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DEPARTMENT OF COMMERCE
MASTER OF BANKING AND FINANCE PROGRAMME**

**THE EFFECT OF MARKETING MIX ACTIVITIES ON
CUSTOMER BUYING DECISION IN MOTOR INSURANCE OF
GLOBAL WORLD INSURANCE COMPANY LIMITED**

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ABSTRACT

The purpose of this study is to analyze the effect of marketing mix activities on customer buying decision towards motor insurance of Global World Insurance Co., Ltd (GWI). In this study, marketing mix activities include product, price, place, promotion, people, process and physical evidence. Descriptive and quantitative research methods are used in this study. Both primary and secondary data are utilized. Primary data is collected from 200 motor insurance customers from Global World Insurance Co., Ltd by interviewing with structured questionnaire. Secondary data is obtained from textbooks, journals, articles, and previous theses from internet websites. Based on the multiple regression analysis, this study reveals that product, process, promotion, people and physical evidence have significant and positive effects on customer buying decision in motor insurance product of GWI. Among them, physical evidence has the largest effect on customer purchase decision followed by process, product, promotion and people factors. Therefore, management of the GWI should develop a very clean, tidy and good ventilated physical environment, the attractive and noticeable signboards and provide information through e-mail or SMS and mobile apps to be more effective communication. Additionally, management should increase the promotion events to keep customers familiar with GWI and should provide quick service to customers and resolve complaints quickly. The result of the study could provide important implications for developing more effective marketing mix activities for motor insurance products of the insurance companies.

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CHAPTER I

INTRODUCTION

The world economy nowadays is increasing as a service economy. This is primarily due to the increasing importance and share of the service sector in the economies of the most developed and developing countries. In fact, the growth of the service sector has been considered as one of the indicators of a country's economic progress.

Insurance is a business based on sales and services of "Insurance Contracts", products guaranteed to provide protection of life and property of the insured in unexpected loss or damage occurring in the future. Benefits will be paid according to agreement of contract or in unexpected events, and indemnities paid in financial loss or damage incurred. Insurance is key role in the risks that may be certain events like death, pension, retirement or uncertain events like motor accident, theft, fire, accident, etc. Insurance is a financial service for collecting the savings of the public and providing them with risk coverage. It eliminates worries and miseries of losses by destruction of accident and lost. It also provides capital to the society as the funds accumulated are invested in productive heads.

The uncertainty part of any activity cannot be reasonably foreseen to happen within a particular time or in a particular manner. Motor insurance is the branch of general insurance industry that most directly affects the general public (Rao, 2017). Motor insurance is about protecting other road users as opposed to the driver of the insured vehicle and it is not an optional extra.

Insurance companies provide motor insurance and unlike road tax, there is no such thing as a "standard" rate. Insurance is about more than just compensating for loss as it is a highly effective mechanism for assessing, managing and reducing risk. By helping customers face up to and manage risk effectively, insurance is an invaluable part of modern society and the motoring experience. Motor insurance is a contract between the insured and the insurance company that protects against financial loss (Institute, 2022).

Myanma Insurance has operated for many years as the monopoly provider of insurance, although at some times and in some ways foreign and private participation has been allowed. Insurance sector is new and lacks experience. Other than Myanma

Insurance, no firm has the ability or capacity to handle large risks. The country does not currently have actuaries. It therefore makes sense to keep business highly controlled, to avoid dumping and ensure players do not price coverage too low.

The insurance sector in Myanmar has undergone seismic changes over the last few years with the introduction of 100% foreign-owned life insurance companies and Foreign-Myanmar life and general insurance joint ventures. In addition, the industry is waiting for the enactment of the new Insurance Business Law, which will implement a complete modernization of insurance regulation in Myanmar.

Marketing helps the business for increasing its sales volume, generating revenue and ensuring its success in the long run. Marketing also helps the business in meeting competition most effectively. Marketing promotes product awareness to the public. Marketing creates a win-win situation for both, customers and the company. With the help of marketing, product/service awareness is generated among people thus making them capable of identifying their needs and satisfying them (Varsha, 2022).

The management has to give more attention and care to the company-marketing program by developing marketing mix elements that can create customers purchase intention. To meet to the needs of its targeted market, the Insurance business deals in selling services by formation of marketing mix. Marketing plays an important role in the development of the economy. Various functions and sub-functions of marketing like advertising, personal selling, etc., generate employment for a large number of people, and accelerate growth of business. Therefore, this study focuses on Marketing Mix activities and customer buying decision in Motor Insurance of the Global World Insurance Company Limited.

1.1 Rationale of the Study

A marketing mix is the set of marketing tools that a business uses to sell products or services to its target customers. Businesses have technically always used marketing tools to promote and sell their work (Lake, 2022). Customer behavior emphasizes on how consumers form their purchase decisions as a results of spending their time, money, and effort to obtain certain products or services. By understanding consumers' behaviors and their purchase decision process, organization tend to have better ideas about how to design effective marketing programs that would appeal to the target market and deliver superior customer value better than competitors. In today's business environment which has highly become competitive and challenging, retailers

need to thoroughly identify and forecast how different types of consumers behave in searching for and buying desired products and services to fulfill their needs and wants.

The process of consumers' decision making represents the phases in which consumers go through for reaching at purchase decisions. Consumer buying decision is multifaceted because there are several elements that correlate with the decision to form a purchase. Occasionally, customers spend less time on searching for buying products or services with high or low value, as their needs at certain times tend to be more important. Therefore, marketers look for innovative strategies, offer superior services, and set marketing plans that can stimulate their consumers to purchase their products and services and increase their buying decision (Jalal Rajeh Hanaysha, 2022).

Today, the large number of cars are increasing gradually in Myanmar. As the number of cars increases, car owners are more likely to experience car theft. There are many financial risks associated with car accident damage. As a result, car owners in Myanmar are becoming more interested in motor insurance to put their cars at risk cover. Therefore, insurance companies in Myanmar also aim to cover car owners' risk coverage by providing good services in motor insurance and protecting customers' financial loss. It provides financial compensation to cover any injuries caused to people or their property.

Motor insurance is high interest in most people often select the motor vehicle insurance only to regret their decision later on when their motor vehicle has been stolen or is involved in an accident, or while selling the vehicle. In Myanmar, insurance regulators need to systematize, regularize, develop and regulate the insurance business to promote Myanmar's business development.

With the development of financial services in Myanmar, people aware that insurance is important to the remedy loss by financial means against risks, especially regarding cargo, property, death, automobile accidents, and medical treatment. People in Myanmar have known that there are the avoidable losses caused by law of uncertainty, elements beyond the control of human beings, and human errors. One recovery way is by the use of insurance facilities to the individuals or organizations. The higher the numbers of accidents, people are more aware on purchase insurance premium.

There are currently 24 local and foreign insurance companies operating in Myanmar. In particular, general insurance business licenses have been awarded to three Foreign-Myanmar joint ventures: between AYA Myanmar General Insurance

Company and Sompo Japan Nipponkoa Insurance, between Grand Guardian General Insurance Company and Tokio Marine, and between IKBZ Insurance Company and Mitsui Sumitomo Insurance Company. It will be interesting to see which applications are successful, and how new local insurers will be established and thrive in this new insurance landscape in Myanmar (Taylor, 2022). As the number of competitors in insurance industry grows, GWI focus on better marketing. Customers make buying decisions depending on the marketing activities supported by the company.

The customer buying decision is a very important part to insurance companies for their long term stability. Studying about the customers and make them informed about the services and promotions availability is much essential in competitive business environment. The extended marketing mix is specially refers to the service organizations and it refers the product, price, place, promotion, people, process, and physical evidence. The modern market trend and the customer buying behavior is changing continuously. Customers rely on the behavior of service employees when evaluating quality of services.

Studying about the customers buying decision is very important to the marketers and this study is also helps to the insurance industry to identify the factors affecting the customer buying decision and evaluate the effect of the extended marketing mix on customer buying decision. The insurance industry has suffered most compared to the manufacturing industry because of the lack performance of the industry as it is a service industry. Although the development of this industry has stagnated for a considerable time because of the alterations to the customers. Therefore, this study attempts to analyze the effect of marketing mix activities on customers buying decision in motor insurance of Global World Insurance Co., Ltd.

