

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

**FACTORS INFLUENCING CONSUMER PURCHASE DECISION  
OF FIRE INSURANCE POLICY AT KBZMS GENERAL  
INSURANCE CO., LTD**

**NYEIN PYAE KO**

**MI - 40**

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

**FEBRUARY, 2025**

**FACTORS INFLUENCING CONSUMER PURCHASE DECISION  
OF FIRE INSURANCE POLICY AT KBZMS GENERAL  
INSURANCE CO., LTD**

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

**ACADEMIC YEAR (2023-2025)**

**Supervised By:**

Prof. Dr. Aye Thu Htun  
Professor  
Department of Commerce  
Yangon University of Economics

**Submitted By:**

Nyein Pyae Ko  
MI - 40  
MI 1<sup>st</sup> Batch  
(2023-2025)

**FEBRUARY, 2025**

## ACCEPTANCE

Accepted by the Board of Examiners of the Department of Commerce, Yangon University of Economics, in partial fulfillment for the requirements of the Master Degree, Master of Insurance (MI).

## BOARD OF EXAMINERS

---

(Chairperson)

Prof. Dr. Tin Tin Htwe

Rector

Yangon University of Economics

---

(Supervisor)

Prof. Dr. Aye Thu Htun

Professor

Department of Commerce

Yangon University of Economics

---

(Examiner)

Prof. Dr. Thynn Thynn Myint

Professor and Head

Department of Commerce

Yangon University of Economics

---

(Examiner)

Prof. Dr. Aye Thanda Soe

Professor

Department of Commerce

Yangon University of Economics

---

(Examiner)

Prof. Dr. May Su Myat Htway Aung

Professor

Department of Commerce

Yangon University of Economics

**FEBRUARY, 2025**

## **ABSTRACT**

This study examines the factors influencing consumer purchase decisions of fire insurance policy at KBZMS General Insurance Co., Ltd. The study framework encompasses brand image, service quality, price, location, and promotion activities as the influencing factors. A quantitative research method is adopted in this study. And primary data is collected from a sample of 141 respondents who purchased a fire insurance policy at KBZMS General Insurance Co., Ltd. (Lashio branch), and selected by the simple random sampling method. According to the descriptive statistics results, the study found that price activities by KBZMS had the highest mean value, followed by promotion, location, brand image, and service quality activities. The study also found that brand image, service quality, price, location, and promotion activities are statistically strongly related to the purchase decision of fire insurance policy at KBZMS. Additionally, multiple regression analysis showed that price, service quality, brand image, location, and promotion statistically significantly influence the purchase decision of fire insurance policy at KBZMS. Among these factors, price has the highest influence on the purchase decision, followed by brand image, location, promotion, and service quality. Therefore, KBZMS should maintain its flexible payment options to increase affordability for policyholders. Moreover, KBZMS should offer attractive discounts to policyholders who pay their premiums before a certain date. This can help insurers improve cash flow while also giving customers an incentive to pay early.

## ACKNOWLEDGEMENTS

First of all, I would like to express my sincere gratitude to Prof. Dr. Tin Tin Htwe, the Rector, Yangon University of Economics for giving me an opportunity to study the Master of Insurance and for permission to write this thesis paper as a requirement of master degree.

I also would like to thank Professor Dr. Thynn Thynn Myint, Head of the Department of Commerce, Yangon University of Economics for her permission, kind support, and enthusiasm for this study.

I also would like to express my deepest gratitude to my supervisor, Prof. Dr. Aye Thu Htun, Professor, Department of Commerce, Yangon University of Economics, for her invaluable guidance, encouragement, and support throughout this research journey. I cannot say thank you enough for her tremendous support and help. Her expertise and insightful feedback have been instrumental in shaping this study.

Additionally, I would also like to express my greatest gratitude to Prof. Dr. Aye Thanda Soe, Professor Dr. May Su Myat Htway Aung for valuable suggestions, excellent ideas and recommendations.

I extend my heartfelt thanks to all lecturers, associate professors, professors of Department of Commerce, program director and all visiting lecturers and professors who actively contributed their valuable knowledge and wisdom to us.

I am particularly grateful to the administration of KBZMS General Insurance Co., Ltd. for granting access to company data and providing critical insights that made this study possible.

To my colleagues and classmates in the Master of Insurance program, thank you for your constant support, constructive discussions, and camaraderie during this academic endeavor.

Finally, I would like to acknowledge my family and friends for their unwavering support, patience, and encouragement, which have been a source of strength throughout this research. This accomplishment would not have been possible without the collective efforts and contributions of all these individuals.

# CONTENTS

	<b>Page</b>
<b>ABSTRACT</b>	<b>i</b>
<b>ACKNOWLEDGEMENTS</b>	<b>ii</b>
<b>CONTENTS</b>	<b>iii</b>
<b>LIST OF TABLES</b>	<b>v</b>
<b>LIST OF FIGURES</b>	<b>vi</b>
<b>CHAPTER I INTRODUCTION</b>	<b>1</b>
1.1 Rationale of the Study	3
1.2 Objectives of the Study	6
1.3 Scope and Method of the Study	6
1.4 Organization of the Study	7
<b>CHAPTER II THEORETICAL BACKGROUND</b>	<b>8</b>
2.1 Consumer Purchase Decision	8
2.2 Factors Influencing Consumer Purchase Decision	9
2.3 Related Theories	12
2.4 Previous Studies	13
2.5 Conceptual Framework of the Study	15
<b>CHAPTER III PROFILE AND FACTORS INFLUENCING PURCHASE DECISION OF FIRE INSURANCE POLICY OF KBZMS GENERAL INSURANCE CO., LTD</b>	<b>17</b>
3.1 Profile of KBZMS	17
3.2 Products and Services of KBZMS	19
3.3 Fire Insurance Acceptance Process	22
3.4 Factors Influencing Consumer Purchase Decision	23

<b>CHAPTER IV ANALYSIS ON FACTORS INFLUENCING CONSUMER</b>	<b>27</b>
<b>PURCHASE DECISION OF FIRE INSURANCE KBZMS</b>	
<b>GENERAL INSURANCE CO., LTD</b>	
4.1 Demographic Characteristics of Respondents	27
4.2 Reliability Test of the Study	29
4.3 Descriptive Statistics of Factors Influencing Consumer Buying Decision	30
4.4 Customer Perception on Purchase Decision	36
4.5 Relationship between Influencing Factors and Consumer Purchase Decision	38
4.6 Analysis of Factors Influencing Purchase Decision towards Fire Insurance	39
<b>CHAPTER V CONCLUSION</b>	<b>41</b>
5.1 Findings and Discussion	41
5.2 Recommendations and Suggestions	44
5.3 Needs for Further Research	45
<b>REFERENCES</b>	
<b>APPENDIX</b>	

## LIST OF TABLES

<b>Table No.</b>	<b>Title</b>	<b>Page</b>
3.1	Products of KBZMS	20
4.1	Demographic Profile of Respondents	28
4.2	Rule of Thumb on Cronbach's Alpha	29
4.3	Reliability Test from Customers Responses	30
4.4	Brand Image	31
4.5	Service Quality	32
4.6	Price	33
4.7	Location	34
4.8	Promotion	35
4.9	Summary of Overall mean value	36
4.10	Purchase Decision	37
4.11	Correlation between Dependent Variables and Purchase Decision	38
4.12	Factors Influencing Purchase Decision	39

## LIST OF FIGURES

<b>Figure No.</b>	<b>Title</b>	<b>Page</b>
2.1	Customer Decision Making Process	9
2.2	Factors Affecting Buying Decision Insurance Products	13
2.3	Factors Influencing Customer Purchase Decision towards Property Insurance	14
2.4	Conceptual Framework of the Study	15
3.1	KBZMS Company-wide Organization Chart	18
3.2	Fire Insurance Acceptance Process	23

# CHAPTER I

## INTRODUCTION

Insurance is a mechanism for safeguarding against financial loss whereby one party, in return for a premium, commits to indemnifying another party in the occurrence of specified loss, damage, or injury (George E. Rejda, 1982). It is a method of financial management, principally employed to safeguard against the risk of a contingent or uncertain loss (Swiss Re, 2021). The insurance sector is an important industry within the global economy, providing individuals and businesses with financial protection against risks such as accidents, illness, property damage, and liability (OECD, 2022). This sector is divided into two segments, including life insurance and general insurance also called non-life insurance (KPMG, 2021).

The decision-making process for purchasing non-life insurance products, including health, motor, property, and fire insurance, is influenced by several key factors. These include brand image, which shapes consumer perceptions and trust in the insurance provider (Keller, 1993), and service quality, which encompasses the efficiency and reliability of policy issuance, claims processing, and customer support (Parasuraman, Zeithaml, & Berry, 1988). Price significantly affects consumer decisions, as affordable and competitively priced policies attract more buyers (Dominique-Ferreira, 2017). The location of service providers influences accessibility and convenience, ensuring that consumers can easily access insurance services when needed (Yeboah, 2021). Promotion enhances consumer awareness and engagement through marketing campaigns, discounts, and special offers (Soulita Tiengmany, 2022).

In Myanmar, the demand for fire insurance has risen as awareness of various risk factors increases. KBZMS General Insurance Co., Ltd. is a prominent company in insurance market of Myanmar, offering a wide range of general insurance products, including fire insurance, motor insurance, personal accident coverage, travel protection, and health insurance (KBZMS, 2023).

KBZMS was established in 2013, and developed a strong brand image based on trust and reliability. The company emphasizes service quality by maintaining efficient claims processes and responsive customer support, ensuring customer satisfaction and loyalty (Sitohang & Hutapea, 2023). Competitive pricing strategies and strategic location placements across major cities enhance customer convenience and access

(Nuangjamnong, Sutthichai, & Yutthana, 2020). Furthermore, KBZMS invests in promotional activities to educate consumers and promote its products, thereby increasing market penetration (Adedotun Teminiola Inaolaji, 2022).

The insurance industry in Myanmar is evolving, particularly as urbanization and exposure to risks such as floods, earthquakes, and landslides increase. Fire insurance provides essential financial protection against fire-related losses and other hazards, ensuring compensation for property damage and asset protection (AIG, 2022). Factors such as price, location, and promotion significantly influence purchasing behavior, as consumers seek affordable plans, accessible services, and clear communication about policy benefits. Comprehensive fire insurance coverage is a key element of financial planning for individuals and businesses aiming to secure their investments and assets (Dwi Rachmawati, 2019).

As the market landscape changes, it is necessary for insurers to continuously adapt and respond to customer needs. Enhancing brand image (Keller, 1993), maintaining high service quality (Parasuraman et al., 1988), offering competitive pricing (Dominique-Ferreira, 2017), ensuring convenient location accessibility (Yeboah, 2021), and implementing effective promotional strategies (Soulita Tiengmany, 2022) will be necessary for KBZMS and other insurers aiming to strengthen customer engagement and increase the adoption of fire insurance policies. Ongoing research and adaptation will allow KBZMS to meet evolving market demands and maintain its position as one of the most influencing insurance providers in Myanmar.

The introduction highlights the important role of insurance as a financial tool for mitigating risks and protecting against potential losses, particularly in the context of fire insurance. As the insurance industry evolves, especially in emerging markets like Myanmar, the demand for fire insurance is increasing due to growing awareness of risks such as natural disasters, urbanization, and property-related vulnerabilities. KBZMS has positioned itself as a trusted brand offering a range of general insurance products, including fire insurance.

