

**THE IMPACT OF PULL STRATEGY IN LIFE INSURANCE
MARKETING**



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**THE IMPACT OF PULL STRATEGY IN LIFE INSURANCE
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M.M. (MARKETING AND MANAGEMENT)

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ABSTRACT

Life insurance is the untouchable product that customer a contract paper not something they can use immediately and insurance company facing how hard to sell this untouchable good to the customer. The purpose of this research was to study Life insurance purchasing behavior. This research was study samples from Bangkok area. 10 samples were interview and the data analyze by percentage. While Life insurance was starting acceptable and sales are increasing, especially to government policy that can use Life insurance to reduce tax, people are willing to buy Life insurance more from the past. According to interview result, customer state that main purpose of purchasing Life insurance are tax deduction followed by health insurance that's came with. Theory in this research are consists of many theory such as marketing, consumer behavior, marketing channel, which related to the behavior of Life insurance customer.

KEY WORDS: Insurance / Tax Deduction / Consumer Behavior / Pull Strategy

27 pages

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CHAPTER I

INTRODUCTION

There are four basic needs (factors) for human life, i.e. dwelling, food, clothes and, medicine. Insurance business is important since it is impossible for us, human being, to avoid illness. We have to, one day, be admitted in a hospital. For Public hospital, a patient has to wait for a long time, and the hospital has limit of medical equipment. On the other hands, for a private hospital, many patients did not have enough income to pay for the high price of medical services. Therefore, they can benefit by the insurance which helping them subsidizing the cost.

Problem Statement and Its Importance

Life insurance sale volumes in Thailand are not much comparing with money saving in the bank where the consumer get lower paid than buying an insurance or other investment (The Thai Life Insurance Association, Bank of Thailand). It might because in consumer's perception the life insurance is intangible, and it is not a thing you can touch unlike other assets. Besides, the person who is a representative of insurance company (agent) is willing to sell a high volume of insurance in order to gain more incentive or commission. However, the agent does not provide the complete detail to customer, his/her explanation of the insurance often leads to consumer's negative impression. Normally, there are a lot of technical words in insurance, thus some consumer may not understand it well, therefore, and this should be considered as an important factor. The goal of this study is to find factors influencing consumer's decision to buy life insurance for beneficial to insurance company to create a suitable product to consumer and to give a consumer satisfaction.

Insurance

Because of the emergence of AEC (Asean Economic Country) that will happen in 2015, business competitions among nation members are more intense. Therefore, in order to survive, the organizations have integrated services to enhance the competitiveness and profitability and creating maximum value for our shareholders. Sustainable success in the insurance business will depend on factors such as the size of the insurance company, the risk of insurance companies, the size of the life insurance industry, the strictness of laws and changes in national income including inflation. These factors affect the insurance business. In Thailand, as it can be seen from the expansion of the consumer base for the new policy, which is indicated by the increasing of first year premium (FYP) to 27 percent (the growth rate is very high), the insurance business is steadily. (Thailand Kasikorn Research Center, online, 2551). In order to expand the business, the insurance company has to design a wide range of insurance matching consumer needs.

A life insurance is a contract between insurance company and buyer. Insurance company provides benefit as same as the benefit from a saving account to consumer who have payments with company.

Today insurance, in Thailand can be categorized into two groups, i.e. home use and business use. The examples of home use are Life insurance, Health insurance, Motor insurance, and Accident insurance. Examples of business use are Business insurance, Transportation insurance, and Money insurance. The most popular home use insurance is Motor insurance. It is the easiest to sell, and the market is a high competitive market. In contrast, Life insurance has a low volume of sale because it is intangible.

In the past, most customer were not interested in life insurance because they thought that it is not and waste, they thought they have to pay the premiums but do not get anything in return.

Consumer Behaviour

The sales agents are the representatives of the company. The role of agents is to sell the insurance by describing the conditions and benefits that consumer will receive. From times to times, the agent who lacks skill cannot motivate and promote the value of the product to consumer. That makes the consumer bad impression and misunderstand of the product. This is because the sales agent that wants to sell without willing to explain the details to consumer. These cause the company to be not as successful as it should.

Normally, consumer buys a tangible product because they got what they pay immediately, however, insurance is intangible product, and a consumer buys a piece of paper and is not sure when he/she will get benefits from it.

Research Question

What factor impact customer to buy Life Insurance?

Research Objectives

- To study the individual factors that affect insurance purchasing behavior.
- To study the marketing mix factors those are correlated with an option to purchase life insurance.
- To find factor that can increase sales volume of insurance.

Research Scope

The population in this study is a population in Bangkok aged 20 - 60 years. Bangkok has a total population of 7.98 million people (Institute of Population and Social, Mahidol university, 2557).

Expected Benefit

1. Know the life insurance buying behavior of consumers.
2. Know the factor that effect to life insurance buying behavior
3. Know the personal factors and psychological factors and marketing mix
4. Develop right marketing mixed/strategies

CHAPTER II

LITERATURE REVIEWS & PROPOSED FRAMEWORKS

In this chapter, we will discuss the literature in consumer behavior, basic knowledge about insurance.

2.1 Theoretical Foundation

Consumer behavior

Definition of consumer behavior, Frank Kardes defines as a study of human response to product, services, and marketing of these product and services (Kardes, 2002). Thongbai (1994) defines as reaction or expression of an individual is directly related to obtaining and using goods and services. Including pre-and post-use decisions (Thongbai, 1994). American Marketing Association (AMA) defines as an action, which affect knowledge and understanding the behavior and event man-made environment in exchange for the implementation of human life (Peter and Olsen 1990).

