

YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF COMMERCE
MASTER OF INSURANCE PROGRAMME

FACTORS INFLUENCING COMPETITIVE ADVANTAGE
AT AYA MYANMAR LIFE ASSURANCE CO., LTD

MYINT THET HTAR NAING

MI II – 31

MI 1st BATCH

FEBRUARY, 2025

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ABSTRACT

This study examines the factors influencing competitive advantage at AYA Myanmar Life Assurance Co., Ltd. Primary data were collected from 65 employees, selected from a total of 78 employees at the supervisor level and above, using the Taro Yamane (1967) sampling formula. A quantitative research approach was adopted, with data gathered through structured questionnaires. The sampling technique employed was simple random sampling. Multiple regression analysis was performed to assess the effect of product innovation, distribution channel efficiency, technological advancements, and cost leadership on the company competitive advantage. The findings from the regression analysis indicate that technological advancements and distribution channel efficiency have significant positive effects on competitive advantage, whereas product innovation and cost leadership are found to have an insignificant effect. Based on these results, it is recommended that AYA Myanmar Life Assurance Co., Ltd. continue prioritizing investments in advanced technologies, including upgrading core insurance software and implementing digital tools such as mobile applications and online portals. Additionally, optimizing distribution channel efficiency is essential for enhancing the company's competitive position. The company should focus on improving communication across direct sales, agency channels, and partnerships, as well as enhancing the integration of these channels to improve product delivery and customer accessibility.

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CHAPTER I

INTRODUCTION

The insurance industry plays a crucial role in stabilizing the global financial system by offering essential protection to individuals, families, and businesses, mitigating financial risks and supporting economic stability. Life insurance, in particular, provides individuals and families with vital financial assurance, offering peace of mind in uncertain times by safeguarding their future against unexpected events. Recently, technology advances, legislative reforms, and changing customer expectations have transformed the worldwide life insurance business. According to the International Monetary Fund (2020), Myanmar insurance market is projected to grow at a compound annual growth rate (CAGR) of 12.4% from 2021 to 2026, indicating a positive market trajectory. This growth presents insurers with both challenges and opportunities, as they must differentiate themselves in an increasingly competitive market environment.

In Myanmar, the life insurance sector is still developing and is marked by intensifying competition, an expanding middle class, and a growing demand for innovative financial solutions. The insurance penetration rate in Myanmar remains relatively low compared to other Southeast Asian countries, signaling substantial growth potential (OECD, 2021). With a growing young workforce and supportive regulatory changes driving market expansion, the insurance industry has significant growth potential. This creates both opportunities and challenges for insurers aiming to strengthen their competitive edge.

This sector's enterprises depend on competitive advantage. It's the distinctive skills or qualities that help a company beat its competition and increase market share and profitability (Porter, 1985). Competitive advantage in the insurance market comes from product innovation, distribution channel efficiency, technology developments, and cost leadership. In Myanmar's dynamic market, where consumer expectations change frequently, product innovation helps insurers satisfy client requests (OECD, 2021). Technological advancement also enhances customer engagement through digital platforms and enables insurers to tailor their offerings based on data analytics to more precisely align with customer needs (Kaplan & Norton, 2004). Efficient distribution channels are a key factor in gaining a competitive advantage, as they enable companies to broaden their market reach and lower costs, which is crucial for increasing market share and maintaining profitability (Porter, 1985). Moreover, adopting cost leadership strategies allows insurance firms to offer

competitive pricing, making insurance more accessible to a broader range of consumers while maintaining profitability (Porter, 1985).

Since its inception in January 2013, AYA Myanmar Life Assurance Co., Ltd. has established itself as a leader in the country's life insurance industry. After the 2019 regulatory reforms that required the separation of life and general insurance operations, AYA Myanmar Life Assurance restructured its focus solely on life insurance, allowing the company to concentrate its resources on offering specialized life insurance products. The company is dedicated to serving Myanmar's working-class population by providing simple, accessible, and effective insurance coverage.

This research finds out what gives AYA Myanmar Life Assurance Co., Ltd. a competitive edge. The results will help the organization stay competitive and adapt to Myanmar's insurance sector. This research will contribute to AYA Myanmar Life Assurance's strategic planning and offer actionable recommendations for enhancing its competitive advantage and ensuring its long-term success.

1.1 Rationale of the Study

In the highly competitive insurance sector, organizations must maintain a competitive edge to succeed and lead. Competitive advantage helps companies stand out, provide value to consumers, and improve performance, resilience, and adaptability in a changing market (Hitt, 2017). For companies such as AYA Myanmar Life Assurance Co., Ltd., understanding the core drivers of competitive advantage is essential for developing effective business strategies that foster growth and ensure sustainability, especially intensifying competition from both domestic and international players.

This study aims to explore four key factors that influence competitive advantage at AYA Myanmar Life Assurance Co.,Ltd. These are product innovation, distribution channel efficiency, technological advancements, and cost leadership. These factors were chosen due to their alignment with the strategic objectives of AYA Myanmar Life Assurance and their pivotal role in shaping the company's competitive positioning in Myanmar's growing insurance market. Through an examination of these factors, the study seeks to offer valuable insights that will help the company enhance its market presence and maintain a competitive edge in a rapidly changing industry.

Product innovation creates new or enhanced goods to meet client demands. Innovation is key to insurance distinction and client retention. Rogers (2003) diffusion of innovation theory provides an understanding of how innovations gain acceptance across

markets. According to this theory, innovations are adopted based on their perceived relative advantage, compatibility with existing values, simplicity, and trialability. For AYA Myanmar Life, continuous product innovation allows the company to deliver tailored life insurance solutions that meet the evolving demands of customers. By anticipating customer needs, the company can not only attract new clients but also retain existing ones, thus driving business growth and strengthening its competitive advantage.

Distribution Channel Efficiency plays a crucial role in ensuring the accessibility of insurance products to customers and maximizing market penetration. Effective distribution systems enable companies to reach a wider audience, build stronger customer relationships, and improve service quality. Shapiro and Straub (1996) emphasize that efficient distribution channels directly impact a firm's ability to effectively deliver products and services. These efforts will strengthen the company's competitive positioning, ensuring easy access to insurance products for its clients.

Technological Advancements are increasingly pivotal in the modern business environment, enhancing operational efficiency and service delivery. Barney (1991) states that firms may gain a competitive edge by creating value using distinctive resources, including innovative technology. Technology improves operational effectiveness by using uncommon, precious, inimitable, and non-substitutable resources.

Cost Leadership is when organizations provide goods or services at cheap prices while retaining quality. Porter (1980) suggests that enterprises might acquire a competitive edge by being the cheapest manufacturer in their field. Company profits may be maintained by offering items at cheaper prices than rivals. In the context of the insurance industry, cost leadership enables firms to offer affordable policies without compromising service quality, thus making insurance accessible to a broader customer base.

This study examines these four critical factors—product innovation, distribution channel efficiency, technological advancements, and cost leadership—and their effect on competitive advantage at AYA Myanmar Life Assurance Co.,Ltd. By utilizing relevant theoretical frameworks, this study will provide a deeper understanding of how these factors contribute to gaining a competitive edge in a complex and increasingly competitive environment. Through continuous product innovation, efficient distribution channels, technological advancement, and cost leadership, AYA Myanmar Life Assurance can enhance its market position, deliver greater value to customers, and achieve long-term growth and success.

1.2 Objectives of the Study

The objectives of the study are:

- (1) To identify the factors influencing competitive advantage at AYA Myanmar Life Assurance Co.,Ltd
- (2) To analyze the factors influencing competitive advantage at AYA Myanmar Life Assurance Co.,Ltd

1.3 Scope and Method of the Study

This study investigates the factors that influence competitive advantage at AYA Myanmar Life Assurance Co., Ltd. The research focuses specifically on employees at the supervisor level and above, a total of 78 staff members, as they play a key role in the strategic decision-making processes that directly affect the company's competitive advantage. By using the Yamane (1967) sampling formula, 65 employees were selected. Primary data was collected using a 5-point Likert scale questionnaire. The data was analyzed using descriptive statistics. Secondary data came from scholarly publications, corporate reports, periodicals, newspapers, and the organization's website. The quantitative study uses surveys to acquire data from chosen respondents. A representative sample was obtained using basic random sampling. SPSS was used to analyze data and explain conclusions using descriptive statistics.

1.4 Organization of the Study

This study was organized into five chapters. Chapter one outlined the introduction, including the study's rationale, objectives, scope, and methodology. Chapter two covered the concept of competitive advantage, identified influencing factors, reviewed related theories of the study, and presented the conceptual framework. In chapter three, the profile of AYA Myanmar Life Assurance Co., Ltd. and the competitive advantage of AYA Myanmar Life Assurance Co., Ltd. were discussed. Chapter four provided a detailed analysis of the data, focusing on the factors that influenced competitive advantage. The final chapter, chapter five, concluded the study with a summary of findings, recommendations, and needs for future research.

CHAPTER II

THEORETICAL BACKGROUND

This chapter examines the theoretical foundations that underlying the investigation of factors influencing competitive advantage at AYA Myanmar Life Assurance Co., Ltd. It provides an overview of the concept of competitive advantage, identifies the key factors contributing to it, and explores the relevant theories that form the research framework. Additionally, the chapter includes an empirical review of studies related to the topic and concludes with the presentation of the conceptual framework for this study.

2.1 Concept of Competitive Advantage

Competitive advantage denotes that a firm's capacity to attain superior performance relative to its competitors by capitalizing on distinctive capabilities and strategic approaches. This advantage is particularly crucial in highly competitive markets, allowing firms to differentiate themselves through operational efficiencies and unique value propositions (Porter, 1985). Porter (1985) identifies two fundamental strategies for achieving competitive advantage: cost leadership and differentiation. Cost leadership entails minimizing production costs to enable competitive pricing or enhanced profit margins. Differentiation, conversely, involves offering distinctive products or services that create added value for consumers, fostering brand loyalty and justifying premium pricing.

A corporation has a resource-based competitive advantage when its resources and competencies are hard to imitate. The Resource-Based View (RBV) implies that companies with uncommon, precious, unique, and non-substitutable resources may stay ahead (Barney, 1991). Such resources may include proprietary technologies, strong brand equity, or a highly skilled workforce, all of which contribute to a firm's long-term market position (Barney, 1991).

Maintaining competitive advantage is crucial for firms seeking to increase market share, enhance profitability, and achieve long-term sustainability (Grant, 1991). In the life insurance sector, where competition is intense and market conditions are dynamic, firms must continuously innovate and refine their strategies to remain competitive (Teece, Pisano, & Shuen, 1997). Differentiation through product innovation, streamlined distribution channels, and technological advancements plays an important role in strengthening a firm's market positioning (Teece, Pisano, & Shuen, 1997). Additionally, integrating cost

leadership with operational efficiencies enables firms to deliver high-value services at competitive prices, thereby enhancing market penetration (Grant, 2016).

Several key factors influence competitive advantage: product innovation, distribution channel efficiency, technological advancements, and cost leadership. Product innovation empowers firms to develop unique insurance solutions tailored to evolving consumer needs, thereby reinforcing their market position (Barney, 2001). Efficient distribution channels ensure that these products reach a broad customer base effectively, enhancing accessibility and satisfaction (Porter, 1985). Technological advancements facilitate streamlined operations, improved customer service, and data-driven decision-making, all of which are essential for sustaining a competitive edge (Teece, Pisano, & Shuen, 1997). Cost leadership enables firms to optimize financial resources, reduce operational expenses, and offer competitive pricing while maintaining service quality (Grant, 2016).

The role of competitive advantage in the life insurance industry is fundamental to ensuring long-term sustainability and market differentiation. It provides firms with the strategic leverage necessary to attract and retain customers, especially in a sector where trust and reliability are paramount (Grant, 2016). Organizations that successfully differentiate their offerings or maintain cost leadership achieve financial stability, allowing for reinvestment in further innovation and market expansion (Barney, 2001). This continuous cycle of enhancement fosters long-term sustainability and reinforces a firm's industry standing (Barney, 2001).

Moreover, adaptability to external market changes is a vital element in sustaining competitive advantage (Teece, Pisano, & Shuen, 1997). Firms that proactively anticipate and respond to evolving consumer preferences, regulatory developments, and technological advancements can maintain resilience and agility in the marketplace (Teece, Pisano, & Shuen, 1997). In the life insurance sector, leveraging core capabilities such as efficient risk management, customer-centric services, and strategic investments in digital transformation ensures a firm's ability to remain competitive and relevant in an evolving business landscape (Barney, 2001).