However, in a competitive market with shifting customer expectations, understanding the factors that influence the decision-making process for purchasing fire insurance is essential. These factors include brand reputation, service quality, pricing, and promotional efforts. As fire insurance becomes increasingly important for safeguarding personal and business assets, it is clear that comprehensive property insurance, including coverage for fire-related and additional risks, is a crucial

component of financial planning. This underscores the importance of continued research and adaptation by insurers to meet the evolving needs of customers in dynamic markets like Myanmar.

## **1.1 Rationale of the Study**

In Myanmar, the insurance industry is an important role in the economic development by providing risk management solutions. As the country continues to modernize, insurance has become essential for both individuals and businesses to secure their assets and investments. The industry not only helps mitigate risks but also contributes to the broader economic stability and growth by fostering consumer confidence and enabling more robust financial transactions (Sukthawee, 2008). As insurance market of Myanmar expands, it is important to understand the factors that influence consumer decisions, especially in sectors like fire insurance, which is essential for safeguarding properties from unforeseen risks (Yeboah, 2021).

KBZMS operates in the insurance business, including fire insurance, since 2013 under license number 001. As the first insurance company in Myanmar to adopt cloud technology, KBZMS has set itself apart by embracing modern technological solutions that enhance its service offerings and customer experience (KBZMS, 2023). This commitment to innovation has earned KBZMS numerous accolades, including the Myanmar Technology Excellence Award in 2023. With a strong reputation and a track record of excellence, KBZMS is well-positioned to meet the needs of growing insurance market. However, understanding the factors that influence customer decisions, particularly in fire insurance, is important for KBZMS to maintain its competitive edge and strengthen its market position (Yeboah, 2021).

The decision to purchase fire insurance is shaped by several factors, such as the brand image of the insurer, their reputation, the quality of service they provide, the convenience of their location, the effectiveness of their promotions, and the affordability of their pricing. Understanding these factors is necessary for both customers and insurance providers.

Elements such as brand image, service quality, pricing, and promotional strategies significantly affect consumer preferences and their ultimate decision to buy a fire insurance policy (Sitohang & Hutapea, 2023). The right combination of these factors not only builds trust and confidence but also encourages long-term relationships between customers and insurance providers (Sukthawee, 2008).

In a developing market like Myanmar, where awareness and understanding of insurance products are still growing, making informed decisions regarding fire insurance is key to ensuring adequate protection for assets and investments (Nuangjamnong, Sutthichai, & Yutthana, 2020).

Brand image plays a major role in consumer decision-making, as it reflects the reputation and reliability of an insurance provider. A strong brand image helps build trust and confidence among policyholders, reducing concerns about claim processing and financial security. Companies with a positive reputation are perceived as more reliable, making consumers more likely to choose their services. Fire insurance involves long-term financial commitments, and customers tend to prefer insurers with a history of stability and strong market presence. A well-established brand can also differentiate an insurance company from competitors and attract more policyholders.

Service quality determines the overall experience of policyholders, from policy issuance to claim settlements. High-quality service includes clear communication, timely responses to customer inquiries, and efficient claim processing. Fire insurance is purchased to provide financial protection in the event of an emergency, making fast and transparent claim settlements essential for customer satisfaction. Insurance providers that prioritize customer service by offering accessible support channels, knowledgeable representatives, and a smooth claims process can improve consumer trust and retention. Service quality also contributes to long-term loyalty, as satisfied customers are more likely to renew policies and recommend the insurer to others.

Pricing is also one of the important roles in the purchase decision, as customers compare premium costs, coverage options, and perceived value before selecting a policy. Competitive pricing attracts more policyholders, but affordability alone is not enough; customers also assess whether the policy provides adequate protection for the amount paid. Fire insurance policies with flexible payment options, discounts, and customizable coverage allow consumers to select plans that fit their financial situation. Transparent pricing, without hidden fees or complicated terms, helps build trust and encourages more individuals to invest in fire insurance.

The location of an insurance provider's branches and service centers influences purchasing decisions, especially in regions where digital access is limited. Customers prefer insurers with conveniently located offices where they can receive assistance, file claims, or consult with representatives. For businesses and property owners in remote areas, insurers with widespread branch networks or mobile service options can offer

better support. In addition to physical locations, digital accessibility through online platforms and mobile applications can enhance convenience, allowing customers to purchase policies, manage claims, and communicate with insurers more easily.

Promotional activities raise awareness about fire insurance policies and encourage more consumers to consider coverage. Many individuals remain unaware of the benefits of fire insurance or underestimate the risks associated with property damage. Effective marketing strategies, including advertisements, campaigns, and special offers, help bridge this gap by providing clear information about policy features and benefits. Discounts, bundled packages, and seasonal promotions further attract customers and make fire insurance more appealing. Promotional efforts that highlight real-life scenarios and claim success stories can also strengthen consumer confidence in an insurer's reliability.

Each of these factors brand image, service quality, price, location, and promotion are an important role in influencing consumer decisions regarding fire insurance. A combination of a strong brand reputation, high service standards, competitive pricing, convenient accessibility, and effective promotional strategies can help insurers attract more policyholders and build long-term trust. Addressing these elements allows insurance providers to enhance customer satisfaction, improve market positioning, and increase the overall adoption of fire insurance policies.

For the company to remain competitive, it must understand how elements such as pricing, service quality, and brand image influence consumer choices (Sitohang & Hutapea, 2023). By addressing these factors, KBZMS can better tailor its products to meet customer needs, improve customer satisfaction, and enhance overall engagement (Sukthawee, 2008). Additionally, a better understanding of these factors will help KBZMS refine its marketing strategies, improve its customer relationships, and ultimately drive the adoption of fire insurance policies (Dominique-Ferreira, 2017). The insights gained from this study will assist KBZMS in optimizing its offerings and ensuring sustained growth in the competitive Myanmar insurance market (Nuangjamnong et al., 2020).

## **1.2 Objectives of the Study**

The objectives of the study are as follow:

- To identify the factors influencing consumer purchase decision of fire insurance policy at KBZMS General Insurance Co., Ltd
- To analyze the factors influencing consumer purchase decision of fire insurance policy at KBZMS General Insurance Co., Ltd.

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

This study focusses on factors influencing the consumer purchase decision towards fire insurance in KBZMS Ltd. The study mainly focuses on fire insurance policyholders of KBZMS (Lashio Branch). According to the data from head office of KBZMS General Insurance Co, Ltd, Lashio Branch has 220 policyholders who purchases fire insurance products through direct sale channels in 2022 - 2023. The study's target population comprises 220 fire insurance policyholders. The study's sample size, calculated using the Yamane method (1967), is 141 respondents. A quantitative research methodology is utilized, using both primary and secondary data. This study employs a basic random sampling approach to pick survey respondents. Structured questions on a five-point Likert scale are performed to get primary data. Secondary data are sourced from records and reports of KBZMS, pertinent textbooks, journals, theses, and articles from internet sources.

## **1.4 Organization of the study**

This research has five chapters. Chapter 1 is the Introduction, encompassing the study's premise, objectives, scope, methodology, and organization. Chapter 2 delineates the theoretical framework primarily focused on the marketing mix, consumer purchasing decisions, and the variables affecting those decisions. Chapter 3 delineates the contextual characteristics and determinants affecting customer purchasing decisions for fire insurance policies from KBZMS General Insurance Co., Ltd. Chapter 4 presents an examination of the elements impacting customer purchasing decisions about fire insurance policies at KBZMS General Insurance Co., Ltd. Chapter 5 presents the study's conclusion, encompassing results, recommendations, and requirements for further research.

## **CHAPTER II**

### **THEORETICAL BACKGROUND**

The theoretical background forms an essential foundation for any research study. The concept of customer purchase decision, factors influencing customer purchasing decision, related theories including Marketing Mix (4Ps Framework), Service Quality Model (SERVQUAL) and Consumer Decision-Making Model, previous studies and conceptual model and working definition for this study presented in this chapter.

#### **2.1 Consumer Purchase Decision**

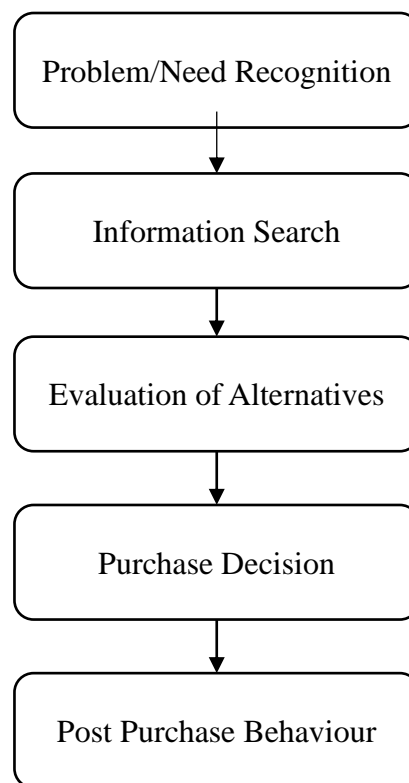
A consumer purchase decision concerns the cognitive and emotional process undertaken by consumers when selecting a product or service. Consumer purchase decision refers to a set of activities by which individuals decide what, when, where, how, and from whom to buy a product or service" (Kotler & Keller, 2016). According to Armstrong and Kotler (2018) mentioned that consumer purchase decisions are made through a sequence of steps, starting from recognizing a need, gathering information, evaluating alternatives, and finally making the decision to purchase.

Customer decision making model refers to is a widely recognized framework in consumer behavior studies which was popularized by John Dewey in 1910 and later refined by other scholars in marketing and consumer behavior. The buying decision process is the decision-making framework employed by consumers in relation to market transactions before, during, and after the acquisition of an item or service. It may be regarded as a specific type of cost–benefit analysis with several possibilities. The five steps of the decision-making process were initially presented by philosopher John Dewey. These five stages are:

- Problem/Need Identification - ascertain the issue or necessity and determine the requisite product or category of goods.
- Information Search - the customer investigates the product that would fulfill the identified requirement.
- Evaluation of Alternatives – the consumer evaluates the searched alternatives. Generally, the information search reveals multiple products for the consumer to evaluate and understand which product would be appropriate.

- The purchase decision occurs after the consumer has assessed all options and intends to buy a product. At this stage, two factors may influence the consumer's decision: the opinions of peers regarding the product and any unforeseen circumstances. Unforeseen situations, such as financial losses, may have resulted in the decision not to purchase the goods.
- Post-Purchase Behavior — subsequent to the acquisition, the buyer may have post-purchase dissonance, perceiving that an alternative product would have been a superior choice. Mitigating post-purchase dissonance enhances product reputation and elevates the likelihood of repeat purchases.

**Figure (2.1) Customer Decision Making Process**



Source: John Dewey (1910)

## **2.2 Factors Influencing Consumer Purchase Decision**

Brand image, service quality, price, location and promotion are the factors influencing consumer purchase decision.

### **(a) Brand Image**

Brand image refers to the set of associations, usually organized in some meaningful way, that the consumer holds in memory (Kotler & Keller, 2016). It is how

a brand is perceived in the minds of consumers, influenced by various factors such as advertising, word-of-mouth, and past experiences.

