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CUSTOMER ATTITUDE TOWARDS
LIFE INSURANCE SECTOR

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CUSTOMER ATTITUDE TOWARDS LIFE INSURANCE SECTOR

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ABSTRACT

This is the study 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 collected data are identified through the use of 5-point Likert scale rating method in order to find out the level of customer attitude. 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 buy the policy because they want agents are well informed about the policy, terms and conditions. The respondents like to buy the policy from which company has connectivity with banks. The existing products are being reviewed and modified to attract the customers. Claims compensation process to be smooth and speed up it by reducing some of document/forms requirements.

Its need to deliver efficient and prompt customer services. Moreover, life insurance companies should create more products such as universal life insurance policy, annuity policy, superannuation policy, Gratuity policy, Employees' Deposit Linked Insurance policy and Education Endowment policy.

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CHAPTER (1)

INTRODUCTION

Insurance sector is now growing rapidly all over the world. The insurance industry is becoming a key position in world economy and playing a significant role to cover the life and business risks. The insurance service can be described as a product in the form of written legal contract between the insured and the insurer, plus the bundle of services connected with it. Insurance is a unique in relation to different services as it is difficult and future contingent service involve significant legal features. Life Insurance companies provide an extensive variety of functions such as promotional marketing, formulating the contract and policy, selling, underwriting, claim and different services. Depending on the service which received by the customer, their attitude is reflex to the business. Customer attitudes are a composite of a person's beliefs about, feelings about, and behavioral intentions toward the business. Based in experience, understanding customer attitudes can help the business to monitor and change their intentions about doing business. Attitudes are generally considered as judgements and these are results of either direct experience of the social environment or through observations. So, attitude can be considered as a hypothetical construct, which represents degree of liking or disliking of an individual towards an object. Attitude is composed of beliefs about the consequences of performing the behavior and an evaluation of how the consumer will feel about those consequences.

Attitude may be defined as an enduring organization of motivational, perceptual, emotional and cognitive process with respect to some aspect of our environment. Whereas in the context of consumer attitude is a learned predisposition to behave in a consistently favorable or unfavorable way with respect to a given object. An attitude is an evaluation of an attitude object, ranging from extremely negative to extremely positive. Most contemporary perspectives on attitudes permit that people can also be conflicted or ambivalent toward an object by simultaneously holding both positive and negative attitudes toward the same object. Various attributes and benefits of the product brands affect the attitudes of the consumers towards these product brands. Consumers have their own different backgrounds. They may have different needs, wants and demands according to their social and cultural life.

In Myanmar, in terms of cultural and other aspects, so insurance service providers need different strategies to provide the needs of different consumers in the insurance market. The dimension of life insurance is changing rapidly due to deregulation, technological innovation and globalization.

Nowadays, the world is full of competition it has become imperative for business owners to understand their target customers. Furthermore, customer retention is a key task of the business in order to maintain its success. Business should focus on customer attitude towards their products and services to attract new customers and to maintain their clients for long term. Business must find out for knowing what the customer wants is a necessity of business and getting that information is required to fully understand where a business should focus its energy.

1.1 Rationale of the Study

Life insurance plays a key in promoting the socio-economic development of modern economy. It is a contract policy where an insurance company promises to pay benefit on the death of the person whose life is insured. However, there is a problem related to insurance industries, which life insurance penetration is very less comparing with neighbor countries and people are not aware to take the insurance covers on their risks.

Life insurance is important, but many people choose to ignore the reality of what would happen if they were to die suddenly without the proper protection. The results could be devastating for their surviving family members, leaving them with a large bill for final expenses, or even worse, loss of the family home because they can no longer cover the mortgage.

Before opening the sector to private insurers, it was felt that low levels of insurance penetration were due to ineffective market strategies and weak in public awareness. The attitude towards the life insurance is very low interest. The Myanmar insurance industry has the question that provide quality service like any other service organization, in order to satisfy its customer during competition for market share with its numerous local competitors. Competitive advantage is an organization's ability to perform in one or more ways that competitors will not and cannot match (Kotler, 2000) and is realized by the organization's marketing strategy, the implementation of this strategy and the context in which competition unfolds. By understanding how your customers perceive their

expectation with experience with your organization, you can identify key contact points in the organization and develop standards for those points of contact. In order to develop the life insurance market, companies need to know the influence of consumer attitude on buying life insurance policy and need to try to get people awareness, built trust and loyalty and understanding of insurance from the general public. There may be significant gap on consumer perception of life insurance products between customer and insurer's side. By knowing customer attitude on the products and services provide by insurers, insurers can modify existing products and extend new products and services to develop the life insurance sector of Myanmar.

1.2 Objectives of the study

There are two major objectives of the study as below:

- 1) To identify the current conditions of life insurance sectors
- 2) To analyze the customer attitude towards life insurance sector

1.3 Method and Scope of the study

This study focuses on customer attitudes towards life insurance sector in Myanmar. This study is conducted on customers from life insurance policy holder of local insurance companies by simple random sampling method. The study used descriptive research method and tri-component attitude model. Data collection was done through both primary and secondary sources. For primary data, it was collected by structural questionnaire surveys. Structural questions were distributed online and data was collected for 100 respondents. Secondary data was compiled from many sources such as data from the previously collected and announced data/reports of insurance companies' websites, research papers, text book, etc.

1.4 Organization of the Study

This study is organized into five chapters. Chapter one is included the introduction, rationale of the study, objective of the study, scope and method of the study and organization of the study. Chapter two presented nature and characteristics of insurance, performance measurement, theoretical background of customer attitudes and linking. Chapter three includes the Myanmar Insurance Industry, elements of insurance market, insurance products. Chapter four is the analysis on the customer attitudes towards life

insurance. Chapter five describes conclusions, findings, suggestions and the need for further study.

Chapter (2)

Literature Review

In this chapter, the study is described in the following about definition of service, nature and characteristics of service, concept of customer attitudes, theory background of three-component attitude model.

2.1 Definition of services

In simple words, services are deeds, processes, and performances. But, the increasing interest in the services sector has been accompanied by considerable disagreement and debate as to what constitutes a service and whether service marketing is a distinctive subject area. In order to develop clarity on service as a concept, it is desirable to look at the way various researchers and scholars have defined it over the years. One of the first to define services was the American Marketing Association which as early as in 1960 defined services as “activities, benefits, or satisfactions which are offered for sale, or provided in connection with the sale of goods”. This definition took a very limited view of services as it proposed that services are offered only in connection with the sale of goods.

Kotler and Bloom in 1984, defined service as, “any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product”.

Gronroos defined a service as “an activity or series of activities of more or less intangible nature that normally, not necessarily, take place in interactions between the customer and service employees and/or physical resources or goods and/or systems of the service provider, which are provided as solution to customer problems”. Therefore, service is an activity or series of activities rather than things which has some element of intangibility associated with it, which involves some interaction between the customer and the service provider and does not result in a transfer of ownership.

2.1.1 Nature and characteristic of services

Financial services, health care services, transportation, entertainment, marketing, travel etc. are the service provider business to their customers. In a service business, service rendering is an important factor for the business organization. Only when business provides good quality service, they can maintain their business's success for long run.

In addition, with increasing customer, business can increase their profit and good reputation in the industry. At present, service rendering businesses are increasingly day to day. In the same industry, businesses need to give better service to the customers in order to compete with other. Customers love to stay with companies that provide them with as many positive messages and experiences as possible. Service therefore, plays an important factor in bringing success to the business organization.

2.2 Concept of attitudes and behavior

According to Kretch and Crutchfield and Ballachey (1962), attitudes have an adoptive significance in that they represent a fundamental psychological link between a person's ability to perceive feel and learn while giving order and meaning to his continuing experience in a complex social environment.

According to Rosnow and Robinson (1967), the term attitude denotes the organization in an individual of his feelings, beliefs and predispositions to behave as he does. According to them, attitude is a learned predisposition to respond in a consistently favourable or unfavourable manner with respect to a given object. This definition, thus, emphasizes the view that attitudes are fundamentally evaluations of a particular person, group, their actions and objects, situations etc.

