ABSTRACT

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The objectives of this study of factors determining the buying of insurance policy under the Motor Vehicle Protection Act-B.E.2535 are to understand problems and attitudes of motorcycle users toward this act and to identify factors that have influence over the motorcycle user's decision on buying the Compulsory Insurance Policy. Field Interview technique is used to collect data by random sampling of the motorcycle users in the area of Mueang District, Chiang Mai Province. The data then has been computed and interpreted using Chi-squared methodology.

The study reveals that most of the motorcycles in Mueang District, Chiang Mai Province are already insured and the motorcycle users generally have positive attitude toward the Compulsory Insurance as they agreed that policy coverage are worth for the premium they paid. The study also found that drivers of uninsured motorcycles have higher possibility to ran away from the accident scene in order to avoid legal charges and liabilities on bodily injuries, deaths and damaged properties caused by them. According to this study, factors that have influence over the motorcycle user's decision on buying the compulsory insurance policy are legal enforcement of the Department of Transport prior to approval of Tax Registration License Renewal, Career of the motorcycle user, Pricing of the insurance policy and it's worth for value. While the study reflects that an income and a level of education of the motorcycle user , the police enforcement

the decision to buy the Insurance. The study clearly indicates that most of the current policy holders bought the Compulsory Insurance Policy because they could not avoid the legal enforcement of the government officials but not because of their understanding and foreseeing the necessity and benefits of the policies. Therefore if the law enforcement was neglected, the number of uninsured vehicles would certainly increase. The study recommends that in additional to routine campaigns and propaganda about rights, benefits and interests of the Compulsory Policy, the insurance businesses must develop and upgrade their service standards, especially the efficiency and effectiveness of claims services. The study is convinced that if the satisfactory service could be delivered, the Compulsory Policy would eventually become one of the insurance category that people would voluntarily buy. If all motor vehicles are insured, all road accident victims would therefor be protected as intended by this Law.