According to Armstrong & Kotler (2018), brand image is described as the set of beliefs that consumers hold about a brand. These beliefs include all the tangible and intangible attributes consumers associate with the brand, such as quality, reliability, and customer service.

Moreover, Aaker (1991) defines brand image as a set of associations linked to the brand that create the brand's meaning. These associations are critical for the development of brand equity and consumer preferences. Keller (2013) defines brand image as the perception of a brand as reflected by the brand associations held in consumer memory. This includes both positive and negative associations, which affect how the brand is evaluated by consumers. These definitions emphasize that brand image is not just about the functional attributes of a brand but also involves consumer perceptions and emotions, which influence their overall evaluation.

#### **(b) Service Quality**

Parasuraman et al. (1985) defined service quality as the disparity between customer expectations of service and their views of the service provided. Zeithaml, Bitner, and Gremler (2017) argued that service quality is the consumer's assessment of an entity's overall excellence or superiority. John M. Hartman (2005) stated that service quality arises from a comparison between customer expectations and their judgments of service delivery.

The Service Quality Model (SERVQUAL) was developed by Parasuraman et al. in 1990. The concept originally had 10 characteristics of service quality: access, comprehension, communication, credibility, civility, competence, security, responsiveness, tangibility, and reliability. Subsequently, second research expanded the SERVQUAL model to five dimensions: empathy, assurance, responsiveness, tangibility, and dependability.

#### **(c) Price**

Price is defined as "the amount of money that customers need to pay to acquire a product or service" (Kotler & Keller, 2016). It is the only component of the marketing mix that generates revenue, while the other elements incur costs (Armstrong & Kotler, 2018). Additionally, price represents the total sacrifice a customer makes to obtain a product or service (Solomon, 2017). For insurance industry, price refers to the premium that customers pay in exchange for coverage against various risks (Kotler & Keller,

2016). Specifically, price is the premium charged to policyholders in exchange for coverage.

**(d) Location/Place**

Kotler and Keller (2016) mentioned that place is the activities undertaken by a company for making its service or product available to target consumers. This consists of the selection of retail location, and distribution channels to ensure the service or product for customers to be available at the right location, at the right time, and in the right quantities. Place is all the activities that include developing distribution strategies, selecting the right channels, and logistics, bringing the product to the buyer in a convenient manner made by companies in making the product available to the target market (Armstrong & Kotler, 2018). In insurance industry, location, place, is also distribution channels of the company. These channels include agents and branch locations.

**(e) Promotion**

Kotler and Keller (2016) define promotion as the actions a firm does in to raise awareness of its product or service within its target audience and to encourage purchases. Armstrong and Kotler (2018) stated that promotion include efforts that inform, convince, and remind the target audience regarding the company's products or services, often via advertising, personal selling, sales promotions, public relations, and direct marketing. Therefore, the activities or efforts that are designed and undertaken by company to build brand awareness, generate interest, create demand, and retain customers over time is promotion. The goal of promotion is to create a strong connection between the product and the consumer.

**2.3 Related Theories**

The section deals with the theories relating marketing mix, service quality and consumer decision making.

**(a) Marketing Mix (4Ps Framework)**

The marketing mix theory, first proposed by McCarthy in 1960, elucidates the impact of product, price, place, and promotion on customer behavior. These are the essential variables involved in launching a product or service to the public. Commonly known as a marketing mix, they offer a framework for organizations to effectively promote a product or service to customers. The key factors of marketing mix are-

- Product - This denotes the actual or intangible product that a corporation gives to its clientele. The product includes its design, features, quality, packaging, branding, and any supplementary services or warranties.
- Price denotes the monetary value that consumers are prepared to expend for the goods or service. Establishing an appropriate pricing is essential, since it impacts both the company's profitability and consumer perception and purchasing choices.
- Place (Distribution) refers to the tactics and channels employed to ensure the product or service is available to the target market. It includes decisions on distribution routes, retail sites, internet platforms, and logistics.
- Promotion includes all activities a firm engages in to convey the value of its product or service to the intended audience. This includes advertising, sales promotions, public relations, social media marketing, and other techniques employed to raise awareness and stimulate interest in the product.

#### **(b) Service Quality Model (SERVQUAL)**

The SERVQUAL model, introduced by Parasuraman, Zeithaml, and Berry (1988), establishes that service quality significantly influences consumer purchase decisions by addressing their expectations and perceptions. In the insurance sector, where products are intangible and trust is paramount, the five dimensions of service quality reliability, assurance, responsiveness, empathy, and tangibles are important in shaping customer confidence and satisfaction. High service quality reduces perceived risks, builds trust, and enhances the perceived value of the service, which collectively drive the decision of the customer to purchase insurance. Parasuraman et al. emphasize that service quality not only impacts initial purchase decisions but also fosters long-term customer loyalty in industries reliant on sustained trust and dependability.

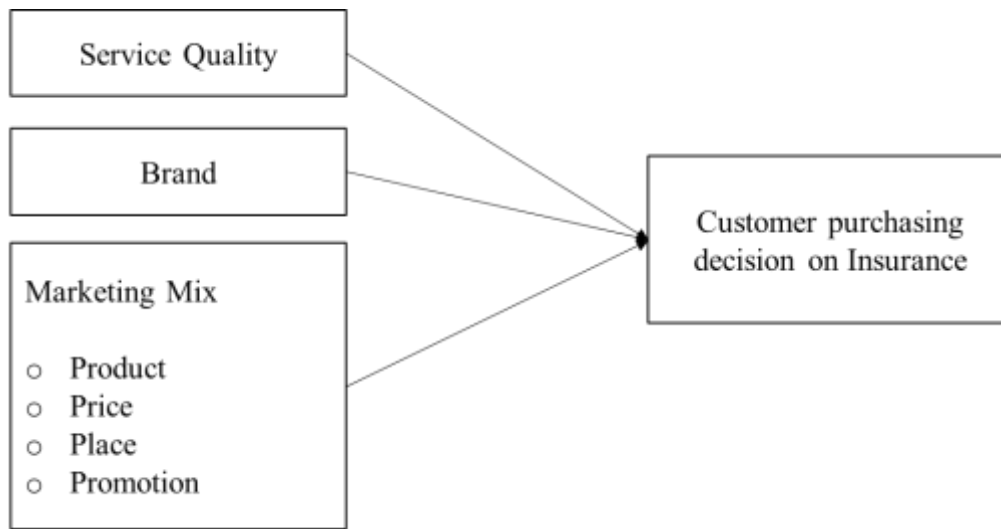
#### **2.4 Previous Studies**

This section presents two research papers: "Factors Affecting Consumer Purchasing Decisions of Motor Insurance in Vientiane Capital" by Soulita Tiengmany (2022) and "Factors Influencing Customers' Purchase Decisions of Residential Properties in Selangor, Malaysia" by Dwi Rachmawati (2019).

The initial study report, authored by Soulita Tiengmany (2022), is titled "Factors Affecting Consumer Purchasing Decisions of Motor Insurance in Vientiane

Capital." This study including 400 participants examines the influence of service quality, brand perception, and the marketing mix on customer decision-making. This statistical technique facilitated the identification of the links between the independent factors and the dependent variable.

**Figure (2.2) Factors Affecting Buying Decision Insurance Products**

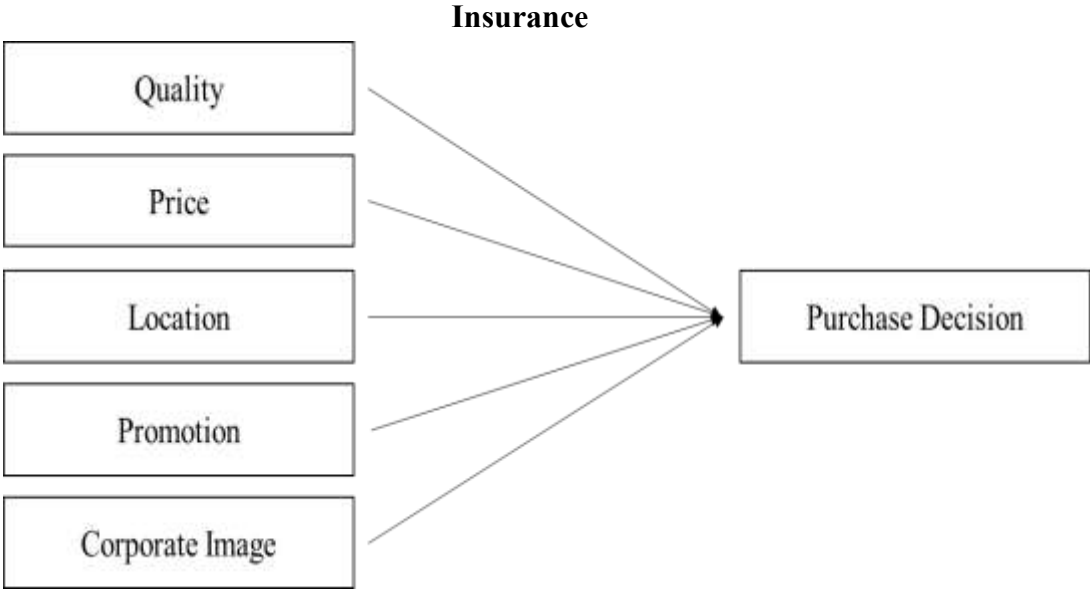


Source: Soulita Tiengmany (2022)

The findings reveal that all these factors significantly affect purchasing decisions, providing valuable information for both consumers and insurance providers. Soulita Tiengmany found that service quality brand perception and all marketing mix significantly influence consumer purchasing decisions for motor insurance. An improvement in these areas is likely to lead to an increase in consumer purchases, indicating that insurance companies should focus on enhancing their service offerings and brand image to attract more customers.

The second research paper is the research on Factors influencing customers' purchase decisions of residential properties in Selangor, Malaysia made by Dwi Rachmawati in 2019. The study employed a survey methodology, utilizing a questionnaire designed on a Likert scale. The questionnaire was distributed among 312 randomly selected residents who had either made a real estate purchase or planned to buy residential property in Selangor, Malaysia. The data collected was analyzed using descriptive analysis and multiple regression analysis to assess the effects of various factors on purchase decisions.

**Figure (2.3) Factors Influencing Customer Purchase Decision Towards Property**



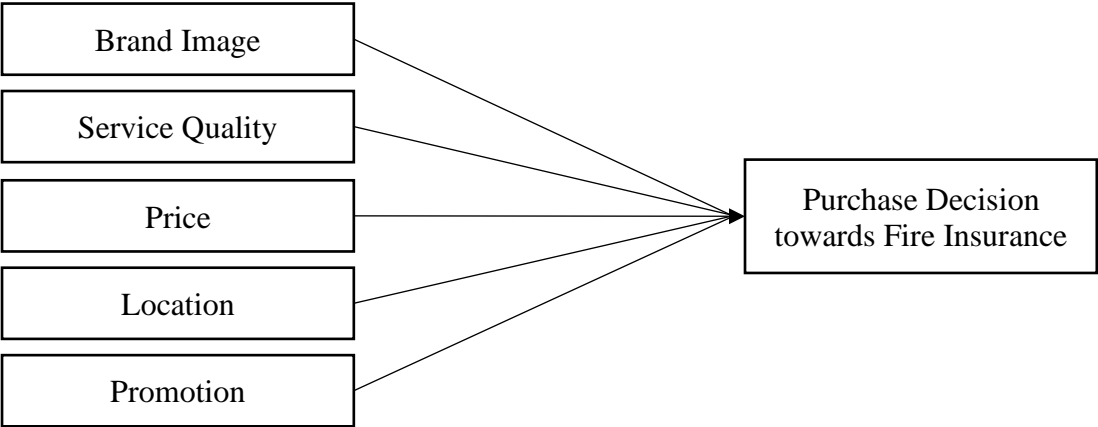
Source: Dwi Rachmawati (2019)

The results indicated that all five factors—quality, price, location, promotion, and company image—positively and significantly affect customers' purchasing decisions. The data specifically suggested that location is the paramount aspect, succeeded by price, quality, business image, and promotion, which exerted the least influence on purchasing decisions.