1.2 Objectives of the Study

The objectives of the study are as follows:

1. To identify the marketing mix activities of Global World Insurance Company Limited (GWI) for motor insurance and
2. To analyze the effect of marketing mix on customer buying decision in motor insurance of Global World Insurance Company Limited (GWI).

1.3 Scope and Method of the Study

This study only focuses on the effect of marketing mix activities on customer buying decision in motor insurance of GWI. In this study, the marketing mix activities include price, product, promotion, place, people, physical evidence and process activities provided by the company. This study carries out by descriptive research and qualitative research methods. Primary data and secondary data are utilized in this study. According to the data from GWI, there are about 870 customers who buy the motor insurance product in year 2001. Among them, (200) customers, about 23% of total customers are selected by using simple random sampling method as a sample. In this study, primary data is collected from the responsible persons of the company and (200) customers who buy motor insurance product from the company. To achieve the first objective of this study, interviews with the responsible persons of the company are conducted. For second objective, (200) customers are interviewed with structured questionnaires. Secondary data is obtained from marketing text books, theses, research papers and journals from internet websites.

1.4 Organization of the Study

This study composes of five chapters. Chapter one is introduction which includes rationale of the study, objectives of the study, scope and method of the study, and organization of the thesis. Theoretical background of marketing mix, customer buying decisions and previous studies relating marketing mix and customer buying decisions, and conceptual framework of the study are presented in Chapter two. In chapter three, profile and marketing mix of Global World Insurance Company Limited are presented. Chapter four presents an analysis on the effect of marketing mix on customer buying decision in Motor Insurance of Global World Insurance Company Limited (GWI). Conclusion including key findings, suggestions, recommendations and need for further studies is presented in chapter five.

CHAPTER II

THEORETICAL BACKGROUND

This chapter, chapter (2), starts with the marketing concept. And then marketing mix concept, buying decisions of consumers, previous studies relating marketing mix and buying decisions of consumers, conceptual framework of the studies are presented.

2.1 Marketing Concept

Marketing is the process of getting the right goods or services or ideas to the right people at the right place, time, and price, using the right promotion techniques and utilizing the appropriate people to provide the customer service associated with those goods, services, or ideas. This concept is referred to as the “right” principle and is the basis of all marketing strategy. Marketing is finding out the needs and wants of potential buyers (whether organizations or consumers) and then providing goods and services that meet or exceed the expectations of those buyers. Marketing is about creating exchanges. An exchange takes place when two parties give something of value to each other to satisfy their respective needs or wants. In a typical exchange, a consumer trades money for a good or service. Sales incorporate actually selling the company’s products or service to its customers, while marketing is the process of communicating the value of a product or service to customers so that the product or service sells.

Most successful organizations have adopted the marketing concept. The marketing concept is based on the “right” principle. The marketing concept is the use of marketing data to focus on the needs and wants of customers in order to develop marketing strategies that not only satisfy the needs of the customers but also the accomplish the goals of the organization. An organization uses the marketing concept when it identifies the buyer’s needs and then produces the goods, services, or ideas that will satisfy them (using the “right” principle). The marketing concept is oriented toward pleasing customers (be those customers organizations or consumers) by offering value. Specifically, the marketing concept involves the following:

- Focusing on the needs and wants of the customers so the organization can distinguish its product(s) from competitors’ offerings. Products can be goods, services, or ideas.

- Integrating all of the organization's activities, including production and promotion, to satisfy these wants and needs.
- Achieving long-term goals for the organization by satisfying customer wants and needs legally and responsibly.

Today, companies of every size in all industries are applying the marketing concept. One important key to understanding the marketing concept is to know that using the marketing concept means the product is created after market research is used to identify the needs and wants of the customers. An organization that truly utilizes the marketing concept uses the data about potential customers from the very inception of the product to create the best good, service, or idea possible, as well as other marketing strategies to support it (Rice, 2022).

2.2 Marketing Mix Concept

The marketing mix is the set of controllable, tactical marketing tools that the firm blends to produce the response it was the target market. The marketing mix consists of everything the firm can do influence the demand for the product. Several combinations of marketing strategies and policies which a marketing manager adopts in order to satisfy the consumers' needs may be called marketing mix. In the words of "Marketing mix" may be defined as the combination of the fair inputs which constitute the core of a company's marketing system; the product, the distribution system, the price structure, and the promotional activities. The marketing mix is the term used to describe the appropriate combination, in a particular set of circumstances, of the four key elements that are the heart of a company's marketing program. Marketing mix refers to the set of marketing tools that a firm uses to pursue its marketing objectives in the target market. Marketing mix is aligned to the target market and it helps the firm to attain its marketing objectives. In fact, these tools enable the firm to reach the target market and achieve the objectives as regard sales, profit, market share etc. Broden (1965) reconstructed the history of the term "marketing mix". He examined the role of marketing manager in 1948 and introduced the concept of marketing mix. McCarthy (2008) proposed the four Ps definitions in 1960 and it describes the real picture of marketing mix (Weerasir, June 2016).

2.2.1 Product

Product means the good and service combination the company offers to the target market and product is the firm's tangible offer to the market, which includes the product quality, design, features, branding and packaging. Product is anything that can be offered to the market for attention, acquisition, use or consumption that might satisfy a need or want. This include: Physical objects, place, persons, idea, services and so on. Moreover, product can be defined as goods and services that fill customers' needs. Every product is made of a set of tangible and intangible characteristics. The most obvious are features such as color, shape and Price. More subtle components include styling and quality levels. Most products are marketed under brand name that helps identify them for promotional purposes, product is bundle of physical, service and symbolic attributes designed to satisfy consumer wants. Therefore, product involves package designs, brand names, trademarks, warranties and product images. The service product offers service which can be explained based in the core service which represents the core benefit, and the secondary service which represents both the tangible and augmented product levels. Because service product show case features like intangibility, inseparability, Heterogeneity, indivisibility and perishable in nature hence, service Providers have devised a strategic means of solving the problems associated with the characteristics, this include but not limited to: stress tangible cues, engage in post purchase communications, create strong organizational image, use multisite locations, manage consumers, customize service, industrialize service use strategies to cope with fluctuating demand.

2.2.2 Price

Price is the amount of money customer has to pay to obtain the product or service, such as house's price, house design, credit term and discount rate. Since price is the only element in the marketing mix that can be viewed as a source of income, and is very sensitive factor, affecting the customer buying decision, therefore, it is important to set the most reasonable price to maximize business profit. Due to the intangible nature of services, price becomes a crucial quality indicator. Price is considered as the most important measurement of repurchase intentions. It has been proven the customers normally think whether they received their value for money or not. Therefore, customers usually buy products on the basis of price rather than other attributes.

2.2.3 Place

Place defined as the ease of access which potential customer associates to a service such as location and distribution. A firm should pay attention to place decisions, because of the importance of the service and consumption occurring at the same time and at the same place; a place that provides all information for customer, competition, promotion action, and marketing task. It should pay attention to how it can deliver the service at the right time and at the right place, and which channel should be used to deliver the service (Copley, 2004)The strategy of place needs effective distribution of the firm's service among the channels of marketing. With the contemporary service marketing, place can be termed to be offline i.e. shop, warehouse, location and online.

2.2.4 Promotion

Promotion is considered as one of the important factors in the marketing mix and has a key role in market success, it defined as sales promotion, advertising, personal selling, public relations and direct marketing. Promotion is about a decision of how best to the related product to the target market and to persuade consumer to buy it. A communication program is important in marketing strategies because it plays three important roles: providing needed information and recommendation, persuading target customers to buy a specific product, and encouraging target customers to take action at specific times and place. Promotion activities can influence consumer's way of thinking, their emotions, their experience as well as their purchasing. Promotion is a selling technique, in any marketing program; it should be involved with promotion activities. Therefore, effective use of well-planned and structured promotional activities towards specific target market equally enhances customer intention and their satisfaction.

2.2.5 People

People refer to the service personnel who produce and deliver the service. It is a fact that many services involve personal interactions between customers and the service employees, and they strongly influence the customer's perception of service quality. Personnel are important to the delivery of service to customers. If there is no support from the personnel, a customer-orientation is not possible to get achievement.

2.2.6 Process

Process can be described the procedures, mechanisms and flow of activities by which the service is delivered and also the implementation of action and function that increases value for service with a low cost and a high advantage to customer, and it is more important for service than for goods. The process is clearly perceived by the customer and it forms the basis of customer satisfaction with the purchase. Therefore, process management ensures the availability and consistence of quality. The design and the implementation of process elements are crucial to the creation and delivering of product.