2.2 Influencing Factors of Competitive Advantage

The competitive advantage of life insurance companies is determined by several key factors. This study focuses on aspects such as product innovation, the efficiency of distribution channels, advancements in technology, and the pursuit of cost leadership, all of

which significantly influence the industry's competitive dynamics.

2.2.1 Product Innovation

Product innovation involves creating new or improved goods to gain a competitive edge. It is vital for companies, particularly in industries like insurance, where products may appear similar, to differentiate their offerings in a saturated market (Kotler & Keller, 2016). By introducing innovative insurance products tailored to meet specific customer needs, companies can enhance their value proposition and attract new clients (Ulwick, 2005).

In addition, product innovation can drive increased customer satisfaction and loyalty, as it often reflects a company's ability to respond to changing consumer preferences (Pine, 1993). When customers recognize a company's commitment to innovation, they are more likely to remain loyal, contributing to the company's long-term profitability (Dahl, 2012). In the insurance industry, where trust and reliability are paramount, innovative products can bolster consumer confidence and improve the firm's reputation (Rust & Huang, 2014).

Product innovation extends beyond new product development; it also involves enhancing existing products to improve performance, usability, and the overall customer experience (Thomke, 2003). This ongoing evolution is crucial for maintaining a competitive edge, enabling firms to keep up with market demands and technological progress (Feldman & Pentland, 2003). Insurance companies that prioritize product innovation are better equipped to adapt to market shifts, meet evolving regulatory requirements, and satisfy changing consumer expectations (Kotler & Keller, 2016).

Moreover, successful product innovation can enhance profitability, as companies can often command premium prices for unique or superior products (Teece, 2010). This ability to price products higher, combined with increased customer loyalty, strengthens the company's competitive position (Teece, 2010). Therefore, product innovation is a critical driver of competitive advantage, enabling insurance companies to adapt, thrive, and outperform their competitors (Pine, 1993).

2.2.2 Distribution Channel Efficiency

Efficient distribution channel efficiency involves the strategic planning and managing of diverse sales and distribution pathways that allow insurance companies to effectively deliver products and services to their customers. This is crucial for enhancing service delivery, improving customer access, and expanding the company's market presence

(Anderson & Narus, 2004). In the context of insurance, the optimization of distribution channels is a key factor in sustaining a competitive edge, as it directly affects how quickly and conveniently customers can access insurance products (Kotler & Keller, 2016). A well-established distribution system ensures that customers have multiple access points to insurance products, thus improving their overall experience and satisfaction (Rosenbloom, 2013).

The ability of an insurance provider to manage its distribution channels effectively is critical for responding to customer needs efficiently, thereby fostering customer loyalty and retention (Stern & El-Ansary, 1992). Insurance companies that integrate a variety of distribution methods, such as agent networks, bancassurance, digital platforms, and direct sales, are better positioned to target a wider customer base and adapt to shifting market trends (Porter, 1985). This multi-channel distribution strategy is especially important in the competitive insurance sector, where offering exceptional customer service and accessibility can distinguish one company from another (Winston, 2008).

Furthermore, managing distribution channels in the insurance industry increasingly involves the use of technology to enhance service delivery and simplify processes. Insurers can leverage digital tools, including mobile apps, online portals, and e-commerce platforms, to improve accessibility, provide real-time policy updates, and accelerate claim processing (Bharadwaj, 2000). Insurers may also use data analytics to understand client preferences and behavior, personalizing their services and improving customer satisfaction (Davenport, 2006).

An efficiently designed distribution system not only boosts operational effectiveness but also enables insurance companies to reach a broader market, offering superior service and reinforcing their competitive position. By continuously refining their distribution strategies, insurance firms can better meet evolving customer demands, adapt to market changes, and secure long-term success in a competitive environment (Kotler & Keller, 2016).

2.2.3 Technological Advancements

New technologies boost operational efficiency, customer service, and creativity in organisations (Kohli & Grover, 2008). Technology helps businesses simplify procedures, save costs, and enhance customer delivery, giving them a competitive edge (Bharadwaj, 2000). By integrating advanced technologies, organizations can offer higher-quality products and services, effectively addressing customer needs (Porter, 1985).

Firms that harness the power of technology can optimize their operations, resulting in increased productivity and decreased operational expenses (Zhu, Xu, & Sia, 2006). Technology also enables data analytics, which helps companies understand market trends and client preferences for better decision-making (Davenport, 2006). The ability to analyze large volumes of data enables firms to tailor their offerings to meet customer-specific demands, fostering customer satisfaction and loyalty (Chen, Chiang, & Storey, 2012).

In the insurance sector, technological advancements are essential for improving both customer experience and operational efficiency (Mantamika & Salo, 2015). Artificial intelligence, machine learning, and blockchain may improve risk assessment, claims processing, and fraud prevention for insurers (Jeble, 2018). Technology also lets insurers build new products to meet clients' changing demands, providing them an advantage in a changing market (Deloitte, 2019).

Technology-embracing companies encourage workers to share new ideas and improvements, which may lead to long-term competitive advantage (O'Reilly & Tushman, 2013). Ultimately, companies that prioritize technological innovation are better prepared to adapt to market changes and secure sustained success in an increasingly competitive environment (Kotler & Keller, 2016).

2.2.4 Cost Leadership

Cost leadership is a strategic approach where a company seeks to achieve a competitive advantage by becoming the lowest-cost producer within its industry (Porter, 1980). This strategy enables firms to offer their products or services at lower prices compared to their competitors, thus attracting a broader customer base (Hoskisson, 1999). To achieve cost leadership, companies typically leverage economies of scale, optimize production processes, and implement rigorous cost management practices (Barney, 1991). By effectively executing this strategy, firms can enhance their profit margins, even in markets that are particularly sensitive to price fluctuations (Grant, 2016).

Organizations that attain cost leadership can withstand price competition initiated by rivals, which helps them maintain a strong market position (Porter, 1980). Moreover, cost leadership serves as a protective factor during economic downturns, as businesses with lower cost structures can continue to operate profitably despite adverse market conditions (Barney, 1991).

In addition to increasing profitability, cost leadership can contribute to a firm's market share expansion (Grant, 2016). Companies that successfully implement cost leadership

often experience increased sales volumes, which reinforce their economies of scale and enable further cost reductions over time (Hoskisson, 1999). Furthermore, this strategy can create barriers to entry, making it difficult for new competitors to replicate the established low-cost structure of dominant players (Porter, 1980). For insurance companies, offering competitive premiums through efficient cost management not only attracts a larger customer base but also fosters customer loyalty (Keller & Lehmann, 2006).

2.3 Related Theories of the Study

This section offers the main theoretical frameworks that underpin this research, notably Porter's Competitive Advantage Theory, the Resource Based View (RBV) Theory, and the Dynamic Capabilities Theory.

2.3.1 Porter's Competitive Advantage Theory

Porter's Competitive Advantage Theory, created by Michael E. Porter in the 1980s, provides useful insights into how firms might obtain a competitive advantage and boost profitability. The theory identifies three primary strategies: cost leadership, differentiation, and focus, which companies can adopt to strengthen their market position.

(1) Cost Leadership

The cost leadership plan entails being the lowest-cost manufacturer in the business. Organizations that implement this strategy focus on reducing operational expenses across all areas of production and service delivery. By minimizing costs, they can offer products or services at lower prices than their competitors, thereby attracting a larger customer base. In the insurance industry, companies adopting cost leadership aim to provide the most affordable insurance products. This is achieved through the optimization of internal processes, leveraging technology to improve efficiency, and maintaining strict cost control measures. As a result, these firms can offer competitive premiums, making them more attractive to price-sensitive customers.

(2) Differentiation

Differentiation strategy emphasizes market-leading goods and services, unlike cost leadership. To generate great products, companies that follow this approach spend extensively in R&D, marketing, and customer service. Superior product quality, unique features, strong brand identification, or excellent customer service might differentiate. By successfully differentiating their products, firms can charge higher prices, thereby increasing profit margins and fostering customer loyalty. In the life insurance industry,

differentiation is often achieved through innovative products that address evolving customer needs. For example, insurers may introduce customizable policies that cater to individual circumstances, health conditions, or family requirements, offering greater flexibility and comprehensive coverage.

(3) Focus

The focus approach entails addressing certain market groups or niches. Companies may opt to use cost leadership or differentiation in a certain niche to better suit the segment's unique demands. By focusing on a certain target market, businesses may increase client loyalty and profitability.

This research will largely concentrate on cost leadership and differentiation tactics, since they are the most pertinent to understanding competitive advantage in the insurance business.

2.3.2 Resource Based View (RBV) Theory

The Resource-Based View (RBV) paradigm, developed by Barney in 1991, holds that a firm's competitive advantage stems from its distinctive resources and skills. The idea highlights that not all resources are equally valued; those that are scarce, difficult to copy, and non-substitutable are critical to maintaining competitive success (Barney, 1991). RBV highlights the importance of both tangible and intangible internal assets as key drivers of a firm's long-term performance.

According to RBV, a firm's resources encompass not only physical assets such as capital, machinery, and technology but also intangible assets like brand reputation, employee expertise, and organizational culture (Barney, 1991). The theory posits that a competitive edge is achieved when a firm possesses resources that are difficult for competitors to replicate. By effectively utilizing these resources, companies can provide unique value to customers, thereby distinguishing themselves in the marketplace and gaining a sustainable advantage.

Innovation is regarded as a critical resource in the RBV framework, as it enables firms to offer new or enhanced products that fulfill customer needs in ways that competitors find challenging to imitate (Wernerfelt, 1984). Consistently introducing innovative products allows firms to differentiate themselves, creating a competitive advantage that is not easily replicated. Additionally, technology is considered an essential resource for firms seeking competitive advantage under RBV. Investments in advanced technology can improve product development, optimize operations, and enhance customer interactions.

Furthermore, technology can create barriers to entry, thereby protecting a firm's competitive position by making it more difficult for new entrants to replicate its success (Teece, 2007).

2.3.3 Dynamic Capabilities Theory

Teece, Pisano, and Shuen (1997)'s Dynamic skills Theory highlights a firm's capacity to adapt and reconfigure its resources and skills to maintain a competitive edge in a quickly changing economic environment. This idea emphasizes the firm's ability to adapt its processes, goods, and services to technology advances, market changes, and competitive challenges while exploiting existing resources.

The fundamental premise of Dynamic Capabilities Theory is that firms achieve competitive advantage not merely through their current resources, but through the development of capabilities that allow them to sense and seize new opportunities and address emerging threats. These dynamic skills allow organizations to integrate, create, and restructure resources to adapt to environmental changes and maintain competitiveness (Teece, Pisano, & Shuen, 1997). This emphasis on continuous adaptation is particularly relevant in industries characterized by rapid technological advancements and fluctuating market conditions.

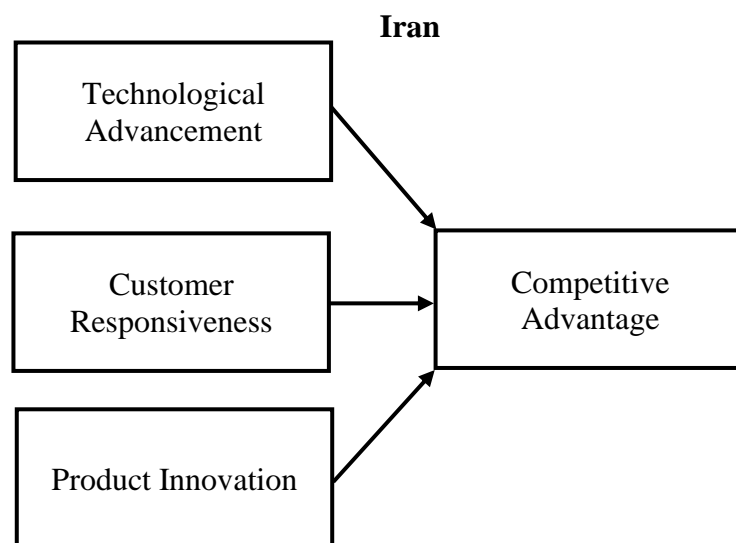
Innovation in product development, as a component of dynamic capabilities, allows firms to create new products and services that meet the evolving needs of customers, thereby positioning themselves ahead of competitors. Additionally, efficient distribution channels are a key capability that enables firms to quickly adjust their delivery mechanisms, improving customer satisfaction and broadening market reach. In the context of cost leadership, dynamic capabilities allow firms to consistently reduce operational costs without compromising product quality, thereby maintaining a competitive edge through pricing strategies. Technological advancements also play a crucial role in dynamic capabilities, enabling firms to adapt to new technological trends, enhance product offerings, and improve operational efficiency (Teece, 2007).

