

**YANGON UNIVERSITY OF ECONOMICS  
DEPARTMENT OF COMMERCE  
MASTER OF INSURANCE PROGRAMME**

**FACTORS INFLUENCING PURCHASE INTENTION  
TOWARDS CROP INSURANCE  
(WEATHER INDEX-BASED CROP INSURANCE)**

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**MI II – 20**

**MI 1<sup>st</sup> BATCH**

**FEBRUARY, 2025**

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A thesis is submitted as a partial fulfillment towards the requirements for the  
degree of Master of Insurance (MI)

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## **ABSTRACT**

The objectives of the study are to identify the factors influencing purchase intention towards crop insurance and to analyze factors influencing purchase intention towards crop insurance. The study uses quantitative research methods. Systematic simple random sampling method is used in this study. The findings highlight that attitude, social norms and perceived behavioral control have positive effect on purchase intention towards crop insurance. Conversely, insurance literacy did not show a significant effect on purchase intention towards crop insurance. Among the factors, perceived behavioral control has the highest positive effect on purchase intention whereas social norms has the lowest effect on purchase intention. According to the regression results, targeted educational campaigns can strengthen positive attitudes, while collaborative community programs can reinforce social norms. By enhancing perceived behavioral control through accessible processes and tools, Myanma Insurance can further increase farmers' inclination toward crop insurance. Addressing these factors holistically will enable Myanma Insurance to drive greater adoption of crop insurance and contribute to the financial stability of the farming sector.

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# CHAPTER I

## INTRODUCTION

Insurance, as a sub-sector of the financial industry, operates as a risk transfer mechanism, where individuals or entities transfer their risk exposure to insurers in exchange for payment of a premium (Tatek, 2018). The concept of risk is closely intertwined with insurance. Risk refers to the state of being exposed to adversity or the potential for unfavorable outcomes (Dsalegn et al., 2023). It represents a situation in which one faces potential hardship or the possibility of an undesired deviation from expected or desired outcomes. Insurance serves as a means to transfer risk from the insured to the insurer, protecting against negative financial losses for individuals and society as a whole (Kebede et al., 2024).

A wide variety of risk management strategies are used by farmers. These tools include the diversification of farm goods as well as financial instruments such as agricultural insurance, which has been available for a considerable amount of time to provide protection against losses resulting from dangers associated with agriculture. Crop insurance is one kind of insurance in which farmers who participate pay premiums and receive claims in the event of losses caused by insured occurrences (Rao et al., 2003). This allows the farmers to be reimbursed for crop-yield losses via the payment of an indemnity. This allows farmers to effectively control changes in income that are brought on by price volatility as well as yield volatility. They are able to smooth out their consumption while also preventing the possibility of selling assets thanks to the rewards that they get. Not only are crop insurance programs in place in developing countries to provide protection against the possibility of losses, but they are also in place to promote other farm goals, such as enhancing the access that farmers have to credit, promoting the production of high-quality goods, and providing more stability in the agricultural sector. This allows farmers to invest in activities that are riskier but potentially more productive (FAO, 2016).

Internationally, crop insurance is categorized into two main types: weather-index-based crop insurance and yield based crop insurance. Weather index-based crop insurance compensates farmers based on deviations in weather indicators such as rainfall and temperature. Its advantages include faster payouts, reduced administrative costs, and lower susceptibility to fraudulent claims. Yield-based crop insurance compensates farmers when yields fall below predetermined benchmarks. However, it

is complex to implement due to the need for precise data collection and extensive verification, which can delay payouts.

The term "insurance literacy" refers to the extent to which a person has the capacity, the knowledge, and the certainty to evaluate specific facts about a life plan, as well as the ability to choose the most appropriate plan depending on their financial and health conditions. The attitude that a client has regarding life insurance is a significant antecedent since it has the potential to influence the customer's intention to acquire life insurance. The most often used definition of "attitude" may be described as "the extent to which one has a positive or negative opinion of a certain object." According to Berkman et al. (2011), subjective norms are consumers' perceptions of whether or not the antecedent in question has an effect on the individuals' likelihood of purchasing insurance. According to Hsu et al. (2017), the subjective norm has an influence on intentions in a range of study fields, and the degree of that effect varies from region to region. According to Ajzen (2005), the consolidation of "control belief" is what constitutes perceived behavioral control, and "promoting sexual perception" is what generates control. A control belief is an individual's personal view that is possessed by that person and has the resources, possibilities, and barriers that are now available. According to Belch (2008), purchase intention is defined as the propensity of consumers to buy a particular brand or to engage in activities that are associated with making purchases. This tendency is quantified by the degree to which customers are likely to make purchases. The intensity of a consumer's desire to engage in a certain action or to make a choice to buy a product or service is what is meant by the term "purchase intention." Generally speaking, there are four different sorts of purchasing intentions that may be classified: informative (awareness), investigative (consideration), navigational (consideration/conversion), and transactional (conversion). In order to raise public knowledge of insurance options and the advantages they provide, it is essential to have a solid grasp of the elements that influence the desire to acquire crop insurance.

## **1.1 Rationale of the Study**

Due to the fact that Myanmar is an agriculturally-based economy, around 70 percent of the country's population is involved in agricultural activities, and the agricultural sector makes a considerable contribution to the country's gross domestic product. However, because of the country's substantial dependence on agriculture, it

is very susceptible to dangers that are associated with climate change. In many cases, serious agricultural damage is caused by natural catastrophes such as drought, excessive rains, floods, cyclones, and reservoir overflows. This leads to significant economic losses for farmers as well as for the country as a whole. Dealing with these losses is very necessary in order to guarantee the stability of both the economy and the lives of people. There is a significant contribution that crop insurance makes to the advancement of the socioeconomic development of contemporary countries, particularly in the agricultural sector. It is a contract policy in which an insurance company makes a guarantee to pay for financial losses that have been sustained as a result of certain risks that have an impact on crops, such as the occurrence of insect outbreaks or natural catastrophes. In spite of this, the crop insurance market has a significant obstacle in the form of a low penetration rate in comparison to neighboring nations. This is mostly attributable to the fact that farmers are not aware of the advantages of protecting their agricultural assets. Many farmers fail to take into account the reality of what would occur if their crops were destroyed without the appropriate protection, despite the fact that crop insurance is vital for managing risks and providing financial stability for farmers. It is possible that the results will be catastrophic, leaving farmers with a load of indebtedness, putting their capacity to recover in jeopardy, and, in the most severe circumstances, putting their livelihoods in jeopardy. The provision of crop insurance may be an essential component in the reduction of financial risks, the facilitation of a speedier recovery from natural disasters, the alleviation of poverty, and the promotion of economic resilience. These kinds of results underscore how important it is to raise knowledge about crop insurance and to address the misunderstandings and worries that farmers have about the usefulness of crop insurance. It is essential for Myanmar Insurance to have a solid understanding of the elements that influence decision-making about crop insurance purchases. By gaining a knowledge of these elements, Myanmar Insurance is able to raise the level of awareness about crop insurance among farmers, hence increasing the adoption rates and expanding their market share. In light of this, the purpose of this thesis is to investigate the elements that influence someone's desire to obtain crop insurance.

## **1.2 Objectives of the Study**

The objectives of the study are:

- i To identify the factors influencing purchase intention towards Crop Insurance.
- ii To analyze factors influencing purchase intention towards Crop Insurance.

## **1.3 Scope and Method of the Study**

The purpose of this research is to investigate the variables that influence the desire to acquire crop insurance, specifically weather index-based crop insurance. In this research, both primary and secondary sources of information are examined and gathered. In terms of the main data, the population of the research is comprised of farmers who have obtained agricultural loans from the Myanmar Agricultural Development Bank (MADB). Using the method developed by Cochran, a sample size of one hundred fifty respondents is selected from an already unknown population. We use a technique of systematic simple random selection, beginning with the fifth farmer who went to the Myanmar Agricultural Development Bank (MADB) during the hours when it was open for business. Consequently, every fifth farmer was chosen to take part in the poll when it was finally conducted. The time frame for the survey is from the 20th to the 27th of January. A number of secondary sources, including Myanma Insurance, Myanmar Agricultural Development Bank (MADB), Ministry of Agriculture and Irrigation, Asean Guideline Agricultural Insurance Implementation, and the website, were used in order to gather the secondary data. These sources included published official reports and facts. A descriptive statistics approach (frequencies and percentages) and a multiple linear regression analysis were used to evaluate the data in order to determine the variables that influence the desire to acquire crop insurance.

## **1.4 Organizations of the Study**

There are five chapters that make up this study's structure. In the first chapter, which is the introduction, you will find the reasoning behind the research, the goals of the investigation, the scope and technique of the study, as well as the ways in which the study is organized. It is in the second chapter where the theoretical foundation of the investigation is presented. The third chapter contains a profile of Myanma Insurance as well as elements that influence the desire to acquire crop insurance. An examination of the elements that influence a person's desire to obtain crop insurance

is presented in the fourth chapter. In the fifth chapter, we provide our results as well as some suggestions for the research field.

## **CHAPTER II**

### **THEORETICAL BACKGROUND**

It is in this chapter that the theoretical foundations of the investigation are presented. In this part, we will discuss the notion of insurance literacy, as well as attitudes, subjective norms, perceived behavioral control, purchase intention, prior research, and the conceptual framework of the study.

#### **2.1 Purchase Intention**

Purchase intention is part of customer behavior (Thomas & James, 1996). Buyer intent is the inclination to act before buying a product (Schiffman & Kanuk, 2000). Purchase intent is the likelihood of buying a thing based on the intention to buy or own it (Chimedtseren & Safari, 2016). The likelihood of buying a product or service increases with willingness, but it does not affect actual purchase. Thus, reduced buying desire does not indicate extreme improbability.

Purchase intentions help marketers forecast and observe customer purchase behavior. A high motivated purpose makes consumers more likely to buy a product in the future (Ajzen, 1991) (Morwitz, 2012). Purchase intention is complicated and may be influenced by customer behavior, perceptions, and attitudes. Since 1968, Engel, Kollat, and Blackwell have revised the Engel-Blackwell-Miniard Model, or customer choice model. According to EBM model, individual variations, contextual circumstances, and psychological processes impact consumer decision-making (Blackwell, Miniard & Engel, 2001).

