



FACTORS AFFECTING CONSUMER PURCHASE DECISIONS ON LIFE INSURANCE IN MYANMAR

A Thesis Presented
by
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Submitted to the Swiss School of Business Research in partial fulfillment
of the requirements for the degree of

MASTER OF BUSINESS ADMINISTRATION
(MBA)

OCTOBER 2023

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ON LIFE INSURANCE IN
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ACKNOWLEDGEMENT

First and foremost, I would like to express my deep sense of gratitude to Dr Paing Soe, CEO and founder of PSM International college and SSBR for giving me a great chance to study at the Master of Business Administration courses. I would like to extend my special thanks to Daw Myat Myat Oo, Academic Director, for her monitoring and close guidance to enable me to complete this paper. I wish to express my sincere gratitude to insurance agents from life insurance companies their insightful comments and encouragement, but also for the hard question which incited me to widen my study from various perspectives. Furthermore, I would like to express my real thanks to respondents who take their time to complete my survey who help me to get necessary data and primary data for my study needed. Finally, I have great pleasure in acknowledging my gratitude to my colleagues who have been so helpful and cooperative in giving their support at all times to help me achieve my goal.

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SSBR/2022/MBA040760

ABSTRACT

This is a study on influencing factors of customer's decision on purchasing life insurance in Myanmar. The objectives of this study to determine the factors which are strongly related to increase number of people, who covered life insurance policies, in Myanmar. To achieve the objectives, there is a set of structured five-point likert scale questionnaires that were delivered to 250 respondents of life insured at AIA, Dai Ichi, Prudential, CHUBB, Manulife, Myanma Insurance. The study focused on the factors affecting consumer purchase decision on life insurance in Myanmar and found out which factors are mostly influence on customer buying decision followed by other factors. According to the study, there should be the activities and programs for public awareness of life insurance. The volunteers, non-government organizations, government departments, social welfares foundations, which are related to the rural and urban development need to encourage the citizens to have life insurance coverage for life protection, protection plus saving and future investment. Purchasing decision of the insured is generally relied on five independence variables, Options, Values, Trust, Convenience, Engagement. Having more options of insurance companies, life insurance policies, and attractive pricing are key factor to create for the sake of customer needs as per the study. The value expectation from the purchase of life insurance is another key factor. Trust on insurance company is not positively related as there are some lack of communication and not smoothly convey to receive the product news, special campaigns, seminars group health functions, activities, talks and membership benefits. Agents' personal engagement is very essential but it was not strong enough, respondents suggested.

It is needed to understand which factors influencing on purchase decisions is important for different players, insurer, agents, brokers, stakeholders, agencies, and insured in this industry including regulators and the state leaders.

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ABBREVIATION

ASEAN	Association of South East Asia Nations
BDT	Bangladeshi taka
CAGR	Compound Annual Growth Rate
COI	Center of Influence
COT	Court of the Table
CSR	Corporate Social Responsibility
GDP	Gross Domestic Product
GWP	Global Warning Potentials
IBRB	Insurance Business Regulatory Board
IBSB	Insurance Business Supervisory Board
INGO	International Non-Government Organization
IRDAI	Insurance Regulatory and Development Authority of India
M & A	Merger or Acquisition
MDRT	Million Dollars Round Table
MIC	Myanmar Investment Commission
NGO	Non-Government Organization
PBUB	People's Bank of the Union of Burma
SGD	Singapore Dollar
TOT	Top of the Table
VND	Vietnamese Dong

CHAPTER I

INTRODUCTION

This study is to focus on affecting the purchase decisions of life insurance by the people in Myanmar, as it is not only for the insurance companies but also for the people and the country.

Insurance is an important global service vital to commerce and private individuals. Life insurance services take an important role in managing risk when country economy is quickly growing, as in Myanmar, Individuals, benefiting from a booming market economy with increased spending power, should be able to obtain insurance for their homes, families, lives, and health. Insurance is a catalyst for protecting and allowing further growth in the economy. (Herbert, 2022)

Life insurance is a financial cover for a contingency or risk linked to human lives, such as loss of life by deaths, disabilities, accidents, etc. The risk to human life is due to natural factors or causes related to various types of accidents. When human life is lost or a person is disabled permanently or temporarily, there is a loss of income for the entire household. (CBSE, 2022)

Life insurance, providing protection of financial risks but its sale is very unique, and the resistance to make a sale is stronger rather than others. Myanmar citizens, as a buyer of the insurance products, have higher power now as insurance agents from different insurance companies are persuading them to purchase their products. Currently, insurers in Myanmar are using the personnel selling method. They are trying to increase the number of sales forces (insurance agents) more and more and are setting ways to include periodic sales campaign programs for the agents. Agents need to sign with one of the agencies of the insurer to get training on sales, products, and the chance to join the sales knowledge sharing sessions. With a life insurance product sales campaign, there will be attractive commission schemes that are persuading agents to sell more insurance policies.

There are annual sale targets to qualify as TOT (Top of the Table), COT (Court of the Table), and MDRT (Million Dollar Round Table). If agent has qualified as a member of MDRT, it means that he or she sold the insurance products for more than 45 million Myanmar kyats in terms of premium payments received from the clients. The qualifiers are appreciated by the insurers and supported to join the global

conference, free tours, and honorable events. Agents were motivated to be good at their work and improved the experience while selling the products available at the insurer, starting from the near market. Since agents are not permanent staff of the insurance company and are working as freelancers, Their earnings will be from sales commissions, sales bonuses from the special campaigns, and monthly support payments from the insurer.

For more earnings through more sales, agents must know the benefits and features of the insurance products and be oriented in every process step, from seeking sales to closing the deal at the point of premium payment paid by the insured. Senior agents share their sales success stories, customer experience, handling complaints, and internal process orientation with new agents who have passed the life insurance licensing exam. Insurers are using online and offline sessions to learn more about the features of insurance products and how to overcome the sales difficulties, as most of the agents recruited may not be experienced in sales, especially for selling insurance products.

The aim of this study is how's the insured make purchase decision of life insurance on which factors they would like to consider more.

1.1. Background of the study

The life insurance sector is now growing rapidly all over the world. For playing a significant role in covering life and business risks. The development of life insurance industry is becoming a key position in the world as unpredictable uncertainties and new challenges arise in every country. The insurance service can be described as a product in the form of a written legal contract between the insured and the insurer, plus the bundle of services connected with it. Insurance is unique in relation to different services as it is difficult and future contingent services involve significant legal features.

Many of life Insurance companies provide an extensive variety of functions such as promotional marketing, formulating the contract and innovative insurance policies, selling, underwriting, claims, and different services. On the other hand, it is obvious that the world is surrounded by risks and uncertainties in the 21st century of modernization and globalization. Especially, in under developing country like Myanmar, safety and security are one of the key issues. The number of poor people in Myanmar hardly survived in double strikes as a result of the combined impacts of the COVID-19 pandemic and the ongoing political crisis in early 2022. Around 25 million

people - nearly half of Myanmar's population - living below the national poverty line by early 2022 were living under financial risks consequences. Most of Myanmar citizens were faced the uncertainties in their family life, and expected to get the help from the donors and the support of the people around their region. In reality, there were very few donors and the aid from abroad through INGO and NGO, due to political changes and unstable condition around the country after coup, Feb 01, 2021.

The risks, country risk, operational risks and financial risks occur inevitably with the increasing dynamic environments characterized as in rapid change and uncertainty, People in Myanmar faced job less, limited access to the regions, poor connectivity of the internet and very bad utility power supply to urban and rural areas. The insurance companies are very difficult to do their business as current situation were not generally not favored for them. On other point of view, the people in Myanmar need some solution to resolve their financial risks, not able to help each other's needs. Life insurance is one of the solutions to satisfy their needs. They would like to be living with peace of mind. They also like their new generation to be free from the unpredictable risks and loss of their future hope. They are interested to purchase life insurance, to get reserve fund for their beloved ones. However, they would, decision-making based on knowledge and information is necessary. To be correct purchase decision of life insurance policies, there should be made purchasing at right time. People say that "purchasing life insurance is not wrong, only the wrong in purchase decision of life insurance are two conditions, one is insurance policy amount purchased was small and time of purchase was late. Purchase life insurance at young age is more financial benefits as the premium pay for the insurance was lesser than old age. Over 60 years has loss of chance to purchase the life insurance here. Right decision, right timing to purchase right life insurance from right insurance company is very important. Insurance companies will persuade the people to purchase life insurance from them. Myanmar citizen must know how they should make the decision on which factors.

Not many people considered deeply before they made the decision. Myanmar people couldn't get others experience as there were very few % of the citizens purchased but they just purchased to help the agent to be success in his work, as he or she is their friends or relatives. The insurance companies are providing sales campaigns which persuade agents to make more insurance sales in a month, for the quarter and to be proud as top winners in the market. It gives me immense pleasure to research how life insurance purchase decision making by the citizens in Myanmar. By knowing the

influencing factors of decision making to purchase insurance products by the insured, insurers could construct their brand images by providing unique products, price, professional agents, communication channels which are supported Myanmar people to be easier to living under life insurance coverage.

1.2. History of Insurance Industry in MYANMAR

Table 1.1. History of Insurance History in Myanmar

Years	Historical records
1826	In Myanmar, the Insurance business started in 1826.
After 1st Anglo-Myanmar War	Foreign Insurance Companies began to operate businesses, and provide insurance covers for their businesses.
1845 to 1897	Became 18 foreign insurance companies
1897 to 1940	110 insurance companies.
1903	Manulife started insurance in Myanmar
1937	Domestic insurance companies. 1) Burma National Insurance Co., Ltd, led by Sir U Thwin, 2) Burma (Government Chief Executive) Insurance Co., Ltd, of Dr. U Satt
1942	Due to World War II, Manulife operation was interrupted.
June 4, 1942	2nd interim Government which authorized to rule
January 1, 1943	Insurance Rules for life, Personal Accidents and properties, (Burma War Risks)
1947	Started Burma Insurance Company Ltd. (Government Security)
1948	People's Insurance Co., Ltd and the Burma Fire & General Insurance Company Ltd started to operate.
1950	Union of Insurance Board Law and nationalized.
March 1, 1952	Founded Union of Insurance Board
March 1, 1953	To underwrite compulsory Government Service Personal Life Insurance and Military Personal Life Insurance, started Union of Insurance Board
January 1, 1959	Enacted Life Assurance (Prohibition) Act and prohibited insurance companies except Government (U/B) from underwriting life assurance.
November 1969	Incorporated Union of Insurance Board as an insurance dept and People's Bank of the Union of Burma as the sole Bank.
1975	Enacted Insurance Business Law (Pyithu Hluttaw LawNo.10)
April 1, 1976	Changed Myanma Insurance Corporation as separate corporation
April, 1989	'Myanma Insurance Corporation' changed the name as 'Myanma Insurance'
1993	The Myanmar Insurance Law was enacted
1996	Insurance Business law
1997	Insurance Business Rules
2012	Government allowed 12 private insurance companies and made them operational within six months

Sep 5, 2012	IBRB announced 12 private companies to be granted the license
End of 2017	There were one state-owned insurance corporation, Myanma Insurance, 12 privately owned domestic insurance companies, and 25 overseas insurance companies opened Representative offices in the country.
Dec 2019	Have been granted Prudential, Dai-ichi Life, AIA, Chubb, and Manulife, provisional licenses to issue life insurance policies in Myanmar

Source - (Insurance, 2015)

1.3. Life Insurance Market

In today's competitive world, it becomes necessary for life insurers to provide customer satisfaction, spread more awareness, reduce stress on need-based innovative products, and offer affordable prices. In earlier days, the life insurance was interested to use as a tool for protecting the families' income, particularly young families who are in income-saving phase, in the death event of the head of household. Life insurance is now used for many other reasons, including tax savings, and wealth preservation.

The customers in the market are the main backbone of the life insurance sales. Insurance company keep trying to attract new customers and retain existing ones in order to keep their profits high.

1.3.1. Life Insurance Market in the world

In US alone, life insurance industry is worth \$766 billion. Keeping with this analogy, while only 12% of drivers go without auto insurance, there were 49% of consumers still haven't purchased life insurance. When 106 million Americans know they need to buy the life insurance coverage, there was a coverage gap estimated at a staggering \$15.3 trillion. The question becomes why? The answer can be found product-to-market fit. (Hale, 2023)

Life insurance helps the customers feel in control of their financial situation, with 82% saying that having adequate cover of life insurance is an important part of being financially secure and that they feel more confident as a result, according to a new industry report from MetLife Australia.

Thailand

In Thailand, some insurance products can be purchased in convenience stores, Kiosks, banks, travel agencies, and even through various websites. This helps to cover

both awareness and accessibility. To meet changing customer needs, optimize costs and remain competitive in the market, Thai life insurers have enhanced digitalization since the Covid-19 pandemic.