According to definition above can conclude as consumer behavior is an action or expression of consumer that related to decision to buy life insurance, by action or expression are consists of buy or not buy an life insurance.

In addition, Engle, Miniard and Blackwell (1993) define consumer behavior in term of marketing as mental and physical activity undertaken by consumer that result in decision and action to pay for or buy and use product and services. However, need and want are consists in behavior, need is un satisfactory conditions of the consumer that lead him or her to actions that will make the conditions better but wants is desires to obtain more satisfaction that is absolutely necessary to improve unsatisfactory conditions. Consumer behavior is a field that trying to understand what drive and influence behavior. Understand not only wants and needs, but also

motivation also how to catch their eyes and ears (sensation and perception). Motivation is to succeed in transaction of seller that motivate consumer to buy. To be good in motivation, have to know where, how, why customer buy or consume and also have to know product that what we are going to sell and how to sell it effectively.



Figure 2.1 Maslow's need

Refer to Maslow's need hierarchy by Saul McLeod (2007), based on the need is physical need such as health food, medicine. Followed by upper level is safety need such as insurance or burglar alarm. Then belongingness such as friendship and group acceptance, After that is esteem such as desire for status, feeling of useless and accomplishment. Top one is self-actualization that is a desire for self-fulfillment to become all that you can. At the safety level, insurance is a part of this that can insure life or asset for people to have safe and trust with their living.

Push Pull Strategy

How to make consumer want us, we would have to use "pull strategy", it is a strategy focused on communicating to end consumers to know the feeling, to have demand (Maglof). Communication used to communicate the emotions of a product or brand. And even consumers themselves that if they use such products or services will be great too. This strategy requires a relatively long time to make consumers aware of goods and services, this known as branding. If we can create this point, consumer will be demanding, asked for a product or service from a supplier itself. Supplier would order products or services we sell, to not to lose the opportunity to sell.

For the second, how the distribution channels help to sell your product or service apart from pull strategy as mentioned previously. A strategy is called push strategy, trying all means to promote the market through distribution channels. Typically, new products used this strategy because the company has relationships with distribution channels already. We just need a promotion to inviting them to sell our products. For example, if we look at mobile phone store is strange that the factory in China producing various mobile phones brands and sold in many store because importer company offer an incentives and undeniable such as the proportion of earnings margin or better longer credit term or sometimes as consignment. And another example in the engine oil, if you buy a certain amount of oil, receives an extra liter for free. However the most important for this strategy is to manage relationships with distributors. If you build a good relationship then you will have a long tail of selling period with this.

According to theory above, life insurance is used both pull and push strategy but mostly are pull strategy such as government policy that reduce tax for the one who purchase life insurance that make consumer want to buy a life insurance or even show advertise that nowadays medical expense are more expensive and also the disease that hardly to cure are increasing, then health insurance that pack with life insurance will help consumer to reduce those expense and make a trust of consumer that when they sick they still have emergency money to cure.

Basic knowledge about Insurance

According to past research, using the right marketing will accelerate target consumers purchase decisions (William and Hein, 1989). As well as the study of Jerome (1994) found that the image of insurance companies, the variety of services, the firm would influence the decision to purchase life insurance as well. For the cost of insurance premiums, insurance company does not provide a significant competitive rate on insurance premiums. Due to the maturity of the life insurance premium rates cannot be determined freely under the control of the Department of Insurance. Competition of insurance companies it focuses on the development channels of distribution, promotion, advertising, and public relations. This will be good practice for expansion of the business over.

As mentioned above, there are many factors that affect purchasing decisions. Life insurance is different for each individual. Such differences should be performing additional studies to understand cause and affect purchase of insurance. It also features some of the behavior issues is the relationship marketing and the corporate image. Affecting the decision to purchase life insurance, which also covers the study of the distribution of samples across all regions of Thailand. Combined with statistical data on the life insurance business in foreign countries may not be adapted to all countries because of differences in the basis of demographic characteristics, basic social cultural and economic basis (Thai Reinsurance, 2545).

According above, the study of consumer behavior (Consumer behavior model) to help understand the motive cause a purchase decision (Kotler and Armstorg, 2004) on the grounds that consumer behavior is changing according to the environment over the data. Consumers have learned in the past may have changed. To study the factors that influence buying decisions. Consumer is the most important. That will lead to a better understanding of consumer behavior and decision-making criteria. Buying Life Insurance because life insurance is a service that customers have a high threshold therefore providing consumers with buying decisions is complex. And use a variety of criteria in purchasing decisions to reduce the risk of their decisions.

2.2 Proposed Framework

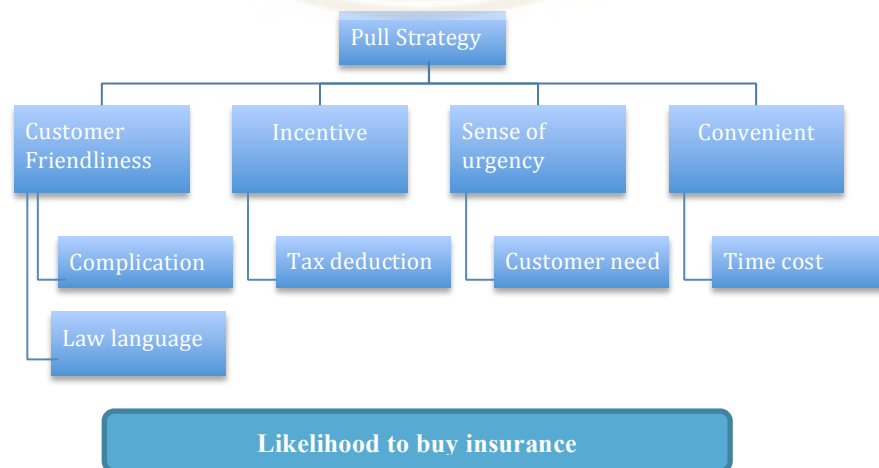


Figure 2.2 Framework

According to the above literature, building upon Maslow's need hierarchy and pull strategy, we hypothesized that following factors may have an impact on customer perception of life insurance business.