Purchase intention is the desire to acquire a product or service within a certain timeframe (Hair et al., 2011). The consumer's willingness to acquire a product is planned. Consumer behavior is impacted by their purpose to behave. A person's intentions are their conscious drive to do the activity. Purchase intention, described in literature as a customer's readiness to buy, is a key aspect of consumer behavior. Strength of an intention is measured by the likelihood of a connection between the actors. According to Fishbein and Ajzen (1975), buyer attitude, assessment, and external factors influence buyer purchase intention and predict buyer attitude. Furthermore, buying intention is a consumer's choice to buy a product in a given situation.

Purchase intentions are important in marketing because they predict market segmentation, penetration, consumer targeting, and promotional channel. Purchase intentions relate to purchasing behavior, hence marketing researchers are interested in them. Morwitz and Schmittlein (1992) and Morwitz et al. (1996) found a favorable link between purchasing intentions and behavior. Besides, marketers utilize purchase intention to anticipate sales of current products and services (Armstrong, Morwitz & Kumer, 2000).

Today's consumer purchase decisions are complicated and critical. Purchase intention is linked to customer behavior, perception, and attitude. Few studies indicated that consumers' purchasing intentions are influenced by prior experience, product choice, and the external environment to get information, assess options, and decide to buy. Consumers get information from coworkers, friends, and family before making a decision. Thus, knowledge about how others have utilized a product affects judgments to skip it and buy alternative things. The tremendous orientation from other groups influences people to acquire their products.

In addition, personal or external reasons influence customer purchase (Gogoi, 2013). Price, perceived quality, and value affect purchase intention. According to Chang and Albert (1994), marketers employ pricing and features to influence customers' product assessments and buy intentions. For any product, if the price exceeds the acceptable range, consumers' purchasing intentions decrease. However, corporations must address customer requirements and desires to enhance buying intention.

Purchase intention may help predict a customer's purchase choice. Some things make people buy. Their past experiences influence their purchases. Purchases will stay in customers' thoughts. Thus, Keller (2001) said that people will promptly evaluate the things they bought and would remember the experience for a long time. Negative product experiences affect future purchases, but excellent products that match the price have a favorable influence. It will allow customers to rapidly switch items if they're unhappy.

Two elements determine behavior-intention connection. First, purpose size must fit action, target, time, and context. Second, assuming purpose does not change before conduct, an intention measure will predict behavior. Many variables impact customers' purchasing intention while choosing a product, and their final selection relies on major external factors (Keller, 2001).

## **2.2 Factors Influencing Purchase Intention**

A person's intention to purchase something soon. A purchase is planned, but the time is up to the person. Purchase intention indicates a consumer's probability of buying a goods. It was also shown that consumers make purchasing judgments under uncertain scenarios due to product situations and features (Jacoby, Olson and Haddock, 1971). Insurance knowledge, attitude, subjective norms, and perceived behavioral control influence purchase intention, according to the research.

### **2.2.1 Insurance Literacy**

This research defines "insurance literacy" as knowledge of life insurance kinds. Literacy in life insurance refers to a person's ability, knowledge, and assurance to analyze life plan facts and choose the best plan for their financial and health needs. Life insurance literacy is a person's knowledge about life insurance (Williams et al., 2021). Mathur et al. (2018) defined insurance literacy as medical insurance awareness, cognitive skills, self-efficacy, information seeking, and textual literacy around life insurance policies. Insurance and life literacy are measured by the ability to understand cost-sharing obligations for medical care benefits and how they are arranged and understood (Weedige et al., 2019). Insurance literacy requires understanding of medical care services and the ability to choose the best life insurance policy. Adepoju et al. (2019) found that knowing health insurance is essential for better medical treatment. Knowing one's insurance choices is vital, even if one plans to postpone or forgo medical treatment due to cost. Due to a lack of insurance literacy, most college students in the Nobles et al. (2019) research were confused about getting life insurance. Mixed approaches were used for the study. Life insurance literacy is often neglected, but Nobles et al. (2019) stated that life insurance buyers must have enough insurance literacy to make informed decisions about their medical care plans for themselves and their families.

### **2.2.2 Attitude**

One's attitude toward something is a psychological tendency that is expressed by appraising it with a degree of balance in favor or disfavor (Aziz et al., 2019). The customer's life insurance opinion might affect their decision to purchase. The term

"attitude" says "the degree to which one has a favorable or unfavorable impression about a certain item." The notion planned behavior usage-measuring attitude includes both instrumental and experiential attitudes. These items are attitude-based (Ajzen & Fishbein, 2005). Many research have examined customer attitudes and their intentions to acquire products and services using the idea of planned behavior (Hsu et al., 2017). Han et al. (2010) used the theory planned behavior model to evaluate customers' green hotel intents. Paul et al. (2016) examined attitudes and intentions using the theory planned behavior model.

### **2.2.3 Subjective Norms**

Subjective norm is the social pressure a person feels to do something (Bianchi et al., 2018). Bianchi et al. (2018) found that passengers' subjective norm strongly predicts holiday destination intention. According to the idea of planned behavior, a consumer's subjective norm may predict their health insurance purchase. Ajzen (1991) stressed that subjective norm, where consumers' intents become their behavior, may anticipate intention with amazing accuracy. The subjective norm shows how people compare themselves to family and friends (Ajzen & Fishbein, 2008). Pressure to acquire products and services is unavoidable. Social science has accepted subjective norm as a predictor of purpose (Bianchi et al., 2018). Thus, "subjective norm" refers to customers' judgments of whether these antecedents affect their life insurance purchases (Berkman et al., 2011). In addition, the subjective norm affects intentions differently across research domains (Hsu et al., 2017).

### **2.2.4 Perceived Behavioral Control**

Hsu et al. (2017) define perceived behavioral control as "the perceived ease or difficulty of performing the behavior". Perceived behavioral control refers to the belief in one's capacity to do an activity, such as acquiring health insurance (Al-Swidi et al., 2014; Bianchi et al., 2018; Lam & Hsu, 2006). Traveller desire to visit vacation places is strongly influenced by perceived behavioral control (Bianchi et al., 2018). Belief in others' perception of desire to match customer expectations is crucial for perceived behavioral control (Ajzen, 2002; Bianchi et al., 2018; Cheng et al., 2006). Life insurance purchases demonstrate perceived behavioral control (Bianchi et al., 2018). One's perception of their capacity to do an action. A research found that self-perceived behavioral control strongly influences holiday travel intentions (Bianchi et

al., 2018). Perceived behavioral control depends on how relevant others interpret the purpose to meet customers' expectations (Bianchi et al., 2018). If they believe the perceived behavioral control encourages purchasing a product or service, people are very guaranteed to feel social pressure associated with achieving a behavioral objective (Bianchi et al., 2018). Elmorshidy (2018) found that a person's perspective of their behavioral control affects their supplement consumption. Berkman et al. (2011) examined how perceived behavioral control and wellness objectives affect life insurance purchases in developing countries.

### **2.3 Theory of Planned Behavior**

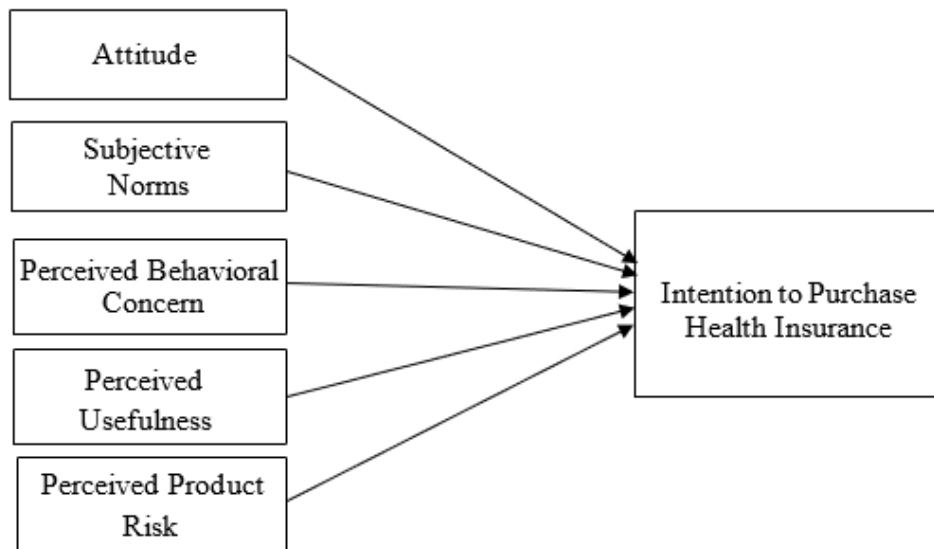
The widely used social cognition model Theory of Planned Behavior (Ajzen, 1991) is an expansion of Fishbein and Ajzen's 1975 Theory of Reasoned Action, which was limited in dealing with behaviors. According to the idea of planned behavior, underlying intents are determined by three factors: attitude toward the conduct, subjective standards, and perceived behavioral control. The first factor is how people see behavior's possible repercussions. A person's attitude relies on whether a conduct is good or terrible, positive or negative, favorable or unfavorable. Being clear about the attitude allows for behavior prediction. Second, subjective norms address an individual's sense of social reception of conduct. From the individual's perspective, subjective norms rely on social pressure from others' expectations. This includes individual normative values and drive. Normative belief is the individual's view of what others desire or expect. Additionally, motivation is the urge to meet others' expectations. These two aspects reinforce others' perception of the conduct. According to Ajzen and Fishbein (2005), the social referent that determines salient expectations might vary substantially. The referent's opinion's impact relies on the actor-referent connection and power. According to Theory of Reasoned Action, attitudes and subjective norms shape an individual's intentions to do an action, which correlates with actual conduct (Ajzen & Fishbein, 2005). Theory of Reasoned Action predicts non-volitional actions well (Ajzen, 1991). When conduct is not entirely within an individual's volitional control, Theory of Planned conduct predicts behavior using intentions to do the activity and perceived behavioral control (Ajzen, 1991). Finally, perceived behaviour control is the individual's impression of behaviour difficulties (Ajzen, 1991). All available control beliefs are thought to determine perceived behavioral control. A person's impression of behavioral control depends on

the context and behaviors. Personal control belief and perceived facilitation determine perceived control. The former is the idea that the necessary resources and opportunities are available and sufficient to perform the activity, whereas the latter is the perceived relevance of these resources for success (Ajzen, 1991).