Cambodia

In 2022, the life insurance segment dominated insurance market of the Cambodian. term life, whole life, endowment, and other life are included in life insurance business lines. Penetration rate is lower than both the emerging markets and developed markets averages in 2022. Life insurance uptake remains limited in Cambodia. After COVID-19 pandemic raised awareness of the value of life insurance among consumers, penetration rate was grown during 2022. AIA was the fastest-growing company during the review period but Prudential Cambodia was the leading insurer, followed by AIA and Dai-ichi Life Insurance. (Globaldata, 2023)

Vietnam

The year 2022 was quite positive for the insurance business in Vietnam with demand and awareness of the benefits of insurance increasing steadily. This, coupled with the revised Law on the Insurance, created fertile ground for foreign companies which are looking to enter the market through a merger or acquisition (M&A). With respect to cultural differences and due diligence processes, the benefits come along with some challenges. The foreign insurance companies should be familiar with the market conditions they may face and the regulatory framework already in Vietnam.

According to the **Vietnam Association of Economic Sciences**, the insurance industry was quite active in 2022, with an estimated total insurance premium income of VND 245,877 billion (US\$10.4 billion), up around 15 percent over 2021. This encouraging trend is attributable to the financial stability of insurance firms, the efficient payment of insurance benefits, the improvement of customer care services, and the active use of various insurance products. Although it is foreseen that the global economy in 2023 will face more difficulties than in 2022, GDP in Vietnam is still expected to grow by 4-5 percent. (Tran, 2023)

Singapore

Singapore's life insurance industry is set to grow at a compound annual growth rate (CAGR) of 9.8% from SGD62.9 billion (\$47.2 billion) in 2022 to SGD100.4 billion (\$77.0 billion) in 2027 in terms of gross written premium (GWP), forecasts GlobalData, a leading data and analytics company. According to GlobalData's Insurance database, the Singapore life insurance industry grew at 13.3% in 2022 and is projected to grow at 10.9% in 2023. The growth will be driven by increased awareness of financial planning after the pandemic, which led to a rise in demand for protection products like term and whole life insurance.

Shabbir Ansari, Senior Insurance Analyst at GlobalData, comments: "Singapore's life insurance industry has shown resilience and recorded its fastest growth in recent years despite the pandemic. After witnessing high growth of 18.0% and 21.6% in 2020 and 2021 respectively, the industry growth is expected to slow down from 2022 onward due to slowing economic growth, rising inflation, and global geopolitical uncertainties." (Global Data, 2023)

Singaporean fully aware that life insurance is not to protect the unpredictable and uncontrollable risks of pandemic but it can prevent financial risks for the living of the families after insured death.

Bangladesh

The gross written premium of the Bangladesh insurance market was BDT166.1 billion (\$1.8 billion) in 2022. The market is expected to achieve a CAGR of more than 6% during 2023-2027. (Global data, 2023)

Laos

Pursuant to the Amended Insurance Law and Amended Investment Promotion Law, there is no prohibition on foreign investors from investing in an insurance business (both life and non-life). There is also no limitation on the proportion of foreign investors investing in the insurance business (both life and non-life). In other words, an insurance company incorporated under the laws of Laos can either be a 100% foreign-owned company or a joint venture between a foreigner and a local citizen. (Sanpibul, 2017)

China

Compared to countries in Europe and North America, China's insurance industry has a relatively short history, so the public's understanding of the industry and their recognition of what is happening in the industry are superficial to a certain extent, and there are many misconceptions. China became the world's second-largest insurance market in 2017, following an initial trend of rapid development. However, from 2019 to 2021, the number of agents, new policy premiums and total premiums exhibited negative growth. Tens of millions of people have sold insurance, decreasing the marginal utility of the huge-crowd strategy, and recruitment using a talent development model has encountered unprecedented challenges. The declining demographic dividend and the ongoing COVID-19 pandemic over the past two years have prompted the sporadic emergence of "fake assured and fake policy" problems that have affected many companies, leading to a significant decline in the industry's input-output ratio. (Cui, FSA, 2023)

India

The pandemic has highlighted the role insurance plays in safeguarding human well-being and securing the future. India's young population, increasing disposable incomes, growing financial awareness, and robust regulatory support are all contributing to the sector's growth. As per the IRDAI, India's insurance industry is projected to reach \$222 billion by 2026 and become the sixth-largest insurance market globally, surpassing countries like Germany, Canada, Italy, and South Korea. India is projected to achieve significant growth, with premiums expected to reach ₹24 lakh crore (\$317.98 billion) by fiscal year 2030-31.

The insurance industry has undergone numerous transformations in terms of new developments, modified regulations, proposals for amendments and growth in 2022. These developments have opened new avenues of growth for the industry while ensuring that insurers stay relevant with changing times and the latest digital disruptions. IRDA is vigilant and progressive and is determined to achieve its mission of 'Insurance for all by 2047', with aggressive plans to address the industry's challenges. The growth of the insurance market is being supported by important government initiatives, strong democratic factors, conducive regulatory environment, increased partnerships, product innovations, and vibrant distribution channels.

Insurance Industry was largely dominated by offline channels like corporate agents, offline brokers or banks. Today, rapid digitization, product innovation and progressive regulation policies have made it possible for consumers to buy insurance through multiple distribution channels with the click of a button. The instability of the covid-19 pandemic highlighted the necessity for consumers to invest in products that would increase financial security, one of them being life insurance. (IBEF, 2023)

1.3.2. Life Insurance Market Situation in Myanmar

Insurance Market in Myanmar was not able to resume even Insurance Business law and the Insurance Business Rules were codified in 1996 and in 1997. The market was operated as the Uni-Polar Market by Myanmar Insurance since 1952, but in 2012, the government allowed 12 private insurance companies and made them operational within six months and significant changes began. (Chan, 2019)

Before 2020, the insurance market in Myanmar is highly concentrated with the non-Life Insurance and still very low interest on purchasing life Insurance. It is also due to the influence of the Buddhist concept that every accident or depth will be happened in life at someday, sometime. It is caused by bad or good luck resulted from what behaved in the past. *In fact, no matter what the work is done, the Buddha ordered us to do it with diligence and diligence, so it is important to think ahead wisely.*

Myanmar insurance sector is struggling in important aspects such as skilled workforce, modern insurance technology, reinsurance and experience in insurance supervision. A lack of public awareness about the importance of an insurance system, is accessibility to the insurers. To recruit the insurance agents is also crucible for every insurance companies. They train, develop and persuade insurance agents to sell more life insurance policies as much as possible.

Currently, the insurance market penetration (the ratio of premium underwritten in a particular year to the GDP) in Myanmar is at a low base of 0.13%. Penetration rate for life segments stand at 0.03% only. The total insurance market in Myanmar in 2018 was USD85 million, in terms of Gross Written Premium (GWP). EY (Ernst & Young Global Limited) forecasts that the market size could potentially reach USD3.2 billion by 2028. (EY, 2019).

As for the life segment, it is expected to grow from USD18 million in 2018 to USD1.5 billion by 2028. Currently, the small size of this segment can be attributed to lack of consumer awareness, low availability of products and limited disposable

incomes. Such challenges can be turned into opportunities with better product accessibility (suitability, pricing, and availability). (EY.COM, 2019)

The “Value of Life Insurance” report, released on 8 March, also says that MetLife’s Australian research also found that people were more likely to keep or buy life insurance as a result of their COVID-19 pandemic experience. (Editor, 2023)

There are three main types of life insurance business in Myanmar. They are

- 1) State Owned Myanmar Insurance Corporation
- 2) Local Private Insurance Companies
- 3) Foreign Insurance Companies

1) State Owned Myanmar Insurance Corporation

Myanma Insurance, the state-owned Myanmar Insurance, was founded in 1952 and started as a life insurer but later it underwrites both life and no-life insurance.

2) Local Private Insurance Companies

Five private companies were first issued the license on 25th May, 2013 and the other four private insurance companies were issued the license on 14th June 2013 and 3 private insurance companies on 6th October 2014. According to the Ministry of Finance, only 0.5% of the Myanmar population (300,000 of the total population of 60 million people) was insured at the time the market opened up.

3) Foreign Insurance Companies

In May 2015, the government permitted three Japanese insurance companies, Sompo Japan Nipponkoa, Mitsui Sumi Tomo Insurance Co and Tokio Marine & Nichido Fire Insurance Co to operate within the Thilawa Special Economic Zone. In December 2019, five foreign companies, British Prudential, Japanese Dai-ichi Life, Hong Kong AIA, US Chubb and Canadian Manulife, have been granted provisional licenses to issue life insurance policies in opening up the Myanmar market.

1.3.3. Types of Life Insurance Products in Myanmar

Private life insurance companies in Myanmar market are as the following;

- 1) Government Personnel Life Assurance
- 2) Government Personnel (Short Term) Life Assurance
- 3) Military Personnel Life Assurance

- 4) Seamen Life Assurance
- 5) Shore Job Life Assurance
- 6) Public Life Assurance
- 7) Group Life Assurance
- 8) Snake Bite Life Assurance
- 9) Sportsmen Life Assurance
- 10) Health Insurance
- 11) Farmers' Life Assurance
- 12) Short Term Endowment Life Assurance

1.3.4. Current Significant Changes of Insurance Industry in Myanmar

The Myanmar Insurance Law and The Insurance Business Law were established authorizing MIC. Insurance Business Supervisory Board (IBSB) established. IBSB was authorized to grant license to private companies to conduct insurance business and supervise them. However, public were not invited to apply for insurance license. Myanmar's insurance industry began the transaction from a centrally controlled operation to something closer to a free market in late 2013. It was 2013 that proved a landmark year in the history of the country's insurance sector, marking the commencement in operation of 12 domestic insurers. Private citizens were allowed to establish insurance companies and apply for insurance license. This is new business opportunity for the investors in Myanmar. Some interested business owners joined to such new industry and form the group of agents, minimum three, who have life insurance licenses for setting up insurance service agencies, which can sell life insurance products from more than one life insurance companies.

After coup, unemployment rate was increased as many factories and companies were stopped. Selling life insurance as an agent is an option to survive to keep family lives.

1.4. Objectives of the Study

The objective of the study is to determine the factors which are strongly related to increase number of people, who covered life insurance policies, in Myanmar.

This study is focus on;

- 1) To describe the factors affecting consumer purchase decision on life insurance in Myanmar

- 2) To investigate the factors affecting consumer purchase decision on life insurance in Myanmar
- 3) To analyze the effect of consumer purchase decision on life insurance in Myanmar

1.5. Research Problem

Most of citizen in Myanmar are still not considering life insurance to be attractive despite its socio-economic responsibility of providing protection against risk faced by individual and corporate organization. Majority of the people in Myanmar do not understand the advantage of insurance protection. (San, 2019)

After coup, in current crisis era, living cost become more than double and **people got worried on their lives, health and continuing their children education.** Insurance is a one of the best solutions to secure the life of people under safe mode, by providing the comprehensive solutions for the **needs and aspirations of the Myanmar people.**

The study is to investigate how's the people in Myanmar made the purchase decision on the factors of various options available in the market, values from purchasing life insurance, how they will be trust truly on insurance companies, convenience to search the information and purchase the products, and the agent's proper engagement with his clients.

1.6. Research Questions

- 1) What factors influencing consumer purchase decision on life insurance in Myanmar?

H₁: There is a significant impact of options available to purchase life insurance

H₂: There is a significant impact of values received by insured to purchase life insurance

H₃: There is a significant impact of people trust to purchase life insurance

H₄: There is a significant impact of convenience to purchase life insurance

H₅: There is a significant impact of customer engagement to purchase life insurance

- 2) What are the key factors that life insurance affect consumer purchase decisions making in Myanmar?

1.7. Method and Scope of the Study

Due to limited time frame and the source of data availabilities, the research will mainly focus on making decision of Myanmar Citizens when they purchased Life insurance policies from local and foreign insurers during 2020 and mid of 2023.

1.7.1. Significant of The Study

The purpose of this study will help readers **to aware the important of life insurance, better understand life insurance products** and getting knowledge how to protect the unpredictable financial risks by knowing comprehensive solutions against uncertainties in life and insurers in Myanmar, The insurance companies, the stake holders to construct necessary things and create socio-economic environment which are suit to fulfill the needs, wants and preference come out from the points of the decision made the people here. To make the right decision at right time to purchase right insurance policies for having the values for the development of the people, communities and the state.

1.7.2. The Relevance of the Study

There was a similar study with the title of “INFLUENCING FACTORS OF CUSTOMER’S DECISION ON PURCHASING LIFE INSURANCE INDUSTRY IN YANGON, MYANMAR” in 2019 by Ms. Aint Phone San (EMBF 6th Batch). According to her study, it focused on the consumer behavior black box model which analyzes the cultural, social, personal and psychological factors effect on customer purchasing decision. This research was not looked out which are the factors persuaded the insured to decide purchasing life insurance from which insurer in Myanmar.

Another study of Zaw Myo Htun, EMBF5, focus on impact of insurance market liberalization on Myanmar insurance industry during the local insurers started to enter Myanmar insurance industry by considering on macroeconomic variables (in terms of insurance penetration and density, underwritten premium and claim ratio) during FY 2014-15 to 2018 (April-September). This study was found that the liberalization of insurance market in Myanmar is strongly related to the steadily development of insurance industry and sustainable growth of Myanmar economy. In addition, most of the policyholder is fairly satisfying on the efficiency and performance of insurance industry in Myanmar but some are still confusing on benefits of insurance system.

