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**CUSTOMER PERCEPTION ON LIFE INSURANCE
SERVICE OF AUNG MYINT MOH MIN INSURANCE Co.,Ltd**

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(EMBF 5th BATCH)**

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**CUSTOMER PERCEPTION ON LIFE INSURANCE
SERVICE OF AUNG MYINT MOH MIN INSURANCE
Co.,Ltd**

(A thesis submitted as a partial fulfillment towards the requirements for the degree of
Executive Master of Banking and Finance)

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ABSTRACT

This study focuses on customer perception on life insurance services provided by Aung Myint Moh Min Insurance Co.,Ltd. The objectives of the study are to explain the nature and the types of insurance service offered by the company and the customer perception on the life insurance service provided by AMMM Co.,Ltd. Descriptive research method was used to study the customer perception on insurance service provided by AMMM Co.,Ltd. Primary data were collected from the 100 respondents who are randomly selected by using simple random sample method from the customers who came to AMMM Co.,Ltd offices within two months from 1st July to the end of August. The secondary data were collected from the relevant books, on lines, previously prepared research paper and internet website. Most of the customers of AMMM Co.,Ltd are army personnel who tend to follow the rules and regulation obediently laid down by their superiors. According to the survey results, it was found out that despite slow progress of overall insurance services in Myanmar, life insurance service operated by AMMM insurance Co.,Ltd has grown significantly. Based on the findings, it is recommended that the government should remove the restriction on the entry of foreign insurance companies so that local insurance company can merge with foreign insurance companies which are much more experienced in international insurance service and they can share their knowledge with local companies. In addition, dissemination of insurance service knowledge should be made among Myanmar people so that insurance services grow in Myanmar.

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LIST OF ABBREVIATIONS

AMMM	Aung Myint Moh Min
CMA	Controller of Military Accounts
DMD	Deputy Managing Director
IBRB	Insurance Business Regulatory Board
MD	Managing Director
MMK	Myanmar Kyats
YUE	Yangon University of Economic

CHAPTER I

INTRODUCTION

Due to increased awareness and broadened view of customers today, there has been demand for higher standard of services provided by insurance companies, and insurance business is becoming highly competitive. Customers are increasingly aware of better services, comparing services provided by one company with those provided by another company. Delivering quality products and services plays an essential role in achieving success and survival in today's competitive business world.

Financial sector is one of the contributing factors in the overall development of a country. The financial institutions are the most significant components of this sector. They can be important for the stability of financial system of a country mainly because they are large investors in financial markets and they are safeguarding the financial stability of households and firms by insuring their risks.

Insurance can be defined as a form of pledge made between two parties (namely insurer and insure assured) whereby a fixed amount of money has to be given by the insurer to the other party (insured) in exchange for premium paid to the insurer in case of certain event (death or attaining a certain age) or to pay the amount of actual loss when it takes place through the risk insured (in case of property insurance) (George E.Rejda & Michael McNamara, 2015).

Myanma Insurance which is a state-owned organization and was founded in 1952 has been operated for over 50 years as the monopoly provider of insurance. As a result, most Myanmar people were ignorant of the benefits they would get by protecting their lives and belongings with insurance service.

Later, Myanmar has been transforming into a democratic country and economic system of it has also been changed into the open market economy. A series of reforms has been made to develop the financial sector as part of a wider agents for accelerating economic growth. Accordingly, the government has reduced restrictions on import, cut export taxes and opened the country to foreign investment, which indicates the potential for growth of financial sector in the economy of the country.

As Myanmar's economy grows, the increasing needs of firms, households and the government encourage the size and scale of the financial sectors to increase. Then the role of insurance service, an institutional investor, has become important in Capital Market, which offers a variety of financial investments that enable economic agents pool, price and exchange risk through which assets attract yields, liquidity and risk characteristic, which encourages saving in financial form and which is very essential for government and other institutions in need of long form funds. The market was opened with 12 insurers licensed in 2012 and five beginning operations by 2013. There are nine non-life insurance companies and three life insurance companies.

Aung Myint Moh Min Insurance Co.,Ltd is the one of life insurance companies. Life insurance policies offer two main services: income replacement for premature death and savings instruments in this company. Nowadays, the increasing savings type insurance is marketed on the basis of investment characteristics: return and bonus. Aung Myint Moh Min Insurance Co.,Ltd underwrites life insurance for army and public. There are 7 products written by Aung Myint Moh Min Insurance Co.,Ltd, which are Government Services Personnel Life Insurance, Army Personnel Life Insurance, Public Life Insurance, Group Life Insurance, Sportsman Life Insurance, Snake Bite Life Insurance and Health Insurance.

1.1 Rationale of the Study

Myanmar is a Southeast Asia's largest mainland country. Myanmar has a population of 53 million, but only 0.01% has life insurance policy. Myanmar has the least number of insurance policy buyers compared to other regional countries. So, Myanmar will be a key insurance market. Furthermore, over the half of the population aged under 30 in Myanmar constitutes working age, which is the age relevant to life insurance products. Promoting public awareness of significance of insurance service should be launched through media such as radio, television, magazines and social media.

Between 1952 and 2013, state-owned Myanma Insurance was the sole life and non-life insurer operating in the country through a network of around forty branches. Its monopoly was broken with the granting of 12 new licenses to privately-owned, domestic operators, nine of which are non-life insurance and three are life insurance operators. Myanma has retained a leading role through managing an insurance pool which absorbs all premiums above a certain threshold, and all insurers are obliged to offer the

same products and follow the official pricing. Compulsory products, such as Motor Third Party Liability, dominate the market, which remains mostly concentrated in the main urban center of Yangon.

Aung Myint Moh Min Insurance Company Limited has 2.7 lakhs of life insurance customers and they have increased year by year. Thus, Aung Myint Moh Min Insurance Co.,Ltd needs to gain the customer perception towards the life insurance service, provided by the company. Accordingly, this study identifies the types of life insurance services provided by Aung Myint Moh Min Insurance Co.,Ltd and analyzes the customers' perception towards life insurance services.

1.2 Objectives of the Study

The objectives of the study are as follows:

1. To identify the characteristics of life insurance services provided by Aung Myint Moh Min Insurance Co.,Ltd
2. To analyze the customer perception on life insurance services of Aung Myint Moh Min Insurance Co.,Ltd

1.3 Scope and Methods of the Study

This study has been intended to know the customer perception on life insurance service of AMMM Insurance Co.,Ltd. For the purpose of the study, to collect five dimensions of service quality from one hundred respondents who were collected customers from Aung Myint Moh Min Insurance Co.,Ltd. Data were collected from 1st July to the end of August 2019.

In this study mainly used the descriptive research method. Data were collected to primary data and secondary data. Primary data were collected from questionnaires which were answered by interviewing and meeting with one hundred respondents. Who were used to random sampling method from customers from AMMM Insurance Co.,Ltd. Secondary data were primarily based on previous research papers, reference books from Yangon University of Economics library, report from Myanmar Insurance Association, financial report from AMMM Insurance Co.,Ltd, other related papers from Myanmar

Insurance Industry and Private Insurance Companies and information from internet websites.

1.4 Organization of the Study

In this study includes five chapters. The Chapter one introduces the life insurance in Aung Myint Moh Min Insurance Co.,Ltd, and presents rationale, objectives, methodology and organization of the study. The Chapter two states the literature review related to customer perception and about insurance service. The Chapter three describes profiles of Aung Myint Moh Min Insurance Co.,Ltd and types of Life Insurance products. The Chapter four analyses the customer perception on life insurance services in Aung Myint Moh Min Insurance Co.,Ltd. The Chapter five includes conclusion and recommendation.

CHAPTER II

LITERATURE REVIEW

This chapter is dedicated to the explanation of basic concept of customer perception, how it is developed explaining the service quality in detail, and the principles of insurance. Perception of customers towards a company is the satisfaction the customers of it obtain from the products and service provided by the company. Products, service quality and customer satisfaction are very important concepts for insurance service to understand so that it remains competitive in the insurance. Insurance companies are trying to gain customer satisfaction by providing better quality services, which results in a positive perception from their existing customers and attracting more potential customers.

2.1 Customer Perception

According to (Hoffman & Bateson, 2011), customer satisfaction is the comparison between customer expectation and perception towards the service they receive. Customer satisfaction has very great influence on repetition of customers purchase of products and services and delivering positive words of mouth to their friends, relatives, family, which also provides good recommendation for the company to improve in the future.

In contrast, dissatisfied customers will be more likely to switch to the competitors or complain to the service provider if their services are below the customer's expectations. Furthermore, they will tell the poor services of the company to their friends, relatives, or their family. Product quality services play an important role in establishing customer satisfaction. The more quality products and services provided, the higher the customer satisfaction.

Customer expectation is an element that affects customers perception of service quality and that the perception of service quality is antecedent of satisfaction. Customer perception can also be applied to enhance the whole service quality of an industry. Service companies, therefore, need to find out what customers expect and how they perceive the actual value of a company so that product and service strategies can be adjusted to more effectively (Gronroos, Lehtinen & Lehtinen, 1982).

Expectations reflect customers need, and their needs are well satisfied, then their perception of the service quality will be more positive and vice versa (Van, et al, 2000). Even as in a service company, customers perception may be influenced not only by the nature of the product and its physical attributes but also by the nature of the service-delivery process (Parasuraman, et al,1990), (Bolton & Drew,1991). If a company understands the perception of its customers related to the product or service they offer the company will be in a better position to gain knowledge about how the customers view the product or service.