Therefore, Dynamic Capabilities Theory asserts that achieving and sustaining competitive advantage requires not only possessing valuable resources but also developing the capabilities to adapt and innovate in response to external changes. These dynamic capabilities enable firms to align their internal strengths with shifting market conditions, thereby fostering long-term success in an increasingly competitive landscape.

2.4 Previous Studies

Shahin Soleymanzade, Abbas Dadras, and Mohamad Reza Vandaki (2022) examined the factors influencing competitive advantage in insurance companies in Iran. This study identified critical factors such as technological advancement, customer responsiveness, and product innovation. The qualitative component involved semi-structured interviews with industry professionals and key company stakeholders, offering in-depth insights into industry perspectives. The quantitative component utilized a structured questionnaire, which was administered to a sample of 370 respondents across various insurance companies in Iran.

Figure (2.1) Factors Influencing Competitive Advantage in Insurance Companies in



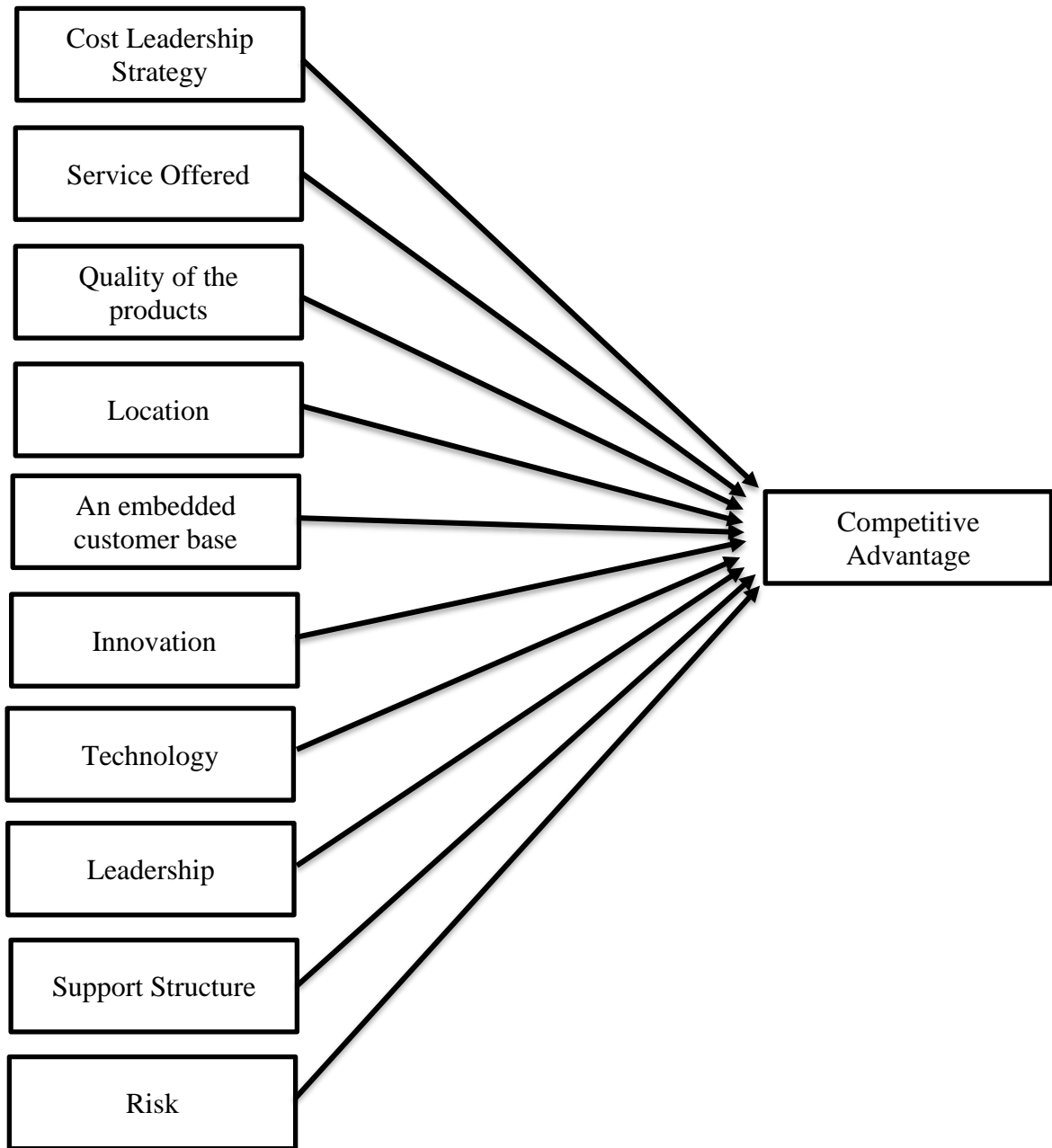
Source: Shahin Soleymanzade, Abbas Dadras, and Mohamad Reza Vandaki (2022)

The results indicated that technological advancement and effective customer responsiveness significantly contribute to competitive advantage in insurance companies in Iran. Companies that prioritized innovation in their product offerings reported a notable increase in customer retention rates. The findings emphasized the importance for insurance firms to focus on enhancing technology and customer engagement strategies to maintain their competitive advantage.

Wambugu Annah Wanjiku (2012) studied the elements that influence competitive advantage in Kenya's microfinance market. The study highlighted numerous significant drivers, including cost leadership, service offerings, product quality, location, embedded customer base, innovation, technology, leadership, support structures, and risk. The research used stratified random sampling to choose 37 microfinance organizations. Structured questionnaires were sent to 34 professionals, including Chief Executive Officers (CEOs) and Financial Directors. The research was done using descriptive statistics, such as mean

scores and standard deviations, to obtain insights into the elements contributing to the sector's competitive edge.

Figure (2.2) Factors Influencing Competitive Advantage in the Microfinance Industry



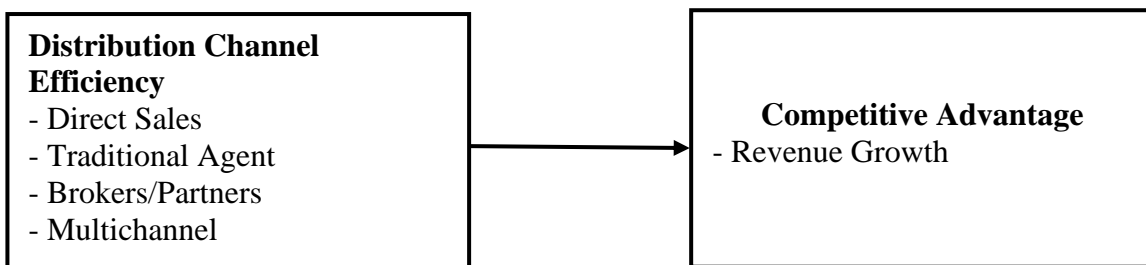
Source: Wambugu Annah Wanjiku (2012)

The research found that leadership was the most important element impacting competitive advantage in the microfinance business. The results emphasized that effective leadership plays a crucial role in enhancing a firm's competitive position, whereas location was identified as the least influential factor. These findings highlight the greater importance of strategic leadership over locational factors for microfinance institutions to sustain a

competitive advantage in the industry.

Lloyd Mukanwa (2007) conducted the impact of distribution channel efficiency in a sample of 24 life insurers operating in Taiwan from 1997 to 2006. It investigates how distribution channel efficiency impacts on competitive advantage of insurance companies in Taiwan. Both qualitative and quantitative data were applied, which included industry reports, company performance data, and interviews with industry professionals. The qualitative approach involved in-depth interviews with key stakeholders, while the quantitative analysis utilized data from company performance metrics over the specified period.

Figure (2.3) Impact of Distribution Channel Efficiency on Competitive Advantage of Life Insurers in Taiwan



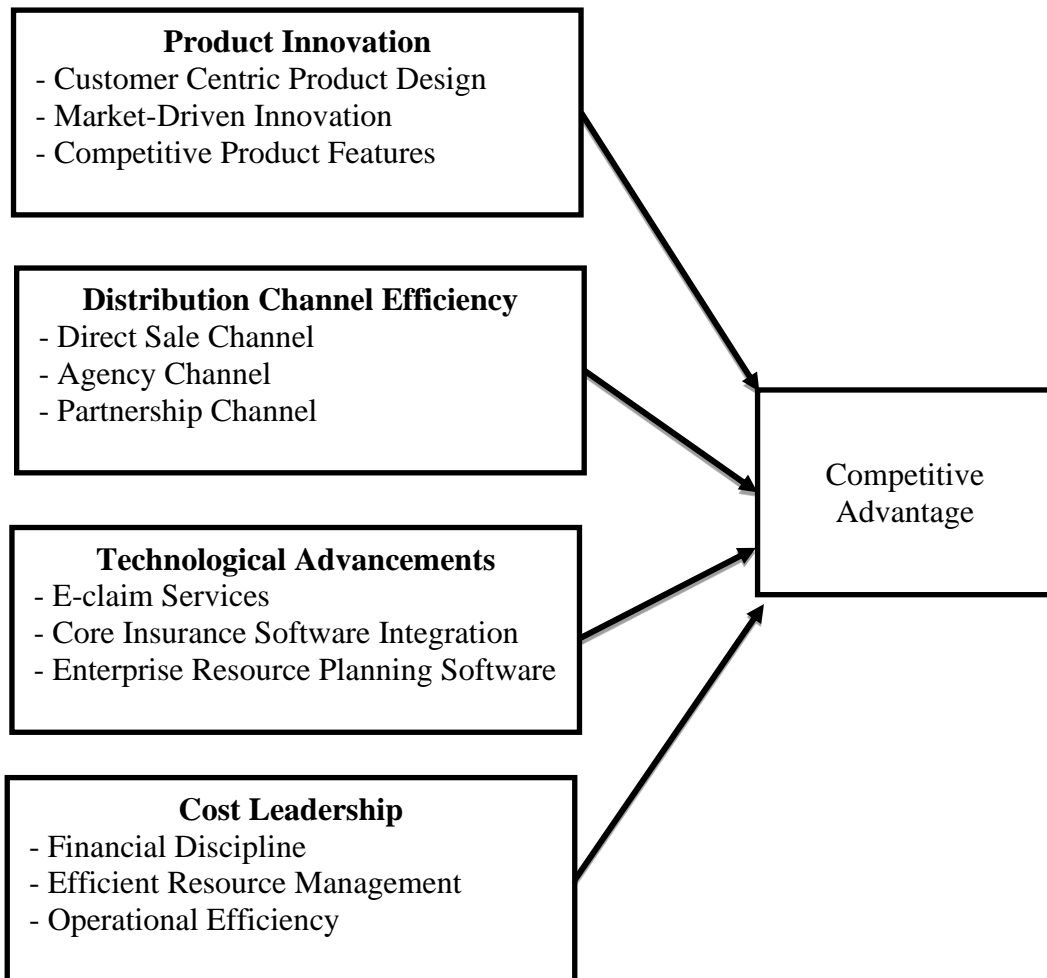
Source: Lloyd Mukanwa (2007)

The findings indicated that insurers who adopted multichannel distribution enhanced the revenue growth over the period. The study emphasized that adopting multi-channel strategies can significantly improve the efficiency and performance of life insurers in Taiwan, allowing them to sustain their competitive advantage.

2.5 Conceptual Framework of the Study

This study's conceptual framework was created by carefully examining the factors that determine competitive advantage in the life insurance industry and using insights from previous research. The purpose of the conceptual framework is to investigate the factors that affect competitive advantage at AYA Myanmar Life Assurance Co., Ltd. These factors include product innovation, distribution channel strategy, technological advancements, and cost leadership.

Figure (2.4) Conceptual Framework of the Study



Source: Own Compilation (2025)

Working Definition

Product Innovation - Product innovation refers to the creation and launch of new insurance products tailored to fulfill growing consumer demands and preferences at AYA Myanmar Life Assurance Co.,Ltd.

Distribution Channel Efficiency - Distribution channel efficiency refers to the structured approach adopted by AYA Myanmar Life Assurance Co., Ltd. to select, manage, and optimize various sales and distribution channels. This ensures the efficient delivery of insurance products, enhances customer accessibility, and expands market reach while maintaining service quality and operational effectiveness.

Technological Advancements - Technological advancements represent the implementation and use of advanced technology in AYA Myanmar Life Assurance to improve service delivery, streamline operation, and customer interactions.

Cost Leadership – Cost leadership means AYA Myanmar Life Assurance ability to minimize the cost level without compromising the service quality.