The study of New' Win, MBF 5th Batch (2017-2019 Academic) mentioned on the customer attitude towards Life Insurance sector in Myanmar. The method used in this study is the descriptive method. This study may assist to understand the customer perception, affective, behavioral and beliefs components of attitude towards Insurance Services. Structural questionnaires and simple random sampling method are used in this study. The result of this study indicates high level of positive attitudes on all 3 components of attitude: affective, cognitive and behavioral. Referring to the analysis data, life insurance companies should focus more on the new products, to provide training to agents and employees for proper knowledge and competence to answer customers' specific queries and terms and conditions of policy.

The respondents prefer to buy the life insurance policy from the company which has good reputation, owned branch network for convenient and efficient. The respondents also choose to purchase life insurance policy because they want agents are well informed about the policy, terms and conditions. Some respondents would like to buy the policy from which insurance company has proper connectivity with banks. To attract the customers, existing insurance products are being reviewed and modified. They'd like to see easy and smooth in claims compensation process and expected to be speed up it by reducing some of document/forms requirements. Its need to deliver efficient and prompt customer services. They suggested that life insurance companies should create more life insurance products like universal life insurance policy, annuity policy, superannuation policy, Gratuity policy, Employees' Deposit Linked Insurance policy and Education Endowment policy.

Above mentioned studies showed there were effect of the options, the visible value excitement while purchasing life insurance, assuring trust for the next sales, important of engagement by the professional agents and the company's arrangement of good access for getting smooth convenience to existing and potential customers' life insurance purchase decision.

The researcher highlighted that life insurance companies should focus more on the new products, to provide the trainings to agents and employees for proper knowledge and competence to answer customers' specific queries and terms and conditions of policy.

It is very important one for life insurance business development, especially in Myanmar as online knowledge sharing is not able to use widely as very poor internet accessibility in many regions.

CHAPTER II

LITERATURE REVIEW

In this chapter, insurance sector in Myanmar is introduced by expressing the concept of life insurance, insurance products in Myanmar, functions and a brief introduction about the concept of life insurance. The life insurance is not new product but it was declined and restarted market development since 2019. Now, this is a time to grow the sales of life insurance by accepting its features and benefits by the insured in Myanmar. So, there shall be creating customer-driven marketing strategy.

2.1. Concept of the Life Insurance

To boost up the confidence of the people by providing means to cope with risks faced and taken by the people in their daily life, the life insurance can be seen as a crucial factor. On the other hand, the life Insurance is a co-operative device to spread the loss caused by a particular risk over a number of persons who are exposed to it and who agree to insure themselves against the risks.

Generic meaning of the life insurance includes all forms of insurance designed to protect loss of income arising from inability to work, whether this be caused by accidental injury, death, sickness or old age. The specific meaning of the life insurance implies protection in the event of death only.

2.2. Definition and Nature of Insurance

It's a contract where one party (Insurer) undertakes in return of an agreed consideration (premium) to pay the other party (Insured) a sum of money or its equivalent in the happening of a specified event which event invariably happens in the future.

Life Insurance

Life Insurance is a contract for payment of a sum of money to the person assured, or failing him/her, to the person entitled to receive the same, on the happening of the event insured by the contract (Dash, 2012). The life insurance is a financial instrument used for providing support for survivors, paying estate obligations arising after death, adjusting business losses because of a top personnel's death, accumulating funds for retirement, emergencies, and future uses and also solving income tax

problems (Yadav, 2012). The primary purpose of the life Insurance is the protection of the entire family in case of death. Nowadays, the life insurance also acts as a tool to plan effectively about future savings, reserved fund for the need of child's education needs etc. So apart from covering life, it is an effective tool to enhance wealth.

People should be understanding on the life insurance, it is the insurance of a person's life but it cannot prevent the risk of death in human life. The risk can be reduced by having the life insurance and protect the financial loss of the insured's family to some extent. It is one of the best ways to reduce the financial uncertainty caused by premature death, accident, disability, old age etc. Since the life insurance is a long-term contract, the investment component is important along with insurance coverage. As per the death or risk cover plan, if policy holder dies within a specified period, a fixed amount is paid to his family. The insurance company promises to pay fixed amount after death. (MES, 2022)

The life Insurance is a contract, represented by a policy, in which a policyholder receives financial protection or reimbursement against losses from an insurance company. The company pools clients' risks to make payments more affordable for the insured. (KAGAN, 2023)

(A) Risk insurance

Insurance companies calculate the probability of the events and their impact and then calculate the premium accordingly. It protects the individuals and entities from heavy financial losses by transferring the burden of loss to the insurance company in exchange of the premium. (Srivastav, 2023)



Figure 2.1. Risk Insurance

A policy holder purchases an insurance cover from the insurance company and promises to pay a specific regular some money (premiums) for the term or duration of the insurance policy. If the insured dies before the duration of his or her policy is completed, a guaranteed sum of money stated and signed in the contract between the policy holder and the insured, is be given to one or more named beneficiaries stated in the contract. But if the insured person survives the term or duration of the policy (depending on the type of policy), insurance company will give the insured the full or part of the amount of the policy depending on the contract.

The life insurance pays out a lump sum to the beneficiaries in the case of insured premature death. The idea is that the death benefit should be sufficient to replace future income loss, as well as cover expenses and obligations outstanding such as funeral costs, medical expenses, and other debts—or to fund college savings accounts or retirement years. This gives the family financial continuity so they do not struggle, despite the loss of insured and insured wage-earning capacity. (KURT, 2022)

(B)Options

There are four key advantages options may give an investor:

They may provide increased cost-efficiency

They may be less risky than equities

They have the potential to deliver higher percentage returns

They offer number of strategic alternatives

(Anieri, 2021)

(C)Insurance Company

The life insurance is a promise - a promise to protect loved ones. With this in mind, nothing calls for trust more than the purchase of the life insurance policy. and the insurance company to keep the promise made. Choosing the right life insurance company is no easy task, company must have an excellent name and reputation. One major detail to look into is how well does the insurance company deal with claims. Aside from reputation, it is also needed to consider financial stability of the life insurance company. (Funnell, 2023)

(D)Marketing Mix

Marketing mix as a unique blend of product, place (distribution), promotion, and pricing strategies (often) referred to as the four Ps). According to Lupiyoadi (2006:56) marketing mix is a tool (tools) or tool for marketers which consists of various elements of a marketing program that should be considered that the implementation of the marketing strategy and positioning are applied to running a successful. (McDANIEL, Lamb, & Hair, 2011)

(E)Products

A product is the item offered for sale. A product can be a service or an item. It can be physical or in virtual or cyber form. Every product is made at a cost and each is sold at a price. The price that can be charged depends on the market, the quality, the marketing and the segment that is targeted. (Editor E. T., 2023)

The life insurance policy is not typically considered a tangible asset because it is a financial asset that does not have a physical form that can be touched or seen. It provides a death benefit to the policyholder's beneficiaries upon their death. The policy's cash value, if applicable, may also be accessed during the policyholder's lifetime through policy loans or withdrawals. (Anonymous, 2015)

1)Five Product Levels

Indicate the value that consumers attach to a product. The customer will only be satisfied when the specified value is identical or higher than the expected value.

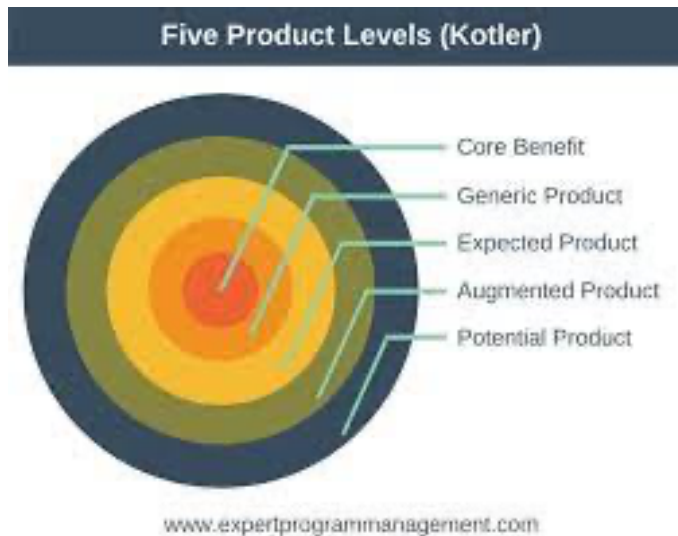


Figure 2.2. Five product levels

a)Core Product

This is the basic product and the focus is on the purpose for which the product is intended. The life insurance is protection against financial risk in the event of the head of household's dead.

b)Generic Product

Generic meaning of the life insurance includes all forms of insurance designed to protect loss of income arising from uncertainty and inability to work, whether this be caused by death, accidental injury, sickness or old age. After purchased the life insurance, insured will be felt in my mind that there is enough security for the family in current uncertain situations. People feels widespread respect and admiration on the ones who purchased the insurance for his/her beloved families.

c)Expected Product

This is about all aspects the consumer expects to get when they purchase a product. insurance coverage for life protection on flexible needs and risk depending on various social economic conditions, plus saving and future investment.

d)Augmented Product

The Augmented Level for a product refers to all additional factors which sets the product apart from that of the competition. And this particularly involves brand identity and image. The life insurance products protect the risks by knowing

comprehensive solutions against uncertainties in life. the insurance policies which are with suitable covers for people of different categories, for student age, working age and retirement age.

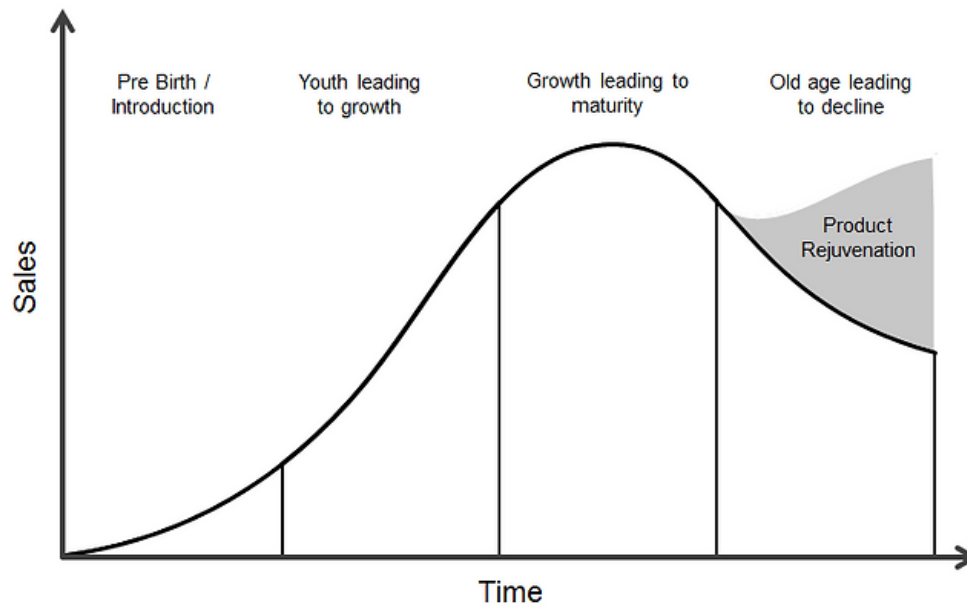
There is an only place where insure and insured are showing their utmost good faith while proposing all facts material to the risk, whether requested or not. The life insurance provides not just financial security, also helps to pay off debts, living expenses, and any medical or final expenses.

e)Potential Product

By purchasing the life insurance products, insurers to construct necessary things and create socio-economic environment which are suit to fulfill the needs, wants and preference come out from the points of the decision made the people. A report on the labor force data for 2020-2023 released by Ministry of Labor shows that Myanmar's employment rate has increased, 0.17% in 2020, 1.33% in 2021, 2.53% in 2022 and 3.69% in 2023. Working as insurance sales agent by the dependents as a freelance worker, it will be increase income for the family. On this regard, insurer companies are recruiting interested person who can join the insurance trainings. Some, like retirement person has good customer network, he or she might have some sales and marketing experience. If this person became insurance agent, he or she could be successfully in selling the insurance and be able to lead again the family.

1) Product Life Cycle

In the end the applications, the product will decline or new products will come onto the market which can better serve customers' needs. As a result, buyers may change to other suppliers or be not much interest to purchase. That will be caused declining sales volumes and continuing price pressures and putting a squeeze on profits. There will be a time to decide whether rejuvenation is possible. People would expect that the insurance offered to them will be tailored to their needs and can be purchased instantly.



Source: <https://www.b2bframeworks.com/product-life-cycle>

Figure 2.3. Respondents' Profile Based on Gender

While disruption poses challenges, recent shifts offer growth opportunities and improved customer experiences. Insurers must embrace risks, adapt to changing demands, and test new offerings. (DATA, 2023)

Selling the life insurance in Myanmar is product rejuvenation stage. Current uncertainty business situation is somewhat directed the citizen to think about purchasing the insurance to prevent unpredictable financial risks. The law has been activated and top ten global life insurance companies are now here. It is very pleased to make purchase decision from which company and agents trained by the company.