## 2.4 Previous Studies

Mishra et al. (2024) examined Indian tobacco and alcohol users' health insurance attitudes. The research seeks to identify characteristics that influence tobacco and alcohol customers' health insurance purchasing intentions. The research employed an enhanced theory of planned behavior (TPB) model that included attitude, subjective norms, behavior control, usefulness, product risk, and purchase intention. The data came from 420 tobacco and alcohol users.

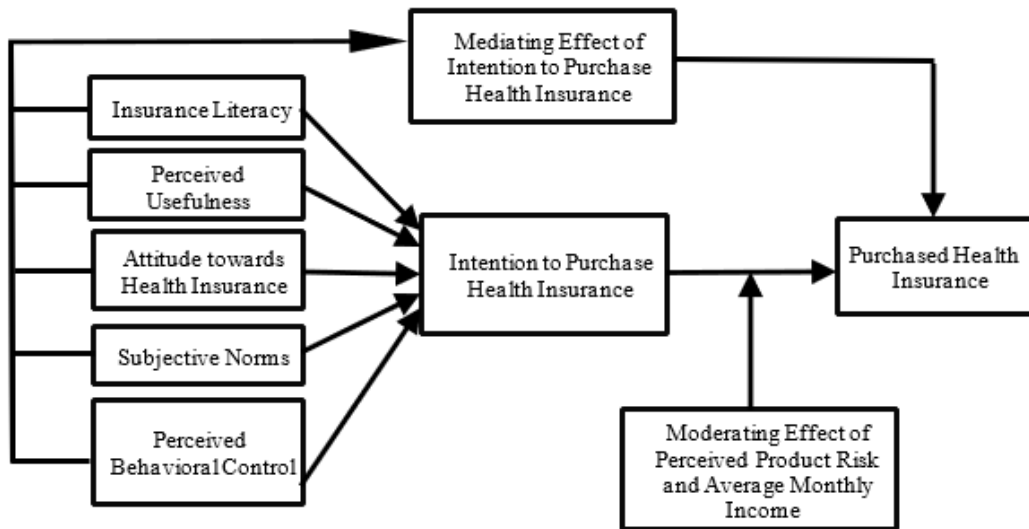
**Figure (2.1) Factors Influencing Intention to Purchase Health Insurance**



Source: Mishra et al., (2024)

The research indicated that subjective norms, perceived product risk, and perceived behavioral control positively and significantly affect health insurance purchase intention. Insurance literacy, perceived utility, attitude toward health insurance, subjective norm, and perceived behavioral control affected working persons in Malaysia's intention to buy and actual purchase of health insurance, according to Mamun et al. (2021). This quantitative cross-sectional survey included 1,308 working people.

**Figure (2.2) Predicting the Intention and Purchase of Health Insurance Among Malaysian Working Adults**



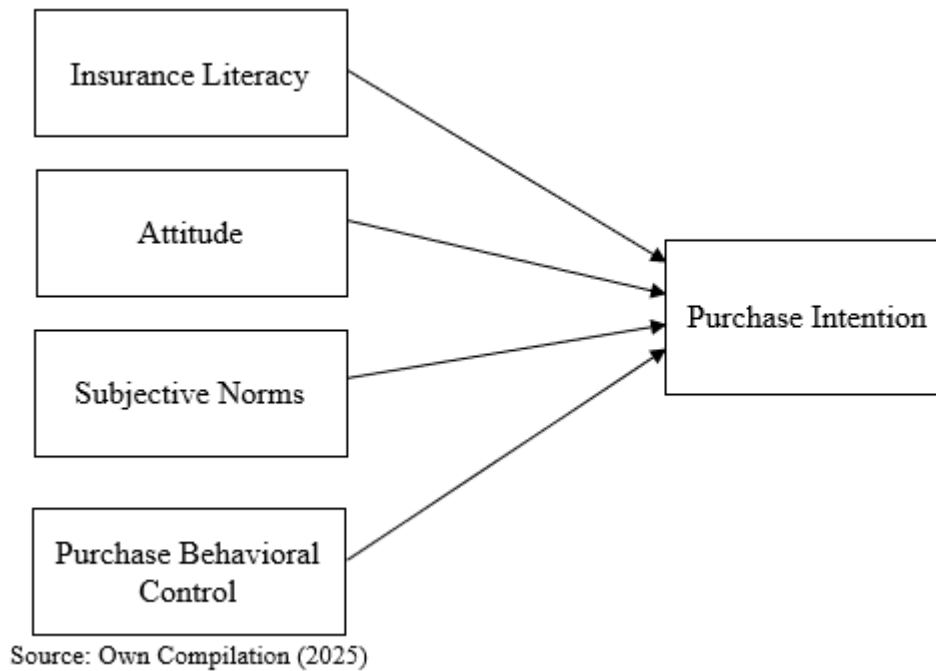
Source: Mamun et al (2021)

The study found that insurance literacy, perceived utility, attitude toward health insurance, subjective norm, and perceived behavioral control positively affected health insurance intention. Health insurance purchases were positively correlated with intention to buy. Health insurance intention was a key mediating factor.

## 2.5 Conceptual Framework of the Study

The conceptual framework of this research focuses on Crop Insurance purchase intention elements. Theoretical notions and past investigations inform the study's conceptual framework. The suggested conceptual framework is shown in Figure 2.3.

**Figure (2.3) Conceptual Framework of the Study**



In Figure 2.3, independent variables include insurance literacy, attitude, subjective norms, and purchasing behavioral control. Dependent variable: purchase intention.

### **Working Definitions**

- Insurance literacy allows people to make educated choices about buying and using insurance by knowing insurance ideas, products, and procedures.
- Social influences from family and friends, known as subjective norms, affect an individual's behavior or decisions.
- Positive or negative judgment, emotional feeling, and behavioral propensity toward a product, brand, or service is called attitude.
- Perceived behavioral control is the notion that one can do a given activity, determined by perceived ease or difficulty and resources and chances.
- Purchase intention is a consumer's propensity or desire to acquire a product or service depending on needs, attitudes, and external circumstances.

**CHAPTER III**  
**PROFILE AND FACTORS INFLUENCING PURCHASE INTENTION**  
**TOWARDS CROP INSURANCE**

This chapter discusses Myanmar insurance history, crop insurance in Myanmar, and crop insurance purchasing intention variables.

**3.1 Background History of Myanmar Insurance**

The insurance industry in Myanmar has a long and illustrious history that dates back to 1826, when European businesses first started operations in the nation. This was in the aftermath of the First Anglo-Myanmar War. Foreign insurers began offering their services in Myanmar in order to provide backing for these companies. Eighteen foreign insurance firms were operational between the years 1845 and 1897, and the number of these businesses climbed to one hundred and ten between 1897 and 1940. Burma National Insurance Co., Ltd., which was operated by Sir U Thwin, and Burma (Government Chief Executive) Insurance Co., Ltd., which was headed by Dr. U Satt, were the two domestic insurance companies that had been created by the year 1937. Following the outbreak of World War II in 1939, Myanmar's insurance industry came to a complete stop immediately. In response to this, the Burma War Risks (Life, Personal Accidents, and Properties) Insurance Rules were implemented on January 1, 1943 by the second temporary administration, which had taken office on June 4, 1942. 1947 was the year when the Burma (Government Security) Insurance Company Ltd. started its activities after the conclusion of the war. People's Insurance Co., Ltd. and the Burma Fire & General Insurance Company Ltd. were among the national firms that had joined the market by the year 1948. The Union of Insurance Board Law was passed in 1950, marking the beginning of the government's initiative to play a more active role in the insurance industry. founded on March 1, 1952, the Union of Insurance Board was founded as a result of the nationalization of Burma National Insurance, which was carried out in accordance with the Insurance Company Nationalization Act. Beginning on March 1, 1953, this board started providing mandatory personal life insurance for government service personnel and military personnel. By July 1, 1957, it had extended its scope to include general insurance. Life assurance underwriting was confined to the government alone as a result of the Life Assurance (Prohibition) Act, which was passed on January 1, 1959. This act also

consolidated the position of the Union of Insurance Board in both life and general insurance. A department of insurance was established under the People's Bank of the Union of Burma (PBUB) in November 1969. This department was formerly known as the Union of Insurance Board. On the other hand, the Myanmar Insurance Corporation became a distinct corporation on April 1, 1976, subsequent to the passing of the Insurance Business Law of 1975 (Pyithu Hluttaw Law No.10), which resulted in an expansion of the insurance products and services that it provided. On April 1, 1989, the company that had previously been known as "Myanmar Insurance" was renamed. Myanmar Insurance is a state-owned firm that exists today. It provides a wide variety of insurance products, including as life, health, and general insurance plans, among other types of insurance. A major presence is maintained across Myanmar by the company, which has 39 branch offices around the country in addition to its headquarters, which is situated at 627/635 Merchant Street in Yangon. In order to guarantee that it is able to fulfill policyholder claims, the organization has large reserve money as well as reinsurance coverage at its disposal. During the 2018-2019 fiscal year, Myanmar Insurance paid out a total of Kyats 4,788.25 million in claims, which is a testament to the company's dedication to recognizing genuine claims and its financial stability, which is supported by the government. A liberalization of Myanmar's insurance sector has taken place in recent years, making it possible for private insurers to compete with Myanmar Insurance during business operations. Myanmar Insurance continues to play a crucial part in the insurance landscape of the nation, despite these changes. The company makes use of its broad knowledge and resources in order to cater to the varied requirements of its customers.

### **3.1.1 Vision of Myanmar Insurance**

There is a vision that Myanmar Insurance has on the need of erasing the losses that the public has suffered economically and socially as a result of acts of God and acts of human beings.