Behavior is the actions and mannerisms made by individuals, organisms, systems or artificial entities in conjunction with themselves or their environment, which includes the other systems or organisms around as well as the physical environment. The term 'behavior' can be described as the way of conducting oneself. It is the manner of acting or controlling oneself towards other people. It is the range of actions, responses, and mannerisms set by an individual, system or organization in association with themselves or their environment, in any circumstances.

In Psychology, behavior consists of an organism's external reactions to its environment. Behavior may be adapted according to positive or negative reinforcements from the organism's environment or according to self-directed intentions.

Attitudes give a direction to one's behavior and actions. Because of a particular positive attitude, the organism either approaches it or because of a negative attitude avoids it. A positive attitude will strengthen the behavior and help in its continuance. Conversely, a negative attitude will make the response weak and finally lead to avoidance behavior.

Factors affecting attitudes: Attitudes can be influenced by social factors, direct instruction, family, prejudices, personal experience, media, educational and religious institutions and physical factors. All or any of these factors can shape and impact upon consumer behavior. Attitudes are expected to change as a function of experience. Anything that shape or has an attitude is termed as an attitude object.

Functions of Attitudes: The following are functions of attitudes.

- Adjustment Function - Attitudes supports people to adjust to different situations and circumstances.
- Ego Defensive Function – Attitudes are formed to protect the ego. People are bothered about our self-esteem and image so the product boosting our ego is the target of such a kind of attitude.
- Value Expression Function – Attitudes usually represent the values the individual possess. We gain values, though our upbringing and training. Our value system encourages or discourages us to buy certain products.
- Knowledge Function – Individuals seeks knowledge and information continuously. When an individual gets information about a particular product, he creates and modifies his attitude towards that product.

Consumers have attitudes toward a wide range of attitude objects from very product specific behaviors (e.g. based on the product brands) to more general consumption related behavior (e.g. habitual or need of customers). People determine or chose different services based on their attitudes towards that service.

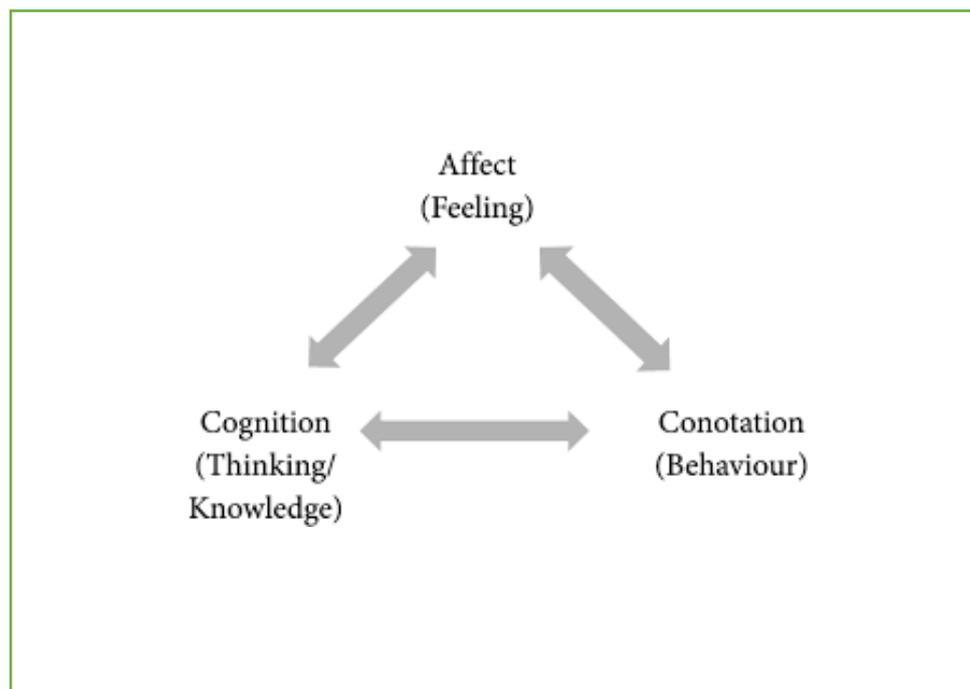
The desire to understand consumer attitudes and their relationship with consumer buying behaviour has motivated psychologists to come up with models or theories that capture the underlying dimensions of attitudes (Schiffman & Kanuk, 2004:256). As noted by Arnould et al. (2002:459), attitude models explain how a consumer processes information that influence the choice processes. Included in the consumer information process are cognitions and emotions.

Prominent consumer attitude models or theories discussed in literature include the Tri-component attitude model, hierarchy of effects model, attitude toward object model, attitude toward behaviour model, theory of reasoned action and the theory of planned behaviour. These models provide different perspectives on the attitude components and how these components are related. However, the Tri-component attitude model is the basic model of consumer attitude (Blythe, 2008:146-147; Assael, 2004:216-218; Schiffman & Kanuk, 2004:260; Arnould et al., 2002:462-464; Solomon, 2002:200; Verbeke, 2000:526; Conner & Armitage, 1998:1429).

2.3 Tri-component Attitude Model

The Tri-component attitude model stipulates that attitudes consist of three major components, namely cognition, affect and conation (Assael, 2004:216; Schiffman & Kanuk, 2004:256; Solomon, 2002:200) as illustrated in Figure (2.1)

Figure (2.1) ABC or Tri-Component Model Structure



Source: Solomon 2013

Affective (Feeling) Component:

The feeling or the affect component comprises the emotional component of attitudes. In fact, this is understood to be the attitude itself, as it depicts emotional states

that are positive, neutral or negative. In marketing terms, it refers to a consumer's feelings about a product/service offering and the marketing mix. These emotions could relate to an attribute or the overall object. It is evaluative in nature and would vary on a continuum as like or dislike, favorableness or unfavorableness. It manifests itself through feelings and resultant expressions like happiness, sadness, anger, surprise etc., and is indicative of consumer reaction towards the offering and the mix, which subsequently affects the purchase decision making as well as the purchase process. Such reactions and resultant states also get stored in our memory. Their retrieval recalls and recollection also impacts future decision making. Positive affect has potential to improve creative thinking and negative affect lead to narrow thinking and has the potential to adversely affect on decision making.

Behavior (Conative) Component:

The behavioral or the conative component of attitudes depicts the outcome of an attitude. As attitudes are formed out of psychographic components, they cannot be seen. The first two components, knowledge and feeling are not expressive or illustrative of attitudes. It is only this third component through which attitudes can be inferred. The conative component is indicative of an individual's tendency to behave [act or not to act (to buy or not to buy)] in a particular manner with respect to the attitude object (product/service offering, brand etc.). The knowledge and the feeling component cannot be seen, they can only be inferred; it is only the behavioral component which can be observed. Understanding human behavior lies in understanding the feelings that underlie and produce behavior.

Cognitive Component:

The cognitive component or knowledge comprises the cognitive processes that lead to the formation of attitudes. In the Tri-component model, the cognitive component or knowledge is about the products and services. Consumer attitudes are formed on the basis of experiences as well as information received from personal (word of mouth, family, friends, peers etc.) as well as impersonal (marketer's sources) sources of information that are retained in one's memory. These get shaped by beliefs and opinions, where the consumer begins to perceive that the attitude object (person, situation or thing) possesses certain attributes and acts of behavior would lead to outcomes. The beliefs and opinions

get repeatedly strengthened, and finally give rise to attitudes. This knowledge component leads to the emotional component.

2.4 Previous Studies

The concept of structure begins with one's conceptualization of attitude. Attitudes have usually been defined as relatively general and enduring evaluations of objects. Some attitude theorists have proposed that attitudes be thought of as object-evaluation associations (e.g., Fazio, 1995, 2007). That is, an attitude can be viewed as a simple two-node semantic network, with one node representing the object, the second node the global evaluation of the object, and the link between the two nodes representing the strength of the association.