**2.5 Conceptual Framework of the Study**

Drawing upon the aforementioned ideas, concepts, and prior research, the study formulates its conceptual framework, illustrated in Figure (2.4).

**Figure (2.4) Conceptual Framework of the Study**



Source: Own Compilation (2025)

According to Figure (2.4), The framework aligns with the marketing mix (4Ps) by showing how service quality (product), price, location (place), and promotion influence the purchase decision for fire insurance. It also reflects the SERVQUAL model, where brand image and service quality contribute to reliability and assurance, while location and tangibles affect the perceived service experience. Additionally, the framework follows the Customer Decision-Making Model, where promotion drives awareness, service quality and price influence evaluation, and location and affordability impact the final purchase decision. Ultimately, all these factors collectively shape customer trust and satisfaction, leading to the decision to buy fire insurance. Working definitions of the study are as follow:

Brand image refers to the perception and belief on a brand held by consumers based on past experiences, trustworthiness, reputation and brand communication undertaken by KBZMS.

Service quality is the description or measurement of the performance of a service of KBZMS. It includes having modernized and update equipment, strong willingness to help staff, providing prompt and quick responses.

Price refers to the amount of money required to obtain a product or service, reflecting both cost and value. In the context of fire insurance, price includes premium rates and any additional fees, impacting the affordability and perceived attractiveness of the policy. KBZMS provides affordable prices, making its policies easy to access while offering strong protection.

Location refers to distribution channels of fire insurance policy of KBZMS that consist of having branch offices, accessible branch location, branch networks, and agents.

Promotion refers to the activities that include designing and implementing promotional campaigns, advertising its products in multiple channels, and providing rewards to customers with special offers conducted by KBZMS to build brand awareness, generate interest, create demand, and retain customers.

Purchase Decision refers to the final choice, purchase decision, made by a buyer towards fire insurance policy of KBZMS after considering factors like service, location, price, coverage, and the brand reputation.

## **CHAPTER III**

### **PROFILE AND FACTORS INFLUENCING PURCHASE DECISION OF FIRE INSURANCE POLICY AT KBZMS GENERAL INSURANCE CO., LTD.**

This chapter presents the profile of KBZMS General Insurance Co., Ltd, services provided by KBZMS Co., Ltd. and factors influencing purchase decision of fire insurance policy of KBZMS Co., Ltd.

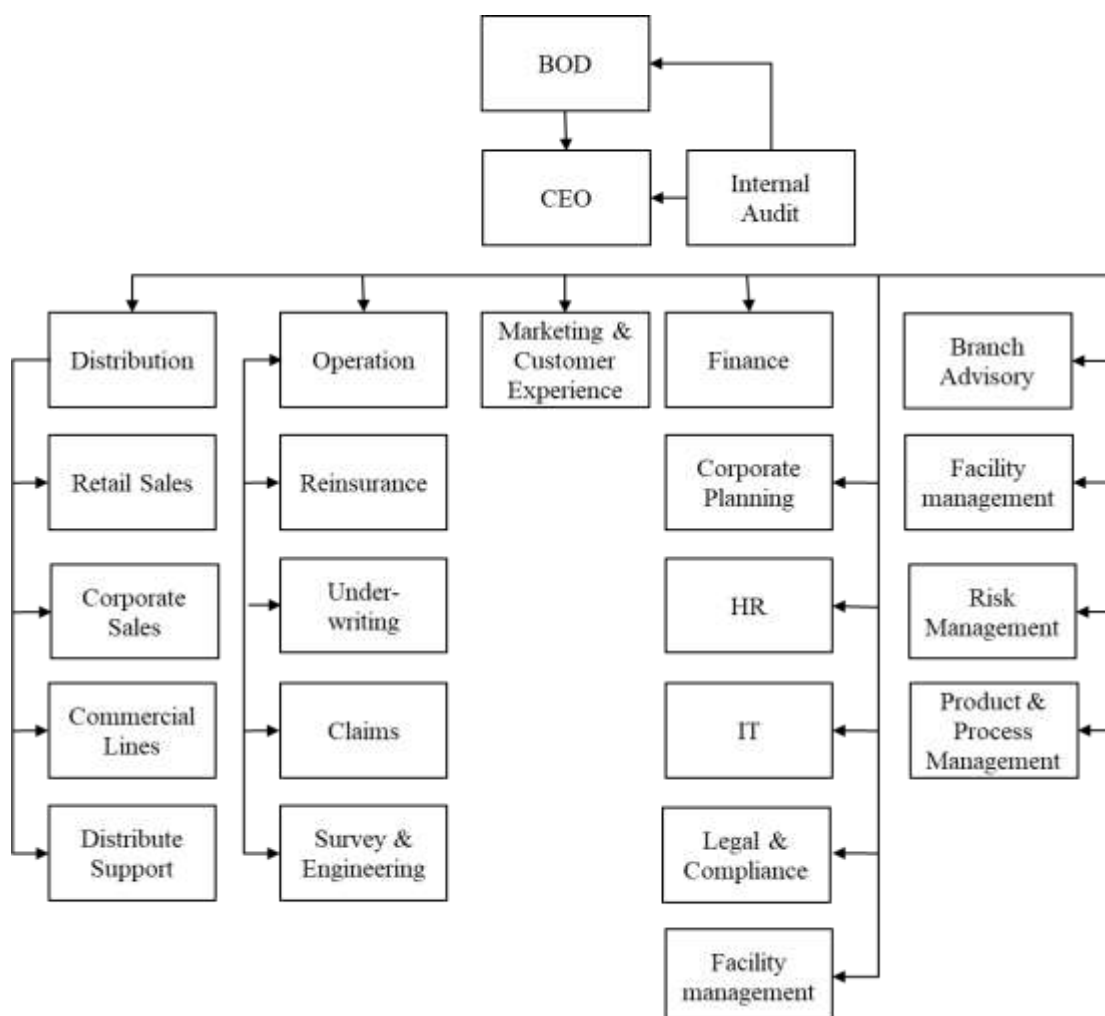
#### **3.1 Profile of KBZMS General Insurance Co., Ltd.**

KBZMS General Insurance Co., Ltd. commenced its operations in June 2013 as IKBZ Insurance Co., Ltd., under license number 001, marking its distinction as first officially licensed private insurance provider in Myanmar. In November 2019, a joint venture with Mitsui Sumitomo Insurance (MSI), a prominent Japanese insurer, led to the establishment of KBZMS General Insurance Co., Ltd. This partnership reflects a commitment to offering a comprehensive range of insurance products and services.

With a network spanning 23 branch offices across 21 cities, including Yangon, Mandalay, Naypyitaw, and Taunggyi, KBZMS is dedicated to enhancing the quality of life in Myanmar by providing appropriate insurance solutions. The organizational structure of KBZMS includes Board of Directors (BOD) and Advisory Office overseeing strategic decisions, Chief Executive Officer (CEO) leading the company, Departments such as Sales & Distribution, Underwriting, Claims, Finance, Customer Experience & Marketing, and Risk Management, among others, Distribution channels include Retail Partners, Corporate Partners, Direct Sales, and Digital Platforms.

Figure (3.1) shows the organization structure of KBZMS General Insurance Co., Ltd. The KBZMS Company-wide Organizational Chart follows a structured hierarchy, where each department is grouped under specific executive roles to ensure smooth operations.

**Figure (3.1) Organization Chart of KBZMS Co., Ltd.**



Source: KBZMS HR team (2025)

Chief Executive Officer (CEO)-The CEO oversees the entire organization and reports to the Board of Directors (BOD). Advisory Office (provides strategic guidance to the CEO) and Internal Audit Department (Ensures compliance with company policies and regulations) report directly to the CEO.

Sales & Distribution Department reports to the CEO and is responsible for selling and distributing insurance products. Retail Partners Channel, Retail Direct Channel, Corporate Partners Channel, Corporate Direct Channel and Distribution Support Channel -each channel focuses on different customer segments, ensuring wide market coverage for fire insurance and other products.

Chief Operating Officer (COO) Office reports to the CEO and oversees operational processes related to insurance services. Departments under the COO are Underwriting Department (Assesses risk and sets policy terms for fire insurance),

Claims Department (Handles fire insurance claims and compensations), Survey & Engineering Department (Conducts property inspections and fire risk evaluations), Reinsurance Department (Manages risk-sharing with reinsurance partners) and Product & Process Management Department (Develops and improves insurance policies and processes). The COO ensures smooth policy issuance, claims management, and operational efficiency.

Finance Department led by the Chief Financial Officer (CFO), responsible for financial management. Departments under the CFO are Accounting & Budgeting (Manages premium collections and financial planning), Investment Management (Allocates funds for business growth and stability). The Finance Department ensures that KBZMS has the necessary resources to process claims and manage fire insurance risks.

Customer Experience & Marketing Department Led by the Chief Marketing Officer (CMO), responsible for brand management and customer relations. Departments under the CMO are Branches Advisory Department (Supports branch offices to maintain service quality), Human Resources Department (Manages employee training and workforce development), Corporate Planning Department (Develops business strategies for market expansion), Information Technology Department (Maintains digital platforms for insurance services) and Facility Management Department (Manages office infrastructure and facilities).

Legal & Compliance Department- Reports directly to the CEO and ensures that KBZMS follows insurance laws and policies. It develops legal documents for fire insurance contracts. Handles legal disputes and regulatory compliance.

Risk Management Department reports directly to the CEO and focuses on assessing and mitigating risks. It evaluates potential financial risks in fire insurance. Works with the Reinsurance Department under the COO to distribute risk.

### **3.2 Products and Services of KBZMS**

KBZMS provides a comprehensive range of personal and commercial insurance products tailored to meet the needs of individuals, families, and businesses. Included products are shown in the Table 3.1.

**Table (3.1) Products of KBZMS**

SR	LINE OF BUSINESS	PRODUCTS
1.	Personal Line Product	<ul style="list-style-type: none"><li>• Motor Vehicle Insurance</li><li>• Fire &amp; Allied Perils Insurance</li><li>• Personal Accident Insurance</li><li>• Health Insurance</li><li>• Data ArMaKhan</li><li>• Travel Protect Insurance</li><li>• Travel Insurance</li><li>• Cash In Safe Insurance</li><li>• Cash In Transit Insurance</li><li>• Fidelity Insurance</li><li>• Marine Hull Insurance</li><li>• Inland Marine Cargo Insurance</li></ul>
2.	Commercial Line Product	<ul style="list-style-type: none"><li>• Industrial All Risks Insurance</li><li>• Bailee's Liability Insurance</li><li>• Contractors' All Risks</li><li>• Overseas Marine Cargo Insurance</li></ul>

A brief explanation of each insurance policies is as follows:

Motor Vehicle Insurance provides financial protection against losses or damages to vehicles due to accidents, theft, fire, or third-party liability.