2.2.7 Physical Evidence

Physical Evidence is defined as the environment in which the service and any tangible goods are delivered. It is hold the great importance for the customer normally judges the quality of the service provided through physical evidence. In addition, according to Bitner (1990) adds other visible surroundings which can affect the impressions perceived by the customers about service quality. The appearance of the service employees can greatly affect a customer's satisfaction with a service experience. The environmental adornment and design also significantly influence the customer's expectations of the service.

2.3 Customer Buying Decision

Customer buying decision is a kind of decision making that studies the reason to buy a particular brand by consumer. Customer purchase decision is a complex process. Customer purchase decision usually is related to the behavior, perceptions and attitudes of consumers. Buying behavior is a key point for consumer to access and evaluate the specific product. Gogoi (2013) states that buying behavior is an effective tool to predict buying process. Customer purchase decision may be changed under the influence of perceived quality, risk and value. In addition, consumers are affected by internal or external motivations during the buying process. Researches have proposed six stages before deciding to buy the product, which are: awareness, knowledge, interest, preference, persuasion and purchase (Armstrong, 2010).

2.4 Previous Studies

Bundit (2013) studied the influencing factors of the marketing mix for customers who purchased souvenirs at Dankiewn community, Chokchai district. The study found out that marketing mix in terms of product, price, and promotion had a huge influence on customer purchasing. His study also found that the marketing mix in terms of physical environment and process had an influences and terms of the amount of purchasing in each trip.

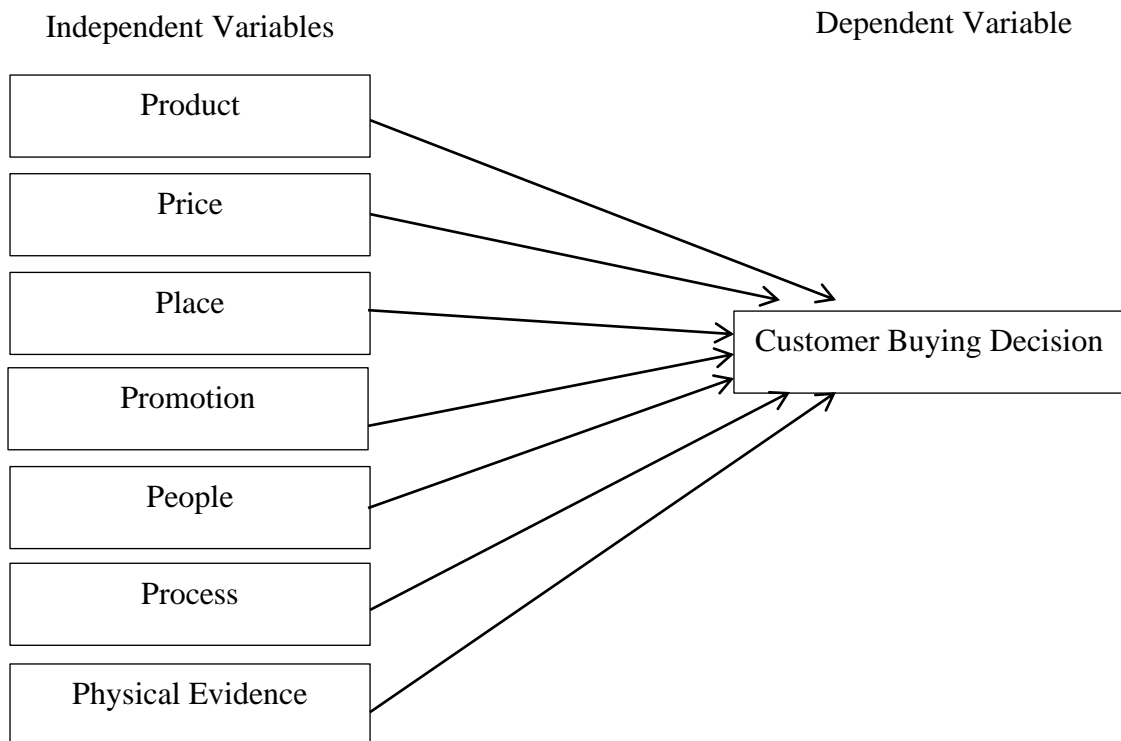
Lakshmmi and Santhi (2015) explained the importance of service sector to the economy. Their explanation said that life insurance sectors are pathways of economic development and growth of a country and these services have to be continuously innovative and updated. Service has huge demand from the society and considered main contributors to the GDP during the period of financial crisis as well. Finally, Lakshmi and Santhi (2015) added that these sectors are being growing and it has to be. They concluded stating those services are needed to create the customer satisfaction (Santhi, 2015).

Abdulsater (2018) explained impact of awareness, perception and buying decision towards Islamic life and general insurance products. His findings revealed that awareness and perception have a positive relationship with buying decision and religiosity was not strongly connected to the customer buying decisions of insurance product under Islamic law. Furthermore, he suggested the insurance companies should implement awareness campaigns to increase the knowledge and level of education on the insurance brands, products and its benefits among target segments.

2.5 Conceptual Framework of the Study

Based on the knowledge, concepts, and ideas from theory and previous empirical studies, the present study proposed the following model to test the effect of marketing mix activities on customer buying decision of motor insurance.

Figure (2.1) Conceptual Framework



Source: Own Compilation

In this conceptual framework, to analyze the effect of marketing mix activities on customer buying decision, marketing mix activities including product, price, place, promotion, people, process and physical evidence are considered as independent variable whereas customer buying decision is considered as dependent variable.

CHAPTER III

PROFILE AND MARKETING MIX ACTIVITIES OF GLOBAL WORLD INSURANCE CO.,LTD

This chapter highlights the profile of Global World Insurance Co., Ltd and Marketing Mix Activities conducted by the company.

3.1 Profile of Global World Insurance Co., Ltd

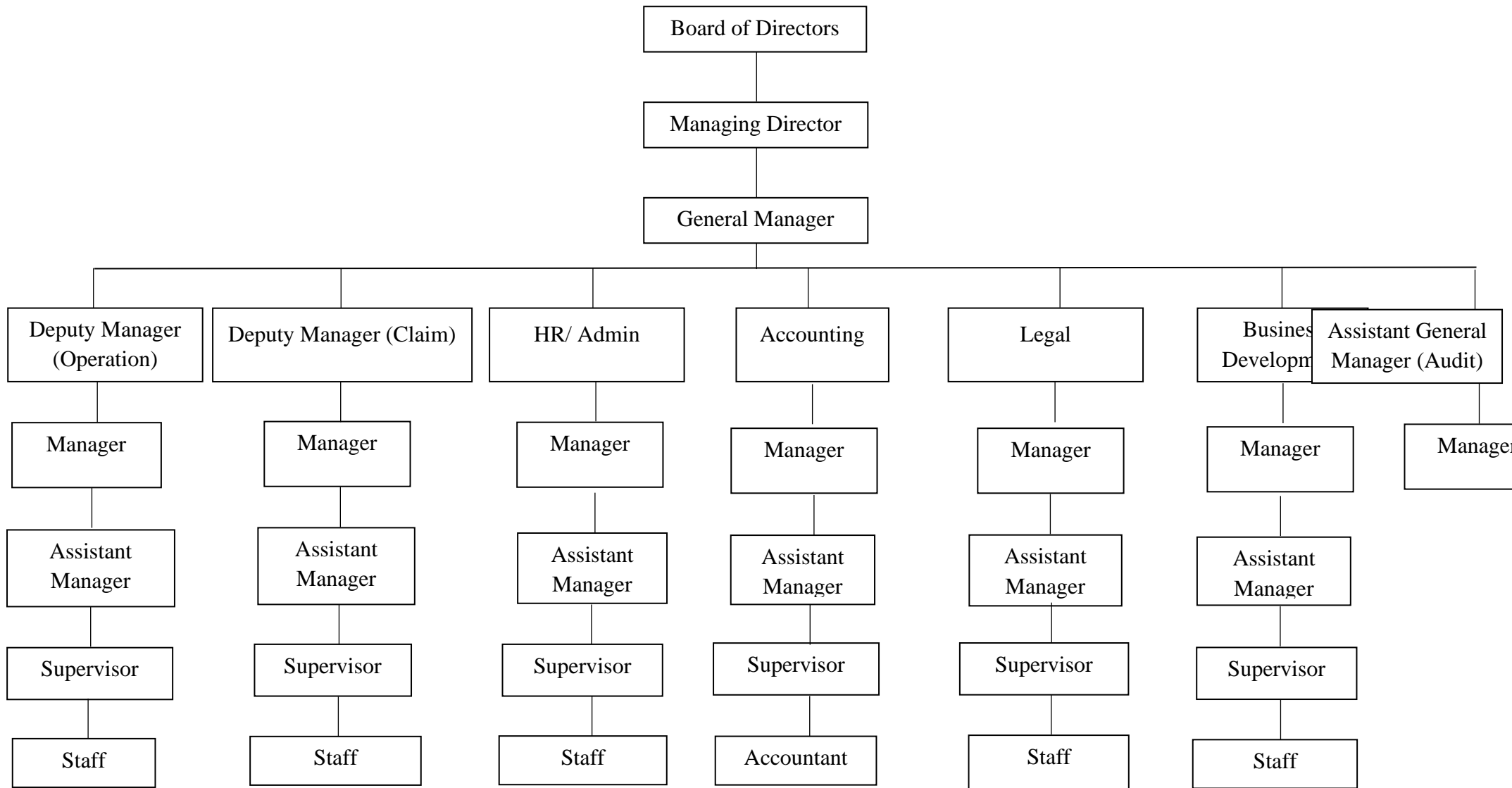
Global world insurance is one of the fastest growing private insurers in Myanmar, providing non-life insurance products. GWI started its insurance services on September 23, 2013. GWI has been around for over 8 years now, providing insurance products with the best of services. As an underwriting company, it assesses, assumes and manages risk with great insight and discipline. GWI currently operates in most parts of Myanmar, with approximately 250 employees serving a diverse group of local and foreign clients.