Attitude theorists have also postulated that people's object-evaluation associations (attitudes) will often be linked in memory to other knowledge structures (see Dalege, Borsboom, van Harreveld, van den Berg, Conner, & van der Maas, 2016; Eagly & Chaiken, 1998; Fabrigar et al., 2005; Fabrigar & Wegener, 2010). For instance, such linked knowledge structures might include specific attributes or emotional responses linked to the object as well as to the general evaluation of the object (e.g., see Zanna & Rempel, 1988). These knowledge structures could also include functions served by the attitude (e.g., Murray, Haddock, & Zanna, 1996) or metacognitions (i.e., people's beliefs regarding their own thoughts or thought processes) "tagging" the evaluation as relatively valid or invalid (e.g., Petty, Briñol, & DeMarree, 2007). Thus, attitude structure can be viewed as an object-evaluation association and the knowledge structures linked to it in memory. The term attitude structure is usually used to refer to various properties reflecting (a) the content of the knowledge structures associated with the attitude, (b) the number of knowledge structures associated with the attitude, (c) the strength of the associative links making up the attitude and its related knowledge structures, and (d) the pattern and number of associative links among the attitude and its related knowledge structures (see also Dalege et al., 2016; Fabrigar & Wegener, 2010; Fabrigar et al., 2005).

Within the context of this general definition, some theorists have further distinguished between two broad categories of attitude structure (Eagly & Chaiken, 1998; McGuire, 1989). Intra-attitudinal structure refers to the structure of a single attitude, whereas inter-attitudinal structure refers to structures comprising more than one attitude.

CHAPTER (3)

INSURANCE INDUSTRY IN MYANMAR

In this chapter, insurance sector in Myanmar is introduced by expressing brief history of insurance and current situation of insurance market. It includes background of insurance sector in Myanmar, insurance market in Myanmar, Type of insurance products in Myanmar, listing out the insurance companies, functions and features of life insurance plans and demographic factors of respondents are explained.

3.1 Overview of Insurance Sector in Myanmar

In Myanmar, the Insurance business started in 1826. After the first Anglo-Myanmar War, the Europeans started to do their businesses in Myanmar and foreign Insurance Companies began to operate in Myanmar to provide insurance covers for those businesses. There were 18 foreign insurance companies between 1845 and 1897, and 110 insurance companies including two domestic companies.

The second interim Government prescribed for Burma War Risks (Life, Personal Accidents and properties) Insurance Rules on the 1st January 1943. In 1948, the national insurance companies such as People's Insurance Co., Ltd and the Burma Fire & General Insurance Company Ltd started to operate The Government involved in the insurance businesses by enacting Union of Insurance Board Law in 1950.

After Burma National Insurance had been nationalized in accordance with the Insurance Company Nationalization Act, Union of Insurance Board was founded on the 1st March 1952. Union of Insurance Board started to underwrite compulsory Government Service Personal Life Insurance and Military Personal Life Insurance on the 1st March 1953.

Life Assurance (Prohibition) Act was enacted on 1st January 1959 and other insurance companies except Government (Union of Board) were prohibited from underwriting life assurance. After enacting Insurance Business Law of 1975 (Pyithu Hluttaw LawNo.10) Myanma Insurance Corporation stood as a separate corporation in 1976 and underwrote insurance business widely. Myanma Insurance Corporation was named as 'Myanma Insurance' on 1st April 1989. Functioning in a republic with a short

stint of democracy at its birth and subsequent decades of military rule, the insurance market became increasingly monopolistic and nationalized.

After decades of repressive rule, most of Myanmar's citizens lack trust and less interest in institutions. Furthermore, the basic definition of and overall need for insurance is lost on many Myanmar people. People simply do not understand insurance and some people are "superstitious".

3.2 Insurance Market Condition in Myanmar

In 2013, there are twelve insurance companies registered in Myanmar. Currently, Myanma Insurance (State owned enterprise) and private insurance companies are; Ayeyar Myanmar Insurance, First National Insurance, IKBZ Insurance, Young Insurance Global, Capital Life Insurance, Grand Guardian Insurance, Global World Insurance, Excellence Fortune Insurance, Aung Thitsar Oo Insurance, Aung Myint Mo Min Insurance, Citizen Business Insurance Public, eleven companies in total.

Among them, First National Insurance, IKBZ Insurance, Global World Insurance, Aung Thitsar Oo Insurance and Ayeyar Myanmar Insurance are insurance providers of both Life and Non-life insurance industry.

The services provided by the insurance companies in Myanmar are almost similar in nature and type and thus the customers are expected to diversified choices. This mean that there are unlimited switching choices and customers will choose the alternative that gives his maximum satisfaction in reference to different factors that differentiate insurance benefit from each other. Despite the long history of insurance and a now rapidly growing economy, Myanmar is still a least developed country, competition is stagnant and there is a definite lack of insurance products and services. Insurance company requires to be more customer focused as the customers today are much concerned about the value for money.

Myanmar had a population of 53.37 million at its last census in 2017, with more recent estimates putting the figure closer to 54 million. GDP grew at a compound annual growth rate of around 14.5% between 2006 and 2016, according to figures from the IMF. This has moderated somewhat in recent years, with GDP growth of 7% in 2015, 6.1% in 2016, 5.9% in 2017 and 6.8% in 2018.

This produces a per capita GDP of around \$1232 for 2016, \$1489 in 2017 and \$ 1571.9 in 2018 which is some way down on the insurance s-curve. According to this predictive measure, a per capita income of around \$5000 generally indicates a point where there is a sufficient middle class for the insurance market to begin expanding rapidly. Up until this point, insurance sector growth tends to match that of GDP, a sign that provided momentum is maintained, it will not be too much longer before Myanmar catches up. However, per capita numbers tend to obscure income inequalities, meaning various segments of the population will be at different points on the s-curve line. Urban centres – such as Yangon, Mandalay and the new capital, Naypyidaw – are home to relatively higher concentrations of wealthy individuals, making for more ready markets.

In the meantime, penetration rates remain low, despite the presence of numerous foreign and local players. According to Swiss Re Sigma, in 2015 life penetration in Myanmar stood around 0.01% and 0.07% for non-life, giving a market total of 0.08%. Comparing these rates to Myanmar's neighbours, Laos had 0.01% and 0.44%, and Vietnam had 0.82% and 0.74% for life and non-life, respectively.

According to the Central Bank of Myanmar, total gross written premium (GWP) amounted to approximately MMK 33.9 billion (\$25.9m) in the first quarter of 2017, with the state insurer accounting for 45.4% of this. Total GWP for the private sector equaled MMK41.8 billion (\$31.9m) for FY 2015/16 and MMK 61.4 billion (\$46.9m) for FY 2016/17. This equates to 46.8% growth, albeit from a low base. The rise of GWP has been substantial in the public sector as well, with Myanma Insurance's GWP increasing by some 40.3% from a total of MMK 27.8 billion (\$21.2m) in 2015 to reach MMK39 billion (\$29.8m) in 2016. Myanmar's insurance market amounted to \$166 million in fiscal 2018 and it accounts for 0.2% of gross domestic product, the least among members of the Association of Southeast Asian Nations.

According to the Central Statistical Organization (CSO) report, Myanmar's Life Insurance: Premiums data was reported at 3,018.350 MMK million in Mar 2017. This records an increase from the previous number of 2,730.910 MMK million for Mar 2016. Myanmar's Life Insurance: Premiums data is updated yearly, averaging 660.950 MMK million from Mar 1986 to 2017. The data reached an all-time high of 3,018.350 MMK million in 2017 and a record low of 5.350 MMK million in 2003.

As part of the financial sector reform, Myanmar government has approved the registration for 12 private insurance companies in 2013 by deposit 60% of their capital at a state-owned bank and can withdraw this money after one year. Furthermore, 10% must be deposited into an interest bearing MEB account as a provision for emergency compensation, and the remaining 30% should be used to purchase treasury bonds. The companies have to pay a MMK 3 million license fee and a MMK 1 million annual fee. Insurance business supervisory Board supervises all private insurance companies. Operations must start within one year after licensing. At the initial stage, all private insurance companies are required to use the same policy premium rates to avoid unhealthy competition resulting in price competition and unprofitability. They will have to compete for the clients' attention through the services they provide.

3.3 Current Situation of Life Insurance in Myanmar

In November 2019, according to liberalization of financial sector, the Ministry of Planning and Finance allowed Myanmar's first-ever licensing to foreign fully-owned life insurers; British Prudential, Japanese Dai-ichi Life, Hong Kong AIA, US Chubb and Canadian Manulife. These five foreign companies have been permitted to issue life insurance policies in Myanmar with their fully-owned subsidiary.