Consumer Friendliness

As life insurance has a large number of documents that consumer have to read, sign and answer, consumer tend to not to read the document but receive information from agent only to make it easier but that might lead to disinformation from text to speech.

Incentives

In Thailand, if you have more income it is means more tax you have to pay the government. Many people use life insurance to be a tax deduction method. Currently, the government is trying to reduce the tax burden to the people who worked. And changes in tax laws on the subject of the insurance deductible amount, which the taxpayer is eligible for life insurance and the ability to pay premiums will got the reductions of up to 50, 000 baht from previously granted only 10, 000 baht per year.

Sense of urgency/Consumer needs

People are aware of emergency and try to make them safety. They aware of the emergency and did not want it to happen, but when those events happen, then it must have the support and problem solving to avoid problems or turned into a bigger problem. In some people, there is a demand from the experience. So prepare well protected to avoid and support emergency problem as well.

Convenience

Buying Life Insurance, if you are comfortable in buying will have the opportunity to buy more in terms of travel, time and place. In term of travel if consumer have to travel to the insurance company to make a payment or sign the contract it tend to consumer willingness will decrease because of how difficult of travel. Another is time, time is has to be consumer convenience that should not in the

office hour that consumer will busy with their work. Last is place, this should be the place that customer feel relax and comfortable to talk and discuss about product.



CHAPTER III

METHODOLOGY

Research Setting

Insurance Industry, this industry has potential to growth because of many people did not aware of how important of life insurance. That lead to the question that what factor impact consumer to buy a life insurance.

Sample & Data Collection

This study use qualitative research approach. Specifically, in-depth interview for this research need deep information from each consumer.

The population in this study is a population in Bangkok aged 20 - 60 years. Bangkok has a total population of 7.98 million people (institute of population and social, Mahidol university, 2557).

Sampling size: 10 respondents

1. Consumer who has life insurance
2. Has experience with life insurance sale or telesales

Interview Questions

Basic information

- Sex, Age, Occupation, Income, Education, Marital status

Customer Friendliness

1. Life insurance documents are too much?
2. How long you prepare document to apply Life insurance?
3. How long you type or write the application of Life insurance?
4. Did you recheck the documents and details?
5. Complication of the process effect buying decision? How?

6. Language in the documents is easy to understand?
7. Law language in the documents is easy to understand or have to translate?
8. Is number of Law language in the documents are too much or too less or it is ok?
9. Law language in the documents affects your Life insurance buying decision? How?

Incentive

10. What is your purpose to buy Life insurance? Is it about tax deduction? Enough? Worth?

Sense of Urgency/Customer needs

11. What you got from Life insurance except Tax deduction?
12. Except from Tax deduction, is it for emergency?
13. In case of emergency, how Life insurance can help you?
14. If you not buy Life insurance for emergency, what is your purpose?

Convenient

15. Which channel you bought Life insurance?
16. Where you found information of Life insurance?
17. Where you most heard about Life insurance?
18. What do you think about sell Life insurance on the phone?
19. If we have online Life insurance that let customer to buy online, what do you think? Why? Will you use?
20. Easiness of buying Life insurance effect to your decision to buy? How?
21. You think that other people buy life insurance for any reason?
22. What do you think about image of Life insurance industry?
23. If government required that every people have to have a Life insurance, what do you think?

CHAPTER IV

RESULTS

This thematic paper is use qualitative method by interview 10 interviewee who has bought Life insurance in the past not more than 1 year. The question focus on four factors that is consumer friendliness, incentive, sense of urgency, convenience that effect consumer behavior to buy Life insurance. In this chapter will use the result from interview to analyze effect of these factor that impact consumer to purchase a Life insurance.

Respondents are 5 male and 5 female, most are age between 31-40 for 6 person and followed by age 26-30 for 3 person and a few 41-60, according to the interviewee list that no one age between 18-25, these people are in the middle age that trying to make money and saving for their family life.

Age, is a factor that makes people different thinking and behavior, also the different difficulties in persuasive, higher age had less persuasive than and also generation make people experiences are difference need and thought such as middle aged think about safety, asset and health.

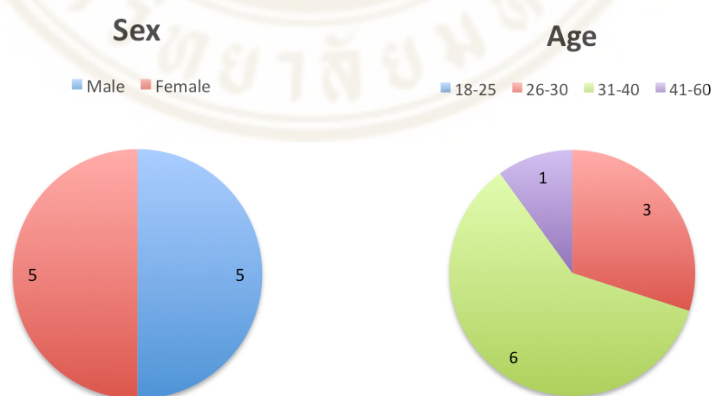


Figure 4.1 Sex and

For the income, 3 people are in the middle range (25,001-35,000 bath) followed by minimum income (15,000-25,000 bath) and medium to high income at (35,001-45,000 bath) and only one high income. Also the education, bachelor degree are 7 person more than master degree that just 3 person.

