

**YANGON UNIVERSITY OF ECONOMICS**  
**DEPARTMENT OF MANAGEMENT STUDIES**  
**MBA PROGRAMME**

**FACTORS INFLUENCING CUSTOMER ATTITUDE**  
**TOWARDS CAR INSURANCE BUYING BEHAVIOUR ON**  
**FIRST NATIONAL INSURANCE (FNI)**

**WIN NWE KHINE**

**EMBA II - 18**

**EMBA 16<sup>th</sup> BATCH**

**DECEMBER, 2019**

**YANGON UNIVERSITY OF ECONOMICS  
DEPARTMENT OF MANAGEMENT STUDIES  
MBA PROGRAMME**

**FACTORS INFLUENCING CUSTOMER ATTITUDE  
TOWARDS CAR INSURANCE BUYING BEHAVIOUR ON  
FIRST NATIONAL INSURANCE (FNI)**

**ACADEMIC YEAR (2017 - 2019)**

**Supervised By:**

Dr. Yan Yan Myo Naing  
Associate Professor  
Department of Management Studies  
Yangon University of Economics

**Submitted By:**

Win Nwe Khine  
EMBA II - 18  
EMBA 16<sup>th</sup> Batch  
2017 - 2019

**DECEMBER, 2019**

**YANGON UNIVERSITY OF ECONOMICS**  
**DEPARTMENT OF MANAGEMENT STUDIES**  
**MBA PROGRAMME**

**FACTORS INFLUENCING CUSTOMER ATTITUDE**  
**TOWARDS CAR INSURANCE BUYING BEHAVIOUR ON**  
**FIRST NATIONAL INSURANCE (FNI)**

“A thesis submitted to the Board of Examiners in partial fulfillment of the requirements for the degree of Master of Business Administration (MBA)”

**Supervised By:**

**Submitted By:**

Dr. Yan Yan Myo Naing  
Associate Professor  
Department of Management Studies  
Yangon University of Economics

Win Nwe Khine  
EMBA II - 18  
EMBA 16<sup>th</sup> Batch  
2017 - 2019

**DECEMBER, 2019**

## **ACCEPTANCE**

This is to certify that the thesis entitled “Factors Influencing Customer Attitude towards Car Insurance Buying Behaviour on First National Insurance (FNI)” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

### **Board of Examiners**

-----  
**(Chairman)**

**Dr. Tin Win**

**Rector**

**Yangon University of Economics**

-----  
**(Supervisor)**

-----  
**(Examiner)**

-----  
**(Examiner)**

-----  
**(Examiner)**

**December, 2019**

## **ABSTRACT**

This paper aims to explore the factors influence on car insurance customer attitude and to analyze the influencing customer attitude on buying behavior of First National Insurance (FNI) car insurance. This study is thoroughly done based on responses of 120 respondents from FNI car insurance customers with structure questionnaire. The result shows that both social factors and marketing factors influence on customer attitude. The result proves that marketing factors affect on cognitive and affective attitude and social factors affect on affective and conative attitude. In addition, it is found that all three attitudes positively affect buying behavior of car insurance at FNI. Among three attitudes, conative has the greatest contribution to increase the buying behavior of customers. Therefore, it is suggested that FNI should more focus on people, price, promotion and place among marketing factors and nurturing good reputation of business to attain the positive word of mouth behavior of customer in order to influence customer attitude and encourage buying behavior of customers.

# **CHAPTER (1)**

## **INTRODUCTION**

In this globalization era, the insurance sector becomes a more and more critical component for the national economic and financial development. Consumer behaviour is the actions and decision processes of people who purchase goods and services for personal consumption. Consumer behaviour is defined as the behaviour that consumers display in searching for purchasing, using, evaluating and disposing of products, services and ideas. Consumer behaviour focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption related items. Consumer attitude is a learned predisposition to behave in a consistently favourable or unfavourable way with respect to a given object. Attitudes are learned from direct experience with the product, word-of-mouth, exposure to mass media, and other information sources that consumers are exposed to. As Schiffman has defined, “Attitudes are an expression of inner feelings that reflect whether a person is favourably or unfavourably predisposed to some “object” (e.g., a brand, a service, or a retail establishment),” and “Attitude formation, in turn, is the process by which individuals form feelings or opinions toward other people, products, ideas, activities, and other objects in their environment”.

Understanding consumer behaviour is essential for marketers to satisfy their customers’ requirement. Changing the buying behaviour is one of the most difficult things to carry out and find out than other changes such as technology, political system and others. Achieving the success of a company also depends on the understanding of its consumer attitude. Better understanding of consumer attitude can increase the consumer awareness, improve brand image and increase sale volume of the products. Understanding consumer attitude and fulfilling their needs and wants is important to create positive attitude toward the products, to increase the brand image in consumers’ mind and to maintain long term relationship with the consumers. In order to sustain customer relationship it is essential to gauge consumer attitude by conducting marketing research.

This study focuses on the customer attitude and customers buying behaviour of First National Insurance (FNI). These days the quantity of vehicles out and about had expanded, as are the mishaps. Right now, insurance for fire protection, vehicle protection, bunch life coverage, unique travel protection, medical coverage and marine load protection are the

more mainstream strategies in Myanmar, as per Global World Insurance. With the development of the motor car, car insurance also evolved, adapting itself as and when methods of motoring have progressed. Car insurance reflected both the strong competition between car insurers and the decrease in new car sales as a result of the economic slowdown. In time of economic crisis, such activity taken up by the insurers becomes particularly significant and may influence the profitability of conducted business. First National Insurance (FNI) car insurance market has experienced many changes, especially in the functioning of compulsory third part liability insurance, what leads to many discussions on the present shape of the system, legal regulations and possible market trends. International insurance suppliers have at long last been given the green light to work in Myanmar, as per the Ministry of Planning and Finance (MOPF). Among the most important factors that influence the situation in the motor insurance sector in First National Insurance (FNI) are changes in investment law.

Insurance industry is at a critical juncture of its evolution. Cover the owner of the Vehicle (an individual or a company) for loss or damage to the vehicle itself from a number of causes, as well as the insured's legal liability towards a third party in respect of any bodily injury or damage to property caused to them as a result of the insured's/authorized driver's negligence. With the development of the motor car, car insurance also evolved, adapting itself as and when methods of motoring have progressed. Eleven nationality insurance providers have been granted licenses to operate, while 14 international insurance service providers reached 30 representative offices in the country.

## **1.1 Rationale of the Study**

Buyer attitude are a composite of a customer's (1) convictions around, (2) emotions around, (3) buying intention toward some item inside the setting of marketing, typically a brand. These segments are seen together since they are exceptionally reliant and together speak to powers that impact how the customer will respond to the article. Changing attitude is commonly extremely troublesome, especially when customers speculate that the advertiser has a self-serving motivation in realising this change. (e.g., to get the purchaser to purchase more or to switch brands).

Myanmar stands as Asia's last remaining economic frontier. Therefore, many foreign insurers are trying to invest in Myanmar Insurance advertising is essentially simply

the promoting of protection items. Insurance marketing accentuates the significance of the client inclinations and needs. Significant goals of protection advertising are expanding client mindfulness, effective dissemination of protection items, creating corporate picture, improving client assistance, improving client base and its spread, and so on. Guarantor needs to break down the idea of the client's needs and plan their items and administrations so that they can offer fulfillment to the clients and face the contenders. Arranging needs investigation of the protection market to take a choice, expectation, and anticipating as to future needs of clients. Every one of these projects include various capacities (7Ps), which are to be arranged cautiously. The mix of these capacities is known as protection administration promoting blend. The showcasing blend in with the 7 Ps is profoundly fitting towards organizations that offer administrations (Zeithaml and Bitner, 2003). The 7Ps of Insurance marketing have been considered by certain scientists in promoting fields (Melewar and Saunders ,2000).

As insurance business is becoming complex due to new business concept, the increasing number of competitors, a change in customers sophistication, there is a need to asses, review and redesign the marketing mix so as to remain competitive and survive.

There is an intense competition in the Market. Insurance companies in the industry are trying to get more customers' satisfaction and competitive advantage. The marketing mix is a set of controllable marketing factor that an organization uses to produce the response it wants from its various target market. Traditionally, a '4P's (product, price, place and promotion) model is enough for tangible products; the services sector on the contrary uses a '7P's (product, price, place, promotion, people, process and physical evidence) approach in order to satisfy the needs of their customers (Ivy, 2008).It becomes essential to understand what attributes are behind the rise in consumers' buying behavior and what attributes should be focused on for the company's success.

As the insurance company, First National Insurance (FNI) needs to know how people select the right insurance companies to suit their needs. This study is to explore future potential in consumption of future First National Insurance (FNI) car insurance. It is important to know which factors influence the car insurances choice in Yangon. For an effective management policy of First National Insurance (FNI), this study can help in determining social factors and marketing factors. This study also contributes to examination of the customer needs and wants as well as the buying behaviour of First National Insurance (FNI) car insurance.

## **1.2 Objectives of the Study**

The main objectives of the study are:

- 1) To explore the factors influencing customer attitude towards FNI Car Insurance
- 2) To analyze the influencing customer attitude on buying behavior of FNI Car Insurance

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

This study only focuses on customer buying behaviour. This study is also limited to the First National Insurance (FNI) car insurance and focuses on the customer perspective. The survey is conducted on customers of First National Insurance (FNI) car insurance in Yangon area and the customers from other areas or regions are excluded from this survey research due to time limitation. In this study, theory of planned behaviour is used in order to analyze customer's buying behaviour on First National Insurance (FNI) car insurance. Other external factors that influence on planned behaviour of consumers are excluded in this paper. The study period of this research is from May to November 2019.

The descriptive and analytical research method is used in this study. It is a quantitative study where the structured questionnaires are given out to the respondents. It needs to be used both primary and secondary data. A total of 13,800 customers who have bought car insurance product in 2019 at FNI are the targeted population of the study. Sample size calculated by Yamane formula at 90% confidence level was 99. Total 120 respondents are taken as sample size for this survey. The sampling method is simple random sampling and collects the data from customers and secondary data are collected from company's reports, relevant textbooks, international research papers, internet websites and other related information resources.

## **1.4 Organization of the Study**

This paper is composed of five different chapters. Chapter one describes the introduction of the paper, rationale, objectives, scope and method of the study. Chapter two consists of the theoretical background of the study. Chapter three presents car insurance services of FNI Company Limited. Chapter four analyses the influencing factors on buying

behaviour of FNI Car Insurance. Chapter five covers conclusion that is described by the findings and discussions, suggestions, recommendations and needs for further research.

## **CHAPTER (2)**

### **THEORETICAL BACKGROUND**

This chapter focuses on the theories and empirical studies associated with social factors such as recommendation, insurance agent, and marketing factors such as product, price, place, promotion, people, process, physical evidence and conceptual framework of the study.

#### **2.1 Consumer Attitude Theory**

An educated inclination to carry on in a reliably ideal or ominous with respect to a given object is called consumer attitude. Individual learns attitude through experience and interaction with other people. Generally, attitude is evaluation of something, liking or disliking. It can be lasting and consistent with behaviour, but changeable. Consumer attitudes greatly influence the success or failure of the firm's marketing strategy. The varieties of consumer attitudes are

- Attitude towards product
- Attitude towards company
- Attitude towards channels
- Attitude towards advertising
- Attitude towards brand associations.

The success of a persuasive communication depends on the present attitudes held by the target audience. A fundamental distinction is whether persuasion takes place under attitude formation or attitude change conditions. When a person develops an attitude toward the topic of the message, attitude is formed. Attitude change characterizes settings in which the person holds a pre-existing attitude that differs from the position advocated by the message. In general, persuasion communications will be more successful at creating attitudes than in changing attitudes. Changing attitudes is more difficult simply because of the additional resistance that results from the commitment to the existing attitude.

Another consumer characteristic that can influence persuasion is the consumer's mood state at the time of exposure to a communication. Moods refer to transient feelings (e.g., sadness, anticipation) that exist at a particular time and place. Research suggests that favourable moods can enhance persuasion, while unfavourable moods reduce persuasion.

Attitude formation can be examined within three areas: how attitudes are learned, the sources of influence on attitude formation, and the impact of personality on attitude formation. The attitude that consumers hold are a result of learning from their prior experience. Personal experiences impact greatly the formation of attitude directly. The origins of many experiences come from childhood experiences. Consumers often purchase new product and brand name that is learned the usefulness and the requirement of these through messages. Also, the formation of consumer attitude is strongly influenced by personal influences, the influence of family and friends, and situational influences. Family is the most significant wellspring of impact on the formation of attitudes because of the root of our basic values and beliefs. Character likewise assumes a basic job in demeanour development. Individuals with a high need for recognition will buy branded product that is expensive although modest individuals do not have prejudice on brand.

In this study, Tri-component Attitude Model from Structural Models of Attitudes shall be discussed. Tri-component Attitude Model consists of three major components as cognitive component, affective component, and conative component.

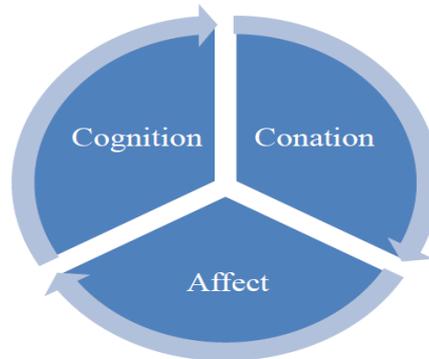
**Cognitive Component:** Cognitive component consists of the information and discernments that are gained by a blend of direct involvement in the frame of mind object and related data from different sources. This knowledge and resulting perceptions commonly take the form of beliefs that a consumer belief is a psychological association between a product or brand and an attribute or feature. Beliefs are cognitive based on knowledge.

**Affective Component:** Affective component consists of the emotions or feelings with a particular product or brand. Affect is the way in which consumers feel in response to marketplace stimuli. Purchase decisions are continually influenced by affective response. Emotional states may enhance or amplify positive or negative experiences.