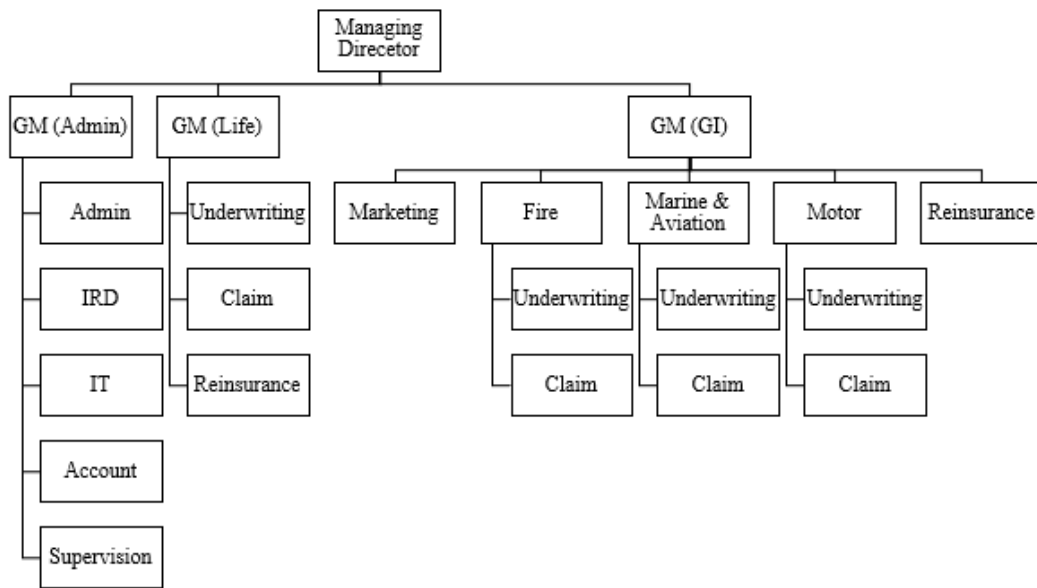
### **3.1.2 Mission of Myanmar Insurance**

Myanmar Insurance is committed to its objective of providing recoupment of previous losses for publics who have suffered from economic and social losses as a result of acts of God and acts of human beings. This mission is accomplished through the use of insurance in the name of risk management.

### **3.1.3 Organization Structure of Myanmar Insurance**

The insurance company Myanmar functions according to a hierarchical structure, with the roles of each department being well defined. The company is led by the Managing Director, who is responsible for ensuring that operations run smoothly and that they are aligned with strategic goals. Under the direction of the Managing Director, there are three General Managers (GMs), each of whom is responsible for directing a different department. The General Manager (Admin) is responsible for managing core administrative operations, such as general administration, the International Relations Department (IRD), Information Technology (IT), Accounts, and Supervision, with a particular emphasis on ensuring compliance with regulatory requirements and maximizing internal efficiency. handling the life insurance division is the responsibility of the General Manager (Life), which includes the Underwriting department, which is responsible for policy assessment and issuance, the Claims department, which is in charge of handling claims and payments, and the Reinsurance department, which is responsible for risk transfer to other insurers. In the meanwhile, the General Manager (GI) is in charge of the general insurance division, which encompasses marketing initiatives as well as specialist sectors such as firefighters, marine and aviation insurance, and motor insurance. Underwriting and claims departments are specifically designated for each sector, while the Reinsurance department of the division is responsible for risk management via partnerships with other insurance companies.

**Figure (3.1) Organizational Structure of Myanmar Insurance**



Source: Myanmar Insurance (2025)

### 3.2 Crop Insurance in Myanmar

Insurance for crops is an essential financial tool for farmers because it protects them against financial losses that may be incurred as a result of natural catastrophes, pests, and changes in the market. The establishment of a robust crop insurance market is of the utmost importance in Myanmar, where agriculture serves as the foundation of the economy and employs a sizeable portion of the population.

#### 3.2.1 The Agricultural Landscape of Myanmar

Myanmar's economy is primarily dependent on agriculture, which accounts for around 25 percent of the country's gross domestic product and employs more than 70 percent of the labor force. Rice, pulses, oilseeds, and a wide variety of fruits and vegetables are only some of the agricultural goods that are produced due to the country's abundant natural resources and diversified agricultural products. Nevertheless, the agricultural industry is confronted with a multitude of issues, such as the effects of climate change, unpredictable weather patterns, and insufficient access to technological assistance and financial services.

### **3.2.2 Importance of Crop Insurance**

Farmers will have a safety net in the form of crop insurance to protect themselves from unanticipated occurrences such as droughts, floods, and insect infestations. It assists in maintaining stable revenues for farmers, which in turn encourages them to make investments in their fields and embrace new technology. Crop insurance is a crucial financial stability that is becoming more important as the incidence of climate-related calamities continues to rise. It provides farmers with the opportunity to recoup from losses and lessens the likelihood that they would incur debt. Farmers that have access to crop insurance may be more likely to make investments in modern agricultural procedures and crops that produce greater yields, which may ultimately lead to an increase in both productivity and economic development.

### **3.2.3 Current State of Crop Insurance in Myanmar**

The crop insurance industry in Myanmar is still in its early stages of development. Historically, farmers have depended on informal systems, such as community-based risk-sharing, rather than formal insurance products. Community-based risk-sharing is one example. Recently, however, the government and a number of non-governmental organizations (NGOs) have been working toward the development of a structured crop insurance system. Crop insurance has been promoted via the implementation of pilot programs that have been begun by the Ministry of Agriculture, Livestock, and Irrigation (MoALI). Partnerships with commercial insurance firms and international organizations are often involved in the execution of these initiatives. There have been several private insurers who have started offering crop insurance products, although the market share of these products is still very low. The lack of information and comprehension that exists among farmers about insurance goods is a substantial obstacle to the adoption of these products. Microinsurance has been gaining popularity in Myanmar, with the goal of providing smallholder farmers with insurance products that are within their price range. In order to simplify the registration process and the processing of claims, these models often make use of cutting-edge technology, such as mobile applications.

### **3.2.4 Challenges Facing Crop Insurance in Myanmar**

The lack of information among farmers about the advantages of crop insurance is a significant obstacle that must be overcome. There are a lot of people who aren't aware of how insurance works or how it provides protection against hazards. For smallholder farmers, the expense of premiums may be a barrier to financial stability. Many farmers operate on slim profit margins, and as a result, they may have a tough time affording insurance, which contributes to the low adoption rates. There is a strong correlation between precise data on crop yields, weather patterns, and risk assessments and the effectiveness of crop insurance. In Myanmar, the creation of individualized insurance solutions is hampered by the absence of trustworthy data. The official institutions, especially insurance firms, are often viewed with suspicion by farmers. There is a possibility that previous encounters with informal systems may cause one to be skeptical about the advantages of formal crop insurance. The context in which insurance is regulated in Myanmar is still in the process of developing. It is very necessary for the expansion of the crop insurance market to have a regulatory framework that is clearly defined.

### **3.3 Factors Influencing Purchase Intention Towards Crop Insurance**

Insurance literacy, attitude, social norms, and perceived behavioral control are the elements that influence the propensity to obtain crop insurance. Others include perceived behavioral control.

#### **3.3.1 Insurance Literacy**

The proactive approach that Myanmar Insurance takes to improve insurance literacy among farmers is a result of the company's recognition of the significant role that understanding crop insurance plays in ensuring the financial security of farmers. Not only does Myanmar Insurance make sure that information on crop insurance plans is easily available, but it also makes sure that it is presented in a way that is basic and easy to understand. This is done in order to cater to the various levels of literacy and requirements that farmers have. Myanmar Insurance makes use of a wide range of communication channels in order to accomplish this goal. These channels include community outreach initiatives, instructional seminars, and collaborations with local agricultural groups. In addition, they disseminate instructional materials such as brochures, posters, and digital content in the local languages in order to increase the

amount of people who listen to and understand the information. In order to explain the advantages of crop insurance and the particular risks that it covers, such as droughts, floods, and other climate-related disasters, these efforts are supplemented by the use of real-life case studies and examples. Myanmar Insurance inspires confidence in farmers and gives them the ability to make well-informed choices on the protection of their livelihoods via crop insurance by actively interacting with farmers and resolving their issues.

### **3.3.2 Attitude**

Putting an emphasis on the critical role that crop insurance plays in safeguarding farmers from the financial uncertainties that are presented by natural catastrophes like as floods, droughts, and other severe weather occurrences is one of the ways that Myanmar Insurance is actively working to cultivate a favorable attitude about crop insurance. Myanmar Insurance takes use of tailored awareness initiatives to bring attention to the peace of mind that crop insurance provides. This peace of mind enables farmers to concentrate on their agricultural operations without being constantly concerned about the possibility of incurring losses. Through the use of testimonies and success stories from farmers who have benefitted from the protection that crop insurance provides during difficult times, Myanmar Insurance demonstrates the transforming influence that crop insurance can have. These accounts are bolstered by the views of industry professionals about the role that crop insurance plays as an essential instrument for providing income protection, so protecting the financial stability of farmers and ensuring that their livelihoods remain uninterrupted. In addition, Myanmar Insurance incorporates the idea of crop insurance as an essential component of contemporary agricultural techniques, so illustrating the long-term usefulness of crop insurance in terms of strengthening the resilience and sustainability of agriculture. Through the establishment of trust and the promotion of the practical advantages of crop insurance, Myanmar Insurance instills confidence in farmers and encourages them to regard crop insurance as a prudent and necessary investment in their future.

### **3.3.3 Social Norms**

Myanmar Insurance makes a concerted effort to enhance social norms on crop insurance by promoting a collective knowledge of the need and value of crop

insurance within agricultural communities. They showcase real-life instances of how crop insurance has helped manage agricultural risks and achieve financial stability by highlighting the success stories of local farmers who have benefitted from crop insurance. These success stories are highlighted via community-driven initiatives and public outreach activities. The purpose of sharing these tales is to magnify their effect and to build a feeling of shared experience among farmers. These stories are shared at community events, via local media, and via social platforms. In order to mainstream the adoption of crop insurance as a vital component of agricultural planning, Myanmar Insurance places an emphasis on the concrete advantages and portrays crop insurance as an investment that is both intelligent and trustworthy. Through active collaboration with community leaders, agricultural cooperatives, and key personalities within farming networks, Myanmar Insurance is able to convey the idea that crop insurance is not only a choice made by an individual but rather a social practice that strengthens the resilience of the whole community. In this technique, a supportive atmosphere is created in which farmers are encouraged and motivated to accept crop insurance. They perceive it as a trustworthy and important tool for protecting their livelihoods, and this approach promotes a climate that is supportive.