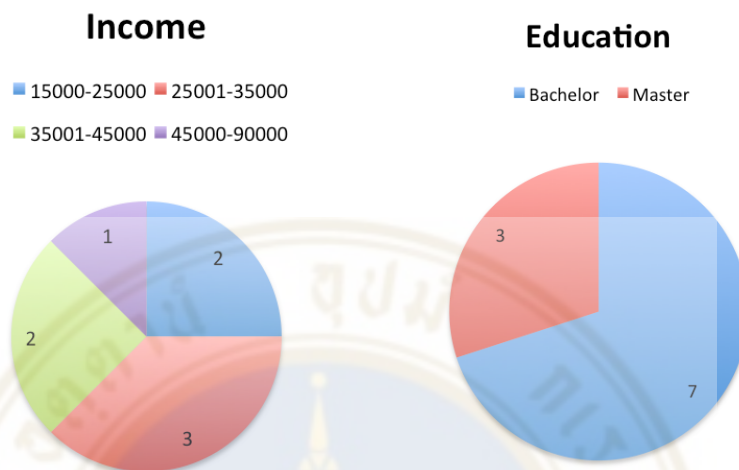


Figure 4.2 Income and

After interview these are four factors found

Factor 1: Customer Friendliness

This part can separate in to two parts, as the first one is a number of documents and second one is language in the documents, these two factors are effect to Life insurance buyer behavior.

Complication and Friendliness in the documents and process is the starting point of the process that effect to customer decision to buy or not to buy. If these step are complex or too many step, customer will make decision to not buy or leave.

Interview question ask them about documents contents, start with the number of documents then about the language, these two factors are related to buying decision of consumer of Life insurance. In addition, number of document also include timing question that ask about how long they have to prepare the document or application to provide to the insurance company.

What I found in the interview is, 7 out of 10 people said that the documents that they have to read, sign, and review are too much and they doesn't want to read along those documents. However, 3 person that told me there is not much document, they provide information that they buy the insurance with the bank or credit card company that they already have information, this is just one click or a few conversation to buy a life insurance from bank or credit card company that is very easy for them, they said the process is listen to the agent at the bank or on the phone, every thing are recorded, what we doubt we can ask immediately and just say confirm on the phone or sign printed document at bank, process is easy!.

Banassurance is means to purchase Life insurance via bank that was granted as a Life insurance agent. This channel is making Life insurance purchase easier and people are trusted by the bank name. Normally people trust in bank because they also deposit their money in the bank as well, also do the credit card and other, from past there is less economy problem by the bank and depend on user experience with the bank service that can make customer decision easier with the bank they trust. According to Field (2007) study, Banassurance in USA found that, customer who purchase Life insurance from bank are 1) Trust and relationship with the bank in finance supervision. 2) Ease of travel and communication 3) Acceptance of financial products easily 4) Trust in the skills of employees 5) Using bank services.

According to customer friendliness hypothesis, it is support the hypothesis due to the customer behavior theory that normally people doesn't want to read a long documents, people just focus to the important point that they think or agent mention them to look at it.

Table 4.1 Result from

Interviewee	1. Too much documents?	2. Takes time to prepare documents?	3. Takes time to write the application?	4. Recheck the application?
1	Too much, doesn't want to read	Long time, depend on emotion	Yes, self fills	No
2	Not much, just use from credit card data	Not long	No, agent fills	1 time
3	Too much	2 Days	No, self fills, its easy	1 time
4	Too much	Too lazy, if I want I will do it	Need agent to help fill documents, just sign, lazy	Roughly 1 time
5	Too much	Long time	Yes	Check at the beginning part then skip because it is a lot
6	Too much	Long time, Didn't stayed at home, If not busy I will	Yes, have to read word by word	1 time
7	Not much	Not long, I have prepared documents	Yes	2 times
8	Too much	2 Days	Complicated	Check only what I fills not the condition
9	Too much	Long time, Too complicate tend to does not want to do	Yes, lot to fills	2 times
10	Not much, just id, home, book bank	Not long	No, don't have to fill form	Check when insurance documents home

Table 4.2 Result from

Interviewee	5. Complexity of the procedure affects buying decisions?	6. Easy to understand language ?	7. Legal language in the document must be interpreted?	8. Legal language in the document too much or fit?	9. Legal language in the document affecting the purchase decision?
1	If too complex will not apply	Easy, I prepared	Yes, not understand at all but not hard to try	Enough, be circumspect	No, keep try
2	Yes, if too complex will not buy	Hard	Yes	Too much	Yes
3	Yes, need agent to explain	Easy	Yes	Enough	Yes, some, let agent help
4	Yes, I am easy people if too complex will not buy	Hard	Yes	Too much	No but hard to understand, did not read just apply, if any mistake is my unlucky
5	Yes, if too complex will not buy	Hard	Yes	Too much	Yes, some, try to understand
6	Yes	Hard	Yes	Too much, don't understand	Yes, confuse, not understand then not buy
7	Yes, some	Easy	Yes, repeated read	Too much	Yes, repeatedly read, boring, not understand
8	Yes, if too complex will not buy	Easy	Yes, hard to understand	Too much	Yes, complex condition make me confuse and curious
9	Yes, but I will buy it anyway because I need it.	Easy	Yes, repeated read and ask agent	Enough, be circumspect but if have description will be better	Yes, try to understand, if not will ask
10	Yes, but mine is easy then don't have to think much	Easy	No, I have studied law before	For me it is ok but for other is not	Yes

Factor 2: Incentive

According to incentive, a reason that motivate people to purchase Life insurance has many reasons but there is 3 main reasons are 1) tax deduction 2) saving 3) health, these 3 main are the benefits that customer will get when they purchase Life insurance and pay premiums along the contract.

