost of all services for business expansion will lead to the elimination of geographical restrictions. Internet and transparent information for customers will have a significant impact on increasing insurance penetration. Electronic exchange of data with respect to the set of technologies the internet provides a data transfer bed through retrieve financial information, personal accounts to increase insurance penetration rate in Iran will affect the insurance company.

Practical suggestions:

Given that the present era is the era of the Internet and the speed of age Iran Insurance Company must equip itself all tools are online e-commerce to sell all of its insurance policies. In other words, e-business in all aspects of the sale of insurance or other compensation for their work on the front, the results of the e-business as soon as possible and will also provide the observers. Iran Insurance Company to ensure the sale of all insurance policies at the request of the policyholders and consultations with representatives of the Internet is following the sale of this figure towards call for information obtained by the damage is always up to date. Voting is possible victims of policyholders and loss statement is to provide quick and easy access for customers. If you refer a customer to Iran Insurance Company and the intention of obtaining insurance coverage from other insurance companies to transfer data and to provide an exchange of data in the context of good electro. As the most trusted members of society, especially the giant insurance company Iran it is also recommended that state and the government counter as a pioneer in providing services to the insurance industry's main thoroughfare transfer knowledge to the society. Research and development in Iran Insurance Company is activated to effect change and the use of e-commerce tools in particular the Iranian insurance company to find. All year figures pay damages to the victims and population loss through the Internet to inform the public.

Suggestions:

Paving the way to the loss of formal repetition is counterfeit. Insurance is recommended that new string that is used by the public to prepare and present to the public through electronic means. If possible compensation payments to persons or loss of sight also taken electro goodness to the detriment of the victims are not in a bureaucratic maze. If possible insurance package is introduced population. People from birth old age are benefit from insurance services and the peace of mind for their lives. Considering that Iran Insurance Company in charge of taking action, and some had been sanctioned by the international community and then lifting the sanctions cannot be stacked on trade with other countries to close this is where foreign vendors and importers of domestic goods.

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