2.2 Service Quality and Satisfaction

Service quality is the difference between the service expectation and service the customers actually receive. Service quality is an essential tool for attaining operational efficiency and improved business performance which helps to satisfy and retain customers. Customer satisfaction is seen as difference between customer's expectation and what customers experience (perception) after getting the services. To measure the service quality, it is necessary that service provider should understand the service quality parameters related to the customer expectation and the customer perception, which will help in providing the better service and in getting greater level of customer satisfaction.

Good service quality will surely meet the wide range of demands of the customer. Customer satisfaction can be derived only when the actual service provided by the company which provides service is higher than what customer has expected. (Joewono & Kubota, 2007). According to (Gera,2011), service quality has great impact on customer satisfaction and value perception. Companies that provide goods and services perceived as of high-quality have greater market share, higher return on investment and higher asset turnover than those whose goods and services perceived as of low quality (Kim, et al., 2004).

According to (Parasuraman,1985), (Zeithaml & Berry,1985), "Service quality is the difference between the service expectation and service actually received by the customer" and there are five dimensions of service quality that relates a particular service characteristic to consumers' expectations.

Table (2.1) Dimensions of Service Quality

Dimension	Factors
Reliability	Ability to perform the promised service dependably and accurately.
Assurance	Knowledge and courtesy of employees and their ability to convey trust and confidence.
Tangibles	Appearance of the physical facilities, equipment ,personnel and communication materials.
Empathy	Caring and individualized attention to customers.
Responsiveness	Willingness to help customers and to provide prompt services.

Source: Parsuraman, Zeithaml & Berry,1985

According to the gap model formulated by Parsuraman & Zeithaml, there exists a gap between the customer perception and customer expectation, which is called the customer gap. Customer expectation represents the actual expected service and customer perception reveals the actual received service.

2.3 Concepts of Insurance

Concepts of insurance are three elements of insurance they are transfer system, business and contract (George E.Rejda & Michael McNamara, 2015).

1) Transfer System

As a transfer system, insurance enables a person, family or business to transfer the costs of losses to an insurance company. In turn the company pays for the insured losses and distributes the costs of losses among all insured. Thus, the key elements of insurance as a transfer system refers to the transferring of risks from the insured to the insurance company which is financially sound and has the capacity and willingness to take risks. The person transfers the consequences of a loss to the company, thereby exchanging the possibility of a large loss for the certainty of a much smaller periodic payment (premium). For transferring a cost of loss, it is not necessary for a loss to occur or exist. A mere possibility of a loss constitutes a loss exposure that can be insured or transferred. A Loss exposure can give rise to three types of losses, namely: property loss (including net income loss), liability loss and human and personal loss. On the other hand, sharing of risks implies the pooling of premiums paid by the insured into a fund out of which the losses are paid as and when they occur. Thus, the role of

insurance is to protect insured's assets from the financial consequences of loss. But, not all risks are insurable. Insurance covers only pure risks.

2) Business

As a business, an insurance company seeks to cover its costs and expenses from the premium and at the sometime tries to earn profit. As a business organization, it provides jobs to millions of people in life and non-life insurance companies, agencies, brokerage firms. The various operations of these companies include marketing, underwriting, claims handling, ratemaking and information processing. As a business concern, it also needs to satisfy the regulators, insured and other of its financial stability. Therefore, to protect the consumers, the regulator monitors the rates, policy forms, solvency margins, and also investigate complaints and consumers' grievances. In addition to payment of losses, the business of insurance offers several benefits to individuals and families.

However, the benefit of insurance is not cost free. There are some direct costs as well as indirect costs which are insured, such as the premiums paid, operating costs of the insurers, opportunity costs, increased losses, and increased law suits.

3) Contract

As a contract, an insurance policy is also a mandatory contract. The contract is made between two parties (the insurance company and the insured). Through insurance policies, the insured transfers the costs of losses to insurance company. In return for the premiums paid by the insured, the insurers promise to pay for the losses covered under the policy. The policy contains all the terms and conditions for its enforceability, and the benefits payable by the insurer. The breach of these conditions by either party will result in the invalidation of the contract. Thus, through the coverage provided by insurance policies, the individuals, families and businesses are enabled to protect their assets, and minimize the adverse financial effects of losses. Hence, an insurance contract needs to be interpreted and carefully designed so that, all fortuitous losses are covered and insured against. The most common four basic types of insurance (property, liability, life and health) are generally divided into two broad categories: property/liability insurance and life/health insurance.

2.4 Principles of Insurance

The basic principle which governs the insurance are utmost good faith, insurable interest, indemnity, contribution, subrogation and proximate cause (George E.Rejda & Michael McNamara, 2015).

1) Principle of Utmost Good Faith: A contract of insurance is a contract of 'Uberrima Fidei' i.e., of utmost good faith. Both insurer and insured should place trust in each other in relation to the contract. That is to say, each party should provide information necessary for to the other party so as not to cause fraud or misrepresentation of documents.

2) Principle of Insurable Interest: This principle requires that the insured must have an insurable interest in the subject matter of insurance. Insurance interest applies to financial interest the insured person derives from the existence of that subject matter or loss of it in case of death or damage to it. As to life insurance, the person who is insured must be present when the policy is taken out. As to fire insurance and marine insurance, documents which show the value and ownership of the subject matters insured when the policy is taken out and when there is loss of the subject matter.

3) Principle of Indemnity: A contract of indemnity means that the insured in case of loss against which the policy has been insured, shall be paid the actual cost of loss not exceeding the amount of the insurance policy.

4) Principle of Contribution: The principle of contribution is similar to the principle of indemnity. It applies to any insurance which is a contract of indemnity. So it does not apply to life insurance. A subject matter can be insured with two or more insurers against the same risks . In such cases, the insurers must share the burden of payment in proportion to the amount insured by each. If one of the insurer pays the whole loss, he has to contribution in like other insurers.

5) Principle of Subrogation: The doctrine of subrogation is a collar to the principle of indemnity and applies only to fire and marine insurance. According to the principle of subrogation, after the insured has been redeemed for the loss incurred due to the damage to the object insured, the right of ownership of it passes to the insurer after the claim has been fully settled.

6) Principle of Proximate cause: It means proximate cause or cause which, in a natural and unbroken series of events, is responsible for a loss or damage. The insurer is responsible for the loss when it is proximately caused by the peril which is insured against. The cause should be the proximate cause and cannot be the remote cause. If the cause of the loss is remote, then the insurer is not responsible for paying the compensation. The immediate cause should be considered while determining the responsibility of paying the compensation. The insurer is responsible for paying the compensation if the proximate cause is insured.

2.5 Types of Insurance

Insurance covers various types of risks and includes various insurance policies which provide funds for protection against various losses. They are from the business point of view and from the risk point of view (MIA, 2019).

1) Business Point of View

The insurance can be classified into three categories from business point of view: life insurance, general insurance (non-life insurance) and social insurance.

a) Life Insurance: The life insurance contract provides elements of protection and investment. After getting insurance, the policyholder feels a sense of protection because he shall be paid a definite sum at the death or maturity. In other words, life insurance offers a fixed sum at maturity or in case of premature death. At present, life insurance enjoys maximum scope because each and every person requires the insurance. Life insurance is a contract to pay in lump sum or monthly to the insurer as a premium, quarterly, half yearly or yearly installments, and undertakes to pay to the person (for whose benefits the insurance is made), a certain sum of money either on the death of the insured person or on the expiry of a specified period of time. Various life insurance policies offered by insurance companies are term assurance, whole life, endowment assurance, family income policy, life annuity, joint life assurance, pension plans, unit-linked plans, policy for maintenance of handicapped dependent and endowment policies with health insurance benefits.

b) **General Insurance:** The general insurance includes property insurance, liability insurance and other form of insurance. Property insurance includes fire and marine insurance. Property of the individual and business is subjected to risks like fire, theft etc, which contributes to the advent of insurance Liability insurance including motor, theft, fidelity and machine insurance. Type of General Insurance Policies available are health insurance, medi-claim policy, personal accident policy, group insurance policy, automobile insurance, worker's compensation insurance, liability insurance, aviation insurance, business insurance and fire insurance policy.

c) **Social Insurance:** Social insurance provide protection to the weaker sections of the society who are unable to pay the premium. Examples of social insurances are disability benefits, sickness insurance and pension plans.

2) Risk Points of View

The insurance can be classified into three categories from risk points of view are property insurance, liability insurance and other forms of insurance.

a) **Property Insurance:** Property of the individual and business is exposed to risk of theft marine peril etc. This is insured with the help of fire insurance, marine insurance and miscellaneous insurance.

b) **Liability Insurance:** The insurer is liable to pay the damage of the property or to compensate the loss of personal injury or death. It involves automobile insurance, machine insurance and fidelity insurance. The following are types of liability insurance are third party insurance, employees insurance and reinsurance.

c) **Other Forms of Insurance:** It includes export credit insurance, state employee insurance etc., whereby the insurer guarantees to pay certain amount at the happening of certain events. The following are other form of insurance are fidelity insurance, credit insurance and privilege insurance.