Due to the government policy that let person who bought Life insurance can use premiums for the tax reductions of up to 50, 000 baht from previously granted only 10, 000 baht per year. This policy can attract people to purchase Life insurance and increase growth ability of this business. What I predict is most people bought Life insurance because of tax deduction as a main reason.

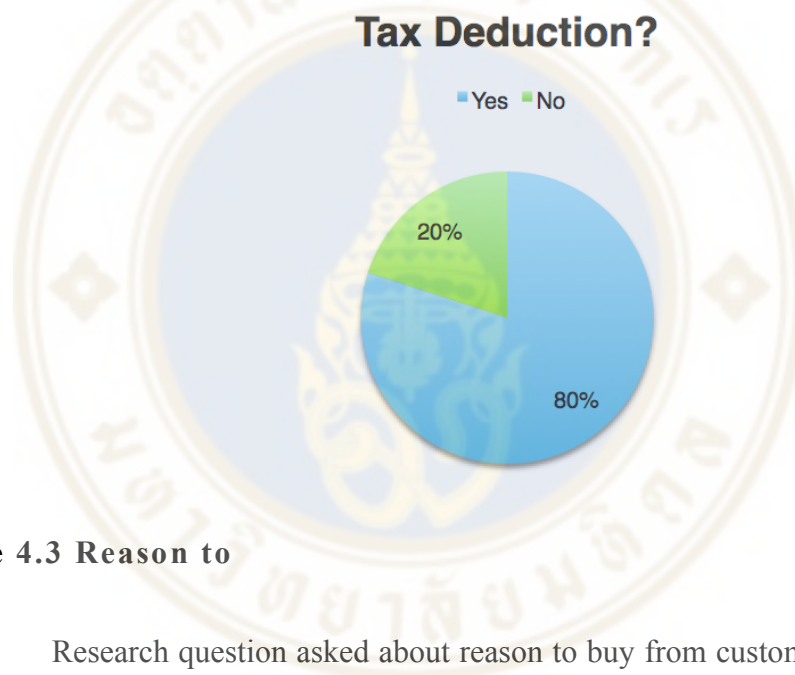


Figure 4.3 Reason to

Research question asked about reason to buy from customer, this question is to check that what is the main purpose to buy Life insurance

From interview I found that 8 of 10 people are use Life insurance for Tax deduction for the main purpose and they told that it is worth for their tax expense. Thus, other 2 people said that they focus on protection more than tax deduction, they prefer saving and health reasons than tax deduction because there is another method to use for tax deduction such as LTF (long term fund) and RMF (retirement mutual fund)

According to the result, show that the support of hypothesis of incentive, most of consumer are concern about tax that have to pay to government in every year,

there is many way to reduce this cost and purchase Life insurance is one of the method that consumer used to.

Factor 3: Sense of Urgency

In the hierarchy of need, safety is a part of the hierarchy that safety is the important thing in human life because people are aware of emergency and try to make them safety as possible. Even they prevent themselves from unwanted situation but there still have an accident or emergency situation happen and if there have anyway to support it would be better than nothing.

According to the question asked in the interview, start by asking for another purpose of buying Life insurance

What I found from interview result is, from tax deduction that is the main purpose of customer to purchase Life insurance there is another reason that interviewee said that it is also another reason, 5 of them said “health” because of Life insurance can have an health insurance include and this insurance can support them when illness by coverage medical expense. According from figure below, question 11 show that Health is the first reason after the Tax deduction reasons that costumers can think of for the second important. However, there are another reason that Life insurance provide is saving, normally Life insurance consumer will get money back at the end of contract plus interest. This interest also the benefit that customer used to be reason to buy a Life insurance as well. In addition, another interesting result that one of interviewee answers that Life insurance can be used for loan, this interviewee said, when need money in emergency she can loan money from insurance to use but not many people know because normally people will loan from bank first.

According to Maslow’s Need hierarchy that is the foundation of human need in the theory, this interview result show that need of interviewees are related with the hierarchy that safety were need by everyone.

Table 4.3 Result from question

Interviewee	11. What you got from Life insurance except Tax deduction?	12. Except from Tax deduction, is it for emergency?	13. In case of emergency, how Life insurance can help you?	14. If you not buy Life insurance for emergency, what is your purpose?
1	Complimentary	No	No	Saving
2	Protection	Yes	Medical expense	Saving
3	Nothing	No	no	Saving
4	Nothing	No	No	Medical expense, but never use
5	Health	Yes	If died is for who look after, Accident	Saving
6	Health	No	No	Medical expense
7	Nothing	No	Can loan	Saving
8	Health but never used	Yes	Medical expense	Medical expense
9	Health, not worth because use just only once a year	Yes	Medical expense	Saving
10	Saving, Health	Yes	Medical expense	Saving

Factor 4: Convenient

Time and place is the factor of convenience, buying Life Insurance when convenience is easier to make a decision than when consumer busy, if you are comfortable in term of time or place and have some willing to buy, these factor can make decision to buy easier.