Fire & Allied Peril Insurance covers property damage caused by fire, lightning, and additional perils such as explosions, storms, floods, and earthquakes.

Personal Accident Insurance provides compensation for accidental injuries, disability, or death of the insured, helping cover medical expenses and loss of income.

Health Insurance covers medical expenses, hospitalization, surgeries, and sometimes outpatient care, depending on the policy.

Travel Protect Insurance/Travel Insurance covers unexpected travel-related risks, including medical emergencies, trip cancellations, lost luggage, and personal liability while traveling.

Cash in Safe Insurance covers loss or theft of cash stored in a safe due to burglary, fire, or other specified perils. Cash in Transit Insurance protects businesses

against loss of cash while being transported from one location to another due to theft, robbery, or accidents.

Fidelity Insurance covers financial losses resulting from employee dishonesty, fraud, or theft. Marine Hull Insurance provides coverage for damages or losses to ships, boats, and other water vessels due to accidents, natural disasters, or collisions.

Inland Marine Cargo Insurance covers goods in transit within a country against damages or losses due to accidents, theft, or natural disasters. Commercial Lines Insurance provides coverage for businesses, including property, liability, and financial risks associated with commercial operations.

Industrial All Risks Insurance covers physical loss or damage to industrial properties, including factories, warehouses, and machinery, due to various risks like fire, explosions, and natural disasters.

Bailee's Liability Insurance protects businesses that temporarily hold or transport customers' goods (e.g., dry cleaners, repair shops) against damage or loss while in their care.

Contractors' All Risk Insurance covers construction projects against risks such as property damage, third-party liability, and accidents occurring at the construction site. Overseas Marine Cargo Insurance covers goods transported internationally against risks such as damage, loss, or theft during shipping.

In October 2020, KBZMS broadened its product to encompass Industrial All Risks, Construction All Risks, and Bailee's Liability Insurance, illustrating its dedication to addressing varied insurance requirements. The company is guided by core values of Metta (loving-kindness), Thet Ti (perseverance), and Virya (courage). The reputation of KBZMS plays a significant role in attracting customers to purchase insurance policies, as brand image strongly influences consumer trust and confidence in financial services. A positive brand image enhances consumer perception of reliability and credibility, encouraging individuals and businesses to choose KBZMS over competitors.

One of the insurance products, fire insurance, provides financial protection against losses or damages to properties resulting from fire and related hazards. This type of insurance is essential for safeguarding assets such as buildings, machinery, furniture, and stock. Basic fire insurance covers fire and lightning, accidental fire, and natural gas explosion. Fire and lightning coverage include damages caused directly by fire incidents and lightning strikes.

### **3.3 Fire Insurance Acceptance Process**

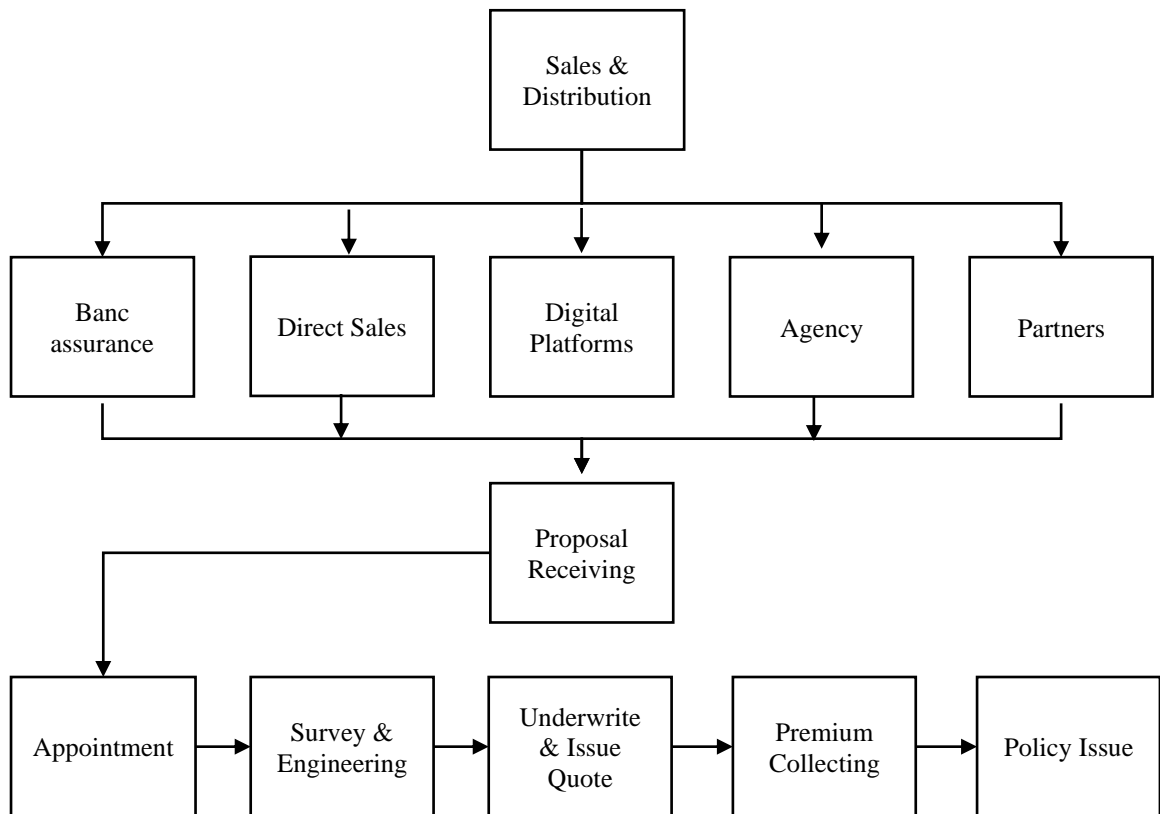
KBZMS offers fire insurance through multiple distribution channels to ensure accessibility and convenience for its clients. The primary channels include bancassurance, direct sales, digital platforms, agency networks, and business partners. To purchase fire insurance from KBZMS, customers can contact the company through its website, branch offices, or call center. After providing property details, a customized quote is issued, allowing customers to select a basic fire insurance policy along with any additional coverage options. Premium payments can be made via bank transfer, cash, or online payment methods. Once the payment is confirmed, KBZMS issues the policy documents, ensuring coverage is in place.

Once the customer selects KBZMS for fire insurance and additional protection for buildings, goods, furniture, and machinery, the Survey and Engineering Department conducts an assessment through the nearest branch office. This survey evaluates the usage of building, the presence of flammable structures in the surrounding area, the proximity of the fire department, and the location of water storage and fire extinguishers to determine fire safety measures.

The building is then measured based on its dimensions, and the details are forwarded to the Underwriting Department for cost assessment. The initial cost and overall valuation are reviewed, and a quotation is issued for negotiation with the customer. After providing property details, a customized quote is issued, allowing the selection of a basic fire insurance policy along with any additional coverage options. Premium payments can be made via bank transfer, cash, or online payment methods. Upon confirmation of payment, KBZMS issues the policy documents, ensuring that coverage is in place.

By addressing factors such as brand image, service quality, location, price, and promotional activities, KBZMS aims to provide comprehensive fire insurance solutions tailored to meet the diverse needs of property owners and businesses. These factors collectively shape consumer decisions, ensuring financial protection against fire-related risks and reinforcing KBZMS as a trusted insurance provider.

**Figure (3.2) Fire Insurance Acceptance Process**



Source: KBZMS (2024-2025)

### **3.4 Factors Influencing Consumer Purchase Decision**

The information regarding brand image, service quality, price, location and promotion activities conducted by KBZMS General Co., Ltd. are presented in this section.

#### **(a) Brand Image**

As the reputations of KBZMS General Insurance Co., Ltd, the company received several awards including Insurance Asia Awards in 2023 for its Digital Transformation Initiative, Best Companies to Work in Myanmar Awards in 2024 for its commitment to creating a supportive and empowering workplace, Insurance Asia Awards in 2021 for CSR Initiative and Customer Service Initiative of the Year in 2021.

Moreover, the company prioritizes national tax compliance and charity programs because management of the company perceived these activities are very important for the citizens. Moreover, they consider insurance is one for all, all for one, and even if an accident does not occur, the premium paid can be converted into compensation for others, so it is also a kind of charity.

The company donates water purifiers to areas where drinking water problems occur after the recent floods. Particularly, KBZMS General Insurance Co., Ltd. has actively contributed to alleviating drinking water shortages in Myanmar's flood-affected township such as Naung Shwe and Kalaw townships, which had experienced severe flooding in 2024.

**(b) Service Quality**

The head office and branches of KBZMS equipped with modernized and update facilities and customer service counters where customers can inquire about policies, make claims, or get assistance. The company also provides tangible brochures, and informational materials including newsletters to its customers. These documents contain essential details about the various insurance policies, terms, conditions, and coverage options, making the services more accessible and understandable for customers.

In order to ensure smooth and fast interaction with customers, KBZMS provides daily, weekly and monthly training for employees, such as sales training, insurance skill up training, and software training to make the service faster. It also offers yoga classes, sports events, and psychological seminars for service employees.

The management of company mainly encourage to improve the customer service and communication services and provide adequate and update knowledge and concerning the insurance policies. In 2021, The company was awarded the Domestic General Insurer of the Year for its Customer Service Initiative of the Year in Myanmar by Insurance Asia News, a leading online platform and publication that covers the insurance industry in Asia.

**(c) Price**

The management of the company understand that most customers want the benefits of insurance. Therefore, when considering purchasing insurance, customers are often most interested in the premium amount. KBZMS allows customers to calculate an approximate premium by selecting their desired type of insurance on the website.

The company gives a No Claim Bonus (NCB) to fire insurance policyholders who haven't made any claims in the past year. This bonus gives a 25% discount on the premium when renewing the policy. The discount is based on comparing the current year's renewal premium with the previous year's premium, using the lower amount. To get the discount, policyholders must not have made any claims in the last year. This

program encourages customers to manage risks carefully and rewards those who haven't made any claims.

**(d) Location**

KBZMS has a wide network of branch offices across Myanmar, to provide easy access to its services. It has the largest branch network among insurance companies in Myanmar. Currently, there are 23 branches operating nationwide to improve the accessibility of insurance products and services for its customers. Customers who need physical verification can visit a branch. For those without internet access or who are not proficient in using online services, the company is expanding its branch network to facilitate the insurance purchasing process and improve the claims process.

Moreover, the company has developed its website to improve the convenience and accessibility of information regarding the insurance policies offered by KBZMS. The company provides services for various procedures to be completed through the online platform for saving the cost and times of its customers.

**(e) Promotion**

KBZMS leverages its digital marketing activities to engage potential customers. The company focuses on a loyal subscriber base through engaging content, promotions, and timely updates. This includes developing targeted campaigns on platforms like Facebook page, TikTok and YouTube tracking performance metrics to continually optimize content and strategy for more engagement.

KBZMS has offered travel vouchers to Pattaya Beach in 2024, whether customers are renewing their fire or car insurance or purchasing a new policy, and is now offering trips to Vietnam in 2025. Sometimes, they also use social media platforms to entice potential buyers to make insurance decisions by simply answering a few questions or playing mini-games, and through giveaways.