Prices

In marketing terminology, perceived value is the customers' evaluation of the merits of a product or service, and its ability to meet their needs and expectations, especially in comparison with its peers. (KOPP, 2020)

"It is noteworthy during this inflationary period when price has become the most important factor in so many consumer purchase decisions that the life insurance customers are more concerned with their future and the insurer's ability to make good on their promises than they are about price," said Robert M. Lajdziak, director, global insurance intelligence at J.D. Power. (Troy, 2022)

Pricing is one of the factors influencing purchase decision at any sales.

Values

Especially in comparison to a competitor's product, perceived value is a customer's own perception of a product or service's merit or desirability to them. It is measured by the price the public is willing to pay for a good or service. The face value of a life insurance policy is the amount that heirs would receive if you die while you are under life insurance cover.

One of the most commonly heard phrases in the life insurance is “beneficiary.” In the life insurance terms, this is someone who will receive claim money should the insured pass away unexpectedly during an active policy. This can be a person, such as a spouse, family member, or even a charitable organization. Most people make their beneficiaries someone who depends on them financially, who might benefit the most from the money, whether that be to pay day-to-day bills, cover a mortgage, or continue to sustain charitable donations. (Harden, 2023)

The owner is a person who has right to control the policy during the insured life time. They know the value as they have the power, if they want, to surrender or sell to gift or to change the policy and dead benefit beneficiary. All the insurance policies involved three people, the insured, the owner and a beneficiary.

Since insurance is intangible products and the benefits will be come up later but it will be interesting as its high value return. The facts described on the insurance contract prepared by insurer and declaration of the insured are so important and must be correct and accurate. That is really good manner and proud on it forever. It will make purchase decision of the life insurance again.

Policy lapse ratio is measured as an indicator to know how insured got the value how he was happier and good perception, which is driving willingness of the insured to pay annual premium for next years, making interest to purchase other products more and recommend others to purchase the insurance. showing their utmost good faith again. Agents' friendly care their clients by engaging right time, providing ways of convenience to know new options to receive, the values and trust for running next sale. Seeing is believing. If there were any claims for the dead of insured, the beneficiary, may be from one of the family members will become who knew the value of having the life insurance.

Trust

Trust is one of a business's most important assets and it's critical to an organization's survival in a fiercely competitive and quickly changing environment.

Myanmar is Southeast Asia's largest mainland country with 55 million people and more than half the population under thirty—but it will take some effort to introduce concepts of risk and insurance in a place that for decades has lacked trust in financial institutions and exposure to and awareness of how insurance works. Myanmar's life insurance sector is fairly small compared to its ASEAN neighbors with only 0.01 percent of the population having such insurance. (Murphy, 2019)

1) Brand Image

In today's business world, the ability to stand out from others is vital, which is only possible by creating and maintaining a strong brand image. A brand's image serves as a representation of the brand's products, services and reputation within its industry. (Indeed Editorial Team, 2023)

Brand Image is how customers think of a brand. It can be defined as the perception of the brand in the minds of the customers. This image develops over time. Customers form an image based on their interactions and experience with the brand. These interactions take place in many forms and do not necessarily involve the purchase or use of products and services. (Pahwa, 2022)

2) Proximity

Proximity itself can be considered as a consequence of trust relationship. While the longer users are in proximity, the higher the probability of their friendship increases. Moreover, proximity is a measure of trust as well as a cause to trust between users.

Customer Services

An insurance product is intangible. A healthy customer who doesn't go through any claims will never get the chance to find out how good the underlying coverage is. Therefore, potential or current customers rank service providers by what is available for them to judge – the quality of customer service. Excellent customer service is key to client satisfaction and loyalty. (Chief Corporate Services Officer, 2019)

Good customer service means consistently meeting customers' expectations. Great customer service is quick, easy, personalized, and empathetic. Companies that deliver excellent customer service take the time needed to understand the needs of their unique customer base. (Gupta, 2023)

1)Convenience

Service convenience is an individual's perception of time and energy related to the purchase of goods and services offered. Customer convenience here is to attract all types of customer to buy the insurance which in turn allow customers to have more choices to choose the insurer. Most of consumers are now more influenced by convenience than the price. A similar amount will sacrifice cost savings for convenience. Insurance has always been a low involvement product as not many are willing to make the effort of finding out which insurance suits them best. People expect to good customer services at any convenience way and corner. Insurance company arrange better convenience to access their offices, agents and information platforms.

2)Engagement

Customer engagement is one of the important aspects of a successful company. By working as a group, working for same purpose, and working under one functional event, there will be emotional connection between agent and the clients. It makes easier to find the needs of the clients. So, insurance agents try to find out the need and want of the clients by organizing groups to do functions of donating foods, offering things to monastery and participating in YOGA exercise, dancing etc. Communicating with current customers in a positive way will make it much more likely they will go out of their ways to help promote the business socially and through word of mouth. This communication can also help control what other people are saying about the purchase and the agent or company on third-party websites. (ImpacXteam, 2021)

Decision Making

At the purchasing decision stage, customers make a final decision about which product or service to buy. Businesses can influence this stage by providing product reviews, detailed descriptions, and pricing information to help customers compare and choose between different options. By helping customers understand their options and make an informed decision, businesses can increase the chances of making a sale. (Dealhub Expert, 2023)

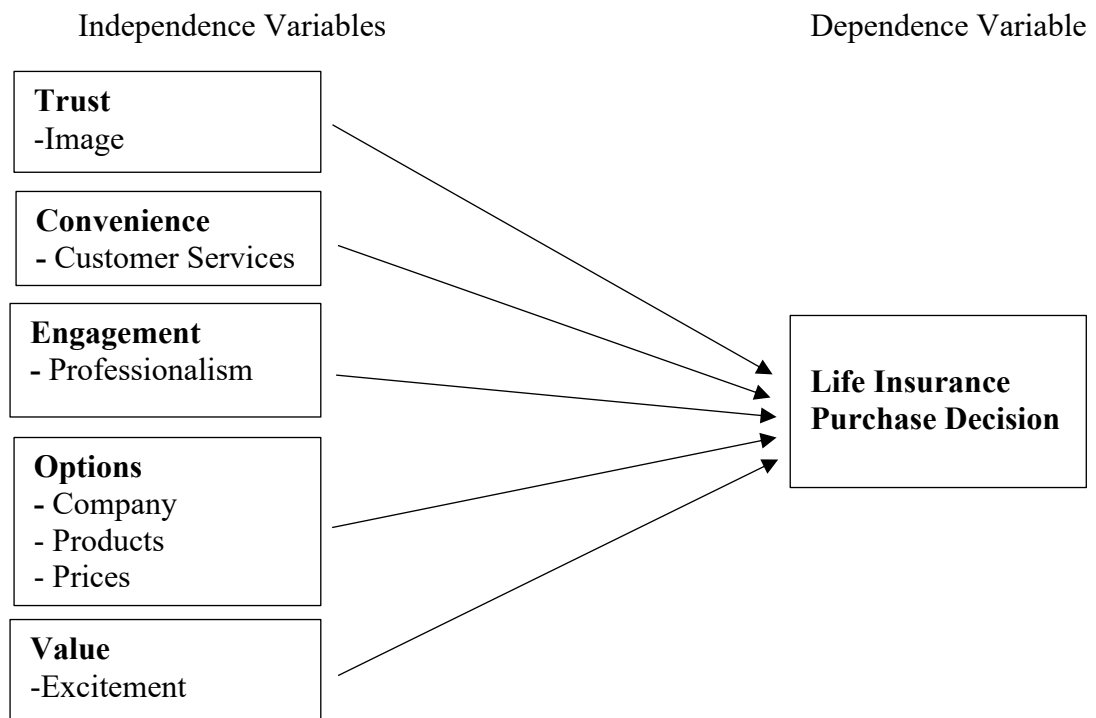
For making purchase decision of the insurance is needed to look out details of different options provided by the insurance company. The company also need to support customer to make right decision and also not to be over selling by the agents.

Relationship marketing

Relationship marketing aims to build mutually satisfying long-term relationships with key constituents in order to earn and retain their business. Four key constituents for relationship marketing are customers, employees, marketing partners (channels, suppliers, distributors, dealers, agencies), and members of the financial community (shareholders, investors, analysts). Companies are also shaping separate offers, services, and messages to individual customers, based on information about past transactions, demographics, psychographics, and media and distribution preferences. By focusing on their most profitable customers, products, and channels, these firms hope to achieve profitable growth, capturing a larger share of each customer's expenditures by building high customer loyalty. They estimate individual customer lifetime value and design their market offerings and prices to make a profit over the customer's lifetime. (Kotler & Keller, 2012)

When selling the insurance, agent need to find prospects and convert them to sales. So, most of the time, agent start selling the product from near market. From that, agent need to work with diverse people in presenting the life insurance policies. Agents' communication skill is critical to be a fruitful career for them.

2.3. Conceptual Frame Work



Source: Own Complication Based on Previous Studies

CHAPTER III

RESEARCH DESIGN AND METHODOLOGY

The research will be focused on making purchase decision of the life insurance by the customers. (Insurance Directory of Asia, 2023)

The study will be on the life insurance policies sold from the insurance companies during the period of 2021-2022 and will take random sample 250 for the study. Descriptive Statistics method will be used by employing both primary and secondary data. The survey will be created and distributed to the sample respondents with Five-point Likert Scale on the factors that affect consumer decision. In this research, the data are obtained from 250 respondents by questionnaires distributed directly to the customers through sales agents. The statements in the questionnaire are evaluated with the Likert scale, from strongly disagree (1) to strongly agree (5).

3.1. Types and Source of Data

For the data, it was collected by structural questionnaire surveys. Structural questions were distributed online and data was collected for 100 respondents. The list of potential respondents was decided by the information provided by life-insurance agencies and the agents who are interested in this study.

3.2. Organizing the Study

This paper is organized by five chapters. Chapter one is the introduction, and background of the study. Chapter two includes literature review. Chapter three presents research design and methodology. Chapter four includes the analysis of the effects of customer perception on purchase decision of the life insurance. Chapter five concludes with the findings, discussion, suggestions, recommendations and needs for further study.

3.3. Sampling Technique and Sample Size

Roscoe's (1975) set of guidelines for determining the sample size. Sample size greater than 30 and less than 500 is suitable for most behavioral studies, Roscoe suggested. This is due to the fact that by using a larger sample size, a more accurate data can be generated.

The sample-to-item ratio, should not be less than 5-to-1, is used to decide sample size based on the number of items in a study. (Memon, et al., 2020)

For this study with 45 items (questions) would require 225 respondents. So, we set sample size 250 and the questionnaires were distributed to the targeted respondents. In order to conduct a pilot test or a reliability test, Lackey and Wingate (1998) suggested to use of a 10 per cent of the actual study sample size to ensure sufficient sample for the pilot study. (Hertzog, 2008)

3.4. Data Collection Procedures

Prior to the actual survey exercise, 30 questionnaires were distributed among the respondents. The purpose of this pilot test is to ensure that the proposed study design is feasible, reliable and valid based on the Cronbach's alpha. As for the result, data were analyzed based on Cronbach alpha and the results are presented in **Table 3.1**.

Table 3.1. Reliability Statistics in Pilot Study

Section	Alpha Cronbach Coefficient	Reliability
Option	0.797	Acceptable, High
Values	0.733	Acceptable, High
Trust	0.778	Acceptable, High
Convenience	0.713	Acceptable, High
Engagement	0.772	Acceptable, High
Purchase Decision	0.883	Acceptable, High

Source: Survey Data (2023)

Therefore, questionnaires were initially distributed to 30 samples in the pilot test to determine the reliability of the research instrument. The results are shown in Table 3.1. Ultimately, in the actual study, a total of 250 respondents were selected.

The data collected were analyzed using IBM SPSS Statistics 26.0. Descriptive statistics will be included the frequency distribution for the respondent's profile and general background information about their insurance purchase. The mean value was used to describe the perception of the respondents about the influencing factors of health and the insurance purchase.

A reliability test was conducted to test the internal consistency of the dependent and independent variables based on Cronbach's alpha coefficient measures the reliability, internal consistency, or of a set of survey items. By using this statistic will help in determining whether a collection of the items consistently measures the same characteristic. Cronbach's alpha quantifies the level of agreement on a standardized scale 0 to 1. Higher the values indicate higher agreement between items. High values of Cronbach's alpha indicate that response values for each participant across a set of questions are consistent. Analysts frequently use 0.7 as a benchmark value for Cronbach's alpha. Typically, values near 0.7 are minimally acceptable but not ideal. (Frost, 2023)

3.5. Method of Data Collection

The survey was created and distributed to the sample respondents who purchased the life insurance policies from AIA Insurance Company, Dai-ichi Life Insurance, CHUBB Life Insurance, Manu-Life life insurance and Prudential life insurance, with Five-point Likert Scale.