2.6 Previous Studies

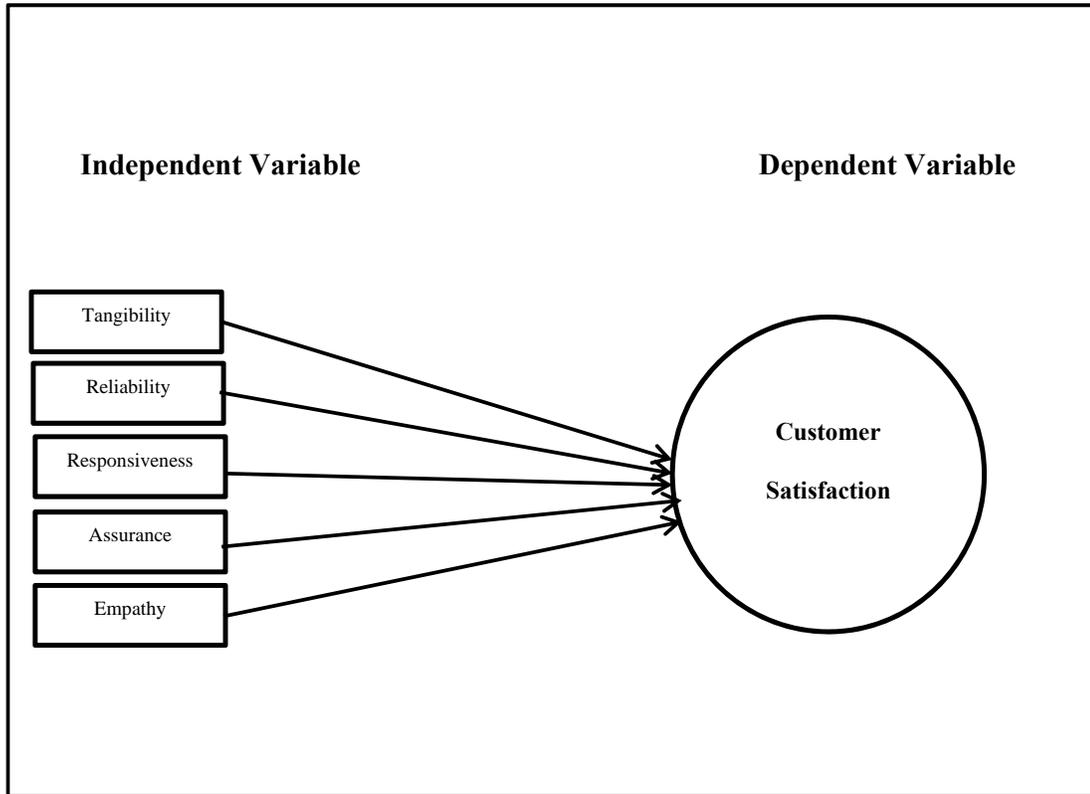
There are many researches made on insurance business in Myanmar and some are made on the growth of insurance business, result of which show slow progress in Myanmar, but they do not made the study on the contributing factors, customer

perception towards the insurance products and service provided by the insurance companies. One of the studies made was “Customer Perception on Life Insurance Industry & Positioning of Housing Development Finance Corporation” at HDFC Standard Life Submitted by Surya Prakash Tiwari, 2013. In that study, descriptive research type was used. Primary data was collected from 100 respondents living in various places using questionnaires through sampling universe and secondary data was from company website, magazine and brochures. The result of this study shows that with the increase in population and income, there is a wide scope in insurance sector, which provides the consumers with some security for any types of missed happening, and most of the respondents show their interest in life insurance having higher risk coverage and also for tax saving purpose.

2.7 Conceptual Framework of the Study

The conceptual framework of study is drawn based on the above literature reviews. According to the conceptual framework, the study finds out how the independent variables, factors such as tangibility, reliability, responsiveness, assurance, empathy and intangibility are perceived by the customers (Jamal & Naser, 2002). The product in service industry is intangible in nature. Although Physical products such as a book or a car which can be measured are tangible, service products which cannot be measured are intangible. Service Product is defined as the extent to which a service organization develops a comprehensive service offer to meet customers’ needs and wants in highly competitive markets. This study discovered factors, which are the important determinants of customer satisfaction in case of life insurance, and how much effect the factors have on overall customer satisfaction. There are five independent variables and one dependent variable as shown in figure (2.1).

Figure (2.1) Conceptual Framework for Customer Satisfaction



Source: Jamal & Naser, 2002

CHAPTER III

OVERVIEW OF AUNG MYINT MOH MIN INSURANCE COMPANY LIMITED

In this chapter, brief history of development of Aung Myint Moh Min Insurance Co.,Ltd, structure of AMMM Insurance Co.,Ltd and types of life insurance provided by the AMMM Insurance Co.,Ltd are described. In Myanmar, there are two types of insurance companies; semi-government companies and private companies. Aung Myint Moh Min Insurance Co.,Ltd is a semi-government company and supervised by Myanma Economic Corporation. Myanma Economic Corporation is an organization which makes business and tries to alleviate the shortage of budget for national defence.

3.1 History of Aung Myint Moh Min Insurance Co.,Ltd

Aung Myint Moh Min Insurance Company Limited is a private company established according to Myanmar Companies Act and Special Company Act 1950 is an insurance company founded on the authority of Insurance License Act 1996 that provides life insurance service only. It was granted license by Insurance Supervisory Board, Ministry of Planning and Finance on 25th May, 2013, and opened and started operating on 25th June with the full support of Myanma Economic Corporation.

Aung Myint Moh Min Insurance Company Limited is conducting the insurance business under the direction of Ministry of Planning and Finance, Insurance Supervisory Board, the chairman of Myanma Economic Corporation and the board of the directors of Aung Myint Moh Min Insurance Company Limited.

Aung Myint Moh Min Insurance Company Limited is providing insurance services for Army personnel (army, navy, air), government servants and the public in accordance with the motto, “We Protect The Family”. Objectives of Aung Myint Moh Min Insurance Co.,Ltd are in the following-

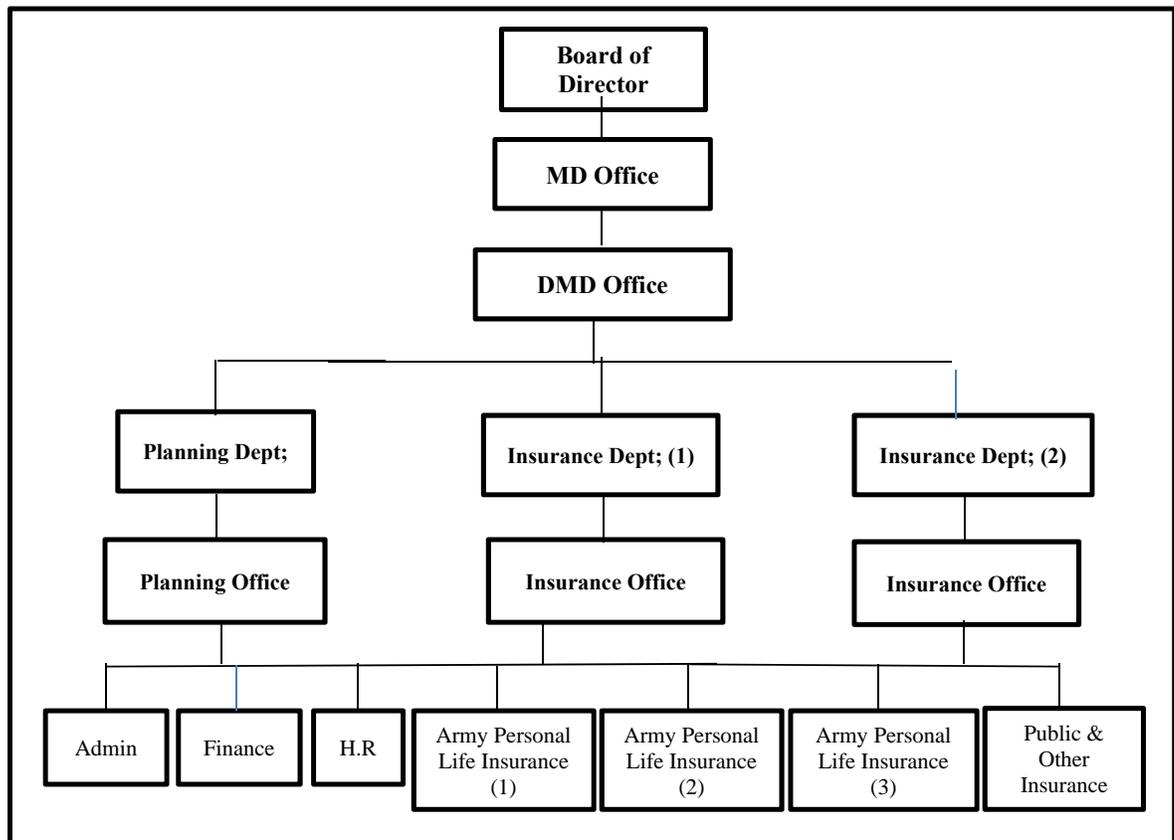
- 1) To fulfill to some extent the requirement of the public to subsist by means of the public buying life insurance, health insurance, snake bite life insurance, travel insurance and personal accident insurance.

- 2) To give support to the left-behind families, whose members of their families (army personnel) were killed or lost their limbs in actions, through their lives being insured.
- 3) To provide human resource and welfare of army personnel and company staff through expanding insurance business.

3.2 Organization Structure of Aung Myint Moh Min Insurance Co.,Ltd

Aung Myint Moh Min Insurance Co.,Ltd is operated by three main departments such as Planning Department, No.(1) Insurance Department and No.(2) Insurance Department. These departments are organized into the following Figure (3.1).