Additionally, KBZMS plays an active role in sponsoring sports events. For example, the company was the Presenting Partner for the 2024 ASEAN Mitsubishi Electric Cup, a major football tournament in Southeast Asia. During the event, KBZMS hosted interactive activities, like a Spin Wheel giveaway that provide opportunities for attendees to win prizes and interact with the brand.

**CHAPTER IV**

**ANALYSIS ON FACTORS INFLUENCING CONSUMER  
PURCHASE DECISION OF FIRE INSURANCE POLICY AT  
KBZMS GENERAL INSURANCE CO., LTD**

This chapter describes the influencing factors on buying decision towards fire insurance at KBZMS. In order to do this, the structured questionnaires were distributed to the simple random sampled 141 customers who bought fire insurance policy from KBZMS Lashio Branch. This chapter includes demographic characteristics, reliability test of the study, descriptive analysis on influencing factors and purchase decision of fire insurance, analysis of survey results is presented in three parts.

**4.1 Demographic Characteristics of the Respondents**

Demographic profile such as gender, age, occupation and monthly income of sampled fire insurance policy holders is presented in this section. Demographic profiles of respondents are shown in table (4.1).

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

<b>Sr. No.</b>	<b>Particular</b>	<b>No. of Respondents</b>	<b>Percentage (%)</b>
	Total	141	100.0
1.	<b>Gender</b>		
	Male	60	42.56
	Female	81	57.44
2.	<b>Age (Years)</b>		
	18-25	8	5.67
	26-35	85	60.28
	36-45	33	23.40
	46-55	11	7.82
	56 and above	4	2.83
3.	<b>Occupation</b>		
	Employee	93	65.95
	Business Owner	39	27.65
	Freelancer	6	4.25
	Student	3	2.15
4.	<b>Monthly Income</b>		
	300000 - 500000	45	31.91
	500001 - 700000	48	34
	700001 - 1000,000	28	19.85
	1,000,001 and above	13	14.24

Source: Survey Data (2025)

The results of Table (4.1) show that the largest number of respondents, 85 respondents, is found in the age group of 26 to 35 which is 60.28% out of 100% respondents. Second larger group of respondents, 33 respondents, is in the age group of 36 to 45 which is 23.4% out of 100% respondents. The smallest respondents' group, 4 respondents, is above 56 years old which is 2.83% out of 100% respondents. It means the most of the respondents are at the age between 26-35 years old.

As shown in table (4.1), the gender consists of 60 (42.56%) males and 81 (57.44%) females. This confirms that the number of female respondents is more than male respondents in this study

According to Table (4.1), 93 respondents out of 141 which is 65.95 % of all respondents are employees. 39 respondents out of 141 respondents which are 27.65% of all respondents are business owners and 6 respondents (4.25%) are freelancers and the rest, 3 (2.15%) have students.

According to Table (4.1), 45 respondents which is 31.91% of all respondents can earn between 300000 - 500000Kyats per month from their businesses. In addition, 48 respondents which is 34% all respondents can earn between 500001 - 700000Kyats. Then, 28 respondents (19.85%) can earn between 700001 - 1000,000 and the remaining 13 (14.24%) respondents can earn 1,000,001 and above per month as their income.

#### 4.2 Reliability Test of the Study

This study used Cronbach's alpha to assess internal consistency. Cronbach's alpha is a coefficient of reliability that assesses the degree to which the items in a group are positively correlated (Sekaran, 2003). The criteria for interpreting Cronbach's alpha coefficient are presented in Table (4. 4) and the results of Cronbach's alpha coefficient from the survey study are shown in Table (4.5).

**Table (4.2) Cronbach's Alpha Result**

<b>Alpha Coefficient Range</b>	<b>Strength of Association</b>
< 0.6	Poor
0.6 to < 0.7	Moderate
0.7 to < 0.8	Good
0.8 to < 0.9	Very Good
0.9	Excellent

Source: Sekaran (2003)

In Table (4.2), less than the coefficient of Cronbach's Alpha 0.6 illustrates the poor, whereas coefficient of Cronbach's Alpha 0.9 -1.00 illustrates the excellent association.

**Table (4.3) Reliability Test from Customers Responses**

No.	Factors	No. of	Cronbach's
1.	Brand Image	5	.855
2.	Service Quality	5	.937
3.	Price	5	.929
4.	Location	5	.904
5	Promotion	5	.922
6.	Purchase Decision	5	.914

Source : Survey Data (2025)

Table (4.3) indicated the reliability values, represented by Cronbach's alpha coefficients, ranged from 0.855 to 0.926. These results suggest that the items of observed factors have relatively very high internal consistency.

### **4.3 Descriptive Statistics of Factors Influencing Consumer buying Decision**

This section presents the consumer perception on Influencing factors including brand image, service quality, price, location, and promotion that are measured with 5-point Likert scale. The level of perception defined as the following: strongly disagree level represents that the mean value is less than 1.80, disagree level represents that the mean value is between 1.81 - 2.60, neutral level that the mean value is between 2.61 and 3.40, agree level represents that the mean value is between 3.41 – 4.20, and strongly agree level represents that the mean value is 4.21 or above (Best, 1977)

#### **4.3.1 Factors Influencing Consumer buying Decision towards Fire Insurance**

In this survey, customer perception on influencing factors that consist of brand image, service quality, price, location, and promotion are presented by mean value and standard deviation based on the perception of 141 respondents.

**(a) Brand Image**

In this survey, concerning the level of perception on brand image, five items are asked to the respondents. The mean and standard deviation of each item are shown in Table (4.4).

**Table (4.4) Brand Image**

<b>No.</b>	<b>Particular</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	KBZMS has good reputation for offering financial security and reliable coverage.	3.91	0.849
2	KBZMS possesses good image in the insurance market.	4.01	0.878
3	KBZMS builds strong brand name among its competitors.	3.88	0.874
4	KBZMS receive constructive and positive things about the fire insurance policy from many people.	3.67	0.996
5	KBZMS can provide trustworthiness to both its potential and current customers.	3.70	0.886
<b>Overall Mean</b>		<b>3.83</b>	

Source: Survey Data (2025)

In Table (4.4), since the overall mean value is 3.83, most respondents perceive that KBZMS has a strong brand image among its customers. Specifically, the attribute of having a good image in the insurance market has the highest mean value of 4.01, followed by having a good reputation for offering financial security and reliable coverage (3.91), building a strong brand name among its competitors (3.88), being able to provide trustworthiness to both potential and current customers (3.70), and receiving constructive and positive feedback about KBZMS's fire insurance policy from many people (3.67)

**(b) Service Quality**

In this survey, five items regarding the level of perception of the service quality offered by KBMS (Lashio) are presented and asked to the respondents. The mean and standard deviation for each item is shown in Table (4.5).

**Table (4.5) Service Quality**

<b>No.</b>	<b>Particular</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	KBMS has up to date and modernized equipment.	3.91	0.917
2	Staff of KBZMS give prompt and quick service to their customer.	3.98	0.841
3	Staff of KBZMS have strong willingness to help and assist their customers.	3.82	0.93
4	Staff of KBZMS are never busy to reply or response the requests of their customers.	3.87	0.925
5	KBZMS staff offers clear explanations of policy terms and coverage.	3.91	0.886
<b>Overall Mean</b>		<b>3.90</b>	

Source: Survey Data (2025)

According to Table (4.5), since the overall mean value of service quality is 3.89, most respondent perceive that KBZMS provide high level service quality to its customers. Among the service quality items, providing prompt and quick service to customers by KBZMS staff has the highest mean value, followed by having up-to-date and modernized equipment, offering clear explanations of policy terms and coverage, ensuring staff are never too busy to reply or respond the requests of customers, and demonstrating a strong willingness to help and assist customers.

(c) **Price**

To establish the consumer perception on price of KBZMS, survey respondents are presented and asked to answer five questions. Table (4.6) presents mean and standard deviation of each item and overall mean value of price.

**Table (4.6) Price**

<b>No.</b>	<b>Particular</b>	<b>Mean</b>	<b>Standard Deviation</b>
1.	KBZMS offers competitive fire insurance premium.	3.94	0.795
2.	KBMS provides flexible payment options, to increase the affordability for policyholders.	4	0.819
3.	KBZMS ensures that policy price aligns with the level of coverage provided.	3.94	0.821
4.	KBZMS offers reasonable premium for fire insurance.	3.98	0.857
5.	KBZMS allows policyholders to choose from different pricing plans that meet various financial needs.	3.93	0.825
<b>Overall Mean</b>		<b>3.96</b>	

Source: Survey Data (2025)

According to Table (4.6), the overall mean value for the price of KBZMS is 3.96, indicating that most respondents highly agree with the price factor offered by KBZMS. Among the items of price factor, providing flexible payment options to increase affordability for policyholders has the highest perception level, with a mean value of 4.00, followed by offering reasonable premiums for fire insurance (3.98), offering competitive fire insurance premium (3.94), ensuring that the policy price aligns with the level of coverage provided (3.93), and allowing policyholders to choose from different pricing plans that meet various financial needs (3.84)

**(d) Location**

To determine the consumer perception on location of KBZMS, survey respondents are asked to answer five questions. Table (4.7) displays mean and standard deviation of each item and overall mean value of location.

**Table (4.7) Location**

<b>No.</b>	<b>Particular</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	KBZMS establishes branch offices in convenient locations, making policy purchases easier.	3.97	0.819
2	KBZMS have many agents to increase the accessibility for potential buyers.	3.89	0.794
3	KBZMS ensures that branch locations are easily reachable for policyholders.	3.81	0.869
4	KBZMS offers digital services, allowing customers to purchase fire insurance without visiting a branch.	3.97	0.894
5	KBZMS has branch networks based on customer demand, improving accessibility.	4.08	0.887
<b>Overall Mean</b>		<b>3.94</b>	

Source: Survey Data (2025)

In Table (4.7), the overall mean value of 3.94 for the location of KBZMS suggests that most respondents highly agree with the location of KBZMS, as this mean value falls within the range of 3.41 to 4.20. Among the items, having branch networks based on customer demand to improve accessibility has the highest mean value, followed by establishing branch offices in convenient locations, making policy purchases easier, offering digital services that allow customers to purchase fire insurance without visiting a branch, having many agents to increase the accessibility of potential buyers, and ensuring that branch locations are easily reachable for policyholders

(e) **Promotion**

To determine the consumer perception on promotion made by KBZMS, survey respondents are presented and asked to answer five questions. Table (4.8) shows the mean and standard deviation of each item and overall mean value of location.

**Table (4.8) Promotion**

<b>No.</b>	<b>Particular</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	KBZMS develops direct interaction between a salesperson or agent and potential customers to persuade them to purchase a fire insurance policy.	3.91	0.832
2	KBZMS uses the promotional campaign that led to buy new fire policy of KBZM	3.96	0.792
3	KBZMS advertises fire insurance policy through multiple channels to communicate the target customers.	3.87	0.859
4	KBZMS offers rewards to its loyal customers with special offers.	3.93	0.806
5	KBZMS use social media to persuade the target customers.	4.06	0.852
<b>Overall Mean</b>		<b>3.95</b>	

Source: Survey Data (2025)

According to Table (4.8), the overall mean value of 3.96 for the promotion of KBZMS also falls within the range of 3.41 to 4.20. Therefore, most respondents have a high perception of the promotional activities conducted by KBZMS. Moreover, all promotion items received a high level of perception from respondents. Specifically, using social media to persuade target customers has the highest mean value, while advertising the fire insurance policy through multiple channels to reach target customers has the lowest mean value. Summary table for Overall Mean Value is presented in Table (4.8)

**Table (4.9) Summary Table for Overall Mean Value**

No.	Particular	Overall Mean Value
1	Brand Image	3.90
2	Service Quality	3.90
3	Price	3.96
4	Location	3.94
5	Promotion	3.95

Source: Survey Data (2025)

According to Table (4.9), price activities by KBZMS had the highest overall mean value with 3.96 followed by promotion, location, brand image, and service quality activities with overall mean value 3.95, 3.94, 3.90 and 3.90, respectively.