Moreover, the government also granted licenses to three life joint ventures between foreign and local firms. Three joint ventures for life joint ventures are between Capital Life Insurance and Taiyo Life Insurance; Citizen Business Insurance and Thai Life Insurance; and Grand Guardian Life Insurance and Nippon Life Insurance.

It is widely hoped that foreign entrants will bring much-needed skills and technical knowledge to an industry with low penetration, thereby improving product quality and distribution, in line with the Myanmar Insurance Sector Liberalization Roadmap released by the government in January 2019. Foreign insurers with hundreds of years' worth of expertise along with eager local companies are poised to finally play a driving role in the sector's development. Foreign insurers and joint ventures will bring technology, new products, and expanding distribution channels. Therefore, Myanmar Insurance is primed to move well beyond today's low base into modern, international enterprise that can bring enormous economic and social benefits to the county and its citizens.

3.4 Life Insurance Products

Previously, a few life insurance products are available in the market. Now, Myanmar Insurance and private Life insurance companies are underwriting long term life insurance such as Government Service Personnel Life Insurance, Military Personnel Life Insurance and Public Life Insurance. As short-term life insurance; Group Life Insurance, Athletes Life Insurance, Snake Bite Life Insurance, Farmer Life Insurance, Health Insurance, Critical Illness Insurance, Special Travel Insurance, Travel Insurance (Inbound/Outbound), Education Life Insurance and Student Life Insurance.

3.4.1 Long Term Life Insurance

The term insurance plan is the most basic insurance plan that is available in the market. In fact, term insurance plan is referred to as the purest form of life insurance, as it provides protection against risks to life. It provides coverage at a fixed rate of payments for a limited period time, the relevant term. If the life insured dies during the term, the death benefit will be paid to the beneficiary. After that period expires, the client must wither forgo coverage or potentially obtain further coverage with different payments or conditions because coverage at the previous rate of premium is no longer guaranteed. Term insurance is typically the least expensive way to purchase a substantial death benefit on a coverage amount per premium dollar basis over a specific period of time.

(a) Government Service Personnel Life Insurance

Government servants under the age 50 shall affect compulsory life insurance and government servants who over the age of 55 are exempt from compulsory life insurance. The maximum sum insured is kyats 30 million. Premium is calculated based on the term of insurance policy ad sum insured.

(b) Military Personnel Life Insurance

The Military officer and other ranks between the age of 18 and 55 shall affect compulsory life assurance. The maximum sum insured is kyats 30 million. If the sum insured is under kyats 1,000,000/-, the proposer is exempt from having a medical check-up. The military life assurance policy can be purchased for 5, 10 or 15 years term.

(c) Public Life Insurance

A Myanmar citizen can purchase the Public Life assurance voluntarily. Limit of age is from 10 to 55. The minimum sum insured is kyats 50,000/- and the maximum sum insured, kyats 30 million. Every proposer needs to make a medical check-up with a specialist. (Medical report in respect of X-rays, E.C.G, Ultra Sound, Diabetes, Hepatitis B, and Hepatitis C is to be submitted). Premium can be paid in quarterly or biannual or annual installment. Public life insurance policy can be purchased for 5, 10- or 15-year term.

3.4.2 Short Term Life Insurance

Simply put, short-term life insurance is typically a life insurance policy that provides coverage for less than a year. It's meant to cover you for a short period of time, and for a specific purpose.

(a) Group Life Insurance

All employees from age 18 to 60 years can insure. Group Life needs at least five employees. Term is only one year and the insured needs to pay the premium amount one time. This policy is cover for injury, total permanent disability and death. This policy is ideally suited for business owners and employers to protect their employee, valuable asset.

(b) Health Insurance

Health Insurance is covered for age limit between the age of 6 and 65 who is in good health. Basic Health Insurance is covered daily hospital cash for each day of hospitalization. There is additional Health Insurance Optional cover (1) reimbursement for surgical operation performed under anaesthetic and optional cover (2) reimbursement for up to four outpatient clinic treatments also available.

(c) Athletes Life Insurance

Sportsman's life assurance can be purchased at the school-age level of Myanmar selection and athletes between the age of 18 and 60 who are from quarter, village, township, district and divisional areas. If the insured lose their life during the competition and the

training, the beneficiary can be claimed. If the insured got injured, appropriate amount of benefit based on the medical report and in accordance with terms of rate shall be paid.

(d) Snake Bite Life Insurance

Snake bite life insurance is designed for the persons who work in the farms or live in the rural areas. The insured is compensated for medical expense, loss of sight of eyes, loss of limbs and permanent total disablement or death, he is bitten by the snake.

(e) Critical Illness Insurance

Critical illness insurance is a product to protect from potentially catastrophic cost that may result from critical illness such as cancer, heart attack, stroke and major organ transplants.

(f) Farmer Life Insurance

Farmer life insurance policies are tailored to the needs of agricultural workers. This policy is a must have for all farmers looking to achieve a basic level of financial protection against death, disability and accidents.

(g) Special Travel Insurance

This policy is suitable for long or short trips alike. This comprehensive policy protects against a wide range of accidents and mishap in every bus journey. Its core benefits are hospitalization, bodily injury, work injury and death benefit.

(h) Travel Insurance

The travel Insurance is in the event of the accident caused by any vehicle/ vessel/ aircraft on the route against of the death or bodily injury to insured person as per policy condition. Kinds of Travel Insurance are:

1. Highway Special Travel Insurance
2. Air Travel Insurance
3. Tour Operator Travel Insurance
4. Pilgrimage Travel Insurance
5. Tourist Travel Insurance

(i) Student Life Insurance

The aim of this product is to cultivate the practice of saving money for children's education through the adoption of a frugal approach, and to provide financial assistance for the children to pursue education till completion in the loss or permanent disabled of parents.

During last two years, Insurance Business Regulatory Board allowed some new life insurance products that cover the needs of individuals and society offering insurance solutions to them.

3.5 Benefits of Life Insurance Policies

The fundamental benefit of the life insurance is ultimate peace of mind for the insured person.

- 1) **Saving Benefit:** Long term life insurance policy affords full protection against risk of death. In the event of death of a policy holder, the insurance company settle the full sum assured to policy holder's near and dear ones. If the insurance policy mature, the insured person will get back the saving money in lumpsum.
- 2) **Encourages Thrifts:** A saving deposit can easily be withdrawn by own will. By paying premium for life insurance policy, it is encouraging regularly pay to continuity of the policy
- 3) **Disability Benefits:** Many policies also include disability benefits, if the insured is not able to perform his work due to disability.
- 4) **Accidental death Benefits:** Many policies can also provide for a lumpsum amount to be paid equal to the sum assured in the event of his death due to an accident.
- 5) **Tax exemption:** Claim settlement and premium payment are entitled in tax exemption.

Chapter (4)

Analysis of customer attitude towards Life Insurance Sector

This chapter describes customer attitude towards life insurance sector in Myanmar. It includes the analysis of attitude and behavioral influencing factors of customers describing the demographic characteristic of the customers, and how their feelings, behavior and cognitive are affect to their attitude towards life insurance based on the data collected by 2019. Statistical package for Social Science (SPSS) analyzes the collected data shift into statistical array for the social sciences SPSS.

4.1 Demographic Characteristic of Customers

The demographic characteristic includes: gender, age, highest education level, occupation, monthly income and marital status. This aspect of the analysis deals with the personal data on the respondents of the questionnaire given to them.

(a) Gender of the respondents

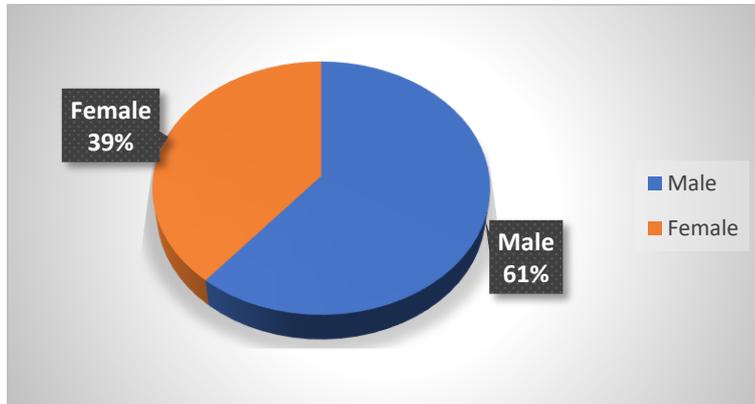
The respondents included both males and females. Table (4.1) shows the gender of respondents.