Figure (3.1) Organization Structure of AMMM Insurance Co.,Ltd



Source: Annual Report of AMMM Insurance Co.,Ltd (2018-19)

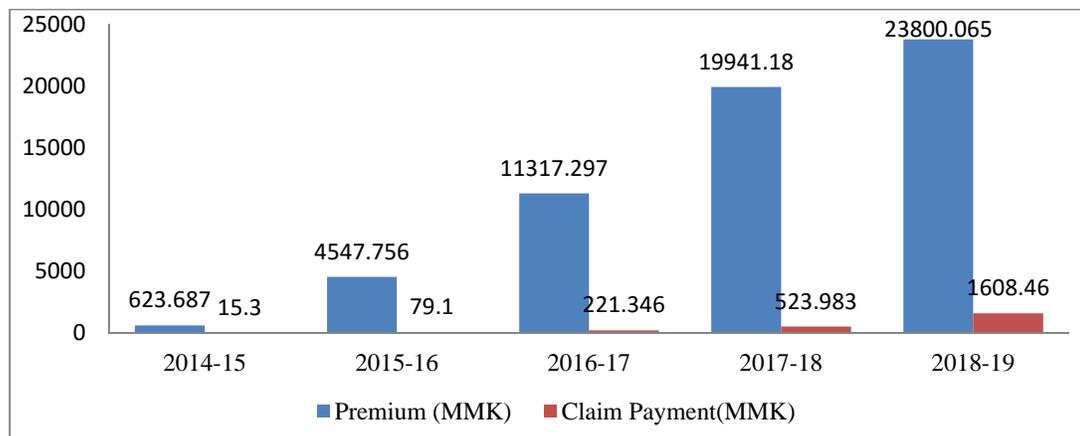
3.3 The Types of Life Assurance Underwritten by Aung Myint Moh Min Insurance Co.,Ltd

Aung Myint Moh Min Insurance Co.,Ltd is currently operating 7 kinds of life insurance products. They are government personnel life assurance, army personnel life assurance, public life assurance, group life assurance, snake bite life assurance, sportsmen life assurance and health insurance. Each the life insurance product’s rules and regulation presents in the Appendix (A). Annual premium income and claim payment for life insurance products are in the following.

1) Army Personnel Life Insurance

Premium income for army personnel life insurance in 2014-15 fiscal year was 623.687 million kyats, whereas claim payment was only 15.300 mil kyats. In 2018-19, both premium income and claim payment rose to 23800.065 million kyats and 1608.460 million kyats respectively. Premium income in 2018-19 has increased thirty eight fold and claim payment has increased one hundred and five fold in comparison with those in 2014-15 (Annual Report of AMMM Co.,Ltd, 2018-19) .

Figure (3.2) Army Personnel Life Insurance Annual Premium Income and Claim Payment from 2014to2019



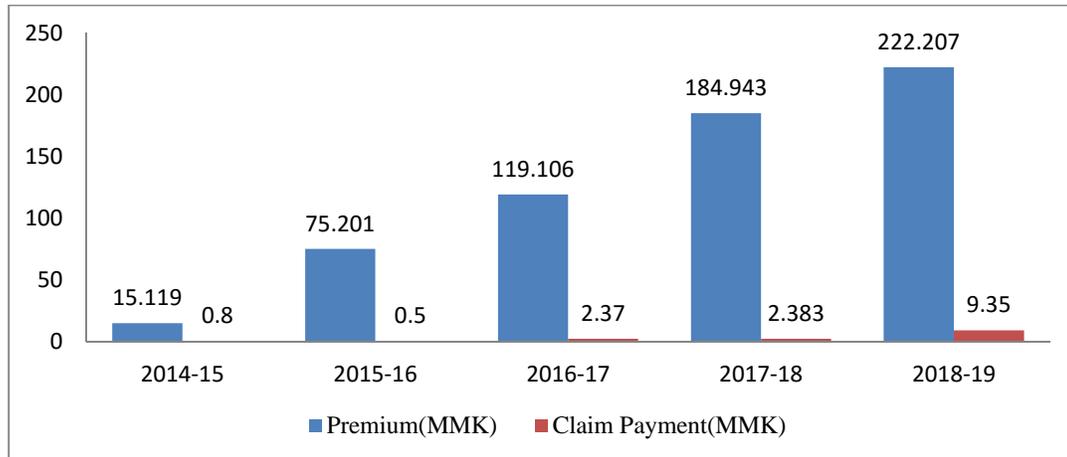
Source: Annual Report of AMMM Insurance Co.,Ltd (2018-19)

2) Public Life Insurance

The amount of premium income received from public life insurance in 2014-15 was only 15.119 million kyats, and as for claim payment, there was 0.800 million kyats in 2014-15. The last positions premium income and claim payment reached in 2018-19 were 222.207 million kyats and 9.350 million kyats respectively. Premium income in

2018-19 has increased fourteen fold and claim payment has increased eleven fold in comparison with those in 2014-15(Annual Report of AMMM Co.,Ltd, 2018-19) .

Figure (3.3) Public Life Insurance Annual Premium Income and Claim Payment from 2014 to 2019

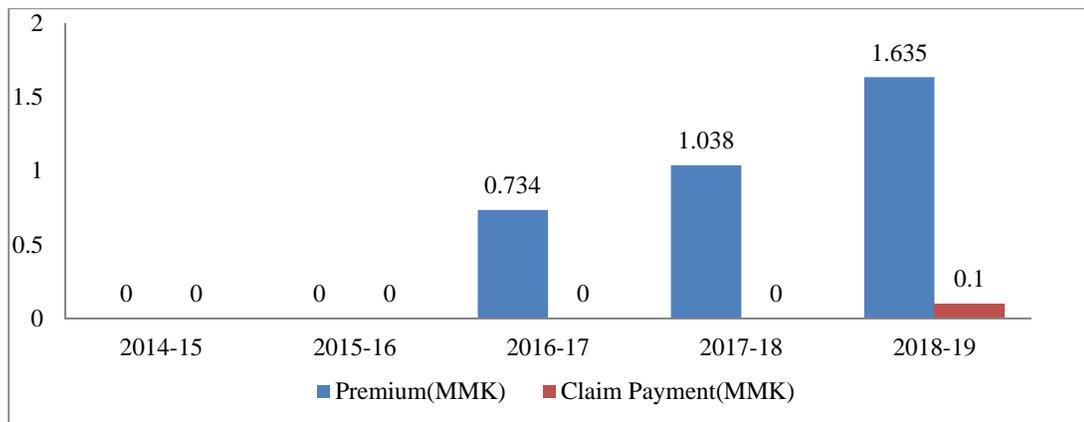


Source: Annual Report of AMMM Insurance Co.,Ltd (2018-19)

3) Government Personnel Life Insurance

The premium income for government personnel life insurance was 0.734 million kyats in 2016-17 fiscal year but there was no claim payment in the same year. The former went up slightly to 1.635 million kyats and the latter was only 0.100 million kyats in 2018-19 fiscal year. Premium income in 2018-19 has increased two fold in 2014-15 (Annual Report of AMMM Co.,Ltd, 2018-19) .

Figure (3.4) Government Personnel Life Insurance Annual Premium Income and Claim Payment from 2014 to 2019

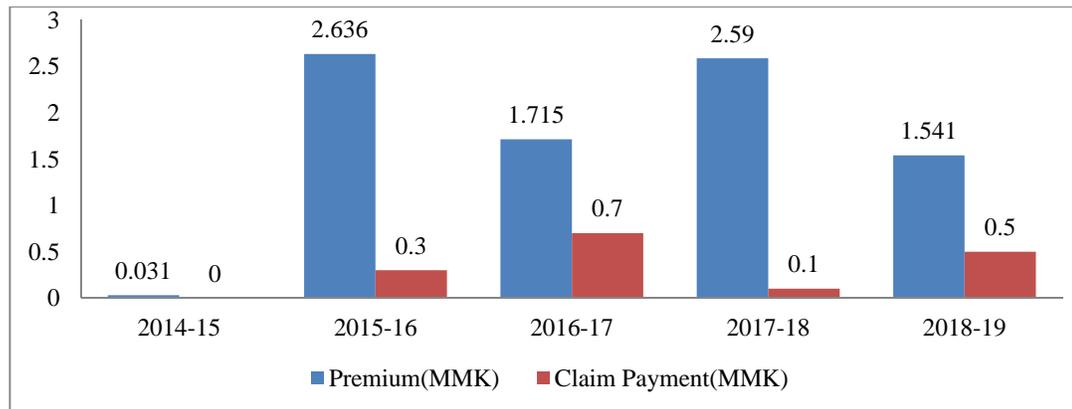


Source: Annual Report of AMMM Insurance Co.,Ltd (2018-19)

4) Group Life Insurance

The amount of premium income for group life insurance in 2014-15 was 0.031 million kyats but there was no claim payment in that year. The amount of premium was 1.541 million kyats and the claim payment was 0.500 million kyats in 2018-19. Premium income in 2018-19 has increased forty nine in 2014-15 (Annual Report of AMMM Co.,Ltd, 2018-19) .