From interview, question is started by ask for channel that customer buy insurance then ask about where customer gain information from and also ask about channel that customer mostly hear about insurance that make brand awareness to customer, next question is telesales to know customer opinion about sell insurance on the phone that many people doesn't like. For convenience, question 19 ask about online channel for future implement because nowadays is digital life and this interesting topic can be use further. Furthermore, also have question that ask opinion about image if insurance industry to know the opinion from customer about insurance industry from past to current that what their opinion are and another is situation that government policy to everyone must have Life insurance, this also ask opinion from customer as well.

What I found from interview is, 9 of 10 people bought Life insurance from agent and mostly they know the agent before or recommend from friends, this show the trust of customer to the agent that is mouth to mouth, recommend from friend has power more than other method because of pass experience from one to another. Thereby, customer got information about insurance from agent for 7 people and the rest are from friend and Internet, it is means that agent is the main channel to sell Life insurance and they also the person who gave detail information to customer. Despite, where customer heard about Life insurance most often is a television, just only one said that she heard from telephone more often than television. Moreover, telesales or sell Life insurance on the phone is the annoyed way to the customer, 9 of 10 people said they don't like and it is annoyed them, they feel like threaten.

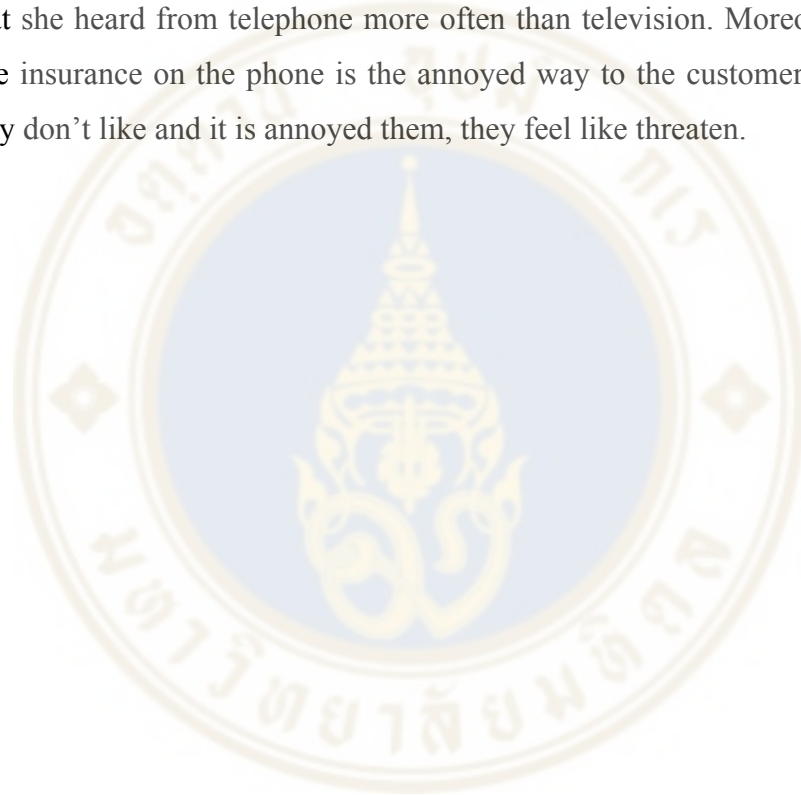


Table 4.4 Result from question

Interviewee	15. Which channel you bought Life insurance?	16. Where you found information of Life insurance?	17. Where you most heard about Life insurance?	18. What do you think about sell Life insurance on the phone?
1	Bank	Internet	TV	Don't like, Annoyed, If i need i will contact by self
2	Friend as an agent	Agent	TV	Don't like, Annoyed
3	Agent, friend recommend	Friend	TV	Direct sale better than telesales because that call when people busy
4	Agent, friend recommend	Agent and Friend	Telephone	Don't like, Annoyed
5	Agent, friend recommend	Agent	TV	Don't like, Annoyed, Where they get my number from
6	Agent, Always come to my office, easy to contact	Agent, if it is new company they have to advertise more	TV	Don't like, Now they try to make up relationship
7	Agent, friend recommend	Agent, Document	TV	Don't like, Annoyed, Where they get my number from
8	Agent	Friend	TV	Don't like, Annoyed, Credit card try to sell to me
9	Agent	Agent	TV	Don't like, Annoyed, Where they get my number from
10	Friend as an agent	Agent	TV	Don't like, scared of fake or fraud but if it is the brand I know might be ok, face to face is better but i am busy, call is ok.

In addition, to know how customer think about online purchasing, just only 3 out of 10 people don't like because they don't trust in security and scared of misunderstand. However, the other 7 people would like to use it because they don't like when having a pressure from agent to buy a Life insurance and they prefer this method than telesales. From above, related to the interview result about easiness of buying Life insurance that effect the decision, most people are need convenience and comfortable, these two factor can make customer purchase easier.