Finally, between 2023 July and September, we obtained 250 valid responses (100%). Each respondent was asked to indicate his/her perception about how they satisfied with question items on a five-point Likert scale (1 = Strongly Disagree, 2 = Disagree, 3 = Average, 4 = Agree, 5 = Strongly Agree). Questionnaires are prepared in Myanmar language for the respondents to be more understanding on the items. Then, requested the respondents who purchased the insurance to answer based on their knowledge, and real experience with the issue.

Since the limited internet access for the respondents to answer on google form was not worked. The questions are printed in the definite order on the form. By the assistance of the insurance agents, the survey process was finished after 3 months. One of the reasons taking so much time to collect the data is connectivity between the agents and their clients who stay away from the cities. They sent the questionnaires to their customer and explain the purpose to answer the questions. Then, they collected and sent to me.

To be more understanding on the industry and the real market situation, the researcher, myself, joined the life insurance training provided by AIA, life insurance company in April 2023, and passed the exam of licensed life insurance held by IBRB. It is very supported on this study as the directors, managers and financial advisors from

different agencies and insurance companies knew me and warmly helped to get the data as quick as possible.

CHAPTER IV

DATA ANALYSIS AND RESULTS

After the analysis of the data collected and review of the findings, the study served its purpose by achieving the objectives. The findings provided insight into discovering the factors which influence the customer purchasing decision of life insurance. Descriptive analysis will be used in this proposal. This analytical method can be able to generate summary about samples and measurements. Inferential statistical method will be used to predict and draw conclusion about the whole population. Statistical analyses will be conducted using Statistical SPSS version 26 and Microsoft excel (2016).

There were slightly percentage of customers know life insurance and its benefits. So, the insurers should contribute in more life insurance awareness program through social media, event, workshop. etc. Also, the company should emphasize to in claim processing and service to have good experience for the clients in order to influence the psychology of customer by participating more in the socially responsible projects.

4.1. Demographic Profile

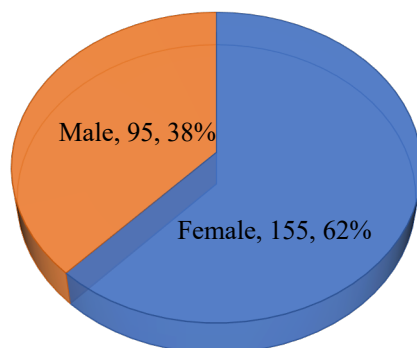
In this study, seven demographic characteristics of the respondents were sampled: gender, age range, level of highest education, occupation, geographical areas, years under life insurance and sum assured amount level. Table 4.1 presents a summary of respondent profiles.

Table 4.1. Demographic Profiles of the Respondents

Demographic Characteristics		Total	Percentage (%)
1. Gender	a. Female	155	62.00
	b. Male	95	38.00
2. Age Range	a. Less than 18	21	8.40
	b. 19 - 35	104	41.60
	c. 36-45	53	21.20
	d. 46-60	72	28.80
3. Highest Education Level	a. Basic Level	68	27.20
	b. Diploma	42	16.80
	c. Graduated	138	55.20
	d. Post Graduated	2	0.80
4. Occupation	a. Health Services	20	8.00
	b. Sales and Marketing	40	16.00
	c. Technical Services	27	10.80
	d. Office Works	44	17.60
	e. Dependents	113	45.20
	f. Sailors	6	2.40
5. Geographical Area	a. Big City	183	73.20
	b. Small Town	67	26.80
6. Years under life Insurance	a. Less than 1 year	187	74.80
	b. over 1 year	63	25.20
7. Insurance Policy Amount	a. Less than 10 million Kyats	16	6.40
	b. 10 - 30 million Kyats	172	68.80
	c. more than 30 million Kyats	62	24.80

Source: Survey Data (2023)

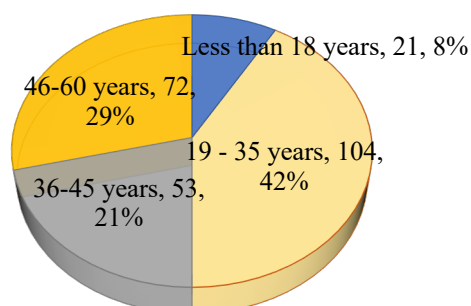
The description of the respondents based on each demographic characteristic is given using its respective graphical presentation.



Source: Survey Data (2023)

Figure 4.1. Respondents' Profile Based on Gender

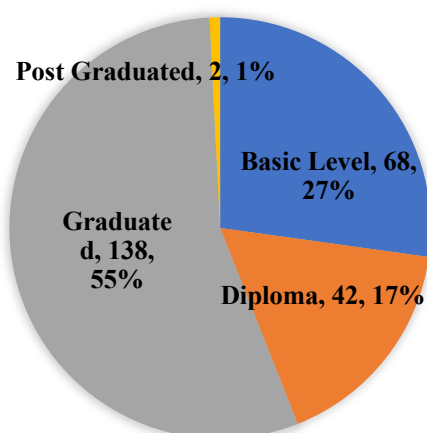
It is shown that majority of the respondents are female with 155 or 62.0% compared to only 95 male respondents or 38.0%.



Source: Survey Data (2023)

Figure 4.2. Respondents' Profile Based on Age Range

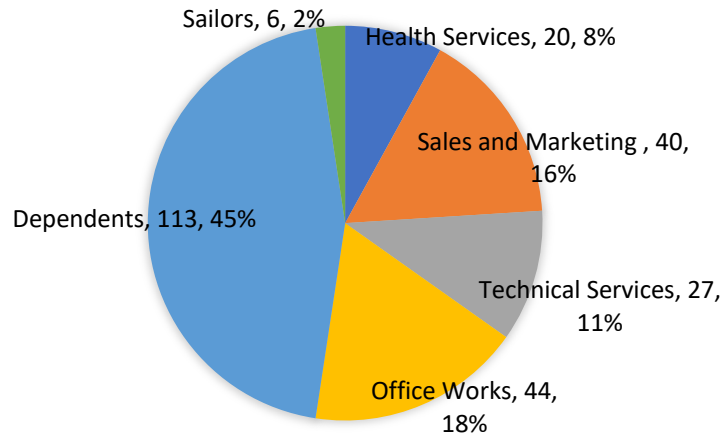
Figure 4.2 shows the respondents' profile based on age range. The respondents, between the age of 19 and 35 years old with 104 respondents or 42.0% followed by those between the age of 46 and 60 years old with 72 respondents or 29.0% while those between 36 to 45 years old have 53 respondents or 21.0% and those aged less than 18 years also have 21 respondents or 8.0%.



Source: Survey Data (2023)

Figure 4.3. Respondents' Profile Based on Highest Education Level

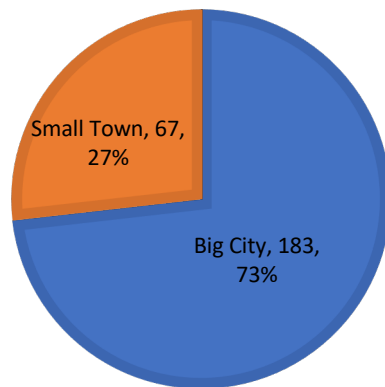
Figure 4.3. shows the respondents' profile based on their highest education level. the respondents, with 138 of them or 55.0% are graduate followed by 68 respondents or 27.0% are basic education level. There were 42 respondents or 17.0% are diploma holders, and lastly 2 respondents or 1% are post graduated.



Source: Survey Data (2023)

Figure 4.4. Respondents' Profile Based on Occupation

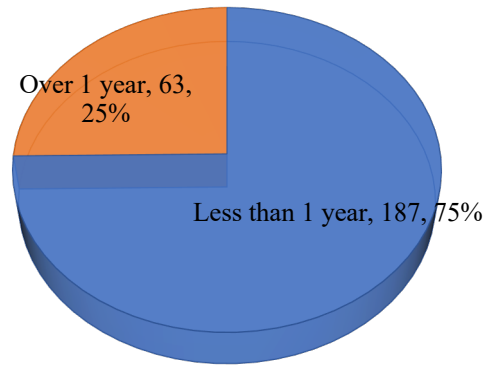
Figure 4.4 shows the respondents' profile according to the geographical area they are from. The result shows that majority of the respondents are from the urban area with 153 respondents or 76.5% compared with 47 respondents or 23.5% from the rural area.



Source: Survey Data (2023)

Figure 4.5. Respondents' Profile Based on Geographical Location

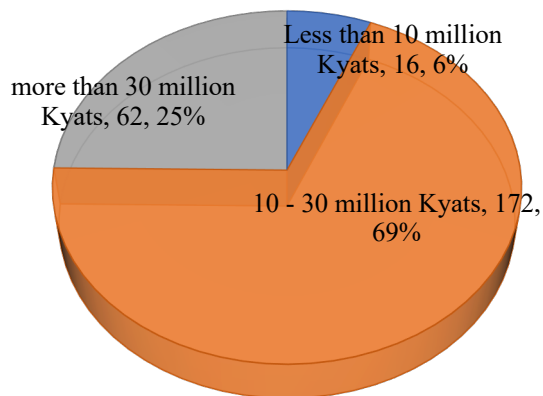
Figure 4.5. shows the respondents' profile according to the geographical area they are from. The result shows that majority of the respondents are from the big cities area with 183 respondents or 73.0% compared with 67 respondents or 27% from the small towns.



Source: Survey Data (2023)

Figure 4.6. Years purchased life insurance by the Respondents

Figure 4.6 shows 187 respondents or 75.0% were purchased life insurance during last one year and 63 respondents or 25.0% were continued to purchase for another years.



Source: Survey Data (2023)

Figure 4.7. Respondents' Insurance Policy Amount

Figure 4.7. shows the respondents' profile based on their insurance policy amount level they purchased. It shows that 172 respondents or 69% were purchased the insurance policy amount level between 10 million, and 30 million kyats while 62 respondents or 25% were purchased the policy amount level of more than 30 million kyats. Only 16 respondents or 6% were purchase the life insurance product policy level less than 10 million kyats.

4.2. Statistical Analyze Results

This section examines the customer perception on influencing purchase decision through the survey.

4.2.1. Descriptive Analyzes

The respondents have more agreement on a particular statement if their mean value for the statement is larger than 3.0. Otherwise, they will be more disagreements. If mean value is over 3.5, the agree level will be high and between 3.0 to 3.5 is moderate. Five factors, options, values, trust, convenience and engagement that affect the purchase decision were studied.

Table 4.2. Respondents' perception on options to purchase decision

No.	Statement	Mean	Std. Dev
1	I am proud on the insurance company which is very innovative and leading life insurance in Myanmar	4.91	0.352
2	The existence of proper physical infrastructures of the insurer is very good in order to respond to the customers.	4.90	0.357
3	Purchase life insurance from the company form with professional agents	4.04	0.607
4	Life insurance company shall provide a variety of financial products that meets all of my financial needs	4.08	0.571
5	People are more interested in purchasing innovative insurance products are to meet the insureds' flexible needs and risk depending on various social economic conditions.	4.85	0.431
6	There are life insurance policies which are with suitable covers for people of different categories, for student age, working age and retirement age.	4.37	0.792
7	People purchase life insurance when there are price discounts on premium payment.	4.29	0.680
8	People purchase the life insurance products from the company because of its price of premium is affordable.	4.60	0.602
9	People purchase life insurance if Insurance company have seasonal promotions, especially in Thadingyut and Myanmar New Years.	4.48	0.713
10	Life insurance products are fixed the premium rates on ages but are to be paid same rate for the term contracted by the insured. So, there will be more benefits for the purchase of life insurance at young age.	4.70	0.486
	Overall Mean	4.52	

Source: Survey Data (2023)

Above Table 4.2 presents the responses to the ten items representing respondent's view of options to make purchase decision of life insurance on mean and standard deviation values. The result shows that the options of company which is very innovative and leading life insurance market in Myanmar as factors to purchase insurance (mean = 4.91) and the existence of proper physical infrastructures of the insurer in order to respond to the customers (mean = 4.90) are highly concerned in the purchase decision. The insurance products meeting the insureds' flexible needs and risk depending on various social and

economic condition (mean=4.85) is also high concerned among product option items. The respondents have been aware that the premium rates on ages but are more benefits for the purchase of life insurance at young age (mean=4.70) and show as high level from their price point option perspective. Overall, the mean is considered high (mean = 4.52).

