

ABSTRACT

Abstract of special problem submitted to the Graduate School of Maejo University in partial fulfillment of the requirements for the degree of Master of Business Administration in Business Administration

THE LIFE INSURANCE POLICY BUYING BEHAVIOR OF CONSUMERS IN AMPHUR MUANG, CHANGWAT CHIANGMAI

By

SUMONMAN GRUOYSAWAT

OCTOBER 2000

Chairman : Professor Yanyong Sitdhichai

Department/Faculty : Department of Agricultural Business Administration and Marketing,
Faculty of Agricultural Business

The purposes of this research were to examine (1) life insurance policy buying behavior of consumers in Amphur Muang, Changwat Chiangmai; (2) market mixed strategies used by consumers in buying life insurance policy; and (3) the consumers' problems in buying life insurance policy. The data were collected by means of pretested questionnaires from 163 samples of people having bought insurance policy and living in Amphur Muang, Changwat Chiangmai selected by quota sampling and divided according to market shares of 12 companies and analyzed by using the Statistical Package for the Social Sciences (SPSS for Windows 7.5).

The results indicated that most of the consumers were female, 20-30 years of age, married, completed a bachelor level of education, worked in private companies and earned less than 6,000 Baht per month.

The consumers bought only one endowment insurance policy each, with 50,000 – 100,000 Baht of minimum policy, from agents of insurance companies. The premium rate was less than 15,000 Baht and paid yearly to agents collecting it at home or at the office. Important persons influencing the consumers to buy insurance policy were parents and spouses. The

important reason for buying insurance policy is to avoid burdening families if the insurance policy purchasers become disabled or die.

The overall level of importance of marketing mixed factors affecting the consumers' buying decision was very high. Products, prices and distribution channels had a very high level of importance but marketing promotion had a moderate level.

The consumers' problems after buying insurance policy i.e. company, agent and customer problems were at a moderate level when considered both overall and individually.

The following recommendations were made: 1) Insurance companies should improve their services; policy and premium rate should be adjusted to suit economic situations and more public relations should be made so that consumers will understand insurance advantages better. 2) Agents should be trained before selling insurance policies to consumers; they should be sincere and honest; and they should offer the consumers the insurance policies compatible with the consumers' needs and ability to pay.