Competitive Advantage - Competitive advantage refers to the unique attributes or capabilities that allow AYA Myanmar Life Assurance to outperform its competitors.

CHAPTER III

PROFILE AND COMPETITIVE ADVANTAGE OF AYA MYANMAR LIFE ASSURANCE CO., LTD

This chapter describes the profile of AYA Myanmar Life Insurance and its services. There are five sections included in this chapter, profile of AYA Myanmar Life Assurance Co.,Ltd, organization structure, products and services offered by AYA Myanmar Life Assurance Co.,Ltd, competitive advantage and factors influencing competitive advantage at AYA Myanmar Life Assurance Co.,Ltd.

3.1 Profile of AYA Myanmar Life Assurance Co.,Ltd

AYA Myanmar Life Assurance Co., Ltd. was established in January 2013 as AYA Myanmar Insurance Co.,Ltd. The company initially provided insurance services across Myanmar via an extensive distribution network. However, in 2019, regulatory reforms required the company to restructure and separate into two distinct entities: Life Insurance and General Insurance. The General Insurance division merged with SOMPO Insurance, a reputable Japanese insurer, to form AYA SOMPO General Insurance Co., Ltd. Meanwhile, the Life Insurance division adopted the name AYA Myanmar Life Assurance Co., Ltd. Since its inception, the company has been dedicated to offering accessible and affordable life insurance products primarily targeting Myanmar's working-class population. It has gained recognition for its innovative practices, strategic approach, and adherence to regulatory requirements.

The company's vision is to be recognized as Myanmar's most trusted life insurer, offering high-quality insurance solutions that protect individuals and businesses against unforeseen risks. Since its establishment, AYA Myanmar Life Assurance Co., Ltd. has been dedicated to providing comprehensive insurance solutions that prioritize the health, security, and well-being of individuals and families. AYA Myanmar Life Assurance Co., Ltd. operates nationwide, with its headquarters in Yangon and regional offices located in Mandalay and Nay Pyi Taw. The company's operations are guided by five core principles: developing efficient distribution channels, ensuring operational effectiveness, enhancing product offerings, building a strong brand identity through marketing, and maintaining financial discipline. Furthermore, the company places a high value on the professional growth of its workforce, fostering both local and international expertise to support its long-

term objectives.

In alignment with its mission of being a "Partner for Life," AYA Myanmar Life Assurance is dedicated to delivering dependable, professional, and accessible services. The company ensures ease of access for its customers by simplifying processes and offering nationwide payment options. Furthermore, AYA Myanmar Life plays an active role in Myanmar's economic development by responding to the changing needs of its diverse customer base. The organization's core values are encapsulated in the acronym RISE—Respect, Integrity, Service, and Excellence. Respect is demonstrated by acknowledging the diversity of its stakeholders and valuing their contributions. Integrity is upheld by conducting operations with transparency and honesty. The company prioritizes Service by addressing customer needs with empathy and understanding. Finally, Excellence is reflected in its commitment to professionalism, fairness, and maintaining high operational standards. These values serve as the foundation for the company's mission to create sustainable value for its customers, employees, shareholders, and the broader community.

3.2 Organizational Structure of AYA Myanmar Life Assurance Co.,Ltd

The organizational structure of AYA Myanmar Life Assurance Co., Ltd is described in Figure (3.1). At the top, the Board of Directors oversees the organization, supported by the Certifying Actuary and several Board Committees, including the HR & Remuneration Committee, Investment Committee, and Audit Risk and Compliance Committee. The Managing Director leads the overall management and supervises the company's Management Committees, which include the Risk Management Committee, Loss Assessment Committee, Business Development and Service Committee, and Purchasing Committee. The Internal Audit Department functions independently, reporting directly to the Board.

The company is divided into five main divisions_ Operations Division, headed by the Operations Controller, manages core functions such as underwriting, policy servicing, claims, customer care, and operations planning. The Underwriting Department assesses risks and determines policy terms, while Policy Servicing ensures policies are issued, renewed, or cancelled as needed. The Claims Department handles the claims process, ensuring compensation for eligible policyholders. Customer Care focuses on maintaining customer relationships and addressing inquiries, while Operations Planning optimizes internal processes for better efficiency.

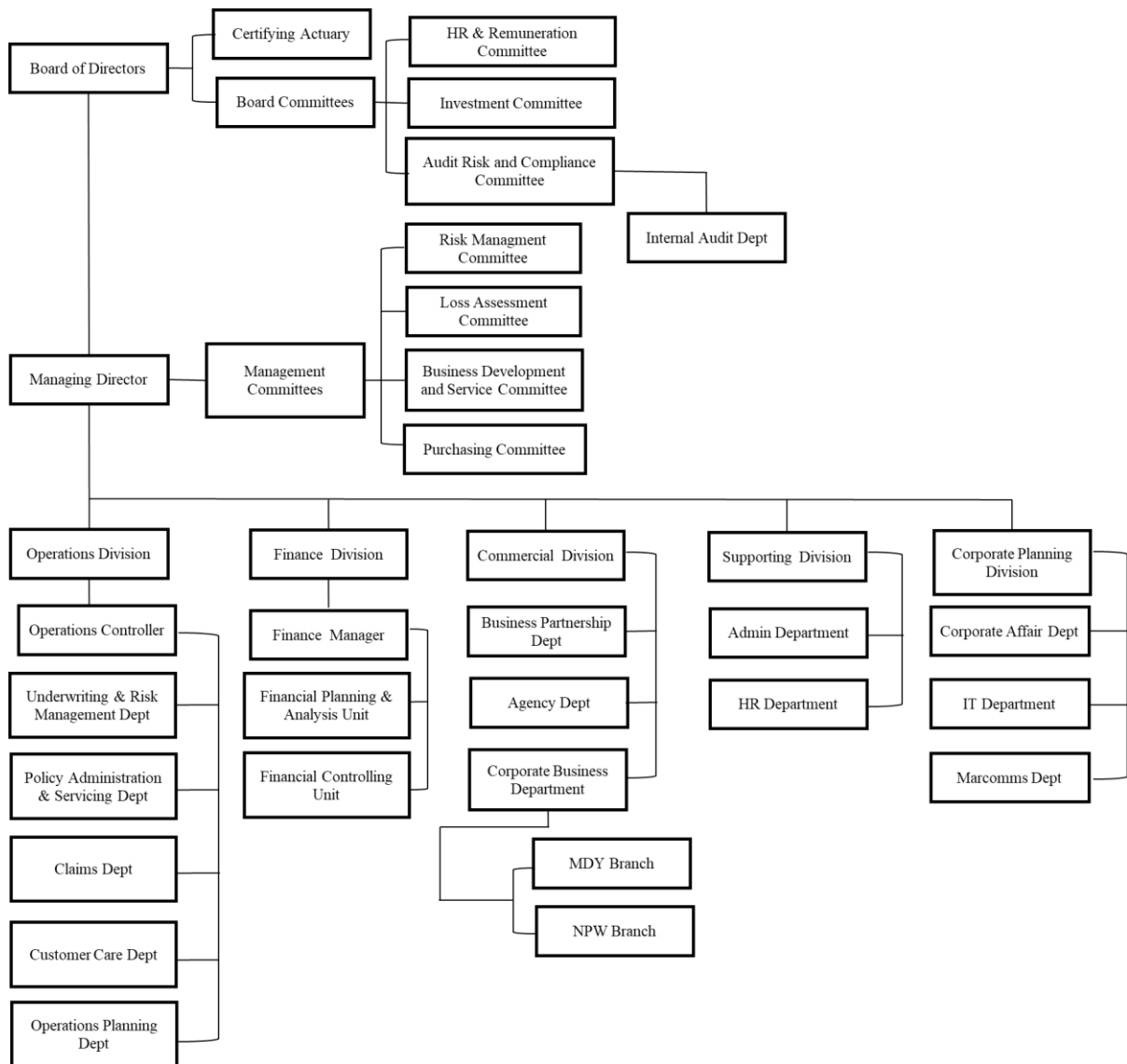
Finance Division, led by the Finance Manager, includes units for financial planning,

analysis, and controlling. Financial Planning sets long-term financial strategies and Analysis Unit evaluates financial performance to guide decision-making and Controlling Unit ensures compliance and controls financial risks.

The Commercial Division is dealing with driving business growth and consists of the Business Partnership Department, which manages partner relationships; the Agency Department, which oversees insurance agents; the Corporate Business Department, focusing on large-scale corporate contracts; and the branch offices in Mandalay (MDY) and Nay Pyi Taw (NPT) that serve regional customers.

Supporting Division ensures smooth internal operations with the Administrative Department, which handles logistics, and the HR Department, which manages recruitment, training, and employee relations. Finally, the Corporate Planning Division, comprising Corporate Affairs, IT, and MarComms (Marketing & Communications) departments, focuses on strategic planning, technology management, and marketing initiatives to align with the goals of the company and enhance its public image. This organizational structure ensures efficient management and functional alignment to support the overall objectives of the company.

Figure (3.1) Organizational Chart of AYA Myanmar Life Assurance Co.,Ltd



Source: AYA Myanmar Life Assurance Co., Ltd (2025)

3.3 Products and Services Offered by AYA Myanmar Life Assurance

Currently, AYA Myanmar Life Assurance Co., Ltd. provides a variety of products that fall into two primary categories: protection and wealth accumulation. The protection category is designed to offer financial stability for people and their families in the case of terrible circumstances such as accidental death, total permanent disability (TPD), or injury. The policy term for protection plans is usually one year, and it must be renewed each year. Products in this category include Accidental Coverage (Farmer Life, AMI Life Group Protector Plan, and AMI Life Accident Protector Plan) and Health Coverage (AMI Life Health Care Plan and AMI Life Critical Illness Care Plan). The wealth accumulation category is focused on providing financial stability and a guaranteed cash value when the policy matures. It also provides protection against accidental death, complete permanent disability, and injury. The AMI Life Short Saver Plan and the AMI Life Student Protector Plan are examples of wealth building programs that have policy periods of five, seven, or ten years.

Protection Scheme

For protection scheme, it includes Farmer Life Insurance, AMI Life Group Protector, AMI Life Accident Protector, AMI Life Health Care Plan and AMI Life Critical Illness Care Plan.

(1) Farmer Life Insurance

The Farmer Life Insurance offered by AYA Myanmar Life Assurance provides essential coverage for accidental injuries, total permanent disability, hospitalization due to accidents, and death. This individual policy is available to individuals between the ages of 16 and 60 years. The policy term is one year, with the sum insured ranging from MMK 100,000 to MMK 5,000,000. Premiums are calculated at 1% of the insured amount, offering affordability and crucial protection.

(2) AMI Life Group Protector Plan

AMI Life Group Protector Plan provides coverage for accidental medical expenses, including injury, total permanent disability, and death. Available as a group policy for a minimum of five individuals aged between 18 and 65 years, the policy has a term of one year. The sum insured ranges from MMK 10,000 to MMK 50,000,000, with premiums set at 1% of the insured amount.

(3) AMI Life Accident Protector Plan

AMI Life Accident Protector Plan provides coverage for accidental medical expenses, including injury, total permanent disability, and death. The policy is available

for individuals between the ages of 16 and 65 years, with flexible terms of 3 months, 6 months, or 1 year. The sum insured can range from MMK 500,000 to MMK 20,000,000, with premium rates set at 0.7% for standard occupations and 0.707% for high-risk occupations.

(4) AMI Life Health Care Plan

AMI Life Health Care Plan offers extensive coverage, including inpatient, outpatient, and surgical benefits. Available to individuals aged 6 to 75 years, this individual policy has a one-year term and a sum insured ranging from MMK 1,000,000 to MMK 25,000,000. Premium rates depend on the insured's age and the selected sum insured.

(5) AMI Life Critical Illness Care Plan

AMI Life Critical Illness Care Plan provides financial protection for policyholders and their families by covering medical expenses associated with 10 critical illnesses. Offered as a group policy for a minimum of five individuals aged 6 to 60 years, this policy has a one-year term and a sum insured ranging from MMK 1,000,000 to MMK 10,000,000. Premiums are based on the insured's age and the chosen sum insured.

Wealth Accumulation Scheme

For wealth accumulation scheme, it includes Short-term Endowment, Student Life Insurance.

(1) AMI Life Short Saver Plan

AMI Life Short Saver Plan provides financial protection by offering life insurance coverage throughout the savings period and ensuring entitlement to maturity benefits upon policy completion. Available to individuals aged 10 to 60 years, this policy offers flexible terms of 5, 7 and 10 years. The sum insured ranges from MMK 1,000,000 to MMK 50,000,000, with premiums based on the insured's age and selected sum insured amount.