Table (4.1) Number of Respondents by Gender

Gender	No. of Respondents	Percentage
Male	61	61.00
Female	39	39.00
Total	100	100.00

Source: Survey Results, 2019

Figure (4.1) Number of Respondents by Gender



Source: Survey Results, 2019

As shown in Table (4.1) and figure (4.1), the sample consists of 61 males and 39 females. In terms of the percentage, male respondents share 61 percent of the sample while female respondents share 39 percent of the sample. This table helps us to understand that there are more numbers in male customers in life insurance policy holders. So, we can reach a conclusion that the male people are more aware about the insurance and its importance than female.

(b) Respondents Age Group

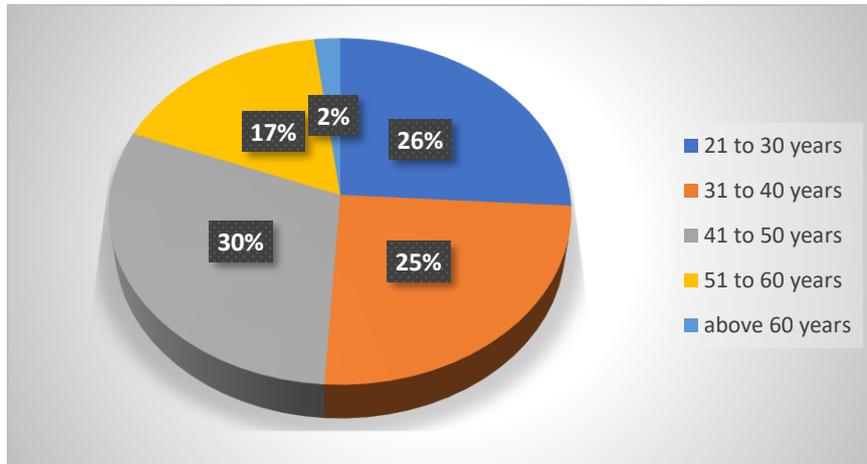
Age of respondents can be classified into five groups. Table (4.2) presents the distribution of the age of respondents.

Table (4.2) Number of Respondents by Age

Age	No. of Respondents	Percentage
21 to 30 years	26	26.0
31 to 40 years	25	25.0
41 to 50 years	30	30.0
51 to 60 years	17	17.0
above 60 years	2	2.0
Total	100	100.0

Source: Survey Results, 2019

Figure (4.2) Number of Respondents by Age



Source: Survey Results, 2019

Table (4.2) and figure (4.2) respectively shows the frequency distribution of age. It is found that most respondents are middle age between 21 and 50 years. This group more interested in life insurance products. There are only 2 respondents in above 60 years.

(c) Highest Education level

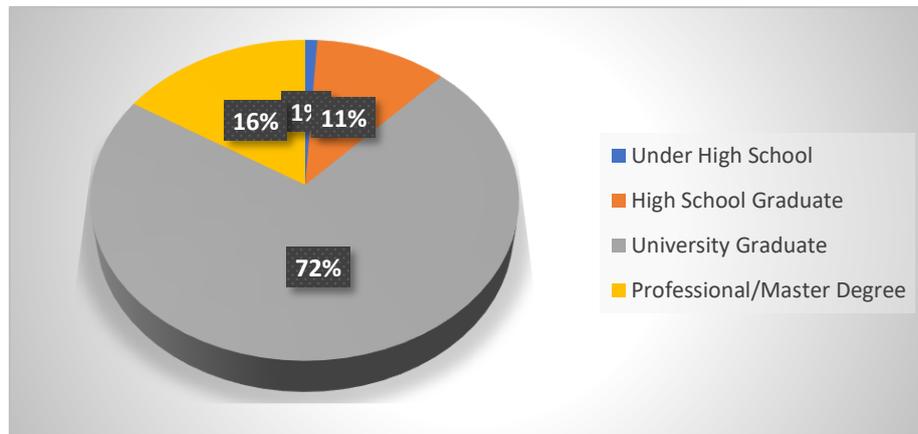
Table (4.3) presents the distribution of education level of respondents. There are four education levels among the respondents in the sample: Under high school, High school graduate, University Graduate and Professional / Master Graduate.

Table (4.3) Number of Respondents by Education

Education	No. of Respondents	Percentage
Under High School	1	1.0
High School Graduate	11	11.0
University Graduate	72	72.0
Professional/ Master Degree	16	16.0
Total	100	100.0

Source: Survey Results, 2019

Figure (4.3) Number of Respondents by Education



Source: Survey Results, 2019

The education levels of respondents can influence on the customer attitudes of life insurance sector because of the life insurance products' nature, the buying motive are not the same with other products. According to the table (4.3) 1% of the total respondents are under graduate, 11% of the total respondents are high school graduate, 72% of the total respondents are graduate and 16 % of the respondents are professional/ master graduate.

(d) Occupation of Respondents

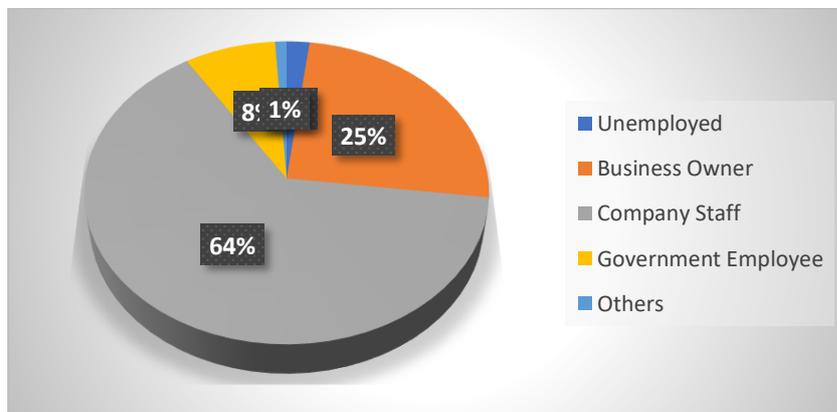
Table (4.4) show the frequency distribution of the occupation of the respondents in the sample.

Table (4.4) Number of Respondents by Occupation

Occupation	No. of Respondents	Percentage
Unemployed	2	2.0
Business Owner	25	25.0
Company Staff	64	64.0
Government Employee	8	8.0
Others	1	1.0
Total	100	100.0

Source: Survey Results, 2019

Figure (4.4) Number of Respondents by Occupation



Source: Survey Results, 2019

There are five categories of occupation in survey questionnaire: Company staff are highest respondents with 64% and business owners are 25% out of 100. We can see that government employees are less concentrate in life insurance.

(e) Monthly Income

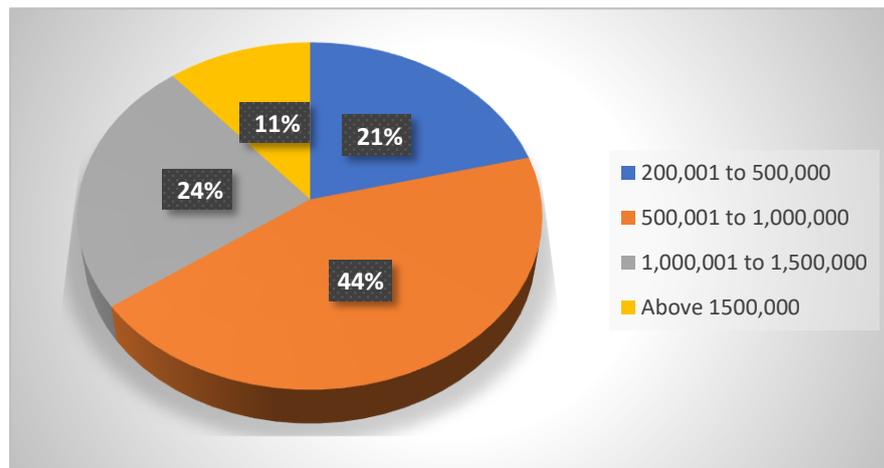
In this study, approximate monthly average income is broadly divided by five levels. Table (4.5) shows the distribution of income level of respondents.