Figure (3.5) Group Life Insurance Annual Premium Income and Claim Payment from 2014 to 2019

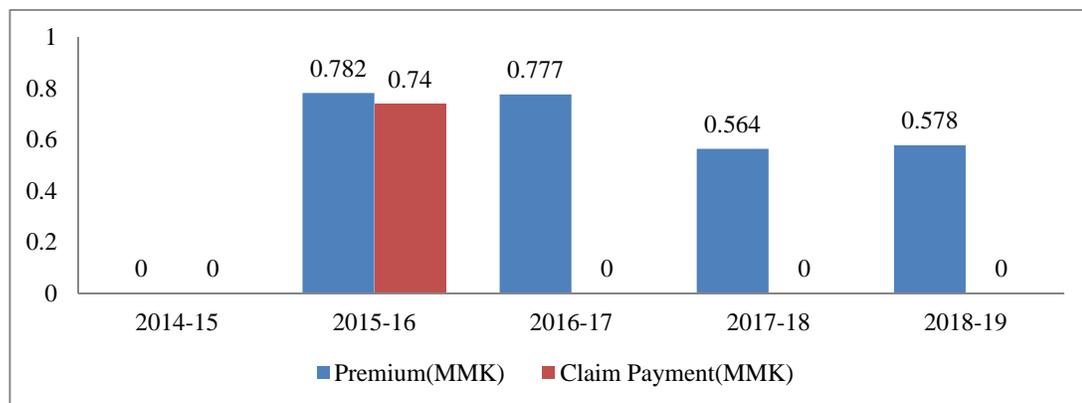


Source: Annual Report of AMMM Insurance Co.,Ltd (2018-19)

5) Snake Bite Life Insurance

The amounts of premium income and claim payment were 0.782 million kyats and 0.740 million kyats respectively in 2015- 16. The premium income decreased slightly to 0.578 million kyats in 2018-19 (Annual Report of AMMM e Co.,Ltd, 2018-19) .

Figure (3.6) Snake Bite Life Insurance Annual Premium Income and Claim Payment from 2014 to 2019

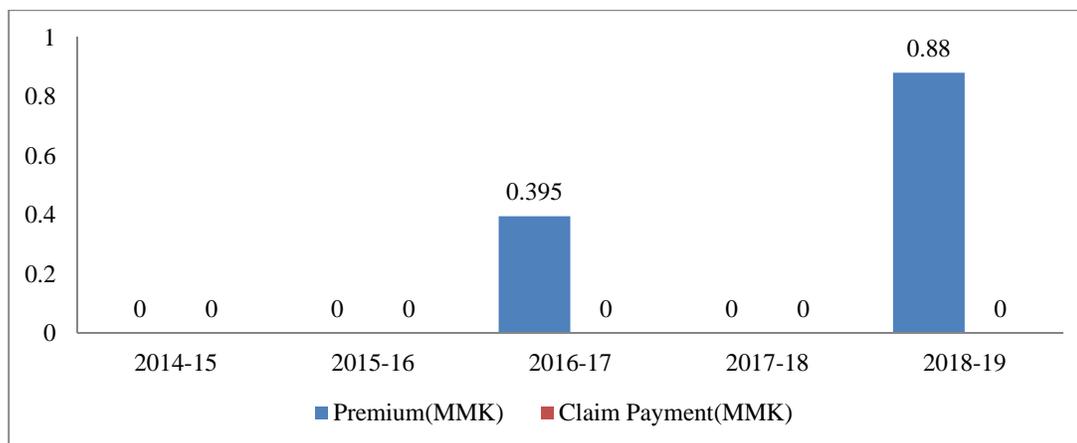


Source: Annual Report of AMMM Insurance Co.,Ltd (2018-19)

6) Sportsman Life Insurance

Premium income for sportsman life insurance in 2016-17 was 0.395 million kyats but there was no claim payment. But, in 2018-19, the premium income was 0.880 million kyats and claim payment was 0.200 million kyats (Annual Report of AMMM Co.,Ltd, 2018-19) .

Figure (3.7) Sportsman Life Insurance Annual Premium Income and Claim Payment from 2014 to 2019

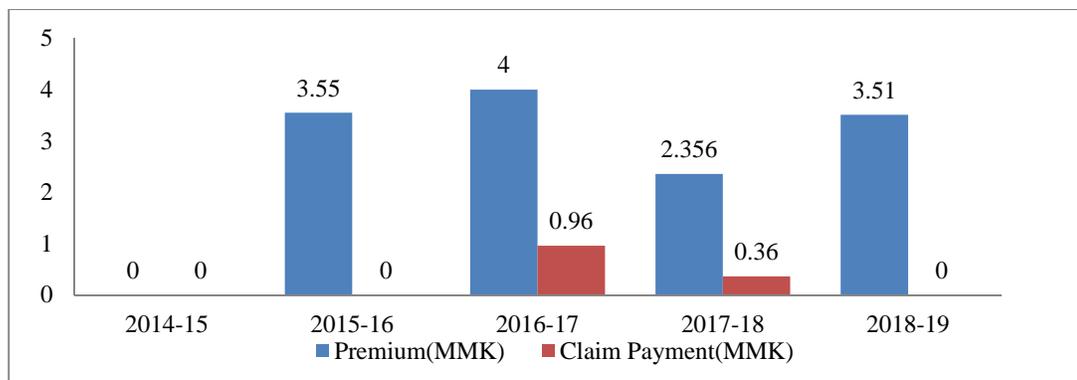


Source: Annual Report of AMMM Insurance Co.,Ltd (2018-19)

7) Health Insurance

Premium income for health insurance in 2015-16 fiscal year was 3.550 million kyats but there was no claim payment. The premium income in 2018-19 decreased slightly to 3.510 million kyats but there was no claim payment (Annual Report of AMMM Co.,Ltd, 2018-19) .

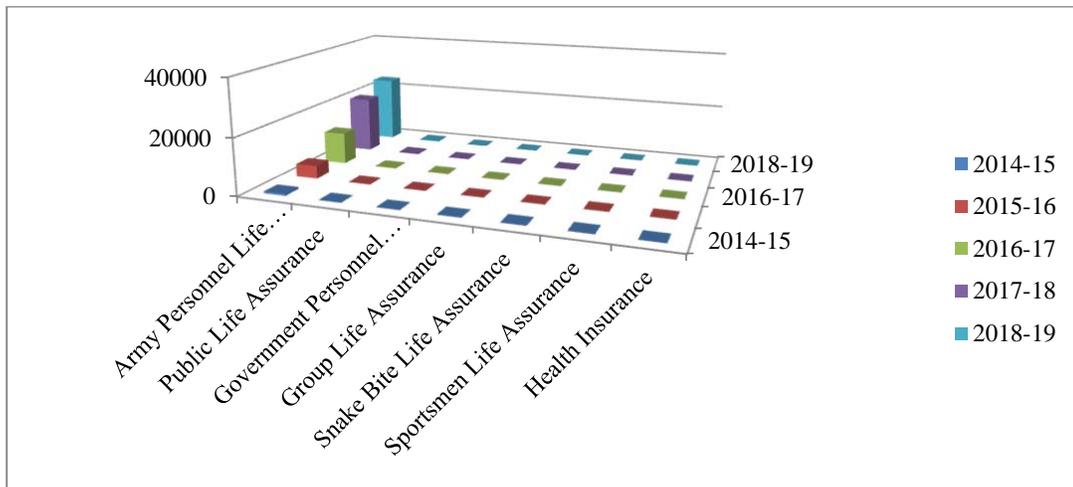
Figure (3.8) Health Insurance Annual Premium Income and Claim Payment (2014-19)



Source: Annual Report of AMMM Insurance Co.,Ltd (2018-19)

Among 7 kinds of insurance products provided by Aung Myint Moh Min Insurance Company Limited, annual premium income obtained from army personnel life insurance product within 5 years from 2014 to 2019 achieved significant growth rate, whereas premium income obtained from other kinds of insurance product was under 500 million kyats.

Figure (3.9) Premium Income in Fiscal Year (2014 - 2019)



Source: Annual Report of AMMM Insurance Co.,Ltd (2018-19)

3.4 Persistency Ratio of Life Insurance Products

Persistency ratio helps understand how the customers of AMMM life Insurance Company renew their policies every year over the policy period and shows a snapshot of the health of the company. In the chart below shows the comparison of 61st month persistency ratio between AMMM Insurance Company Limited, Myanmar Insurance and Aung Thit Sar Oo Insurance Company.

$$\text{Persistency Ratio} = \frac{\text{Number of policyholder paying the premium (NPPP)}}{\text{Net active policyholders (NAP)}} \times 100$$

Table (3.1) Persistency Ratio of AMMM Insurance Company Limited and other Insurance Companies

Life insurer	NPPP	NAP	61st month per persistency ratio
Aung Myint Moh Min Insurance Co.,Ltd	278750	288428	96.64%
Myanma Insurance	20148	255373	7.89%
Aung Thit Sar Oo Insurance Company	4421	684038	0.65%

Source: Myanmar Statistical Year Book,2018

According to the table above, AMMM life Insurance Company has the highest persistency ratio, which implies that customers of AMMM life Insurance Company are satisfied with the product portfolio, customer service, post sales service, product utility, returns on their product and customer loyalty.

CHAPTER IV

ANALYSIS ON CUSTOMER PERCEPTION ON LIFE INSURANCE SERVICE OF AUNG MYINT MOHMIN INSURANCE Co.,Ltd

This chapter is divided into two main parts, design and area of survey analysis, explaining and interpreting the tables and graphs.

4.1 Research Design

The aim of this study is to analyse customer perception towards Life Insurance service provided by Aung Myint Moh Min Insurance Company Limited, their views and comments about Company's structure, unstructured interviews (sample size) of 100 customers of different insurance products in the duration of three weeks. To implement the aims of the study, a sample survey was conducted to obtain the required data, with the questionnaire mentioned in the Appendix (B). Using the Random Sampling Technique, sample customers are chosen from the existing customers of AMMM Insurance Co.,Ltd. In the process of selecting the sample customers, a customer is randomly chosen first, and then Descriptive Research Method is used for 7 products of customers (respondents). Yangon region was selected as the study area. This study was conducted on the 100 respondents who lived in different townships of Yangon. They had different insurance products of AMMM Insurance Co.,Ltd.

4.2 Demographic Profile of Respondents

This section describes the demographic profile of customers (respondents) such as gender, age, education, occupation, monthly income and percentage of saving on salary.