Table 4.3. Respondents' perception on values to purchase decision

No.	Description	Mean	Std. Dev
1	There is a place where insure and insured are showing their utmost good faith while proposing all facts material to the risk, whether requested or not.	4.75	0.451
2	Just to purchase life insurance, it can pay off my mortgage, debts and other costs such as funeral and provide my family with a lump sum.	4.49	0.861
3	After I purchased life insurance, I will be felt in my mind that there is enough security for my family in current uncertain situations.	4.42	0.631
4	Being respectful with friendly behavior to the customers is caused to get the customer's trust.	4.76	0.455
5	It is better to buy life insurance than to save in commercial bank because it holds the death risk.	3.38	1.419
6	Life insurance I purchased has flexibility features, such as it can be changed coverage amounts according my needs, withdraw money when I need it.	3.82	0.758
7	I look at the insurer's well investigation, quick responsiveness as it gives me an assurance about quality of service. Then, I purchased.	4.02	0.728
8	I felt widespread respect and admiration on the ones who purchased life insurance for his/her beloved families	4.75	0.471
9	Having life insurance will give me peace of mind as I can show how I would support my loved ones after I passed away.	4.67	0.495
10	Good insurance agents understand that each "no" only brings them closer to someone who will say "yes."	4.80	0.417
	Overall Mean	4.39	

Source: Survey Data (2023)

Table 4.3 presents the responses to the ten items representing the values expectation by respondents based on mean and standard deviation values. All mean scores for each item were found to be moderate except item no.5, "better to buy life insurance than to save in commercial banks because it holds the dead risk (mean=3.38), which is

moderate level as some of them still not seeing it as a value they can earned by having life insurance. The respondents perceived highly on meeting with good agents who can understand that each "no" only brings them closer to someone who will say "yes." (mean = 4.80). and able to get respectful with friendly behavior by the insurance company, and the agents, that is caused to get the customer's trust (mean=4.76). Respondents answered that life insurance purchasing is a place where insure and insured are showing their utmost good faith while proposing the fact material to the risk department (mean = 4.75). That is confirmed that life insurance product has augmented Level that referred to additional factors which sets the product apart from that of the competition. Respondents felt widespread respect and admiration on the ones who purchased life insurance for his/her beloved families (mean=4.75).

They also see the fact, having life insurance will give me peace of mind as I can show how I would support my loved ones after I passed away (mean=4.67). Overall, the mean of 4.39 indicates that value factor is perceived highly by the respondents.

Table 4.4. Respondents' perception on trust to purchase decision

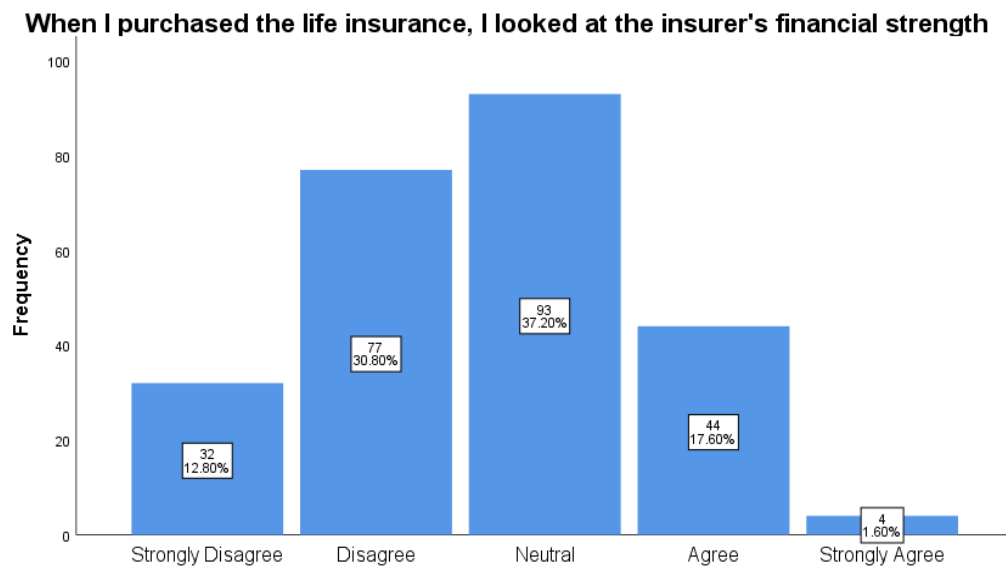
No.	Description	Mean	Std. Dev
1	People choose the insurance company, that always shows business ethics.	4.83	0.415
2	When I purchased the life insurance, I looked at the insurer's financial strength	2.64	0.968
3	People choose to buy life insurance from companies that don't have bad reviews.	2.70	1.423
4	I will purchase the life insurance if the insurer has good reputation, always involved in corporate social responsibility CSR activities.	2.75	1.404
5	I purchased the life insurance from MDRT winners, who made a life insurance product sale of millions insurance policy amounts in a year and working near-by me.	4.47	0.689
6	I use the life insurance company as my saving bank as I trusted the services.	3.31	0.904
7	While meeting with clients, the insurance agent must have cognitive empathy, understanding my thoughts, feelings, perspective and the actions.	4.60	0.53
8	Finding a reputable and trustworthy insurance agent may not be difficult.	4.52	0.641
9	By getting recommendation and help from the center of influence COI, who is an influential leader for the people.	4.89	0.499
10	The insurance company's service quality and commitment should be the strongest.	4.54	0.766
	Overall Mean	3.93	

Source: Survey Data (2023)

Table 4.4 shows how's the respondents' trust on purchasing life insurance. They mostly looked business ethic of insurance company (mean-4.83). Business ethics refers to the standards for morally right and wrong conduct in business. That will keep the truth, promises or help someone in need. Purchasing insurance from company is an expectation to get true support as committed. It is also cash related action made between insurer and insured. That is important factor as insurance is intangible product and not much widely aware by Myanmar people till today. They cannot trust all the information they received. Respondents highly perceived that they purchased life insurance by the recommendation and help from the center of influence COI (mean=4.89), purchase from MDRT agents (mean=4.60), willing to meet with reputable and trustworthy insurance agent (mean=4.52) who have cognitive empathy, understanding the client

thoughts, feelings, perspective and the actions (mean=4.60), insurance company's service quality and commitments (mean=4.54).

Respondents moderately perceived to use the life insurance company as their saving bank (mean=3.31). Respondents show disagreements on item nos., 2, 3 and 4, which are they still felt that they have less trust on insurer's financial strength (mean=2.64), even there were no bad reviews (mean=2.7), and involving in CSR activities (mean=2.75). There was poor perception by the respondents and caused to negative relation to purchase decision.

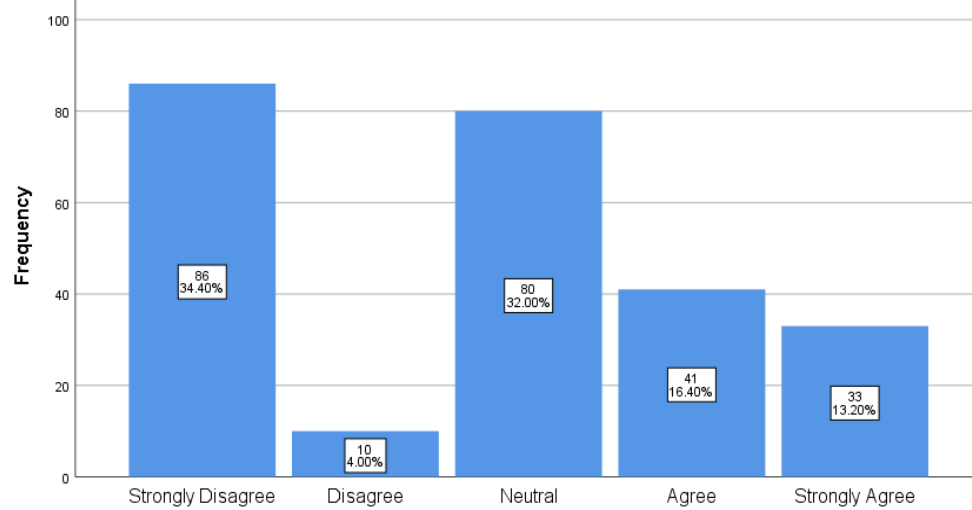


Source: Survey Data (2023)

Figure 4.8. Respondents' perception of trust on insurer's financial strength

Fig. 4.8, 4.9 and 4.10 are showing that 43.6% (12,80% strongly disagree and 30.8% disagree) of the respondents were not looking at the financial strength of the insurance company, 38.4% of the respondents purchase whether the insurance company has bad reviews or not and 44.4% of the respondents were not looking at the involvement in CSR activities by the insurance company, respectively.

People choose to buy life insurance from companies that don't have bad reviews.

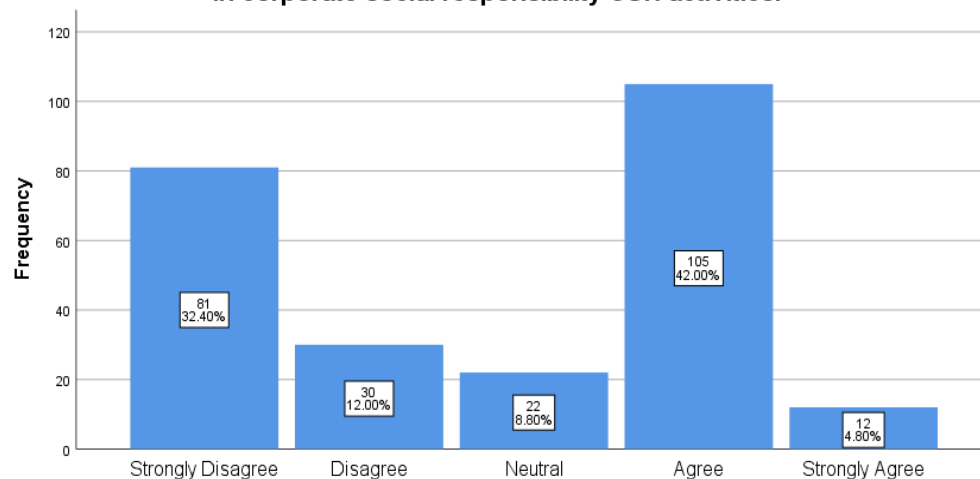


People choose to buy life insurance from companies that don't have bad reviews.

Source: Survey Data (2023)

Figure 4.9. Respondents' perception of trust factor on insurer's bad review

I will purchase the life insurance if the insurer has good reputation, always involved in corporate social responsibility CSR activities.



I will purchase the life insurance if the insurer has good reputation, always involved in corporate social responsibility CSR activities.

Source: Survey Data (2023)

Figure 4.10. Respondents' perception of trust on insurer's CSR involvement

Overall, the mean of 3.93 indicates that the trust factor is perceived highly by the respondents even they disagree on some items.

Table 4.5. shows respondents' perception on convenience to be able to purchase life insurance. Since the life insurance industry here is under developing stage, most of Myanmar people has low knowledge and less experienced. Respondents highly perceived that agent's full enthusiasm and efforts to find and negotiate with people who

need to have the life insurance (mean=4.89) is a way to get more convenience on purchasing life insurance.

While dealing for the purchase of the life insurance, agent's honest and ethical actions (mean=4.54) and persuade patiently to purchase life insurance (mean=4.53), prioritize the needs and demands of the insured (mean=4.37) and carefully work for the claims (mean=4.1) are the facts to be convenience whenever someone would like to purchase life insurance easily and without any cost of time and energy. The respondents highly agreed as overall mean, 4.43.

Table 4.5. Respondents' perception on convenience to purchase decision

No.	Description	Mean	Std. Dev
1	In accordance with the contract, life insurance company and agent carefully work for the payment over the claim submitted by the insured person.	4.19	0.685
2	By prioritizing the needs and demands of the life insured, they continued to purchase insurance as they developed a close relationship.	4.37	0.832
3	It takes the agent's full enthusiasm and efforts to find and negotiate with people who need to have life insurance.	4.89	0.336
4	I purchase life insurance as the agent is honest and ethical in business dealings, that I trusted him.	4.54	0.499
5	The agent patiently persuaded me to buy life insurance, even though I refused to say that it was not convenient for me to buy it.	4.53	0.701
	Overall Mean	4.43	

Source: Survey Data (2023)

Table 4.6 presents the responses to the five items representing the engagement, based on mean and standard deviation values. All mean scores for each item were high. The respondents perceived highly on organizing groups to take more engagement between insurer, agents and the insured and make functions for donating foods, offering things to monastery and participating group health exercises such YOGA exercise, dancing, etc. (mean=4.50). Respondents agreed to communicate thru available communication channel (mean=4.45), the agent frequently contacted his client and

asked how's the health, habitual actions and the needs (mean=4.19). making keep in-touch with clients on their memorable days and help what the client needs (mean=4.11).

Table 4.6. Respondents' perception on engagement to purchase decision

No.	Description	Mean	Std. Dev
1	The agent frequently contacted his client and asked how's the health, habitual actions and the needs to assist by him, is that showing how his care and persuading others to purchase life insurance.	4.19	1.337
2	Insured and the agent always communicate thru available communication channel.	4.45	0.781
3	The insurance agent keeps in touch with his clients on the memorable days of their lives, and helps them with what they need like a close friend, so they continue to buy the insurance.	4.11	0.747
4	Agent try to know the needs of the clients by organizing groups to do functions for donating foods, offering things to monastery and participating in YOGA exercise, dancing etc.	4.50	1.007
5	There are weekly talks or seminars/event conducted by the insurers to aware the knowledge of insurance and share their life insurance products info.	4.19	1.337
	Overall Mean	4.34	

Source: Survey Data (2023)

With the opening of the life insurance market to private sector in 2013, a significant growth of insurance business was realized. by advertising on TV, radio and making conferences and trainings, the insurance companies are now trying to educate people about insurance and their benefits. The best way of getting interest and by the customer for Myanmar Insurance Industry is building trust and educate people. Every insurer in Myanmar are conducting weekly talks and seminars (mean=4.19) and keep in-touch with clients on their memorable days and help what the client needs (mean=4.11). Overall, the mean of 34.34 indicates that convenience is perceived highly by the respondents. Overall, the mean of 34.34 indicates that convenience is perceived highly by the respondents.