With the comprehensive motor insurance product, Global World Insurance helps the customers repair or replace the vehicle in the event of an unforeseen event. The professional staffs are always available to assist the customers during this difficult time. GWI has been recognized for its innovative products and services. GWI was awarded Third Sales Prize for health insurance product for the period covering July 2015 to February 2016. Professional development helps build and maintain morale of staff members, and attracts higher staff to an organization.

GWI conducts not only local training but also overseas training to enhance insurance knowledge and profession, associate with local and foreign professionals to build on human capacity. GWI tries to give back to the community by helping improve social and economic conditions through corporate social responsibility programs. As a responsible corporate entity, GWI believes that the community's success and growth reflect the commitment to the development of Myanmar.

GWI created the first Crop Insurance coverage in Myanmar. With unpredictable weather in Myanmar, the insurance covers damages to crops. Pilot projects for Crop Insurance were created in 2016 and today are currently ongoing in Ayeyarwaddy Division, Magway Division, Yangon Division and Mandalay Division. On June 2019, GWI was given the Product Innovation award for its Crop Insurance product in the 2nd Emerging Asia Insurance Awards 2019 held in Bangkok.

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



Source: Global World Insurance Co., Ltd (2022, April)

Figure (3.1) shows the organization structure of Global World Insurance Co., Ltd. It has more than 200 employees and is organized into 7 departments. There are 26 employees in the motor insurance department. There are 4 management level employees and the other employees are operation level employees.

3.2 Marketing Mix Activities Provided by Global World Insurance Co., Ltd

Global World Insurance Co., Ltd (GWI) provides marketing mix activities such as product, price, place, promotion, people, process and physical evidence. To present the marketing mix activities of GWI, face to face interview is conducted by the marketing manager of GWI.

3.2.1 Product

Global World Insurance Co., Ltd is an insurance company that mainly provides services for general insurance products. GWI has over nine general insurance products, including motor insurance. GWI has set up branch offices in each township and location to make it easier for customers to purchase products that serve customers. There are insurance agents and services to buy products. GWI supports clear policies when customers purchase a motor insurance product and influence their purchasing decisions. GWI services are Comprehensive Motor Insurance, Fire Insurance, Cash in Safe Insurance, Cash in Transit Insurance, Fidelity Guarantee Insurance, Cargo Insurance and Hull Insurance.

Among GWI's general insurance products, motor insurance product is the most popular and the type of product that most customers buy. GWI's motor insurance product covers car collision, overturning fire and lightning, damage due to wanton destruction. It is a product that mainly protects basic protections such as damage caused by transportation by land or water.

Customers also need to purchase additional protections that are not required to be taken, and those protections covers death and injury to others due to the insured event, damage to other people's property and vehicles, covers damage caused by strikes, riots. As additional protection, damage caused by natural disasters, war and the appearance of war, risk of theft, it also protects against damage to the windshield.

3.2.2 Price

In insurance industry, the maximum and minimum prices are set by the government. The prices of the products offered by GWI are reasonable and affordable for everyone based on the price that determined by the government. The payment of motor insurance are made for 3 months, 6 months, 9 months up to 1 year, etc. The insurance premium depends on the value of the car owned by the customer. As GWI's no claim bonus, if no claim is requested by the customers in the first year of insurance, the bonus is deducted from the base of premium in the following two years. GWI's motor insurance product prices depend on the customers' car type and engine power. The amount of fees to be paid is a rate that the customers afford and facilitate.

3.2.3 Place

Liaise with agents in various townships to make it easier and faster for customers to purchase motor insurance products. GWI have 24-hour customer service by opening branches in rural areas. If customers want to come to GWI head office to buy, the employees also provide services and customers who do not have time to visit GWI through agents to provide services to customers. GWI has offices in Yangon, Mandalay, Naypyitaw, Monywa, Magway and these offices are serving customers' full time. If customers want to buy GWI's motor insurance product, they can easily buy it at any time and place, and GWI's service offices are also located in places with easy access and convenient transportation, so customers can get service at any time. GWI has more than 800 agents in Myanmar, and these agents are serving customers anytime and anywhere.

3.2.4 Promotion

GWI provides promotions through social media and events to help customers make purchasing decisions. All GWI employees also promote information about the company's products to close friends and relatives and promote the company's promotion. Prior to COVID 19 duration, GWI staff visited public places to provide motor insurance knowledge and training, participate in car showroom events and promote customer service.

GWI is currently updating the company's activities through social media such as Facebook, LinkedIn, and company website to keep customers informed, through which it raises customer awareness and conducts company promotions. And GWI have

the plans to advertise on billboards and promote company's product in some crowded places. GWI has been coordinating with car showrooms to hold events and gain customers awareness. Sponsorship events are conducted in motor car related programs on TV channels such as Drive it Program of MRTV 4. At least once a month, knowledge sharing related to motor insurance is shared online and offline to promote the brand.

3.2.5 People

GWI provides competent in-house staff with customer service, who has the knowledge and skills to support service for customers' needs and questions. GWI's customer service staffs have knowledge and skills for motor car and the service of GWI's motor insurance product.

GWI staffs are also very courteous and committed to providing the best possible service to the customers. The relationship between the staffs and the customers are friendly and the customers are satisfied with the staffs' social relationship. In addition, GWI agents provide services to meet the needs of the customers, and GWI is one of the companies with the highest customer buying decisions because of people who serve them.

GWI's customer service staffs are professional staffs who wear neat and clean uniforms and are well-trained in speech and manners. The active agents trained by GWI are not GWI employees, but they are agents who can provide full customer service and dress neatly like GWI employees. As for GWI, not only in-house staffs who serve customers, but also agents have been properly trained, so they are not only knowledgeable about insurance, but also experts in customer service. They know needs and wants of the customers well and they explain and solve the customers' complaint quickly.

3.2.6 Process

GWI provides smooth service processes to customers and provides excellent and fast consulting services to reduce wasting customers' time. GWI motor insurance products are also linked to emails and SMS to keep customers informed for any update informations and renewal process of the services. GWI's motor insurance policies are clear and designed to be easy for customers to understand. GWI issue contract of motor insurance policies are clear and with transparent terms. GWI recently made a mobile

app to make it easier for customers to use, and the customers can use the insurance calculator to calculate the costs they have to pay for their insurance products. In addition, the questions and answers that customers want to know are also included in the mobile app, which is designed to solve processes faster than before.