Table (4.1) clearly explains the demographic profile of the respondents and it helps to reveal that majority 69% of the respondents are from the age group of below 31 years, the present study has 66% of female respondents, 73% of the respondents are completed their graduate, 80% respondents are service, 77% of respondents are earning the monthly income between MMk 1 Lakh - 5 Lakh, 50% of respondents are percentage of saving on salary between 11% - 20% and above all this table gives an idea that the present study was focused targeted people at the maximum to measure the service quality level of AMMM Insurance Co.,Ltd.

Table (4.1) Demographic of Customers (Respondents)

Parameters	No. of. Respondents	Percentage
Gender		
Male	34	34
Female	66	66
Total	100	100
Age		
Below 31	69	69
31-40 years	25	25
41-50 years	3	3
51-60 years	3	3
60 years and above	-	-
Total	100	100
Education		
Undergraduate	27	27
Graduate	73	73
Post Graduate	-	-
Doctorate	-	-
Total	100	100
Occupation		
Student	4	4
Service	80	80
Below 31	69	69
Self Employed	-	-
Others	16	16
Total	100	100
Monthly income (Kyats)		
Below 1 Lakh		
1 Lakh-5 Lakhs	77	77
5 Lakhs-10 Lakhs	3	3
Above 10 Lakhs	20	20
Total	100	100
Percentage of saving on salary		
Up to 11%	37	37
12 % - 20 %	50	50
21 % - 30 %	12	12
Above 30 %	1	1
Total	100	100

Source: Survey data, 2019

4.3 Analysis of Customer's Buying Behaviour on Life Insurance Products

This section describes the sample respondents of AMMM Insurance Co.,Ltd customers. There are three factors customers take into account when buying life insurance products. They are type of life insurance product, purpose of buying the life insurance products and terms of life insurance.

1) Type of Life Insurance Products Purchased by Respondents

In this section, the type of products mostly the respondents used is divided into 7 products. Table (4.2) shows the type of life insurance products purchased by respondents.

Table (4.2) Type of Life Insurance Products Purchased by Respondents

Name of the Life Insurance Products	No. of Respondents	Percentage
Government Personnel Life Assurance	5	5
Army Personnel Life Assurance	60	60
Public Life Assurance	15	15
Group Life Assurance	5	5
Snake Bite Life Assurance	7	7
Sportsmen Life Assurance	3	3
Health Insurance	5	5
Total	100	100

Source: Survey data 2019

Table (4.2) helps to reveal the proportion of the inclusions (insurance products) in the study; Army Personnel Life Assurance 60% was found to have the overwhelming influence on the other product (Government Personnel Life Assurance 5%, Public Life Assurance 15% , Group Life Assurance 5% , Snake Bite Life Assurance 7% , Sportsmen Life Assurance 3% and Health Insurance 5%).

2) Respondent Purpose of Buying the Life Insurance Products

For this study, there are five purposes among the respondents for buying the life insurance. Table (4.3) shows the purpose.

Table (4.3) Respondents Purpose of Buying the Life Insurance Products

Purpose of Buying the Insurance Products	No. of Respondents	Percentage
Premium Outflow	12	12
Company Reputation	23	23
Service Quality	28	28
Product Quality	7	7
Return on Investment	30	30
Total	100	100

Source: Survey data, 2019

From the above results out of the total respondents, 30% of customers bought the Insurance Products for the purpose of return on investment.

3) Terms of Life Insurance Products customers prefer (affordability)

Table (4.4) shows the terms of life insurance the customers prefer.

Table (4.4) Terms of Life Insurance Products customers prefer (affordability)

Terms of Life Insurance	No. of Respondents	Percentage
Short Term	57	57
Long Term	16	16
Both	27	27
Total	100	100

Source: Survey data, 2019

The result above depicts that among the total one hundred customers who insured 57% used Short Term Life Insurance Products, 27% used both Terms of Life Insurance Products and 16% used Long Term Life Insurance Products.

4.4 Analysis of factors influencing the Customer Satisfaction

In this factors of customer satisfaction are designed to obtain the satisfaction towards the customer perception. These are reliabilities, assurances, tangible, empathy and responsiveness.

1) Reliabilities of Life Insurance Services

The customers rely on the ability of the service provider to perform the service according to the commitment the service providers made. Table (4.5) presents mean for each questionnaire related to reliabilities and overall average mean.

Table (4.5) Reliabilities of Life Insurance Services

No.	Statement	Mean	Std.Dev
1.	Premium paid is too low as compared to the benefits derived.	3.40	0.865
2.	The benefits derived from your life insurance is satisfactory.	4.00	0.711
3.	The customers of AMMM Insurance Co.,Ltd, have no difficulties in purchasing the life insurance products and making claims.	4.30	0.560
4.	Claims of pre-mature death payment is fully settled in case of death.	4.33	0.551
	Average Mean		4.01

Source: Survey data, 2019

As for insurance service, the policy holders expect to get what is expressed in the contract which is made when buying the product. There are many factors which show the reliabilities of the insurance company. Among them, the factor that claims of pre-mature death payment is fully settled in case of death has the highest mean with 4.33, which shows the customers perceive that the company is reliable for keeping the promise it has made.

2) Assurance of Company Staff

Most of the customers in Myanmar who first make the purchase of insurance products are ignorant of what and how they will get the benefits from buying insurance products, and which insurance company is trustworthy. They seek assurance on insurance company. Mean for each questionnaire related to assurance on AMMM Insurance Co.,Ltd and overall average mean are described in the table (4.6) .

Table (4.6) Assurances of Company Staff

No.	Statement	Mean	Std.Dev
1.	Agents or insurance staff from AMMM Insurance Co.,Ltd, explain in details the advantages and disadvantages of each type of insurance product to the customers.	4.13	0.544
2.	Staff of AMMM Insurance Co.,Ltd explain patiently to the customers about the nature of insurance service.	4.10	0.541
3.	All the staff at AMMM Insurance Co.,Ltd are skilled in insurance service.	3.96	0.710
4.	There is transparency of relationship between the customers and the Staff of AMMM Insurance Co.,Ltd.	3.89	0.601
	Average Mean		4.02

Source: Survey data, 2019

It is essential for customers to have knowledge of insurance service and information about insurance company they are going to buy the insurance product from when making the purchase of insurance products. That is why, the factors that agents or staff from AMMM Insurance Co.,Ltd explain the advantages and disadvantages of each type of insurance product to the customers is the highest mean with 4.13, which means that they get the required information and have trust in AMMM Insurance Co.,Ltd.

3) Tangibles of AMMM Co.,Ltd

Tangibles an insurance company owns include the appearance of physical facilities, equipment, personnel, communication materials and the products provided by the company that can be measured. Table (4.7) describes the means for each questionnaire related to tangibles and average mean.

All or each of tangibles can help contribute to the customer satisfaction. The factor that bonus plan on short term life insurance product provided by AMMM Insurance Co.,Ltd is satisfactory has the highest mean with 4.22, which means that the customers prefer the short term life insurance product to other life insurance product.

Table (4.7) Tangible of AMMM Co.,Ltd

No.	Statement	Mean	Std.Dev
1.	Communication between the company and the customers are quick due to modernized communication devices applied by AMMM Insurance Co.,Ltd.	4.14	0.513
2.	The customers can obtain the necessary information from any agents of AMMM Co.,Ltd all over the country.	4.15	0.479
3.	It is convenient to get direct access to the information about AMMM Co.,Ltd through AMMM website.	3.99	0.628
4.	Bonus plan on short time life insurance product provided by AMMM Con.,Ltd is satisfactory.	4.22	0.462
Average Mean		4.13	

Source: Survey data, 2019

4) Empathy for the customers AMMM Co.,Ltd

Empathy is the provision of caring and individualized attention to customers. Every customer wants to have individualized attention from the service provider. Table (4.8) presents mean for each questionnaire related to empathy and overall mean.

Table (4.8) Empathy for the customers AMMM Co.,Ltd

No.	Statement	Mean	Std.Dev
1.	The customers are pleased with the fact that terms and conditions of the contract are explained individually to the customers by AMMM Insurance Co.,Ltd at the time of taking out policy.	4.14	0.427
2.	It is convenient that AMMM insurance Co.,Ltd sends notices for payment of premium when premium becomes due so that premium is paid by the customer in time and no penalty be imposed.	4.18	0.500
3.	The staff of AMMM Co.,Ltd, make every customers from all walks of life convinced the benefits they can get from buying insurance products.	3.86	0.725
4.	Giving advice and information about insurance service to individual customer through phone and e-mail are very supportive.	4.08	0.580
Average Mean		4.07	

Source: Survey data, 2019

All the customers are more satisfied with the products if they are individually attended to by the company. So, not only providing better quality products but also caring each customer attentively is necessary to have customer satisfaction. The factor that AMMM Insurance Co.,Ltd sends notice for payment of premium when premium becomes due so that premium is paid by the customer in time and no penalty be imposed has the highest mean, which shows that AMMM Insurance Co.,Ltd pays attention to individual customer.

5) Responsiveness of Company Staff

Promptness in providing service and dealing with the customer’s complaints play an important role in achieving business’ success and customer satisfaction. Table (4.9) shows mean for each questionnaire regarding responsiveness of AMMM Insurance Co.,Ltd and average mean.