**Conative Component:** Conative component is the likelihood or tendency that an individual will undertake a particular activity or act with a certain goal in mind as to the demeanour object. That is examining of behavioural intention and a better predictor of

behaviour than either beliefs or affective responses. A positive brand commitment impacts actual brand purchase.

**Figure (2.1) Tri-component Attitude Model**



Source: Schiffman & Kanuk, (2004).

This model is especially suitable for measuring attitude towards a product or service class or explicit brands. As per this model, the purchaser's demeanour toward an item or explicit brands of an item is a component of the nearness (or nonappearance) and assessment of certain item explicit beliefs and/or attributes. In other words, consumers generally have favourable attitudes toward those brands that they accept have a satisfactory degree of qualities that they assess as positive, and they have unfavourable attitudes toward those brands, they feel they do not have an adequate level of desired attributes or have negative attributes.

## **2.2 Importance of Understanding Customer Attitude**

One of the most significant wonders for a social advertiser to comprehend is that of 'attitude'. Having said this, this is certifiably not a direct issue as there is a lot of contradiction about the nature of 'attitude'. Having said this, this is certifiably not a direct issue as there is a lot of difference about the idea of attitude, how the demeanour are shaped, and how the attitude decide purchasing conduct. Mentality hypothesis look into is a key concentration for shopper conduct scholars and gets from the field of brain science.

There are numerous meanings of disposition, for instance, the inclination of the person to assess some image or article or part of the world in an ideal way. There are

likewise contrasts of feeling concerning what involves a demeanour. A few people see frame of mind as a moderately basic one dimensional build alluding to the measure of effect possibly in support of a mental article (at the end of the day the inclination component as it were). According to Bagozzi (1980), some researchers describe attitude as a two dimensional construct including the cognitive and affective component. According to Katz and Stotland (1959), some people describe attitude as a complex multi-dimensional concept consisting of an affective, cognitive and behavioural component.

In one sense the above qualification doesn't make a difference a lot since all methodologies recognize the three components; it is important, however, when the people come to measure attitudes to be clear as to what exactly is being measured. The most important issue for people at the moment is to be aware of the three components and how three components join to decide conduct. The majority of the examination around there depends on Fishbein's theory of reasoned action.

### **2.3 Buying Behaviour**

Consumer buying behaviour is considered to be an inseparable part of marketing and Kotler and Keller (1993) stated that customer purchasing conduct is the investigation of the methods for purchasing and discarding products, administrations, thoughts or encounters by the people, gatherings and associations so as to fulfil their needs and needs.

Buying behaviour has been characterized as "a procedure, which through sources of info and their utilization however procedure and activities prompts fulfilment of requirements and needs". Buyer purchasing conduct has various factors as a piece of it which are accepted to have some degree of impact on the buying choices of the clients.

On the other hand, purchaser buying behaviour "alludes to the purchasing conduct of definite shoppers, the two people and families, who purchase merchandise and ventures for individual utilization". From advertisers' perspective issues explicit parts of purchaser conduct that should be examined incorporate the purposes for shoppers making buys, explicit components affecting the examples of customer buys, examination of changing variables inside the general public and others. Also, the accompanying mainstream definitions have been proposed for the term of buyer purchasing conduct:

Buyer buying behaviour itself is an intricate, unique issue which can't be characterized effectively and ordinarily. Subsequently, the idea of purchaser purchasing conduct has been characterized in various manners by various scientists.

The definition shaped by Solomon et.al (2006) portrayed customer purchasing conduct as a procedure of picking, obtaining, utilizing and discarding items or administrations by the people and gatherings so as to fulfill their needs and needs. Comparative meaning of customer purchasing conduct is offered by Schiffman and Kanuk (2000) in which they portray it as conduct that buyers express when they select and buy the items or administrations utilizing their accessible assets so as to fulfill their needs and wants.

Buyer purchasing conduct is characterized as a lot of exercises which includes the buy and utilization of products and enterprises which came about because of the clients' enthusiastic and mental needs and social reactions. It is additionally expressed the procedure may contain various exercises and stages.

Despite the fact that the definitions given above are different, they all lead to basic view that buyer purchasing conduct is a procedure of choosing, buying and discarding products and ventures as per the requirements and needs of the shoppers. Be that as it may, there is a general accord among the specialists and scholastics that this procedure is dependent upon ceaseless change after some time as the buy qualities of the clients change because of their physical and mental needs.

Meanwhile, Kotler and Keller (1993) featured the significance of understanding buyer purchasing conduct and the ways how the clients pick their items and administrations can be critical for makers just as specialist organizations as this gives them upper hand over its rivals in a few angles. For instance, they may utilize the information acquired through contemplating the buyer purchasing conduct to set their systems towards offering the correct items and administrations to the correct crowd of clients mirroring their needs and needs successfully.

Another significant contention is given on the significance of understanding the buyer conduct. As indicated by the creator, better consciousness of shopper purchasing conduct is a positive commitment to the nation's financial state. The creator further contends that the nature of merchandise and items are astoundingly great in nations where purchasing conduct of shoppers is surely known. This thus expanded the aggressiveness of

the items and administrations in global market expanding the fare capability of the nation. In the mean time, high caliber of household items and administrations lead to refined local clients' base (Blackwell et al, 2006).

Notwithstanding endeavors of better understanding the buyers' purchasing conduct, organizations likewise take part in publicizing and advancement exercises to impact the customers' obtaining choice. Be that as it may, when they are taking part in such kinds of exercises, they have to consider other outside components, for example, the general monetary states of the nation, governmental issues, innovation and ethnic culture which are all outside the ability to control of both the organization and purchaser Lancaster et al (2002).

To summarize every one of the contentions expressed above, unmistakably better understanding the buyer purchasing conduct through examining and recognizing their needs prompts enormous long haul advantages to the organizations. Be that as it may, it is fundamental to make reference to that in spite of the extraordinary endeavors to learn and comprehend the purchasing conduct of buyers, it is extremely hard to distinguish the careful reasons why a shopper buys and lean towards one item or administration over another. This is on the grounds that shoppers once in a while settle on buying choices dependent on their passionate convictions which they even themselves are not very much aware of.

## **2.4 Influencing Factors on Customer Attitude**

Consumer behaviour can be comprehensively named the choices and activities that impact the acquiring conduct of a shopper. The investigation of consumer behaviour comprehends the past as well as predicts what's to come. The beneath underlined factors relating to the inclinations, frame of mind and needs of individuals must be given due significance to have a genuinely decent comprehension of the buying examples of shoppers. There are three main factors, individual factors, social factors and marketing factors that affect customer attitude.

### **2.4.1 Social Factors**

The progress of individual grew up as they began to live in a general public. Being a social animal, they interact with each other for better solutions. A consumer attitude and customer buying behaviour is therefore influenced by the social factors such as recommendation and insurance agent.

**(i) Recommendation**

Under social variables reference bunches have an incredible capability of affecting consumer behaviour. Obviously its effect differs crosswise over items and brands. This gathering regularly incorporates a supposition head. The behaviour of a consumer isn't just impacted by their inspirations and characters yet additionally their family members, friends and other online media.

**(ii) Insurance Agent**

(Khan, 1978) stated that Insurance agent explains various insurance policies and helps customers choose plans that suit them. Although most insurance agents work for insurance brokerages selling the policies of several companies, some work directly for a single insurance company. They analyze customer' current insurance policies and suggest additions or changes. There is a long lasting relationship of insurance agent with his/her clients and also there is no substitute for service rendered. (Buchner ,2006) stated that many customers prefer to speak to an insurance agent for purchasing a policy and are not comfortable shopping for insurance online.

## **2.4.2 Marketing Factors**

Marketing mix plays a significant role in marketing of a product and management of marketingmix is considered to be a key marketing activity. A proper choice of marketing mix is significant to provide higher customersatisfaction at a reasonable price (Jobber & Fahy, 2009). The expanded marketing mix suggestedby (Booms & Bitner, 1981) has been considered to be a valuable tool for marketing service. These 7Ps are the suitable marketing mix elements for insurance services.

**(i) Product**

An item is whatever can be offered to a market that may fulfill a need or need. This applies both physical and administrations. In assembling, items are purchased as crude materials and sold as completed products. A service is another common product type. Product differentiation has potential of increasing sales due to product variants featuring different functions. Insurance services being the core product in this research, insurance companies need to offer the services which are more convenient and features could be added with the change in technologies and customer taste.

A service product is anything either in isolation or in combination that an association offers to potential clients to fulfil their needs. The administration item comprises the establishment of an association's presence (Kandampully, 2002). Insurance companies offer insurance products with various highlights to provide food various needs of the clients. By methods for purchasing a protection item, a client purchases the guarantee offered on the grounds that he trusts in the guarantee being made by the insurance agency.

### **Price**

Pricing is an inevitable factor in determining a products or services' relative price. Price is the amount of money charged for a product or service. Broadly, price is the total amount being exchanged by the customer to obtain a benefit of the product or service owning (Philip Kotler, 2007). Price is the total amount of monetary terms that customers are willing to give in exchange for a particular product or service. Price is the amount of money or goods needed to acquire some combination of other goods and its accompanying services. Price is the element of the marketing mix that stable in certain period but at one moment the price might be increase or decrease and price become as the single element that revenue from the selling. Although price is an element of the marketing mix that is stable, however price also subject to fluctuation. Moreover, Stanton defines that price is an element present in the marketing mix that solely affects the income from the product at certain time periods. This leads to a scenario where higher prices are imposed on products and consumers are willing to purchase them. Some of them preferred high quality products and willing to pay high price for it but some of them are not. On the contrary, not at all time products are priced at a premium and higher price. The price (premium) for an insurance product is determined by expected claim costs, investment income, administrative costs, and fair profitloading (Harrington & Niehaus, 2004).

### **(ii) Place (Distribution)**

Place incorporates both the geographical area where the item is offered and the (kind of) appropriation channel. Dispersion can be partitioned into immediate and backhanded channels. Direct dispersion implies that the item is conveyed legitimately from the provider to the end client (insurance agencies, outlet stores and deals through the Internet). Indirect circulation implies that the item is offered to the end client by methods for a middle person, for example, a discount, retail or agents. Whatever approach, the ultimate objective is to have our products delivered when and where consumers want to purchase them. Convenient availability is the goal. The highest gross margin can be made on sale by selling directly to the consumer, it is incurred many additional logistical costs when compared with selling through intermediary. Lastly, (Zeithaml & Bitner, 2003) mentioned that it is important to manage supply and demand and that the experienced waiting time for customers should be decreased making waiting fun, or at least tolerable. In the case of insurance, place is a combination of decisions regarding channels of distribution.

### **(iii) Promotion**

Promotion is an utensil that utilized by the retailers or maker to pull in customers and buy more or attempts a help or item. The consequence of the business advancement is the utilized of high amount stock, engaging numerous new clients and more increment in deals. (Chandon, Wansink, and Laurent, 2000) showed that business advancement might be stunning for well advancement inclined buyers for reasons priceless reserve funds. Numerous buyers change marks with the goal that they could get more prominent arrangements that recreate and develop their keen purchaser self-observation, and these buyers are well advancement inclined, these buyers make an endeavor to attempt another item or administration that have been advanced. For a model, decline in cost for a constrained period to draw in progressively another shopper is alludes to as value advancement. Deals advancement implies any action that is use by the maker to give certainty the exchange (retailer, distributor, or system partners) just as make clients to buy a brand and lift up deals power to confidently sell it. The term deal advancement alludes to a few kinds of selling motivating forces and strategies sunken to yield prompt deals impacts (Totten and Block, 1994).

Promotion communicates with the potential market so as to persuade the prospective customers to try a new insurance product (Periasamy,2005). Block line publicizing in exchange diaries, industry productions and periodicals is the way togo. TV advertisements and print promotions are great types of protection showcasing. Insurance

companies have begun utilizing open connection apparatuses to improve picture about them in the minds of overall population. Individual selling is amazingly work escalated however is the best structure as far as insurance is concerned, managing each client in turn.

## **People**

(Woodruffe, 1995) recognized in individuals the administration representatives, however also the clients and their jobs in conveying the support of determine administration benefits. The job of the worker is to convey the administration, and organizations ought to through human resource management find and develop the right people to give the service to its customers. Depending on the service, whether it is more a labor-intensive service or an equipment-based service, the actions of the personal can greatly determine the customer perceptions of the quality of the service. (Zeithaml & Bitner, 2003) agreed that service employees have a great impact on the final service quality which visually reinforces the importance of a company's employees in the ability to keep their promises and succeed in building customer relationships. (Zeithaml & Bitner, 2003) mentioned that, companies should apply human resource strategies. These strategies, which are all around the focus of customer-oriented service delivery, are based on hiring the right people, retaining the best people, developing people to deliver service quality and to provide needed support systems. Insurance companies have to give more attention in training and developing their employees and agents. Building strong relationship with their agents as well as the customers will help in meeting customers' needs and serving them efficiently. Satisfaction depends on the nature of interaction between customers and the people representing insurance companies. Training the employees and agents to introduce new products and use of information technology for efficiency both at staff and agent level are the key areas to look into.

## **(iv) Process**

A procedure is the technique and grouping of activities in the administration execution. In contrast to merchandise, administrations are forms. Administrations are the final products of deeds, acts, exhibitions, and exercises performed by the company's representatives alone or related to different supplies, hardware, offices, etc. In surveying process, clients assess whether the administration pursues a generation line approach or whether the procedure is a tweaked one wherein the client is given customized consideration (Bowen and Lawler, 1992). (Shostack, 1984) called attention to that since administrations are elusive and in this manner depicted in words by individuals,

organizations must be truly clear in characterizing the administration procedure. The dangers of depending on words alone in depicting administrations are the misrepresentation of the administration, deficiency of the portrayal, subjectivity of various perusers and the one-sided translation of the words used to portray the administration (Shostack, 1987). The procedure associated with protection industry ought to be client agreeable. The speed and precision of installment is of essential significant. The procedure philosophy of safety net providers ought to be with the end goal that it gives complete straightforwardness and accommodation to the clients. Severely planned and poor procedures lead to slow and wasteful conveyance and make it hard for protection workers and specialists to carry out their responsibility well. Subsequently it will bring about low efficiency and administration disappointments.