#### **3.3.4 Perceived Behavioral Control**

Myanmar Insurance simplifies every step of the process, from the first registration to the handling of claims, which results in an increase in the farmers' perception of their own behavioral control over the adoption of crop insurance. Myanmar Insurance makes it easy for farmers to sign up for crop insurance by requiring just a small amount of paperwork and providing user-friendly processes that are meant to accommodate farmers with varied levels of literacy and access to technology. To ensure that farmers have a complete understanding of the policies and are able to confidently manage them, the terms and conditions are provided in a clear and concise manner, using language that is easy to comprehend and visual aids. Farmers are able to pay their premiums in a manner that is both simple and accessible because to the many payment choices that Myanmar Insurance provides. These alternatives include mobile payment systems and installment plans, which further decrease the obstacles that farmers face. Furthermore, Myanmar Insurance simplifies the claims procedure, which ensures fast and efficient reimbursements when farmers encounter losses. This helps to establish confidence and reinforce the value of the

service, which is a significant benefit. By addressing the unique difficulties that farmers face, such as risks associated to climate change and financial restrictions, Myanma Insurance gives them the ability to make choices based on accurate information and to take charge of protecting their agricultural interests. To encourage farmers to take crop insurance as a viable and attainable option for risk management, these activities foster a feeling of confidence and competence among farmers, which in turn encourages them to purchase crop insurance.

**CHAPTER IV**  
**ANALYSIS OF FACTORS INFLUENCING PURCHASE INTENTION**  
**TOWARDS CROP INSURANCE**  
**(WEATHER INDEX-BASED CROP INSURANCE)**

The purpose of this chapter is to provide an examination of the elements that influence the desire to acquire crop insurance. In this chapter, we will discuss the study methodology, demographic aspects of respondents, consumer perceptions of factors that influence buy intention towards crop insurance (weather index-based crop insurance), and an analysis of factors that influence purchase intention towards crop insurance.

**4.1 Research Design**

Identifying the elements that influence purchase intention with regard to crop insurance (weather index-based crop insurance) is the major purpose of this study. Several independent factors, including insurance literacy, attitude, subjective norms, and perceived behavioral control, were used in the research in order to accomplish this goal. For the purpose of systematically measuring the variables that influence purchase intention with regard to crop insurance, the research takes a quantitative method. For the purpose of selecting a sample size of 150 responders from an unknown population, the systematic sampling approach is used. For the purpose of determining the sample size, the following Cochran formula is used.

$$\begin{aligned}n &= \frac{Z^2 \cdot p \cdot (1 - p)}{e^2} \\ &= \frac{1.96^2 \cdot 0.5 \cdot (1 - 0.5)}{0.1^2} \\ &= 96 \approx 150\end{aligned}$$

The gathering of data is carried out via the use of structured questionnaires that are sent to a representative sample of consumers. Among the demographic questions on the questionnaire are those pertaining to gender, age, education, employment, income, and marital status. Additionally, the questionnaire has items based on a 5-point Likert scale that examine the variables that influence the propensity to acquire crop insurance. For the purpose of analyzing the survey data, statistical analysis methods such as descriptive statistics (mean, standard deviation),

as well as regression analysis, are used. A number of characteristics, including insurance literacy, attitude, social norms, perceived behavioral control, and purchase intention, are supposed to be investigated in these studies in order to discover correlations between them.

#### 4.2 Demographic Factors of Respondents

An overview of the respondents' gender, age, education, employment, income level, and marital status is provided in the demographic profile of the individuals who participated in the survey. When it comes to understanding the variety of the sample and making certain that different parts of the population are sufficiently represented in the research, these statistics are quite necessary.

**Table (4.1) Demographic Profiles of Respondents**

No.	Particulars	No. of Respondents	Percentage
	<b>Total</b>	<b>150</b>	<b>100</b>
1.	Gender: Female	68	45.3
	Male	82	54.7
2.	Age (Years): Under 25	1	0.7
	25-35	50	33.3
	36-45	44	29.3
	46-60	43	28.7
	Above 60	12	8.0
3.	Education: No Formal Education	1	0.7
	Primary Education	5	3.3
	Secondary Education	29	19.7
	Diploma/Graduate	97	64.7
	Postgraduate and above	18	12.0
4.	Occupation: Farming	34	22.7
	Labor	34	22.7
	Business	18	12.0
	Other	64	42.7
5.	Income (MMK): Less than 300,000	80	53.3

	300,000-500,000	22	14.7
	500,000-700,000	17	11.3
	Above 700,000	31	20.7
6.	Marital Status: Single	62	41.3
	Married	86	57.3
	Other	2	1.3

Source: Survey Data (2025)

According to the data shown in Table (4.1), the demographic profile of the individuals who participated in this research offers a complete account of their features across a number of different categories. A total of 150 people responded to the survey, with 68 females and 82 men, with males having a small advantage over females in terms of the number of responses. Respondents aged 25 to 35 make up the biggest group, accounting for 33.3% of the total, followed by those aged 36 to 45 (29.3%) and 46 to 60 (28.7%), with a lower amount of respondents under the age of 25 and over the age of 60. The bulk of the population, which accounts for 64.7% of the total, has a diploma or a graduate degree. Additionally, 19.7% of the population has finished their secondary education, and 12.0% of the population has postgraduate degrees. There is a wide variety of occupations that are observed, with 42.7% of people falling into the "Other" category, followed by 22.7% of people working in farming and labor, and 12.0% working in business. 53.3% of the population has an annual income of less than 300,000 MMK, with a smaller fraction of the population falling into higher economic groups. According to the marital status, 57.3% of the population is married, 41.3% of the population is single, and 1.3% belonging to other categories. A diversified demographic profile is a reflection of the wide range of opinions and experiences that were reflected in the research. This profile captures a sample that is both inclusive and diverse.

### 4.3 Reliability Test

The Cronbach's alpha statistic is applied in this investigation to ascertain the degree to which the questionnaire scales are internally consistent. There is a consensus that a Cronbach's alpha value that is more than 0.7 is adequate. The following is a list of the results obtained from the reliability assessments: The Cronbach's alpha statistic is applied in this investigation to ascertain the degree to which the questionnaire scales are internally consistent. There is a consensus that a

Cronbach's alpha value that is more than 0.7 is adequate. The following is a list of the results obtained from the reliability assessments:

**Table (4.2) Cronbach’s Alpha Reliability Test**

No.	Factor	Number of Items	Cronbach’s Alpha
1.	Insurance Literacy	6	0.875
2.	Attitude	6	0.941
3.	Social Norms	6	0.931
4.	Perceived Behavioral Control	6	0.941
5.	Purchase Intention	6	0.929

Source: Survey Data (2025)

An evaluation of a variety of characteristics, including insurance literacy, attitude, social norms, perceived behavioral control, and purchase intention, is shown in Table (4.2). Each of these categories is assessed based on a certain number of items. The internal consistency and reliability of these measurements are shown by the Cronbach's alpha scores for each of the factors. The results of this research indicate that insurance literacy, attitude, social norms, perceived behavioral control, and purchase intention all have an acceptable degree of internal consistency (Nunnally, 1978). This is due to the fact that all Cronbach's Alpha values are more than seven.

#### **4.4 Respondent Perception on Factors Influencing Purchase Intention Towards Crop Insurance**

The next part provides a comprehensive overview of the respondents' perspectives on the elements that influence their intention to make a purchase. These perspectives cover a wide range of topics, including insurance literacy, attitude, subjective norms, and perceived behavioral control. Both the mean and the standard deviation are used in order to quantify the levels of perception. A total of one hundred fifty clients had the opportunity to submit feedback about their opinions regarding insurance literacy, attitude, subjective norms, perceived behavioral control, and purchase intention. Using the following criteria, the ratings on the Likert scale, which range from one to five points, are interpreted:

**Table (4.3) Mean Score Interpretation Table**

<b>No.</b>	<b>Mean Score</b>	<b>Interpretation</b>
1	1.00-1.80	Lowest
2	1.81-2.60	Low
3	2.61-3.20	Moderate
4	3.21-4.20	High
5	4.21-5.00	Highest

Source: Warmbrod, J. R. (2014)

The chart that indicates the interpretation of the mean score classifies the replies into five different degrees of agreement. Scores ranging from 1.00 to 1.80 suggest a very low level, while scores ranging from 1.81 to 2.60 indicate a low level. Answers that fall between 2.61 and 3.40 are considered moderate. values ranging from 3.41 to 4.20 are considered to be high, while values ranging from 4.21 to 5.00 are considered to be extremely high. With the use of this scale, the intensity of the views expressed by respondents may be evaluated based on their average scores.

#### **4.4.1 Respondent Perception on Insurance Literacy**

The Table (4.4) describes the respondent perception on insurance literacy. To measure the level of insurance literacy, respondents are asked six questions which is shown in Table (4.4).

**Table (4.4) Insurance Literacy**

<b>No.</b>	<b>Statement</b>	<b>Mean</b>	<b>Std. Deviation</b>
1.	Being aware of the different types of crop insurance policies available.	3.80	.875
2.	Crop insurance policies are easy to purchase and manage.	3.83	.825
3.	Having easily accessible the information about crop insurance schemes	3.78	.881
4.	Providing protection against the financial impact of crop losses.	3.71	.994
5.	Purchasing affordable crop insurance premium affordable.	3.71	.863
6.	Being aware of the risks that crop insurance covers (e.g., drought, floods).	3.72	.913
<b>Overall Mean</b>		<b>3.76</b>	

Source: Survey Data (2025)

As can be seen in Table (4.4), the total mean value of insurance literacy is 3.76, which indicates that the majority of respondents had a good degree of comprehension and awareness about crop insurance. Between 3.71 and 3.83 is the range of the mean values for all of the factors that are associated with insurance literacy. This indicates that respondents, on the whole, have a favorable impression of those who are knowledgeable about crop insurance. Specifically, the statement that "Crop insurance policies are easy to purchase and manage" has the highest mean value of 3.83, which indicates that respondents strongly agree with the statement's straightforwardness in terms of implementation. According to the other hand, the phrases "Crop insurance provides protection against the financial impact of crop losses" and "Purchasing crop insurance premium is affordable for me" both have the lowest mean values of 3.71, indicating that people have somewhat poorer views of these features. The statistics, taken as a whole, demonstrate that the respondents had a satisfactory degree of insurance literacy.