Moreover, in order to run internal processes more smoothly, insurance system software has been provided for various departments, and plans have been made to speed up operation procedures. Due to such online services and internal online systems, the customers get the service quickly and the company starts the operation process in a short time.

3.2.7 Physical Evidence

GWI's physical environment is very clean, tidy and good ventilated. GWI's physical facility layout of service meets the functional requirements. GWI is equipped with noticeable sign boards. GWI's employees are well dressed and appear neat that enhance the company's image. GWI staffs are knowledgeable and skilled and ready to serve customers.

GWI's customer service areas are also bright and quiet. Not only GWI's working environment, but also its employees are neat and tidy and get the respect of the customers. GWI's office areas are spacious, clean, well-lit and well-ventilated. Hledan Center and GWI Head Office also have agent office to provide good customer service to agents when they visit to GWI. When the guests visit to the company, GWI provides coffee, book corners and other activities.

CHAPTER IV

ANALYSIS OF MARKETING MIX ACTIVITIES AND CUSTOMER BUYING DECISION

This chapter pertains demographic characteristics of respondents, descriptive analysis of marketing mix activities, customer buying decision and the effect of marketing mix activities on customer buying decision in motor insurance of Global World Insurance Co., Ltd.

4.1 Demographic Characteristics of Respondents

This section describes the profiles of 200 customers of Global World Insurance Co., Ltd. The demographic characteristics of respondents are analyzed by gender, marital status, age, education level, occupational level and income level. Respondents' demographic characteristics are presented in Table (4.1).

Table (4.1) Demographic Characteristics of Respondents

Respondents	No. of Respondents	Percentage	
Gender	Male	50	25
	Female	150	75
Marital Status	Single	159	79
	Married	41	21
Age (years)	Under 20 years	8	4
	Between 21 – 30	150	75
	Between 31 – 40	27	13
	Between 41 – 50	9	5
	51 and above	6	3
Education Levels	High School and Below	4	2
	University Student	74	37
	Graduate	92	46
	Post Graduate	30	15

Table (4.1) Demographic Characteristics of Respondents (Continued)

Respondents		No. of Respondents	Percentage
Occupational Levels	Self Employed	18	9
	Company Staff	166	83
	Dependent	4	2
	Others	12	6
Income Levels	Less than 1,000,000 MMK	137	68
	1,000,001 MMK – 1,500,000 MMK	35	17
	1,500,001 MMK – 2,000,000 MMK	23	12
	2,000,001 MMK and above	5	3
Total		200	100

Source: Survey data, 2022 (April)

The gender of respondents can be divided into two groups: male and female. According to the result, it is found that 50 respondents (25%) are male and 150 respondents (75%) are female. In this study, the number of female is greater than males.

The marital status of respondents can be divided into two groups: single and married. According to the result, 159 respondents are single with 79%. 41 respondents are married with 21%.

The age of respondents can be divided into four groups: under 20 years, 21–30 years, 31–40 years, 41–50 years, and 51 and above. Table (4.1) shows that the age group below 20 years has 8 respondents with 4%. The majority of respondents belong to the age group 21–30 years, which is 75%. 13% of respondents are from the age group 31–40 years, 5% of respondents are from the age group 41–50 years, and the remaining 3% of respondents are from the age group 51 and above.

The education level of respondents can be divided into five groups: high school, diploma, bachelor's degree, master's degree, doctorate, and others. They are shown in table 4.1. According to Table 4.1, four respondents have "high school and below level,"

which is 2%, a majority of 92 respondents have a "graduate," which is 46%, 74 respondents have a "university student," which is 37%, and 30 respondents have a "post graduate," which is 15%.

The occupational level of respondents can be divided into four groups: self-employed, company staff, dependent and others which are mentioned in 4.1. Table 4.1 shows that self-employed level has 18 respondents with 9%. The majority of respondents belong to the company staff which is 83%. 2% of respondents are from dependent levels, and the other level of respondents is 6%.

Regarding the income level, 68% of the respondents earn less than 1,000,000 MMK, 17% of respondent income level is between 1,000,001 MMK – 1,500,000 MMK, 12% of respondent income level is between 1,500,001 MMK – 2,000,000 MMK and the rest, 3% of respondent income level is above 2,000,000 MMK.

4.2.1 Reliability

The dependability of a measure indicates the stability and consistency with which the instrument measures the idea and aids in determining the measure's usefulness. Cronbach's alpha was utilized as a measure of internal consistency in the study. Cronbach's Alpha is dependability co-efficient that measures how effectively elements in a set are positively connected (Sekaran, 2003). The Alpha value that applies to the majority of circumstances is presented as follows:

$\alpha > .9$ – excellent

$\alpha > .8$ - good

$\alpha > .7$ - acceptance

For the reliability analysis, marketing mix activities were measured with thirty-five items each and customer buying decision was measured with five items. The Cronbach's Alpha value for each variable are shown in Table (4.2).

Table (4.2) Reliabilities of the Variables

Variables	Item	Cronbach's Alpha value
Product	5	.848
Price	5	.809
Place	5	.889
Promotion	5	.777
People	5	.878
Process	5	.938
Physical Evidence	5	.946
Customer Buying Decision	5	.901

Source: Survey data, 2022 (April)

Table (4.2) shows the alpha values of the selected variables (product, price, place, promotion, people, process, physical evidence and customer buying decision) have an alpha value of 0.848, 0.809, 0.889, 0.777, 0.878, 0.938, 0.946, and 0.901. The seven variables (product, price, place, promotion, people, process and physical evidence) were regarded as the independent variables, while customer buying decision was the dependent variable to analyze the effect of marketing mix activities on customer buying decision. According to the reliabilities of the variables, the independent variables (product, price, place, promotion, people, process and physical evidence) and dependent variable (customer buying decision) are reliable variables because of their alpha value are over 0.7.

4.2 Descriptive Analysis of Marketing Mix Activities

A structured questionnaire is used to collect the primary data. The purpose of this study is to determine the respondent's perception on marketing mix activities conducted by Global World Insurance Co., Ltd for motor insurance product and customer buying decision. As the first step of the analysis, reliability test and descriptive analysis are conducted in this study.

According to Best (1977), the mean values of five-point Likert scale items were interpreted as follows:

The score among 1.00 – 1.80 means strongly disagree.

The score among 1.81 – 2.60 means disagree.

The score among 2.61 – 3.40 means neither agree nor disagree.

The score among 3.41 – 4.20 means agree.

The score among 4.21 – 5.00 means strongly agree.

This section presents the customer perception on the marketing mix activities conducted by Global World Insurance Co., Ltd for motor insurance product. The following tables describe the mean values, standard deviations, and overall mean values for each marketing mix variable. In this study, customers are asked five questions to describe their perception on product of the company that affects their purchase decision which is shown in Table (4.3).

Table (4.3) Product of Motor Insurance

No.	Particular	Mean	Standard Deviation
1.	GWI offers motor insurance product with optional coverage	3.68	.996
2.	GWI's motor insurance product covers accidental damage to the insured vehicle and damage to other vehicles caused by the insured vehicle, death and injuries, social and economic consequences for property damage, economic hardship that	3.58	.877
3.	There is a wide range of coverage to choose motor insurance product in GWI.	3.38	.871
4.	The motor insurance product offered by GWI is good.	3.46	.987
5.	GWI's motor insurance product brand name is well known and popular among customers.	3.46	.981
Overall Mean Value		3.51	

Source: Survey data, 2022 (April)

According to Table (4.3), the maximum mean value 3.68 represents that most respondents agreed with the motor insurance product with optional coverage offered by GWI. Having many options in motor insurance products is a way for customers to choose this product. The minimum mean value 3.38 represents that most respondents neither agree nor disagree on the statement of “there is a wide range of coverage to choose motor insurance product in GWI”. It is because the most respondents assume that choosing one type of motor insurance product provides a lot of coverage. A motor

insurance product has several coverage options and comprehensive coverage is only covered in the event of a claim if a comprehensive coverage type is purchased. However, most customers assume that the entire car is covered if a claim occurs. Therefore, the customers were the least agreed with the claim case because it is not in line with the policy of GWI, and the company denies it.

Concerning the perception of respondents on the price factor among the marketing elements of GWI, respondents are asked five questions to determine the effect of price factor. Table (4.4) presents the mean value and standard deviation of price factor.