**(v) Physical Evidence**

The physical proof is characterized as the earth wherein the administration is conveyed and where the specialist organization and the clients collaborate, and any unmistakable items that encourage execution or impart the administration. As indicated by (Zeithaml and Bitner, 2003) to assess benefits before its buy and to survey their fulfillment with the administration after it is purchased clients will in general depend on substantial prompts or physical proof. The presence of building, finishing, inside outfitting, types of gear, printed materials, and other noticeable signs all give unmistakable proof of an association's administration quality. This kind of physical proof gives incredible chances to an assistance firm to send clear and predictable showcasing messages with respect to the association's motivation, the planned market section, and the idea of the administration (Bitner, 1992 and 1996).

(Bitner, 1990) suggested that visual inspection of employees dress and nonverbal cues is also formed as the physical evidence. The overall environment including furnishing, color, layout, noise level and facilitating goods can be considered physical evidence (Rafiq & Ahmed, 1995) If there should be an occurrence of protection business, aside from office condition, materials, for example, handouts, strategy archives, and occasional explanations are the tangibles, which will influence the customers. Insurance companies and intermediaries need to manage all these physical evidences carefully as they can have a profound impact on the impression of the clients. Despite the fact that all insurance

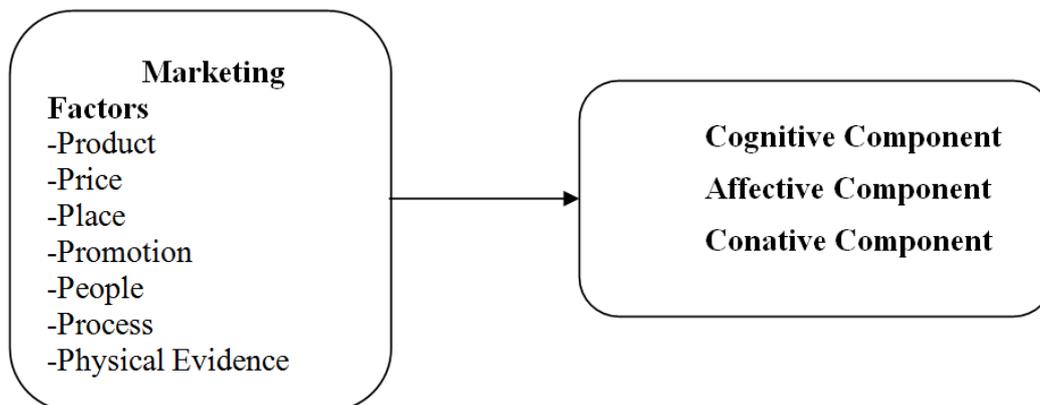
agencies give comparable fundamental service, the contrasts that do exist are the physical proof.

## 2.5 Empirical Studies

The previous studies are based on to find out which factors are influenced on certain factors. By learning previous study, the researchers could get the idea for their researches.

Marketing mix can change clients' negative frames of mind into uplifting mentalities. Frames of mind towards a specific brand or item/administrations are very significant measurement since they influence purchaser's inclination to buy. It must be underscored that disposition is regularly hard to change, with a planned correspondence crusade; this can be changed extra time. (Fill, 2009) stated that there are different techniques used by marketing mix to change customers' attitudes. (Ghazi, 2012) did the researcher named "Hotel Marketing Deception Practices and Its Effect on Guests". He investigated the perception of marketing deception practices in all element of marketing mix (7ps) from hotel guests' perspective. The study utilized the intercept and judgmental sampling method. The research population is the guests who had experienced hotel services in Alexandria and Matrouh in Egypt. A total number of 320 questionnaires were distributed. The conceptual framework of his research is presented in Figure (2.2).

**Figure (2.2) Conceptual Framework of Ghazi**



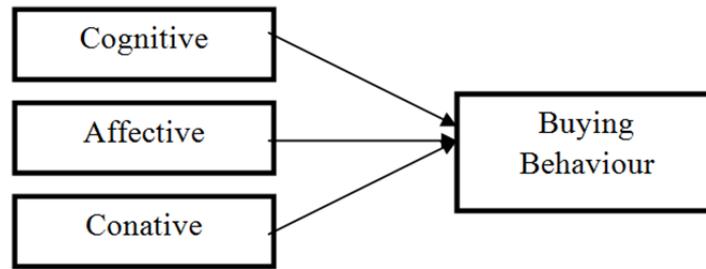
Source: Ghazi ,2012

The outcomes affirmed the existence of marketing deception in all seven elements of marketing mix, which negatively influence consumers' image (cognitive image, affective image, recommend intention and revisit intention). The findings implied that hotels and marketers are practicing marketing deception in all elements of marketing mix (7ps) with a high degree, which lead to a negative consumers' image regarding the hotel experience. According to the regression result, he found that product and people had the

relationship with cognitive components while product, price and place affect on affective component. Finally, price, place, promotion and people affect on conative attitude.

Chowdhury (2015) tested the relationship between customer attitudes and buying behaviour in his research titled “Predicting Attitude Based on Cognitive, Affective and Conative Components: An Online Shopping Perspective”. Questionnaire was distributed to 200 respondents (students and professionals) who have access to the Internet. Both self completion and interviewer filled survey techniques were used in order to receive higher valid response. The conceptual framework of Chowdhury (2015) is shown in Figure (2.3).

**Figure (2.3) Conceptual Framework of Chowdhury**



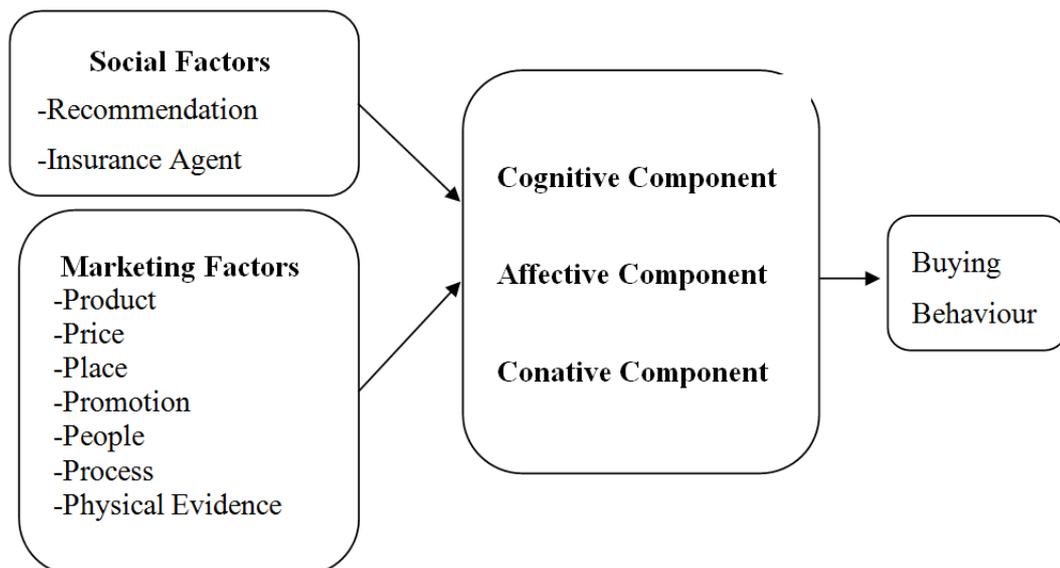
Source: Chowdhury ,2015

Chowdhury (2015) found that cognitive attitude had negative relationship with attitude toward online shopping buying behaviour while affective component exhibits the positive and significant relationship with attitude toward online purchase. In additions, found that in online shopping environment, conative components and buying behaviours are positively correlated.

## 2.6 Conceptual Framework of the Study

In this study model, our focus of the study is on the customer buying behaviour of FNI car insurance services, factors influencing customer attitude are structured by social factors and marketing factors.

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



Source: Own Compilation, 2019

Above Figure (2.4) is structured based on the concept and theory of tri-component attitudes model. In the influencing factors, such as social factors and marketing factors

are the main things to study. Other factors of the external influences are not consisted in this study because it is need more time to be perfect research of the FNI car insurance. In the customer attitude, cognitive component, affective component and conative component are included but other personal attribute model and decision-making process exclude consideration in this study. Therefore, buying behaviour on FNI insurance are made by these two influencing factors.

## **CHAPTER (3)**

### **PROFILE AND MARKETING MIX PRACTICES OF FIRST NATIONAL INSURANCE COMPANY LIMITED**

This chapter presents the background history of the First National Insurance (FNI) in Myanmar. In addition, it presents the marketing activities of the First National Insurance (FNI).

#### **3.1 Profile of First National Insurance**

As reliable First National Insurance Public Company Limited (FNI) is one of the business unit under Htoo Group of Companies. FNI was established as a public company and granted the business licence (No.007) by Insurance Business Regulatory Board (IBRB) on June 14, 2013. With a strong management team and insurance professionals on board, FNI has set out to become the largest insurance provider in both Life and Non-Life insurance products. 46 billion Kyats was initially invested for the Paid-up capital and USD 500,000 capital was added to the company's working capital in 2014. Therefore FNI can write the insurance cover in both Myanmar Currency and US Dollars. FNI is offering 18 different types of insurance cover with our highly qualified and well-trained 200 over professional staff.

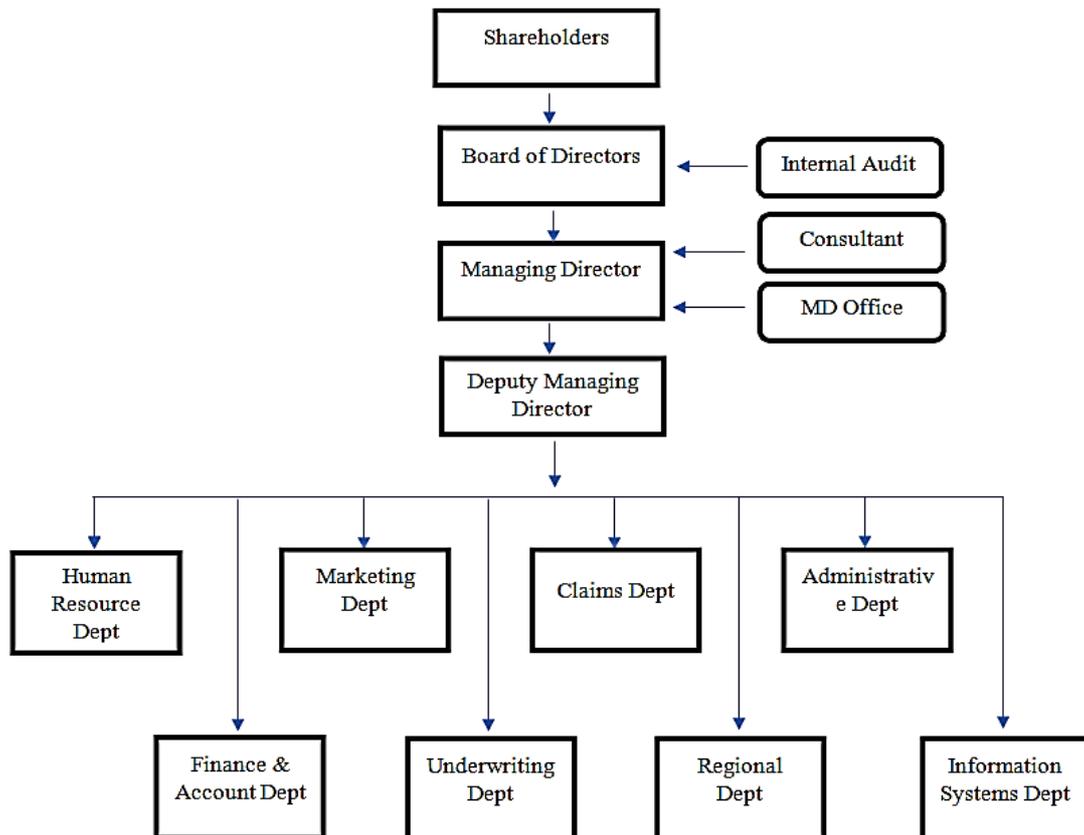
The head office is in Yangon and the branches are in Mandalay, Monywa, Mawlamyine and Pyay, Mayangone (YGN), Sanchaung (YGN), Myitkyina and Naypyitaw. Moreover FNI has appointed certified regional offices in 19 township areas in Myanmar. So FNI can provide insurance covers to all across the Nation.

First National Insurance (FNI) is delighted to state that it has the privilege of playing a critical role in Myanmar's social and economic reforms by ensuring peace of mind and promoting opportunities for prosperity nationwide. FNI provides prompt 24 hours claims services and has been gaining the reputation of effective professional claims handling.

### 3.1.1 Organization Structure of First National Insurance Company

Organizational structure of the First National Insurance Company (FNI) is well developed. Figure (3.1) presents the organizational structure of First National Insurance (FNI).

**Figure (3.1) Organization Structure of First National Insurance Company Limited**



Source: First National Insurance (2019)

#### **Human Resource Department**

The HR office handles a scope of various capacities inside an association, overseeing organization staff, including organizing and supporting the enrollment procedure, on boarding newcomers to the organization, deciding reasonable compensations and compensation, giving the essential emotionally supportive networks to finance necessities, creating satisfactory acceptance and preparing, supporting worker open doors for proficient improvement, overseeing progression arranging of staff, and helping with the exhibition the executives and audit process. The office is answerable for enlisting and

terminating representatives, preparing laborers, keeping up official connections and translating business laws.

### **Finance & Account department**

Finance & Account Department collect, interpret also, evaluating financial information, anticipating future financial patterns, answering to the executives and partners, and giving guidance how the organization and future business choices may be affected, delivering budgetary reports identified with spending plans, account payables, account receivables, and costs, growing long haul marketable strategies dependent on these reports, looking into, checking and overseeing spending plans, creating techniques that work to limit money related hazard and analysing market trends and competitors.