Table 4.5 Result from question

19. If we have online Life insurance that let customer to buy online, what do you think? Why? Will you use?	20. Easiness of buying Life insurance effect to your decision to buy? How?	21. You think that other people buy life insurance for any reason?	22. What do you think about image of Life insurance industry?	23. If government required that every people have to have a Life insurance, what do you think?
Don't like, Not save, Not clear, Won't use	No	Tax deduction	High of profits	Not good, Not every one have money to do
Convenience but will not use, I might not read carefully, Prefer face to face, Won't use	No	Tax deduction	Overall is ok, Focus in each company, Some is good some is not	Ok, if government backup but if private is not confident to buy, buy from government anyway
Convenience, Purchase whenever I need, Will use	Yes, Have to make fast decision	Tax deduction, Saving, Health	High competition, Many choice for customer	Looks that Government give anything from here to people.
Good, Read by my self, Don't have pressure, When I am free I will look., Will use	Yes, Most people don't like pressure, If I need i will buy	Tax deduction	Overall is ok, Focus in each company, Some is good some is not	Not effect to me because I have already, Good when people died will got money
Good but not sure about information safety, Don't have a pressure, Will use	Yes, like online that don't have pressure	Tax deduction, Health	Overall is ok, Focus in each company, Some is good some is not	Not good, why have to force
Good, Today is digital life, Will use	Yes	Tax deduction	Overall is ok, Focus in each company, Some is good some is not	Ok, have to look in conditions first
Good, But may less sales because people lazy to read, Won't use	Yes, but I have free time	Tax deduction, Saving	So so	Ok if low premiums
Not good, Have to read by myself might misunderstand, Won't use	Yes, Should not be office hour	Tax deduction, Saving	Not well, High pressure to customer	Ok good, Premiums will lower and get better medical treatment than.
Good, Slow read and try to understand, Will use	Yes, Should not be office hour and convenience place	Tax deduction	So so	OK good, the way to circulate money in the system
Good, Able to see the insurance online, Easy, Can read and check, Better than telesales, Will use	Yes, for inline I have to read by myself	Saving, Emergency, Considerate friend is an agent, I not lose anything it is saving and help friend	Change from past, Not a direct sale, Have benefit to me	Not good, for low salary, Its depend on which people are ready to buy and not every one can buy, Like social security that medical expense are not that good.

According to Convenience hypothesis, from result and conclusion above show that people are need convenience and comfortable in time, place, these two factor make customer make a decision easier.

CHAPTER V

DISCUSSION & CONCLUSION

This studies the factors that affect Life insurance purchasing behavior of the consumer aimed at studying the factors that affect individual behavior to buying Life Insurance.

According to demographic of 10 consumer that was interviewed, found that mostly age around 31-40 years old and most are office worker, their salary are about 25,000-35,000 bath per month, Bachelor degree and single.

From the interview result, there are related to the hypothesis that consist of 4 factors that effect consumer to buy a Life insurance. Most factor that effect consumer to buy Life insurance is incentive and for the least is protection or we know as the money when we died because this amount of money is not for them that pay the premiums but for who that look after them will got this money.

Distribution factors that affect consumer to buy Life insurance, agents maintain close relation to consumer, no need to travel far and place conveniently as well.

Contribution of your study

Consumer behaviors are different and depend on many factors, this research topic focuses on factor that attract consumer to buy a Life insurance. The result is support the study that people are aware of money they paid for tax that means they know how to reduce their tax in proper way and for safety is the protection that Life insurance offers to consumer that also include health insurance in some. By understand these factors will help to make Life insurance more accurate and more effective to the consumer need.

Managerial Implication & Suggestion

In this research are consists of many theory that related to insurance, marketing, consumer behavior, marketing channel that can be used to improve strategy of Life insurance business in Thailand, to do this project have to study many materials that's a insurance paper, business theory, even physiological theory but some may not related but it increase understandability of people like know another side of something we already know but different way. This research result is maintain understand of insurance industry that keep changing year by year.

Limitation

The limitation of this research are, sampling frame that is very narrow, mostly they are in the same age range but the person who different age range also gave a different result that is good but if can have more it would be better. Number of interviewee is another limitation because for 7-week research that cannot find a large number of interviewee to do an interview. This research may focus only a Bangkok people due to my life are in Bangkok so it does not cover all our country as well.

In addition, the limitation of theory as well that limit the study, due to Life insurance that in Thailand, in the past Life insurance is something that people try to stay away because they do not understand what is the benefit and may be because of the agent that did not make a clear statement to customer tend to create misunderstand and word are spread that it is not good, so to improve trust is hardly to do, some interviewee that I go to ask scared that I am an agent and going to sell Life insurance to them or not.

Future Research

This is a study of factors that affect Life insurance purchasing behavior of consumers in Bangkok. To give good results from this topic of study suggest that,

1. Since the study is a interview-oriented research, if want to use the results, to use in-depth in market research studies should include quantitative information by do a survey to consumers for provide more accurate result of the needs and behavior of consumers.

2. Should be studied further in the field of strategic management, marketing affects consumer behavior for the resulting to deliver the results as a guide in planning the marketing strategy of the company.
3. Should study the behavior of customers in each company to understand the behavior of consumers literally.



Table 4.1 Result from

Interviewee	1. Too much documents?	2. Takes time to prepare documents?	3. Takes time to write the application?	4. Recheck the application?
1	Too much, doesn't want to read	Long time, depend on emotion	Yes, self fills	No
2	Not much, just use from credit card data	Not long	No, agent fills	1 time
3	Too much	2 Days	No, self fills, its easy	1 time
4	Too much	Too lazy, if I want I will do it	Need agent to help fill documents, just sign, lazy	Roughly 1 time
5	Too much	Long time	Yes	Check at the beginning part then skip because it is a lot
6	Too much	Long time, Didn't stayed at home, If not busy I will	Yes, have to read word by word	1 time
7	Not much	Not long, I have prepared documents	Yes	2 times
8	Too much	2 Days	Complicated	Check only what I fills not the condition
9	Too much	Long time, Too complicate tend to does not want to do	Yes, lot to fills	2 times
10	Not much, just id, home, book bank	Not long	No, don't have to fill form	Check when insurance documents home