#### 4.4.2 Respondent Perception on Attitude

The following Table (4.5) presents the perception of respondents on attitude. In this study, there are six questions to answer the respondents to determine the level of attitude which are

**Table (4.5) Attitude**

<b>No.</b>	<b>Particular</b>	<b>Mean</b>	<b>Std. Deviation</b>
1.	Having a positive attitude towards purchasing crop insurance regularly.	3.71	.894
2.	Have a thought that the Crop insurance helps farmers recover quickly from natural disasters like floods.	3.78	.940
3.	Providing peace of mind in uncertain farming conditions.	3.70	.888
4.	Having confident that this insurance will protect income during extreme weather events.	3.78	.919
5.	Being crop insurance as a necessary part of modern agricultural practices.	3.76	.974
6.	Having a belief that crop insurance plays an important role in enhancing farmers' financial stability and well-being	3.73	.948
<b>Overall Mean</b>		<b>3.74</b>	

Source: Survey Data (2025)

Table (4.5) provides the aggregate mean value of respondents' attitudes, which is 3.74. This suggests that most respondents have a high degree of favorable attitude towards crop insurance. With the mean values of all categories ranging from 3.70 to 3.78, it is obvious that respondents typically held good impressions of the elements of crop insurance. Specifically, the statements "I think that crop insurance helps farmers recover quickly from natural disasters like floods" and "I feel confident that this insurance will protect my income during extreme weather events" share the highest mean value of 3.78, reflecting strong agreement among respondents. On the other side, the statement "Crop insurance provides peace of mind in uncertain farming conditions" has the lowest mean value of 3.70, showing somewhat lower but still

favorable attitudes. Overall, respondents had good attitude towards crop insurance as a crucial instrument for financial stability and risk management in agriculture.

#### 4.4.3 Respondent Perception on Social Norms

To measure the level of perception of social norms, six questions are asked to answer the customers. The overall mean value of respondent perception of the social norms is presented in Table (4.6).

**Table (4.6) Social Norms**

No.	Particular	Mean	Std. Deviation
1.	Having a view crop insurance as a smart and essential investment for protecting crops.	3.61	.911
2.	Having a strong belief that crop insurance is crucial for safeguarding agricultural investments.	3.65	.852
3.	Bing crop insurance as a vital part of ensuring the financial stability of farm.	3.64	.846
4.	Local farmers consistently emphasize the value of crop insurance as a key strategy for managing agricultural risks.	3.61	.835
5.	<u>The majority of farmers in the region</u> rely on crop insurance as a critical tool for mitigating potential losses.	3.59	.928
6.	Being encouraged to adopt crop insurance when seeing other farmers benefiting from it.	3.76	.825
<b>Overall Mean</b>		<b>3.64</b>	

Source: Survey Data (2025)

As can be seen in Table (4.6), the total mean value of social norms is 3.64, which indicates that the majority of respondents had a high degree of agreement with the significance of crop insurance within their community. Every item has a mean value that falls somewhere between 3.59 and 3.76, which indicates that people have generally favorable impressions of the social norms that are associated with crop insurance. To be more specific, the statement that "I feel encouraged to adopt crop insurance when I see other farmers benefiting from it" had the greatest mean value of 3.76, which highlights the importance that observable benefits have on adoption. On

the other side, the statement that "The majority of farmers in my region rely on crop insurance as a critical tool for mitigating potential losses" has the lowest mean value of 3.59, which suggests that there is relatively less emphasis placed on its widespread usage. All things considered, the evidence reveals that there are significant social norms that encourage the adoption of crop insurance among farmers and the perceived value of crop insurance.

#### 4.4.4 Respondent Perception on Perceived Behavioral Control

In this part, the respondent's impression of their perceived level of behavioral control is presented. There are six questions that are listed in Table (4.7) that are posed to the respondents in order to assess the amount of perception that they have obtained. Table (4.7) displays the mean value of each question that pertains to the perceived level of behavioral control.

**Table (4.7) Perceived Behavioral Control**

<b>No.</b>	<b>Statement</b>	<b>Mean</b>	<b>Standard Deviation</b>
1.	Being simple and straightforward registration process for crop insurance.	3.89	.787
2.	Being confident in understanding the terms and conditions of crop insurance policies.	3.79	.854
3.	Providing effective protection against agricultural losses.	3.69	.874
4.	Having time and resources to manage the paperwork and documentation required for crop insurance claims.	3.74	.901
5.	Being convenient payment methods.	3.73	.857
6.	Climate-related risks and other risks significantly influence the decision to purchase crop insurance.	3.71	.879
<b>Overall Mean</b>		<b>3.76</b>	

Source: Survey Data (2025)

The entire mean value of perceived behavioral control is 3.76, as shown in table (4.7), representing the overall average. According to the overall mean value, the majority of respondents had a high degree of perception of their capacity to

administer and make use of crop insurance. All of the questions in the perceived behavioral control category have mean values that vary from 3.69 to 3.89, which indicates that people have consistently good opinions about all of these features. To be more specific, the statement that "The registration process for crop insurance is simple and straightforward" has the highest mean value of 3.89, which indicates that there is a high level of agreement with the simplicity of registration. The statement that "Crop insurance provides effective protection against agricultural losses" has the lowest mean value of 3.69, showing somewhat lower but still good impressions. In contrast, the aforementioned statement has the highest mean value. The majority of responders exhibit a sense of self-assurance and capability in their ability to manage the procedures and prerequisites linked with crop insurance.

#### 4.4.5 Overall Mean Values

The Table (4.8) summarizes the mean values of factors influencing purchase intention towards crop insurance. Each factor was evaluated based on six items and the overall mean values.

**Table (4.8) Factors Influencing Purchase Intention**

No.	Factor	Number of Items	Overall Mean
1.	Insurance Literacy	6	3.76
2.	Attitude	6	3.74
3.	Social Norms	6	3.64
4.	Perceived Behavioral Control	6	3.76

Source: Survey Data (2025)

Based on these values, it can be deduced that insurance literacy and perceived behavioral control obtained the highest mean scores, both with a score of 3.76. Attitude, on the other hand, received an overall mean value of 3.74, and social norms received a mean score of 3.64. The mean values of all the elements that influence the desire to make a purchase are rather high. In general, these findings demonstrate that the individuals who were polled believe that these aspects have a significant role in determining their intentions to make a purchase.

#### 4.4.6 Purchase Intention

During this portion, consumers are requested to provide their responses about their perceptions of buy intention in order to ascertain their desire to make a purchase.

All of the respondents' perspectives on their intentions to make a purchase are detailed in table (4.9).

**Table (4.9) Purchase Intention**

No.	Statement	Mean	Standard Deviation
1.	Having a strong intention on crop insurance will meet the expectations in safeguarding crops.	3.71	.915
2.	Having a belief that purchasing crop insurance is a wise financial decision for farming business.	3.73	.880
3.	Having an intense desire to adopt crop insurance as a part of farming risk management strategy.	3.82	.890
4.	Being motivated by the adoption of crop insurance by other farmers in community to do the same.	3.65	.890
5.	Having a willingness to explore different crop insurance options to find the best one for needs.	3.71	.863
6.	Having a willingness to renew crop insurance policy after the first purchase.	3.74	.951
<b>Overall Mean</b>		<b>3.73</b>	

Source: Survey Data (2025)

A mean value of 3.73 is shown in table (4.9), which represents the total mean value of purchasing intention. This indicates that the majority of respondents had a high degree of desire to obtain crop insurance, as shown by the overall mean value. The mean values for all of the items in the purchase intention category vary from 3.65 to 3.82, which indicates that respondents had consistently favorable impressions of the elements that influence their choice to employ crop insurance strategies. To be more specific, the statement that "I have an intense desire to adopt crop insurance as a part of my farming risk management strategy" has the highest mean value of 3.82, which indicates that respondents are highly motivated to make this decision. At the opposite end of the spectrum, the statement "The adoption of crop insurance by other farmers in my community motivates me to do the same" has the lowest mean value of 3.65, indicating that the effect of peer adoption is comparatively smaller but still important. The data, taken as a whole, indicate that the respondents had a strong ambition to incorporate crop insurance into their agricultural methods.

#### 4.5 Analysis on Factors Influencing Purchase Intention Towards Crop Insurance

In line with the data presented in Table 4.10, this investigation investigates the impact that a number of training factors have on a particular result, focusing on the coefficients and significance levels involved.

**Table (4.10) Factors Influencing Purchase Intention Towards Crop Insurance**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.074	.136		.543	.588
Insurance Literacy	.076	.073	.069	1.042	.299
Attitude	.301***	.077	.318	3.914	.000
Social Norms	.221***	.081	.214	2.735	.007
Perceived Behavioral Control	.382***	.073	.374	5.201	.000
R	.925				
R Square	.856				
Adjusted R Square	.852				
F Value	215.907				

Source: Survey Data (2025)

Dependent variable: Purchase Intention

Note: \*\*\* Significant at 1% level, \*\* Significant at 5 % level, \* Significant at 10 % level

The multiple regression analysis reveals that the model explains a big portion of the variance that is present in the dependent variable, which is the desire to acquire crop insurance. The dependent variable is characterized by a significant amount of variation. At the 1% level of statistical significance, attitude, social norms, and perceived behavioral control are statistically significant, which indicates that they have a considerable and positive influence on purchase intention. This is the case since these factors are statistically significant. It has been shown that insurance literacy does not have a statistically significant impact on the intention to buy. According to the R Square value, the independent variables in the model are responsible for 85.6% of the variation in the intention to make a purchase. A more accurate estimate of how well the model fits the data is provided by the adjusted R

Square value, which is 0.852. This value takes into account the total number of predictors. The total model is statistically significant and performs better than a model that does not include any predictors, as shown by the F-Value, which is 215.907, and the p-value, which is less than 0.01. With a standardized coefficient beta value of 0.374, perceived behavioral control has the greatest impact on buy intention. Attitude and social norms come in second and third, with standardized coefficient beta values of 0.318 and 0.214 with regard to purchase intention, respectively. Although insurance literacy does not seem to have a major influence. Because of the clear registration procedure and accessible payment options offered by Myanmar Insurance, as well as the significance of crops insurance for farmers in terms of controlling climatic risks, perceived behavioral control has the greatest impact on the intention to make a purchase.

## **CHAPTER V**

### **CONCLUSION**

This chapter contains the results and comments that were based on the analysis that was provided in the previous chapter. Additionally, this chapter highlights areas that need additional investigation and provides ideas and recommendations based on the findings.