(2) AMI Life Student Saver Plan

AMI Life Student Saver Plan is designed to assist families in securing financial support for their children's education. The policy provides a range of benefits, including education benefits, premium waiver benefits, total permanent disability coverage, and loan options. Available to individuals aged 18 to 55 years, the policy is available for children between the ages of 30 days and 12 years. Policy terms range from 8 to 19 years, depending on the child's age, with a premium payment term spanning 5 to 16

years. The sum insured ranges from MMK 1,000,000 to MMK 100,000,000, with premiums calculated based on the child's age and the selected sum insured amount.

Additional Services

In addition to its core insurance products, AYA Myanmar Life Assurance offers value-added services to further enhance the customer experience. These services include: (1) AMI Life Ecosystem Partnership Services and (2) AMI Life Care Services.

(1) AMI Life Ecosystem Partnership Services

AMI Life Ecosystem Partnership has established strategic partnerships to enhance its value proposition and offer customers exclusive benefits. These benefits are divided into three main ecosystems: Home, Health Care, and Lifestyle.

Home EcoSystem

This category offers customers exclusive benefits through partnerships with home loan providers, auto dealers, and home security companies. These services support customers in achieving security and convenience in their living environments.

Health Care EcoSystem

The Health Care EcoSystem ensures access to benefits from hospitals, clinics, pharmacies, and fitness service providers. These partnerships aim to promote health and wellness while providing reliable support for medical needs.

Lifestyle EcoSystem

Under the Lifestyle EcoSystem, customers enjoy benefits from travel aggregators, education service providers, and personal loan providers. These services cater to various lifestyle needs, including travel, education, and financial planning.

(2) AMI Life Care Services

AMI Life is devoted to fostering the health and well-being of its policyholders by providing a broad array of services that aim to support a healthier life. These services are tailored to meet various healthcare needs in a comprehensive and efficient manner. The services offered include: (1) Free Consultation Services, (2) Specialist Privileges Services, (3) E-Pharmacy Services, (4) Home Healthcare Services, (5) Home Laboratory Services, and (6) Ambulance Services.

3.4 Influencing Factors of Competitive Advantage at AMI Life

AYA Myanmar Life Assurance has established itself as the leading local life insurance provider in Myanmar by strategically leveraging key factors that enhance its competitive position. This section examines the role of product innovation, distribution

channel efficiency, technological advancements, and cost leadership in strengthening the company's market advantage.

Product Innovation

For AYA Myanmar Life Assurance Co., Ltd., product innovation is an essential strategy for maintaining its competitive edge in the life insurance sector. The firm is able to adapt to the changing demands of its customers and keep its place in a very competitive industry by constantly improving and expanding its product offerings. Four main types of insurance policies are offered by AYA Myanmar Life Assurance: income protection, wealth accumulation, employee protection, and health protection. These solutions are highly customizable, allowing clients to choose programs that fit their financial and personal needs. The firm incorporates these solutions into a holistic insurance ecosystem that stresses accessibility in order to improve the entire consumer experience. The creation of the "AMI Life Prosper Saver Plan," which is listed within the wealth accumulation category, is a significant example of its product innovation. This product is particularly developed to help consumers improve their financial stability and encourage them to save for the long term. AYA Myanmar Life Assurance allows consumers to customize the plan to meet their own financial objectives by adding flexible features. Additionally, the firm does ongoing market research to improve its product range, ensuring that its offers stay competitive and in line with industry trends. This dedication to innovation not only improves client happiness but also strengthens the company's position as a leader in Myanmar's life insurance industry. AYA Myanmar Life Assurance builds long-term trust and maintains its position in the market by focusing on solutions that put customers first and by taking a forward-thinking approach.

Distribution Channel Efficiency

At AYA Myanmar Life Assurance, the effectiveness of the distribution channel is a key factor in determining competitive advantage. A successful distribution strategy allows the organization to provide insurance products to clients quickly and at a low cost while yet maintaining high standards of service quality. To accomplish this, AYA Myanmar Life Assurance has created three main distribution channels: Corporate Business, Business Partnership, and the Agency Channel. Every channel is essential for increasing market reach and improving client access. The organization uses a multi-channel strategy that combines many sales strategies in order to improve the effectiveness of its distribution. Direct sales channels allow customers to contact with businesses without middlemen, which enables businesses to provide customized service and have better control over the whole customer

experience. This direct engagement allows the firm to explain the advantages of its products effectively and to answer the individual demands of its customers. The Corporate Business channel is the foundation of the direct sales approach, which guarantees that clients are provided with financial solutions that are customized to their needs.

The Agency Channel works with licensed agents who provide as mediators between the firm and policyholders. These agents are essential for building solid connections with customers and providing insurance solutions that are tailored to their specific financial and protection requirements. Furthermore, the Business Partnership channel increases the company's market reach by means of strategic partnerships, which in turn improves accessibility and distribution effectiveness.

These channels are assessed on their effectiveness by looking at how well they can increase revenue, enhance customer happiness, and provide uninterrupted service. AYA Myanmar Life Assurance is able to maintain long-term development and expand its market position in an increasingly competitive insurance environment by consistently improving its distribution techniques and using an integrated sales strategy.

Technological Advancements

Technological developments are an important factor in AYA Myanmar Life Assurance Co., Ltd.'s ability to maintain its competitive edge. AYA Myanmar Life Assurance uses innovative systems across its operations to make sure that its services are efficient, flexible, and in line with new trends in the market.

The installation of E-claim services is a major technical endeavor at AYA Myanmar Life Assurance, and these services have already been put into use. The introduction of E-claim services has greatly increased the speed and efficiency of the claims procedure. The firm has made it easier for its customers to file claims by enabling them to do so online. This has decreased the amount of administrative work that the company needs to do, sped up the process of resolving claims, and made the experience more transparent. This move toward submitting claims digitally is in line with the increasing desire for quick and easy solutions in the insurance business. It makes settlements happen faster and improves consumer satisfaction overall.

AYA Myanmar Life Assurance has achieved significant improvements to its operating operations by implementing core insurance software, in addition to providing E-claim services. This software makes a number of operational activities, like as policy administration and claims processing, easier to do, which increases both accuracy and efficiency. The corporation is also focusing on integrating Enterprise Resource Planning

(ERP) software, which would consolidate operational operations into a single platform. This connection is anticipated to improve decision-making, boost operational efficiency, and promote organizational performance by giving real-time access to data and insights across departments.

Another important area of attention for technical progress at AYA Myanmar Life Assurance is making sure that data flows smoothly between the core system and additional functional systems. By centralizing data in the core system, the organization will be able to make more accurate decisions and provide services that are more responsive and efficient. In addition, the authority matrix will be updated and audit triggers will be introduced, which will improve system controls and accountability and ensure that there is strong governance over the new technologies.

In general, AYA Myanmar Life Assurance's technology improvements are crucial for the organization to keep its competitive edge. The organization is prepared to meet the needs of a digital-driven environment thanks to the ongoing development and integration of E-claim services, ERP software, and advances in operational procedures. These expenditures improve customer experience and happiness, as well as optimize internal processes, which puts the firm in a position to achieve long-term success in a competitive market.

Cost Leadership

Cost leadership is a one of the strategies that is essential to improving the competitive advantage of AYA Myanmar Life Assurance. This approach is based on a dedication to financial discipline, effective resource management, and the supply of cheap insurance products to customers. AYA Myanmar Life Assurance has established itself as a strong competitor in the industry mainly focus on cost control while maintaining high service quality. This strategy allows the company to provide significant value to its clients and stakeholders.

The creation of a specialist financial controlling unit is an important part of this plan. This section is responsible for ensuring that the company's financial resources are monitored and managed properly, which includes providing rigorous financial supervision. It is crucial for recognizing chances to reduce costs, getting rid of inefficiencies, and making sure that the company's financial processes are in line with its strategic goals. The firm is able to keep its competitive edge by reducing waste and making the best use of its resources via this disciplined financial strategy.

AYA Myanmar Life Assurance puts a high priority on effective resource

management in addition to financial discipline. The organization understands that it is essential to allocate resources strategically and use them effectively in order to reduce expenses and increase operational efficiency. Effective resource management is making the best use of financial, human, and technical resources to ensure that activities run smoothly while eliminating wasteful spending. This smart deployment of resources allows the organization to provide high-quality insurance services while keeping competitive pricing.

The affordability of the company's insurance products is a key component of the cost leadership strategy. AYA Myanmar Life Assurance considers the price structure and the continuing expenses of maintaining policies when deciding how much to charge for its goods. These maintenance costs include the fees associated with policy servicing, claims handling, and customer assistance. The organization takes these aspects into account when determining its pricing approach, which allows it to keep its premiums competitive while still maintaining its financial stability. With this thorough pricing strategy, AYA Myanmar Life Assurance is able to provide appealing insurance options that are affordable for its consumers and financially viable for the firm.

CHAPTER IV

ANALYSIS OF FACTORS INFLUENCING COMPETITIVE ADVANTAGE AT AYA MYANMAR LIFE ASSURANCE CO., LTD

In this chapter, factors influencing the competitive advantage are examined. This chapter is separated into two parts. The first section investigates the demographic features of the respondents, while the second part studies the factors that influence the competitive advantage of AYA Myanmar Life Assurance Co., Ltd.

4.1 Research Design

This study aims to investigate the factors influencing on the competitive advantage at AYA Myanmar Life Assurance Co., Ltd. In this study, descriptive statistics are employed to analyze the data. The study adopts a quantitative research method, with the primary data gathered through surveys conducted using structured questionnaires. The sampling method used is a simple random sampling technique. The research would focus on employees from different departments of AYA Myanmar Life Assurance Co., Ltd.

A sample of 65 employees was selected from a total population of 78 supervisor level and above. The sample size was calculated based on Taro Yamane (Yamane, 1973) formula.

By using the Taro Yamane's (1973) formula,

$$n = \frac{N}{1 + N(e)^2}$$

Where n=sample size, N=population under study, e= margin error (95%)

$$n = \frac{1000}{1 + 1000(0.05)^2}$$

$$n = \frac{1000}{1 + 1000(0.025)^2}$$

$$n = 65$$

Key metrics such as mean values, standard deviations, and correlation coefficients were calculated from questionnaire data using the Statistical Package for the Social Sciences (SPSS). Multiple regression analysis was used to evaluate the effect of independent factors — product innovation, distribution channel efficiency, technological advancements, and cost leadership on the dependent variable, competitive advantage.

The questionnaire consisted of two sections: the first addressed respondent characteristics, while the second examined the impact of determinants on competitive

advantage. Both primary and secondary data sources were used. The basic data was gathered via a questionnaire using a simple random sampling procedure. A 5-point Likert scale has been used to assess the items in the questionnaire. Secondary data was obtained from published sources, including previous publications, reports, periodicals, newspapers, and other websites. The evaluations varied from "strongly disagree" to "strongly agree," assigned as follows: strongly disagree = 1, disagree = 2, neutral = 3, agree = 4, and strongly agree = 5. The mean score interpretation established by Moidunny (2009) is used to assess respondents' assessments of the elements affecting competitive advantage, as seen in Table (4.1).

Table (4.1) Likert Scale Score Interpretation

No.	Mean Score between	Interpretation
1.	1.00 -1.80	Very Low
2.	1.81 – 2.60	Low
3.	2.61 – 3.40	Moderate
4.	3.41 – 4.20	High
5.	4.21 – 5.00	Very High

Source: (Moidunny, 2009)

4.2 Demographic Characteristics of Respondents

The first part of the analysis focuses on identifying the characteristics of the respondents participating in the study. A profile of these respondents is created based on background information related to the personal attributes of employees in AYA Myanmar Life Assurance Co., Ltd. A sample of 65 employee from AYA Myanmar Life Assurance Co., Ltd. was analyzed, such as gender, age, working experience, working position, education level and working department. Each characteristic was examined in terms of both absolute values and percentages. Table (4.2) displays this summary of the demographic characteristics of the employees.