4.2.2. Analysis of the Overall Values of Customer Perception

The results of descriptive analysis are mentioned in Table 4.7. Generally, the respondents have positive or high perception on all five factors because the mean values of these factors are higher than 3.

Table 4.7. Summary of Customer Perception

No.	Description	Overall Mean Value
1	Options	4.52
2	Values	4.39
3	Trust	3.93
4	Convenience	4.43
5	Engagement	4.34

Source: Survey Data (2023)

4.3. Customer purchase decision on life insurance

The customer purchase decision on life insurance is examined. **Table 4.8** presents the respondents' perception on making purchase decision of life insurance.

Table 4.8. Respondents' perception on purchase decision of life insurance

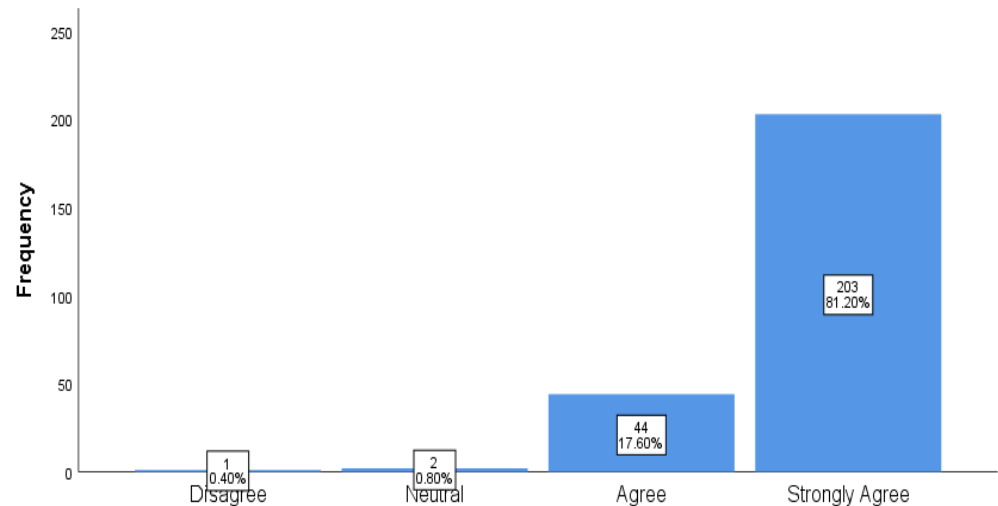
No.	Description	Mean	Std. Dev
1	People like the insurance company which is using updated technology.	4.92	0.308
2	The insurer's reliability, responsiveness, assurance, empathy, tangible benefits and healthy customer client relationship made the insured to be happier and good perception to purchase more and recommend to others.	4.80	0.451
3	Life Insurance ensure me, not to be worried when my monthly source of income comes to an end.	4.55	0.633
4	If Someone purchased life insurance for other, it is somewhat an action tied with love and he or she may not run away.	4.68	0.516
5	I purchase life insurance as the agent is honest and ethical in business dealings, that I trusted him.	4.95	0.286
	Overall Mean	4.73	

Source: Survey Data (2023)

Insurers must leverage emerging technologies like AI and automation, integrating APIs to streamline processes and deliver personalized experiences. Following it the mean values showed high level of response for using updated technology (mean = 4.92), The other mean values are insurer's reliability, responsiveness, assurance, empathy, tangible benefits and healthy relationship (mean = 4.80), ensure insured not to be worried when monthly source of income comes to an

end (mean = 4.55), the purchasing life insurance is somewhat an action tied with love (mean = 4.68), and agent’s honest and ethical in business dealing (mean=4.95). See below **Figure. 4.11** and **4.12**.

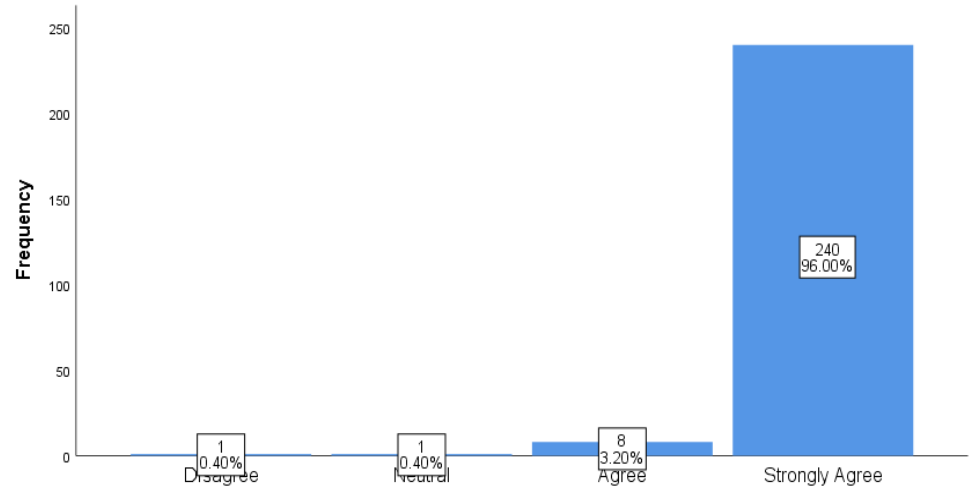
The insurer's reliability, responsiveness, assurance, empathy, tangible benefits and healthy customer client relationship made the insured to be happier and good perception to purchase more and recommend to others.



Source: Survey Data (2023)

Figure.4.11. Respondents’ perception on insurer’s reliability to purchase decision

I purchase life insurance as the agent is honest and ethical in business dealings, that I trusted him.



Source: Survey Data (2023)

Figure 4.12. Respondents’ perception on agents’ honest and ethical action to make purchase decision

Overall, the mean is high at 4.73. As per respondents, what they highly expected to assure insurer's reliability, responsiveness, empathy, tangible benefits and healthy customer client relationship and honest and ethical action by the insurance agents.

4.4. Factors influencing on purchase decision of life insurance

Regression analysis have been conducted to meet the research objectives of this study. The multivariate regression model is used to analyze the effects of customer perception on making purchase decision of life insurance. The results of the regression analysis among each average value of customer perception and average value of purchase decision are described in the Table 4.9.

In regression test, the strength of the relationship between the dependent variable and independent variables in the regression equation is the correlation coefficient, R, and is always a value between -1 and 1, inclusive. The coefficient of the regression is the slope of the regression equation.

When the regression formula is $Y = a + b_i X_i$;

where b_i are the regression coefficient that represents the rate of change of one variable 'y' as a function of changes in the other 'xi' values. The correlation coefficient or coefficient of determination, R value, signifies the correlation between independent variables (average values of customer perception) and dependent variable (average values of purchase decision).

The R Square value is 0.399 and the Adjusted R Square value is 0.387. The Adjusted R Square value indicates the proportional of variance in dependent variable (average value of making customer purchase decision) that is predicted by 5 perception values (independent variables). In this case, it can be interpreted that 38.7% of the variation in customer purchase decision is influenced by changes in independent variables; average values of 5 perception.

The regression model can be written as:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5$$

Where, Y is for average value of customer purchase decision, dependent variable of regression model,

a = the regression constant of the equation,

b_1 = the regression coefficient for Options,

X_1 = independent variables or predictors, for average value of Options,

b2 = the regression coefficient for Values,

X2 = independent variables or predictors, for average value of Values,

b3 = the regression coefficient for Trust,

X3 = independent variables or predictors, for Average value of Values,

b4 = the regression coefficient for Convenience,

X4 = independent variables or predictors, for average value of Convenience,

b5 = the regression coefficient for Engagement.

X5 = independent variables or predictors, for Average value of Engagement,

According to Table 4.9, Options, and Values have significant positive relationship with customer purchase decision because their significance values are less than 0.05.

Table 4.9. Effect of Influencing customer perception on purchase decision

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	1.184	0.336		3.523	0.001		
Option	0.538***	0.068	0.561	7.954	0.000	0.495	2.019
Values	0.284***	0.039	0.384	7.337	0.000	0.899	1.112
Trust	- 0.112**	0.051	-0.174	-2.219	0.027	0.399	2.507
Convenience	0.069	0.043	0.096	1.619	0.107	0.694	1.441
Engage	0.010	0.022	0.025	0.458	0.648	0.823	1.215
R Square	0.399						
Adjusted R Square	0.387						
F Value	32.38						
Durbin-Watson	1.976						

Source: Survey Data (2023)

*** Significant at the 0.01 level (2-tailed), ** Significant at the 0.05 level (2-tailed)

However, there is a significantly negative relationship between trust and purchase decision because the p-value is less than 0.05. Other two factors, Convenience and

Engagement have no significant relationship with customer satisfaction because its significant value is greater than 0.05.

Since b1 is (0.538), b2 is (0.284), and b3 is (-0.112), which are regression coefficients of the model and the regression equation is:

$$Y = 1.184 + 0.538 X_1 + 0.284 X_2 - 0.112 X_3$$

As Durbin-Watson value is 1.976 which is between 1.54 and 2.46, there is no autocorrelation. All tolerances are more than 0.1 and all VIF values are less than 10. Therefore, there is no multicollinearity between independent variables.

The dependent variable, customer purchase decision was regressed on predicting variables of various options, values received by the insured person, the trust, convenience and engagement between insurer and insured. The independent variables significantly predict purchase decision, $F(5, 244) = 32.380$, $p < 0.00$, which indicates the five factors under study having a significant impact on life insurance purchase decision by the customer. Moreover, $R^2 = .399$ depicts that the model explains 39.9% of the variance in the purchase decision. Table 4.10 shows the summary of findings.

Table 4.10. Summary of findings

Hypothesis	Regression Weights	B	T	p-value	Hypothesis supported
H ₁	Options → Purchase Decision	.561	7.954	.000	Yes
H ₂	Values → Purchase Decision	.384	7.337	.000	Yes
H ₃	Trust → Purchase Decision	-.174	-2.219	.027	Yes
H ₄	Convenience → Purchase Decision	.096	1.619	.107	No
H ₅	Engage → Purchase Decision	.025	.458	.648	No
R ²	0.399				
F (5, 244)	32.38				

Source: Survey Data (2023)

Based on the research framework, these research hypotheses are presented which will be tested in this study.

H1: The Options is positively and significantly related make decision to purchase the life insurance

H2: Values is positively and significantly related make decision to purchase the life insurance

H3: Trust is negatively and significantly related make decision to purchase the life insurance

H4: Convenience is not significantly related to make decision to purchase the life insurance

H5: Engagement is not significantly related to make decision to purchase the life insurance

4.5. Reliability Test

Reliability is defined that research measures are free from error when measured at different times. The reliability of the scales used in the questionnaire can be examined by using the Cronbach's alpha reliability test.

Table 4.11: Reliability Test of the Actual Study

No.	Scale Items	No. of Items	Cronbach's Alpha
1	Trust	10	0.730
2	Convenience	5	0.704
3	Engagement	5	0.773
4	Options	10	0.755
5	Values	10	0.773
6	Purchase Decision	5	0.702

Source: Survey Data (2023)

A scale consists of more than one item. Only when items within the scale are internally consistent, they can be reliable. Because of Cronbach Alpha value can be interpreted as a correlation coefficient, it ranges in value from 0 to 1. Cronbach's Alpha values near to zero indicate low reliability while the values close to one indicate high reliability. Cronbach Alpha value is a measure of internal consistency. If alpha value is equal or more than 0.7, this variable is accepted as a reliable variable. The summary of the reliability test based on Cronbach Alpha Coefficient for the scale items in the study are mentioned in the Table 4.11. It is found that the Cronbach's alpha values for all values are higher than the cut-off value of 0.7, indicating high reliability and thus it can

be expected that the scales which were used in this study are producing highly reliable data.

4.6. Correlational Analysis

Table 4.12. presents the correlational analysis of the five factors influencing the purchase of the life insurance in Myanmar. The result shows that two factors were significantly correlated to make purchase decision of life insurance. However, the correlation between values seen by respondents ($r = 0.440$, $p = 0.000$), options available ($r = 0.423$, $p = 0.000$) with intention to purchase the life insurance in Myanmar.

Thus, it concludes values and option correlate more with the purchase decision of life insurance rather than other factors. The other factors, trust ($r=0.122$, $p=0.054$), convenience ($r=0.123$, $p=0.052$) and engagement ($r=0.073$, $p=0.252$) are not significantly related on making purchase decision of life insurance, as p-values are more than 0.05. The lowest correlation is between engagement factor with the intent to purchase the life insurance. Based on the significant values, people in Myanmar just look at the options and what the benefits they can get from purchasing life insurance policies.