Table (4.9) Responsiveness of Company Staff

No.	Statement	Mean	Std.Dev
1.	Death claims are promptly settle by AMMM Co.,Ltd.	4.05	0.386
2.	There are quick and easy procedures in buying insurance policy and making claims at AMMM Co.,Ltd	3.86	0.532
3.	The Company deals with the customer complaints immediately.	4.20	0.512
4.	Issue of duplicate of insurance contract is easy and prompt if the original is lost.	3.82	0.716
Average Mean		3.96	

Source: Survey data, 2019

Every customer hates being kept waiting for the service they buy and response to the complaint from the company. The factor that the company deals with the customer’s complaints immediately has the highest mean with 4.20, which shows the promptness of AMMM Insurance Co.,Ltd in giving service and dealing with the complaints.

4.5 Overall Satisfaction on AMMM Co.,Ltd

In this study, factors which influence the customer satisfaction are analyzed to discover which factor mainly contributes to the customer satisfaction. Table (4.10) presents the outcome resulting from the analysis of factors which influence the customer satisfaction by arranging the most contributory factors in rank.

Table (4.10) Comparison for Customer's Perception on Life Insurance

No.	Component	Mean	Rank
1	Reliability	4.01	□v
2	Assurance	4.02	III
3	Tangible	4.13	□
4	Empathy	4.07	II
5	Responsiveness	3.98	v

Source; Survey data, 2019

According to the table (4.10), it is found that the most contributory factor to customer satisfaction is tangibles, which means the customers of AMMM Insurance Co.,Ltd prefer tangibles factor to other factors. The customers derive satisfaction from tangibles factor, including physical facilities, staff of AMMM Insurance Co.,Ltd and products provided. The second most attractive factor to the customers is empathy, which includes caring, hospitability and attention of the staff and the company itself given to the customers. The least contributory factor is responsiveness, which shows AMMM Insurance Co.,Ltd needs to improve its image in the insurance industry in Myanmar.

CHAPTER V

CONCLUSION

This chapter describes the finding from the analysis of customer perception on life insurance service in Aung Myint Moh Min Insurance Company Limited, suggestion and as well as need for further study.

5.1 Findings

The present study is to identify the growth of different types of Life Insurance Products provided by Aung Myint Moh Min Insurance Company Limited and to find out, whether the customers of AMMM Insurance Company Limited have growing perception towards the service quality of the company or not. The study was conducted on the 100 respondents randomly selected from the existing customers having different insurance products of AMMM Insurance Company Limited, being interviewed through a structured questionnaires.

According to the result obtained from the study, short term life insurance product (tangibles) was found out to be the most favourite product among the customers of AMMM Insurance Co.,Ltd due to its bonus plan an short term life insurance, which overlap the fact that short term Army Personnel Life Insurance Product was the most preponderant kind of insurance product among 7 kinds of life insurance provided by AMMM Insurance Company Limited because the majority of the respondents were found out to be those who have Army Personnel Life Insurance product when 100 customers of AMMM Insurance Company Limited. As it can be seen from the annual budget report of AMMM Insurance Company Limited, premium insurance obtained from army personnel life insurance product was found the most. This is due to the facts that army personnel are under compulsion to have their lives insured, they tend to follow the rules and regulation obediently, there is no complicated procedure for paying premium in AMMM Insurance Company Limited, there is no delay in dealing with the claims, annual redemption is enact and prompt, in addition to the sum insured, bonus is offered and the communication between the company and its customers is smooth and quick on account of having local representatives in different parts of the country. What is more, persistency ratio obtained from comparing with other life insurance companies shows that the customers renew their policies regularly and they place great trust in Aung Myint Moh Min Insurance Company Limited.

5.2 Suggestions

Aung Myint Moh Min Insurance Company Limited is a kind of company which provides life insurance product only and most of the customers are army personnel, who compulsorily have to insure their lives at AMMM Insurance Company Limited. As a result, AMMM Insurance Company Limited has loyal customers and the lion's share of life insurance product market. But foreign insurance companies have been allowed to conduct insurance business through merging with local companies, which has given rise to competitive insurance market in the country. AMMM Insurance Company Limited should take great care of upholding the existing customers and making every possible attempt to increase the potential customers. In addition, propaganda message should be delivered through media such as radio, magazines, television, internet, particularly through social media to the whole public as well as army personnel and their families that the benefits they would get from insuring their lives at AMMM Insurance Company Limited. Public should be made convinced that buying life insurance policy is like saving money at a bank and a definite a certain amount of bonus depending on the total amount of premium, unless the policyholder passes away after a specific term agreed , or on death, and a certain amount of loan can be taken out. If the government, in addition to insurance companies, can spread the knowledge of insurance service among the mass, the general public, including government personnel and private employees, will become interested in life insurance, and life insurance service will flourish in Myanmar.

5.3 Needs for Further Study

This study emphasizes on the customer perception on life insurance service in Aung Myint Moh Min Insurance Company Limited. The study itself is restricted in the sense that it covers Aung Myint Moh Min Insurance Co., Ltd only. At present, insurance sector needs to be developed and so the customer perception on the life insurance products is more important. Further research needs to be conducted, regarding the awareness of the individual product of life insurance and how to improve positive perception towards life insurance products.

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Appendix (A)

1. Government Service Personnel Life Assurance

Government service Personnel Life Assurance shall effect compulsory life assurance under Chapter VI, Section-13 of the Myanmar Insurance Law 1993.

- a) Limit of age is from 18 to 55.
- b) Government servants under the age of 50 shall effect compulsory life assurance.
- c) Government servants over the age of 55 are exempt from compulsory life assurance.
- d) The maximum sum insured is kyats 30 million.
- e) Premium is calculated based on the term of insurance policy and sum insured.
- f) If the proposer is between the age of 18 and 50 and/or the sum insured is under kyats 1,000,000/- the proposer is exempt from having the medical check-up.
- g) If the sum insured is over kyats 1,000,000/- and/or the proposer is above the age of 50, he must have medical check-up by a specialist. (Medical report in respect of X-rays, E.C.G, Ultra Sound, Diabetes, Hepatitis B and Hepatitis C is to be submitted.)
- h) Premium payable by the assured shall not be exceeded 15% of his/her monthly salary under Chapter II, Section – 3 of the Life Insurance Rules.
- i) If the sum insured is kyats 10,000/-, the minimum monthly premium will be kyats 18.40/- or the maximum monthly premium will be kyats 173.92/-.

2. Army Personnel Life Assurance

The Army Personnel Life Assurance shall effect compulsory under Chapter VI , Section-13 of the Myanmar Insurance Law 1993.

- a) The officers and other ranks between the age of 18 and 55 shall be effected by this compulsory life assurance.
- b) The maximum sum insured is kyats 30 million.

- c) The military personnel life assurance policy can be purchased for 5 or 10 years term.
- d) Insurance cover commences at the date of premium payment starts.
- e) If the sum insured is kyats10,000, the minimum monthly premium will be kyats166.30/- or the maximum monthly premium will be kyats 176.40/-for five-year-term life assurance policy subject to his/her age.
- f) The new version of Army Personnel Life Assurance has been underwritten since 8.1.2016. Premium is calculated based on the 5 years (60 months).

3. Public Life Assurance

- a) A citizen can purchase this policy voluntarily.
- b) Limit of age is from 10 to 55.
- c) The minimum sum insured is kyats 100,000/- and the maximum sum insured, kyats 30 million.
- d) If the sum insured is over kyats 1,000,000/-, the proposer must have the medical check-up by a specialist. (Medical report in respect of X-rays, E.C.G, Ultra Sound, Diabetes, Hepatitis B, Hepatitis C is to be submitted.)
- e) Premium can be paid in monthly, quarterly, biannual or annual installment.
- f) Public life assurance policy can be purchased for 5, 10 or 15 years term.
- g) If sum insured is kyats 100,000 for five-year-term policy subject to age of the proposer, the annual premium will vary from Ks.20472.00/- (minimum) to Ks. 21732.00/-(maximum).

Insurance Policy Stamp Fee

Type	Cost
Up to sum insured kyats 25,00/-	- kyats 10
From above sum insured Ks.2,500/- up to Ks.50,000	- kyats 20
From above sum insured Ks.50,000/- up to Ks.100,000	- kyats 30
Each and every Ks. 100,000	- kyats 30
Group life assurance (for one group)	- kyats 10

The opportunities of life assurance

- a) The proposer can claim surrender, maturity, death, loan, discounted value, and permanent disablement for public life assurance.
- b) The proposer can claim surrender, maturity, death, loan, paid up value, and permanent disablement for government service personnel life assurance.
- c) The proposer can claim surrender, maturity, death, loan, discounted value, and permanent disablement for military personnel life assurance.

4. Group Life Assurance

- a) This insurance can be purchased by the employer or the employees voluntarily.
- b) Limit of age is from 18 to 60.
- c) There must be at least 5 members/employees in one group.
- d) The insured (employees) must be apparently in good health including recommendation of employer.
- e) The minimum sum assured is kyats 10,000/- and the maximum sum insured, kyats 5 million for each member.
- f) The policy term is 1 year.
- g) If the proposer is between the age of 18 and 45 and/or the sum insured up to kyats 1,000,000/-, the proposer is exempt from having a medical check-up.
- h) If the sum insured is over kyats 1,000,000/- and/or the proposer is over the age of 45, he must have a medical check-up by a specialist.
- i) For the sum insured kyats 10,000, the premium will be kyats 100 per each member for one year-term.
- j) The insured can extend the another term before the expiry of the current term by their consent.
- k) 100% of the sum insured is to be paid in the case of the permanent total disablement of the insured.

- l) A worker included in the insurance list cannot get the compensation for death and body injury that were occurred on the day and after he had dismissed or left from his work.
- m) The worker cannot get compensation for injury got from committing offences by himself intentionally.
- n) If death or injury were occurred, the beneficiary could claim the compensation to Insurance Company by sending information of the accident within one month.