Table 4.2 Result from

Interviewee	5. Complexity of the procedure affects buying decisions?	6. Easy to understand language ?	7. Legal language in the document must be interpreted?	8. Legal language in the document too much or fit?	9. Legal language in the document affecting the purchase decision?
1	If too complex will not apply	Easy, I prepared	Yes, not understand at all but not hard to try	Enough, be circumspect	No, keep try
2	Yes, if too complex will not buy	Hard	Yes	Too much	Yes
3	Yes, need agent to explain	Easy	Yes	Enough	Yes, some, let agent help
4	Yes, I am easy people if too complex will not buy	Hard	Yes	Too much	No but hard to understand, did not read just apply, if any mistake is my unlucky
5	Yes, if too complex will not buy	Hard	Yes	Too much	Yes, some, try to understand
6	Yes	Hard	Yes	Too much, don't understand	Yes, confuse, not understand then not buy
7	Yes, some	Easy	Yes, repeated read	Too much	Yes, repeatedly read, boring, not understand
8	Yes, if too complex will not buy	Easy	Yes, hard to understand	Too much	Yes, complex condition make me confuse and curious
9	Yes, but I will buy it anyway because I need it.	Easy	Yes, repeated read and ask agent	Enough, be circumspect but if have description will be better	Yes, try to understand, if not will ask
10	Yes, but mine is easy then don't have to think much	Easy	No, I have studied law before	For me it is ok but for other is not	Yes

Table 4.3 Result from question

Interviewee	11. What you got from Life insurance except Tax deduction?	12. Except from Tax deduction, is it for emergency?	13. In case of emergency, how Life insurance can help you?	14. If you not buy Life insurance for emergency, what is your purpose?
1	Complimentary	No	No	Saving
2	Protection	Yes	Medical expense	Saving
3	Nothing	No	no	Saving
4	Nothing	No	No	Medical expense, but never use
5	Health	Yes	If died is for who look after, Accident	Saving
6	Health	No	No	Medical expense
7	Nothing	No	Can loan	Saving
8	Health but never used	Yes	Medical expense	Medical expense
9	Health, not worth because use just only once a year	Yes	Medical expense	Saving
10	Saving, Health	Yes	Medical expense	Saving

Table 4.4 Result from question

Interviewee	15. Which channel you bought Life insurance?	16. Where you found information of Life insurance?	17. Where you most heard about Life insurance?	18. What do you think about sell Life insurance on the phone?
1	Bank	Internet	TV	Don't like, Annoyed, If i need i will contact by self
2	Friend as an agent	Agent	TV	Don't like, Annoyed
3	Agent, friend recommend	Friend	TV	Direct sale better than telesales because that call when people busy
4	Agent, friend recommend	Agent and Friend	Telephone	Don't like, Annoyed
5	Agent, friend recommend	Agent	TV	Don't like, Annoyed, Where they get my number from
6	Agent, Always come to my office, easy to contact	Agent, if it is new company they have to advertise more	TV	Don't like, Now they try to make up relationship
7	Agent, friend recommend	Agent, Document	TV	Don't like, Annoyed, Where they get my number from
8	Agent	Friend	TV	Don't like, Annoyed, Credit card try to sell to me
9	Agent	Agent	TV	Don't like, Annoyed, Where they get my number from
10	Friend as an agent	Agent	TV	Don't like, scared of fake or fraud but if it is the brand I know might be ok, face to face is better but i am busy, call is ok.

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Don't like, Not save, Not clear, Won't use	No	Tax deduction	High of profits	Not good, Not every one have money to do
Convenience but will not use, I might not read carefully, Prefer face to face, Won't use	No	Tax deduction	Overall is ok, Focus in each company, Some is good some is not	Ok, if government backup but if private is not confident to buy, buy from government anyway
Convenience, Purchase whenever I need, Will use	Yes, Have to make fast decision	Tax deduction, Saving, Health	High competition, Many choice for customer	Looks that Government give anything from here to people.
Good, Read by my self, Don't have pressure, When I am free I will look., Will use	Yes, Most people don't like pressure, If I need i will buy	Tax deduction	Overall is ok, Focus in each company, Some is good some is not	Not effect to me because I have already, Good when people died will got money
Good but not sure about information safety, Don't have a pressure, Will use	Yes, like online that don't have pressure	Tax deduction, Health	Overall is ok, Focus in each company, Some is good some is not	Not good, why have to force
Good, Today is digital life, Will use	Yes	Tax deduction	Overall is ok, Focus in each company, Some is good some is not	Ok, have to look in conditions first
Good, But may less sales because people lazy to read, Won't use	Yes, but I have free time	Tax deduction, Saving	So so	Ok if low premiums
Not good, Have to read by myself might misunderstand, Won't use	Yes, Should not be office hour	Tax deduction, Saving	Not well, High pressure to customer	Ok good, Premiums will lower and get better medical treatment than.
Good, Slow read and try to understand, Will use	Yes, Should not be office hour and convenience place	Tax deduction	So so	OK good, the way to circulate money in the system
Good, Able to see the insurance online, Easy, Can read and check, Better than telesales, Will use	Yes, for inline I have to read by myself	Saving, Emergency, Considerate friend because friend is an agent, I not lose anything it is saving and help friend	Change from past, Not a direct sale, Have benefit to me	Not good, for low salary, Its depend on which people are ready to buy and not every one can buy, Like social security that medical expense are not that good.

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