Table 4.12. Correlational Analysis Result of Actual Study

Hypothesis	Pearson Correlation Coefficient (r)	Sig. (2-tailed)
H ₁ : Values → Purchase Decision	.440**	0.000
H ₂ : Option → Purchase Decision	.423**	0.000
H ₃ : Trust → Purchase Decision	0.122	0.054
H ₄ : Convenience → Purchase Decision	0.123	0.052
H ₅ : Engagement → Purchase Decision	0.073	0.252

Source: Survey Data (2023)

Some decide to purchase life insurance, let say 100 million kyats sum assured amount because she or he want insurance company to pay their dead benefits to their beloved ones when they passed away. They cannot pay such amount from their monthly earnings even they live together many years; one insured told her purpose of purchasing life insurance.

CHAPTER V

CONCLUSIONS

This study helps to understand the life insurance products, important of the life insurance cover and, thereby answering the questionnaires which relates the influence factors on customer buying decision. A total of 250 respondents are being interviewed with structured questionnaires.

5. Findings and Discussions

According to the socio-demographic characteristics analyzed from the primary data resulted by random assembly on the customer, male insured were more involving than female customers in purchasing life insurance. The largest number of respondents are aged between 19 to 35 years, 41.6%, assuming this age group bought more life insurance than the other age groups.

In occupational level, largest number of respondents are dependents who are not standing on their own income. Thus, one could assume that they are more willing to stay under the cover of life insurance as they more worried on their beloved ones when they are dead. Among the respondents, 55.2% are graduated.

Respondents show disagreements on item nos., 2, 3 and 4, which are they still felt that they have less trust on insurer' the financial strength (mean=2.64), even there were no bad reviews (mean=2.7), and involving in CSR activities (mean=2.75).

Only 29.6% of respondents agreed on their purchase of the life insurance from getting help from the center of influence (COI).

This study found out that most of the customers don not have enough knowledge of life insurance. Also, most of them do not have enough information or explanation from the agent or company. Among the four factors of consumer characteristics, what are the most influencing factors on customer buying decision depends on age and occupation. It is found that when you are in certain age, customer started to aware the risk and they like to have adequate risk coverage.

Option has the most influenced on customer purchase decision because its standardized coefficient is 0.561 which indicates that Option has strongly positive relationship. Therefore, insurance companies should emphasize on having more options to be more purchase of life insurance. There should be more insurance companies,

innovative products and attractive pricings, not just affordable premium price but also good payment plan, like quarterly or monthly payment.

The research data shows people in Myanmar has lack of review on insurance company's financial strength, profile and involving corporate social responsibility activities. That is because of 27% of the respondents are living in small township and poor internet accessibility, utility power cut off situation. That made them difficulties to get full information and participating the events and functions provided by the company.

The insurance companies in Myanmar just started to open their branch office at the cities. They made product seminars and talks at there but not for the people living in small townships. Currently, insurers in Myanmar use personnel selling method. With the sales campaign by the company, there will be attractive commission schemes, which are persuaded agents to make more sales. Agents understood that they could make frequent contact with the clients to get sale. In practice, most of them lack to call their clients who purchased the life insurance products.

As per one of the respondents remarked during interview for this study. But all respondents fully agreed on agent's honest and ethical dealings is important to attract the customers to purchase life insurance from him as they trusted. Consumers have a great source of information at their fingertips. They search, analyze, ask until they find the best products or services. For the purchase of the life insurance, buyer power is still high but this is a time to sell life insurance as they need.

5.2. Conclusion

As per respondents, we can conclude that
For Insurance Business Regulatory Board,

- 1) As a key factor according to this study, there should be directed and approved more options to choose the company, life insurance policies reflected to the current needs of the customers, and the pricing methods giving values to make more attractive to purchase life insurance products more and more.
- 2) To support the training to increase professional and international life insurance agents and new successors.

For Insurance Companies,

- 1) The perceived values positively related to the purchase of the life insurance shall be more seen by the insured thru two-way communication channels.

- 2) Trust truly is the new currency of business but it is still negative perception and need to assure insurer's reliability, responsiveness, assurance, empathy, tangible benefits from the life insurance cover, and healthy relationship made the insured to be happier and good perception redirected to get the trust to purchase more and recommend to others.
- 3) Insurance company's customer service quality is also crucial and to be strongest in any responsive, and be having constructive action using advance technology for getting more reliability by the insured.
- 4) Not all insured agreed to use the life insurance company as their saving bank. There may need a time to become like that if life insurance company approved their services, seeing the benefits and keep their commitment as contracted.
- 5) During the three years redevelopment period, the insurance market was not widely extended to rural. The more the events in rural, the more life insurance sales will be there.

For life insurance agents

- 1) Ethical value conveys the moral feeling of doing something good others. The honest and ethical action of professional agent is a key driving force to sustain the trust of the people thru the insured, who will become center of influence to the people around.
- 2) The agent has to make the prospect aware the needs and how those needs are real and exist all the time.

For people in Myanmar

- 1) Seek out five product levels (core, generic, expected, augmented, and potential product) of life insurance
- 2) Participate in the events, seminars and group functions to be friendly healthier life style and assist others to live with the life insurance cover
- 3) Consult with professional agents who are acting as financial advisors, to protect unpredictable financial risks by having life insurance

5.3. Limitation and Needs for Further Studies

This study only focuses on 250 customers who are able to be contacted by the insurance sales agents. There was a difficulty to use google form to the respondents as they all didn't use the internet all the time. Utility power cut off in every region of Myanmar is also a cause of delay for the answer by respondents. So, it should collect

data by giving more time for the insured from some more regions to search more accurate data in further studies. The study did not include the comparison between companies and options, so future study can be done on comparing the customer choice for selecting the insurance company in order to see clearer picture of the role of company in competitive market environment coming soon.

Since this study is intended to help people in Myanmar in some ways to aware and better choice to make correct decision on purchasing life insurance and the insurers in Myanmar to provide necessary arrangements as timely actions.

5.4. Recommendation for further Research

The insurance industry in Myanmar was significant changes in 2023, that driven by various factors and challenges. By understanding and proactively addressing these challenges, insurers can navigate the evolving landscape and seize opportunities for growth, and innovation in 2023. (DATA, 2023)

In any other economic or economic subject, whether manufacturer or service does not have such kind of product, life insurance. The insurers in Myanmar now are promoting their life insurance product sales. Not only the foreign life insurance companies but also the local life insurance companies are trying to get their market shares. They use different marketing strategies. In near future, there will be new business opportunities to sell life insurance products to people in rural areas or specific regions from the national budgets and by the aid of foundations, from local and foreign. If so, the insurers in Myanmar must have transparency on their good profile indicating how many life insurance holders, how much they have paid for the claims in every year and how they contribute in the nation wise projects, such to sell micro-life insurance to low-income population implementing in Myanmar in undeveloped rural areas.

People in Myanmar are struggling to stand their lives with their low earnings difficulty. This is a time we surveyed to the insured and their responses on making purchase decision of the life insurance is more about the premium price to be less. People worried when they gone, how's the scheduled repayment of mortgage, debts and other costs related to the funeral, donations, and to be stable living status of the family. So, they purchase the life insurance. During current tough situation, people more consider how they could get the financial assistance from somewhere. They now knew that purchase the life insurance is the solution, staying under the cover of insurance to secure the families' lives and felt a peace in their mind.

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Appendix

Questionnaire

Influencing factors on making decision to purchase life insurance					
In order to reveal the main factor that influenced the decision to buy life insurance, please be requested your opinions as you bought life insurance. This survey will only be used for master's thesis development.	Name	Gender	Age, Years	Education	Occupation
Please read the following questions carefully and mark (Å) in the appropriate box. Thank you very much.	Region	Insurance Company	Type of Insurance	Life of Insurance, Years	Sum Assured, Million Kyats
1. TRUST	Strongly disagreed	Disagreed	Neutral	Agreed	Strongly agreed
1.1. People choose the insurance company, that always shows business ethics.					
1.2. When I purchased the life insurance, I looked at the insurer's financial strength					
1.3. People choose to buy life insurance from companies that don't have bad reviews.					
1.4. I will purchase the life insurance if the insurer has good reputation, always involved in corporate social responsibility CSR activities.					
1.5. I purchased the life insurance from MDRT winners, who made a life insurance product sale of millions insurance policy amounts in a year and working near-by me.					
1.6. I use the life insurance company as my saving bank.					
1.7. While meeting with clients, the insurance agent must have cognitive empathy, understanding my thoughts, feelings, perspective and the actions.					
1.8. Finding a reputable and trustworthy insurance agent may not be difficult.					
1.9. By getting recommendation and help from the center of influence COI, and this COI is an influential leader for me, I purchased the life insurance from the Insurance agent.					
1.10. The insurance company's service quality and commitment should be the strongest.					

2. CONVENIENCE	Strongly disagreed	Disagreed	Neutral	Agreed	Strongly agreed
2.1. In accordance with the contract, life insurance company and agent carefully work for the payment over the claim submitted by the insured person.					
2.2. By prioritizing the needs and demands of the life insured, they continued to purchase insurance as they developed a close relationship.					
2.3. It takes the agent's full enthusiasm and efforts to find and negotiate with people who need to have life insurance.					
2.4. I purchase life insurance as the agent is honest and ethical in business dealings, that I trusted him.					
2.5. The agent patiently persuaded me to buy life insurance, even though I refused to say that it was not convenient for me to buy it.					
ENGAGEMENT	Strongly disagreed	Disagreed	Neutral	Agreed	Strongly agreed
3.1. The agent frequently contacted his client and asked how's the health, habitual actions and the needs to assist by him, is that showing how his care and persuading others to purchase life insurance.					
3.2. Insured and the agent always communicate thru available communication channel.					
3.3. The insurance agent keep-in touch with his clients on the memorable days of their lives, and helps them with what they need like a close friend, so they continue to buy the insurance.					
3.4. Agent try to know the needs of the clients by organizing groups to do functions for donating foods, offering things to monastery and participating in YOGA exercise, dancing etc.					
3.5. There are weekly talks or seminars/event conducted by the insurers to aware the knowledge of insurance and share their life insurance products info.					
4. OPTIONS	Strongly disagreed	Disagreed	Neutral	Agreed	Strongly agreed
4.1. I am proud on the insurance company which is very innovative and leading life insurance in Myanmar					
4.2. The existence of proper physical infrastructures of the insurer is very good in order to respond to the customers.					

4.3. Purchase life insurance from the company form with professional agents					
4.4. Life insurance company provides a variety of financial products that meets financial needs of the insured.					
4.5. People are more interested in purchasing Innovative insurance products are to meet the insureds' flexible needs and risk depending on various social and economic conditions.					
4.6. There are life insurance policies which are with suitable covers for people of different categories, for student age, working age and retirement age.					
4.7. People purchase life insurance when there are price discounts on premium payment.					
4.8. People purchase the life insurance products from the company because of its price of premium is affordable.					
4.9. People purchase life insurance if Insurance company have seasonal promotions, especially in Thadingyut and Myanmar New Years.					
4.10. Life insurance products are fixed the premium rates on ages but are to be paid same rate for the term contracted by the insured. So, there will be more benefits for the purchase of life insurance at young age.					
5. VALUES	Strongly disagreed	Disagreed	Neutral	Agreed	Strongly agreed
5.1. There is a place where insure and insured are showing their utmost good faith while proposing all facts material to the risk, whether requested or not.					
5.2. Just to purchase life insurance, it can pay off my mortgage, debts and other costs such as funeral and provide my family with a lump sum.					
5.3. After I purchased life insurance, I will be felt in my mind that there is enough security for my family in current uncertain situations.					
5.4. Being respectful with friendly behavior to the customers is caused to get the customer's trust.					
5.5. It is better to buy life insurance than to save in commercial bank because it holds the death risk.					

5.6. Life insurance I purchased has flexibility features, such as it can be changed coverage amounts according my needs, withdraw money when I need it.					
5.7. I look at the insurer's well investigation, quick responsiveness as it gives me an assurance about quality of service. Then, I purchased.					
5.8. I felt widespread respect and admiration on the ones who purchased life insurance for his/her beloved families					
5.9. Having life insurance will give me peace of mind as I can show how I would support my loved ones after I passed away.					
5.10. Good insurance agents understand that each "no" only brings them closer to someone who will say "yes."					
6. PURCHASE DECISION	Strongly disagreed	Disagreed	Neutral	Agreed	Strongly agreed
6.1. People like the insurance company which is using updated technology.					
6.2. The insurer's reliability, responsiveness, assurance, empathy, tangible benefits and healthy customer client relationship made the insured to be happier and good perception to purchase more and recommend to others.					
6.3. Life Insurance ensure me, not to be worried when my monthly source of income comes to an end.					
6.4. If Someone purchased life insurance for other, it is somewhat an action tied with love and he or she may not run away.					
6.5. I purchase life insurance as the agent is honest and ethical in business dealings, that I trusted him.					