#### **5.1 Findings and Discussion**

In order to have a better understanding of the respondents' origins, the research conducted an analysis of their demographic characteristics. The questionnaire was filled out by a total of 150 individuals, with a greater number of male respondents than female respondents made up the sample. Of those who participated in the survey, the majority were between the ages of 25 and 35, followed by 36 to 45, and then 46 to 60. After looking at the respondents' educational backgrounds, it was discovered that the majority of them had either a diploma or a graduate degree, followed by those who had postgraduate degrees. While farming and labor were both evenly represented, a significant number of the respondents were working in jobs that were classified as "Other." The bulk of the population had earnings that were lower than 300,000 MMK, whereas a smaller fraction of the population had incomes that were more than that. In terms of their marital status, the majority of respondents were married, while the remaining respondents were alone. The purpose of the research was to assess the level of insurance literacy among respondents, with a particular emphasis on their knowledge and interest in crop insurance. In general, respondents were taught about a variety of important characteristics of crop insurance, such as its accessibility, the financial protection it provides, and the availability of the policy. A significant number of respondents disclosed that they were aware of the existence of crop insurance programs in their respective locations and that they found it to be reasonably simple to get information about these plans. They were aware of the uncomplicated procedure for registering in insurance plans, which encouraged them to take part in the program. In addition, a significant proportion of respondents agreed that the premiums were within their financial means, which enables crop insurance to be a viable choice even for farmers who have low financial resources. There was a widespread understanding of the

significance of insurance as a tool for mitigating agricultural risks, such as droughts, floods, and other unfavorable climatic phenomena. This collective knowledge highlights the fact that respondents consider crop insurance to be an efficient financial vehicle that may promote agricultural stability and protect their livelihoods against risks that are unforeseen. In terms of the respondents' perspectives on crop insurance, the survey found that the majority of them had a favorable view. They showed a significant agreement with the concept that crop insurance makes it easier for farmers to recover quickly following natural catastrophes, which in turn enables them to restart their agricultural operations with as little delay as possible. The financial assistance that was supplied by insurance policies, according to the respondents, brought a feeling of peace of mind, therefore lessening the tension that was connected with the uncertainties that are involved with farming. In addition, a number of participants emphasized that crop insurance provides financial protection in the case of severe weather events, therefore preserving their income and safeguarding their investments in agricultural activities. A further finding was that respondents considered crop insurance to be an essential component of current agricultural practices. This finding reflects the rising significance of crop insurance in terms of reacting to contemporary difficulties in the agricultural industry. They acknowledged the importance that it plays in fostering the well-being, stability, and resilience of farmers, which is essential for maintaining agricultural output and economic prosperity in rural areas. Respondents said that crop insurance is commonly regarded to be a necessary investment within their communities, with local farmers and families often praising its advantages. This was about the social norms that are prevalent in their communities. This widespread support served to emphasize the significance of crop insurance as a method for mitigating the risks associated with agricultural production. A important factor that led to the formation of favorable views toward the implementation of crop insurance was the widespread belief among peers that it is a trustworthy tool for protection. In addition, respondents said that community conversations and interactions played a significant impact in promoting awareness and encouraging participation in insurance programs. Because of this social impact, not only did they have a better knowledge of the practical benefits of crop insurance, but they were also driven to regard it as a crucial step in securing their agricultural livelihoods. A significant number of respondents said that the registration procedure was straightforward and user-friendly, which eliminated any possible

obstacles to enrollment. This was in relation to the perceived behavioral control. Respondents were further empowered by the assurance that they understood the terms and conditions of their insurance plans, which ensured that they were able to make choices based on accurate information. Their view of crop insurance was favorably impacted by a number of factors, including the availability of digital platforms and the flexibility of premium alternatives. Additional factors that contributed to this image were the ease of payment methods. In addition, respondents highlighted the crucial role that crop insurance plays in the management of climate-related risks, such as unpredictable natural catastrophes and unpredictable patterns of rainfall. The combination of these reasons increased their readiness to purchase crop insurance since it offered them a method that was both practical and dependable for mitigating the financial risks that are connected with farming. It was believed that crop insurance was a very useful instrument for agricultural risk management since it addressed the most important problems and made sure that it was easily accessible. For the last part of the research project, a regression analysis was used to investigate the variables that influence the desire to acquire crop insurance. According to the findings, the intention to make a purchase was highly influenced by factors such as attitude, social norms, and perceived behavioral control. In this group, perceived behavioral control had the largest beta value, which indicates that it has a significant amount of effect. Insurance literacy did not demonstrate any meaningful impact, which suggests that while knowledge is high, it does not immediately transfer into individuals making choices to get insurance. These results highlight the significance of cultivating positive attitudes and developing social settings that are supportive in order to increase the adoption of crop insurance for agricultural purposes.

## **5.2 Suggestions and Recommendations**

Regarding insurance literacy, Myanmar Insurance should focus on providing easily accessible and comprehensive information about the different types of crop insurance policies available, as this can significantly improve farmers' understanding of the coverage offered, such as protection against risks like drought and floods. To ensure affordability, the agency can collaborate with government bodies or other stakeholders to explore subsidy options for premiums. Additionally, the ease of purchasing and managing crop insurance policies could be improved by simplifying processes and offering digital platforms tailored to farmers' needs. Enhancing

insurance literacy not only empowers farmers to make informed decisions but also strengthens their financial resilience in the face of agricultural uncertainties. Regarding on attitude, the positive perception of crop insurance among farmers indicates its importance in modern agricultural practices. Myanma Insurance could amplify this attitude by showcasing real-life success stories of how crop insurance aids farmers in recovering from natural disasters like floods. Promoting the role of crop insurance in ensuring financial stability and providing peace of mind during uncertain farming conditions can further instill confidence in its value. Campaigns should also emphasize how crop insurance protects farmers' income during extreme weather events, thus aligning with their expectations for financial security and well-being. In concern with social norms, the collective viewpoint in farming communities underscores the need for crop insurance as a vital tool for mitigating agricultural risks. Myanma Insurance could leverage these strong community beliefs by organizing local farmer workshops and peer-sharing sessions, where farmers who have benefited from crop insurance share their experiences. Encouraging farmers to view crop insurance as a smart and essential investment can further normalize its adoption. Additionally, emphasizing the alignment of crop insurance with the shared values and goals of the farming community could drive broader participation. For perceived behavioral control, simplifying the registration and claims process should be a priority for Myanma Insurance to boost confidence among farmers. Digital tools or mobile applications that streamline paperwork and offer clear explanations of terms and conditions can reduce perceived barriers. Highlighting the convenience of payment methods and the effectiveness of insurance in protecting against agricultural losses can further motivate farmers. By ensuring farmers feel they have the resources and support to manage insurance processes, Myanma Insurance can significantly influence their purchase intentions. Finally, the significant impact of factors like attitude, social norms, and perceived behavioral control on purchase intention indicates areas where Myanma Insurance can focus its efforts. Myanma Insurance should focus on targeted educational campaigns to strengthen farmers' understanding and positive attitudes toward crop insurance. These campaigns could highlight real-life success stories and provide clear information on the benefits and coverage of crop insurance. Additionally, Myanma Insurance should implement collaborative community programs, such as workshops and peer-sharing sessions, to reinforce social norms and encourage wider adoption of crop insurance. Simplifying processes

through accessible digital platforms and tools can enhance farmers' perceived control over managing insurance, including registration, claims, and payments. Myanma Insurance should also explore partnerships with government agencies to subsidize premiums, making crop insurance more affordable and attractive to farmers. By addressing these factors holistically, Myanma Insurance can promote greater adoption of crop insurance, thereby contributing to the financial stability and resilience of the agricultural sector.

### **5.3 Need for Further Research**

The primary focuses of this study were on the factors that impact farmers' intentions to acquire crop insurance and the ways in which these intentions influence the farmers' actual adoption of crop insurance. During the course of the research, four important aspects were identified: insurance literacy, attitude, social norms, and perceived behavioral control. As a result, it is recommended that future studies focus on additional factors that can impact purchase intention. These factors include the efficiency of government regulations, the role of community influence, and the previous experiences that farmers have had with insurance claims. Additionally, the main emphasis of this research was on the intention of farmers to obtain crop insurance and their actual acceptance of the policy. For the purpose of providing a more comprehensive understanding of risk management techniques in the agricultural sector, it is possible that some future study may investigate the feelings that farmers have toward different sorts of agricultural financial instruments. A comparison of the characteristics that influence the adoption of different financial methods might give significant information for both public and commercial entities that provide assistance to the agriculture business.

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**APPENDIX A**  
**FACTORS INFLUENCING PURCHASE INTENTION**  
**TOWARDS CROP INSURANCE**

The title of my research is “**Factors Influencing Purchase Intention towards Crop Insurance**”. Therefore, I need your response in this survey. This questionnaire will take your time about five minutes to ten minutes. The study is basically for academic purposes; thus, I guarantee that your responses will be kept strictly anonymous and confidential. Thank you very much for your participation.

**Part (1)**  
**Demographic Factors**

Please tick the appropriate answer for each of the following questions.

**1. Gender**

- Male
- Female

**2. Age (years)**

- Below 25 years
- 25-35 years
- 36-45 years
- 46-60 years
- Above 60 years

**3. Education**

- No Formal Education
- Primary Education
- Secondary Education
- Diploma/ Graduate
- Postgraduate and above

**4. Occupation**

- Farming
- Laborer
- Business
- Other

### 5. Income (MMK)

- Less than 300,000
- 300,000-500,000
- 500,000-700,000
- Above 700,000

### 6. Marital Status

- Married
- Single
- Other

### Part (2)

Please check the degree that best describe you're agree or disagree with the statements in the following, based on the using of crop insurance.