Table (4.4) Price of Motor Insurance

No.	Particular	Mean	Standard Deviation
1.	GWI's motor insurance product prices are reasonable.	3.57	.954
2.	GWI's motor insurance product price range is affordable for everyone.	3.39	.944
3.	GWI's motor insurance product can be insured not more than market price.	3.42	.893
4.	GWI's motor insurance prices depend on how the vehicle is used and the engine power.	3.55	.917
5.	The price of a product is a reflection of its performance.	3.18	.976
Overall Mean Value		3.42	

Source: Survey data, 2022 (April)

According to Table (4.4), the maximum mean value 3.57 is found in the statement: "GWI's motor insurance product prices are reasonable. Because GWI motor insurance product price are set based on the government's instruction of price rate .The minimum mean value 3.18 is found in the statement "The price of a product is a reflection of its performance." It is found that insurance service is not a product that can be determined based on performance like other products. Since it is a service-based product, the product performance is good only if the service is good. Therefore, customers are least concerned about the effect of insurance performance on their buying decision.

Regarding the perception of respondents on the place factor among the marketing elements of GWI, respondents are asked five questions to determine the effect of place factor. Table (4.5) presents the mean value and standard deviation of place factor.

Table (4.5) Place of Motor Insurance

No.	Particular	Mean	Standard Deviation
1.	GWI's service areas are readily available for the customers.	3.45	.909
2.	GWI branches are located in Yangon, Mandalay, Naypyitaw, and Magway that are easily accessible to customers.	3.51	.888
3.	The physical location is smooth in transportation for the customers.	2.31	.623
4.	GWI's agents are located in many cities in Myanmar and they provide timely service to customers.	3.55	.921
5.	GWI has many agents to provide services to customers in rural areas.	3.41	.960
Overall Mean value		3.24	

Source: Survey data, 2022 (April)

According to Table (4.5), among the place elements, the highest mean value 3.55 presents most respondents agree on the statement of “GWI branches are located in Yangon, Mandalay, Naypyitaw, and Magway that are easily accessible to customers” because there are about 800 GWI insurance agents in these cities. Therefore, customers can meet the agents easily and get service quickly. The lowest mean value 2.31 presents that most respondents disagree on the statement of “the physical location is smooth in transportation for the customers” because the location of a product that does not influence customer buying decision.

To examine the respondents' perception on promotion factors, five questions that are shown in Table (4.6) are asked to respondents. Table (4.6) mentions mean value and standard deviation of promotion factor.

Table (4.6) Promotion of Motor Insurance

No.	Particular	Mean	Standard Deviation
1.	If a customer insured more than 10 vehicles at the same time, GWI promote fleet discount (10%) less than the basic premium of each premium.	3.24	.840
2.	GWI's advertising media are extensive and easily visible to the customers.	3.23	.865
3.	GWI's sales persons are very confident and their appearance defines the brand of GWI.	3.86	.994
4.	GWI corporates with the car showroom for product promotion events that are held frequently and the customers are interested in the products.	3.52	.982
5.	The customers notice brands that are involved in sponsorship events.	3.13	.781
Overall Mean value		3.39	

Source: Survey data, 2022 (April)

According to Table (4.6), the maximum mean value, 3.86, presents most respondents agree on the statement of “GWI’s sales persons are very confident and their appearance defines their brand”. It is because GWI has sales persons who are smart, neat and tidy, and these sales persons provide full service to customers with knowledge about insurance. Most respondents agree that smart and well-trained staffs reflect the company's image. The lowest mean value 3.13 demonstrates most respondents neither agree nor disagree on the statement: “brands that are involved in sponsorship events” because the company is less attention to sponsorship events.

Table (4.7) mentions about the people factor among marketing mix elements five questions are measured to people factor in this study.

Table (4.7) People of Motor Insurance

No.	Particular	Mean	Standard Deviation
1.	GWI has a sufficient number of employees at work.	3.36	.873
2.	GWI's employees have required knowledge and skills to answer customers' questions.	3.34	.926
3.	GWI's employees are having contact with the customers after their purchasing.	2.36	.625
4.	GWI's employees are friendly, polite, and service minded: they ensure the customers' needs are met.	3.28	.919
5.	GWI's customer service employees solve the customers' complaints quickly.	3.41	.925
	Overall Mean Value	3.15	

Source: Survey data, 2022 (April)

According to Table (4.7), the maximum mean value 3.41 presents that the most respondent agree on the statement of “customer service employees solve the customers’ complaints quickly”. It is found that GWI have sufficient well-trained service staffs to provide quick service to customers and resolve complaints quickly. And the service staffs provide 24-hour service to resolve customer issues. The lowest mean value, 2.36, represents the most respondents disagree on the statement of GWI’s employees are having contact with the customers after their purchasing”. It is because customers mostly connect with agents. Although there are in house sales staffs, most of them are connected only through agents. The fact that they are not closely connected with GWI employees because they only connect with claim staffs when a claim case occurs.

Table (4.8) mention about the process and there are five questions for this part as follows,

Table (4.8) Process of Motor Insurance

No.	Particular	Mean	Standard Deviation
1.	GWI provides smooth service process, for example, less waiting time to the customers for consulting services.	3.31	.871
2.	GWI provides information through e-mail or SMS.	3.25	.933
3.	GWI issues contract of motor insurance policies that are clear and with transparent terms.	3.53	.929
4.	GWI is innovative in introducing new service systems.	3.24	.881
5.	GWI has prompt and efficient complaint handling mechanism.	3.32	.944
Overall Mean Value		3.33	

Source: Survey data, 2022 (April)

According to Table (4.8), the maximum mean value 3.53 describes that most respondents agree on the statement of “GWI issues contract of motor insurance policies that are clear and with transparent terms” while the lowest mean value 3.24 describes that most respondents neither agree or disagree on the statement of “GWI is innovative in introducing new service systems”.

Regarding the physical evidence factor, five questions are asked to the respondents to determine their perception on physical evidence factor of GWI. Table (4.9) presents mean value and its standard deviation of physical evidence factor.

Table (4.9) Physical Evidence of Motor Insurance

No.	Particular	Mean	Standard Deviation
1.	GWI's physical environment is very clean, tidy and good ventilated.	3.36	.962
2.	GWI is equipped with noticeable sign boards.	3.46	.997
3.	GWI's employees wear neat and tidy dresses.	3.55	.991
4.	GWI's employees' knowledge, skills, consideration and their behavior shows the competent to serve the customer.	3.54	.987
5.	GWI's physical facility layout of service meets the functional requirements.	3.45	.939
Overall Mean Value		3.47	

Source: Survey data, 2022 (April)

According to Table (4.9), the maximum mean value 3.55 is found at the statement of “GWI is a company that not only trains employees how to communicate with the customers but also how to dress properly”. GWI's employees wear neat and tidy dress that can provide a good impression to customers. Most respondents neither agree nor disagree on the statement of “GWI's physical environment is very clean, tidy and good ventilated” because it's mean value is 3.36.

Table (4.10) Overall Mean values of Marketing Mix Activities

Variables	Mean	Standard Deviation
Product	3.51	.744
Price	3.42	.707
Place	3.24	.721
Promotion	3.39	.652
People	3.15	.707
Process	3.33	.816
Physical Evidence	3.47	.884

Source: Survey data, 2022 (April)

Table (4.10) shows the overall mean value of marketing mix elements of GWI. Among the marketin mix elements, product has the highest mean value with 3.51 whereas people has the lowest mean value with 3.15 in this study.

4.3 Customer Buying Decision for Motor Insurance

This section presents customer buying decision in motor insurance of Global World Insurance Co., Ltd. Seven items are used to assess the customer buying decision variable. Table (4.11) summarizes mean value of customer buying decision with Global World Insurance Co., Ltd.

Table (4.11) Customer Buying Decision

No.	Particular	Mean	Standard Deviation
1.	I always trust GWI for its services.	3.71	.998
2.	I think GWI services are worth for buying.	3.42	.857
3.	I feel GWI service should have more quality.	2.38	.705
4.	The information referred from GWI induces me to purchase the services.	3.49	.946
5.	I will recommend others to buy GWI's insurance services.	3.35	.922
Overall Mean Value		3.26	

Source: Survey data, 2022 (April)

According to Table (4.11), the overall mean value for customer buying decision is 3.26 that shows the neither agree nor disagree level of customers. The maximum mean value 3.71 is found in the statement on "I always trust GWI for its services." It is because most customers trust GWI because it provides the prompt services without delay according to the contract of the service. Among the insurance companies, GWI provides the the speediest claims and the finest service. The minimum mean value 2.38 is found in the statement on "I think GWI services should have more quality." Customers like GWI services but they want to get better services than the current situation. They want high quality services because they want to get not only offline services but also modern online services.