### **Underwriting Department**

Underwriters examine insurance proposals, collecting background information and assessments of risk, analysing statistical data using specialist computer programmes, writing quotes and negotiating the terms with agents and clients, determining premiums, deciding the wording of policies, preparing insurance policy terms and conditions, and liaising with insurance agents and customers.

### **Marketing Department**

Marketing department is responsible for developing design and implementing powerful showcasing techniques to sell new protection contracts or modify existing ones, contact potential customers and make compatibility by systems administration, cold pitching, utilizing referrals and so on, assess the desires and requests of business or individual clients and sell the reasonable assurance plans, gather data from customers on their hazard profiles so as to offer them the best possible arrangement, hold consistent attention to exchanges, deals and terms and keep relative records, check protection professes to cement trust and defend notoriety, much of the time recharge work explicit information and apply it on the field.

### **Claims Department**

Claims Department explore, assess and settle claims, applying specialized information and human relations abilities to impact reasonable and brief transfer of cases and to add to a decreased misfortune proportion, resolve mind boggling, extreme introduction claims, utilizing high assistance arranged record taking care of, pay and procedure asserts inside assigned power level, inspect claims examined by protection agents, further researching flawed professes to decide if to approve instalments, confirm

and break down information utilized in settling professions to guarantee that cases are substantial and that settlements are made by organization practices and methodology, enter guarantee instalments, saves and new cases on PC framework, contributing succinct yet adequate record documentation, and keep up guarantee documents, for example, records of settled cases and a stock of cases requiring definite examination.

### **Administrative Department**

Administrative makes Plan, coordinate and manage all administrative procedures and systems, allocate company's assets and office space, ensure the smooth and adequate flow of information within the company, purchase new material as needed, oversee facilities services and maintenance, organize and supervise other office activities, and adhere to policies and regulations.

### **Regional Department**

Regional Department control the business operations of Regional Offices. In order to effective control, this department handles cases by cases and develop strategies based on each and every region in which branch opened.

### **Information Systems Department**

Information systems Department is responsible for equipment and programming establishment and redesigns, usage and programming of PC systems and programming, improvement of private intranet and open Internet destinations, staff hardware necessities, computerized security.

## **3.2 Marketing Mix Practices of First National Insurance**

FNI tries to get more market share and retains its market positions by doing the effective Marketing Mix (7Ps).

### **3.2.1 Product**

An Insurance organization sells administrations and in this way benefits are their item. At the point when an individual or an association purchases an Insurance arrangement from the insurance agency, he purchases an approach, yet alongside it the help and exhortation of the specialist, the eminence of the insurance agency and the offices of cases and remuneration. Comprehensive Motor Insurance compensates for losses of or damage

to the motor vehicles in the events of accident thereto. Motor vehicles licensed by (Ka Nya Na) and mobile plants such as forklift, excavators, earth carriers, agricultural machinery can insure in FNI. Premium rates are set for private use and commercial use. The insurance term is one year in maximum and the period can choose three-month, six month or nine months either.

### **3.2.2 Price**

Premium rates charged are sensible and focused with those current somewhere else. Premium price is calculated based on the market price of the car, cubic capacity and usage of the car. According to IBRB rules and regulations, car market price between 100 lacs to 3000 lacs can only be accepted by private insurance company. For the car market price which is over 3000 lakhs, it must be insured under coinsurance. All private insurance companies need to follow the pricing rate sets by Insurance Business Regulatory Board.

### **3.2.3 Place**

This component of the marketing mix is related to two important facets --

- i) Managing the insurance personnel, and
- ii) Locating a branch.

While finding branches, the branch supervisor needs to think about various components, for example, smooth openness, accessibility of infrastructural offices and the administration and premises. Likewise it is additionally noteworthy to give security measures and furthermore factors like office outfitting, municipal conveniences and offices, stopping offices and inside office beautification ought to be given appropriate consideration. Therefore the spot the executives of protection branch workplaces needs another vision, particular methodology and a creative style. This is basic to make the work place helpful, appealing and proactive for the age of productivity among representatives. The branch directors need proficient greatness to settle on place choices profitable. FNI established head office in Yangon downtown area since 2013. 3 branch offices are already opened in Yangon and 8 branches in other division and appointed certified regional offices in 19 township area in Myanmar. So FNI can provide insurance covers to all across the Nation.

### **3.2.4 Promotion**

There are several different advertising techniques such as above the line(ATL), below the line(BTL) and through the line(TTL). Promotion activities carried out through mass media, such as television, radio and newspaper are classified as “above the line(ATL)” promotion. “Below the line(BTL)” promotion refers to forms of non-media communication of advertising such as personal selling, direct marketing and trial offer. “Through the line(TTL)” refers to the advertising strategy involving both above and below the line communication.

FNI uses through the line(TTL) strategy to give customers awareness and get the customers to try FNI insurance product. FNI put the advertising on TV, radio, magazine, journal, billboard, bus station, bus sticker and sky board. Give Sponsor concerts and sports, regular seasonal promotion and special promotion.

### **3.2.5 People**

Individuals are most significant part of promoting blend for the protection business. Understanding the client better permits structuring proper items. Being a help industry which includes a significant level of individuals connection, it is imperative to utilize this asset proficiently so as to fulfill clients. Preparing, improvement and solid associations with go-betweens are the key regions to be held getting looked at. Preparing the workers, utilization of IT for proficiency, both at the staff and operator level, is one important factor to give the quality service.

FNI insurance thoroughly recruits and selects employees, agents and brokers to sell its insurance products. Insurance product training, customer service training and English language training programmes are regularly given for employees and agents to provide quality services to customer and for their professional development.

### **3.2.6 Process**

FNI uses innovative technology in order to provide quality services to customers. All of the branches have multiple communication channels such as email, fax and mobile communication.

FNI reduces waiting time at each phase and monitors delivery time of policies to customers. Efficiency of delivering services to customer is essential for the insurance industry. IT and Data warehousing are used at FNI to process the service smoothly. IT helps in servicing the large number of customers efficiently and brings down overheads. It takes only a few hours for customers to buy a car insurance policy if the customers can provide the required documents. FNI provides door to door service for the insured who buy insurance for more than one car. Premium payment can be settled by bank transfer, mobile banking, internet banking and POS payment over the counter. For claims and accident, customers can contact FNI 24 hours a day, seven days a week. So, FNI has been gaining a good reputation of effective professional claims handling.

### **3.2.7 Physical Evidence**

FNI creates a better office environment with clean and comfortable places for all customers. In additions, FNI provides corporate uniform and name badges to all of the employees so that the staffs will get more of the customers' trust. Besides, signage is the essential visual element of a company and it gives an identity by which users recognize the company. A signage depicts the company's philosophy & policy. Moreover, all the branches have related policy document, statements, intimation letter, uniforms of personnel and pamphlets etc.

## CHAPTER (4)

### ANALYSIS OF FACTORS INFLUENCING BUYING BEHAVIOUR ON FNI CAR INSURANCE

This chapter presents the profile of the respondents and their perceptions towards the social and marketing factors of First National Insurance (FNI) Company limited. In this chapter, survey results are presented with frequency, percentage and mean scores based on facts and figures of findings.

#### 4.1 Profile of the Respondents

This study identifies the profile data of the FNI customers. Profile data include gender, age, education, experience, monthly salary and position. The findings are shown in frequency and percentage based on 120 customers in Table (4.1).

**Table (4.1) Demographic Data of the Respondents**

Sr. No	Particular	No. of Respondents	Percent
	Total	120	100.0
1.	Age : <25years	10	8.3
	25-30 years	16	13.3
	31- 40 years	54	45.0
	41-50 years	32	26.7
	51-60 years	6	5.0
	>60 years	2	1.7
2	Education Level : High School	2	1.7
	Diploma or Attending University	14	11.7
	Bachelor	84	70.0
	Master/PhD (Postgraduate)	20	16.7
3.	Occupation :Self-employed	47	39.17
	Government Servant	10	8.33
	Company Staff	48	40.00
	Dependent	10	8.33
	Others	5	4.17
4.	Income : Less than 1,000,000 Ks	12	10.00
	1,000,000 -1,500,000 Ks	41	34.16
	1,500,001 – 2,000,000 Ks	57	47.50
	Above 2,000,000 Ks	10	8.33

Source: Survey Data, 2019

According to Table (4.1), among 120 respondents, most respondents are between 31 and 40 years old followed by the people who are between 41 and 50 years old. It is found that all respondents are educated. Regarding education, majority of the respondents hold bachelor degree holders. Most of the respondents earning per month is in the range between one hundred and fifty thousand and one kyats and two hundred thousand kyats, and most of the respondents are company staffs.

## 4.2 Customer Perception on Social Factors

Social factors in this study includes the recommendation and insurance agent. Customers usually take the suggestions and recommendations from the people who are close to them.

### 4.2.1 Recommendation

Most customers trust their related friends, peers or relatives before they buy the products and services. Table (4.2) presents the customer respondents regarding recommendations.

**Table (4.2) Recommendation**

<b>Sr. No</b>	<b>Recommendation</b>	<b>Mean Score</b>
1.	Taking suggestions from friends for car insurance.	3.67
2.	Taking into account the recommendations from family members for motor insurance.	3.58
3.	Asking advise from the people which insurance is best for car.	3.29
4.	Social media is the important influencer to make a buying decision for car insurance.	3.28
5.	Take into account strangers' opinion on buying decision.	2.63
	<b>Overall Mean</b>	<b>3.29</b>

Source: Survey Data, 2019

According to Table (4.2), people take friend’s advice for car insurance because people believe in friends. The respondents take people’s opinion when buying things because they trust the friends because they always give the best advice. Besides that, customer takes the recommendations from the family members who always give advice concerning with car insurance. Moreover, the respondents take advice from people because they need the suggestion of other people. On the other hand, people do not take suggestions from the strangers as they do not trust strangers. According to the overall mean, recommendation factors influenced on the respondents’ attitude with car insurance.

#### 4.2.2 Insurance Agent

Customers sometimes do not know about the specific products or services. Thus, they usually take the recommendations and suggestions from the insurance agents. Table (4.3) presents the customers’ perception towards insurance agent.

**Table (4.3) Insurance Agent**

<b>Sr. No</b>	<b>Insurance Agent</b>	<b>Mean Score</b>
1.	Insurance agents know very well about the insurance types and coverage.	3.11
2.	Taking agent’s suggestions and recommendations according to the needs and wants of specific users.	3.25
3.	Helpful of insurance agents	3.85
4.	Thinking insurance agents skillful.	3.23
5.	Discussing with agents to find out which insurance organizations are fit to buy.	3.68
	<b>Overall Mean</b>	<b>3.42</b>

Source: Survey Data, 2019

According to Table (4.3), people take the advice and recommendations from insurance agent because the agent know very well about insurance plan and they explain the customers match with their requirement. The respondents trust that the insurance agents are skilful. The insurance agents are aware of the product knowledge such as insurance type and coverage. As the insurance agents are handling many insurance companies that they

can suggest for the suitable one. According to overall mean, insurance agent influenced on the respondents because the insurance agents are handling many insurance companies and they can give the right advice to the customers.

### 4.3 Customer Perception on Marketing Factors

Marketing factors are the main driving forces that enable organization to be competitive in the industry. On the other hand, it is important to study the perceptions of customers towards the marketing factors of the organizations.

#### 4.3.1 Product

Product characteristics are very important for the customers while they consider the insurance. The product variables that were measured include availability of various insurance types, easily understandable policies and suitability for the businesses. In this study, 120 customers are surveyed. Mean scores for each question are calculated and the results are shown in Table (4.4)

**Table (4.4) Product**

<b>Sr. No</b>	<b>Product</b>	<b>Mean Score</b>
1.	A wide range of products and services for all cars registered	2.68
2.	Easy Products' terms and specifications	3.50
3.	Effective customer service	3.61
4.	Able to purchase additional insurance covers	3.35
	<b>Overall Mean</b>	<b>3.28</b>

Source: Survey Data, 2019

According to Table (4.4), the survey indicated that FNI gives effective customer service because FNI fully cares its customers and the employees are well trained for the service and product knowledge. Besides, the customers are able to learn the FNI terms and specification because the terms are mentioned clearly and easy to understand. Besides, the customers are able to buy additional insurance covers because related insurance packages are available when the customers buy the regular insurance. On the other hand, customers

could not find the wide range of products and service relating to the car insurance because FNI can't provide product differentiation in order to follow rules developed by Insurance Business Regulatory Board (IBRB), Myanmar. According to overall mean score, respondents have moderate level of positive perception on the product factor as the whole.

### 4.3.2 Price

Policy Buyers usually look for the premium price before they look for the products. The product variables that were measured include ordinary and group cover. In this study, 120 customers are surveyed. Mean scores for each question are calculated and the results are shown in Table (4.5).

**Table (4.5) Price**

<b>Sr. No</b>	<b>Price</b>	<b>Mean Score</b>
1.	Reasonable FNI premium price	3.44
2.	Easily calculation the Premium price by calculation software on web page.	3.43
3.	Attractive Fleet discount	2.68
4.	Flexible price according to the user choice.	2.89
	<b>Overall Mean</b>	<b>3.11</b>

Source: Survey Data, 2019

According to Table (4.5), most respondents believe that FNI's premium price is reasonable when comparing to others, it is still worth. FNI sets the premium price based on the engine power, market price evaluation and that of competitors. In additions, the customers can calculate the premium price easily by calculation software on webpage that FNI makes easy for calculation online. People think that price is flexible due to the user choice since FNI offers separate packages and customers could choose from those. On the other hand, customers find fleet discounts are not attractive since FNI gives fleet discount only when customers buy insurance for at least 10 cars. In additions, FNI does not have flexible premium price as FNI has only standard fixed premium price. According to overall mean score, respondents think price factors are very reasonable for the products.

### 4.3.3 Place

Insurance buyers usually look for the convenience office where they could buy the motor insurance. In this context, branches across the country, convenience to travel, same service level, and web page available are analysed. Mean scores for each question are calculated and the results are shown in Table (4.6).