(Reference number: 1-Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly Agree)

### Insurance Literacy

1.	I am aware of the different types of crop insurance policies available.	1	2	3	4	5
2.	Crop insurance policies are easy to purchase and manage.	1	2	3	4	5
3.	The information about crop insurance schemes is easily accessible.	1	2	3	4	5
4.	Crop insurance provides protection against the financial impact of crop losses.	1	2	3	4	5
5.	Purchasing crop insurance premium is affordable for me.	1	2	3	4	5
6.	I am aware of the risks that crop insurance covers (e.g., drought, floods).	1	2	3	4	5

### Attitude

1.	I have a positive attitude towards purchasing crop insurance regularly.	1	2	3	4	5
2.	I think that the Crop insurance helps farmers recover quickly from natural disasters like floods.	1	2	3	4	5
3.	Crop insurance provides peace of mind in uncertain farming conditions.	1	2	3	4	5
4.	I feel confident that this insurance will protect my income during extreme weather events.	1	2	3	4	5
5.	I accept that Crop insurance is a necessary part of modern agricultural practices.	1	2	3	4	5
6.	I believe that crop insurance plays an important role in enhancing farmers' financial stability and well-being	1	2	3	4	5

### Social Norms

1.	Many farmers in my area view crop insurance as a smart and essential investment for protecting their crops.	1	2	3	4	5
2.	In my community, there's a strong belief that crop insurance is crucial for safeguarding agricultural investments.	1	2	3	4	5
3.	For my family, crop insurance is a vital part of ensuring the financial stability of our farm.	1	2	3	4	5
4.	Local farmers consistently emphasize the value of crop insurance as a key strategy for managing agricultural risks.	1	2	3	4	5
5.	The majority of farmers in my region rely on crop insurance as a critical tool for mitigating potential losses.	1	2	3	4	5
6.	I feel encouraged to adopt crop insurance when I see other farmers benefiting from it.	1	2	3	4	5

### Perceived Behavioral Control

1.	The registration process for crop insurance is simple and straightforward.	1	2	3	4	5
2.	I am confident in understanding the terms and conditions of crop insurance policies.	1	2	3	4	5
3.	Crop insurance provides effective protection against agricultural losses.	1	2	3	4	5
4.	I believe I have the time and resources to manage the paperwork and documentation required for crop insurance claims.	1	2	3	4	5
5.	Payment methods for crop insurance are convenient for farmers	1	2	3	4	5
6.	Climate-related risks and other risks significantly influence my decision to purchase crop insurance.	1	2	3	4	5

### Purchase Intention

1.	I have a strong intention on crop insurance will meet my expectations in safeguarding my crops.	1	2	3	4	5
2.	I believe purchasing crop insurance is a wise financial decision for my farming business.	1	2	3	4	5
3.	I have an intense desire to adopt crop insurance as a part of my farming risk management strategy.	1	2	3	4	5
4.	The adoption of crop insurance by other farmers in my community motivates me to do the same.	1	2	3	4	5
5.	I am willing to explore different crop insurance options to find the best one for my needs.	1	2	3	4	5
6.	I am likely to renew my crop insurance policy after the first purchase.	1	2	3	4	5

## APPENDIX B

### SPSS Output

#### Frequency Table

#### I. Customer's Demographic Information

##### 1. Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	82	54.7	54.7	54.7
	Male	68	45.3	45.3	100.0
	Total	150	100.0	100.0	

##### 2. Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	25-35	50	33.3	33.3	33.3
	36-45	44	29.3	29.3	62.7
	46-60	43	28.7	28.7	91.3
	Above 60	12	8.0	8.0	99.3
	Under 25	1	.7	.7	100.0
	Total	150	100.0	100.0	

##### 3. Education Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma/Graduate	97	64.7	64.7	64.7
	No Formal Education	1	.7	.7	65.3
	Postgraduate and above	18	12.0	12.0	77.3
	Primary Education	5	3.3	3.3	80.7
	Secondary Education	29	19.3	19.3	100.0
	Total	150	100.0	100.0	

#### 4. Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Busienss	18	12.0	12.0	12.0
	Farming	34	22.7	22.7	34.7
	Laborer	34	22.7	22.7	57.3
	Other	64	42.7	42.7	100.0
	Total	150	100.0	100.0	

#### Income (MMK)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	300,000 - 500,000	22	14.7	14.7	14.7
	500,000 - 700,000	17	11.3	11.3	26.0
	Above 700,000	31	20.7	20.7	46.7
	Less than 300,000	80	53.3	53.3	100.0
	Total	150	100.0	100.0	

#### 6.Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	86	57.3	57.3	57.3
	Other	2	1.3	1.3	58.7
	Single	62	41.3	41.3	100.0
	Total	150	100.0	100.0	

#### Descriptive Statistics

	N	Mean	Std. Deviation
IL 1	150	3.80	.875
IL 2	150	3.83	.825
IL 3	150	3.78	.881
IL 4	150	3.71	.994
IL 5	150	3.71	.863
IL 6	150	3.72	.913
Valid N (listwise)	150		

### Descriptive Statistics

	N	Mean	Std. Deviation
A 1	150	3.71	.894
A 2	150	3.78	.940
A 3	150	3.70	.888
A 4	150	3.78	.919
A 5	150	3.76	.974
A 6	150	3.73	.948
Valid N (listwise)	150		

### Descriptive Statistics

	N	Mean	Std. Deviation
SN 1	150	3.61	.911
SN 2	150	3.65	.852
SN 3	150	3.64	.846
SN 4	150	3.61	.835
SN 5	150	3.59	.928
SN 6	150	3.76	.825
Valid N (listwise)	150		

### Descriptive Statistics

	N	Mean	Std. Deviation
PBC 1	150	3.89	.787
PBC 2	150	3.79	.854
PBC 3	150	3.69	.874
PBC 4	150	3.74	.901
PBC 5	150	3.73	.857
PBC 6	150	3.71	.879
Valid N (listwise)	150		

### Descriptive Statistics

	N	Mean	Std. Deviation
PI 1	150	3.71	.915
PI 2	150	3.73	.880
PI 3	150	3.82	.890
PI 4	150	3.65	.890
PI 5	150	3.71	.863
PI 6	150	3.74	.951
Valid N (listwise)	150		

### Reliability Statistics

Cronbach's Alpha	N of Items
.875	6

### Reliability Statistics

Cronbach's Alpha	N of Items
.941	6

### Reliability Statistics

Cronbach's Alpha	N of Items
.931	6

### Reliability Statistics

Cronbach's Alpha	N of Items
.941	6

### Reliability Statistics

Cronbach's Alpha	N of Items
.929	6

### Descriptive Statistics

	Mean	Std. Deviation	N
PI_OM	3.7278	.77151	150
IL_OM	3.7567	.70118	150
A_OM	3.7422	.81549	150
SN_OM	3.6422	.74795	150
PBC_O M	3.7600	.75492	150

### Correlations

		PI_OM	IL_OM	A_OM	SN_OM	PBC_O M
Pearson Correlation	PI_OM	1.000	.827	.884	.874	.884
	IL_OM	.827	1.000	.842	.802	.850
	A_OM	.884	.842	1.000	.898	.844
	SN_OM	.874	.802	.898	1.000	.853
	PBC_O M	.884	.850	.844	.853	1.000
Sig. (1-tailed)	PI_OM	.	.000	.000	.000	.000
	IL_OM	.000	.	.000	.000	.000
	A_OM	.000	.000	.	.000	.000
	SN_OM	.000	.000	.000	.	.000
	PBC_O M	.000	.000	.000	.000	.
N	PI_OM	150	150	150	150	150
	IL_OM	150	150	150	150	150
	A_OM	150	150	150	150	150
	SN_OM	150	150	150	150	150
	PBC_O M	150	150	150	150	150

**Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	PBC_OM, A_OM, IL_OM, SN_OM <sup>b</sup>	.	Enter

- a. Dependent Variable: PI\_OM  
b. All requested variables entered.

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.925 <sup>a</sup>	.856	.852	.29653	.856	215.907	4

**Model Summary<sup>b</sup>**

Model	df2	Sig. F Change	Change Statistics	
1	145	.000		1.474

- a. Predictors: (Constant), PBC\_OM, A\_OM, IL\_OM, SN\_OM  
b. Dependent Variable: PI\_OM

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	75.940	4	18.985	215.907	.000 <sup>b</sup>
	Residual	12.750	145	.088		
	Total	88.690	149			

- a. Dependent Variable: PI\_OM  
b. Predictors: (Constant), PBC\_OM, A\_OM, IL\_OM, SN\_OM

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.074	.136		.543	.588
	IL_OM	.076	.073	.069	1.042	.299
	A_OM	.301	.077	.318	3.914	.000
	SN_OM	.221	.081	.214	2.735	.007
	PBC_OM	.382	.073	.374	5.201	.000

**Coefficients<sup>a</sup>**

Model		95.0% Confidence Interval for B		Correlations			Collinearity Statistics Tolerance
		Lower Bound	Upper Bound	Zero-order	Partial	Part	
1	(Constant)	-.195	.343				
	IL_OM	-.069	.221	.827	.086	.033	.223
	A_OM	.149	.453	.884	.309	.123	.150
	SN_OM	.061	.380	.874	.221	.086	.162
	PBC_OM	.237	.527	.884	.397	.164	.192

**Coefficients<sup>a</sup>**

Model		Collinearity Statistics VIF
1	(Constant)	
	IL_OM	4.483
	A_OM	6.675
	SN_OM	6.170
	PBC_OM	5.208

a. Dependent Variable: PI\_OM

**Coefficient Correlations<sup>a</sup>**

Model	Correlations	PBC_O			
		M	A_OM	IL_OM	SN_OM
1	PBC_O M	1.000	-.122	-.452	-.361
	A_OM	-.122	1.000	-.355	-.596
	IL_OM	-.452	-.355	1.000	.002
	SN_OM	-.361	-.596	.002	1.000

Covariances	PBC_OM	.005	-.001	-.002	-.002
	M				
	A_OM	-.001	.006	-.002	-.004
	IL_OM	-.002	-.002	.005	1.473E-5
	SN_OM	-.002	-.004	1.473E-5	.007

a. Dependent Variable: PI\_OM

#### Collinearity Diagnostics<sup>a</sup>

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions			
				(Constant)	IL_OM	A_OM	SN_OM
1	1	4.954	1.000	.00	.00	.00	.00
	2	.029	13.104	.85	.00	.03	.01
	3	.008	25.163	.08	.37	.12	.23
	4	.006	29.136	.00	.33	.24	.08
	5	.004	36.465	.06	.30	.62	.67

#### Collinearity Diagnostics<sup>a</sup>

Model	Dimension	Variance Proportions	
		PBC_OM	
1	1		.00
	2		.01
	3		.17
	4		.59
	5		.23

a. Dependent Variable: PI\_OM

#### Residuals Statistics<sup>a</sup>

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.0540	4.9748	3.7278	.71391	150
Residual	-1.10294	.71821	.00000	.29252	150
Std. Predicted Value	-3.745	1.747	.000	1.000	150
Std. Residual	-3.719	2.422	.000	.986	150