Table (4.2) Profile of Respondents

Items	Number of Respondents	Percent
Total No. of Respondents	65	100.00
Gender		
Male	12	18.5
Female	53	81.5
Age (years)		
Under 25 years	4	6.1
25 – 40 years	31	47.7
40 – 55 years	28	43.1
Above 55 years	2	3.1
Working Experience		
1 – 3 years	7	10.8
3 - 5 years	23	35.3
5 - 7 years	33	50.8
7 - 10 years	2	3.1
Working Position		
Supervisor	12	18.5
Assistant Manager	31	47.7
Deputy Manager	11	16.9
Manager	10	15.4
Managing Director	1	1.5
Education Level		
Bachelor	13	20.0
Master	51	78.5
PhD	1	1.5
Working Department		
Operations Division	8	12.3
Commercial Division	7	10.8
Finance Division	4	6.2
IT Department	7	10.8
HR Department	7	10.8
Marketing and Communication Department	11	16.9
Corporate Affair Department	4	6.2
Customer Care Department	8	12.3
Admin Department	9	13.7

Source: Survey Data (2025)

Findings presented in Table (4.2) shows that the sample comprises 12 male employees and 53 female employees, representing that the females are the majority with a response rate of 81.5%, while males account for 18.5%. The ages of respondents are classified into four groups: under 25 years, 25 to 40 years, 40 to 55 years, and above 55 years. The largest segment of the employees, 47.7%, falls within the age range of 25 to 40 years, while 3.1% falls within the smallest segment includes employees who are above 55 years.

Working experiences are categorized into four groups. The survey found that 50.8% of employees have between 5 to 7 years of service, making this the largest group. In contrast, only 3.1% of employees have 7 to 10 years of service, which is the smallest group. Working position of the employees are classified in five groups: 47.7% of employees are assistant managers while the smallest group of employees is managing director comprising 1.5% of total respondents. Educational levels of employees are categorized into three groups: bachelor, master degree, and PhD. The major group of employees is master 78.5% while the smallest group is PhD 1.5%. Majority of the employees, 16.9% of total respondents are from the marketing and communication department, second largest group of employees 13.7% are from admin department, while the employees from finance division and corporate affair department comprise 6.2% respectively. According to the data, most of the employees of AYA Myanmar Life Assurance Co., Ltd were middle aged women who are with and education level of master degree with about 5 to 7 years working experiences.

4.3 Reliability Test of the Study

A reliability assessment is an essential component of the analysis in this research. Following the collection of survey data, reliability assessments were performed for the variables affecting competitive advantage. The research used Cronbach's alpha to evaluate internal consistency. Cronbach's alpha is a coefficient that quantifies the degree of positive correlation among items within a group, reflecting the scale's dependability (Sekaran & Bougie, 2010). Table (4.3) presents the conditions for interpreting Cronbach's alpha coefficient.

Table (4.3) Reliability Assessment Range

Cronbach coefficient alpha	Level of Reliability
0.80 to 0.95	Excellent Reliability
0.70 to 0.80	Good Reliability
0.60 to 0.70	Fair Reliability
Less than 0.60	Poor Reliability

Source: (Sekaran & Bougie, 2010)

Cronbach's alpha was used to assess the internal consistency and reliability of the variables derived from the survey data. The findings of Cronbach's alpha coefficient from the survey investigation are shown in Table 4.4.

Table (4.4) Reliability Test from Employee Responses

Sr.	Factors	No. of items	Cronbach's Alpha
1	Product Innovation	7	0.664
2	Distribution Channel Efficiency	7	0.594
3	Technological Advancements	7	0.719
4	Cost Leadership	7	0.789
5	Competitive Advantage	7	0.892

Source : SPSS Output (2025)

Table (4.4) indicated the reliability values, represented by Cronbach's alpha coefficients, ranged from 0.594 to 0.892. These results suggest that technological advancements and cost leadership have good reliability. For product innovation, the results suggest that fair reliability and for distribution channel efficiency, the results suggest that poor reliability.

4.4 Perception of Employees on Influencing Factors of Competitive Advantage

This study evaluates influencing factors (product innovation, distribution channel efficiency, technological advancements, and cost leadership) are measured with 7 items each. All items are rated on a 5-point Likert scale, where higher average scores suggest a more favorable perception of these dimensions. The respondent can complete their response by choosing one of the five options. The results of the respondents' responses were used to get the mean values. A given variable's perceived level is defined as strongly disagree when

the mean value is less than 1.80 disagree when the mean value is between 1.81 - 2.60, as neutral when the mean value is between 2.61 and 3.40, agree as when the mean value is between 3.41 – 4.20, and strongly agree when the mean value is 4.21 or above.

4.4.1 Product Innovation

In this survey, product innovation questionnaires include seven items. The descriptive measure used to assess the level of agreement regarding product innovation is the mean and standard deviation of each item. Table (4.5) presents the results in detail.

Table (4.5) Product Innovation

Sr. No.	Items	Mean	Standard Deviation
1.	Product innovation at company strengthens its position as a market leader in the life insurance industry in Myanmar.	4.78	0.414
2.	Products offered by the company allow customers to tailor them according to their financial and personal needs.	4.89	.312
3.	Company invests in market research to improve its understanding of customer needs and enhance product offerings.	4.69	.660
4.	Company continuously develops new insurance products to meet changing customer needs.	3.91	.843
5.	Products offered by the company are highly competitive due to their innovative features and customer-centric approach.	4.08	.957
6.	The introduction of innovative products like the “AMI Life Prosper Saver” helps the company stay ahead of competitors in the market.	4.11	.710
7.	Regular updates to our product offerings maintain the company’s competitive advantage.	4.09	.551
Overall Mean		4.36	

Source : Survey Data (2025)

The mean score for each of the seven product innovation questions is reported individually in Table (4.5). According to the table, the overall mean value of product innovation is 4.36, indicating a very high level of employee perception. There are reflecting highest level of perception in the aspects such as products offered by the company allow

customers to tailor them according to their financial and personal needs 4.89, product innovation at company strengthens its position as a market leader in the life insurance industry in Myanmar 4.78, and company invests in market research to improve its understanding of customer needs and enhance product offerings 4.69. Other factors such as introduction of innovative products like the “AMI Life Prosper Saver” helps the company stay ahead of competitors in the market 4.11, regular updates to our product offerings maintain the company’s competitive advantage 4.09, and products offered by the company are highly competitive due to their innovative features and customer-centric approach 4.08. Company continuously develops new insurance products to meet changing customer needs 3.91 fall on the lower value of the high range. The data are regarded as more reliable when the standard deviation is less than 1.

In conclusion, product innovation is generally perceived as a high mean score. However, company continuously develops new insurance products to meet changing customer needs can be seen as area that the company need to improve.

4.4.2 Distribution Channel Efficiency

In this survey, distribution channel efficiency includes seven items. The descriptive measure used to assess the level of agreement regarding distribution channel efficiency factors is the mean and standard deviation of each item. Table (4.6) presents the results in detail.

Table (4.6) Distribution Channel Efficiency

Sr. No.	Factors	Mean	Std. Deviation
1.	Direct sale channels of the company ensure customers receive personalized services.	4.32	.471
2.	Direct sale channels help effectively communicate the product benefits to customers.	4.42	.497
3.	Agency channel plays a significant role in providing tailored insurance solutions to customers.	4.30	.470
4.	Agency channel contributes to building strong relationships with customers and enhancing their satisfaction.	4.09	.292
5.	The integration of various distribution channels (Corporate Business, Agency Channel, Business Partnership) enhances the efficiency of product delivery.	3.69	.809
6.	Partnership channel expands the company's market reach, contributing to greater sales and customer satisfaction	4.11	.562
7.	Company's distribution channels contribute to its competitive advantage by improving service reach and customer engagement.	4.00	.637
	Overall Mean		4.13

Source: Survey Data (2025)

According to Table (4.6), the overall mean value of the distribution channel efficiency is 4.13, indicating a high level of distribution channel efficiency. The highest value of 4.42 for direct sale channels help effectively communicate the product benefits to customers and 4.32 for direct sale channels of the company ensure customers receive personalized services and agency channel plays a significant role in providing tailored insurance solutions to customers 4.30, partnership channel expands the company's market reach, contributing to greater sales and customer satisfaction 4.11, agency channel contributes to building strong relationships with customers and enhancing their satisfaction 4.09 and company's distribution channels contribute to its competitive advantage by improving service reach and customer engagement 4.00. The integration of various distribution channels (Corporate Business, Agency Channel, Business Partnership) enhances the efficiency of product delivery 3.69 fall on the lower value of the mean range.

The data are regarded as more reliable when the standard deviation is less than 1.

In conclusion, distribution channel efficiency is perceived as high mean value. However, the integration of various distribution channels (Corporate Business, Agency Channel, Business Partnership) enhances the efficiency of product delivery can be seen as area needing improvement to enhance distribution channel efficiency.

4.4.3 Technological Advancements

In this survey, technological advancements include seven items. The degree to which respondents are concerned about the outcome of technological advancements factors can be observed by examining means and standard deviations. Table (4.7) presents the results in detail.

Table (4.7) Technological Advancements

Sr. No.	Items	Mean	Standard Deviation
1.	The implementation of E-claim services has improved the claims processing speed and accuracy of the company.	4.49	.504
2.	The integration of core insurance software has streamlined the company's internal processes and improved efficiency.	4.37	.800
3.	Investment in advanced technologies enables better service delivery and customer experience.	4.28	.927
4.	Technological advancements allow for more effective and timely decision-making.	4.71	.458
5.	E-claim service has reduced administrative workload and improved overall customer experience.	3.98	.945
6.	The integration of ERP and core systems helps AYA Myanmar Life Assurance adapt to the digital transformation in the insurance sector.	4.09	.723
7.	Technological advancements of the company contribute to maintaining its competitive edge in the rapidly evolving insurance industry.	4.02	.450
	Overall Mean		4.28

Source : Survey Data (2025)

According to Table (4.7), the overall mean score for technological advancements at AYA Myanmar Life Assurance Co., Ltd reflect a very high level of employee perception, with a mean score of 4.28. Technological advancements allow for more effective and timely decision-making 4.71 are the highest mean score among the others. The implementation of E-claim services has improved the claims processing speed and accuracy of the company 4.49, the integration of core insurance software has streamlined the company's internal processes and improved efficiency 4.37 and investment in advanced technologies enables better service delivery and customer experience 4.28. The integration of ERP and core systems helps AYA Myanmar Life Assurance adapt to the digital transformation in the insurance sector 4.09, technological advancements of the company contribute to maintaining its competitive edge in the rapidly evolving insurance industry 4.02 and e-claim service has reduced administrative workload and improved overall customer experience 3.98. The data are regarded as more reliable when the standard deviation is less than 1.

In conclusion, employees at AYA Myanmar Life Assurance Co., Ltd have a very high perception of technological advancements. However, e-claim service has reduced administrative workload and improved overall customer experience can be seen as area need for improving.

4.4.4 Cost Leadership

The respondents must respond to seven questions in total about cost leadership. The following Table (4.8) displays the results of the analysis of means and standard deviation.

Table (4.8) Cost Leadership

Sr No.	Items	Mean	Standard Deviation
1	Company demonstrates strong financial discipline by carefully managing its resources.	4.49	.504
2	The establishment of the financial controlling unit plays a crucial role in minimizing waste and ensuring cost-efficiency.	4.02	.468
3	Cost Leadership Approach of the company ensures efficient use of resources and high-quality service delivery.	4.20	.403
4	Pricing structure of the company is competitive, reflecting its cost-efficient practices.	4.00	.649
5	Company effectively manages internal costs (e.g., overhead, utilities, office supplies) to ensure cost leadership without sacrificing operational quality.	4.31	.465
6	Financial management of the company practices enhance its competitive advantage by optimizing costs and resources.	4.09	.292
7	Company ensures that operational costs are kept in check while offering attractive premiums for its customers.	4.20	.617
Overall Mean		4.19	

Source : Survey Data (2025)

According to Table (4.8), the overall mean score of 4.19 for cost leadership at AYA Life Insurance Co., Ltd falls within the high range. Company demonstrates strong financial discipline by carefully managing its resources 4.49 are the very high mean score among the others. Company effectively manages internal costs (e.g., overhead, utilities, office supplies) to ensure cost leadership without sacrificing operational quality 4.31 also fall within a very high range. Company ensures that operational costs are kept in check while offering attractive premiums for its customers and company's approach to cost leadership ensures efficient use of resources and high-quality service delivery 4.20, company's financial management practices enhance its competitive advantage by optimizing costs and resources 4.09, the establishment of the financial controlling unit plays a crucial role in minimizing waste and ensuring cost-efficiency 4.02 and company's pricing structure is competitive, reflecting its cost-efficient practices 4.00 falls on the lower value of the high range.

In conclusion, AYA Myanmar Life Insurance Co., Ltd employees have a high

perception of cost leadership. However, company’s pricing structure is competitive, reflecting its cost-efficient practices can be seen as an area needing improving.