Table (4.5) Number of Respondents by Salary

Salary	No. of Respondents	Percentage
200,001 to 500,000	21	21.0
500,001 to 1,000,000	44	44.0
1,000,001 to 1,500,000	24	24.0
Above 1500,000	11	11.0
Total	100	100.0

Source: Survey Results, 2019

Figure (4.5) Number of Respondents by Salary



Source: Survey Results, 2019

It was found that the majority of respondents earn between 500,000 MMK to 1,000,000 MMK monthly salary with 44% of respondents. Monthly salary between 1 million and 1.5 million whereas 24 % of the respondents. There is 21% of respondent who earn less than 500,000 MMK. As their income level determines the type of industry they are involving, most of customers are employees of private companies and own business owners.

(f) Marital Status of Respondents

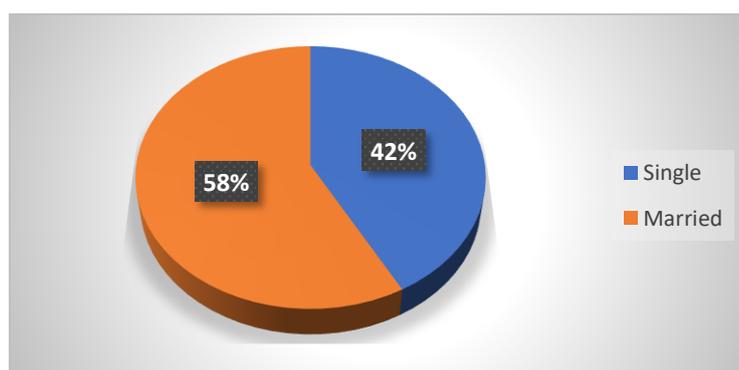
Marital status is divided into two categories, single and married. Marital status of target respondents has been surveyed for this study. This shown in the following table (4.6).

Table (4.6) Number of Respondents by Marital Status

Marital Status	No. of Respondents	Percentage
Single	42	42.0
Married	58	58.0
Total	100	100.0

Source: Survey Results, 2019

Figure (4.6) Number of Respondents by Marital Status



Source: Survey Results, 2019

In term of percentage, married respondents have larger share with 58% than the single respondents with 42%. It can be concluded that the married customers considered their family protection with life insurance plans.

4.2 Customer Perception on Life Insurance Sector

In this part, there is the analysis using of 5point Likert scale measurement on the customer perception towards Life Insurance Sector in table (4.7).

Table (4.7) Customer Perception towards Life Insurance Sector

No	Statement	Mean	Std. Dev
1	Convenient to pay premium on due date	3.81	0.60
2	Fulfills promises in a timely manner towards claim settlement	3.89	0.62
3	Offer 24 hours claims services.	3.63	0.66
4	Easy to get information about insurance new products and promotion program through TV, Newspaper, Internet websites, etc.	3.84	0.63
5	Timely revival of lapsed policies, change of nomination, addresses and mode of premium payment etc.	3.82	0.58
6	Services provided by insurance companies are convenient to customers	3.71	0.62
7	Secure your life with insurance and ensure that you live your life tension-free.	3.67	0.55
Total Average Scores		3.77	0.61

Source: Survey Results, 2019

In table (4.7), the analysis shows most of the respondents strongly agreed that life insurance companies fulfill promises in a timely manner towards claim settlement with the mean score of 3.89 and standard deviation is 0.618. It was also found that most of the respondent strongly agreed on the fact that easy to get information about insurance new products and promotion program through TV, Newspaper, Internet websites, etc. with the mean score of 3.84 and standard deviation of 0.631. Respondents also strongly agreed that timely revival of lapsed policies, change of nomination, addresses and mode of premium payment etc. and convenient to pay premium on due date with the mean score 3.82, 3.81 and standard deviation of .575, 5.98 respectively. Respondents fairly agree on life insurance services provided by insurance companies are convenient to customers, secure your life with insurance and ensure that you live your life tension-free and offer 24 hours claims services.

4.3 Analysis of Customer Attitude by Tri-component Model

This part of the study presents the analysis on the customer attitude towards Life Insurance Sector by using the affective components; how Life Insurance companies provide their services, complain handling skills, marketing skill and ability to perform customer service satisfactorily.

Customer Attitude on Affective Component

Respondents are requested to answer for their level of attitude toward affective function with the use of 5 points Likert Scale analysis. Table (4.8) indicates the result of the customer attitude towards the affective components.

Table (4.8) Customer Attitude of Affective Component towards Life Insurance Sector

No	Statement	Mean	Std. Dev
1	Flexible products/ new products that meet customers' needs	3.82	0.59
2	Enhancement of technological capability (e.g. computerization, networking of operation, etc.) to serve customers more effectively	3.99	0.61
3	Agents and employees who have the proper knowledge and competence to answer customers' specific queries and requests about terms and conditions of policy	3.65	0.66

4	Speedy claims survey and claims settlement process	3.83	0.67
5	Making customers feel safe and secure in their transactions	3.80	0.59
6	Willingness to help customers and the readiness to respond to customers' requests	3.86	0.68
7	Attractive schemes are available in life insurance products	3.55	0.63
8	Giving caring and individual attention to customers by having the customers' best interests at heart	3.90	0.61
Total Average Scores		3.80	0.63

Source: Survey Data 2019

In table (4.8), it was found that most of the respondents strongly feel that enhancement of technological capability (e.g. computerization, networking of operation, etc.) to serve customers more effectively with the mean value of 3.99 and standard deviation of 0.61 and follow by giving caring and individual attention to customers by having the customers' best interests at heart with the mean of 3.90 and standard deviation 0.61 . And it was noted that respondents objectively agreed that willingness to help customers and the readiness to respond to customers' requests because the mean score is 3.86 and standard deviation is 0.68. Respondents feel highly satisfied for most of the components except agents and employees who have the proper knowledge and competence to answer customers' specific queries and requests about terms and conditions of policy and attractive schemes are available in life insurance products with the mean value of 3.65, 3.55 and standard deviation of 0.657, 0.626 respectively. Hence, the overall score of feelings component is at the high satisfactory level of 3.80.

Customer Attitude on Behavioral Component

This part of the study presents the analysis on the customer attitude towards Life Insurance Sector by using the affective components; how Life insurance companies provide their quality of service, connectivity, complain handling skills and ability to perform customer service satisfactorily. Respondents are requested to answer for their level of

attitude toward affective function with the use of 5-point Likert Scale analysis. Table (4.9) indicates the result of the customer attitude towards the affective components.

Table (4.9) Customer Attitude of Behavioral Component towards Life Insurance Sector

No	Statement	Mean	Std. Dev
1	Purchase more policies of life insurance products because life insurance companies fulfill their promise towards policy	3.69	0.63
2	Will attract friends and family members to purchase life insurance policies as it provides claims compensation on time.	3.82	0.54
3	Will buy insurance policy from which companies has connectivity with banks.	3.91	0.49
4	Always choose the life insurance company because of its reputation.	3.98	0.43
5	Prefer to purchase policy from which company has branch network is convenient and efficient.	3.97	0.30
6	Positive to buy policy because agents are well informed about it.	3.92	0.44
7	Understand customer's financial availability for insurance cover selection and Sum Insured.	3.68	0.60
Total Average Scores		3.85	0.49

Source: Survey Data 2019

Base on the table (4.9), the respondents like almost of behavioral components. The most of them response that always choose the life insurance company because of its reputation and the company has branch network with the mean score of 3.98, 3.97 and standard deviation of 0.42, 0.30 respectively. It was also found that most of the respondent that positive to buy policy because agents are well informed about it and they will buy insurance policy from which companies has connectivity with banks with the mean value of 3.92, 3.91 and standard deviation of 0.44, 0.49 respectively.