5. Snake Bite Life Assurance

Snake bite life assurance has been underwritten since 1.7.2004.

- a) No limit of age and gender.
- b) Adult proposer can purchase on behalf of relative child.
- c) The sum insured is kyats 500,000/- per unit, the premium for one year is kyats 500/-.
- d) One proposer can purchase up to 10 units, the maximum sum insured is kyats 5,000,000/-.
- e) If the insured died by snake bite within the covered period, the beneficiary can claim benefit of kyats 500,000 and the maximum kyats 80,000/- for medical treatment of the injury.
- f) If the insured needs to go to hospital, he/she has a chance to gain kyats 1,000/- per day mostly allow maximum 7 days and kyats 5,000 for transportation charges as the compensation.
- g) After being bitten by the snake, if it doesn't need to worry about the insured's life the maximum benefit of kyats 250,000/- will be paid by the recommendation of health department for total and irrecoverable loss of sight for both eyes, loss of limbs and permanent total disablement.
- h) If death or injury were occurred, the beneficiary could claim the compensation by submitting the following documents to Myanmar Insurance within 6 months inceptor date of snake bite;

- i) Recommendation of medical treatment at the rural health center, or the cottage hospital, or the township, or the department of health
- j) The copy of the hospitalization treatment report document
- k) The copy of death certificate document
- l) Recommendation of the ward administration

6. Sportsmen Life Assurance

Sportsmen life assurance has been underwritten since 31.10.2007.

- a) Sportsman life assurance can be purchased by everyone at the schooling age of Myanmar selection and athletes between the age of 10 and 60 who are from quarter, village, township, district and divisional areas.
- b) Athletes can purchase the maximum sum insured kyats 5,000,000/-.
- c) For the sum insured kyats 1,000,000/- (one unit) for one year-term, the premium is kyats 5,000/- for what ever sports.
- d) If the insured lose their life while participating in the competition and in the training, the beneficiary can claim kyats 1,000,000/-.
- e) If the insured got injury, appropriate amount of benefit based on the remark of the doctor in the medical report and in accordance with the terms of rate shall be paid.
- f) Myanma Insurance underwrites this insurance as exemption of medical check-up.
- g) The proposer can mention the nominated beneficiary in the proposal.
- h) The caddie can also purchase this insurance together with the golfer.
- i) When the selected representative athletes of the country go and compete in the foreign country, the athletes can get the cover of the maximum kyats 1,000,000/- for death and the maximum kyats 10,000/- per-week, up to 52 weeks is entitled for hospitalization.

The premium for the trip of sportsman life assurance;

7days	- premium Ks.500/-
One month	- premium Ks.1,000/-

The trip of sportsman life assurance is underwriting as one year-term life assurance.

7. Health Insurance

- a) The new version of Health Insurance has been underwritten since 1.2.2019.
- b) Health Insurance cover can be purchased by every person between the age of 6 and 75 who is in good health.
- c) Together with the Basic Health Insurance cover, one can also purchase Select Health Insurance cover (1) and (2).
- d) One can purchase Select Health Insurance covers only after he/she has purchased 1 unit of Basic Health Insurance cover.
- e) The units of the Select Health Insurance covers must not exceed the units of Basic Health Insurance cover purchased.
- f) After one unit of Basic Health Insurance cover has been purchased, one unit to ten units of the Select Health Insurance cover (1) & (2) could be freely purchased according to one's consent.
- g) The table of the rate of premium for Health Insurance is shown as the appendix.
- h) The policy term is 1 year.
- i) For 1 unit of Basic Health Insurance cover, the insured could request 10,000 kyats per day for the maximum 60 days in the case of accidental hospitalization expenses. 1,000,000 kyats could be claimed in the case of death by accident and disease.
- j) For 1 unit of Select Health Insurance cover (1), the insured can claim minimum of 500,000 kyats for expense of surgical case. And kyats 1,000,000 could also be claimed for the accidental death, death by disease and total disability.
- k) For 1 unit of Select Health Insurance cover (1), in the case of losing pregnancy, the insured could claim 300,000 kyats, and maximum of 500,000 kyats \times units of Select Health Insurance cover (1) where surgical case is needed.
- l) For 1 unit of Select Health Insurance cover (2), kyats 2,500 per units could be claimed in the case of hospitalization or clinic.

- m) The insured must inform the insurer for his/her hospitalization and clinic he/she could claim the benefit during 4 times of post-hospitalization or clinic for maximum 10,000 kyats per unit.
- n) Health Insurance could be underwritten through insurance agents.
- o) 10% of the premium is the commission for the agents.
- p) The insured must submit the requirements for the benefit requested by the insurer in 3 months. If not, the insured would lose his/her benefit.

The rate of Health Insurance Premium

No	Health Insurance Cover	Age groups	Individual		Grouping			
			Twice a year premium	Gross amount	Monthly Premium	Quarterly Premium	Twice a year premium	Gross amount
1	Basic Health Insurance Cover 1 Unit	6-30	5,600	11,000	1,000	2,800	5,300	10,500
		31-40	7,300	14,300	1,200	3,600	6,900	13,600
		41-50	9,000	17,600	1,500	4,400	8,600	16,700
		51-60	14,600	28,600	2,500	7,100	13,900	27,200
		61-75	31,400	61,600	5,300	15,400	29,800	58,500
2	Select Health Insurance Cover (1) 1 Unit	6-75	8,400	16,500	1,400	4,200	8,000	15,700
3	Select Health Insurance Cover (2) 1 Unit	6-75	4,500	8,800	800	2,200	4,300	8,400

Appendix (B)

Survey Questionnaires Form

Dear respondent,

This questionnaire is aimed at understanding your perception about Aung Myint Moh Min Insurance Co.,Ltd . Your response will be dealt with strict confidentiality and it will be used only for academic purpose. Thank you for spending your valuable time to fill this questionnaire.

Name: -----

Please tick (✓) the option that relates to you.

Part – A; Demographic Profile

Gender **Male** **Female**

1) Age Group

- a) Below 31
- b) 31 – 40 years
- c) 41 – 50 years
- d) 51 – 60 years
- e) 60 years and above

2) Educational Qualification

- a) Undergraduate
- b) Graduate
- c) Post Graduate
- d) Doctorate

3) Occupation

- a) Student
- b) Service
- c) Self Employed
- d) Others

4) Monthly Income

- a) Below 1 Lakh
- b) 1 Lakh – 5 Lakh
- c) 5 Lakh – 10 Lakh
- d) Above 10 Lakh

5) What Percentage of Salary do you save?

- a) Up to 11 %
- b) 11 – 20
- c) 21 – 30 %
- d) Above 30 %

Part – B; Customer’s Practice of Buying Life Insurance Products

6) What kinds of Life Insurance Products do you prefer?

- a) Army Personnel Life Insurance Product
- b) Public Life Insurance Product
- c) Government Personnel Life Insurance
Product
- d) Group Life Insurance Product

e) Snake bite Life Insurance Product

f) Sportsman Life Insurance Product

g) Health Insurance Product

7) What factors do you consider while selecting a life insurance company?

a) Premium Outflow

b) Company Reputation

c) Service Quality

d) Product Quality

e) Return on Investment

8) What Kind of Investment do you prefer?

a) Short Term

b) Long Term

c) Both

Part – C; Customer Perception on life insurance service

To what extent, do you agree with the following factors in choosing life insurance service?

Scale definition: (5 = Strong Agree, 4 = Agree, 3 = Neutral, 2 = Disagree, 1 = Strongly Disagree)

Reliabilities	Degree				
	5	4	3	2	1
Premium paid is too low as compared to the benefits derived.					
The benefits derived from your life insurance is satisfactory.					
The customers of AMMM Insurance Co.,Ltd, have no difficulties in purchasing the life insurance products and making claims.					
Claims of pre-mature death payment is fully settled in case of death.					
Assurance	5	4	3	2	1
Agents or insurance staff from AMMM Insurance CO.,Ltd, explain in details the advantages and disadvantages of each type of insurance product to the customers.					
Staff of AMMM Insurance Co.,Ltd, explain patiently the customers about the nature of insurance service.					
All the staff at AMMM Insurance Co.,Ltd are skilled in insurance service.					
There is transparency of relationship between the customers and the Staff of AMMM Insurance Co.,Ltd.					
Tangible	5	4	3	2	1
Communication between the company and the customers					

are quick due to modernized communication devices applied by AMMM Insurance Co.,Ltd.					
The customers can obtain the necessary information from any agents of AMMM Co.,Ltd all over the country.					
It is convenient to get direct access to the information about AMMM Co.,Ltd through AMMM website.					
Bonus plan on short time life insurance product offered by AMMM Con.,Ltd is satisfactory.					
Empathy	5	4	3	2	1
The customers are pleased with the fact that terms and conditions of the contract are explained individually to the customers by AMMM Insurance Co.,Ltd at the time of taking out policy.					
It is convenient that AMMM insurance Co.,Ltd send notices for payment of premium afterwards when premium becomes due so that premium is not paid by the customer in time and penalty be imposed.					
The staff of AMMM Co.,Ltd, make every customers from all walks of life convinced the benefits they can get from buying insurance products.					
Giving advice and information about insurance service to individual customer through phone and e-mail are very supportive.					
Responsiveness	5	4	3	2	1
Death claims are promptly settle by AMMM Co.,Ltd.					
There are quick and easy procedures in buying insurance policy and making claims at AMMM Co.,Ltd					
The Company deals with the customer complaints immediately.					
Issue of duplicate of insurance contract is easy and prompt if the original is lost.					