4.4 Relationship between the Marketing Mix Activities and Customer Buying Decision of Motor Insurance

Correlation is the measurement of the degree of relationship between two or more paired variables or two or more sets of data. Correlation is a statistical approach for determining if and how closely two variables are linked. The correlation coefficient can be anything between -1.0 and +1.0. If the value is negative, it signifies that as one variable increases in size, the other one decrease in size.

The correlation of the independent variables (product, price, place, promotion, people, process, and physical evidence) and dependent variable (customer buying decision) are tested to show the extent of relationship between the dependent variable and independent variables. The results of correlations of the measured variables are shown in Table (4.12).

Table (4.12) The Correlation of Marketing Mix Activities and Customer Buying Decision

No.	Description	Pearson Correlation Coefficient	P – value
1	Product	.624***	0.000
2	Price	.594***	0.000
3	Place	.760***	0.000
4	Promotion	.810***	0.000
5	People	.803***	0.000
6	Process	.871***	0.000
7	Physical Evidence	.921***	0.000

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

Dependent variable: Customer Buying Decision

Source: Survey data, 2022 (April)

In Table (4.12), all marketing mix activities (product, price, place, promotion, people, process and physical evidence) are significantly correlated with customer buying decision at 0.01 significant level. According to the results, marketing mix activities have a strong correlation with customer buying decision. Among marketing mix activities, the physical evidence had the strongest correlation with customer buying decision while the correlation between the prices is weak. The correlation results

showed that marketing mix activities are essential to promote the customer buying decision for motor insurance product.

4.5 The Effect of Marketing Mix Activities on Customer Buying Decision

Multiple regression analysis is conducted to achieve the proposed objective that is to examine the effect of Marketing Mix Activities on customer buying decision in Motor Insurance of Global World Insurance Co., Ltd. Customer Buying Decision is taken as a dependent variable in this regression model. The independent variables used in the model are: Product, Price, Place, Promotion, People, Process, and Physical Evidence. Table (4.13) shows results of regression analysis.

Table (4.13) Effect of Marketing Mix Activities on Customer Buying Decision

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
(Constant)	.311	.093		3.344	.001
Product	.232***	.039	.229	6.000	.000
Price	.031	.048	.029	0.657	.512
Place	.074	.053	.071	1.410	.160
Promotion	.189**	.059	.163	3.195	.002
People	.105**	.045	.098	2.314	.022
Process	.355***	.043	.384	8.237	.000
Physical Evidence	.503***	.042	.589	12.097	.000
R				.954	
R ²				.909	
Adjusted R ²				.906	
F-test				275.201	

Dependent variable: Customer Buying Decision

*** and ** represent significant at the 0.01 and 0.05 levels respectively

Source: Survey data, 2022 (April)

According to Table (4.13), this model could reasonably clarify on the variation of marketing mix activities since the value of adjusted R² is 0.906 in this study. Therefore, 90.6% of the variation in dependent variable, customer buying decision, is

explained by the association among independent variables, marketing mix activities: product, price, place, promotion, people, process, and physical evidence. According to the regression results, the five factors (product, promotion, people, process and physical evidence) have significant and positive effects on customer buying decision.

As shown in Table (4.13), product, process and physical evidence have positive significant effect on marketing mix activities conducted by GWI at 1 percent significant level while people and process factors have also positive significant effects on marketing mix activities at 5 percent significant level. The results indicate that increases in product, process, physical evidence, people and process activities by GWI can enhance the customer buying decision in motor insurance product.

In this study, price and place factors have no significant effects on customer buying decision. It is because in insurance industry, the maximum price of the product is determined by government and the prices of the insurance products are not different among the insurance companies. They have to differentiate with services to attract customers. Similarly, regarding the place factor, majority of the insurance companies use agents to improve their services. Therefore, for insurance companies, most customers purchase insurance products especially motor insurance through agent channel.

CHAPTER V

CONCLUSION

This chapter presents the findings and discussions of the study that based on the results from analysis. Moreover, suggestions and recommendations and the limitations and needs for further studies are also discussed in this chapter.

5.1 Findings and Discussions

This study attempts to identify the marketing mix activities and to analyze the effect of marketing mix on customer buying decision in motor insurance of Global World Insurance Company Limited (GWI). To achieve these objectives, (200) customers who buy motor insurance product from GWI are selected in this study.

Regarding the profile of respondents, most of the respondents are female. And most respondents are single and belong to the age group 21–30 years. Concerning the education level, most respondents are graduate. The majority of respondents belong to the company staff and they can earn less than 1,000,000 MMKs.

Concerning the product factor, the study found that GWI provides the motor insurance product with optional coverage but customers cannot choose motor insurance product with a wide range of coverage to in GWI". It is because comprehensive coverage is only covered in the event of a claim if a comprehensive coverage type is purchased. However, most customers assume that the entire car is covered if a claim occurs.

The study found that GWI's motor insurance product price is reasonable. It means that in this industry, maximum and minimum prices of insurance products are determined by the government. Therefore, price of the insurance product are not significant different among the insurers. Moreover, insurance industry is a service-based industry and the product performance is mainly based on the services provided by the company. Therefore, price does not direct affect on the performace of the product.

Regarding the place elements, GWI opened the branches in Mandalay, Naypyitaw, and Magway customers can be easily accessible the insurance products of GWI. Moreover, GWI has 800 insurance agents in these cities. Therefore, customers can meet the agents easily and get service quickly. The study found that he location of

a GWI does not influence customer buying decision because customers can purchase insurance products of GWI through agent channel.

Regarding the promotion factor, the study found that GWI's sales persons are very confident and their appearance can define their brand because GWI has sales persons who are smart, neat and tidy, and these sales persons provide full service to customers with knowledge about insurance. However, the study observed that the company is less attention to sponsorship events.

Concerning the people factor, the study revealed that the customer service employees solve the customers' complaints quickly" because GWI have sufficient well-trained service staffs to provide quick service to customers and resolve complaints quickly. And the service staffs provide 24-hour service to resolve customer issues. The GWI's employees do not make continuous contacts with their customers after sales. It is because customers mostly connect with agents. Although there are in house sales staffs, most of them are connected only through agents. The fact is that they are not closely connected with GWI employees because they only connect with claim staffs when a claim case occurs.

Concerning the process factor, the study found that the GWI issues contract of motor insurance policies that are clear and transparent terms and the processes (purchase, claim, etc.). Moreover, GWI recently made a mobile app to make it easier for customers to use easily through mobile app for providing the services and handling the complaints. And GWI is processing to run internal processes more smoothly, insurance system software has been provided for various departments, and plans have been made to speed up operation procedures by using new service system. However, the customers couldn't know how GWI is running with new service systems as it is the internal process of the company.

Regarding the physical evidence factor, the staff of the company have a strong emphasis on communication by providing services that are dependable and stable, have a good reputation, and dress properly. Therefore, the study observed that the physical environment of the company is not known because the customers come to the company less often and the employees provide door-to-door services.

Regarding the effect of marketing mix activities on customer buying decision, the study found that product, process, physical evidence, people and process have positive significant effect on marketing mix activities conducted by GWI. The results

explain that increases in these activities conducted by GWI can lead to improve the buying decision of customers.

In this study, price and place factors have no significant effects on customer buying decision. It is because the maximum and minimum prices of the insurance products are determined by government. Therefore, the prices of the insurance products are not different among the insurance companies. They have to differentiate with services to attract customers. Similarly, regarding the place factor, most insurance companies use agents to improve their services. Therefore, for insurance companies, most customers purchase insurance products especially motor insurance through agent channel.

5.2 Suggestions and Recommendations

According to the result, the study concluded that product, promotion, process, people and physical evidence have significant effect on buying decision. Better the quality perceived is, better brand's image, sales and reliability. GWI should conduct regular customer satisfaction surveys and sample group interviews to track customers and non-customer decisions of the quality of its own and its competitors' products and services and all customer inquiries and complaints. The company should maintain the quality of its products especially in service because customers are more conscious of quality than price. Thus, the higher quality of product will lead to a successful outcome in the long run. The insurance industry is a highly competitive market. Customers are more likely to buy an insurance product after careful consideration. Therefore, GWI should improve its service quality as it is now, as they make a lot of decisions about the fast service, product quality and price when purchasing a product. The reliability of product is one of the important dimensions that make a successful business.