The respondents fairly agreed on understand customer's financial availability for insurance cover selection and sum insured and purchase more policies of life insurance products because life insurance companies fulfill their promise towards policy with the mean score of 3.68, 3.67 and standard deviation of 0.60, .63 respectively. Overall customer's attitude concerning behavioral component was at a high level of 3.85.

Customer Attitude on Cognitive Component

This part of the study presents the analysis on the customer attitude towards life insurance sector by using the beliefs components of the Tri-component attitudes model. Respondents are requested to answer for their level of attitude toward beliefs function with the use of 5-point Likert Scale analysis.

Table (4.10) Customer Attitude of Cognitive Component towards Life Insurance Sector

No	Statement	Mean	Std. Dev
1	Internal control process are speedy documentation and processes from the time of issue of policy to the settlement of claims	3.89	0.58
2	Company personnel are available on call for queries and clarifications.	3.93	0.38
3	Companies provide wide range of services	3.89	0.55
4	Companies provides clear awareness about terms and conditions of policy	3.87	0.46
5	Companies provides fast and efficient counter service	3.95	0.46
6	Agents inform and guide the customers at regular intervals as regards the policy status, due date of premium, new products and services.	3.74	0.58
7	Provides customer feedback card system for their level of satisfaction with the services of the insurer	3.73	0.55
Total Average Scores		3.86	0.51

Source: Survey Data 2019

Based on the analysis from table (4.10), it was noted that most of the respondents strongly agreed that companies provide fast and efficient counter service because it has the mean score of 3.95 and standard deviation of 0.46. Respondents are highly accepted that company personnel are available on call for queries and clarifications with mean score of 3.93 and standard deviation 0.38. Respondents are actively agreed on both internal control process are speedy documentation and processes from the time of issue of policy to the settlement of claims and companies provide wide range of services with the same mean value of 3.89 and standard deviation of 0.58, 0.55. The overall customer's attitude concerning beliefs component was at a high level of 3.86.

4.4 Overall Customer Attitude towards Life Insurance Sector

This part was analysis on the overall average mean score and level of standard deviation based on the analysis of three components: affective component, behavioral component and cognitive component.

Table (4.11) Overall Customer Attitude towards Life Insurance Sector

Tri Components	Mean
Affective Component	3.80
Behavior Component	3.85
Cognitive Component	3.86
Overall Mean	3.84

Source: Survey Data 2019

According to table (4.11), it indicates the analysis on the overall customer attitude on Life Insurance Sector. Based on the Tri-component model, the table shows that the cognitive (beliefs) component was the highest component. The overall mean score is 3.84 and it can be seen that many of the customers has positive attitude towards life Insurance Sector.

4.5 Correlation Analysis among Affect Component, Behavior Component and Cognitive Component

The following table (4.12) represents the correlation among the customer perception, Belief component, Affect component, and Behavior component factors about Life insurance sector.

Table (4.12) Correlation Analysis among Affect Component, Behavior Component and Cognitive Component

		Feelings	Behaviour	Cognitive
Pearson Correlation	Feelings	1	0.545	0.523
	Behaviour	0.545	1	0.818
	Cognitive	0.523	0.818	1
Sig. (1-tailed)	Feelings	.	0	0
	Behaviour	0	.	0
	Cognitive	0	0	.
N	Feelings	100	100	100
	Behaviour	100	100	100
	Cognitive	100	100	100

Source: IBM SPSS Statistics 22 output data

The above table (4.12) presents the Pearson correlation between Tri-component factors, attitude on affective component, attitude on behavior component, attitude on cognitive components. According to the table (4.12), correlation between affective component (feelings) and behavior component $r = 0.545$. Then the correlation between behavior component and cognitive component $r = 0.818$. It shows that customers' feelings, their behaviors and cognitive (belief) are interdependent. If customers have good feeling on the life insurance products and services lead to good behavior because good feelings produce good behavior. Customer attitude is depending basically on feeling and due to affect is independent with behavior and cognitive, customer attitude rely on this three components.

Chapter (5)

Conclusion

In this chapter, the summary of findings and discussion from the previous chapters, suggestion and recommendation to these finding are presented and needs for further researcher is described.

5.1 Findings and Discussions

As basic objective of the insurance is to get the coverage of insurance to the insurance policyholders with the peace of mind. Insurance sector in Myanmar is not well developed let up to 2012. After the private insurance companies are allowed to underwrite the insurance policies under the supervision of Insurance Business Regulatory Board (IBRB) general insurance services are increased the insurance penetration. However, Life insurance companies are still struggle for their business goal and trying to solve the issues on un-attractive insurance products. According to the previous studies, it was found that due to less awareness on the insurance and superstitious on insurance is challenges of the industry. People have no idea to take the cover of insurance as they have very limited awareness on insurance. Some people think that insurance is not necessary for them and they can handle the risk when it occurred. The private insurance companies and Myanma Insurance (State-Owned Enterprise) tried to solve these issues especially in Life Insurance sector. People should awareness and knowledge on needs of life insurance for the possible risk in their daily life. If they have positive attitude on the for the Life Insurance and understand how it can be a protection tool for them.

By first objectives of the study, there was identified the current situations of life insurance sectors in Myanmar. It is found that the private insurance companies provide their best service to the insurance policyholders to attract for selling more policies because the life insurance products are only a few and less awareness by the public. Currently, wholly foreign companies and joint venture companies are allowed to operate the life insurance business in Myanmar. So, a lot of competitions will coming soon because these companies have financially strength, several decades of experiences, set of skills and new technologies. Regarding the new product creation on life insurance, the Insurance Business Regulatory Board (IBRB) allowed the private companies to submit the new products which

are suitable for the Myanmar people. After IBRB checking on the new products, they allowed to all life insurance to sell to the public with the same package; premium and benefits.

The affective components of the attitude show that most of the respondents has positive attitude towards Life Insurance Sector. It was found that most of the respondents strongly feel that enhancement of technological capability (e.g. computerization, networking of operation, etc.) to serve customers more effectively, by giving caring and individual attention to customers by having the customers' best interests at heart with the mean of 3.90. And it was noted that respondents objectively agreed that willingness to help customers and the readiness to respond to customers' requests because the mean score is 3.86. Respondents feel highly satisfied for most of the components except agents and employees who have the proper knowledge and competence to answer customers' specific queries and requests about terms and conditions of policy and attractive schemes are available in life insurance products with the mean value of 3.65 and 3.55 respectively. Hence, the overall score of feelings component is at the high satisfactory level of 3.80.

The respondents strongly feel that fulfils promises in a timely manner towards claim settlement and easy to get information about insurance new products and promotion program through TV, newspaper, internet websites, etc. moreover, the respondents actively feel on timely revival of lapsed policies, change of nomination, address and mode of payment etc. and convenient to pay premium on due date. All services of Life Insurance service are satisfactory which was described above the standard mean score level, except the facts that secure your life with insurance and ensure that you live your live tension-free and offer 24 hours claims services are less than average mean score of 3.77.

Hence, it can still be concluded that life insurance companies have to emphasis on these two facts in order to get more positive attitude of the respondents on life insurance sector.

The study of the affective components indicates that respondents prefer the enhancement of technological capability (e.g. computerization, networking of operation, etc.) to serve customers more effectively. The respondents also enjoy on giving caring and individual attention to customers by having the customers' best interests at heart and willingness to help customers and the readiness to respond to customers' requests as this is

a need of every customer for every service business. In affective component study, the respondents fairly choose on the facts of Agents and employees who have the proper knowledge and competence to answer customers' specific queries and requests about terms and conditions of policy and Attractive schemes are available in life insurance products. It shows that respondents want agent and employees should have a proper knowledge and competence answers to their queries related to the insurance products, terms and conditions as well as attractive schemes for people; the product with lower premium for the basic class people, life time insurance plan or annuity plan. The respondents have a good feeling on the life insurance sector because overall mean score of affective components is 3.80.

The study on the behavior components can be expressed that 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 buy the policy because they want agents are well informed about the policy, terms and conditions. The respondents lie to buy the policy from which company has connectivity with banks because nowadays, bank branches are everywhere, thus customer can easily to buy for it. In the behavior component, the respondents fairly agreed that purchase more policies of life insurance products because life insurance companies fulfill their promise towards policy and understand customer's financial availability for insurance cover selection and sum insured. Most of the respondents have good behavior because they have good feeling on the life insurance sectors and the overall mean score is 3.85.