**Table (4.6) Place**

<b>Sr. No</b>	<b>Place</b>	<b>Mean Score</b>
1.	Easy locations of FNI office	3.37
2.	Numbers of branches across the country.	3.55
3.	Updated Product information on FNI webpage.	3.14
4.	Many agents whom customers could easily contact.	3.28
	<b>Overall Mean</b>	<b>3.43</b>

Source: Survey Data, 2019

According to Table (4.6), people accepted that FNI opens many branches throughout the country, thus, people are comfortable to reach to the office if needed. FNI office locations are easy to communicate that FNI selected the better locations that people can communicate easily. People perceived that FNI has many agents, as a result, people can contact them easily and the branches are able to support the customers' requirements. Moreover, FNI webpage is updated with time, therefore, people can learn easily online. According to overall mean, people have a positive view on place factor.

### 4.3.4 Promotion

Promotions could attract the customers to buy the specific insurance products. In this study, promotions, specific offers, and gifts are analysed in order to find out that those factors influence on buying decision. Mean scores for each question are calculated and the results are shown in Table (4.7).

**Table (4.7) Promotion**

<b>Sr. No</b>	<b>Promotion</b>	<b>Mean Score</b>
1.	Really effective Promotion campaigns	3.18
2.	Attractive Newspaper/Journal/TV advertisements	3.62
3.	Claim bonus for regular customers if they have no claims.	3.68
4.	Persuasive Personal selling and direct selling	3.54
	<b>Overall Mean</b>	<b>3.50</b>

Source: Survey Data, 2019

According to Table (4.7), most respondents indicated that advertisements in newspaper, journal and TV advertisements are attractive and those are very eyes catching. The respondents perceived persuasive personal selling and direct selling. Besides, people described that FNI give really effective promotion campaigns since FNI exhibits their booths at the car road shows. In additions, customers get claim bonus if they do not make insurance claims as FNI offers special bonus according to the accident history. According to overall mean score, respondents think promotions factors are very reasonable for the products.

#### **4.3.5 People**

In the service industry, services are delivered by people. Thus, in this study, skills, uniforms, politeness, clear response, suggestions and enough human resources of the employees are analysed. The findings are presented in the Table (4.8) by mean scores.

**Table (4.8) People**

<b>Sr. No</b>	<b>People</b>	<b>Mean Score</b>
1.	Friendly, Polite, and service minded employees	3.48
2.	Well-dressed staff	3.22
3.	Knowledge and skilful staff	3.67
4.	Providing the product recommendations for customers.	3.81
	<b>Overall Mean</b>	<b>3.54</b>

Source: Survey Data, 2019

According to Table (4.8), people perceived that the employees provide the product recommendations for customers that the employees are well trained for product knowledge and customer relationship. Besides, the employees are knowledgeable and skilful for clear response for customers because the employees are experienced and long serviced, therefore, their customer communications are quite good. As the employees are well trained, they act friendly, polite while giving a service to customers, as a result, people are comfortable using FNI. People accepted that the employees are neat and tidy with well-dressed which also attracts to the customers. According to overall mean, people have a positive view on people factor because the employees gave the better service, and they are well experienced and trained and ready to serve with friendliness and politeness.

#### 4.3.6 Process

In the service industry, process and procedures are essential to get more customer satisfaction and market share. Thus, in this study, ease of buying, simple procedures, process duration, clear guidelines, quick response politeness, clear response, suggestions and enough human resources of the employees are analysed based on the survey data. The findings are presented in the Table (4.9) by mean scores.

**Table (4.9) Process**

<b>Sr. No</b>	<b>Process</b>	<b>Mean Score</b>
1.	Easy to buy the insurance from FNI.	3.68
2.	Available Online billing and underwriting policy	3.56
3.	Takes a few hours for applying process	3.21
4.	Prompt and efficient complaint handling mechanism.	3.51
	<b>Overall Mean</b>	<b>3.49</b>

Source: Survey Data, 2019

According to Table (4.9), people are easy to buy insurance from FNI because the branches are easy to go and located at many places and there are many agents. Besides, FNI has available online billing and underwriting policy. People perceived that FNI's online billing and underwriting policy are available, thus, it is easier for the customers. FNI gives the service prompt and efficient complaint handling mechanism because FNI has the

experienced and skilful employees who can give response at once. Moreover, applying process takes a few hours and it gives a better service for customers. According to overall mean, process factor is influenced on the customers that FNI insurances are easy to buy because of the online process and the service is able to be done within a few hours.

#### 4.3.7 Physical Evidence

Physical infrastructure is important while delivering the service. Customer perceptions towards the physical factor are analysed. The findings are presented in the Table (4.10) by mean scores.

**Table (4.10) Physical Evidence**

<b>Sr. No</b>	<b>Physical</b>	<b>Mean Score</b>
1.	Very clean, tidy and good ventilated physical environment	3.32
2.	Using modern equipment.	3.11
3.	Fast and efficient counter services.	3.57
4.	Noticeable sign boards.	3.63
	<b>Overall Mean</b>	<b>3.40</b>

Source: Survey Data, 2019

According to Table (4.10), people perceives that FNI office is eye catching with noticeable sign boards, thus, people can find easily. FNI provides quick and efficient counter service where people are able to learn the insurance packages. Moreover, FNI office is very clean, tidy, and good ventilated physical environment that the customers are comfortable with nice atmosphere. FNI uses modern equipment, thus, the advanced and modernised equipment such as towing cars attracts the customers. According to overall mean, people have a positive view on physical factor because the office is visible with noticeable signboard and set the office with modern equipment.

#### 4.4 Analysis of Factors Influencing Customer Attitudes

Customer attitudes are very important since many people evaluate the products or services based on their attitudes. Thus, it is important to identify the customer attitudes. There are basically three attitudes namely cognitive, affective and conative.

##### 4.4.1 Customer Attitude

Customer attitude is very important for businesses. Thus, organizations are trying to analyse the attitudes of their customers. The findings are presented in the Table (4.11) by mean scores.

**Table (4.11) Customer Attitudes**

<b>Sr. No</b>	<b>Customer Attitudes</b>	<b>Mean Score</b>
<b>Cognitive</b>		
1.	Experience with car insurance system.	3.56
2.	Watching insurance's new products and service ads.	3.60
3.	Evaluating insurance company's products and services.	3.32
4.	Compare products and services from those of others	3.17
	<b>Overall Mean</b>	<b>3.41</b>
<b>Affective</b>		
1.	Confidence that car insurance can save my loss	4.09
2.	Buying car insurance becomes popular among people.	3.71
3.	No burden with insurance premium price.	3.69
4.	Promotions make easier for payment terms and process.	2.85
	<b>Overall Mean</b>	<b>3.59</b>
<b>Conative</b>		
1.	Buying car insurance reduces risks.	4.23
2.	More interested to buy car insurance if the premium price is lowered.	3.54
3.	Buying insurance if the staff or agents do one stop service	3.45
4.	Buying insurance because of bad traffic & high accidents.	4.24
	<b>Overall Mean</b>	<b>3.87</b>

Source: Survey Data, 2019

According to Table (4.11), concerning with cognitive component, people stated that they are watching the insurance's new products and service advertisement because people are interested in FNI, thus, they are searching the news. People perceived that they have experience for car insurance service. Moreover, people are evaluating insurance company's products and services that they like to compare among competitors' products and services of different insurance organizations on web. According to overall mean, most customers have cognitive characteristic that influence on customer attitude toward FNI company.

Regarding to affective component, people are confident that car insurance can save the loss of damage, accident, etc. The customers perceived that buying car insurance become popular because people are knowledgeable about car insurance through print media advertisement, online advertisement, etc. People expressed no burden with insurance premium price that they can still afford. Besides, promotions make easier for payment terms and process that the loyal customers have contract, thus, payment plan is clear. According to overall mean, most customers have affective characteristic that influence on customer attitude toward FNI company.

Concerning with conative component, people perceived that buying car insurance because of bad traffic and high accidents that if needed, insurance company takes care of the expenses. Besides, buying car insurance reduce risks that it feels safe for the car accident. The customers stated that people are more interested to buy car insurance if the premium price is lowered that people can afford and they can pay for it because some people occupy many cars. Furthermore, people described the staff or agents do one stop car insurance service, the buying premium rate is more. One stop service can make easier and things are done at one place because that service attracts people. According to overall mean, most customers have conative characteristic that influence on customer attitude toward FNI Company.

#### **4.4.2 Effect of Social Factors on Customer Attitudes**

This section explores which social factors such as recommendations from others and insurance agents have the significant relationship with the customer attitude by analysing survey data by regression.

##### **(i) Effect of Social Factors on Cognitive Attitude**

This section explores which social factors have the significant relationship with the cognitive attitude by analysing survey data by regression. Table (4.12) presents the regression result between social factors and cognitive attitude.

**Table (4.12) Effect of Social Factors on Cognitive Attitude**

Variable	Unstandardized Coefficients		$\beta$	T	Sig
	B	Std Error			
(Constant)	.264	.098		2.688	.008
Recommendation	.834***	.095	.826	8.785	.000
Insurance Agent	.135	.093	.137	1.462	.146
R Square	.918				
Adjusted R Square	.917				
F value	655.892***				

Source: Survey Data (2019)

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

According to Table (4.12), the value of  $R^2$  is almost 92 percent thus this specified model could explain about the variation of social factors on the cognitive attitude of the customers. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 0.917 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.918.

Among two independent variables, recommendation has the expected positive sign and is strongly significant at one percent level. According to the regression result, positive relation means that the increase in recommendation from friends or peers leads to more effect on customer with cognitive attitude towards FNI car insurance. In Myanmar, insurance sector is not enough developed yet and people are also unfamiliar with insurance, FNI noticed these factors and focus mainly on customer awareness by using social media and personal selling, and FNI also attain its better customer services from the beginning till now, so, good recommendation on FNI car insurance will spread through customer's positive word of mouth behaviour. If there is an increase in recommendation from others by 1 unit, this will also raise the effect on people with cognitive by 0.834 unit.

The standardized coefficient (Beta) of recommendation factor has the largest value (.826) among two explanatory variables indicating that recommendation has the greatest contribution to increase effect on cognitive people when the variance explained by other variables is controlled for. The overall evaluation reveals that models explain the variation in the attitude towards FNI car insurance well. The increases in better recommendation and services have the positive effects on cognitive component of the customers.

**(ii) Effect of Social Factors on Affective Attitude**

This section explores which social factors have the significant relationship with the affective attitude by analysing survey data by regression. Table (4.13) presents the regression result between marketing mix and customer satisfaction.

**Table (4.13) Effect of Social Factors on Affective Attitude**

Variable	Unstandardized Coefficients		B	T	Sig
	B	Std Error			
(Constant)	1.419	.072		19.690	.000
Recommendation	.360***	.070	.482	5.162	.000
Insurance Agent Mean	.354***	.068	.486	5.206	.000
R Square	.919				
Adjusted R Square	.918				
F value	664.350***				

Source: Survey Data (2019)

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

According to Table (4.13), the value of R<sup>2</sup> is almost 92 percent thus this specified model could explain about the variation of social factors on the affective component towards FNI car insurance. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost .918 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.918.

Among two independent variables, recommendation has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in recommendation factor leads to more

effects on affective attitude of the customers as their friends told them that FMI pays the good compensations for repairing the damage. FNI makes the careful evaluations for the damage and repair the cost like original conditions thus most respondents have the positive perceptions. If there is an increase in product by 1 unit, this will also raise the effect on the affective component of the customers by .360 unit.

The variable insurance agent has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in insurance agent abilities leads to more customer affective because customers usually contacts to the insurance agents first and they usually take their suggestions for their cars. The better service of the insurance agent by 1 unit will increase the affective component of the customers by .354 units.

The standardized coefficient (Beta) of recommendation factor has the largest value (.486) among two explanatory variables indicating that agent abilities has the greatest contribution to people with affective component when the variance explained by other variables is controlled for. The overall evaluation reveals that models explain the variation in the attitude towards affective component well. The increase in better service of insurance agent has the positive effects on affective component of the customers.

**(iii) Effect of Social Factors on Conative Attitude**

This section explores which social factors have the significant relationship with the conative attitude by analysing survey data by regression. Table (4.14) presents the regression result between marketing mix and customer satisfaction.

**Table (4.14) Effect of Social Factors on Conative Attitude**

Variable	Unstandardized Coefficients		$\beta$	T	Sig
	B	Std Error			
(Constant)	1.856	.054		34.169	.000
Recommendation	.160***	.052	.243	3.043	.003
Insurance Agent	.470***	.051	.734	9.180	.000
R Square	.941				
Adjusted R Square	.940				
F value	928.216***				

Source: Survey Data (2019)

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

According to Table (4.14), the value of  $R^2$  is almost 94 percent thus this specified model could explain about the variation of social factors on the conative component towards FNI car insurance. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 94 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.940.

Among two independent variables, recommendation has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in recommendation from others factor leads to more effects on conative attitude of the customers as they feel safe by FNI motor insurance. FNI makes sure that the loss of car owners is eliminated thus most respondents have the positive perception. If there is an increase in product by 1 unit, this will also raise the effect on the conative component of the customers by .160 unit.

The variable insurance agent has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in insurance agent abilities leads to more customer affective because customers usually contacts to the insurance agents first and they usually take their suggestions for their cars. The better service of the insurance agent by 1 unit will increase the conative component of the customers by .470 unit.

The standardized coefficient (Beta) of recommendation factor has the largest value (.734) among two explanatory variables indicating that agent abilities has the greatest contribution to people with conative component when the variance explained by other variables is controlled for. The overall evaluation reveals that models explain the variation in the attitude towards conative component well. The increase in better service of insurance agent has the positive effects on conative component of the customers.

#### **4.4.3 Effect of Marketing Factors on Customer Attitudes**

This section explores which marketing mix factors have the significant relationship with the customer satisfaction by analysing survey data by regression. Businesses need to find out that their marketing strategies could effect on customer attitudes.