#### 4.4 Customer Perception on Purchase Decision

Customer perception on the purchase decision towards fire insurance is shown in Table (4.10) with overall mean value, mean value and standard deviation of each item.

**Table (4.10) Purchase Decision**

No.	Particular	Mean	Standard Deviation
1	Customer purchases fire insurance policy of KBZMS because it provides sufficient protection for property and assets.	3.96	0.867
2	Premium rates and flexible payment options of KBZMS influence the customer buying decision on fire insurance policy.	3.93	0.84
3	Promotional activities from KBZMS influence the customer decision to buy fire insurance policy.	3.89	0.859
4	Brand image of KBZMS impacts the customer buying decision on fire insurance policy.	3.99	0.862
5	Service quality offered by KBZMS influence the customer buying decision on fire insurance policy.	3.91	0.819
<b>Overall Mean</b>		<b>3.93</b>	

Source: Survey Data (2025)

According to Table (4.10), the overall mean score of 3.93 indicates that most respondents have high level agreement with purchase decision of Fire insurance in KBZMS. Among the items of purchase decision, the highest mean value is that customer purchases fire insurance policy of KBZMS because of providing sufficient protection for property and assets while the lowest mean value is that promotional activities from KBZMS influence the customer decision to buy fire insurance policy.

#### 4.5 Relationship between Influencing Factors and Consumer Purchase Decision

Correlation analysis is performed to examine the relationship between independent and dependent variables. The relationship between each factor such as brand image, service quality, price, location, promotion and purchase decision toward fire insurance 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 independent variables and purchase decision.

**Table (4.11) Correlation between Dependent Variables and Purchase Decision**

No.	Factors	Correlation Coefficient	P-value
1.	Brand Image	.847***	.000
2.	Service Quality	.854***	.000
3.	Price	.899***	.000
4.	Location	.876***	.000
5.	Promotion	.874***	.000
*** Correction is significant at the 0.01 level (2 tailed)			

Source: Survey Data (2025)

The correlation analysis presented in Table (4.11) indicates varying degrees of strength between brand image, service quality, price, location, promotion and purchase decision. Brand image shows as strong positive correlation with purchase decision at the 1% significance level ( $r = 0.847$ ), classified as a very strong ( $\pm 0.81$  to  $\pm 1.00$ ). Service quality also shows a strong statistically positive correlation with purchase decision

towards fire insurance product of KBZMS at 1% level ( $r = 0.859$ ), while the price similarly shows a very strong positive correlation ( $r = 0.899$ ). Location and promotion also show a strong relationship with purchase decision, with a coefficient of 0.876 and 0.874 respectively at a 1% significant level.

#### 4.6 Analysis of Factors Influencing Purchase Decision towards Fire Insurance

After conducting the correlation analysis, Factors Influencing Purchase Decision towards Fire Insurance in KBZMS General Insurance Co., Ltd are examined by using multiple regression analysis to determine the specific outcomes. In this analysis, the five dependent variables, which are brand image, service quality, price, location, promotion and one independent variable purchase decision are analyzed. Table (4.15) presents the findings of this analysis.

**Table (4.12) Factors Influencing Purchase Decision**

Dependent Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig	VIF
	B	SE	Beta			
(Constant)	0.053	0.143		0.372	0.001	
Brand Image	.213***	0.073	0.207	2.919	0.004	0.218
Service Quality	.029***	0.081	0.031	0.364	0.005	0.149
Price	.341***	0.104	0.332	3.262	0.001	0.106
Location	.208**	0.088	0.206	2.358	0.02	0.144
Promotion	.197**	0.087	0.194	2.256	0.025	0.148
R2	0.923					
Adjusted R <sup>2</sup>	0.851					
F statistics	154.622***					

Source: Survey Data (2025)

According to Table (4.12), the Adjusted R Square value of 0.851 illustrates that 84.9% of in variation of fire insurance policy holder decision making is explained by the independent variables used in the model such as brand image, service quality, price, location and promotion. The F value is significant at the 1% level that indicates the model is appropriate for estimating the factors influencing consumer purchase decision

In Table (4.12), among the influencing factors, price has the highest influence consumer purchase decision, followed by brand image, location, promotion and service quality because standardized coefficient of beta of price is 0.332 which is the highest, brand image is .207, location is .206, promotion is .194, service quality is .031. The statistical results proved that price, brand image, effective location, promotion activities and service quality of the company lead to increase the consumer purchase decision towards fire insurance policy of the company.

## **CHAPTER V**

### **CONCLUSION**

This chapter describes factors influencing consumer purchase decision of fire insurance policy at KBZMS General Insurance Co., Ltd. This chapter also outlines recommendations and suggestions, need for further studies based on the analysis brand image, service quality, price, location and promotion on consumer purchase decision towards fire insurance of KBZMS.

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

The main objective of this study is to analyse factors influencing consumer purchase decision of fire insurance policy at KBZMS General Insurance Co., Ltd. In this study, influencing factors consists of brand image, service quality, price, location and promotion.

To achieve this main objective, 141 customers who bought fire insurance at KBZMS are randomly selected. Based on the demographic information and responses gathered from these survey respondents, it means that the number of female respondents is more than male respondents in this study. Moreover, the largest number of respondents found in the age group of 26 to 35. With regard to income level, most of the respondents earns monthly income kyats 500,001 – 700,000. Regarding the occupation, most respondents are employees.

According to the descriptive statistics, the study found that KBZMS has a strong brand image among its customers. Specifically, the attribute of having a good image in the insurance market has the highest mean value, followed by having a good reputation for offering financial security and reliable coverage, building a strong brand name among its competitors, being able to provide trustworthiness to both potential and current customers, and receiving constructive and positive feedback about KBZMS's fire insurance policy from many people.

Concerning the brand image of KBZMS, the study found that possessing good image in the insurance market has the highest mean scores whereas receiving constructive and positive things about the fire insurance policy from many people possess the lowest mean score.

Regarding the service quality, most respondents perceive that KBZMS provide high level service quality to its customers. Among the service quality items, providing prompt and quick service to customers by KBZMS staff has the highest mean value, followed by having up-to-date and modernized equipment, offering clear explanations of policy terms and coverage, ensuring staff are never too busy to reply or respond to the requests of customers, and demonstrating a strong willingness to help and assist customers.

With respect to the overall mean value for the price of KBZMS, most respondents highly agree with the price factor offered by KBZMS. Among the items of price factor, providing flexible payment options to increase affordability for policyholders has the highest perception level, followed by offering reasonable premiums for fire insurance, offering competitive fire insurance premium, ensuring that the policy price aligns with the level of coverage provided, and allowing policyholders to choose from different pricing plans that meet various financial needs.

Regarding the overall mean value of the location of KBZMS, most respondents highly agree with the location of KBZMS. Among the items, having branch networks based on customer demand to improve accessibility has the highest mean value, followed by establishing branch offices in convenient locations, making policy purchases easier, offering digital services that allow customers to purchase fire insurance without visiting a branch, providing multiple service centres to increase accessibility for customers, and ensuring that branch locations are easily reachable for policyholders.

Regarding the promotional activities, most respondents have a high perception with the promotional activities conducted by KBZMS. Moreover, all promotion items received a high level of perception from respondents. Specifically, using social media to persuade target customers has the highest mean value, while advertising the fire insurance policy through multiple channels to reach target customers has the lowest mean value.

The study conducted the correlation analysis to indicate the relationship between brand image, service quality, price, location, promotion and purchase decision. The study found that brand image shows a strong positive correlation with purchase. Similarly, service quality, price, location and promotion activities conducted by KBZM also show a strong statistically positive correlation with purchase decision of fire insurance product of KBZMS.

Regarding the Factors Influencing Purchase Decision towards fire insurance product of KBZMS, multiple regression analysis proved that price, service quality, brand image, location, and promotion statistically significant influence purchase decision of fire insurance policy of KBZMS. Among these variables, price has the highest influence purchase decision of fire insurance policy followed by brand image, location, promotion and service quality.

The study reveals that price has statistically significant influence purchase decision of insurance policy because of providing flexible payment options to increase the affordability for policyholders, offering reasonable premium for fire insurance, ensuring that policy price aligns with the level of coverage provided, and offering competitive fire insurance premium.

Similarly, brand image has the second highest influence on purchase decision because KBZMS possesses good image in the insurance market, and good reputation for offering financial security and reliable coverage, and builds strong brand name among its competitors.

Moreover, location of the company has the third highest influence purchase decision of fire insurance policy buyers because of having branch networks based on customer demand to improve accessibility, offers digital services, allowing customers to purchase fire insurance without visiting a branch and establishing branch offices in convenient locations.

Additionally, promotion activities of the company has the fourth highest influence on purchase decision of fire insurance policy buyers because KBZMS use social media to persuade the target customers, offers rewards to loyal customers with special offers, and develops the promotional campaign that led to buy new fire policy of KBZMS.

In addition, service quality activities of KBZMS has the lowest influence on purchase decision of fire insurance policy buyer because of giving prompt and quick service to their customer, offering clear explanations of policy terms and coverage and having up to date and modernized equipment.

## **5.2 Suggestions and Recommendations**

This section presents the suggestions and recommendations to enhance the purchase decision of buyers towards fire insurance policy of KBZMS.

The study proved that price has an influence on purchase decision of fire insurance policy buyers. Therefore, KBZMS should maintain its flexible payment options, to increase the affordability for policyholders. Moreover, KBZMS should offer an attractive discount for policyholders who pay their premiums before a certain date, which can help insurers improve cash flow while also giving customers an incentive to pay early.

Since brand image has an influence on purchase decision of fire insurance policy buyer, KBZMS should protect its current reputation and goodwill among its existing buyers and potential buyers by conducting ethical business practices such as unrealistic promises about coverage, compliance the legal and regulatory requirements, which reassures customers that the company is trustworthy. Moreover, KBZMS should show customer testimonials, highlighting successful claim settlements that reinforce the buyer confidence in KBZMS.

The study proved that location of the company has the third highest influence purchase decision of fire insurance policy buyers. Therefore, KBZMS should maintain its agents to increase the accessibility of potential buyers and maintain the existing customers. In addition, KBZMS should expand its branches in high-demand areas and enhance its digital accessibility through online platforms and mobile applications that makes more easier for customers to obtain policies.

Moreover, since promotion activities of the company have influence on purchase decision of fire insurance policy buyers, KBZMS should expand its social media marketing effort, offer more seasonal promotions, and increase consumer awareness through educational campaigns that can help attract new customers and retain existing ones.