Table (4.9) Overall Mean Score of Influencing Factors

No.	Factors	Mean	Rank
1.	Product Innovation	4.36	1
2.	Distribution Channel Efficiency	4.13	4
3.	Technological Advancements	4.28	2
4.	Cost Leadership	4.19	3

Source: Survey Data (2025)

According to Table (4.9), the mean scores for influencing factors on competitive advantage at AYA Myanmar Life Insurance Co., Ltd. Product innovation has the highest mean score 4.36 that fall within very high range. And distribution channel efficiency has the lowest mean score 4.13. In addition, since overall mean value for distribution channel efficiency is lowest ranking which means AYA Myanmar Life Insurance Company have to more emphasis to improve integration of various distribution channels (Corporate Business, Agency Channel, Business Partnership) that enhances the efficiency of product delivery.

4.4.7 Competitive Advantage

In this survey, competitive advantage was comprised of seven items. Table (4.10) presents the results of the means and standard deviations.

Table (4.10) Competitive Advantage

Sr. No.	Items	Mean	Standard Deviation
1	Company has a strong position in the local life insurance market compared to its competitors.	4.08	0.477
2	The company offers unique products or services that differentiate it from competitors in the life insurance industry.	4.38	.403
3	Customers are trust and highly loyal and are likely to renew their policies or recommend the company to others.	4.48	.687
4	Company has strong brand recognition and is widely known in the market for providing reliable life insurance products.	4.46	.639
5	Technological advancements, such as the implementation of E-claims improved service delivery and strengthened the company's competitive position.	4.80	.678
6	The efficiency of the distribution channel has contributed to expanding market reach and customer acquisition.	4.11	.710
7	Company can maintain its operational costs to its minimal level to maintain the competitive advantage.	4.60	.494
Overall Mean		4.42	

Source : Survey Data (2025)

According to Table (4.10), the overall mean score of 4.42 indicates a very high level of employee perception regarding competitive advantage, as it falls within the range of 4.21–5.00. Specifically, employees express a very high level of perception on technological advancements, such as the implementation of E-claims improved service delivery and

strengthened the company's competitive position in a score of 4.80, and maintaining company's operational costs to its minimal level to maintain the competitive advantage, receiving a score of 4.60, the company's customers are trust and highly loyal and recommend the company to others 4.48, having strong brand recognition and is widely known in the market for providing reliable life insurance products 4.46, and the company offers unique products or services that differentiate it from competitors in the life insurance industry 4.38.

Furthermore, the efficiency of the company's distribution channel has contributed to expanding market reach and customer acquisition 4.11. But the score for the company has a strong position in the local life insurance market compared to its competitors 4.08. The data are regarded as more reliable when the standard deviation is less than 1.

4.5 Relationship between Influencing Factors and Competitive Advantages

Correlation and regression analyses will be performed to examine the relationship between independent and dependent variables. The relationship between each factor such as product innovation, distribution channel efficiency, technological advancements, cost leadership and competitive advantages are conducted in this study. Person correlation classified into five level: 0.80 - 1.00 (very strong relationship), 0.60 - 0.79 (strong relationship), 0.40-0.599 (moderate), 0.20 - 0.39 (weak relationship) and 0.00 - 0.19 (very weak relationship). Table (4.11) represents the relationship between average scores of usages of influencing factors and competitive advantages.

Table (4.11) Correlation between Influencing Factors and Competitive Advantages

No.	Factors	Correlation Coefficient	P-value
1.	Product Innovation	.689**	.000
2.	Distribution Channel Efficiency	.203	.105
3.	Technological Advancements	.890**	.000
4.	Cost Leadership	.684**	.000
** Correction is significant at the 0.01 level (2 tailed)			
* Correlation is significant at the 0.05 level (2-tailed).			

Source: SPSS Output (2025)

The correlation analysis presented in Table (4.11) indicates varying degrees of strength between the influencing factors and competitive advantages. Technological

advancements show as very strong positive correlation to competitive advantages at the 1% significance level ($r = 0.890$), classified as a very strong ($\pm.81$ to ± 1.00). Product innovation show a strong positive correlation to competitive advantage at 1% level ($r = 0.689$), while the cost leadership similarly shows a strong positive correlation ($r = 0.684$). The distribution channel efficiency also shows a weak positive correlation to competitive advantages, with a coefficient of 0.203.

4.6 Analysis on Effect of Influencing Factors on Competitive Advantage

This section examines the influencing factors on competitive advantages at AYA Myanmar Life Assurance Co.,Ltd. The four influencing factors, which are product innovation, distribution channel efficiency, technological advancements and cost leadership were analyzed. Multiple linear regression analysis is utilized to determine the specific outcomes. Table (4.12) presents the findings.

Table (4.12) Influencing Factors on Competitive Advantage

Dependent Variable: Competitive Advantage	Unstandardized Coefficients		Standardized Coefficients	t	Sig	VIF
	B	SE	Beta			
(Constant)	1.049	.438		2.394	.020	
Product Innovation	-.054	.110	-.037	-.494	.623	2.554
Distribution Channel Efficiency	.605***	.107	.323	5.673	.000	1.443
Technological Advancements	1.314***	.127	1.023	10.367	.000	4.344
Cost Leadership	.116	.139	.068	.833	.408	2.993
R ²	.866					
Adjusted R ²	.857					
Durbin-Watson	1.975					
F statistics	96.590***					
Statistically significant indicate ***at 1%						

Source: SPSS Output (2025)

Table (4.12) demonstrates that the model explains 86.6% of the variation in competitive advantages, as shown by a R Square value of 0.866. The Adjusted R Square score of 0.857 indicates that 85.7% of the variance in competitive advantages is accounted for by the independent variables in the model. The F value is significant at the 1% level, indicating that the model is suitable for analyzing variables that affect competitive advantage.

Technological development among the independent variables has a statistically significant positive influence on competitive advantage, with a standardized coefficient (Beta) of 1.023 at a 1% significance level. The efficiency of distribution channels significantly enhances competitive advantage, shown by a standardized coefficient (Beta) of 0.323 at a 1% significance level. The study indicates that cost leadership (Beta = 0.068, $p = 0.408$) has a little positive albeit statistically negligible impact on competitive advantage. Moreover, the product innovation (Beta = -0.037, $p = 0.623$) demonstrates a negative and statistically negligible impact on competitive advantage. This indicates that this factor does not substantially influence the dependent variable in this model. The Variance Inflation Factor (VIF) values for all variables are under 5, indicating the absence of multicollinearity concerns in the model. This indicates that the independent variables exhibit little correlation with one another, facilitating accurate estimations of the regression coefficients.

CHAPTER V CONCLUSION

This chapter delineates the results and discussions derived from the examination of the aspects affecting the competitive advantage of AYA Myanmar Life Assurance Co., Ltd, proffering ideas and recommendations while also highlighting the need for more research.

5.1 Findings and Discussions

In this study, 65 employees from different departments of AYA Myanmar Life Assurance Co., Ltd were surveyed to achieve the objective of the study. According to the survey, the most of employees at AYA Myanmar Life Assurance are middle-aged women holding master degree with 5 to 7 years working experiences. Therefore, the employees have sufficient knowledge about the company.

Most employees at AYA Myanmar Life Assurance Co., Ltd. have different perceptions of the company's product innovation. Most of the respondents strongly agree that the products offered by the company allow customers to tailor them according to their financial and personal needs. Additionally, product innovation strengthens the company's position as a market leader in the life insurance industry in Myanmar. Furthermore, many employees agree that the company invests in market research to improve its understanding of customer needs and enhance product offerings. The introduction of innovative products like the "AMI Life Prosper Saver Plan" helps the company stay ahead of competitors in the market. The company also regularly updates its product offerings to maintain its competitive advantage. However, employees are concerned about whether the company continuously develops new insurance products to meet changing customer needs. Addressing this concern could further improve product innovation.

Most employees at AYA Myanmar Life Assurance Co., Ltd. have different perceptions of the company's distribution channel efficiency. Many respondents strongly agree that the company's direct sales channels help effectively communicate product benefits to customers and ensure customers receive personalized services. Additionally, the agency channel plays a significant role in providing tailored insurance solutions, further enhancing customer satisfaction. Employees also recognize that the partnership channel expands the company's market reach, contributing to greater sales and improved customer accessibility to insurance products. Furthermore, the company's multi-channel approach strengthens its position in the life insurance industry in Myanmar by improving service

reach and customer engagement. However, while the integration of various distribution channels, including Corporate Business, Agency Channel, and Business Partnerships, enhances product delivery efficiency, it is perceived as an area that could benefit from further improvements.

Most employees at AYA Myanmar Life Assurance Co., Ltd. have different perceptions of the company's technological advancements. Many respondents strongly agree that company's technological advancements allow for more effective and timely decision-making. Additionally, the implementation of E-claim services has significantly improved claims processing speed and accuracy. Furthermore, the integration of core insurance software has streamlined the company's internal processes and improved efficiency. Employees also acknowledge that the company's investment in advanced technologies enables better service delivery and improves customer experience. Employees also agree that the integration of ERP and core systems helps AYA Myanmar Life Assurance adapt to the digital transformation in the insurance sector. However, employees are concerned about whether E-claim services have also helped reduce administrative workload and improved overall customer satisfaction, this is the area should be improved.

Most employees at AYA Myanmar Life Assurance Co., Ltd. have different perceptions of the company's cost leadership strategy. Many respondents strongly agree that the company demonstrates strong financial discipline by carefully managing its resources. Additionally, the company effectively manages internal costs, such as overhead, utilities, and office supplies, ensuring cost leadership without compromising operational quality. Furthermore, employees recognize that company's approach to cost leadership ensures efficient use of resources and high-quality service delivery and the company ensures that operational costs are kept in check while offering attractive premiums for its customers. And employees also agree that company's financial management practices enhance its competitive advantage by optimizing costs and resources and the establishment of the financial controlling unit plays a crucial role in minimizing waste and ensuring cost-efficiency. However, the employees are concerned about the company's pricing structure is competitive, reflecting its cost-efficient practices.

Regarding the correlation analysis, technological advancements is strongly associated with higher levels of competitive advantage. However, a weak positive correlation exists between distribution channel efficiency and competitive advantages indicates that while developing up-to-date technology contributes to the company's

competitive advantage. However, the company should improve the efficiency of distribution channel efficiency.

According to multiple regression analysis, technological advancement has the most significant positive effect on competitive advantage. This highlights the crucial role of technology in driving competitive positioning. Distribution channel efficiency is another significant driver, emphasizing the implementation of new insurance technology for competitive edge. Cost Leadership has a positive but statistically insignificant effect, determining that cost-focused strategies are not key determinants of competitive advantage in this context. Product Innovation shows a negative and statistically insignificant effect, indicating that innovation efforts may not directly influence competitive advantage in this scenario.

5.2 Suggestions and Recommendations

This report presents the following suggestions for AYA Myanmar Life Assurance Co., Ltd. The regression analysis findings indicate that the firm may substantially strengthen and maintain its competitive advantage by emphasizing technological development and enhancing distribution channel efficiency. These factors have been identified as the key drivers influencing the company competitive advantage. Therefore, it is recommended that AYA Myanmar Life Assurance Co., Ltd. continue to prioritize investment in advanced technologies, such as upgrading core insurance software, implementing digital tools like mobile applications, and enhancing customer-facing technologies, such as online portals. These technological improvements will not only streamline internal processes but also enhance the overall customer experience and satisfaction.

Distribution channel efficiency is another critical factor with a significant positive effect on the company's competitive advantage. The company should focus on optimizing its distribution channels by simplifying and streamlining related processes. This includes improving communication between direct sales, agency channels, and partnerships, as well as enhancing the integration of these channels to facilitate more efficient product delivery and better customer accessibility. Special attention should be given to developing multi-channel strategies, which will help broaden the company's market reach and foster greater customer engagement.

Although product innovation did not demonstrate a statistically significant effect on competitive advantage in this study, it remains essential for the company to continue nurturing a culture of innovation. The findings suggest that employees did not perceive

product innovation as a central component of the company's strategy. To ensure that its products remain competitive in the marketplace, the company should invest in ongoing market research and actively seek customer feedback to develop products that cater to the evolving needs of its customer base. Regular updates to the product portfolio should be made to align with market trends and customer expectations.

While cost leadership did not show a significant effect on competitive advantage, it is still a vital element of the company's operations. AYA Myanmar Life Assurance Co., Ltd. should continue to focus on improving cost efficiency through sound financial management practices. The company should carefully monitor internal costs, such as overhead, utilities, and office supplies, to ensure optimal resource utilization without compromising the quality of its products and services. Additionally, the company's pricing structure should reflect cost-efficient practices to maintain competitiveness in the market, while still providing value to customers.