**(i) Effect of Marketing Factors on Cognitive Attitude**

This section explores which marketing mix factors have the significant relationship with cognitive component of the customers by analysing survey data by regression. Table (4.16) presents the regression result between marketing mix and cognitive.

**Table (4.15) Effect of Marketing Factors on Cognitive Attitude**

Variable	Unstandardized		B	T	Sig
	B	Std Error			
(Constant)	-.707	.108		-6.531	.000
Product	.066	.079	.051	.836	.405
Price	.458***	.057	.432	8.027	.000
Place	.171**	.085	.132	2.022	.046
Promotion	.273***	.083	.212	3.288	.001
People	.146**	.077	.102	1.908	.059
Process	.110	.069	.092	1.579	.117
Physical	-.006	.092	-.004	-.064	.949
R Square	.976				
Adjusted R Square	.975				
F value	653.458***				

Source: Survey Data (2019)

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

According to Table (4.15), the value of  $R^2$  is almost 98 percent thus this specified model could explain about the variation of marketing mix (7Ps) on the cognitive component of the customers towards First National Insurance (FNI). The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 97.5 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.975.

Among seven independent variables, price factor has the expected positive sign and is significant at 1 percent level. The positive relationship means that the increase in better price leads to more effect on cognitive component of the customers because the FNI provides competitive and reasonable premium prices for customers who wants to get

the experience and knowledge. Thus, most respondents find price as the satisfactory factor because of affordable price. The better the price by 1 unit will increase the customer satisfaction of the customers who have cognitive component by .458 unit.

The variable place factor has the expected positive sign and is significant at 5 percent level. The positive relationship means that the increase in better place leads to more affect on cognitive component of the customers because car owners finds the convenient places and insurance that have many branches across the country. Thus, most visitors find place as the satisfactory factor. The better the place factor by 1 unit will increase the satisfaction of the customers who have cognitive component by 0.171unit.

The variable promotion factor has the expected positive sign and is significant at 1 percent level. The positive relationship means that the increase in better promotion leads to more customer satisfaction because FNI gives promotion campaigns at road shows and reduce premium price when customers make no claims. Thus, most visitors find promotion as the satisfactory factor. The better the promotion factor by 1 unit will increase satisfaction of the customers with cognitive attitude by 0.273 unit.

The variable people factor has the expected positive sign and is significant at 5percent level. The positive relationship means that the increase in better people service leads to more customer satisfaction because FNI gives trainings employees to be polite and skilful. Thus, most visitors find people as the satisfactory factor. The better the people factor by 1 unit will increase the satisfaction of the customers with cognitive attitude by 0.146 unit.

The standardized coefficient (Beta) of price factor has the largest value (.432) among seven explanatory variables indicating that price has the greatest contribution to increase the customer satisfaction of customers when the variance explained by other variables is controlled for. The overall evaluation reveals that models explain the variation in the customer satisfaction towards FNI well because the estimation produced expected signs and significant coefficients for most variables.

## **(ii) Effect of Marketing Factors on Affective Attitude**

This section explores which marketing mix factors have the significant relationship with the customer satisfaction by analysing survey data by regression. Table (4.16) presents the regression result between marketing mix and customer satisfaction.

**Table (4.16) Effect of Marketing Factors on Affective Attitude**

Variable	Unstandardized Coefficients		$\beta$	T	Sig
	B	Std Error			
(Constant)	-.002	.111		-.014	.989
Product	.853***	.081	.888	10.544	.000
Price	-.024	.059	-.031	.410	.682
Place	-.132	.087	.137	-1.512	.133
Promotion	-.068	.085	.072	-.800	.425
People	.352***	.079	.334	4.467	.000
Process	.289***	.071	.329	4.051	.000
Physical	.385***	.095	.326	4.052	.000
R Square	.954				
Adjusted R Square	.951				
F value	328.669***				

Source: Survey Data (2019)

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

According to Table (4.16), the value of  $R^2$  is almost 95 percent thus this specified model could explain about the variation of marketing mix (7Ps) on the customer satisfaction of the people who have affective attitude towards First National Insurance (FNI). The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 95.1 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.951.

Among seven independent variables, product factor has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in better price leads to more customer satisfaction of people with affective attitude because FNI provides for all motor insurance products. Thus, most respondents find price as the satisfactory factor. The better the price by 1 unit will increase the satisfaction of customers who have affective component of the customers by .853 unit.

The variable people factor has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in better people leads to more customer satisfaction because car owners finds the politeness and skilful of the FNI staffs. The better the people factor by 1 unit will increase the satisfaction of customers who have affective component by 0.352 unit.

The variable process factor has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in better people leads to more customer satisfaction because car owners find process of insurance at FNI. The better the process factor by 1 unit will increase the satisfaction of customers who have affective component by 0.289 unit.

Regarding physical factor has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in better physical factor leads to more customer satisfaction because car owners looks for the equipment and physical things that makes impress them. The better the physical factor by 1 unit will increase the satisfaction of customers who have affective component by 0.385 unit.

The standardized coefficient (Beta) of people factor has the largest value (.334) among seven explanatory variables indicating that people has the greatest contribution to increase the satisfaction of customers with affective attitude when the variance explained by other variables is controlled for.

**(iii) Effect of Marketing Factors on Conative Attitude**

This section explores which marketing mix factors have the significant relationship with the customer satisfaction by analysing survey data by regression. Table (4.17) presents the regression result between marketing mix and customer satisfaction.

**Table (4.17) Effect of Marketing Factors on Conative Attitude**

Variable	Unstandardized		B	t	Sig
	B	Std Error			
(Constant)	-.707	.108		-	.000
Product	.066	.079	.051	.836	.405
Price	.458***	.057	.432	8.027	.000
Place	.171**	.085	.132	2.022	.046
Promotion	.273***	.083	.212	3.288	.001
People	.146*	.077	.102	1.908	.059
Process	.110	.069	.092	1.579	.117
Physical	.006	.092	.004	.064	.949
R Square	.976				
Adjusted R Square	.975				
F value	653.458***				

Source: Survey Data (2019)

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

According to Table (4.17), the value of  $R^2$  is almost 98 percent thus this specified model could explain about the variation of marketing mix (7Ps) on the customer satisfaction of the people who have affective attitude towards First National Insurance (FNI). The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 97.5 percent about the variance of the independent variable and dependent variable because Adjusted R square is .975.

Among seven independent variables, price factor has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in better price leads to more customer satisfaction of people with conative attitude because FNI provides reasonable premium price according to the engine power. Thus, most respondents find price as the satisfactory factor. The better the price by 1 unit will increase the satisfaction of customers who have conative component by .853 unit.

The variable place factor has the expected positive sign and is strongly significant at 5 percent level. The positive relationship means that the increase in better place leads to more customer satisfaction because car owners find the convenient places for the insurance office. The more convenient place factor by 1 unit will increase the satisfaction of customers who have conative component by 0.171 unit.

The variable promotions factor has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in better promotions leads to more customer satisfaction because car owners look for the promotions for car insurance. The better the promotions factor by 1 unit will increase the satisfaction of customers who have conative component by 0.273 unit.

Regarding people factor has the expected positive sign and is significant at 10 percent level. The positive relationship means that the increase in people factor leads to more customer satisfaction because car owners examine the knowledge and skills of the people that makes impress them. The better the people factor by 1 unit will increase the satisfaction of customers who have conative component by 0.146 unit.

The standardized coefficient (Beta) of price factor has the largest value (.432) among seven explanatory variables indicating that price has the greatest contribution to increase the satisfaction of customers with conative attitude when the variance explained by other variables is controlled for.

#### 4.4.4 Effect of Social Factors and Marketing Factors on Customer Attitudes

This section explores which social marketing mix factors have the significant relationship with the customer satisfaction by analysing survey data by linear regression in SPSS version 22.

##### (i) Effect of Social Factors and Marketing Factors on Cognitive Attitude

This section explores which social and marketing mix factors have the significant relationship with the customer cognitive attitude by analysing survey data by regression. Table (4.18) presents the regression result among social, marketing mix and customer cognitive attitude.

**Table (4.18) Effect of Social Factors and Marketing Factors on Cognitive Attitude**

Variable	Unstandardized Coefficients		$\beta$	t	Sig
	B	Std Error			
(Constant)	-.981	.118		-8.342	.000
Social Factor	.105	.065	.104	1.616	.109
Marketing Factor	1.174***	.086	.881	13.630	.000
R Square	.965				
Adjusted R Square	.964				
F value	1590.568***				

Source: Survey Data (2019)

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

According to Table (4.18), the value of  $R^2$  is almost 96 percent thus this specified model could explain about the variation of social factors and marketing mix (7Ps) on the cognitive attitude of the people who have cognitive attitude towards First National Insurance (FNI). The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 96.4 percent about the variance of the independent variable and dependent variable because adjusted R square is .964.

Among two independent variables, marketing factor has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in better marketing factor leads to more customer satisfaction of people with cognitive component because FNI provides reasonable attractive marketing promotions

and products for car owners. Thus, most respondents find marketing factors as the and products for car owners. Thus, most respondents find marketing factors as the satisfactory factor. The better the marketing factor by 1 unit will increase the satisfaction of customers who have cognitive component by 1.174 unit.

**(ii) Effect of Social Factors and Marketing Factors on Affective Attitude**

This section explores which social and marketing mix factors have the significant relationship with the customer cognitive attitude by analysing survey data by regression. Table (4.19) presents the regression result among social factor, marketing mix and affective attitude.

**Table (4.19) Effect of Social Factors and Marketing Factors on Affective Attitude**

Variable	Unstandardized		B	t	Sig
	B	Std Error			
(Constant)	1.037	.124		8.335	.000
Social Factor Mean	.475***	.069	.638	6.885	.000
Marketing Factor	.328***	.091	.333	3.594	.000
R Square	.927				
Adjusted R Square	.926				
F value	744.119***				

Source: Survey Data (2019)

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

According to Table (4.19), the value of R<sup>2</sup> is almost 93 percent thus this specified model could explain about the variation of social factors and marketing mix (7Ps) on the affective attitude of the people who have affective attitude towards First National Insurance (FNI). The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 92.6 percent about the variance of the independent variable and dependent variable because Adjusted R square is .926.

Among two independent variables, social factor has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in better social factor leads to more customer satisfaction of people with affective attitude. The better the social factor by 1 unit will increase the satisfaction of customers who have affective attitude by .475 unit.

The variable marketing factor has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in better marketing factor leads to more customer satisfaction. The more convenient marketing factor by 1 unit will increase the satisfaction of customers who have affective component by .328 unit.

The standardized coefficient (Beta) of social factor has the largest value (.638) among two explanatory variables indicating that social factor has the greatest contribution to increase the satisfaction of customers with affective attitude when the variance explained by other variables is controlled for.

**(iii) Effect of Social Factors and Marketing Factors on Conative Attitude**

This section explores which social and marketing mix factors have the significant relationship with the customer satisfaction by analysing survey data by regression. Table (4.20) presents the regression result among social factor, marketing mix and conative attitude.

**Table (4.20) Effect of Social Factors and Marketing Factors on Conative Attitude**

Variable	Unstandardized		B	T	Sig
	B	Std Error			
(Constant)	1.882	.102		18.420	.000
Social Factor	.686***	.057	1.047	12.111	.000
Marketing Factor	-.071	.075	-.082	-.954	.342
R Square	.937				
Adjusted R Square	.935				
F value	863.831***				

Source: Survey Data (2019)

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

According to Table (4.20), the value of  $R^2$  is almost 94 percent thus this specified model could explain about the variation of social factors and marketing mix (7Ps) on the conative attitude of the people who have conative attitude towards First National Insurance (FNI). The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 93.5 percent about the variance of the independent variable and dependent variable because Adjusted R square is .935.

Among two independent variables, social factor has the expected positive sign and is strongly significant at 1 percent level. The positive relationship means that the increase in better social factor leads to more customer satisfaction of people with conative attitude, the better the social factor by 1 unit will increase the satisfaction of customers who have conative attitude by .686 unit. The standardized coefficient (Beta) of social factor has the largest value (1.047) among two explanatory variables indicating that marketing has the greatest contribution to increase the satisfaction of customers with conative attitude when the variance explained by other variables is controlled for.

#### 4.5 Analysis of Influencing Customer Attitude on Buying Behaviour

Buying behaviour is the final decision of the customers and businesses want to find out which attitude factors could affect the buying decisions of the customers. By learning the attitudes and buying decisions, customers could make more attractive campaigns.

##### 4.5.1 Buying Behaviour of the Respondents

Buying behaviour is very important for both customers and businesses. It is important to identify the buying behaviour of the customers. Table (4.21) presents the buying decisions of the FNI customers.

**Table (4.21) Buying Behavior**

Sr. No	Buying Behavior	Mean Score
1.	Going to buy car with FNI car insurance.	3.15
2.	Buy FNI car insurance, when buying car.	3.61
3.	Recommend friends and family members to buy FNI car insurance.	3.64
4.	Continue with FNI in future renewals.	3.79
	<b>Overall Mean</b>	<b>3.55</b>

Source: Survey Data, 2019

According to the overall mean score, most of the respondents have impressed to continue with FNI in future renewals since the company provides the quality service for motor insurance. Thus, most of the respondents have intentions to buy the insurance from FNI whenever they need to buy car insurance. Besides, it is found that most of the

respondents state that they will recommend FNI car insurance service to their friends since they like the products and service of FNI.

#### 4.5.2 Effect of Customer Attitude on Buying Behaviour

This section explores which customer attitudes have the significant relationship with the buying behaviour by analysing survey data by regression. Table (4.22) presents the regression result between customer attitude and buying behaviour.