From the analysis of cognitive components, it expresses that most of the respondents strongly thought that companies provide fast and efficient counter service, company personnel are available on call for queries and clarifications, internal control process are speedy documentation and processes from the time of issue of policy to the settlement of claims, and companies provide wide range of services. The respondents are strongly expected the life insurance services as the overall mean score for cognitive component is 3.86. According to this result, it is concluded that the respondents have positive attitude towards the life insurance industry.

The mean and standard deviation was calculated for overall analysis of all tri-components attitudes and the analysis described for high mean score by the 100 respondents. Thus, it can be concluded that the respondents have positive attitude towards life insurance sector.

5.2 Suggestion and Recommendation

Life insurance is different with other service business. The nature of the life insurance business is unique. As a service industry, life insurance companies should provide their best service to their customers with consistency, loyalty, building trust and financial stability. In order to develop the life insurance sector, life insurance companies must to find the solutions which are key success factors such as new products with attractive benefits, cheap premium rate, efficient distribution channels and smooth claims settlement. To fulfill these factors, the fundamental study is the customers attitude on life insurance policies, services and sector.

In this study, customers attitude towards Life Insurance sector is analyzed by using the Tri- component model. The survey was collected from 100 persons of life insurance policyholders. The study has been conducted and found some important attributes regarding customer's attitude towards Life Insurance sector. Based on the findings of this study, the following recommendations are proposed to help improvements of Life Insurance sector.

According to the survey data, in gender group, male and female respondents are nearly 60% and 40%. The respondents are between the working age groups, thus it stated that people in the working age groups are more concerned the life insurance. This working age group start thinking to take the coverage of life insurance for himself and for their beloved family. The most of respondents are university graduate and occupation as company staff and some are operating their own business. The income level of respondent was between 500,000 MMK and 1,000,000 MMK. They have proper financial situation to take insurance cover over which is suitable for them.

It has been found from the study that customers give much emphasis on the claims settlement process to speed up it by reducing some of document/forms requirement. The study also has found that customers agree fairly on the they secure their life and ensure that they live their life tension free. Thus, life insurance companies should create more products such as universal life insurance policy, annuity policy, superannuation policy, Gratuity policy, Employees' Deposit Linked Insurance policy and Education Endowment policy. Before the new product design and creation, the most important things to do is to make public awareness not only in urban but also in rural area around the country. By public

awareness, they feel the benefits of the life insurance cover when unpleasant circumstances happened to them. More awareness and knowledge on life insurance can generate cognitive beliefs. Without awareness, no trust and no positive attitudes on life insurance is a big challenge to life insurance sectors.

Next step is to modify or change existing unattractive policies. For example, Public life insurance policy, Government Service Personnel Life insurance policy and Military Personnel Life Insurance policy are Endowment type of policy. These policies are saving plus insurance cover product and when an insured died within the policy period, insurance company will pay the death benefit to beneficiary of deceased person. If in normal situation, the insured person will get the maturity benefits after the terms is matured. At that time, money received by the policyholder is less value due to inflation. The customers have less demand due to less interested to this kind of products. The customers want the life insurance products with cheap and affordable premium. When Health Insurance was launched in 2015, it was quite expensive and a lot of limitations, excluding facts that made the customer no intention to buy it.

Late or delay claims compensation is made the untrustworthiness to the companies by the customers. Its need to deliver efficient and quick customer services. More comprehensive training should be given to the team to provide quick response regarding their queries.

5.3 Needs for future research

This study mainly analyzed on customer attitudes according to the available data. The data were collected from life insurance policyholders totally 100 using sampling methods. This study analyzed only on customer attitude. The main limitation of study was inability to include more respondents. The study also faces challenges of collecting information for the study particularly where the respondent delay in filling the questionnaire. The respondents were reluctant because of the sensitivity of the information required for the study. Some respondents have given false information because they do not understand some questions.

The study investigated customer attitudes towards Life insurance sector in Myanmar. A further research should be carried to study on customer perception and

satisfaction for further research. It can be analyzed more detail information determine customer attitudes and behavior on life insurance services in Myanmar.

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Customer Attitude survey questionnaire on life insurance Companies

Dear respondent,

The information obtained from the questionnaires will be used only for the EMBF (Executive Master of Banking and Finance). This Questionnaire is the part of a research study on customer attitude towards life insurance companies. This study is for Yangon University of Economics. Your responses to the questionnaire will be entered directly into a database and treated confidentially. Your participation in this study will be highly appreciated and thank you.

Section (A) Demographic factors of Respondent

1. Gender

Male Female

2. Age

Under 21 years 21 to 30 years
 31 to 40 years 41 to 50 years
 51 to 60 years above 60 years

3. Highest Education Level

Under High School High School Graduate
 University Graduate Professional/Master Graduate

4. Occupation

Un-employed Business Owner/Self-employ
 Company Staff Government Employee
 Others

5. Monthly Income

Under 200,000 200,001 to 500,000

500,001 to 1,000,000

1,000,001 to 1,500,000

Above 1500,000

6. Marital Status

Single

Married

Section (B) Customer's perception on Life Insurance Services

Please choose on one answer.

1. Strongly Disagree, 2. Disagree, 3. Neutral, 4. Agree, 5. Strongly Agree

No.	Factor	1	2	3	4	5
1	Convenient to pay premium on due date					
2	Fulfills promises in a timely manner towards claim settlement					
3	Offer 24 hours claims services.					
4	Easy to get information about insurance new products and promotion program through TV, Newspaper, Internet websites, etc:					
5	Timely revival of lapsed policies, change of nomination, addresses and mode of premium payment etc.					
6	Services provided by insurance companies are convenient to customers					
7	Secure your life with insurance and ensure that you live your life tension-free.					

Section (B) Customer's Attitudes Affective (Feelings) Component on Life Insurance Services

1. Strongly Disagree, 2. Disagree, 3. Neutral, 4. Agree, 5. Strongly Agree

No.	Attribute of Affective (Feelings) Component	1	2	3	4	5
1	Flexible products/ new products that meet customers' needs					

2	Enhancement of technological capability (e.g. computerization, networking of operation, etc.) to serve customers more effectively					
3	Agents and employees who have the proper knowledge and competence to answer customers' specific queries and requests about terms and conditions of policy					
4	Speedy claims survey and claims settlement process					
5	Making customers feel safe and secure in their transactions					
6	Willingness to help customers and the readiness to respond to customers' requests					
7	Attractive schemes are available in life insurance products					
8	Giving caring and individual attention to customers by having the customers' best interests at heart					

Section (C) Customer's Attitudes Behavior Component on Life Insurance Services

1. Strongly Disagree, 2. Disagree, 3. Neutral, 4. Agree, 5. Strongly Agree

No.	Attribute of Behavioral Components	1	2	3	4	5
1	Purchase more policies of life insurance products because life insurance companies fulfill their promise towards policy					
2	Will attract friends and family members to purchase life insurance policies as it provides claims compensation on time.					
3	Will buy insurance policy from which companies has connectivity with banks.					
4	Always choose the life insurance company because of its reputation.					

5	Prefer to purchase policy from which company has branch network is convenient and efficient.					
6	Positive to buy policy because agents are well informed about it.					
7	Understand customer's financial availability for insurance cover selection and Sum Insured.					

Section (D) Customer's Attitudes Cognitive (Beliefs) component on Life Insurance Services

1. Strongly Disagree, 2. Disagree, 3. Neutral, 4. Agree, 5. Strongly Agree

No.	Attribute of Cognitive (Beliefs) Components	1	2	3	4	5
1	Internal control process are speedy documentation and processes from the time of issue of policy to the settlement of claims					
2	Company personnel are available on call for queries and clarifications.					
3	Companies provide wide range of services					
4	Companies provides clear awareness about terms and conditions of policy					
5	Agents and employees who have the proper knowledge and competence to answer customers' specific queries and requests					
6	Companies provides fast and efficient counter service					
7	Agents inform and guide the customers at regular intervals as regards the policy status, due date of premium, new products and services.					
8	Provides customer feedback card system for their level of satisfaction with the services of the insurer					