Promotion and advertising are important as it influences on buying motor insurance product. Advertising is a communication between the target audience and the service provider. Different media channels should be used to promote products. TV, radio, internet, websites and print media are important sources to create the awareness among the people of target market. As customers become more interested in promotion and make purchase decisions, GWI should conduct promotions and events to bring brand awareness about motor insurance products directly to the customers. Crowded places, car showrooms, conducting automobile events, GWI should raise awareness and promote the motor insurance product to the customers. In order to promotion, GWI's

promotions are significant in customer buying decisions. GWI should establish a monthly and weekly plan for the current promotions and achieve customer awareness. Since customer awareness is a starting point for making customer buying decisions, GWI should continue to do promotion events to keep customers familiar with GWI and improve the current situation.

People affect significantly towards consumer purchase decisions in choosing insurance product on motor insurance. The quality of service depends on the ability of the staff and employee. That's why it is important to keep the good quality of people in the company. In the highly competitive insurance industry regarding people, customer service staffs are very important. Therefore, the staffs should be thoroughly trained and cultivated to be full of knowledge in insurance. Talented employees should be given development training so that they can do more than now. Good staff service will make customers make buying decisions. Therefore, the staffs should be cultivated well. As for agents, loyal agents also need to be produced regularly and the necessary training needs to be provided continuously. Agents are in direct contact with customers, so the company should improve the performance of agents.

Process affect significantly towards customer buying decisions in choosing motor insurance product on Global World Insurance Co., Ltd. When the process (buy, claim, etc) become clear and easier customer will be more satisfy with the services and become the loyal customer. GWI has partnered with ACE company to start using advance software to make internal operation procedures easier, faster and smoother than ever before. In addition, in order to provide quick service to customers, a mobile app has been developed in accordance with the times. In mobile app, product specifications, claim service and other necessary information will be available 24 hours service for the customers.

The physical evidence of the staff is important and need to cultivate a lot of well-dressed employees when providing services to customers. An insurance company should meet international standards and the service area should be clean and tidy. According to the result, the customers are more likely to prefer a clean, tidy service area. Therefore, GWI should create a more standard and beautiful office space for office service areas. GWI is currently trying to open new branches. Concerning the physical evidence, GWI should provide a very clean, tidy and good ventilated physical environment, and have attractive and noticeable signboards to increase the customer buying.

In additions, GWI has opened branches in major cities such as Yangon, Mandalay, and Naypyitaw, but most customers rarely visit GWI directly. When the customers visit, it may take some time depending on the location. Therefore, it should be done to have offices in a place that is easily accessible and has good transportation. Yangon is a large city that is difficult to navigate due to its dense population and heavy traffic. Therefore, if the headquarters is located in Yangon, it should be located in a place that is easy for people to travel to and can take a little time. At present, GWI's agent office has been opened in an easily accessible and densely populated in Hledan center. And in the future, GWI should continue to open branches in such convenient transportation and locations to serve the customers.

5.3 Limitations and Needs for Further Studies

The study mainly focuses on marketing mix activities and customer buying decision towards motor insurance product of Global World Insurance Co., Ltd because of the time and financial constraints. Therefore, customer satisfaction of Global World Insurance Co., Ltd., should be conducted. Moreover, marketing mix activities of insurance industry should be conducted as a further study. In additions, other influencing factors such as brand trust, and brand awareness on customer buying decision towards motor insurance product should be made. Nowadays, there are a lot of insurance products in Myanmar and they become popular among middle class people. Therefore, researches on the motor insurance products and other general insurance products with various segments should be conducted.

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APPENDIX

Questionnaire

Dear Sir/Madam,

I request you to answer the following questions. The questions are purely for academic purpose. The questionnaire is a part of study for Master of Banking and Finance, MBF Programme, and Department of Commerce at Yangon University of Economics. The objective of the research is to analyze the marketing mix activities and how it impacts on customer buying decision in motor insurance of Global World Insurance Co., Ltd. I need your participation. Thank you.

The Researcher

PART A: GENERAL INFORMATION

Please put a tick mark on the correct answer bracket to the following questions.

1. Gender

- Male
- Female

2. Marital Status

- Single
- Married

3. Age

- Under 20 years
- Between 21-30 years
- Between 31-40 years
- Between 41-50 years
- Above 51 year

4. Education Level

- High school and below
- University student
- Graduate
- Post Graduate

5. Occupation Level

- Self-employed
- Company staff
- Government staff
- Dependent
- Others

6. Income Level

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

PART B: Marketing Mix Activities

Section A: Product of Motor Insurance

Guiding scale in each statement -Strongly Disagree (1), Disagree (2), Neutral (3), Agree (4), Strongly Agree (5).

Sr No	Factor 1: Product	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1	GWl offers motor insurance product with optional coverage.					
2	GWl's motor insurance product covers accidental damage to the insured vehicle and damage to other vehicles caused by the insured vehicle, death and injuries, social and economic consequences for property damage, economic hardship that					
3	There is a wide range of coverage to choose motor insurance product.					
4	The motor insurance product value offered by GWl is good.					
5	GWl's motor insurance product brand name is well known and popular among customers.					

Section B: Price of Motor Insurance

Sr No	Factor 2: Price	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1	GWI's motor insurance product prices are reasonable.					
2	GWI's motor insurance product price range is affordable for everyone.					
3	The price of a product is a reflection of its performance.					
4	GWI's motor insurance prices depends on how the vehicle is used and the engine power.					
5	GWI's motor insurance product can be insured not more than market price.					

Section C: Place of Motor Insurance

Sr No	Factor 3: Place	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1	GWI's service areas are readily available for the customers.					
2	GWI branches are located in Yangon, Mandalay, Naypyitaw, and Magway that are easily accessible to customers.					
3	The physical location of a product is smooth in transportation for the customers.					
4	GWI's agents are located in many cities in Myanmar and they provide timely service to customers.					
5	GWI has many agents to provide services to customers in rural areas.					

Section D: Promotion of Motor Insurance

Sr No	Factor 4: Promotion	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1	If a customer insured more than 10 vehicles at the same time, GWI promote fleet discount (10%) less than the basic premium of each premium.					
2	GWIs advertising media are extensive and easily visible to the customers.					
3	A sales person's confidence and negotiation influence my buying decision of a product.					
4	GWI corporates with the car showroom for product promotion events that are held frequently and the customers are interested in the products.					
5	The customers notice brands that are involved in sponsorship events.					

Section E: People of Motor Insurance

Sr No	Factor 5: People	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1	GWI has a sufficient number of employees at work.					
2	GWI's employees have required knowledge and skills to answer customers' questions.					
3	GWI's employees are friendly, polite, and service minded: they ensure the customers' needs are met.					
4	GWI's employees are having contact with the customers after their purchasing.					
5	GWI's customer service employees solve the customers' complaints quickly.					

Section F: Process of Motor Insurance

Sr No	Factor 6: Process	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1	GWI demonstrates smooth service process, for example, less waiting time to the customers for consulting services.					
2	GWI provides information through e-mail or SMS.					
3	GWI issue contract of motor insurance policies that are clear and with transparent terms.					
4	GWI is innovative in introducing new service systems.					
5	GWI has Prompt & Efficient complaint handling mechanism.					

Section G: Physical Evidence of Motor Insurance

Sr No	Factor 7: Physical Evidence	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1	GWI's physical environment is very clean, tidy and good ventilated.					
2	GWI is equipped with noticeable sign boards.					
3	GWI's employees are well dressed and appear neat.					
4	GWI's employees' knowledge, skills, consideration and their behavior shows the competent to serve the customer.					
5	GWI's physical facility layout of service meets the functional requirements.					

PART C: Customer Buying Decision

Sr No	Customer Buying Decision	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1	I always trust GWI for its services.					
2	I feel GWI service has more quality.					
3	I think GWI services are worth for buying.					
4	The information referred from GWI induces me to purchase the services.					
5	I will recommend others to buy GWI's insurance services.					

Thanks for your cooperation.