**Table (4.22) Effect of Customer Attitude on Buying Behaviour**

Variable	Unstandardized Coefficients		$\beta$	T	Sig
	B	Std Error			
(Constant)	.058	.180		.322	.748
Cognitive	.258***	.063	.322	4.076	.000
Affective	.192***	.149	.155	1.288	.002
Conative	.531***	.149	.489	3.558	.001
R Square	.895				
Adjusted R Square	.892				
F value	329.044***				

Source: Survey Data (2019)

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

According to Table (4.22), the value of  $R^2$  is almost 90 percent thus this specified model could explain about the variation of customer attitudes on the buying behaviour of the customers. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 89.2 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.892.

Among three independent variables, cognitive has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in cognitive attitude in customers leads to more buying behaviour of the customers towards FNI motor insurance. If there is an increase in

cognitive attitude of the customers by 1 unit, this will also raise the buying behaviour of customers by .258 unit.

Affective has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in Affective attitude in customers leads to more buying behaviour of the customers towards FNI motor insurance. If there is an increase in Affective attitude of the customers by 1 unit, this will also raise the buying behaviour of customers by .192 unit.

Conative has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in conative attitude in customers leads to more buying behaviour of the customers towards FNI motor insurance. If there is an increase in conative attitude of the customers by 1 unit, this will also raise the buying behaviour of customers by 0.531 unit.

The standardized coefficient (Beta) of conative factor has the largest value (.489) among three explanatory variables indicating that conative has the greatest contribution to increase the buying behaviour of customers when the variance explained by other variables is controlled for. The overall evaluation reveals that models explain the variation in the buying behaviour of customers towards FNI motor insurance well because the estimation produced expected signs and significant coefficients for most variables. The increases in conative attitude have the positive effects on buying behaviour of the customers.

## **CHAPTER (5)**

### **CONCLUSION**

This chapter presents the findings and discussions from analysis. In additions, it includes suggestions and recommendations based on findings. Then the need for further research is presented.

#### **5.1 Findings and Discussions**

This study has been conducted with the objectives of identifying the social factor of customers and marketing mix (7Ps) activities of First National Insurance (FNI) motor insurance and analysis of the customer perceptions on those factors.

Among 120 respondents, the study reveals that most respondents are between 31 and 40 years old and majority of the respondents are bachelor degree holders. Majority of the people earning per month is in a range between one fifty thousand and one kyats and two hundred thousand kyats, and most respondents are company staff.

Regarding recommendation, respondents usually take the suggestions from their friends and family members. In additions, they usually used to read customer reviews at social media like Facebook. But they do not usually take suggestions and recommendations from the strangers.

Regarding insurance agents, respondents usually take the suggestions and recommendations from insurance agents since they perceive that agents have enough knowledge and skills regarding motor insurance. In additions, they find agents helpful when they consider the motor insurance. It is found that the respondents discuss with agents which insurance organization has good image and fit to their needs and wants.

Regarding products, customers find that FNI does not have broad category for motor insurance for all registered cars. In additions, respondents perceive that products terms and specification of FNI are simple and easy to understand. In additions, customers could buy the additional insurance services as FNI has separate insurance for motor such as only windshield etc.

Regarding price, respondents could calculate premium price on the website and they find it is convenient. In additions, they perceive that premium prices are reasonable and fair. Respondents are not satisfied with the fleet discount since FNI gives discounts when users buy at least 10 cars insurances. In additions, it is found that FNI does not offer flexible motor insurance rates.

Regarding price, respondents could calculate premium price on the website and they find it is convenient. In additions, they perceive that premium prices are reasonable and fair. Respondents are not satisfied with the fleet discount since FNI gives discounts when users buy at least 10 cars insurances. In additions, it is found that FNI does not offer flexible motor insurance rates.

It is found that most respondents have positive feedback on the set up of branches of cross the country. They also consider the locations of the branches are convenient and most branches can provide good facility like that of head office. In additions, agents could be found in every town. Customers also look at the products and services at the website easily. As the whole, most respondents think place factor is acceptable.

Regarding promotion factor, most customers give positive feedback about the promotions offered by First National Insurance company limited. FNI makes attractive gifts and promotions for motor insurance. In additions, customers find advertisements of FNI in TV, newspapers, and journals are attractive. They are satisfied with the premium discounts if they have no claims. Most customers state that personal and direct selling of FNI is good.

Regarding people, respondents state that they get recommendations from the staffs and they believe that staffs are skilful and have enough knowledge. They perceive staffs look profession and smart since FNI makes gorgeous uniforms. Furthermore, respondents state that the staffs are polite, friendly and service minded people as FNI gives the intensive trainings to all employees.

Regarding process factor, respondents have the positive feeling towards the motor insurance process as FNI makes the simple procedures for motor insurance and customers could easily buy motor insurance. In additions, it is found that FNI offers billing and registering process via online. Customers find this process factor is useful for them.

Most respondents are satisfied with the physical evidence factor of the FNI since FNI uses modern equipment while giving service. FNI insurance office is very clean and good ventilation infrastructure. In additions, FNI has many counters and signboards so that

customers could easily find the service counter they want to go. Thus, most of the respondents are impressive about the physical facility of the FNI.

Regarding customer attitude, most respondents have moderate levels of cognitive attitude as they have knowledge about car insurance and they want to gather information as much as possible before they buy the insurance. For affective attitude, most of the respondents have moderate level of affective component as they want to reduce their loss and promotions motivate the customers. It is also found that most respondents think about buying insurance and they have moderate levels of conative component.

According to the regression result, regarding cognitive component, recommendation has the positive significant relationship with the cognitive component. In addition, among seven marketing factors, price, place, promotion, and people are positively significant with the cognitive component of the respondents. Among these four, price is most influencing factors on people with cognitive attitudes.

Regarding Affective component, recommendation from others and insurance agents have the positive significant relationship with the affective component. Among these two, the later one is more influential. In additions, among seven marketing factors, product, people, process and physical are positively significant with the affective component of the respondents. Among these four, price is most influencing factors on people with affective attitudes.

Regarding conative component, recommendation from others and insurance agents have the positive significant relationship with the conative component. Among these two, the later one is more influential. In additions, among seven marketing factors, price, place, promotion and people are positively significant with the conative component of the respondents. Among these four, price is most influencing factors on people with conative attitudes.

It is found that all three attitudes positively effect on buying behaviour of motor insurance at FNI. Among three attitudes, conative has the greatest contribution to increase the buying behaviour of customers.

## **5.2 Suggestions and Recommendations**

According to the survey data, First National Insurance (FNI) should focus on the major segments of its customer demographics while making the marketing strategies. Regarding recommendation, FNI should offer some commissions or incentives to customers who take their friends to FNI by recommendation. In addition, FNI should make an online team in order to get more positive perceptions on social media. Regarding insurance agents, FNI should give more commissions and incentives to insurance agents and need to make a good communication network with agents to be more active. In addition, FNI should train all its insurance agents to have the enough products knowledge so that they could recommend customers about FNI motor insurance more thoroughly.

Regarding product, FNI should offer new product types to achieve more customers especially for company staffs. FNI should target to companies by offering business package products. Regarding price, FNI should update its website in English and Myanmar language so that the online calculation system will be more user friendly. FNI should target to companies by offering business package products. FNI should maintain its pricing strategy by monitoring that of competitors. To be more attractive place factor, FNI should arrange parking place by security staffs and CCTVs. FNI should give the same products and services at all branches across the country. In addition, it should choose the branch locations that customers can easily commute according to the regions. The FNI should offer attractive promotions and gifts to its customers or potential customers based on their social class and car models. Loyalty promotions need to be offered to its regular customers. Companies should focus more on telemarketing, advertising in electronic media and print media and advertising companies as additional promotional mix strategies. FNI should emphasize on public relation and publicity, sales promotion, seminars and promotional tools to induce consumers. Brand communication should cautiously done to project the right kind of image in the mind of the customers. Regarding people, FNI should keep training to all its employees and agents in order to give product knowledge and have good communication skills with customers. FNI should train all its employees till they could give suggestions based on the needs and wants of customers. Regarding process factor, FNI should do the insurance manuals that include all the detailed procedures and processes so that customers could refer it. Then, it also needs to solve the complaints by using the advanced technology to contact the head office. This could greatly reduce the complaints. FNI should make the registration hours within few hours by setting the standard time.

Last but not the least, FNI should set up all modernized equipment equally at all branches in order to give convenient service. It should set up the signage inside the building so that customers will get the direction to the right place. In additions, it also needs to do flyers for all the products and services relating to motor insurance.

First National Insurance (FNI) should focus on the customer attitudes of customers and should focus and develop the marketing strategies based on the customer attitudes. By developing the specific strategies to each attitude, FNI could perform more than their competitors. To improve the buying behaviour of the customers, FNI should focus conative attitude that strongly effect on buying behaviour.

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

This thesis focuses only on social factors and marking mix (7Ps) activities of First National Insurance (FNI). This study is only focusing on the customers from Yangon region. In order to get more precise analysis, further study should be focus on the customer from other region as well as from competitors' companies. The research based on the individual consumers and to get the more understanding the consumer behaviours, further study should base on the business to business for instance insurance for public buses.

This study only focused on customer and there is no research analyse on insurance agents and competitors. To understand more on consumer behaviours, insurance agents' feedback is also important factor to study on further research. There are many opportunities to improve this study. This study does not cover all the service and products of FNI. In addition, other factors of external influences and attitude models are not studied. Therefore, further study should conduct all the social factors, and marketing mix activities of insurance companies so that it will cover the whole insurance industry.

## **REFERENCES**

- Bagozzi, R. P., & Silk, A. J. (1983). Recall, recognition, and the measurement of memory for print advertisements. *Marketing Science*, 2(2), 95-134.
- Bitner, M. J. (1990). Evaluating Service Encounters: The Effect of Physical Surroundings and Employee Responses. *Journal of Marketing*, 54, 69-82.
- Bitner, M. J. (1992). Servicescapes: The impact of physical surroundings on customers and employees. *Journal of marketing*, 56(2), 57-71.
- Blackwell, R., Miniard, P., & Engel, J. (2006). *Consumer behavior*. Mason: Thompson.
- Bowen, D., & Lawler, E. (1992). The empowerment of service workers: what, why, how, and when. *Sloan Management Review*, 33(3), 31-40.
- Buchner, A. (2006). *Marketing Life Insurance Online*. New York: Jupiter Research.
- Chandon, J., Wansink, H., & Laurent, H. Y. (2000). *Measuring the Value of Point-of-Purchase Marketing with Commercial Eye-Tracking Data*. 4(6), 25-34
- Chowdhury, S. K. (2015). Predicting Attitude Based on Cognitive, Affective and Conative Components: An Online Shopping Perspective. *Stamford Journal of Business Studies*. 5(3), 20-45
- Fill, C. (2009). *Marketing Communications: Interactivity, communities and content*, (5<sup>th</sup> ed.). Harlow: FT Prentice Hall.
- Ghazi, K., & Ammar, S. (2018). International Tourists' Attitudes and Satisfaction toward Airport F&B, and Duty-Free Concessions. *Journal of Tourism Research, Review of Tourism Sciences*, 20, 41-65.
- Harrington, S. E., & Niehaus, G. R. (2004). *Risk Management and Insurance*. New Delhi: Tata McGraw-Hill Publishing Company Limited.
- Ivy, J. (2008). A new higher education marketing mix: the 7Ps for MBA marketing. *The International Journal of Educational Management*, 22(4), 288-299.
- Kandampully, J. (2002). Innovation as the core competency of a service organization: the role of technology, knowledge and networks. *European Journal of Innovation Management*, 5(1), 18-26.
- Katz, D., & Stotland, E. (1959). A Preliminary Statement to a Theory of Attitude Structure and Change. In S. Koch, *Psychology: A Study of a Science* 423-475. New York: McGraw-Hill.

- Khan , M. (1978). The Supply and Demand for Exports: A Simultaneous Approach. *The Review of Economics and Statistics*, 60(2), 275-86.
- Kotler, P. (2007). *Marketing management* (12<sup>th</sup> ed.). New Jersey: prentice Hall Inc.
- Kotler, P., & Keller, K. L. (1993). cneptualizing, Measuring and Managing Customer based Brand Equity. *Journal of Marketing*, 22.
- Lancaster, G., Massingham, L., & Ashford, R. (2002). *Essentials of Marketing* (4<sup>th</sup> ed.). New York: Mc Graw Hill Education.
- Low, S., & Tan, M. (1995). A convergence of western marketing mix concepts and oriental strategic thinking. *Marketing intelligence and planning*, 13(2), 36–46.
- Melewar, T., & Saunders, J. (2000). Global corporate visual identity systems: Using an extended marketing mix. *European journal of marketing*, 34(5), 538–550.
- Periasamy, P. (2005). *Principle and Practice of Insurance* (1<sup>st</sup> ed.). Mumbai: Himalaya Publishing House.
- Peter, J. P., & Donnelly, J. H. (2011). *A preface to marketing management* (12<sup>th</sup> ed.). New York: McGraw-Hill.
- Pheng, L., & Ming, K. (1997). Formulating a strategic marketing mix for quantity surveyors. *Marketing intelligence & planning*, 15(6), 273–80.
- Quester, P. G., McGuiggan, R. L., Perrault, W. D., & McCarthy, E. J. (2004). *Marketing: Creating and delivering value* (4<sup>th</sup> ed.). New York: McGraw Hill.
- Rafiq, M., & Ahmed, P. K. (1995). Using the 7Ps as a generic marketing mix. *Marketing Intelligence & Planning*, 16(3), 5-18.
- Schiffman, L. G., & Kanuk, L. L. (2000). *Consumer Behavior* (7<sup>th</sup> ed.). London: Prentice Hall.
- Shostack, G. L. (1984). Designing Services That Deliver. *Harvard Business Review*, 62, 133-139.
- Shostack, G. L. (1987). Service positioning through structural change. *Journal of Marketing*, 51, 34-43.
- Solomon, M., Bamossy, G., Askegaard, S., & Hogg, M. K. (2006). *Consumer Behaviour; A E uropean Perspective* (3<sup>rd</sup> ed.). London: Prentice Hall-Financial Times.

Totten, J. C., & Block, M. P. (1994). *Analyzing Sales Promotion Text & Cases: How to Profit from the New Power of Promotion Marketing* (2<sup>nd</sup> ed.). NY: The Dartnell Corporation.