In conclusion, AYA Myanmar Life Assurance Co., Ltd. can significantly enhance its competitive advantage by concentrating on technological advancements and distribution channel efficiency, as these factors are closely tied to the company's competitive positioning in the market. By continuing to improve these areas, along with sustained efforts in product innovation and cost leadership, the company will be better positioned to build a stronger competitive edge and adapt to the dynamic and evolving insurance industry in Myanmar.

5.3 Needs for Further Research

This study provides valuable insights into the factors influencing competitive advantage at AYA Myanmar Life Assurance Co., Ltd., focusing on product innovation, distribution channel efficiency, technological advancements, and cost leadership. However, several factors for further research remain to provide a more understanding of the influencing factors of competitive advantage within the organization and the broader insurance sector in Myanmar.

Future research should consider customer service and relationship management, which plays an essential role in building customer loyalty and satisfaction. A deeper investigation into how customer service initiatives influence competitive positioning could provide valuable insights into how organizations can maintain strong customer relationships and enhance their competitiveness in the market. Additionally, brand reputation and trust have become increasingly vital in the insurance industry, where customers tend to prioritize companies that are reputable and reliable. Future studies could examine how these

intangible factors, in combination with more tangible drivers such as product innovation and distribution channel efficiency, influence a company's competitive position.

Furthermore, while this study employed a demographic profile and self-rating Likert scale for data collection, there is potential for future research to incorporate qualitative methods such as interviews or focus groups. By allowing respondents to express their views in their own words, qualitative methods can reveal complex factors that might not be captured through quantitative measures alone. This approach could enhance the overall understanding of the drivers that affect on a competitive advantage and help uncover underlying dynamics within the organization.

In addition, this study focused solely on AYA Myanmar Life Assurance Co., Ltd. and its internal factors, but further research could expand the scope to consider the broader market and external factors influencing competitive advantage. Variables such as regulatory changes, economic fluctuations, and market competition may have a considerable impact on the competitive positioning of insurance companies. Future studies that incorporate these external factors could provide a more holistic understanding of the forces shaping the insurance industry in Myanmar. This would offer more practical recommendations for organizations on how to adapt their strategies to external pressures while maintaining a competitive edge.

In conclusion, while this study provides valuable findings on the factors that influence competitive advantage at AYA Myanmar Life Assurance Co., Ltd., there is a need for further research to explore additional variables and expand the scope to include external influences. Incorporating qualitative research methods and examining the broader market context would contribute to a more comprehensive understanding of competitive advantage.

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Appendix-A

Survey Questionnaire

This questionnaire is designed to solicit the relevant information for the research carried out on the topic “Factors Influencing Competitive Advantage at AYA Myanmar Life Assurance Co., Ltd”. This study is conducted for academic purposes for partial fulfillment of the requirements of Master of Insurance at Yangon University of Economics. Hence, you are being requested to participate in a survey to provide information related to the above topic.

Participation in this survey is voluntary, and your responses will be kept confidential. Therefore, I kindly request you to fill out the questionnaires carefully and truthfully. I would like to thank you for your cooperation.

Section 1: Demographic and General Information

1. Gender

- Male
- Female

2. Age

- Under 25 years
- 25 – 40 years
- 40 – 55 years
- Above 55 years

3. Working Experience

- 1 – 3 years
- 3 - 5 years
- 5 - 7 years
- 7 - 10 years

4. Working Position

- Supervisor
- Assistant Manager
- Deputy Manager
- Manager

- Managing Director

5. Education Level

- Bachelor
- Master
- PhD

6. Working Department

- Operations Division
- Commercial Division
- Finance Division
- IT Department
- HR Department
- Marketing and Communication Department
- Corporate Affair Department
- Customer Care Department
- Admin Department

Section 2: Factors Influencing Competitive Advantage at AYA Myanmar Life Assurance Co., Ltd

Please respond to the questions provided in this section 2. Please indicate your agreement with the proposed statements by using following Likert Scale Keys.

1 = Strongly Disagree

2 = Disagree

3 = Neutral

4 = Agree

5 = Strongly Agree

(A) Product Innovation

Sr. No.	Statements	1	2	3	4	5
1.	Product innovation at company strengthens its position as a market leader in the life insurance industry in Myanmar.					
2.	Products offered by the company allow customers to tailor them according to their financial and personal needs.					
3.	Company invests in market research to improve its understanding of customer needs and enhance product offerings.					
4.	Company continuously develops new insurance products to meet changing customer needs.					
5.	Products offered by the company are highly competitive due to their innovative features and customer-centric approach.					
6.	The introduction of innovative products like the “AMI Life Prosper Saver” helps the company stay ahead of competitors in the market.					
7.	Regular updates to our product offerings maintain the company’s competitive advantage.					

(B) Distribution Channel Efficiency

Sr. No.	Statements	1	2	3	4	5
1.	Direct sale channels of the company ensure customers receive personalized services.					
2.	Direct sale channels help effectively communicate the product benefits to customers.					
3.	Agency channel plays a significant role in providing tailored insurance solutions to customers.					
4.	Agency channel contributes to building strong relationships with customers and enhancing their satisfaction.					
5.	The integration of various distribution channels (Corporate Business, Agency Channel, Business Partnership) enhances the efficiency of product delivery.					
6.	Partnership channel expands the company's market reach, contributing to greater sales and customer satisfaction					
7.	Distribution channels contribute to its competitive advantage by improving service reach and customer engagement.					

(C) Technological Advancements

Sr. No.	Statements	1	2	3	4	5
1.	The implementation of E-claim services has improved the claims processing speed and accuracy of the company.					
2.	The integration of core insurance software has streamlined the company's internal processes and improved efficiency.					
3.	Investment in advanced technologies enables better service delivery and customer experience.					
4.	Technological advancements allow for more effective and timely decision-making.					
5.	E-claim service has reduced administrative workload and improved overall customer experience.					
6.	The integration of ERP and core systems helps AYA Myanmar Life Assurance adapt to the digital transformation in the insurance sector.					
7.	Technological advancements of the company contribute to maintaining its competitive edge in the rapidly evolving insurance industry.					

(D) Cost Leadership

Sr No.	Statements	1	2	3	4	5
1	Company demonstrates strong financial discipline by carefully managing its resources.					
2	The establishment of the financial controlling unit plays a crucial role in minimizing waste and ensuring cost-efficiency.					
3	Cost Leadership Approach of the company ensures efficient use of resources and high-quality service delivery.					
4	Pricing Structure of the company is competitive, reflecting its cost-efficient practices.					
5	Company effectively manages internal costs (e.g., overhead, utilities, office supplies) to ensure cost leadership without sacrificing operational quality.					
6	Financial management practices enhance its competitive advantage by optimizing costs and resources.					
7	Company ensures that operational costs are kept in check while offering attractive premiums for its customers.					

(E) Competitive Advantage

Sr. No.	Statements	1	2	3	4	5
1	Company has a strong position in the local life insurance market compared to its competitors.					
2	The company offers unique products or services that differentiate it from competitors in the life insurance industry.					
3	Customers are trust and highly loyal and are likely to renew their policies or recommend the company to others.					
4	Company has strong brand recognition and is widely known in the market for providing reliable life insurance products.					
5	Technological advancements, such as the implementation of E-claims improved service delivery and strengthened the company's competitive position.					
6	The efficiency of the distribution channel has contributed to expanding market reach and customer acquisition.					
7	Company can maintain its operational costs to its minimal level to maintain the competitive advantage.					

**Appendix – B
SPSS Output**

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.930 ^a	.866	.857	.21248	1.975

a. Predictors: (Constant), CL, DC, PI, TA

b. Dependent Variable: CA

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.443	4	4.361	96.590	.000 ^b
	Residual	2.709	60	.045		
	Total	20.152	64			

a. Dependent Variable: CA

b. Predictors: (Constant), CL, DC, PI, TA

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.049	.438		2.394	.020		
	PI	-.054	.110	-.037	-.494	.623	.392	2.554
	DC	.605	.107	.323	5.673	.000	.693	1.443
	TA	1.314	.127	1.023	10.367	.000	.230	4.344
	CL	.116	.139	.068	.833	.408	.334	2.993

a. Dependent Variable: CA

CA- competitive advantages

PI- product innovation

DC- distribution channel

TA- technological advancements

CL- cost leadership

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
DC1	65	4	5	4.32	.471
DC2	65	4	5	4.42	.497
DC3	65	4	5	4.30	.470
DC4	65	4	5	4.09	.292
DC5	65	2	5	3.69	.809
DC6	65	3	5	4.11	.562
DC7	65	3	5	4.00	.637
Valid N (listwise)	65				

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
TA1	65	4	5	4.49	.504
TA2	65	2	5	3.98	.800
TA3	65	2	5	4.28	.927
TA4	65	4	5	4.71	.458
TA5	65	2	5	4.37	.945
TA6	65	3	5	4.09	.723
TA7	65	3	5	4.02	.450
Valid N (listwise)	65				

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
CL1	65	4	5	4.49	.504
CL2	65	3	5	4.00	.468
CL3	65	4	5	4.20	.403
CL4	65	3	5	4.02	.649
CL5	65	4	5	4.31	.465
CL6	65	4	5	4.09	.292
CL7	65	3	5	4.20	.617
Valid N (listwise)	65				

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
CA1	65	1	5	4.08	1.177
CA2	65	4	5	4.80	.403
CA3	65	3	5	4.48	.687
CA4	65	3	5	4.46	.639
CA5	65	3	5	4.38	.678
CA6	65	3	5	4.11	.710
CA7	65	4	5	4.60	.494
Valid N (listwise)	65				

Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Va Male	12	18.5	18.5	18.5
lid Female	53	81.5	81.5	100.0
Total	65	100.0	100.0	

Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Under 25 years	4	6.2	6.2	6.2
25 – 40 years	31	47.7	47.7	53.8
40 – 55 years	28	43.1	43.1	96.9
Above 55 years	2	3.1	3.1	100.0
Total	65	100.0	100.0	

Working Experience

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1 – 3 years	7	10.8	10.8	10.8
3 - 5 years	23	35.4	35.4	46.2
5 - 7 years	33	50.8	50.8	96.9
7 - 10 years	2	3.1	3.1	100.0
Total	65	100.0	100.0	

Working Position

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Supervisor	12	18.5	18.5	18.5
Assistant Manager	31	47.7	47.7	66.2
Deputy Manager	11	16.9	16.9	83.1
Manager	10	15.4	15.4	98.5
Managing Director	1	1.5	1.5	100.0
Total	65	100.0	100.0	

Education Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Graduated	13	20.0	20.0	20.0
	Master Degree	51	78.5	78.5	98.5
	Ph.D	1	1.5	1.5	100.0
	Total	65	100.0	100.0	

Working Department

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Operations Division	8	12.3	12.3	12.3
	Commercial Division	7	10.8	10.8	23.1
	Finance Division	4	6.2	6.2	29.2
	IT Department	7	10.8	10.8	40.0
	HR Department	7	10.8	10.8	50.8
	Marketing and Communication Department	11	16.9	16.9	67.7
	Corporate Affair Department	4	6.2	6.2	73.8
	Customer Care Department	8	12.3	12.3	86.2
	Admin Department	9	13.8	13.8	100.0
	Total	65	100.0	100.0	

Reliability Statistics

Cronbach's Alpha	N of Items
.664	7

Reliability Statistics

Cronbach's Alpha	N of Items
.594	7

Reliability Statistics

Cronbach's Alpha	N of Items
.719	7

Reliability Statistics

Cronbach's Alpha	N of Items
.789	7

Reliability Statistics

Cronbach's Alpha	N of Items
.892	7

Correlations

		PI	DC	TA	CL	CA
PI	Pearson Correlation	1	.350**	.779**	.622**	.689**
	Sig. (2-tailed)		.004	.000	.000	.000
	N	65	65	65	65	65
DC	Pearson Correlation	.350**	1	.490**	.544**	.203
	Sig. (2-tailed)	.004		.000	.000	.105
	N	65	65	65	65	65
TA	Pearson Correlation	.779**	.490**	1	.797**	.890**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	65	65	65	65	65
CL	Pearson Correlation	.622**	.544**	.797**	1	.684**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	65	65	65	65	65
CA	Pearson Correlation	.689**	.203	.890**	.684**	1
	Sig. (2-tailed)	.000	.105	.000	.000	
	N	65	65	65	65	65

** . Correlation is significant at the 0.01 level (2-tailed).

Summary Table

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
PI	65	3.43	4.86	4.3648	.38551
DC	65	3.86	4.86	4.1363	.29927
TA	65	3.43	5.00	4.2769	.43659
CL	65	3.86	4.86	4.1868	.33113
CA	65	3.14	5.00	4.4154	.56114
Valid N (listwise)	65				