Additionally, concerning the service quality improvement, KBZMS should maintain to its quick response time when customers make enquires, claims processing effectiveness and efficiency, and customer support services that can support worth of mouth marketing and received positive feedback from current customers. To do these activities effectively and efficiently, KBZMS should provide effective trainings to its employees especially its sale persons and agents to improve the proficiency and skills.

### **5.3 Needs for Further Research**

This study focuses only on five influencing factors of the purchase decision towards the fire insurance policy of KBZMS. Therefore, other factors, such as environmental, demographic, and personal factors, influencing buying decision towards fire insurance policies, should be made as future research. In this study, the sample respondents are fire insurance policyholders who purchased their policies from the Lashio branch of KBZMS. Therefore, future study should be made with the respondents from other branches and the Yangon (Head Office) to obtain more comprehensive results. Moreover, this study focuses on only one insurance company. Therefore, research on the influencing factors of purchase decision towards fire insurance policies across different insurance companies should be conducted. Additionally, since this study mainly focuses on one product, fire insurance, further research should be conducted with other insurance policies, such as motor vehicle and life insurance policies.

## REFERENCES

- Aaker, D. A. (1991). *Managing brand equity: Capitalizing on the value of a brand name*. Free Press.
- Aaker, D. A. (1996). *Building strong brands*. Free Press.
- American International Group (AIG). (2022). *Comprehensive coverage in fire insurance*. <https://www.aig.com/fire-insurance>
- Armstrong, G., & Kotler, P. (2018). *Principles of marketing* (17th ed.). Pearson Education.
- Dominique-Ferreira, S. (2017). *Consumer behavior in global insurance markets*. Springer.
- Dominique-Ferreira, S. (2019). *Estimating the price range and the effect of price bundling strategies*. Company Profile and Product Offerings.
- Goins, R. (2019). Key factors influencing consumer choice in non-life insurance. *Journal of Insurance Marketing*, 32(4), 56–74.
- Insurance Regulatory and Development Authority (IRDA). (2020). *Fire insurance trends in emerging markets*. IRDA Reports.
- International Charter Space and Major Disasters. (n.d.). *Fires*. Retrieved November 6, 2024, from <https://disasterscharter.org/web/guest/disaster-types/-/article/fires>
- KBZMS. (2023). *Company overview and service offerings*. KBZMS Myanmar. <https://www.kbzms.com>
- Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57(1), 1–22.
- Keller, K. L. (2013). *Strategic brand management: Building, measuring, and managing brand equity* (4th ed.). Pearson Prentice Hall.
- KPMG. (2021). *The future of the global insurance industry*. KPMG International. <https://home.kpmg/insurance-industry-report>
- Kotler, P., & Keller, K. L. (2016). *Marketing management* (15th ed.). Pearson Education.
- Lloyd's. (2020). *How brand image impacts insurance purchasing decisions*. Lloyd of London. <https://www.lloyds.com/brand-image-insurance>
- Nuangjamnong, P., Sutthichai, P., & Yutthana, K. (2020). The role of digital marketing in non-life insurance: A study of emerging markets. *Journal of Marketing and*

- Management*, 25(2), 142–159.
- OECD. (2022). *The global insurance market and its economic implications*. Organization for Economic Co-operation and Development. <https://www.oecd.org/insurance-market-report>
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*, 49(4), 41–50
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*, 64(1), 12–40.
- Sitohang, S., & Hutapea, R. (2023). The impact of service quality on consumer trust in non-life insurance: A comparative study. *Journal of Risk and Insurance*, 58(2), 88–105.
- Solomon, M. R. (2017). *Consumer behavior: Buying, having, and being* (12th ed.). Pearson Education.
- Sukthawee, P. (2008). Brand image and customer loyalty in the non-life insurance industry. *Asian Journal of Business and Management*, 3(1), 22–38.
- Swiss Re. (2021). *The role of insurance in risk management*. Swiss Re Institute.
- Yeboah, F. (2021). Customer preferences and accessibility in insurance markets: Evidence from emerging economies. *Journal of Risk Management*, 46(3), 110–126.
- Zeithaml, V. A., Bitner, M. J., & Gremler, D. D. (2017). *Services marketing: Integrating customer focus across the firm* (6th ed.). McGraw-Hill Education.

**APPENDIX – 1**  
**YANGON UNIVERSITY OF ECONOMICS DEPARTMENT OF**  
**COMMERCE**  
**MASTER OF INSURANCE (MI) PROGRAMME**

Factors Influencing Consumer Purchase Decision of Fire Insurance  
policy at KBZMS General Insurance Co., Ltd

This questionnaire is purely for my MI thesis about Factors Influencing Consumer Purchase Decision of Fire Insurance at KBZMS General Insurance Co., Ltd'. Please kindly and correctly answer the following questions. Thank you for your valuable time.

**Part I. - Demographic Profile of Respondents**

1. Age
  - 18-25
  - 26-35
  - 36-45
  - 46-55
  - 56 and above
2. Gender
  - Male
  - Female
3. Occupation
  - Employee
  - Business Owner
  - Freelancer
  - Student
4. Monthly Income
  - 300,000-500,000
  - 500,001-700,000
  - 700,001-1 million
  - 1,000,001 and above

**Part I. – Brand Image of KBZMS**

No.	Particular	1	2	3	4	5
1	KBZMS has good reputation for offering financial security and reliable coverage.					
2	KBZMS possesses good image in the insurance market.					
3	KBZMS builds strong brand name among its competitors.					
4	KBZMS receive constructive and positive things about the fire insurance policy from many people.					
5	KBZMS can provide trustworthiness to both its potential and current customers.					

**Part II. – Service Quality of KBZMS**

No.	Particular	1	2	3	4	5
1	KBMS has up to date and modernized equipment.					
2	Staff of KBZMS give prompt and quick service to their customer.					
3	Staff of KBZMS have strong willingness to help and assist their customers.					
4	Staff of KBZMS are never busy to reply or response the requests of their customers.					
5	KBZMS staff offers clear explanations of policy terms and coverage.					

### Part III. – Price of KBZMS

No.	Particular	1	2	3	4	5
1	KBZMS offers competitive fire insurance premium.					
2	KBMS provides flexible payment options, to increase the affordability for policyholders.					
3	KBZMS ensures that policy price aligns with the level of coverage provided.					
4	KBZMS offers reasonable premium for fire insurance.					
5	KBZMS allows policyholders to choose from different pricing plans that meet various financial needs.					

### Part IV – Location of KBZMS

No.	Particular	1	2	3	4	5
1	KBZMS establishes branch offices in convenient locations, making policy purchases easier.					
2	KBZMS have many agents to increase the accessibility for potential buyers.					
3	KBZMS ensures that branch locations are easily reachable for policyholders.					
4	KBZMS offers digital services, allowing customers to purchase fire insurance without visiting a branch.					
5	KBZMS has branch networks based on customer demand, improving accessibility.					

**Part V – Promotion of KBZMS**

<b>No.</b>	<b>Particular</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	KBZMS develops direct interaction between a salesperson or agent and potential customers to persuade them to purchase a fire insurance policy.					
2	KBZMS uses the promotional campaign that led to buy new fire policy of KBZM					
3	KBZMS advertises fire insurance policy through multiple channels to communicate the target customers.					
4	KBZMS offers rewards to its loyal customers with special offers.					
5	KBZMS use social media to persuade the target customers.					

**Part VI – Purchase decision of Fire Insurance**

<b>No.</b>	<b>Particular</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	Customer purchases fire insurance policy of KBZMS because it provides sufficient protection for property and assets.					
2	Premium rates and flexible payment options of KBZMS influence the customer buying decision on fire insurance policy.					
3	Promotional activities from KBZMS influence the customer decision to buy fire insurance policy.					
4	Brand image of KBZMS impacts the customer buying decision on fire insurance policy.					
5	Service quality offered by KBZMS influence the customer buying decision on fire insurance policy.					

## APPENDIX – 2

### SPSS Output

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
BI (1)	141	1	5	3.91	0.849
BI (2)	141	1	5	4.01	0.878
BI (3)	141	2	5	3.88	0.874
BI (4)	141	1	5	3.67	0.996
BI (5)	141	1	5	3.7	0.886
Valid N (listwise)	141				

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
SQ (1)	141	1	5	3.91	0.917
SQ (2)	141	2	5	3.98	0.841
SQ (3)	141	1	5	3.82	0.93
SQ (4)	141	1	5	3.87	0.925
SQ (5)	141	2	5	3.91	0.886
Valid N (listwise)	141				

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
RD/PR (1)	141	2	5	3.94	0.795
RD/PR (2)	141	2	5	4	0.819
RD/PR (3)	141	2	5	3.94	0.821
RD/PR (4)	141	1	5	3.98	0.857
RD/PR (5)	141	2	5	3.93	0.825
Valid N (listwise)	141				

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
LC (1)	141	1	5	3.97	0.819
LC (2)	141	2	5	3.89	0.794
LC (3)	141	1	5	3.81	0.869
LC (4)	141	1	5	3.97	0.894
LC (5)	141	1	5	4.08	0.887
Valid N (listwise)	141				

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
PR (1)	141	2	5	3.91	0.832
PR (2)	141	2	5	3.96	0.792
PR (3)	141	1	5	3.87	0.859
PR (4)	141	2	5	3.93	0.806
PR (5)	141	1	5	4.06	0.852
Valid N (listwise)	141				

<b>Descriptive Statistics</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
PD (1)	141	1	5	3.96	0.867
PD (2)	141	1	5	3.93	0.84
PD (3)	141	1	5	3.89	0.859
PD (4)	141	1	5	3.99	0.862
PD (5)	141	1	5	3.91	0.819
Valid N (listwise)	141				

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
.855	5

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
.937	6

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
.929	6

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
.904	5

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
.922	5

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
.914	5

Correlations							
		BI	SQ	RD	LC	PR	PD
Brand Image	Pearson Correlation	1	.862**	.858**	.822**	.813**	.847**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	141	141	141	141	141	141
Service Quality	Pearson Correlation	.862**	1	.898**	.873**	.855**	.854**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	141	141	141	141	141	141
Price	Pearson Correlation	.858**	.898**	1	.900**	.904**	.899**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	141	141	141	141	141	141
Location	Pearson Correlation	.822**	.873**	.900**	1	.892**	.876**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	141	141	141	141	141	141
Promotion	Pearson Correlation	.813**	.855**	.904**	.892**	1	.874**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	141	141	141	141	141	141
Purchase Decision	Pearson Correlation	.847**	.854**	.899**	.876**	.874**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	141	141	141	141	141	141

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

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.923a	.846	.851	.28782	2.197
a. Predictors: (Constant), Brand Image, Service Quality, Price, Location, Promotion					
b. Dependent Variable: Purchase Decision					

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	64.042	5	12.808	154.622	.000b
	Residual	11.183	135	.083		
	Total	75.226	140			
a. Dependent Variable: Purchase Decision						
b. Predictors: (Constant), Brand Image, Service Quality, Price, Location, Promotion						

Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.053	.143		.372	.001		
	Brand Image	.213	.073	.207	2.919	.004	.218	4.583
	Service Quality	.029	.081	.031	.364	.005	.149	6.716
	Price	.341	.104	.332	3.262	.001	.106	9.392
	Location	.208	.088	.206	2.358	.020	.144	6.950
	Promotion	.197	.087	.194	2.256	.025	.148	6.748

a. Dependent Variable