Woodruffe, H. (1995). *Services Marketing* (1<sup>st</sup> ed.). London: Pitman Publishing.

Zeithaml, V. A., Bitner, M. J., & Gremler, D. (1996). *Services Marketing*. New York: McGrawHill.

Zeithaml, V. A., & Bitner, M. J. (2003). *Services Marketing: Integrating Customer Focus Across the Firm*. New York: Tata McGraw-Hill.

# Questionnaire for Customers

Dear Sir/Madam,

This survey questionnaire is to use only for the research paper “**Factors Influencing Customer Attitude towards Car Insurance Buying Behaviour on First National Insurance (FNI)**” to submit as a partial fulfillment towards the degree of Master of Business Administration (MBA). The data would not be used in other purposes. Thank you very much for your information.

*Please choose only one answer by marking.*

## I. Individual Factors

### Customer’s Demographic Information

#### 1. Age (Years):

- <25years     25-30 years     31- 40 years     41-50 years  
 51-60 years     >60 years

#### 2. Education Level

- High School     Diploma or Attending University     Bachelor  
 Master/PhD (Postgraduate)

#### 3. Occupation

- Self-employed     Government Servant     Company Staff  
 Professional     Dependent     Others

.....

#### 4. Income

- Less than 1,000,000 Ks     1,000,000 -1,500,000 Ks  
 1,500,001 – 2,000,000 Ks     Above 2,000,000 Ks

## II. Assessment the Social Factors towards Car Insurance Buying Behavior

Please “√” your answer to each statement using 5 point Likert scale [(1) = strongly disagree; (2) = disagree; (3) = neutral; (4) = agree and (5) = strongly agree]

### Social Factors

No.	Recommondation	1	2	3	4	5
1	I usually take suggestions from my friends for motor insurance.					
2	I take into account the recommendations from my family members for motor insurance.					
3	I usually ask the people which insurance is best for car.					
4	Social media like facebook also influences me in purchasing motor insurance					
5	I take stranger’s opinions when I buy things.					
No.	Insurance Agent	1	2	3	4	5
1	Insurance agents know very well about the insurance types and coverage.					
2	Agents could give suggestions and recommendations according to the needs and wants of specific users.					
3	I usually take the recommendations of agents in insurance purchase.					
4	I think insurance agents are skillful.					
5	I used to discuss with agents to find out which insurance organizations are fit to me.					

### III. Assessment the Marketing Mix towards Car Insurance Buying Behavior

Please “√” your answer to each statement using 5 point Likert scale [(1) = strongly disagree; (2) = disagree; (3) = neutral; (4) = agree and (5) = strongly agree]

<b>No.</b>	<b>Product</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	FNI has wide range of products and services for all cars registered.					
2	Products' terms and specifications are easy to understand.					
3	Customer service is effective.					
4	Additional insurance covers can be purchased.					
<b>No.</b>	<b>Price</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	FNI premium price is reasonable.					
2	Premium price can be calculated easily by calculation software on web page.					
3	Fleet discount is attractive.					
4	Price is flexible according to the user choice.					
<b>No.</b>	<b>Place</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	FNI office locations are easy to commute.					
2	FNI has number of branches across the country.					
3	Updated Product information can be observed on FNI webpage.					
4	FNI has many agents whom customers could easily contact.					
<b>No.</b>	<b>Promotion</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	Promotion campaigns are really effective.					
2	Newspaper/Journal/TV advertisements are attractive.					
3	Regular customers get no claim bonus, if they have no claims.					
4	Personal selling and direct selling are persuasive.					
<b>No.</b>	<b>People</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	The employees are friendly, Polite, and service minded.					
2	Staffs/ agents are neat and well-dressed.					
3	Staffs have enough knowledge and skills to give the clear and precise answer to customers.					
4	Staffs can give the product recommendations for customers.					

<b>No.</b>	<b>Process</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	It is easy to buy the insurance from FNI.					
2	Online billing and underwriting policy is available.					
3	Applying process only takes a few hours.					
4	The insurance company has prompt and efficient complaint handling mechanism.					
<b>No.</b>	<b>Physical</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	The insurance Company's physical environment is very clean, tidy and good ventilated					
2	FNI uses modern equipments.					
3	FNI has fast and efficient counter services.					
4	The insurance company is equipped with noticeable sign boards.					

### III. Assessment the Customer Attitudes towards Car Insurance Buying Behavior

Please “√” your answer to each statement using 5 point Likert scale [(1) = strongly disagree; (2) = disagree; (3) = neutral; (4) = agree and (5) = strongly agree]

#### Customer Attitudes

No.	Cognitive Component	1	2	3	4	5
1	I have experience with car insurance system.					
2	I used to watch insurance’s new products and service advertisement.					
3	I used to evaluate insurance company’s products and services.					
4	I usually browse the websites and compare products and services of different insurance organizations.					
No.	Affective Component`	1	2	3	4	5
1	I have confidence that I can reduce my loss by car insurance.					
2	Buying car insurance becomes popular among people.					
3	I don’t feel any burden with insurance premium price.					
4	Promotions make easier for payment terms and process.					
No.	Cognative Component	1	2	3	4	5
1	I would buy car insurance to reduce risks.					
2	If the premium price is lowered, i am more interested to buy car insurance.					
3	I will buy insurance if the staff or agents do one stop car insurance service.					
4	I will buy car insurance because of bad traffic and high accidents.					

No.	Buying Behavior	1	2	3	4	5
1	I am going to buy car with FNI car insurance.					
2	Whenever I buy the car, I will buy FNI car insurance.					
3	I will recommend my friends and family members to FNI insurance.					
4	I will continue with FNI in future renewals.					

### Regression result for Social Factors and Cognitive Component

ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	53.335	2	26.667	655.892	.000 <sup>b</sup>
	Residual	4.757	117	.041		
	Total	58.092	119			

a. Dependent Variable: Cognitive Com Mean

b. Predictors: (Constant), Insurance Agent Mean, Recommendation Mean

Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.958 <sup>a</sup>	.918	.917	.20164

a. Predictors: (Constant), Insurance Agent Mean, Recommendation Mean

b. Dependent Variable: Cognitive Com Mean

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.264	.098		2.688	.008
	Recommendation Mean	.834	.095	.826	8.785	.000
	Insurance Agent Mean	.135	.093	.137	1.462	.146

a. Dependent Variable: Cognitive Com Mean

### Regression result for Social Factors and Affective Component

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

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	29.104	2	14.552	664.350	.000 <sup>b</sup>
	Residual	2.563	117	.022		
	Total	31.667	119			

a. Dependent Variable: Affective Com Mean

b. Predictors: (Constant), Insurance Agent Mean, Recommendation Mean

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

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.959 <sup>a</sup>	.919	.918	.14800

a. Predictors: (Constant), Insurance Agent Mean, Recommendation Mean

b. Dependent Variable: Affective Com Mean

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

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.419	.072		19.690	.000
	Recommendation Mean	.360	.070	.482	5.162	.000
	Insurance Agent Mean	.354	.068	.486	5.206	.000

a. Dependent Variable: Affective Com Mean

**Regression result for Social Factors and Conative Component**

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

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.102	2	11.551	928.216	.000 <sup>b</sup>
	Residual	1.456	117	.012		
	Total	24.558	119			

a. Dependent Variable: Conative Com Mean

b. Predictors: (Constant), Insurance Agent Mean, Recommendation Mean

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

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.970 <sup>a</sup>	.941	.940	.11155

a. Predictors: (Constant), Insurance Agent Mean, Recommendation Mean

b. Dependent Variable: Conative Com Mean

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

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.856	.054		34.169	.000
	Recommendation Mean	.160	.052	.243	3.043	.003
	Insurance Agent Mean	.470	.051	.734	9.180	.000

a. Dependent Variable: Conative Com Mean

## Regression result for Marketing Factors and Cognitive Component

ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	56.703	7	8.100	653.458	.000 <sup>b</sup>
	Residual	1.388	112	.012		
	Total	58.092	119			

a. Dependent Variable: Cognitive Com Mean

b. Predictors: (Constant), Physical Mean, Price Mean, Process Mean, People Mean, Product Mean, Promotion Mean, Palace Mean

Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.988 <sup>a</sup>	.976	.975	.11134

a. Predictors: (Constant), Physical Mean, Price Mean, Process Mean, People Mean, Product Mean, Promotion Mean, Palace Mean

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.707	.108		-6.531	.000
	Product Mean	.066	.079	.051	.836	.405
	Price Mean	.458	.057	.432	8.027	.000
	Palace Mean	.171	.085	.132	2.022	.046
	Promotion Mean	.273	.083	.212	3.288	.001
	People Mean	.146	.077	.102	1.908	.059
	Process Mean	.110	.069	.092	1.579	.117
	Physical Mean	-.006	.092	-.064	-.064	.949

a. Dependent Variable: Cognitive Com Mean

## Regression result for Marketing Factors and Affective Component

ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	30.197	7	4.314	328.669	.000 <sup>b</sup>
	Residual	1.470	112	.013		
	Total	31.667	119			

a. Dependent Variable: Affective Com Mean

b. Predictors: (Constant), Physical Mean, Price Mean, Process Mean, People Mean, Product Mean, Promotion Mean, Palace Mean

Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.977 <sup>a</sup>	.954	.951	.11456

a. Predictors: (Constant), Physical Mean, Price Mean, Process Mean, People Mean, Product Mean, Promotion Mean, Palace Mean

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.002	.111		-.014	.989
	Product Mean	.853	.081	.888	10.544	.000
	Price Mean	-.024	.059	-.031	-.410	.682
	Palace Mean	-.132	.087	.137	-1.512	.133
	Promotion Mean	-.068	.085	.072	-.800	.425
	People Mean	.352	.079	.334	4.467	.000
	Process Mean	.289	.071	.329	4.051	.000
	Physical Mean	.385	.095	.326	4.052	.000

a. Dependent Variable: Affective Com Mean

### Regression result for Marketing Factors and Conative Attitude

ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	22.968	7	3.281	653.458	.000 <sup>b</sup>
	Residual	1.589	112	.014		
	Total	24.558	119			

a. Dependent Variable: Conative Com Mean

b. Predictors: (Constant), Physical Mean, Price Mean, Process Mean, People Mean, Product Mean, Promotion Mean, Palace Mean

Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.967 <sup>a</sup>	.976	.975	.11912

a. Predictors: (Constant), Physical Mean, Price Mean, Process Mean, People Mean, Product Mean, Promotion Mean, Palace Mean

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.707	.108		-	.000
	Product Mean	.066	.079	.051	.836	.405
	Price Mean	.458	.057	.432	8.027	.000
	Palace Mean	.171	.085	.132	2.022	.046
	Promotion Mean	.273	.083	.212	3.288	.001
	People Mean	.146	.077	.102	1.908	.059
	Process Mean	.110	.069	.092	1.579	.117
	Physical Mean	.006	.092	.004	.064	.949

a. Dependent Variable: Conative Com Mean

## Regression result for Social Factors, Marketing Factors and Cognitive Component

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

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	56.031	2	28.015	1590.568	.000 <sup>b</sup>
	Residual	2.061	117	.018		
	Total	58.092	119			

a. Dependent Variable: Congitive Com Mean

b. Predictors: (Constant), Marketing Factor, Social Factor Mean]

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

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.982 <sup>a</sup>	.965	.964	.13272

a. Predictors: (Constant), Marketing Factor, Social Factor Mean]

b. Dependent Variable: Congitive Com Mean

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

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.981	.118		-8.342	.000
	Social Factor Mean]	.105	.065	.104	1.616	.109
	Marketing Factor	1.174	.086	.881	13.630	.000

a. Dependent Variable: Congitive Com Mean

**Regression result for Social Factors, Marketing Factors and Affective Component  
Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.963 <sup>a</sup>	.927	.926	.14045

a. Predictors: (Constant), Marketing Factor, Social Factor Mean]

b. Dependent Variable: Affective Com Mean

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

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	29.359	2	14.679	744.119	.000 <sup>b</sup>
	Residual	2.308	117	.020		
	Total	31.667	119			

a. Dependent Variable: Affective Com Mean

b. Predictors: (Constant), Marketing Factor, Social Factor Mean]

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

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.037	.124		8.335	.000
	Social Factor Mean]	.475	.069	.638	6.885	.000
	Marketing Factor	.328	.091	.333	3.594	.000

a. Dependent Variable: Affective Com Mean

## Regression result for Social Factors, Marketing Factors and Conative Component

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

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.968 <sup>a</sup>	.937	.935	.11538

a. Predictors: (Constant), Marketing Factor, Social Factor Mean]

b. Dependent Variable: Conative Com Mean

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

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.000	2	11.500	863.831	.000 <sup>b</sup>
	Residual	1.558	117	.013		
	Total	24.558	119			

a. Dependent Variable: Conative Com Mean

b. Predictors: (Constant), Marketing Factor, Social Factor Mean]

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

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.882	.102		18.420	.000
	Social Factor Mean]	.686	.057	1.047	12.111	.000
	Marketing Factor	-.071	.075	-.082	-.954	.342

a. Dependent Variable: Conative Com Mean

## Regression result for Customer Attitude and Buying Behavior

ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33.444	3	11.148	329.044	.000 <sup>b</sup>
	Residual	3.930	116	.034		
	Total	37.374	119			

a. Dependent Variable: Buying Behavior Mean

b. Predictors: (Constant), Conative Com Mean, Cognitive Com Mean, Affective Com Mean

Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.946 <sup>a</sup>	.895	.892	.18407

a. Predictors: (Constant), Conative Com Mean, Cognitive Com Mean, Affective Com Mean

b. Dependent Variable: Buying Behavior Mean

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.058	.180		.322	.748
	Cognitive Com Mean	.258	.063	.322	4.076	.000
	Affective Com Mean	.531	.149	.489	3.558	.001
	Conative Com Mean	.192	.149	.155	1.288	.002

a. Dependent Variable: Buying Behavior Mean

